Fourth quarter 2018 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, geopolitical events 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.

Statements regarding OppenheimerFunds and Invesco that are forward-looking, including projections as to the closing date for the pending acquisition of OppenheimerFunds (the "transaction"), the extent of, and the time necessary to obtain, the regulatory approvals required for the transaction, the anticipated benefits of the transaction, the impact of the transaction on Invesco's business, the aggregate amount of indebtedness of Invesco following the closing of the transaction, Invesco's expectations regarding debt repayment and its debt to capital ratio following closing of the transaction, Invesco's share repurchase programs, the synergies from the transaction, and OppenheimerFunds's, Invesco's and/or the combined company's future operating results, are based on OppenheimerFunds's and Invesco's managements' estimates, assumptions and projections, and are subject to uncertainties and other factors, many of which are beyond their control. In particular, projected financial information for the combined businesses of OppenheimerFunds and Invesco is based on estimates, assumptions and projections and has not been prepared in conformance with the applicable accounting requirements of Regulation S-X relating to pro forma financial information, and the required pro forma adjustments have not been applied and are not reflected therein.

Forward-looking statements (cont.)

None of this information should be considered in isolation from, or as a substitute for, historical financial statements. Important risk factors related to the transaction could cause actual future results and other future events to differ materially from those currently estimated by management, including, but not limited to: the timing to consummate the proposed transaction; the risk that a regulatory approval that may be required for the proposed transaction is delayed, is not obtained or is obtained subject to conditions that are not anticipated; the risk that a condition to closing of the proposed transaction may not be satisfied; the ability to achieve the synergies and value creation contemplated; Invesco's ability to promptly and effectively integrate OppenheimerFunds's businesses; and the diversion of and attention of management of both OppenheimerFunds and Invesco on transaction-related issues.

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.

Presentation of fourth quarter 2018 results

This presentation includes the following non-GAAP performance measures: net revenue (and by calculation, net revenue yield on AUM), 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 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.

Discussion topics

Fourth quarter overview and financial results

Investment performance

Progress on the combination with OppenheimerFunds

Questions

Appendix

Highlights for today's discussion

Fourth quarter results

- Fourth quarter operating results impacted by market dynamics and lower AUM levels
- Gross sales up nearly 27% vs. prior quarter; however, industry headwinds, investment performance challenges in key value-oriented strategies and a one-time, low-fee institutional redemption led to higher-than-anticipated net outflows
- Returned more than $422 million to shareholders through a combination of dividends and the first $300 million of the announced $1.2 billion in share buybacks during the fourth quarter
- Focused on disciplined expense management to mitigate financial impact to operating results and enable continued investment in growth drivers

Combination with OppenheimerFunds

- Combination with OppenheimerFunds (OFI) represents clear performance benefits of diversification within key investment capabilities
- On track to meet our synergy targets of $475 million; continue to make meaningful progress toward a successful closing of the OFI combination
- The combination with OFI will accelerate our growth strategy, strengthen our scale and client relevance, expand our comprehensive suite of differentiated investment capabilities, and provide compelling financial returns for shareholders

Fourth quarter overview – highlights

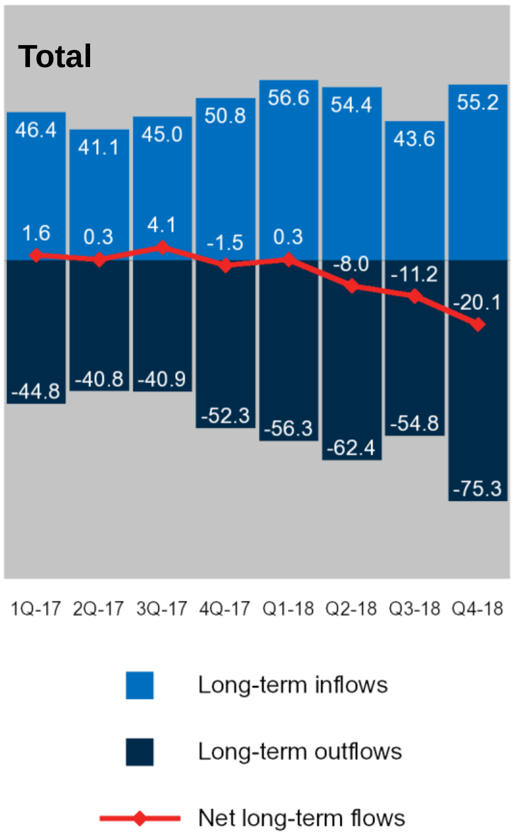
Invesco

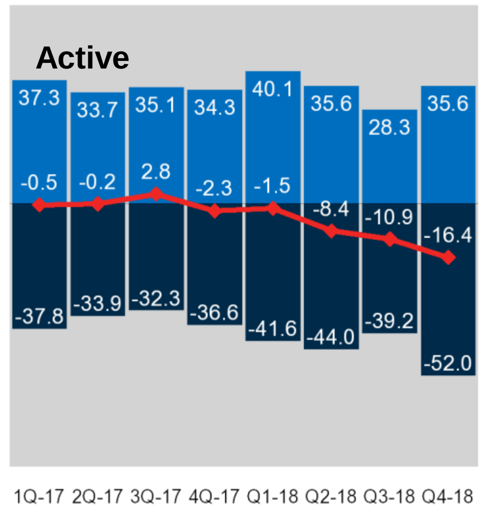
Investment Performance	• 41%, 54% and 63% of actively managed assets in top half of peer group on a 1-, 3-, and 5-year basis
Assets under management	• December 31, 2018 AUM of $888.2 billion, down from $980.9 billion at September 30, 2018 • Average AUM was $924.4 billion, down from $985.1 billion for the third quarter of 2018
Flows	• Gross sales are up nearly 27% vs. prior quarter • Long-term net outflows of $20.1 billion driven by industry dynamics, performance challenges in certain value strategies, and a one-time, low-fee institutional redemption • Total net outflows of $18.1 billion
Overall adjusted operating results*	• Adjusted operating income was $300.0 million versus $357.8 million in the prior quarter • Adjusted operating margin was 32.6% in the quarter versus 37.0% in the prior quarter • Adjusted diluted EPS for the quarter was $0.44 versus $0.66 in the prior quarter
Capital management	• Returned More than $422 million to shareholders during the fourth quarter through a combination of : ◦ $122.3 million in dividends ◦ First $300 million of the announced $1.2 billion in share buybacks

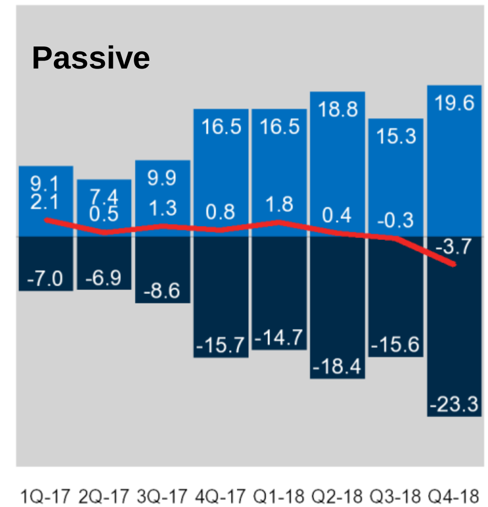
* Non-GAAP financial measures - See Appendix to this presentation for a reconciliation to the most directly comparable U.S. GAAP financial measure.

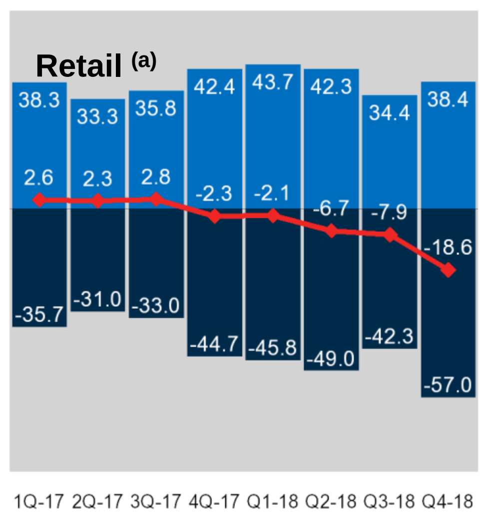
Quarterly long-term flows

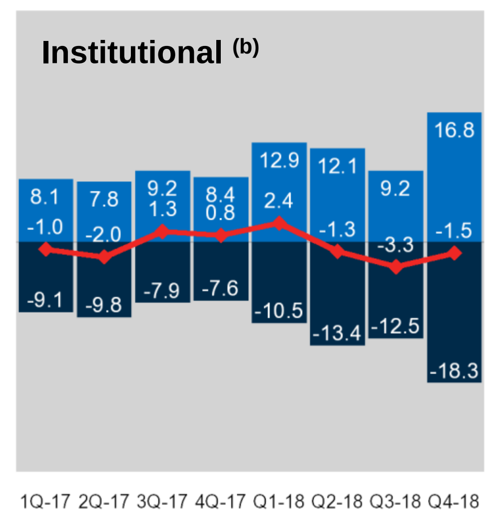
Quarterly long-term flows ($billions)











(a) Retail AUM and flows 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 and flows excludes the Invesco QQQ product.

(b) Institutional AUM and flows 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.

Total assets under management – Q4-18 vs. Q3-18

($ billions)	Q4-18	Q3-18	% Change
Beginning Assets	$980.9	$963.3	1.8%
Long-Term Inflows	55.2	43.6	26.6%
Long-Term Outflows	(75.3)	(54.8)	37.4%
Long-Term Net Flows	(20.1)	(11.2)	79.5%
Net flows in non-management fee earning AUM*	(1.2)	3.2	N/A
Net flows in Inst. Money Market Funds	3.2	3.1	3.2%
Total Net Flows	(18.1)	(4.9)	269.4%
Reinvested distributions	8.4	1.7	394.1%
Market Gains and Losses	(79.4)	14.3	N/A
Acquisitions **	—	9.5	N/A
Foreign Currency Translation	(3.6)	(3.0)	20.0%
Ending Assets	$888.2	$980.9	(9.5)%
Average Long-Term AUM	$749.3	$803.6	(6.8)%
Ending Long-Term AUM	$717.0	$798.8	(10.2)%
Average AUM	$924.4	$985.1	(6.2)%
Net Revenue Yield (annualized)****	39.8bps	39.3bps	
Net Revenue Yield Before Performance Fees (annualized)****	38.6bps	38.9bps	
Annualized long-term organic growth rate***	(10.1)%	(5.6)%	

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.
** As of July 1, 2018, we began including 100% of Invesco Great Wall Fund Management Company, which added $9.5 billion in AUM during the third quarter.
*** Annualized long-term organic growth rate is calculated using long-term net flows (annualized) divided by opening long-term AUM for the period. Long-term AUM excludes institutional money market, Invesco QQQ, UIT, and non-fee earning leverage.
**** Non-GAAP financial measure - See the Appendix to this presentation for a reconciliation to the most directly comparable U.S. GAAP financial measure.

