

Invesco

Full Year 2007 & 4th Quarter Results

February 5, 2008

Martin L. Flanagan, Chief Executive Officer
Loren M. Starr, Chief Financial Officer



Forward Looking Statements

This presentation may include statements that constitute "forward-looking statements" under the United States securities laws. Forward-looking statements include information concerning possible or assumed future results of our operations, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, assets under management, acquisition activities and the effect of completed acquisitions, debt levels and the ability to obtain additional financing or make payments on our debt, regulatory developments, demand for and pricing of our products and other aspects of our business or general economic conditions. In addition, when used in this release, words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "projects" and future or conditional verbs such as "will," "may," "could," "should," and "would" and any other statement that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, 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. In connection with any forward-looking statements, you should carefully consider the areas of risk described in our most recent Annual Report on Form 20-F and our subsequent Quarterly Report on Form 10-Q, as filed with the United States Securities and Exchange Commission ("SEC"). You may obtain these reports from the SEC's Web site at www.sec.gov. We expressly disclaim any obligation to update any of the information in this or any other public disclosure if any forward-looking statement later turns out to be inaccurate, whether as a result of new information, future events or otherwise.



Discussion Topics

1. Financial Results- Full Year 2007 and 4th Quarter
2. Well Positioned For Growth
3. Questions and Answers
4. Appendix



Financial Highlights – 2007 Was a Record Year

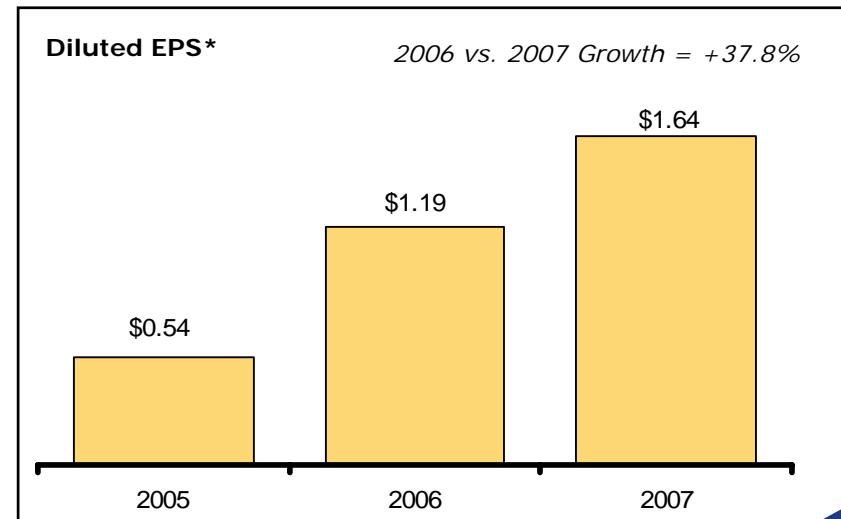
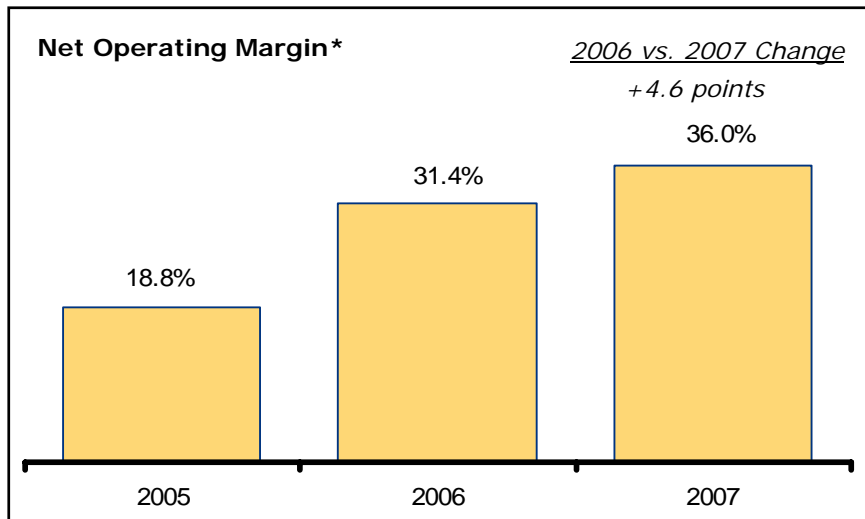
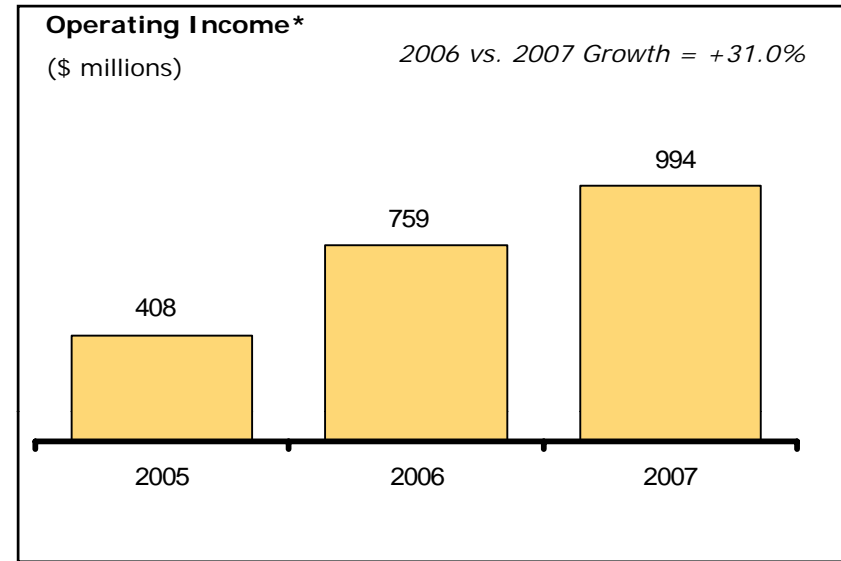
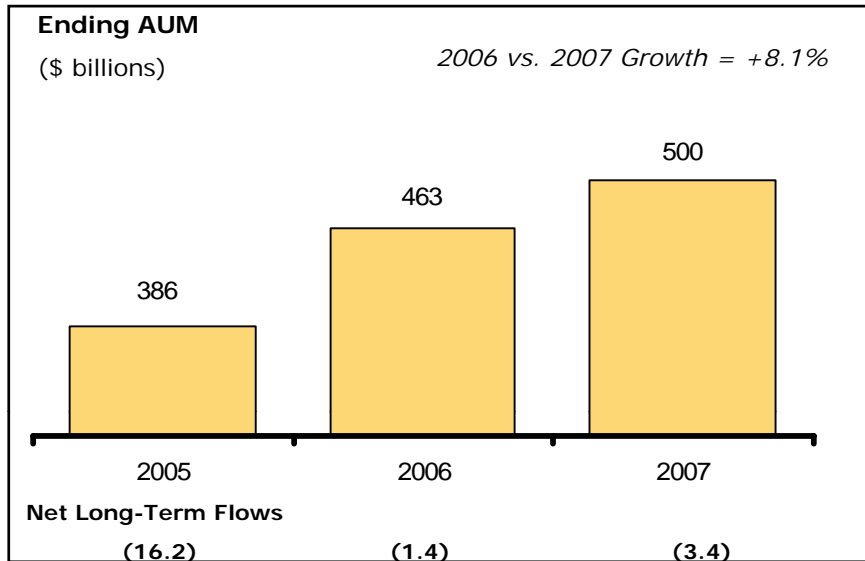
	<u>2007</u>	<u>2006</u>	<u>Vs. 2006</u>	<u>2005</u>
AUM	\$500.1bn	\$462.6	+8.1%	\$386.3
Operating Revenues	\$3,879	\$3,247	+19.5%	\$2,873
Operating Income	\$994	\$759	+31.0%	\$408
Impact of Relisting/Settlement*	+\$23			
Diluted EPS	\$1.64	\$1.19	+37.8%	\$0.54
Impact of Relisting/Settlement*	+\$0.04			
Net Operating Margin**	36.0%	31.4%	+4.6 points	18.8%
Impact of Relisting/Settlement*	+0.8 points			

*Operating expenses in 2007 included charges of \$12.8 million related to relisting of the company and \$9.8 million related to a proposed final settlement of market-timing private litigation that commenced in 2003. EPS impact shown net of tax.

**See the Schedule of Non-GAAP Information in the appendix of this presentation for a reconciliation of net operating margin to the most directly comparable US GAAP financial measure.



In 2007 We Gained Momentum Against Key Financial Metrics...

