



Fourth Quarter 2020 Results

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January 26, 2021



Forward-looking statements and Important Information



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, geopolitical events, the COVID-19 pandemic and their potential impact on the company, acquisitions and divestitures, 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. None of this information should be considered in isolation from, or as a substitute for, historical financial 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.

This presentation includes the following non-GAAP performance measures: net revenue (and by calculation, net revenue yield on AUM), adjusted operating expenses, adjusted operating income, adjusted operating margin, adjusted net income attributable to

Invesco Ltd., and adjusted diluted earnings per share (EPS). We believe the adjusted measures provide valuable insight into our ongoing operational performance and assist in comparisons to our competitors. These measures also assist management with the establishment of operational budgets and forecasts and assist the Board of Directors and management in determining incentive compensation decisions. The most directly comparable U.S. GAAP measures are operating revenues (and by calculation, gross revenue yield on AUM), operating expenses, operating income, operating margin, net income attributable to Invesco Ltd., and diluted EPS.

The information in this presentation is meant to supplement the information contained in the earnings release and includes a more detailed reconciliation format of the income statement from U.S. GAAP to a non-GAAP presentation. We believe that this presentation is useful, as it aggregates the various non-GAAP adjustments to illustrate adjusted revenue and expense categories and allows more transparency into the calculation of the non-GAAP financial measures.

Introduction



Executing our long-term strategy for the benefit of clients and our business

- Organization aligned to best serve our clients
- Focused on enhancing the client experience and delivery of targeted outcomes

Key capabilities in areas of high client demand driving strong inflows

- Continued investment performance strength in high-demand capabilities supporting improved flow fundamentals
- Majority of our business aligned with future growth areas

Driving greater scale and flexibility in our operating model

- Greater scale driving improved financial performance
- Continued to strengthen our capital position by using excess cash to reduce revolver to zero while improving cash balances

Fourth quarter 2020 highlights



Investment Performance	<ul style="list-style-type: none">• 55%, 58%, 61% and 70% of actively managed assets in top half of peer group on a 1-, 3-, 5-, and 10-year basis• Strong performance in capabilities where we saw strong demand from clients globally: Fixed Income and Global Equities, including Emerging Markets, and Asian Equities
AUM and Net Revenue Yield¹	<ul style="list-style-type: none">• Record AUM at year-end of \$1,349.9 billion compared to \$1,218.2 billion at the end of Q3• Average AUM of \$1,278.2 billion compared to \$1,206.2 billion in Q3• Net revenue yield of 38.4 bps (ex-performance fees 36.0 bps) compared to 36.2 bps (ex-performance fees 36.0 bps) in Q3
Flows	<ul style="list-style-type: none">• Record gross long-term inflows of \$91.6 billion compared to \$71.9 billion in Q3• Long-term net inflows of \$9.8 billion, versus long-term net inflows of \$7.8 billion in Q3• Asia Pacific and Americas in net long-term inflows (\$9.1 billion and \$2.2 billion, respectively) with continued strength in fixed income and increased demand for equities• Total ETF net inflows of \$6.1 billion, including \$4.7 billion in long-term ETF net inflows• Solutions-enabled institutional pipeline of \$30.5 billion
Overall Adjusted Operating Results¹	<ul style="list-style-type: none">• Net revenues up 12.4% to \$1,228.4 million from \$1,092.5 million in Q3• Adjusted operating income of \$485.4 million compared to \$406.7 million in Q3• Adjusted operating margin increased to 39.5% in the quarter from 37.2% in Q3• Adjusted diluted EPS increased to \$0.72 versus \$0.53 in Q3
Capital Mgmt. & Balance Sheet	<ul style="list-style-type: none">• Reduced revolver balance to zero while improving cash balances, consistent with our long-term objectives

(1) Non-GAAP financial measures – For the reconciliations from US GAAP to non-GAAP measures, see the Appendix to this presentation and the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures may be found in prior period Forms 10-K, 10-Q, and 8-K.

We have scale, investment readiness and competitive strength in key capability areas with high client demand

Invesco competitive and market positioning by strategic priority area

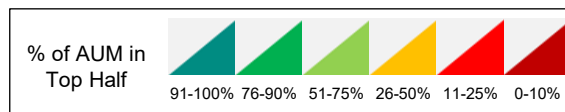


Invesco Competitive and Market Positioning Metrics

Invesco AUM as of Dec 2020 | Invesco performance as of Dec 2020 | Market AUM as of 2019

Invesco Positioning

Addressable Market Size¹



Key Capability Area	Invesco Positioning		Addressable Market Size ¹		Investment Readiness Highlights
	AUM	3Y / 5Y % AUM in Top Half ²	AUM	2021-2024 Organic CAGR	
1 ETFs, Factors and Index	\$392B ⁴	77% 79%	\$14T	+6%	<ul style="list-style-type: none"> 4th largest ETF provider globally³ with capabilities spanning the passive-active and ESG spectrums Global leader in factors with 35+ year track record of developing and scaling innovative products
2 Private Markets	\$99B	28% ⁵ 45% ⁵	\$4T	+4%	<ul style="list-style-type: none"> 75% of private Real Estate assets are beating benchmark or return targets (Sept 20)¹⁰ 30+ years experience innovating and managing public and private Real Assets, with capacity to significantly increase AUM over next 5 years Leadership position in Bank Loans, supported by strong distressed credit capability
3 Active Fixed Income	\$329B ⁶	80% 89%	\$17T	+1%	<ul style="list-style-type: none"> Suite of high performing and fully scaled global and local capabilities Breadth and depth to solve client needs across income, quality, rates and targeted outcomes
4 Active Global Equities	\$148B ⁷	68% 59%	\$7T	(1%)	<ul style="list-style-type: none"> Leadership positions in global and EM equities since the 1970s Highly experienced team with culture of managing high conviction, high active share portfolios
5 Investment Solutions	\$48B ⁸	100% 100%	\$12T	+5%	<ul style="list-style-type: none"> Robust and differentiated platform that leverages proprietary capital market forecasts, custom portfolio analysis, asset allocation capabilities, and manager selection to deliver superior outcomes aligned with client's goals
6 Greater China Investment Capabilities	\$76B ⁹	62% 85%	\$3T	+5%	<ul style="list-style-type: none"> Global pioneer in China with nearly 40 years of managing dedicated Chinese products

See the Appendix for footnotes associated with this slide

Our global focus areas are aligned with client demand and our high-quality investment offerings



Global Focus Areas for 2021

Focus Areas for Growth

- Expand our market-leading position in ETFs in the US and EMEA and build our passive presence in Asia Pacific
- Further build on our market-leading position in China
- Capitalize on our leading active capabilities in fixed income and global equities
- Leverage Solutions as critical component of client engagement and sales
- Continue to grow our private markets business