US GAAP operating results – Q4-18 vs. Q3-18

($ millions)	Q4-18	Q3-18	% Change
Operating Revenues			
Investment Management Fees	949.2	1,038.9	(8.6)%
Service and Distribution Fees	231.5	248.0	(6.7)%
Performance Fees	28.3	7.9	258.2%
Other	46.9	47.0	(0.2)%
Total Operating Revenues	1,255.9	1,341.8	(6.4)%
Operating Expenses			
Third-Party Distribution, Service and Advisory Expenses	372.2	408.0	(8.8)%
Employee Compensation	349.3	380.7	(8.2)%
Marketing	41.3	33.4	23.7%
Property, Office and Technology	108.0	103.7	4.1%
General and Administrative	92.9	60.8	52.8%
Transaction, Integration, and Restructuring	61.8	33.1	86.7%
Total Operating Expenses	1,025.5	1,019.7	0.6%
Operating Income	230.4	322.1	(28.5)%
Other Income/(Expense)			
Equity in Earnings of Unconsolidated Affiliates	5.0	11.8	(57.6)%
Interest and Dividend Income	10.3	4.0	157.5%
Interest Expense	(29.2)	(29.6)	(1.4)%
Other Gains and Losses, net	(41.9)	5.9	N/A
Other income/(expense) of CIP, net	(26.6)	28.1	N/A
Income before income taxes	148.0	342.3	(56.8)%
Income Tax Provision	(53.2)	(61.1)	(12.9)%
Effective Tax Rate	35.9%	17.8%	
Net Income	94.8	281.2	(66.3)%
Net (Income)/Loss attributable to Noncontrolling Interests in Consolidated Entities	19.4	(11.6)	N/A
Net Income attributable to Invesco Ltd.	114.2	269.6	(57.6)%
Diluted EPS	$0.28	$0.65	(56.9)%
Operating Margin	18.3%	24.0%	
Average AUM ($ billions)	924.4	985.1	(6.2)%
Headcount	7,459	7,410	0.7%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Non-GAAP operating results – Q4-18 vs. Q3-18

($ millions)	Q4-18	Q3-18	% Change
Adjusted Revenues			
Investment Management Fees	993.4	1,079.3	(8.0)%
Service and Distribution Fees	231.5	248.0	(6.7)%
Performance Fees	28.0	8.2	241.5%
Other	49.2	48.7	1.0%
Third-Party Distribution, Service and Advisory Expenses	(382.9)	(417.3)	(8.2)%
Net Revenues	919.2	966.9	(4.9)%
Adjusted Operating Expenses			
Employee Compensation	372.3	388.9	(4.3)%
Marketing	43.3	34.7	24.8%
Property, Office and Technology	110.3	105.8	4.3%
General and Administrative	93.3	79.7	17.1%
Total Adjusted Operating Expenses	619.2	609.1	1.7%
Adjusted Operating Income	300.0	357.8	(16.2)%
Adjusted Other Income/(Expense)			
Equity in Earnings of Unconsolidated Affiliates	1.5	10.1	(85.1)%
Interest and Dividend Income	7.6	5.3	43.4%
Interest Expense	(29.2)	(29.6)	(1.4)%
Other Gains and Losses, net	(33.8)	(7.1)	376.1%
Adjusted Income before income taxes	246.1	336.5	(26.9)%
Income Tax Provision	(61.5)	(56.9)	8.1%
Effective Tax Rate	25.0%	16.9%	
Net (Income)/Loss attributable to Noncontrolling Interests in Consolidated Entities	(3.4)	(5.2)	(34.6)%
Adjusted Net Income attributable to Invesco Ltd.	181.2	274.4	(34.0)%
Adjusted Diluted EPS	$0.44	$0.66	(33.3)%
Adjusted Operating Margin	32.6%	37.0%	
Average AUM ($ billions)	924.4	985.1	(6.2)%
Headcount	7,459	7,410	0.7%

Non-GAAP financial measures - See the Appendix to this presentation for a reconciliation to the most directly comparable U.S. GAAP financial measure.

We are focused on disciplined expense management

- **We believe in implementing significant cost-saving initiatives to mitigate nearer-term impacts to operating results and protect returns to shareholders**
- **In late Q4 2018, we re-implemented many of these more immediate savings initiatives including:**
  - Canceling open requisitions and deferring new hires
  - Limiting discretionary, non-client-related travel, conferences, professional/contractor services
  - Assessing all other areas of discretionary spend for additional opportunities
- **We've also accelerated leadership and location decisions necessary to meet our OFI-related synergy targets to realize savings sooner**
- **While making these decisions, we are seeking the best talent across both Invesco and OFI to ensure our success as a combined firm going forward**

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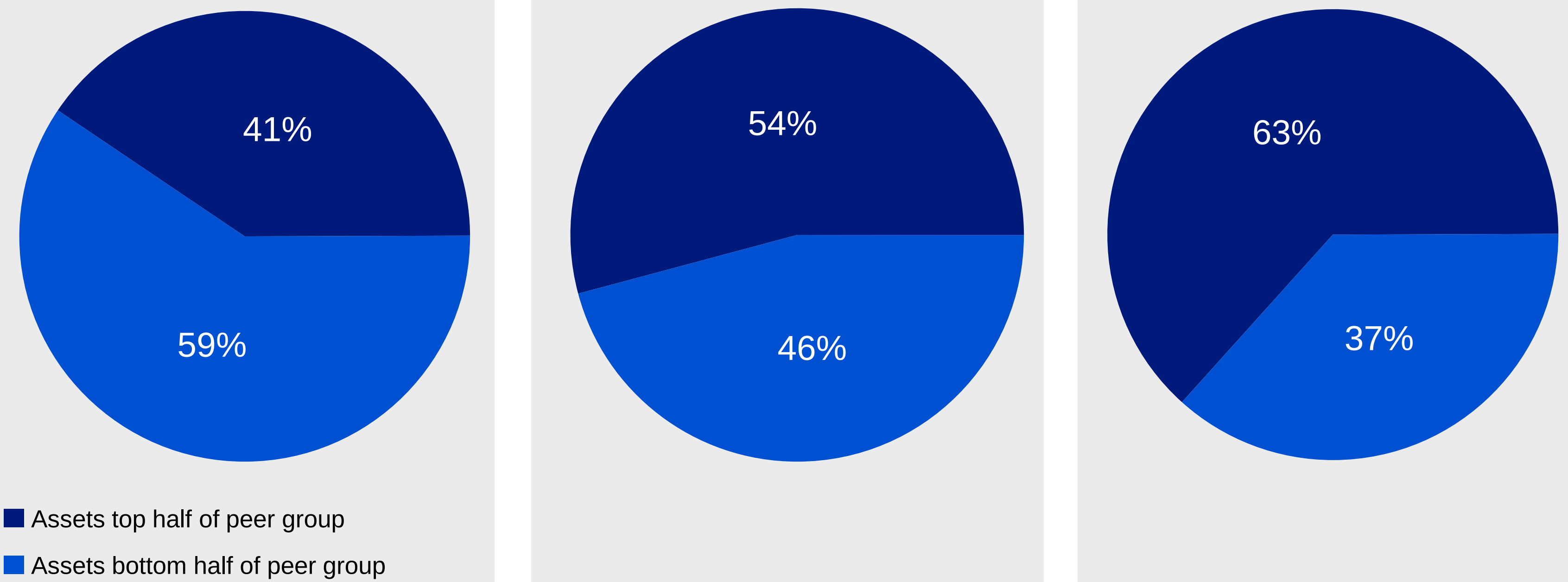
Long-term investment performance remains solid despite recent challenges

Aggregate performance analysis – asset weighted

Percent of actively managed assets in top half of peer group[1]

1-year | 3-year | 5-year



1 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.

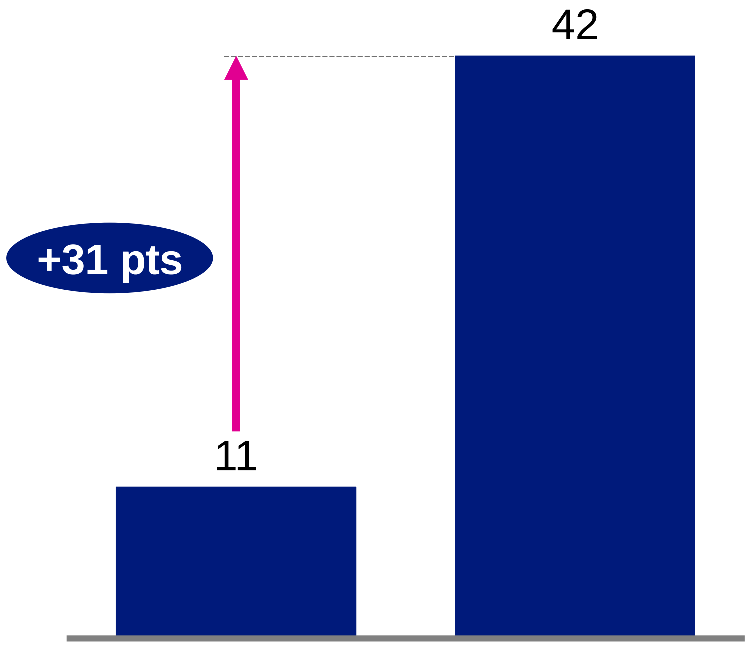
Data as of 12/31/2018. Includes AUM of $463.2 billion (52% of total IVZ) for 1 year, $461.3 billion (52% of total IVZ) for three year, and $452.7 billion (51% of total IVZ) for 5 year. Peer group rankings are sourced from a widely-used third party ranking agency in each fund's market (Lipper, Morningstar, 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.

Early signs of improvement in performance for several key investment capabilities

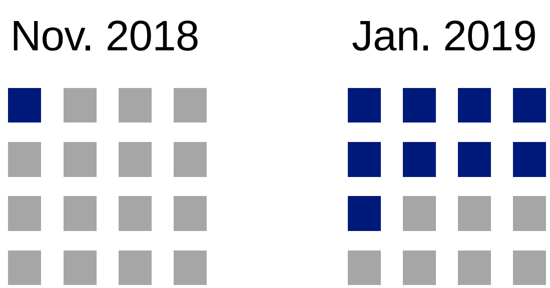
Invesco

US mutual funds

Percent of fund assets in top half for 1 year

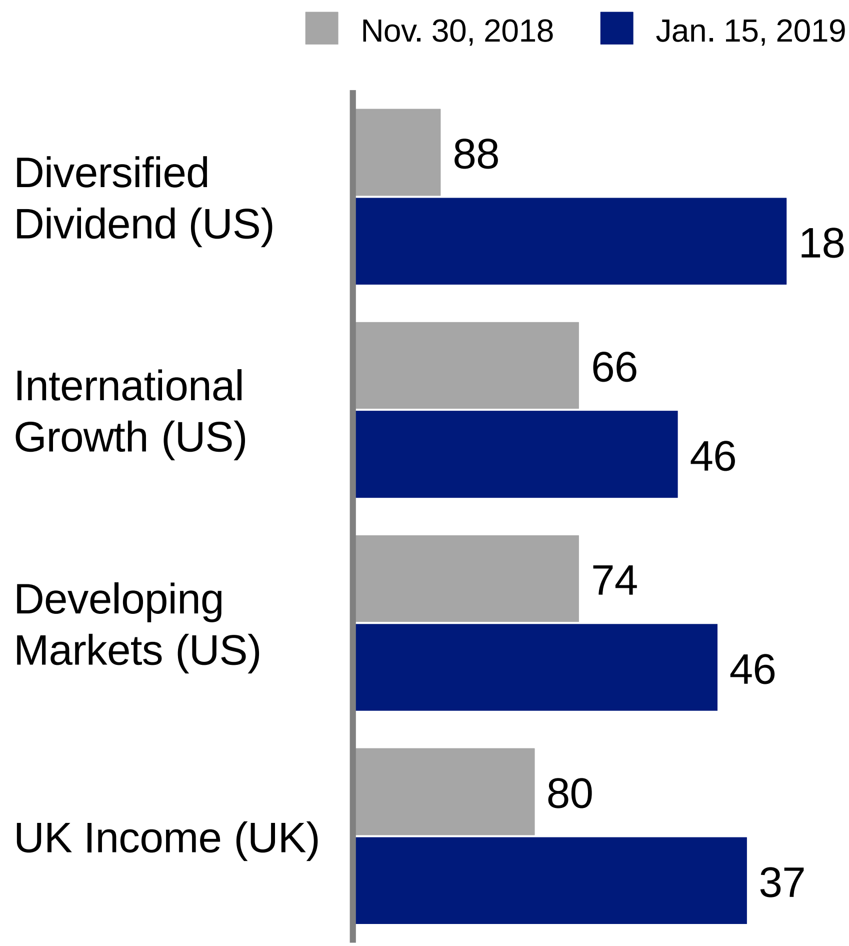


Number of 16 largest funds in top half



Improvement in key investment strategies

1 year rankings – percentile[1]



