

FIRST QUARTER EARNINGS PRESENTATION

April 29, 2022

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IMPORTANT DISCLOSURES

This presentation contains statements that are, or may be considered to be, forward-looking statements. All statements that are not historical facts, including statements about our beliefs or expectations, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may be identified by such forward-looking terminology as “expect,” “estimate,” “intent,” “plan,” “intend,” “believe,” “anticipate,” “may,” “will,” “should,” “could,” “continue,” “project,” “opportunity,” “predict,” “would,” “potential,” “future,” “forecast,” “guarantee,” “assume,” “likely,” “target” or similar statements or variations of such terms.

Our forward-looking statements are based on a series of expectations, assumptions and projections about the company and the markets in which we operate, are not guarantees of future results or performance, and involve substantial risks and uncertainty, including assumptions and projections concerning our assets under management, net asset inflows and outflows, operating cash flows, business plans and ability to borrow, for all future periods. All of our forward-looking statements are as of the date of this presentation only. The company can give no assurance that such expectations or forward-looking statements will prove to be correct. Actual results may differ materially.

Our business and our forward-looking statements involve substantial known and unknown risks and uncertainties, including those discussed under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2021 Annual Report on Form 10-K, as supplemented by our periodic filings with the Securities and Exchange Commission (the "SEC"), as well as the following risks and uncertainties resulting from: (i) any reduction in our assets under management; (ii) general domestic and global economic, political and pandemic conditions; (iii) inability to achieve the expected benefits of our strategic transactions; (iv) the ongoing effects of the COVID-19 pandemic and associated global economic disruption; (v) withdrawal, renegotiation or termination of investment advisory agreements; (vi) damage to our reputation; (vii) inability to satisfy financial covenants and payments related to our indebtedness; (viii) inability to attract and retain key personnel; (ix) challenges from the competition we face in our business; (x) adverse developments related to unaffiliated subadvisers; (xi) negative changes in key distribution relationships; (xii) interruptions in or failure to provide critical technological service by us or third parties; (xiii) risk of loss on our investments; (xiv) lack of sufficient capital on satisfactory terms; (xv) adverse regulatory and legal developments; (xvi) failure to comply with investment guidelines or other contractual requirements; (xvii) adverse civil litigation and government investigations or proceedings; (xviii) unfavorable changes in tax laws or limitations; (xix) volatility associated with our common stock; (xx) inability to make quarterly common stock dividends; (xxi) certain corporate governance provisions in our charter and bylaws; (xxii) losses or costs not covered by insurance; (xxiii) impairment of goodwill or intangible assets; and other risks and uncertainties. Any occurrence of, or any material adverse change in, one or more risk factors or risks and uncertainties referred to above, in our 2021 Annual Report on Form 10-K and our other periodic reports filed with the SEC could materially and adversely affect our operations, financial results, cash flows, prospects and liquidity.

Certain other factors that may impact our continuing operations, prospects, financial results and liquidity, or that may cause actual results to differ from such forward-looking statements, are discussed or included in the company's periodic reports filed with the SEC and are available on our website at www.virtus.com under “Investor Relations.” You are urged to carefully consider all such factors.

The company does not undertake or plan to update or revise any such forward-looking statements to reflect actual results, changes in plans, assumptions, estimates or projections, or other circumstances occurring after the date of this presentation, even if such results, changes or circumstances make it clear that any forward-looking information will not be realized. If there are any future public statements or disclosures by us that modify or impact any of the forward-looking statements contained in or accompanying this presentation, such statements or disclosures will be deemed to modify or supersede such statements in this presentation.

- Overview of Quarter
- Results
- Q & A Session

OVERVIEW OF QUARTER

Assets and Flows

- Assets under management (AUM) of \$183.3 billion compared with \$187.2 billion at December 31st reflecting market depreciation and net outflows, partially offset by the addition of AUM from Stone Harbor
- Sales increased 8% to \$9.4 billion with growth in open-end funds and institutional
- Net flows of (\$2.0) billion due to open-end fund net outflows partially offset by continued positive net flows in institutional and retail separate accounts

Non-GAAP Financial Results

- Operating income, as adjusted, of \$90.1 million included \$9.7 million of seasonal employment items
- Operating margin, as adjusted, of 40.6%; 45.0% excluding seasonal items
- Earnings per diluted share, as adjusted, of \$7.87; seasonal items of (\$0.91)

Capital Activities

- Repurchased or net settled 187,311 shares for \$43.4 million
- Acquisition and revenue participation payments of \$61.2 million
- Net debt of \$48 million, or 0.1x EBITDA

RESULTS

ASSETS UNDER MANAGEMENT

LOWER PRIMARILY DUE TO MARKET PERFORMANCE



■ AUM of \$183.3 billion declined from \$187.2 billion at December 31st due to:

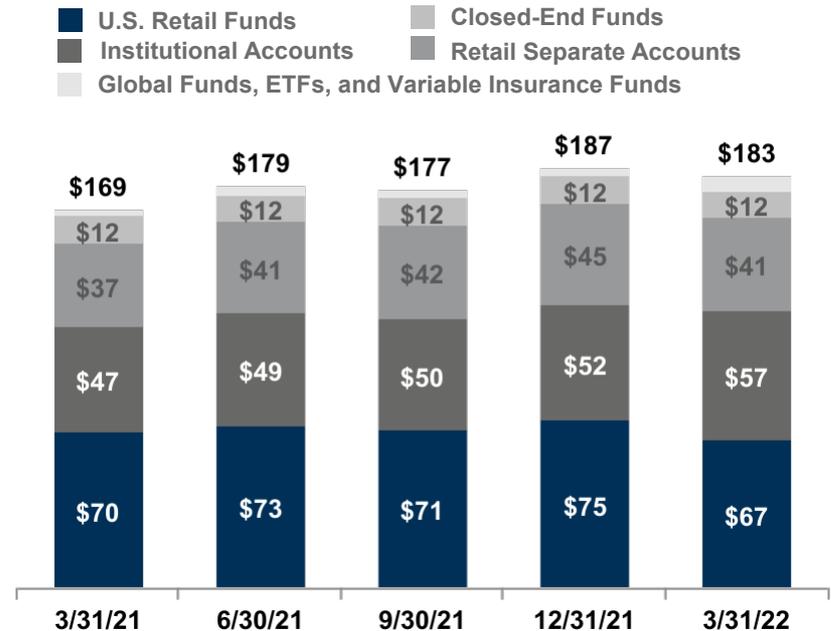
- (\$16.5) billion of market depreciation; and
- (\$2.0) billion of net outflows; offset by
- \$14.7 billion addition of Stone Harbor

■ Recent strategic transactions increased diversification by asset class from prior year quarter

- Fixed income and alternatives at 25% and 6% of assets, respectively, up from 21% and 3%
- Equities at 56% of assets, down from 63%

■ Assets diversified across product types:

- U.S. retail funds: 36%
- Institutional: 31%
- Retail separate accounts: 22%
- Closed-end funds: 7%
- Global funds, ETFs, and variable insurance funds: 4%



AUM by Asset Class					
Equity	62.9%	63.7%	63.6%	62.3%	56.2%
Fixed Income	20.8%	19.8%	19.9%	18.3%	24.8%
Multi-Asset ¹	13.3%	13.2%	13.3%	13.3%	12.8%
Alternatives ²	3.0%	3.3%	3.2%	6.1%	6.2%

\$ in billions

All comparisons to prior quarter unless otherwise noted

¹ Consists of strategies with substantial holdings in at least two of the following: equity, fixed income, and alternatives

² Consists of event-driven, real estate securities, infrastructure, long/short, and other strategies

