
Invesco second-quarter 2011 results

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July 26, 2011



Forward-looking statements

This presentation, and comments made in the associated conference call today, may include “forward-looking statements.” Forward-looking statements include information concerning future results of our operations, expenses, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, AUM, acquisitions, debt and our ability to obtain additional financing or make payments, regulatory developments, demand for and pricing of our products and other aspects of our business or general economic conditions. In addition, words such as “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates,” “projects,” “forecasts,” and future or conditional verbs such as “will,” “may,” “could,” “should,” and “would” as well as any other statement that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. There can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks described in our most recent Form 10-K and subsequent Forms 10-Q, filed with the Securities and Exchange Commission.

You may obtain these reports from the SEC’s website at www.sec.gov. We expressly disclaim any obligation to update the information in any public disclosure if any forward-looking statement later turns out to be inaccurate.

Discussion topics

Second-quarter overview

Taking our European business forward

Financial results

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Appendix

Second-quarter overview

Maintaining positive momentum in our business

- Long-term investment performance was strong across the enterprise during the second quarter
- Continued positive trend of net long-term inflows
- Achieved margin expansion and earnings growth against a backdrop of volatile markets
- Second-quarter dividend of 12.25 cents per share represents an increase of 11.4% over the 2010 quarterly dividend
- Repurchased 11.3 million shares for \$280 million during the quarter

Summary of second-quarter 2011 results

Assets under management

- June 30, 2011 AUM of \$653.7 billion versus \$641.9 billion as of March 31, 2011
- 2Q11 average AUM was \$652.8 billion versus \$630.2 billion for 1Q11

Flows

- Total net inflows of \$7.3 billion
- Net long-term inflows of \$3.8 billion
- Institutional money market net inflows of \$3.5 billion

Overall operating results*

- Adjusted operating income in 2Q11 was \$285 million versus \$272 million in 1Q11
- Adjusted operating margin was 37.9% in the quarter versus 37.6% in 1Q11
- Adjusted diluted EPS for the quarter was \$0.44 versus \$0.41 in the prior quarter

Capital management

- Second quarter dividend of 12.25 cents per share
- Repurchased 11.3 million shares during the quarter for \$280 million
- Corporate cash balance of \$621.5 million

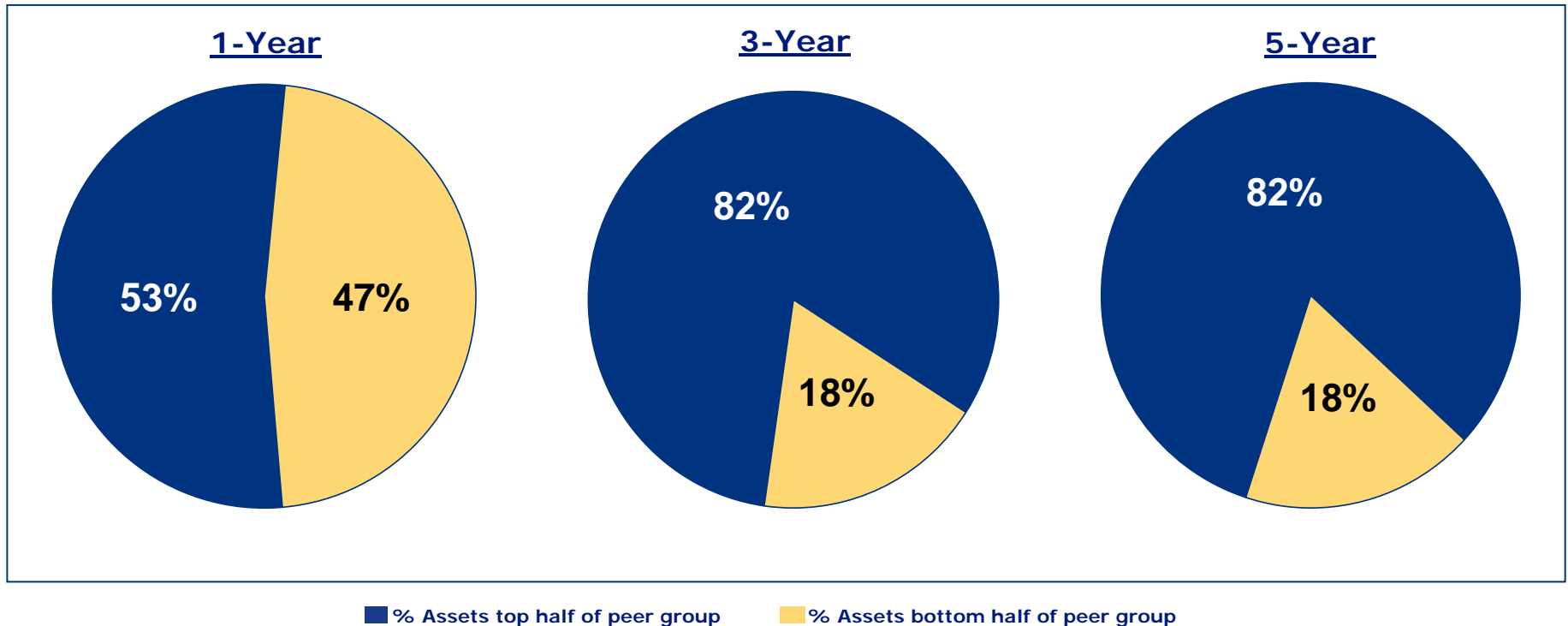
* Non-GAAP financial measures - See Appendix to this presentation for a reconciliation of net revenues, adjusted operating income (and by calculation adjusted operating margin), and adjusted net income (and by calculation adjusted diluted EPS) to the most directly comparable U.S. GAAP financial measure.

Investment performance – overview

Aggregate Performance Analysis – Asset Weighted

- Strong overall peer group performance (asset-weighted) – 53%, 82%, and 82% of assets are in the top half of peer groups for the 1-, 3-, and 5-year time periods as of June 30, 2011.

Percent of assets in top half of peer group*



Includes AUM of \$390 billion (60% of total IVZ) for 1 year, \$385 billion (59% of total IVZ) for three year, and \$379.7 billion (58% of total IVZ) for 5 year. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, Russell, Mercer, eVestment Alliance, SITCA) and asset-weighted in USD. Rankings are as of prior quarter-end for most institutional products and preceding month-end for Australian retail funds due to their late release by third parties. Rankings for the most representative fund in each GIPS composite are applied to all products within each GIPS composite. Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary direct real estate, unit investment trusts and CDOs. Certain funds and products were excluded from the analysis because of limited benchmark or peer group data. Had these been available, results may have been different. These results are preliminary and subject to revision. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

Investment performance – highlights

- US Value Equity: 88% or greater of AUM are in the top half of peer groups and beating benchmarks for 1, 3, and 5 years
- US Core Equity: 80% and 96% of AUM are beating benchmarks and 65% and 75% AUM rank in the top half of peer groups for 3 and 5 years
- UK Equity: 96% or greater of AUM are beating benchmarks and 92% of AUM or greater rank in the top half of peer groups for 3, and 5 years
- Global ex US and Emerging Markets: 99% and 94% of AUM are beating benchmarks for 3 and 5 years, while 99% of AUM are in the top half of peer groups for 3 and 5 years
- Global Fixed Income: 80% or greater of AUM are beating benchmarks and are in the top half of peer groups for 1, 3, and 5 years
- Balanced: 94% and 79% of AUM are beating benchmarks and 95% and 75% of AUM are in the top half of peer groups for 3 and 5 years
- Morningstar ratings for Invesco US Retail are at all time highs; 65% of AUM are rated 4 or 5 stars*

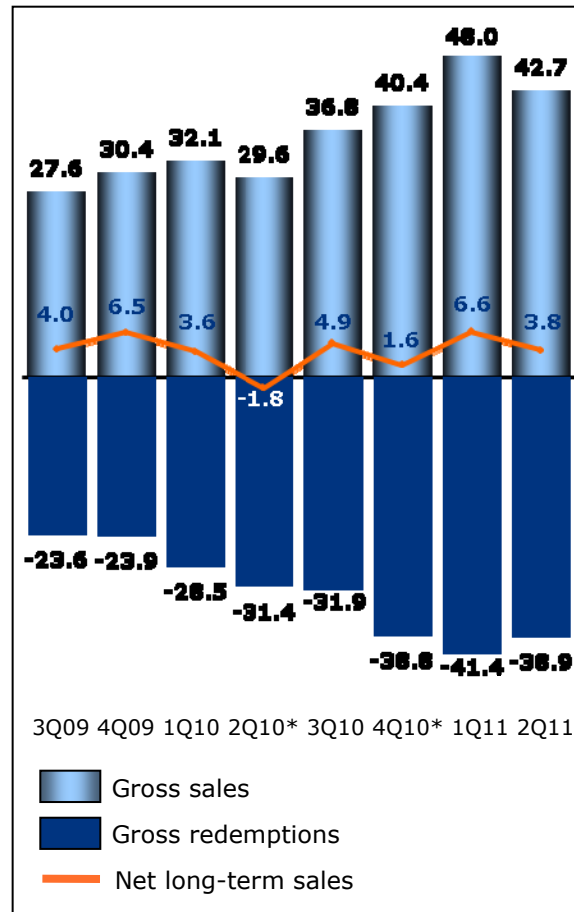
**Load-waived basis*

Quarterly flows – total flows

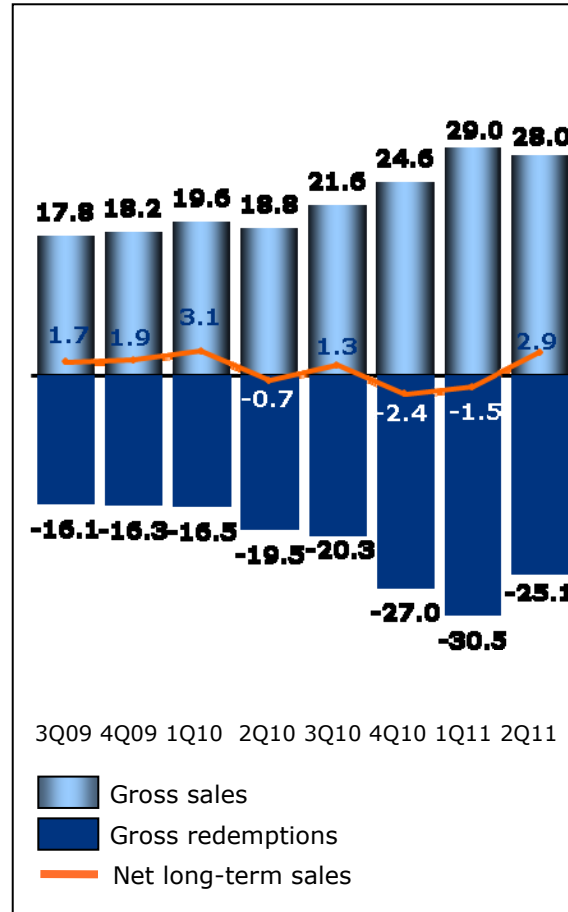
- Continued positive momentum in long-term flows during the second quarter

Quarterly long-term flows (\$ billions)

