

**THE ZIEGLER COMPANIES, INC.**

250 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Financial and other information for the first quarter  
ended March 31, 2007  
(May 30, 2007)

THE ZIEGLER COMPANIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	March 31, 2007 (Unaudited)	December 31, 2006
(In thousands except per share amounts)		
<b>ASSETS</b>		
Cash and cash equivalents	\$ 11,311	\$ 38,244
Securities owned	81,591	62,182
Net receivable for unsettled trades	2,207	5,788
Receivables, net	9,969	6,375
Notes receivable, net	58,938	62,903
Other investments	11,957	12,046
Deferred income taxes	923	923
Furniture, equipment and leasehold improvements, at cost, net of accumulated depreciation of \$10,448 and \$10,153, respectively	3,472	3,271
Goodwill and other intangible assets	4,106	4,106
Other assets	<u>3,657</u>	<u>4,179</u>
Total assets	<u>\$188,131</u>	<u>\$200,017</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Short-term notes payable	\$ 9,077	\$ 5,725
Short-term bank borrowing	8,350	6,810
Payable to broker-dealers	47,059	41,477
Accrued compensation	11,357	30,447
Accounts payable, accrued expenses and other liabilities	5,441	6,565
Long-term debt	<u>47,845</u>	<u>50,951</u>
Total liabilities	<u>129,129</u>	<u>141,975</u>
Minority interest	19,677	19,308
<b>Commitments</b>		
<b>Stockholders' equity:</b>		
Preferred stock, \$1 par, 500 shares authorized, none issued	-	-
Common stock, \$1 par, 7,500 shares authorized, 3,544 shares issued	3,544	3,544
Additional paid-in capital	7,654	7,403
Retained earnings	62,264	60,835
Treasury stock, at cost, 1,853, and 1,802 shares, respectively	(32,809)	(31,333)
Notes receivable for purchase of common stock	<u>(1,328)</u>	<u>(1,715)</u>
Total stockholders' equity	<u>39,325</u>	<u>38,734</u>
Total liabilities and stockholders' equity	<u>\$188,131</u>	<u>\$200,017</u>

THE ZIEGLER COMPANIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)

	<u>For the Three Months Ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>March 31,</u> <u>2006</u>
(In thousands except per share amounts)		
Revenues:		
Investment banking	\$13,561	\$ 7,260
Commissions	5,359	5,930
Investment management and advisory fees	3,538	4,382
Interest and dividends	2,681	2,740
Net trading profits	485	868
Other income	<u>1,409</u>	<u>1,174</u>
Total revenues	27,033	22,354
Expenses:		
Employee compensation and benefits	16,517	12,831
Communications and data processing	1,368	1,247
Promotional	1,179	1,266
Occupancy	1,150	1,136
Interest	1,142	1,041
Professional and regulatory	703	669
Brokerage commissions and clearing fees	377	748
Investment manager and other	22	654
Other expenses	<u>844</u>	<u>378</u>
Total expenses	<u>23,302</u>	<u>19,970</u>
Income before income taxes and minority interest	3,731	2,384
Minority interest in net income of subsidiaries	<u>(1,026)</u>	<u>(1,286)</u>
Income before income taxes	2,705	1,098
Provision for income taxes	<u>1,047</u>	<u>354</u>
Net income	<u>\$ 1,658</u>	<u>\$ 744</u>
Per share data:		
Basic earnings per share	\$ 0.97	\$ 0.44
Diluted earnings per share	\$ 0.93	\$ 0.43
Weighted average shares outstanding:		
Basic	1,710	1,676
Diluted	1,778	1,720

THE ZIEGLER COMPANIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
(Unaudited)