ASSET FLOWS

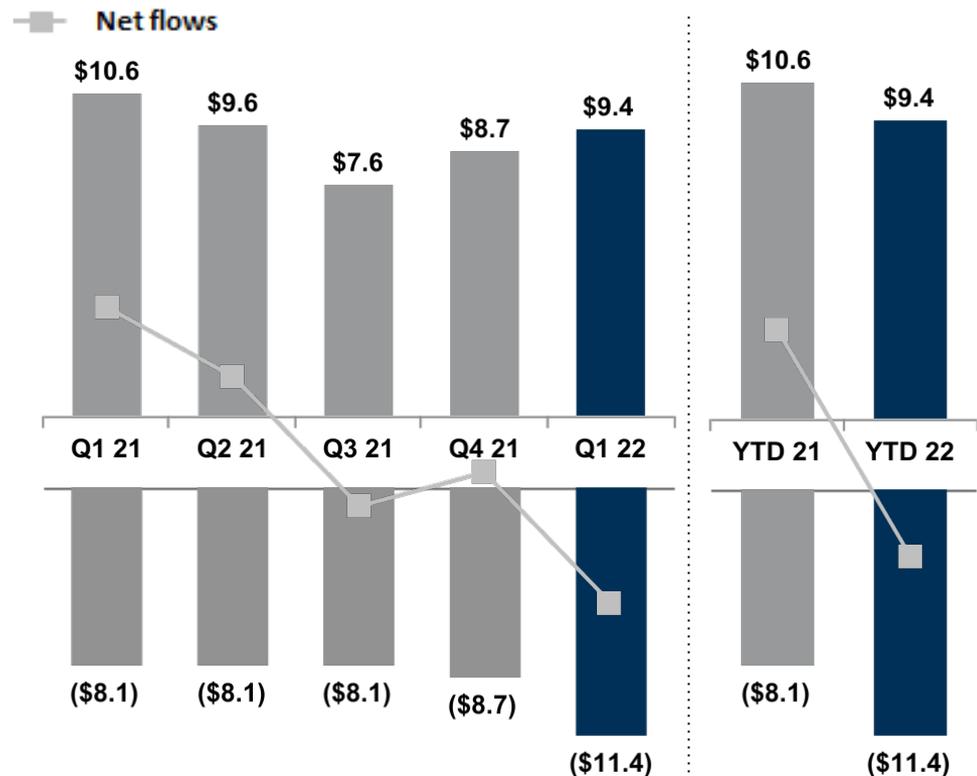
HIGHER FUND AND INSTITUTIONAL SALES

■ Sales of \$9.4 billion, up 8%

- Open-end fund sales of \$5.0 billion, up 14% due to growth in most strategies
- Institutional sales of \$2.4 billion, up 16% to second highest level with growth from both new and existing mandates
- Retail separate account sales of \$2.0 billion compared with \$2.2 billion

■ Net outflows of \$2.0 billion

- Institutional net flows of \$0.8 billion due to mandates at multiple affiliates and across asset classes
- Retail separate accounts net flows of \$0.6 billion for 16th consecutive quarter of organic growth
- Open-end funds net outflows of \$3.4 billion, with higher sequential net outflows driven primarily by growth-oriented equity strategies



Flows Metrics						
Net Flows						
\$2.5	\$1.5	(\$0.5)	\$—	(\$2.0)	\$2.5	(\$2.0)
Net Flow Rate ¹						
7.7%	3.5%	(1.1%)	—%	(4.2%)	7.7%	(4.2%)

\$ in billions

All comparisons to prior quarter unless otherwise noted

¹ Annualized net flows divided by beginning-of-period total AUM

INVESTMENT MANAGEMENT FEES, AS ADJUSTED

REFLECTS MARKET AND NEW AFFILIATE



- Investment management fees, as adjusted, decreased by \$7.1 million, or 4%, due to lower average fee rate and market depreciation
- Average fee rate of 41.9 bps compared with 43.7 bps, reflecting
 - Higher proportion of institutional AUM due to addition of Stone Harbor
 - Lower high-fee equity assets due to market performance
- Investment management fees, as adjusted, up 20% over prior year quarter due to growth in AUM, including several strategic transactions



\$ in millions, except AUM, which is in billions

All comparisons to prior quarter unless otherwise noted

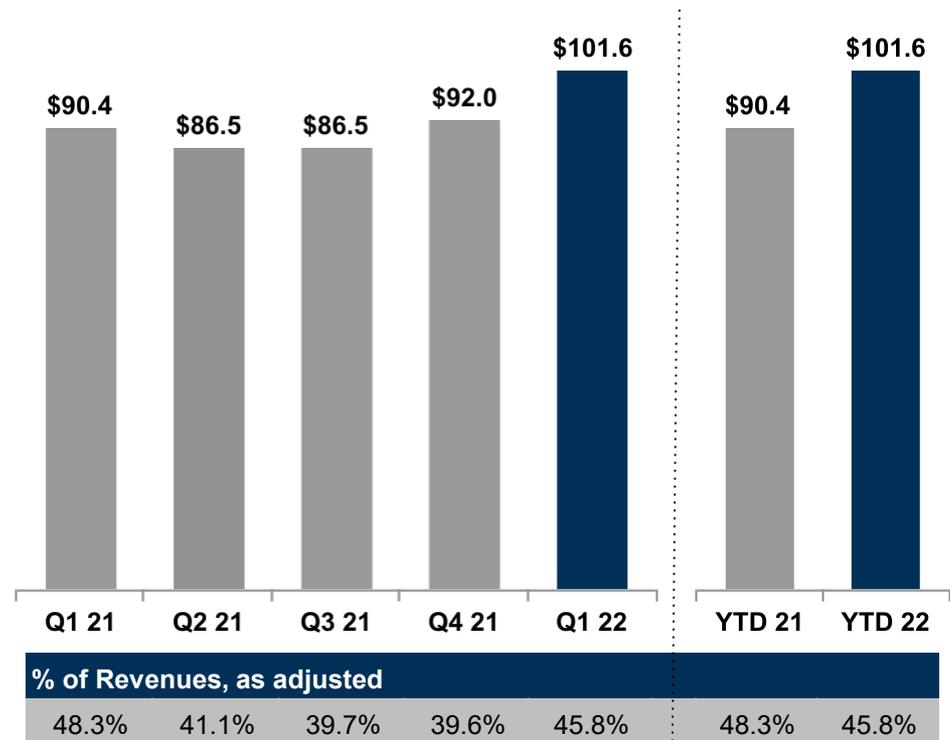
¹ Represents investment management fees, as adjusted, divided by average assets. Investment management fees, as adjusted, exclude those of consolidated investment products and are reduced by revenue-related adjustments on specific agreements to reflect the portion passed-through to third-party client intermediaries

See the financial supplement for U.S. GAAP to Non-GAAP (“as adjusted”) reconciliations and related notes

EMPLOYMENT EXPENSES, AS ADJUSTED

SEASONALLY HIGHER

- Employment expenses, as adjusted, of \$101.6 million included \$9.7 million of seasonally higher items
- As a percentage of revenues, as adjusted, employment expenses, as adjusted, were 45.8%
 - Increased 620 bps points primarily due to seasonal items
 - Decreased by 250 bps from prior year quarter, reflecting leveragability of the business
- Excluding seasonal items, employment expenses, as adjusted as a percentage of revenues, as adjusted were 41.4%



\$ in millions

All comparisons to prior quarter unless otherwise noted

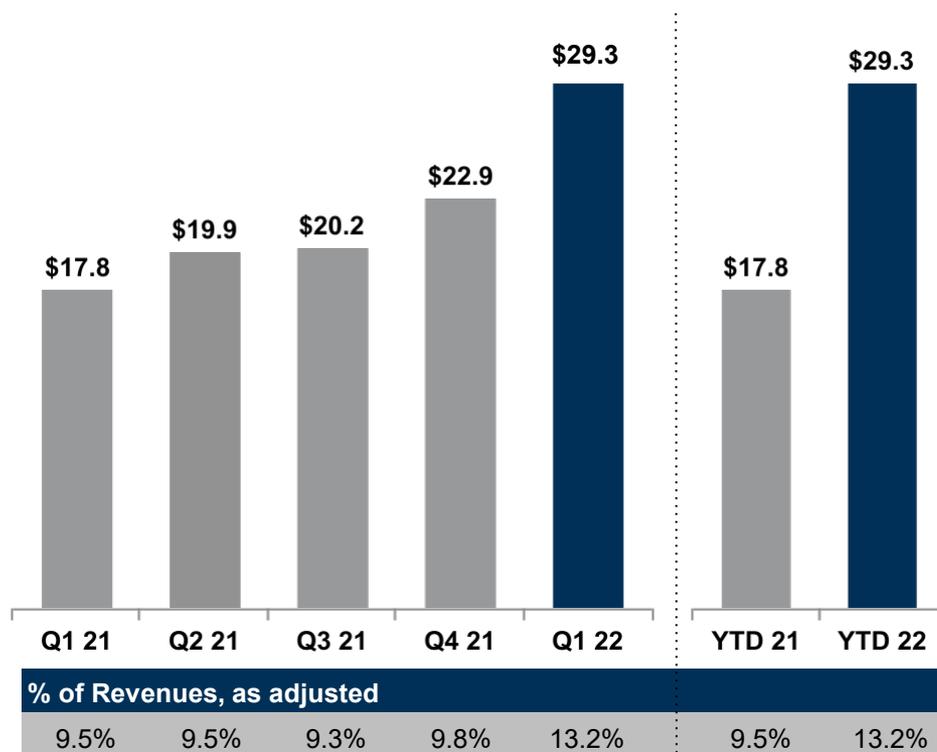
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OTHER OPERATING EXPENSES, AS ADJUSTED