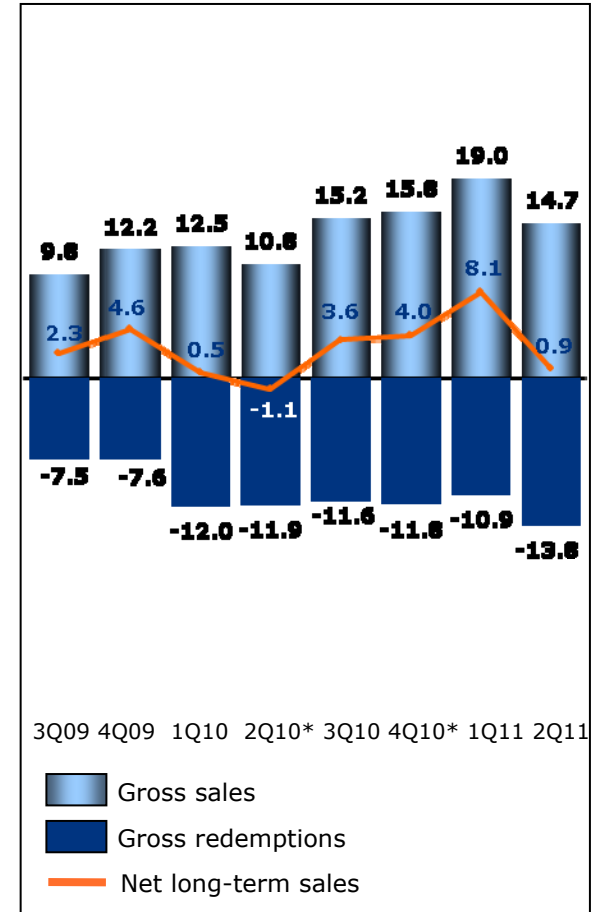
Total AUM



AUM ex-ETF/UIT/Passive



ETF/UIT/Passive AUM



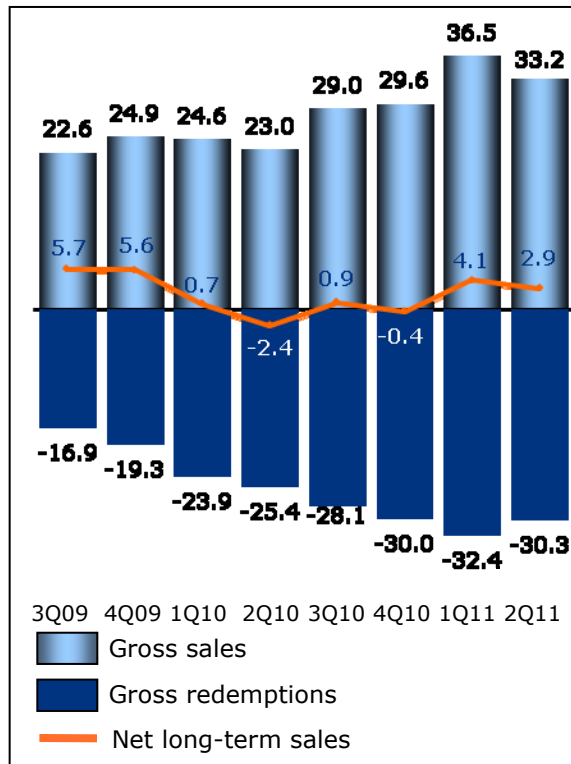
* 2Q10 and 4Q10 exclude the impact of the previously announced passive outflow. 2Q10: \$15.8 billion excluded from gross sales 4Q10: \$18.6 billion excluded from gross redemptions

Quarterly flows – by channel

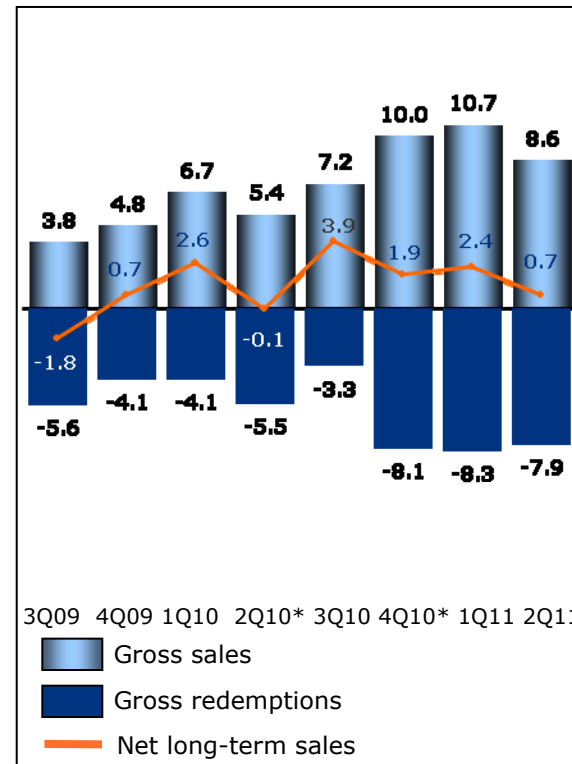
- Continued net inflows across all channels

Quarterly long-term flows (\$ billions)

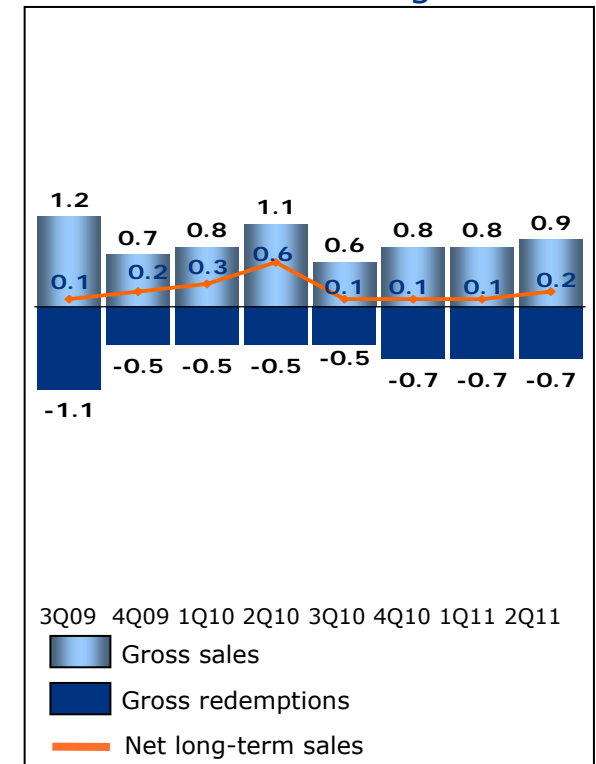
Retail(a)



Institutional(b)



Private Wealth Management(c)



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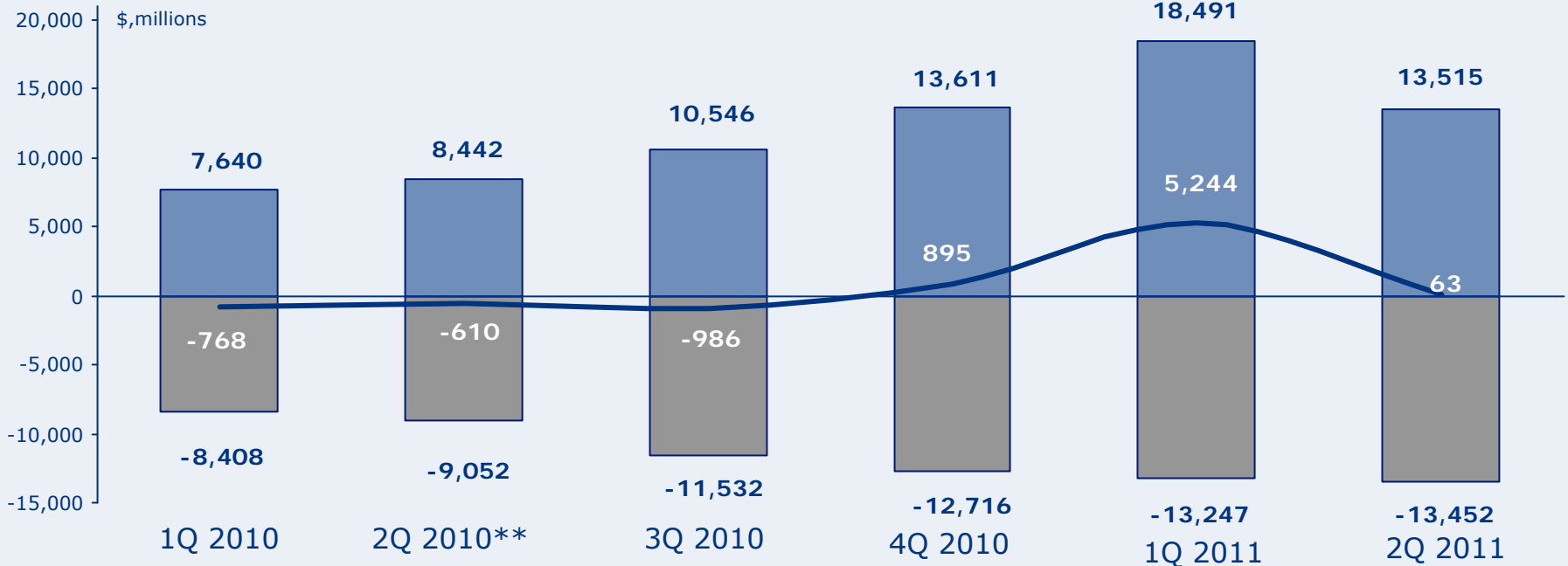
(a) Retail quarterly flows include retail products in the U.S., Canada, U.K., Europe, Asia and our offshore product line.

(b) Institutional quarterly flows include our institutional business in the U.S., Continental Europe and Asia and exclude institutional money

(c) PWM quarterly flows include our high-net-worth business in the U.S.

Invesco's US Retail flows remain positive in spite of a volatile market environment

US Retail*



	Q2 2011	Q1 2011	Trailing 12 months
Invesco US Retail redemption rate	22%	26%	25%
Industry redemption rate (asset weighted)	25%	30%	29%

* Excludes PowerShares QQQ

** Q2 includes 2 months pre-close and 1 month post-close

Discussion topics

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Taking our European business forward

