UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-36683

OM Asset Management plc

(Exact name of registrant as specified in its charter)

England and Wales	**98-1179929**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Ground Floor, Millennium Bridge House **2 Lambeth Hill** **London, United Kingdom**	**EC4V 4GG**
(Address of principal executive offices)	(Zip Code)

+44-20-7002-7000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant's ordinary stock, nominal value $0.001 per share, outstanding as of August 5, 2016 was 120,157,765 .

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

OM Asset Management plc
Condensed Consolidated Balance Sheets
(in millions, unaudited)

	June 30, 2016	December 31, 2015
Assets		
Cash and cash equivalents	$ 65.1	$ 135.9
Investment advisory fees receivable	142.3	151.8
Property and equipment, net	31.9	30.7
Investments (includes balances reported at fair value of $105.5 and $97.0)	217.6	202.6
Acquired intangibles, net	1.4	1.5
Goodwill	126.5	126.5
Other assets	21.4	23.0
Other amounts due from related parties	0.2	—
Note receivable due from related party	—	0.5
Deferred tax assets	330.9	341.6
Total assets	**$ 937.3**	**$ 1,014.1**
Liabilities and equity		
Accounts payable and accrued expenses	$ 56.4	$ 45.7
Accrued incentive compensation	76.4	134.0
Other amounts due to related parties	207.5	222.9
Long-term compensation liabilities	258.8	260.8
Accrued income taxes	92.3	87.7
Third party borrowings	50.0	90.0
Other liabilities	9.1	7.1
Total liabilities	**750.5**	**848.2**
Commitments and contingencies		
Equity:		
Ordinary shares (nominal value $0.001; 120,157,765 and 120,558,278 shares, respectively, issued)	0.1	0.1
Shareholders’ equity	210.3	168.6
Accumulated other comprehensive loss	(23.6)	(2.8)
Total equity	**186.8**	**165.9**
Total liabilities and equity	**$ 937.3**	**$ 1,014.1**

See Notes to Condensed Consolidated Financial Statements

OM Asset Management plc
Condensed Consolidated Statements of Operations
(in millions except for per share data, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue:				
Management fees	$ 157.1	$ 164.9	$ 306.7	$ 321.8
Performance fees	(0.8)	48.6	(0.8)	52.2
Other revenue	0.2	—	0.2	0.1
Total revenue	**156.5**	**213.5**	**306.1**	**374.1**
Operating expenses:				
Compensation and benefits	87.5	126.0	172.1	220.8
General and administrative expense	22.7	22.9	44.5	42.7
Amortization of acquired intangibles	0.1	0.1	0.1	0.1
Depreciation and amortization	2.2	1.6	4.4	3.2
Total operating expenses	**112.5**	**150.6**	**221.1**	**266.8**
Operating income	**44.0**	**62.9**	**85.0**	**107.3**
Non-operating income and (expense):				
Investment income	4.5	2.4	8.0	5.1
Interest income	—	0.1	—	0.1
Interest expense	(0.5)	(0.7)	(1.0)	(1.6)
Total non-operating income	**4.0**	**1.8**	**7.0**	**3.6**
Income from continuing operations before taxes	**48.0**	**64.7**	**92.0**	**110.9**
Income tax expense	13.1	16.0	26.5	28.2
Income from continuing operations	**34.9**	**48.7**	**65.5**	**82.7**
Gain on disposal of discontinued operations, net of tax	1.4	0.7	1.6	0.9
Net income	**$ 36.3**	**$ 49.4**	**$ 67.1**	**$ 83.6**
Earnings per share (basic)	$ 0.30	$ 0.41	$ 0.56	$ 0.69
Earnings per share (diluted)	0.30	0.41	0.56	0.69
Continuing operations earnings per share (basic)	0.29	0.40	0.55	0.68
Continuing operations earnings per share (diluted)	0.29	0.40	0.55	0.68
Weighted average ordinary shares outstanding	119.4	120.0	119.7	120.0
Weighted average diluted ordinary shares outstanding	119.6	120.5	119.8	120.5

See Notes to Condensed Consolidated Financial Statements

OM Asset Management plc
Condensed Consolidated Statements of Comprehensive Income
(in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net income	$ 36.3	$ 49.4	$ 67.1	$ 83.6
Other comprehensive income (loss):				
Valuation of derivative securities, net of tax	(8.7)	—	(19.7)	—
Foreign currency translation adjustment	(1.3)	(0.1)	(1.1)	(0.4)
Total other comprehensive loss	**(10.0)**	**(0.1)**	**(20.8)**	**(0.4)**
Total comprehensive income	**$ 26.3**	**$ 49.3**	**$ 46.3**	**$ 83.2**

See Notes to Condensed Consolidated Financial Statements

OM Asset Management plc
Condensed Consolidated Statements of Changes in Shareholders' Equity
For the six months ended June 30, 2016 and 2015
($ in millions except share data, unaudited)

	Ordinary shares (millions)	Ordinary shares, nominal value	Shareholders' equity (deficit)	Accumulated other comprehensive income (loss)	Total shareholders' equity (deficit)	Non-controlling interests in consolidated Funds	Total equity	Redeemable non-controlling interests in consolidated Funds	Total equity and redeemable non-controlling interests in consolidated Funds
December 31, 2014	**120.0**	**$ 0.1**	**$ 31.1**	**$ 5.3**	**36.5**	**$ 2,459.0**	**$2,495.5**	**$ 61.9**	**$ 2,557.4**
Issuance of ordinary shares	0.5	—	—	—	—	—	—	—	—
Capital redemptions	—	—	(0.9)	—	(0.9)	—	(0.9)	—	(0.9)
Equity-based compensation	—	—	6.6	—	6.6	—	6.6	—	6.6
Foreign currency translation adjustment	—	—	—	(0.4)	(0.4)	—	(0.4)	—	(0.4)
Net de-consolidation of Funds	—	—	—	—	—	(2,459.0)	(2,459.0)	(61.9)	(2,520.9)
Dividends to shareholders	—	—	(4.2)	—	(4.2)	—	(4.2)	—	(4.2)
Dividends to related parties	—	—	(15.1)	—	(15.1)	—	(15.1)	—	(15.1)
Net income	—	—	83.6	—	83.6	—	83.6	—	83.6
June 30, 2015	**120.5**	**$ 0.1**	**$ 101.1**	**$ 4.9**	**$ 106.1**	**$ —**	**$ 106.1**	**$ —**	**$ 106.1**
December 31, 2015	**120.5**	**$ 0.1**	**$ 168.6**	**$ (2.8)**	**$ 165.9**	**$ —**	**$ 165.9**	**$ —**	**$ 165.9**
Issuance of ordinary shares	0.6	—	—	—	—	—	—	—	—
Repurchase of ordinary shares	(0.9)	—	(12.2)	—	(12.2)	—	(12.2)	—	(12.2)
Equity-based compensation	—	—	6.2	—	6.2	—	6.2	—	6.2
Foreign currency translation adjustment	—	—	—	(1.1)	(1.1)	—	(1.1)	—	(1.1)
Valuation of derivative securities, net of tax	—	—	—	(19.7)	(19.7)	—	(19.7)	—	(19.7)
Dividends to shareholders	—	—	(6.7)	—	(6.7)	—	(6.7)	—	(6.7)
Dividends to related parties	—	—	(12.7)	—	(12.7)	—	(12.7)	—	(12.7)
Net income	—	—	67.1	—	67.1	—	67.1	—	67.1
June 30, 2016	**120.2**	**$ 0.1**	**$ 210.3**	**$ (23.6)**	**$ 186.8**	**$ —**	**$ 186.8**	**$ —**	**$ 186.8**

See Notes to Condensed Consolidated Financial Statements

OM Asset Management plc
Condensed Consolidated Statements of Cash Flows
(in millions, unaudited)

	Six Months Ended June 30,	
	2016	**2015**
Cash flows from operating activities:		
Net income	$ 67.1	$ 83.6
Adjustments to reconcile net income to net cash provided by (used in) operating activities from continuing operations:		
Net (income) from discontinued operations	(1.6)	(0.9)
Amortization of acquired intangibles	0.1	0.1
Depreciation and other amortization	4.4	3.2
(Gain) loss on disposal of property and equipment	—	0.1
Amortization and revaluation of non-cash compensation awards	12.4	23.1
Net earnings from Affiliates accounted for using the equity method	(6.9)	(5.1)
Distributions received from equity method Affiliates	1.5	1.5
Deferred income taxes	14.0	6.4
(Gains) losses on other investments	(1.7)	—
Changes in operating assets and liabilities (excluding discontinued operations):		
(Increase) decrease in investment advisory fees receivable and other amounts due from related parties	9.7	17.8
(Increase) decrease in other receivables, prepayments, deposits and other assets	(0.6)	2.3
Increase (decrease) in accrued incentive compensation, other amounts due to related parties and other liabilities	(55.9)	(15.2)
Increase (decrease) in accounts payable and accruals and accrued income taxes	(8.7)	14.8
Net cash flows provided by operating activities of continuing operations	**33.8**	**131.7**
Net cash flows provided by (used in) operating activities of discontinued operations	**0.7**	**0.9**
Total net cash flows provided by operating activities	**34.5**	**132.6**
Cash flows from investing activities:		
Purchase of fixed assets	(5.7)	(5.9)
Purchase of investment securities	(15.0)	(11.2)
Sale of investment securities	7.8	6.0
De-consolidation of Funds	—	(93.0)
Net cash flows used in investing activities of continuing operations	**(12.9)**	**(104.1)**
Net cash flows provided by (used in) investing activities of discontinued operations	**—**	**—**
Total net cash flows used in investing activities	**(12.9)**	**(104.1)**
Cash flows from financing activities:		
Third party borrowings	58.0	—
Repayment of third party borrowings	(98.0)	(32.0)
Repayment of related party borrowings	—	(37.0)
Payment to Parent for deferred tax arrangement	(17.5)	(27.2)
Payment to Parent for co-investment redemptions	(3.5)	(3.5)
Dividends paid to shareholders	(6.5)	(4.1)
Dividends paid to related parties	(12.7)	(15.1)
Repurchases of ordinary shares	(12.2)	—
Net cash flows used in financing activities of continuing operations	**(92.4)**	**(118.9)**
Net cash flows provided by (used in) financing activities of discontinued operations	**—**	**—**
Total net cash flows used in financing activities	**(92.4)**	**(118.9)**
Effect of foreign exchange rate changes on cash and cash equivalents	—	0.1
Net decrease in cash and cash equivalents	**(70.8)**	**(90.3)**
Cash and cash equivalents at beginning of period	135.9	268.6
Cash and cash equivalents at end of period	**$ 65.1**	**$ 178.3**
Supplemental disclosure of cash flow information:		
Interest paid (excluding consolidated Funds)	$ 1.2	$ 2.2
Income taxes paid	7.6	5.4
De-consolidation of Funds	—	(2,520.9)

Non-cash capital contribution to Parent	—	(0.1)

See Notes to Condensed Consolidated Financial Statements

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

1) Organization and Description of the Business

OM Asset Management plc ("OMAM" or the "Company"), through its subsidiaries, is a global asset management business with interests in a diverse group of boutique investment management firms (the "Affiliates") individually headquartered in the United States. The Company provides investment management services globally to predominantly institutional investors, in asset classes that include U.S. and global equities, fixed income, real estate and timber. Fees for services are largely asset-based and, as a result, the Company's revenue fluctuates based on the performance of financial markets and investors' asset flows in and out of the Company's products.

The Company's Affiliates are organized as limited liability companies. The Company generally utilizes a profit-sharing model in structuring its compensation and ownership arrangements with Affiliates. The Affiliates' variable compensation is generally based on each firm's profitability. OMAM and Affiliate key employees share in profits after variable compensation according to their respective ownership interests. The profit-sharing model results in alignment of OMAM and Affiliate key employee economic interests, which is critical to the Company's talent management strategy and long-term growth of the business. The Company operates in one reportable segment.

The Company is a majority-owned subsidiary of Old Mutual plc (the "Parent"), an international long-term savings, protection and investment group, listed on the London Stock Exchange.

In June 2016, the Company announced that it had signed a definitive agreement to acquire a 60% controlling interest in Landmark Partners, a leading global secondary private equity, real estate and real asset investment firm, for approximately $240 million in cash at closing. The Company expects this transaction to close in the third quarter of 2016.

2) Basis of Presentation and Significant Accounting Policies

The Company's significant accounting policies are as follows:

Basis of presentation

These unaudited Condensed Consolidated Financial Statements reflect the historical balance sheets; statements of operations and of comprehensive income; statements of changes in shareholders' equity; and statements of cash flows of the Company. Within these Condensed Consolidated Financial Statements, entities that are part of the Parent's consolidated results, but are not part of OMAM, as defined above, are referred to as "related parties."

On October 15, 2014, the Company completed the initial public offering (the "Offering") by its Parent of 22,000,000 ordinary shares of the Company pursuant to the Securities Act of 1933, as amended. Additionally, the underwriters in the Offering exercised a portion of their overallotment option and purchased an additional 2,231,375 shares of the Company from the Parent. On June 22, 2015, the Company completed a secondary public offering by its Parent of 13,300,000 ordinary shares of the Company pursuant to the Securities Act of 1933, as amended. Additionally, the underwriters in the secondary public offering exercised their full overallotment option and purchased an additional 1,995,000 shares of the Company from the Parent.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

2) Basis of Presentation and Significant Accounting Policies (cont.)

The Condensed Consolidated Financial Statements are prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). All dollar amounts, except per share data in the text and tables herein, are stated in millions unless otherwise indicated. Transactions between the Company and the Parent are included in the Condensed Consolidated Financial Statements, however material intercompany balances and transactions among the Company and its consolidated Affiliates are eliminated in consolidation.

These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and notes thereto for the year ended December 31, 2015 included in the Company’s Annual Report on Form 10-K as filed with the Securities and Exchange Commission (“SEC”) on March 15, 2016. The Company’s significant accounting policies, which have been consistently applied, are summarized in those Financial Statements.

Consolidation

Affiliates

The Company evaluates each of its Affiliate and other operating entities to determine the appropriate method of accounting. Generally, majority-owned entities or otherwise controlled investments in which the Company holds a controlling financial interest as the principal shareholder, managing member, or general partner are consolidated.

Funds

In evaluating whether or not a legal entity must be consolidated, the Company determines if such entity is a variable interest entity (“VIE”) or a voting interest entity (“VOE”). A VOE is considered an entity in which (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently and (ii) the equity holders at risk have the obligation to absorb losses, the right to receive residual returns, and the right to direct the activities of the entity that most significantly impact the entity’s economic performance. A VIE is an entity that lacks one or more of the characteristics of a VOE. Assessing whether an entity is a VIE or VOE involves judgment and analysis. Factors considered in this assessment include the entity’s legal organization, the entity’s capital structure and equity ownership and any related party or de facto agent implications of the Company’s involvement with the entity. Investments that are determined to be VIEs are consolidated if the Company or a consolidated Affiliate is the primary beneficiary of the investment. VOEs are typically consolidated if the Company holds the majority voting interest or otherwise controls the entity.

In the normal course of business, the Company’s Affiliates sponsor and manage certain investment vehicles (the “Funds”). The Company assesses consolidation requirements with respect to its Funds pursuant to Accounting Standards Codification (“ASC”) Topic 810, Consolidation, as amended by Accounting Standards Update 2015-02, *Consolidation: Amendments to the Consolidation Analysis* ("ASU 2015-02") relating to the consolidation of VIEs.

In evaluating whether the Company is the primary beneficiary, the Company evaluates its economic interests in the entity held either directly by the Company or indirectly through related parties. For VIEs that are investment companies subject to ASU 2010-10, the primary beneficiary of the VIE is generally the variable interest holder that absorbs a majority of the expected losses of the VIE, receives a majority of the expected residual returns of the VIE, or both. The Company generally is not the primary beneficiary of Fund VIEs created to manage assets for clients unless the Company’s ownership interest, including interests of related parties, is substantial.

2) Basis of Presentation and Significant Accounting Policies (cont.)

The primary beneficiary of a VIE is defined as the variable interest holder that has a controlling financial interest. A controlling financial interest is defined as (i) the power to direct the activities of the VIE that most significantly impacts its economic performance and (ii) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. If no single party satisfies both criteria, but the Company and its related parties satisfy the criteria on a combined basis, then the primary beneficiary is the entity out of the related party group that is most closely associated to the VIE. The consolidation analysis can generally be performed qualitatively, however, if it is not readily apparent that the Company is not the primary beneficiary, a quantitative analysis may also be performed.

The Company consolidates VOEs when it has control over significant operating, financial and investing decisions of the entity or holds the majority voting interest. For VOEs organized as limited partnerships or as an entity with governance structures similar to a limited partnership (e.g., limited liability company with a managing member), the Company consolidates an entity when it holds the controlling general partnership interest and the limited partners do not hold substantive participating rights or rights to remove and replace the general partner or rights that could provide the limited partners with the ability to impact the ongoing governance and operating activities of the entity.

Upon the occurrence of certain events (such as contributions and redemptions, either by the Company, its Affiliates, or third parties, or amendments to the governing documents of the Company's investees or sponsored Funds) management reviews and reconsiders its previous conclusion regarding the status of an entity as a VIE or a VOE. Additionally, management continually reconsiders whether the Company is deemed to be a VIE's primary beneficiary who consolidates such entity. As of June 30, 2016 , there were no Funds which were consolidated pursuant to ASU 2015-02.

Derivatives and Hedging

The Company may utilize derivative financial instruments to hedge the risk of movement of interest rates and foreign currency on financial assets and liabilities. These derivative financial instruments may or may not qualify as hedges for accounting purposes. The Company records all derivative financial instruments as either assets or liabilities on its Condensed Consolidated Balance Sheets and measures these instruments at fair value. For a derivative financial instrument that qualifies as a hedge for accounting purposes and is designated as a hedging instrument, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income (loss) and subsequently reclassified into earnings over the life of the hedge. The ineffective portion of the gain or loss is reported in earnings immediately.

Use of Estimates

The preparation of these Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ significantly from those estimates.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

2) Basis of Presentation and Significant Accounting Policies (cont.)

Recent accounting developments

In March 2016, the FASB issued ASU 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting* , which simplifies several aspects of the accounting for share-based payments, including accounting for income taxes, forfeitures and statutory tax withholding requirements, and classification within the statement of cash flows. The new guidance is effective for the first quarter of 2017 with early adoption permitted. The Company is currently evaluating the potential impact on its Consolidated Financial Statements and related disclosures.

3) Fair Value Measurements

The following table summarizes the Company's assets and liabilities that are measured at fair value on a recurring basis at June 30, 2016 (in millions):

	Quoted prices in active markets (Level I)	Significant other observable inputs (Level II)	Significant unobservable inputs (Level III)	Uncategorized	Total value, June 30, 2016
Assets of OMAM (1)					
Investment securities (2)	$ 73.8	$ —	$ —	$ —	$ 73.8
Investments in unconsolidated Funds (3)	—	—	—	31.7	31.7
Total fair value assets	**$ 73.8**	**$ —**	**$ —**	**$ 31.7**	**$ 105.5**
Liabilities of OMAM (1)					
Derivative securities	$ —	$ (32.5)	$ —	$ —	$ (32.5)
Total fair value liabilities	**$ —**	**$ (32.5)**	**$ —**	**$ —**	**$ (32.5)**

The following table summarizes the Company's assets and liabilities that are measured at fair value on a recurring basis at December 31, 2015 (in millions):

	Quoted prices in active markets (Level I)	Significant other observable inputs (Level II)	Significant unobservable inputs (Level III)	Uncategorized	Total value December 31, 2015
Assets of OMAM (1)					
Investment securities (2)	$ 66.9	$ —	$ —	$ —	$ 66.9
Investments in unconsolidated Funds (3)	—	—	—	30.1	30.1
Total fair value assets	**$ 66.9**	**$ —**	**$ —**	**$ 30.1**	**$ 97.0**
Liabilities of consolidated Funds (1)					
Derivative securities	$ —	$ (8.8)	$ —	$ —	$ (8.8)
Total fair value liabilities	**$ —**	**$ (8.8)**	**$ —**	**$ —**	**$ (8.8)**

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

3) Fair Value Measurements (cont.)

(1) Assets and liabilities measured at fair value are comprised of financial investments managed by the Company's Affiliates. Of these, pursuant to ASU 2015-07, collective investment funds are multi-strategy products, uncategorized because they are redeemable monthly and valued at net asset value per share of the fund without adjustment which the Company believes represents the fair value of the investments.