INCREASE PRIMARILY REFLECTS NEW AFFILIATE

- Other operating expenses, as adjusted, of \$29.3 million increased \$6.5 million, or 28%, primarily due to:
 - Addition of Stone Harbor
 - \$1.3 million of business initiative discrete expenses

- Other operating expenses, as adjusted, as a percentage of revenues, as adjusted, were 13.2%



\$ in millions

All comparisons to prior quarter unless otherwise noted

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NON-GAAP RESULTS

REFLECTS MARKET AND SEASONAL ITEMS

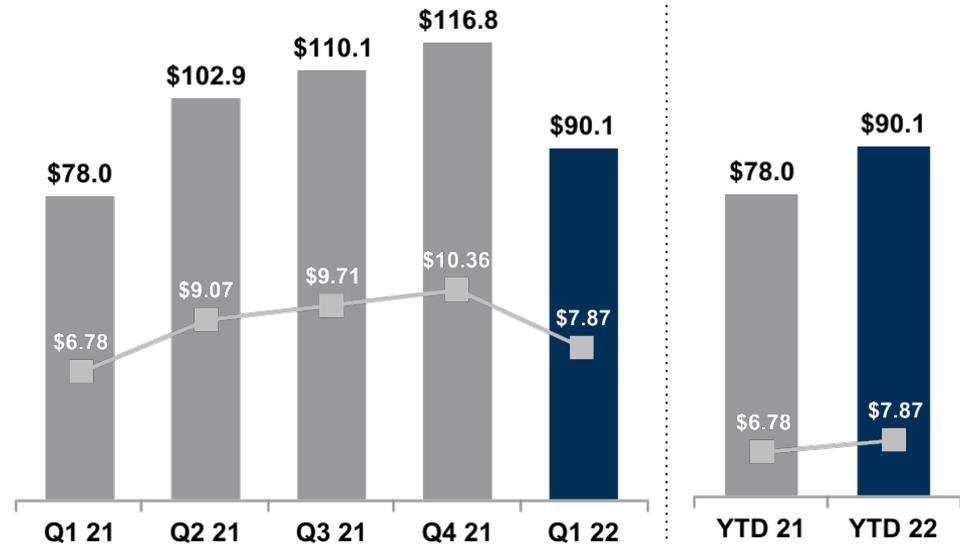
- Operating margin, as adjusted, of 40.6% compared with 50.2%
 - Excluding seasonal employment items, operating margin was 45.0%

- Diluted EPS, as adjusted, of \$7.87 compared with \$10.36
 - Included seasonal employment items of \$0.91 per diluted share

- Diluted EPS, as adjusted, up 16% over prior year quarter

Operating Income, As Adjusted

■ Diluted earnings per share, as adjusted



Metrics						
Net Income, as adjusted						
\$54.6	\$72.7	\$77.5	\$82.1	\$61.7	\$54.6	\$61.7
Operating Margin, as adjusted						
41.6%	48.9%	50.6%	50.2%	40.6%	41.6%	40.6%

\$ in millions, except per share data

All comparisons to prior quarter unless otherwise noted

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CAPITAL AND SELECT BALANCE SHEET

INCREASED RETURN OF CAPITAL



- Working capital of \$196.1 million decreased sequentially from \$219.8 million as net cash generated by the business was more than offset by:

- Return of capital to shareholders
- Closing payment for Stone Harbor

- Repurchased 125,452 shares for \$30.0 million and net settled an additional 61,859 shares for \$13.4 million

- Net debt of \$48 million, or 0.1x EBITDA

	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22
Cash and cash equivalents	\$228	\$275	\$437	\$379	\$225
Seed capital investments ¹	\$122	\$141	\$144	\$145	\$138
Investments - other ²	\$67	\$74	\$79	\$87	\$90
Gross debt ³	\$200	\$194	\$275	\$274	\$274
Contingent consideration ⁴	\$138	\$138	\$138	\$163	\$131
Redeemable noncontrolling interests ⁵	\$98	\$109	\$119	\$127	\$129
Total equity exc. noncontrolling interests	\$729	\$781	\$812	\$828	\$816
Working capital ⁶	\$211	\$229	\$345	\$220	\$196
<i>Common shares outstanding</i>	7.650	7.652	7.588	7.506	7.473

Metrics					
Net Debt (Cash) ⁷	(\$29)	(\$82)	(\$162)	(\$105)	\$48
EBITDA ⁸	\$87	\$112	\$117	\$124	\$101
Gross Debt to EBITDA ⁸	0.8x	0.6x	0.7x	0.6x	0.6x
Net Debt (Cash) ⁷ to EBITDA ⁸	(0.1x)	(0.3x)	(0.4x)	(0.2x)	0.1x

\$ and shares in millions

¹ Represents sponsored investment products including open-end funds, ETFs, and separate accounts

² Represents investments in collateralized loan obligations ("CLOs") and mutual funds that are not seed capital investments

³ Excludes deferred financing costs

⁴ Represents estimates of revenue participation and contingent payments

⁵ Excludes redeemable noncontrolling interests of consolidated investment products

⁶ Defined as cash and cash equivalents plus accounts receivable, net, less accrued compensation and benefits, accounts payable and accrued liabilities, dividends payable, debt principal payments due over next 12 months and revenue participation amounts earned as of the balance sheet date and due within 12 months

⁷ Defined as gross debt less cash and cash equivalents

⁸ Defined and calculated in accordance with the company's credit agreement

See the financial supplement for U.S. GAAP to Non-GAAP ("as adjusted") reconciliations and related notes

FINANCIAL SUPPLEMENT

NON-GAAP INFORMATION

INCOME STATEMENT ¹ (UNAUDITED)



	<u>Q1:21</u>	<u>Q2:21</u>	<u>Q3:21</u>	<u>Q4:21</u>	<u>Q1:22</u>	<u>YTD:21</u>	<u>YTD:22</u>
Revenues, As Adjusted							
Investment management fees, as adjusted	\$163,935	\$183,230	\$190,029	\$203,429	\$196,289	\$163,935	\$196,289
Administration and shareholder service fees, as adjusted	22,621	25,926	26,482	27,665	24,387	22,621	24,387
Other income and fees, as adjusted	720	1,174	1,159	1,510	1,272	720	1,272
Total revenues, as adjusted	\$187,276	\$210,330	\$217,670	\$232,604	\$221,948	\$187,276	\$221,948
Operating Expenses, As Adjusted							
Employment expenses, as adjusted	\$90,412	\$86,521	\$86,471	\$91,996	\$101,589	\$90,412	\$101,589
Other operating expenses, as adjusted	17,800	19,894	20,173	22,880	29,327	17,800	29,327
Depreciation and other amortization, as adjusted	1,098	981	915	906	935	1,098	935
Total operating expenses, as adjusted	\$109,310	\$107,396	\$107,559	\$115,782	\$131,851	\$109,310	\$131,851
Operating Income (Loss), As Adjusted	\$77,966	\$102,934	\$110,111	\$116,822	\$90,097	\$77,966	\$90,097

\$ in thousands

¹ The non-GAAP financial information included in this presentation differs from financial information determined in accordance with U.S. GAAP as a result of the reclassification of certain income statement items as well as the exclusion of certain expenses and other items that are not reflective of the earnings generated from providing investment management and related services. Non-GAAP financial information has material limitations and should not be viewed in isolation or as a substitute for U.S. GAAP measures. Reconciliations to the most directly comparable U.S. GAAP measures and other important disclosures are provided later in this presentation.