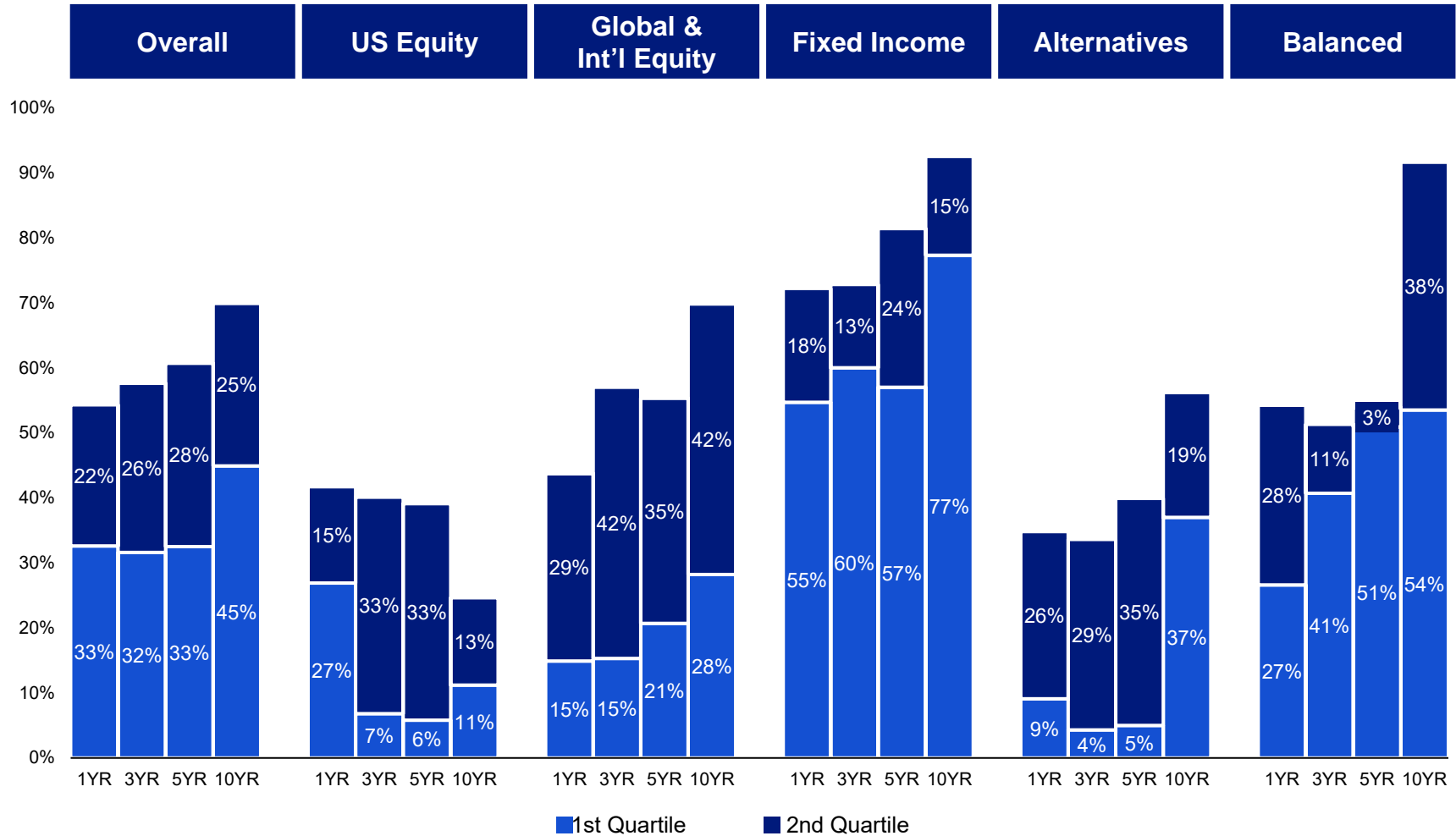
Growth Enablers

- Leverage technology-enabled distribution and investing in digital platforms to help grow the business and enhance the client experience
- Evolve our digital marketing capabilities consistent with the shifts experienced in 2020
- Continue to develop leading solutions and asset allocation offerings
- Build on our market leading reputation and continue to engage with key regulators and policy makers
- Enhance our ESG capabilities and continue to integrate into our investment approach

Investment performance



% of Actively Managed Assets in Top Half of Peer Group



Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary funds, unit investment trusts, fund of funds with component funds managed by Invesco, stable value building block funds 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.

Data as of 12/31/2020. Includes AUM of \$711.0 billion (53% of total IVZ) for 1 year, \$700.5 billion (52% of total IVZ) for 3 year, \$694.0 billion (51% of total IVZ) for 5 year and \$631.5 billion (47% of total IVZ) for 10 year. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IA, Russell, Mercer, eVestment Alliance, SITCA, Value Research) 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 are calculated against all funds in each peer group. Rankings for the primary share class of the most representative fund in each composite are applied to all products within each composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