	<u>Common Stock</u>	Additional <u>Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Notes Receivable</u>	<u>Total</u>
(Dollars in thousands, except per share amounts)						
Balance, December 31, 2006	\$3,544	\$7,403	\$60,835	\$(31,333)	\$(1,715)	\$38,734
Net income	-	-	1,658	-	-	1,658
Dividends declared (\$ .13 per share)	-	-	(229)	-	-	(229)
Cost of treasury stock purchased (73,131 shares)	-	-	-	(1,805)	-	(1,805)
Common stock issued as compensation (20,514 shares)	-	244	-	311	-	555
Proceeds from exercise of stock options (1,200 shares)	-	4	-	18	-	22
Payments on notes receivable for purchase of common stock	-	-	-	-	387	387
Amortization of unearned compensation	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Balance, March 31, 2007	<u>\$ 3,544</u>	<u>\$7,654</u>	<u>\$62,264</u>	<u>\$(32,809)</u>	<u>\$(1,328)</u>	<u>\$39,325</u>

THE ZIEGLER COMPANIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)

	<u>For the Three Months Ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>March 31,</u> <u>2006</u>
(In thousands)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 1,658	\$ 744
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	317	317
Provision for receivable allowances	(23)	-
Compensation expense paid in stock	558	320
Minority interest in net income of subsidiaries	1,026	1,286
Changes in assets and liabilities:		
Decrease (increase) in:		
Securities owned	(19,409)	50,948
Net receivable for unsettled trades	3,581	67,557
Receivables	(3,571)	(215)
Other assets	513	(168)
Increase (decrease) in:		
Payable to broker-dealers	5,582	(113,107)
Accrued compensation	(19,090)	(13,841)
Accounts payable, accrued expenses and other liabilities	<u>(1,124)</u>	<u>(2,497)</u>
Net cash used in operating activities	(29,982)	(8,656)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Payments received on notes receivable	5,935	1,597
Sales/paydowns on other investments	168	447
Payments for:		
Issuance of notes receivable	(1,970)	(8,630)
Capital expenditures	(509)	(293)
Purchase of other investments	<u>(79)</u>	<u>(1,451)</u>
Net cash provided by (used in) investing activities	3,545	(8,330)

THE ZIEGLER COMPANIES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)  
(Unaudited)

	For the Three Months Ended	
	March 31, 2007	March 31, 2006
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from:		
Issuance of short-term notes payable	\$17,594	\$19,005
Short-term bank borrowing	11,990	4,075
Issuance of long-term debt	-	7,166
Sales of stock to employees	-	2,624
Payments received on employee notes	387	-
Exercise of stock options	22	13
Minority interest capital contributions	-	1,566
Payments for:		
Maturities of short-term notes payable	(14,242)	(18,423)
Repayments of short-term bank borrowing	(10,450)	(8,150)
Securities sold under agreements to repurchase	-	(222)
Minority interest capital distributions	(657)	-
Repayments of long-term debt	(3,183)	(101)
Purchase of treasury stock	(1,728)	(2)
Cash dividends paid	(229)	(214)
Net cash (used in) provided by financing activities	(496)	5,771
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(26,933)	(11,215)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	38,244	23,604
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	\$11,311	\$12,389
 <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Interest paid during the period	\$ 1,846	\$ 1,456
Income taxes paid during the period	\$ 524	\$ 195
 <b>SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITIES:</b>		
Issuance of long-term debt in exchange for common stock to be included in treasury stock	\$ 77	\$ -

ADDITIONAL FINANCIAL INFORMATION (Unaudited)  
(Dollars in thousands except per share data)  
March 31, 2007

The Ziegler Companies, Inc. ("ZCO" or the "Parent") and its wholly and partially owned subsidiaries (collectively, the "Company") are principally engaged in investment banking, financial advisory, investment advisory, asset management, retail brokerage, fixed income institutional sales and trading, and related financial services. The financial information has been prepared by the Company without audit. The Company believes that the financial information reflects all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the periods presented. All such adjustments are of a normal recurring nature. Operating results for the three months ended March 31, 2007 are not necessarily indicative of the results that may be expected for the year ending December 31, 2007.

All financial information, including the information in the management's discussion of operations and other Company information, should be read in conjunction with the audited consolidated financial statements, the notes thereto, and management's discussion included in the Company's 2006 Annual Report to shareholders.