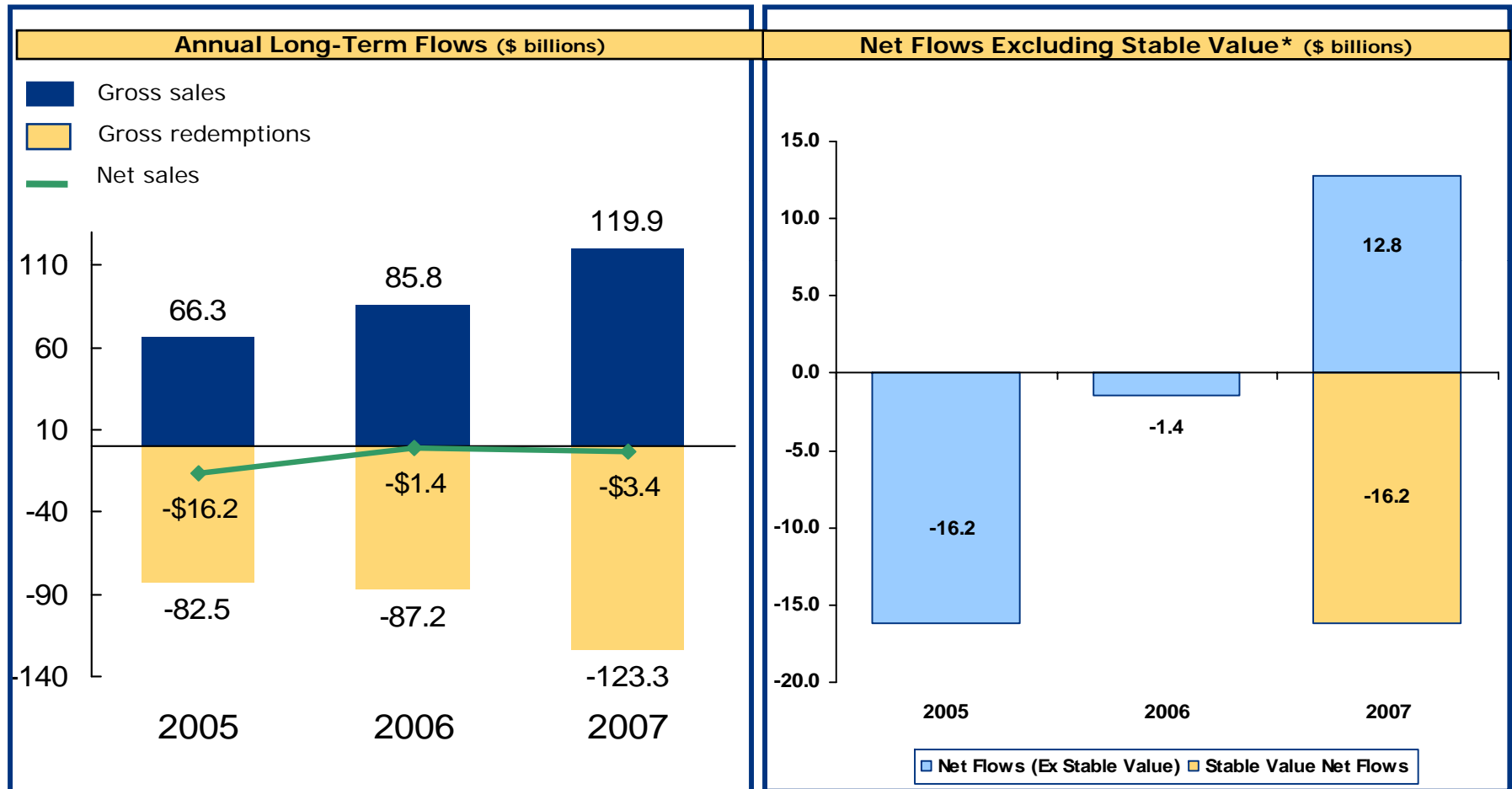


*Operating expenses in 4Q07 included charges of \$12.8 million related to relisting of the company and \$9.8 million related to a proposed final settlement of market timing private litigation that commenced in 2003. EPS impact shown net of tax. See the Schedule of Non-GAAP Information in the appendix of this presentation for a reconciliation of net operating margin to the most directly comparable US GAAP financial measures.



Annual Long-Term Flows

- Gross sales increased in 2007 despite volatile markets in the latter half of the year
- Net flows were -\$3.4 billion for the year
- Excluding Stable Value, net flows were \$12.8bn positive in 2007



Assets Under Management – Annual

(\$ billions)	2007	2006	% Change	2005
Beginning Assets	\$462.6	\$386.3	19.8%	\$382.1
Inflows	119.9	85.8	39.7%	66.3
Outflows	(123.3)	(87.2)	41.4%	(82.5)
Net flows	(3.4)	(1.4)	142.9%	(16.2)
Net flows in Money Market Funds and Other	10.1	12.8	(21.1)%	0.5
Market Gains/Reinvestment	20.0	46.5	(57.0)%	24.4
Acquisitions	0.0	8.9	-	0.0
Foreign currency	10.8	9.5	13.7%	(4.5)
Ending Assets	\$500.1	\$462.6	8.1%	\$386.3
Average long-term AUM	424.2	366.3	15.8%	331.7
Average institutional money market AUM	64.9	57.9	12.1%	45.9
Average AUM	\$489.1	\$424.2	15.3%	\$377.6
Net Revenue Yield (annualized)*	59.1 bps	56.9 bps		57.6bps
Net Revenue Yield less performance fees (annualized)*	57.7 bps	55.0 bps		56.7bps

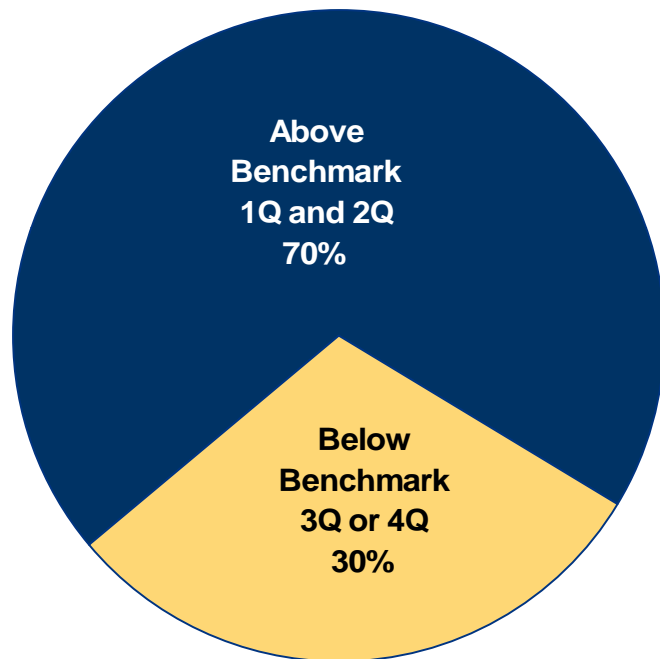
7 * Refer to appendix for net revenue calculation



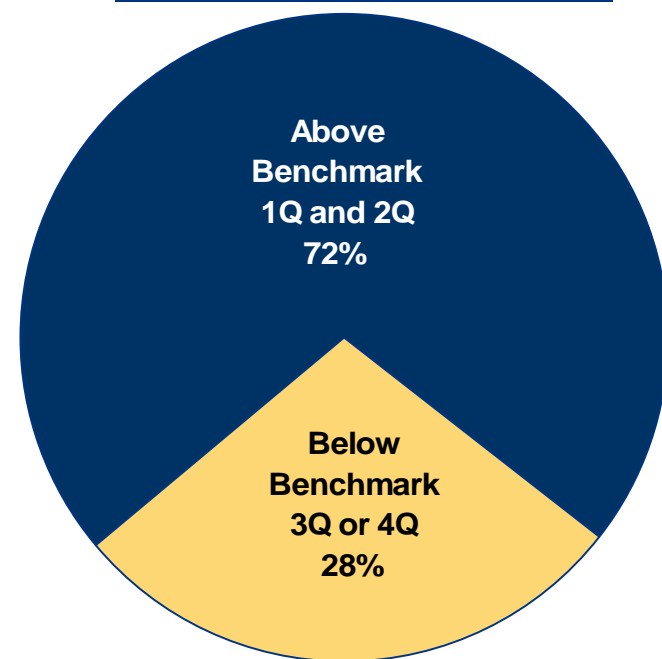
Delivering Investment Excellence

Asset Weighted 3-Year Performance

December 31, 2007



September 30, 2007



Rated AUM as of December 31, 2007 was \$380.0bn. Rated AUM as of September 30, 2007 was \$371.4 billion. Unrated assets as of December 31, 2007 (\$b): Private Wealth: 17, CDOs: 12, US Institutional: 7, Private Equity: 5, Real Estate : 25, Stable Value + Div. FI: 50, SPG 3, Other assets: 1



Delivering Investment Excellence

Ensuring well-defined, repeatable and disciplined investment processes that meet client expectations

Retail Results

% of AUM in Top Half of Peer Group

	<u>1yr</u>			<u>3yr</u>			<u>5yr</u>		
	Dec-07	Sep-07	Dec-06	Dec-07	Sep-07	Dec-06	Dec-07	Sep-07	Dec-06
US (Lipper) *	45%	44%	62%	64%	59%	74%	67%	72%	67%
US (Morningstar)	49%	49%	60%	65%	69%	51%	50%	54%	77%
Canada	4%	22%	80%	15%	23%	54%	14%	14%	81%
UK	75%	81%	89%	80%	87%	98%	92%	97%	87%
Cont. Europe & Asia	72%	57%	47%	57%	51%	90%	85%	86%	57%

Institutional Results

% of AUM Ahead of Benchmark

Equity	12%	32%	53%	56%	55%	59%	56%	58%	100%
Fixed Income	65%	33%	92%	89%	94%	96%	91%	96%	99%
Money Market **	98%	98%	97%	98%	98%	97%	98%	98%	97%
Alternative	42%	80%	92%	97%	99%	100%	93%	94%	100%

*Morningstar rankings are used in certain geographies where Lipper rankings are unavailable.