The fair value of other investments is estimated based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs and therefore classified within Level II. The Company obtains prices from independent pricing services that may utilize broker quotes, but generally the independent pricing services will use various other pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other data. The Company has not made adjustments to the prices provided. If the pricing services are only able to (a) obtain a single broker quote or (b) utilize a pricing model, such securities are classified as Level III. If the pricing services are unable to provide prices, the Company attempts to obtain one or more broker quotes directly from a dealer or values such securities at the last bid price obtained. In either case, such securities are classified as Level III. The Company performs due diligence procedures over third party pricing vendors to understand their methodology and controls to support their use in the valuation process to ensure compliance with required accounting disclosures.

Equity, short-term investment funds and derivatives which are traded on a national securities exchange are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are classified as Level I. These securities that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs obtained by the Company from independent pricing services are classified as Level II.

(2) Investment securities of $73.8 million and $66.9 million at June 30, 2016 and December 31, 2015 , respectively, are investments in publicly registered daily redeemable funds (some managed by Affiliates), which the Company has classified as trading securities and valued using the published price as of the measurement dates. Accordingly, the Company has classified these investments as Level I. Not included in the above are $52.5 million and $51.6 million at June 30, 2016 and December 31, 2015 , respectively, of various investments carried at cost, including investments in timber and timberlands.

(3) The $31.7 million and $30.1 million at June 30, 2016 and December 31, 2015 , respectively, relate to investments in unconsolidated Funds which consist primarily of investments in funds advised by Affiliates and are valued using NAV which the Company relies on to determine their fair value as a practical expedient. The Company has not classified these investments in the fair value hierarchy in accordance with ASU 2015-07. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to amounts presented in the Condensed Consolidated Balance Sheets. These unconsolidated Funds consist primarily of real estate investments funds. The NAVs that have been provided by investees have been derived from the fair values of the underlying investments as of the measurement dates.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

3) Fair Value Measurements (cont.)

These investments are subject to longer than monthly or quarterly redemption restrictions, and due to their nature, distributions are received only as cash flows are generated from underlying assets over the life of the Funds. The range of time over which the underlying assets are expected to be liquidated by the investees is approximately one to eight years from June 30, 2016 . The valuation process for the underlying real estate investments held by the real estate investments Funds begins with each property or loan being valued by the investment teams. The valuations are then reviewed and approved by the valuation committee, which consists of senior members of the portfolio management, acquisitions, and research teams. For certain properties and loans, the valuation process may also include a valuation by independent appraisers. In connection with this process, changes in fair-value measurements from period to period are evaluated for reasonableness, considering items such as market rents, capitalization and discount rates, and general economic and market conditions.

There were no significant transfers of financial assets or liabilities among Levels I, II or III during the six months ended June 30, 2016 or 2015 .

4) Variable Interest Entities

The Company sponsors the formation of various entities considered to be VIEs. The Company evaluates the consolidation of these entities as required pursuant to ASC Topic 810 relating to the consolidation of VIEs. These VIEs are primarily Funds managed by Affiliates and are investment vehicles typically owned entirely by third-party investors. Certain Funds may be capitalized with seed capital investments from the Company and may be owned partially by Affiliate key employees and/or individuals that own minority interests in an Affiliate.

The Company's determination of whether it is the primary beneficiary of a Fund that is a VIE is based in part on an assessment of whether or not the Company and its related parties are exposed to the majority of the risks and rewards of the entity. Typically the Fund's investors are entitled to substantially all of the economics of these VIEs with the exception of the management fees and performance fees, if any, earned by the Company or any investment the Company has made into the Funds. The Company generally is not the primary beneficiary of Fund VIEs created to manage assets for clients unless the Company's ownership interest, including interests of related parties, is substantial.

At June 30, 2016 and December 31, 2015 , there were no Funds that were VIEs requiring consolidation by the Company.

The Company's involvement with Funds that are VIEs and not consolidated by the Company is generally limited to that of an investment manager and its investment in the unconsolidated VIE, if any. The Company's investment in any unconsolidated VIE generally represents an insignificant interest of the Fund's net assets and assets under management, such that the majority of the VIE's results are attributable to third parties. The Company's exposure to risk in these entities is generally limited to any capital contribution it has made or is required to make and any earned but uncollected management fees. The Company has not issued any investment performance guarantees to these VIEs or their investors.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

4) Variable Interest Entities (cont.)

The following information pertains to unconsolidated VIEs for which the Company holds a variable interest (in millions):

	June 30, 2016	December 31, 2015
Unconsolidated VIE assets	$ 6,919.9	$ 7,302.4
Unconsolidated VIE liabilities	$ 4,068.5	$ 4,189.1
Equity interests on the Condensed Consolidated Balance Sheet	$ 59.1	$ 53.2
Maximum risk of loss (1)	$ 65.3	$ 59.0

(1) Includes equity investments the Company has made or is required to make in unconsolidated funds and any earned but uncollected management/incentive fees from those funds. The Company does not record performance/incentive allocations until the respective measurement period has ended.

In addition to the multiple unconsolidated VIE Funds, the Company determined that Heitman LLC, one of the Company's Affiliates, is a VIE. The Company concluded that it is not the primary beneficiary of Heitman LLC because it does not hold the power to direct its most economically significant activities. The Company aggregated Heitman LLC with the Company's other unconsolidated VIE Funds due to their similar risk profiles given that the risks and rewards are driven by changes in investment values and the Affiliates' ability to manage those assets.

5) Related Party Transactions

The Company's Parent provides the Company with various oversight services, including governance, which includes oversight by the Parent's board and executive committees, investor relations, procurement of insurance coverage, human resources, financial reporting, internal audit, treasury, systems, risk and tax services. That portion of the above costs which (i) are directly attributable to the Company, (ii) have been charged to the Company by the Parent and (iii) have been paid to the Parent by the Company, have been recorded in the Company's unaudited Condensed Consolidated Financial Statements and was $0.4 million and $1.0 million in the six months ended June 30, 2016 and 2015 , respectively.

As part of its profit-interests plan, an Affiliate made tax payments on behalf of its employees who became vested in profit interests of the Affiliate. Payments totaling $5.1 million and $5.3 million were repaid by the employees of the Affiliate in the six months ended June 30, 2016 and 2015 , respectively.

During 2014, the Company entered into a seed capital management agreement, a co-investment deed, a deferred tax asset deed and a shareholder agreement with the Parent and/or the Parent's subsidiaries. Amounts owed to the Parent associated with the deferred tax asset deed were $181.1 million at June 30, 2016 . Amounts owed to the Parent associated with the co-investment deed were $14.3 million at June 30, 2016 . As of June 30, 2016 , the Company recorded $7.2 million for redemptions and estimated taxes due under the co-investment deed. Amounts withheld in excess of the future tax liability will be payable to the Parent upon settlement.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

5) Related Party Transactions (cont.)

During the quarter ended June 30, 2016, the Company and the Parent agreed to amend the seed capital management agreement and the deferred tax asset deed. The seed capital management agreement was amended to (i) accelerate the transfer of approximately $35 million of seed investments to the Company's balance sheet in the third quarter of 2016; (ii) reduce the seed capital investments managed by the Company but owned by the Parent to $100 million ; and (iii) accelerate the transfer of all remaining seed capital investments covered by the Seed Capital Agreement to the Company's balance sheet on or around June 30, 2017. All seed capital was originally expected to be transferred to the balance sheet of the Company on or around January 15, 2018.

The deferred tax asset deed was amended to provide that the obligations of the Company to make future payments to the Parent under the deferred tax asset deed, which were originally scheduled to continue until January 31, 2020, shall be terminated as of December 31, 2016 in exchange for a payment of the net present value of the future payments due to the Parent valued as of December 31, 2016. The valuation shall be calculated using a discount rate of 8.5% and be paid by the Company to the Parent in three installments on each of June 30, 2017, December 31, 2017 and June 30, 2018, such payments forward valued at a discount rate of 8.5% . The determination of the appropriate discount rate reflected a continuation of certain protections provided by the Parent related to the realized tax benefit resulting from the Company's use of the deferred tax assets. Such protections were unaffected by the amendment.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

6) Borrowings and Debt

The Company’s long term debt at June 30, 2016 and December 31, 2015 was comprised of the following (in millions):

	6/30/2016	12/31/2015	Interest rate	Maturity
Third party obligations:				
Revolving credit facility	$ 50.0	$ 90.0	LIBOR + 1.25% plus 0.20% commitment fee	October 15, 2019
Total long term debt of the Company	**$ 50.0**	**$ 90.0**		

The fair value of borrowings approximated net cost basis as of June 30, 2016 and December 31, 2015 . Fair value of borrowings are determined based on valuation methodologies in consideration of current market rates and recent transactions, and represent the contractual future cash flows discounted to present value using current market rates. The value is categorized as Level III in the fair value hierarchy. Interest expense incurred amounted to a total of $1.0 million and $1.6 million for the six months ended June 30, 2016 and 2015 , respectively.

On October 15, 2014, the Company entered into a revolving credit facility with Citibank, as administrative agent and issuing bank, and Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint lead arrangers and joint book runners (as amended, the “Credit Facility”). Pursuant to the terms of the Credit Facility, the Company may obtain loans on a revolving credit basis and procure the issuance of letters of credit in an aggregate amount at any time outstanding not in excess of $350 million . The Credit Facility has a maturity date of October 15, 2019. Borrowings under the credit facility bear interest, at OMAM’s option, at either the per annum rate equal to (a) the greatest of (i) the prime rate , (ii) the federal funds effective rate plus 0.5% and (iii) the one month Adjusted LIBO Rate plus 1.0% , plus, in each case an additional amount ranging from 0.25% to 1.00% , with such additional amount based from time to time on the ratio of the Company’s total consolidated indebtedness to Adjusted EBITDA (a “Leverage Ratio”) until either Moody’s Investor Service, Inc. or Standard & Poor’s assigned an initial rating to the Company’s senior, unsecured long-term indebtedness for borrowed money that was not subject to credit enhancement, or its credit rating, at which time such additional amount became based on its credit rating or (b) the London interbank offered rate for a period, at the Company’s election, equal to one, two, three or six months plus an additional amount ranging from 1.25% to 2.00% , with such additional amount based from time to time on the Company’s Leverage Ratio until it was assigned a credit rating, at which time such additional amount became based on its credit rating. In addition, the Company is charged a commitment fee based on the average daily unused portion of the revolving credit facility at a per annum rate ranging from 0.20% to 0.50% , with such amount based from time to time on its Leverage Ratio until it was assigned a credit rating, at which time such amount became based on the Company’s credit rating.

Under the Credit Facility, the ratio of third-party borrowings to trailing twelve months Adjusted EBITDA cannot exceed 3.0 x, and the interest coverage ratio must not be less than 4.0 x. At June 30, 2016 the outstanding balance of the facility was $50.0 million . An interest rate of LIBOR plus a margin of 1.25% and commitment fee rate of 0.20% was being charged, and the Company’s ratio of third-party borrowings to trailing twelve months Adjusted EBITDA was 0.2 x.

In July 2016, Moody’s Investor Service, Inc. and Standard & Poor’s each assigned an initial investment-grade rating to the Company’s senior, unsecured long-term indebtedness. As a result of the assignment of the credit ratings, the Company’s interest rate on outstanding borrowings was set at LIBOR + 1.50% and the commitment fee on the unused portion of the revolving credit facility was set at 0.25% .

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

6) Borrowings and Debt (cont.)

Subsequent bond offerings

In July 2016, the Company raised $400 million of senior notes, consisting of $275 million of senior notes due in 2026 (the “Institutional Notes”) and $125 million of senior notes due in 2031 (the “Retail Notes”). The Institutional Notes bear interest at a fixed rate of 4.80% per year, payable on a semi-annual basis. The Retail Notes bear interest at a fixed rate of 5.125% per year, payable on a quarterly basis. The Company may redeem all or a portion of the Retail Notes at any time after August 1, 2019.

7) Commitment and Contingencies

Operational commitments

The Company had unfunded commitments to invest up to $11.6 million and $15.7 million in co-investments with an Affiliate as of June 30, 2016 and December 31, 2015 , respectively. These commitments will be funded as required through the end of the respective investment periods ranging through fiscal 2018 .

Certain Affiliates operate under regulatory authorities that require that they maintain minimum financial or capital requirements. Management is not aware of any violations of such financial requirements occurring during the period.

Litigation

The Company and its Affiliates are subject to claims, legal proceedings and other contingencies in the ordinary course of their business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved in a manner unfavorable to the Company or its Affiliates. The Company and its Affiliates establish accruals for matters for which the outcome is probable and can be reasonably estimated. As of June 30, 2016 , there were no material accruals for claims, legal proceedings or other contingencies.

Indemnifications

In the normal course of business, such as through agreements to enter into business combinations and divestitures of Affiliates, the Company enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Company’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

7) Commitment and Contingencies (cont.)

Foreign tax contingency

The Company has clients in non-U.S. jurisdictions which require entities that are conducting certain business activities in such jurisdictions to collect and remit tax assessed on certain fees paid for goods and services provided. The Company does not believe this requirement is applicable based on its limited business activities in these jurisdictions. However, given the fact that uncertainty exists around the requirement, the Company has chosen to evaluate its potential exposure related to non-collection and remittance of these taxes. At June 30, 2016 , management of the Company has estimated the potential maximum exposure and concluded that it is not material. No accrual for the potential exposure has been recorded as the probability of incurring any potential liability relating to this exposure is not probable at June 30, 2016 .

Considerations of credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash investments. The Company maintains cash and cash equivalents and short term investments with various financial institutions. These financial institutions are typically located in cities in which the Company and its Affiliates operate. For the Company and certain Affiliates, cash deposits at a financial institution may exceed Federal Deposit Insurance Corporation insurance limits.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

8) Earnings Per Share

Basic earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding. Diluted earnings per share is similar to basic earnings per share, but is adjusted for the effect of potentially issuable ordinary shares, except when inclusion is antidilutive.

The calculation of basic and diluted earnings per ordinary share is as follows (dollars in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Numerator:				
Net income	$ 36.3	$ 49.4	$ 67.1	$ 83.6
Less: Total income available to participating unvested securities (1)	(0.3)	(0.2)	(0.4)	(0.3)
Total net income attributable to ordinary shares	$ 36.0	$ 49.2	$ 66.7	$ 83.3
Denominator:				
Weighted-average ordinary shares outstanding—basic	119,397,224	120,000,000	119,711,021	120,000,000
Potential ordinary shares:				
Restricted stock units	185,007	470,319	104,044	460,338
Weighted-average ordinary shares outstanding—diluted	119,582,231	120,470,319	119,815,065	120,460,338
Earnings per ordinary share:				
Basic	$ 0.30	$ 0.41	$ 0.56	$ 0.69
Diluted	$ 0.30	$ 0.41	$ 0.56	$ 0.69

(1) Income available to participating unvested securities includes dividends paid on unvested restricted shares and their proportionate share of undistributed earnings.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

9) Accumulated Other Comprehensive Income

The following tables show the tax effects allocated to each component of other comprehensive income (in millions):

	For the six months ended June 30, 2016		
	Pre-Tax	Tax Benefit	Net of Tax
Foreign currency translation adjustment	$ (1.1)	$ —	$ (1.1)
Change in net realized and unrealized gain (loss) on derivative securities	(23.8)	4.1	(19.7)
Other comprehensive income (loss)	**$ (24.9)**	**$ 4.1**	**$ (20.8)**

	For the six months ended June 30, 2015		
	Pre-Tax	Tax Benefit	Net of Tax
Foreign currency translation adjustment	$ (0.4)	$ —	$ (0.4)
Other comprehensive loss	**$ (0.4)**	**$ —**	**$ (0.4)**

The components of accumulated other comprehensive income (loss) for the six months ended June 30, 2016 were as follows (in millions):

	Foreign currency translation adjustment	Valuation of derivative securities	Total
Balance, as of December 31, 2015	$ 2.0	$ (6.6)	$ (4.6)
Other comprehensive loss	(1.1)	(19.7)	(20.8)
Balance, as of June 30, 2016	**$ 0.9**	**$ (26.3)**	**$ (25.4)**

In the six months ended June 30, 2016 the Company recorded $(19.7) million , net of tax of $4.1 million , on the derivative contract as further described in Note 10. There were no significant amounts reclassified from accumulated other comprehensive income (loss) to the Condensed Consolidated Statements of Income for the six months ended June 30, 2016 and 2015 .

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

10) Derivatives and Hedging

Cash flow hedge

In late July 2015, the Company entered into a $300 million notional Treasury rate lock contract which was designated and qualified as a cash flow hedge under Accounting Standard Codification 815, "Derivatives and Hedging", ("ASC 815"). The Company documented its hedging strategy and risk management objective for this contract in anticipation of a future debt issuance. The Treasury rate lock contract eliminated the impact of fluctuations in the underlying benchmark interest rate for future forecasted debt issuances. The Company assessed the effectiveness of the hedging contract at inception and on a quarterly basis thereafter. In November 2015, at the Treasury Rate Lock termination date, the Company de-designated the Treasury Rate Lock and entered into an extension for the same $300 million notional through early July 2016. The fair value of the Treasury Rate Lock at the time of de-designation was approximately $(10) million .

Consistent with the original Treasury Rate Lock, the extended Treasury Rate Lock was designated and qualified as a cash flow hedge under ASC 815. The Company documented its hedging strategy and risk management objective for this contract in anticipation of a future debt issuance. The extended Treasury Rate Lock continued to effectively eliminate the impact of fluctuations in the underlying benchmark interest rate for future forecasted debt issuances. The Company assessed the effectiveness of the hedging contract at the extended Treasury Rate Lock's inception and on a quarterly basis thereafter. At June 30, 2016 , the hedging contract was evaluated to be highly effective in offsetting changes in cash flows associated with the hedged items. The Company did not record any hedge ineffectiveness for the three and six months ended June 30, 2016 . The fair value of the contract included in accounts payable and accrued expenses was $(32.5) million at June 30, 2016 .

Amounts included in accumulated other comprehensive income were $(8.7) million , net of tax of $1.3 million , and $(19.7) million , net of tax of $4.1 million , for the three and six months ended June 30, 2016 . The extended Treasury rate lock contract was not settled as of June 30, 2016 . During the next twelve months the Company expects to reclassify approximately $2.4 million , net of tax, of the loss on the Treasury rate lock contract into earnings.

Subsequent to June 30, 2016, the Company entered into a second extension to the Treasury Rate Lock in conjunction with the issuances of the previously forecasted debt. The forecasted debt issuances occurred in July 2016 and the Treasury Rate Lock was settled. Refer to Note 6, Borrowings and Debt, for additional information on the debt issuances.

The amounts remaining in AOCI related to the original and extended Treasury Rate Lock contracts will be reclassified into earnings beginning with the first interest payment on the debt issuances paid, beginning in January 2017.

OM Asset Management plc

Notes to Condensed Consolidated Financial Statements

(unaudited)

11) Discontinued Operations and Restructuring

All of the Company's discontinued operations were wound down or transferred to the Parent prior to 2015.

The Company recognized a gain on disposal, net of taxes, of $1.4 million and $0.7 million , with basic and diluted discontinued operations earnings per share of $0.01 and $0.01 for the three months ended June 30, 2016 and 2015 , respectively.

The Company recognized a gain on disposal, net of taxes, of $1.6 million and $0.9 million , with basic and diluted discontinued operations earnings per share of $0.01 and $0.01 for the six months ended June 30, 2016 and 2015 , respectively.

In August 2016, the management team of a previously disposed Affiliate of OMAM, together with subsidiaries of OMAM holding interests in that Affiliate, entered into a purchase and sale agreement with a third party, which will result in an approximately $7 million payment to OMAM upon closing of the transaction. The transaction is expected to close in the second half of 2016, subject to certain conditions, including required regulatory approvals and the receipt of certain third party consents.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Unless we state otherwise or the context otherwise requires, references in this Quarterly Report on Form 10-Q to "OMAM" refer to OM Asset Management plc, references to the "Company" refer to OMAM, and references to "we," "our" and "us" refer to OMAM and its consolidated subsidiaries and equity-accounted Affiliates, excluding discontinued operations. References to the holding company or "Center" excluding the Affiliates refer to OMAM Inc., or OMUS, a Delaware corporation and indirect, wholly owned subsidiary of OMAM. Unless we state otherwise or the context otherwise requires, references in this Quarterly Report on Form 10-Q to "Affiliates" or an "Affiliate" refer to the asset management firms in which we have an ownership interest. References in this Quarterly Report on Form 10-Q to our "Parent" refer to Old Mutual plc. None of the information in this Quarterly Report on Form 10-Q constitutes either an offer or a solicitation to buy or sell any of our Affiliates' products or services, nor is any such information a recommendation for any of our Affiliates' products or services.