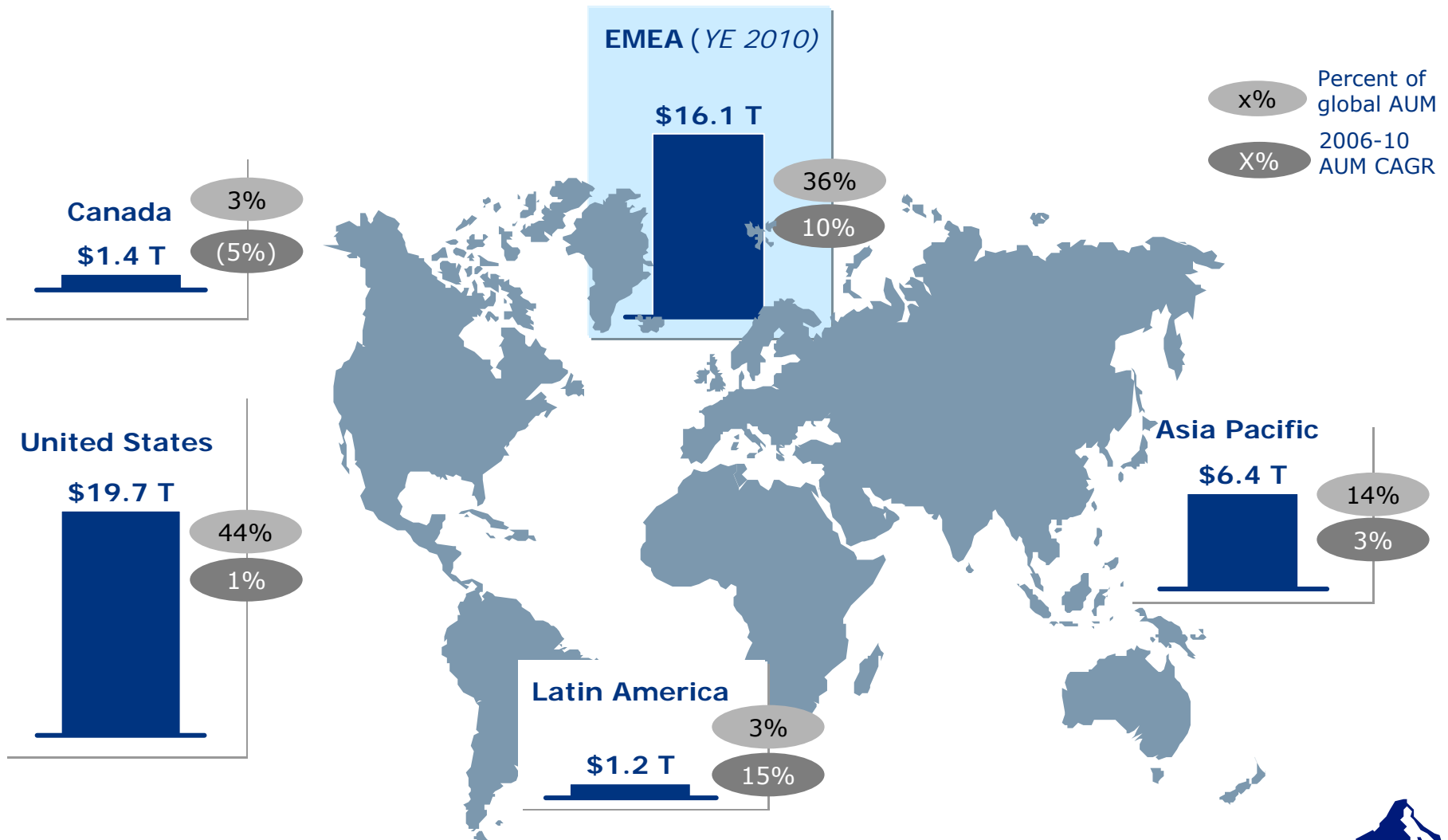
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The UK, Continental Europe and the Middle East comprise the world's second-largest asset management market

36% of the world's assets and 10% CAGR over past 5 years



SOURCE: McKinsey Global Asset Management Practice, Financial Times. Data as of YE 2010

We have a strong, competitive position in the UK, Continental Europe and the Middle East region

We have a strong position...

...and a broad footprint, with more than 1,200 staff based in 19 offices across 14 countries

Regional AUM of \$142 billion

150 investment professionals

- Invesco Perpetual (Henley)
- Invesco Global Strategies (Frankfurt)
- Invesco Fixed Income (London)
- Invesco Real Estate (Europe)

Product highlights

- Cross-border fund range of 71 open-ended products, covering 16 of the top 20 asset classes in Continental Europe
- Complementary products include 4 money market funds, 19 PowerShares ETFs
- Funds registered in 28 countries across Europe, Asia, and Latin America
- Market-leading UK local fund range comprising 41 open-ended funds



The global cross-border fund market is \$3 trillion and growing, representing a substantial opportunity for Invesco

The opportunity is significant...

- Expanding cross-border funds market: global cross-border funds market has over \$3 trillion in AUM – up from \$1.3 trillion in 2004
- Cross-border funds market share is growing: about 30% of the European fund market – up from less than 20% five years ago
- In 2010, over 2/3 of fund net flows went into cross-border funds

Investment performance is strong and our products are well-placed...

- Invesco has a high percentage of 5-star rated cross-border funds within the range, which compares favorably to our largest key competitors
 - 24 of Invesco's cross-border funds have a 5- or 4-star rating from Morningstar
- We bring our global investment capabilities to local markets with 12 Invesco investment centers managing our cross-border funds

Building on our strong position to accelerate growth in the attractive European cross-border markets

We are investing for success...

- We are undertaking a broad, transformational initiative to build on our strong position in the European market
- Our strategy is to bring the best of Invesco to European investors, leveraging our global strengths and comprehensive investment capabilities
- To take advantage of opportunities in this market, we are increasing our investment in sales and marketing resources, client support and the product range platform
- We are investing in our global operating platform, enabling Invesco to efficiently and effectively adapt to the evolving industry and regulatory environment and further enhance our competitive position

Combined, these efforts are designed to enhance our share of the cross-border retail, institutional and ETF markets, leading to both revenue growth and cost savings as they are implemented.

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Total assets under management – 2Q11 vs. 1Q11

(\$ billions)	2Q-11	1Q-11	% Change
Beginning Assets	\$641.9	\$616.5	4.1%
Long-Term Inflows	42.7	48.0	(11.0)%
Long-Term Outflows	(38.9)	(41.4)	(6.0)%
Long-Term Net flows	3.8	6.6	(42.4)%
Net flows in Inst. Money Market Funds	3.5	2.6	34.6%
Market Gains and Losses/Reinvestment	3.2	12.9	(75.2)%
Net Acquisitions/(Dispositions)	-	-	-
Foreign Currency Translation	1.3	3.3	(60.6)%
Ending Assets	\$653.7	\$641.9	1.8%
Ending Long-Term AUM	\$583.3	\$575.0	1.4%
Average Long-Term AUM	\$583.0	\$564.4	3.3%
Average Institutional Money Market AUM	\$69.8	\$65.8	6.1%
Average AUM	\$652.8	\$630.2	3.6%
Net Revenue Yield (annualized)*	46.0bps	46.0bps	
Net Revenue Yield Before Performance Fees (annualized)*	45.6bps	45.7bps	

* Non-GAAP financial measure - See the Appendix to this presentation for a reconciliation of net revenues, adjusted operating income (and by calculation adjusted operating margin), and adjusted net income (and by calculation adjusted diluted EPS) to the most directly comparable U.S. GAAP financial measure.



Non-GAAP operating results – 2Q11 vs. 1Q11

(\$ millions)	2Q-11	1Q-11	% Change
Adjusted Revenues			
Investment Management Fees	844	816	3.5%
Service and Distribution Fees	206	199	3.8%
Performance Fees	8	4	100.0%
Other	32	33	(1.5)%
Third-Party Distribution, Service and Advisory Expenses	(339)	(327)	3.7%
Adjusted Net Revenues	751	724	3.7%
Adjusted Operating Expenses			
Employee Compensation	311	300	3.7%
Marketing	27	26	1.5%
Property, Office and Technology	63	65	(3.3)%
General and Administrative	66	62	7.6%
Total Adjusted Operating Expenses	466	452	3.1%
Adjusted Operating Income	285	272	4.7%
Adjusted Other Income/(Expense)			
Equity in Earnings of Unconsolidated Affiliates	5	2	117.4%
Interest and Dividend Income	3	3	18.5%
Interest Expense	(16)	(16)	(1.2)%
Other Gains and Losses, net	3	4	(24.3)%
Adjusted Income Before Income Taxes	280	265	5.7%
Effective Tax Rate	26.0%	27.6%	
Adjusted Net Income attributed to common shareholders	207	192	8.0%
Adjusted diluted EPS	\$0.44	\$0.41	7.3%
Adjusted Operating Margin	37.9%	37.6%	
Average AUM (\$ billions)	652.8	630.2	3.6%
Headcount	6,189	6,191	

Non-GAAP financial measures - See the Appendix to this presentation for a reconciliation of net revenues, adjusted operating income (and by calculation adjusted operating margin), and adjusted net income (and by calculation adjusted diluted EPS) to the most directly comparable U.S. GAAP financial measure.

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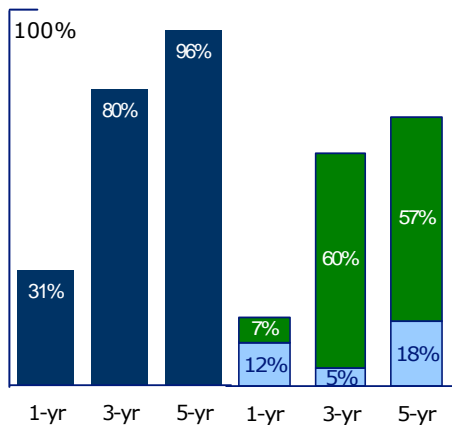
Investment performance

By investment objective*

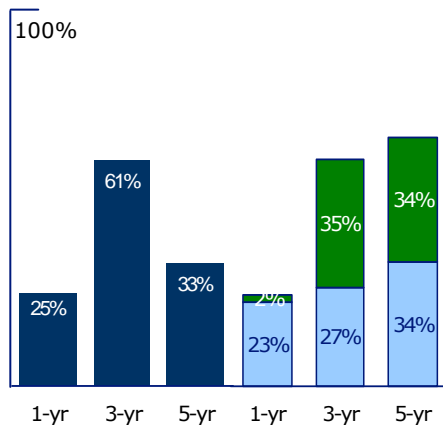


Equities

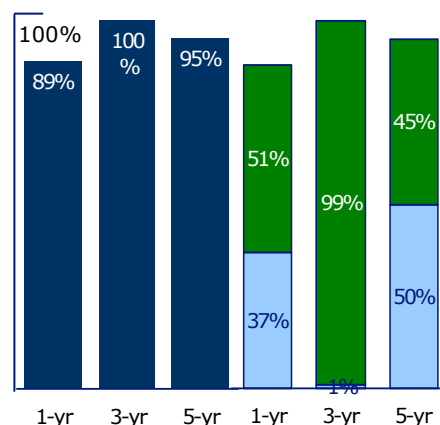
U.S. Core



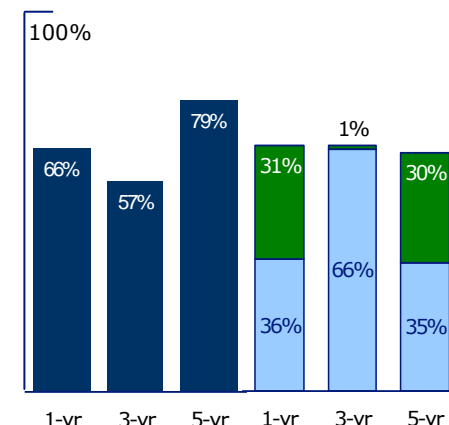
U.S. Growth



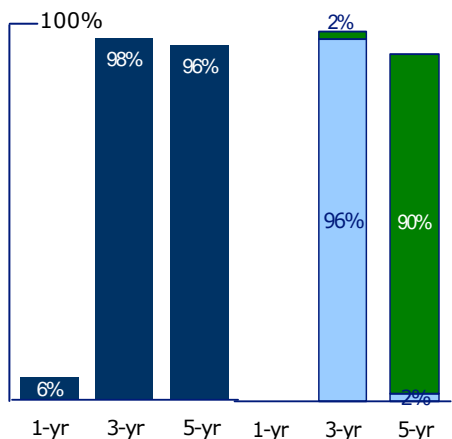
U.S. Value



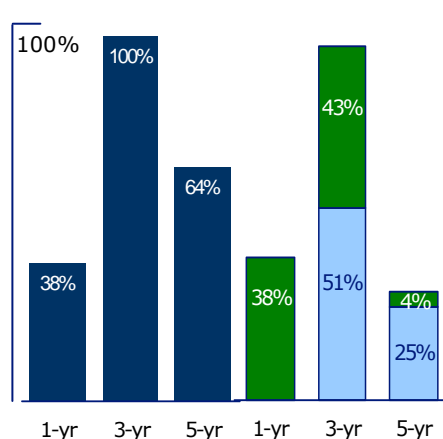
Sector



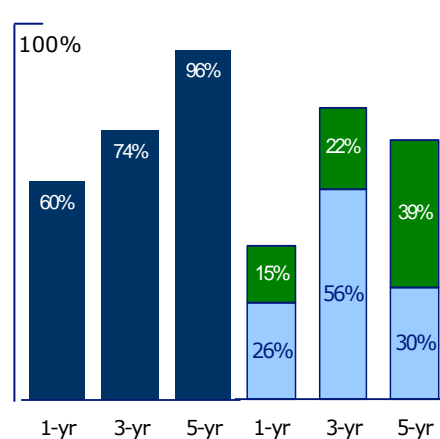
U.K.