NON-GAAP INFORMATION

INCOME STATEMENT ¹ (CONTINUED) (UNAUDITED)



	Q1:21	Q2:21	Q3:21	Q4:21	Q1:22	YTD:21	YTD:22
Other Income (Expense), As Adjusted							
Realized and unrealized gain (loss) on investments, net, as adjusted	(\$73)	\$476	\$24	(\$145)	(\$455)	(\$73)	(\$455)
Other income, net, as adjusted	1,771	826	1,001	632	287	1,771	287
Total other income (expense), as adjusted	\$1,698	\$1,302	\$1,025	\$487	(\$168)	\$1,698	(\$168)
Interest Income (Expense), As Adjusted							
Interest expense, as adjusted	(\$2,314)	(\$2,256)	(\$2,168)	(\$2,322)	(\$2,279)	(\$2,314)	(\$2,279)
Interest and dividend income, as adjusted	1,046	1,085	1,013	1,772	1,196	1,046	1,196
Total interest income (expense), net, as adjusted	(\$1,268)	(\$1,171)	(\$1,155)	(\$550)	(\$1,083)	(\$1,268)	(\$1,083)
Pre-Tax Income (Loss), As Adjusted	\$78,396	\$103,065	\$109,981	\$116,759	\$88,846	\$78,396	\$88,846
Income tax expense (benefit), as adjusted	20,942	27,394	29,113	31,468	24,078	20,942	24,078
Net Income (Loss), As Adjusted	\$57,454	\$75,671	\$80,868	\$85,291	\$64,768	\$57,454	\$64,768
Noncontrolling interests, as adjusted	(2,834)	(3,010)	(3,355)	(3,161)	(3,114)	(2,834)	(3,114)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc., As Adjusted	\$54,620	\$72,661	\$77,513	\$82,130	\$61,654	\$54,620	\$61,654
Weighted average shares outstanding - diluted, as adjusted	8,052	8,007	7,984	7,929	7,839	8,052	7,839
Earnings (Loss) Per Share - Diluted, As Adjusted	\$6.78	\$9.07	\$9.71	\$10.36	\$7.87	\$6.78	\$7.87

\$ and shares in thousands

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NON-GAAP INFORMATION

BALANCE SHEET ¹ (UNAUDITED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>
Assets:					
Cash and cash equivalents	\$228,260	\$275,439	\$437,242	\$378,921	\$225,217
Investments – seed capital	121,690	140,679	144,476	144,660	137,835
Investments – other	66,909	73,723	78,643	86,569	90,139
Investments – long term	26,747	27,327	27,490	28,556	28,347
Accounts receivable, net	117,658	121,591	128,229	125,224	126,171
Furniture, equipment, and leasehold improvements, net	13,489	12,896	12,429	12,542	18,142
Intangible assets, net	391,187	380,824	370,433	500,571	496,709
Goodwill	315,366	315,366	315,366	338,406	347,423
Deferred taxes, net	9,161	11,054	12,214	19,204	18,714
Other assets	33,909	48,039	41,291	60,102	96,192
Total Assets	\$1,324,376	\$1,406,938	\$1,567,813	\$1,694,755	\$1,584,889

\$ in thousands

¹ The non-GAAP financial information included in this presentation differs from financial information determined in accordance with U.S. GAAP as a result of presenting balance sheet accounts before the consolidation of investment products

NON-GAAP INFORMATION

BALANCE SHEET ¹ (CONTINUED) (UNAUDITED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>
Liabilities and Equity					
Liabilities:					
Accrued compensation and benefits	\$62,335	\$96,509	\$139,106	\$187,449	\$70,646
Accounts payable and accrued liabilities	55,153	45,755	41,716	48,496	62,335
Dividends payable	8,593	8,565	14,298	14,824	14,398
Other liabilities	37,442	38,386	37,105	60,224	95,068
Debt ²	195,726	190,224	266,739	266,346	265,954
Contingent consideration ³	137,664	137,664	137,664	162,564	130,728
Total Liabilities	\$496,913	\$517,103	\$636,628	\$739,903	\$639,129
Redeemable noncontrolling interests	\$98,059	\$108,939	\$118,861	\$126,549	\$129,305
Equity:					
Total equity exc. noncontrolling interests	\$729,404	\$780,896	\$812,324	\$828,303	\$816,455
Total Liabilities and Equity	\$1,324,376	\$1,406,938	\$1,567,813	\$1,694,755	\$1,584,889
Working Capital ⁴	\$211,101	\$229,201	\$345,490	\$219,829	\$196,126

\$ in thousands

¹ The non-GAAP financial information included in this presentation differs from financial information determined in accordance with U.S. GAAP as a result of presenting balance sheet accounts before the consolidation of investment products

² Defined as gross debt less deferred financing costs

³ Represents estimates of revenue participation and contingent payments

⁴ Defined as cash and cash equivalents plus accounts receivable, net, less accrued compensation and benefits, accounts payable and accrued liabilities, dividends payable, required debt principal payments due over next 12 months and actual AllianzGI revenue participation amounts earned as of the balance sheet date and due within 12 months

U.S. GAAP INFORMATION

INCOME STATEMENT (UNAUDITED)



	<u>Q1:21</u>	<u>Q2:21</u>	<u>Q3:21</u>	<u>Q4:21</u>	<u>Q1:22</u>	<u>YTD:21</u>	<u>YTD:22</u>
Revenues							
Investment management fees	\$173,269	\$193,510	\$201,133	\$213,673	\$206,817	\$173,269	\$206,817
Distribution and service fees	20,348	23,450	23,293	23,464	20,007	20,348	20,007
Administration and shareholder service fees	22,560	25,877	26,479	27,615	24,344	22,560	24,344
Other income and fees	720	1,174	1,159	1,510	1,272	720	1,272
Total revenues	\$216,897	\$244,011	\$252,064	\$266,262	\$252,440	\$216,897	\$252,440
Operating Expenses							
Employment expenses	\$91,759	\$87,630	\$87,345	\$91,496	\$105,993	\$91,759	\$105,993
Distribution and other asset-based expenses	32,294	36,021	36,692	36,032	32,846	32,294	32,846
Other operating expenses	19,580	21,946	22,800	25,808	31,712	19,580	31,712
Other operating expenses of CIP ¹	559	659	639	1,705	740	559	740
Change in fair value of contingent consideration	—	—	—	12,400	—	—	—
Depreciation expense	1,098	981	915	906	935	1,098	935
Amortization expense	9,465	10,363	10,391	14,262	14,662	9,465	14,662
Total operating expenses	\$154,755	\$157,600	\$158,782	\$182,609	\$186,888	\$154,755	\$186,888
Operating Income (Loss)	\$62,142	\$86,411	\$93,282	\$83,653	\$65,552	\$62,142	\$65,552

\$ in thousands

¹ CIP (Consolidated Investment Products) represents the company sponsored and managed investment products for which revenues and expenses are consolidated in the financial statements

U.S. GAAP INFORMATION

INCOME STATEMENT (CONTINUED) (UNAUDITED)



	<u>Q1:21</u>	<u>Q2:21</u>	<u>Q3:21</u>	<u>Q4:21</u>	<u>Q1:22</u>	<u>YTD:21</u>	<u>YTD:22</u>
Other Income (Expense)							
Realized and unrealized gain (loss) on investments, net	\$891	\$2,494	(\$504)	\$1,026	(\$2,982)	\$891	(\$2,982)
Realized and unrealized gain (loss) of CIP ¹ , net	(4,687)	2,747	(2,801)	2,980	(13,344)	(4,687)	(13,344)
Other income (expense), net	1,771	826	1,001	632	287	1,771	287
Total other income (expense), net	(\$2,025)	\$6,067	(\$2,304)	\$4,638	(\$16,039)	(\$2,025)	(\$16,039)
Interest Income (Expense)							
Interest expense	(\$2,314)	(\$2,256)	(\$2,348)	(\$2,322)	(\$2,279)	(\$2,314)	(\$2,279)
Interest and dividend income	136	166	269	793	328	136	328
Interest and dividend income of investments of CIP ¹	23,876	22,562	22,877	20,765	20,380	23,876	20,380
Interest expense of CIP ¹	(14,448)	(14,452)	(13,442)	(18,056)	(12,088)	(14,448)	(12,088)
Total interest income (expense), net	\$7,250	\$6,020	\$7,356	\$1,180	\$6,341	\$7,250	\$6,341
Income (Loss) Before Income Taxes	\$67,367	\$98,498	\$98,334	\$89,471	\$55,854	\$67,367	\$55,854
Income tax expense (benefit)	15,153	22,401	25,823	27,458	16,735	15,153	16,735
Net Income (Loss)	\$52,214	\$76,097	\$72,511	\$62,013	\$39,119	\$52,214	\$39,119
Noncontrolling interests	(15,626)	(13,130)	(13,775)	(12,173)	(6,060)	(15,626)	(6,060)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	\$36,588	\$62,967	\$58,736	\$49,840	\$33,059	\$36,588	\$33,059
Weighted average shares outstanding - diluted	8,052	8,007	7,984	7,929	7,839	8,052	7,839
Earnings (Loss) Per Share - Diluted	\$4.54	\$7.86	\$7.36	\$6.29	\$4.22	\$4.54	\$4.22

