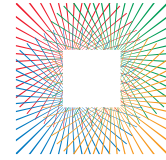


White Paper

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The **BANK**
of **NEW YORK**™

Survival of the Fittest

The Battle for Sales
Brand *versus* Performance

Foreword

Through the summer of 2005, The Bank of New York conducted a survey of leading investment firms around the globe: "Survival of the Fittest". Our findings confirmed the widely held view that generating alpha and attracting key staff were the two most fundamental criteria for success in this highly competitive industry.

In this follow-up paper we delve deeper into the drivers of new business growth. We review the results of an empirical study into the drivers of sales success and we analyse the degree of importance which 3rd party fund distributors place on brand strength versus investment performance when deciding on investment manager selection for their clients.

This is the latest in a series of Thought Leadership studies published by The Bank of New York. Thought Leadership is an on-going strategy we use in developing a better understanding of our clients business. In communicating this research we believe we are equipping ourselves and our industry partners to understand the drivers behind success in their specialist field and better position The Bank of New York to support that success.

The Bank of New York is delighted to be working with Oxford Metrica to present this study. We look forward to discussing this paper and other topics with our clients and colleagues across the globe.

Daron J. Pearce
Managing Director, The Bank of New York

Executive Summary

The aim of this briefing is to provide an independent analysis of whether brand strength or fund performance is more important in driving net sales for European retail fund managers.

The study focuses on the largest 100 managers in this sector, by assets under management (AUM) at the 2005 year-end. This empirical research combines a quantitative analysis of managers' actual results with a qualitative survey-based assessment of brand strength. The net sales figures are calculated by analysing publicly available data sources and the brand data is based on 3,516 survey responses from third party fund distributors, analysed across the years 2004 and 2005.

Key Results

- Fund performance has a highly significant influence in generating sales for European retail fund managers.
- Short term (12 month) performance has greater impact on sales success than longer term (three year plus) results.
- Brand strength does not appear to be influential in driving retail sales.
- There is no correlation between brand strength and actual investment performance.
- 3rd party fund distributors believe both investment performance and brand strength to be important in their selection of funds. However, the empirical evidence suggests that investment performance is the real driver of sales success.
- Across Europe, fund performance is increasingly important to distributors in their decision to select a retail fund manager.
- There is a high correlation between elements of brand strength and perceived investment performance.

- The positioning of the fund manager's brand, including advertising and brand awareness, has become less relevant to distributors from 2004 to 2005 in their manager selection decisions.
- Results are consistent across asset classes.
- Results are consistent across countries with a few noteworthy exceptions.

Conclusions

In The Bank of New York's previous Thought Leadership paper, "Survival of the Fittest", fund managers confirmed that "Performance, Performance, Performance" is their key to success.

In this study, net sales are analysed using a rigorous methodology, and the results confirm again, that performance is a key driver to sales success.

Our third view of this topic is a comprehensive survey of 3rd party fund distributors. They believe that both brand and performance are important in their selection of fund managers. However, the reality is that two of the three major brand characteristics are highly correlated to performance and assets under management. Therefore, again the story is "Performance, Performance, Performance".

Having examined the market from three dimensions: 1) fund managers, 2) our study of net sales data, 3) 3rd party distributors, it is unequivocally clear that performance is the key driver of success and it is short-term performance which is dictating sales success in the 2005 market place.

The message is clear, there is no substitute for good performance, regardless of how good your messaging, or how big your marketing budget.

Data and Methodology

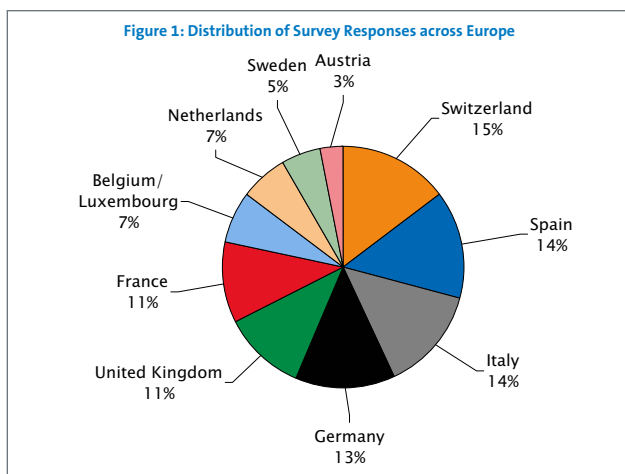
This section of the briefing describes the key attributes of the research portfolio. The research focuses on the largest 100 - ranked by end 2005 assets under management (AUM) - European retail fund managers. Presented in Table 1 are selected key statistics for this portfolio. Data on AUM, sales activity and fund performance were obtained from FERI Fund Market Information Ltd¹.