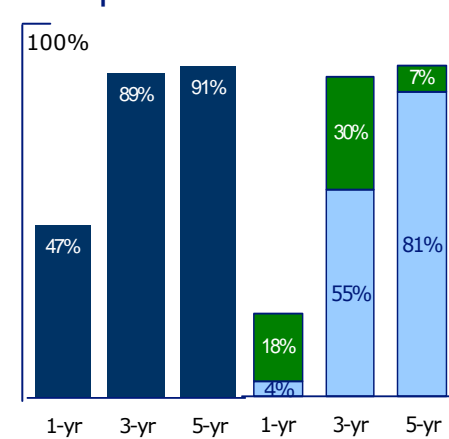
Canadian



Asian



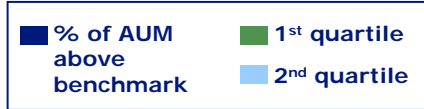
European



* AUM measured in the one, three, and five year quartile rankings represents 60%, 59%, and 58% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, and five year basis represents 72%, 70%, and 68% of total Invesco AUM, respectively, as of 6/30/11. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, Russell, Mercer, eVestment Alliance, SITCA) and asset-weighted in USD. Rankings are as of prior quarter-end for most institutional products and prior month-end for Australian retail funds due to their late release by third parties. Rankings for the most representative fund in each GIPS composite are applied to all products within each GIPS composite. Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary direct real estate, unit investment trusts, CDOs, alternative and stable value products. Certain funds and products were excluded from the analysis because of limited benchmark or peer group data. Had these been available, results may have been different. These results are preliminary and subject to revision. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

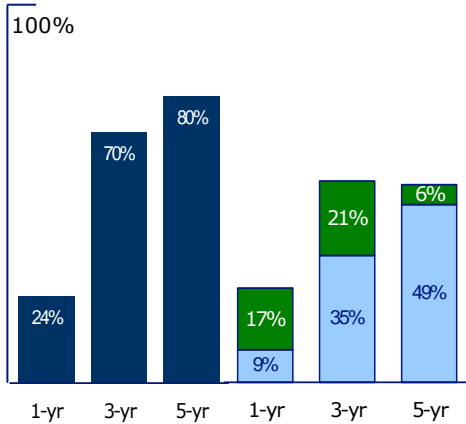
Investment performance

By investment objective*

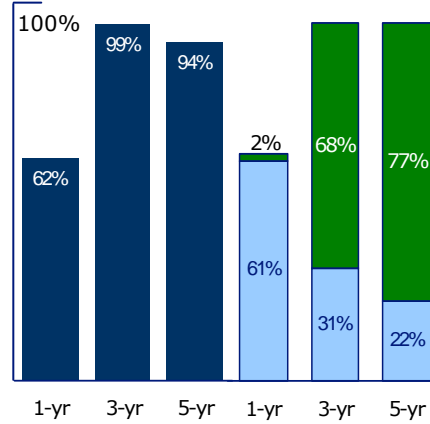


Equities

Global

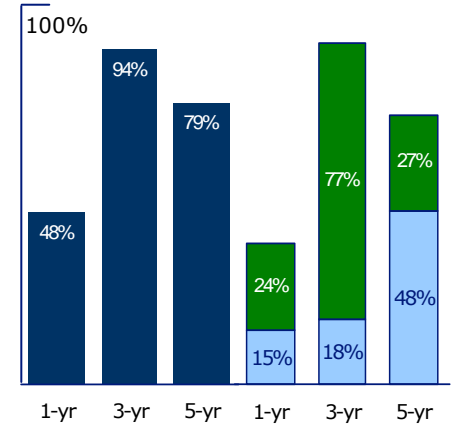


Global ex-U.S. and Emerging markets



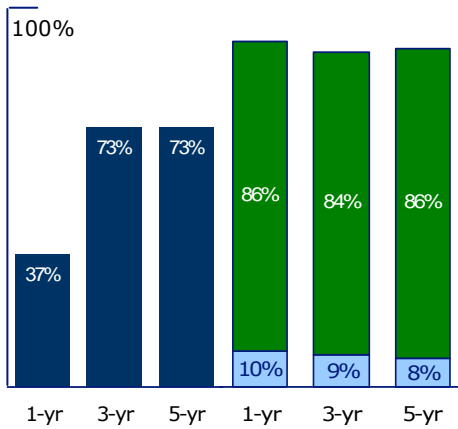
Balanced

Balanced

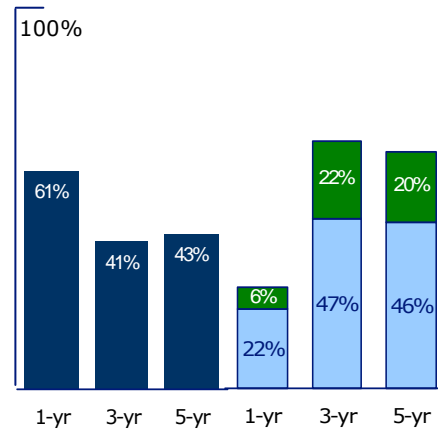


Fixed income

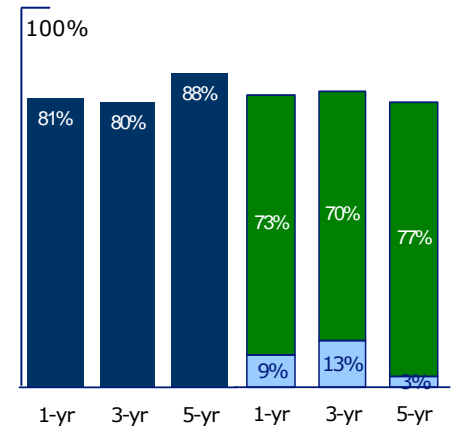
Money market



U.S. fixed income



Global fixed income

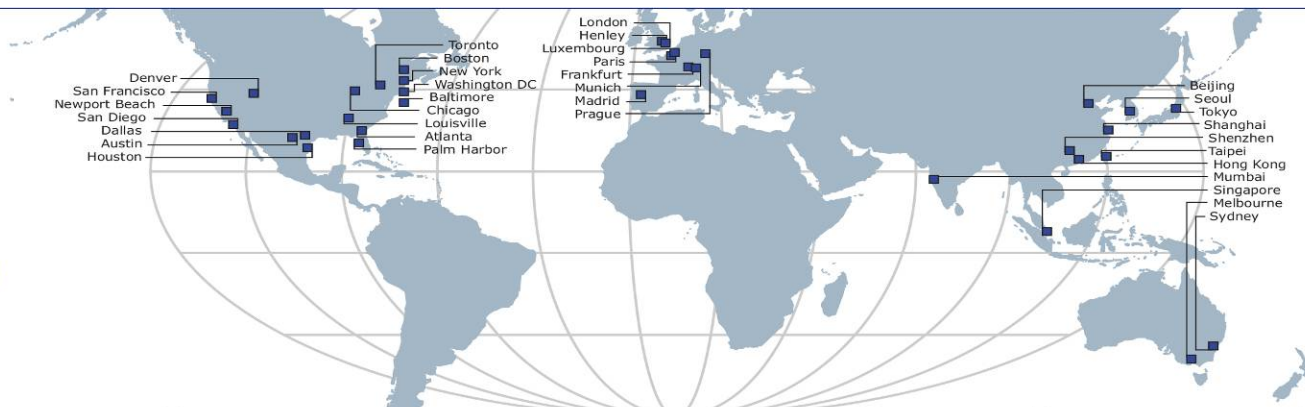


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Commitment to investment excellence

High-quality results begin with specialized insight and disciplined oversight.

We believe the best investment insights come from specialized investment teams with discrete investment perspectives, operating under a disciplined philosophy and process framework with strong risk oversight.



Invesco Asia-Pacific

Investment Focus:

- Asia ex-Japan
- Greater China
- Japan
- Australia

Locations: Beijing, Hong Kong, Melbourne, Shenzhen, Sydney, Taipei, Tokyo

Invesco Fundamental Equities

Investment Focus:

- U.S. growth equity
- U.S. core equity
- U.S. value equity
- International and global growth equity
- Sector equity
- Balanced portfolios

Locations: Austin, Houston, San Francisco

Invesco Perpetual

Investment Focus:

- Global and regional equities, including U.K., European, Asian, Japanese and emerging markets
- Fixed income

Location: Henley, U.K.

Invesco Private Capital

Investment Focus:

- Private equity funds of funds
- Customized portfolios

Locations: London, New York, San Francisco

Invesco Trimark

Investment Focus:

- Canadian, regional, sector and global equity
- Canadian and global fixed income
- Balanced portfolios

Location: Toronto

Atlantic Trust

Investment Focus:

- High-net-worth wealth management
- U.S. equities; master limited partnerships (MLPs)
- Multi-manager investment program

Locations: Atlanta, Austin, Baltimore, Boston, Chicago, Denver, Houston, New York, Newport Beach, San Francisco, Washington, D.C.

Invesco Fixed Income

Investment Focus:

- Global money markets and cash management
- Stable value
- Global and U.S. broad fixed income
- Global alternatives and bank loans

Locations: Chicago, Hong Kong, Houston, London, Louisville, Melbourne, New York, Palm Harbor, San Diego, Tokyo

Invesco Global Strategies

Investment Focus:

- Global equity (global, non-U.S. and emerging market equities)
- Canadian equities
- Global quantitative equity (quantitative active, enhanced and long/short strategies)
- Global asset allocation (global macro, risk parity, commodities and active balanced solutions)

Locations: Atlanta, Boston, Frankfurt, Melbourne, New York, Tokyo, Toronto

Invesco PowerShares

Investment Focus:

- Index-based ETFs and ETNs and actively managed ETFs
- Domestic and international equity
- Taxable and tax-free fixed income
- Commodities and currencies

Location: Chicago

Invesco Real Estate

Investment Focus:

- Global direct real estate
- Global public real estate investing

Locations: Atlanta, Dallas, Hong Kong, London, Luxembourg, Madrid, Munich, New York, Newport Beach, CA, Paris, Prague, San Francisco, Seoul, Shanghai, Singapore, Tokyo

Invesco Unit Investment Trusts

Investment Focus:

- Equity trusts
- Closed-end trusts
- Tax-free fixed-income trusts
- Taxable fixed-income trusts

Location: Chicago

WL Ross & Co.