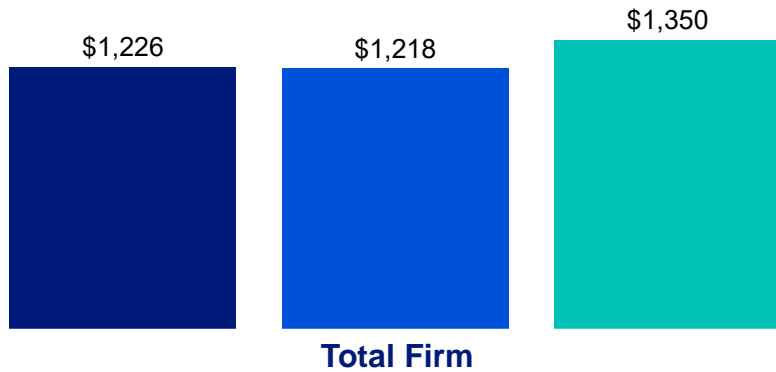
Assets under management



■ Q4'19 ■ Q3'20 ■ Q4'20 □ % of Total Firm AUM

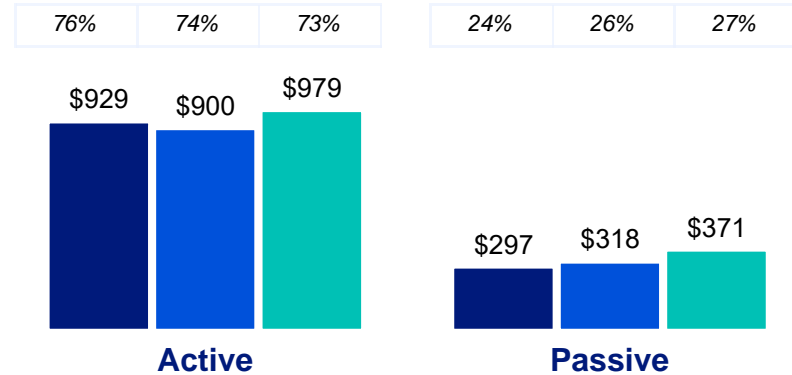
Total AUM

in billions



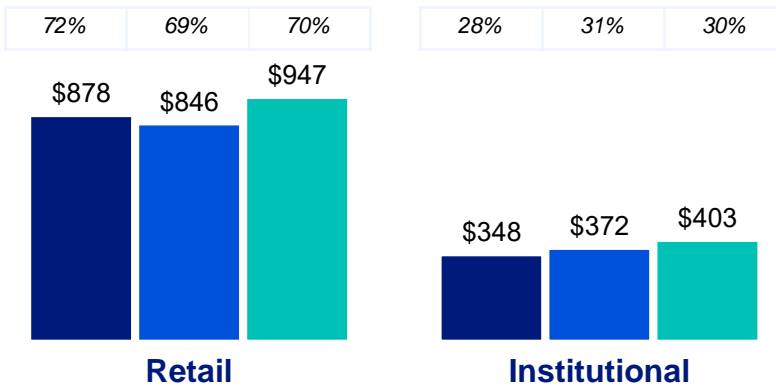
by Investment Approach

in billions



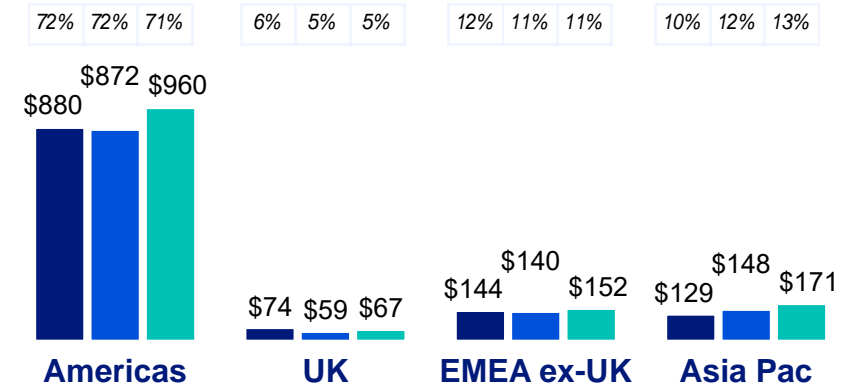
by Channel

in billions



by Geography

in billions

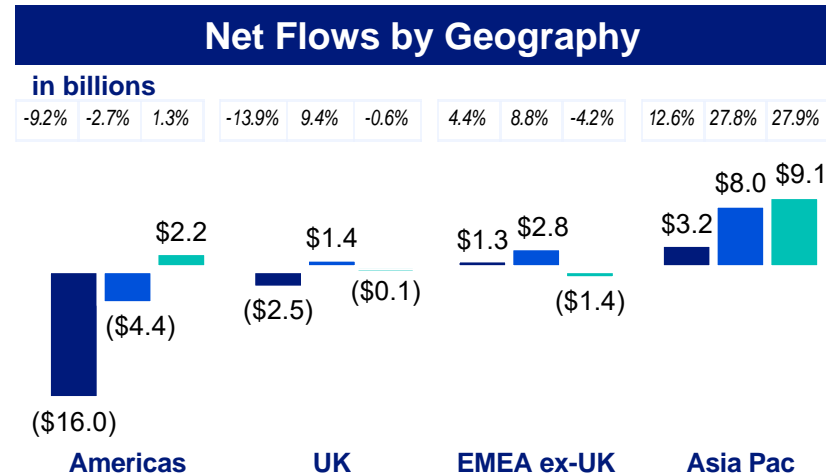
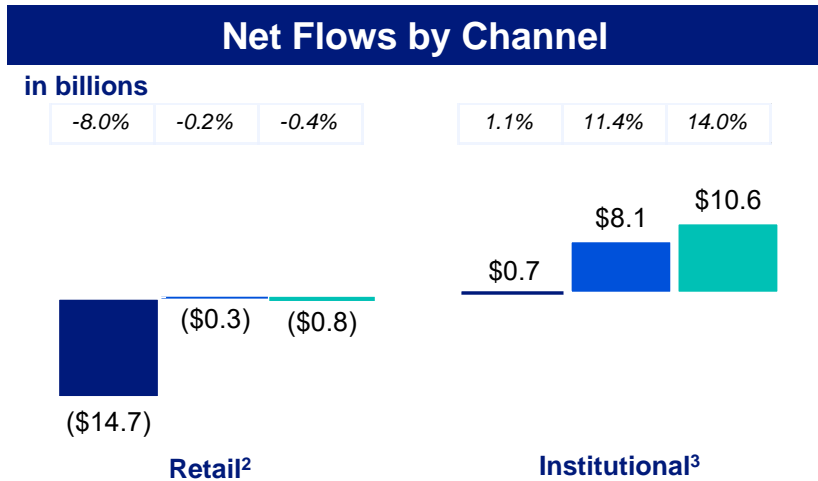
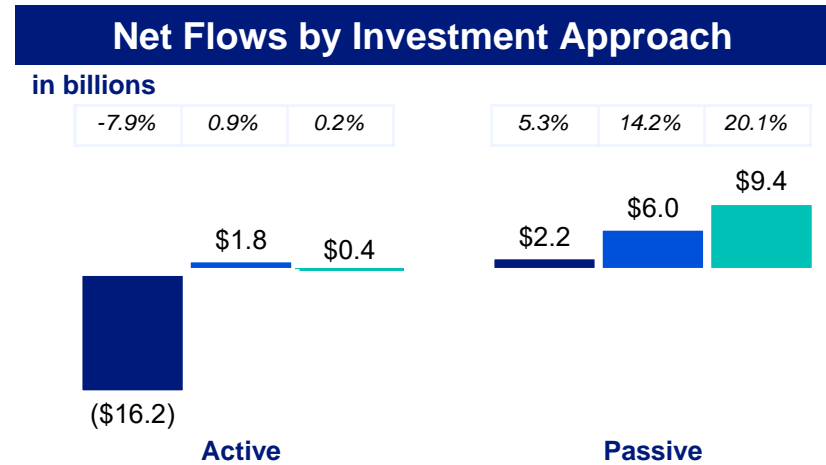
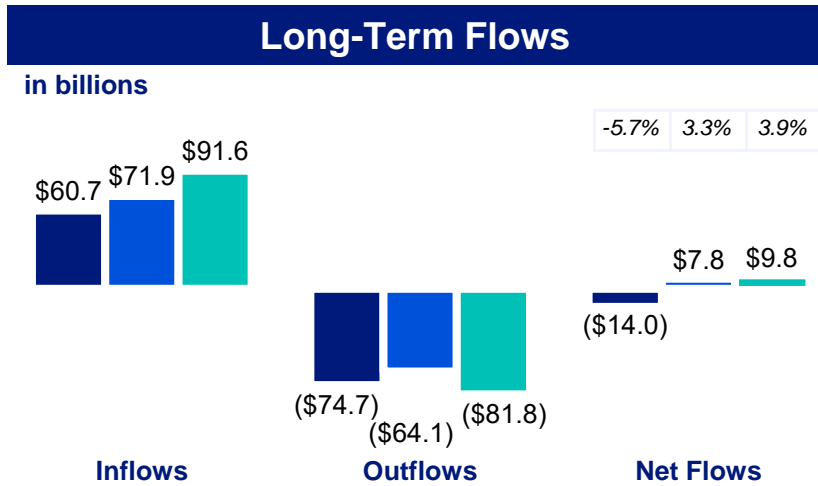


Note: Numbers may not add up due to rounding

Long-term flows and annualized organic growth



■ Q4'19
 ■ Q3'20
 ■ Q4'20
 Annualized LT Org. Growth¹



(1) Annualized long-term organic growth rate is calculated using long-term net flows (annualized) divided by average long-term AUM for the period

(2) Retail AUM are distributed by the company's retail sales team and generally include retail products in the U.S., Canada, U.K., Continental Europe, Asia and our offshore product line. Retail AUM and flows exclude money market and non-management fee earning AUM

(3) Institutional AUM are distributed by the company's institutional sales team and generally includes our institutional investment capabilities in the U.S., Canada, U.K., Continental Europe and Asia. Institutional AUM and flows exclude money market and non-management fee earning AUM

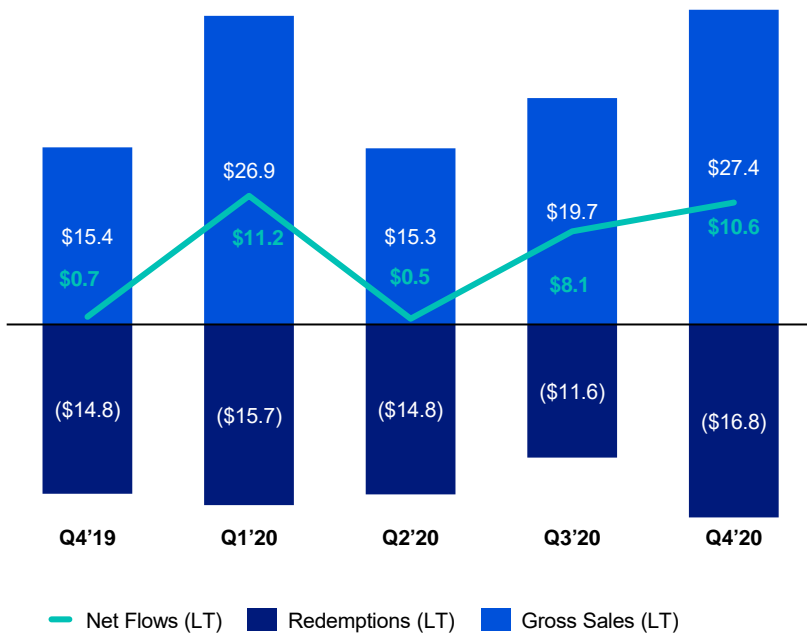
Note: Numbers may not add up due to rounding

Institutional clients remain engaged and constructive

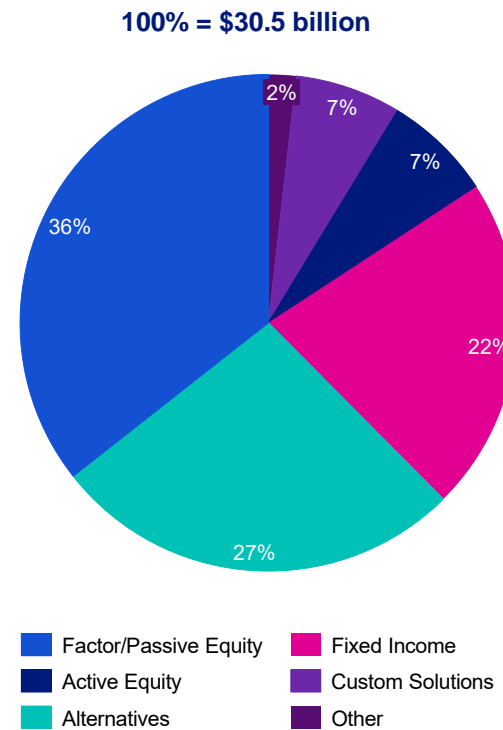


Global Institutional LT Flows

in billions



Won Not Funded Pipeline by Type of Mandate (% AUM)



Invesco Solutions enabled 39% of the global institutional pipeline and created wins in customized mandates