Table 1: Descriptive Statistics for Top 100 European Retail Fund Managers

EUR millions	Minimum	Maximum	Mean	Median	Total
No. of funds	10	1,380	221	119	22,128
AUM 2005	5,335	245,285	39,276	22,925	3,927,623
AUM 2004	897	219,252	32,155	18,201	3,215,569
AUM 2003	615	215,194	29,089	15,780	2,908,859
AUM 2002	691	197,700	25,541	13,703	2,554,111

The research encompasses firms managing in 2005 a combined total of 22,128 funds, representing nearly EUR 4.0 trillion in assets.

Qualitative data capturing the brand perceptions of third party fund distributors across Europe were obtained from the market research company, Metrinomics GmbH². These perceptions include distributors' views of various dimensions of fund managers' brand strengths and of fund performance, as a key element of brand strength. The data is gathered by European Investor Focus (EIF) surveys each year and this study reflects 1,639 responses from 2004 and 1,877 responses from 2005. Shown in Figure 1 is the distribution of the total 3,516 survey responses across Europe for 2004 and 2005 combined. Each year was very similar in its geographical distribution.



The largest number of responses, by a slight margin, come from Switzerland, reflecting its known prominence in fund distribution. Figure 1 indicates a viable representation from each country.

Methods

The research presented herein combines an extensive statistical analysis of the data with a series of qualitative interviews with senior directors of European retail fund managers. Excerpts from the interviews are provided in the briefing. The statistical analysis involves the calculation of correlation coefficients for each defined variable and the calculation of *t*-statistics³. The results are controlled for firm size⁴. In addition, a comparative analysis is undertaken to identify any key attitudinal differences across European countries.

Performance as a Driver of Sales Success

This section outlines the analysis of the impact of investment performance on sales success. Presented in Table 2 are the sales and performance metrics used in the analysis. Each metric was calculated for the years 2003, 2004 and 2005 for each constituent of the Top 100 portfolio of European retail fund managers⁵.

Table 2: Definition of Sales and Performance Metrics

Metric	Definition
AUM	Assets under management at a given year-end
Growth	The amount of asset increase (decrease) during a given year
Estimated Net Sales (ENS)	Calculated each month by deducting the fund performance from the monthly growth in assets ⁶ .
Sales Momentum	Calculated as ENS divided by starting AUM x 100. It is a reference factor to benchmark the effectiveness of a sales-force and is used by a number of leading fund groups.
Performance Growth	The growth in assets over the year after deducting ENS, i.e., due to market and/or portfolio manager performance
Investment Performance	Performance growth as a percentage of starting assets

It is found, consistently across the three years analysed, that the top 50 performing managers, measured by investment performance, as defined above, generate significantly greater sales than do the bottom 50⁷. This indicates a clear and positive relationship between fund performance and sales success. Fund performance is identified as a core driver of sales.

1 A full list of the fund managers included in the study is provided in the Appendix.

2 Captive distributors have been excluded from the survey. This removes the risk of captive distributors distorting results by over-stating the strength of their own brands.

3 Reference: Freund, J. E. (1992), *Mathematical Statistics*, Prentice-Hall International

4 Results are controlled for firm size using AUM as the variable to do so.

5 See Appendix for 2005 AUM data

6 The arithmetic is robust and industry-accepted and the result is an estimation of net sales to within a 5% margin.

7 Calculated using two-sample *t*-Tests assuming unequal variance and the resultant *t*-statistics found to be statistically significant at 99% levels of confidence

Moreover, 1-year performance results were found to be a more significant driver of sales than the 3-year results⁸. This means that the most recent short term fund performance of a manager is more relevant than longer term historic performance in driving net sales.

When a correlation analysis⁹ was undertaken between the sales and performance metrics, no statistically significant result emerged. However, we know unambiguously from the results of the *t*-Tests that sales and performance are related. So performance is a core driver of sales but the two variables are not moving together in a strictly correlated way. The results imply, therefore, that the relationship between sales success and fund performance is complex and non-linear, and that it exists strongly and positively. The results are consistent across all countries analysed.

Brand Strength as a Driver of Sales Success

This section outlines the analysis of the impact of brand strength on sales success. Perceptions of brand strength are captured by Metrinomics' annual 2004 and 2005 surveys. Third party fund distributors across Europe are questioned on their brand preferences and invited to award a score to European retail fund managers on three key dimensions of brand strength: brand personality, brand image and brand positioning. Each core dimension has a specified set of attributes, presented in Table 3.

Table 3: Elements of Brand Strength

Brand Personality	Brand Image	Brand Positioning
Strong management	Key international player	Best known
Competence	Local knowledge	Most highly regarded
Client orientation	Keeping best informed	Most used
Partnership attitude	Appealing investment strategy	Advertising recall
Integrity		Advertising quality
Adaptability		Brand empathy

The surveys produce, therefore, a relative score for each retail fund manager on how they are perceived by third party fund distributors across Europe according to a variety of different measures of brand strength. As clients of fund managers, distributors are well-positioned to provide feedback on their

perceptions of each manager. In addition, distributors as individuals are the most qualified to comment on fund managers' attributes. Table 4 lists the retail fund managers in the top and bottom quartiles for brand strength, as they are perceived by third party distributors.