Securities Owned

Securities owned consisted of the following:

	March 31, <u>2007</u>	December 31, <u>2006</u>
Municipal bonds	\$76,658	\$50,739
Corporate bonds	1,615	4,299
Preferred stocks	1,943	6,082
Other	<u>1,375</u>	<u>1,062</u>
	<u>\$81,591</u>	<u>\$62,182</u>

Municipal bonds consist primarily of revenue bonds issued by state and local governmental authorities related to continuing care retirement communities and health care facilities. The increase in municipal bonds is primarily due to an increase in variable rate demand notes for which the Company acts as a remarketing agent.

Securities transactions that have not reached their contractual settlement date are recorded as net receivable for unsettled trades on the Statement of Financial Condition.

Net Capital Requirements

As the Company's registered broker-dealer, B. C. Ziegler and Company ("BCZ") is subject to the Securities and Exchange Commission Uniform Net Capital Rule (the "Rule"), which requires the maintenance of minimum net capital. BCZ has elected to use the alternative method permitted by the Rule, which requires that BCZ maintain minimum net capital, equal to the greater of \$250 or 2% of aggregate debit balances arising from customer transactions, as defined by the Rule. At March 31, 2007, BCZ had net capital of approximately \$14,038 which was approximately \$13,788 in excess of its required minimum capital. Such net capital requirements could restrict the ability of BCZ to pay dividends to the Parent.

## Commitments and Contingent Liabilities

In the normal course of business the Company enters into firm underwriting commitments for the purchase of debt securities. These commitments require the Company to purchase debt securities at a specified price. In order to mitigate the risk of holding recently underwritten securities, the Company attempts to obtain commitments to sell the securities to customers. At March 31, 2007, the Company had \$695 of net commitments to purchase debt securities.

In the normal course of business, Ziegler Healthcare Fund I, LP ("ZHF I"), the Company's 11% owned SBIC, makes commitments to originate loans. At March 31, 2007, ZHF I had commitments totaling \$1,500.

In the normal course of business, Ziegler Financing Corporation ("ZFC"), whose activities include FHA loan originations, makes commitments to originate loans. As of March 31, 2007, ZFC had no outstanding commitments to originate FHA loans. ZFC may contract with a third party to fund the loan originations. Loans originated by ZFC are sold to third party investors.

In the normal course of business, the Company is the subject of customer complaints and is named as a defendant in various legal actions arising from the securities and other businesses. The Company has established accruals for legal fees and losses determined to be probable as a result of these customer complaints and legal actions. Although the outcome of litigation is always uncertain, especially in the early stages of a complaint or legal action, management believes that resolution of any current actions will not result in a material adverse effect on the consolidated financial condition or results of operations of the Company. However, if during any period any adverse complaint or legal action should become probable or be resolved, the financial condition or results of operations could be materially affected.

## Investment in EnvestNet

The Company owns common stock in the EnvestNet Group, Inc. ("EnvestNet") and EnvestNet, in turn, has an ownership interest in Envestnet Asset Management Group, Inc. ("EAM"), a successor corporation after a series of business combinations. The fair value of the EnvestNet common stock is estimated by management of the Company. The Company periodically receives financial information provided by EAM to evaluate its investment in EnvestNet. The Company believes that the financial information supplied by EAM is reliable, but the Company has not undertaken independent verification of the information. EAM continues to improve its financial performance. Based on the information the Company has received, management believes that the carrying value of the EnvestNet common stock approximates fair value at March 31, 2007.

## Operating Segments

The Company is organized and provides financial services through three operating segments. These operating segments are Capital Markets, Investment Services and Corporate. Operating segment results include all direct revenues and expenses of the operating units in each operating segment as well as an allocation of indirect administrative and operating costs. The Company revised the allocation method for the current year and reclassified prior year amounts to conform to the current year presentation.

