

# Invesco

## 2008 Third Quarter Results

October 29, 2008

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



# 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, 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,” 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](http://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

1. Business Overview
2. Financial Results
3. Questions and Answers
4. Appendix

# The World is Evolving

- Challenging global markets
- Global economies slowing down
- Governments are coordinating globally



# Third Quarter Overview

Volatile environment demonstrates the benefits of an independent, global investment management organization:

- Strong relative investment performance
- Capital strength and stability
- Disciplined approach to market challenges that avoided credit and liquidity problems for our clients and our company
- Broad diversification of investment capabilities across asset classes, distribution channels and geographies
- Solid financial performance



# Summary of Third Quarter 2008 Results

## AUM

- September 30, 2008 AUM of \$409.6bn versus \$461.3bn as of June 30, 2008 and \$507.2bn as of September 30, 2007
- 3Q08 average AUM was \$448.3bn, down \$34.3bn since 2Q08

## Quarterly Flows

- Net long-term outflows improved from \$6.2bn in 2Q08 to \$3.0bn in 3Q08
- Total money market flows were negative \$8.0bn – reflecting the challenging market environment

## Overall Operating Results

- Net operating income in 3Q08 was \$202.2mn, versus \$248.5mn in 2Q08 and \$270.6mn in 3Q07\*
- Net operating margin was 32.7% in the quarter versus 35.2% in 2Q08 and 37.5% in 3Q07\*
- Diluted EPS for the quarter was \$0.33, compared to \$0.41 in 2Q08 and \$0.41 in 3Q07

## Capital Management

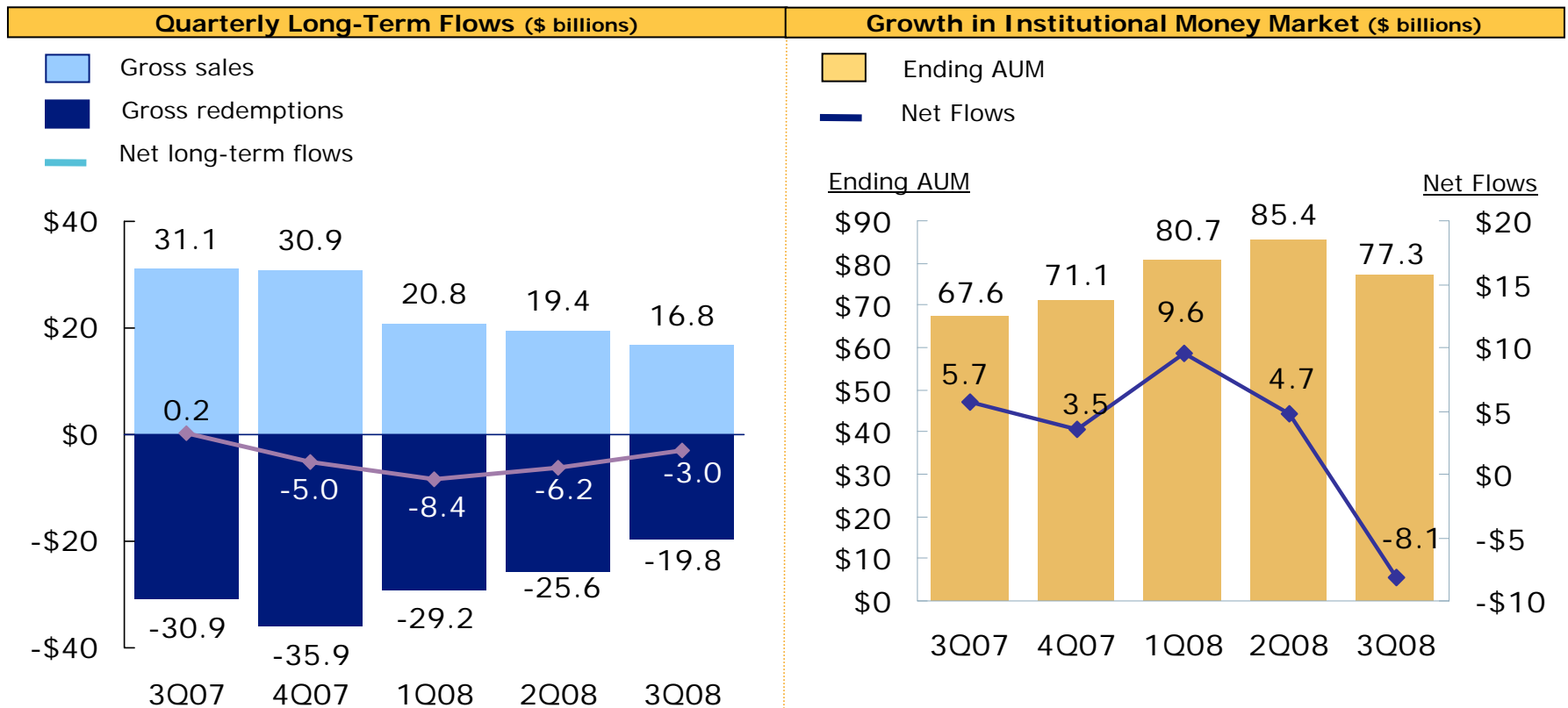
- Completed \$100.0mn in open market stock repurchases and reduced borrowing under credit facility by \$15.0mn during 3Q08
- Cash increased to \$740.6mn as of September 30 from \$644.8mn as of June 30, 2008
- Declared a third quarter cash dividend of \$0.10 per share, representing an annualized 4.2% increase over the 2007 annual dividend