The following discussion of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements and related notes which appear elsewhere in this Quarterly Report on Form 10-Q.

This discussion contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" at the end of this Item 2 for more information. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below.

This Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A, is designed to provide a reader of our financial statements with a narrative from the perspective of our management on our financial condition, results of operations, liquidity and certain other factors that may affect our future results.

Our MD&A is presented in five sections:

- **Overview** provides a brief description of our Affiliates , a summary of *The Economics of Our Business* and an explanation of *How We Measure Performance* using a non-GAAP measure which we refer to as economic net income or ENI. This section also provides a *Summary Results of Operations* and information regarding our *Assets Under Management* by Affiliate and strategy, and net flows by asset class, client type and client location.
- **U.S. GAAP Results of Operations for the three and six months ended June 30, 2016 and 2015** includes an explanation of changes in our U.S. GAAP revenue, expense, and other items for the three and six months ended June 30, 2016 and 2015 as well as key U.S. GAAP operating metrics.
- **Non-GAAP Supplemental Performance Measure - Economic Net Income** includes an explanation of the key differences between U.S. GAAP net income and ENI, the key measure management uses to evaluate our performance. This section also provides a reconciliation between U.S. GAAP net income and ENI for the three and six months ended June 30, 2016 and 2015 as well as a reconciliation of key ENI operating items including ENI revenue and ENI operating expenses. In addition, this section provides key non-GAAP operating metrics and a calculation of tax on economic net income.
- **Capital Resources and Liquidity** discusses our key balance sheet data. This section also discusses *Adjusted EBITDA; Cash Flow* from the business; *Future Capital Needs; and Long-Term Debt.* The discussion of Adjusted EBITDA includes an explanation of how we calculate Adjusted EBITDA and a reconciliation of Adjusted EBITDA to economic net income.
- **Critical Accounting Policies and Estimates** provides a discussion of the key accounting policies used in the preparation of our U.S. GAAP financial statements.

Overview

We are a diversified, multi-boutique asset management firm headquartered in London, UK. We operate our business through seven affiliate firms to whom we refer in this quarterly report as our Affiliates. Through our Affiliates, we offer a diverse range of actively-managed investment strategies and products to institutional investors around the globe. While our Affiliates maintain autonomy in the investment process and the day-to-day management of their businesses, our strategy is to work with them to accelerate the growth and profitability of their firms.

Under U.S. GAAP, our Affiliates may be consolidated into our operations or may be accounted for as equity investments. We may also be required to consolidate certain of our Affiliates' sponsored investment entities or Funds, due to the nature of our decision-making rights, our economic interests in these Funds or the rights of third-party clients in those Funds.

Our Affiliates and their principal strategies include:

- *Acadian Asset Management LLC ("Acadian")* —a leading quantitatively-oriented manager of active global and international equity, and alternative strategies.
- *Barrow, Hanley, Mewhinney & Strauss, LLC ("Barrow Hanley")* —a widely recognized value-oriented investment manager of U.S., international and global equities, fixed income and a range of balanced investment management strategies.
- *Campbell Global, LLC ("Campbell Global")* —a leading sustainable timber and natural resource investment manager that seeks to deliver superior investment performance by focusing on unique acquisition opportunities, client objectives and disciplined management.
- *Copper Rock Capital Partners LLC ("Copper Rock")* —a specialized growth equity investment manager of small-cap international, global and emerging markets equity strategies.
- *Heitman LLC ("Heitman")** —a leading real estate investment manager of high-quality global strategies focused on private real estate equity, public real estate securities and real estate debt.
- *Investment Counselors of Maryland, LLC ("ICM")**— a value-driven domestic equity manager with product offerings across the entire capitalization range and a primary focus on small-cap companies.
- *Thompson, Siegel & Walmsley LLC ("TS&W")* —a value-oriented investment manager focused on small- and mid-cap U.S. equity, international equity and fixed income strategies.

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* Accounted for under the equity method of accounting.

In June 2016, we announced that we signed a definitive agreement to acquire a 60% controlling interest in Landmark Partners, a leading global secondary private equity, real estate and real asset investment firm. We expect this transaction to close in the third quarter of 2016.

The Economics of Our Business

Our profitability is affected by a variety of factors including the level and composition of our average assets under management, or AUM, fee rates charged on AUM and our expense structure. Our Affiliates earn management fees based on assets under management. Approximately 75% of our management fees are calculated based on average AUM (calculated on either a daily or monthly basis) with the remainder of our management fees calculated based on period end AUM or other measuring methods. Changes in the levels of our AUM are driven by our investment performance and net client cash flows. Our Affiliates may also earn performance fees, or adjust management fees, when certain accounts differ in relation to relevant benchmarks or exceed or fail to exceed required returns. Approximately $49.3 billion , or 26% of our AUM in consolidated Affiliates, are in accounts with incentive fee or carried interest features. The majority of these incentive fees are calculated based on value added over the relevant benchmarks on a rolling three year basis. Carried interests are features of private equity funds, which are calculated based on long term cumulative returns. In addition, approximately $12 billion of performance fee eligible AUM is managed by our equity-accounted Affiliates. Fees earned on these assets are not reflected as part of ENI or GAAP performance fee revenue.

Our largest expense item is compensation and benefits paid to our and our Affiliates' employees, which consists of both fixed and variable components. Fixed compensation and benefits represents base salaries and wages, payroll taxes and the costs of our employee benefit programs. Variable compensation, calculated as described below, may be awarded in cash, equity or profit interests.

The arrangements in place with our Affiliates result in the sharing of economics between OMUS and each Affiliate's key management personnel using a profit-sharing model, except for ICM, which uses a revenue share model as a result of a legacy economic arrangement that has not been restructured. Profit sharing affects two elements within our earnings: (i) the calculation of variable compensation and (ii) the level of each Affiliate's equity or profit interests distribution to its employees. Variable compensation is the portion of earnings that is contractually allocated to Affiliate employees as a bonus pool, typically representing a fixed percentage of earnings before variable compensation, which is measured as revenues less fixed compensation and benefits and other operating and administrative expenses. Profits after variable compensation are shared between us and Affiliate key employee equity holders according to our respective equity or profit interests ownership. The sharing of profits in this manner ensures that the economic interests of Affiliate key employees and those of OMUS are aligned, both in terms of generating strong annual earnings as well as investing those earnings back into the business in order to generate growth over the long term. We view profit sharing as an attractive operating model, as it allows us to share in the benefits of operating leverage as the business grows, and ensures all equity and profit interests holders are incented to achieve that growth.

Equity or profit interests owned by Affiliate key employees are either awarded as part of their variable compensation arrangements, or alternatively, may have originally resulted from OMUS acquiring less than 100% of the Affiliate. Over time, Affiliate key employee-owned equity or profit interests are recycled from one generation of employee-owners to the next either by the next generation purchasing equity or profit interests directly from retiring principals, or by Affiliate key employees forgoing cash bonuses in exchange for the equivalent value in Affiliate equity or profit interests. The recycling of equity or profit interests is often facilitated by OMUS; see "—U.S. GAAP Results of Operations—U.S. GAAP Expenses—Compensation and Benefits Expense" for a further discussion.

How We Measure Performance

We manage our business in aggregate based on a single reportable segment, reflecting how our management assesses the performance of our business. Within our organizational framework, the same operational resources support multiple products and Affiliates and performance is evaluated at a consolidated level.

In measuring and monitoring the key components of our earnings, our management uses a non-GAAP financial measure, ENI, to evaluate the financial performance of, and to make operational decisions for, our business. We also use ENI to make resource allocation decisions, determine appropriate levels of investment or dividend payout, manage balance sheet leverage, determine variable compensation and equity distributions, and incentivize management. It is an important measure in evaluating our financial performance because we believe it most accurately represents our operating performance and cash generation capability.

ENI differs from net income determined in accordance with U.S. GAAP as a result of both the reclassification of certain income statement items and the exclusion of certain non-cash or non-recurring income statement items. In particular, ENI excludes non-cash charges representing the changes in the value of Affiliate equity and profit interests held by Affiliate key employees, and the results of discontinued operations which are no longer part of our business.

ENI revenue is primarily comprised of the fee revenues paid to us by our clients for our advisory services and earnings from our equity-accounted Affiliates. Revenue included within ENI differs from U.S. GAAP revenue in that it includes our share of earnings from equity-accounted Affiliates.

ENI expenses are calculated to reflect all usual expenses from ongoing continuing operations attributable to our shareholders. Expenses included within ENI differ from U.S. GAAP expenses in that they exclude revaluations of Affiliate key employee owned equity and profit interests, amortization and impairment of acquired intangibles and certain other non-cash expenses.

For a more detailed discussion of the differences between U.S. GAAP net income and economic net income, see "—Non-GAAP Supplemental Performance Measure—Economic Net Income."

Summary Results of Operations

The following table summarizes our unaudited results of operations for the three and six months ended June 30, 2016 and 2015 :

($ in millions, unless otherwise noted)	Three Months Ended June 30,			Six Months Ended June 30,		
	2016	2015	2016 vs. 2015	2016	2015	2016 vs. 2015
U.S. GAAP Basis						
Revenue	$ 156.5	$ 213.5	$ (57.0)	$ 306.1	$ 374.1	$ (68.0)
Income from continuing operations before taxes	48.0	64.7	(16.7)	92.0	110.9	(18.9)
Net income from continuing operations	34.9	48.7	(13.8)	65.5	82.7	(17.2)
Net income	36.3	49.4	(13.1)	67.1	83.6	(16.5)
U.S. GAAP operating margin (1)	28%	29%	(135) bps	28%	29%	(91) bps
Earnings per share, basic ($)	$ 0.30	$ 0.41	$ (0.11)	$ 0.56	$ 0.69	$ (0.13)
Earnings per share, diluted ($)	$ 0.30	$ 0.41	$ (0.11)	$ 0.56	$ 0.69	$ (0.13)
Basic shares outstanding (in millions)	119.4	120.0	(0.6)	119.7	120.0	(0.3)
Diluted shares outstanding (in millions)	119.6	120.5	(0.9)	119.8	120.5	(0.7)
Economic Net Income Basis (2)						
(Non-GAAP measure used by management)						
ENI revenue (3)(4)	$ 160.0	$ 167.8	$ (7.8)	$ 312.9	$ 331.1	$ (18.2)
Pre-tax economic net income (4)(5)	47.9	52.2	(4.3)	90.8	103.2	(12.4)
Economic net income, excluding non-recurring performance fee (4)(6)	36.2	38.0	(1.8)	68.2	75.3	(7.1)
ENI diluted EPS, excluding non-recurring performance fee, ($) (4)	$ 0.30	$ 0.32	$ (0.02)	$ 0.57	$ 0.63	$ (0.06)
Adjusted EBITDA, excluding non-recurring performance fee (4)	$ 50.3	$ 54.4	$ (4.1)	$ 95.6	$ 107.9	$ (12.3)
ENI operating margin (4)(7)	36%	38%	(179) bps	35%	37%	(253) bps
Economic net income (including non-recurring performance fee) (6)	$ 36.2	$ 49.4	$ (13.2)	$ 68.2	$ 86.7	$ (18.5)
ENI diluted EPS (including non-recurring performance fee), ($)	$ 0.30	$ 0.41	$ (0.11)	$ 0.57	$ 0.72	$ (0.15)
Other Operational Information						
Assets under management (AUM) at period end (in billions)	$ 218.8	$ 226.6	$ (7.8)	$ 218.8	$ 226.6	$ (7.8)
Net client cash flows (in billions)	(2.9)	0.8	(3.7)	(0.5)	0.6	(1.1)
Annualized revenue impact of net flows (in millions) (8)	(3.4)	13.5	(16.9)	3.9	24.8	(20.9)

(1) U.S. GAAP operating margin equals operating income from continuing operations divided by total revenue.

(2) Economic net income is a non-GAAP measure we use to evaluate the performance of our business. For a reconciliation to U.S. GAAP financial information and a further discussion of economic net income refer to "—Non-GAAP Supplemental Performance Measure—Economic Net Income."

(3) ENI revenue is the ENI measure which is most comparable to U.S. GAAP revenue.

(4) In the second quarter of 2015, we recorded a non-recurring performance fee of $11.4 million, net of associated expenses and taxes. While all performance fees fall within OMAM's definition of economic net income, we believe that the unique characteristics of this fee, including its size and the extraordinary investment performance of the underlying product, make it unrepresentative of our recurring economics. We have therefore presented economic net income with this non-recurring performance fee excluded from revenue and expenses. This presentation provides a more comparative view across reporting periods of the line items which make up ENI revenue and expense. Unless explicitly noted, the revenue, expense and key ENI metrics herein exclude the impact of the non-recurring performance fee.

(5) Pre-tax economic net income is the ENI measure which is most comparable to U.S. GAAP net income before taxes from continuing operations.

(6) Economic net income is the ENI measure which is most comparable to U.S. GAAP net income from continuing operations.

(7) ENI operating margin is a non-GAAP efficiency measure, calculated based on ENI operating earnings divided by ENI revenue. The ENI operating margin is most comparable to our U.S. GAAP operating margin.

(8) Annualized revenue impact of net flows represents the difference between annualized management fees expected to be earned on new accounts and net assets contributed to existing accounts, less the annualized management fees lost on terminated accounts or net assets withdrawn from existing accounts, including equity-accounted Affiliates. The annualized management fees are calculated by multiplying the annual gross fee rate for the relevant account by the net assets gained in the account in the event of a positive flow, excluding any current or future market appreciation or depreciation, or the net assets lost in the account in the event of an outflow, excluding any current or future market appreciation or depreciation. For a further discussion of the uses and limitations of the annualized revenue impact of net flows, see "Assets Under Management" herein.

Assets under Management

Our total assets under management as of June 30, 2016 were $218.8 billion . The following table presents our assets under management by Affiliate as of each of the dates indicated:

($ in billions)	**June 30, 2016**	**December 31, 2015**
Acadian Asset Management	$ 70.5	$ 66.8
Barrow, Hanley, Mewhinney & Strauss	90.2	89.2
Campbell Global	4.9	6.3
Copper Rock Capital Partners	4.9	4.7
Heitman	30.3	29.1
Investment Counselors of Maryland	1.9	1.8
Thompson, Siegel & Walmsley	16.1	14.5
Total assets under management	**$ 218.8**	**$ 212.4**

Our primary asset classes include:

i. U.S. equity, which includes small cap through large cap securities and substantially value or blended investment styles;

ii. Global/non-U.S. equity, which includes global and international equities including emerging markets;

iii. Fixed income, which includes government bonds, corporate bonds and other fixed income investments in the United States; and

iv. Alternative, real estate and timber, which consist of real estate, timberland investments and other alternative investments.

The following table presents our assets under management by strategy as of each of the dates indicated:

($ in billions)	June 30, 2016	December 31, 2015
U.S. equity, small/smid cap	$ 7.1	$ 6.9
U.S. equity, mid cap value	9.6	9.5
U.S. equity, large cap value	58.8	57.4
U.S. equity, core/blend	3.1	3.1
Total U.S. equity	**78.6**	**76.9**
Global equity	30.8	29.4
International equity	37.8	37.0
Emerging markets equity	20.4	18.4
Total global/non-U.S. equity	**89.0**	**84.8**
Fixed income	14.3	13.8
Alternative, real estate & timber	36.9	36.9
Total assets under management	**$ 218.8**	**$ 212.4**

AUM flows and the annualized revenue impact of net flows

In the following tables, we present our asset flows and market appreciation/depreciation by asset class, client type and client location. We also present a key metric used to better understand our asset flows, the annualized revenue impact of net client cash flows. Annualized revenue impact of net flows represents the difference between annualized management fees expected to be earned on new accounts and net assets contributed to existing accounts, less the annualized management fees lost on terminated accounts or net assets withdrawn from existing accounts, including equity-accounted Affiliates. The annualized management fees are calculated by multiplying the annual gross fee rate for the relevant account by the net assets gained in the account in the event of a positive flow, excluding any current or future market appreciation or depreciation, or the net assets lost in the account in the event of an outflow, excluding any current or future market appreciation or depreciation.

The annualized revenue impact of net flows metric is designed to provide investors with a better indication of the potential financial impact of net client cash flows, however it has certain limitations. For instance, it does not include assumptions for the next twelve months' market appreciation or depreciation or investment performance associated with the assets gained or lost. Nor does it account for factors such as future client terminations or additional contributions or withdrawals over the next twelve months. Additionally, the basis points reported are fee rates based on the asset levels at the time of the transactions and do not consider the fact that client fee rates may change over the next twelve months.

Table of Contents

The following table summarizes our asset flows and market appreciation/depreciation by asset class for each of the periods indicated:

($ in billions, unless otherwise noted)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
U.S. equity				
Beginning balance	$ 78.6	$ 85.5	$ 76.9	$ 87.3
Gross inflows	1.0	2.3	4.1	3.2
Gross outflows	(3.5)	(3.2)	(5.9)	(6.6)
Net flows	(2.5)	(0.9)	(1.8)	(3.4)
Market appreciation	2.5	0.8	3.0	1.5
Other	—	—	0.5	—
Ending balance	**$ 78.6**	**$ 85.4**	**$ 78.6**	**$ 85.4**
Average AUM	$ 79.1	$ 86.0	$ 77.3	$ 86.0
Global / non-U.S. equity				
Beginning balance	$ 88.3	$ 88.1	$ 84.8	$ 84.0
Gross inflows	2.2	3.2	6.4	7.6
Gross outflows	(1.5)	(2.3)	(3.9)	(4.9)
Net flows	0.7	0.9	2.5	2.7
Market appreciation	—	1.1	1.3	3.4
Other	—	0.6	0.4	0.6
Ending balance	**$ 89.0**	**$ 90.7**	**$ 89.0**	**$ 90.7**
Average AUM	$ 88.9	$ 90.8	$ 85.9	$ 88.4
Fixed income				
Beginning balance	$ 14.1	$ 15.3	$ 13.8	$ 15.2
Gross inflows	0.3	0.5	0.5	0.9
Gross outflows	(0.6)	(0.4)	(1.2)	(1.0)
Net flows	(0.3)	0.1	(0.7)	(0.1)
Market appreciation (depreciation)	0.5	(0.6)	1.2	(0.3)
Ending balance	**$ 14.3**	**$ 14.8**	**$ 14.3**	**$ 14.8**
Average AUM	$ 14.2	$ 15.2	$ 14.0	$ 15.3
Alternative, real estate & timber				
Beginning balance	$ 37.0	$ 35.1	$ 36.9	$ 34.3
Gross inflows	0.6	1.5	2.5	2.8
Gross outflows	(0.4)	(0.6)	(0.7)	(0.9)
Hard asset disposals	(1.0)	(0.2)	(2.3)	(0.5)
Net flows	(0.8)	0.7	(0.5)	1.4
Market appreciation (depreciation)	0.7	(0.2)	1.3	(0.1)
Other	—	0.1	(0.8)	0.1
Ending balance	**$ 36.9**	**$ 35.7**	**$ 36.9**	**$ 35.7**
Average AUM	$ 37.0	$ 35.2	$ 37.2	$ 35.1
Total				
Beginning balance	$ 218.0	$ 224.0	$ 212.4	$ 220.8
Gross inflows	4.1	7.5	13.5	14.5
Gross outflows	(6.0)	(6.5)	(11.7)	(13.4)
Hard asset disposals	(1.0)	(0.2)	(2.3)	(0.5)
Net flows	(2.9)	0.8	(0.5)	0.6
Market appreciation	3.7	1.1	6.8	4.5
Other	—	0.7	0.1	0.7
Ending balance	**$ 218.8**	**$ 226.6**	**$ 218.8**	**$ 226.6**
Average AUM	$ 219.2	$ 227.2	$ 214.4	$ 224.8
Annualized basis points: inflows	46.4	46.1	40.3	46.3

Annualized basis points: outflows		32.1		31.4		36.1		30.4
Annualized revenue impact of net flows ($ in millions)	**$**	**(3.4)**	**$**	**13.5**	**$**	**3.9**	**$**	**24.8**

We also analyze our asset flows by client type and client location. Our client types include:

i. Sub-advisory, which includes assets managed for underlying mutual fund and variable insurance products which are sponsored by insurance companies and mutual fund platforms, where the end client is typically retail;

ii. Institutional, which includes assets managed for public / government pension funds, including U.S. state and local government funds and non-U.S. sovereign wealth, local government and national pension funds; also includes corporate and union-sponsored pension plans; and

iii. Retail / other, which includes assets managed for mutual funds sponsored by our Affiliates, defined contribution plans and accounts managed for high net worth clients.

