Second quarter 2019 results

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President and Chief Executive Officer
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Chief Financial Officer

July 25, 2019

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 related to the acquisition of OppenheimerFunds (the "transaction"), the anticipated benefits of the transaction, the impact of the transaction on Invesco's business, 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 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 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 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 second quarter 2019 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

Presentation

Questions

Appendix

With $1.2 trillion in AUM, we have the investment capabilities, client relevance and scale to drive continued growth

Scale and Client Relevance

$1.2T in Assets under Management

#6 U.S. Retail Asset Manager,
#13 Globally[1]

Deeper relationships with top US wealth mgt. platforms: **6** clients with **>$30B** AUM[2]

Differentiated Investment Capabilities

Top 10 in AUM relative to US peers in 10 of 15 largest AUM categories, including:

#2 Emerging Market, #2 Bank Loans, #2 HY Munis, #3 Global Equities

85% of OppenheimerFunds AUM in high-demand, alpha-persistent asset classes

Positioned for Growth

Enhanced investment capabilities coupled with deeper client relationships to drive organic growth

Stronger, more talented organization with a deeper management team

Combined platform to deliver top-line growth and **$475M** in annual net synergies

Shareholder Value Creation[3]

Increased scale, resiliency and stability with **>41%** run-rate op. margins

>$0.24 2019 and **>$0.58** 2020 EPS accretion from run-rate synergies

Pro-forma year-end run-rate EBITDA in 2020 expected to exceed **$2.6B**

(1) Source for US ranking: Invesco and Strategic Insight. Based on July 2018 AUM of US domiciled long-term open-end, closed-end, exchange traded funds, money market funds, and VI assets as measured at the parent company level. It does not include funds that are not US domiciled or any other categories of investment vehicles not expressly listed, such as, but not limited to SA, SMA and UIT assets. Source for global ranking: P&I Research, Morningstar (AUM as of June 2018) and Simfund (AUM as of Dec. 31, 2017), Advisor Brandscape.
(2) Source: Invesco and OppenheimerFunds data as of March 31, 2019.
(3) Transaction-related non-GAAP measures; see appendix. See Q1 2019 earnings presentation for details.

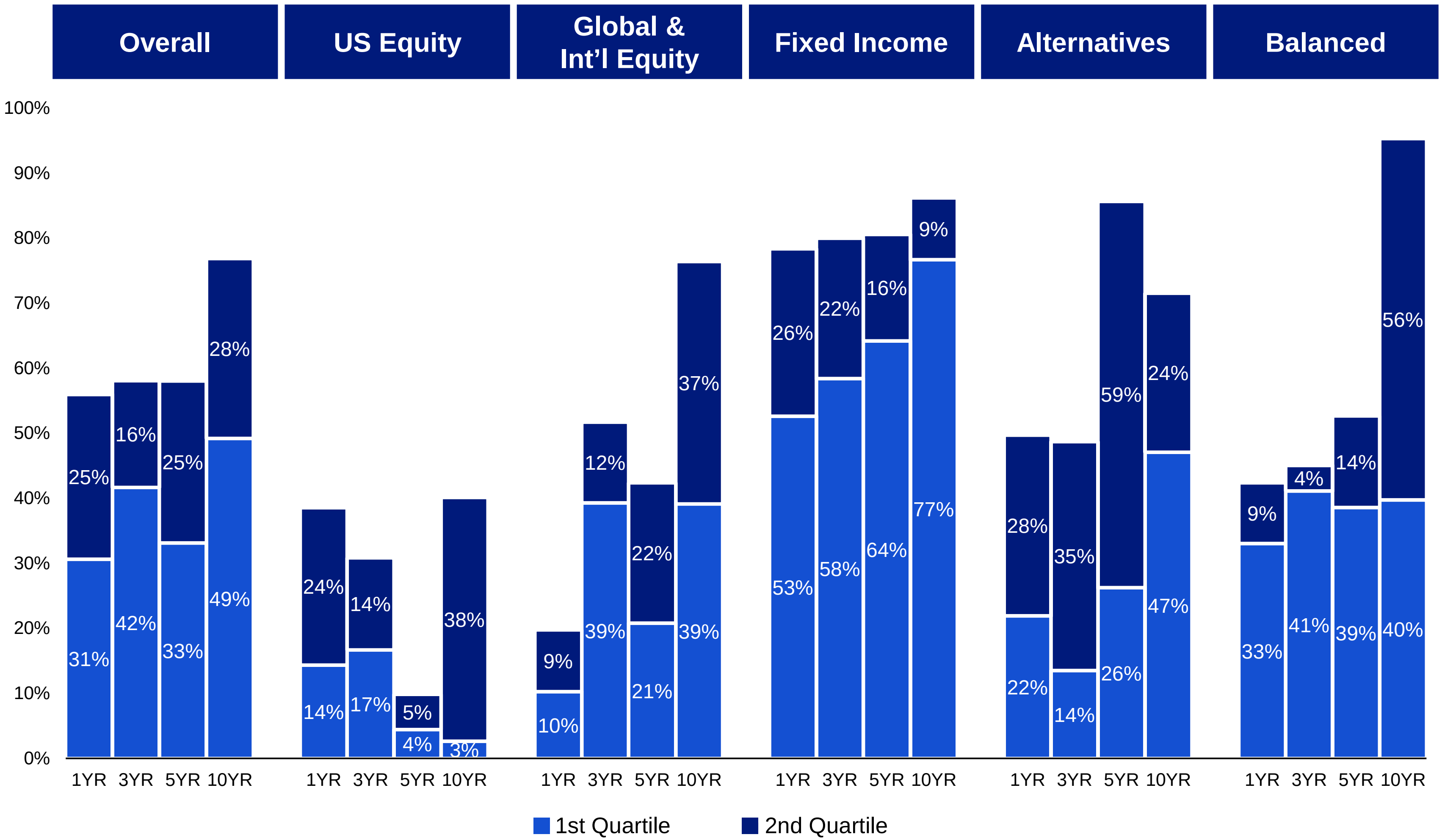
Second quarter 2019 highlights

Investment Performance	• 56%, 58%, 58%, and 77% of actively managed assets in top half of peer group on a 1-, 3-, 5-, and 10-year basis
Net Flows	• Long-term net outflows of $3.9 billion, an improvement of $1.5 billion vs. the prior quarter reflecting improved ETF flows and institutional strength across our capabilities • Long-term net outflows improved by $4.1 billion vs. 2Q18
AUM and Net Revenue Yield[1]	• Jun 30, 2019 AUM of $1,197.8 billion, up from $954.8 billion at March 31, 2019 • Average AUM of $1,055.9 billion, up from $932.8 billion for the first quarter of 2019 • Net revenue yield ex-performance fees increased to 38.5bps versus 37.1 in the prior quarter
Overall Adjusted Operating Results[1]	• Net revenues were up 16% while expenses were up 11% versus the prior quarter • Adjusted operating income was $363.4 million versus $284.3 million in the prior quarter • Adjusted operating margin was 35.2% in the quarter versus 32.0% in the prior quarter • Adjusted diluted EPS for the quarter was $0.65 versus $0.56 in the prior quarter
Capital Mgmt. & Balance Sheet	• Returned $389 million to shareholders during the second quarter through a combination of more than $125 million in dividends and $264 million of share repurchases • Issued 75.7 million common shares and $4 billion in preferred shares in conjunction with the close of the Oppenheimer transaction (6.2 million additional common shares to be issued to employees upon vesting)

(1) Non-GAAP financial measures – see Appendix to this presentation for a reconciliation to the most directly comparable U.S. GAAP financial measure

Investment performance

% of Actively Managed Assets in Top Half of Peer Group



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

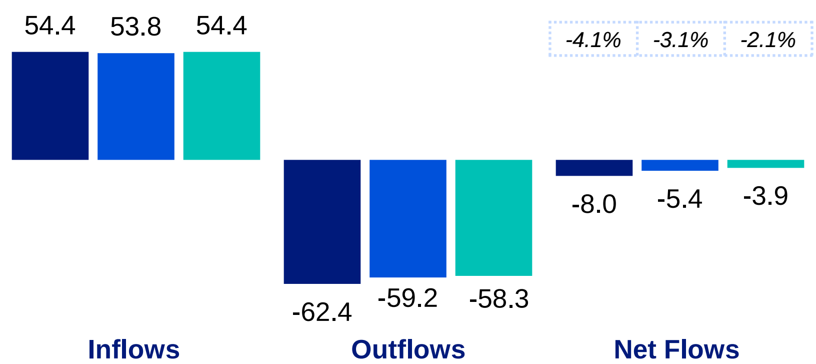
Data as of 6/30/2019. Includes AUM of $716.2 billion (60% of total IVZ) for 1 year, $712.6 billion (60% of total IVZ) for three year, $701.2 billion (59% of total IVZ) for 5 year and $629.8 billion (53% of total IVZ) for ten year . Peer group rankings are sourced from a widely-used third party ranking 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.

Long-term flows and annualized organic growth

Q2'18 Q1'19 Q2'19 Annualized LT Org. Growth[1]

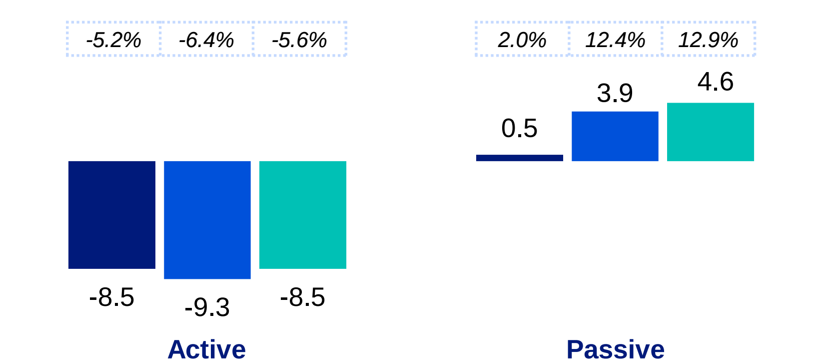
Total Flows

$ billions



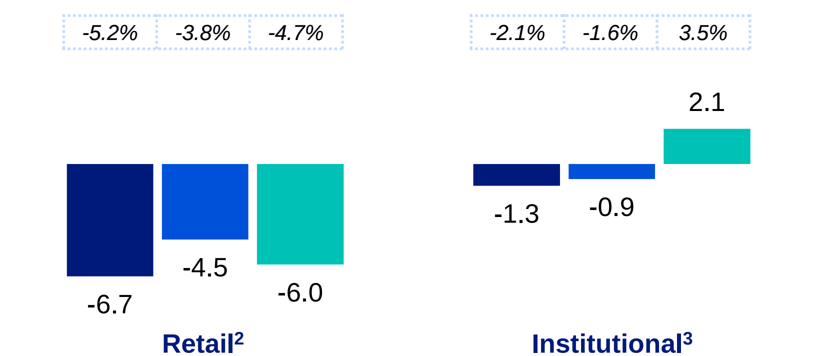
by Investment Approach

$ billions



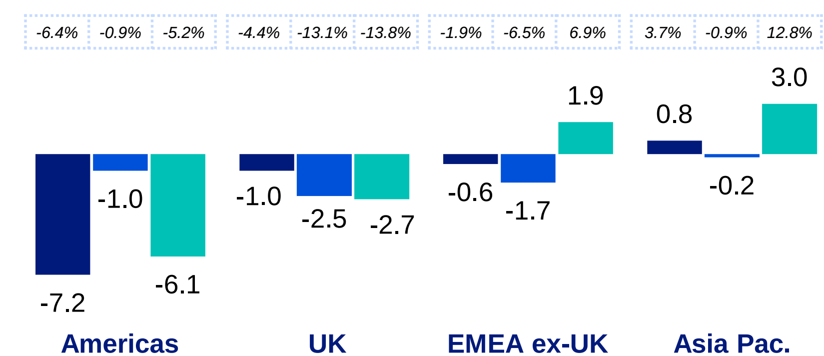
by Channel

$ billions



by Geography

$ billions



(1) Annualized long-term organic growth rate is calculated using long-term net flows (annualized) divided by opening long-term AUM for the period
(2) Retail AUM are distributed by the company's retail sales team and generally include retail products in the U.S., Canada, U.K., Continental Europe, Asia and our offshore product line. Retail AUM and flows exclude money market and non-management fee earning AUM
(3) Institutional AUM are distributed by the company's institutional sales team and generally includes our institutional investment capabilities in the U.S., Canada, U.K., Continental Europe and Asia. Institutional AUM and flows exclude money market and non-management fee earning AUM