Investment Focus:

- Distressed and restructuring private equities
- Energy private equities

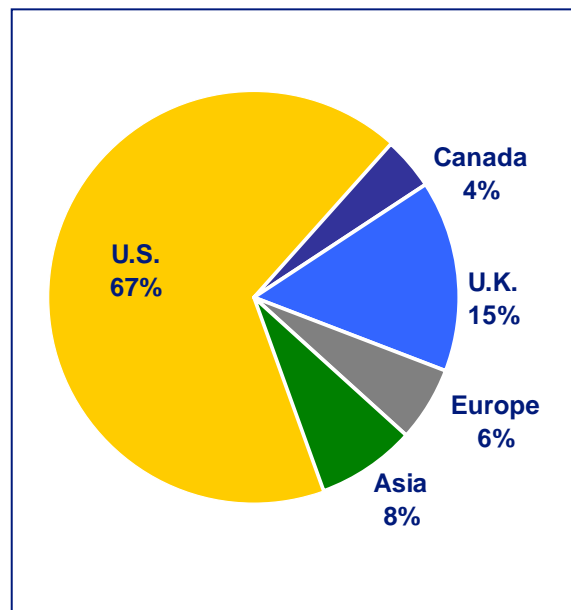
Locations: Beijing, Mumbai, New York, Tokyo

Source: Invesco. All data as of June 30, 2011. The listed centers do not all provide products or services that are available in all jurisdictions, nor are their products and services available on all platforms. All entities listed are wholly owned, indirect subsidiaries of Invesco Ltd., except Invesco Great Wall in Shenzhen, which is a joint venture between Invesco and Great Wall Securities, and the Huaneng Invesco WLR Investment Consulting Company Ltd. in Beijing, which is a joint venture between Huaneng Capital Services and WL Ross & Co. Please consult your Invesco representative for more information.

We are diversified as a firm

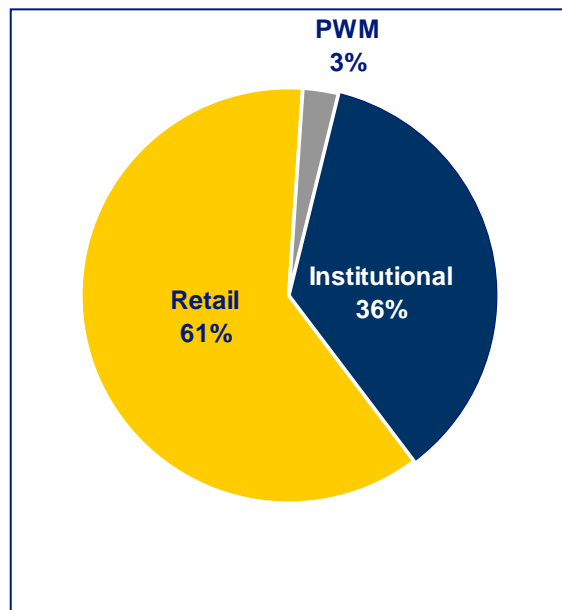
Delivering a diverse set of solutions to meet client needs

By client domicile



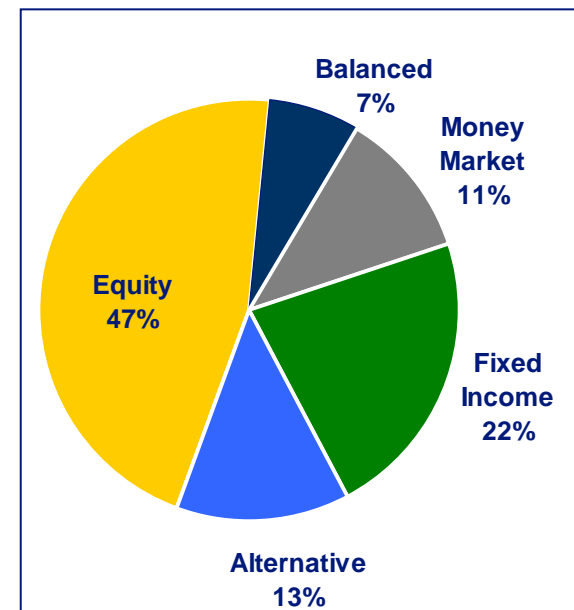
	<u>(\$ billions)</u>	<u>1-Yr Change</u>
U.S.	\$439.9	16.7%
Canada	\$27.5	5.8%
U.K.	\$97.1	22.0%
Europe	\$37.9	28.0%
Asia	<u>\$51.3</u>	<u>13.0%</u>
Total	\$653.7	17.2%

By channel



	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Retail	\$401.7	23.5%
Institutional	\$234.5	8.1%
PWM	<u>\$17.5</u>	<u>13.6%</u>
Total	\$653.7	17.2%

By asset class



	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Equity	\$301.9	14.7%
Balanced	\$44.5	16.2%
Money Market	\$74.4	2.6%
Fixed Income	\$145.8	22.2%
Alternative	<u>\$87.1</u>	<u>35.0%</u>
Total	\$653.7	17.2%

As of June 30, 2011

Non-GAAP operating results – quarterly

(\$ millions)	2Q-11	1Q-11	% Change*	4Q-10	3Q-10	2Q-10	1Q-10	4Q-09	3Q-09
Investment Management Fees	844	816	3.5%	799	749	653	618	628	587
Service and Distribution Fees	206	199	3.8%	202	192	139	113	111	112
Performance Fees	8	4	100.0%	19	3	4	1	7	4
Other	32	33	(1.5)%	35	33	16	11	18	20
Third-party distribution, service and advisory expense	(339)	(327)	3.7%	(318)	(294)	(241)	(211)	(211)	(198)
Total Operating Revenues	751	724	3.7%	736	682	571	532	553	525
Employee Compensation	311	300	3.7%	305	298	260	234	245	236
Marketing	27	26	1.5%	26	20	18	16	18	16
Property, Office and Technology	63	65	(3.3)%	66	64	56	54	55	64
General and Administrative	66	62	7.6%	58	54	48	45	47	37
Adjusted Operating Expenses	466	452	3.1%	456	436	383	349	365	353
Adjusted Operating Income	285	272	4.7%	280	246	189	183	188	172
Equity in Earnings of Unconsolidated Affiliates	5	2	117.4%	7	5	4	1	2	(1)
Interest and Dividend Income	3	3	18.5%	3	2	2	2	2	2
Interest Expense	(16)	(16)	(1.2)%	(16)	(16)	(14)	(12)	(15)	(17)
Other Gains and Losses, net	3	4	(24.3)%	6	4	(4)	(5)	-	2
Adjusted Income Before Income Taxes	280	265	5.7%	280	241	178	169	177	158
Effective Tax Rate**	26.0%	27.6%	N/A	26.0%	23.1%	29.3%	28.7%	26.2%	25.6%
Adjusted Net Income Attributable to Common Shareholders	207	192	8.0%	209	185	125	120	131	118
Adjusted Diluted EPS	\$0.44	\$0.41	7.3%	\$0.44	\$0.39	\$0.27	\$0.27	\$0.30	\$0.27

* % change based on unrounded figures

** Effective tax rate = Adjusted Tax Expense / (Adjusted income before taxes + (gains)/losses attributable to non-controlling interests in consolidated entities, net) See Reconciliation of US GAAP results to non-GAAP results in this appendix

US GAAP operating results – quarterly

(\$ millions)	2Q-11	1Q-11	% Change*	4Q10	3Q-10	2Q-10	1Q-10	4Q-09	3Q-09
Investment Management Fees	819	792	3.4%	774	726	628	594	612	570
Service and Distribution Fees	211	199	6.4%	202	192	139	113	111	112
Performance Fees	8	4	100.0%	19	3	4	1	7	4
Other	32	33	(1.8)%	34	33	16	12	18	19
Total Operating Revenues	1070	1,027	4.2%	1029	953	787	719	748	706
Employee Compensation	318	306	4.1%	313	304	261	238	247	239
Third-Party Distribution, Service and Advisory	342	325	5.3%	316	292	238	208	208	195
Marketing	26	26	1.6%	26	20	18	16	18	16
Property, Office and Technology	62	64	(3.3)%	66	64	56	54	55	63
General and Administrative	78	74	5.4%	84	65	64	50	50	40
Transaction & Integration	11	8	43.0%	27	27	79	17	10	1
Total Operating Expenses	837	802	4.4%	830	770	716	582	587	554
Operating Income	233	226	3.2%	199	183	71	137	161	152
Equity in Earnings of Unconsolidated Affiliates	11	7	61.2%	13	11	10	6	9	8
Interest and Dividend Income	2	2	14.3%	4	3	2	2	2	2
Interest Income of Consolidated Investment Products	80	74	7.5%	65	70	53	53	-	-
Gains and (Losses) of Consolidated Investment Products, net	(65)	(86)	(24.3)%	(28)	(148)	187	103	26	2
Interest Expense	(16)	(16)	(1.2)%	(16)	(16)	(14)	(12)	(15)	(17)
Interest Expense of Consolidated Investment Products	(47)	(40)	16.3%	(37)	(36)	(26)	(21)	-	-
Other Gains and Losses, net	6	8	(24.1)%	12	15	(9)	(2)	(0)	2
Income Before Income Taxes	205	175	17.1%	212	82	275	265	182	148
Effective Tax Rate**	29.2%	29.9%	N/A	24.1%	26.1%	47.4%	34.5%	30.3%	29.3%
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	54	78	(31.5)%	19	127	(197)	(119)	(23)	1
Net Income Attributable to Common Shareholders	183	178	3.1%	175	155	41	95	111	105
EPS Diluted	\$0.39	\$0.38	2.6%	\$0.37	\$0.32	\$0.09	\$0.21	\$0.25	\$0.24

* % change based on unrounded figures

** Effective tax rate = Tax Expense / (Income before income taxes+ (gains)/losses attributable to noncontrolling interests in consolidated entities, net)

Total assets under management - quarterly

(\$ billions)	2Q-11	1Q-11	% Change	4Q-10	3Q-10	2Q-10
Beginning Assets	\$641.9	\$616.5	4.1%	\$604.5	\$557.7	\$457.7
Long-Term Inflows	42.7	48.0	(11.0)%	40.4	36.8	45.3
Long-Term Outflows	(38.9)	(41.4)	(6.0)%	(57.4)	(31.9)	(31.4)
Long-Term Net flows	3.8	6.6	(42.4)%	(17.0)	4.9	13.9
Net flows in Inst. Money Market Funds	3.5	2.6	34.6%	(1.6)	(2.4)	(0.9)
Market Gains and Losses/Reinvestment	3.2	12.9	(75.2)%	24.2	34.4	(24.2)
Net Acquisitions/(Dispositions)	-	-	-	5.0	1.7	114.6
Foreign Currency Translation	1.3	3.3	(60.6)%	1.4	8.2	(3.4)
Ending Assets	\$653.7	\$641.9	1.8%	\$616.5	\$604.5	\$557.7
Ending Long-Term AUM	583.3	575.0	1.4%	552.3	538.7	489.6
Average Long-Term AUM	583.0	564.4	3.3%	550.9	516.4	413.4
Average Institutional Money Market AUM	69.8	65.8	6.1%	65.1	66.9	67.1
Average AUM	\$652.8	\$630.2	3.6%	\$616.0	\$583.3	\$480.5
Gross Revenue Yield (annualized)*	65.9bps	65.6bps		67.2bps	65.7bps	66.0bps
Gross Revenue Yield Less Performance Fees (annualized)*	65.4bps	65.3bps		66.0bps	65.6bps	65.7bps
Net Revenue Yield (annualized)**	46.0bps	46.0bps		47.8bps	46.8bps	47.6bps
Net Revenue Yield Less Performance Fees (annualized)**	45.6bps	45.7bps		46.6bps	46.6bps	47.3bps