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



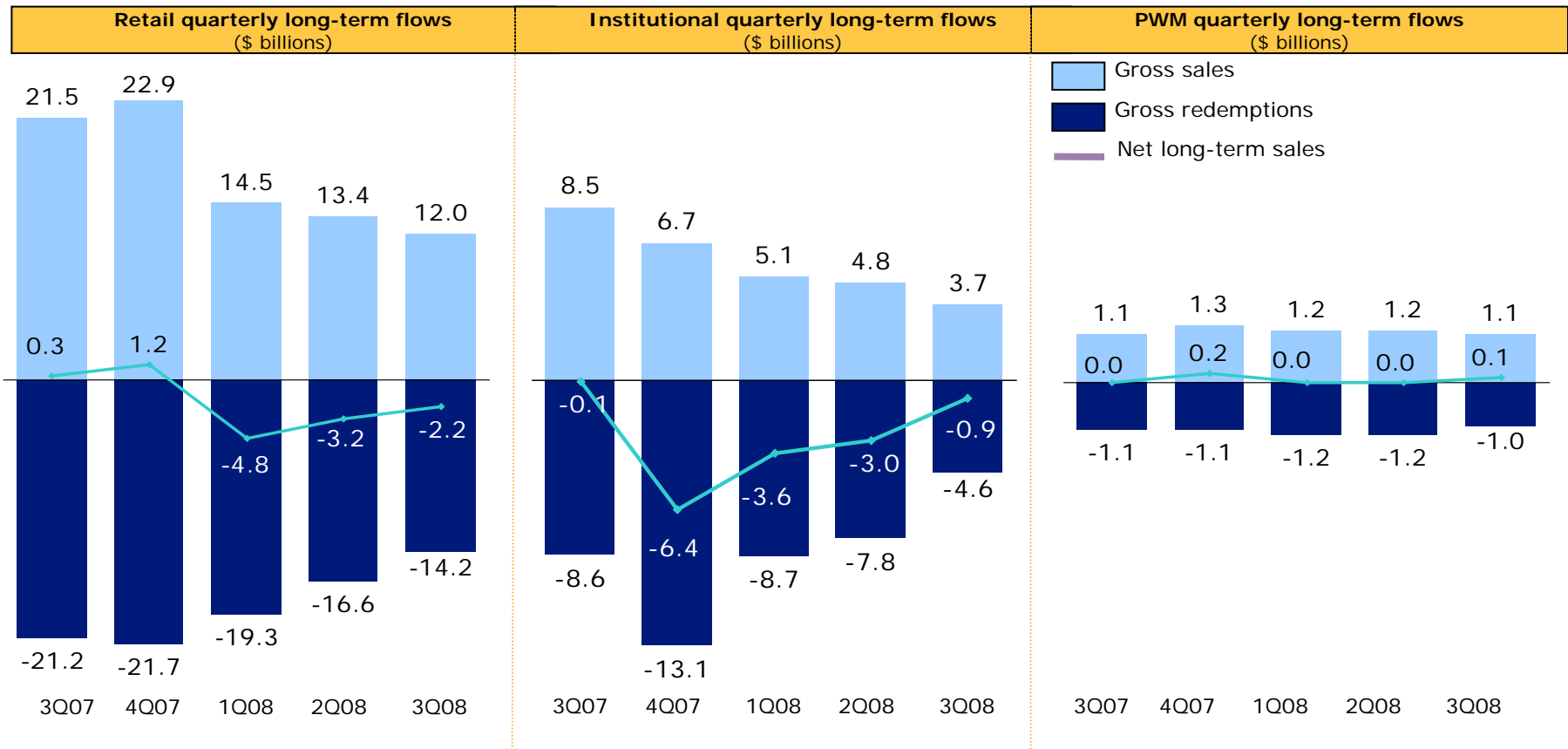
# Quarterly Flows

- Gross redemptions improved 22.7%
- Net long-term outflows at lowest level since 3Q07
- Institutional money market AUM decreased \$8.1bn during the quarter reflecting market challenges



# Distribution Channels – Quarterly LT Flows

- Significant improvement in redemptions across each distribution channel
- Retail net flows benefited from strengthening Invesco Trimark flows
- Institutional net flow improvement driven by alternatives and stable value
- Private Wealth net flows were positive for the 6<sup>th</sup> consecutive quarter



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.



# Investment Performance Highlights

## Invesco Aim

- Morningstar Ratings at highest level since 10/31/00
- Flagship Charter Fund is top decile over 1, 3 and 5-years