Note: Numbers may not add up due to rounding

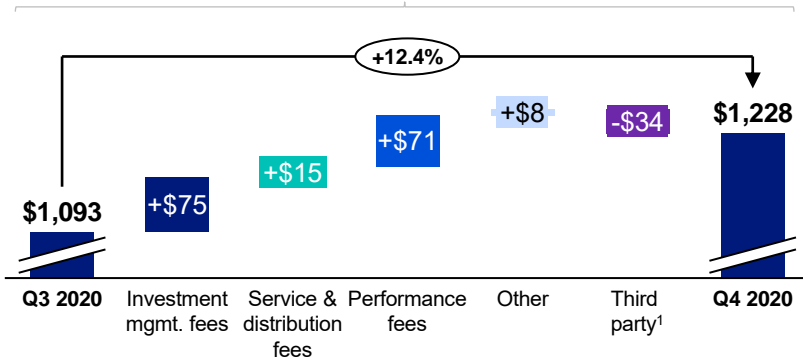
Revenues and expenses



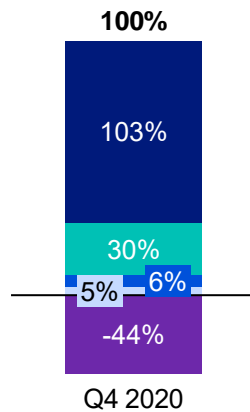
Net Revenues

Non-GAAP results in millions

\$135 million increase



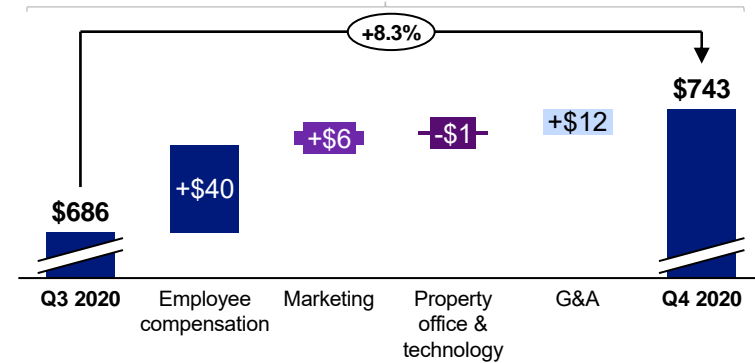
- Investment management fees
- Service & distribution fees
- Performance fees
- Other
- Third party¹



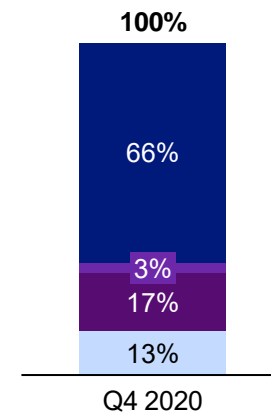
Adjusted Operating Expenses

Non-GAAP results in millions

\$57 million increase



- Employee compensation
- Marketing
- Property, office & technology
- General & administrative



Non-GAAP financial measures - For the reconciliations from US GAAP to non-GAAP measures, see the Appendix to this presentation and the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures may be found in prior period Forms 10-K, 10-Q, and 8-K.

(1) Third party includes passed through investment management, service and distribution, and other revenues and sum to the same amount as the third party distribution, service and advisory expenses.

Note: Numbers may not add up due to rounding

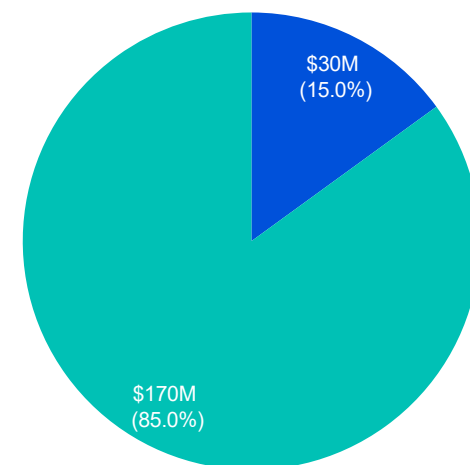
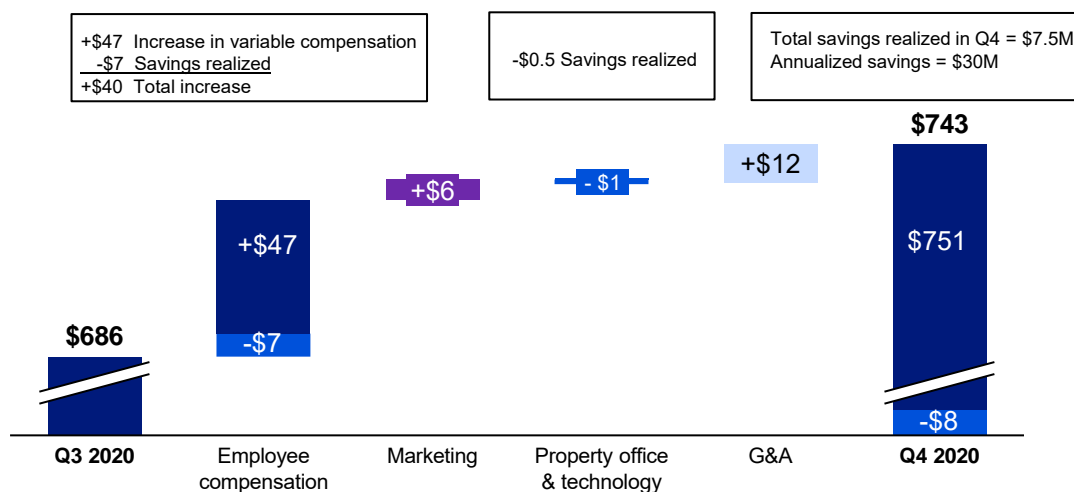
Strategic evaluation - annualized net savings

- Our strategic evaluation is focused on investing for growth in key areas of our business, including ETFs, Fixed Income, China, Solutions, Alternatives and Global Equities
- We will achieve further efficiency and effectiveness, helping to drive sustained organic growth
- Net savings of \$200m expected by the end of 2022, with \$150 million (75%) of these savings to be achieved by the end of 2021

Operating Expenses and Net Savings

\$200M Annualized Net Savings

Non-GAAP results in \$millions



■ Savings Remaining ■ Savings Realized

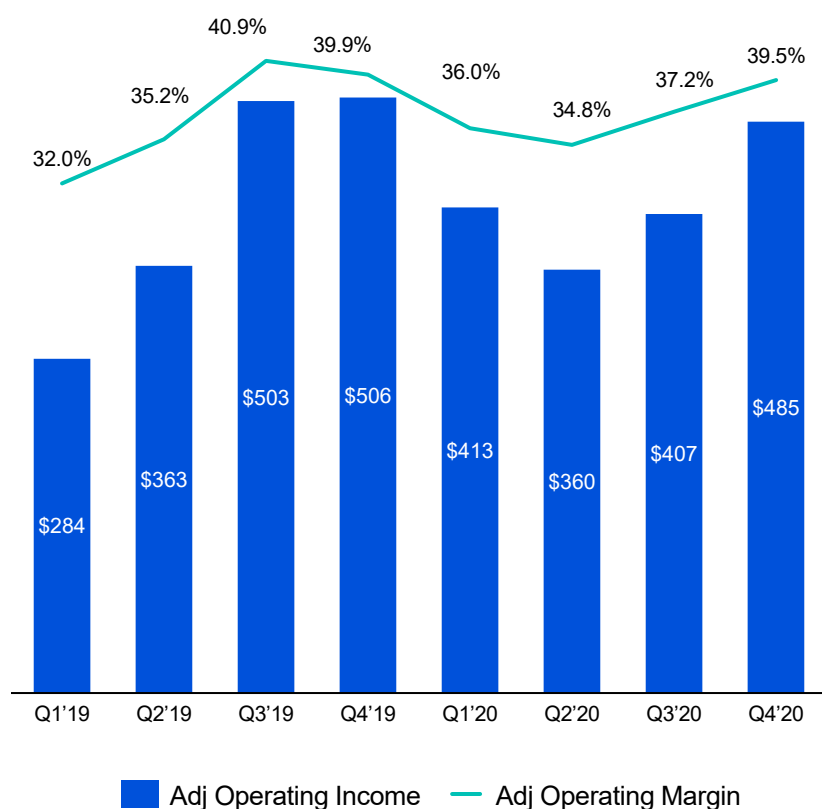
Non-GAAP financial measures - For the reconciliations from US GAAP to non-GAAP measures, see the Appendix to this presentation and the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures may be found in prior period Forms 10-K, 10-Q, and 8-K.
 Note: Numbers may not add up due to rounding

