

Invesco fourth quarter 2014 results



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Forward-looking statements



This presentation, and comments made in the associated conference call today, may include “forward-looking statements.” Forward-looking statements include information concerning future results of our operations, expenses, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, AUM, acquisitions 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.

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

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

Discussion topics



Fourth quarter and 2014 overview

Investment performance and flows

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Continued strong investment performance in volatile late-year markets contributed to solid operating results

- Maintained strong, long-term investment performance – 81% of actively managed assets ahead of peers on a 5-year basis
- Net long-term inflows of \$2.5 billion, driven by strong investment performance and a focus on meeting client needs
- Adjusted operating income* up 7.5% over same quarter a year ago
- Adjusted operating margin* improved to 41.2% from 40.5% in same quarter a year ago – an increase of 0.7 percentage points
- Returned \$158 million to shareholders during the quarter through dividends and buyback

Past performance is not a guarantee of future results

- Non-GAAP financial measures - See Appendix to this presentation for a reconciliation of adjusted operating income (and by calculation adjusted operating margin), to the most directly comparable U.S. GAAP financial measure. NOTE: All Non-GAAP operating results and AUM disclosures in this presentation exclude Atlantic Trust for all periods presented which was sold to CIBC on December 31, 2013

Summary of fourth quarter 2014 results



Assets under management

- December 31, 2014, AUM of \$792.4 billion, versus \$789.6 billion at September 30, 2014
- Average AUM was \$789.8 billion, versus \$801.7 billion for the third quarter

Flows

- Total net outflows of \$0.7 billion
- Net long-term inflows of \$2.5 billion

Overall operating results*

- Adjusted operating income was \$373 million versus \$382 million in the third quarter
- Adjusted operating margin was 41.2% in the quarter versus 41.8% in the third quarter
- Adjusted diluted EPS for the quarter was \$0.63 versus \$0.64 in the prior quarter

Capital management

- Repurchased \$50 million of stock during the quarter representing 1.2 million shares
- Quarterly dividend remains at \$0.25 per share, an 11% increase over the prior year

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

2014 overview – a sharp focus on meeting current and future client needs



Achievements throughout 2014 enhanced our ability to meet client needs and further positioned the firm for long-term success

- Delivered strong, long-term investment performance – 77% and 81% of actively managed assets ahead of peers on a 3- and 5-year basis, respectively
- Achieved further growth in the Americas, Asia Pacific and EMEA by delivering strong investment performance and meeting client needs:
 - Our US retail business benefited from strong flows across ETFs, UITs, SMAs and our subadvised business. IBRA flows are stabilizing with continued strong fund performance relative to peers. We continue to gain strong shelf space support for our broad product range, and our defined contribution business continued to generate positive flows. Our Canadian business continued to strengthen its retail presence, capturing a greater share in the full-service brokerage channel. Institutionally, Invesco's direct real estate capability is fueling institutional asset growth in the defined benefit segment within Canada.
 - Our Asia Pacific business continued to grow in China, Japan and the rest of the region in both domestic managed assets and global products for traditional and alternative investment capabilities. In particular, we saw strong inflows into our Japanese, Greater China, Asian and European Equities, as well as Real Estate strategies.
 - Our EMEA business continued to grow and become more diversified, with significant flows into fixed income, European and Asian equities, real estate and multi-asset capabilities.

See the disclosure on the bottom of page 8 of this presentation for more information on the calculation of investment performance. Past performance is not a guarantee of future results

2014 overview – a sharp focus on meeting current and future client needs



Achievements throughout 2014 enhanced our ability to meet client needs and further positioned the firm for long-term success

- Continued to expand client access to our Invesco PowerShares offerings, with new ETFs launched in Canada and China
- Invesco Global Targeted Return (GTR) achieved strong flows in its initial year of offering based on strong performance relative to peers – AUM surpassed \$3 billion globally at yearend
- Further progress toward enhancing our range of robust fixed income capabilities anchored by an expanded global fixed income center and key hires
- Continued to innovate and expand the range of alternative products to meet client demand
- Firm upgraded one notch to A/Stable and A2/Stable by both S&P and Moody's*
- Annual adjusted operating margin of 41.4%, up from 39.7% in the prior year**
- Annual adjusted diluted EPS of \$2.51, up 17.8%**
- Total 2014 return of capital to shareholders totaled nearly \$700 million

* The S&P upgrade occurred on August 6, 2014 while the Moody's upgrade occurred on October 14, 2014

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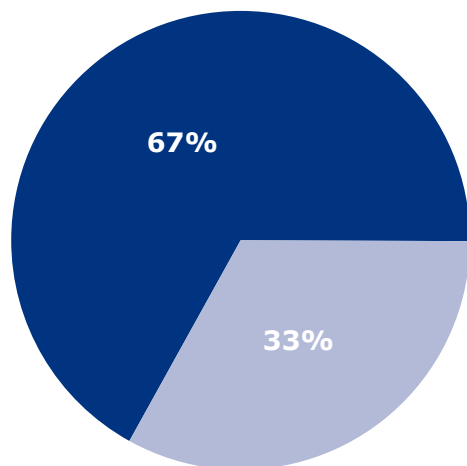
Investment performance – overview

Aggregate performance analysis – asset weighted

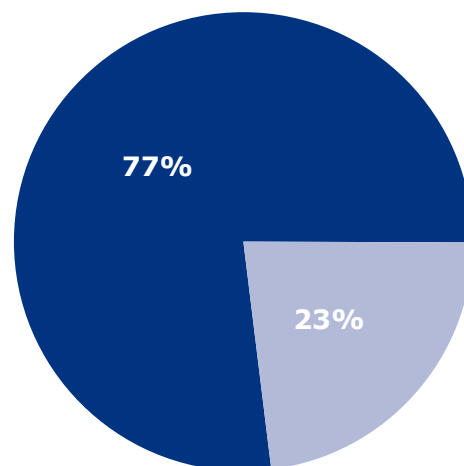


Percent of actively managed assets in top half of peer group*

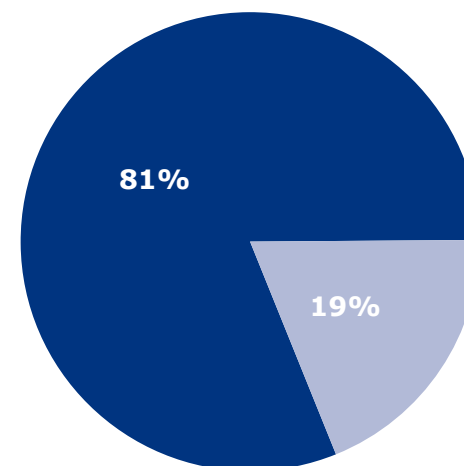
1-Year



3-Year



5-Year



■ Assets top half of peer group

■ Assets bottom 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.

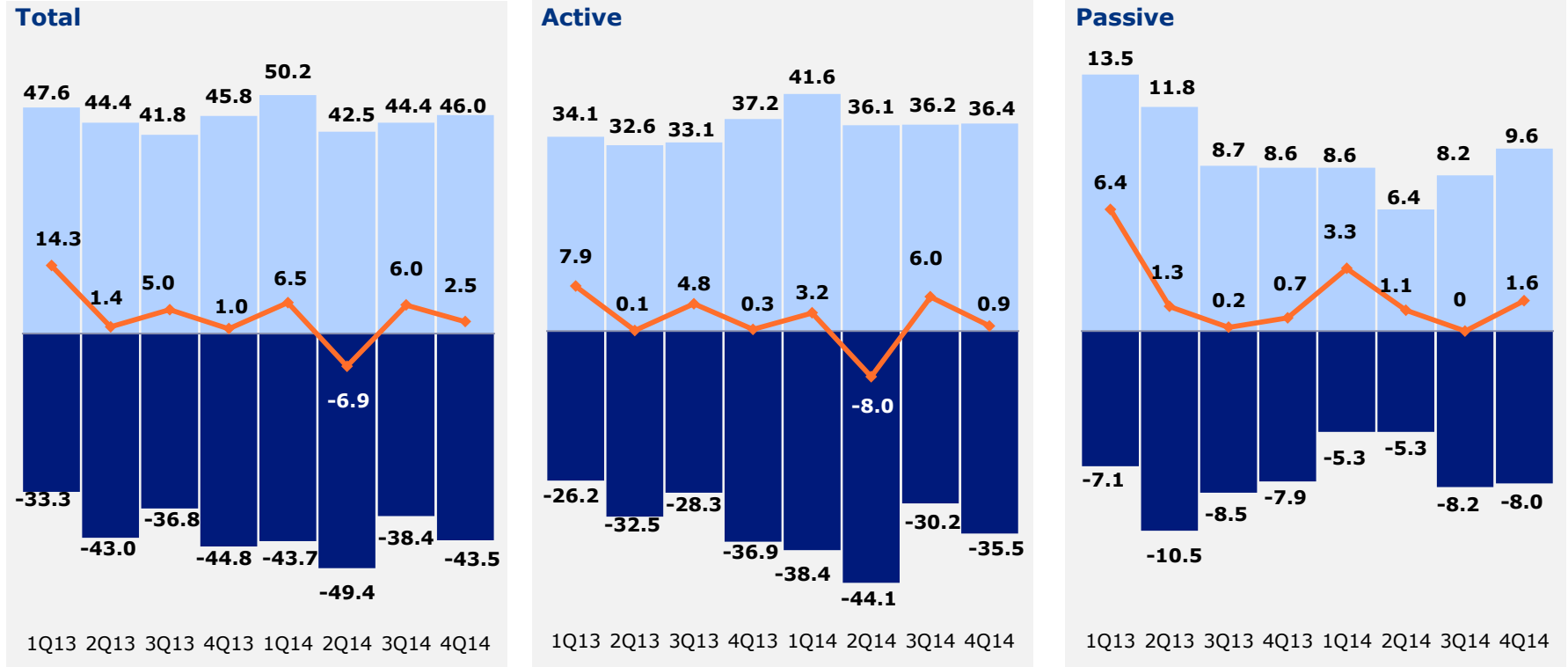
Data as of 12/31/2014. Includes 60% of total IVZ AUM for 1 year, 60% of total IVZ AUM for three year and 60% of total IVZ AUM for 5 years. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IMA, Russell, Mercer, eVestment Alliance, 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 for the most representative fund in each GIPS composite are applied to all products within each GIPS composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