The following table summarizes our asset flows by client type for each of the periods indicated:

($ in billions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Sub-advisory				
Beginning balance	$ 71.6	$ 73.7	$ 69.0	$ 74.1
Gross inflows	1.7	2.6	5.7	4.6
Gross outflows	(3.1)	(2.5)	(5.5)	(5.7)
Net flows	(1.4)	0.1	0.2	(1.1)
Market appreciation	1.3	0.3	2.0	1.1
Other	—	—	0.3	—
Ending balance	**$ 71.5**	**$ 74.1**	**$ 71.5**	**$ 74.1**
Institutional				
Beginning balance	$ 136.4	$ 140.6	$ 133.8	$ 137.2
Gross inflows	2.0	4.3	6.9	8.9
Gross outflows	(2.2)	(3.5)	(4.9)	(6.9)
Hard asset disposals	(1.0)	(0.2)	(2.3)	(0.5)
Net flows	(1.2)	0.6	(0.3)	1.5
Market appreciation	2.1	0.5	4.4	3.0
Other	—	0.7	(0.6)	0.7
Ending balance	**$ 137.3**	**$ 142.4**	**$ 137.3**	**$ 142.4**
Retail/Other				
Beginning balance	$ 10.0	$ 9.7	$ 9.6	$ 9.5
Gross inflows	0.4	0.6	0.9	1.0
Gross outflows	(0.7)	(0.5)	(1.3)	(0.8)
Net flows	(0.3)	0.1	(0.4)	0.2
Market appreciation	0.3	0.3	0.4	0.4
Other	—	—	0.4	—
Ending balance	**$ 10.0**	**$ 10.1**	**$ 10.0**	**$ 10.1**
Total				
Beginning balance	$ 218.0	$ 224.0	$ 212.4	$ 220.8
Gross inflows	4.1	7.5	13.5	14.5
Gross outflows	(6.0)	(6.5)	(11.7)	(13.4)
Hard asset disposals	(1.0)	(0.2)	(2.3)	(0.5)
Net flows	(2.9)	0.8	(0.5)	0.6
Market appreciation	3.7	1.1	6.8	4.5
Other	—	0.7	0.1	0.7
Ending balance	**$ 218.8**	**$ 226.6**	**$ 218.8**	**$ 226.6**

It is a strategic objective to increase our percentage of assets under management sourced from non-U.S. clients. Our categorization by client location includes:

i. U.S.-based clients, where the contracting client is based in the United States, and

ii. Non-U.S.-based clients, where the contracting client is based outside the United States.

The following table summarizes asset flows by client location for each of the periods indicated:

($ in billions)	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2016	**2015**	**2016**	**2015**
U.S.				
Beginning balance	$ 175.1	$ 179.1	$ 171.8	$ 176.6
Gross inflows	2.7	5.4	9.2	10.9
Gross outflows	(5.0)	(4.7)	(10.0)	(9.8)
Hard asset disposals	(1.0)	(0.2)	(1.7)	(0.5)
Net flows	(3.3)	0.5	(2.5)	0.6
Market appreciation	3.2	0.7	5.6	3.1
Other	—	(0.3)	0.1	(0.3)
Ending balance	**$ 175.0**	**$ 180.0**	**$ 175.0**	**$ 180.0**
Non-U.S.				
Beginning balance	$ 42.9	$ 44.9	$ 40.6	$ 44.2
Gross inflows	1.4	2.1	4.3	3.6
Gross outflows	(1.0)	(1.8)	(1.7)	(3.6)
Hard asset disposals	—	—	(0.6)	—
Net flows	0.4	0.3	2.0	—
Market appreciation	0.5	0.4	1.2	1.4
Other	—	1.0	—	1.0
Ending balance	**$ 43.8**	**$ 46.6**	**$ 43.8**	**$ 46.6**
Total				
Beginning balance	$ 218.0	$ 224.0	$ 212.4	$ 220.8
Gross inflows	4.1	7.5	13.5	14.5
Gross outflows	(6.0)	(6.5)	(11.7)	(13.4)
Hard asset disposals	(1.0)	(0.2)	(2.3)	(0.5)
Net flows	(2.9)	0.8	(0.5)	0.6
Market appreciation	3.7	1.1	6.8	4.5
Other	—	0.7	0.1	0.7
Ending balance	**$ 218.8**	**$ 226.6**	**$ 218.8**	**$ 226.6**

At June 30, 2016 , our total assets under management were $218.8 billion , an increase of $0.8 billion or 0.4% compared to $218.0 billion at March 31, 2016 and an increase of $6.4 billion or 3.0% compared to $212.4 billion at December 31, 2015 . The change in assets under management during the three months ended June 30, 2016 reflects net market appreciation of $3.7 billion and net flows of $(2.9) billion . The change in assets under management during the six months ended June 30, 2016 reflects net market appreciation of $6.8 billion , net flows of $(0.5) billion and other movements of $0.1 billion . Other movements in 2016 reflect the standardization of AUM definitions across Affiliates and mandates and the revaluation of certain hard assets. These changes align the definition of AUM with management fees charged to clients.

For the three months ended June 30, 2016 , our net flows were $(2.9) billion compared to $2.4 billion for the three months ended March 31, 2016 and $0.8 billion for the three months ended June 30, 2015 . Hard asset disposals of $(1.0) billion , $(1.3) billion and $(0.2) billion are reflected in the net flows for the three months ended June 30, 2016 , March 31, 2016 and June 30, 2015 , respectively. For the three months ended June 30, 2016 , the annualized revenue impact of the net flows was $(3.4) million , as gross inflows of $4.1 billion during the three-month period were into asset classes yielding approximately 46 bps and gross outflows and hard asset disposals in the same period of $(7.0) billion were out of asset classes yielding approximately 32 bps . This is compared to the annualized revenue impact of net flows of $7.3 million for the three months ended March 31, 2016 and $13.5 million for the three months ended June 30, 2015 .

For the six months ended June 30, 2016 , our net flows were $(0.5) billion compared to $0.6 billion for the six months ended June 30, 2015 . Hard asset disposals of $(2.3) billion are reflected in the net flows for the six months ended June 30, 2016 and $(0.5) billion for the six months ended June 30, 2015 . For the six months ended June 30, 2016 , the annualized revenue impact of the net flows decreased to $3.9 million compared to $24.8 million for the six months ended June 30, 2015 . Gross inflows of $13.5 billion in the six months ended June 30, 2016 yielded an average of 40 bps compared to $14.5 billion yielding 46 bps in the year-ago period. Gross outflows and hard asset disposals of $(14.0) billion yielded 36 bps in the six months ended June 30, 2016 compared to $(13.9) billion yielding 30 bps in the year-ago period.

U.S. GAAP Results of Operations for the Three and Six Months Ended June 30, 2016 and 2015

Our U.S. GAAP results of operations were as follows for the three and six months ended June 30, 2016 and 2015 :

($ in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2016	2015	Increase (Decrease)	2016	2015	Increase (Decrease)
U.S. GAAP Statement of Operations						
Management fees	$ 157.1	$ 164.9	$ (7.8)	$ 306.7	$ 321.8	$ (15.1)
Performance fees	(0.8)	48.6	(49.4)	(0.8)	52.2	(53.0)
Other revenue	0.2	—	0.2	0.2	0.1	0.1
Total revenue	**156.5**	**213.5**	**(57.0)**	**306.1**	**374.1**	**(68.0)**
Compensation and benefits	87.5	126.0	(38.5)	172.1	220.8	(48.7)
General and administrative expense	22.7	22.9	(0.2)	44.5	42.7	1.8
Amortization and impairment of acquired intangibles	0.1	0.1	—	0.1	0.1	—
Depreciation and amortization	2.2	1.6	0.6	4.4	3.2	1.2
Total expenses	**112.5**	**150.6**	**(38.1)**	**221.1**	**266.8**	**(45.7)**
Operating income	**44.0**	**62.9**	**(18.9)**	**85.0**	**107.3**	**(22.3)**
Investment income	4.5	2.4	2.1	8.0	5.1	2.9
Interest income	—	0.1	(0.1)	—	0.1	(0.1)
Interest expense	(0.5)	(0.7)	0.2	(1.0)	(1.6)	0.6
Income from continuing operations before taxes	**48.0**	**64.7**	**(16.7)**	**92.0**	**110.9**	**(18.9)**
Income tax expense	13.1	16.0	(2.9)	26.5	28.2	(1.7)
Income from continuing operations	**34.9**	**48.7**	**(13.8)**	**65.5**	**82.7**	**(17.2)**
Gain on disposal of discontinued operations, net of tax	1.4	0.7	0.7	1.6	0.9	0.7
Net income	**$ 36.3**	**$ 49.4**	**$ (13.1)**	**$ 67.1**	**$ 83.6**	**$ (16.5)**
Basic earnings per share ($)	$ 0.30	$ 0.41	$ (0.11)	$ 0.56	$ 0.69	$ (0.13)
Diluted earnings per share ($)	0.30	0.41	(0.11)	0.56	0.69	(0.13)
Weighted average basic ordinary shares outstanding	119.4	120.0	(0.6)	119.7	120.0	(0.3)
Weighted average diluted ordinary shares outstanding	119.6	120.5	(0.9)	119.8	120.5	(0.7)
U.S. GAAP operating margin (1)	28%	29%		28%	29%	

(1) The U.S. GAAP operating margin equals operating income from continuing operations divided by total revenue.

The following table reconciles our net income to our pre-tax income from continuing operations:

($ in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
U.S. GAAP Statement of Operations	2016	2015	2016	2015
Net income	**$ 36.3**	**$ 49.4**	**$ 67.1**	**$ 83.6**
Exclude: Gain on disposal of discontinued operations, net of tax	(1.4)	(0.7)	(1.6)	(0.9)
Net income from continuing operations	**34.9**	**48.7**	**65.5**	**82.7**
Add: Income tax expense	13.1	16.0	26.5	28.2
Pre-tax income from continuing operations	**$ 48.0**	**$ 64.7**	**$ 92.0**	**$ 110.9**

U.S. GAAP Revenues

Our U.S. GAAP revenues principally consist of:

i. management fees earned based on our overall weighted average fee rate charged to our clients and the level of assets under management;

ii. performance fees earned or management fee adjustments when our Affiliates’ investment performance over agreed time periods for certain clients has differed from pre-determined hurdles; and

iii. other revenue, consisting primarily of marketing, distribution and joint venture income.

Management Fees

Our management fees are a function of the fee rates our Affiliates charge to their clients, which are typically expressed in basis points, and the levels of our assets under management.

Excluding assets managed by our equity-accounted Affiliates, average basis points earned on average assets under management were 33.8 bps and 33.8 bps for the three and six months ended June 30, 2016 , respectively, and 33.5 bps and 33.2 bps for the three and six months ended June 30, 2015 , respectively. The greatest driver of increases or decreases in this average fee rate is changes in the mix of our assets under management caused by net inflows or outflows in certain asset classes or disproportionate market movements.

Our average basis points by asset class (including both consolidated Affiliates that are included, and equity-accounted Affiliates that are not included in management fee revenue) over each of the periods indicated were:

($ in millions, except AUM data in billions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2016		2015		2016		2015	
	Revenue	Basis Pts	Revenue	Basis Pts	Revenue	Basis Pts	Revenue	Basis Pts
U.S. equity	$ 50.0	25	$ 52.2	24	$ 97.4	25	$ 104.0	24
Global / non-U.S. equity	92.8	42	96.1	42	180.4	42	185.4	42
Fixed income	7.2	20	8.3	22	14.4	21	16.5	22
Alternative, real estate & timber	40.5	44	37.9	43	79.8	43	75.0	43
Management fee revenue & weighted average fee rate on average AUM, including equity-accounted Affiliates	**$ 190.5**	**35.0**	**$ 194.5**	**34.3**	**$ 372.0**	**34.9**	**$ 380.9**	**34.2**
Less: Revenue from equity-accounted Affiliates	(33.4)		(29.6)		(65.3)		(59.1)	
U.S. GAAP management fee revenue & weighted average fee rate on average AUM of consolidated Affiliates (1)	**$ 157.1**	**33.8**	**$ 164.9**	**33.5**	**$ 306.7**	**33.8**	**$ 321.8**	**33.2**
Average AUM	$ 219.2		$ 227.2		$ 214.4		$ 224.8	
Average AUM excluding equity-accounted Affiliates	186.8		197.5		182.4		195.3	

(1) Amounts shown excluding equity-accounted Affiliates are equivalent to ENI management fee revenue. (See “ENI Revenues”)

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Management fees decrease d $(7.8) million , or (4.7)% , from $164.9 million for the three months ended June 30, 2015 to $157.1 million for the three months ended June 30, 2016 . The decrease was attributable to decreases in average assets under management excluding equity-accounted Affiliates, which decreased (5.4)% , from $197.5 billion for the three months ended June 30, 2015 to $186.8 billion for the three months ended June 30, 2016 .

The decrease in management fee revenue is mitigated by the increases in basis point yields of our assets under management. Excluding equity-accounted Affiliates, the weighted average fee rate earned on our average assets under management was 33.8 basis points for the three months ended June 30, 2016 and 33.5 basis points for the three months ended June 30, 2015 , with the increase driven mostly by the mix of flows and market movements in and out of assets with varying fee rates. Compared to the three months ended June 30, 2015 , the combined share of higher fee global/non-U.S. equity and alternative assets, excluding equity-accounted Affiliates, increased by approximately 1% , to 51% of average assets, while the mix of U.S. equity and fixed income decreased approximately (1)% to 49% of average assets. This shift was driven by flows as well as the impact of market movements.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Management fees decrease d $(15.1) million , or (4.7)% , from $321.8 million for the six months ended June 30, 2015 to $306.7 million for the six months ended June 30, 2016 . The decrease was attributable to decrease s in average assets under management excluding equity-accounted Affiliates, which decrease d (6.6)% from $195.3 billion for the six months ended June 30, 2015 to $182.4 billion for the six months ended June 30, 2016 .

Excluding equity-accounted Affiliates, the weighted average fee rate earned on our average assets under management was 33.8 basis points for the six months ended June 30, 2016 and 33.2 basis points for the six months ended June 30, 2015 , with the increase driven mostly by the mix of flows and market movements in and out of assets with varying fee rates. Compared to the six months ended June 30, 2015 , the combined share of higher fee global/non-U.S. equity and alternative assets, excluding equity-accounted Affiliates, increased by approximately 2% , to 51% of average assets, while the mix of U.S. equity and fixed income decreased approximately (2)% to 49% of average assets. This shift was driven by flows as well as the impact of market movements.

Performance Fees

Approximately $49.3 billion , or 26% of our AUM in consolidated Affiliates, are in accounts with incentive fee or carried interest features. Included below is a breakdown of our AUM from consolidated Affiliates, broken out between AUM subject to performance fees or carried interest and that subject only to management fees. Our alternative products subject to performance fees or carried interest earn these performance fees upon exceeding high-water mark performance thresholds or outperforming a hurdle rate. Conversely, the separate accounts/other products, which primarily earn management fees, are potentially subject to performance adjustment up or down based on investment performance versus benchmark. For each of these categories and in total, we have indicated in the table below the ratio of performance fees or carried interest relative to total management fees and performance fees (together, total fees).

	AUM of consolidated Affiliates at June 30, 2016 ($ in billions)			Management fees for the six months ended June 30, 2016 ($ in millions)			Performance fees for the six months ended June 30, 2016 ($ in millions)		
Category	Total	AUM of accounts without perfor-mance fees	AUM of accounts with perfor-mance fees	Total	Accounts without perfor-mance fees	Accounts with perfor-mance fees	Total	As a % of total category fees among accounts with perfor-mance fees	As a % of total category fees (among all accounts)
Alternative products	$ 6.6	$ 0.4	$ 6.2	$ 19.8	$ 0.5	$ 19.3	$ 1.9	9.0 %	8.8 %
Separate accounts/other products	180.0	136.9	43.1	286.9	239.1	47.8	(2.7)	(6.0)%	(1.0)%
Total	**$ 186.6**	**$ 137.3**	**$ 49.3**	**$ 306.7**	**$ 239.6**	**$ 67.1**	**$ (0.8)**	**(1.2)%**	**(0.3)%**

In aggregate, we recognized $(0.8) million in performance fees in the six months ended June 30, 2016 . The negative performance fee represents adjustments in certain sub-advisory accounts. Gross performance fees earned, excluding performance fees at equity-accounted Affiliates, were (0.3)% of total fees for the six months ended June 30, 2016 and 14.0% of total fees (1.3% excluding the non-recurring performance fee) for the six months ended June 30, 2015 . Performance fees are typically shared with our Affiliate key employees through various contractual compensation and profit-sharing arrangements, as illustrated in the following table:

	Three Months Ended June 30,			Six Months Ended June 30,		
		2015			2015	
($ in millions)	2016	Including the non-recurring performance fee	Excluding the non-recurring performance fee	2016	Including the non-recurring performance fee	Excluding the non-recurring performance fee
Gross performance fees	$ (0.8)	$ 48.6	$ 0.5	$ (0.8)	$ 52.2	$ 4.1
Net performance fees (1)	**$ (0.3)**	**$ 19.7**	**$ 0.6**	**(0.3)**	**21.7**	**2.6**
Percentage of performance fees accruing to OMAM (2)	37.5 %	40.5%	120.0%	37.5 %	41.6%	63.4%
Gross performance fees as a percentage of total fees (3)	(0.5)%	22.8%	0.3%	(0.3)%	14.0%	1.3%

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(1) Net performance fees are shown after the effect of contractual variable compensation and distributions to key employees of the Affiliates and represent the amount of the performance fee directly attributable to our shareholders. While net performance fees are typically lower than gross performance fees, they can exceed gross performance fees (as in the three months ended June 30, 2015) if OMAM has a larger economic stake in positive performance fees and a lesser economic stake in negative performance fees which represent downward fee adjustments.

(2) Reflects net performance fees as a percentage of gross performance fees.

(3) Total fees, comprised of management fees and performance fees were $156.3 million for the three months ended June 30, 2016 , $165.4 million for the three months ended June 30, 2015 excluding the non-recurring performance fee in 2015 and $213.5 million for the three months ended June 30, 2015 including the non-recurring performance fee. Total fees were $305.9 million for the six months ended June 30, 2016 , $325.9 million for the six months ended June 30, 2015 excluding the impact of the non-recurring performance fee and $374.0 million for the six months ended June 30, 2015 including the impact of the non-recurring performance fee.

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Performance fees decreased $(49.4) million , from $48.6 million for the three months ended June 30, 2015 to $(0.8) million for the three months ended June 30, 2016 . Performance fees can be variable and are contractually triggered based on investment performance results over agreed upon time periods. In the second quarter of 2015, we recorded a non-recurring gross performance fee of $48.1 million related to the sale and liquidation of a fund that resulted in a significant gain to the investor from the initial investment. The unique characteristics of this fee, including its size and the exceptional investment performance of the underlying product, is particular to this liquidated fund and it therefore is unrepresentative of our recurring economics. The remainder of the decrease was primarily a result of volatile markets combined with management fee adjustments in certain sub-advisory accounts.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Performance fees decreased $(53.0) million , from $52.2 million for the six months ended June 30, 2015 to $(0.8) million for the six months ended June 30, 2016 . Performance fees can be variable and are contractually triggered based on investment performance results over agreed upon time periods. In the second quarter of 2015, we recorded a non-recurring gross performance fee of $48.1 million related to the sale and liquidation of a fund that resulted in a significant gain to the investor from the initial investment. The unique characteristics of this fee, including its size and the exceptional investment performance of the underlying product, is particular to this liquidated fund and it therefore is unrepresentative of our recurring economics. The remainder of the decrease was primarily a result of volatile markets combined with management fee adjustments in certain sub-advisory accounts.

Other Revenue

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Other revenue increased $0.2 million , from $0.0 million for the three months ended June 30, 2015 to $0.2 million for the three months ended June 30, 2016 primarily due to higher administrative fees earned.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Other revenue increased $0.1 million , or 100.0% , from $0.1 million for the six months ended June 30, 2015 to $0.2 million for the six months ended June 30, 2016 primarily due to higher administrative fees earned.