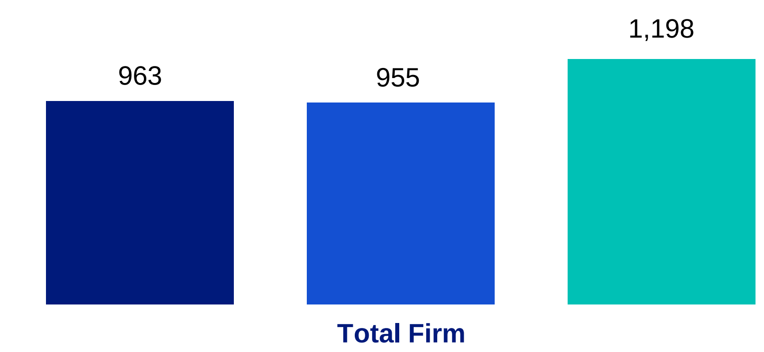
Assets under management

Invesco

■ Q2'18 ■ Q1'19 ■ Q2'19 ⬚ % of Total Firm AUM

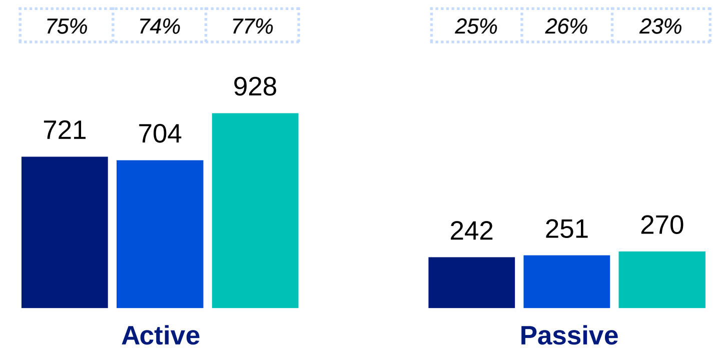
Total AUM

$ billions



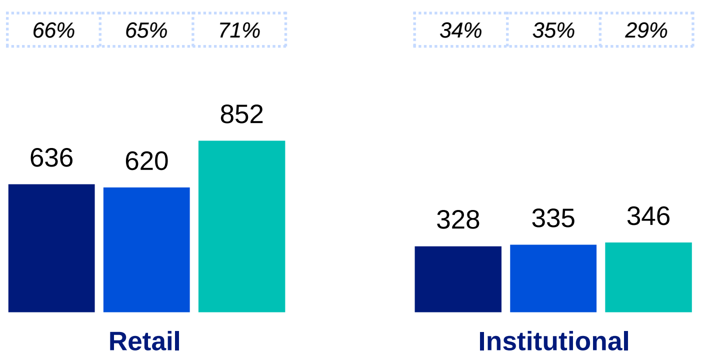
by Investment Approach

$ billions



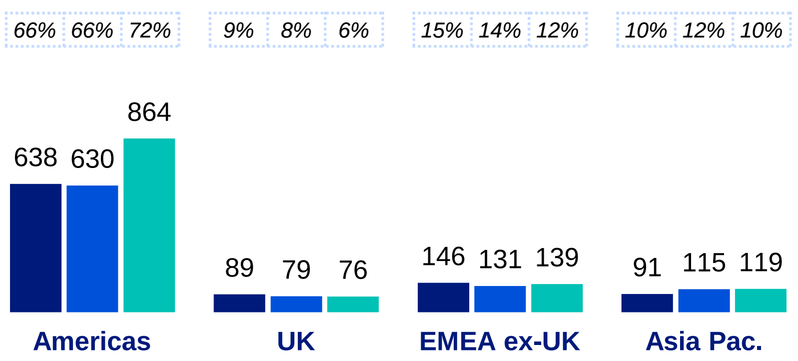
by Channel

$ billions



by Geography

$ billions



In the second quarter of 2019, the company changed the presentation of its AUM. The presentation reflects the combination of the U.S and Canada to form Americas and Continental Europe to now be EMEA ex U.K. In the AUM charts, all periods have been reclassified to conform to the new presentation

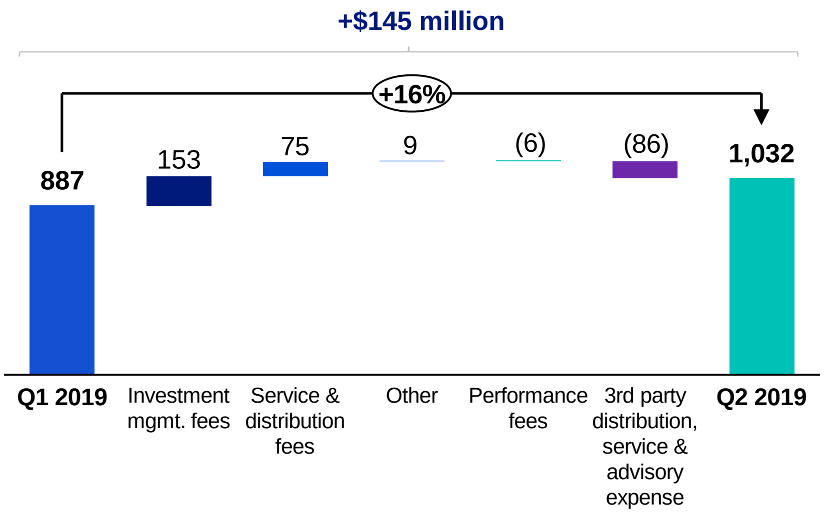
US GAAP operating results – Q2'19 vs. Q1'19

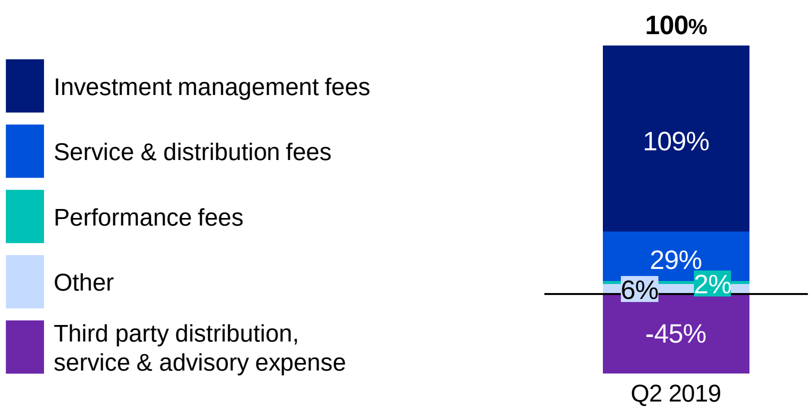
($ millions)	Q2-19	Q1-19	% Change
Operating Revenues			
Investment Management Fees	1,071.3	923.7	16.0%
Service and Distribution Fees	294.1	219.3	34.1%
Performance Fees	15.7	21.8	(28.0)%
Other	58.3	49.8	17.1%
Total Operating Revenues	1,439.4	1,214.6	18.5%
Operating Expenses			
Third-Party Distribution, Service and Advisory Expenses	451.8	368.0	22.8%
Employee Compensation	421.9	381.3	10.6%
Marketing	33.4	28.0	19.3%
Property, Office and Technology	114.9	107.2	7.2%
General and Administrative	94.2	83.8	12.4%
Transaction, Integration, and Restructuring	304.9	46.1	561.4%
Total Operating Expenses	1,421.1	1,014.4	40.1%
Operating Income	18.3	200.2	(90.9)%
Other Income/(Expense)			
Equity in Earnings of Unconsolidated Affiliates	12.1	15.0	(19.3)%
Interest and Dividend Income	3.9	4.7	(17.0)%
Interest Expense	(33.0)	(33.1)	(0.3)%
Other Gains and Losses, net	24.1	31.1	N/A
Other income/(expense) of CIP, net	51.1	38.9	N/A
Income before income taxes	76.5	256.8	(70.2)%
Income Tax Provision	(14.5)	(66.2)	(78.1)%
Effective Tax Rate	19.0%	25.8%	
Net Income	62.0	190.6	(67.5)%
Net (Income)/Loss attributable to Noncontrolling Interests in Consolidated Entities	(21.9)	(12.9)	N/A
Net Income attributable to Invesco Ltd.	40.1	177.7	(77.4)%
Diluted EPS	$0.09	$0.44	(79.5)%
Operating Margin	1.3%	16.5%	
Average AUM ($ billions)	1,055.9	932.8	13.2%
Headcount	8,902	7,663	16.2%

Revenues and expenses

Net Revenues

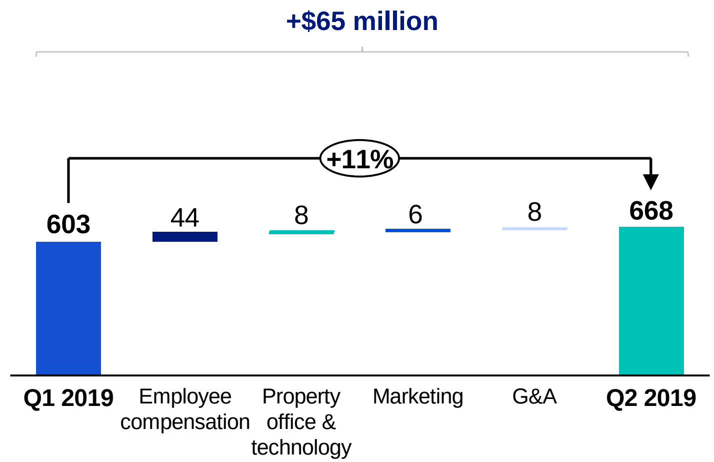
Non-GAAP results in $ millions

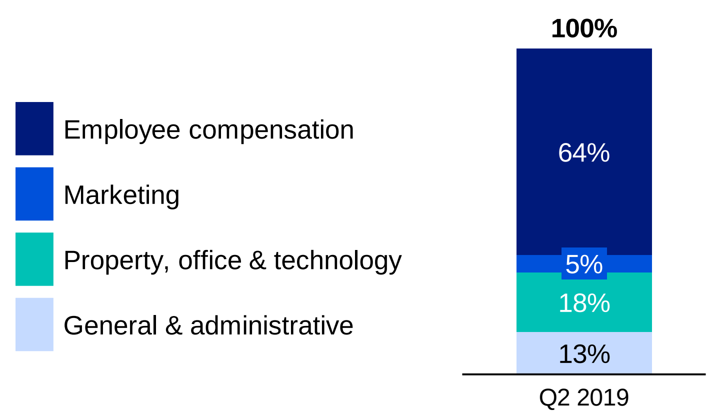




Adjusted Operating Expenses

Non-GAAP results in $ millions





Non-GAAP financial measures – see Appendix to this presentation for a reconciliation to the most directly comparable U.S. GAAP financial measure
Note: numbers may not add up due to rounding