Quarterly long-term flows

Passive flows outpaced active during a volatile quarter



Quarterly long-term flows (\$ billions)



- Gross sales
- Gross redemptions
- Net long-term flows

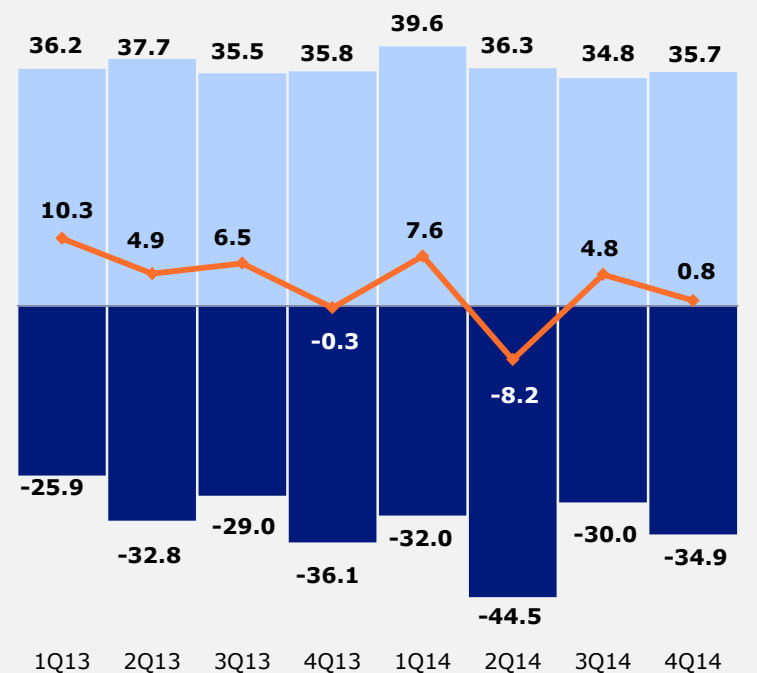
Quarterly long-term flows

Strengthening institutional flows during the quarter

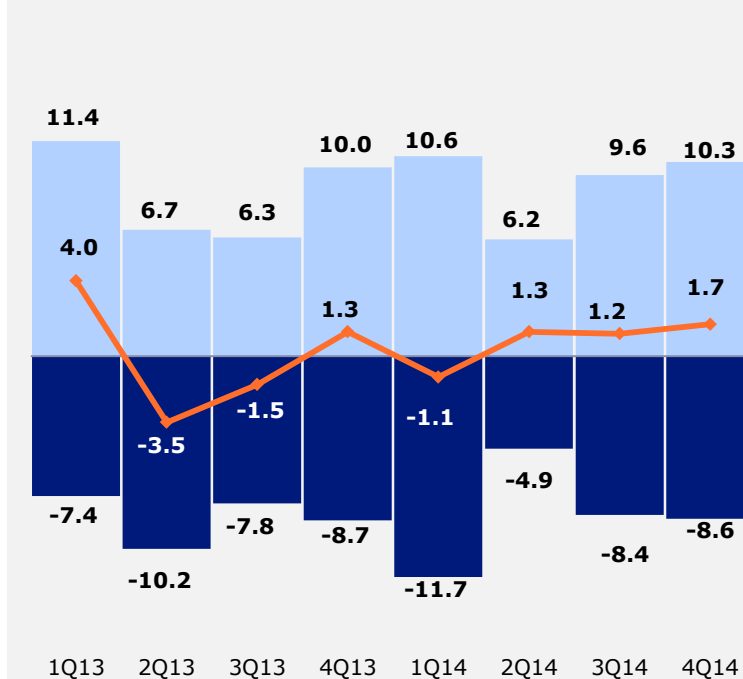


Quarterly long-term flows (\$ billions)

Retail^(a)



Institutional^(b)



- Gross sales
- Gross redemptions
- Net long-term flows

(a) Retail AUM are distributed by the company's retail sales team and generally includes retail products in the U.S., Canada, U.K., Continental Europe, Asia and our offshore product line. Retail AUM excludes the Powershares QQQ product

(b) 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 excludes money market

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Total assets under management – 4Q14 vs. 3Q14



(\$ billions)	4Q-14	3Q-14	% Change
Beginning Assets	\$789.6	\$802.4	(1.6)%
Long-Term Inflows	46.0	44.4	3.6%
Long-Term Outflows	(43.5)	(38.4)	13.3%
Long-Term Net flows	2.5	6.0	(58.3)%
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-
Net flows in Inst. Money Market Funds	-	(0.8)	N/A
Total Net Flows	(0.7)	2.0	N/A
Market Gains and Losses/Reinvestment	10.5	(5.1)	N/A
Foreign Currency Translation	(7.0)	(9.7)	(27.8)%
Ending Assets	\$792.4	\$789.6	0.4%
Average Long-Term AUM	\$676.3	\$683.4	(1.0)%
Average Short-Term AUM*	\$113.5	\$118.3	(4.1)%
Average AUM	\$789.8	\$801.7	(1.5)%
Net Revenue Yield (annualized)**	45.9bps	45.6bps	
Net Revenue Yield Before Performance Fees (annualized)**	44.9bps	45.1bps	

* Short-term average AUM includes money market of \$71.9 billion and PowerShares QQQ \$41.5 billion

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Non-GAAP operating results – 4Q14 vs. 3Q14



(\$ millions)	4Q-14	3Q-14	% Change
Adjusted Revenues			
Investment Management Fees	1,033	1,071	(3.6)%
Service and Distribution Fees	218	222	(2.0)%
Performance Fees	19	10	84.5%
Other	34	35	(1.2)%
Third-Party Distribution, Service and Advisory Expenses	(398)	(424)	(6.2)%
Adjusted Net Revenues	906	914	(0.9)%
Adjusted Operating Expenses			
Employee Compensation	347	350	(0.7)%
Marketing	33	27	20.4%
Property, Office and Technology	76	77	(2.2)%
General and Administrative	77	78	(0.6)%
Total Adjusted Operating Expenses	533	532	0.2%
Adjusted Operating Income	373	382	(2.3)%
Adjusted Other Income/(Expense)			
Equity in Earnings of Unconsolidated Affiliates	1	7	(83.8)%
Interest and Dividend Income	6	3	71.9%
Interest Expense	(18)	(18)	-
Other Gains and Losses, net	6	2	210.5%
Other income/(expense) of CSIP, net	1	7	(86.5)%
Adjusted Income from continuing operations before income taxes	369	384	(3.9)%
Effective Tax Rate	26.1%	26.6%	
Adjusted Net Income	273	282	(3.2)%
Adjusted net (income)/loss attributable to non-controlling interests in consolidated entities	-	(3)	N/A
Adjusted Net Income attributable to common shareholders	273	278	(2.0)%
Adjusted diluted EPS	\$0.63	\$0.64	(1.6)%
Adjusted Operating Margin	41.2%	41.8%	
Average AUM (\$ billions)	789.8	801.7	(1.5)%
Headcount	6,264	6,155	1.8%

Continued strong investment performance in volatile late-year markets contributed to solid operating results

- Maintained strong, long-term investment performance – 81% of actively managed assets ahead of peers on a 5-year basis
- Net long-term inflows of \$2.5 billion, driven by strong investment performance and a focus on meeting client needs
- Adjusted operating income up 7.5% over same quarter a year ago*
- Adjusted operating margin improved to 41.2% from 40.5% in same quarter a year ago – an increase of 0.7 percentage points*
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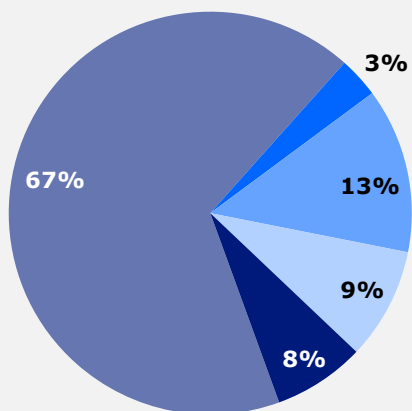
Appendix

We are diversified as a firm

Delivering a diverse set of solutions to meet client needs

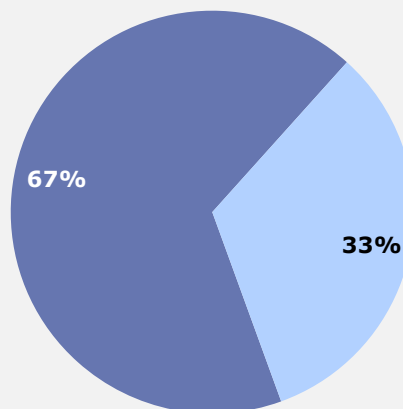


By client domicile



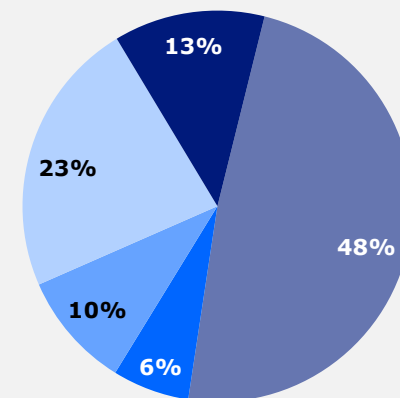
	(\$ billions)	1-Yr Change
U.S.	\$532.1	2.1%
Canada	\$25.8	(4.8)%
U.K.	\$105.1	(8.4)%
Europe	\$71.1	16.7%
Asia	<u>\$58.3</u>	<u>6.8%</u>
Total	\$792.4	1.8%