## Invesco Trimark

- Strong improvement with 81% of AUM in top half of peers YTD 9/30/08

## Invesco Perpetual

- At least 75% of AUM ahead of peers on a 1, 3 and 5-year basis

## Global Product Range

- Product offerings with top quartile performance in key core asset classes

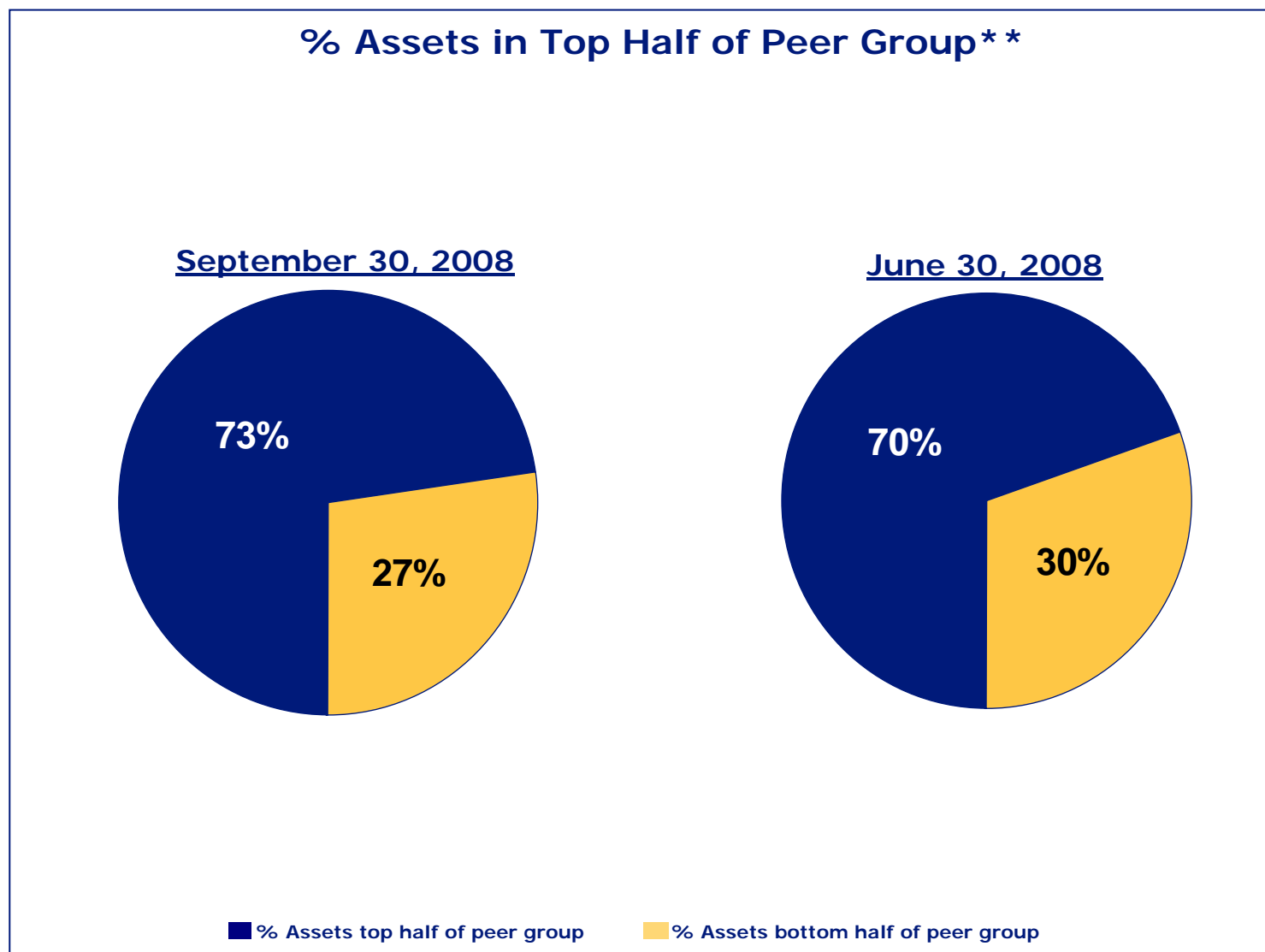
## Worldwide Fixed Income

- Leading MBS capability
- Top-performing Muni-Bond offering
- Continued strong money market performance



# Investment Performance – Overview

Aggregate Performance Analysis (3-year) – Asset Weighted



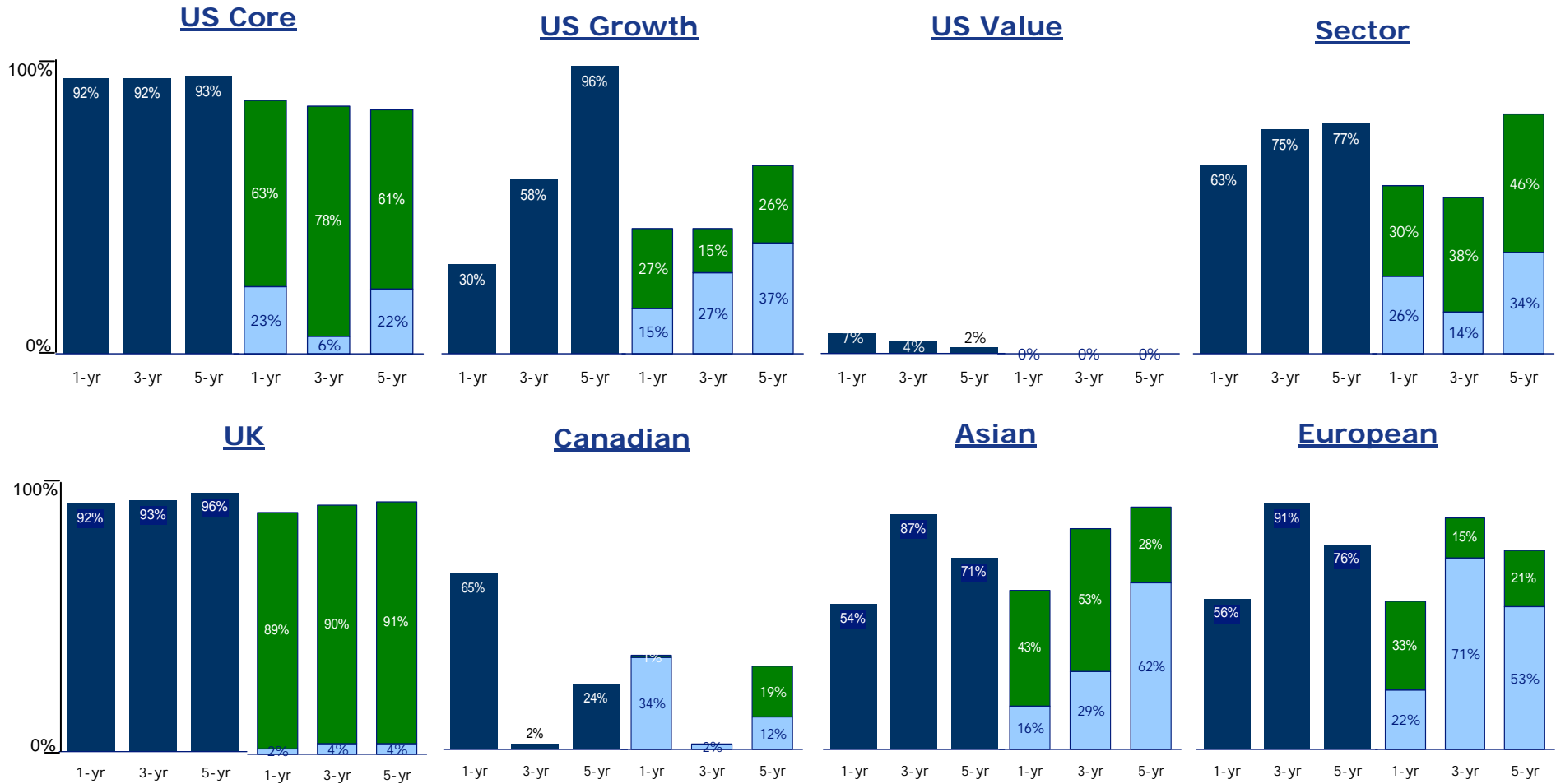
\*\* Includes AUM of \$269.3 billion (66% of total IVZ) as of 9/30/08 and \$292.0 billion (63% of total IVZ) as of 6/30/08. Peer group rankings are as of prior quarter-end for institutional products and prior month month-end for Australian retail. Excludes Invesco PowerShares, Wilbur Ross, Invesco Private Capital, direct real estate products and CDOs/bank loans. 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.