Table 4: Top and Bottom Quartiles of Brand Strength Scores

Fund Manager	Brand strength
Top quartile (ranked)	
Fidelity International	275
JP Morgan Asset Management	209
Merrill Lynch Group	139
Franklin Templeton Group	91
Schroders	87
Deutsche Bank Group	84
UBS AG	78
ABN AMRO	63
Pictet & Cie	56
Crédit Agricole Group	46
Crédit Suisse Group	43
AXA Group	42
AMVESCAP	41
Morgan Stanley	39
Société Générale	37
Rabobank Group	33
Commerzbank AG	31
LCF Edmond de Rothschild (Geneva)	30
Julius Baer Group	28
HSBC Group	27
New Star Management Group plc	25
Nordea AB	25
Unicredit Group	25
Allianz Group	24
ING Group	21
Bottom quartile (alphabetic)	
Aberdeen Asset Management	0
Aviva Group	0
Banca Lombarda Group	0
Banca Popolare di Verona e Novara Group	0
Banche Popolari Unite Group (BPU)	0
Banco Sabadell Group	0
Banques Populaires Group	0
BNL Group	0
Caja Madrid Group	0
Crédit Mutuel Group	0
Espírito Santo Group	0
FöreningsSparbanken	0
Gruppo Banca Popolare Italiana	0
La Caixa Group	0
Länsförsäkringsbolagen	0
Legal & General Group	0
Lloyds TSB Group plc	0
Mediolanum Group	0
MFS Investment Management	0
Monte dei Paschi di Siena Group	0
Nomura Securities	0
Oddo Pinatton Group	0
Royal Bank of Scotland	0
Skandia Group	0
Swiss Life Group	0

Extensive quantitative analysis¹⁰ across the 2004 and 2005 survey data reveals no significant relationship between sales success and brand strength. The result is consistent for all countries analysed. The three core dimensions of brand were analysed, as was each constituent attribute. Brand image, however, is found to be related to AUM; understandable given that the larger fund managers tend to be those building on a global franchise. Large firms which scored particularly highly for brand image include Fidelity International, JP Morgan Asset Management,

⁸ In statistical terms, the 1-year figures were significant at 99% levels of confidence and the 3-year figures were significant at 95% levels of confidence.

⁹ Calculation of Pearson correlation coefficients to produce a correlation matrix

¹⁰ Computation of *t*-statistics and Spearman's rho correlation coefficients

Merrill Lynch Group, UBS and Deutsche Bank Group.

These results suggest that, between brand and performance, it is fund performance that is driving the growth in new business. The results suggest also that a good brand seldom can disguise poor fund performance.

Perceived Fund Performance as a Component of Brand Strength

The surveys undertaken also capture distributors' perceptions of fund performance. This may be different from fund managers' actual performance. The results provide insight as to how distributors' perceptions affect the fund manager selection decision and, therefore, the generation of real sales.

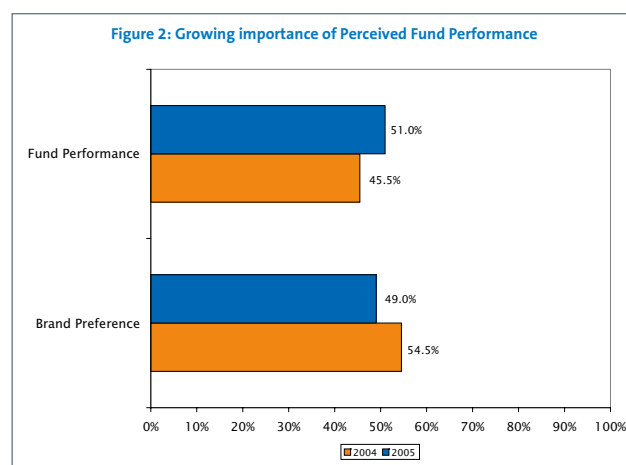
More specifically, the results reveal that distributors' perceptions of fund performance do not always coincide with managers' actual performance. Both The Royal Bank of Scotland and Skandia Group appear in the top quartile for actual investment performance in 2005, for example, yet the two firms appear in the bottom quartile for perceived fund performance. In contrast, Crédit Agricole Group appears in the top quartile for perceived fund performance yet its actual investment performance in 2005 is in the bottom quartile of the Top 100 group.

When brand strength and *perceived* fund performance are compared (the survey-based measure, rather than actual performance), it is found that respondents view them as inter-related and the responses are highly correlated. More specifically, the dimension brand personality is found to be related to perceived fund performance. This is reasonable in that distributors would associate good performance with strong investment management and competence, core attributes of brand personality.

Sales success was analysed also by asset class. It was plausible, for example, that those managers invested predominantly in equities may have their sales driven

more by performance while those predominantly invested in fixed income securities may be more influenced by brand. In fact, the analysis revealed no significant difference in driver for these two types of asset class, suggesting that investment performance is indeed the prominent driver of sales success, irrespective of asset class.