By channel



	(\$ billions)	1-Yr Change
Retail	\$532.5	2.5%
Institutional	\$259.9	0.3%
Total	\$792.4	1.8%

By asset class



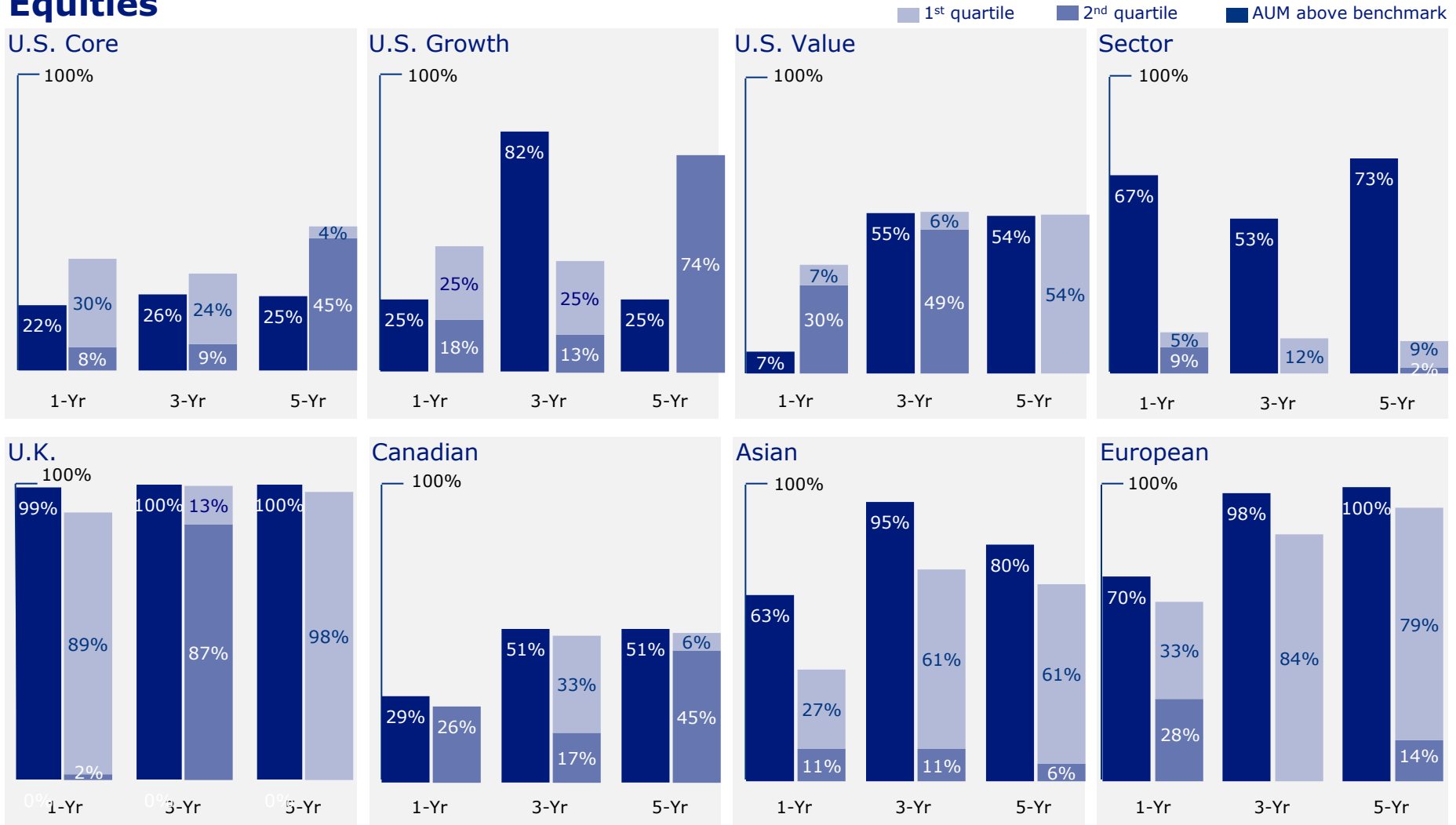
	(\$ billions)	1-Yr Change
Equity	\$384.4	0.3%
Balanced	\$50.6	(5.1)%
Money Market	\$76.5	(7.5)%
Fixed Income	\$181.6	5.8%
Alternative	<u>\$99.3</u>	<u>13.0%</u>
Total	\$792.4	1.8%

As of December 31, 2014

Investment performance By investment objective (actively managed assets)*



Equities



*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.

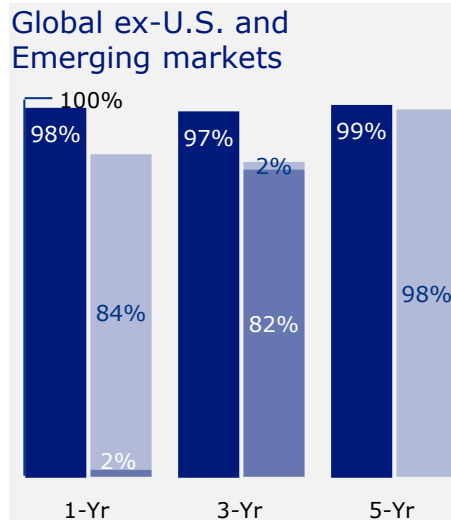
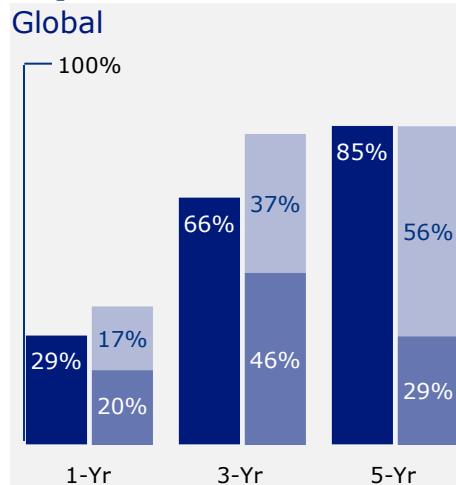
Data as of 12/31/2014. AUM measured in the one, three, and five year quartile rankings represents 60%, 60%, and 60% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, and five year basis represents 71%, 70, and 69% of total Invesco AUM, respectively, as of 12/31/14. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IMA, 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 the most representative fund in each GIPS composite are applied to all products within each GIPS 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

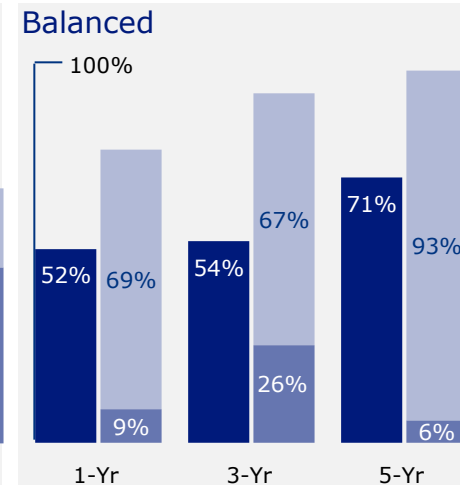
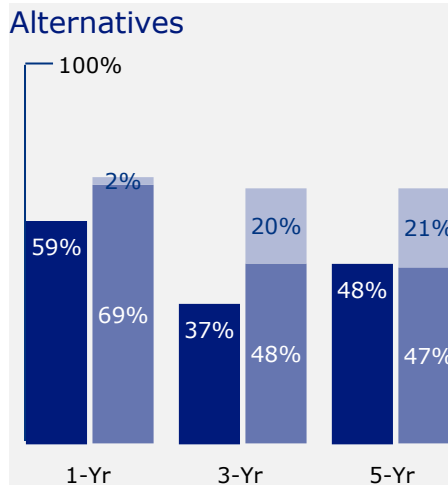
By investment objective (actively managed assets)*



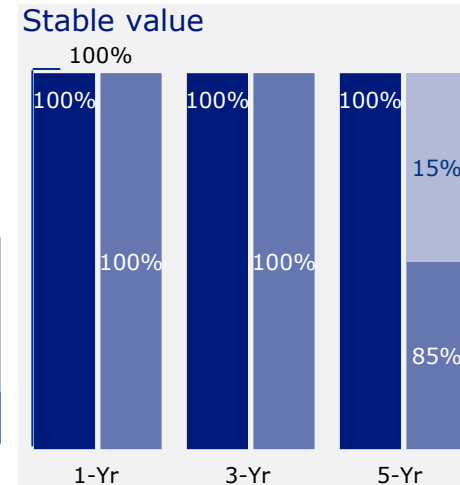
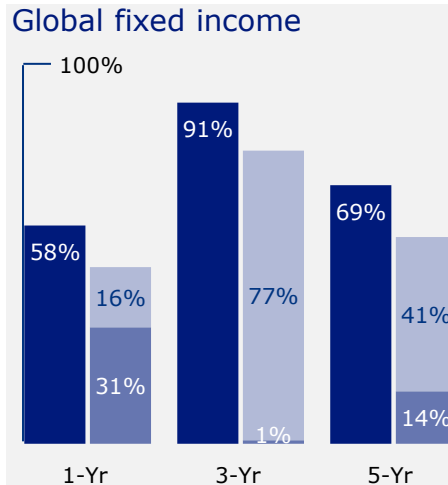
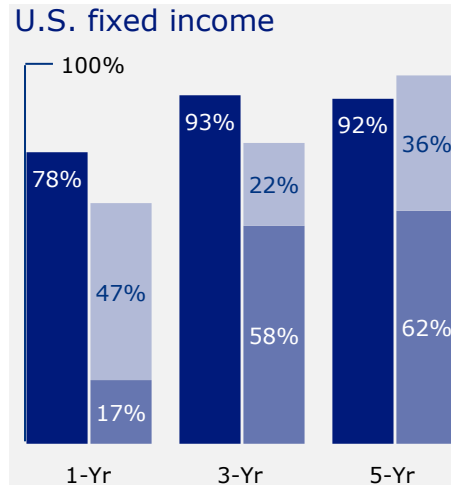
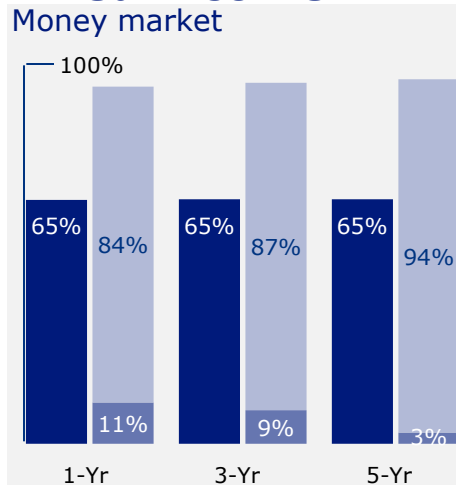
Equities