U.S. GAAP Expenses

Our U.S. GAAP expenses principally consist of:

i. compensation paid to our investment professionals and other employees, including base salary, benefits, sales-based compensation, variable compensation, Affiliate distributions and re-valuation of key employee owned Affiliate equity and profit interests;

ii. general and administrative expenses; and

iii. depreciation and amortization charges.

Compensation and Benefits Expense

Our most significant category of expense is compensation and benefits awarded to our and our Affiliates' employees. The following table presents the components of U.S. GAAP compensation expense for the three and six months ended June 30, 2016 and 2015 :

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
Fixed compensation and benefits (1)	$ 34.0	$ 31.8	$ 69.4	$ 65.3
Sales-based compensation (2)	4.4	5.3	9.2	9.9
Variable compensation (3)	41.0	72.2	78.4	115.6
Affiliate key employee distributions (4)	9.2	10.2	17.5	18.7
Non-cash Affiliate key employee equity revaluations (5)	(1.1)	6.5	(2.4)	11.3
Total U.S. GAAP compensation and benefits expense	**$ 87.5**	**$ 126.0**	**$ 172.1**	**$ 220.8**

(1) Fixed compensation and benefits include base salaries, payroll taxes and the cost of benefit programs provided. For the three and six months ended June 30, 2015, $31.4 million and $64.9 million, respectively, of fixed compensation and benefits expense (of the $31.8 million and $65.3 million above) is included within economic net income, which excludes the revenue and compensation attributable to the non-recurring performance fee.

(2) Sales-based compensation is paid to us and our Affiliates' sales and distribution teams and represents compensation earned by our sales professionals, paid over a multi-year period, related to revenue earned on new sales. Its variability is based upon the structure of sales-based compensation due on inflows of assets under management in both current and prior periods.

(3) Variable compensation represents the sum of each Affiliate's variable compensation, plus Center bonuses. Variable compensation is usually awarded based on a contractual percentage of each Affiliate's ENI profits before variable compensation and may be paid in the form of cash or non-cash Affiliate equity or profit interests. Center variable compensation includes cash and OMAM equity. Non-cash variable compensation awards typically vest over several years and are recognized as compensation expense over that service period. The variable compensation ratio at each Affiliate, calculated as variable compensation divided by ENI earnings before variable compensation, will typically be between 25% and 30%.

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
Cash variable compensation	$ 34.5	$ 66.4	$ 65.6	$ 104.8
Non-cash equity-based award amortization	6.5	5.8	12.8	10.8
Total variable compensation [(a)]	**$ 41.0**	**$ 72.2**	**$ 78.4**	**$ 115.6**

(a) For the three and six months ended June 30, 2015 , $43.7 million and $87.1 million of variable compensation expense (of the $72.2 million and $115.6 million above) is included within economic net income, which excludes the revenue and compensation attributable to the non-recurring performance fee.

(4) Affiliate key employee distributions represent the share of Affiliate profits after variable compensation that is attributable to Affiliate key employee equity and profit interests holders, according to their ownership interests. The Affiliate key employee distribution ratio at each Affiliate is calculated as Affiliate key employee distributions divided by ENI operating earnings at that Affiliate. At certain Affiliates, OMUS is entitled to an initial preference over profits after variable compensation, structured such that before a preference threshold is reached, there would be no required key employee distributions, whereas for profits above the threshold the key employee distribution amount would be calculated based on the key employee ownership percentages, which range from approximately 15% to 35% at our consolidated Affiliates.

(5) Non-cash Affiliate key employee equity revaluations represent changes in the value of Affiliate equity and profit interests held by Affiliate key employees. These ownership interests may in certain circumstances be repurchased by OMUS at a value based on a pre-determined fixed multiple of trailing earnings and as such this value is carried on our balance sheet as a liability. However, any equity or profit interests repurchased by OMUS can be used to fund a portion of future variable compensation awards, resulting in savings in cash variable compensation that offset the negative cash effect of repurchasing the equity. Our Affiliate equity and profit interest plans have been designed to ensure OMUS is not required to repurchase more equity than we can reasonably recycle through variable compensation awards in any given twelve month period. OMUS may also choose to retain repurchased Affiliate equity or profit interests, entitling us to an additional share of future Affiliate earnings that represents an unrecognized economic asset to us.

Fluctuations in compensation and benefits expense for the periods presented are discussed below.

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Compensation and benefits expense decrease d $(38.5) million , or (30.6)% , from $126.0 million for the three months ended June 30, 2015 to $87.5 million for the three months ended June 30, 2016 . Fixed compensation and benefits increased $2.2 million , or 6.9% , from $31.8 million for the three months ended June 30, 2015 to $34.0 million for the three months ended June 30, 2016 . This reflects the annualization of 2015 hires, as well as normal increases in base salaries, wages and benefits. Variable compensation decreased $(31.2) million , or (43.2)% , from $72.2 million for the three months ended June 30, 2015 to $41.0 million for the three months ended June 30, 2016 , primarily due to the variable compensation associated with the non-recurring performance fee in 2015 as well as lower pre-variable compensation earnings exclusive of the 2015 non-recurring performance fee. Sales-based compensation decreased $(0.9) million , or (17.0)% , from $5.3 million for the three months ended June 30, 2015 to $4.4 million for the three months ended June 30, 2016 , as a result of the timing and structure of sales-based compensation due and lower asset inflows in current and prior periods. Affiliate key employee distributions decreased $(1.0) million , or (9.8)% , from $10.2 million for the three months ended June 30, 2015 to $9.2 million for the three months ended June 30, 2016 as a result of lower earnings before Affiliate key employee distributions. Revaluations of Affiliate equity decreased by $(7.6) million reflecting formulaic revaluations of key employee ownership at certain Affiliates, as the value of Affiliate equity increased $6.5 million in the three months ended June 30, 2015 and decreased $(1.1) million in the three months ended June 30, 2016 .

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Compensation and benefits expense decreased $(48.7) million , or (22.1)% , from $220.8 million for the six months ended June 30, 2015 to $172.1 million for the six months ended June 30, 2016 . Fixed compensation and benefits increased $4.1 million , or 6.3% , from $65.3 million for the six months ended June 30, 2015 to $69.4 million for the six months ended June 30, 2016 . This reflects the annualization of 2015 hires, as well as normal increases in base salaries, wages and benefits. Variable compensation decreased $(37.2) million , or (32.2)% , from $115.6 million for the six months ended June 30, 2015 to $78.4 million for the six months ended June 30, 2016 , primarily due to the variable compensation associated with the non-recurring performance fee in 2015 as well as lower pre-variable compensation earnings exclusive of the 2015 non-recurring performance fee. Sales-based compensation decreased $(0.7) million , or (7.1)% , from $9.9 million for the six months ended June 30, 2015 to $9.2 million for the six months ended June 30, 2016 , as a result of the timing and structure of sales-based compensation due. Affiliate key employee distributions decreased $(1.2) million , or (6.4)% , from $18.7 million for the six months ended June 30, 2015 to $17.5 million for the six months ended June 30, 2016 as a result of lower earnings before Affiliate key employee distributions. Revaluations of Affiliate equity decreased by $(13.7) million reflecting formulaic revaluations of key employee ownership at certain Affiliates, as the value of Affiliate equity increased $11.3 million in the six months ended June 30, 2015 and decreased $(2.4) million in the six months ended June 30, 2016 .

General and Administrative Expense

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : General and administrative expense decrease d $(0.2) million , or (0.9)% , from $22.9 million for the three months ended June 30, 2015 to $22.7 million for the three months ended June 30, 2016 . The decrease s in general and administrative expenses were primarily due to the favorable impact of foreign currency, offset by an increase in transaction-related costs.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : General and administrative expense increase d $1.8 million , or 4.2% , from $42.7 million for the six months ended June 30, 2015 to $44.5 million for the six months ended June 30, 2016 , driven primarily by technology investments, new initiatives and transaction-related costs, offset by the favorable impact of foreign currency.

Depreciation and Amortization Expense

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Depreciation and amortization expense increase d $0.6 million , or 37.5% , from $1.6 million for the three months ended June 30, 2015 to $2.2 million for the three months ended June 30, 2016 . The increase was primarily due to additional fixed asset and technology investments in the business in 2015 and 2016.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Depreciation and amortization expense increase d $1.2 million , or 37.5% , from $3.2 million for the six months ended June 30, 2015 to $4.4 million for the six months ended June 30, 2016 . The increase was primarily due to additional fixed asset and technology investments in the business in 2015 and 2016.

U.S. GAAP Other Non-Operating Items of Income and Expense

Other non-operating items of income and expense consist of:

i. investment income

ii. interest income; and

iii. interest expense.

Investment Income

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Investment income increased $2.1 million , or 87.5% , from $2.4 million for the three months ended June 30, 2015 to $4.5 million for the three months ended June 30, 2016 , primarily due to increased earnings from equity-accounted Affiliates, combined with returns on co-investments and a timber investment at an Affiliate for the three months ended June 30, 2016 .

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Investment income increased $2.9 million , or 56.9% , from $5.1 million for the six months ended June 30, 2015 to $8.0 million for the six months ended June 30, 2016 , primarily due to increased earnings from equity-accounted Affiliates, combined with increased returns on co-investments and a timber investment at an Affiliate for the six months ended June 30, 2016 .

Interest Income

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Interest income decreased $(0.1) million , or (100.0%), from $0.1 million for the three months ended June 30, 2015 to $0.0 million for the three months ended June 30, 2016 . The change was due to a decrease in balances of interest-bearing accounts.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Interest income decrease d $(0.1) million , or (100.0)% , from $0.1 million for the six months ended June 30, 2015 to $0.0 million for the six months ended June 30, 2016 . The decrease was due to a decrease in balances of interest-bearing accounts.

Interest Expense

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Interest expense decreased $(0.2) million , or (28.6)% , from $0.7 million for the three months ended June 30, 2015 to $0.5 million for the three months ended June 30, 2016 . Interest expense for the three months ended June 30, 2016 reflects the lower levels drawn under our third party credit facility during this period.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Interest expense decreased $(0.6) million , or (37.5)% , from $1.6 million for the six months ended June 30, 2015 to $1.0 million for the six months ended June 30, 2016 . Interest expense for the six months ended June 30, 2016 reflects the lower levels drawn under our third party credit facility during this period.

U.S. GAAP Income Tax Expense (Benefit)

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : Income tax expense decreased $(2.9) million , or (18.1)% , from $16.0 million for the three months ended June 30, 2015 to $13.1 million for the three months ended June 30, 2016 . The decrease relates primarily to decreases in income from continuing operations before tax, partially offset by increases in reserves for income tax contingencies in 2016 and the impacts of changes in state laws recorded in 2015.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : Income tax expense decreased $(1.7) million , or (6.0)% , from $28.2 million for the six months ended June 30, 2015 to $26.5 million for the six months ended June 30, 2016 . The decrease relates primarily to decreases in income from continuing operations before tax, partially offset by increases in reserves for income tax contingencies in 2016 and the impacts of changes in state laws recorded in 2015.

Discontinued Operations

Three months ended June 30, 2016 compared to three months ended June 30, 2015 : All of our discontinued operations were wound down or transferred to our Parent prior to the third quarter of 2014 and there were no results from discontinued operations in either the three months ended June 30, 2015 or June 30, 2016 . Discontinued operations consisted of a gain on disposal of $0.7 million for the three months ended June 30, 2015 and a gain on disposal of $1.4 million for the three months ended June 30, 2016 , in each case net of tax, representing incremental gains from disposals in each period.

Six months ended June 30, 2016 compared to six months ended June 30, 2015 : All of our discontinued operations were wound down or transferred to our Parent prior to the third quarter of 2014 and there were no results from discontinued operations in either the six months ended June 30, 2015 or June 30, 2016 . Discontinued operations consisted of a gain on disposal of $0.9 million for the six months ended June 30, 2015 and a gain on disposal of $1.6 million for the six months ended June 30, 2016 , in each case net of tax, representing incremental gains from disposals in each period.

Key U.S. GAAP Operating Metrics

The following table shows our key U.S. GAAP operating metrics for the three months ended June 30, 2016 and 2015 .

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Numerator: Operating income	$ 44.0	$ 62.9	$ 85.0	$ 107.3
Denominator: Total revenue	$ 156.5	$ 213.5	$ 306.1	$ 374.1
U.S. GAAP operating margin	**28%**	**29%**	**28%**	**29%**
Numerator: Total operating expenses	$ 112.5	$ 150.6	$ 221.1	$ 266.8
Denominator: Management fee revenue	$ 157.1	$ 164.9	$ 306.7	$ 321.8
U.S. GAAP operating expense / management fee revenue	**72%**	**91%**	**72%**	**83%**
Numerator: Variable compensation	$ 41.0	$ 72.2	$ 78.4	$ 115.6
Denominator: Operating income before variable compensation and Affiliate key employee distributions [(1)]	$ 94.2	$ 145.3	$ 180.9	$ 241.6
U.S. GAAP variable compensation ratio	**44%**	**50%**	**43%**	**48%**
Numerator: Affiliate key employee distributions	$ 9.2	$ 10.2	$ 17.5	$ 18.7
Denominator: Operating income before Affiliate key employee distributions [(1)]	$ 53.2	$ 73.1	$ 102.5	$ 126.0
U.S. GAAP Affiliate key employee distributions ratio	**17%**	**14%**	**17%**	**15%**

(1) The following table identifies the components of operating income before variable compensation and Affiliate key employee distributions, as well as operating income before Affiliate key employee distributions:

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Operating income	**$ 44.0**	**$ 62.9**	**$ 85.0**	**$ 107.3**
Affiliate key employee distributions	9.2	10.2	17.5	18.7
Operating income before Affiliate key employee distributions	**$ 53.2**	**$ 73.1**	**102.5**	**126.0**
Variable compensation	41.0	72.2	78.4	115.6
Operating income before variable compensation and Affiliate key employee distributions	**$ 94.2**	**$ 145.3**	**$ 180.9**	**$ 241.6**

Effects of Inflation

For the three and six months ended June 30, 2016 and 2015 , inflation did not have a material effect on our consolidated results of operations.

Non-GAAP Supplemental Performance Measure — Economic Net Income

As supplemental information, we provide a non-GAAP performance measure that we refer to as economic net income, or ENI, which represents our management's view of the underlying economic earnings generated by us. We define economic net income as ENI revenue less (i) ENI operating expenses, (ii) variable compensation, (iii) key employee distributions, (iv) net interest and (v) taxes, each as further discussed in this section. These ENI adjustments to U.S. GAAP include both reclassifications of U.S. GAAP revenue and expense items, as well as adjustments to U.S. GAAP results, primarily to exclude non-cash, non-economic expenses, or to reflect cash benefits not recognized under U.S. GAAP.

ENI is an important measure to investors because it is used by the Company to make resource allocation decisions, determine appropriate levels of investment or dividend payout, manage balance sheet leverage, determine Affiliate variable compensation and equity distributions, and incentivize management. It is also an important measure because it assists management in evaluating our operating performance and is presented in a way that most closely reflects the key elements of our profit share operating model with our Affiliates. For a further discussion of how we use ENI and why ENI is useful to investors, see "—Overview—How We Measure Performance."

To calculate economic net income, we re-categorize certain line items on our Statement of Operations to reflect the following:

- We include our share of earnings from equity-accounted Affiliates within other income in ENI revenue, rather than investment income.
- We treat sales-based compensation as a general and administrative expense, rather than part of fixed compensation and benefits.
- We segregate from operating expenses variable compensation and Affiliate key employee distributions, which represent Affiliate earnings shared with Affiliate key employees.

We make the following adjustments to U.S. GAAP results to more closely reflect our economic results:

i. We exclude non-cash expenses representing changes in the value of Affiliate equity and profit interests held by Affiliate key employees. These ownerships interests may in certain circumstances be repurchased by OMUS at a value based on a pre-determined fixed multiple of trailing earnings and as such this value is carried on our balance sheet as a liability. Non-cash movements in the value of this liability are treated as compensation expense under U.S. GAAP. However, any equity or profit interests repurchased by OMUS can be used to fund a portion of future variable compensation awards, resulting in savings in cash variable compensation that offset the negative cash effect of repurchasing the equity. Our Affiliate equity and profit interest plans have been designed to ensure OMUS is never required to repurchase more equity than we can reasonably recycle through variable compensation awards in any given twelve month period. OMUS may also choose to retain repurchased Affiliate equity or profit interests, entitling us to an additional share of future Affiliate earnings that represents an unrecognized economic asset to us.

ii. We exclude non-cash amortization or impairment expenses related to acquired goodwill and other intangibles as these are non-cash charges that do not result in an outflow of tangible economic benefits from the business.

iii. We exclude capital transaction costs, including the costs of raising debt or equity, gains or losses realized as a result of redeeming debt or equity and direct incremental costs associated with acquisitions of businesses or assets.

iv. We exclude the results of discontinued operations since they are not part of our ongoing business, and restructuring costs incurred in continuing operations which represent an exit from a distinct product or line of business.

v. We exclude deferred tax resulting from changes in tax law and expiration of statutes, adjustments for uncertain tax positions, deferred tax attributable to intangible assets and other unusual items not related to current operating results to reflect ENI tax normalization.

We also adjust our income tax expense to reflect any tax impact of our ENI adjustments.

Additional categories of economic net income adjustments that we may make in the future include, but are not limited to:

- the exclusion of seed capital and co-investment gains, losses and related financing costs. The net returns on these investments are considered and presented separately from ENI because ENI is primarily a measure of our earnings from managing client assets, which therefore differs from earnings generated by our investments in Affiliate products, which can be variable from period to period.
- the exclusion of non-contractual, non-cash interest expense recognized under U.S. GAAP in connection with the unwinding of discounts implicit in long-term financial liabilities.
- the inclusion of cash tax benefits associated with deductions allowed for acquired intangibles and goodwill that are not recognized within earnings under U.S. GAAP.

Reconciliation of U.S. GAAP Net Income to Economic Net Income for the Three and Six Months Ended June 30, 2016 and 2015

The following table reconciles net income to economic net income for the three and six months ended June 30, 2016 and 2015 :

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
U.S. GAAP net income	**$ 36.3**	**$ 49.4**	**$ 67.1**	**$ 83.6**
Adjustments to reflect the economic earnings of the Company:				
i. Non-cash key employee-owned equity and profit interest revaluations	(1.1)	6.5	(2.4)	11.3
ii. Amortization and impairment of goodwill and acquired intangible assets	—	0.1	0.1	0.1
iii. Capital transaction costs	1.6	—	1.7	—
iv. Discontinued operations and restructuring	(1.4)	(0.7)	(1.6)	(0.9)
v. ENI tax normalization	1.0	(3.2)	3.0	(2.8)
Tax effect of above adjustments, as applicable*	(0.2)	(2.7)	0.3	(4.6)
Economic net income (including the non-recurring performance fee)	**36.2**	**49.4**	**68.2**	**86.7**
Non-recurring performance fee, net**	—	(11.4)	—	(11.4)
Economic net income, excluding the non-recurring performance fee	**$ 36.2**	**$ 38.0**	**$ 68.2**	**$ 75.3**

* Reflects the sum of line items i, ii, and iii taxed at the 40.2% U.S. statutory rate (including state tax).

**In the second quarter of 2015, we recorded a non-recurring gross performance fee of $48.1 million. The $11.4 million represents the net amount accruing to OMAM after Affiliate contractual variable compensation, other directly related expenses, and the tax effect of the non-recurring performance fee calculated using a 40.2% tax rate.

Limitations of Economic Net Income

Economic net income is the key measure our management uses to evaluate the financial performance of, and make operational decisions for, our business. Economic net income is not a substitute for net income or other performance measures that are derived in accordance with U.S. GAAP. Furthermore, our calculation of economic net income may differ from similarly titled measures provided by other companies.

Because the calculation of economic net income excludes certain ongoing expenses, including amortization expense and certain compensation costs, it has certain material limitations and should not be viewed in isolation or as a substitute for U.S. GAAP measures of earnings.

ENI Revenues

The following table reconciles U.S. GAAP revenue to ENI revenue for the three and six months ended June 30, 2016 and 2015 :

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
U.S. GAAP revenue	$ 156.5	$ 213.5	$ 306.1	$ 374.1
Include investment return on equity-accounted Affiliates	3.5	2.4	6.8	5.1
Exclude the non-recurring performance fee [(2)]	—	(48.1)	—	(48.1)
ENI revenue	**$ 160.0**	**$ 167.8**	**$ 312.9**	**$ 331.1**

The following table identifies the components of ENI revenue:

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Management fees [(1)]	$ 157.1	$ 164.9	$ 306.7	$ 321.8
Performance fees (excluding the non-recurring performance fee) [(2)]	(0.8)	0.5	(0.8)	4.1
Other income, including equity-accounted Affiliates [(3)]	3.7	2.4	7.0	5.2
ENI revenue	**$ 160.0**	**$ 167.8**	**$ 312.9**	**$ 331.1**

(1) ENI management fees are most comparable to U.S. GAAP management fees.