Operating segment financial information is as follows:

	<u>Three Months Ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>March 31,</u> <u>2006</u>
Revenues:		
Capital Markets	\$13,721	\$ 7,973
Investment Services	10,263	11,102
Corporate	<u>3,049</u>	<u>3,279</u>
Total	<u>\$27,033</u>	<u>\$22,354</u>
Income Before Income Taxes:		
Capital Markets	\$ 723	\$ 605
Investment Services	1,890	460
Corporate	<u>92</u>	<u>33</u>
Total	<u>\$ 2,705</u>	<u>\$ 1,098</u>

Earnings per Share Calculation

The following reconciles the numerators and denominators of the basic and diluted earnings per share computations for net income for the following periods ended March 31 (shares in thousands):

	<u>For the Three Months Ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>March 31,</u> <u>2006</u>
Net income	<u>\$1,658</u>	<u>\$ 744</u>
<u>Basic</u>		
Weighted average shares outstanding	<u>1,710</u>	<u>1,676</u>
Basic income per share	<u>\$0.97</u>	<u>\$0.44</u>
<u>Diluted</u>		
Weighted average shares outstanding-		
Basic	1,710	1,676
Effect of dilutive securities:		
Stock options	65	40
Restricted stock	<u>3</u>	<u>4</u>
Weighted average shares outstanding-		
Diluted	<u>1,778</u>	<u>1,720</u>
Diluted income per share	<u>\$0.93</u>	<u>\$0.43</u>

## MANAGEMENT'S DISCUSSION

(Dollars are expressed in thousands, except per share amounts and where specifically indicated otherwise.)

### Business and Operating Segments

The Ziegler Companies, Inc. (the "Parent"), through its wholly-owned subsidiaries and partially-owned and controlled subsidiaries (collectively known as the "Company"), is engaged in financial services activities. These financial services activities are conducted through three operating segments: Capital Markets, Investment Services and Corporate.

### Results of Operations for the Quarter Ended March 31, 2007

Total Company revenues increased \$4,678 in the first quarter of 2007 compared to the first quarter of 2006. Investment banking revenue increased \$6,301 while other categories of revenue decreased. A heavy calendar of underwriting transactions, including a large volume of bond refinancing transactions, as well as fees from swap transactions which are often associated with bond underwriting activity and corporate finance fees were the primary reasons for the increase in investment banking revenues. Certain realignment and restructuring activities in the middle and later half of 2006 caused reductions in lower producing sales personnel and lower profit activities. As a result, commissions and investment management and advisory fees declined between quarters as did the related expense.

Total Company operating expenses increased \$3,332 in the first quarter of 2007 compared to the first quarter of 2006. That increase is primarily attributable to increased incentive-based compensation and profit sharing accruals as the result of higher revenues and profitability. Investment manager and other fees decreased as the result of the reduction in outside-managed advisory accounts as noted above. All other expense categories did not change significantly.

Capital Markets revenues increased \$5,748 primarily as the result of the increased investment banking activity related to bond underwriting, swap transactions, and corporate finance fees. Bond underwriting volume was \$744 million of par value compared to \$538 million of par value in the first quarter of 2007 compared to the first quarter of 2006, respectively. Trading profits declined compared to the prior year quarter due to reduced trading activity. Total expenses increased \$5,630 compared to the first quarter of 2006. Compensation and benefits expense increased \$3,572 due to higher accruals for incentive-based compensation related to the higher revenues. Administrative expense allocations were \$3,159 in the first quarter of 2007 compared to \$1,758 in the first quarter of 2006. Capital Markets income before income taxes increased \$118 to \$723.

Investment Services revenues decreased \$839 in the first quarter of 2007 compared to the first quarter of 2006. A decline in investment management and advisory fees is the primary reason for the decrease. Although average assets under management increased from \$3.3 billion to \$3.5 billion in the first quarter of 2006 compared to the first quarter of 2007, a decline in assets managed by outside investment advisors on which the Company received a share of the fees caused overall fees to decline. Declines in commission revenues and revenues from the sale of underwritten bonds to retail customers were offset by trading profits and fee income. Total expenses decreased \$2,269 compared to the first quarter of 2006. Declines in overall expenses due to realignment and restructuring activities in 2006, including lower compensation and benefit expense of \$994, and lower brokerage commission and clearing expense due to the mix of investments sold, are the reasons for the decrease. Administrative expense allocations were \$760 in the first quarter of 2007 compared to \$764 in

the first quarter of 2006. Investment Services income before income taxes was \$1,890 in 2007, an increase of \$1,430.