**Money Market figures refer to the percentage of AuM in the top half of their peer group.

Retail: Note that the following AUM figures are assets measured on a one-year-basis. December 07 figures are based on peer rankings and AuM as of December 31, 2007. Figures include the representative retail products of each region and refer to AuM of: US (Lipper): \$78.2bn, US (Morningstar): \$78.2bn, Canada (AIM Trimark): \$41.1bn, UK (Invesco Perpetual): \$65.2bn, CE and Asia: \$27.5bn. US (AIM Retail) assets exclude APAM, closed-end, offshore, sub-advised and variable insurance assets because the majority of these funds do not have third party rankings. Information has been sourced from Lipper and Morningstar via internal IVZ groups. Institutional: December 07 figures are based on performance and AuM as of December 31, 2007. Figures include the representative products managed in Atlanta, Frankfurt, London, Louisville, New York and Asia Pacific and refer to AuM of: Equity: \$42.3bn. Fixed Income: \$31.8bn. Money Market: \$76.3bn. Alternative: \$17.3bn.

Alternative AuM include alternative retail products and exclude AuM of CDOs and Direct Real Estate. Money Market AuM exclude non-USD money market funds. Performance results include a representative sample of funds and products and may not reflect an investor's experience; if all funds and products had available ratings or were included, results may be different. These results are preliminary and subject to revision. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results.



Financial Highlights – 4Q07

	<u>4Q07</u>	<u>3Q07</u>	<u>Vs. 3Q07</u>
AUM	\$500.1bn	\$507.2	(1.4)%
Operating Revenues	\$1,023	\$977	+4.8%
Operating Income	\$244	\$257	(5.0)%
Impact of Relisting/Settlement*	+\$23		
Diluted EPS	\$0.43	\$0.41	+4.9%
Impact of Relisting/Settlement*	+\$0.04		
Net Operating Margin**	34.4%	37.5%	(3.1) points
Impact of Relisting/Settlement*	+2.9 points		

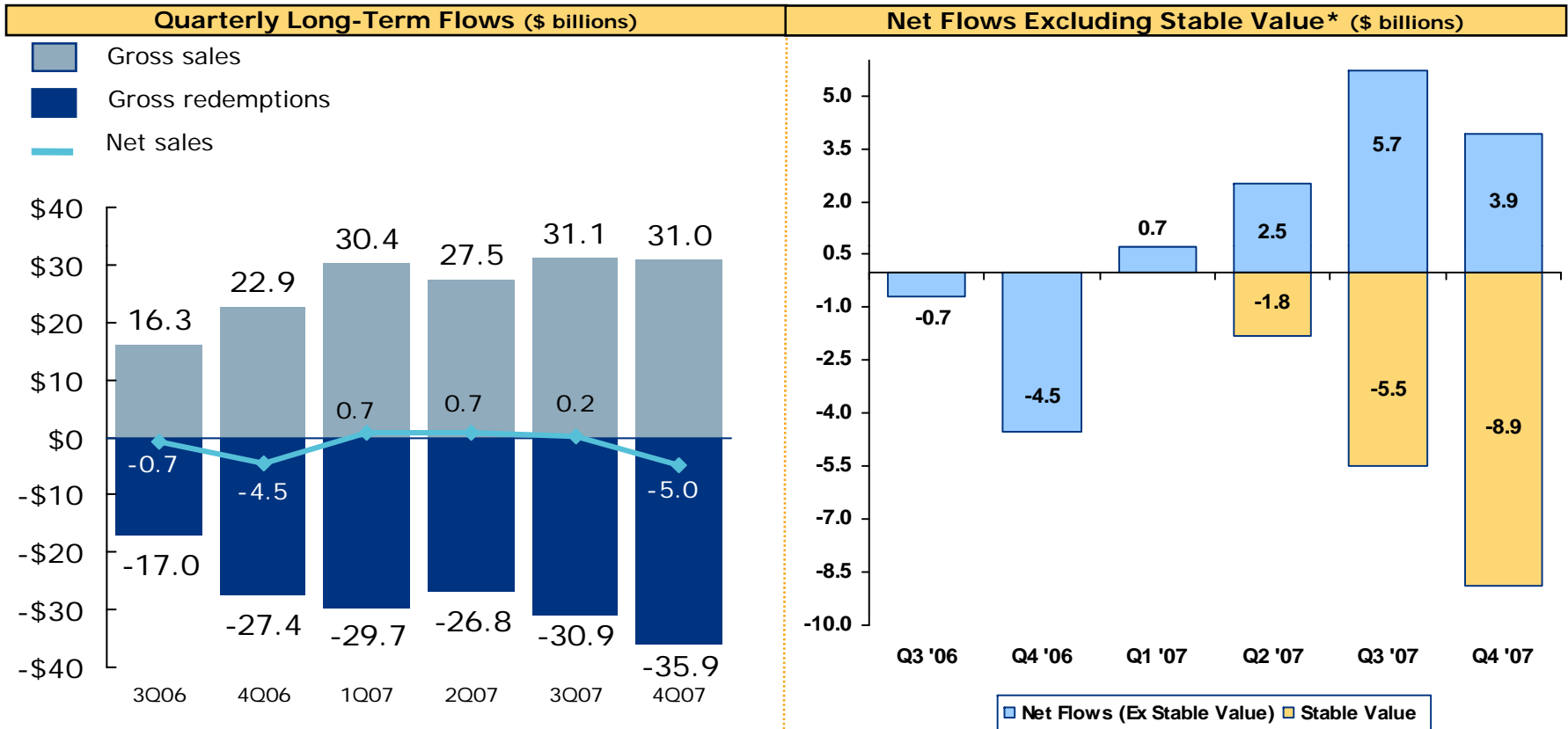
*Operating expenses in 4Q07 included charges of \$12.8 million related to relisting of the company and \$9.8 million related to a proposed final settlement of market-timing private litigation. EPS impact shown net of tax.

**See the Schedule of Non-GAAP Information in the appendix of this presentation for a reconciliation of net operating margin to the most directly comparable US GAAP financial measure.



Quarterly Long-Term Flows

- Gross sales remained at a relatively high level despite volatile markets in the 4th quarter
- Net flows were negative \$5.0 billion
- Excluding Stable Value, net flows were positive \$3.9 billion



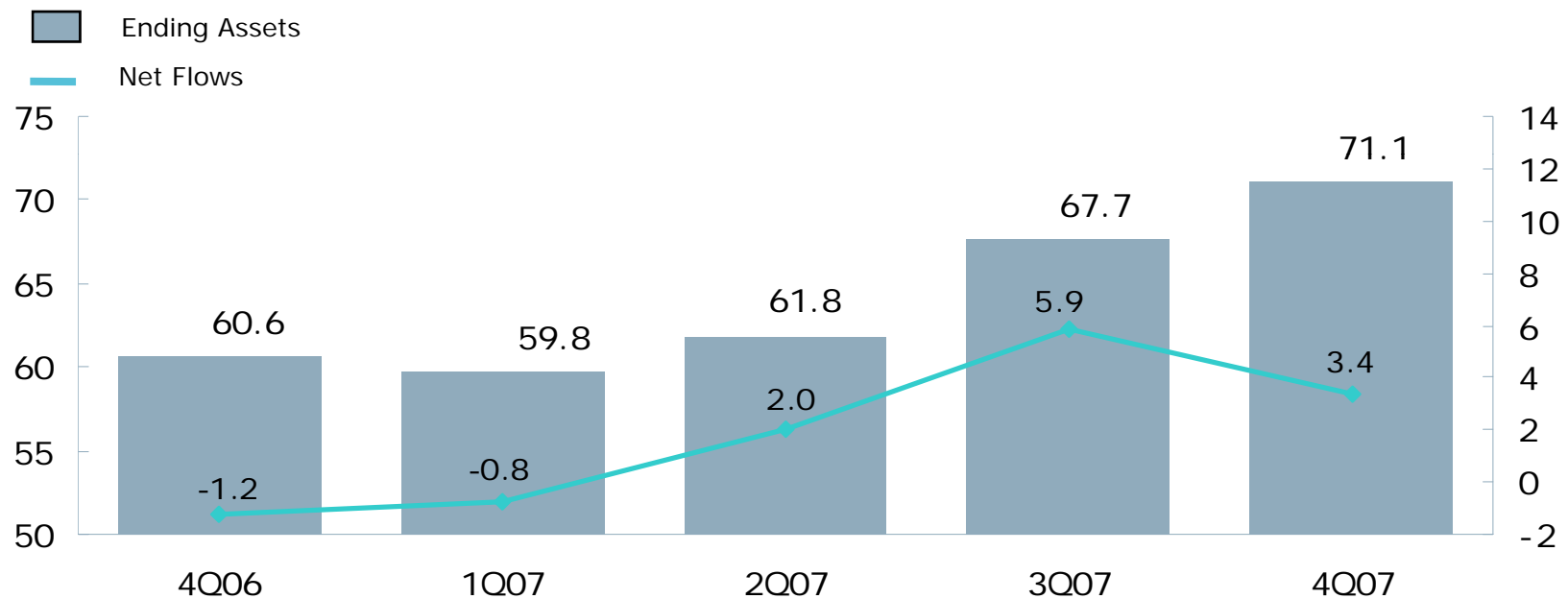
* Stable value net flows excluded from chart beginning April 1, 2007



