



# APPENDIX

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## Pre-Tax Operating Margin – Non-GAAP

(\$MM)	2Q14 LTM	2Q16 LTM
Income before income taxes - GAAP	\$3,467	\$4,236
<b>Less:</b> Net income (loss) attributable to noncontrolling interests of consolidated investment management funds	(62)	3
<b>Add:</b> Amortization of intangible assets	313	246
M&I, litigation and restructuring charges	128	53
Charge (recovery) related to investment management funds, net of incentives	104	
Impairment charge related to a court decision regarding Sentinel		170
Income before income taxes, as adjusted – Non-GAAP <sup>1</sup>	\$3,950	\$4,708
Fee and other revenue – GAAP	\$11,656	\$11,972
Income (loss) from consolidated investment management funds – GAAP	150	(2)
Net interest revenue – GAAP	2,980	3,052
<b>Less:</b> Net income (loss) attributable to noncontrolling interest of consolidated investment management funds	(62)	3
Total revenue, as adjusted – Non-GAAP <sup>1</sup>	\$14,724	\$15,025
Pre-tax operating margin <sup>2</sup>	<b>23.4%</b>	<b>28.2%</b>
Pre-tax operating margin – Non-GAAP <sup>1,2</sup>	<b>26.8%</b>	<b>31.3%</b>

<sup>1</sup> Non-GAAP excludes net income (loss) attributable to noncontrolling interests of consolidated investment management funds, amortization of intangible assets, M&I, litigation and restructuring charges (recoveries), charge (recovery) related to investment management funds, net of incentives and the impairment charge related to a recent court decision, if applicable.

<sup>2</sup> Income before taxes divided by total revenue.