1 Percentile ranks range from 1 (best) to 100 (worst)
Source: Lipper, Invesco estimates

Invesco and OppenheimerFunds will gain significant investment benefits by combining capabilities

Invesco

1. **We are better off together than as separate organizations** when examining our overall investment capabilities

2. **Our complementary investment capabilities improve our aggregate investment performance** and reduce overall variability of performance within US mutual funds

3. By expanding and diversifying our investment capabilities, **we can generate better outcomes for our clients**

Given the strengths in each firm's investment capabilities, we will be better off together than as separate organizations

Invesco

Key capabilities of combined firm

- **~85% of OppenheimerFunds' AUM is in high-demand, alpha-potential asset classes** (e.g., emerging market equity, international equity, income-focused alternatives)
- Combined organization will rank in the **top 10 in AUM relative to US peers in 10 of the top 15 asset categories**
- The combination will allow us to further scale our investment capabilities**, enhancing relevance to clients and platforms**
- We should gain **greater capital markets access and relevance**

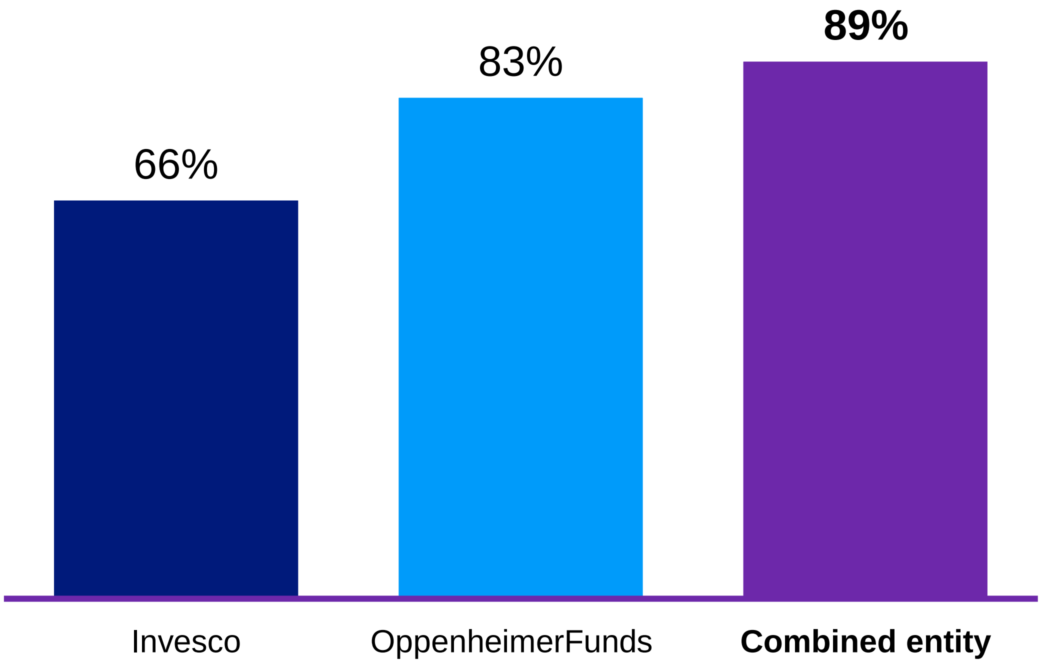
US Mutual Funds

	Invesco Ranking	Combined Ranking
US Value	#8	#8
International Equity	#34	#8
EM Equity	#24	#3
US Core	#23	#8
Taxable Bond	#40	#22
US Growth	#17	#13
Allocation	#18	#14
Global Equity	#15	#4
National/State Munis	#22	#7
HY Munis	#2	#2
Bank Loans	#15	#2
Other Alts	#16	#15
MLPs	#21	#1
Real Assets	#10	#8
Sector Equity	#11	#11

Source: Invesco and OppenheimerFunds data through Dec. 31, 2018.

Our complementary investment capabilities improve our aggregate investment performance

Batting average: 60% or more of assets in top half since June 2010[1]

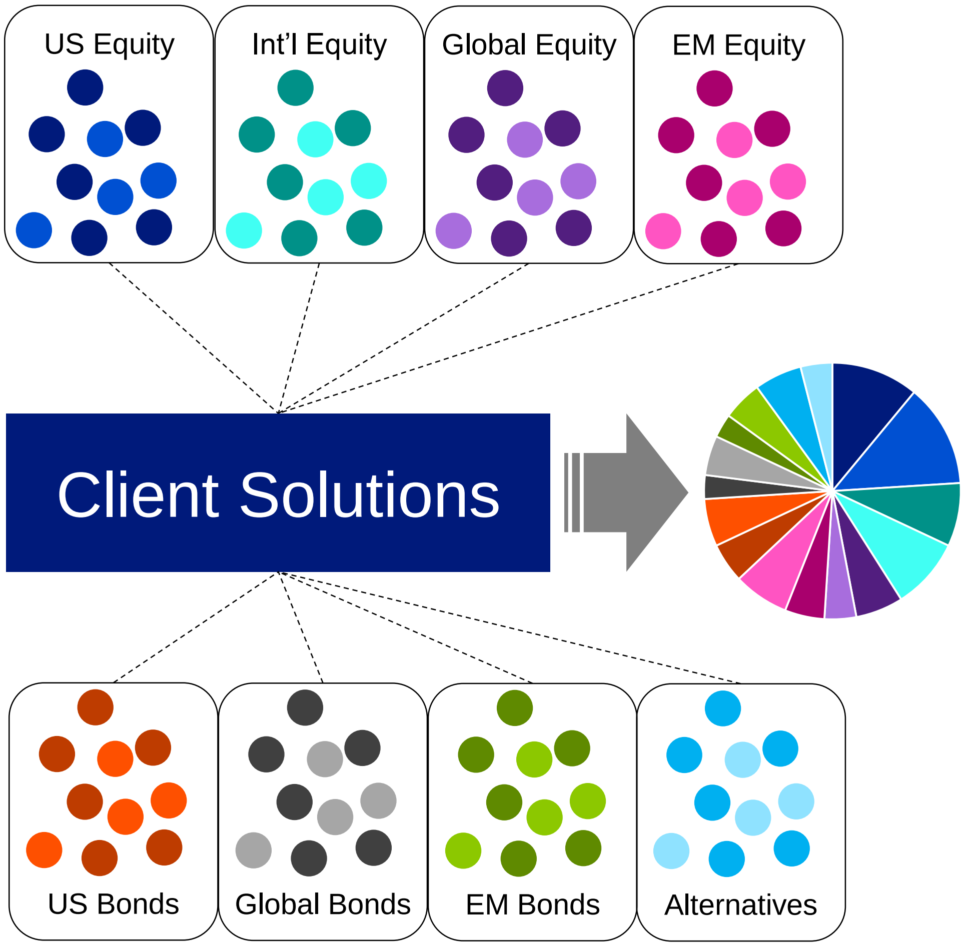


- The Invesco/OppenheimerFunds combination increases the prospects of **offering investment products with leading performance** through a full market cycle
- The overall **performance rankings** for US mutual funds have been **consistently stronger for the combined firm** than for either independent firm
- The overall performance rankings of Invesco and OppenheimerFunds' US mutual funds have been **inversely correlated 79% of the time[2]**, with each firm leading the other at different points in the cycle

1 Calculated on a three-year rolling basis since 2010 and based on US retail mutual funds only. Batting average shown reflects the number of quarters with 60% or more of fund assets in the top half of peer groups based on three-year returns divided by the 35 quarters measured.

2 Source: Lipper, Invesco estimates. Calculated on a three-year rolling basis since 2010 and based on US retail mutual funds only. All rankings are unforced.

By expanding and diversifying our investment capabilities, we can generate better outcomes for our clients



- The **counter-cyclical nature** of the combined equity capabilities enhances our ability **to thrive through different market cycles**
- Greater sources of **alpha generation improve our ability to meet the unique needs** of individual clients
- Expanded sources of **uncorrelated returns** will allow the combined firm to **create better portfolio outcomes for clients**
- We expect to take these **expanded capabilities across various channels and geographies** to increase client engagement and relevance

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The combination with OppenheimerFunds meaningfully accelerates our efforts to reposition and grow our business

Strengthen leadership in our core markets	Execute in high-growth areas
US Wealth Management	China
	Digital Advice
EMEA Wealth Management	ETFs
	Factor Capabilities
	Institutional
APAC Institutional	Multi-sector
	Solutions

Deliver an elite set of capabilities for the benefit of our clients and shareholders

Enhanced by combination with OppenheimerFunds

We’ve made significant progress toward the Q2 closing of our OppenheimerFunds acquisition

- Highly compelling strategic rationale with compelling financial returns for shareholders
- Integration Management Office in place, with leadership from Invesco and OppenheimerFunds collaboratively driving the process
- Confirmed our initial estimates of synergies
- Highly complementary investment capabilities – no impact to investment teams
- Key transaction milestones reached
  - OFI’s mutual fund boards have approved the transaction, a major achievement and catalyst for synergy achievement
  - Mutual fund proxies filed with the SEC
- Closing remains on track for Q2 2019
- Active engagement with MassMutual on future partnership opportunities

Financial returns are compelling despite recent market volatility

- **Combination remains significantly accretive to EPS[1] despite market-driven lower AUM levels:**
  - ~$0.10 accretive in 2019 (assumes two quarters of OFI contribution)
  - ~$0.52 accretive in 2020
- **Strong return on capital: IRR[2] of > 16%**
- **Enhanced financial profile:** by FYE 2020, the combined firm will have:
  - Net operating margin > 40%[1]
  - Pro-forma EBITDA > ~$2.5 billion[1]
- **Combined organization is financially stronger than pre-combination Invesco and supports meaningful decline in leverage through 2020**
- **No other changes to transaction assumptions (integration costs, revenue and AUM breakage)**

1 Transaction-related non-GAAP measures; see appendix. 2019 measures assume a closing date of June 30 and reflect impact of the two quarters post-close.
2 Includes integration charges of $450 million

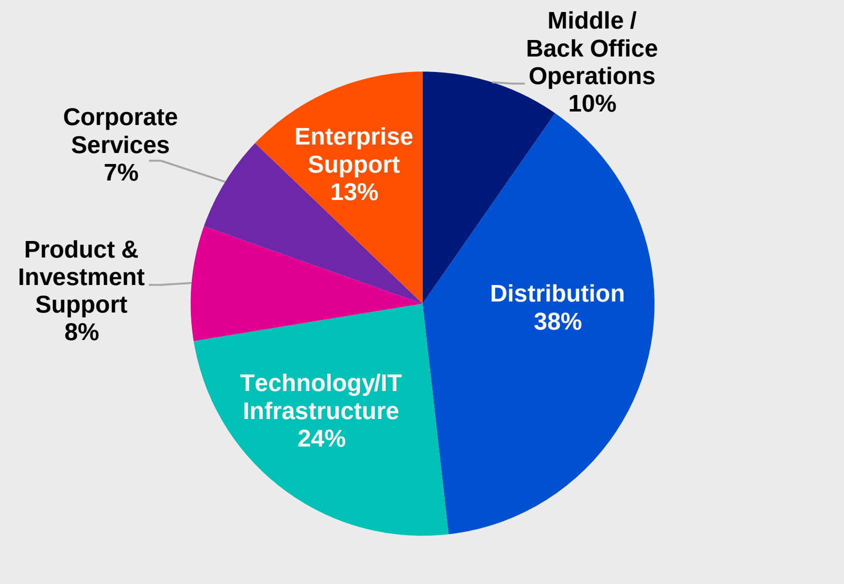
We are on track to meet our synergy targets