Figure 2 illustrates the relative importance attributed by distributors to fund performance and brand strength in their choice of fund manager for 2004 and 2005. The graph shows that distributors, when questioned, placed greater emphasis on performance than on brand in 2005 whereas, in 2004, brand was considered slightly more important. Alan Crutchett, Managing Director of DWS Investments, makes the observation that "*performance has become more transparent*" over time.



The result does reveal that distributors believe both fund performance and brand strength to be important in their selection decision and yet, in practice, the empirical research suggests that it is the former which is the real driver of sales.

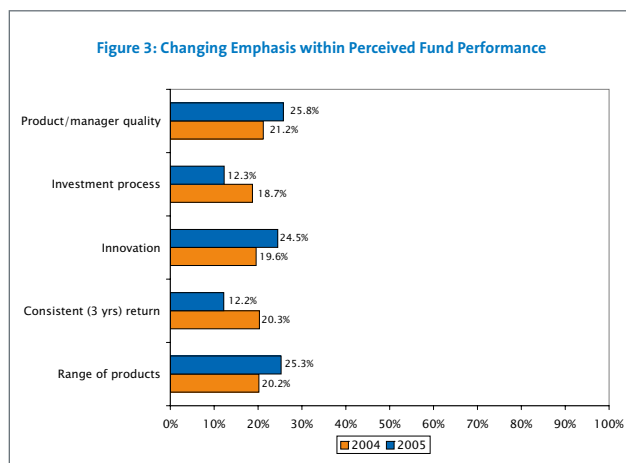
Analysing Perceived Fund Performance

The survey-based measure of perceived fund performance comprises five key attributes captured by the survey:

- Product/manager quality,
- Investment process,
- Innovation,
- Consistent return over the last three years, and
- Range of products.

Across the respondent sample, the scores awarded to these attributes are found to be very highly correlated. This suggests that distributors rate retail fund managers according to perceived fund performance in the aggregate, rather than using the different aspects of performance to differentiate between managers. Dominique Couasse, Head of Product Development at Crédit Agricole Asset Management, comments that, “managers have to be innovative, the products need to have a good reputation of reliability in terms of performance and dedication to stated strategy”.

Illustrated in Figure 3 are the relative weightings European distributors award to retail fund managers for each dimension of perceived fund performance. Although each aspect of performance was considered approximately equally important in 2004, the investment process and consistency in returns have declined in relative importance in 2005. In contrast, the importance of product/manager quality, innovation and the range of funds offered have increased in emphasis. This result is consistent with better market conditions in 2005. When markets are good, interest in the investment process declines. Better markets prompt new product development, sparking innovation and producing an accompanying broader range of products.



However, William Russell, Investment Marketing Director of M&G Investments, notes the recent emphasis on, “the articulation of the investment process (risk management, approach to diversification, buy and sell processes)”. David Orr, Marketing and Product Development Manager of Skandia Investment Management, comments that, “there is still a lack of understanding of investment style and the distinction between luck (i.e., a fund’s returns being boosted by the dominance of a favourable style being in vogue) and genuine managerial skill”.

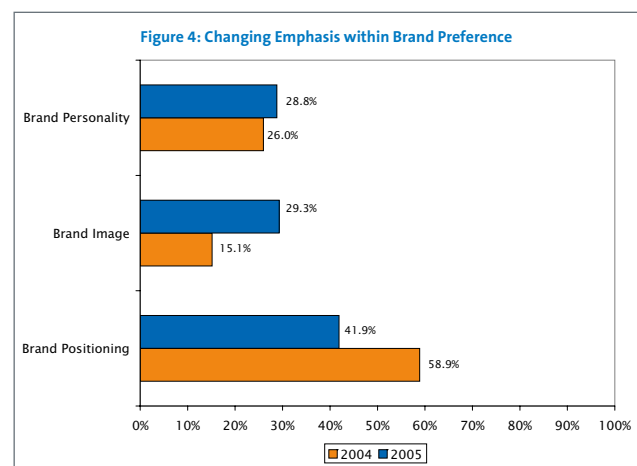
No discernable cultural difference was found between the relative emphasis of each element of fund performance placed by distributors in different European countries. This suggests that national differences in legal and financial structures across Europe do not create sufficient barriers to cause significant variation in the retail fund manager selection process for third party fund distributors.

Analysing Brand Strength

In this section, the three core dimensions of brand strength are analysed in more detail; brand personality, brand image and brand positioning. The relative scores awarded by distributors reflect the emphasis they place on each aspect of brand strength when selecting a retail fund manager.

‘Brand’ in this research refers to the corporate brand of the retail fund manager. The majority of fund managers interviewed believe the corporate brand to be more important than the name of any particular ‘star manager’ in driving sales. However, Richard Turpin, Managing Director of Artemis, comments that, “open architecture may be changing this dynamic in Europe and the importance of the star manager may be growing”. Simon Pistell, Retail Investments Director of Legal and General Group agrees; “the asset management company [brand] is more important but, ironically, the star manager is growing in importance through open architecture and the due diligence ‘fund of funds’ put their fund manager panels through”.