Institutional Money Market Growth

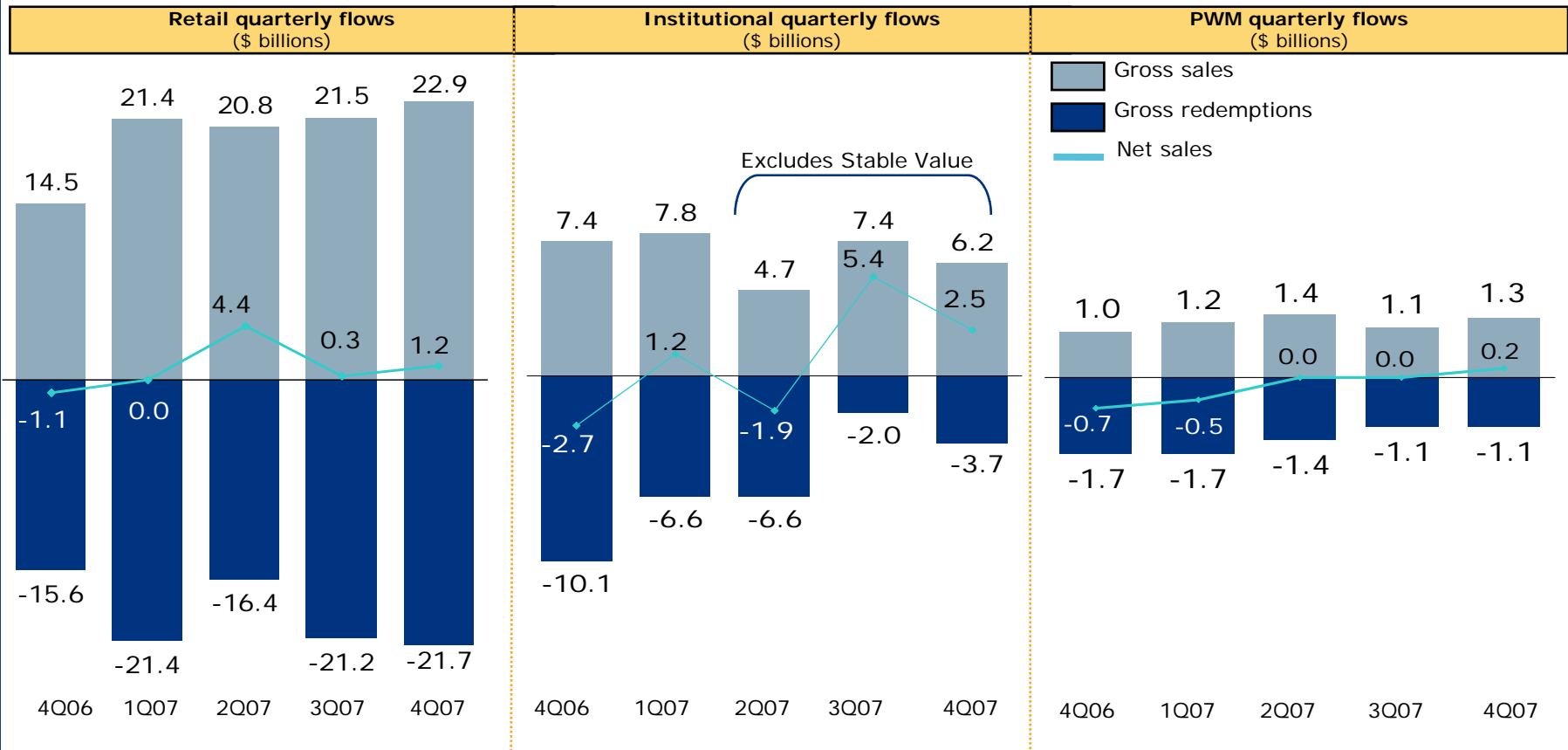
- Institutional money market assets increased \$67.7 billion to \$71.1 billion.
- Strong growth within high quality money market capability

Growth in Institutional Money Market (\$ billions)



Distribution Channels – Quarterly Long-Term Flows

- Retail gross sales continue at a higher level than 2006, with net inflows in the UK and Asia offset by net outflows in the US and Canada
- Institutional gross redemptions increased with stable value outflows offset by net inflows in alternatives
- Private Wealth Management flows continued a positive trend with \$0.2bn net inflows



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

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

PWM quarterly flows include our high net worth business in the U.S.



Assets Under Management – 3Q07 vs. 4Q07

(\$ billions)	4Q07	3Q07	% Change
Beginning Assets	\$507.2	\$491.6	3.2%
Inflows	30.9	31.1	(0.6)%
Outflows	(35.9)	(30.9)	16.2%
Net flows	(5.0)	0.2	N/A
Net flows in Money Market Funds and Other	3.5	5.7	(38.6)%
Market Gains/Reinvestment	(5.0)	4.1	(222.0)%
Foreign currency	(0.6)	5.6	(110.7)%
Ending Assets	\$500.1	\$507.2	(1.4)%
Average long-term AUM	440.7	428.4	2.9%
Average institutional money market AUM	69.2	66.3	4.4%
Average AUM	\$509.9	\$494.7	3.1%
Net Revenue Yield (annualized)*	60.1bps	58.2bps	
Net Revenue Yield less performance fees (annualized)*	59.4bps	57.9bps	



Operating Results – 3Q07 vs. 4Q07

(\$ millions)	4Q07	3Q07	% Change*
Investment Management Fees	816	792	3.1%
Performance Fees	13	4	227.5%
Service and Distribution Fees	151	151	0.1%
Other	43	30	41.7%
Total Operating Revenues	1,023	977	4.8%
Employee Compensation	286	278	2.9%
Third-Party Distribution, Service and Advisory	285	271	5.2%
Marketing	44	41	7.3%
Property, and Office and Technology	60	67	(9.5)%
General and Administrative	104	64	63.3%
Total Operating Expenses	779	720	8.2%
Operating Income	244	257	(5.0)%
Equity in Earnings of Unconsolidated Affiliates	21	15	40.9%
Interest Income	12	14	(16.3)%
Other Realized and Unrealized Gains, Net	6	(4)	N/A
Realized and Unrealized Gains of Consolidated Variable Interest Entities, net	56	59	(4.9)%
Interest Expense	(18)	(16)	7.9%
Income Before Taxes and Minority Interest	321	324	(1.0)%
Effective Tax Rate**	34.2%	35.7%	
Minority Interest Income of Consolidated Subsidiaries, Net of Tax	(54)	(64)	(16.6)%
Net Income	176	167	5.3%
EPS Diluted	0.43	0.41	4.9%
Average AUM (\$ billions)	509.9	494.7	3.1%
Headcount	5,475	5,390	1.6%

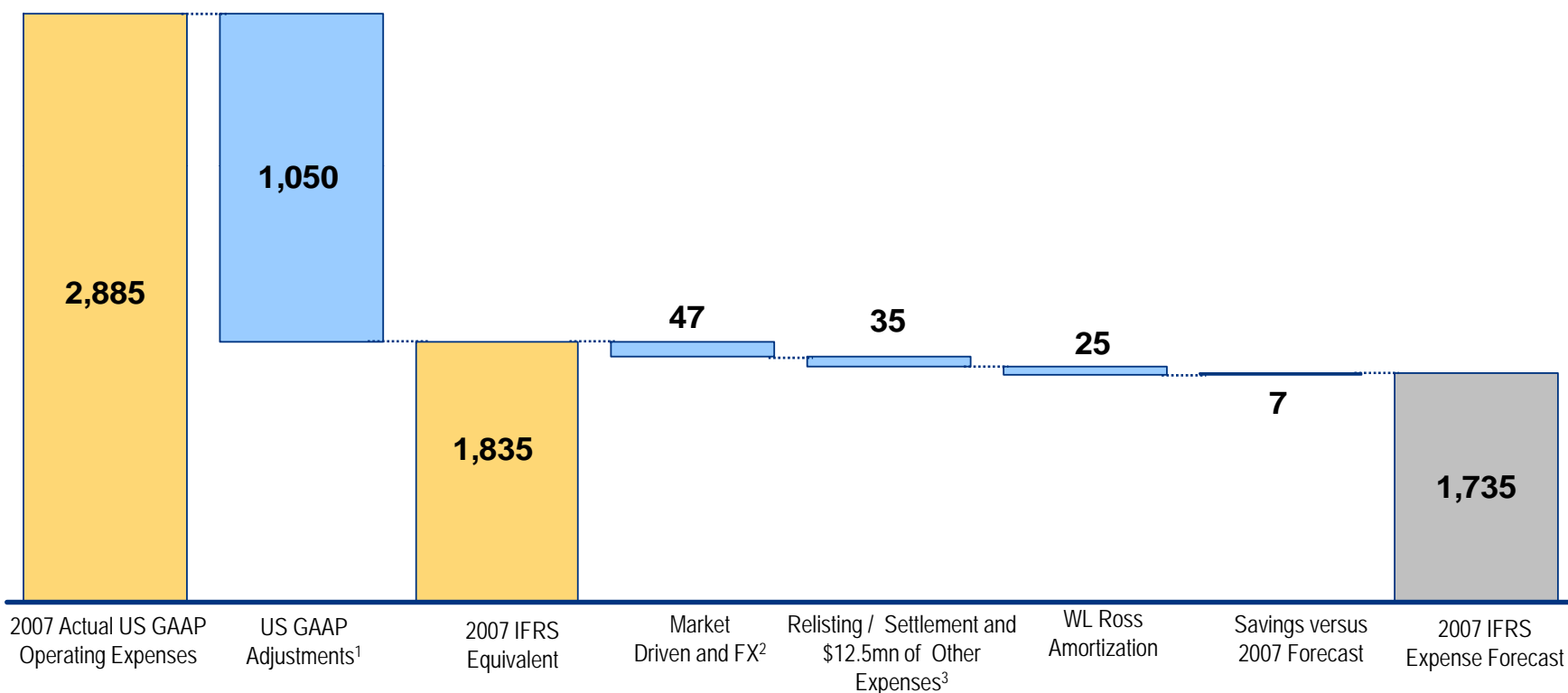
* % change based on unrounded figures

15 ** Effective tax rate = Tax Expense / (Income before taxes less minority interest)



2007 Expense Guidance Analysis

- The variance in the year includes:
 - \$22m for market, \$25m for FX
 - \$35m related to relisting, proposed legal settlement, and other expenses
 - \$25m related to the amortization of the WL Ross & Co. purchase price
- 2007 operating expenses (\$2,885m) were slightly better than guidance given variances.