# Focusing on Investment Excellence

## By Investment Objective\*

### Equities



\* Peer group rankings represent the most recently available. For most products the rankings are as of 9/30/08. Exceptions include institutional products (6/30/08) and Australian retail (8/31/08). Includes assets with a minimum 1-year composite track record and populated benchmark return (for % assets beating benchmark) or peer groups (for % assets in top half of peer group). AUM measured in the one-year quartile rankings represents 66% of total Invesco AUM and AUM measured versus benchmark on a one-year basis represents 77% of total Invesco AUM as of 9/30/08. Excludes Invesco PowerShares, stable value, Wilbur Ross, Invesco Private Capital, direct real estate products and CLOs/bank loans. 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.



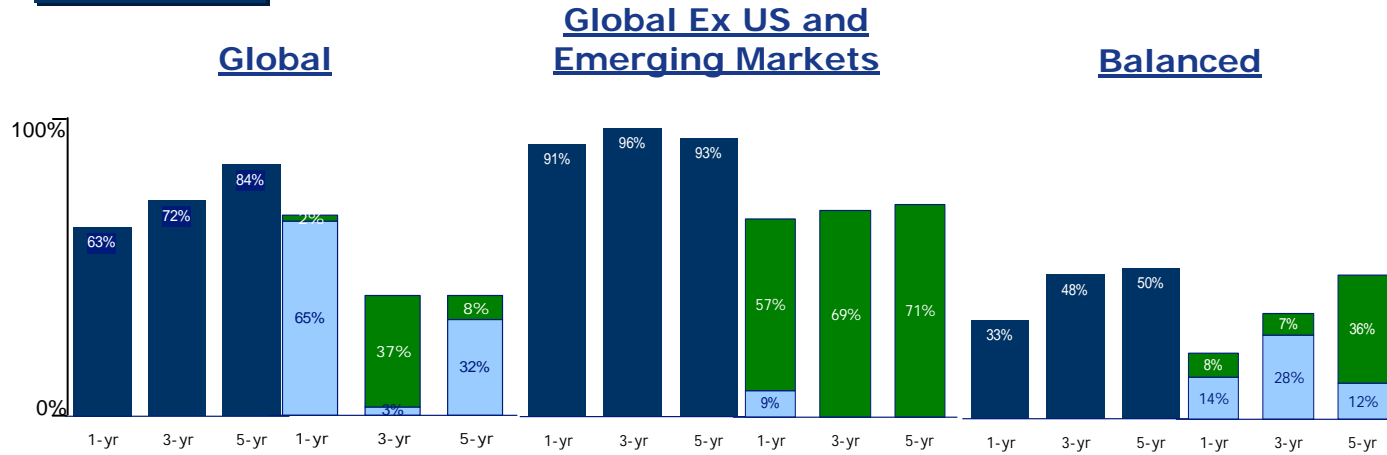
# Focusing on Investment Excellence

## By Investment Objective\*

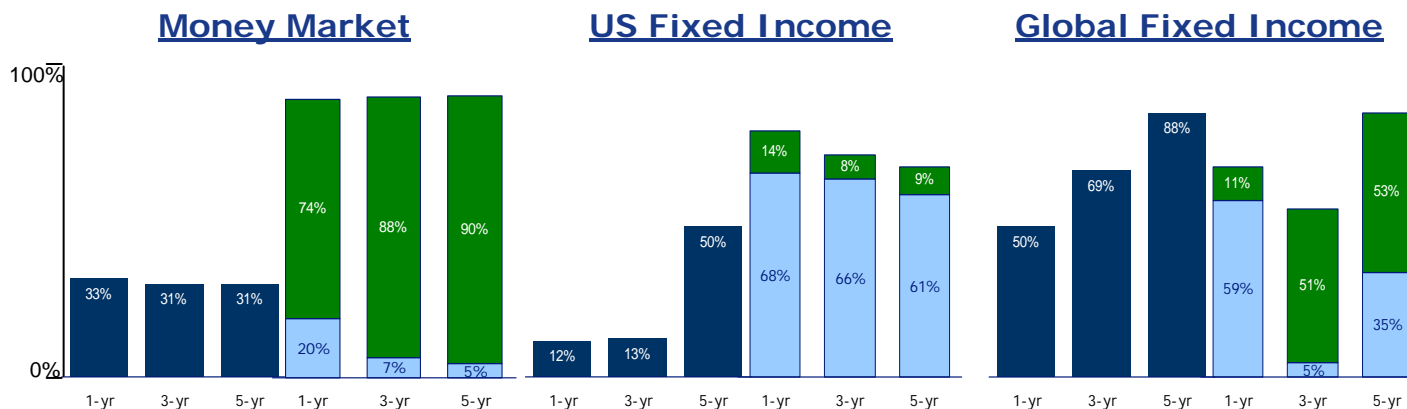


### Equities

### Balanced



### Fixed Income



\* Peer group rankings represent the most recently available. For most products the rankings are as of 9/30/08. Exceptions include institutional products (6/30/08) and Australian retail (8/31/08). Includes assets with a minimum 1-year composite track record and populated benchmark return (for % assets beating benchmark) or peer groups (for % assets in top half of peer group). AUM measured in the one-year quartile rankings represents 66% of total Invesco AUM and AUM measured versus benchmark on a one-year basis represents 77% of total Invesco AUM as of 9/30/08. Excludes Invesco PowerShares, stable value, Wilbur Ross, Invesco Private Capital, direct real estate products and CLOs/bank loans. 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.