Figure 4 shows that brand positioning (advertising and visibility of the brand) is considered most important by distributors when selecting a retail fund manager. However, this emphasis has declined



markedly since 2004. In contrast, the relative importance attributed to brand image (the size and scale of a manager, its international nature and local knowledge) has increased since 2004. The emphasis on brand personality (the strength and nature of the fund management team) has remained reasonably constant over the last two years.

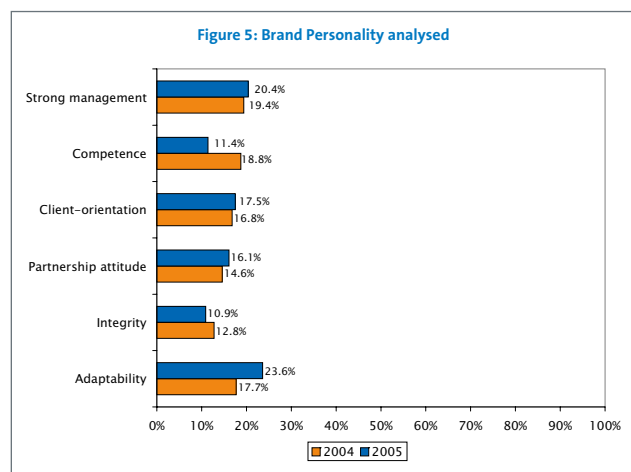
A clear difference emerges between UK respondents and those in continental Europe. In the UK, brand image appears as much less important (10.4% in 2004 and 23.6% in 2005) than for continental European distributors (15.5% in 2004 and 29.9% in 2005).

In addition, each market - continental Europe and the UK - has experienced a different shift in attitude from 2004 to 2005. In both markets there has been a shift towards brand image but, in the UK, this shift has come at the expense of valuing brand personality (43.6% in 2004 and 29.2% in 2005) whereas in continental Europe, the shift in attitude was away from the visibility of the brand (24.4% in 2004 and 28.8% in 2005). In continental Europe, therefore, the shift has been away from brand awareness and visibility whereas, in the UK, the shift has been away from an emphasis on managerial qualities.

Brand Personality

A key shift in distributors' attitudes is noticeable since 2004; Figure 5. Across Europe, greater importance is given now to the ability of retail fund managers to adapt to an evolving market; adaptability (17.7% in 2004 and 23.6% in 2005). Again, this result is consistent with stronger markets and the development of new products.

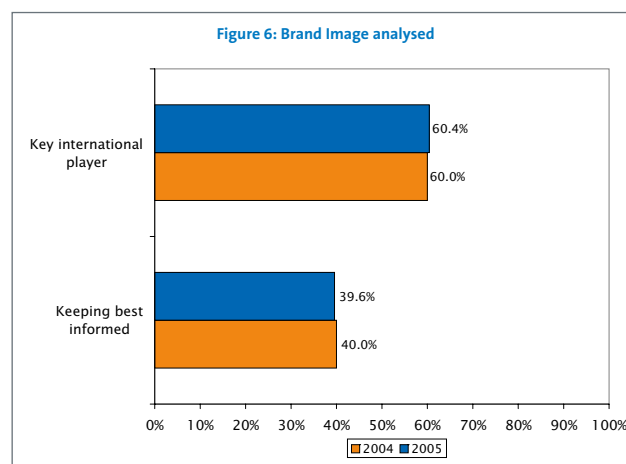
The perceived competence of the manager is given



correspondingly less emphasis in 2005 (11.4%, down from 18.8% in 2004).

Brand Image

As shown by Figure 6¹¹, the relative importance attributed by distributors across Europe to the constituents of brand image is quite stable across 2004 and 2005. This suggests that these characteristics are expected by distributors, rather than being a differentiating factor for fund manager selection. Significantly greater importance is afforded to the global reach of a retail fund manager than, for example, how well-informed the distributors are kept.



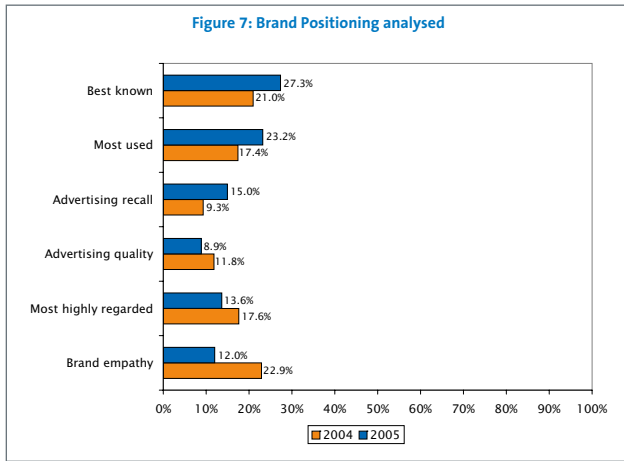
As reported in a previous section, there is a positive relationship between brand image and the size of retail fund manager.