Adjusted operating income and profitability



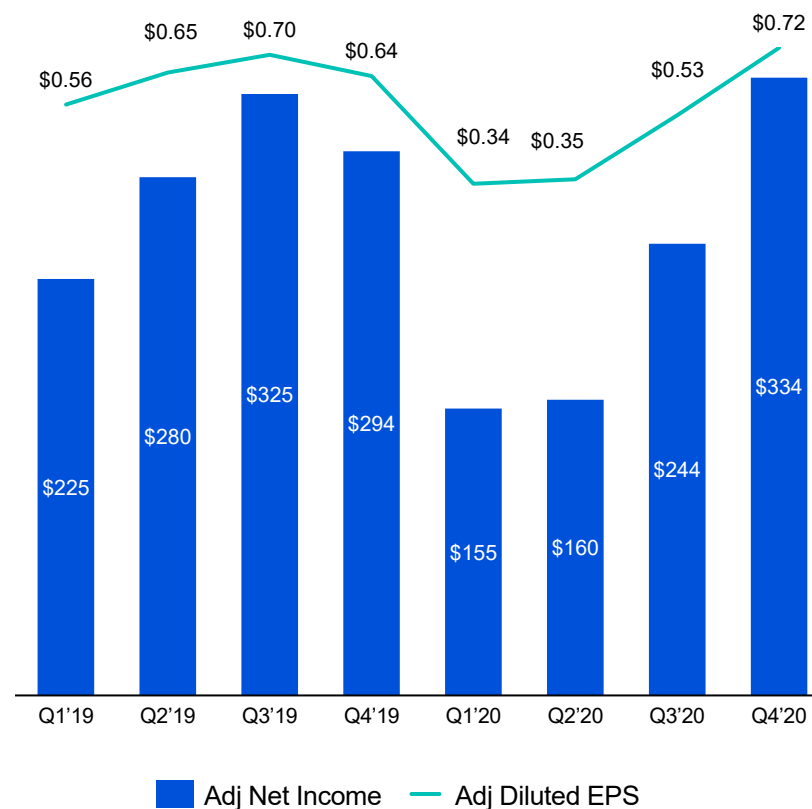
Adjusted Operating Income and Adjusted Operating Margin

Non-GAAP results; operating income in millions



Adjusted Net Income and Adjusted Diluted Earnings Per Share

Non-GAAP results; net income in millions



Non-GAAP financial measures – For the reconciliations from US GAAP to non-GAAP measures, see the Appendix to this presentation and the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures may be found in prior period Forms 10-K, 10-Q, and 8-K.

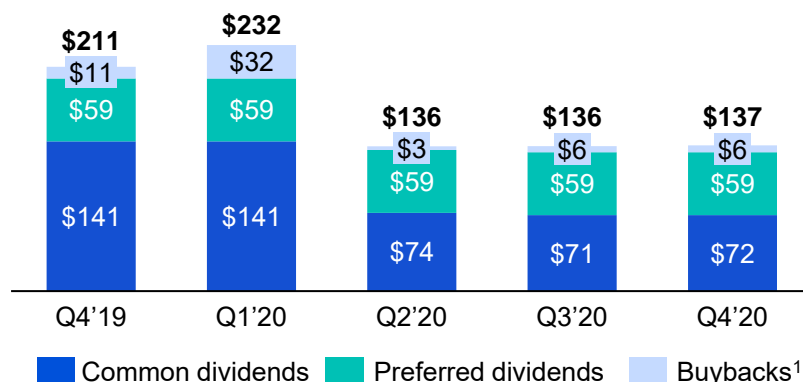


Capital management and balance sheet

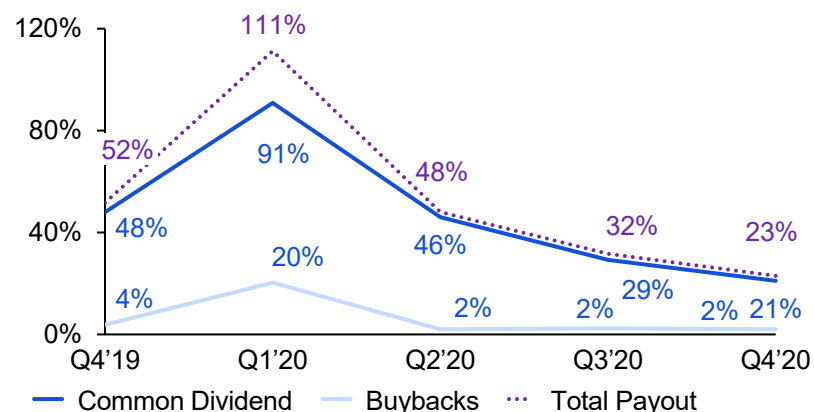
Ample liquidity with enhanced capacity to optimize the balance sheet

Capital Management

Capital returned to shareholders in millions



Common shareholder payout ratios, as % of Adj. Net Income

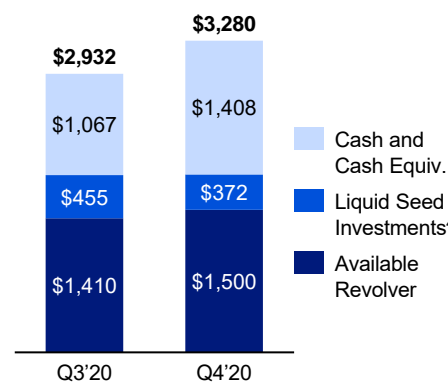


Balance Sheet Highlights

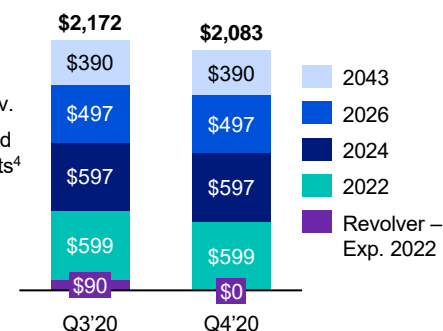
in millions

	Assets		Liabilities		Equity	
	Q3'20	Q4'20	Q3'20	Q4'20	Q3'20	Q4'20
U.S. GAAP	\$ 36,038	\$ 36,504	\$ 21,459	\$ 21,483	\$ 14,579	\$ 15,021
Impact of CIP ²	\$ (7,691)	\$ (7,961)	\$ (7,047)	\$ (7,303)	\$ (644)	\$ (658)
Impact of policy holders ³	\$ (7,883)	\$ (7,582)	\$ (7,883)	\$ (7,582)	n/a	n/a
Total as adjusted	\$ 20,464	\$ 20,961	\$ 6,529	\$ 6,599	\$ 13,935	\$ 14,363

Sources of liquidity by type in millions



Long term debt by maturity in millions



(1) Includes amounts related to vesting of employee share awards

(2) Tables include non-GAAP presentations. Cash held by Consolidated Investment Products (CIP) is not available for use by Invesco. Additionally, there is no recourse to Invesco for CIP debt. The cash flows of CIP do not form part of the company's cash flow mgmt. processes, nor do they form part of the company's significant liquidity evaluations and decisions

(3) Policyholder assets and liabilities are equal and offsetting and have no impact on Invesco's shareholder's equity. The impact of cash inflows/outflows from policyholder assets and liabilities are reflected within cash flows from operating activities as changes in receivable and/or payables, as applicable

(4) Seed capital balance, after adjusting for the impact of CIP, that can be liquidated upon short notice (generally within 90 days)