Invesco/OppenheimerFunds combination update

- Migrated to a single brand
- Strengthened sales organization, completed targeted training and expanded client coverage
- Developed a client demand framework and go-to-market strategy across the combined product suite

Pro-forma cumulative net synergy realization schedule

Adjusted Expense Line item	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Total Synergies $ in millions
Employee Compensation	55%	95%	95%	100%	100%	100%	100%	303
Marketing	75%	90%	95%	100%	100%	100%	100%	48
Property, Office & Technology	10%	10%	10%	10%	15%	50%	100%	33
General & Administrative	45%	80%	80%	85%	90%	95%	100%	91
Total Adjusted Operating Expenses	52%	85%	86%	90%	92%	95%	100%	475
Total $m Synergies Realized	247	404	409	428	437	451	475	

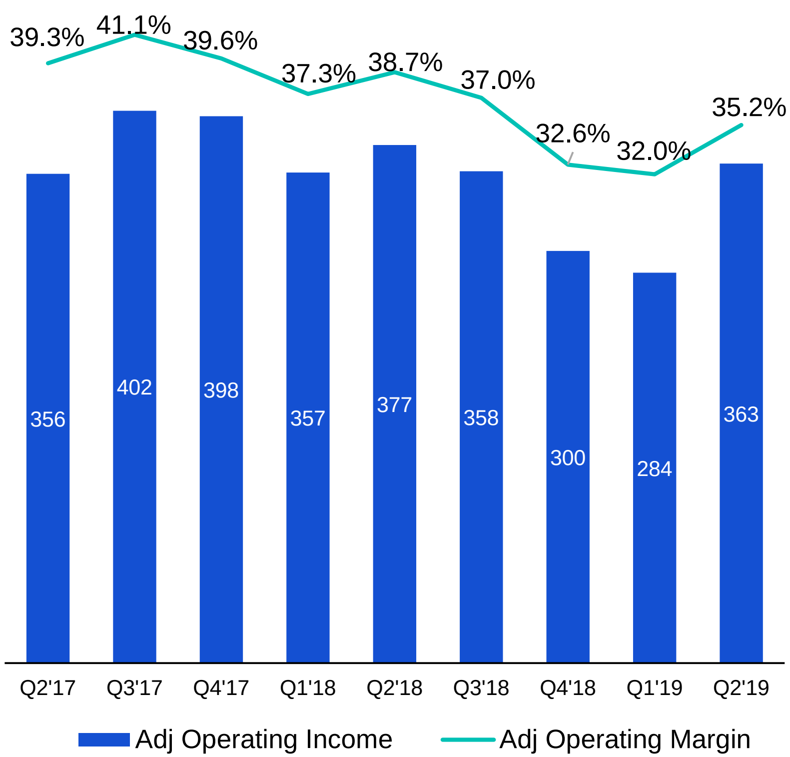
Achieved **52%** of synergy capture by the end of Q2'19

Transaction-related non-GAAP measures; see appendix

Adjusted Operating Income and Profitability

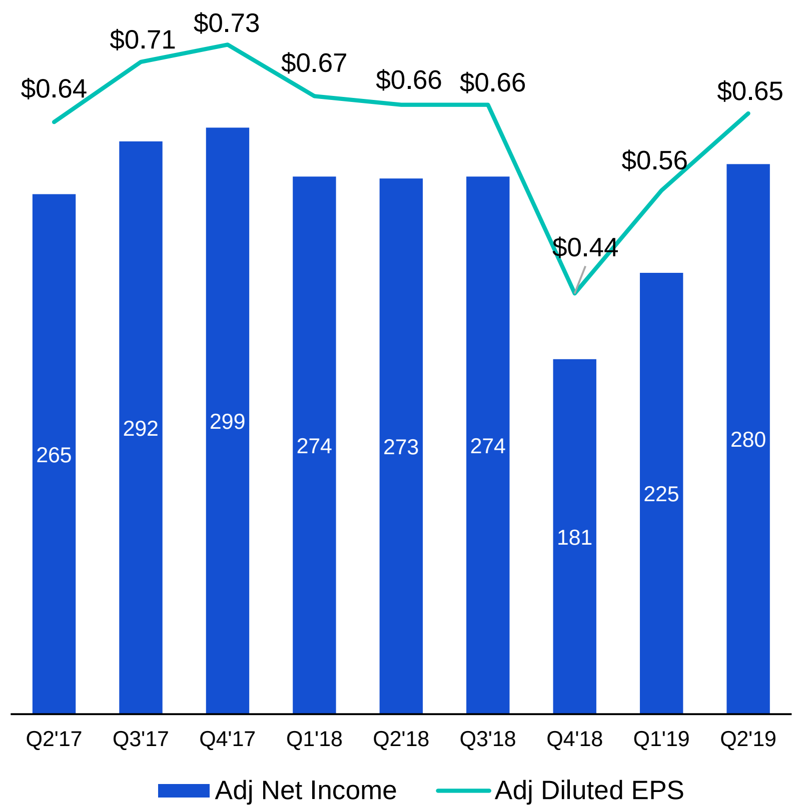
Adjusted Operating Income and Adjusted Operating Margin

Non-GAAP results; operating income in $ millions



Adjusted Net Income and Adjusted Diluted Earnings Per Share

Non-GAAP results; net income in $ millions



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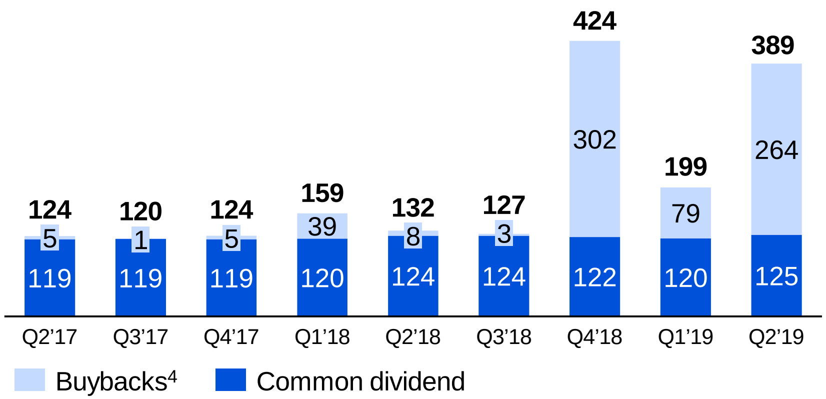
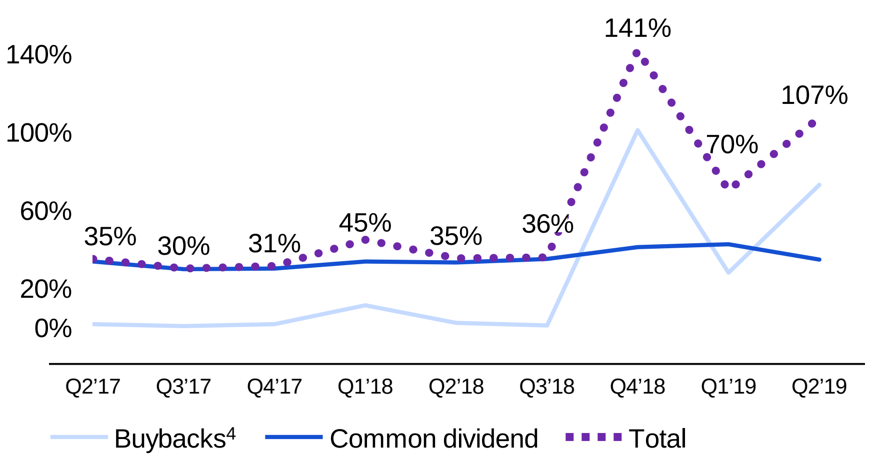
Capital management and balance sheet

Capital Management

Capital returned to shareholders in $ millions



Shareholder payout ratios, as % of Adj. Operating Income

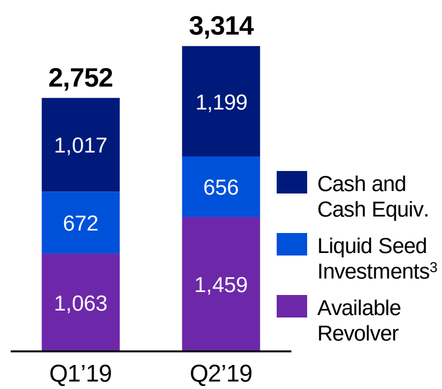


Balance Sheet Highlights

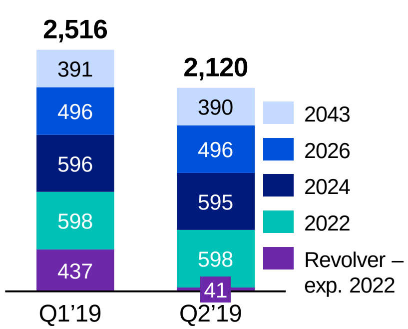
In $ millions

	Assets		Liabilities		Equity	
	Q1'19	Q2'19	Q1'19	Q2'19	Q1'19	Q2'19
U.S. GAAP	32,207	38,501	22,746	23,805	9,461	14,696
Impact of CIP[1]	(6,514)	(6,475)	(5,723)	(5,715)	(791)	(760)
Impact of policy holders[2]	(12,103)	(11,473)	(12,103)	(11,473)	N/A	N/A
Total as adjusted	**13,590**	**20,553**	**4,920**	**6,617**	**8,670**	**13,936**

Sources of liquidity by type
In $ millions



Long term debt by maturity
In $ millions



(1) Tables include non-GAAP presentations. Cash held by Consolidated Investment Products (CIP) is not available for use by Invesco. Additionally, there is no recourse to Invesco for CIP debt. The cash flows of CIP do not form part of the company's cash flow mgmt. processes, nor do they form part of the company's significant liquidity evaluations and decisions
(2) Policyholder assets and liabilities are equal and offsetting and have no impact on Invesco's shareholder's equity. The impact of cash inflows/outflows from policyholder assets and liabilities are reflected within cash flows from operating activities as changes in receivable and/or payables, as applicable
(3) Seed capital balance, after adjusting for the impact of CIP, that can be liquidated upon short notice (generally within 90 days)
(4) Includes amounts related to vesting of employee share awards
Note: numbers may not add up due to rounding

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Invesco

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#13 Globally[1]