Brand Positioning

Distributors perceive that familiarity with the fund manager's brand (via strong brand positioning) plays an important role in their selection of retail fund manager. However, this perception is not supported by actual buying behaviour; no relationship being found between brand positioning (or any of its attributes) and actual sales.

An interesting change in distributors' perception has taken place from 2004 to 2005; Figure 7. Across Europe in 2005, more emphasis has been given to brand visibility; best known, most used and advertising recall while less emphasis has been given to the more qualitative aspects of brand positioning; most highly regarded, advertising quality and brand empathy.

¹¹ Data on neither variable - local knowledge nor appealing investment strategy - were available for 2004.

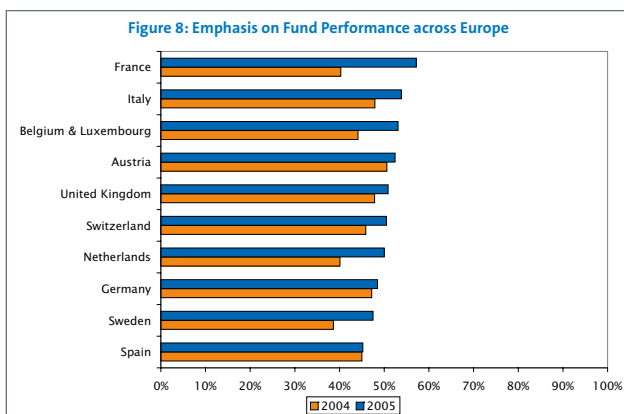


This suggests that European distributors have become more concerned with brand awareness itself, rather than feeling any great need to resonate with a retail fund manager's particular brand values. These results are consistent with stronger markets as less attention is paid to the more subtle aspects of brand positioning.

Geographical Divergence

This section presents the relative importance attributed to different characteristics of perceived fund performance and brand preference by European distributors in the eleven countries analysed; Austria¹², Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom.

Figure 8 illustrates the relative importance attributed to perceived fund performance by third party distributors of retail funds across different European countries. The residual is attributed to brand preference. It can be seen that only Spain, Sweden and Germany place greater emphasis on brand preference than on perceived fund performance in 2005.



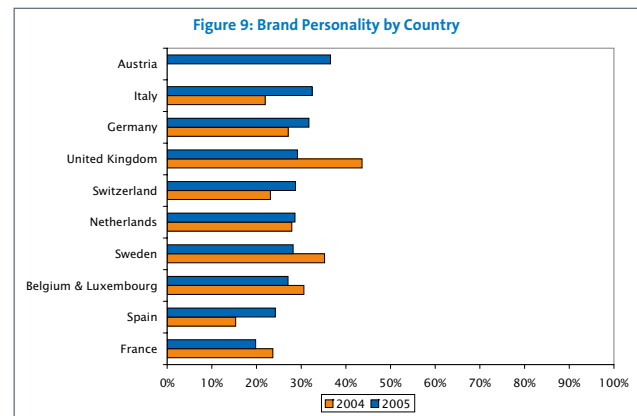
¹² Only selective 2004 data was available for Austria.

While the changes in attitude from 2004 to 2005 have been different in magnitude, all countries analysed attribute greater importance to fund performance than they did a year ago. France has experienced the biggest shift in this direction, from 40.3% in 2004 to lead the ranking with 57.2% in 2005. France is a highly sophisticated investment market with very professional analysis of fund managers and their investment style and process.

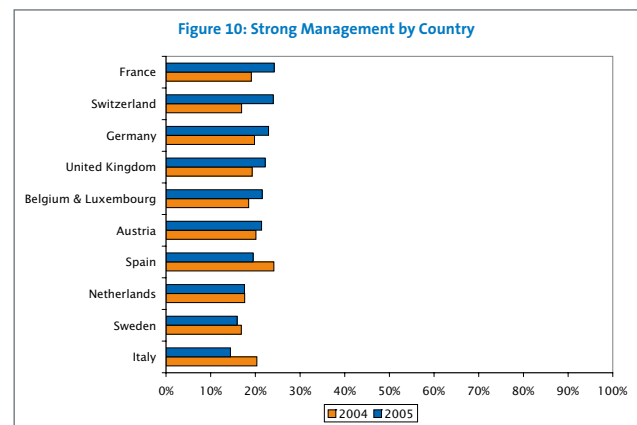
Distributors in Spain place the lowest emphasis on fund performance. However, structured products are a significant activity in Spain where performance itself may be considered less vital than other fund attributes.

Brand Personality by Country

In Figure 9 the countries are ranked according to the relative importance distributors award to aspects of brand personality; the nature and strength of the retail fund manager's investment approach. The UK shows the largest absolute shift in attitude from 43.6% in 2004 to 29.2% in 2005.