Other



Fixed income



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Investment performance (5-year)

By investment objective (actively managed assets)*

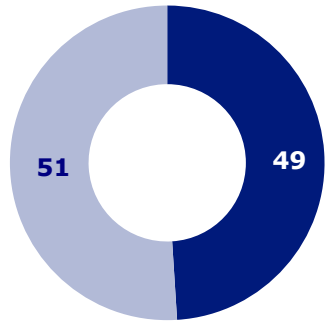
Percentages in parentheses represent %AUM of each investment objective as a ratio of all objectives (Total ranked AUM of \$471.5 billion)



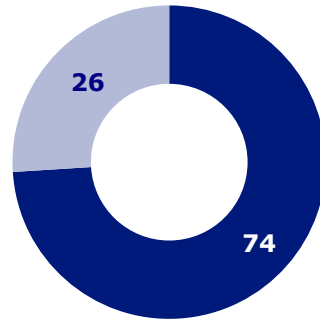
Equities

■ % of assets top half of peer group ■ % of assets bottom half of peer group

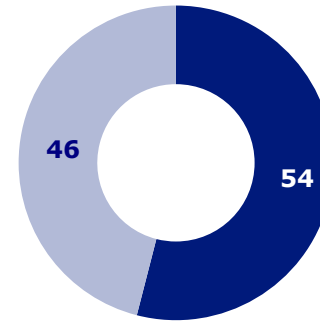
U.S. Core (5%)



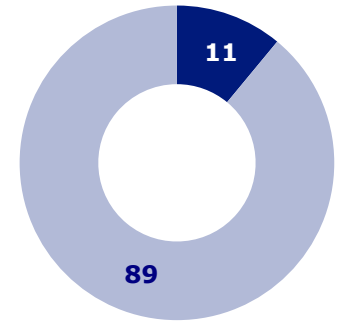
U.S. Growth (5%)



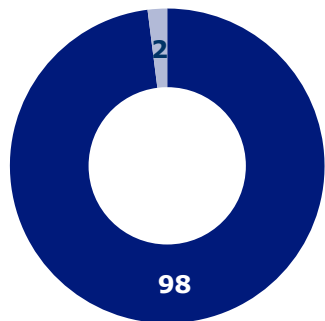
U.S. Value (12%)



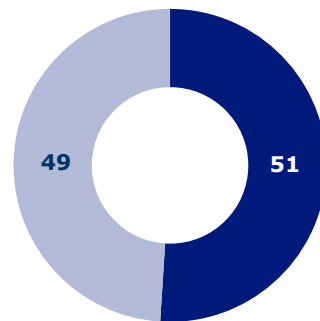
Sector (1%)



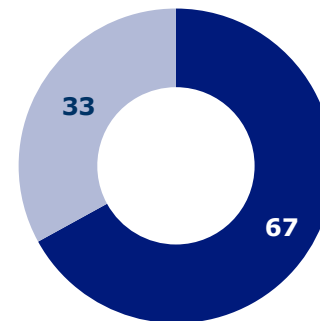
U.K. (8%)



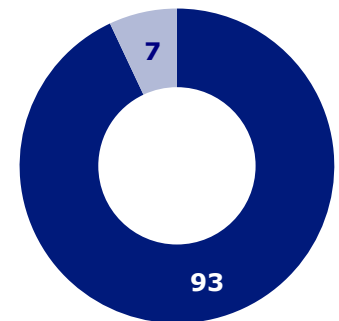
Canadian (1%)



Asian (4%)



European (4%)



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Investment performance (5-year)

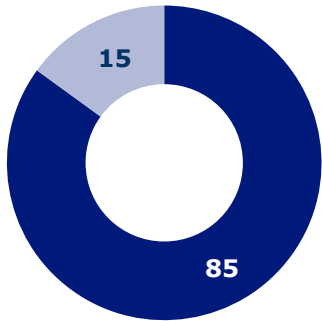
By investment objective (actively managed assets)*

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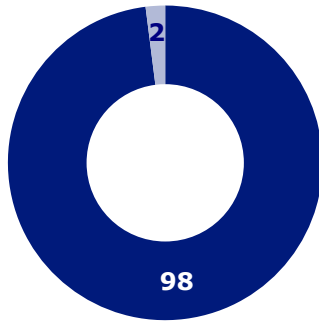


Equities

Global (3%)

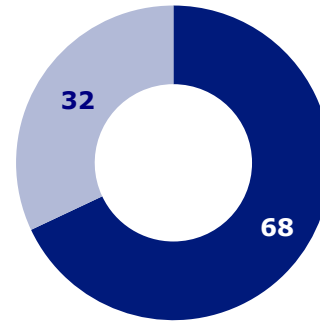


Global ex-US and emerging markets (5%)

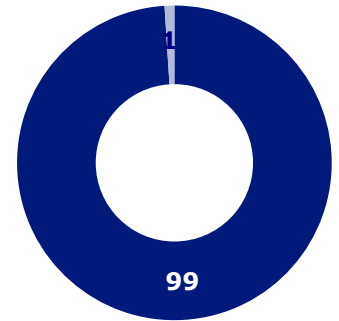


Other

Alternatives (7%)



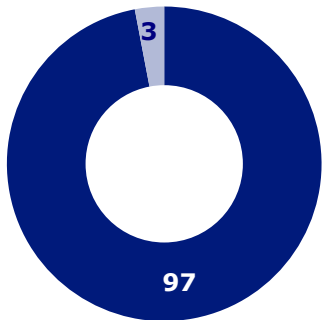
Balanced (14%)



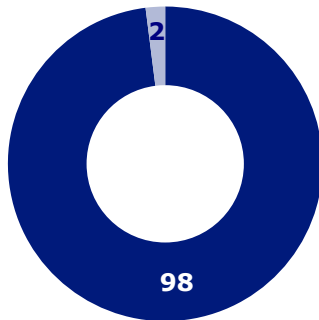
■ % of assets top half of peer group ■ % of assets bottom half of peer group

Fixed income

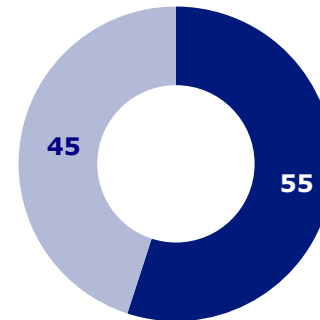
Money market (15%)



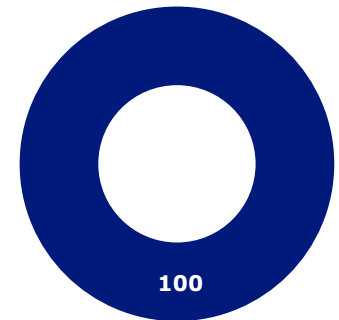
U.S. fixed income (5%)



Global fixed income (5%)



Stable value (5%)



*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 12/31/2014. Includes 60% of total IVZ AUM for 5 year. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, IMA, 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 for the most representative fund in each GIPS composite are applied to all products within each GIPS composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

Non-GAAP operating results – quarterly



(\$ millions)	4Q-14	3Q-14	% Change*	2Q-14	1Q-14	4Q-13	3Q-13	2Q-13	1Q-13
Investment Management Fees	1,033	1,071	(3.6)%	1,055	989	983	938	905	863
Service and Distribution Fees	218	222	(2.0)%	215	239	230	221	216	206
Performance Fees	19	10	84.5%	7	34	11	9	9	39
Other	34	35	(1.2)%	39	36	33	33	29	26
Third-party distribution, service and advisory expense	(398)	(424)	(6.2)%	(414)	(409)	(400)	(384)	(369)	(346)
Total Operating Revenues	906	914	(0.9)%	901	888	857	816	790	788
Employee Compensation	347	350	(0.7)%	345	353	332	328	323	335
Marketing	33	27	20.4%	31	24	31	24	24	23
Property, Office and Technology	76	77	(2.2)%	76	78	75	73	68	66
General and Administrative	77	78	(0.6)%	72	70	72	64	64	58
Adjusted Operating Expenses	533	532	0.2%	524	525	510	488	480	482
Adjusted Operating Income	373	382	(2.3)%	377	363	347	328	311	306
Equity in Earnings of Unconsolidated Affiliates	1	7	(83.8)%	4	3	5	8	4	4
Interest and Dividend Income	6	3	71.9%	4	4	4	3	3	4
Interest Expense	(18)	(18)	-	(18)	(19)	(15)	(10)	(10)	(10)
Other Gains and Losses, net	6	2	210.5%	15	3	2	7	(1)	(1)
Other income/(expense) of CSIP, net	1	7	(86.5)%	8	8	4	(1)	-	-
Adjusted Income from Continuing Operations before income taxes and minority interest	369	384	(3.9)%	389	362	346	335	307	304
Effective Tax Rate**	26.1%	26.6%	N/A	26.5%	27.0%	25.4%	26.6%	27.1%	26.6%
Adjusted Net Income	273	282	(3.2)%	286	265	258	246	224	223
Adjusted net (income)/loss attributable to noncontrolling interests in consolidated entities	-	(3)	N/A	(4)	(3)	-	-	-	2
Adjusted Net Income Attributable to Common Shareholders	273	278	(2.0)%	282	262	258	246	224	226
Adjusted Diluted EPS	\$0.63	\$0.64	(1.6)%	\$0.65	\$0.60	\$0.58	\$0.55	\$0.50	\$0.50