Corporate segment revenues were \$3,049 in the first quarter of 2007 compared to \$3,279 in the first quarter of 2006. Approximately \$2.8 million of revenues each quarter relate to interest income and participation earnings on notes receivable held by ZHF I, the partially-owned SBIC, and is related to SBA lending activities. The decrease in revenues unrelated to ZHF I is due to the conversion of private equity seed capital projects in the first quarter of 2006 whereas no projects were converted in the first quarter of 2007. Total expenses decreased \$289 compared to the first quarter of 2006. Compensation and benefits expense increased \$229 in 2007 compared to 2006 as this business increased its capacity to create private equity funds. Administrative expense allocations were \$80 in the first quarter of 2007 compared to \$483 in the first quarter of 2006.

### Minority Interests

The term "minority interest" refers to that portion of another company owned by third parties. The Company includes the full amount of the revenues in the Company's total revenues and the full amount of expenses in the total expenses. However, the Company only includes in its net income its proportionate share of net income from the partially-owned companies. The share of net income belonging to other owners is deducted as a "minority interest".

### **Liquidity and Capital Resources**

Adequate capital and liquidity are essential elements of the Company's businesses, especially with respect to underwriting activities. The Company must maintain sufficient liquidity to operate its businesses as well as meet the regulatory net capital requirements of its broker-dealer subsidiary, BCZ.

BCZ acts as a remarketing agent for approximately \$6.4 billion of municipal variable rate demand notes consisting of 332 issues, most of which BCZ previously underwrote. A total of approximately \$5.9 billion of such notes have a put option and can be tendered to BCZ at the option of the holder on seven days advance notice, approximately \$143 million can be tendered without notice, and approximately \$367 million is auction rate debt without a put option.

The Company provides opportunities for employees to own shares in the Company, primarily through compensation plans and the exercise of existing stock options granted in prior years. During the first quarter of 2007, a total of 20,514 shares were issued as compensation to employees and valued at \$555, the current market price on the date of payment. A total of 1,200 shares were issued as the result of the exercise of stock options for which \$22 was received by the Company.

The Company repurchases its own common stock from time-to-time. In January 2006, the Company's Board of Directors approved the future purchase of up to 200,000 shares of Company common stock in market or private transactions, under terms considered reasonable by management. A total of 179,500 shares remain under that authorization as of March 31, 2007. No shares were repurchased during the quarter ended March 31, 2007 other than the shares discussed below which were purchased under a separate authorization specific to the tender and exchange offer. The Company will evaluate future share repurchase opportunities giving consideration to cash availability, liquidity needs, and other relevant factors. The use of cash for share repurchases may limit the Company's ability to expand current operations or to acquire or develop new business operations.

In conjunction with the Company's plans to implement and fund additional growth initiatives, the Company's management and Board of Directors determined that the payment of a dividend is not the best use of Company cash. Accordingly, the Board does not plan to pay dividends in the future following the dividend to shareholders of record on February 13, 2007. In order to provide liquidity to investors and offer an alternative form of continuing payments to shareholders desiring income from their investment, on January 8, 2007, the Company initiated an exchange and tender offer to its shareholders. The Company offered to exchange its outstanding common stock for subordinated notes issued by the Company. The subordinated notes bear interest at 7% and have a 30 year term. For each share exchanged, the holder received subordinated notes valued at \$23.30. The Company simultaneously made a tender offer for cash at a purchase price of \$23.30 per share. A total of 69,816 shares of common stock were tendered for cash and a total of 3,315 shares of common stock were exchanged for notes. The total cost of the repurchased and exchanged shares, including administrative costs, was \$1,805.