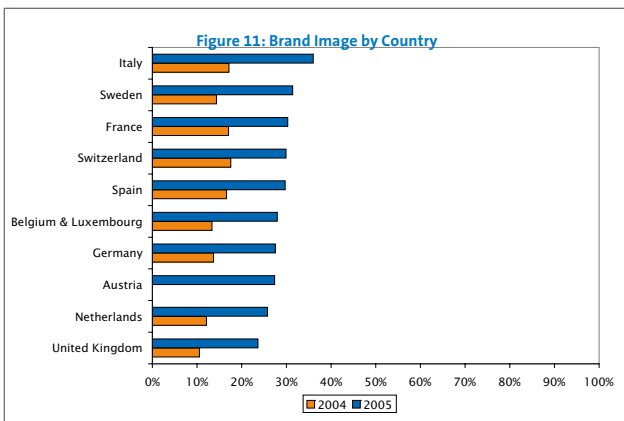
The strongest driver of brand personality (strongest correlation) is the perceived strength of fund managers. The cultural differences of the relative importance to distributors of this dimensions is presented in Figure 10.



France and Switzerland - both highly sophisticated and professional markets - lead the ranking for the importance distributors assign to strong management skills in their selection of retail fund manager. Italy places least relative importance on the perceived strength of the management team and is more influenced by other attributes of brand strength.

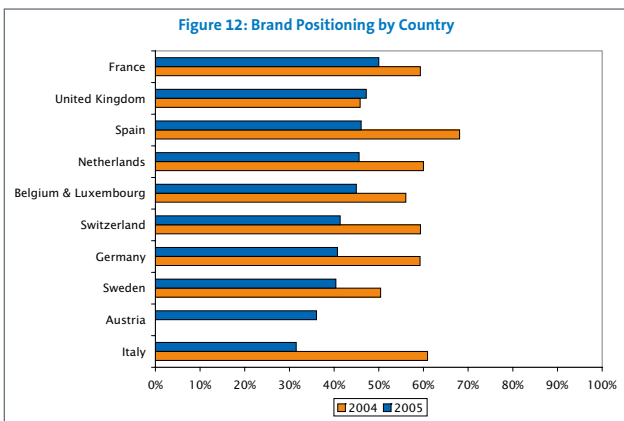
Brand Image by Country

Figure 11 shows the relative importance given to brand image, by country. Third party fund distributors in the UK display least interest in the variables captured by brand image - key international player, local knowledge, keeping best informed and appealing investment strategy - perhaps indicating the UK's expectation of global operations and good information flow rather than viewing this attribute as a particular differentiator.

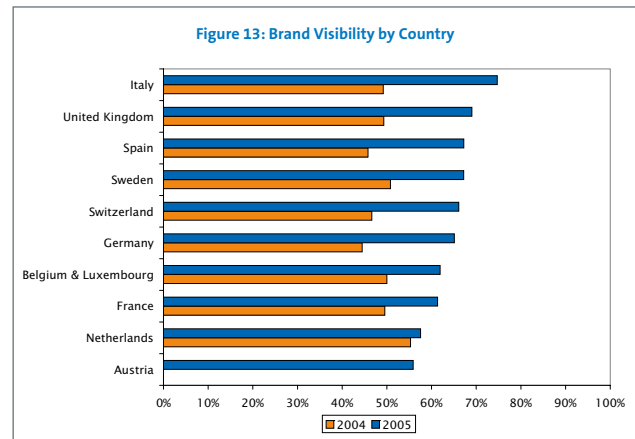


Brand Positioning by Country

Brand positioning has decreased in relative importance to distributors from 2004 to 2005; Figure 12. This is the case in all countries except the UK where there has been a slight increase. Italy, followed by Spain, has experienced the greatest decline in the emphasis distributors place on the familiarity of the brand when choosing a retail fund manager.



In order to gain further insight to this dimension of fund manager selection, brand positioning has been analysed according to a more specific characteristics: brand visibility (encompassing the variables: best known, most used and advertising recall) and brand resonance (including the variables: most highly regarded, brand empathy and advertising quality). The cultural differences of brand visibility are presented in Figure 13. The mirror image would represent, therefore, the ranking of brand resonance.



It can be seen that the importance attributed to the visibility of the retail fund manager's brand (the extent to which distributors are aware of the brand) has increased significantly from 2004 to 2005. In contrast, therefore, the importance attributed to the resonance distributors have with the brand (the extent to which distributors admire or empathise with the brand) has decreased.

The research presented herein demonstrates that fund performance is critical to retail sales success across Europe and, generally, cannot be disguised by clever branding.