* % change based on unrounded figures

** Effective tax rate = Adjusted tax expense / Adjusted income from continuing operations before taxes. See Reconciliation of US GAAP results to non-GAAP results in this appendix

US GAAP operating results – quarterly



(\$ millions)	4Q-14	3Q-14	% Change*	2Q-14	1Q-14	4Q-13	3Q-13	2Q-13	1Q-13
Investment Management Fees	1,010	1,047	(3.6)%	1,032	965	955	914	886	845
Service and Distribution Fees	218	222	(2.0)%	215	239	230	221	216	206
Performance Fees	17	8	104.9%	5	31	9	5	6	36
Other	33	33	(2.1)%	38	34	31	32	28	25
Total Operating Revenues	1,277	1,311	(2.6)%	1,290	1,270	1,225	1,172	1,136	1,112
Employee Compensation	346	344	0.6%	343	362	333	330	324	342
Third-Party Distribution, Service and Advisory	395	420	(6.1)%	411	405	396	381	366	346
Marketing	32	27	19.9%	30	23	30	23	24	22
Property, Office and Technology	72	76	(5.8)%	75	113	86	72	69	67
General and Administrative	84	114	(26.2)%	76	122	86	80	77	68
Transaction & Integration	-	-	N/A	-	-	-	-	2	1
Total Operating Expenses	929	981	(5.4)%	935	1,025	932	886	862	845
Operating Income	348	330	5.6%	355	244	293	286	274	267
Equity in Earnings of Unconsolidated Affiliates	6	11	(41.3)%	6	10	10	10	7	8
Interest and Dividend Income	5	3	73.1%	3	3	3	2	2	2
Interest Expense	(18)	(18)	-	(18)	(19)	(15)	(10)	(10)	(10)
Other Gains and Losses, net	7	(1)	N/A	16	7	(19)	3	0	18
Other income/(expense) of CSIP,net	1	7	(86.5)%	8	8	4	(1)	-	-
Interest Income of Consolidated Investment Products	57	53	6.4%	48	48	43	47	51	50
Interest Expense of Consolidated Investment Products	(36)	(38)	(4.5)%	(30)	(30)	(27)	(34)	(31)	(33)
Other Gains and (Losses) of Consolidated Investment Products, net	(43)	-	N/A	37	27	46	38	(2)	(21)
Income from continuing operations before income taxes	327	347	(5.9)%	424	298	339	343	292	282
Effective Tax Rate**	30.5%	27.3%		25.3%	29.9%	21.9%	27.1%	28.6%	30.6%
Income from continuing operations, net of taxes	227	252	(10.0)%	317	209	264	250	208	196
Income/(loss) from discontinued operations, net of taxes	(1)	(1)	66.7%	-	(2)	66	(1)	(5)	4
Net Income	226	252	(10.2)%	317	207	331	249	204	200
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	44	4	897.7%	(42)	(19)	(43)	(21)	(1)	23
Net Income Attributable to Common Shareholders	270	256	5.4%	275	188	287	228	203	222
Diluted EPS from continuing operations	\$0.62	\$0.59	6.8%	\$0.63	\$0.43	\$0.50	\$0.51	\$0.46	\$0.49
Diluted EPS from discontinued operations	-	-	N/A	\$-	\$-	\$0.15	-	(\$0.01)	\$0.01
Total diluted	\$0.62	\$0.59	5.1%	\$0.63	\$0.43	\$0.64	\$0.51	\$0.45	\$0.49

* % change based on unrounded figures

23 ** Effective tax rate = Tax expense / Income from continuing operations before income taxes and minority interest

Total assets under management – quarterly



(\$ billions)	4Q-14	3Q-14	% Change	2Q-14	1Q-14	4Q-13
Beginning Assets	\$789.6	\$802.4	(1.6)%	\$787.3	\$778.7	\$745.5
Long-Term Inflows	46.0	44.4	3.6%	42.5	50.2	45.8
Long-Term Outflows	(43.5)	(38.4)	13.3%	(49.4)	(43.7)	(44.8)
Long-Term Net flows	2.5	6.0	(58.3)%	(6.9)	6.5	1.0
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	(3.0)	(1.3)	2.6
Net flows in Inst. Money Market Funds	-	(0.8)	N/A	1.1	(6.1)	1.6
Total Net Flows	(0.7)	2.0	N/A	(8.8)	(0.9)	5.2
Market Gains and Losses/Reinvestment	10.5	(5.1)	N/A	19.9	9.4	27.2
Foreign Currency Translation	(7.0)	(9.7)	(27.8)%	4.0	0.1	0.8
Ending Assets	\$792.4	\$789.6	0.4%	\$802.4	\$787.3	\$778.7
Average Long-Term AUM	\$676.3	\$683.4	(1.0)%	\$674.7	\$659.7	\$643.5
Average Short-Term AUM	\$113.5	\$118.3	(4.1)%	\$115.4	\$119.9	\$118.2
Average AUM	\$789.8	\$801.7	(1.5)%	\$790.1	\$779.6	\$761.7
Gross Revenue Yield (annualized)*	65.1bps	65.8bps		65.7bps	65.6bps	64.7bps
Gross Revenue Yield Less Performance Fees (annualized)*	64.2bps	65.4bps		65.4bps	64.0bps	64.3bps
Net Revenue Yield (annualized)**	45.9bps	45.6bps		45.6bps	45.6bps	45.0bps
Net Revenue Yield Less Performance Fees (annualized)**	44.9bps	45.1bps		45.2bps	43.8bps	44.4bps

Gross revenue yield on AUM is equal to total operating revenues divided by average AUM, excluding JV AUM. Average AUM for 4Q14, for our joint ventures in China were \$4.7bn (3Q14:\$5.1bn; 2Q14:\$4.7bn; 1Q14:\$5.1bn; 4Q13:\$4.8bn)

**Net Revenue Yield on AUM is equal to net revenues divided by average AUM including JV AUM. Average AUM for 4Q14, for our JV in China were \$4.7bn (3Q14:\$5.1bn; 2Q14:\$4.7bn; 1Q14:\$5.1bn; 4Q13:\$4.8bn)

Total assets under management – by asset class



(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2014	\$802.4	\$394.2	\$181.9	\$52.6	\$77.1	\$96.6
Long-Term Inflows	44.4	22.1	8.3	4.6	1.1	8.3
Long-Term Outflows	(38.4)	(19.8)	(9.0)	(3.0)	(0.9)	(5.7)
Long-Term Net flows	6.0	2.3	(0.7)	1.6	0.2	2.6
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Fund	(0.8)	-	-	-	(0.8)	-
Market Gains and Losses/Reinvestment	(5.1)	(1.2)	(0.5)	(1.4)	0.1	(2.1)
Foreign Currency Translation	(9.7)	(5.8)	(1.5)	(1.3)	-	(1.1)
September 30, 2014	\$789.6	\$386.3	\$179.2	\$51.5	\$76.6	\$96.0
Long-Term Inflows	46.0	22.0	11.5	3.1	1.1	8.3
Long-Term Outflows	(43.5)	(24.3)	(8.6)	(3.3)	(1.2)	(6.1)
Long-Term Net flows	2.5	(2.3)	2.9	(0.2)	(0.1)	2.2
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Fund	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	10.5	7.8	0.7	0.2	-	1.8
Foreign Currency Translation	(7.0)	(4.2)	(1.2)	(0.9)	-	(0.7)
December 31, 2014	\$792.4	\$384.4	\$181.6	\$50.6	\$76.5	\$99.3

Total assets under management – by asset class



(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
December 31, 2013	\$778.7	\$383.1	\$171.7	\$53.3	\$82.7	\$87.9
Long-Term Inflows	50.2	27.4	9.6	5.0	0.8	7.4
Long-Term Outflows	(43.7)	(26.2)	(6.7)	(4.4)	(1.0)	(5.4)
Long-Term Net flows	6.5	1.2	2.9	0.6	(0.2)	2.0
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-	-	-	-
Net flows in Inst. Money Market Fund	(6.1)	-	-	-	(6.1)	-
Market Gains and Losses/Reinvestment	9.4	5.0	2.3	0.8	(0.3)	1.6
Foreign Currency Translation	0.1	-	0.1	(0.1)	-	0.1
March 31, 2014	\$787.3	\$388.0	\$177.0	\$54.6	\$76.1	\$91.6
Long-Term Inflows	42.5	21.4	8.4	4.3	0.6	7.8
Long-Term Outflows	(49.4)	(29.3)	(6.2)	(8.4)	(0.7)	(4.8)
Long-Term Net flows	(6.9)	(7.9)	2.2	(4.1)	(0.1)	3.0
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-	-	-	-
Net flows in Inst. Money Market Fund	1.1	-	-	-	1.1	-
Market Gains and Losses/Reinvestment	19.9	14.4	2.1	1.5	-	1.9
Foreign Currency Translation	4.0	2.7	0.6	0.6	-	0.1
June 30, 2014	\$802.4	\$394.2	\$181.9	\$52.6	\$77.1	\$96.6

Total assets under management – by channel



(\$ billions)	Total	Retail	Institutional
June 30, 2014	\$802.4	\$544.8	\$257.6
Long-Term Inflows	44.4	34.8	9.6
Long-Term Outflows	(38.4)	(30.0)	(8.4)
Long-Term Net flows	6.0	4.8	1.2
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-
Net flows in Inst. Money Market Funds	(0.8)	-	(0.8)
Market Gains and Losses/Reinvestment	(5.1)	(7.0)	1.9
Foreign Currency Translation	(9.7)	(7.2)	(2.5)
September 30, 2014	\$789.6	\$532.2	\$257.4
Long-Term Inflows	46.0	35.7	10.3
Long-Term Outflows	(43.5)	(34.9)	(8.6)
Long-Term Net flows	2.5	0.8	1.7
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-
Net flows in Inst. Money Market Funds	-	-	-
Market Gains and Losses/Reinvestment	10.5	7.8	2.7
Foreign Currency Translation	(7.0)	(5.1)	(1.9)
December 31, 2014	\$792.4	\$532.5	\$259.9