Integration activities completed to date

- Fund board approvals have been received – critical to our success to create a single operating platform
    - Drives ability to combine certain fund operations upon closing
- Fund shareholder consent process has been initiated to meet our close deadline
- OFI investments teams are looking forward to being part of the combined firm; retention program in place
- Announced move to a single brand

We have a proven track record of successful business combinations and achieving targeted expense synergies

Expense synergies – $475m



Current activities driving synergies targets

- **Middle/Back Office Operations:** Consolidation of investment servicing platforms (2 transfer agencies, 2 trust companies, Third-Party Administration consolidation)
- **Distribution:** Aligning and evolving client coverage teams, leveraging a single brand, data analytics, and automation.
- **Technology and IT Infrastructure:** Moving to common technology and supporting infrastructure across the investment lifecycle (investments, distribution, corporate services)
- **Product/Investment Support:** Consolidating and streamlining our product/investment-related support functions
- **Corporate Services:** Facilities and corporate location strategy decisions
- **Enterprise Support:** Consolidation of enterprise support for Finance, HR, Legal, Compliance, Security, Communications, among others

Volatile markets challenged the industry in the fourth quarter, but we remain focused and excited about the future of the combined firm

- **Invesco was not immune to the challenges the industry faced in 2018**
- **Nine years of positive net flows prior to 2018; market conditions and near-term investment performance challenges impacted flows**
- **Invesco has made and continues to make investments in our growth initiatives to scale and shape its business ahead of where clients, the markets and our industry are headed**
- **The combination with OFI will:**
  - accelerate growth;
  - strengthen our scale and client relevance;
  - expand our comprehensive suite of differentiated investment capabilities; and
  - provide compelling financial returns for shareholders
- **The combined firm, with an anticipated $1.1T in AUM and an ability to holistically serve the evolving needs of clients across the globe, places Invesco in a strong position to compete and grow over the long term**

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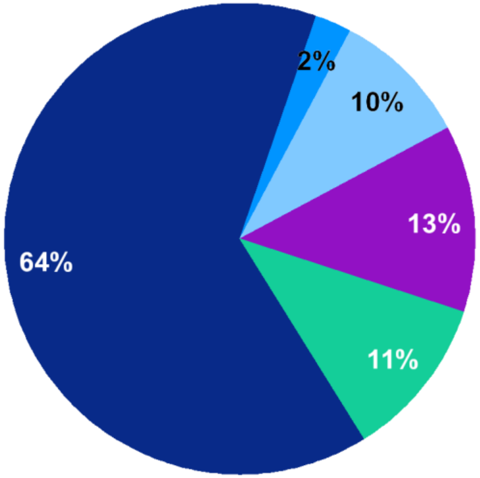
We are diversified as a firm

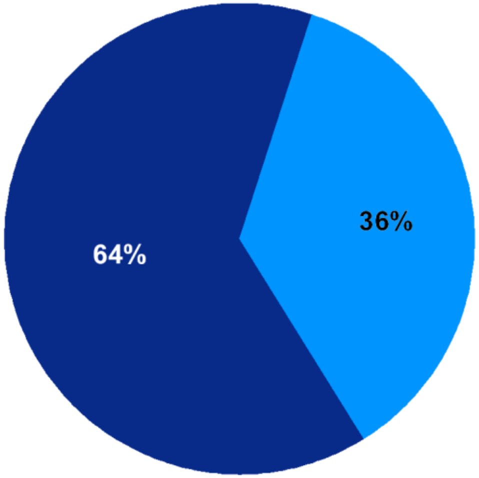
Delivering a diverse set of solutions to meet client needs

By client domicile



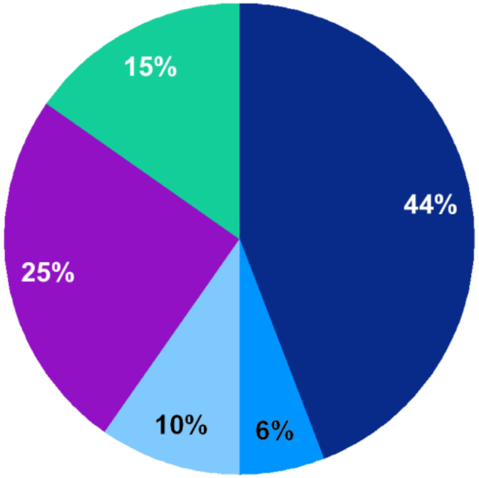
	($ billions)	1-Yr Change
U.S.	566.3	(3.3)%
Canada	21.7	(19.0)%
U.K.	85.1	(23.3)%
Europe	112.5	(11.5)%
Asia	102.6	17.4%

By channel



	($ billions)	1-Yr Change
Retail	566.7	(11.0)%
Institutional	321.5	7.0%

By asset class

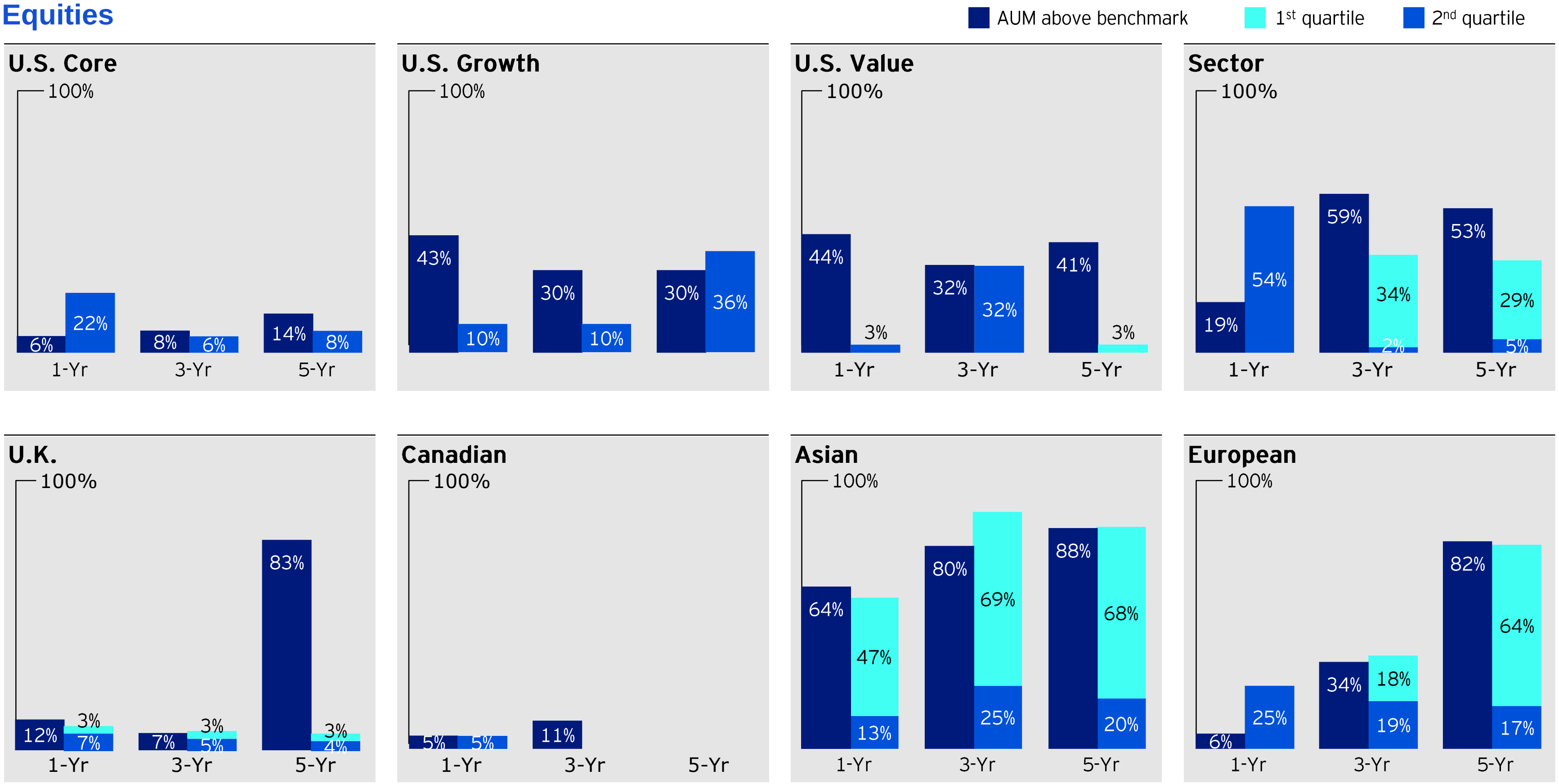


	($ billions)	1-Yr Change
Equity	385.2	(10.7)%
Balanced	50.4	(12.7)%
Money Market	91.0	15.6%
Fixed Income	225.1	(0.3)%
Alternatives	136.5	(5.3)%

Investment performance

By investment objective (actively managed assets)*

Equities

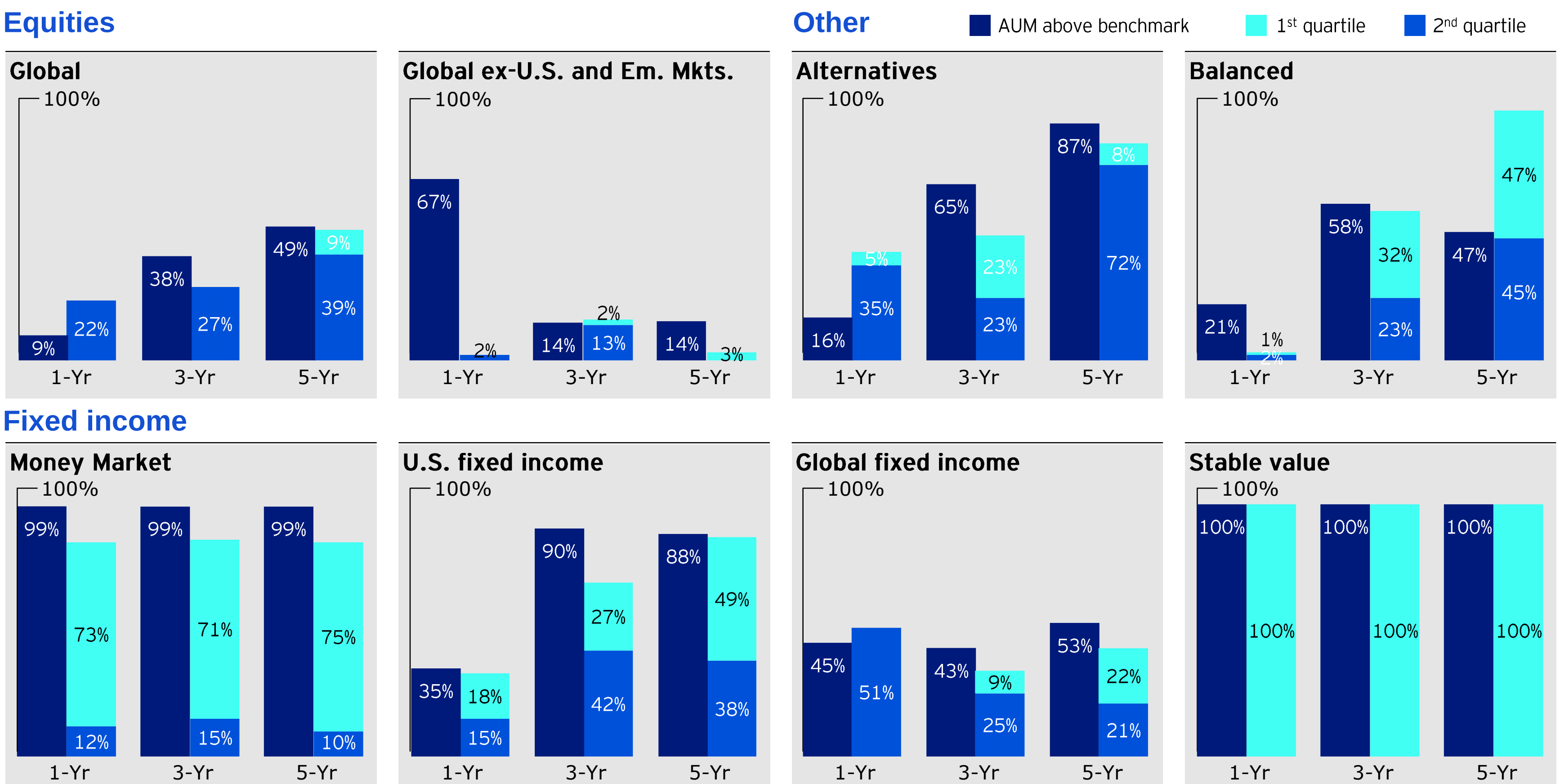


* Excludes passive products, closed-end funds, private equity limited partnerships, non-discretionary funds, unit investment trusts, fund of funds with component funds managed by Invesco, stable value building block funds and CDOs. Certain funds and products were excluded from the analysis because of limited benchmark or peer group data. Had these been available, results may have been different. These results are preliminary and subject to revision.