Note: Numbers may not add up due to rounding

Conclusion



Executing our long-term strategy for the benefit of clients and our business

Key capabilities in areas of high client demand driving strong inflows

Driving greater scale and flexibility in our operating model

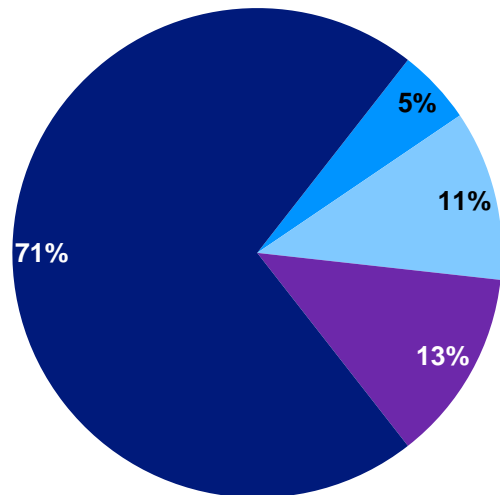
Appendix



We are diversified as a firm

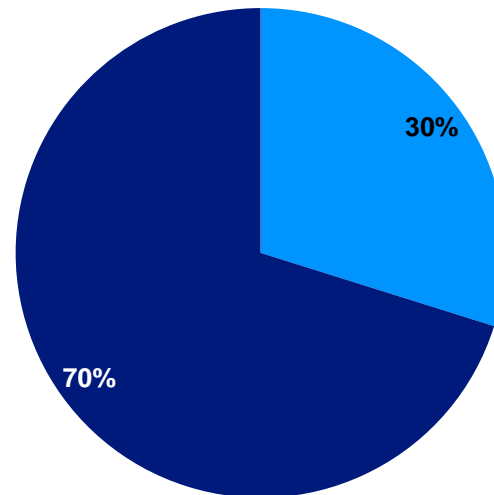


By Client domicile



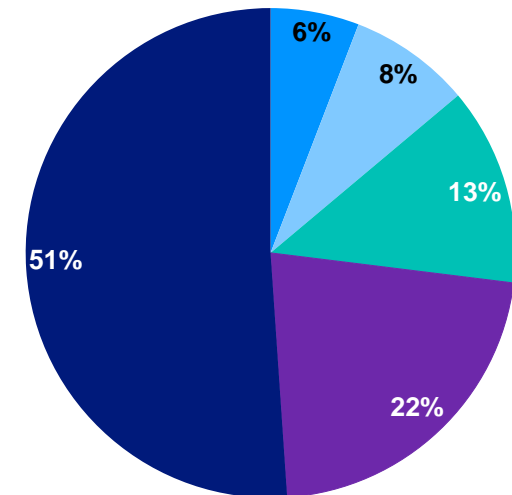
	<u>(billions)</u>	<u>1-Yr Change</u>
Americas	\$959.9	9.1%
U.K.	\$66.9	(10.1)%
EMEA Ex UK	\$151.8	5.7%
Asia	\$171.3	33.2%
Total	\$1,349.9	10.1%

By Channel



	<u>(billions)</u>	<u>1-Yr Change</u>
Retail	\$947.1	7.8%
Institutional	\$402.8	15.8%
Total	\$1,349.9	10.1%

By Asset class



	<u>(billions)</u>	<u>1-Yr Change</u>
Equity	\$689.6	15.2%
Balanced	\$78.9	17.2%
Money Market	\$108.5	18.7%
Fixed Income	\$296.4	4.6%
Alternatives	\$176.5	(4.7)%
Total	\$1,349.9	10.1%

Note: Numbers may not add up due to rounding

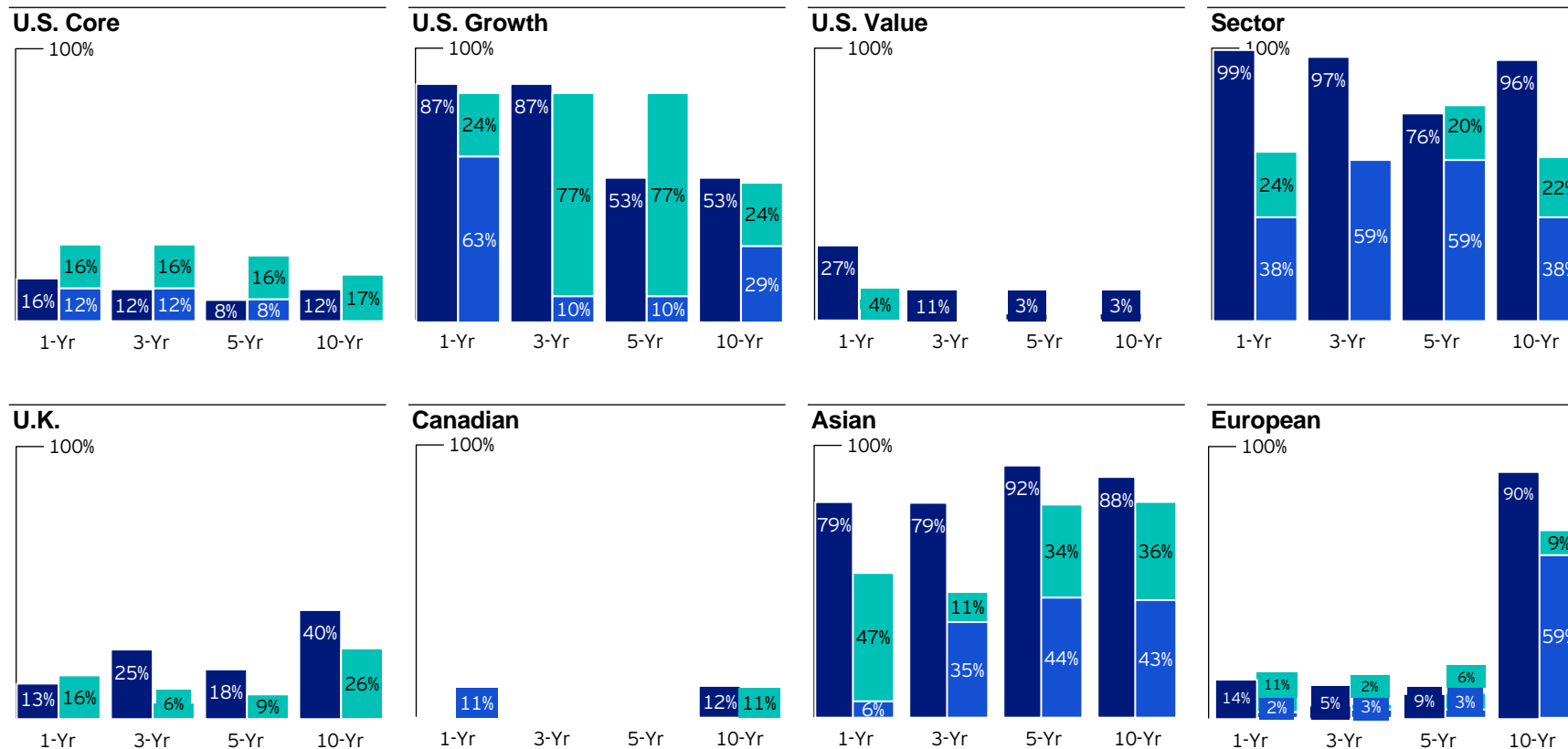
Investment performance

By investment objective (actively managed assets)*



Equities

■ AUM above benchmark ■ 1st quartile ■ 2nd quartile



* Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary funds, unit investment trusts, fund of funds with component funds managed by Invesco, stable value building block funds 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.

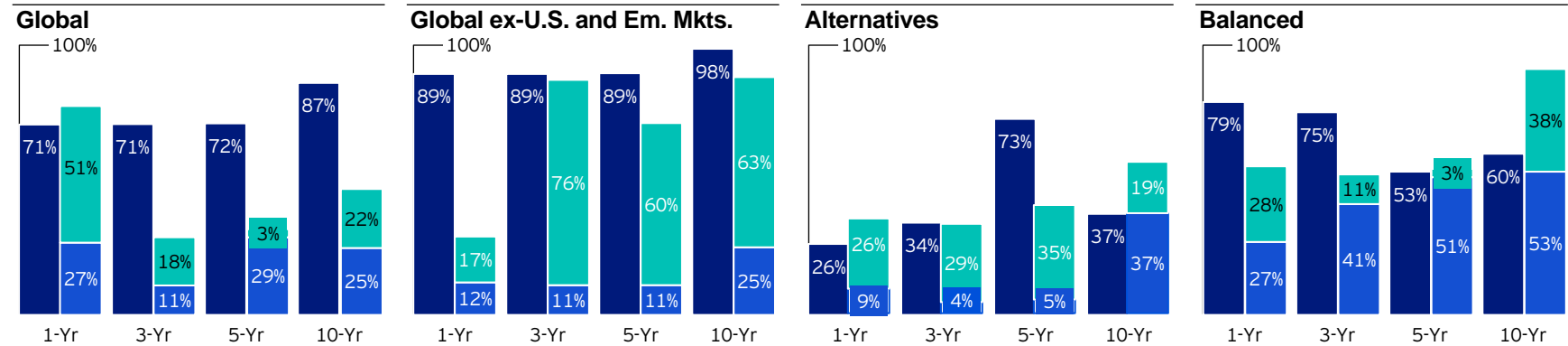
AUM measured in the one, three, five and ten year quartile rankings represents 53%, 52%, 51% and 47% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, five and ten year basis represents 63%, 62%, 60% and 55% of total Invesco AUM as of 12/31/20. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IA, Russell, Mercer, eVestment Alliance, SITCA, Value Research) 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 are calculated against all funds in each peer group. Rankings for the primary share class of the most representative fund in each composite are applied to all products within each composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