Appendix

The Largest 100 European Retail Fund Managers by AUM (2005) where the assets are domiciled and administered in Europe

Rank	Name of Fund Manager	2005 AUM (EUR m)
1	Crédit Agricole Group	245,285
2	UBS AG	156,073
3	Deutsche Bank Group	155,315
4	Unicredit Group	147,709
5	Allianz Group	117,595
6	Société Générale	113,456
7	JP Morgan Asset Management	113,233
8	Sanpaolo IMI Group	113,001
9	BNP Paribas	101,881
10	Die Sparkassen Finanzgruppe (Deka)	98,165
11	Fidelity International	95,073
12	Genossenschaftliche Group (Union)	87,956
13	Fortis Group	85,348
14	AXA Group	83,885
15	Santander Group	79,673
16	Caisse d'Epargne Group	71,041
17	KBC Bank and Insurance Holding Company	70,963
18	Crédit Suisse Group	70,111
19	HSBC Group	67,583
20	ABN AMRO	62,840
21	Nordea AB	60,801
22	Dexia Group	58,412
23	Barclays Group	57,537
24	Banques Populaires Group	57,279
25	Commerzbank AG	57,087
26	Merrill Lynch Group	53,069
27	Aviva Group	48,590
28	BBVA Group	47,447
29	Crédit Mutuel Group	46,392
30	Lloyds TSB Group plc	46,059
31	AMVESCAP	44,356
32	ING Group	42,604
33	Schroders	42,598
34	Goldman Sachs Group	40,079
35	SEB	38,676
36	FöreningsSparbanken	36,248
37	Swisscanto	33,997
38	Capitalia Group	33,982
39	Franklin Templeton Group	32,231
40	Rabobank Group	31,508
41	Pictet & Cie	29,674
42	American Express	29,453
43	Legg Mason Inc	27,821
44	Morgan Stanley	27,382
45	Arca Sgr SpA	26,979
46	Russell Group	26,386
47	Aberdeen Asset Management	26,244
48	Standard Life Investments Group	26,068
49	Generali Group	24,672
50	Legal & General Group	23,085
51	Sparkassen Gruppe (Austria)	22,765
52	State Street Corporation	22,635
53	Mellon Financial Corporation	22,634
54	Julius Baer Group	22,451
55	Monte dei Paschi di Siena Group	22,279
56	LCF Edmond de Rothschild (Geneva)	20,130
57	Royal Bank of Scotland	18,900

58	Raiffeisen Bank Group Austria	18,468
59	Svenska Handelsbanken	18,382
60	HHG Plc	17,996
61	Banca Popolare di Verona e Novara Group	17,675
62	Bankhaus Sal Oppenheim	16,255
63	Banche Popolari Unite Group (BPU)	16,083
64	BNL Group	15,698
65	WestLB AG	15,252
66	La Caixa Group	15,225
67	Mediolanum Group	14,445
68	Skandia Group	14,052
69	Bipiemme Group	13,620
70	Nationwide Mutual Insurance Company	13,577
71	Groupama	13,472
72	Banca Lombarda Group	11,917
73	Caja Madrid Group	11,796
74	Capital International Group	11,702
75	Ahorro Corporación Group	11,674
76	Nomura Securities	11,599
77	Lombard Odier Darier Hentsch	11,432
78	New Star Management Group plc	11,216
79	Azimut Holding SpA	11,056
80	Petercam SA	9,523
81	The Vanguard Group	9,315
82	F&C	9,126
83	Bankinter Group	8,528
84	Oddo Pinatton Group	8,472
85	Banco Sabadell Group	8,303
86	Lazard Group	7,597
87	Banque Degroof Group	7,558
88	Banco Desio Group	7,369
89	Gruppo Banca Popolare Italiana	7,278
90	Union Bancaire Privée	7,260
91	Vontobel Group	6,626
92	Banca CR Firenze Group	6,507
93	American International Group Inc	6,327
94	MFS Investment Management	6,123
95	Swiss Life Group	6,000
96	Espírito Santo Group	5,956
97	Länsförsäkringsbolagen	5,939
98	Investec Group	5,772
99	Carmignac Gestion	5,423
100	Janus	5,335
		3,927,623

Source: FERI Fund Market Information Ltd.

Note: Listed in the table below are the companies (with their original ranking) excluded from the analysis due to not being covered by the Metrinomics EIF Surveys.

Rank	Name of Fund Manager	2005 AUM (EUR m)
39	HBOS Group	28,000
42	Prudential Plc	26,380
48	La Poste (France)	22,596
53	Den Danske Bank	20,453
84	Credito Emiliano Group	9,022
85	Den Norske Bank Group	8,974
86	Banco Popular Group	8,612
90	Sampo Bank Plc	7,334
93	Bank Invest Holding A/S	7,180
95	Royal London Mutual Insurance Society Limited	6,499
96	OKO Bank Group	6,476
100	EFG Bank European Financial Group	6,214
		157,740

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Europe

Daron Pearce, Managing Director	44 207 964 7624
Mark Westwell, Managing Director	44 207 964 6405
David Claus, Managing Director	44 207 964 6661

North America

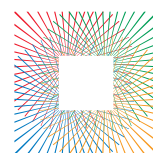
Louis Di Franco, Managing Director	212 635 6067
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Asia Pacific

Andrew Gordon, Managing Director	852 2840 9801
Jai Arya, Managing Director	656 432 0220

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The **BANK**
of **NEW YORK**[™]

The Bank of New York
One Canada Square
London, E14 5AL
www.bankofny.com

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