The beginning balances were adjusted to reflect certain asset reclassifications

* Gross revenue yield on AUM is equal to total operating revenues divided by average AUM, excluding JV AUM. Average AUM for 2Q11, for our joint ventures in China were \$3.5bn (1Q11:\$3.5bn;4Q10:\$3.6bn;3Q10:\$3.4bn ;2Q10: \$3.1bn ;1Q10: \$3.8bn)

**Net Revenue Yield on AUM is equal to net revenues divided by average AUM including JV AUM. Average AUM for 2Q11, for our JV in China were \$3.5bn (1Q11:\$3.5bn;4Q10:\$3.6bn;3Q10:\$3.4bn ;2Q10:\$3.1bn;1Q10: \$3.8bn)

Total assets under management – by asset class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
December 31, 2010	\$616.5	\$294.0	\$132.0	\$43.5	\$68.3	\$78.7
Long-Term Inflows	48.0	25.0	13.3	2.1	0.4	7.2
Long-Term Outflows	(41.4)	(27.8)	(6.7)	(2.4)	(0.4)	(4.1)
Long-Term Net flows	6.6	(2.8)	6.6	(0.3)	-	3.1
Net flows in Inst. Money Market Fund	2.6	-	-	-	2.6	-
Market Gains and Losses/Reinvestment	12.9	9.7	0.7	0.9	0.1	1.5
Net Acquisitions/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	3.3	2.1	0.4	0.6	-	0.2
March 31, 2011	\$641.9	\$303.0	\$139.7	\$44.7	\$71.0	\$83.5
Long-Term Inflows	42.7	22.9	8.8	2.7	0.3	8.0
Long-Term Outflows	(38.9)	(25.5)	(5.3)	(2.2)	(0.5)	(5.4)
Long-Term Net flows	3.8	(2.6)	3.5	0.5	(0.2)	2.6
Net flows in Inst. Money Market Fund	3.5	-	-	-	3.5	-
Market Gains and Losses/Reinvestment	3.2	0.8	2.4	(0.8)	0.1	0.7
Foreign Currency Translation	1.3	0.7	0.2	0.1	-	0.3
June 30, 2011	\$653.7	\$301.9	\$145.8	\$44.5	\$74.4	\$87.1

* The beginning balances were adjusted to reflect certain asset reclassifications

Total assets under management – by asset class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2010	\$557.7	\$263.1	\$119.3	\$38.3	\$72.5	\$64.5
Long-Term Inflows	36.8	22.2	9.8	1.7	0.2	2.9
Long-Term Outflows	(31.9)	(23.3)	(3.7)	(1.6)	(0.5)	(2.8)
Long-Term Net flows	4.9	(1.1)	6.1	0.1	(0.3)	0.1
Net flows in Inst. Money Market Funds	(2.4)	-	-	-	(2.4)	-
Market Gains and Losses/Reinvestment	34.4	25.3	4.3	2.0	-	2.8
Net Acquisitions	1.7	1.7	-	-	-	-
Foreign Currency Translation	8.2	5.4	1.1	0.9	0.1	0.7
September 30, 2010	\$604.5	\$294.4	\$130.8	\$41.3	\$69.9	\$68.1
Long-Term Inflows	40.4	20.3	10.6	2.5	0.4	6.6
Long-Term Outflows	(57.4)	(44.5)	(6.2)	(1.9)	(0.4)	(4.4)
Long-Term Net flows	(17.0)	(24.2)	4.4	0.6	-	2.2
Net flows in Inst. Money Market Fund	(1.6)	-	-	-	(1.6)	-
Market Gains and Losses/Reinvestment	24.2	23.1	(3.3)	1.4	-	3.0
Net Acquisitions	5.0	(0.4)	-	-	-	5.4
Foreign Currency Translation	1.4	1.1	0.1	0.2	-	-
December 31, 2010	\$616.5	\$294.0	\$132.0	\$43.5	\$68.3	\$78.7

* The beginning balances were adjusted to reflect certain asset reclassifications

Total assets under management – by channel

(\$ billions)	Total	Retail	Institutional	PWM
December 31, 2010	\$616.5	\$378.1	\$221.4	\$17.0
Long-Term Inflows	48.0	36.5	10.7	0.8
Long-Term Outflows	(41.4)	(32.4)	(8.3)	(0.7)
Long-Term Net flows	6.6	4.1	2.4	0.1
Net flows in Inst. Money Market Funds	2.6	-	2.6	-
Market Gains and Losses/Reinvestment	12.9	11.3	1.3	0.3
Net Acquisitions/(Dispositions)	-	-	-	-
Foreign Currency Translation	3.3	2.7	0.6	-
March 31, 2011	\$641.9	\$396.2	\$228.3	\$17.4
Long-Term Inflows	42.7	33.2	8.6	0.9
Long-Term Outflows	(38.9)	(30.3)	(7.9)	(0.7)
Long-Term Net flows	3.8	2.9	0.7	0.2
Net flows in Inst. Money Market Funds	3.5	-	3.5	-
Market Gains and Losses/Reinvestment	3.2	2.2	1.1	(0.1)
Foreign Currency Translation	1.3	0.4	0.9	-
June 30, 2011	\$653.7	\$401.7	\$234.5	\$17.5

* The beginning balances were adjusted to reflect certain asset reclassifications

Total assets under management – by channel

(\$ billions)	Total	Retail	Institutional	PWM
June 30, 2010	\$557.7	\$325.3	\$217.0	\$15.4
Long-Term Inflows	36.8	29.0	7.2	0.6
Long-Term Outflows	(31.9)	(28.1)	(3.3)	(0.5)
Long-Term Net flows	4.9	0.9	3.9	0.1
Net flows in Inst. Money Market Funds	(2.4)	-	(2.4)	-
Market Gains and Losses/Reinvestment	34.4	29.2	4.5	0.7
Net Acquisitions/(Dispositions)	1.7	(1.0)	2.7	-
Foreign Currency Translation	8.2	4.9	3.3	-
September 30, 2010	\$604.5	\$359.3	\$229.0	\$16.2
Long-Term Inflows	40.4	29.6	10.0	0.8
Long-Term Outflows	(57.4)	(30.0)	(26.7)	(0.7)
Long-Term Net flows	(17.0)	(0.4)	(16.7)	0.1
Net flows in Inst. Money Market Funds	(1.6)	-	(1.6)	-
Market Gains and Losses/Reinvestment	24.2	18.7	4.8	0.7
Net Acquisitions/(Dispositions)	5.0	(0.1)	5.1	-
Foreign Currency Translation	1.4	0.6	0.8	-
December 31, 2010	\$616.5	\$378.1	\$221.4	\$17.0

* The beginning balances were adjusted to reflect certain asset reclassifications

Total assets under management – by client domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2010	\$616.5	\$415.4	\$27.9	\$92.1	\$35.3	\$45.8
Long-Term Inflows	48.0	33.5	0.7	3.5	4.8	5.5
Long-Term Outflows	(41.4)	(26.6)	(1.7)	(4.3)	(5.4)	(3.4)
Long-Term Net flows	6.6	6.9	(1.0)	(0.8)	(0.6)	2.1
Net flows in Inst. Money Market Funds	2.6	2.7	0.1	(0.3)	-	0.1
Market Gains and Losses/Reinvestment	12.9	10.2	0.6	1.0	0.8	0.3
Net Acquisition/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	3.3	-	0.6	2.2	0.7	(0.2)
March 31, 2011	\$641.9	\$435.2	\$28.2	\$94.2	\$36.2	\$48.1
Long-Term Inflows	42.7	26.8	0.7	4.3	4.9	6.0
Long-Term Outflows	(38.9)	(27.0)	(1.5)	(3.2)	(4.1)	(3.1)
Long-Term Net flows	3.8	(0.2)	(0.8)	1.1	0.8	2.9
Net flows in Inst. Money Market Funds	3.5	3.7	-	(0.2)	0.1	(0.1)
Market Gains and Losses/Reinvestment	3.2	1.2	(0.1)	2.0	0.5	(0.4)
Foreign Currency Translation	1.3	-	0.2	-	0.3	0.8
June 30, 2011	\$653.7	\$439.9	\$27.5	\$97.1	\$37.9	\$51.3

* The beginning balances were adjusted to reflect certain asset reclassifications

Total assets under management – by client domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2010	\$557.7	\$377.1	\$26.0	\$79.6	\$29.6	\$45.4
Long-Term Inflows	36.8	26.5	0.4	3.7	3.6	2.6
Long-Term Outflows	(31.9)	(22.6)	(1.6)	(2.8)	(2.9)	(2.0)
Long-Term Net flows	4.9	3.9	(1.2)	0.9	0.7	0.6
Net flows in Inst. Money Market Funds	(2.4)	(1.9)	-	(0.5)	(0.1)	0.1
Market Gains and Losses/Reinvestment	34.4	21.8	1.6	5.8	2.2	3.0
Net Acquisitions/(Dispositions)	1.7	(0.9)	(0.5)	-	-	3.1
Foreign Currency Translation	8.2	-	0.8	4.0	1.2	2.2
September 30, 2010	\$604.5	\$400.0	\$26.7	\$89.8	\$33.6	\$54.4
Long-Term Inflows	40.4	27.6	0.5	3.3	5.0	4.0
Long-Term Outflows	(57.4)	(26.2)	(1.7)	(3.3)	(4.1)	(22.1)
Long-Term Net flows	(17.0)	1.4	(1.2)	-	0.9	(18.1)
Net flows in Inst. Money Market Funds	(1.6)	(1.3)	-	(0.1)	(0.1)	(0.1)
Market Gains and Losses/Reinvestment	24.2	15.7	1.5	2.9	1.2	2.9
Net Acquisitions/(Dispositions)	5.0	(0.4)	-	-	-	5.4
Foreign Currency Translation	1.4	-	0.9	(0.5)	(0.3)	1.3
December 31, 2010	\$616.5	\$415.4	\$27.9	\$92.1	\$35.3	\$45.8

* The beginning balances were adjusted to reflect certain asset reclassifications

Assets under management – ETF, UIT and passive – by asset class

(\$ billions)			Fixed		Money	
	Total	Equity	Income	Balanced	Market	Alternative
December 31, 2010	\$80.8	\$42.8	\$19.8	\$0.0	\$0.0	\$18.2
Long-Term Inflows	19.0	11.2	4.5	-	-	3.3
Long-Term Outflows	(10.9)	(8.8)	(0.5)	-	-	(1.6)
Long-Term Net flows	8.1	2.4	4.0	-	-	1.7
Net flows in Inst. Money Market Fund	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	2.8	2.1	(0.1)	-	-	0.8
Net Acquisitions/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	-	-	-	-	-	-
March 31, 2011	\$91.7	\$47.3	\$23.7	\$0.0	\$0.0	\$20.7
Long-Term Inflows	14.7	10.0	3.0	-	-	1.7
Long-Term Outflows	(13.8)	(10.9)	(0.3)	-	-	(2.6)
Long-Term Net flows	0.9	(0.9)	2.7	-	-	(0.9)
Net flows in Inst. Money Market Fund	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	(0.9)	(0.7)	0.3	-	-	(0.5)
Foreign Currency Translation	0.1	-	-	-	-	0.1
June 30, 2011	\$91.8	\$45.7	\$26.7	-	-	\$19.4