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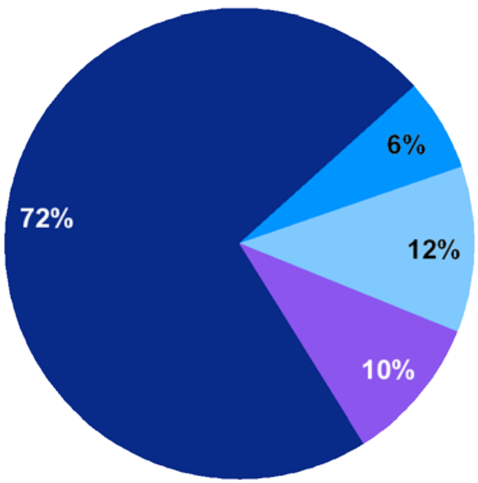
We are diversified as a firm

Delivering a diverse set of solutions to meet client needs

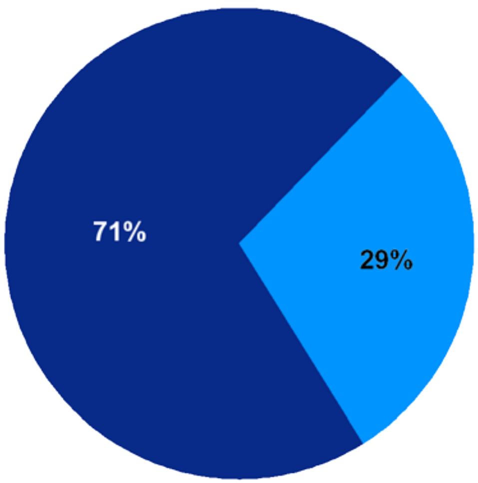
Invesco

By client domicile



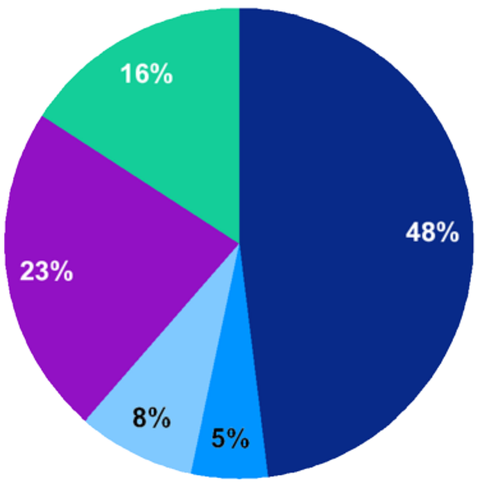
	($ billions)	1-Yr Change
Americas	863.8	35.5%
U.K.	76.3	(13.9)%
EMEA Ex UK	139.1	(4.9)%
Asia	118.6	30.3%
Total	1,197.8	24.3%

By channel



	($ billions)	1-Yr Change
Retail	852.0	34.1%
Institutional	345.8	5.5%
Total	1,197.8	24.3%

By asset class



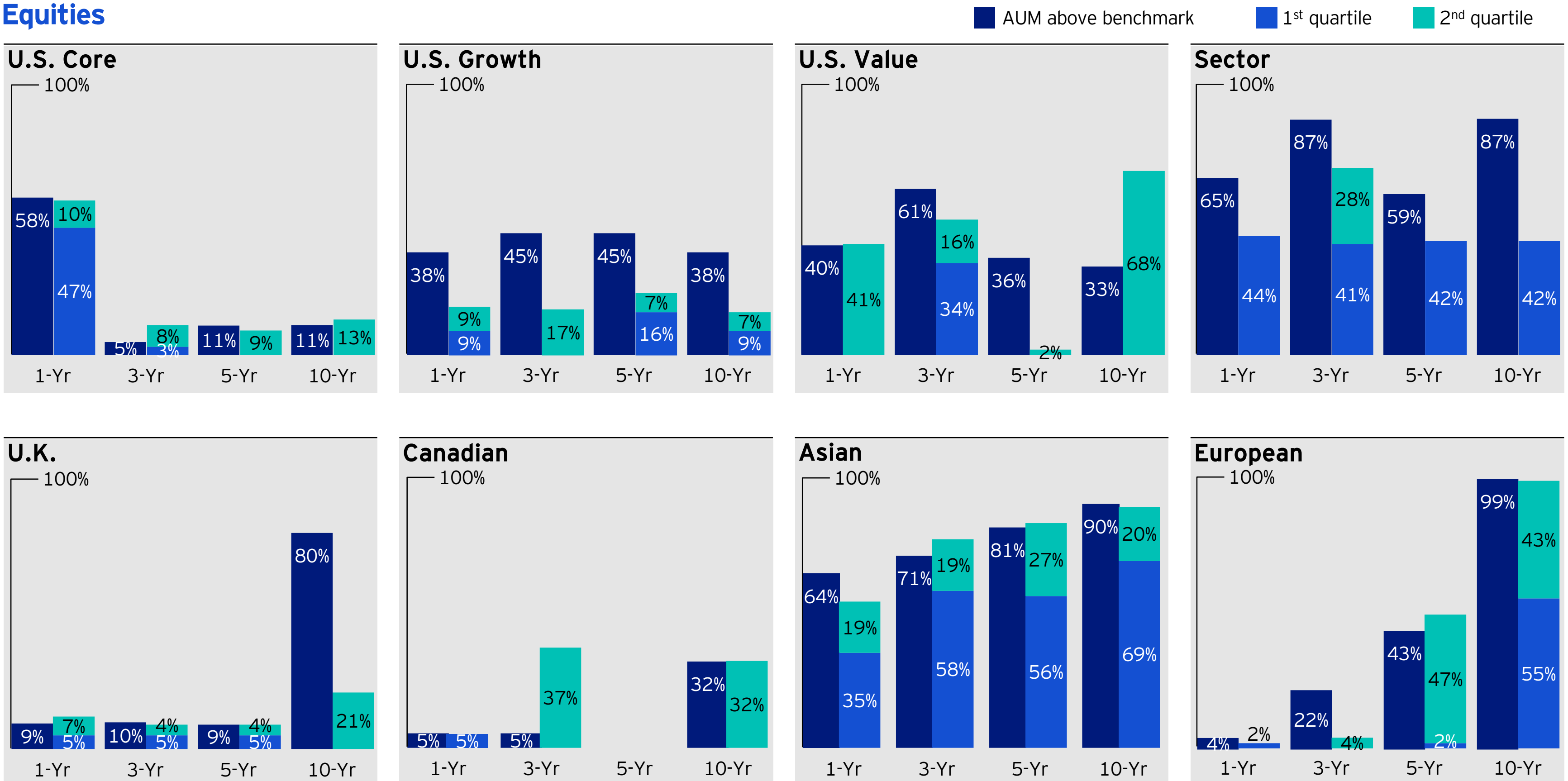
	($ billions)	1-Yr Change
Equity	574.6	33.6%
Balanced	64.1	4.7%
Money Market	95.7	19.3%
Fixed Income	273.6	29.7%
Alternatives	189.8	4.9%
Total	1,197.8	24.3%

Data as of June 30, 2019

Investment performance

By investment objective (actively managed assets)*

Equities



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AUM measured in the one, three, five and ten year quartile rankings represents 70%, 69, 66% and 59% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, five and ten year basis represents 60%, 59%, 59% and 53% of total Invesco AUM as of 6/30/19. 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

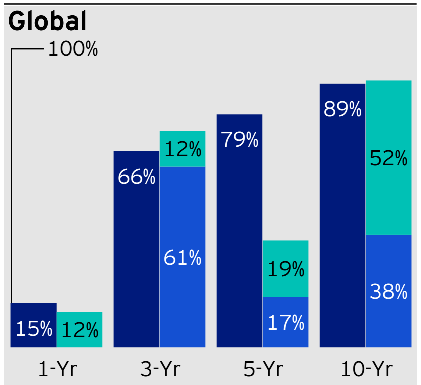
By investment objective (actively managed assets)* (CONTINUED)

