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New Report Identifies the Value of Technology Integration for Advisors

Study highlights a significant increase in advisor efficiency and a reduction in administrative burdens with full technology integration at advisory services firms

CHICAGO--(BUSINESS WIRE)-- Achieving operational scale is one of the biggest challenges Registered Investment Advisors (RIA) face today. In a new report produced by Aite Group, LLC, advisors responded to a survey that they believe they could save time on many of their most important tasks (e.g., financial planning, proposal generation, customer acquisition, etc.) if they had a greater degree of technology integration available in their practice.¹ The study details the benefits advisors who are supported by a fully integrated technology environment have over non-integrated practices. Integrated RIA practices are able to spend the majority of their time (52%) with clients - about 50% more time than the average advisor. At the same time, the report indicates that a fully integrated technology environment reduces advisors' administrative burden by 33%.²

"It has been our belief that full integration of advisors' practices would significantly enhance not only their ability to increase their book of business, but also create depth to their services as well as operational efficiencies," said Bill Crager, President, Investnet. "Through advisory services, investment management, technology, and operations and administration, Investnet is able to provide a customized and fully integrated technology environment that bolsters the distinct services and expertise that financial advisors have to offer their clients."

In the report, Aite Group examines the advisory services offered by Investnet, a leading provider of wealth management solutions to independent financial advisors. Their findings highlight a tightly integrated technology platform that offers a wide range of functional modules sought by financial advisors that include proposal generation, portfolio rebalancing, performance calculation and reporting, and practice management resources. Aite Group also interviewed a selection of advisors that currently align their advisory practice with Investnet to identify their experiences in working with the firm.

"Each of the advisors we interviewed for the study indicated a level of growth in either their book of business or in administrative efficiencies or both for each of their practices since they began working with Investnet," said Alois Pirker, Research Director, Aite Group, LLC. "Over the last few years, there has been a shift in the wealth management industry that indicates a loss in market share for full-service brokerage firms of which the RIA market has been able to capture more than half of these assets. It would be wise for RIA firms to seek out an integrated technology environment, much like the one Investnet offers, in order to sustain and increase their growth in the space."

To view a copy of the new report produced by Aite Group, "The Value of Technology Integration for Registered Investment Advisors: Making Time for Clients and Prospects", visit

www.envestnet.com/integration.

ABOUT AITE GROUP

Aite Group is a leading independent research and advisory firm focused on business, technology and regulatory issues and their impact on the financial services industry. It was founded by leading industry experts in Banking and Securities & Investments. Aite Group brings together a team of business strategy, technology and regulatory experts to deliver comprehensive, timely and actionable advice to financial institutions and technology vendors. It seeks to become a true partner, advisor and catalyst by exchanging ideas and challenging basic assumptions to ensure that their clients always stay ahead of the competition.

ABOUT ENVESTNET ASSET MANAGEMENT

Investnet is an advisor's gateway for expert wealth advisory solutions. Through an integrated technology platform, the company offers a broad range of investment products as well as fee-based services and solutions that include extensive reporting capabilities and front-, middle-, and back-office administrative tools to the independent financial advisor.

Investnet is headquartered in Chicago with offices in Denver, Los Angeles, New York, Silicon Valley and Trivandrum, India. The firm has over \$75 billion in total assets served and more than 650,000 investor accounts.*

¹ Aite Group's survey of more than 200 financial advisors in 2008

² Aite Group's survey of more than 75 registered investment advisors in 2007

* Data includes assets under management and administration and licensing agreements as of 6/30/2009.

Source: Investnet