Assets under management – ETF, UIT and passive – by asset class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2010	\$79.2	\$48.9	\$15.2	\$0.0	\$0.0	\$15.1
Long-Term Inflows	15.2	12.7	1.8	-	-	0.7
Long-Term Outflows	(11.6)	(9.8)	(0.3)	-	-	(1.5)
Long-Term Net flows	3.6	2.9	1.5	-	-	(0.8)
Net flows in Inst. Money Market Fund	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	6.0	4.8	0.4	-	-	0.8
Net Acquisitions/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	1.1	0.9	-	-	-	0.2
September 30, 2010	\$89.9	\$57.5	\$17.1	\$0.0	\$0.0	\$15.3
Long-Term Inflows	15.8	9.3	4.3	-	-	2.2
Long-Term Outflows	(30.4)	(28.4)	(0.6)	-	-	(1.4)
Long-Term Net flows	(14.6)	(19.1)	3.7	-	-	0.8
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	4.3	3.9	(1.0)	-	-	1.4
Net Acquisitions/(Dispositions)	0.7	-	-	-	-	0.7
Foreign Currency Translation	0.5	0.5	-	-	-	-
December 31, 2010	\$80.8	\$42.8	\$19.8	\$0.0	\$0.0	\$18.2

* The beginning balances were adjusted to reflect certain asset reclassifications

Assets under management – ETF, UIT and passive – by channel

(\$ billions)	Total	Retail	Institutional	PWM
December 31, 2010	\$80.8	\$70.6	\$10.2	\$0.0
Long-Term Inflows	19.0	15.4	3.6	-
Long-Term Outflows	(10.9)	(10.7)	(0.2)	-
Long-Term Net flows	8.1	4.7	3.4	-
Net flows in Inst. Money Market Funds	-	-	-	-
Market Gains and Losses/Reinvestment	2.8	2.9	(0.1)	-
Net Acquisitions/(Dispositions)	-	-	-	-
Foreign Currency Translation	-	-	-	-
March 31, 2011	\$91.7	\$78.2	\$13.5	\$0.0
Long-Term Inflows	14.7	12.7	2.0	-
Long-Term Outflows	(13.8)	(13.3)	(0.5)	-
Long-Term Net flows	0.9	(0.6)	1.5	-
Net flows in Inst. Money Market Funds	-	-	-	-
Market Gains and Losses/Reinvestment	(0.9)	(0.9)	-	-
Foreign Currency Translation	0.1	-	0.1	-
June 30, 2011	\$91.8	\$76.7	\$15.1	-

* The beginning balances were adjusted to reflect certain asset reclassifications

Assets under management – ETF, UIT and passive – by channel

(\$ billions)	Total	Retail	Institutional	PWM
June 30, 2010	\$79.2	\$57.4	\$21.8	\$0.0
Long-Term Inflows	15.2	15.2	-	-
Long-Term Outflows	(11.6)	(11.6)	-	-
Long-Term Net flows	3.6	3.6	-	-
Net flows in Inst. Money Market Funds	-	-	-	-
Market Gains and Losses/Reinvestment	6.0	5.7	0.3	-
Net Acquisitions/(Dispositions)	-	-	-	-
Foreign Currency Translation	1.1	-	1.1	-
September 30, 2010	\$89.9	\$66.7	\$23.2	\$0.0
Long-Term Inflows	15.8	12.9	2.9	-
Long-Term Outflows	(30.4)	(11.8)	(18.6)	-
Long-Term Net flows	(14.6)	1.1	(15.7)	-
Net flows in Inst. Money Market Funds	-	-	-	-
Market Gains and Losses/Reinvestment	4.3	2.8	1.5	-
Net Acquisitions/(Dispositions)	0.7	-	0.7	-
Foreign Currency Translation	0.5	-	0.5	-
December 31, 2010	\$80.8	\$70.6	\$10.2	\$0.0

* The beginning balances were adjusted to reflect certain asset reclassifications

Assets under management – ETF, UIT and passive – by client domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2010	\$80.8	\$77.3	\$0.0	\$0.0	\$1.2	\$2.3
Long-Term Inflows	19.0	18.8	-	-	0.2	-
Long-Term Outflows	(10.9)	(10.8)	-	-	(0.1)	-
Long-Term Net flows	8.1	8.0	-	-	0.1	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	2.8	2.7	-	-	0.1	-
Net Acquisitions/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	-	-	-	-	-	-
March 31, 2011	\$91.7	\$88.0	\$0.0	\$0.0	\$1.4	\$2.3
Long-Term Inflows	14.7	14.6	-	-	0.1	-
Long-Term Outflows	(13.8)	(13.7)	-	-	(0.1)	-
Long-Term Net flows	0.9	0.9	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	(0.9)	(0.9)	-	-	-	-
Foreign Currency Translation	0.1	-	-	-	-	0.1
June 30, 2011	\$91.8	\$88.0	-	-	\$1.4	\$2.4

* The beginning balances were adjusted to reflect certain asset reclassifications

Assets under management – ETF, UIT and passive – by client domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2010	\$79.2	\$61.5	\$0.0	\$0.0	\$1.0	\$16.7
Long-Term Inflows	15.2	15.2	-	-	-	-
Long-Term Outflows	(11.6)	(11.5)	-	-	(0.1)	-
Long-Term Net flows	3.6	3.7	-	-	(0.1)	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	6.0	5.3	-	-	0.2	0.5
Net Acquisition/(Dispositions)	-	-	-	-	-	-
Foreign Currency Translation	1.1	-	-	-	-	1.1
September 30, 2010	89.9	70.5	\$0.0	\$0.0	\$1.1	\$18.3
Long-Term Inflows	15.8	15.7	-	-	0.1	-
Long-Term Outflows	(30.4)	(11.7)	-	-	(0.1)	(18.6)
Long-Term Net flows	(14.6)	4.0	-	-	-	(18.6)
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	4.3	2.8	-	-	0.1	1.4
Net Acquisition/(Dispositions)	0.7	-	-	-	-	0.7
Foreign Currency Translation	0.5	-	-	-	-	0.5
December 31, 2010	\$80.8	\$77.3	\$0.0	\$0.0	\$1.2	\$2.3

* The beginning balances were adjusted to reflect certain asset reclassifications

Reconciliation of US GAAP results to non-GAAP results – three months ended June 30, 2011

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	European Infrastructure	Non-GAAP basis	
Operating Revenues									
Investment Management Fees	819	13	-	-	-	12	-	844	
Service and Distribution Fees	211	-	-	(5)	-	-	-	206	
Performance Fees	8	-	-	-	-	-	-	8	
Other	32	-	-	-	-	-	-	32	
Third-Party Distribution, Service and Advisory	-	(3)	(342)	5	-	-	-	(339)	
Total Operating Revenues reconciled to net revenues	1070	11	(342)	-	-	12	-	751	
Operating Expenses									
Employee Compensation	318	3	-	(5)	(3)	-	(3)	311	
Third-Party Distribution, Service and Advisory	342	-	(342)	-	-	-	-	-	
Marketing	26	1	-	-	-	-	-	27	
Property, Office and Technology	62	1	-	-	-	-	-	63	
General and Administrative	78	1	-	(7)	-	(4)	(3)	66	
Transaction & Integration	11	-	-	(11)	-	-	-	-	
Total Operating Expenses	837	6	(342)	(23)	(3)	(4)	(6)	466	
Operating Income reconciled to adjusted operating income	233	5	-	23	3	16	6	285	
Equity in Earnings of Unconsolidated Affiliates	11	(6)	-	-	-	-	-	5	
Interest and Dividend Income	2	1	-	-	(1)	2	-	3	
Interest Income of Consolidated Investment Products	80	-	-	-	-	(80)	-	-	
Gains and (Losses) of Consolidated Investment Products, net	(65)	-	-	-	-	65	-	-	
Interest Expense	(16)	-	-	-	-	-	-	(16)	
Interest Expense of Consolidated Investment Products	(47)	-	-	-	-	47	-	-	
Other Gains and Losses, net	6	-	-	-	(3)	-	-	3	
Income Before Income Taxes	205	-	-	23	(2)	48	6	280	
Income Tax Provision	(75)	-	-	3	1	-	(1)	(73)	
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	54	-	-	-	-	(54)	-	-	
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	183	-	-	26	(2)	(5)	5	207	
Diluted EPS	\$0.39							Adjusted diluted EPS	\$0.44
Diluted Shares Outstanding	467.4							Diluted Shares Outstanding	467.4
Operating margin	21.8%							Adjusted Operating Margin	37.9%

Reconciliation of US GAAP results to non-GAAP results – three months ended March 31, 2011

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other Reconciling Items	Non-GAAP basis	
Operating Revenues									
Investment Management Fees	792	13	-	-	-	11	-	816	
Service and Distribution Fees	199	-	-	-	-	-	-	199	
Performance Fees	4	-	-	-	-	-	-	4	
Other	33	-	-	-	-	-	-	33	
Third-Party Distribution, Service and Advisory	-	(3)	(325)	-	-	-	-	(327)	
Total Operating Revenues reconciled to net revenues	1,027	10	(325)	-	-	11	-	724	
Operating Expenses									
Employee Compensation	306	3	-	(5)	(4)	-	-	300	
Third-Party Distribution, Service and Advisory	325	-	(325)	-	-	-	-	-	
Marketing	26	1	-	-	-	-	-	26	
Property, Office and Technology	64	1	-	-	-	-	-	65	
General and Administrative	74	1	-	(9)	-	(4)	-	62	
Transaction & Integration	8	-	-	(8)	-	-	-	-	
Total Operating Expenses	802	5	(325)	(22)	(4)	(4)	-	452	
Operating Income reconciled to adjusted operating income	226	5	-	22	4	15	-	272	
Equity in Earnings of Unconsolidated Affiliates	7	(6)	-	-	-	1	-	2	
Interest and Dividend Income	2	-	-	-	(1)	1	-	3	
Interest Income of Consolidated Investment Products	74	-	-	-	-	(74)	-	-	
Gains and (Losses) of Consolidated Investment Products, net	(86)	-	-	-	-	86	-	-	
Interest Expense	(16)	-	-	-	-	-	-	(16)	
Interest Expense of Consolidated Investment Products	(40)	-	-	-	-	40	-	-	
Other Gains and Losses, net	8	-	-	-	(4)	-	-	4	
Income Before Income Taxes	175	-	-	22	(1)	69	-	265	
Income Tax Provision	(76)	-	-	2	-	-	-	(73)	
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	78	-	-	-	-	(78)	-	-	
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	178	-	-	24	(1)	(10)	-	192	
Diluted EPS	\$0.38							Adjusted diluted EPS	\$0.41
Diluted Shares Outstanding	472.1							Diluted Shares Outstanding	472.1
Operating margin	22.0%							Adjusted Operating Margin	37.6%