\$ and shares in thousands

¹ CIP (Consolidated Investment Products) represents the company sponsored and managed investment products for which revenues and expenses are consolidated in the financial statements

ASSETS UNDER MANAGEMENT

BY PRODUCT AND ASSET CLASS



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>
Assets by Product					
U.S. Retail Funds	\$69,730	\$72,746	\$70,526	\$74,616	\$66,554
Global Funds	1,343	1,456	1,399	1,418	4,089
Exchange Traded Funds	1,021	1,260	1,321	1,479	1,448
Variable Insurance Funds	1,091	1,131	1,119	1,193	1,058
Total – Open-End Funds	\$73,185	\$76,593	\$74,365	\$78,706	\$73,149
Closed-End Funds	\$11,664	\$11,993	\$11,721	\$12,068	\$12,060
Intermediary Sold Managed Accounts	\$31,133	\$34,125	\$34,974	\$37,621	\$34,347
Private Client	6,111	6,453	6,554	6,917	6,477
Total – Retail Separate Accounts	\$37,244	\$40,578	\$41,528	\$44,538	\$40,824
Institutional ex. Structured Products	\$42,802	\$45,604	\$45,882	\$48,140	\$53,658
Structured Products	\$3,985	\$3,870	\$3,809	\$3,734	\$3,651
Total – Institutional Accounts	\$46,787	\$49,474	\$49,691	\$51,874	\$57,309
Total	\$168,880	\$178,638	\$177,305	\$187,186	\$183,342
Assets by Asset Class					
Equity	\$106,183	\$113,751	\$112,732	\$116,546	\$102,989
<i>% of total</i>	62.9%	63.7%	63.6%	62.3%	56.2%
Fixed Income	35,069	35,426	35,240	34,261	45,418
<i>% of total</i>	20.8%	19.8%	19.9%	18.3%	24.8%
Multi-Asset ¹	22,498	23,668	23,641	24,853	23,415
<i>% of total</i>	13.3%	13.2%	13.3%	13.3%	12.8%
Alternatives ²	5,130	5,793	5,692	11,526	11,520
<i>% of total</i>	3.0%	3.3%	3.2%	6.1%	6.2%
Total	\$168,880	\$178,638	\$177,305	\$187,186	\$183,342

\$ in millions

¹ Includes strategies with substantial holdings in at least two of the following asset classes: equity, fixed income and alternatives

² Consists of event-driven, real estate securities, infrastructure, long/short, and other strategies

ASSETS UNDER MANAGEMENT

BY PRODUCT AND ASSET CLASS



	<u>Open-End Funds</u>	<u>Closed-End Funds</u>	<u>Retail Separate Accounts</u>	<u>Institutional Accounts</u>	<u>Total as of 3/31/2022</u>
Equity:					
Domestic Equity	\$24,638	\$—	\$31,448	\$22,418	\$78,504
International Equity	7,318	—	126	1,231	8,675
Global Equity	1,475	—	471	8,634	10,580
Specialty Equity ¹	4,156	950	124	—	5,230
Total Equity	\$37,587	\$950	\$32,169	\$32,283	\$102,989
Fixed Income:					
Leveraged Finance	\$4,747	\$—	\$1,740	\$5,726	\$12,213
Multi-Sector	9,584	174	—	2,007	11,765
Emerging Markets Debt	1,978	230	—	7,038	9,246
Investment Grade	1,347	163	303	5,662	7,475
Hybrid	3,005	1,714	—	—	4,719
Total Fixed Income	\$20,661	\$2,281	\$2,043	\$20,433	\$45,418
Multi-Asset ²	\$7,805	\$8,055	\$6,611	\$944	\$23,415
Alternative ³	\$7,096	\$774	\$1	\$3,649	\$11,520
Total	\$73,149	\$12,060	\$40,824	\$57,309	\$183,342

\$ in millions

¹ Includes strategies designed to give targeted investment exposure to specific longer term trends and themes or specific industries

² Includes strategies with substantial holdings in at least two of the following asset classes: equity, fixed income and alternatives

³ Consists of event-driven, real estate securities, infrastructure, long/short, and other strategies

ASSET FLOWS

TOTAL



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Total							
Beginning balance	\$132,194	\$168,880	\$178,638	\$177,305	\$187,186	\$132,194	\$187,186
Inflows	10,611	9,550	7,623	8,712	9,435	10,611	9,435
Outflows	(8,099)	(8,096)	(8,126)	(8,693)	(11,395)	(8,099)	(11,395)
Net Flows	2,512	1,454	(503)	19	(1,960)	2,512	(1,960)
Market performance	4,690	8,782	(453)	6,333	(16,457)	4,690	(16,457)
Other ¹	29,484	(478)	(377)	3,529	14,573	29,484	14,573
Ending Balance - Total	\$168,880	\$178,638	\$177,305	\$187,186	\$183,342	\$168,880	\$183,342
<i>Inflow Rate</i> ²	32.6 %	22.7 %	16.9 %	19.5 %	20.4 %	32.6 %	20.4 %
<i>Outflow Rate</i> ²	(24.9)%	(19.2)%	(18.0)%	(19.5)%	(24.7)%	(24.8)%	(24.7)%
<i>Net Flow Rate</i> ²	7.7 %	3.5 %	(1.1)%	— %	(4.2)%	7.7 %	(4.2)%

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

² Annualized flows divided by beginning of period AUM

ASSET FLOWS

BY PRODUCT



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
U.S. Retail Funds							
Beginning balance	\$48,492	\$69,730	\$72,746	\$70,526	\$74,616	\$48,492	\$74,616
Inflows	5,652	4,591	3,555	4,029	4,739	5,652	4,739
Outflows	(5,157)	(4,864)	(4,964)	(5,744)	(7,858)	(5,157)	(7,858)
Net Flows	495	(273)	(1,409)	(1,715)	(3,119)	495	(3,119)
Market performance	1,074	3,345	(735)	2,185	(6,432)	1,074	(6,432)
Other ¹	19,669	(56)	(76)	3,620	1,489	19,669	1,489
Ending Balance	\$69,730	\$72,746	\$70,526	\$74,616	\$66,554	\$69,730	\$66,554
Global Funds ²							
Beginning balance	\$1,173	\$1,343	\$1,456	\$1,399	\$1,418	\$1,173	\$1,418
Inflows	191	139	66	83	62	191	62
Outflows	(61)	(83)	(105)	(74)	(320)	(61)	(320)
Net Flows	130	56	(39)	9	(258)	130	(258)
Market performance	41	57	(18)	11	(379)	41	(379)
Other ¹	(1)	—	—	(1)	3,308	(1)	3,308
Ending Balance	\$1,343	\$1,456	\$1,399	\$1,418	\$4,089	\$1,343	\$4,089

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

² Represents assets under management of Undertakings for Collective Investments in Transferable Securities ("UCITS")