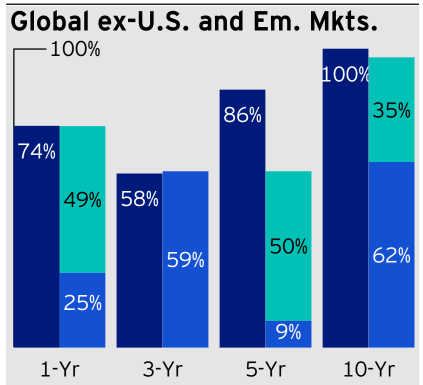
Invesco

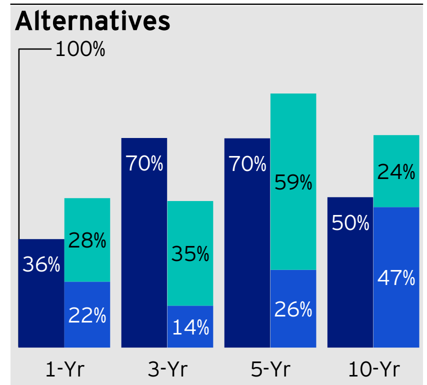
Equities

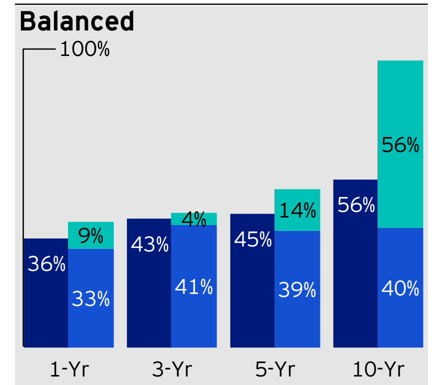
Other

AUM above benchmark | 1st quartile | 2nd quartile

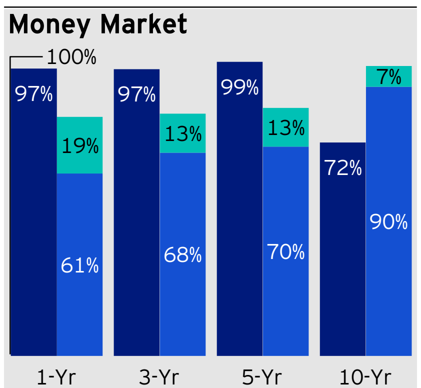


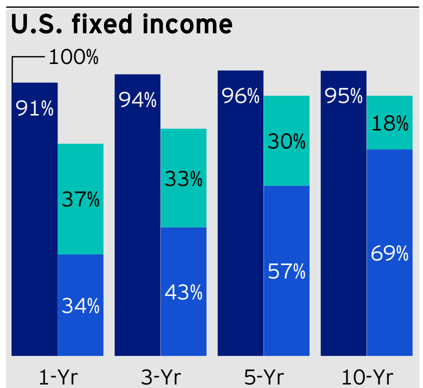


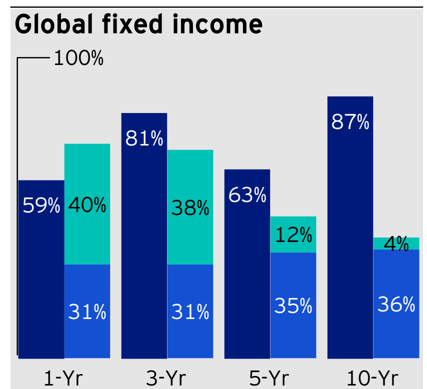


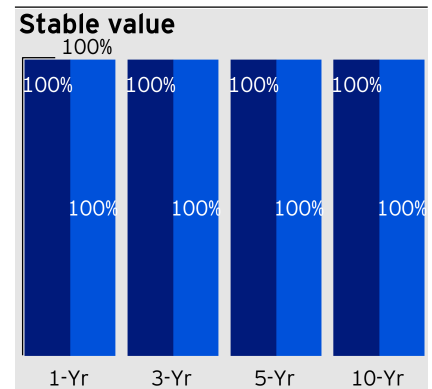


Fixed income









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

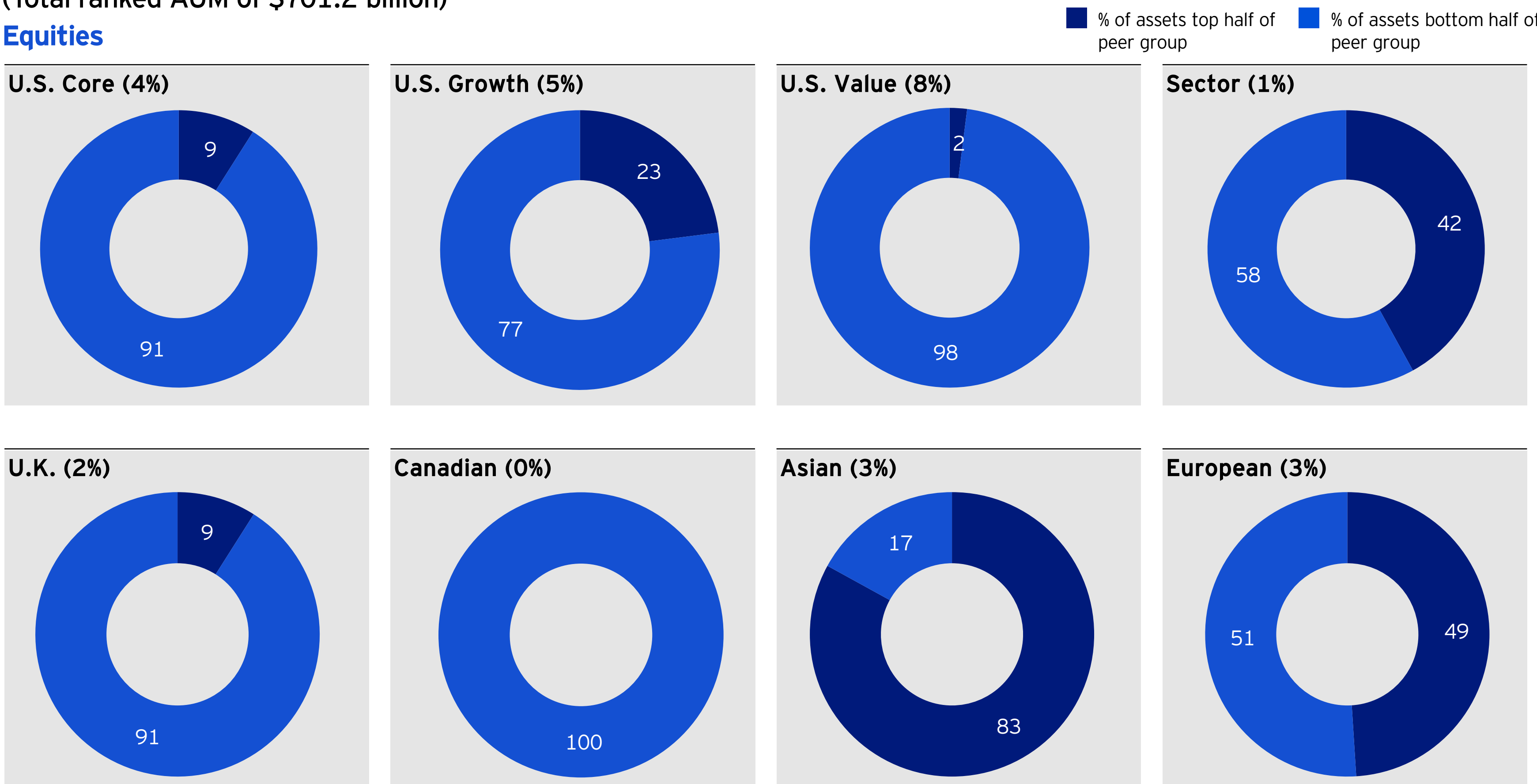
AUM measured in the one, three, five and ten year quartile rankings represents 70%, 69, 66% and 59% of total Invesco AUM, respectively, and AUM measured versus benchmark on a one, three, five and ten year basis represents 60%, 59%, 59% and 53% of total Invesco AUM as of 6/30/19. Peer group rankings are 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)*

Percentages in parentheses represent % AUM of each investment objective as a ratio of all objectives (Total ranked AUM of $701.2 billion)

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.

Includes AUM of $701.2 billion (59% of total IVZ) for five year as of 6/30/19. 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)

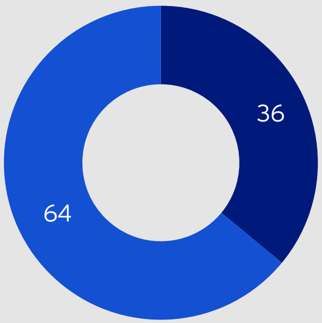
By investment objective (actively managed assets)* (CONTINUED)

Percentages in parentheses represent % AUM of each investment objective as a ratio of all objectives (Total ranked AUM of $701.2 billion)

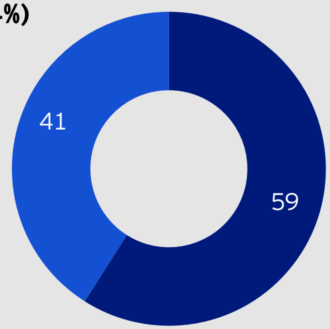
% of assets top half of peer group | % of assets bottom half of peer group

Equities

Global (7%)

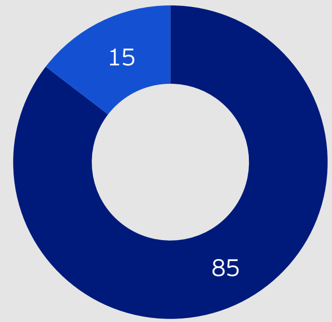


Global ex-US and Em. Mkts (14%)

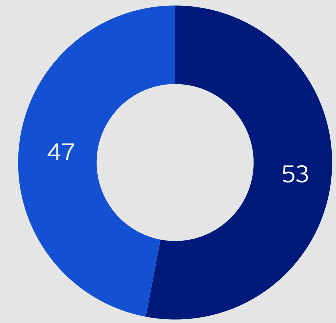


Other

Alternatives (12%)

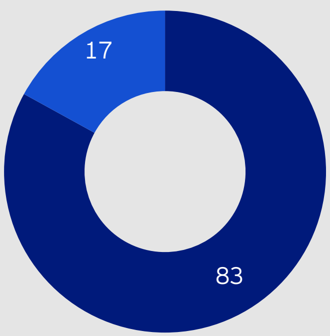


Balanced (6%)

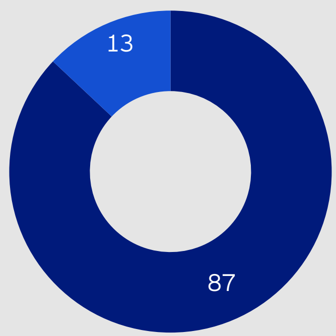


Fixed income

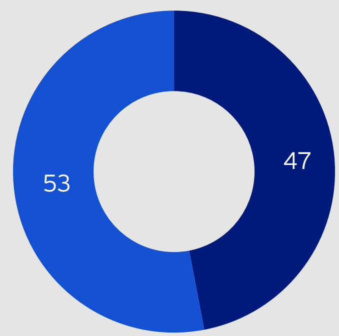
Money market (14%)



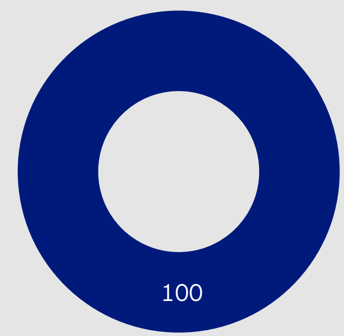
U.S. fixed income (11%)



Global fixed income (6%)



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.

Includes AUM of $701.2 billion (59% of total IVZ) for five year as of 6/30/19. 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

($ millions)	Q2-19	Q1-19	% Change*	Q4-18	Q3-18	2Q-18	1Q-18	4Q-17	3Q-17	2Q-17
Investment Management Fees	1,071.3	923.7	16.0%	949.2	1,038.9	1,050.5	1,043.7	1,098.7	1,062.3	1,010.4
Service and Distribution Fees	294.1	219.3	34.1%	231.5	248.0	242.9	246.1	217.5	217.6	211.3
Performance Fees	15.7	21.8	(28.0)%	28.3	7.9	11.6	9.1	43.0	42.3	16.7
Other	58.3	49.8	17.1%	46.9	47.0	55.6	56.9	16.4	15.5	16.0
Total Operating Revenues	1,439.4	1,214.6	18.5%	1,255.9	1,341.8	1,360.6	1,355.8	1,375.6	1,337.7	1,254.4
Third-Party Distribution, Service and Advisory	451.8	368.0	22.8%	372.2	408.0	408.9	419.1	390.9	380.4	365.9
Employee Compensation	421.9	381.3	10.6%	349.3	380.7	379.2	385.2	379.4	378.8	360.7
Marketing	33.4	28.0	19.3%	41.3	33.4	32.1	28.0	38.8	29.5	29.1
Property, Office and Technology	114.9	107.2	7.2%	108.0	103.7	98.6	100.2	99.5	92.6	87.8
General and Administrative	94.2	83.8	12.4%	92.9	60.8	87.0	83.7	93.7	75.2	72.2
Transaction, Integration, and Restructuring	304.9	46.1	561.4%	61.8	33.1	23.5	18.5	30.7	20.9	20.4
Total Operating Expenses	1,421.1	1,014.4	40.1%	1,025.5	1,019.7	1,029.3	1,034.7	1,033.0	977.4	936.1
Operating Income	18.3	200.2	(90.9)%	230.4	322.1	331.3	321.1	342.6	360.3	318.3
Equity in Earnings of Unconsolidated Affiliates	12.1	15.0	(19.3)%	5.0	11.8	7.3	9.7	3.6	12.9	10.5
Interest and Dividend Income	3.9	4.7	(17.0)%	10.3	4.0	2.8	4.2	6.4	2.5	1.6
Interest Expense	(33.0)	(33.1)	(0.3)%	(29.2)	(29.6)	(29.5)	(23.2)	(23.6)	(23.6)	(23.6)
Other Gains and Losses, net	24.1	31.1	(22.5)%	(41.9)	5.9	1.4	(5.4)	25.6	13.9	3.1
Other income/(expense) of CIP, net	51.1	38.9	31.4%	(26.6)	28.1	0.9	27.2	44.8	31.7	32.3
Income before income taxes	76.5	256.8	(70.2)%	148.0	342.3	314.2	333.6	399.4	397.7	342.2
Effective Tax Rate**	19.0%	25.8%		35.9%	17.8%	23.0%	20.5%	(5.8)%	31.0%	27.1%
Net Income	62.0	190.6	(67.5)%	94.8	281.2	241.9	265.2	422.6	274.6	249.6
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(21.9)	(12.9)	69.8%	19.4	(11.6)	3.2	(11.3)	(14.4)	(7.1)	(10.0)
Net Income Attributable to Invesco Ltd.	40.1	177.7	(77.4)%	114.2	269.6	245.1	253.9	408.2	(267.5)	239.6
Diluted EPS	$0.09	$0.44	(79.5)%	$0.28	$0.65	$0.59	$0.62	$0.99	$0.65	$0.58