### Selected Financial Data

(Dollars in thousands except per share amounts)

	For the Three Months Ended			
	2007	2006		
	Mar. 31	Dec. 31	Sept. 30	June 30
Operating Revenues.....	\$27,033	\$34,520	\$22,269	\$27,929
Net Income.....	1,658	1,218	895	1,101
Basic Earnings Per Share.....	0.97	0.71	0.52	0.63
Diluted Earnings Per Share.....	0.93	0.68	0.50	0.61
Cash Dividends Declared Per Share of Common Stock.....	0.13	0.13	0.13	0.13
Balance sheet data as of the end of the period:				
Total Assets.....	188,131	200,017	151,963	160,804
Short-Term Notes Payable.....	9,077	5,725	6,761	5,453
Long-Term Obligations.....	47,845	50,951	50,798	51,011
Stockholders' Equity.....	39,325	38,734	39,080	38,745
Book Value Per Share <sup>(a)</sup> .....	\$24.05	\$23.22	\$22.63	\$22.26

<sup>(a)</sup>Book value per share is calculated by adding back the notes receivable for purchase of common stock to end of period stockholders' equity.

The Company's Common Stock is traded under the symbol "ZGCO" in the over-the-counter (OTC) market (Pink Sheets LLC). The following information is based on the closing prices in the over-the-counter market and reports of shares traded.

	Quarter Ended			
	2007	2006		
	Mar. 31	Dec. 31	Sept. 30	June 30
Stock closing price range:				
High Closing Price	\$28.50	\$27.35	\$24.50	\$28.24
Low Closing Price	\$25.05	\$24.50	\$23.00	\$23.00

As of April 30, 2007, the Company had 1,690,614 shares outstanding.

## Results of Votes of Security Holders

The Company held its annual meeting on Tuesday, May 8, 2007 for which a proxy statement was sent to shareholders of record at the close of business on April 2, 2007. A brief description of the matter voted upon is as follows:

To elect two directors for terms expiring at the 2010 Annual Meeting of Shareholders.

A total of 1,689,502 shares were outstanding as of the record date. A total of 1,384,161 were represented at the meeting. A total of 1,180,350 shares were eligible to vote at the meeting after adjustment for the limitation on voting rights imposed on a large shareholder by the Company's Amended and Restated Articles of Incorporation. Each shareholder was offered the opportunity to vote "for" the director nominees or "withhold authority" to vote. When "withhold authority" is marked on the proxy card, it is counted towards a quorum, but not counted as a vote for the election of directors. The voting results were as follows:

	<u>For</u>	<u>Withhold Authority</u>
Peter R. Kellogg	1,167,509	12,841
Geoffrey B. Shields	1,170,058	10,292

The following directors continued their unexpired terms in office:  
Bernard C. Ziegler, III; Donald A. Carlson, Jr.; John J. Mulherin;  
Belverd E. Needles, Jr.

## Forward-Looking Statements

Certain matters discussed herein contain forward-looking statements that involve risks and uncertainties, including (without limitation): the effect of economic and market conditions, such as demand for investment advisory, banking, brokerage and financial advisory services in the markets served by the Company; pricing of services; successful management of regulatory and legal risks and requirements; successful defense of litigation; interest rates; successful implementation and management of repurchase and interest rate swap agreements; retention of key employees; profitable operations of the institutional trading desks; competition; realization of the Company's investment in EnvestNet common stock; the ability to collect receivables and realize the value of investments; the Company's ability to realize the value of goodwill and other intangible assets; the Company's ability to profitably expand its business lines both internally and through external acquisitions; national healthcare and tax policies; strategic alternatives; the ability of the Company to underwrite and distribute securities; the success of affiliated private equity funds; the ability to distribute proprietary mutual and exchange traded funds; the prevailing market values in the broad equity markets; the ability to maintain sufficient liquidity through commercial paper issuance and the use of other credit facilities; and the ability to successfully remarket municipal variable rate demand notes without the use of the third party liquidity providers. Forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those contemplated in the statements. Readers are cautioned not to place undue reliance on the forward-looking statements. When used in written documents or oral presentations, the terms "believe," "estimate," "expect," "may," "possible," and similar expressions are intended to identify forward-looking statements. There can be no assurance that: (i) the Company has correctly measured or identified all of the factors affecting these markets or the extent of their likely impact; (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate information; or (iii) the Company's analysis is correct. The Company undertakes no obligation to publicly update or revise any forward-looking statements.