Total assets under management – by channel



(\$ billions)	Total	Retail	Institutional
December 31, 2013	\$778.7	\$519.6	\$259.1
Long-Term Inflows	50.2	39.6	10.6
Long-Term Outflows	(43.7)	(32.0)	(11.7)
Long-Term Net flows	6.5	7.6	(1.1)
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-
Net flows in Inst. Money Market Funds	(6.1)	-	(6.1)
Market Gains and Losses/Reinvestment	9.4	8.8	0.6
Foreign Currency Translation	0.1	(0.1)	0.2
March 31, 2014	\$787.3	\$534.6	\$252.7
Long-Term Inflows	42.5	36.3	6.2
Long-Term Outflows	(49.4)	(44.5)	(4.9)
Long-Term Net flows	(6.9)	(8.2)	1.3
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-
Net flows in Inst. Money Market Funds	1.1	-	1.1
Market Gains and Losses/Reinvestment	19.9	17.7	2.2
Foreign Currency Translation	4.0	3.7	0.3
June 30, 2014	\$802.4	\$544.8	\$257.6

Total assets under management – by client domicile



(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2014	\$802.4	\$537.5	\$28.7	\$107.6	\$70.4	\$58.2
Long-Term Inflows	44.4	23.1	1.0	4.0	9.9	6.4
Long-Term Outflows	(38.4)	(22.5)	(1.1)	(5.1)	(5.6)	(4.1)
Long-Term Net flows	6.0	0.6	(0.1)	(1.1)	4.3	2.3
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	(0.8)	(0.7)	(0.1)	0.1	(0.1)	-
Market Gains and Losses/Reinvestment	(5.1)	(2.0)	(0.2)	0.1	(2.3)	(0.7)
Foreign Currency Translation	(9.7)	(0.1)	(1.5)	(5.2)	(1.4)	(1.5)
September 30, 2014	\$789.6	\$532.1	\$26.8	\$101.5	\$70.9	\$58.3
Long-Term Inflows	46.0	23.8	0.9	6.8	9.2	5.3
Long-Term Outflows	(43.5)	(24.7)	(1.1)	(4.0)	(7.4)	(6.3)
Long-Term Net flows	2.5	(0.9)	(0.2)	2.8	1.8	(1.0)
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	(0.2)	(0.1)	-	0.3
Market Gains and Losses/Reinvestment	10.5	4.2	0.3	4.6	(0.8)	2.2
Foreign Currency Translation	(7.0)	(0.1)	(0.9)	(3.7)	(0.8)	(1.5)
December 31, 2014	\$792.4	\$532.1	\$25.8	\$105.1	\$71.1	\$58.3

Total assets under management – by client domicile



(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2013	\$778.7	\$521.3	\$27.1	\$114.8	\$60.9	\$54.6
Long-Term Inflows	50.2	24.7	1.1	5.1	11.3	8.0
Long-Term Outflows	(43.7)	(21.1)	(1.2)	(6.9)	(6.5)	(8.0)
Long-Term Net flows	6.5	3.6	(0.1)	(1.8)	4.8	-
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-	-	-	-
Net flows in Inst. Money Market Funds	(6.1)	(3.4)	(0.1)	0.5	(3.1)	-
Market Gains and Losses/Reinvestment	9.4	5.9	1.2	1.6	0.8	(0.1)
Foreign Currency Translation	0.1	-	(1.0)	0.8	-	0.3
March 31, 2014	\$787.3	\$526.1	\$27.1	\$115.9	\$63.4	\$54.8
Long-Term Inflows	42.5	19.7	0.9	6.1	10.4	5.4
Long-Term Outflows	(49.4)	(19.5)	(1.1)	(19.9)	(5.3)	(3.6)
Long-Term Net flows	(6.9)	0.2	(0.2)	(13.8)	5.1	1.8
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-	-	-	-
Net flows in Inst. Money Market Funds	1.1	(0.7)	0.1	1.5	0.1	0.1
Market Gains and Losses/Reinvestment	19.9	14.9	0.7	1.3	1.8	1.2
Foreign Currency Translation	4.0	-	1.0	2.7	-	0.3
June 30, 2014	\$802.4	\$537.5	\$28.7	\$107.6	\$70.4	\$58.2

Passive assets under management – by asset class



(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2014	\$145.8	\$89.0	\$42.0	-	-	\$14.8
Long-Term Inflows	8.2	4.9	2.4	-	-	0.9
Long-Term Outflows	(8.2)	(3.5)	(3.5)	-	-	(1.2)
Long-Term Net flows	-	1.4	(1.1)	-	-	(0.3)
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	(0.3)	0.8	(0.1)	-	-	(1.0)
Foreign Currency Translation	(0.2)	-	-	-	-	(0.2)
September 30, 2014	\$142.1	\$88.0	\$40.8	-	-	\$13.3
Long-Term Inflows	9.6	5.9	2.5	-	-	1.2
Long-Term Outflows	(8.0)	(4.9)	(2.1)	-	-	(1.0)
Long-Term Net flows	1.6	1.0	0.4	-	-	0.2
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	1.1	2.4	(0.1)	-	-	(1.2)
Foreign Currency Translation	(0.2)	-	-	-	-	(0.2)
December 31, 2014	\$141.4	\$88.2	\$41.1	-	-	\$12.1

Passive assets under management – by asset class



(\$ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
December 31, 2013	\$139.7	\$85.6	\$39.5	-	-	\$14.6
Long-Term Inflows	8.6	5.4	2.2	-	-	1.0
Long-Term Outflows	(5.3)	(3.2)	(1.2)	-	-	(0.9)
Long-Term Net flows	3.3	2.2	1.0	-	-	0.1
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	1.2	0.5	0.4	-	-	0.3
Foreign Currency Translation	-	-	-	-	-	-
March 31, 2014	\$142.9	\$87.0	\$40.9	-	-	\$15.0
Long-Term Inflows	6.4	4.3	1.4	-	-	0.7
Long-Term Outflows	(5.3)	(3.6)	(0.6)	-	-	(1.1)
Long-Term Net flows	1.1	0.7	0.8	-	-	(0.4)
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	4.8	4.3	0.3	-	-	0.2
Foreign Currency Translation	-	-	-	-	-	-
June 30, 2014	\$145.8	\$89.0	\$42.0	-	-	\$14.8

Passive assets under management – by channel



(\$ billions)	Total	Retail	Institutional
June 30, 2014	\$145.8	\$123.9	\$21.9
Long-Term Inflows	8.2	6.5	1.7
Long-Term Outflows	(8.2)	(5.7)	(2.5)
Long-Term Net flows	-	0.8	(0.8)
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-
Net flows in Inst. Money Market Funds	-	-	-
Market Gains and Losses/Reinvestment	(0.3)	(0.4)	0.1
Foreign Currency Translation	(0.2)	-	(0.2)
September 30, 2014	\$142.1	\$121.1	\$21.0
Long-Term Inflows	9.6	7.7	1.9
Long-Term Outflows	(8.0)	(7.0)	(1.0)
Long-Term Net flows	1.6	0.7	0.9
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-
Net flows in Inst. Money Market Funds	-	-	-
Market Gains and Losses/Reinvestment	1.1	1.1	-
Foreign Currency Translation	(0.2)	-	(0.2)
December 31, 2014	\$141.4	\$119.7	\$21.7

Passive assets under management – by channel



(\$ billions)	Total	Retail	Institutional
December 31, 2013	\$139.7	\$118.2	\$21.5
Long-Term Inflows	8.6	7.9	0.7
Long-Term Outflows	(5.3)	(4.5)	(0.8)
Long-Term Net flows	3.3	3.4	(0.1)
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-
Net flows in Inst. Money Market Funds	-	-	-
Market Gains and Losses/Reinvestment	1.2	1.2	-
Foreign Currency Translation	-	-	-
March 31, 2014	\$142.9	\$121.5	\$21.4
Long-Term Inflows	6.4	5.6	0.8
Long-Term Outflows	(5.3)	(5.0)	(0.3)
Long-Term Net flows	1.1	0.6	0.5
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-
Net flows in Inst. Money Market Funds	-	-	-
Market Gains and Losses/Reinvestment	4.8	4.8	-
Foreign Currency Translation	-	-	-
June 30, 2014	\$145.8	\$123.9	\$21.9

Passive assets under management – by client domicile



(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2014	\$145.8	\$141.7	\$0.1	-	\$1.8	\$2.2
Long-Term Inflows	8.2	8.0	0.1	-	-	0.1
Long-Term Outflows	(8.2)	(8.0)	-	-	(0.1)	(0.1)
Long-Term Net flows	-	-	0.1	-	(0.1)	-
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	(0.3)	(0.3)	-	-	-	-
Foreign Currency Translation	(0.2)	-	-	-	-	(0.2)
September 30, 2014	\$142.1	\$138.2	\$0.2	-	\$1.7	\$2.0
Long-Term Inflows	9.6	9.3	-	-	0.2	0.1
Long-Term Outflows	(8.0)	(7.8)	-	-	(0.1)	(0.1)
Long-Term Net flows	1.6	1.5	-	-	0.1	-
Net flows in Invesco PowerShares QQQ	(3.2)	(3.2)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	1.1	1.1	-	-	-	-
Foreign Currency Translation	(0.2)	-	-	-	-	(0.2)
December 31, 2014	\$141.4	\$137.6	\$0.2	-	\$1.8	\$1.8