ASSET FLOWS

BY PRODUCT (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Exchange Traded Funds							
Beginning balance	\$837	\$1,021	\$1,260	\$1,321	\$1,479	\$837	\$1,479
Inflows	175	232	174	211	126	175	126
Outflows	(77)	(92)	(65)	(73)	(151)	(77)	(151)
Net Flows	98	140	109	138	(25)	98	(25)
Market performance	98	104	(30)	41	19	98	19
Other ¹	(12)	(5)	(18)	(21)	(25)	(12)	(25)
Ending Balance	\$1,021	\$1,260	\$1,321	\$1,479	\$1,448	\$1,021	\$1,448
Variable Insurance Funds							
Beginning balance	\$1,106	\$1,091	\$1,131	\$1,119	\$1,193	\$1,106	\$1,193
Inflows	10	13	14	23	29	10	29
Outflows	(40)	(40)	(34)	(52)	(49)	(40)	(49)
Net Flows	(30)	(27)	(20)	(29)	(20)	(30)	(20)
Market performance	15	67	8	45	(115)	15	(115)
Other ¹	—	—	—	58	—	—	—
Ending Balance	\$1,091	\$1,131	\$1,119	\$1,193	\$1,058	\$1,091	\$1,058
Total Open End Funds							
Beginning balance	\$51,608	\$73,185	\$76,593	\$74,365	\$78,706	\$51,608	\$78,706
Inflows	6,028	4,975	3,809	4,346	4,956	6,028	4,956
Outflows	(5,335)	(5,079)	(5,168)	(5,943)	(8,378)	(5,335)	(8,378)
Net Flows	693	(104)	(1,359)	(1,597)	(3,422)	693	(3,422)
Market performance	1,228	3,573	(775)	2,282	(6,907)	1,228	(6,907)
Other ¹	19,656	(61)	(94)	3,656	4,772	19,656	4,772
Ending Balance	\$73,185	\$76,593	\$74,365	\$78,706	\$73,149	\$73,185	\$73,149

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY PRODUCT (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Closed-End Funds							
Beginning balance	\$5,914	\$11,664	\$11,993	\$11,721	\$12,068	\$5,914	\$12,068
Inflows	—	—	3	19	8	—	8
Outflows	—	—	—	—	—	—	—
Net Flows	—	—	3	19	8	—	8
Market performance	105	514	(114)	718	(196)	105	(196)
Other ¹	5,645	(185)	(161)	(390)	180	5,645	180
Ending Balance	\$11,664	\$11,993	\$11,721	\$12,068	\$12,060	\$11,664	\$12,060

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY PRODUCT (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Intermediary Sold Managed Accounts							
Beginning balance	\$23,852	\$31,133	\$34,125	\$34,974	\$37,621	\$23,852	\$37,621
Inflows	2,494	2,066	1,726	2,045	1,771	2,494	1,771
Outflows	(791)	(700)	(1,103)	(999)	(1,221)	(791)	(1,221)
Net Flows	1,703	1,366	623	1,046	550	1,703	550
Market performance	2,028	1,626	226	1,591	(3,824)	2,028	(3,824)
Other ¹	3,550	—	—	10	—	3,550	—
Ending Balance	\$31,133	\$34,125	\$34,974	\$37,621	\$34,347	\$31,133	\$34,347
Private Client							
Beginning balance	\$5,899	\$6,111	\$6,453	\$6,554	\$6,917	\$5,899	\$6,917
Inflows	205	207	277	195	251	205	251
Outflows	(105)	(133)	(128)	(126)	(173)	(105)	(173)
Net Flows	100	74	149	69	78	100	78
Market performance	113	284	(48)	304	(518)	113	(518)
Other ¹	(1)	(16)	—	(10)	—	(1)	—
Ending Balance	\$6,111	\$6,453	\$6,554	\$6,917	\$6,477	\$6,111	\$6,477
Total Retail Separate Accounts							
Beginning balance	\$29,751	\$37,244	\$40,578	\$41,528	\$44,538	\$29,751	\$44,538
Inflows	2,699	2,273	2,003	2,240	2,022	2,699	2,022
Outflows	(896)	(833)	(1,231)	(1,125)	(1,394)	(896)	(1,394)
Net Flows	1,803	1,440	772	1,115	628	1,803	628
Market performance	2,141	1,910	178	1,895	(4,342)	2,141	(4,342)
Other ¹	3,549	(16)	—	—	—	3,549	—
Ending Balance	\$37,244	\$40,578	\$41,528	\$44,538	\$40,824	\$37,244	\$40,824

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY PRODUCT (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Institutional ex. Structured Products							
Beginning balance	\$40,861	\$42,802	\$45,604	\$45,882	\$48,140	\$40,861	\$48,140
Inflows	1,884	2,302	1,808	2,099	2,449	1,884	2,449
Outflows	(1,868)	(2,184)	(1,727)	(1,625)	(1,623)	(1,868)	(1,623)
Net Flows	16	118	81	474	826	16	826
Market performance	1,181	2,752	222	1,409	(5,040)	1,181	(5,040)
Other ¹	744	(68)	(25)	375	9,732	744	9,732
Ending Balance	\$42,802	\$45,604	\$45,882	\$48,140	\$53,658	\$42,802	\$53,658
Structured Products							
Beginning balance	\$4,060	\$3,985	\$3,870	\$3,809	\$3,734	\$4,060	\$3,734
Inflows	—	—	—	8	—	—	—
Outflows	—	—	—	—	—	—	—
Net Flows	—	—	—	8	—	—	—
Market performance	35	33	36	29	28	35	28
Other ¹	(110)	(148)	(97)	(112)	(111)	(110)	(111)
Ending Balance	\$3,985	\$3,870	\$3,809	\$3,734	\$3,651	\$3,985	\$3,651
Total Institutional Accounts							
Beginning balance	\$44,921	\$46,787	\$49,474	\$49,691	\$51,874	\$44,921	\$51,874
Inflows	1,884	2,302	1,808	2,107	2,449	1,884	2,449
Outflows	(1,868)	(2,184)	(1,727)	(1,625)	(1,623)	(1,868)	(1,623)
Net Flows	16	118	81	482	826	16	826
Market performance	1,216	2,785	258	1,438	(5,012)	1,216	(5,012)
Other ¹	634	(216)	(122)	263	9,621	634	9,621
Ending Balance	\$46,787	\$49,474	\$49,691	\$51,874	\$57,309	\$46,787	\$57,309

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY ASSET CLASS



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Domestic Equity							
Beginning balance	\$63,680	\$77,155	\$82,819	\$83,331	\$87,889	\$63,680	\$87,889
Inflows	4,896	4,467	3,445	3,596	4,279	4,896	4,279
Outflows	(3,818)	(3,634)	(3,344)	(3,013)	(4,343)	(3,818)	(4,343)
Net Flows	1,078	833	101	583	(64)	1,078	(64)
Market performance	4,025	4,812	416	4,323	(9,339)	4,025	(9,339)
Other ¹	8,372	19	(5)	(348)	18	8,372	18
Ending Balance	\$77,155	\$82,819	\$83,331	\$87,889	\$78,504	\$77,155	\$78,504
International Equity							
Beginning balance	\$11,629	\$12,993	\$13,616	\$11,979	\$10,720	\$11,629	\$10,720
Inflows	1,120	693	517	592	655	1,120	655
Outflows	(959)	(656)	(1,410)	(1,420)	(1,284)	(959)	(1,284)
Net Flows	161	37	(893)	(828)	(629)	161	(629)
Market performance	155	580	(746)	56	(1,415)	155	(1,415)
Other ¹	1,048	6	2	(487)	(1)	1,048	(1)
Ending Balance	\$12,993	\$13,616	\$11,979	\$10,720	\$8,675	\$12,993	\$8,675

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY ASSET CLASS (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Global Equity							
Beginning balance	\$9,512	\$9,681	\$10,623	\$11,009	\$11,658	\$9,512	\$11,658
Inflows	501	669	732	1,231	214	501	214
Outflows	(617)	(404)	(308)	(298)	(230)	(617)	(230)
Net Flows	(116)	265	424	933	(16)	(116)	(16)
Market performance	198	675	(39)	(338)	(1,059)	198	(1,059)
Other ²	87	2	1	54	(3)	87	(3)
Ending Balance	\$9,681	\$10,623	\$11,009	\$11,658	\$10,580	\$9,681	\$10,580
Specialty Equity ¹							
Beginning balance	\$1,447	\$6,354	\$6,693	\$6,413	\$6,279	\$1,447	\$6,279
Inflows	639	394	234	260	202	639	202
Outflows	(512)	(525)	(464)	(453)	(535)	(512)	(535)
Net Flows	127	(131)	(230)	(193)	(333)	127	(333)
Market performance	(161)	488	(40)	249	(804)	(161)	(804)
Other ²	4,941	(18)	(10)	(190)	88	4,941	88
Ending Balance	\$6,354	\$6,693	\$6,413	\$6,279	\$5,230	\$6,354	\$5,230
Total Equity							
Beginning balance	\$86,268	\$106,183	\$113,751	\$112,732	\$116,546	\$86,268	\$116,546
Inflows	7,156	6,223	4,928	5,679	5,350	7,156	5,350
Outflows	(5,906)	(5,219)	(5,526)	(5,184)	(6,392)	(5,906)	(6,392)
Net Flows	1,250	1,004	(598)	495	(1,042)	1,250	(1,042)
Market performance	4,217	6,555	(409)	4,290	(12,617)	4,217	(12,617)
Other ²	14,448	9	(12)	(971)	102	14,448	102
Ending Balance	\$106,183	\$113,751	\$112,732	\$116,546	\$102,989	\$106,183	\$102,989