1 See the condensed consolidated reconciliations from U.S. GAAP to IFRS in the appendix

2 Includes \$22mn related to market driven expenses and \$25mn increase over forecast in expenses due to FX. 4Q07 included \$10mn in market driven expenses and \$12mn due to FX.

3 One-time charge of \$12.8mn related to the relisting of the company, \$9.8 mn related to a proposed final settlement of market-timing private litigation that commenced in 2003, and \$12.5 million of expense that included proxy costs for our U.S. retail business, legal costs related to the market-timing regulatory settlements, and costs associated with the transfer of our DC platform to a third party in the UK.

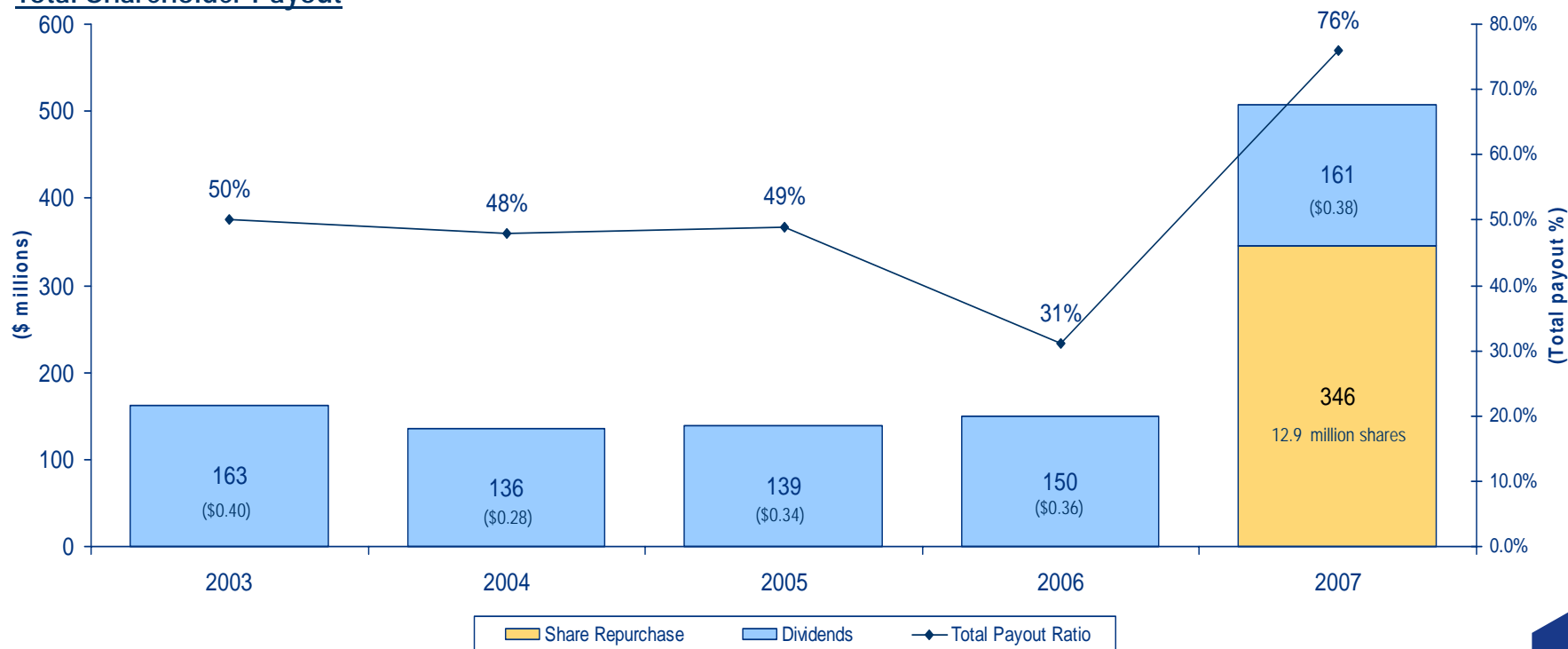


Capital Update

Capital Deployment Priorities

- Reinvest in our business
 - Prudently reinvest balancing growth opportunities with market levels in 2008
- Acquisitions when they make sense
- Dividends – steadily increase with no target payout ratio
 - Final 2007 dividend of \$0.22 per share will be paid on April 7, 2008
- Share repurchases in 2007
 - As of December 12.9 m shares repurchased for \$345.5mn

Total Shareholder Payout



Discussion Topics

1. Financial Results- Full Year 2007 and 4th Quarter
2. Well Positioned for Growth
3. Questions and Answers
4. Appendix



Well-Positioned for Growth

- We are building *real momentum* in terms of:
 - Investment performance
 - Assets and flows
 - Operating results
- *Well-positioned* to compete in current environment
- A *disciplined approach* to improve our competitive position



Discussion Topics

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Questions & Answers

Martin L. Flanagan, Chief Executive Officer

Loren M. Starr, Chief Financial Officer



Discussion Topics

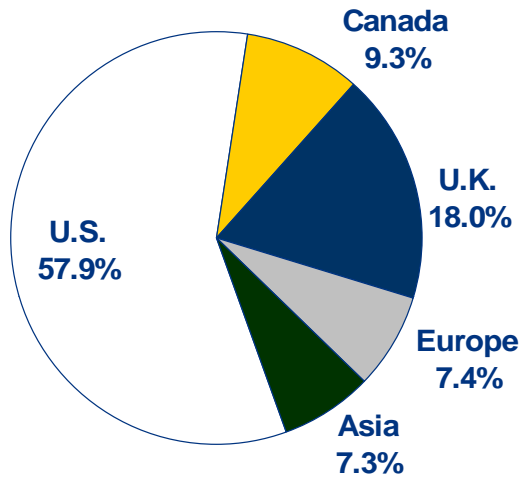
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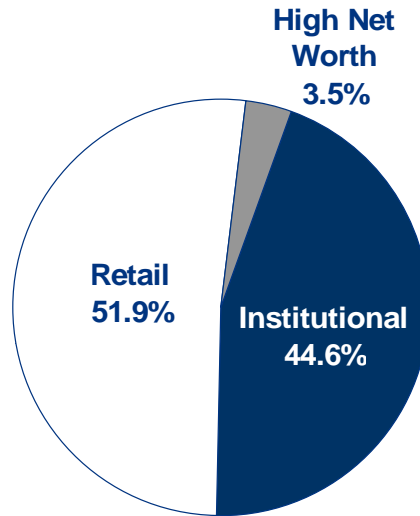
We Are Diversified As A Firm

Delivering a diverse set of solutions to meet a broad set of global investment needs

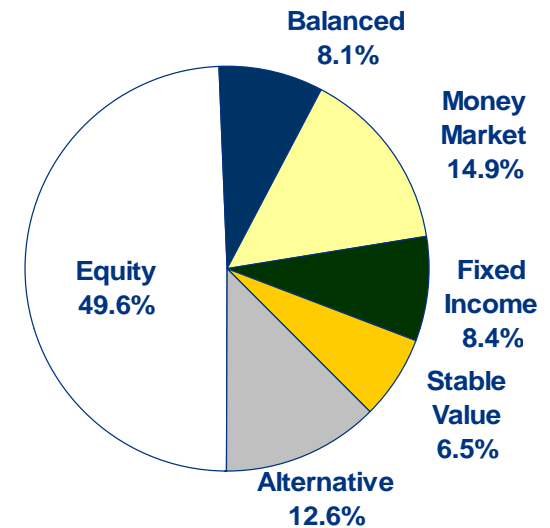
By Client Domicile



By Channel



By Asset Class



	<u>(\$ billions)</u>	<u>1-Yr Change</u>
U.S.	\$289.8	3.4%
Canada	\$46.7	7.9%
U.K.	\$90.0	20.5%
Europe	\$37.2	(2.4)%
Asia	<u>\$36.4</u>	<u>39.5%</u>
Total	\$500.1	8.1%

	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Retail	\$259.5	10.9%
Institutional	\$223.1	5.3%
PWM	<u>\$17.5</u>	<u>4.2%</u>
Total	\$500.1	8.1%

	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Equity	\$247.9	14.0%
Balanced	\$40.4	5.8%
Money Market	\$74.4	15.7%
Fixed Income	\$42.2	(1.4)%
Stable Value	\$32.3	(31.1)%
Alternative	<u>\$62.9</u>	<u>18.9%</u>
Total	\$500.1	8.1%