(2) In the second quarter of 2015, we recorded a non-recurring performance fee of $48.1 million ($11.4 million, net of associated expenses and taxes). Unless explicitly noted, the ENI revenue, ENI expenses, and ENI key metrics for the three and six months ended June 30, 2015 exclude the impact of the non-recurring performance fee. While all performance fees fall within OMAM's definition of economic net income, we believe that the unique characteristics of this fee, including its size and the extraordinary investment performance of the underlying product, make it unrepresentative of our recurring economics and we have therefore removed it from our presentation of ENI revenue.

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
U.S. GAAP performance fees	$ (0.8)	$ 48.6	$ (0.8)	$ 52.2
Less: non-recurring performance fee	—	(48.1)	—	(48.1)
ENI performance fees	**$ (0.8)**	**$ 0.5**	**$ (0.8)**	**$ 4.1**

(3) ENI other income is comprised of other revenue under U.S. GAAP, plus our earnings from equity-accounted Affiliates of $3.5 million and $6.8 million , respectively, for the three and six months ended June 30, 2016 and $2.4 million and $5.1 million , respectively, for the three and six months ended June 30, 2015 .

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	2016	2015	2016	2015
U.S. GAAP other revenue	$ 0.2	$ —	$ 0.2	$ 0.1
Income from equity-accounted Affiliates	3.5	2.4	6.8	5.1
ENI other income	**$ 3.7**	**$ 2.4**	**$ 7.0**	**$ 5.2**

ENI Operating Expenses

The largest difference between U.S. GAAP operating expense and ENI operating expense relates to compensation. As shown in the following reconciliation, the Company excludes the impact of key employee equity revaluations. Variable compensation and Affiliate key employee distributions are also segregated out of U.S. GAAP operating expense in order to align with the manner in which these items are contractually calculated at the Affiliate level.

The following table reconciles U.S. GAAP operating expense to ENI operating expense for the three months ended June 30, 2016 and 2015 .

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	2016	2015	2016	2015
U.S. GAAP operating expense	$ 112.5	$ 150.6	$ 221.1	$ 266.8
Less: items excluded from economic net income				
Affiliate key employee equity revaluations	1.1	(6.5)	2.4	(11.3)
Amortization of acquired intangible assets	—	(0.1)	(0.1)	(0.1)
Capital transaction costs	(1.6)	—	(1.7)	—
Other items excluded from ENI (1)	—	(0.1)	—	(0.1)
Less: items segregated out of U.S. GAAP operating expense				
Variable compensation and other adjustments (2)	(41.0)	(72.6)	(78.4)	(116.0)
Affiliate key employee distributions	(9.2)	(10.2)	(17.5)	(18.7)
ENI operating expense	**$ 61.8**	**$ 61.1**	**$ 125.8**	**$ 120.6**

(1) Other items include expenses (excluding compensation) associated with the non-recurring performance fee in 2015.

(2) For the three and six months ended June 30, 2015 , $43.7 million and $87.1 million , respectively, of variable compensation expense (of the $72.6 million and $116.0 million of variable compensation and other adjustments above) is included within economic net income, which excludes the revenue and variable compensation attributable to the non-recurring performance fee, as well as fixed compensation and benefits associated with the non-recurring performance fee in 2015 of $0.4 million.

The following table identifies the components of ENI operating expense:

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Fixed compensation & benefits [1]	$ 34.0	$ 31.4	$ 69.4	$ 64.9
General and administrative expenses [2]	25.5	28.1	52.0	52.5
Depreciation and amortization	2.3	1.6	4.4	3.2
ENI operating expense	**$ 61.8**	**$ 61.1**	**$ 125.8**	**$ 120.6**

(1) Fixed compensation and benefits include base salaries, payroll taxes and the cost of benefit programs provided. The following table reconciles U.S. GAAP compensation expense for the three and six months ended June 30, 2016 and 2015 to ENI fixed compensation and benefits expense:

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Total U.S. GAAP compensation expense	**$ 87.5**	**$ 126.0**	**$ 172.1**	**$ 220.8**
Affiliate key employee equity revaluations excluded from ENI	1.1	(6.5)	2.4	(11.3)
Sales-based compensation reclassified to ENI general & administrative expenses	(4.4)	(5.3)	(9.2)	(9.9)
Affiliate key employee distributions	(9.2)	(10.2)	(17.5)	(18.7)
Variable compensation and other adjustments excluded from fixed compensation [a]	(41.0)	(72.6)	(78.4)	(116.0)
ENI fixed compensation and benefits	**$ 34.0**	**$ 31.4**	**$ 69.4**	**$ 64.9**

(a) For the three and six months ended June 30, 2015 , $43.7 million and $87.1 million , respectively, of variable compensation expense (of the $72.6 million and $116.0 million of variable compensation and other adjustments above) is included within economic net income, which excludes the revenue and variable compensation attributable to the non-recurring performance fee, as well as fixed compensation and benefits associated with the non-recurring performance fee in 2015 of $0.4 million.

(2) The following table reconciles U.S. GAAP general and administrative expense to ENI general and administrative expense:

($ in millions)	Three Months Ended June 30, 2016	Three Months Ended June 30, 2015	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
U.S. GAAP general and administrative expense	$ 22.7	$ 22.9	$ 44.5	$ 42.7
Sales-based compensation	4.4	5.3	9.2	9.9
Capital transaction costs	(1.6)	—	(1.7)	—
Other items excluded from ENI [a]	—	(0.1)	—	(0.1)
ENI general and administrative expense	**$ 25.5**	**$ 28.1**	**$ 52.0**	**$ 52.5**

(a) Other items include expenses (excluding compensation) associated with the nonrecurring performance fee in 2015.

Key Non-GAAP Operating Metrics

The following table shows our key non-GAAP operating metrics for the three and six months ended June 30, 2016 and 2015 . We present these metrics because they are the measures our management uses to evaluate the profitability of our business and are useful to investors because they represent the key drivers and measures of economic performance within our business model. Please see the footnotes below for an explanation of each ratio, its usefulness in measuring the economics and operating performance of our business, and a reference to the most closely related U.S. GAAP measure:

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
Numerator: ENI operating earnings (1)	$ 57.2	$ 63.0	$ 108.7	$ 123.4
Denominator: ENI revenue	$ 160.0	$ 167.8	$ 312.9	$ 331.1
ENI operating margin (2)	**36%**	**38%**	**35%**	**37%**
Numerator: ENI operating expense	$ 61.8	$ 61.1	$ 125.8	$ 120.6
Denominator: ENI management fee revenue (3)	$ 157.1	$ 164.9	$ 306.7	$ 321.8
ENI operating expense ratio (4)	**39%**	**37%**	**41%**	**37%**
Numerator: ENI variable compensation (5)	$ 41.0	$ 43.7	$ 78.4	$ 87.1
Denominator: ENI earnings before variable compensation (1)(6)	$ 98.2	$ 106.7	$ 187.1	$ 210.5
ENI variable compensation ratio (7)	**42%**	**41%**	**42%**	**41%**
Numerator: Affiliate key employee distributions	$ 9.2	$ 10.2	$ 17.5	$ 18.7
Denominator: ENI operating earnings (1)	$ 57.2	$ 63.0	$ 108.7	$ 123.4
ENI Affiliate key employee distributions ratio (8)	**16%**	**16%**	**16%**	**15%**

(1) ENI operating earnings represents ENI earnings before Affiliate key employee distributions and is calculated as ENI revenue, less ENI operating expense, less ENI variable compensation. It differs from economic net income because it does not include the effects of Affiliate key employee distributions, net interest expense or income tax expense.

The following table reconciles U.S. GAAP operating income to ENI earnings after Affiliate key employee distributions:

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
U.S. GAAP operating income	$ 44.0	$ 62.9	$ 85.0	$ 107.3
Include investment return on equity-accounted Affiliates	3.5	2.4	6.8	5.1
Exclude the impact of:				
Non-recurring performance fee	—	(48.1)	—	(48.1)
Affiliate key employee equity revaluations	(1.1)	6.5	(2.4)	11.3
Amortization of acquired intangible assets	—	0.1	0.1	0.1
Capital transaction costs	1.6	—	1.7	—
Other items excluded from ENI	—	0.1	—	0.1
Affiliate key employee distributions	9.2	10.2	17.5	18.7
Variable compensation and other adjustments [(a)]	41.0	72.6	78.4	116.0
ENI earnings before variable compensation	**98.2**	**106.7**	**187.1**	**210.5**
Less: ENI variable compensation [(a)]	(41.0)	(43.7)	(78.4)	(87.1)
ENI operating earnings	**57.2**	**63.0**	**108.7**	**123.4**
Less: ENI Affiliate key employee distributions	(9.2)	(10.2)	(17.5)	(18.7)
ENI earnings after Affiliate key employee distributions	**$ 48.0**	**$ 52.8**	**$ 91.2**	**$ 104.7**

(a) For the three and six months ended June 30, 2015 , $43.7 million and $87.1 million , respectively, of variable compensation expense (of the $72.6 million and $116.0 million of variable compensation and other adjustments above) is included within economic net income, which excludes the revenue and variable compensation attributable to the non-recurring performance fee, as well as fixed compensation and benefits associated with the non-recurring performance fee in 2015 of $0.4 million.

(2) The ENI operating margin, which is calculated before Affiliate key employee distributions, is used by management and is useful to investors to evaluate the overall operating margin of the business without regard to our various ownership levels at each of the Affiliates. The ENI operating margin is most comparable to our U.S. GAAP operating margin.

This ratio is important because it gives investors an understanding of the profitability of the total business relative to revenue, irrespective of the ownership position which OMAM has in each of its Affiliates. Management and investors use this ratio when comparing our profitability relative to our peer group and evaluating our ability to manage the cost structure and profitability of our business under different operating environments.

(3) ENI management fee revenue is most comparable to U.S. GAAP management fee revenue.

(4) The ENI operating expense ratio is used by management and is useful to investors to evaluate the level of operating expense as measured against our recurring management fee revenue. We have provided this ratio since many operating expenses, including fixed compensation & benefits and general and administrative expense, are generally linked to the overall size of the business. We track this ratio as a key measure of scale economies at OMAM because in our profit sharing economic model, scale benefits both the Affiliate employees and OMAM shareholders. The ENI operating expense ratio is most comparable to the U.S. GAAP operating expense / management fee revenue ratio.

(5) Excludes variable compensation associated with the non-recurring performance fee.

(6) ENI earnings before variable compensation is calculated as ENI revenue, less ENI operating expense.

(7) The ENI variable compensation ratio is used by management and is useful to investors to evaluate consolidated variable compensation as measured against our ENI earnings before variable compensation. Variable compensation represents the sum of each Affiliate's variable compensation, plus Center bonuses. Variable compensation is usually awarded based on a contractual percentage of each Affiliate's ENI earnings before variable compensation and may be paid in the form of cash or non-cash Affiliate equity or profit interests. Center variable compensation includes cash and OMAM equity. Non-cash variable compensation awards typically vest over several years and are recognized as compensation expense over that service period. The variable compensation ratio at each Affiliate, calculated as variable compensation divided by ENI earnings before variable compensation, will typically be between 25% and 30%. The ENI variable compensation ratio is most comparable to the U.S. GAAP variable compensation ratio.

(8) The ENI Affiliate key employee distribution ratio is used by management and is useful to investors to evaluate Affiliate key employee distributions as measured against our ENI operating earnings. Affiliate key employee distributions represent the share of Affiliate profits after variable compensation that is attributable to Affiliate key employee equity and profit interests holders, according to their ownership interests. The Affiliate key employee distribution ratio at each Affiliate is calculated as Affiliate key employee distributions divided by ENI operating earnings at that Affiliate. At certain Affiliates, OMUS is entitled to an initial preference over profits after variable compensation, structured such that before a preference threshold is reached, there would be no required key employee distributions, whereas for profits above the threshold the key employee distribution amount would be calculated based on the key employee ownership percentages, which range from approximately 15% to 35% at our consolidated Affiliates. The ENI Affiliate key employee distributions ratio is most comparable to the U.S. GAAP Affiliate key employee distributions ratio.

Tax on Economic Net Income

The following table reconciles the United States statutory tax to tax on economic net income. All amounts are shown excluding the 2015 non-recurring performance fee:

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
Pre-tax economic net income (B)	$ 47.9	$ 52.2	$ 90.8	$ 103.2
Intercompany interest expense deductible for U.S. tax purposes	(17.7)	(17.7)	(35.4)	(35.2)
Taxable economic net income	**30.2**	**34.5**	**55.4**	**68.0**
Taxes at the U.S. federal and state statutory rates [(1)]	(12.2)	(13.8)	(22.3)	(27.3)
Other reconciling tax adjustments	0.5	(0.4)	(0.3)	(0.6)
Tax on economic net income (A)	**(11.7)**	**(14.2)**	**(22.6)**	**(27.9)**
Add back intercompany interest expense previously excluded	17.7	17.7	35.4	35.2
Economic net income, excluding the non-recurring performance fee	**$ 36.2**	**$ 38.0**	**$ 68.2**	**$ 75.3**
Economic net income effective tax rate (A/B)	24.4%	27.2%	24.9%	27.0%

(1) Calculated using a 40.2% tax rate.

Capital Resources and Liquidity

Supplemental Liquidity Measure — Adjusted EBITDA

As supplemental information, we provide information regarding Adjusted EBITDA, which we define as economic net income before net interest, income taxes, depreciation and amortization. Adjusted EBITDA is a non-GAAP liquidity measure that we provide in addition to, but not as a substitute for, cash flows from operating activities. It should therefore be noted that our calculation of Adjusted EBITDA may not be consistent with Adjusted EBITDA as calculated by other companies. We believe Adjusted EBITDA is a useful liquidity metric because it indicates our ability to make further investments in our business, service debt and meet working capital requirements.

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in millions)	**2016**	**2015**	**2016**	**2015**
Net income	**$ 36.3**	**$ 49.4**	**$ 67.1**	**$ 83.6**
Net interest expense	0.5	0.6	1.0	1.5
Income tax expense (including tax expenses related to the non-recurring performance fee and discontinued operations)	13.6	16.6	27.1	28.8
Depreciation and amortization (including discontinued operations)	2.4	1.7	4.5	3.3
EBITDA	**$ 52.8**	**$ 68.3**	**$ 99.7**	**$ 117.2**
Non-cash compensation costs associated with revaluation of Affiliate key employee-owned equity and profit-sharing interests	(1.1)	6.5	(2.4)	11.3
EBITDA of discontinued operations	(1.9)	(1.3)	(2.2)	(1.5)
Other	(1.1)	—	(1.2)	—
Non-recurring performance fee before tax	—	(19.1)	—	(19.1)
Capital transaction costs	1.6		1.7	—
Adjusted EBITDA, excluding non-recurring performance fee	**$ 50.3**	**$ 54.4**	**$ 95.6**	**$ 107.9**
ENI net interest expense to third parties	(0.1)	(0.6)	(0.4)	(1.5)
Depreciation and amortization	(2.3)	(1.6)	(4.4)	(3.2)
Tax on economic net income	(11.7)	(14.2)	(22.6)	(27.9)
Economic net income, excluding non-recurring performance fee	**$ 36.2**	**$ 38.0**	**$ 68.2**	**$ 75.3**

Cash Flows

The following table summarizes certain key financial data relating to cash flows:

	Three Months Ended June 30,	
($ in millions)	**2016**	**2015**
Cash provided by (used in) (1)		
Operating activities	$ 33.8	$ 131.7
Investing activities	(12.9)	(11.1)
Financing activities	(92.4)	(118.9)

(1) Cash flow data shown only includes cash flows from continuing operations.

Our short-term uses of cash include compensation and general and administrative expenses for our Boston-based office. We may use any retained cash to invest in our business.

Comparison for the six months ended June 30, 2016 and 2015

Net cash provided by operating activities of continuing operations decreased $(97.9) million , from net cash provided of $131.7 million for the six months ended June 30, 2015 to net cash provided of $33.8 million for the six months ended June 30, 2016 , driven primarily by higher net income in 2015 and the impact of changes in compensation accruals related to the non-recurring performance fee in the prior year. Net cash used in investing activities of continuing operations increased $1.8 million , from $11.1 million used for the six months ended June 30, 2015 (excluding the impact of de-consolidation of Funds) to $12.9 million used for the six months ended June 30, 2016 , driven primarily by higher purchases of investment securities. Net cash used in financing activities of continuing operations decreased $(26.5) million, from $118.9 million used for the six months ended June 30, 2015 to $92.4 million used for the six months ended June 30, 2016 , due to a reduction in payments made to the Parent.

Future Capital Needs

In July 2016, we issued $400.0 million of bonds, including $275.0 million of bonds with a coupon rate of 4.8% and a maturity date of July 27, 2026, and $125.0 million of bonds with a coupon rate of 5.125% and a maturity date of August 1, 2031. We believe that our available cash and cash equivalents to be generated from operations, supplemented by additional short-term and long-term financing, as necessary, will be sufficient to fund current operations and capital requirements for at least the next twelve months, including our obligations under the amended seed capital management agreement and the amended deferred tax asset deed. Refer to Note 5, Related Party Transactions, for additional information on the amended agreements with our Parent. Our ability to secure short-term and long-term financing in the future will depend on several factors, including our future profitability, our relative levels of debt and equity and the overall condition of the credit markets.

Long-Term Debt

The following table summarizes our financing arrangements:

($ in millions)	Amounts outstanding at 6/30/2016	Amounts outstanding at 12/31/2015	Interest rate	Maturity
Long-term debt of OMAM				
Third party obligations:				
Revolving credit facility	$ 50.0	$ 90.0	LIBOR + 1.25% plus 0.20% commitment fee	October 15, 2019
Total long-term debt	**$ 50.0**	**$ 90.0**		

On October 15, 2014, we entered into a revolving credit facility with Citibank, as administrative agent and issuing bank, and Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint lead arrangers and joint book runners (as amended, the “Credit Facility”). Pursuant to the terms of the Credit Facility, we may obtain loans on a revolving credit basis and procure the issuance of letters of credit in an aggregate amount at any time outstanding not in excess of $350 million. The Credit Facility has a maturity date of October 15, 2019. Borrowings under the facility bear interest, at our option, at either the per annum rate equal to (a) the greatest of (i) the prime rate, (ii) the federal funds effective rate plus 0.5% and (iii) the one month Adjusted LIBO Rate plus 1.0%, plus, in each case an additional amount ranging from 0.25% to 1.00%, with such additional amount based from time to time on the ratio of our total consolidated indebtedness to Adjusted EBITDA (a “Leverage Ratio”) until either Moody’s Investor Service, Inc. or Standard & Poor’s assigned an initial rating to our senior, unsecured long-term indebtedness for borrowed money that was not subject to credit enhancement, or our credit rating, at which time such additional amount became based on our credit rating or (b) the London interbank offered rate for a period, at our election, equal to one, two, three or six months plus an additional amount ranging from 1.25% to 2.00%, with such additional amount based from time to time on our Leverage Ratio until we were assigned a credit rating, at which time such additional amount became based on our credit rating. In addition, we are charged a commitment fee based on the average daily unused portion of the revolving credit facility at a per annum rate ranging from 0.20% to 0.50%, with such amount being based from time to time on our Leverage Ratio until we were assigned a credit rating, at which time such amount became based on our credit rating.

Under the Credit Facility, the ratio of third-party borrowings to trailing twelve months Adjusted EBITDA cannot exceed 3.0x, and the Interest Coverage Ratio must not be less than 4.0x. At June 30, 2016 , our ratio of third-party borrowings to trailing twelve months Adjusted EBITDA was 0.2 x.

In July 2016, Moody’s Investor Service, Inc. and Standard & Poor’s each assigned an initial investment-grade rating to the Company’s senior, unsecured long-term indebtedness. As a result of the assignment of the credit ratings, the Company’s interest rate on outstanding borrowings was set at LIBOR + 1.50% and the commitment fee on the unused portion of the revolving credit facility was set at 0.25%.

Critical Accounting Policies and Estimates

There have been no additional updates or changes to our critical accounting policies from those disclosed as of December 31, 2015 in our Management’s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K filed on March 15, 2016.