Investment performance

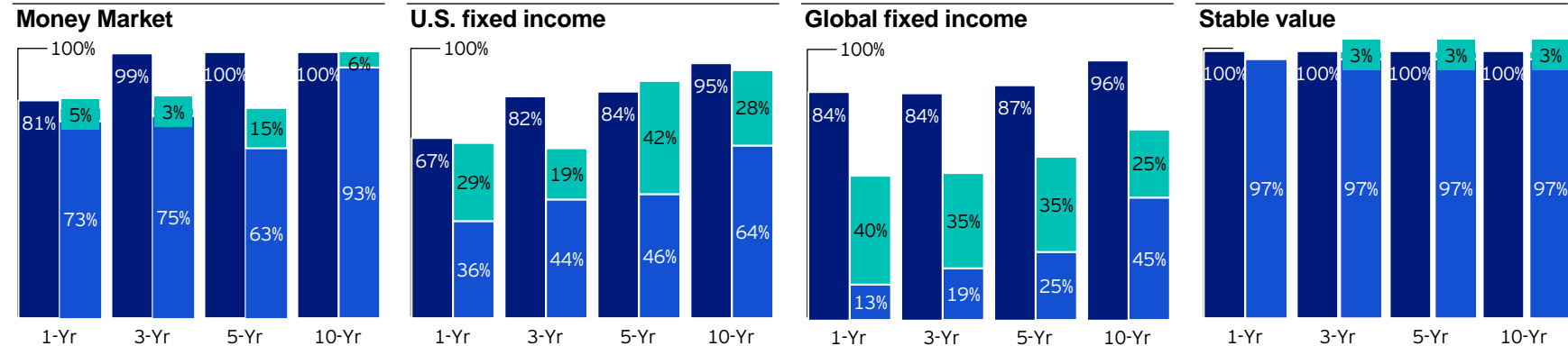
By investment objective (actively managed assets)*



Equities



Fixed income



* Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary funds, unit investment trusts, fund of funds with component funds managed by Invesco, stable value building block funds 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.

AUM measured in the one, three, five and ten year quartile rankings represents 53%, 52%, 51% and 47% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, five and ten year basis represents 63%, 62%, 60% and 55% of total Invesco AUM as of 12/31/20. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IA, Russell, Mercer, eVestment Alliance, SITCA, Value Research) 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 are calculated against all funds in each peer group. Rankings for the primary share class of the most representative fund in each composite are applied to all products within each composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

US GAAP and Non-GAAP operating results

Q4-20 vs. Q3-20



(in millions)	Q4-20	Q3-20	% Change ¹	(in millions)	Q4-20	Q3-20	% Change ¹
	US GAAP Basis				Non-GAAP Basis		
Investment Management Fees	\$1,148.8	\$1,096.8	4.7%	Investment Management Fees	\$1,266.8	\$1,191.6	6.3%
Service and Distribution Fees	367.8	352.7	4.3%	Service and Distribution Fees	367.8	352.7	4.3%
Performance Fees	57.3	—	N/A	Performance Fees	78.0	6.9	1,030.4%
Other	56.2	48.1	16.8%	Other	61.1	52.6	16.2%
Revenue adjustments*	—	—	N/A	Revenue adjustments*	(545.3)	(511.3)	6.6%
Total Operating Revenues	\$1,630.1	\$1,497.6	8.8%	Net Revenues	\$1,228.4	\$1,092.5	12.4%
Third-Party Distribution, Service and Advisory	\$507.7	\$480.8	5.6%	Third-Party Distribution, Service and Advisory	\$—	\$—	N/A
Employee Compensation	486.9	444.5	9.5%	Employee Compensation	491.4	450.8	9.0%
Marketing	20.6	15.6	32.1%	Marketing	24.2	18.0	34.4%
Property, Office and Technology	126.1	127.5	(1.1)%	Property, Office and Technology	128.8	130.2	(1.1)%
General and Administrative	95.9	89.7	6.9%	General and Administrative	98.6	86.8	13.6%
Transaction, Integration, and Restructuring	175.1	71.0	146.6%	Transaction, Integration, and Restructuring	—	—	N/A
Total Operating Expenses	\$1,412.3	\$1,229.1	14.9%	Adjusted Operating Expenses	\$743.0	\$685.8	8.3%
Operating Income	\$217.8	\$268.5	(18.9)%	Adjusted Operating Income	\$485.4	\$406.7	19.4%
Equity in Earnings of Unconsolidated Affiliates	\$26.0	\$18.6	39.8%	Equity in Earnings of Unconsolidated Affiliates	\$29.4	\$29.2	0.7%
Interest and Dividend Income	9.1	2.6	250.0%	Interest and Dividend Income	3.9	3.6	8.3%
Interest Expense	(24.4)	(33.8)	(27.8)%	Interest Expense	(24.4)	(33.8)	(27.8)%
Other Gains and Losses, net	59.9	31.5	90.2%	Other Gains and Losses, net	31.9	15.2	109.9%
Other income/(expense) of CIP, net	111.3	99.2	12.2%	Other income/(expense) of CIP, net	—	—	N/A
Income before income taxes	\$399.7	\$386.6	3.4%	Adjusted income before taxes	\$526.2	\$420.9	25.0%
Income Tax Provision	\$(68.9)	\$(91.9)	(25.0)%	Income Tax Provision	\$(114.0)	\$(101.9)	11.9%
Effective Tax Rate ²	17.2%	23.8%		Effective Tax Rate ²	21.7%	24.2%	
Net Income	330.8	294.7	12.2%	Adjusted Net Income	412.2	319.0	29.2%
Net (Income)/Loss attributable to Noncontrolling Interests in Consolidated Entities	(60.5)	(43.8)	38.1%	Adjusted Net (Income)/Loss attributable to Noncontrolling Interests in Consolidated Entities	(19.1)	(15.8)	20.9%
Less: Dividends declared on preferred shares	(59.2)	(59.2)	—%	Less: Dividends declared on preferred shares	(59.2)	(59.2)	—%
Net Income attributable to Invesco Ltd.	\$211.1	\$191.7	10.1%	Adjusted net income attributable to Invesco Ltd.	\$333.9	\$244.0	36.8%
Diluted EPS	\$0.46	\$0.41	12.2%	Adjusted Diluted EPS	\$0.72	\$0.53	35.8%

(1) change based on rounded figures

(2) Effective tax rate = Tax expense / Income before income taxes and minority interest

For further information and reconciliation between US GAAP and non-GAAP, see the Non-GAAP Information and Reconciliations sections of the current earnings release and prior period Forms 10-K, 10-Q, and 8-K.

* Revenue adjustments include passed through investment management, service and distribution, and other revenues and sum to the same amount as the third party distribution, service and advisory expenses.

Reconciliation of US GAAP results to Non-GAAP results

Three months ended December 31, 2020



Please refer to pages 8-11 in the 4Q 2020 earnings press release for a description of the adjustments

(in millions)	US GAAP Basis	Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Transaction, integration, and restructuring	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other reconciling items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	\$1,148.8	\$108.0	\$—	\$—	\$—	\$10.0	\$—	\$1,266.8
Service and Distribution Fees	367.8	—	—	—	—	—	—	367.8
Performance Fees	57.3	20.7	—	—	—	—	—	78.0
Other	56.2	4.9	—	—	—	—	—	61.1
Revenue adjustments*	—	(37.6)	(507.7)	—	—	—	—	(545.3)
Total Operating Revenues reconciled to net revenues	\$1,630.1	\$96.0	\$(507.7)	\$—	\$—	\$10.0	\$—	\$1,228.4
Operating Expenses								
Third-Party Distribution, Service and Advisory	\$507.7	\$—	\$(507.7)	\$—	\$—	\$—	\$—	\$—
Employee Compensation	486.9	39.4	—	—	(34.9)	—	—	491.4
Marketing	20.6	3.6	—	—	—	—	—	24.2
Property, Office and Technology	126.1	2.7	—	—	—	—	—	128.8
General and Administrative	95.9	2.0	—	—	—	0.7	—	98.6
Transaction, integration and restructuring*	175.1	—	—	(175.1)	—	—	—	—
Total Operating Expenses	\$1,412.3	\$47.7	\$(507.7)	\$(175.1)	\$(34.9)	\$0.7	\$—	\$743.0
Operating Income reconciled to adjusted operating income	\$217.8	\$48.3	\$—	\$175.1	\$34.9	\$9.3	\$—	\$485.4
Equity in Earnings of Unconsolidated Affiliates	\$26.0	\$(19.3)	\$—	\$—	\$—	\$22.7	\$—	\$29.4
Interest and Dividend Income	9.1	1.6	—	—	(6.9)	0.1	—	3.9
Interest Expense	(24.4)	—	—	—	—	—	—	(24.4)
Other Gains and Losses, net	59.9	1.4	—	—	(44.9)	18.7	(3.2)	31.9
Other income/(expense) of CIP, net	111.3	—	—	—	—	(111.3)	—	—
Income before income taxes	\$399.7	\$32.0	\$—	\$175.1	\$(16.9)	\$(60.5)	\$(3.2)	\$526.2
Income Tax Provision	\$(68.9)	\$(12.9)	\$—	\$(32.7)	\$3.9	\$—	\$(3.4)	\$(114.0)
Net income	330.8	19.1	—	142.4	(13.0)	(60.5)	(6.6)	412.2
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(60.5)	(19.1)	—	—	—	60.5	—	(19.1)
Dividends declared on preferred shares	(59.2)	—	—	—	—	—	—	(59.2)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	\$211.1	\$—	\$—	\$142.4	\$(13.0)	\$—	\$(6.6)	\$333.9
Diluted EPS	\$0.46					Adjusted diluted EPS		\$0.72
Diluted Shares Outstanding	463.5					Diluted Shares Outstanding		463.5
Operating Margin	13.4%					Adjusted Operating Margin		39.5%