# Key Areas of Investment Performance Improvement



- Morningstar ratings at highest level since 10/31/00 on an asset weighted basis
- Continued strength in international and sector funds with improved performance in core and growth styles are driving our improved ratings

<u>Morningstar Ratings</u>	<u>9/30/08</u>	<u>6/30/08</u>	<u>3/31/08</u>	<u>12/31/07</u>	<u>09/30/07</u>
% of AUM Rated 4 or 5 Stars (Load Waived)	57%	27%	28%	20%	29%



- Trimark has a well understood, value discipline with results that were exemplified after the technology bubble
- Maintaining strong, distinctive investment disciplines is a fundamental component of Invesco's strategy
- Year-to-date investment performance has dramatically improved with 81% of Trimark's assets ahead of peers

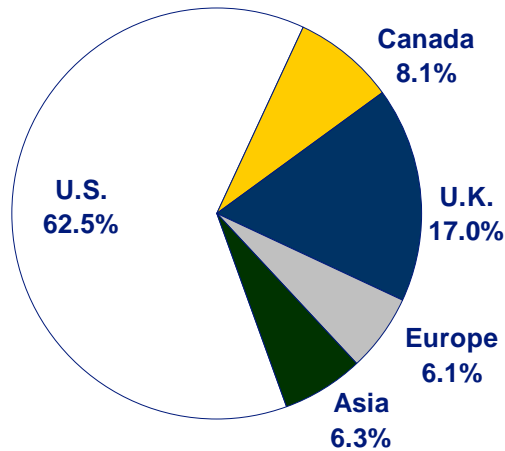
<u>Relative Investment Performance</u>	<u>Quarter</u>	<u>YTD</u>	<u>1-YR</u>	<u>3-YR</u>	<u>5-YR</u>
% of AUM Ahead of Peers					
	9/30/08	99%	81%	50%	30%
	6/30/08	4%	14%	3%	16%



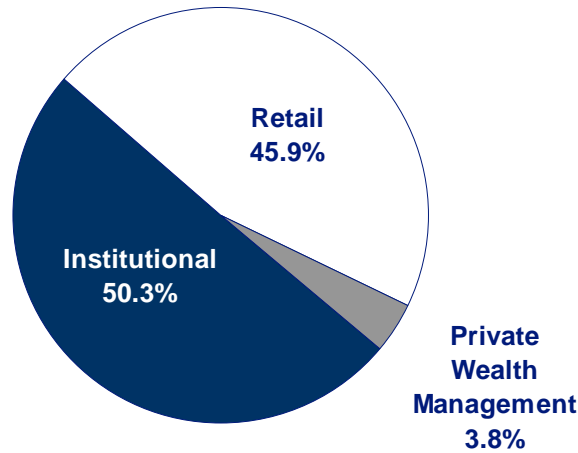
# We Are Diversified As A Firm

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

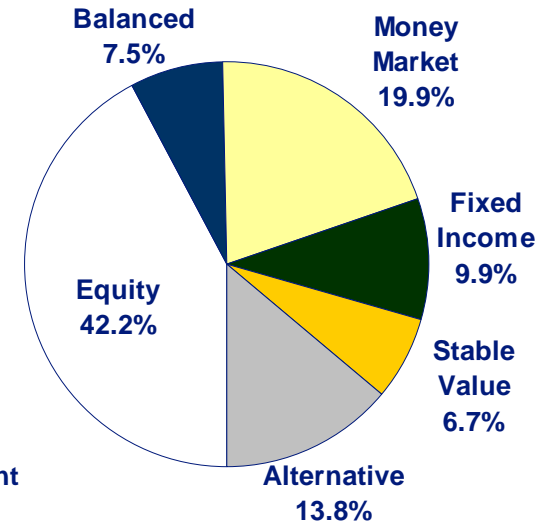
By Client Domicile



By Channel



By Asset Class



	<u>(\$ billions)</u>	<u>1-Yr Change</u>
U.S.	\$256.1	(13.6)%
Canada	\$33.1	(32.7)%
U.K.	\$69.5	(20.8)%
Europe	\$24.9	(34.3)%
Asia	<u>\$26.0</u>	<u>(28.0)%</u>
<b>Total</b>	<b>\$409.6</b>	<b>(19.2)%</b>

	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Retail	\$188.0	(28.3)%
Institutional	\$206.2	(9.3)%
PWM	<u>\$15.4</u>	<u>(12.6)%</u>
<b>Total</b>	<b>\$409.6</b>	<b>(19.2)%</b>

	<u>(\$ billions)</u>	<u>1-Yr Change</u>
Equity	\$172.8	(31.6)%
Balanced	\$30.7	(26.9)%
Money Market	\$81.7	15.1%
Fixed Income	\$40.4	(4.9)%
Stable Value	\$27.6	(32.5)%
Alternative	<u>\$56.4</u>	<u>(2.8)%</u>
<b>Total</b>	<b>\$409.6</b>	<b>(19.2)%</b>



# Improving Our Competitive Position

- Continued strength in Alternatives
  - Invesco WL Ross/Huaneng Group joint venture
- Money market and fixed income capabilities continue to perform despite a difficult credit environment
- Largest UK retail manager and gaining market share
  - Awarded management of the UK's largest income growth investment trust
- Attracting talented professionals
- Continued strength in relative investment performance



