

Manning & Napier adds jobs, grows assets managed

By THOMAS ADAMS

Perinton-based money manager Manning & Napier Advisors Inc. added a record \$2.63 billion in new assets in the first six months of 2009, a 57 percent increase over \$1.68 billion in assets gained a year ago, company officials said this week.



Cunningham

The firm also has added 15 workers this year and plans to add 10 more by year's end, Managing Director Patrick Cunningham said.

"We have budgeted for at least 10 more people, across various departments," he said. "It's not concentrated in any one department. Ours is a service business, so we want to make sure we are well ahead of the demands and needs of our clients."

Manning & Napier employs 287 locally and 332 companywide. It has a satellite office in St. Petersburg, Fla., and a service office in Columbus, Ohio.

Founded 39 years ago, Manning & Napier manages \$19 billion for individuals, corporations, defined-benefit pension plans, 401(k) plans, Taft-Hartley accounts, endowments, foundations and municipal retirement plans.

"We've been using the same process

since our doors opened in 1970, and that process is very much absolute return-oriented," Cunningham said. "It's not good enough just to beat an index. You also want to make money."

The \$2.6 billion in new assets during the first half of 2009 is better than the previous six-month high of \$2.2 billion in the second half of 2008.

"People are catching their breath after the whirlwind we've been through and are now looking for vehicles that have a more stable and attractive curve," Cunningham said.

Manning & Napier added \$3.9 billion in assets in 2008 and \$3 billion in 2007, company representatives said.

The firm is responsible for some 8,800 accounts. Some 63 percent are institutional accounts, with 37 percent individual assets. Manning & Napier manages the only domestic equity mutual fund that has outperformed the Standard & Poor's 500-stock index in each of the last 10 years.

"In this decade, the index has been horrible," Cunningham said. "Through the end of June, the S&P is down about 25 percent cumulatively. You put \$1 million into the S&P 500 index, you'd have less than \$750,000 left. Our equity portfolios are up 20 to 30 percent."

Manning & Napier's growth is due to its experience, Cunningham said.

"You're going to have down periods but,

generally speaking, when it's down with us it's not down as much, and we tend to rebound very quickly," he said.

"Our process dates back to 1970 and has proven to add value over multiple market cycles. We cut our teeth during the bear market of 1973-74 and survived numerous market declines since then. Our success lies in our proprietary strategies and disciplined management style."

The firm moved its headquarters to Woodcliff Drive in Perinton from the Chase Tower in 2005.

Manning & Napier ranked second in assets under management in the Rochester area as of Dec. 31, 2008. The Rochester Division of OppenheimerFunds Inc. ranked first at \$19.7 billion, down from \$32 billion on Dec. 31, 2007.

Cunningham does not anticipate any major changes, geographically or philosophically, in the immediate future.

"Our plan is to stick to our disciplines, to stay the course," he said. "We'll use the process we've used for many years."

"Our mutual funds are a source of that new business, and our mutual funds are now available on a variety of platforms," he said. "Planners in remote areas can buy our funds for their clients, and our funds are on 401(k) plans. But we're not planning on any dramatic changes."

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Patrick Cunningham is a member of Manning & Napier Advisors, Inc. ("MNA") Executive Group, which broadly oversees all firm operations including the Senior Research Group, which directly manages the Manning & Napier Fund, Inc. ("Fund"). MNA is the investment advisor to the Fund.

Assets under management and employee count data stated is as of 6/30/09.

It was understated in the article that "Manning & Napier added \$3.9 billion in assets in 2008 and \$3 billion in 2007..." Manning & Napier added \$4.4 billion in assets under management in 2008 and added \$3.5 billion in assets under management in 2007.

It was stated in the article that "The firm is responsible for some 8,800 accounts. Some 63 percent are institutional accounts, with 37 percent individual assets." This data was as of 12/31/08. As of 6/30/09, Manning & Napier managed 8,622 accounts, 62% institutional and 38% individual. As of 12/31/09, Manning & Napier manages 8,945 accounts, 59% institutional and 41% individual.

The fund referenced in this article is representative of the Manning & Napier Fund, Inc. Pro-Blend® Maximum Term Series Class S. Results versus the S&P 500 are stated in the table below:

For more information about the Manning & Napier Fund, Inc. Pro-Blend® Maximum Term Class S Series, you may obtain a prospectus by calling 1-800-466-3863. Before investing, carefully consider the objectives, risks, charges and expenses of the investment and read the prospectus carefully as it contains this and other information about the investment company.

Calendar Year Returns	Pro-Blend® Maximum Term Class S	S&P 500 Total Return Index
1/1/2000 - 12/31/2000	19.15%	-9.10%
1/1/2001 - 12/31/2001	-1.36%	-11.88%
1/1/2002 - 12/31/2002	-18.31%	-22.09%
1/1/2003 - 12/31/2003	29.52%	28.67%
1/1/2004 - 12/31/2004	15.73%	10.88%
1/1/2005 - 12/31/2005	7.47%	4.93%
1/1/2006 - 12/31/2006	20.49%	15.80%
1/1/2007 - 12/31/2007	6.00%	5.51%
1/1/2008 - 12/31/2008	-35.41%	-36.99%
1/1/2009 - 12/31/2009	36.11%	26.50%
Cumulative Returns	Pro-Blend® Maximum Term Class S	S&P 500 Total Return Index
1/1/2000 - 6/30/2009	46.31%	-25.78%
1/1/2000 - 12/31/2009	73.69%	-9.01%
Annualized Returns as of 6/30/09	Pro-Blend® Maximum Term Class S	S&P 500 Total Return Index
1-Year	-17.46%	-26.18%
5-Year	1.39%	-2.23%
10-Year	4.37%	-2.21%
Annualized Returns as of 12/31/09	Pro-Blend® Maximum Term Class S	S&P 500 Total Return Index
1-Year	36.11%	26.50%
5-Year	3.83%	0.43%
10-Year	5.68%	-0.94%
Pro-Blend® Maximum Term Class S Expense Ratio		
Total Before Fee Waiver*	1.15%	
Total After Fee Waiver**	1.10%	

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance can be higher or lower than that quoted; investors may obtain the most recent month-end performance by calling 1-800-593-4353 (use code 105). Because the Series invests in both stocks and bonds, the value of your investment will fluctuate in response to stock market movements and changes in interest rates. Investing in the Series will also involve a number of other risks, including issuer-specific risk, foreign investment risk, and small-cap/mid-cap risk.

*Includes a shareholder servicing fee of 0.25%.

**Reflects the effect of the Advisor's voluntary agreement to limit its fees and reimburse expenses to the extent necessary so that the total direct annual operating expenses of the Series' Class S shares do not exceed 1.10% of the Class' average daily net assets. The voluntary fee waiver may be changed or discontinued at any time.

The S&P 500 Total Return Index ("S&P 500") is an unmanaged capitalization-weighted measure of 500 widely held common stocks listed on the New York Stock Exchange, American Stock Exchange, and the Over-the-Counter market. The Index returns assume daily reinvestment of dividends, and unlike Series returns, do not reflect any fees or expenses. Index returns provided by Bloomberg.

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