See also the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures regarding the reconciliation from US GAAP to non-GAAP measures may be found in prior period Forms 10-K, 10-Q, and 8-K. * Third party revenue adjustments include passed through investment management, service and distribution, and other revenues and sum to the same amount as the third party distribution, service and advisory expenses.

Reconciliation of US GAAP results to Non-GAAP results

Three months ended September 30, 2020



Please refer to pages 7-10 in the 3Q 2020 earnings press release for a description of the adjustments

(in millions)	US GAAP Basis	Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Transaction, integration, and restructuring	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other reconciling items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	\$1,096.8	\$84.4	\$—	\$—	\$—	\$10.4	\$—	\$1,191.6
Service and Distribution Fees	352.7	—	—	—	—	—	—	352.7
Performance Fees	—	6.9	—	—	—	—	—	6.9
Other	48.1	4.5	—	—	—	—	—	52.6
Revenue adjustments*	—	(30.5)	(480.8)	—	—	—	—	(511.3)
Total Operating Revenues reconciled to net revenues	\$1,497.6	\$65.3	\$(480.8)	\$—	\$—	\$10.4	\$—	\$1,092.5
Operating Expenses								
Third-Party Distribution, Service and Advisory	\$480.8	\$—	\$(480.8)	\$—	\$—	\$—	\$—	\$—
Employee Compensation	444.5	21.0	—	—	(14.7)	—	—	450.8
Marketing	15.6	2.4	—	—	—	—	—	18.0
Property, Office and Technology	127.5	2.7	—	—	—	—	—	130.2
General and Administrative	89.7	1.5	—	—	—	(4.4)	—	86.8
Transaction, integration and restructuring*	71.0	—	—	(71.0)	—	—	—	—
Total Operating Expenses	\$1,229.1	\$27.6	\$(480.8)	\$(71.0)	\$(14.7)	\$(4.4)	\$—	\$685.8
Operating Income reconciled to adjusted operating income	\$268.5	\$37.7	\$—	\$71.0	\$14.7	\$14.8	\$—	\$406.7
Equity in Earnings of Unconsolidated Affiliates	\$18.6	\$(15.4)	\$—	\$—	\$—	\$26.0	\$—	\$29.2
Interest and Dividend Income	2.6	1.4	—	—	(0.4)	—	—	3.6
Interest Expense	(33.8)	—	—	—	—	—	—	(33.8)
Other Gains and Losses, net	31.5	1.9	—	—	(23.5)	5.0	0.3	15.2
Other income/(expense) of CIP, net	99.2	—	—	—	—	(99.2)	—	—
Income before income taxes	\$386.6	\$25.6	\$—	\$71.0	\$(9.2)	\$(53.4)	\$0.3	\$420.9
Income Tax Provision	\$(91.9)	\$(9.8)	\$—	\$(5.8)	\$2.1	\$—	\$3.5	\$(101.9)
Net income	294.7	15.8	—	65.2	(7.1)	(53.4)	3.8	319.0
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(43.8)	(15.8)	—	—	—	43.8	—	(15.8)
Dividends declared on preferred shares	(59.2)	—	—	—	—	—	—	(59.2)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	\$191.7	\$—	\$—	\$65.2	\$(7.1)	\$(9.6)	\$3.8	\$244.0
Diluted EPS	\$0.41					Adjusted diluted EPS		\$0.53
Diluted Shares Outstanding	463.5					Diluted Shares Outstanding		463.5
Operating Margin	17.9%					Adjusted Operating Margin		37.2%

See also the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures regarding the reconciliation from US GAAP to non-GAAP measures may be found in prior period Forms 10-K, 10-Q, and 8-K. * Third party revenue adjustments include passed through investment management, service and distribution, and other revenues and sum to the same amount as the third party distribution, service and advisory expenses.

Reconciliation of US GAAP results to Non-GAAP results



(in millions)	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Operating Revenues	\$1,214.6	\$1,439.4	\$1,720.6	\$1,742.8	\$1,598.9	\$1,419.0	\$1,497.6	\$1,630.1
Non-GAAP Adjustments	(327.5)	(407.9)	(491.9)	(475.0)	(453.1)	(384.7)	(405.1)	(401.7)
Total Operating Revenues reconciled to net revenues	\$887.1	\$1,031.5	\$1,228.7	\$1,267.8	\$1,145.8	\$1,034.3	\$1,092.5	\$1,228.4
Operating Income	\$200.2	\$18.3	\$275.1	\$314.6	\$317.0	\$117.1	\$268.5	\$217.8
Non-GAAP Adjustments	84.1	345.1	227.5	190.9	95.7	242.6	138.2	267.6
Adjusted operating income	\$284.3	\$363.4	\$502.6	\$505.5	\$412.7	\$359.7	\$406.7	\$485.4
Net income attributable to Invesco Ltd.	\$177.7	\$40.1	\$167.1	\$179.8	\$81.5	\$40.5	\$191.7	\$211.1
Non-GAAP Adjustments	47.1	240.3	158.1	113.8	73.8	119.2	52.3	122.8
Adjusted net income attributable to Invesco Ltd.	\$224.8	\$280.4	\$325.2	\$293.6	\$155.3	\$159.7	\$244.0	\$333.9

Non-GAAP adjustments include amounts related to the consolidation of our China joint venture, the reclassification of third-party distribution, service and advisory expenses to net revenues, the removal of transaction, integration and restructuring expenses and market appreciation/depreciation of deferred compensation awards, the deconsolidation of consolidated investment products, and other reconciling items. See also the Non-GAAP Information and Reconciliations section of the current earnings release. Additional detailed information and disclosures regarding the reconciliation from US GAAP to non-GAAP measures may be found in prior period Forms 10-K, 10-Q, and 8-K.

Invesco competitive and market positioning metrics - additional information



- (1) Addressable Market refers to client assets managed by non-affiliated, third-party professional money managers. Market sizing and organic CAGR sourced from Broadridge, McKinsey, Oliver Wyman and internal estimates; “ETFs, Factors and Index” includes global ETFs, as well as market cap and factor index tracking products, “Private Markets” includes Direct Real Estate, Infrastructure, Private Credit, and Bank Loans, “Active Fixed Income” includes Active Fixed Income, Money Market and Stable Value, “Active Global Equities” includes Active Global, International and EM Equity, “Investment Solutions” includes Solutions delivery: multi-asset, OCIO, LDI and other, “Greater China” includes China, Hong Kong and Taiwan domiciled assets
- (2) Excludes closed-end funds, private equity LPs, non-discretionary funds, UITs, FoFs with components managed by Invesco. Asset-weighted figures shown vs peers unless otherwise noted
- (3) Source: Morningstar as of 12/31/20
- (4) Includes all ETFs as well as any traditional passive or factor-based funds and accounts
- (5) Private RE performance is not included in performance shown due to longer-term nature of asset class; 3- and 5-year performance is based on Bank Loans and MLP assets only.
- (6) Includes actively managed fixed income, money market and stable value
- (7) Includes fundamentally managed global, global-ex domestic and global EM equity strategies. Excludes regional and single country equity strategies and quantitative strategies.
- (8) Reflects all managed and advisory assets from Invesco Investment Solutions; there is overlap of assets with other areas. Performance is represented by a model portfolio - Invesco Global Allocation - which is the flagship strategy that incorporates the full breadth of our Solutions capabilities (traditional fund of funds are excluded given limited discretion)
- (9) Includes all mandates managed from Hong Kong and Shenzhen
- (10) “Sept 2020” is the latest date available for ‘since inception’ performance data