AUM measured in the one, three, and five year quartile rankings represents 52%, 52%, and 51% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, and five year basis represents 65%, 63%, and 60% of total Invesco AUM as of 12/31/18. 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)* (CONTINUED)



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Investment performance (5-year)

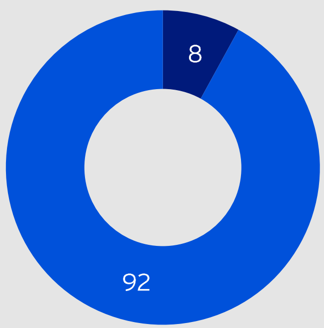
By investment objective (actively managed assets)*

Percentages in parentheses represent % AUM of each investment objective as a ratio of all objectives (Total ranked AUM of $452.7 billion)

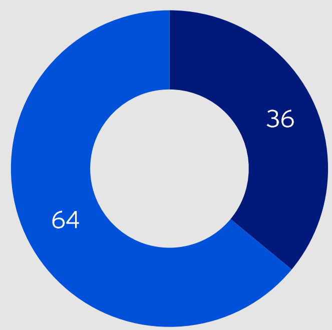
% of assets top half of peer group | % of assets bottom half of peer group

Equities

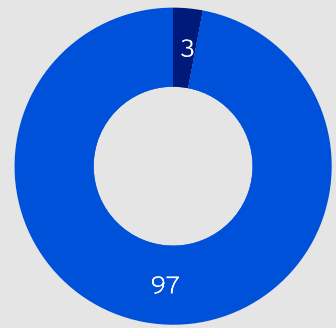
U.S. Core (2%)



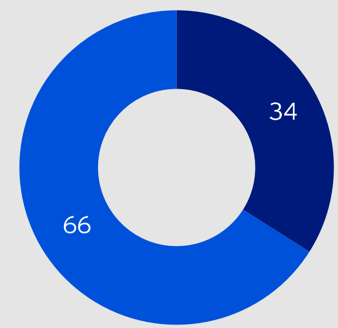
U.S. Growth (5%)



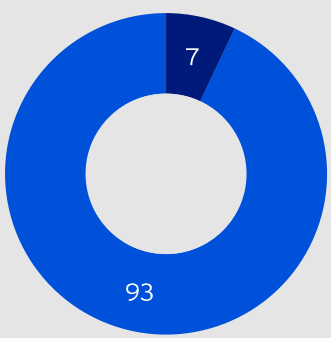
U.S. Value (11%)



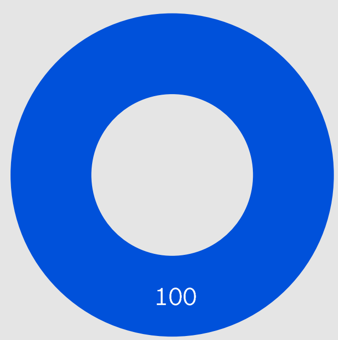
Sector (1%)



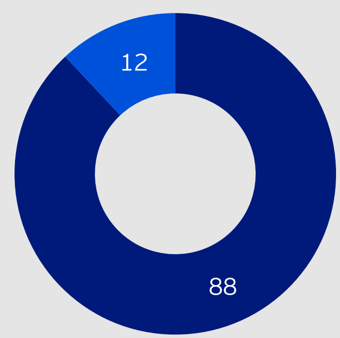
U.K. (4%)



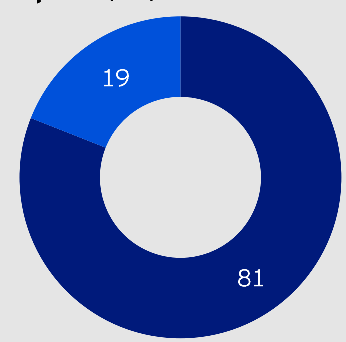
Canadian (0%)



Asian (5%)



European (4%)



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Includes AUM of $452.7 billion (51% of total IVZ) for five year as of 12/31/18. 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 (5-year)

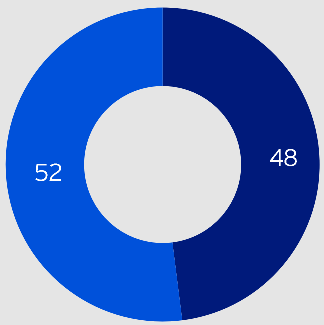
By investment objective (actively managed assets)* (CONTINUED)

Percentages in parentheses represent % AUM of each investment objective as a ratio of all objectives
(Total ranked AUM of $452.7 billion)

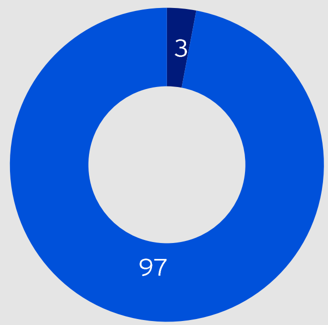
% of assets top half of peer group
% of assets bottom half of peer group

Equities

Global (4%)

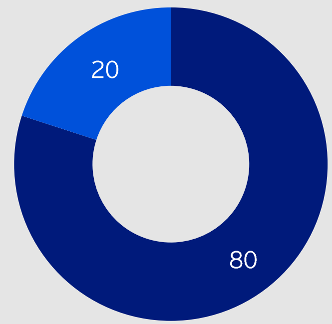


Global ex-US and Em. Mkts (3%)

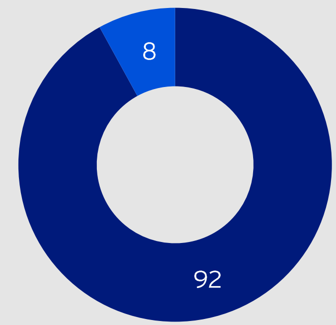


Other

Alternatives (11%)

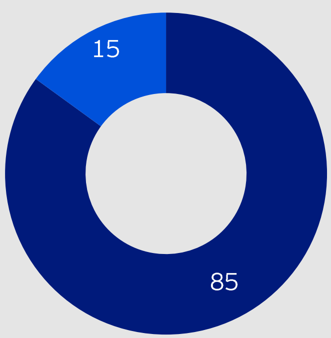


Balanced (10%)

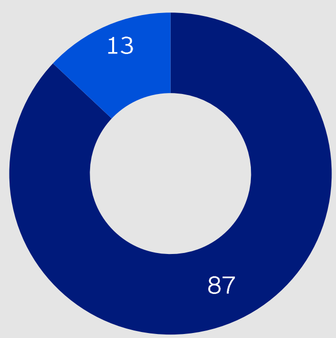


Fixed income

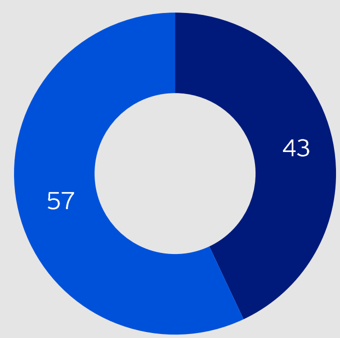
Money market (14%)



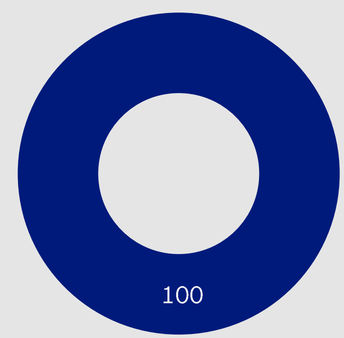
U.S. fixed income (8%)



Global fixed income (6%)



Stable value (8%)



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Includes AUM of $452.7 billion (51% of total IVZ) for five year as of 12/31/18. 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 operating results – quarterly

Invesco

($ millions)	Q4-18	Q3-18	% Change*	Q2-18	Q1-18	4Q-17
Investment Management Fees	949	1,039	(8.6)%	1,051	1,044	1,099
Service and Distribution Fees	232	248	(6.7)%	243	246	218
Performance Fees	28	8	258.2%	12	9	43
Other	47	47	(0.2)%	56	57	16
Total Operating Revenues	1,256	1,342	(6.4)%	1,361	1,356	1,376
Third-Party Distribution, Service and Advisory	372	408	(8.8)%	409	419	391
Employee Compensation	349	381	(8.2)%	379	385	379
Marketing	41	33	23.7%	32	28	39
Property, Office and Technology	108	104	4.1%	99	100	100
General and Administrative	93	61	52.8%	87	84	93
Transaction, Integration, and Restructuring	62	33	86.7%	24	19	31
Total Operating Expenses	1,026	1,020	0.6%	1,029	1,035	1,033
Operating Income	230	322	(28.5)%	331	321	343
Equity in Earnings of Unconsolidated Affiliates	5	12	(57.6)%	7	10	4
Interest and Dividend Income	10	4	157.5%	3	4	6
Interest Expense	(29)	(30)	(1.4)%	(30)	(23)	(24)
Other Gains and Losses, net	(42)	6	N/A	1	(5)	26
Other income/(expense) of CIP, net	(27)	28	N/A	1	27	45
Income before income taxes	148	342	(56.8)%	314	334	399
Effective Tax Rate**	35.9%	17.8%		23.0%	20.5%	(5.8)%
Net Income	95	281	(66.3)%	242	265	423
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	19	(12)	N/A	3	(11)	(14)
Net Income Attributable to Invesco Ltd.	114	270	(57.6)%	245	254	408
Diluted EPS	$0.28	$0.65	(56.9)%	$0.59	$0.62	$0.99

* % change based on unrounded figures

** Effective tax rate = Tax expense / Income before income taxes and minority interest

*** The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Non-GAAP operating results– quarterly

($ millions)	Q4-18	Q3-18	% Change*	Q2-18	Q1-18	4Q-17
Investment Management Fees	993	1,079	(8.0)%	1,074	1,067	1,119
Service and Distribution Fees	232	248	(6.7)%	243	246	218
Performance Fees	28	8	241.5%	13	9	43
Other	49	49	1.0%	57	58	18
Third-party distribution, service and advisory expense	(383)	(417)	(8.2)%	(413)	(422)	(394)
Net Revenues	919	967	(4.9)%	974	958	1,005
Employee Compensation	372	389	(4.3)%	383	390	378
Marketing	43	35	24.8%	33	29	40
Property, Office and Technology	110	106	4.3%	100	101	101
General and Administrative	93	80	17.1%	82	81	89
Adjusted Operating Expenses	619	609	1.7%	597	601	607
Adjusted Operating Income	300	358	(16.2)%	377	357	398
Equity in Earnings of Unconsolidated Affiliates	2	10	(85.1)%	5	8	9
Interest and Dividend Income	8	5	43.4%	3	5	5
Interest Expense	(29)	(30)	(1.4)%	(30)	(23)	(24)
Other Gains and Losses, net	(34)	(7)	376.1%	(11)	(2)	20
Adjusted Income before income taxes	246	337	(26.9)%	344	345	408
Effective Tax Rate**	25.0%	16.9%		20.6%	20.6%	26.7%
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(3)	(5)		0	0	0
Adjusted Net Income Attributable to Invesco Ltd.	181	274	(34.0)%	273	274	299
Adjusted Diluted EPS	$0.44	$0.66	(33.3)%	$0.66	$0.67	$0.73