* % change based on unrounded figures

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

Non-GAAP operating results– quarterly

($ millions)	Q2-19	Q1-19	% Change*	Q4-18	Q3-18	Q2-18	1Q-18	4Q-17	3Q-17	2Q-17
Investment Management Fees	1,127.5	974.2	15.7%	993.4	1,079.3	1,074.0	1,066.8	1,119.2	1,081.9	1,027.9
Service and Distribution Fees	294.1	219.3	34.1%	231.5	248.0	242.9	246.1	217.5	217.6	211.3
Performance Fees	15.7	21.8	(28.0)%	28.0	8.2	12.9	9.1	43.3	43.3	18.0
Other	62.1	53.5	16.1%	49.2	48.7	57.0	58.1	18.4	16.7	17.3
Third-party distribution, service and advisory expense	(467.9)	(381.7)	22.6%	(382.9)	(417.3)	(412.8)	(422.1)	(393.5)	(382.9)	(368.2)
Net Revenues	1,031.5	887.1	16.3%	919.2	966.9	974.0	958.0	1,004.9	976.6	906.3
Employee Compensation	425.8	381.8	11.5%	372.3	388.9	383.2	389.5	378.0	378.9	361.2
Marketing	35.2	29.4	19.7%	43.3	34.7	32.8	28.7	39.8	30.1	29.7
Property, Office and Technology	117.1	109.3	7.1%	110.3	105.8	99.7	101.3	100.8	93.7	88.7
General and Administrative	90.0	82.3	9.4%	93.3	79.7	81.7	81.2	88.8	71.5	70.8
Adjusted Operating Expenses	668.1	602.8	10.8%	619.2	609.1	597.4	600.7	607.4	574.2	550.4
Adjusted Operating Income	363.4	284.3	27.8%	300.0	357.8	376.6	357.3	397.5	402.4	355.9
Equity in Earnings of Unconsolidated Affiliates	9.9	2.3	330.4%	1.5	10.1	4.9	7.6	9.3	13.8	9.7
Interest and Dividend Income	6.3	7.3	(13.7)%	7.6	5.3	2.7	5.4	5.1	2.9	2.1
Interest Expense	(33.0)	(33.1)	(0.3)%	(29.2)	(29.6)	(29.5)	(23.2)	(23.6)	(23.6)	(23.6)
Other Gains and Losses, net	22.9	42.6	(46.2)%	(33.8)	(7.1)	(10.7)	(2.1)	20.0	7.8	16.8
Adjusted Income before income taxes	369.5	303.4	21.8%	246.1	336.5	344.0	345.0	408.3	403.3	360.9
Effective Tax Rate**	21.8%	23.8%		25.0%	16.9%	20.6%	20.6%	26.8%	27.6%	26.7%
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(8.6)	(6.3)	36.5%	(3.4)	(5.2)	—	—	—	—	—
Adjusted Net Income Attributable to Invesco Ltd.	280.4	224.8	24.7%	181.2	274.4	273.1	273.9	299.1	291.8	264.5
Adjusted Diluted EPS	$0.65	$0.56	16.1%	$0.44	$0.66	$0.66	$0.67	$0.73	$0.71	$0.64

* % 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

Invesco

($ billions)	Q2-19	Q1-19	% Change	Q4-18	Q3-18	Q2-18	1Q-18	4Q-17	3Q-17	2Q-17
Beginning Assets	$954.8	$888.2	7.5%	$980.9	$963.3	$934.2	$937.6	$917.5	$858.3	$834.8
Long-Term Inflows	54.4	53.8	1.1%	55.2	43.6	54.4	56.6	50.8	45.0	41.1
Long-Term Outflows	(58.3)	(59.2)	1.5%	(75.3)	(54.8)	(62.4)	(56.3)	(52.3)	(40.9)	(40.8)
Long-Term Net flows	(3.9)	(5.4)	27.8%	(20.1)	(11.2)	(8.0)	0.3	(1.5)	4.1	0.3
Net flows in non-management fee earning AUM*	3.7	2.1	76.2%	(1.2)	3.2	0.9	(0.4)	1.6	0.9	(0.7)
Net flows in Inst. Money Market Funds	(4.3)	6.8	N/A	3.2	3.1	0.9	0.4	(3.3)	5.4	2.8
Total Net Flows	(4.5)	3.5	N/A	(18.1)	(4.9)	(6.2)	0.3	(3.2)	10.4	2.4
Reinvested Distributions	2.0	0.7	185.7%	8.4	1.7	0.7	0.6	5.9	1.1	—
Market Gains and Losses	21.5	60.9	(64.7)%	(79.4)	14.3	10.3	(12.2)	14.9	15.0	13.0
Acquisitions **	224.4	—	N/A	—	9.5	38.1	—	—	26.0	—
Foreign Currency Translation	(0.4)	1.5	N/A	(3.6)	(3.0)	(13.8)	7.9	2.5	6.7	8.1
Ending Assets	$1,197.8	$954.8	25.5%	$888.2	$980.9	$963.3	$934.2	$937.6	$917.5	$858.3
Average Long-Term AUM	849.0	736.7	15.2%	749.3	803.6	805.8	783.1	765.9	732.7	701.6
Ending Long-Term AUM	988.1	750.2	31.7%	717.0	798.9	795.4	771.6	775.8	757.6	707.9
Average AUM	$1,055.9	$932.8	13.2%	$924.4	$985.1	$973.9	$951.3	$930.3	$890.8	$849.2
Gross Revenue Yield (annualized)***	56.4bps	53.9bps		55.6bps	55.8bps	56.4bps	57.6bps	59.7bps	60.7bps	59.7bps
Gross Revenue Yield Less Performance Fees (annualized)***	55.8bps	52.9bps		54.4bps	55.4bps	55.9bps	57.2bps	57.9bps	58.7bps	58.9bps
Net Revenue Yield (annualized)****	39.1bps	38.0bps		39.8bps	39.3bps	40.0bps	40.3bps	43.2bps	43.9bps	42.7bps
Net Revenue Yield Less Performance Fees (annualized)****	38.5bps	37.1bps		38.6bps	38.9bps	39.5bps	39.9bps	41.3bps	41.9bps	41.8bps

* Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.

** The acquisition of OppenheimerFunds on May 24, 2019 added $224.4 billion in AUM during the quarter. 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 2Q19 for our joint ventures in China were $35.2bn (1Q19:$31.5bn; 4Q18: $24.0bn; 3Q18:$22.4bn; 2Q18:$8.8n, 1Q18:$9.8bn, 4Q17:$9.1bn, 3Q17:$8.6bn, 2Q17:$8.1bn)

**** Net Revenue Yield on AUM is equal to net revenues divided by average AUM including JV AUM. Average AUM for 2Q19, for our joint ventures in China were $35.2bn (1Q19:$31.5bn; 4Q18: $24.0bn; 3Q18:$22.4bn; 2Q18:$8.8bn, 1Q18:$9.8bn, 4Q17:$9.1bn, 3Q17:$8.6bn, 2Q17:$8.1bn)

Total assets under management – by asset class*

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternatives
December 31, 2018	**$888.2**	**$369.1**	**$208.6**	**$55.4**	**$89.9**	**$165.2**
Long-Term Inflows	53.8	24.4	16.2	2.9	0.2	10.1
Long-Term Outflows	(59.2)	(27.4)	(12.3)	(4.8)	(0.1)	(14.6)
Long-Term Net flows	(5.4)	(3.0)	3.9	(1.9)	0.1	(4.5)
Net flows in non-management fee earning AUM**	2.1	(1.0)	3.1	—	—	—
Net flows in Inst. Money Market Fund	6.8	—	—	—	6.8	—
Reinvested Distributions	0.7	0.3	0.2	0.1	—	0.1
Market Gains and Losses	60.9	46.2	4.3	4.5	(0.1)	6.0
Foreign Currency Translation	1.5	0.9	0.2	0.1	0.3	—
March 31, 2019	**$954.8**	**$412.5**	**$220.3**	**$58.2**	**$97.0**	**$166.8**
Long-Term Inflows	54.4	24.2	16.5	5.5	—	8.2
Long-Term Outflows	(58.3)	(30.2)	(11.4)	(5.0)	—	(11.7)
Long-Term Net flows	(3.9)	(6.0)	5.1	0.5	—	(3.5)
Net flows in non-management fee earning AUM**	3.7	1.1	2.6	—	—	—
Net flows in Inst. Money Market Fund	(4.3)	—	—	—	(4.3)	—
Reinvested Distributions	2.0	1.2	0.5	0.1	—	0.2
Market Gains and Losses	21.5	16.4	2.6	1.5	(0.4)	1.4
Acquisitions***	224.4	149.7	42.5	3.7	3.7	24.8
Foreign Currency Translation	(0.4)	(0.3)	—	0.1	(0.3)	0.1
June 30, 2019	**$1,197.8**	**$574.6**	**$273.6**	**$64.1**	**$95.7**	**$189.8**

* In the second quarter of 2019, the company reclassified certain AUM between asset classes. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
***The acquisition of OppenheimerFunds on May 24, 2019 added $224.4 billion in AUM during the quarter.

Total assets under management – by asset class*

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternatives
June 30, 2018	**$963.3**	**$430.0**	**$210.9**	**$61.2**	**$80.2**	**$181.0**
Long-Term Inflows	43.6	21.3	10.0	2.1	1.7	8.5
Long-Term Outflows	(54.8)	(28.1)	(9.9)	(3.3)	(1.2)	(12.3)
Long-Term Net flows	(11.2)	(6.8)	0.1	(1.2)	0.5	(3.8)
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	1.1	0.2	0.2	—	0.2
Market Gains and Losses	14.3	14.4	—	—	0.2	(0.3)
Acquisitions***	9.5	2.6	1.6	3.1	2.2	—
Foreign Currency Translation	(3.0)	(1.0)	(0.6)	(0.3)	(0.4)	(0.7)
September 30, 2018	**$980.9**	**$442.6**	**$213.1**	**$63.0**	**$85.8**	**$176.4**
Long-Term Inflows	55.2	24.9	15.9	2.1	2.1	10.2
Long-Term Outflows	(75.3)	(34.9)	(19.1)	(4.2)	(1.5)	(15.6)
Long-Term Net flows	(20.1)	(10.0)	(3.2)	(2.1)	0.6	(5.4)
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	6.8	0.4	1.0	—	0.2
Market Gains and Losses	(79.4)	(67.4)	(1.1)	(5.6)	0.3	(5.6)
Foreign Currency Translation	(3.6)	(2.0)	(0.3)	(0.9)	—	(0.4)
December 31, 2018	**$888.2**	**$369.1**	**$208.6**	**$55.4**	**$89.9**	**$165.2**

* In the second quarter of 2019, the company reclassified certain AUM between asset classes. All periods have been reclassified in the AUM tables to conform to the new presentation.