Passive assets under management – by client domicile



(\$ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2013	\$139.7	\$135.2	\$0.1	-	\$1.8	\$2.6
Long-Term Inflows	8.6	8.5	-	-	0.1	-
Long-Term Outflows	(5.3)	(5.1)	-	-	(0.1)	(0.1)
Long-Term Net flows	3.3	3.4	-	-	-	(0.1)
Net flows in Invesco PowerShares QQQ	(1.3)	(1.3)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	1.2	1.2	-	-	-	-
Foreign Currency Translation	-	-	-	-	-	-
March 31, 2014	\$142.9	\$138.5	\$0.1	-	\$1.8	\$2.5
Long-Term Inflows	6.4	6.3	-	-	0.1	-
Long-Term Outflows	(5.3)	(4.8)	-	-	(0.2)	(0.3)
Long-Term Net flows	1.1	1.5	-	-	(0.1)	(0.3)
Net flows in Invesco PowerShares QQQ	(3.0)	(3.0)	-	-	-	-
Net flows in Inst. Money Market Funds	-	-	-	-	-	-
Market Gains and Losses/Reinvestment	4.8	4.7	-	-	0.1	-
Foreign Currency Translation	-	-	-	-	-	-
June 30, 2014	\$145.8	\$141.7	\$0.1	-	\$1.8	\$2.2

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2014



Please refer to pages 22-26 in the 4Q 2014 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other reconciling items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	1,010	16	-	-	-	8	-	1,033
Service and Distribution Fees	218	-	-	-	-	-	-	218
Performance Fees	17	-	-	-	-	2	-	19
Other	33	2	-	-	-	-	-	34
Third-Party Distribution, Service and Advisory	-	(3)	(395)	-	-	-	-	(398)
Total Operating Revenues reconciled to net revenues	1,277	14	(395)	-	-	10	-	906
Operating Expenses								
Employee Compensation	346	5	-	-	(3)	-	-	347
Third-Party Distribution, Service and Advisory	395	-	(395)	-	-	-	-	-
Marketing	32	1	-	-	-	-	-	33
Property, Office and Technology	72	1	-	-	-	-	3	76
General and Administrative	84	1	-	(3)	-	(9)	3	77
Total Operating Expenses	929	8	(395)	(3)	(3)	(9)	6	533
Operating Income reconciled to adjusted operating income	348	6	-	3	3	19	(6)	373
Equity in Earnings of Unconsolidated Affiliates	6	(5)	-	-	-	-	-	1
Interest and Dividend Income	5	1	-	-	(1)	1	-	6
Interest Expense	(18)	-	-	-	-	-	-	(18)
Other Gains and Losses, net	7	-	-	-	(1)	-	-	6
Other income/(expense) of CSIP, net	1	-	-	-	-	-	-	1
Interest Income of Consolidated Investment Products	57	-	-	-	-	(57)	-	-
Interest Expense of Consolidated Investment Products	(36)	-	-	-	-	36	-	-
Other Gains and (Losses) of Consolidated Investment Products, net	(43)	-	-	-	-	43	-	-
Income from continuing operations before income taxes	327	2	-	3	2	42	(6)	369
Income Tax Provision	(100)	(2)	-	5	(-)	-	1	(96)
Income from continuing operations, net of income taxes	227	-	-	8	1	42	(5)	273
Income/(loss) from discontinued operations, net of taxes	(1)	-	-	1	-	-	-	-
Net income	226	-	-	9	1	42	(5)	273
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	44	-	-	-	-	(44)	-	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	270	-	-	9	1	(2)	(5)	273
Diluted EPS from continuing operations	\$0.62					Adjusted diluted EPS		\$0.63
Diluted EPS from discontinued operations	-							433.6
Diluted EPS	\$0.62					Diluted Shares Outstanding		41.2%
Diluted Shares Outstanding	433.6							
Operating margin	27.3%					Adjusted Operating Margin		

Reconciliation of US GAAP results to non-GAAP results – three months ended September 30, 2014



Please refer to pages 19-22 in the 3Q 2014 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other reconciling items	Non-GAAP basis
Operating Revenues								
Investment Management Fees	1,047	17	-	-	-	7	-	1,071
Service and Distribution Fees	222	-	-	-	-	-	-	222
Performance Fees	8	-	-	-	-	2	-	10
Other	33	1	-	-	-	-	-	35
Third-Party Distribution, Service and Advisory	-	(4)	(420)	-	-	-	-	(424)
Total Operating Revenues reconciled to net revenues	1,311	14	(420)	-	-	9	-	914
Operating Expenses								
Employee Compensation	344	6	-	-	-	-	-	350
Third-Party Distribution, Service and Advisory	420	-	(420)	-	-	-	-	-
Marketing	27	1	-	-	-	-	-	27
Property, Office and Technology	76	1	-	-	-	-	-	77
General and Administrative	114	1	-	(3)	-	(11)	(24)	78
Total Operating Expenses	981	9	(420)	(3)	-	(11)	(24)	532
Operating Income reconciled to adjusted operating income	330	5	-	3	-	20	24	382
Equity in Earnings of Unconsolidated Affiliates	11	(4)	-	-	-	1	-	7
Interest and Dividend Income	3	1	-	-	(1)	1	-	3
Interest Expense	(18)	-	-	-	-	-	-	(18)
Other Gains and Losses, net	(1)	-	-	-	3	-	-	2
Other income/(expense) of CSIP, net	7	-	-	-	-	-	-	7
Interest Income of Consolidated Investment Products	53	-	-	-	-	(53)	-	-
Interest Expense of Consolidated Investment Products	(38)	-	-	-	-	38	-	-
Other Gains and (Losses) of Consolidated Investment Products, net	-	-	-	-	-	-	-	-
Income from continuing operations before income taxes	347	2	-	3	2	5	24	384
Income Tax Provision	(95)	(2)	-	5	(1)	-	(9)	(102)
Income from continuing operations, net of income taxes	252	-	-	8	1	5	15	281
Income/(loss) from discontinued operations, net of taxes	(1)	-	-	1	-	-	-	-
Net income	252	-	-	8	1	5	15	281
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	4	-	-	-	-	(8)	-	(3)
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	256	-	-	8	1	(2)	15	278
Diluted EPS from continuing operations	\$0.59					Adjusted diluted EPS		\$0.64
Diluted EPS from discontinued operations	-					Diluted Shares Outstanding		434.8
Diluted EPS	\$0.59							41.8%
Diluted Shares Outstanding	434.8					Adjusted Operating Margin		
Operating margin	25.1%							

Reconciliation of US GAAP results to non-GAAP results – three months ended June 30, 2014



Please refer to pages 19-22 in the 2Q 2014 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Non-GAAP basis
Operating Revenues							
Investment Management Fees	1,032	16	-	-	-	6	1,055
Service and Distribution Fees	215	-	-	-	-	-	215
Performance Fees	5	-	-	-	-	2	7
Other	38	1	-	-	-	-	39
Third-Party Distribution, Service and Advisory	-	(4)	(411)	-	-	-	(414)
Total Operating Revenues reconciled to net revenues	1,290	13	(411)	-	-	9	901
Operating Expenses							
Employee Compensation	343	5	-	-	(4)	-	345
Third-Party Distribution, Service and Advisory	411	-	(411)	-	-	-	-
Marketing	30	1	-	-	-	-	31
Property, Office and Technology	75	1	-	-	-	-	76
General and Administrative	76	1	-	(3)	-	(2)	72
Total Operating Expenses	935	8	(411)	(3)	(4)	(2)	524
Operating Income reconciled to adjusted operating income	355	5	-	3	4	10	377
Equity in Earnings of Unconsolidated Affiliates	6	(4)	-	-	-	2	4
Interest and Dividend Income	3	1	-	-	(1)	1	4
Interest Expense	(18)	-	-	-	-	-	(18)
Other Gains and Losses, net	16	-	-	-	(6)	5	15
Other income/(expense) of CSIP, net	8	-	-	-	-	-	8
Interest Income of Consolidated Investment Products	48	-	-	-	-	(48)	-
Interest Expense of Consolidated Investment Products	(30)	-	-	-	-	30	-
Other Gains and (Losses) of Consolidated Investment Products, net	37	-	-	-	-	(37)	-
Income from continuing operations before income taxes	424	2	-	3	(3)	(37)	389
Income Tax Provision	(107)	(2)	-	5	1	-	(103)
Income from continuing operations, net of income taxes	317	-	-	8	(2)	(37)	286
Income/(loss) from discontinued operations, net of taxes	-	-	-	-	-	-	-
Net income	317	-	-	8	(2)	(37)	286
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(42)	-	-	-	-	39	(4)
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	275	-	-	8	(2)	2	282
Diluted EPS from continuing operations	\$0.63					Adjusted diluted EPS	\$0.65
Diluted EPS from discontinued operations	-						436.4
Diluted EPS	\$0.63					Diluted Shares Outstanding	41.8%
Diluted Shares Outstanding	436.4						
Operating margin	27.5%					Adjusted Operating Margin	

Reconciliation of US GAAP results to non-GAAP results – three months ended March 31, 2014