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2010

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other Reconciling Items	Non-GAAP basis	
Operating Revenues									
Investment Management Fees	774	14	-	-	-	12	-	799	
Service and Distribution Fees	202	-	-	-	-	-	-	202	
Performance Fees	19	-	-	-	-	-	-	19	
Other	34	1	-	-	-	-	-	35	
Third-Party Distribution, Service and Advisory	-	(3)	(316)	-	-	-	-	(319)	
Total Operating Revenues reconciled to net revenues	1,029	11	(316)	-	-	12	-	736	
Operating Expenses									
Employee Compensation	313	3	-	(5)	(6)	-	-	305	
Third-Party Distribution, Service and Advisory	316	-	(316)	-	-	-	-	-	
Marketing	26	1	-	-	-	-	-	26	
Property, Office and Technology	66	1	-	-	-	-	-	66	
General and Administrative	84	1	-	(9)	-	(2)	(15)	58	
Transaction & Integration	27	-	-	(27)	-	-	-	-	
Total Operating Expenses	830	5	(316)	(41)	(6)	(2)	(15)	455	
Operating Income reconciled to adjusted operating income	199	6	-	41	6	14	15	280	
Equity in Earnings of Unconsolidated Affiliates	13	(6)	-	-	-	-	-	7	
Interest and Dividend Income	4	-	-	-	(1)	-	-	3	
Interest Income of Consolidated Investment Products	65	-	-	-	-	(65)	-	-	
Gains and (Losses) of Consolidated Investment Products, net	(28)	-	-	-	-	28	-	-	
Interest Expense	(16)	-	-	-	-	-	-	(16)	
Interest Expense of Consolidated Investment Products	(37)	-	-	-	-	37	-	-	
Other Gains and Losses, net	12	-	-	-	(7)	-	-	6	
Income Before Income Taxes	212	-	-	41	(3)	14	15	280	
Income Tax Provision	(56)	-	-	(14)	1	-	(4)	(74)	
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	19	-	-	-	-	(15)	-	3	
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	175	-	-	26	(2)	(1)	11	209	
Diluted EPS	\$0.37							Adjusted diluted EPS	\$0.44
Diluted Shares Outstanding	473.1							Diluted Shares Outstanding	473.1
Operating margin	19.3%							Adjusted Operating Margin	38.1%

Reconciliation of US GAAP results to non-GAAP results – three months ended September 30, 2010

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other Reconciling Items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	726	12	-	-	-	11	-	749
Service and Distribution Fees	192	-	-	-	-	-	-	192
Performance Fees	3	-	-	-	-	-	-	3
Other	33	-	-	-	-	-	-	33
Third-Party Distribution, Service and Advisory	-	(3)	(292)	-	-	-	-	(295)
Total Operating Revenues reconciled to net revenues	954	10	(292)	-	-	10	-	682
Operating Expenses								
Employee Compensation	304	3	-	(5)	(4)	-	-	298
Third-Party Distribution, Service and Advisory	292	-	(292)	-	-	-	-	-
Marketing	20	-	-	-	-	-	-	20
Property, Office and Technology	64	1	-	-	-	-	-	64
General and Administrative	65	1	-	(9)	-	(2)	-	54
Transaction & Integration	27	-	-	(27)	-	-	-	-
Total Operating Expenses	770	5	(292)	(41)	(4)	(2)	-	436
Operating Income reconciled to adjusted operating income	183	6	-	41	4	12	-	246
Equity in Earnings of Unconsolidated Affiliates	11	(6)	-	-	-	-	-	5
Interest and Dividend Income	3	-	-	-	(1)	-	-	2
Interest Income of Consolidated Investment Products	70	-	-	-	-	(70)	-	-
Gains and (Losses) of Consolidated Investment Products, net	(148)	-	-	-	-	148	-	-
Interest Expense	(16)	-	-	-	-	-	-	(16)
Interest Expense of Consolidated Investment Products	(36)	-	-	-	-	36	-	-
Other Gains and Losses, net	15	-	-	-	(11)	-	-	4
Income Before Income Taxes	82	-	-	41	(8)	126	-	241
Income Tax Provision	(55)	-	-	(3)	2	-	-	(56)
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	127	-	-	-	-	(128)	-	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	155	-	-	38	(6)	(2)	-	185
Diluted EPS	\$0.32						Adjusted diluted EPS	\$0.39
Diluted Shares Outstanding	479.1						Diluted Shares Outstanding	479.1
Operating margin	19.2%						Adjusted Operating Margin	36.0%

Reconciliation of US GAAP results to non-GAAP results – three months ended June 30, 2010

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other Reconciling Items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	628	13	-	-	-	12	-	653
Service and Distribution Fees	139	-	-	-	-	-	-	139
Performance Fees	4	-	-	-	-	-	-	4
Other	16	-	-	-	-	-	-	16
Third-Party Distribution, Service and Advisory	-	(3)	(238)	-	-	-	-	(241)
Total Operating Revenues reconciled to net revenues	787	10	(238)	-	-	12	-	571
Operating Expenses								
Employee Compensation	261	3	-	(5)	2	-	-	260
Third-Party Distribution, Service and Advisory	238	-	(238)	-	-	-	-	-
Marketing	18	-	-	-	-	-	-	18
Property, Office and Technology	56	1	-	-	-	-	-	56
General and Administrative	64	1	-	(5)	-	(3)	(9)	48
Transaction & Integration	79	-	-	(79)	-	-	-	-
Total Operating Expenses	716	4	(238)	(90)	2	(3)	(9)	383
Operating Income reconciled to adjusted operating income	71	6	-	90	(2)	15	9	189
Equity in Earnings of Unconsolidated Affiliates	10	(6)	-	-	-	-	-	4
Interest and Dividend Income	2	-	-	-	-	-	-	2
Interest Income of Consolidated Investment Products	53	-	-	-	-	(53)	-	-
Gains and (Losses) of Consolidated Investment Products, net	187	-	-	-	-	(187)	-	-
Interest Expense	(14)	-	-	-	-	-	-	(14)
Interest Expense of Consolidated Investment Products	(26)	-	-	-	-	26	-	-
Other Gains and Losses, net	(9)	-	-	-	6	-	-	(4)
Income Before Income Taxes	275	-	-	90	4	(200)	9	178
Income Tax Provision	(37)	-	-	(11)	(1)	-	(3)	(52)
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	(197)	-	-	-	-	197	-	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	41	-	-	78	3	(2)	6	125
Diluted EPS	\$0.09						Adjusted diluted EPS	\$0.27
Diluted Shares Outstanding	457.8						Diluted Shares Outstanding	457.8
Operating margin	9.1%						Adjusted Operating Margin	33.0%

Reconciliation of US GAAP results to non-GAAP results – three months ended March 31, 2010

(\$ millions)	US GAAP Basis	Proportional share of JV	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Non-GAAP basis
Operating Revenues							
Investment Management Fees	594	14	-	-	-	11	618
Service and Distribution Fees	113	-	-	-	-	-	113
Performance Fees	1	-	-	-	-	-	1
Other	12	-	-	-	-	-	11
Third-Party Distribution, Service and Advisory	-	(3)	(208)	-	-	-	(211)
Total Operating Revenues reconciled to net revenues	719	11	(208)	-	-	10	532
Operating Expenses							
Employee Compensation	238	3	-	(5)	(2)	-	234
Third-Party Distribution, Service and Advisory	208	-	(208)	-	-	-	-
Marketing	16	-	-	-	-	-	16
Property, Office and Technology	54	1	-	-	-	-	54
General and Administrative	50	1	-	(3)	-	(3)	45
Transaction & Integration	17	-	-	(17)	-	-	-
Total Operating Expenses	582	5	(208)	(25)	(2)	(3)	349
Operating Income reconciled to adjusted operating income	137	5	-	25	2	14	183
Equity in Earnings of Unconsolidated Affiliates	6	(6)	-	-	-	0	1
Interest and Dividend Income	2	-	-	-	-	-	2
Interest Income of Consolidated Investment Products	53	-	-	-	-	(53)	-
Gains and (Losses) of Consolidated Investment Products, net	103	-	-	-	-	(103)	-
Interest Expense	(12)	-	-	-	-	-	(12)
Interest Expense of Consolidated Investment Products	(21)	-	-	-	-	21	-
Other Gains and Losses, net	(2)	-	-	-	(2)	-	(5)
Income Before Income Taxes	265	-	-	25	(1)	(121)	168
Income Tax Provision	(50)	-	-	2	-	-	(48)
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	(119)	-	-	-	-	119	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	95	-	-	27	(0)	(2)	120
Diluted EPS	\$0.21					Adjusted diluted EPS	\$0.27
Diluted Shares Outstanding	442.4					Diluted shares outstanding	442.4
Operating margin	19.0%					Adjusted operating margin	34.4%

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2009

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Consolidated Investment Products	Non-GAAP basis
Operating Revenues						
Investment Management Fees	612	15	-	-	2	628
Service and Distribution Fees	111	-	-	-	-	111
Performance Fees	7	-	-	-	-	7
Other	18	-	-	-	-	18
Third-Party Distribution, Service and Advisory	-	(3)	(208)	-	-	(211)
Total Operating Revenues reconciled to net revenues	748	12	(208)	-	2	553
Operating Expenses						
Employee Compensation	247	3	-	(5)	-	245
Third-Party Distribution, Service and Advisory	208	-	(208)	-	-	-
Marketing	18	1	-	-	-	18
Property, Office and Technology	55	1	-	-	-	56
General and Administrative	50	1	-	(3)	(1)	47
Transaction & Integration	10	-	-	(10)	-	-
Total Operating Expenses	587	5	(208)	(18)	(1)	366
Operating Income reconciled to adjusted operating income	161	7	-	18	3	188
Equity in Earnings of Unconsolidated Affiliates	9	(7)	-	-	-	2
Interest and Dividend Income	2	-	-	-	-	2
Gains and (Losses) of Consolidated Investment Products, net	26	-	-	-	(26)	-
Interest Expense	(15)	-	-	-	-	(15)
Other Gains and Losses, net	-	-	-	-	-	-
Income Before Income Taxes	182	-	-	18	(23)	177
Income Tax Provision	(48)	-	-	2	-	(46)
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	(23)	-	-	-	23	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	111	-	-	20	-	131
Diluted EPS	\$0.25				Adjusted diluted EPS	\$0.30
Diluted Shares Outstanding	440.1				Diluted Shares Outstanding	440.1
Operating margin	21.5%				Adjusted Operating Margin	34.0%

Reconciliation of US GAAP results to non-GAAP results – three months ended September 30, 2009

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Consolidated Investment Products	Non-GAAP basis
Operating Revenues						
Investment Management Fees	570	15	-	-	2	587
Service and Distribution Fees	112	-	-	-	-	112
Performance Fees	4	-	-	-	-	4
Other	19	1	-	-	-	20
Third-Party Distribution, Service and Advisory	-	(3)	(195)	-	-	(198)
Total Operating Revenues reconciled to net revenues	706	13	(195)	-	2	525
Operating Expenses						
Employee Compensation	239	2	-	(5)	-	236
Third-Party Distribution, Service and Advisory	195	-	(195)	-	-	-
Marketing	16	-	-	-	-	16
Property, Office and Technology	63	1	-	-	-	64
General and Administrative	40	1	-	(3)	(1)	37
Transaction & Integration	1	-	-	(1)	-	-
Total Operating Expenses	554	4	(195)	(9)	(1)	353
Operating Income reconciled to adjusted operating income	152	8	-	9	3	172
Equity in Earnings of Unconsolidated Affiliates	8	(9)	-	-	-	(1)
Interest and Dividend Income	2	-	-	-	-	2
Gains /(Losses) of Consolidated Investment Products, net	2	-	-	-	(2)	-
Interest Expense	(17)	-	-	-	-	(17)
Other Gains and Losses, net	2	-	-	-	-	2
Income Before Income Taxes	148	-	-	9	1	158
Income Tax Provision	(44)	-	-	3	-	(40)
(Gains)/Losses Attributable to Noncontrolling Interests in Consolidated Entities, net	1	-	-	-	(1)	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	105	-	-	13		118
Diluted EPS	\$0.24				Adjusted diluted EPS	\$0.27
Diluted Shares Outstanding	437.7				Diluted Shares Outstanding	437.7
Operating margin	21.5%				Adjusted Operating Margin	32.8%