**Non-management fee earning AUM includes non-management fee earning ETFs, 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, 2018	**$888.2**	**$566.7**	**$321.5**
Long-Term Inflows	53.8	40.3	13.5
Long-Term Outflows	(59.2)	(44.8)	(14.4)
Long-Term Net flows	(5.4)	(4.5)	(0.9)
Net flows in non-management fee earning AUM*	2.1	(0.7)	2.8
Net flows in Inst. Money Market Fund	6.8	3.3	3.5
Reinvested Distributions	0.7	0.6	0.1
Market Gains and Losses	60.9	53.0	7.9
Foreign Currency Translation	1.5	1.1	0.4
March 31, 2019	**$954.8**	**$619.5**	**$335.3**
Long-Term Inflows	54.4	42.6	11.8
Long-Term Outflows	(58.3)	(48.6)	(9.7)
Long-Term Net flows	(3.9)	(6.0)	2.1
Net flows in non-management fee earning AUM*	3.7	1.8	1.9
Net flows in Inst. Money Market Fund	(4.3)	0.3	(4.6)
Reinvested Distributions	2.0	1.9	0.1
Market Gains and Losses	21.5	19.1	2.4
Acquisitions **	224.4	215.8	8.6
Foreign Currency Translation	(0.4)	(0.4)	—
June 30, 2019	**$1,197.8**	**$852.0**	**$345.8**

*Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
**The acquisition of OppenheimerFunds on May 24, 2019 added $224.4 billion in AUM during the quarter.

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	|22 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 non-management fee earning ETFs, 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	Americas	UK	EMEA Ex UK	Asia
December 31, 2018	**$888.2**	**$581.6**	**$76.6**	**$125.5**	**$104.5**
Long-Term Inflows	53.8	29.8	3.2	12.4	8.4
Long-Term Outflows	(59.2)	(30.8)	(5.7)	(14.1)	(8.6)
Long-Term Net flows	(5.4)	(1.0)	(2.5)	(1.7)	(0.2)
Net flows in non-management fee earning AUM**	2.1	1.4	(0.1)	0.7	0.1
Net flows in Inst. Money Market Fund	6.8	3.3	—	0.1	3.4
Reinvested Distributions	0.7	0.6	0.1	—	—
Market Gains and Losses	60.9	43.6	3.1	7.6	6.6
Foreign Currency Translation	1.5	0.3	1.7	(1.0)	0.5
March 31, 2019	**$954.8**	**$629.8**	**$78.9**	**$131.2**	**$114.9**
Long-Term Inflows	54.4	27.2	2.0	14.1	11.1
Long-Term Outflows	(58.3)	(33.3)	(4.7)	(12.2)	(8.1)
Long-Term Net flows	(3.9)	(6.1)	(2.7)	1.9	3.0
Net flows in non-management fee earning AUM**	3.7	2.6	0.3	0.9	(0.1)
Net flows in Inst. Money Market Fund	(4.3)	(5.6)	—	0.9	0.4
Reinvested Distributions	2.0	1.9	0.1	—	—
Market Gains and Losses	21.5	18.2	0.8	2.1	0.4
Acquisitions***	224.4	223.7	0.7	—	—
Transfers	—	(1.3)	—	1.3	—
Foreign Currency Translation	(0.4)	0.6	(1.8)	0.8	—
June 30, 2019	**$1,197.8**	**$863.8**	**$76.3**	**$139.1**	**$118.6**

*The presentation reflects the combination of the U.S and Canada to form Americas and Continental Europe to now be EMEA ex U.K. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
***The acquisition of OppenheimerFunds on May 24, 2019 added $224.4 billion in AUM during the quarter.

Total assets under management – by client domicile*

($ billions)	Total	Americas	UK	EMEA Ex UK	Asia
June 30, 2018	**$963.3**	**$637.5**	**$88.6**	**$146.2**	**$91.0**
Long-Term Inflows	43.6	23.7	2.6	10.9	6.4
Long-Term Outflows	(54.8)	(29.5)	(4.3)	(14.9)	(6.1)
Long-Term Net flows	(11.2)	(5.8)	(1.7)	(4.0)	0.3
Net flows in non-management fee earning AUM**	3.2	3.2	—	0.1	(0.1)
Net flows in Inst. Money Market Fund	3.1	—	—	(2.0)	5.1
Reinvested Distributions	1.7	1.6	0.1	—	—
Market Gains and Losses	14.3	13.8	(0.1)	1.1	(0.5)
Acquisitions***	9.5	—	—	—	9.5
Foreign Currency Translation	(3.0)	0.4	(1.0)	(0.7)	(1.7)
September 30, 2018	**$980.9**	**$650.7**	**$85.9**	**$140.7**	**$103.6**
Long-Term Inflows	55.2	32.4	3.6	12.3	6.9
Long-Term Outflows	(75.3)	(47.1)	(5.1)	(17.4)	(5.7)
Long-Term Net flows	(20.1)	(14.7)	(1.5)	(5.1)	1.2
Net flows in non-management fee earning AUM**	(1.2)	(1.0)	—	(0.3)	0.1
Net flows in Inst. Money Market Fund	3.2	0.2	—	0.3	2.7
Reinvested Distributions	8.4	8.2	0.2	—	—
Market Gains and Losses	(79.4)	(60.5)	(6.2)	(8.7)	(4.0)
Foreign Currency Translation	(3.6)	(1.3)	(1.8)	(1.4)	0.9
December 31, 2018	**$888.2**	**$581.6**	**$76.6**	**$125.5**	**$104.5**

*The presentation reflects the combination of the U.S and Canada to form Americas and Continental Europe to now be EMEA ex U.K. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, 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.

Passive assets under management – by asset class*

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
December 31, 2018	$221.0	$155.3	$47.2	$0.7	$—	$17.8
Long-Term Inflows	20.1	13.9	3.6	—	—	2.6
Long-Term Outflows	(16.2)	(11.4)	(1.6)	—	—	(3.2)
Long-Term Net flows	3.9	2.5	2.0	—	—	(0.6)
Net flows in non-management fee earning AUM**	2.1	(1.0)	3.1	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	23.6	22.2	0.6	0.1	—	0.7
Transfers	—	—	—	—	—	—
Foreign Currency Translation	(0.1)	(0.1)	—	—	—	—
March 31, 2019	$250.5	$178.9	$52.9	$0.8	$—	$17.9
Long-Term Inflows	20.1	15.0	2.0	—	—	3.1
Long-Term Outflows	(15.5)	(11.1)	(0.9)	—	—	(3.5)
Long-Term Net flows	4.6	3.9	1.1	—	—	(0.4)
Net flows in non-management fee earning AUM**	3.7	1.1	2.6	—	—	—
Net flows in Inst. Money Market Fund	—	—	—	—	—	—
Market Gains and Losses	6.8	6.1	0.2	—	—	0.5
Acquisitions***	4.5	4.5	—	—	—	—
Foreign Currency Translation	0.1	0.1	—	—	—	—
June 30, 2019	$270.2	$194.6	$56.8	$0.8	$—	$18.0

* In the second quarter of 2019, the company reclassified certain AUM between asset classes. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
***The acquisition of OppenheimerFunds on May 24, 2019 added $4.5 billion in Passive AUM during the quarter.

Passive assets under management – by asset class*

($ billions)	Total	Equity	Fixed Income	Balanced	Money Market	Alternative
June 30, 2018	**$242.1**	**$169.8**	**$48.5**	**$0.8**	**$—**	**$23.0**
Long-Term Inflows	15.5	11.3	2.6	—	—	1.6
Long-Term Outflows	(15.7)	(9.8)	(2.2)	—	—	(3.7)
Long-Term Net flows	(0.2)	1.5	0.4	—	—	(2.1)
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	9.9	(0.2)	—	—	(0.1)
Acquisitions	0.2	0.2	—	—	—	—
Foreign Currency Translation	(0.1)	(0.1)	—	—	—	—
September 30, 2018	**$254.8**	**$183.6**	**$49.6**	**$0.8**	**$—**	**$20.8**
Long-Term Inflows	19.6	14.5	2.6	—	—	2.5
Long-Term Outflows	(23.3)	(14.8)	(4.2)	—	—	(4.3)
Long-Term Net flows	(3.7)	(0.3)	(1.6)	—	—	(1.8)
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)	(27.0)	(0.5)	(0.1)	—	(1.2)
Foreign Currency Translation	(0.1)	(0.1)	—	—	—	—
December 31, 2018	**$221.0**	**$155.3**	**$47.2**	**$0.7**	**$—**	**$17.8**

*In the second quarter of 2019, the company reclassified certain AUM between asset classes. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.

Passive assets under management – by channel

($ billions)	Total	Retail	Institutional
December 31, 2018	**$221.0**	**$204.6**	**$16.4**
Long-Term Inflows	20.1	20.1	—
Long-Term Outflows	(16.2)	(16.2)	—
Long-Term Net flows	3.9	3.9	—
Net flows in non-management fee earning AUM*	2.1	(0.6)	2.7
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	23.6	23.5	0.1
Transfers	—	—	—
Foreign Currency Translation	(0.1)	(0.1)	—
March 31, 2019	**$250.5**	**$231.3**	**$19.2**
Long-Term Inflows	20.1	20.0	0.1
Long-Term Outflows	(15.5)	(15.5)	—
Long-Term Net flows	4.6	4.5	0.1
Net flows in non-management fee earning AUM*	3.7	1.8	1.9
Net flows in Inst. Money Market Fund	—	—	—
Market Gains and Losses	6.8	6.8	—
Acquisitions**	4.5	4.5	—
Foreign Currency Translation	0.1	0.1	—
June 30, 2019	**$270.2**	**$249.0**	**$21.2**

*Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
**The acquisition of OppenheimerFunds on May 24, 2019 added $4.5 billion in AUM during the quarter.

Passive assets under management – by channel

($ billions)	Total	Retail	Institutional
June 30, 2018	**$242.1**	**$226.5**	**$15.6**
Long-Term Inflows	15.5	15.5	—
Long-Term Outflows	(15.7)	(15.7)	—
Long-Term Net flows	(0.2)	(0.2)	—
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	(0.1)	(0.1)	—
September 30, 2018	**$254.8**	**$238.2**	**$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)	—
Foreign Currency Translation	(0.1)	(0.1)	—
December 31, 2018	**$221.0**	**$204.6**	**$16.4**

*Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.

Passive assets under management – by client domicile*

($ billions)	Total	Americas	UK	EMEA Ex UK	Asia
December 31, 2018	**$221.0**	**$184.0**	**$0.7**	**$32.6**	**$3.7**
Long-Term Inflows	20.1	13.0	0.1	6.7	0.3
Long-Term Outflows	(16.2)	(11.2)	(0.1)	(4.4)	(0.5)
Long-Term Net flows	3.9	1.8	—	2.3	(0.2)
Net flows in non-management fee earning AUM**	2.1	1.4	(0.1)	0.7	0.1
Net flows in Inst. Money Market Fund	—	—	—	—	—
Market Gains and Losses	23.6	20.2	—	2.9	0.5
Foreign Currency Translation	(0.1)	—	—	(0.1)	—
March 31, 2019	**$250.5**	**$207.4**	**$0.6**	**$38.4**	**$4.1**
Long-Term Inflows	20.1	10.7	0.1	8.8	0.5
Long-Term Outflows	(15.5)	(9.0)	(0.1)	(5.7)	(0.7)
Long-Term Net flows	4.6	1.7	—	3.1	(0.2)
Net flows in non-management fee earning AUM**	3.7	2.6	0.3	0.9	(0.1)
Net flows in Inst. Money Market Fund	—	—	—	—	—
Market Gains and Losses	6.8	5.3	—	1.4	0.1
Acquisitions***	4.5	4.5	—	—	—
Foreign Currency Translation	0.1	—	—	0.1	—
June 30, 2019	**$270.2**	**$221.5**	**$0.9**	**$43.9**	**$3.9**

*The presentation reflects the combination of the U.S and Canada to form Americas and Continental Europe to now be EMEA ex U.K. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.
***The acquisition of OppenheimerFunds on May 24, 2019 added $4.5 billion in AUM during the quarter.

