

THE MONEY MANAGEMENT INSTITUTE

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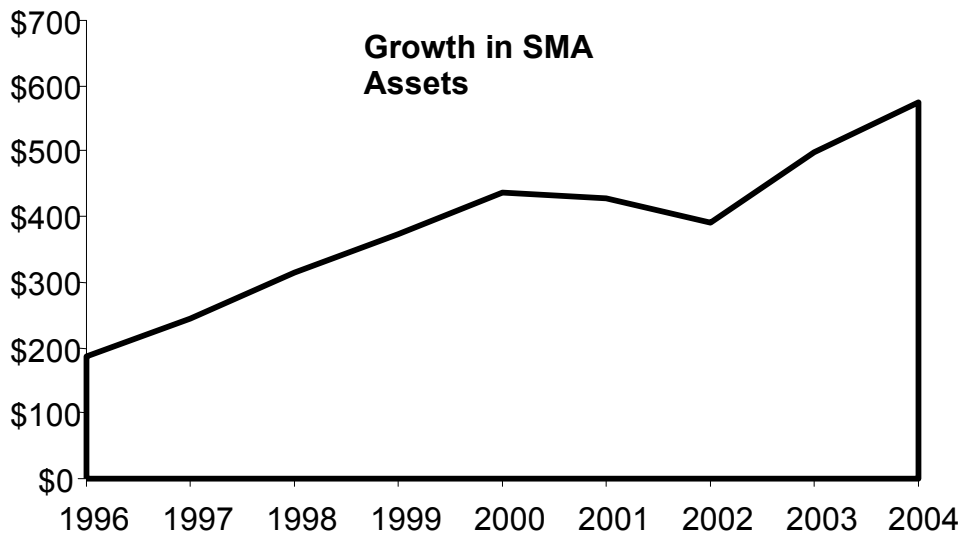
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THE MONEY MANAGEMENT INSTITUTE REPORTS MANAGED ACCOUNTS REACH \$576 BILLION

—Assets Increase 15.9 Percent Year-To Year—

Washington, D.C., February 1, 2005—The Money Management Institute announced today that assets under management in the separately managed accounts industry grew by 15.9 percent to \$576.1 billion at the end of 2004 compared with \$497.3 billion at the end of 2003.

MMI's quarterly assets under management (AUM) figure is based on program totals reported by the top sponsor firms including the industry's five market leading firms. In addition to these results, MMI uses a selection of other firms that represent a proxy for the remainder of the managed account industry. Financial Research Corporation compiles and analyzes the data for MMI.



Source: Money Management Institute, FRC

“The managed account industry has seen continued growth through varying market conditions,” explained Stephen Gresham, Executive Vice President, Phoenix Investment Partners. “The appeal of customized service and actively managed investment vehicles continues to drive investors toward managed accounts.”

Long-Term Projections

MMI expects growth to continue over the next few years reaching \$1.3 trillion by 2008 with 5.1 million accounts. MMI expects IRA rollovers to be a key driver to this growth. In 2003 25% of the industry’s \$30 billion of net flow derived from IRAs. MMI projects this to increase to 40% by 2008.

“We’ve seen financial services shift from focusing on individual products, to packaging services and now planning. With their financial advisor, Managed Accounts provide investors with a process to set and achieve their financial goals,” explained Mr. Gresham.

Distribution Channels

Major Wall Street firms (“wire houses”) continue to dominate the managed account distribution channel. Currently they comprise nearly 80 percent of the market. However, MMI forecasts, in 3-5 years, the wire houses will account for 61 percent of the market, with Banks, regional firms, 3rd parties and insurance companies each gaining a larger share of the market.

“As the distribution channels change, and more players enter the market, the growth of managed accounts remains a win-win situation,” explained Paul Schaefer, Managing Director, SEI Investments. “It’s a rapidly growing pie, so even channels that see their market share decline are seeing their business grow rapidly.”

In addition to being a Managing Director at SEI, Mr. Schaeffer was recently named co-chair of MMI’s data committee. He will serve as co-chair of the data committee with Larry Sinsimer, Managing Director, Eaton Vance.

Market Discipline

Among investment disciplines, Mid Cap investing styles netted the highest percentage of new money in the 4th quarter attracting 25.5 percent of new assets. Large Cap Value funds continue to be the largest investment strategy with 21.9 percent falling into this asset class.

Discipline	Market Share Net New Accts	Market Share AUM
Mid Cap	25.5%	7.6%
Large Cap Value	22.4%	21.9%
Large Cap Core	13.9%	12.4%
International	10.2%	12.1%
Large Cap Growth	8.2%	10.3%
Taxable Balanced	4.7%	7.8%
Small Cap	4.6%	2.6%

Source: Money Management Institute, FRC

Notes: The Money Management Institute (MMI) is the national organization for the separately managed account industry, representing portfolio manager firms and sponsors of investment consulting programs. MMI was organized in 1997 to serve as a forum for the separately managed account industry's leaders to address common concerns, discuss industry issues and work together to better serve investors. The Institute is the leading advocate for the industry on regulatory and legislative issues. MMI's membership comprises firms that offer comprehensive financial consulting services to individual investors, foundations, retirement plans and trusts; related professional portfolio management firms, and firms that provide long term services to both sponsor and manager firms such as computer/ technology firms.

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