\$ in millions

¹ Includes strategies designed to give targeted investment exposure to specific longer term trends and themes or specific industries

² Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY ASSET CLASS (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Leveraged Finance							
Beginning balance	\$10,730	\$11,981	\$12,270	\$12,210	\$12,069	\$10,730	\$12,069
Inflows	847	684	577	666	1,613	847	1,613
Outflows	(450)	(434)	(623)	(755)	(1,667)	(450)	(1,667)
Net Flows	397	250	(46)	(89)	(54)	397	(54)
Market performance	121	189	98	73	(1,180)	121	(1,180)
Other ¹	733	(150)	(112)	(125)	1,378	733	1,378
Ending Balance	\$11,981	\$12,270	\$12,210	\$12,069	\$12,213	\$11,981	\$12,213
Multi-Sector							
Beginning balance	\$9,128	\$9,428	\$9,567	\$9,690	\$9,633	\$9,128	\$9,633
Inflows	923	672	557	547	513	923	513
Outflows	(603)	(616)	(437)	(556)	(811)	(603)	(811)
Net Flows	320	56	120	(9)	(298)	320	(298)
Market performance	(61)	108	23	(31)	(604)	(61)	(604)
Other ¹	41	(25)	(20)	(17)	3,034	41	3,034
Ending Balance	\$9,428	\$9,567	\$9,690	\$9,633	\$11,765	\$9,428	\$11,765
Emerging Markets Debt							
Beginning balance	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Inflows	—	—	—	—	631	—	631
Outflows	—	—	—	—	(821)	—	(821)
Net Flows	—	—	—	—	(190)	—	(190)
Market performance	—	—	—	—	(977)	—	(977)
Other ¹	—	—	—	—	10,413	—	10,413
Ending Balance	\$—	\$—	\$—	\$—	\$9,246	\$—	\$9,246

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY ASSET CLASS (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Investment Grade							
Beginning balance	\$8,883	\$8,509	\$8,245	\$7,924	\$7,177	\$8,883	\$7,177
Inflows	427	337	274	229	164	427	164
Outflows	(366)	(601)	(572)	(933)	(545)	(366)	(545)
Net Flows	61	(264)	(298)	(704)	(381)	61	(381)
Market performance	(187)	95	(1)	(11)	(368)	(187)	(368)
Other ¹	(248)	(95)	(22)	(32)	1,047	(248)	1,047
Ending Balance	\$8,509	\$8,245	\$7,924	\$7,177	\$7,475	\$8,509	\$7,475
Hybrid							
Beginning balance	\$224	\$5,151	\$5,344	\$5,416	\$5,382	\$224	\$5,382
Inflows	383	360	333	313	284	383	284
Outflows	(179)	(325)	(200)	(272)	(584)	(179)	(584)
Net Flows	204	35	133	41	(300)	204	(300)
Market performance	(37)	190	(28)	44	(329)	(37)	(329)
Other ¹	4,760	(32)	(33)	(119)	(34)	4,760	(34)
Ending Balance	\$5,151	\$5,344	\$5,416	\$5,382	\$4,719	\$5,151	\$4,719
Total Fixed Income							
Beginning balance	\$28,965	\$35,069	\$35,426	\$35,240	\$34,261	\$28,965	\$34,261
Inflows	2,580	2,053	1,741	1,755	2,574	2,580	2,574
Outflows	(1,598)	(1,976)	(1,832)	(2,516)	(3,607)	(1,598)	(3,607)
Net Flows	982	77	(91)	(761)	(1,033)	982	(1,033)
Market performance	(164)	582	92	75	(2,481)	(164)	(2,481)
Other ¹	5,286	(302)	(187)	(293)	5,425	5,286	5,425
Ending Balance	\$35,069	\$35,426	\$35,240	\$34,261	\$36,172	\$35,069	\$36,172

\$ in millions

¹ Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

ASSET FLOWS

BY ASSET CLASS (CONTINUED)



	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Multi-Asset ¹							
Beginning balance	\$12,201	\$22,498	\$23,668	\$23,641	\$24,853	\$12,201	\$24,853
Inflows	561	674	672	583	577	561	577
Outflows	(329)	(488)	(392)	(397)	(597)	(329)	(597)
Net Flows	232	186	280	186	(20)	232	(20)
Market performance	337	1,145	(153)	1,283	(1,237)	337	(1,237)
Other ²	9,728	(161)	(154)	(257)	(181)	9,728	(181)
Ending Balance	\$22,498	\$23,668	\$23,641	\$24,853	\$23,415	\$22,498	\$23,415
Alternative ³							
Beginning balance	\$4,760	\$5,130	\$5,793	\$5,692	\$11,526	\$4,760	\$11,526
Inflows	314	600	282	695	934	314	934
Outflows	(266)	(413)	(376)	(596)	(799)	(266)	(799)
Net Flows	48	187	(94)	99	135	48	135
Market performance	300	500	17	685	(122)	300	(122)
Other ²	22	(24)	(24)	5,050	(19)	22	(19)
Ending Balance	\$5,130	\$5,793	\$5,692	\$11,526	\$11,520	\$5,130	\$11,520

\$ in millions

¹ Includes strategies with substantial holdings in at least two of the following asset classes: equity, fixed income and alternatives

² Represents open-end and closed-end fund distributions net of reinvestments, the net change in assets from cash management strategies, and the impact of non-sales related activities such as asset acquisitions/(dispositions), seed capital investments/(withdrawals), current income or capital returned by structured products and the use of leverage

³ Consists of event-driven, real estate securities, infrastructure, long/short, and other strategies

INVESTMENT MANAGEMENT FEES

AVERAGE ASSETS¹ BY PRODUCT



	<u>Q1:21</u>	<u>Q2:21</u>	<u>Q3:21</u>	<u>Q4:21</u>	<u>Q1:22</u>	<u>YTD:21</u>	<u>YTD:22</u>
U.S. Retail Funds	\$63,872	\$71,599	\$72,476	\$76,288	\$69,133	\$63,872	\$69,133
Global Funds	1,265	1,411	1,453	1,426	3,902	1,265	3,902
Exchange Traded Funds	890	1,159	1,295	1,387	1,422	890	1,422
Variable Insurance Funds	1,110	1,116	1,144	1,202	1,080	1,110	1,080
Total – Open-End Funds	\$67,137	\$75,285	\$76,368	\$80,303	\$75,537	\$67,137	\$75,537
Closed-End Funds	\$9,340	\$11,936	\$12,091	\$12,043	\$11,762	\$9,340	\$11,762
Intermediary Sold Managed Accounts	\$26,219	\$31,134	\$34,125	\$34,973	\$37,621	\$26,219	\$37,621
Private Client	5,899	6,110	6,453	6,555	6,917	5,899	6,917
Total – Retail Separate Accounts	\$32,118	\$37,244	\$40,578	\$41,528	\$44,538	\$32,118	\$44,538
Institutional ex. Structured Products	\$41,764	\$44,538	\$46,739	\$46,959	\$54,615	\$41,764	\$54,615
Structured Products	3,985	3,875	3,803	3,734	3,654	3,985	3,654
Total – Institutional Accounts	\$45,749	\$48,413	\$50,542	\$50,693	\$58,269	\$45,749	\$58,269
Total	\$154,344	\$172,878	\$179,579	\$184,567	\$190,106	\$154,344	\$190,106