Forward Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements, as that term is used in the Private Securities Litigation Reform Act of 1995, including information relating to anticipated growth in revenues, margins or earnings, anticipated changes in our business, anticipated future performance of our business, anticipated future investment performance of our Affiliates, our expected future net cash flows, our anticipated expense levels, changes in expense, the expected effects of acquisitions and expectations regarding market conditions. The words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “can be,” “may be,” “aim to,” “may affect,” “may depend,” “intends,” “expects,” “believes,” “estimate,” “project,” and other similar expressions are intended to identify such forward-looking statements. Such statements are subject to various known and unknown risks and uncertainties and we caution readers that any forward-looking information provided by or on behalf of us is not a guarantee of future performance.

Actual results may differ materially from those in forward-looking information as a result of various factors, some of which are beyond our control, including but not limited to those discussed above and elsewhere in this Quarterly Report and in our most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 15, 2016 and our Current Report on Form 8-K filed with the Securities and Exchange Commission on July 20, 2016. Due to such risks and uncertainties and other factors, we caution each person receiving such forward-looking information not to place undue reliance on such statements. Further, such forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and we undertake no obligations to update any forward looking statement to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect the occurrence of unanticipated events.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market Risk

Our exposure to market risk is directly related to the role of our Affiliates as asset managers. Substantially all of our investment management revenues are derived from our Affiliates' agreements with their clients. Under these agreements, the revenues we receive are based on the value of our assets under management or the investment performance on client accounts for which we earn performance fees. Accordingly, our revenues and net income may decline as a result of our assets under management decreasing due to depreciation of our investment portfolios. In addition, such depreciation could cause our clients to withdraw their funds in favor of investments offering higher returns or lower risk, which would cause our revenues and net income to decline further.

Our model for assessing the impact of market risk on our results uses June 30, 2016 ending AUM and management fee rates as the basis for management fee revenue calculations. With respect to performance fee revenue, we assume that relative investment performance remains the same as it was on June 30, 2016 . Therefore, market-driven changes in performance fees, which are typically based on relative performance versus market indices, reflect changes in the underlying AUM used in the calculation rather than differences in relative performance as a result of a changed market environment. The basis for the analysis is performance fees earned for the twelve months ended June 30, 2016 , excluding the non-recurring performance fee.

Our profit sharing economic structure results in a sharing of market risk between us and our employees. Approximately 50% of our ENI cost structure is variable, representing variable compensation and Affiliate key employee distributions. These variable expenses generally are linked in a formulaic manner to the profitability of the business after covering operating expenses, which include base compensation and benefits, general and administrative expenses, and depreciation and amortization. In modeling the impact of market risk, we assume that these operating expenses remain unchanged, but the resulting impact on profit driven by increases or decreases in revenue will change variable compensation and Affiliate key employee distributions in line with their formulaic calculations. Any change in pre-tax profit is tax-effected at our statutory combined state and federal rate of 40.2% to calculate profit after tax.

The value of our assets under management was $218.8 billion as of June 30, 2016 . A 10% increase or decrease in the value of our assets under management, if proportionally distributed over all of our investment strategies, asset classes and client relationships, would cause an annualized increase or decrease in our gross management fee revenues of approximately $76.6 million based on our current weighted average fee rate of 35.0 basis points, including equity-accounted Affiliates. Approximately $61.0 billion, or 28%, of our AUM, including equity-accounted Affiliates, are in accounts subject to performance fees. Of these assets, approximately 75% are in accounts for which performance fees, or management fee adjustments, are calculated based on investment return that differs from the relative benchmark returns. Assuming the market change does not impact our relative performance, a 10% increase or decrease in AUM would have approximately a $0.9 million impact to our gross performance fees based on our trailing twelve month performance fees of $8.8 million as of June 30, 2016 . The combined impact on our management fees and performance fees would have a direct impact on our earnings and result in an annual change of approximately $25.1 million in our post-tax economic net income, given our current cost structure and operating model.

Equity market risk, interest rate risk, and foreign currency risk are the market risks that could have the greatest impact on our management fees, performance fees and our business profitability. Impacts on our management and performance fees can be calculated based on the percentage of AUM constituting equity investments, fixed income investments, or foreign currency denominated investments, respectively, multiplied by the relevant weighted average management fee and performance fee attributable to that asset class.

- Our equity markets-based AUM includes U.S. equities (including small cap through large cap securities and substantially value or blended investment styles; excluding REITS) and global/non-U.S. equities (including global, non-U.S. and emerging markets securities). A 10% increase or decrease in equity markets would cause our $167.6 billion of equity assets under management to increase or decrease by $16.8 billion, resulting in a change in annualized management fee revenue of $57.3 million and an annual change in post-tax economic net income of approximately $19.1 million, given our current cost structure, operating model, and weighted average equity fee rates of 34 basis points at the mix of strategies as of June 30, 2016 . Approximately $43.0 billion, or 26%, of our equity markets-based AUM are in accounts subject to performance fees. Of these assets, approximately 99% are in accounts for which performance fees, or management fee adjustments, are calculated based on investment return that differs from the relative benchmark returns. Assuming the market change does not impact our relative performance, a 10% change in equity markets would have an approximate incremental $0.1 million impact from performance fees on our post-tax economic net income, given our current cost structure and operating model.

- Foreign currency AUM includes equity and alternative assets denominated in foreign currencies. A 10% increase or decrease in foreign exchange rates against the U.S. dollar would cause our $77.4 billion of foreign currency denominated AUM to increase or decrease by $7.7 billion, resulting in a change in annualized management fee revenue of $35.1 million and an annual change in post-tax economic net income of $12.1 million, based on weighted average fees earned on our foreign currency denominated AUM of 45 basis points at the mix of strategies as of June 30, 2016 . Approximately $12.5 billion, or 16%, of our foreign currency denominated AUM are in accounts subject to performance fees. Of these assets, approximately 60% are in accounts for which performance fees, or management fee adjustments, are calculated based on investment return that differs from the relative benchmark returns. Assuming the market change does not impact our relative performance, a 10% change in foreign currency exchange rates would have an approximate incremental $0.5 million impact from performance fees on our post-tax economic net income, given our current cost structure and operating model.
- Fixed income AUM includes instruments in government bonds, corporate bonds and other fixed income investments in the United States. A change in interest rates, resulting in a 10% increase or decrease in the value of our total fixed income AUM of $14.3 billion, would cause AUM to rise or fall by approximately $1.4 billion. Based on our fixed income weighted average fee rates of 20 basis points, annualized management fees would change by $3.0 million and post-tax economic net income would change by $0.9 million annually. A change in interest rates would also impact interest expense on our $50.0 million of third party floating rate debt which is outstanding following the Reorganization and the Offering. Interest paid on our debt would go up or down by $0.5 million if interest rates increased or decreased by 100 basis points. There are currently no material fixed income assets earning performance fees as of the trailing twelve months ended June 30, 2016 .

Our investment income primarily represents investments in Affiliates accounted for under the equity method. Exposure to market risks for Affiliates accounted for under the equity method is immaterial and is included in the analysis above.

While the analysis above assumes that market changes occur in a uniform manner across the relevant portfolio, because of our declining fee rates for larger relationships and differences in our fee rates across asset classes, a change in the composition of our assets under management, in particular an increase in the proportion of our total assets under management attributable to strategies, clients or relationships with lower effective fee rates, could have a material negative impact on our overall weighted average fee rate.

As is customary in the asset management industry, clients invest in particular strategies to gain exposure to certain asset classes, which exposes their investment to the benefits and risks of such asset classes. We have not adopted a corporate-level risk management policy regarding client assets, nor have we attempted to hedge at the corporate level or within individual strategies the market risks that would affect the value of our overall assets under management and related revenues. Any reduction in the value of our assets under management would result in a reduction in our revenues.

Item 4. Controls and Procedures.

Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) at June 30, 2016 . Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting during the quarter ended June 30, 2016 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we and our Affiliates may be parties to various claims, suits and complaints in the ordinary course of our business. Although the amount of liability that may result from these matters cannot be ascertained, we do not currently believe that, in the aggregate, they will result in liabilities material to our consolidated financial condition, future results of operations or cash flow.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in our most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission on March 15, 2016, under the heading "Risk Factors" and Item 8.01 to our Current Report on Form 8-K filed with the Securities and Exchange Commission on July 20, 2016.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table sets out information regarding purchases of equity securities by the Company for the three months ended June 30, 2016 :

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value that may yet be purchased under the plans or programs [1] (in millions)
April 1-30, 2016	527,200	$ 13.49	527,200	$ 139.1
May 1-31, 2016	93,557	13.67	93,557	137.8
June 1-30, 2016	—	—	—	137.8
Total	620,757	13.52	620,757	

(1) On February 3, 2016, our Board of Directors authorized a $150.0 million share repurchase program, which was approved by shareholders on March 15, 2016. We repurchased 921,740 shares during the six months ended June 30, 2016 . As of June 30, 2016 , $137.8 million remained available to repurchase shares under the February 2016 program. On April 29, 2016, at the Company's Annual General Meeting, shareholders (excluding Old Mutual plc) authorized a form of contract by which OMAM would be permitted to repurchase shares directly from Old Mutual plc.

Item 5. Other Events.

On August 3, 2016, the Company entered into an amendment to that certain Revolving Credit Agreement dated as of October 15, 2014 by and among the Company, the lenders named therein (the "Lenders"), and Citibank N.A., as Administrative Agent (the "Amendment"). The Amendment (i) includes changes to conform certain terms of the Revolving Credit Agreement with the terms of the Senior Unsecured Notes recently issued by the Company and (ii) provides for a consent from the Lenders related to the Company's expected acquisition of a majority interest in Landmark Partners, LLC.

Table of Contents

Item 6. Exhibits.

Exhibit No.	Description
2.1	Purchase Agreement, dated June 13, 2016, by and among OMAM Inc., OMAM (2016 Newco) LLC, Landmark Partners, LLC, LMRK Intermediary, Inc. and the sellers named therein, incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K filed on July 20, 2016.
3.1	Memorandum of Association, incorporated herein by reference to Exhibit 3.1 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
3.2	Articles of Association, incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed on May 5, 2015.
4.1	Specimen Ordinary Share Certificate, incorporated herein by reference to Exhibit 4.1 to Registration Statement No. 333-197106 on Form S-1 filed on September 18, 2014.
4.2	Form of Senior or Subordinated Indenture, incorporated herein by reference to Exhibit 4.2 to the Registration Statement No. 333-207781 on Form S-3 filed on November 4, 2015.
4.3	Base Indenture, dated as of July 25, 2016, among OM Asset Management plc, as Issuer, Wilmington Trust, National Association, as Trustee, and Citibank, N.A., as Securities Administrator, incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on July 25, 2016.
4.4	Supplemental Indenture, dated as of July 25, 2016, among OM Asset Management plc, as Issuer, Wilmington Trust, National Association, as Trustee, and Citibank, N.A., as Securities Administrator, incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K filed on July 25, 2016.
4.5	Form of 4.800% Note due 2026, incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K filed on July 25, 2016.
4.6	Second Supplemental Indenture, dated as of August 1, 2016, among OM Asset Management plc, as Issuer, Wilmington Trust, National Association, as Trustee, and Citibank, N.A. as Securities Administrator, incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K filed on August 1, 2016.
4.7	Form of 5.125% Note due 2031, incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K filed on August 1, 2016.
10.1	Revolving Credit Agreement, dated October 15, 2014, by and among OM Asset Management plc, certain lenders, and Citibank N.A., as administrative agent, with Citigroup Global Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint book runners and joint lead arrangers, incorporated herein by reference to Exhibit 10.7 to Current Report on Form 8-K filed on October 20, 2014, as amended by the First Amendment thereto, dated September 1, 2015 (filed as Exhibit 10.26 to this Form 10-Q), the Second Amendment thereto, dated March 1, 2016 (filed as Exhibit 10.27 to this Form 10-Q) and the Third Amendment thereto, dated August 3, 2016 (filed as Exhibit 10.28 to this Form 10-Q).
10.2	Employment Agreement with Peter L. Bain, incorporated herein by reference to Exhibit 10.2 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.

Exhibit No.	Description
10.3	Employment Agreement with Linda T. Gibson, incorporated herein by reference to Exhibit 10.3 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.4	OM Asset Management plc Equity Incentive Plan, incorporated herein by reference to Exhibit 10.4 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.5	Seed Capital Management Agreement, dated October 8, 2014, by and among Old Mutual (US) Holdings Inc., Old Mutual plc and certain of its affiliates, Millpencil Limited, Millpencil (U.S.) LP, and MPL (UK) Limited, incorporated herein by reference to Exhibit 10.1 to Current Report on Form 8-K filed on October 20, 2014.
10.6	Heads of Agreement, dated as of June 13, 2016, among OM Asset Management plc and Old Mutual plc, amending the Seed Capital Management Agreement, dated October 8, 2014, as amended, incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on June 14, 2016.
10.7	Co-Investment Deed, dated October 8, 2014, by and between OM Asset Management plc and OM Group (UK) Limited, incorporated herein by reference to Exhibit 10.2 to Current Report on Form 8-K filed on October 20, 2014.
10.8	Intellectual Property License Agreement, dated October 8, 2014, by and among OM Asset Management plc, Old Mutual plc, and Old Mutual Life Assurance Company (South Africa) Ltd., incorporated herein by reference to Exhibit 10.3 to Current Report on Form 8-K filed on October 20, 2014.
10.9	Deferred Tax Asset Deed, dated October 8, 2014, by and between OM Asset Management plc and OM Group (UK) Limited, incorporated herein by reference to Exhibit 10.4 to Current Report on Form 8-K filed on October 20, 2014.
10.10	Heads of Agreement, dated as of June 13, 2016, among OM Asset Management plc and OM Group (UK) limited, amending the Deferred Tax Asset Deed, dated September 29, 2014, incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on June 14, 2016.
10.11	Registration Rights Agreement, dated October 8, 2014, by and among OM Asset Management plc, Old Mutual plc, and OM Group (UK) Limited, incorporated herein by reference to Exhibit 10.5 to Current Report on Form 8-K filed on October 20, 2014.
10.12	Shareholder Agreement, dated October 8, 2014, by and between OM Asset Management plc and Old Mutual plc, incorporated herein by reference to Exhibit 10.6 to Current Report on Form 8-K filed on October 20, 2014.
10.13	Form of Deed of Indemnity for Directors, incorporated herein by reference to Exhibit 10.11 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.14	Limited Liability Company Agreement of Barrow, Hanley, Mewhinney & Strauss, LLC, effective January 12, 2010, incorporated herein by reference to Exhibit 10.12 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.

Exhibit No.	Description
10.15	Sixth Amended and Restated Limited Liability Company Agreement of Acadian Asset Management LLC, effective March 14, 2016, incorporated herein by reference to Exhibit 10.13 to Annual Report on Form 10-K filed on March 15, 2016.
10.16	OM Asset Management plc Non-Employee Directors’ Equity Incentive Plan, incorporated herein by reference to Exhibit 10.14 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.17	Form of Management Registration Rights Agreement, incorporated herein by reference to Exhibit 10.15 to Registration Statement No. 333-197106 on Form S-1 filed on September 10, 2014.
10.18	Form of Restricted Stock Unit Award Agreement for Employees, incorporated herein by reference to Exhibit 10.17 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.19	Form of Restricted Stock Award Agreement for Employees, incorporated herein by reference to Exhibit 10.16 to Registration Statement No. 333-197106 on Form S-1 filed on September 8, 2014.
10.20	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors, incorporated herein by reference to Exhibit 10.18 to Registration Statement No. 333-197106 on Form S-1 filed on September 18, 2014.
10.21	Form of Restricted Stock Unit Award Agreement for Canadian Employees, incorporated herein by reference to Exhibit 10.19 to Registration Statement No. 333-197106 on Form S-1 filed on September 18, 2014.
10.22	Form of Restricted Stock Unit Award Agreement for Hong Kong Employees, incorporated herein by reference to Exhibit 10.20 to Registration Statement No. 333-197106 on Form S-1 filed on September 18, 2014.
10.23	Form of Restricted Stock Unit Award Agreement for U.K. Employees, incorporated herein by reference to Exhibit 10.21 to Registration Statement No. 333-197106 on Form S-1 filed on September 18, 2014.
10.24	Form of Deed poll Instrument, incorporated herein by reference to Exhibit 10.22 to Registration Statement No. 333-197106 on Form S-1 filed on October 6, 2014.
10.25	First Amendment to the Seed Capital Management Agreement, dated December 31, 2014, by and among Old Mutual (US) Holdings Inc., together with its successors; Old Mutual plc and certain of its affiliates, Millpencil Limited, Millpencil (US) LP, and MLP (UK) Limited, incorporated herein by reference to Exhibit 10.23 to Form 10-K filed on March 30, 2015.
10.26*	First Amendment dated September 1, 2015 to the Revolving Credit Agreement dated as of October 15, 2014 by and among OM Asset Management plc and Citibank, N.A.
10.27*	Second Amendment dated March 1, 2016 to the Revolving Credit Agreement, as amended, dated as of October 15, 2014 by and among OM Asset Management plc and Citibank, N.A.

Exhibit No.	Description
10.28*	Third Amendment dated August 3, 2016 to the Revolving Credit Agreement, as amended, dated as of October 15, 2014 by and among OM Asset Management plc and Citibank, N.A.
31.1*	Certification of the Company's Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Company's Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	Interactive data files pursuant to Rule 405 of Regulation S-T: (i) the Condensed Consolidated Balance Sheets as of June 30, 2016 and December 31, 2015, (ii) the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2016 and 2015, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2016 and 2015, (iv) the Condensed Consolidated Statements of Changes in Shareholders' Equity for the six months ended June 30, 2016 and 2015, (v) the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2016 and 2015, and (vi) the Notes to Condensed Consolidated Financial Statements.

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OM Asset Management plc

Dated: August 9, 2016

By: /s/ Peter L. Bain

Peter L. Bain
President and Chief Executive Officer
(principal executive officer)

/s/ Stephen H. Belgrad

Stephen H. Belgrad Executive Vice President and Chief Financial Officer
(principal financial officer and principal accounting officer)

FIRST AMENDMENT dated as of September 1, 2015 (this " Amendment "), to the REVOLVING CREDIT AGREEMENT dated as of October 15, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement "), among OM ASSET MANAGEMENT PLC (the " Borrower "), the LENDERS party thereto and CITIBANK, N.A., as Administrative Agent (the " Administrative Agent ").

WHEREAS, the Borrower and the Lenders party hereto, constituting the Required Lenders, desire to make certain modifications to the Credit Agreement as provided herein.

NOW, THEREFORE, in consideration of the above recital and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

2. Amendment of the Credit Agreement. Effective as of the Amendment Effective Date (as defined below), clause (a) of Section 6.11 of the Credit Agreement is hereby amended to read in its entirety as follows:

> "(a) incur, directly or indirectly, any Indebtedness or any other monetary obligation or liability whatsoever, including with respect to intercompany accounts, other than Indebtedness owing to the Borrower or of the UK Sub owing to the US Sub,"

3. Representations and Warranties. To induce the Lenders to enter into this Amendment, the Borrower represents and warrants to the Lenders that:

(1) this Amendment has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally and except as enforceability may be limited by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(2) before and after giving effect to this Amendment, the representations and warranties set forth in the Credit Agreement are true and correct in all material respects on and as of the Amendment Effective Date with the same effect as if made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they were true and correct as of such earlier date; and

(3) as of the Amendment Effective Date and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

4. Effectiveness. This Amendment shall become effective as of the first date (the " Amendment Effective Date ") on which the Administrative Agent (or its counsel) shall have received from the Borrower and the Lenders constituting the Required Lenders either (A) counterparts of this Amendment signed on behalf of the Borrower and such Lenders or (B) written evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission of a signed counterpart of the Amendment) that such parties have signed counterparts of the Amendment.

5. Effect of Amendment. Except as specifically stated herein, all of the terms and conditions of the Credit Agreement shall remain in full force and effect. On and after the Amendment Effective Date, all references in the Credit Agreement to "hereunder", "hereof", "herein", or words of like import, and all references to the "Credit Agreement" in any other Loan Document or instrument, shall be deemed to mean the Credit Agreement, as amended by this Amendment. Nothing herein shall be deemed to entitle the Borrower to a waiver, amendment, modification or other change of any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement as amended hereby in similar or different circumstances.

6. Expenses . The Borrower agrees to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with this Amendment, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent.

7. Applicable Law. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

8. Waiver of Jury Trial. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT.

9. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single agreement. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Amendment.

10. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first above written.

OM ASSET MANAGEMENT PLC, as Borrower,

By:

/s/ Stephen H. Belgrad

Name: Stephen H. Belgrad

Title: Executive Vice President, Chief Financial Officer

CITIBANK, N.A., individually and as Administrative Agent,

By:

/s/ Richard Rivera

Name: Richard Rivera

Title: Vice President

[Signature Page to OM Asset Management PLC Amendment]

SIGNATURE PAGE TO THE
FIRST AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Bank of America, N.A.

By:

/s/ Matthew C. White
Name: Matthew C. White
Title: Vice President

For any Lender requiring a second signature line:

By:

Name:
Title:

[Signature Page to OM Asset Management PLC Amendment]

Name of Institution: Credit Suisse AG, London Branch

By:

/s/ Garrett Lynskey
Name: Garrett Lynskey
Title: Authorised Signatory

For any Lender requiring a second signature line:

By:

/s/ Brian Fitzgerald
Name: Brian Fitzgerald
Title: Authorised Signatory

SIGNATURE PAGE TO THE
FIRST AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Morgan Stanley Bank, N.A.

By:

/s/ Harry Comninellis

Name: Harry Comninellis

Title: Authorized Signatory

For any Lender requiring a second signature line:

By:

____

Name:

Title:

SIGNATURE PAGE TO THE
FIRST AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Royal Bank of Canada

By:

/s/ Patrick Holland
Name: Patrick Holland
Title: Director

For any Lender requiring a second signature line:

By:

Name:
Title:

SIGNATURE PAGE TO THE
FIRST AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Wells Fargo Bank, National Association

By:

/s/ Jocelyn M. Boll
Name: Jocelyn M. Boll
Title: Vice President

For any Lender requiring a second signature line:

By:

____
Name:
Title:

SIGNATURE PAGE TO THE
FIRST AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: The Bank of New York Mellon

By:

/s/ Adim Offurum
Name: Adim Offurum
Title: Vice President

For any Lender requiring a second signature line:

By:

____
Name:
Title:

SECOND AMENDMENT dated as of March 1, 2016 (this " Amendment "), to the REVOLVING CREDIT AGREEMENT dated as of October 15, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement "), among OM ASSET MANAGEMENT PLC (the " Borrower "), the LENDERS party thereto and CITIBANK, N.A., as Administrative Agent (the " Administrative Agent ").

WHEREAS, the Borrower and the Lenders party hereto, constituting the Required Lenders, desire to make certain modifications to the Credit Agreement as provided herein.

NOW, THEREFORE, in consideration of the above recital and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

2. Amendment of the Credit Agreement. Effective as of the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

(a) The definition of "Defaulting Lender" in Section 1.01 of the Credit Agreement is hereby amended as follows:

(i) Removing "or" after clause (c), adding "or" at the end of clause (d) and adding the following as a new clause (e) thereof:

"(e) has, or has a direct or indirect parent company that has, become the subject of a Bail-In Action"

(ii) Replacing "(a) and (d)" with "(a) and (e)" in the last sentence of the definition of "Defaulting Lender".

(b) Section 2.17 of the Credit Agreement is hereby amended by adding the following to the beginning of the last sentence in clause (a)(iv):

"Subject to Section 9.20,"

(c) Section 6.07 of the Credit Agreement is hereby amended by deleting "and" after clause (c), replacing "." with "; and" at the end of clause (d) and adding the following as a new clause (e) thereof:

"(e) the Borrower may make Restricted Payments with respect to its Equity Interests; provided that no Default has occurred and is continuing or would result therefrom."

(d) Article IX of the Credit Agreement is hereby amended by adding a new Section 9.20 as follows:

"SECTION 9.20. Acknowledgement and Consent to Bail-In of EEA Financial Institutions . Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among the parties hereto, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

The following terms shall for purposes of this Section 9.20 have the meanings set forth below:

" Bail-In Action " means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

" Bail-In Legislation " means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

" EEA Financial Institution " means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clause (a) or (b) of this definition and is subject to consolidated supervision with its parent.

" EEA Member Country " means any member state of the European Union, Iceland, Liechtenstein and Norway.

" EEA Resolution Authority " means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

" EU Bail-In Legislation Schedule " means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

" Write-Down and Conversion Powers " means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule."

3. Representations and Warranties. To induce the Lenders to enter into this Amendment, the Borrower represents and warrants to the Lenders that:

(a) this Amendment has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally and except as enforceability may be limited by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(b) before and after giving effect to this Amendment, the representations and warranties set forth in the Credit Agreement are true and correct in all material respects on and as of the Amendment Effective Date with the same effect as if made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they were true and correct as of such earlier date; and

(c) as of the Amendment Effective Date and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

4. Effectiveness. This Amendment shall become effective as of the first date (the " Amendment Effective Date ") on which the Administrative Agent (or its counsel) shall have received (a) from the Borrower and the Lenders constituting the Required Lenders either (A) counterparts of this Amendment signed on behalf of the Borrower and such Lenders or (B) written evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission of a signed counterpart of the Amendment) that such parties have signed counterparts of the Amendment and (b) from the Borrower payment of all fees and expenses required to be paid or reimbursed hereunder.

5. Effect of Amendment. Except as specifically stated herein, all of the terms and conditions of the Credit Agreement shall remain in full force and effect. On and after the Amendment Effective Date, all references in the Credit Agreement to "hereunder", "hereof", "herein", or words of like import, and all references to the "Credit Agreement" in any other Loan Document or instrument, shall be deemed to mean the Credit Agreement, as amended by this Amendment. Nothing herein shall be deemed to entitle the Borrower to a waiver, amendment, modification or other change of any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement as amended hereby in similar or different circumstances.

6. Expenses. The Borrower agrees to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with this Amendment, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent.

7. Applicable Law. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

8. Waiver of Jury Trial. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT.

9. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single agreement.

Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Amendment.

10. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers or representatives as of the date first above written.

OM ASSET MANAGEMENT PLC, as Borrower,

By:

/s/ Stephen H. Belgrad

Name: Stephen H. Belgrad

Title: Executive Vice President, Chief Financial Officer

CITIBANK, N.A., individually and as Administrative Agent,

By:

/s/ Lisa Huang

Name: Lisa Huang

Title: Vice President

SIGNATURE PAGE TO THE
SECOND AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Bank of America, N.A.

By:

/s/ Rodney Beeks

Name: Rodney Beeks

Title: Assistant Vice President

[Signature Page to OM Asset Management PLC Amendment]

Name of Institution: Morgan Stanley Bank, N.A.

By:

/s/ Harry Comninellis
Name: Harry Comninellis
Title: Authorized Signatory

For any Lender requiring a second signature line:

By:

Name:
Title:

Name of Institution: The Bank of New York Mellon

By:

/s/ Adim Offurum
Name: Adim Offurum
Title: Vice President

For any Lender requiring a second signature line:

By:

Name:
Title:

SIGNATURE PAGE TO THE
SECOND AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Royal Bank of Canada

By:

/s/ Robert Bell

Name: Robert Bell
Title: Authorized Signatory

SIGNATURE PAGE TO THE
SECOND AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Wells Fargo Bank, N.A.

By:

/s/ Jocelyn M. Boll
Name: Jocelyn M. Boll
Title: Vice President

For any Lender requiring a second signature line:

By:

____
Name:
Title:

THIRD AMENDMENT dated as of August 3, 2016 (this " Amendment "), to the REVOLVING CREDIT AGREEMENT dated as of October 15, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement "), among OM ASSET MANAGEMENT PLC (the " Borrower "), the LENDERS party thereto and CITIBANK, N.A., as Administrative Agent (the " Administrative Agent ").

WHEREAS, the Borrower and the Lenders party hereto, constituting the Required Lenders, desire to make certain modifications to the Credit Agreement as provided herein.

NOW, THEREFORE, in consideration of the above recital and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

2. Amendment of the Credit Agreement. Effective as of the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

(a) The following definitions are added in the appropriate alphabetical order to Section 1.01 of the Credit Agreement:

" Landmark Acquisition " means the acquisition of Landmark Partners by the Borrower pursuant to the Landmark Acquisition Agreement as in effect on the Third Amendment Effective Date.

" Landmark Acquisition Agreement " means the Purchase Agreement dated as of June 13, 2016, by and among Landmark Partners, LLC, OMAM (2016 Newco) LLC, OMAM Inc., LMRK Intermediary, Inc., the Sellers named therein and the Seller Representative named therein, as such agreement may be amended, amended and restated, supplemented or otherwise modified prior to the Third Amendment Effective Date.

" Landmark Credit Agreement " means the Fifth Amended and Restated Loan and Security Agreement dated as of May 27, 2014, between Landmark Partners and Silicon Valley Bank, as amended by the First Loan Modification Agreement dated as of March 31, 2016, as such agreement may be amended, amended and restated, supplemented or otherwise modified prior to the Third Amendment Effective Date.

" Landmark Partners " means Landmark Partners, LLC, a Delaware limited liability company.

" Landmark Partners Closing Date " means the date on which the Landmark Acquisition is consummated pursuant to the Landmark Acquisition Agreement in effect on the Third Amendment Effective Date.

"Third Amendment Effective Date" means August 3, 2016.

(b) The definition of "Change in Control" in Section 1.01 of the Credit Agreement is amended to read in its entirety as follows:

> "Change in Control" means (i) any Person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder), other than the Permitted Owners or a group consisting solely of Permitted Owners, shall acquire or hold, directly or indirectly, beneficially or of record, Equity Interests of the Borrower representing more than 50% of the aggregate voting power represented by all issued and outstanding Equity Interests of the Borrower, (ii) less than a majority of the members of the board of directors of the Borrower shall be individuals who are either (x) members of such board on the Closing Date, (y) members of the board who are appointed by Parent in accordance with the terms of the Shareholder Agreement or (z) members of the board whose election, or nomination for election by the stockholders of the Borrower, was approved by a vote of at least a majority of the members of the board then in office who are individuals described in clauses (x) or (y) above or this clause (z) or (iii) any "Change in Control" (or similar event, however denominated) of the Borrower as defined in any agreement or instrument evidencing or governing Indebtedness (other than Non-Recourse Seed Indebtedness) or obligations in respect of one or more Hedging Agreements, of any one or more of the Borrower and its Covered Subsidiaries in an aggregate principal amount exceeding $50,000,000 shall occur. For purposes of the preceding sentence, the "principal amount" of the obligations of the Borrower or any Covered Subsidiary in respect of any Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Borrower or such Covered Subsidiary would be required to pay if such Hedging Agreement were terminated at such time.

(c) The definition of "Incremental Commitments" in Section 1.01 of the Credit Agreement is amended to read in its entirety as follows:

"Incremental Commitments" means, with respect to any Lender, the commitment, if any, of such Lender, established in accordance with Section 2.19 pursuant to an Incremental Facility Agreement, (a) to make Loans and to acquire participations in Letters of Credit hereunder, (b) to make revolving loans as part of a new tranche under this Agreement, or (c) to make term loans, in each case expressed as an amount representing the maximum aggregate permitted amount of such Lender's Credit Exposure (or an equivalent amount in the case of clauses (b) and (c)) under such Incremental Facility Agreement.

(d) The definition of "Material Indebtedness" in Section 1.01 of the Credit Agreement is amended by deleting the text "$10,000,000" and replacing it with the text "$50,000,000".

(e) The final parenthetical in clause (a) of Section 2.19 of the Credit Agreement is amended to read in its entirety as follows:

"(it being agreed that (x) any Lender approached to provide any Incremental Commitment may elect or decline, in its sole discretion, to provide such Incremental Commitment and (y) any such Person that is not a Lender must be an Eligible Assignee that is reasonably acceptable to the Agent and, to the extent applicable, each Issuing Bank)"

(f) Clause (b) of Section 2.19 of the Credit Agreement is amended to read in its entirety as follows:

"(b) The terms and conditions of any Incremental Commitment and other extensions of credit to be made thereunder may be (i) identical to the terms and conditions of the Commitments and Loans and other extensions of credit made hereunder, (ii) in a separate tranche of revolving loans and commitments or (iii) incurred in the form of term loans, in each case as agreed by the applicable Lenders."

(g) The last sentence in clause (c) of Section 2.19 of the Credit Agreement is amended to read in its entirety as follows:

"Each Incremental Facility Agreement may, without the consent of any Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable judgment of the Agent, to give effect to the provisions of this Section 2.19 (including to evidence a separate tranche of revolving loans and commitments or term loans)."

(h) Clause (d) of Section 2.19 of the Credit Agreement is amended by adding the following to the beginning of the clause:

"In the case of Incremental Commitments described in Section 2.19(b)(i),"

(i) The first sentence in clause (e) of Section 2.19 of the Credit Agreement is amended to read in its entirety as follows:

"On the date of the effectiveness of any Incremental Commitments described in Section 2.19(b)(i), each Lender shall be deemed to have assigned to each Incremental Lender holding such Incremental Commitments, and each such Incremental Lender shall be deemed to have purchased from each Lender, in an amount equal to the principal amount thereof (together with accrued and unpaid interest), such interests in the Loans and participations in Letters of Credit outstanding on such date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Loans and participations in Letters of Credit will be held by all the Lenders (including such Incremental Lenders) ratably in accordance with their Applicable Percentages after giving effect to the effectiveness of such Incremental Commitments."

(j) Section 6.01 of the Credit Agreement is amended by deleting the "and" at the end of clause (i), replacing the period at the end of clause (j) with "; and", and adding a new clause (k) immediately after clause (j) to read as follows:

"(k) Indebtedness of Landmark Partners pursuant to the Landmark Credit Agreement in an aggregate principal amount not exceeding $15,000,000 at any time outstanding; provided that (i) such Indebtedness has recourse solely to the assets of Landmark Partners and its subsidiaries as of the Landmark Partners Closing Date and not to any other assets of the Borrower or any other Covered Subsidiary and (ii) such Indebtedness is not Guaranteed by the Borrower or any other Covered Subsidiary (other than Landmark Partners and its subsidiaries as of the Landmark Partners Closing Date)."

(k) Section 6.02 of the Credit Agreement is amended by deleting the "and" at the end of clause (e), replacing the period at the end of clause (f) with "; and", and adding a new clause (g) immediately after clause (f) to read as follows:

"(g) Liens on any property, rights or assets of Landmark Partners and its subsidiaries as of the Landmark Partners Closing Date securing Indebtedness permitted under Section 6.01(k); provided that such liens extend only to the property, rights, and assets of Landmark Partners and its subsidiaries as of the Landmark Partners Closing Date and not any other property, rights, and assets of the Borrower or any other Covered Subsidiary."

(l) Section 6.08 of the Credit Agreement is amended to read in its entirety as follows:

"The Borrower will not agree to or permit any amendment, modification, suspension or waiver of any provision of any documents relating to the organization of the Borrower or any Covered Subsidiary, of any agreement or instrument evidencing or governing any Material Indebtedness, of the Landmark Credit Agreement or of any Parent Agreement that materially impairs the creditworthiness of the Borrower or is adverse in any material respect to the rights or interests of the Lenders hereunder."

(m) Section 6.09 of the Credit Agreement is amended by deleting the text "and" immediately preceding clause (i)(E) and adding the following immediately following clause (i)(E):

"and (F) restrictions and conditions under the Landmark Credit Agreement as in effect on the Third Amendment Effective Date (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition),"

(n) Section 6.10 of the Credit Agreement is amended to read in its entirety as follows:

"The Borrower will not, and will not permit any Covered Subsidiary to, enter into any Hedging Agreement, except for Hedging Agreements entered into (i) to hedge or mitigate risks to which the Borrower or such Covered Subsidiary has actual exposure and (ii) not for speculative purposes."

3. Representations and Warranties. To induce the Lenders to enter into this Amendment, the Borrower represents and warrants to the Lenders that:

(a) this Amendment has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally and except as enforceability may be limited by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(b) before and after giving effect to this Amendment, the representations and warranties set forth in the Credit Agreement are true and correct in all material respects on and as of the Amendment Effective Date with the same effect as if made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they were true and correct as of such earlier date; and

(c) as of the Amendment Effective Date and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

4. Effectiveness. This Amendment shall become effective as of the first date (the " Amendment Effective Date ") on which the Administrative Agent (or its counsel) shall have received (a) from the Borrower and the Lenders constituting the Required Lenders either (A) counterparts of this Amendment signed on behalf of the Borrower and such Lenders or (B) written evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission of a signed counterpart of the Amendment) that such parties have signed counterparts of the Amendment, (b) from the Borrower payment of all fees and expenses required to be paid or reimbursed hereunder and (c) from the Borrower true and correct copies of the Landmark Credit Agreement and the Landmark Acquisition Agreement as in effect on the date hereof, in each case in form and substance reasonably satisfactory to the Administrative Agent.

5. Effect of Amendment. Except as specifically stated herein, all of the terms and conditions of the Credit Agreement shall remain in full force and effect. On and after the Amendment Effective Date, all references in the Credit Agreement to "hereunder", "hereof", "herein", or words of like import, and all references to the "Credit Agreement" in any other Loan Document or instrument, shall be deemed to mean the Credit Agreement, as amended by this Amendment. Nothing herein shall be deemed to entitle the Borrower to a waiver, amendment, modification or other change of any of the

terms, conditions, obligations, covenants or agreements contained in the Credit Agreement as amended hereby in similar or different circumstances.

6. Expenses. The Borrower agrees to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with this Amendment, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent.

7. Applicable Law. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

8. Waiver of Jury Trial. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT.

9. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single agreement. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Amendment.

10. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers or representatives as of the date first above written.

OM ASSET MANAGEMENT PLC, as Borrower,

By:

/s/ Stephen H. Belgrad

Name: Stephen H. Belgrad

Title: EVP & CFO

CITIBANK, N.A., individually and as Administrative Agent,

By:

/s/ Lisa Huang

Name: Lisa Huang

Title: Vice President

[Signature Page to OM Asset Management PLC Amendment]

Name of Institution: Bank of America, N.A.

By:

/s/ Rodney Beeks
Name: Rodney Beeks
Title: Assistant Vice President

SIGNATURE PAGE TO THE
THIRD AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Morgan Stanley Bank N.A.

By:

/s/ Cindy Tse
Name: Cindy Tse
Title: Authorized Signatory

For any Lender requiring a second signature line:

By:

Name:
Title:

SIGNATURE PAGE TO THE
THIRD AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: Royal Bank of Canada

By:

/s/ Glen Van Allen

Name: Glenn Van Allen

Title: Authorized Signatory

[Signature Page to OM Asset Management PLC Amendment]

Name of Institution: Wells Fargo Bank, National Association

By:

/s/ Heidi Samuels
Name: Heidi Samuels
Title: Director

For any Lender requiring a second signature line:

By:

Name:
Title:

SIGNATURE PAGE TO THE
THIRD AMENDMENT TO THE
REVOLVING CREDIT AGREEMENT OF
OM ASSET MANAGEMENT PLC

Name of Institution: The Bank of New York Mellon

By:

/s/ Kenneth P. Sneider, Jr.
Name: Kenneth P. Sneider, Jr.
Title: Managing Director

For any Lender requiring a second signature line:

By:

Name:
Title:

[Signature Page to OM Asset Management PLC Amendment]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Peter L. Bain, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of OM Asset Management plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2016

/s/ Peter L. Bain

Peter L. Bain
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen H. Belgrad, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of OM Asset Management plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 9, 2016

/s/ Stephen H. Belgrad

Stephen H. Belgrad
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Peter L. Bain, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, the Quarterly Report on Form 10-Q of OM Asset Management plc for the quarterly period ended June 30, 2016 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Report fairly presents in all material respects the financial condition and results of operations of OM Asset Management plc for the periods covered by the Report. The foregoing certification is being furnished to the Securities and Exchange Commission as part of the Report. A signed original of this statement has been provided to OM Asset Management plc and will be retained by OM Asset Management plc and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 9, 2016

/s/ Peter L. Bain

Name: Peter L. Bain

Title: President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen H. Belgrad, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, the Quarterly Report on Form 10-Q of OM Asset Management plc for the quarterly period ended June 30, 2016 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Report fairly presents in all material respects the financial condition and results of operations of OM Asset Management plc for the periods covered by the Report. The foregoing certification is being furnished to the Securities and Exchange Commission as part of the Report. A signed original of this statement has been provided to OM Asset Management plc and will be retained by OM Asset Management plc and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 9, 2016

/s/ Stephen H. Belgrad

Name: Stephen H. Belgrad

Title: Executive Vice President and
Chief Financial Officer