Passive assets under management – by client domicile*

($ billions)	Total	Americas	UK	EMEA Ex UK	Asia
June 30, 2018	**$242.1**	**$200.8**	**$0.9**	**$36.4**	**$4.0**
Long-Term Inflows	15.5	9.0	0.1	6.1	0.3
Long-Term Outflows	(15.7)	(8.3)	(0.2)	(6.9)	(0.3)
Long-Term Net flows	(0.2)	0.7	(0.1)	(0.8)	—
Net flows in non-management fee earning AUM**	3.2	3.2	—	0.1	(0.1)
Net flows in Inst. Money Market Fund	—	—	—	—	—
Market Gains and Losses	9.6	8.8	—	0.8	—
Acquisitions	0.2	—	—	—	0.2
Foreign Currency Translation	(0.1)	—	—	(0.1)	—
September 30, 2018	**$254.8**	**$213.5**	**$0.8**	**$36.4**	**$4.1**
Long-Term Inflows	19.6	11.9	0.1	7.2	0.4
Long-Term Outflows	(23.3)	(15.4)	(0.1)	(7.4)	(0.4)
Long-Term Net flows	(3.7)	(3.5)	—	(0.2)	—
Net flows in non-management fee earning AUM**	(1.2)	(1.0)	—	(0.3)	0.1
Net flows in Inst. Money Market Fund	—	—	—	—	—
Market Gains and Losses	(28.8)	(25.0)	(0.1)	(3.2)	(0.5)
Transfers	—	—	—	—	—
Foreign Currency Translation	(0.1)	—	—	(0.1)	—
December 31, 2018	**$221.0**	**$184.0**	**$0.7**	**$32.6**	**$3.7**

*The presentation reflects the combination of the U.S and Canada to form Americas and Continental Europe to now be EMEA ex U.K. All periods have been reclassified in the AUM tables to conform to the new presentation.
**Non-management fee earning AUM includes non-management fee earning ETFs, UIT and product leverage.

Reconciliation of US GAAP results to non-GAAP results – three months ended June 30, 2019

Please refer to pages 8-10 in the 2Q 2019 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	1,071	49	—	—	—	7	—	1,128
Service and Distribution Fees	294	—	—	—	—	—	—	294
Performance Fees	16	—	—	—	—	—	—	16
Other	58	4	—	—	—	—	—	62
Third-Party Distribution, Service and Advisory	—	(16)	(452)	—	—	—	—	(468)
Total Operating Revenues reconciled to net revenues	1,439	37	(452)	—	—	7	—	1,032
Operating Expenses								
Third-Party Distribution, Service and Advisory	452	—	(452)	—	—	—	—	—
Employee Compensation	422	12	—	—	(8)	—	—	426
Marketing	33	2	—	—	—	—	—	35
Property, Office and Technology	115	2	—	—	—	—	—	117
General and Administrative	94	1	—	—	—	(5)	—	90
Transaction, integration and restructuring*	305	—	—	(305)	—	—	—	—
Total Operating Expenses	1,421	18	(452)	(305)	(8)	(5)	—	668
Operating Income reconciled to adjusted operating income	18	19	—	305	8	13	—	363
Equity in Earnings of Unconsolidated Affiliates	12	(8)	—	—	—	6	—	10
Interest and Dividend Income	4	2	—	—	—	1	—	6
Interest Expense	(33)	—	—	—	—	—	—	(33)
Other Gains and Losses, net	24	1	—	—	(10)	8	—	23
Other income/(expense) of CIP, net	51	—	—	—	—	(51)	—	—
Income before income taxes	77	14	—	305	(2)	(24)	—	370
Income Tax Provision	(15)	(5)	—	(61)	1	—	—	(81)
Net income	62	9	—	244	(1)	(24)	—	289
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(22)	(9)	—	—	—	22	—	(9)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	40	—	—	244	(1)	(2)	—	280
Diluted EPS	$0.09					Adjusted diluted EPS		$0.65
Diluted Shares Outstanding	433.8					Diluted Shares Outstanding		433.8
Operating Margin	1.3%					Adjusted Operating Margin		35.2%

* 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, 2019

Please refer to pages 7-10 in the 1Q 2019 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	924	42	—	—	—	9	—	974
Service and Distribution Fees	219	—	—	—	—	—	—	219
Performance Fees	22	—	—	—	—	—	—	22
Other	50	4	—	—	—	—	—	54
Third-Party Distribution, Service and Advisory	—	(14)	(368)	—	—	—	—	(382)
Total Operating Revenues reconciled to net revenues	1,215	32	(368)	—	—	9	—	887
Operating Expenses								
Third-Party Distribution, Service and Advisory	368	—	(368)	—	—	—	—	—
Employee Compensation	381	12	—	—	(12)	—	—	382
Marketing	28	1	—	—	—	—	—	29
Property, Office and Technology	107	2	—	—	—	—	—	109
General and Administrative	84	1	—	—	—	(3)	—	82
Transaction, integration and restructuring*	46	—	—	(46)	—	—	—	—
Total Operating Expenses	1,014	17	(368)	(46)	(12)	(3)	—	603
Operating Income reconciled to adjusted operating income	200	15	—	46	12	12	—	284
Equity in Earnings of Unconsolidated Affiliates	15	(6)	—	—	—	(7)	—	2
Interest and Dividend Income	5	2	—	—	—	1	—	7
Interest Expense	(33)	—	—	—	—	—	—	(33)
Other Gains and Losses, net	31	—	—	—	(18)	21	8	43
Other income/(expense) of CIP, net	39	—	—	—	—	(39)	—	—
Income before income taxes	257	11	—	46	(6)	(12)	8	303
Income Tax Provision	(66)	(4)	—	(1)	1	—	(2)	(72)
Net income	191	6	—	45	(5)	(12)	6	231
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(13)	(6)	—	—	—	13	—	(6)
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	178	—	—	45	(5)	1	6	225
Diluted EPS	$0.44					Adjusted diluted EPS		$0.56
Diluted Shares Outstanding	401.9					Diluted Shares Outstanding		401.9
Operating Margin	16.5%					Adjusted Operating Margin		32.0%

* 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 December 31, 2018

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

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	—	(409)	—	—	—	—	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.

Reconciliation of US GAAP results to non-GAAP results – three months ended September 30, 2017

Please refer to pages 8-10 in the 3Q 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	1,062	13	-	-	-	6	-	1,082
Service and Distribution Fees	218	-	-	-	-	-	-	218
Performance Fees	42	1	-	-	-	-	-	43
Other	16	1	-	-	-	-	-	17
Third-Party Distribution, Service and Advisory	-	(3)	(380)	-	-	-	-	(383)
Total Operating Revenues reconciled to net revenues	1,338	13	(380)	-	-	6	-	977
Operating Expenses								
Third-Party Distribution, Service and Advisory	380	-	(380)	-	-	-	-	—
Employee Compensation	379	5	-	-	(5)	-	-	379
Marketing	30	-	-	-	-	-	-	30
Property, Office and Technology	93	1	-	-	-	-	-	94
General and Administrative	75	1	-	-	-	(4)	-	72
Transaction, integration and restructuring*	21	-	-	(21)	-	-	-	—
Total Operating Expenses	977	7	(380)	(21)	(5)	(4)	-	574
Operating Income reconciled to adjusted operating income	360	6	-	21	5	10	-	402
Equity in Earnings of Unconsolidated Affiliates	13	(5)	-	-	-	6	-	14
Interest and Dividend Income	3	-	-	-	-	-	-	3
Interest Expense	(24)	-	-	-	-	-	-	(24)
Other Gains and Losses, net	14	-	-	-	(6)	10	(10)	8
Other income/(expense) of CIP, net	32	-	-	-	-	(32)	-	—
Income before income taxes	398	2	-	21	(1)	(6)	(10)	403
Income Tax Provision	(123)	(2)	-	(6)	1	-	19	(112)
Net income	275	-	-	15	(1)	(5)	9	292
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(7)	-	-	-	-	7	-	—
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	268	-	-	15	(1)	1	9	292
Diluted EPS	$0.65					Adjusted diluted EPS		$0.73
Diluted Shares Outstanding	410.5					Diluted Shares Outstanding		410.5
Operating Margin	26.9%					Adjusted Operating Margin		41.2%

* 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, 2017

Please refer to pages 8-10 in the 2Q 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	1,010	12	-	-	-	6	-	1,028
Service and Distribution Fees	211	-	-	-	-	-	-	211
Performance Fees	17	1	-	-	-	0	-	18
Other	16	1	-	-	-	-	-	17
Third-Party Distribution, Service and Advisory	-	(2)	(366)	-	-	-	-	(368)
Total Operating Revenues reconciled to net revenues	1,254	12	(366)	-	-	6	-	906
Operating Expenses								
Third-Party Distribution, Service and Advisory	366	-	(366)	-	-	-	-	-
Employee Compensation	361	4	-	-	(3)	-	(1)	361
Marketing	29	1	-	-	-	-	-	30
Property, Office and Technology	88	1	-	-	-	-	0	89
General and Administrative	72	1	-	-	-	(2)	0	71
Transaction, integration and restructuring*	20	-	-	(20)	-	-	-	-
Total Operating Expenses	936	6	(366)	(20)	(3)	(2)	(1)	550
Operating Income reconciled to adjusted operating income	318	5	-	20	3	9	1	356
Equity in Earnings of Unconsolidated Affiliates	11	(5)	-	-	-	4	-	10
Interest and Dividend Income	2	1	-	-	-	-	(1)	2
Interest Expense	(24)	-	-	-	-	-	-	(24)
Other Gains and Losses, net	3	0	-	0	(5)	13	6	17
Other income/(expense) of CIP, net	32	-	-	-	-	(32)	-	-
Income before income taxes	342	1	-	20	(2)	(7)	7	361
Income Tax Provision	(93)	(1)	-	(5)	1	-	2	(96)
Net income	250	0	0	15	(1)	(7)	9	265
Net (Income)/Loss Attributable to Noncontrolling Interests in Consolidated Entities	(10)	-	-	-	-	10	-	0
Net Income Attributable to Invesco Ltd. reconciled to adjusted net income attributable to Invesco Ltd.	240	-	-	15	(1)	3	9	265
Diluted EPS	$0.58					Adjusted diluted EPS		$0.64
Diluted Shares Outstanding	410.3					Adjusted Operating Margin		410.3
Operating Margin	25.4%					Diluted Shares Outstanding		39.3%

* 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.

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.