As of December 31, 2007



Operating Results – Annual

(\$ millions)	2007	2006	% Change*	2005
Investment Management Fees	3,080	2,508	22.8%	2,167
Performance Fees	70	82	(14.4)%	34
Service and Distribution Fees	593	535	10.9%	538
Other	135	122	11.4%	134
Total Operating Revenues	3,879	3,247	19.5%	2,873
Employee Compensation	1,138	1,071	6.3%	1,045
Third-Party Distribution, Service and Advisory	1,051	827	27.1%	706
Marketing	158	139	13.5%	140
Property, Office and Technology	243	231	5.1%	271
General and Administrative	296	221	34.0%	304
Total Operating Expenses	2,885	2,488	16.0%	2,465
Operating Income	994	759	31.0%	408
Equity in Earnings of Unconsolidated Affiliates	48	4	N/A	1
Interest Income	49	27	80.3%	17
Other Realized/Unrealized Gains, Net	10	27	(63.1)%	13
Realized and Unrealized Gains of Consolidated Variable Interest Entities, net	214	294	(27.2)%	129
Interest Expense	(71)	(77)	(7.6)%	(85)
Income Before Income Taxes and Minority Interest	1,244	1,034	20.3%	482
Effective Tax Rate**	34.7%	34.5%		40.7%
Minority Interest Income of Consolidated Subsidiaries, Net of Tax	(213)	(297)	(28.3)%	(112)
Net Income	674	483	39.5%	220
EPS Diluted	1.64	1.19	37.8%	0.54
Average AUM (\$ billions)	489.1	424.2	15.3%	377.6
Headcount	5,475	5,574	(1.8)%	5,798

* % change based on unrounded figures

24 ** Effective tax rate = Tax Expense / (Income before taxes less minority interest)



Assets Under Management – 2007 by Channel

(\$ billions)	Total	Retail	Institutional	PWM
December 31, 2006	\$462.6	\$234.0	\$211.8	\$16.8
Inflows	119.9	86.6	28.2	5.1
Outflows	(123.3)	(80.6)	(37.4)	(5.3)
Net flows	(3.4)	6.0	(9.2)	(0.2)
Net flows in Money Market Funds and Other	10.1	(0.3)	10.4	-
Market Gains/Reinvestment	20.0	11.3	7.8	0.9
Foreign currency	10.8	8.5	2.3	-
December 31, 2007	\$500.1	\$259.5	\$223.1	\$17.5



Assets Under Management – 2007 by Asset Class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Stable Value	Alternative
December 31, 2006	\$462.6	\$217.5	\$42.8	\$38.2	\$64.3	\$46.9	\$52.9
Inflows	119.9	74.6	10.7	10.1	1.5	4.0	19.0
Outflows	(123.3)	(64.2)	(14.9)	(9.6)	(2.1)	(20.2)	(12.3)
Net flows	(3.4)	10.4	(4.2)	0.5	(0.6)	(16.2)	6.7
Net flows in Money Market Funds and Other	10.1	(0.6)	0.3	(1.3)	10.6	(0.1)	1.2
Market Gains/Reinvestment	20.0	14.1	2.1	0.2	-	1.6	2.0
Foreign currency	10.8	6.5	1.2	2.8	0.1	0.1	0.1
December 31, 2007	\$500.1	\$247.9	\$42.2	\$40.4	\$74.4	\$32.3	\$62.9



Assets Under Management – 2007 by Client Domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Europe	Asia
December 31, 2006	\$462.6	\$280.4	\$43.3	\$74.7	\$38.1	\$26.1
Inflows	119.9	48.2	6.7	22.0	21.4	21.6
Outflows	(123.3)	(64.7)	(6.8)	(10.0)	(25.6)	(16.2)
Net flows	(3.4)	(16.5)	(0.1)	12.0	(4.2)	5.4
Net flows in Money Market Funds and Other	10.1	11.0	-	0.2	(0.5)	(0.6)
Market Gains/Reinvestment	20.0	14.9	(4.1)	2.7	1.8	4.7
Foreign currency	10.8	-	7.6	0.4	2.0	0.8
December 31, 2007	\$500.1	\$289.8	\$46.7	\$90.0	\$37.2	\$36.4



Operating Results – Quarterly

(\$ millions)	4Q07	3Q07	% Change*	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06
Investment Management Fees	816	792	3.1%	766	706	688	626	612	582
Performance Fees	13	4	227.5%	34	19	26	10	13	33
Service and Distribution Fees	151	151	0.1%	148	143	135	131	133	136
Other	43	30	41.7%	31	32	22	21	34	45
Total Operating Revenues	1,023	977	4.8%	979	900	872	789	791	795
Employee Compensation	286	278	2.9%	288	284	273	290	253	255
Third-Party Distribution, Service and Advisory	285	271	5.2%	263	232	224	204	200	199
Marketing	44	41	7.3%	36	37	37	31	35	36
Property, Office and Technology	60	67	(9.5)%	58	57	57	58	57	59
General and Administrative	104	64	63.3%	71	57	39	59	59	63
Total Operating Expenses	779	720	8.2%	717	668	630	642	604	612
Operating Income	244	257	(5.0)%	262	232	242	147	187	184
Equity in Earnings of Equity Unconsolidated Affiliates	21	15	40.9%	6	6	2	1	1	0
Interest Income	12	14	(16.3)%	12	10	10	7	5	5
Other Realized and Unrealized Gains , net	6	(4)	N/A	0	8	12	11	6	(3.1)
Realized and Unrealized Gains of Consolidated Variable Interest Entities, net	56	59	(4.9)%	70	30	183	41	39	31
Interest Expense	(17)	(16)	7.9%	(19)	(19)	(21)	(20)	(19)	(17)
Income Before Taxes and Minority Interest	321	324	(1.0)%	332	267	428	187	219	200
Effective Tax Rate**	34.2%	35.7%		34.2%	34.5%	33.6%	32.0%	36.0%	36.9%
Minority Interest Income of Consolidated Subsidiaries, net of tax	(54)	(64)	(16.6)%	(65)	(30)	(180)	(38)	(37)	(42)
Net Income	176	167	5.3%	176	155	165	101	116	100
EPS Diluted	0.43	0.41	4.9%	0.43	0.38	0.40	0.26	0.29	0.25
Average AUM (\$ billions)	509.9	494.7	3.1%	484.3	466.9	452.7	426.4	414.6	401.3
Headcount	5,475	5,390	1.6%	5,392	5,432	5,574	5,499	5,485	5,586

* % change based on unrounded figures

28 ** Effective tax rate = Tax Expense / (Income before taxes less minority interest)



Assets Under Management - Quarterly

(\$ billions)	4Q07	3Q07	% Change	2Q07	1Q07	4Q06
Beginning Assets	\$507.2	\$491.6	3.2%	\$471.2	\$462.6	\$440.6
Inflows	30.9	31.1	(0.6)%	27.5	30.4	22.9
Outflows	(35.9)	(30.9)	16.2%	(26.8)	(29.7)	(27.4)
Net flows	(5.0)	0.2	--	0.7	0.7	(4.5)
Net flows in Money Market Funds and Other	3.5	5.7	(38.6)%	1.8	(0.8)	(1.5)
Market Gains/Reinvestment	(5.0)	4.1	(222.0)%	12.8	8.0	24.0
Acquisitions	--	--	--	--	--	2.6
Foreign currency	(0.6)	5.6	(110.7)%	5.1	0.7	1.4
Ending Assets	\$500.1	\$507.2	(1.4)	\$491.6	\$471.2	\$462.6
Average long-term AUM	440.7	428.4	2.9%	422.8	405.7	391.2
Average institutional money market AUM	69.2	66.3	4.4%	61.5	61.2	61.5
Average AUM	\$509.9	\$494.7	3.1%	\$484.3	\$466.9	\$452.7
Net Revenue Yield (annualized)*	60.1bps	58.2bps		59.7bps	57.5bps	57.9bps
Net Revenue Yield less performance fees (annualized)*	59.4bps	57.9bps		56.8bps	55.8bps	55.6bps



Assets Under Management – by Channel

(\$ billions)	Total	Retail	Institutional	PWM
June 30, 2007	\$491.6	\$256.1	\$218.2	\$17.3
Inflows	31.1	21.5	8.5	1.1
Outflows	(30.9)	(21.2)	(8.6)	(1.1)
Net flows	0.2	0.3	(0.1)	-
Net flows in Money Market Funds and Other	5.7	(0.1)	5.8	-
Market Gains/Reinvestment	4.1	1.8	2.0	0.3
Foreign currency	5.6	4.2	1.4	-
September 30, 2007	\$507.2	\$262.3	\$227.3	\$17.6
Inflows	30.9	22.9	6.7	1.3
Outflows	(35.9)	(21.7)	(13.1)	(1.1)
Net flows	(5.0)	1.2	(6.4)	0.2
Net flows in Money Market Funds and Other	3.5	-	3.5	-
Market Gains/Reinvestment	(5.0)	(3.5)	(1.2)	(0.3)
Foreign currency	(0.6)	(0.5)	(0.1)	-
December 31, 2007	\$500.1	\$259.5	\$223.1	\$17.5