* % change based on unrounded figures

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

Total assets under management – quarterly

($ billions)	Q4-18	Q3-18	% Change	Q2-18	Q1-18	4Q-17
Beginning Assets	$980.9	$963.3	1.8%	$934.2	$937.6	$917.5
Long-Term Inflows	55.2	43.6	26.6%	54.4	56.6	50.8
Long-Term Outflows	(75.3)	(54.8)	37.4%	(62.4)	(56.3)	(52.3)
Long-Term Net flows	(20.1)	(11.2)	79.5%	(8.0)	0.3	(1.5)
Net flows in non-management fee earning AUM*	(1.2)	3.2	N/A	0.9	(0.4)	1.6
Net flows in Inst. Money Market Funds	3.2	3.1	3.2%	0.9	0.4	(3.3)
Total Net Flows	(18.1)	(4.9)	269.4%	(6.2)	0.3	(3.2)
Reinvested Distributions	8.4	1.7	394.1%	0.7	0.6	5.9
Market Gains and Losses	(79.4)	14.3	N/A	10.3	(12.2)	14.9
Acquisitions **	—	9.5	N/A	38.1	—	—
Foreign Currency Translation	(3.6)	(3.0)	20.0%	(13.8)	7.9	2.5
Ending Assets	$888.2	$980.9	(9.5)%	$963.3	$934.2	$937.6
Average Long-Term AUM	749.3	803.6	(6.8)%	805.8	783.1	765.9
Ending Long-Term AUM	717.0	798.8	(10.2)%	795.4	771.6	775.8
Average AUM	$924.4	$985.1	(6.2)%	$973.9	$951.3	$930.3
Gross Revenue Yield (annualized)***	55.6bps	55.8bps		56.4bps	57.6bps	59.7bps
Gross Revenue Yield Less Performance Fees (annualized)***	54.4bps	55.4bps		55.9bps	57.2bps	57.9bps
Net Revenue Yield (annualized)****	39.8bps	39.3bps		40.0bps	40.3bps	43.2bps
Net Revenue Yield Less Performance Fees (annualized)****	38.6bps	38.9bps		39.5bps	39.9bps	41.3bps

* Non-management fee earning AUM includes Invesco QQQ, UIT and product leverage.
** As of July 1, 2018, we began including 100% of Invesco Great Wall Fund Management Company, which added $9.5 billion in AUM during the third quarter.
*** Gross revenue yield on AUM is equal to total operating revenues divided by average AUM, excluding JV AUM. Average AUM for Q4-18 for our joint ventures in China were $24.0bn (3Q18:$22.4bn; 2Q18: $8.8bn; 1Q18:$9.8bn; 4Q17:$9.1bn).
**** Net Revenue Yield on AUM is equal to net revenues divided by average AUM.

Total assets under management – by asset class

Invesco

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternatives
June 30, 2018	**$963.3**	**$446.9**	**$232.7**	**$57.4**	**$80.4**	**$145.9**
Long-Term Inflows	43.6	21.9	10.6	1.6	1.9	7.6
Long-Term Outflows	(54.8)	(29.4)	(10.9)	(2.7)	(1.3)	(10.5)
Long-Term Net flows	(11.2)	(7.5)	(0.3)	(1.1)	0.6	(2.9)
Net flows in non-management fee earning AUM*	3.2	2.3	0.9	—	—	—
Net flows in Inst. Money Market Fund	3.1	—	—	—	3.1	—
Reinvested Distributions	1.7	1.2	0.3	0.1	—	0.1
Market Gains and Losses	14.3	14.5	(0.2)	(0.2)	0.1	0.1
Acquisitions**	9.5	4.3	1.6	1.0	2.4	0.2
Foreign Currency Translation	(3.0)	(1.1)	(0.7)	(0.2)	(0.3)	(0.7)
September 30, 2018	**$980.9**	**$460.6**	**$234.3**	**$57.0**	**$86.3**	**$142.7**
Long-Term Inflows	55.2	25.9	16.2	1.6	2.8	8.7
Long-Term Outflows	(75.3)	(35.3)	(23.2)	(4.3)	(1.7)	(10.8)
Long-Term Net flows	(20.1)	(9.4)	(7.0)	(2.7)	1.1	(2.1)
Net flows in non-management fee earning AUM*	(1.2)	(0.9)	(0.3)	—	—	—
Net flows in Inst. Money Market Fund	3.2	—	—	—	3.2	—
Reinvested Distributions	8.4	7.8	0.3	0.1	—	0.2
Market Gains and Losses	(79.4)	(70.8)	(2.0)	(3.2)	0.4	(3.8)
Foreign Currency Translation	(3.6)	(2.1)	(0.3)	(0.8)	—	(0.4)
December 31, 2018	**$888.2**	**$385.2**	**$225.1**	**$50.4**	**$91.0**	**$136.5**

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.
**As of July 1, 2018, we began including 100% of Invesco Great Wall Fund Management Company, which added $9.5 billion in AUM during the third quarter.

Total assets under management – by asset class

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternatives
December 31, 2017	$937.6	$431.2	$225.8	$57.7	$78.7	$144.2
Long-Term Inflows	56.6	25.6	14.9	5.4	1.7	9.0
Long-Term Outflows	(56.3)	(31.3)	(12.6)	(2.9)	(1.4)	(8.1)
Long-Term Net flows	0.3	(5.7)	2.3	2.5	0.3	0.9
Net flows in non-management fee earning AUM*	(0.4)	—	(0.4)	—	—	—
Net flows in Inst. Money Market Fund	0.4	—	—	—	0.4	—
Reinvested Distributions	0.6	0.3	0.2	—	—	0.1
Market Gains and Losses	(12.2)	(8.3)	(1.6)	(1.3)	0.1	(1.1)
Foreign Currency Translation	7.9	3.1	1.6	0.8	0.1	2.3
March 31, 2018	$934.2	$420.6	$227.9	$59.7	$79.6	$146.4
Long-Term Inflows	54.4	26.5	13.1	3.6	1.3	9.9
Long-Term Outflows	(62.4)	(34.5)	(14.0)	(4.3)	(1.2)	(8.4)
Long-Term Net flows	(8.0)	(8.0)	(0.9)	(0.7)	0.1	1.5
Net flows in non-management fee earning AUM*	0.9	1.7	(0.8)	—	—	—
Net flows in Inst. Money Market Fund	0.9	—	—	—	0.9	—
Reinvested Distributions	0.7	0.3	0.3	—	—	0.1
Market Gains and Losses	10.3	11.4	(1.2)	0.3	0.1	(0.3)
Acquisitions	38.1	26.9	9.9	—	—	1.3
Foreign Currency Translation	(13.8)	(6.0)	(2.5)	(1.9)	(0.3)	(3.1)
June 30 , 2018	$963.3	$446.9	$232.7	$57.4	$80.4	$145.9

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Total assets under management – by channel

($ billions)	Total	Retail	Institutional
June 30, 2018	**$963.3**	**$635.5**	**$327.8**
Long-Term Inflows	43.6	34.4	9.2
Long-Term Outflows	(54.8)	(42.3)	(12.5)
Long-Term Net flows	(11.2)	(7.9)	(3.3)
Net flows in non-management fee earning AUM*	3.2	2.2	1.0
Net flows in Inst. Money Market Fund	3.1	4.5	(1.4)
Reinvested Distributions	1.7	1.7	—
Market Gains and Losses	14.3	13.0	1.3
Acquisitions **	9.5	4.5	5.0
Foreign Currency Translation	(3.0)	(1.4)	(1.6)
September 30, 2018	**$980.9**	**$652.1**	**$328.8**
Long-Term Inflows	55.2	38.4	16.8
Long-Term Outflows	(75.3)	(57.0)	(18.3)
Long-Term Net flows	(20.1)	(18.6)	(1.5)
Net flows in non-management fee earning AUM*	(1.2)	(1.0)	(0.2)
Net flows in Inst. Money Market Fund	3.2	2.8	0.4
Reinvested Distributions	8.4	8.4	—
Market Gains and Losses	(79.4)	(73.8)	(5.6)
Foreign Currency Translation	(3.6)	(3.2)	(0.4)
December 31, 2018	**$888.2**	**$566.7**	**$321.5**

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.
**As of July 1, 2018, we began including 100% of Invesco Great Wall Fund Management Company, which added $9.5 billion in AUM during the third quarter.

Total assets under management – by channel

($ billions)	Total	Retail	Institutional
December 31, 2017	**$937.6**	**$637.0**	**$300.6**
Long-Term Inflows	56.6	43.7	12.9
Long-Term Outflows	(56.3)	(45.8)	(10.5)
Long-Term Net flows	0.3	(2.1)	2.4
Net flows in non-management fee earning AUM*	(0.4)	(0.1)	(0.3)
Net flows in Inst. Money Market Fund	0.4	—	0.4
Reinvested Distributions	0.6	0.6	—
Market Gains and Losses	(12.2)	(11.0)	(1.2)
Transfers **	—	(29.5)	29.5
Foreign Currency Translation	7.9	4.5	3.4
March 31, 2018	**$934.2**	**$599.4**	**$334.8**
Long-Term Inflows	54.4	42.3	12.1
Long-Term Outflows	(62.4)	(49.0)	(13.4)
Long-Term Net flows	(8.0)	(6.7)	(1.3)
Net flows in non-management fee earning AUM*	0.9	1.6	(0.7)
Net flows in Inst. Money Market Fund	0.9	1.7	(0.8)
Reinvested Distributions	0.7	0.7	—
Market Gains and Losses	10.3	9.5	0.8
Acquisitions	38.1	38.1	—
Foreign Currency Translation	(13.8)	(8.8)	(5.0)
June 30, 2018	**$963.3**	**$635.5**	**$327.8**

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

** During the first quarter of 2018, $29.5 billion of AUM were transferred from retail into institutional to better reflect the activities of institutional sales teams and the clients they support.

Total assets under management – by client domicile

($ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2018	**$963.3**	**$622.1**	**$25.4**	**$100.9**	**$126.3**	**$88.6**
Long-Term Inflows	43.6	22.9	0.9	2.7	10.9	6.2
Long-Term Outflows	(54.8)	(28.8)	(1.2)	(6.4)	(12.6)	(5.8)
Long-Term Net flows	(11.2)	(5.9)	(0.3)	(3.7)	(1.7)	0.4
Net flows in non-management fee earning AUM*	3.2	3.2	—	—	—	—
Net flows in Inst. Money Market Fund	3.1	(2.1)	—	—	—	5.2
Reinvested Distributions	1.7	1.6	—	0.1	—	—
Market Gains and Losses	14.3	14.1	—	(0.2)	0.8	(0.4)
Acquisitions	9.5	—	—	—	—	9.5
Foreign Currency Translation	(3.0)	—	0.5	(1.0)	(0.6)	(1.9)
September 30, 2018	**$980.9**	**$633.0**	**$25.6**	**$96.1**	**$124.8**	**$101.4**
Long-Term Inflows	55.2	31.5	1.2	2.6	13.1	6.8
Long-Term Outflows	(75.3)	(46.1)	(1.6)	(5.9)	(16.2)	(5.5)
Long-Term Net flows	(20.1)	(14.6)	(0.4)	(3.3)	(3.1)	1.3
Net flows in non-management fee earning AUM*	(1.2)	(1.2)	—	—	—	—
Net flows in Inst. Money Market Fund	3.2	0.4	—	0.1	—	2.7
Reinvested Distributions	8.4	8.2	—	0.2	—	—
Market Gains and Losses	(79.4)	(59.5)	(2.2)	(6.2)	(8.0)	(3.5)
Foreign Currency Translation	(3.6)	—	(1.3)	(1.8)	(1.2)	0.7
December 31, 2018	**$888.2**	**$566.3**	**$21.7**	**$85.1**	**$112.5**	**$102.6**

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.
**As of July 1, 2018, we began including 100% of Invesco Great Wall Fund Management Company, which added $9.5 billion in AUM during the third quarter.