* Other: Please refer to pages 18-22 in the 1Q 2014 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other*	Non-GAAP basis
Operating Revenues								
Investment Management Fees	965	18	-	-	-	6	-	989
Service and Distribution Fees	239	-	-	-	-	-	-	239
Performance Fees	31	-	-	-	-	3	-	34
Other	34	1	-	-	-	-	-	36
Third-Party Distribution, Service and Advisory	-	(4)	(405)	-	-	-	-	(409)
Total Operating Revenues reconciled to net revenues	1,270	15	(405)	-	-	8	-	888
Operating Expenses								
Employee Compensation	362	3	-	-	(4)	-	(7)	353
Third-Party Distribution, Service and Advisory	405	-	(405)	-	-	-	-	-
Marketing	23	1	-	-	-	-	-	24
Property, Office and Technology	113	1	-	-	-	-	(36)	78
General and Administrative	122	2	-	(4)	-	(13)	(37)	70
Transaction & Integration	-	-	-	-	-	-	-	-
Total Operating Expenses	1,025	6	(405)	(4)	(4)	(13)	(80)	525
Operating Income reconciled to adjusted operating income	244	10	-	4	4	21	80	363
Equity in Earnings of Unconsolidated Affiliates	10	(8)	-	-	-	1	-	3
Interest and Dividend Income	3	1	-	-	(1)	1	-	4
Interest Expense	(19)	-	-	-	-	-	-	(19)
Other Gains and Losses, net	7	-	-	-	(4)	-	-	3
Other income/(expense) of CSIP, net	8	-	-	-	-	-	-	8
Interest Income of Consolidated Investment Products	48	-	-	-	-	(48)	-	-
Interest Expense of Consolidated Investment Products	(30)	-	-	-	-	30	-	-
Other Gains and (Losses) of Consolidated Investment Products, net	27	-	-	-	-	(27)	-	-
Income from continuing operations before income taxes	298	3	-	4	-	(21)	80	362
Income Tax Provision	(89)	(3)	-	5	-	-	(11)	(98)
Income from continuing operations, net of income taxes	209	-	-	9	-	(21)	69	265
Income/(loss) from discontinued operations, net of taxes	(2)	-	-	2	-	-	-	-
Net income	207	-	-	11	-	(21)	69	265
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(19)	-	-	-	-	16	-	(3)
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	188	-	-	11	-	(5)	69	262
Diluted EPS from continuing operations	\$0.43						Adjusted diluted EPS	\$0.60
Diluted EPS from discontinued operations	-						Diluted Shares Outstanding	437.4
Diluted EPS	\$0.43						Adjusted Operating Margin	40.9%
Diluted Shares Outstanding	437.4							
Operating margin	19.2%							

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2013



* Other: Please refer to pages 19-21 in the 4Q 2013 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other*	Non-GAAP basis
Operating Revenues								
Investment Management Fees	955	18	-	-	-	6	4	983
Service and Distribution Fees	230	-	-	-	-	-	-	230
Performance Fees	9	-	-	-	-	2	-	11
Other	31	2	-	-	-	-	-	33
Third-Party Distribution, Service and Advisory	-	(4)	(396)	-	-	-	-	(400)
Total Operating Revenues reconciled to net revenues	1,225	16	(396)	-	-	8	4	857
Operating Expenses								
Employee Compensation	333	8	-	-	(8)	-	(1)	332
Third-Party Distribution, Service and Advisory	396	-	(396)	-	-	-	-	-
Marketing	30	1	-	-	-	-	-	31
Property, Office and Technology	86	1	-	-	-	-	(12)	75
General and Administrative	86	2	-	(6)	-	(10)	-	72
Transaction & Integration	-	-	-	-	-	-	-	-
Total Operating Expenses	932	11	(396)	(6)	(8)	(10)	(13)	510
Operating Income reconciled to adjusted operating income	293	5	-	6	8	18	17	347
Equity in Earnings of Unconsolidated Affiliates	10	(4)	-	-	-	(1)	-	5
Interest and Dividend Income	3	1	-	-	(1)	1	-	4
Interest Expense	(15)	-	-	-	-	-	-	(15)
Other Gains and Losses, net	(19)	-	-	-	(11)	-	32	2
Other income/(expense) of CSIP, net	4	-	-	-	-	-	-	4
Interest Income of Consolidated Investment Products	43	-	-	-	-	(43)	-	-
Interest Expense of Consolidated Investment Products	(27)	-	-	-	-	27	-	-
Other Gains and (Losses) of Consolidated Investment Products, net	46	-	-	-	-	(46)	-	-
Income from continuing operations before income taxes	339	1	-	6	(4)	(44)	49	346
Income Tax Provision	(74)	(1)	-	4	1	-	(18)	(88)
Income from continuing operations, net of income taxes	264	-	-	10	(3)	(44)	31	258
Income/(loss) from discontinued operations, net of taxes	66	-	-	(66)	-	-	-	-
Net income	331	-	-	(57)	(3)	(44)	31	258
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(43)	-	-	-	-	43	-	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	287	-	-	(57)	(3)	(1)	31	258
Diluted EPS from continuing operations	\$0.50						Adjusted diluted EPS	\$0.58
Diluted EPS from discontinued operations	\$0.15						Diluted Shares Outstanding	445.9
Diluted EPS	\$0.64						Adjusted Operating Margin	40.5%
Diluted Shares Outstanding	445.9							
Operating margin	23.9%							

Reconciliation of US GAAP results to non-GAAP results

– three months ended September 30, 2013



* Other: Please refer to pages 19-21 in the 3Q 2013 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other*	Non-GAAP basis
Operating Revenues								
Investment Management Fees	914	15	-	-	-	9	-	938
Service and Distribution Fees	221	-	-	-	-	-	-	221
Performance Fees	5	-	-	-	-	3	-	9
Other	32	2	-	-	-	-	-	33
Third-Party Distribution, Service and Advisory	-	(3)	(381)	-	-	-	-	(384)
Total Operating Revenues reconciled to net revenues	1,172	14	(381)	-	-	12	-	816
Operating Expenses								
Employee Compensation	330	4	-	-	(7)	-	-	328
Third-Party Distribution, Service and Advisory	381	-	(381)	-	-	-	-	-
Marketing	23	1	-	-	-	-	-	24
Property, Office and Technology	72	1	-	-	-	-	-	73
General and Administrative	80	1	-	(4)	-	(13)	(1)	64
Transaction & Integration	-	-	-	-	-	-	-	-
Total Operating Expenses	886	7	(381)	(4)	(7)	(13)	(1)	488
Operating Income reconciled to adjusted operating income	286	6	-	4	7	25	1	328
Equity in Earnings of Unconsolidated Affiliates	10	(5)	-	-	-	2	-	8
Interest and Dividend Income	2	1	-	-	(1)	1	-	3
Interest Expense	(10)	-	-	-	-	-	-	(10)
Other Gains and Losses, net	4	-	-	-	(9)	12	1	7
Other income/(expense) of CSIP, net	(1)	-	-	-	-	-	-	(1)
Interest Income of Consolidated Investment Products	47	-	-	-	-	(47)	-	-
Interest Expense of Consolidated Investment Products	(34)	-	-	-	-	34	-	-
Other Gains and (Losses) of Consolidated Investment Products, net	38	-	-	-	-	(38)	-	-
Income from continuing operations before income taxes	343	2	-	4	(4)	(11)	1	335
Income Tax Provision	(93)	(2)	-	5	1	-	-	(89)
Income from continuing operations, net of income taxes	250	-	-	9	(3)	(11)	1	246
Income/(loss) from discontinued operations, net of taxes	(1)	-	-	1	-	-	-	-
Net income	249	-	-	10	(3)	(11)	1	246
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(21)	-	-	-	-	21	-	-
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	228	-	-	10	(3)	9	1	246
Diluted EPS from continuing operations	\$0.51						Adjusted diluted EPS	\$0.55
Diluted EPS from discontinued operations	-						Diluted Shares Outstanding	448.8
Diluted EPS	\$0.51						Adjusted Operating Margin	40.2%
Diluted Shares Outstanding	448.8							
Operating margin	24.4%							

Reconciliation of US GAAP results to non-GAAP results – three months ended March 31, 2013



* Other: Please refer to pages 18-20 in the 1Q 2013 earnings press release for a description of the adjustments

(\$ millions)	US GAAP Basis	Proportional Consolidation of Joint Ventures	3 rd party distribution, service and advisory expenses	Acquisition related	Market appreciation / depreciation of deferred compensation awards	Consolidated Investment Products	Other*	Non-GAAP basis	
Operating Revenues									
Investment Management Fees	845	12	-	-	-	6	-	863	
Service and Distribution Fees	206	-	-	-	-	-	-	206	
Performance Fees	36	-	-	-	-	3	-	39	
Other	25	1	-	-	-	-	-	26	
Third-Party Distribution, Service and Advisory	-	(2)	(346)	-	-	-	3	(346)	
Total Operating Revenues reconciled to net revenues	1,112	10	(346)	-	-	9	3	788	
Operating Expenses									
Employee Compensation	342	4	-	(2)	(8)	-	-	335	
Third-Party Distribution, Service and Advisory	346	-	(346)	-	-	-	-	-	
Marketing	22	1	-	-	-	-	-	23	
Property, Office and Technology	67	1	-	-	-	-	(1)	66	
General and Administrative	68	1	-	(4)	-	(3)	(5)	58	
Transaction & Integration	1	-	-	(1)	-	-	-	-	
Total Operating Expenses	845	7	(346)	(8)	(8)	(3)	(6)	482	
Operating Income reconciled to adjusted operating income	267	4	-	8	8	11	9	306	
Equity in Earnings of Unconsolidated Affiliates	8	(5)	-	-	-	-	-	4	
Interest and Dividend Income	2	1	-	-	(1)	2	-	4	
Interest Expense	(10)	-	-	-	-	-	-	(10)	
Other Gains and Losses, net	18	-	-	-	(18)	-	-	(1)	
Interest Income of Consolidated Investment Products	50	-	-	-	-	(50)	-	-	
Interest Expense of Consolidated Investment Products	(33)	-	-	-	-	33	-	-	
Other Gains and (Losses) of Consolidated Investment Products, net	(21)	-	-	-	-	21	-	-	
Income from continuing operations before income taxes	282	-	-	8	(11)	17	9	304	
Income Tax Provision	(86)	-	-	5	3	-	(2)	(81)	
Income from continuing operations, net of income taxes	196	-	-	12	(9)	17	7	223	
Income/(loss) from discontinued operations, net of taxes	4	-	-	(4)	-	-	-	-	
Net Income	200	-	-	8	(9)	17	7	223	
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	23	-	-	-	-	(20)	-	2	
Net Income Attributable to Common Shareholders reconciled to adjusted net income attributable to common shareholders	222	-	-	8	(9)	(3)	7	226	
Diluted EPS from continuing operations	\$0.49							Adjusted diluted EPS	\$0.50
Diluted EPS from discontinued operations	\$0.01							Diluted Shares Outstanding	449.0
Diluted EPS	\$0.49							Adjusted Operating Margin	38.9%
Diluted Shares Outstanding	449.0								
Operating margin	24.0%								