# Discussion Topics

1. Our Business Today
2. Financial Results
3. Questions and Answers
4. Appendix



# Assets Under Management – 3Q08 vs. 2Q08

(\$ billions)	3Q08	2Q08	% Change
<b>Beginning Assets</b>	\$461.3	\$470.3	(1.9)%
Long-Term Inflows	16.8	19.4	(13.4)%
Long-Term Outflows	(19.8)	(25.6)	22.7%
Long-Term Net flows	(3.0)	(6.2)	51.6%
Net flows in Money Market Funds	(8.1)	4.7	(272.3)%
Market Gains/Reinvestment	(29.6)	(6.0)	(393.3)%
Foreign currency	(11.0)	(1.5)	(633.3)%
<b>Ending Assets</b>	\$409.6	\$461.3	(11.2)%
Ending long-term AUM	332.7	376.2	(11.6)%
Average long-term AUM	364.4	398.6	(8.6)%
Average institutional money market AUM	83.9	84.0	(0.1)%
<b>Average AUM</b>	\$448.3	\$482.6	(7.1)%
Net Revenue Yield (annualized)*	55.1bps	58.5bps	-3.4 pts
Net Revenue Yield less performance fees (annualized)*	53.5bps	56.6bps	-3.1 pts

17 \* Refer to appendix for net revenue calculation



# Operating Results – 3Q08 vs. 2Q08

(\$ millions)	3Q08	2Q08	% Change*
Investment Management Fees	665	737	(9.8)%
Performance Fees	18	22	(18.5)%
Service and Distribution Fees	129	143	(9.7)%
Other	15	33	(55.6)%
<b>Total Operating Revenues</b>	<b>827</b>	<b>936</b>	<b>(11.6)%</b>
Employee Compensation	264	283	(6.6)%
Third-Party Distribution, Service and Advisory	221	245	(9.8)%
Marketing	35	38	(8.9)%
Property, Office and Technology	51	56	(9.3)%
General and Administrative	62	74	(16.5)%
<b>Total Operating Expenses</b>	<b>632</b>	<b>696</b>	<b>(9.1)%</b>
<b>Operating Income</b>	<b>195</b>	<b>240</b>	<b>(18.7)%</b>
Equity in Earnings of Unconsolidated Affiliates	8	10	(16.7)%
Interest Income	8	11	(23.8)%
Other Gains and Losses, Net	(10)	(1)	845.5%
Gains/(Losses) of Consolidated Investment Products, net	2.8	40	(93.1)%
Interest Expense	(18)	(19)	(5.2)%
<b>Income Before Taxes and Minority Interest</b>	<b>185</b>	<b>280</b>	<b>(33.8)%</b>
Effective Tax Rate**	27.2	32.2%	
Minority Interest (Income)/Losses of Consolidated Entities, Net of Tax	(4.3)	(40)	(89.3)%
<b>Net Income</b>	<b>132</b>	<b>163</b>	<b>(19.0)%</b>
EPS Diluted	0.33	0.41	(18.8)%
Average AUM (\$ billions)	448.3	482.6	(7.1)%
Headcount	5,354	5,331	0.4%

\* % change based on unrounded figures

18 \*\* Effective tax rate = Tax Expense / (Income before taxes + minority interest)



# Questions & Answers

## 2008 Third Quarter Results

October 29, 2008



# Discussion Topics

1. Our Business Today
2. Financial Results
3. Questions and Answers
4. Appendix

# The Value We Deliver To Our Clients

## Specialized investment capabilities globally

One of Invesco's greatest competitive advantages is the combined power of our distinctive worldwide investment management capabilities.

With offices worldwide, capabilities in virtually every asset class and investment style, a disciplined approach to investment management and a commitment to the highest standards for performance and client service, Invesco is uniquely positioned to compete in our evolving world.



### **Invesco Aim**

**Investment focus:** U.S., international and global equities  
AUM: \$53.1 billion

### **Invesco Asia-Pacific**

**Investment focus:** Asian Ex-Japanese, Greater Chinese, Japanese and Australian equities  
AUM: \$17.1 billion

### **Atlantic Trust**

**Investment focus:** High-net-worth multimangement  
AUM: \$15.2 billion

### **Invesco Global Equity**

**Investment focus:** Global, non-U.S., and Emerging Market equities  
AUM: \$10.3 billion

### **Invesco Multiple-Asset Strategies**

**Investment focus:** Global tactical asset allocation, multi-strategy investing and alternative beta strategies  
AUM: \$3.9 billion

### **Invesco Perpetual**

**Investment focus:** U.K. equities, fixed income and European equities  
AUM: \$62.3 billion

### **Invesco PowerShares**

**Investment focus:** ETFs  
AUM: \$12.3 billion

### **Invesco Private Capital**

**Investment focus:** Fund of funds and venture capital private equities  
AUM: \$2.1 billion

### **Invesco Quantitative Strategies**

**Investment focus:** Quantitative active, enhanced and long/short strategies  
AUM: \$24.5 billion

### **Invesco Real Estate**

**Investment focus:** Global direct real estate investing and public real estate investing  
AUM: \$26.1 billion

### **Invesco Trimark**

**Investment focus:** Canadian equities, fixed income and global value  
AUM: \$26.7 billion  
AIM Trimark anticipates changing its DBA name to Invesco Trimark on or prior to Dec. 31, 2008.

### **Invesco WL Ross**

**Investment focus:** Distressed and restructuring private equities  
AUM: \$6.8 billion

### **Invesco Worldwide Fixed Income**

**Investment focus:** Money market, stable value, global fixed income and alternatives/financial structures  
AUM: \$149.2 billion

Data as of September 30, 2008.