Total assets under management – by client domicile

($ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2017	**$937.6**	**$585.4**	**$26.8**	**$110.9**	**$127.1**	**$87.4**
Long-Term Inflows	56.6	26.1	1.5	4.1	17.3	7.6
Long-Term Outflows	(56.3)	(28.6)	(1.6)	(5.2)	(15.2)	(5.7)
Long-Term Net flows	0.3	(2.5)	(0.1)	(1.1)	2.1	1.9
Net flows in non-management fee earning AUM*	(0.4)	(0.4)	—	—	—	—
Net flows in Inst. Money Market Fund	0.4	1.2	—	(0.3)	0.1	(0.6)
Reinvested Distributions	0.6	0.5	—	0.1	—	—
Market Gains and Losses	(12.2)	(3.5)	(0.2)	(4.3)	(1.9)	(2.3)
Acquisitions	—	—	—	—	—	—
Transfers	—	—	—	—	—	—
Foreign Currency Translation	7.9	—	(0.8)	3.9	2.3	2.5
March 31, 2018	**$934.2**	**$580.7**	**$25.7**	**$109.2**	**$129.7**	**$88.9**
Long-Term Inflows	54.4	23.9	1.1	3.3	17.9	8.2
Long-Term Outflows	(62.4)	(30.5)	(1.2)	(6.4)	(16.8)	(7.5)
Long-Term Net flows	(8.0)	(6.6)	(0.1)	(3.1)	1.1	0.7
Net flows in non-management fee earning AUM*	0.9	0.9	—	—	—	—
Net flows in Inst. Money Market Fund	0.9	1.7	—	(2.0)	(0.4)	1.6
Reinvested Distributions	0.7	0.5	—	0.2	—	—
Market Gains and Losses	10.3	6.8	0.3	2.5	0.5	0.2
Acquisitions	38.1	38.1	—	—	—	—
Transfers	—	—	—	—	—	—
Foreign Currency Translation	(13.8)	—	(0.5)	(5.9)	(4.6)	(2.8)
June 30, 2018	**$963.3**	**$622.1**	**$25.4**	**$100.9**	**$126.3**	**$88.6**

* Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by asset class

Invesco

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2018	**$241.2**	**$163.3**	**$63.1**	**$—**	**$—**	**$14.8**
Long-Term Inflows	15.3	11.1	3.0	—	—	1.2
Long-Term Outflows	(15.6)	(9.8)	(2.9)	—	—	(2.9)
Long-Term Net flows	(0.3)	1.3	0.1	—	—	(1.7)
Net flows in non-management fee earning AUM*	3.2	2.3	0.9	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	9.6	10.0	(0.2)	—	—	(0.2)
Acquisitions	0.2	0.2	—	—	—	—
Foreign Currency Translation	—	—	—	—	—	—
September 30, 2018	**$253.9**	**$177.1**	**$63.9**	**$—**	**$—**	**$12.9**
Long-Term Inflows	19.6	14.6	3.3	—	—	1.7
Long-Term Outflows	(23.3)	(14.0)	(7.7)	—	—	(1.6)
Long-Term Net flows	(3.7)	0.6	(4.4)	—	—	0.1
Net flows in non-management fee earning AUM*	(1.2)	(0.9)	(0.3)	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	(28.8)	(26.8)	(1.3)	—	—	(0.7)
Acquisitions	—	—	—	—	—	—
Transfers	1.0	0.6	0.5	—	—	(0.1)
Foreign Currency Translation	(0.2)	(0.1)	(0.1)	—	—	—
December 31, 2018	**$221.0**	**$150.5**	**$58.3**	**$—**	**$—**	**$12.2**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by asset class

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
December 31, 2017	**$199.0**	**$128.4**	**$57.3**	**$—**	**$—**	**$13.3**
Long-Term Inflows	16.5	10.3	3.3	—	—	2.9
Long-Term Outflows	(14.7)	(10.6)	(2.8)	—	—	(1.3)
Long-Term Net flows	1.8	(0.3)	0.5	—	—	1.6
Net flows in non-management fee earning AUM*	(0.4)	—	(0.4)	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	(0.4)	0.1	(0.7)	—	—	0.2
Foreign Currency Translation	0.3	0.1	0.1	—	—	0.1
March 31, 2018	**$200.3**	**$128.3**	**$56.8**	**$—**	**$—**	**$15.2**
Long-Term Inflows	18.8	12.5	3.9	—	—	2.4
Long-Term Outflows	(18.4)	(11.8)	(4.3)	—	—	(2.3)
Long-Term Net flows	0.4	0.7	(0.4)	—	—	0.1
Net flows in non-management fee earning AUM*	0.9	1.7	(0.8)	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	4.8	6.0	(0.6)	—	—	(0.6)
Acquisitions	36.9	26.9	8.7	—	—	1.3
Transfers	(1.5)	—	(0.3)	—	—	(1.2)
Foreign Currency Translation	(0.6)	(0.3)	(0.3)	—	—	—
June 30, 2018	**$241.2**	**$163.3**	**$63.1**	**$—**	**$—**	**$14.8**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by channel

($ billions)	Total	Retail	Institutional
June 30, 2018	**$241.2**	**$225.6**	**$15.6**
Long-Term Inflows	15.3	15.3	—
Long-Term Outflows	(15.6)	(15.6)	—
Long-Term Net flows	(0.3)	(0.3)	—
Net flows in non-management fee earning AUM*	3.2	2.2	1.0
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	9.6	9.6	—
Acquisitions	0.2	0.2	—
Foreign Currency Translation	—	—	—
September 30, 2018	**$253.9**	**$237.3**	**$16.6**
Long-Term Inflows	19.6	19.6	—
Long-Term Outflows	(23.3)	(23.3)	—
Long-Term Net flows	(3.7)	(3.7)	—
Net flows in non-management fee earning AUM*	(1.2)	(1.0)	(0.2)
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	(28.8)	(28.8)	—
Transfers	1.0	1.0	—
Foreign Currency Translation	(0.2)	(0.2)	—
September 30, 2018	**$221.0**	**$204.6**	**$16.4**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by channel

($ billions)	Total	Retail	Institutional
December 31, 2017	**$199.0**	**$182.0**	**$17.0**
Long-Term Inflows	16.5	16.5	—
Long-Term Outflows	(14.7)	(14.7)	—
Long-Term Net flows	1.8	1.8	—
Net flows in non-management fee earning AUM*	(0.4)	(0.1)	(0.3)
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	(0.4)	(0.4)	—
Acquisitions	—	—	—
Foreign Currency Translation	0.3	0.2	0.1
March 31, 2018	**$200.3**	**$183.5**	**$16.8**
Long-Term Inflows	18.8	18.8	—
Long-Term Outflows	(18.4)	(18.4)	—
Long-Term Net flows	0.4	0.4	—
Net flows in non-management fee earning AUM*	0.9	1.6	(0.7)
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	4.8	5.3	(0.5)
Acquisitions	36.9	36.9	—
Transfers	(1.5)	(1.5)	—
Foreign Currency Translation	(0.6)	(0.6)	—
June 30, 2018	**$241.2**	**$225.6**	**$15.6**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by client domicile

($ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
June 30, 2018	**$241.2**	**$209.4**	**$0.5**	**$—**	**$30.6**	**$0.7**
Long-Term Inflows	15.3	9.5	0.1	—	5.6	0.1
Long-Term Outflows	(15.6)	(9.2)	—	—	(6.3)	(0.1)
Long-Term Net flows	(0.3)	0.3	0.1	—	(0.7)	—
Net flows in non-management fee earning AUM*	3.2	3.2	—	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	9.6	9.1	—	—	0.5	—
Acquisitions	0.2	—	—	—	—	0.2
Transfers	—	(0.5)	—	—	—	0.5
Foreign Currency Translation	—	—	—	—	—	—
September 30, 2018	**$253.9**	**$221.5**	**$0.6**	**$—**	**$30.4**	**$1.4**
Long-Term Inflows	19.6	12.3	0.1	—	7.1	0.1
Long-Term Outflows	(23.3)	(15.9)	(0.1)	—	(7.2)	(0.1)
Long-Term Net flows	(3.7)	(3.6)	—	—	(0.1)	—
Net flows in non-management fee earning AUM*	(1.2)	(1.2)	—	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	(28.8)	(26.4)	—	—	(2.3)	(0.1)
Acquisitions	—	—	—	—	—	—
Transfers	1.0	—	—	—	1.0	—
Foreign Currency Translation	(0.2)	—	—	—	(0.2)	—
December 31, 2018	**$221.0**	**$190.3**	**$0.6**	**$—**	**$28.8**	**$1.3**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Passive assets under management – by client domicile

($ billions)	Total	U.S.	Canada	U.K.	Continental Europe	Asia
December 31, 2017	**$199.0**	**$167.3**	**$0.6**	**$—**	**$30.0**	**$1.1**
Long-Term Inflows	16.5	9.4	—	—	7.1	—
Long-Term Outflows	(14.7)	(8.4)	(0.1)	—	(6.2)	—
Long-Term Net flows	1.8	1.0	(0.1)	—	0.9	—
Net flows in non-management fee earning AUM*	(0.4)	(0.4)	—	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	(0.4)	(0.2)	—	—	(0.2)	—
Foreign Currency Translation	0.3	—	—	—	0.3	—
March 31, 2018	**$200.3**	**$167.7**	**$0.5**	**$—**	**$31.0**	**$1.1**
Long-Term Inflows	18.8	11.3	—	—	7.3	0.2
Long-Term Outflows	(18.4)	(11.3)	—	—	(7.0)	(0.1)
Long-Term Net flows	0.4	—	—	—	0.3	0.1
Net flows in non-management fee earning AUM*	0.9	0.9	—	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	4.8	5.4	—	—	(0.1)	(0.5)
Acquisitions	36.9	36.9	—	—	—	—
Transfers	(1.5)	(1.5)	—	—	—	—
Foreign Currency Translation	(0.6)	—	—	—	(0.6)	—
June 30, 2018	**$241.2**	**$209.4**	**$0.5**	**$—**	**$30.6**	**$0.7**

*Non-management fee earning AUM includes Invesco QQQ, UIT, and product leverage.