Assets Under Management – by Asset Class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Stable Value	Alternative
June 30, 2007	\$491.6	\$243.3	\$42.9	\$39.9	\$64.8	\$46.1	\$54.6
Inflows	31.1	19.7	1.9	2.8	0.4	1.1	5.2
Outflows	(30.9)	(16.0)	(3.3)	(1.9)	(0.4)	(6.6)	(2.7)
Net flows	0.2	3.7	(1.4)	0.9	--	(5.5)	2.5
Net flows in Money Market Funds and Other	5.7	0.1	(0.6)	0.2	6.0	--	--
Market Gains/Reinvestment	4.1	2.5	0.9	(0.3)	0.1	0.3	0.6
Foreign currency	5.6	3.2	0.7	1.3	0.1	--	0.3
September 30, 2007	\$507.2	\$252.8	\$42.5	\$42.0	\$71.0	\$40.9	\$58.0
Inflows	30.9	19.1	2.4	2.2	0.4	0.5	6.3
Outflows	(35.9)	(18.4)	(3.1)	(2.4)	(0.5)	(9.4)	(2.1)
Net flows	(5.0)	0.7	(0.7)	(0.2)	(0.1)	(8.9)	4.2
Net flows in Money Market Funds and Other	3.5	(0.3)	-	(0.8)	3.5	(0.1)	1.2
Market Gains/Reinvestment	(5.0)	(4.6)	0.5	(1.0)	-	0.3	(0.2)
Foreign currency	(0.6)	(0.7)	(0.1)	0.4	-	0.1	(0.3)
December 31, 2007	\$500.1	\$247.9	\$42.2	\$40.4	\$74.4	\$32.3	\$62.9



Assets Under Management – by Client Domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Europe	Asia
June 30, 2007*	\$491.6	\$291.2	\$48.9	\$85.6	\$36.6	\$29.3
Inflows	31.1	12.7	1.4	4.6	5.3	7.1
Outflows	(30.9)	(17.9)	(1.5)	(2.5)	(5.6)	(3.4)
Net flows	0.2	(5.2)	(0.1)	2.1	(0.3)	3.7
Net flows in Money Market Funds and Other	5.7	6.5	--	(0.3)	(0.1)	(0.4)
Market Gains/Reinvestment	4.1	3.7	(2.7)	(0.5)	0.9	2.7
Foreign currency	5.6	-	3.2	0.9	0.8	0.7
September 30, 2007*	\$507.2	\$296.2	\$49.3	\$87.8	\$37.9	\$36.0
Inflows	30.9	12.7	1.2	6.3	5.5	5.2
Outflows	(35.9)	(20.3)	(2.2)	(3.2)	(5.5)	(4.7)
Net flows	(5.0)	(7.6)	(1.0)	3.1	-	0.5
Net flows in Money Market Funds and Other	3.5	3.5	-	0.1	(0.2)	0.1
Market Gains/Reinvestment	(5.0)	(2.3)	(2.3)	0.7	(0.7)	(0.4)
Foreign currency	(0.6)	-	0.7	(1.7)	0.2	0.2
December 31, 2007	\$500.1	\$289.8	\$46.7	\$90.0	\$37.2	\$36.4

* The beginning balances were adjusted to reflect certain asset reclassifications



Condensed Consolidated Reconciliations from US GAAP to IFRS

In Millions except per-share data

Three months ended December 31, 2007	Consolidation of					IFRS
	U.S. GAAP	Third-party costs ⁽¹⁾	Joint Ventures ⁽²⁾	variable interest entities ⁽³⁾	Other ⁽⁴⁾	
Operating revenues	\$1,023.1	(284.9)	28.5	1.8	0.9	\$769.4
Operating expenses	(779.4)	284.9	(8.7)	0.9	(0.2)	(502.5)
Operating income	243.7	--	19.8	2.7	0.7	266.9
Other income/(expense)-net	77.2	--	(19.8)	(54.9)	(4.9)	(2.0)
Income before income taxes and minority interest	320.9	--	--	(51.8)	(4.2)	264.9
Income tax provision	(91.3)	--	--	(1.0)	1.2	(91.1)
Minority interest income of consolidated subsidiaries, net of tax	(53.7)	--	--	52.8	--	(0.9)
Net income	\$175.9	--	--	--	\$(3.0)	\$172.9
Earnings per share*:						
-basic	\$0.45					\$0.44
-diluted	\$0.43					\$0.42

*Per Share Data for periods prior have been adjusted to reflect the two-for-one reverse stock split that occurred on December 4, 2007.

(1) Third-party distribution, service and advisory costs are presented as operating expenses under U.S. GAAP; whereas under IFRS these costs are presented as contra revenues.

(2) Operating revenues and operating expenses from joint venture arrangements are not separately reflected under U.S. GAAP, as these investments are accounted for under the equity method, and accordingly the proportional share of the net income from joint ventures are reflected in equity in earnings of unconsolidated affiliates in other income/(expense) – net. Under IFRS, joint ventures are accounted for using the proportionate consolidation method; therefore our proportional share of the operating revenues and operating expenses is reflected in those line items on the statements of income.

(3) Interests in variable interest entities for which we are the primary beneficiary are consolidated under U.S. GAAP. Under IFRS these interests were accounted for as investments.

(4) Other adjustments to reconcile net income from U.S. GAAP to IFRS for the company include differences in the cost of defined benefit retirement and post-retirement medical plans, differences in accounting for redundancy and reorganization costs, the recognition of interest charges under IFRS for the discounting related to contingent consideration acquisition earn-out liabilities, and the related tax impacts of these differences.



Condensed Consolidated Reconciliations from US GAAP to IFRS

In Millions except per-share data

Three months ended September 30, 2007	<u>U.S. GAAP</u>	<u>Third-party costs⁽¹⁾</u>	<u>Joint Ventures⁽²⁾</u>	<u>Consolidation of variable interest entities⁽³⁾</u>	<u>Other⁽⁴⁾</u>	<u>IFRS</u>
Operating revenues	\$976.6	(270.8)	16.6	(2.1)	--	\$720.3
Operating expenses	(720.1)	270.8	(2.5)	2.4	1.6	(447.8)
Operating income	256.5	--	14.1	0.3	1.6	272.5
Other income/(expense)-net	67.6	--	(14.1)	(58.7)	(4.0)	(9.2)
Income before income taxes and minority interest	324.1	--	--	(58.4)	(2.4)	263.3
Income tax provision	(92.7)	--	--	0.9	1.6	(90.2)
Minority interest income of consolidated subsidiaries, net of tax	(64.4)	--	--	61.9	--	(2.5)
Net income	<u>\$167.0</u>	<u>--</u>	<u>--</u>	<u>\$4.4</u>	<u>\$(0.8)</u>	<u>\$170.6</u>
Earnings per share*:						
-basic	\$0.42					\$0.43
-diluted	\$0.41					\$0.42

*Per Share Data for periods prior have been adjusted to reflect the two-for-one reverse stock split that occurred on December 4, 2007.

(1) Third-party distribution, service and advisory costs are presented as operating expenses under U.S. GAAP; whereas under IFRS these costs are presented as contra revenues.

(2) Operating revenues and operating expenses from joint venture arrangements are not separately reflected under U.S. GAAP, as these investments are accounted for under the equity method, and accordingly the proportional share of the net income from joint ventures are reflected in equity in earnings of unconsolidated affiliates in other income/(expense) – net. Under IFRS, joint ventures are accounted for using the proportionate consolidation method; therefore our proportional share of the operating revenues and operating expenses is reflected in those line items on the statements of income.

(3) Interests in variable interest entities for which we are the primary beneficiary are consolidated under U.S. GAAP. Under IFRS these interests were accounted for as investments.

(4) Other adjustments to reconcile net income from U.S. GAAP to IFRS for the company include differences in the cost of defined benefit retirement and post-retirement medical plans, differences in accounting for redundancy and reorganization costs, the recognition of interest charges under IFRS for the discounting related to contingent consideration acquisition earn-out liabilities, and the related tax impacts of these differences.



Condensed Consolidated Reconciliations from US GAAP to IFRS

In Millions except per-share data

Three months ended December 31, 2006	U.S. GAAP	Third-party costs ⁽¹⁾	Joint Ventures ⁽²⁾	Consolidation of variable interest entities ⁽³⁾	Other ⁽⁴⁾	IFRS
Operating revenues	\$871.6	(223.5)	3.6	1.7	1.9	\$655.3
Operating expenses	(630.0)	223.5	(1.8)	(0.9)	4.2	(405.0)
Operating income	241.6	--	1.8	0.8	6.1	250.3
Other income/(expense)-net	186.6	--	(1.8)	(182.8)	(4.1)	(2.1)
Income before income taxes and minority interest	428.2	--	--	(182.0)	2.0	248.2
Income tax provision	(83.4)	--	--	(0.9)	(1.0)	(85.3)
Minority interest income of consolidated subsidiaries, net of tax	(179.6)	--	--	180.2	--	0.6
Net income	\$165.2	--	--	\$(2.7)	\$1.0	\$163.5
Earnings per share*:						
-basic	\$0.42					\$0.41
-diluted	\$0.40					\$0.40

*Per Share Data for periods prior have been adjusted to reflect the two-for-one reverse stock split that occurred on December 4, 2007.

(1) Third-party distribution, service and advisory costs are presented as operating expenses under U.S. GAAP; whereas under IFRS these costs are presented as contra revenues.

(2) Operating revenues and operating expenses from joint venture arrangements are not separately reflected under U.S. GAAP, as these investments are accounted for under the equity method, and accordingly the proportional share of the net income from joint ventures are reflected in equity in earnings of unconsolidated affiliates in other income/(expense) – net. Under IFRS, joint ventures are accounted for using the proportionate consolidation method; therefore our proportional share of the operating revenues and operating expenses is reflected in those line items on the statements of income.