# Operating Results – Quarterly

(\$ millions)	3Q08	2Q08	% Change*	1Q08	4Q07	3Q07	2Q07	1Q07	4Q06
Investment Management Fees	665	737	(9.8)%	738	816	792	766	706	688
Performance Fees	18	22	(18.5)%	11	13	4	34	19	26
Service and Distribution Fees	129	143	(9.7)%	138	151	151	148	143	135
Other	15	33	(55.6)%	23	43	30	31	32	22
<b>Total Operating Revenues</b>	<b>827</b>	<b>936</b>	<b>(11.6)%</b>	<b>910</b>	<b>1,023</b>	<b>977</b>	<b>979</b>	<b>900</b>	<b>872</b>
Employee Compensation	264	283	(6.6)%	273	286	278	288	284	273
Third-Party Distribution, Service and Advisory	221	245	(9.8)%	247	285	271	263	232	224
Marketing	35	38	(8.9)%	44	44	41	36	37	37
Property, Office and Technology	51	56	(9.3)%	50	60	67	58	57	57
General and Administrative	62	74	(16.5)%	68	104	64	71	57	39
<b>Total Operating Expenses</b>	<b>632</b>	<b>696</b>	<b>(9.1)%</b>	<b>682</b>	<b>779</b>	<b>720</b>	<b>717</b>	<b>668</b>	<b>630</b>
<b>Operating Income</b>	<b>195</b>	<b>240</b>	<b>(18.7)%</b>	<b>228</b>	<b>244</b>	<b>257</b>	<b>262</b>	<b>232</b>	<b>242</b>
Equity in Earnings of Equity Unconsolidated Affiliates	8	10	(16.7)%	18	21	15	6	6	2
Interest Income	8	11	(23.8)%	12	12	14	12	10	10
Other Gains and Losses , Net	(10)	(1)	845.5%	(7)	6	(4)	0	8	12
Gains/(Losses) of Consolidated Investment Products, net	2.8	40	(93.1)%	(44)	56	59	70	30	183
Interest Expense	(18)	(19)	(5.2)%	(22)	(17)	(16)	(19)	(19)	(21)
<b>Income Before Taxes and Minority Interest</b>	<b>185</b>	<b>280</b>	<b>(33.8)%</b>	<b>185</b>	<b>321</b>	<b>324</b>	<b>332</b>	<b>267</b>	<b>428</b>
Effective Tax Rate**	27.2%	32.2%		32.2%	34.2%	35.7%	34.2%	34.5%	33.6%
Minority Interest (Income)/Losses of Consolidated Entities, Net of Tax	(4.3)	(40)	(89.3)%	44	(54)	(64)	(65)	(30)	(180)
<b>Net Income</b>	<b>132</b>	<b>163</b>	<b>(19.0)%</b>	<b>155</b>	<b>176</b>	<b>167</b>	<b>176</b>	<b>155</b>	<b>165</b>
EPS Diluted	0.33	0.41	(18.8)%	0.39	0.43	0.41	0.43	0.38	0.40
Average AUM (\$ billions)	448.3	482.6	(7.1)%	476.6	509.9	494.7	484.3	466.9	452.7
Headcount	5,354	5,331	0.4%	5,437	5,475	5,390	5,392	5,432	5,574

\* % change based on unrounded figures

**22** \*\* Effective tax rate = Tax Expense / (Income before taxes + minority interest)



# Assets Under Management - Quarterly

(\$ billions)	3Q08	2Q08	% Change	1Q08	4Q07	3Q07
<b>Beginning Assets</b>	<b>\$461.3</b>	<b>\$470.3</b>	<b>(1.9)%</b>	<b>\$500.1</b>	<b>\$507.2</b>	<b>\$491.6</b>
Long-Term Inflows	16.8	19.4	(13.4)%	20.8	30.9	31.1
Long-Term Outflows	(19.8)	(25.6)	22.7%	(29.2)	(35.9)	(30.9)
Long-Term Net flows	(3.0)	(6.2)	51.6%	(8.4)	(5.0)	0.2
Net flows in Money Market Funds	(8.1)	4.7	(272.3)%	9.6	3.5	5.7
Market Gains/Reinvestment	(29.6)	(6.0)	(393.3)%	(33.5)	(5.0)	4.1
Foreign currency	(11.0)	(1.5)	(633.3)%	2.5	(0.6)	5.6
<b>Ending Assets</b>	<b>\$409.6</b>	<b>\$461.3</b>	<b>(11.2)%</b>	<b>\$470.3</b>	<b>\$500.1</b>	<b>\$507.2</b>
Ending long-term AUM	332.7	376.2	(11.6)%	390.0	429.0	439.5
Average long-term AUM	364.4	398.6	(8.6)%	400.5	440.7	428.4
Average institutional money market AUM	83.9	84.0	(0.1)%	76.1	69.2	66.3
<b>Average AUM</b>	<b>\$448.3</b>	<b>\$482.6</b>	<b>(7.1)%</b>	<b>\$476.6</b>	<b>\$509.9</b>	<b>\$494.7</b>
Net Revenue Yield (annualized)*	55.1bps	58.5bps	-3.4 pts	57.4bps	60.1bps	58.4bps
Net Revenue Yield less performance fees (annualized)*	53.5bps	56.6bps	-3.1 pts	56.5bps	59.1bps	58.1bps