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2018

Invesco

Please refer to pages 11-14 in the 4Q 2018 earnings press release for a description of the adjustments

($ millions) Operating Revenues	US GAAP Basis	Proportional Consolidation of Joint Ventures	3rd 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
Investment Management Fees	949	34	—	—	—	10	—	993
Service and Distribution Fees	232	—	—	—	—	—	—	232
Performance Fees	28	—	—	—	—	—	—	28
Other	47	2	—	—	—	—	—	49
Third-Party Distribution, Service and Advisory	—	(11)	(372)	—	—	—	—	(383)
Total Operating Revenues reconciled to net revenues	**1,256**	**26**	**(372)**	**—**	**—**	**10**	**—**	**919**
Operating Expenses								
Third-Party Distribution, Service and Advisory	372	—	(372)	—	—	—	—	—
Employee Compensation	349	12	—	—	11	—	—	372
Marketing	41	2	—	—	—	—	—	43
Property, Office and Technology	108	2	—	—	—	—	—	110
General and Administrative	93	2	—	—	—	(2)	—	93
Transaction, Integration and Restructuring	62	—	—	(62)	—	—	—	—
Total Operating Expenses	**1,026**	**18**	**(372)**	**(62)**	**11**	**(2)**	**—**	**619**
Operating Income reconciled to adjusted operating income	**230**	**8**	**—**	**62**	**(11)**	**12**	**—**	**300**
Equity in Earnings of Unconsolidated Affiliates	5	(4)	—	—	—	1	—	2
Interest and Dividend Income	10	1	—	—	(4)	—	—	8
Interest Expense	(29)	—	—	—	—	—	—	(29)
Other Gains and Losses, net	(42)	1	—	—	28	(18)	(3)	(34)
Other income/(expense) of CIP, net	(27)	—	—	—	—	27	—	—
Income before income taxes	**148**	**6**	**—**	**62**	**13**	**20**	**(3)**	**246**
Income Tax Provision	(53)	(3)	—	(4)	(3)	—	1	(62)
Net income	95	3	—	58	10	20	(2)	185
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	19	(3)	—	—	—	(19)	—	(3)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	**114**	**—**	**—**	**58**	**10**	**1**	**(2)**	**181**
Diluted EPS	$0.28					Adjusted diluted EPS		$0.44
Diluted Shares Outstanding	410.1					Diluted Shares Outstanding		410.1
Operating Margin	18.3%					Adjusted Operating Margin		32.6%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Reconciliation of US GAAP results to non-GAAP results – three months ended September 30, 2018

Invesco

Please refer to pages 8-11 in the 3Q 2018 earnings press release for a description of the adjustments

($ millions) Operating Revenues	US GAAP Basis	Proportional Consolidation of Joint Ventures	3rd 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
Investment Management Fees	1,039	36	—	—	—	5	—	1,079
Service and Distribution Fees	248	—	—	—	—	—	—	248
Performance Fees	8	—	—	—	—	—	—	8
Other	47	2	—	—	—	—	—	49
Third-Party Distribution, Service and Advisory	—	(9)	(408)	—	—	—	—	(417)
Total Operating Revenues reconciled to net revenues	1,342	28	(408)	—	—	5	—	967
Operating Expenses								
Third-Party Distribution, Service and Advisory	408	—	(408)	—	—	—	—	—
Employee Compensation	381	12	—	—	(4)	—	—	389
Marketing	33	1	—	—	—	—	—	35
Property, Office and Technology	104	2	—	—	—	—	—	106
General and Administrative	61	1	—	—	—	(5)	23	80
Transaction, Integration and Restructuring	33	—	—	(33)	—	—	—	—
Total Operating Expenses	1,020	17	(408)	(33)	(4)	(5)	23	609
Operating Income reconciled to adjusted operating income	322	12	—	33	4	10	(23)	358
Equity in Earnings of Unconsolidated Affiliates	12	(5)	—	—	—	3	—	10
Interest and Dividend Income	4	2	—	—	—	—	—	5
Interest Expense	(30)	—	—	—	—	—	—	(30)
Other Gains and Losses, net	6	1	—	—	(3)	(8)	(3)	(7)
Other income/(expense) of CIP, net	28	—	—	—	—	(28)	—	—
Income before income taxes	342	9	—	33	1	(23)	(26)	337
Income Tax Provision	(61)	(3)	—	3	—	—	5	(57)
Net income	281	5	—	36	1	(23)	(20)	280
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(12)	(5)	—	—	—	12	—	(5)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	270	—	—	36	1	(11)	(20)	274
Diluted EPS	$0.65					Adjusted diluted EPS		$0.66
Diluted Shares Outstanding	414.4					Diluted Shares Outstanding		414.4
Operating Margin	24.0%					Adjusted Operating Margin		37.0%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Reconciliation of US GAAP results to non-GAAP results – three months ended June 30, 2018

Please refer to pages 8-10 in the 2Q 2018 earnings press release for a description of the adjustments

($ millions) Operating Revenues	US GAAP Basis	Proportional Consolidation of Joint Ventures	3rd 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
Investment Management Fees	1,051	16	—	—	—	7	—	1,074
Service and Distribution Fees	243	—	—	—	—	—	—	243
Performance Fees	12	1	—	—	—	—	—	13
Other	56	1	—	—	—	—	—	57
Third-Party Distribution, Service and Advisory	—	(4)	(409)	—	—	—	—	(413)
Total Operating Revenues reconciled to net revenues	1,361	15	(409)	—	—	7	—	974
Operating Expenses								
Third-Party Distribution, Service and Advisory	409	—	(409)	—	—	—	—	—
Employee Compensation	379	7	—	—	(3)	—	—	383
Marketing	32	1	—	—	—	—	—	33
Property, Office and Technology	99	1	—	—	—	—	—	100
General and Administrative	87	1	—	—	—	(6)	—	82
Transaction, Integration and Restructuring	24	—	—	(24)	—	—	—	—
Total Operating Expenses	1,029	9	(409)	(24)	(3)	(6)	—	597
Operating Income reconciled to adjusted operating income	331	6	—	24	3	13	—	377
Equity in Earnings of Unconsolidated Affiliates	7	(5)	—	—	—	2	—	5
Interest and Dividend Income	3	—	—	—	—	—	—	3
Interest Expense	(30)	—	—	—	—	—	—	(30)
Other Gains and Losses, net	1	—	—	—	(1)	(9)	(2)	(11)
Other income/(expense) of CIP, net	1	—	—	—	—	(1)	—	—
Income before income taxes	314	2	—	24	1	5	(2)	344
Income Tax Provision	(72)	(2)	—	3	—	—	1	(71)
Net income	242	—	—	26	1	5	(2)	273
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	3	—	—	—	—	(3)	—	—
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	245	—	—	26	1	2	(2)	273
Diluted EPS	$0.59					Adjusted diluted EPS		$0.66
Diluted Shares Outstanding	414.1					Diluted Shares Outstanding		414.1
Operating Margin	24.3%					Adjusted Operating Margin		38.7%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Reconciliation of US GAAP results to non-GAAP results – three months ended March 31, 2018

Please refer to pages 8-10 in the 1Q 2018 earnings press release for a description of the adjustments

($ millions) Operating Revenues	US GAAP Basis	Proportional Consolidation of Joint Ventures	3rd 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
Investment Management Fees	1,044	16	—	—	—	7	—	1,067
Service and Distribution Fees	246	—	—	—	—	—	—	246
Performance Fees	9	—	—	—	—	—	—	9
Other	57	1	—	—	—	—	—	58
Third-Party Distribution, Service and Advisory	—	(3)	(419)	—	—	—	—	(422)
Total Operating Revenues reconciled to net revenues	**1,356**	**14**	**(419)**	**—**	**—**	**7**	**—**	**958**
Operating Expenses								
Third-Party Distribution, Service and Advisory	419	—	(419)	—	—	—	—	—
Employee Compensation	385	6	—	—	(2)	—	—	390
Marketing	28	1	—	—	—	—	—	29
Property, Office and Technology	100	1	—	—	—	—	—	101
General and Administrative	84	1	—	—	—	(3)	—	81
Transaction, Integration and Restructuring	19	—	—	(19)	—	—	—	—
Total Operating Expenses	**1,035**	**8**	**(419)**	**(19)**	**(2)**	**(3)**	**—**	**601**
Operating Income reconciled to adjusted operating income	**321**	**6**	**—**	**19**	**2**	**10**	**—**	**357**
Equity in Earnings of Unconsolidated Affiliates	10	(6)	—	—	—	4	—	8
Interest and Dividend Income	4	1	—	—	—	—	—	5
Interest Expense	(23)	—	—	—	—	—	—	(23)
Other Gains and Losses, net	(5)	—	—	—	4	1	(2)	(2)
Other income/(expense) of CIP, net	27	—	—	—	—	(27)	—	—
Income before income taxes	**334**	**1**	**—**	**19**	**5**	**(12)**	**(2)**	**345**
Income Tax Provision	(68)	(1)	—	(1)	(1)	-	—	(71)
Net income	265	—	—	18	4	(12)	(2)	274
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(11)	—	—	—	—	11	—	—
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	**254**	**—**	**—**	**18**	**4**	**(1)**	**(2)**	**274**
Diluted EPS	$0.62					Adjusted diluted EPS		$0.67
Diluted Shares Outstanding	411.8					Diluted Shares Outstanding		411.8
Operating margin	23.7%					Adjusted Operating Margin		37.3%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Reconciliation of US GAAP results to non-GAAP results – three months ended December 31, 2017

Please refer to pages 8-10 in the 4Q 2017 earnings press release for a description of the adjustments

($ millions) Operating Revenues	US GAAP Basis	Proportional Consolidation of Joint Ventures	3rd 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
Investment Management Fees	1,099	14	—	—	—	7	—	1,119
Service and Distribution Fees	218	—	—	—	—	—	—	218
Performance Fees	43	—	—	—	—	—	—	43
Other	16	2	—	—	—	—	—	18
Third-Party Distribution, Service and Advisory	—	(3)	(391)	—	—	—	—	(394)
Total Operating Revenues reconciled to net revenues	1,376	14	(391)	—	—	7	—	1,005
Operating Expenses								
Third-Party Distribution, Service and Advisory	391	—	(391)	—	—	—	—	—
Employee Compensation	379	5	—	—	(6)	—	—	378
Marketing	39	1	—	—	—	—	—	40
Property, Office and Technology	100	1	—	—	—	—	—	101
General and Administrative	94	—	—	—	—	(5)	—	89
Transaction, Integration and Restructuring	31	—	—	(31)	—	—	—	—
Total Operating Expenses	1,033	8	(391)	(31)	(6)	(5)	—	607
Operating Income reconciled to adjusted operating income	343	6	—	31	6	12	—	398
Equity in Earnings of Unconsolidated Affiliates	4	(6)	—	—	—	12	—	9
Interest and Dividend Income	6	1	—	—	(2)	—	—	5
Interest Expense	(24)	—	—	—	—	—	—	(24)
Other Gains and Losses, net	26	1	—	—	(4)	6	(8)	20
Other income/(expense) of CIP, net	45	—	—	—	—	(45)	—	—
Income before income taxes	399	2	—	31	—	(15)	(8)	408
Income Tax Provision	(23)	(2)	—	(3)	—	-	(128)	(109)
Net income	423	—	—	28	—	(15)	(136)	299
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(14)	—	—	—	—	14	—	—
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	408	—	—	28	—	(1)	(136)	299
Diluted EPS	$0.99					Adjusted diluted EPS		$0.73
Diluted Shares Outstanding	410.6					Diluted Shares Outstanding		410.6
Operating margin	24.9%					Adjusted Operating Margin		39.6%

* The company added a new U.S. GAAP income statement line item, "Transaction, Integration and Restructuring." This line item includes transaction-related costs for acquisitions, as well as integration and restructuring-related costs. The presentation of prior period amounts has been reclassified to be consistent with the current period presentation.

Transaction-related non-GAAP measures

This presentation includes transaction-related non-GAAP measures.

The operating metrics are presented for projection purposes only and are presented consistently with Invesco's non-GAAP management reporting approach.

- Projected adjusted operating income, adjusted operating expenses, net operating margin and pro-forma EBITDA reflect the benefit of the expected year one synergies and exclude the expected integration costs.
- Net revenues, adjusted operating expenses and adjusted operating margin reflect distribution, service and advisory expenses net of total gross revenues.

The US GAAP impact of this transaction cannot be quantified at this time, as such calculations are dependent on the nature of the purchase price accounting adjustments and their impact going forward.

Thank you