(3) Interests in variable interest entities for which we are the primary beneficiary are consolidated under U.S. GAAP. Under IFRS these interests were accounted for as investments.

(4) Other adjustments to reconcile net income from U.S. GAAP to IFRS for the company include differences in the cost of defined benefit retirement and post-retirement medical plans, differences in accounting for redundancy and reorganization costs, the recognition of interest charges under IFRS for the discounting related to contingent consideration acquisition earn-out liabilities, and the related tax impacts of these differences.



Condensed Consolidated Reconciliations from US GAAP to IFRS

In Millions except per-share data

Year ended December 31, 2007	<u>U.S. GAAP</u>	<u>Third-party costs⁽¹⁾</u>	<u>Joint Ventures⁽²⁾</u>	<u>Consolidation of variable interest entities⁽³⁾</u>	<u>Other⁽⁴⁾</u>	<u>IFRS</u>
Operating revenues	\$3,878.9	(1,051.1)	60.6	(6.5)	1.0	\$2,882.9
Operating expenses	(2,884.6)	1,051.1	(15.1)	8.3	5.7	(1,834.6)
Operating income	994.3	--	45.5	1.8	6.7	1,048.3
Other income/(expense)-net	249.5	--	(45.5)	(213.0)	(17.0)	(26.0)
Income before income taxes and minority interest	1,243.8	--	--	(211.2)	(10.3)	1,022.3
Income tax provision	(357.3)	--	--	(0.2)	5.8	(351.7)
Minority interest income of consolidated subsidiaries, net of tax	(212.9)	--	--	208.6	--	(4.3)
Net income	\$673.6	--	--	\$(2.8)	\$(4.5)	\$666.3
Earnings per share*:						
-basic	\$1.69					\$1.67
-diluted	\$1.64					\$1.62

*Per Share Data for periods prior have been adjusted to reflect the two-for-one reverse stock split that occurred on December 4, 2007.

(1) Third-party distribution, service and advisory costs are presented as operating expenses under U.S. GAAP; whereas under IFRS these costs are presented as contra revenues.

(2) Operating revenues and operating expenses from joint venture arrangements are not separately reflected under U.S. GAAP, as these investments are accounted for under the equity method, and accordingly the proportional share of the net income from joint ventures are reflected in equity in earnings of unconsolidated affiliates in other income/(expense) – net. Under IFRS, joint ventures are accounted for using the proportionate consolidation method; therefore our proportional share of the operating revenues and operating expenses is reflected in those line items on the statements of income.

(3) Interests in variable interest entities for which we are the primary beneficiary are consolidated under U.S. GAAP. Under IFRS these interests were accounted for as investments.

(4) Other adjustments to reconcile net income from U.S. GAAP to IFRS for the company include differences in the cost of defined benefit retirement and post-retirement medical plans, differences in accounting for redundancy and reorganization costs, the recognition of interest charges under IFRS for the discounting related to contingent consideration acquisition earn-out liabilities, and the related tax impacts of these differences.



Condensed Consolidated Reconciliations from US GAAP to IFRS

In Millions except per-share data

Year ended December 31, 2006	<u>U.S. GAAP</u>	<u>Third-party costs⁽¹⁾</u>	<u>Joint Ventures⁽²⁾</u>	<u>Consolidation of variable interest entities⁽³⁾</u>	<u>Other⁽⁴⁾</u>	<u>IFRS</u>
Operating revenues	\$3,246.7	(826.8)	8.1	(15.2)	1.8	\$2,414.6
Operating expenses	(2,487.5)	826.8	(5.2)	9.3	27.4	(1,629.2)
Operating income	759.2	--	2.9	(5.9)	29.2	785.4
Other income/(expense)-net	275.1	--	(2.9)	(294.3)	(8.7)	(30.8)
Income before income taxes and minority interest	1,034.3	--	--	(300.2)	20.5	754.6
Income tax provision	(254.6)	--	--	(1.7)	(7.5)	(263.8)
Minority interest income of consolidated subsidiaries, net of tax	(297.0)	--	--	296.3	--	(0.7)
Net income	<u>\$482.7</u>	<u>--</u>	<u>--</u>	<u>\$(5.6)</u>	<u>\$13.0</u>	<u>\$490.1</u>
Earnings per share*:						
-basic	\$1.22					\$1.24
-diluted	\$1.19					\$1.21

*Per Share Data for periods prior have been adjusted to reflect the two-for-one reverse stock split that occurred on December 4, 2007.

(1) Third-party distribution, service and advisory costs are presented as operating expenses under U.S. GAAP; whereas under IFRS these costs are presented as contra revenues.

(2) Operating revenues and operating expenses from joint venture arrangements are not separately reflected under U.S. GAAP, as these investments are accounted for under the equity method, and accordingly the proportional share of the net income from joint ventures are reflected in equity in earnings of unconsolidated affiliates in other income/(expense) – net. Under IFRS, joint ventures are accounted for using the proportionate consolidation method; therefore our proportional share of the operating revenues and operating expenses is reflected in those line items on the statements of income.

(3) Interests in variable interest entities for which we are the primary beneficiary are consolidated under U.S. GAAP. Under IFRS these interests were accounted for as investments.

(4) Other adjustments to reconcile net income from U.S. GAAP to IFRS for the company include differences in the cost of defined benefit retirement and post-retirement medical plans, differences in accounting for redundancy and reorganization costs, the recognition of interest charges under IFRS for the discounting related to contingent consideration acquisition earn-out liabilities, and the related tax impacts of these differences.



Schedule of Non-GAAP Information

For the three months ended

	(\$ Millions)		
	Q407	Q307	Q406
Operating revenues, GAAP basis	\$1,023.1	\$976.6	\$871.6
Third-party distribution, service and advisory costs	(284.9)	(270.8)	(223.5)
Proportional share of revenues, net of third-party distribution fees, from joint venture investments	28.5	16.6	3.6
Net revenues⁽¹⁾	\$766.7	\$722.4	\$651.7
Operating income, GAAP basis	\$243.7	\$256.5	\$241.6
Proportional share of operating income from joint venture investments	19.8	14.1	1.8
Net operating income⁽¹⁾	\$263.5	\$270.6	\$243.4
Operating margin*	23.8%	26.3%	27.7%
Net operating margin** ⁽¹⁾	34.4%	37.5%	37.3%

* Operating margin is equal to operating income divided by operating revenues.

** Net operating margin is equal to net operating income divided by net revenues.

(1) Net revenues, net operating income and net operating margin are non-GAAP financial measures. Management believes that these measures are additional meaningful measures to evaluate our operating performance. The most comparable U.S. GAAP measures are operating revenues, operating income and operating margin. Management believes that the deduction of third-party distribution, service and advisory costs from operating revenues in the computation of net revenues and the related computation of net operating margin provides useful information to investors because the distribution, service and advisory fee amounts represent costs that are passed through to external parties, which essentially are a share of the related revenues. Management also believes that the addition of our proportional share of operating revenues, net of distribution fees, from joint venture investments in the computation of net revenues and the addition of our proportional share of operating income in the related computations of net operating income and net operating margin also provides useful information to investors, as management considers it appropriate to evaluate the contribution of its growing joint venture investment to the operations of the business. Net revenues, net operating income and net operating margin should not be considered as substitutes for any measures derived in accordance with U.S. GAAP and may not be comparable to other similarly titled measures of other companies.



Schedule of Non-GAAP Information

(\$ Millions)	2007	2006	2005
Operating revenues, GAAP basis	\$3,878.9	\$3,246.7	\$2,872.6
Third-party distribution, service and advisory costs	(1,051.1)	(826.8)	(706.0)
Proportional share of revenues, net of third-party distribution fees, from joint venture investments	60.6	8.1	--
Net revenues ⁽¹⁾	\$2,888.4	\$2,428.0	\$2,166.6
Operating income, GAAP basis	\$994.3	\$759.2	\$407.9
Proportional share of operating income from joint venture investments	45.5	2.9	--
Net operating income ⁽¹⁾	\$1,039.8	\$762.1	\$407.9
Operating margin*	25.6%	23.4%	14.2%
Net operating margin** ⁽¹⁾	36.0%	31.4%	18.8%

* Operating margin is equal to operating income divided by operating revenues.

** Net operating margin is equal to net operating income divided by net revenues.

(1) Net revenues, net operating income and net operating margin are non-GAAP financial measures. Management believes that these measures are additional meaningful measures to evaluate our operating performance. The most comparable U.S. GAAP measures are operating revenues, operating income and operating margin. Management believes that the deduction of third-party distribution, service and advisory costs from operating revenues in the computation of net revenues and the related computation of net operating margin provides useful information to investors because the distribution, service and advisory fee amounts represent costs that are passed through to external parties, which essentially are a share of the related revenues. Management also believes that the addition of our proportional share of operating revenues, net of distribution fees, from joint venture investments in the computation of net revenues and the addition of our proportional share of operating income in the related computations of net operating income and net operating margin also provides useful information to investors, as management considers it appropriate to evaluate the contribution of its growing joint venture investment to the operations of the business. Net revenues, net operating income and net operating margin should not be considered as substitutes for any measures derived in accordance with U.S. GAAP and may not be comparable to other similarly titled measures of other companies.