# Assets Under Management – by Channel

(\$ billions)	Total	Retail	Institutional	PWM
<b>March 31, 2008</b>	<b>\$470.3</b>	<b>\$228.7</b>	<b>\$224.8</b>	<b>\$16.8</b>
Long-Term Inflows	19.4	13.4	4.8	1.2
Long-Term Outflows	(25.6)	(16.6)	(7.8)	(1.2)
Long-Term Net flows	(6.2)	(3.2)	(3.0)	--
Net flows in Money Market Funds	4.7	--	4.7	--
Market Gains/Reinvestment	(6.0)	(4.1)	(1.6)	(0.3)
Foreign currency	(1.5)	(0.8)	(0.7)	--
<b>June 30, 2008</b>	<b>\$461.3</b>	<b>\$220.6</b>	<b>\$224.2</b>	<b>\$16.5</b>
Long-Term Inflows	16.8	12.0	3.7	1.1
Long-Term Outflows	(19.8)	(14.2)	(4.6)	(1.0)
Long-Term Net flows	(3.0)	(2.2)	(0.9)	0.1
Net flows in Money Market Funds	(8.1)	0.1	(8.2)	--
Market Gains/Reinvestment	(29.6)	(23.2)	(5.2)	(1.2)
Foreign currency	(11.0)	(7.3)	(3.7)	--
<b>September 30, 2008</b>	<b>\$409.6</b>	<b>188.0</b>	<b>206.2</b>	<b>15.4</b>



# Assets Under Management – by Asset Class

(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Stable Value	Alternative
<b>March 31, 2008*</b>	<b>\$470.3</b>	<b>\$215.0</b>	<b>\$43.2</b>	<b>\$36.0</b>	<b>\$85.3</b>	<b>\$30.3</b>	<b>\$60.5</b>
Long-Term Inflows	19.4	10.6	3.6	1.6	1.0	0.9	1.7
Long-Term Outflows	(25.6)	(13.2)	(4.7)	(2.1)	(1.0)	(1.7)	(2.9)
Long-Term Net flows	(6.2)	(2.6)	(1.1)	(0.5)	--	(0.8)	(1.2)
Net flows in Money Market Funds	4.7	--	--	--	4.7	--	--
Market Gains/Reinvestment	(6.0)	(4.3)	0.4	(0.4)	(0.2)	(0.4)	(1.1)
Foreign currency	(1.5)	(1.0)	(0.4)	--	--	--	(0.1)
<b>June 30, 2008*</b>	<b>\$461.3</b>	<b>\$207.1</b>	<b>\$42.1</b>	<b>\$35.1</b>	<b>\$89.8</b>	<b>\$29.1</b>	<b>\$58.1</b>
Long-Term Inflows	16.8	9.2	2.1	2.0	0.8	1.0	1.7
Long-Term Outflows	(19.8)	(12.4)	(2.0)	(2.2)	(0.7)	(0.4)	(2.1)
Long-Term Net flows	(3.0)	(3.2)	0.1	(0.2)	0.1	0.6	(0.4)
Net flows in Money Market Fund	(8.1)	--	--	--	(8.1)	--	--
Market Gains/Reinvestment	(29.6)	(23.9)	(0.7)	(2.5)	--	(2.1)	(0.4)
Foreign currency	(11.0)	(7.2)	(1.1)	(1.7)	(0.1)	--	(0.9)
<b>September 30, 2008</b>	<b>\$409.6</b>	<b>172.8</b>	<b>40.4</b>	<b>30.7</b>	<b>81.7</b>	<b>27.6</b>	<b>56.4</b>

\* Certain beginning balances were adjusted to reflect asset reclassifications



# Assets Under Management – by Client Domicile

(\$ billions)	Total	U.S.	Canada	U.K.	Europe	Asia
<b>March 31, 2008</b>	<b>\$470.3</b>	<b>\$281.7</b>	<b>\$42.1</b>	<b>\$81.8</b>	<b>\$32.9</b>	<b>\$31.8</b>
Inflows	19.4	9.1	0.7	5.1	2.7	1.8
Outflows	(25.6)	(11.1)	(3.0)	(2.6)	(5.0)	(3.9)
Long-Term Net flows	(6.2)	(2.0)	(2.3)	2.5	(2.3)	(2.1)
Net flows in Money Market Funds	4.7	1.5	--	(1.1)	1.0	3.3
Market Gains/Reinvestment	(6.0)	(1.0)	(1.1)	(1.8)	(0.4)	(1.7)
Foreign currency	(1.5)	--	0.2	(1.2)	(0.2)	(0.3)
<b>June 30, 2008</b>	<b>\$461.3</b>	<b>\$280.2</b>	<b>\$38.9</b>	<b>\$80.2</b>	<b>\$31.0</b>	<b>\$31.0</b>
Inflows	16.8	8.8	0.5	4.4	1.9	1.2
Outflows	(19.8)	(10.5)	(2.1)	(2.6)	(2.8)	(1.8)
Long-Term Net flows	(3.0)	(1.7)	(1.6)	1.8	(0.9)	(0.6)
Net flows in Money Market Funds	(8.1)	(7.3)	--	(0.4)	--	(0.4)
Market Gains/Reinvestment	(29.6)	(15.1)	(2.4)	(5.1)	(3.6)	(3.4)
Foreign currency	(11.0)	--	(1.8)	(7.0)	(1.6)	(0.6)
<b>September 30, 2008</b>	<b>\$409.6</b>	<b>256.1</b>	<b>33.1</b>	<b>69.5</b>	<b>24.9</b>	<b>26.0</b>



# Schedule of Non-GAAP Information

For the three months ended

	September 30, 2008	June 30, 2008	September 30, 2007
Operating revenues, GAAP basis	\$827.2	\$935.6	\$976.6
Third-party distribution, service and advisory expenses	(220.9)	(244.9)	(270.8)
Proportional share of revenues, net of third-party distribution expenses, from joint venture investments	11.7	14.6	16.6
Net revenues <sup>(1)</sup>	\$618.0	\$705.3	\$722.4
Operating income, GAAP basis	\$195.2	\$240.0	\$256.5
Proportional share of operating income from joint venture investments	7.0	8.5	14.1
Net operating income <sup>(1)</sup>	\$202.2	\$248.5	\$270.6
Operating margin*	23.6%	25.6%	26.3%
Net operating margin* * <sup>(1)</sup>	32.7%	35.2%	37.5%

\* 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 expenses 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 revenues, net of distribution expenses, 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 provide 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.