\$ in millions

¹ Averages are calculated as follows: Funds – average daily or weekly balances; Retail Separate Accounts – prior quarter ending balance; Institutional Accounts – average of month-end balances in quarter

INVESTMENT MANAGEMENT FEES

AVERAGE MANAGEMENT FEES EARNED¹ BY PRODUCT (IN BASIS POINTS)



	<u>Q1:21</u>	<u>Q2:21</u>	<u>Q3:21</u>	<u>Q4:21</u>	<u>Q1:22</u>	<u>YTD:21</u>	<u>YTD:22</u>
Total Open-End Funds	53.7	51.7	51.6	53.7	52.2	53.7	52.2
Revenue Related Adjustments	(6.2)	(5.8)	(5.9)	(5.2)	(5.7)	(6.2)	(5.7)
Total Open-End Funds, Net	47.5	45.9	45.7	48.5	46.5	47.5	46.5
Closed-End Funds, Net	56.2	55.1	56.2	55.5	58.4	56.2	58.4
Total Retail Separate Accounts	47.4	45.7	45.6	46.1	45.2	47.4	45.2
Revenue Related Adjustments	(1.7)	(1.5)	(1.6)	(1.5)	(1.6)	(1.7)	(1.6)
Total Retail Separate Accounts, Net	45.7	44.2	44.0	44.6	43.6	45.7	43.6
Institutional Accounts ² , Net	32.1	32.8	31.3	32.6	31.5	32.1	31.5
Total Products ³	46.2	45.4	44.9	46.4	44.6	46.2	44.6
Revenue Related Adjustments	(3.1)	(2.9)	(2.9)	(2.7)	(2.7)	(3.1)	(2.7)
Total Products, Net	43.1	42.5	42.0	43.7	41.9	43.1	41.9

¹ Represents investment management fees, as adjusted divided by average assets. Investment management fees, as adjusted exclude the impact of consolidated investment products and are reduced by revenue related adjustments that are based on specific agreements and reflect the portion of investment management fees passed-through to third-party client intermediaries for services to investors in sponsored investment products.

² Includes incentive fees earned during the three months ended March 31, 2021, June 30, 2021, September 30, 2021, December 31, 2021, and March 31, 2022 that increased the fee rate by 0.6 basis points, 0.7 basis points, 0.5 basis points, 0.6 basis points and 0.5 basis points, respectively

³ Includes incentive fees earned during the three months ended March 31, 2021, June 30, 2021, September 30, 2021, December 31, 2021, and March 31, 2022 that increased the fee rate by 0.2, 0.2, 0.1, 0.1 basis points and 0.1 basis points, respectively

RECONCILIATION: U.S. GAAP TO NON-GAAP

Q1 2022 (UNAUDITED)



	Reclassification		Other adjustments				Non-GAAP Basis	
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration		Other
Revenues								
Investment management fees	206,817	2,310	(12,838)	—	—	—	—	196,289
Distribution and service fees	20,007	1	(20,008)	—	—	—	—	—
Administration and shareholder service fees	24,344	43	—	—	—	—	—	24,387
Other income and fees	1,272	—	—	—	—	—	—	1,272
Total revenues	252,440	2,354	(32,846)	—	—	—	—	221,948
Operating Expenses								
Employment expenses	105,993	—	—	—	—	(4,282)	(122)	101,589
Distribution and other asset-based expenses	32,846	—	(32,846)	—	—	—	—	—
Other operating expenses	31,712	—	—	—	—	(2,385)	—	29,327
Operating expenses of CIP	740	(740)	—	—	—	—	—	—
Depreciation expense	935	—	—	—	—	—	—	935
Amortization expense	14,662	—	—	(14,662)	—	—	—	—
Total operating expenses	186,888	(740)	(32,846)	(14,662)	—	(6,667)	(122)	131,851
Operating Income (Loss)	65,552	3,094	—	14,662	—	6,667	122	90,097
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	(2,982)	(8,208)	—	—	10,735	—	—	(455)
Realized and unrealized gain (loss) of CIP, net	(13,344)	13,344	—	—	—	—	—	—
Other income (expense), net	287	—	—	—	—	—	—	287
Total other income (expense), net	(16,039)	5,136	—	—	10,735	—	—	(168)
Interest Income (Expense)								
Interest expense	(2,279)	—	—	—	—	—	—	(2,279)
Interest and dividend income	328	868	—	—	—	—	—	1,196
Interest and dividend income of CIP	20,380	(20,380)	—	—	—	—	—	—
Interest expense of CIP	(12,088)	12,088	—	—	—	—	—	—
Total interest income (expense), net	6,341	(7,424)	—	—	—	—	—	(1,083)
Income (Loss) Before Income Taxes	55,854	806	—	14,662	10,735	6,667	122	88,846
Income tax expense (benefit)	16,735	—	—	3,974	(1,041)	1,807	2,603	24,078
Net Income (Loss)	39,119	806	—	10,688	11,776	4,860	(2,481)	64,768
Noncontrolling interests	(6,060)	(806)	—	(736)	—	—	4,488	(3,114)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	33,059	—	—	9,952	11,776	4,860	2,007	61,654
Earnings (Loss) Per Share - Diluted	4.22	—	—	—	—	—	—	7.87
Weighted Average Shares Outstanding - Diluted	7,839	—	—	—	—	—	—	7,839

RECONCILIATION: U.S. GAAP TO NON-GAAP

Q4 2021 (UNAUDITED)



	Reclassification		Other adjustments				Non-GAAP Basis	
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration		Other
Revenues								
Investment management fees	213,673	2,323	(12,567)	—	—	—	—	203,429
Distribution and service fees	23,464	1	(23,465)	—	—	—	—	—
Administration and shareholder service fees	27,615	50	—	—	—	—	—	27,665
Other income and fees	1,510	—	—	—	—	—	—	1,510
Total revenues	266,262	2,374	(36,032)	—	—	—	—	232,604
Operating Expenses								
Employment expenses	91,496	—	—	—	—	846	(346)	91,996
Distribution and other asset-based expenses	36,032	—	(36,032)	—	—	—	—	—
Other operating expenses	25,808	—	—	—	—	(2,900)	(28)	22,880
Operating expenses of CIP	1,705	(1,705)	—	—	—	—	—	—
Change in fair value of contingent consideration	12,400	—	—	—	—	(12,400)	—	—
Depreciation expense	906	—	—	—	—	—	—	906
Amortization expense	14,262	—	—	(14,262)	—	—	—	—
Total operating expenses	182,609	(1,705)	(36,032)	(14,262)	—	(14,454)	(374)	115,782
Operating Income (Loss)	83,653	4,079	—	14,262	—	14,454	374	116,822
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	1,026	114	—	—	(1,285)	—	—	(145)
Realized and unrealized gain (loss) of CIP, net	2,980	(2,980)	—	—	—	—	—	—
Other income (expense), net	632	—	—	—	—	—	—	632
Total other income (expense), net	4,638	(2,866)	—	—	(1,285)	—	—	487
Interest Income (Expense)								
Interest expense	(2,322)	—	—	—	—	—	—	(2,322)
Interest and dividend income	793	979	—	—	—	—	—	1,772
Interest and dividend income of CIP	20,765	(20,765)	—	—	—	—	—	—
Interest expense of CIP	(18,056)	18,056	—	—	—	—	—	—
Total interest income (expense), net	1,180	(1,730)	—	—	—	—	—	(550)
Income (Loss) Before Income Taxes	89,471	(517)	—	14,262	(1,285)	14,454	374	116,759
Income tax expense (benefit)	27,458	—	—	3,844	(2,880)	3,896	(850)	31,468
Net Income (Loss)	62,013	(517)	—	10,418	1,595	10,558	1,224	85,291
Noncontrolling interests	(12,173)	517	—	(736)	—	—	9,231	(3,161)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	49,840	—	—	9,682	1,595	10,558	10,455	82,130
Earnings (Loss) Per Share - Diluted	6.29	—	—	—	—	—	—	10.36
Weighted Average Shares Outstanding - Diluted	7,929	—	—	—	—	—	—	7,929

RECONCILIATION: U.S. GAAP TO NON-GAAP

Q3 2021 (UNAUDITED)



	Reclassification		Other adjustments					Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
Revenues								
Investment management fees	201,133	2,292	(13,396)	—	—	—	—	190,029
Distribution and service fees	23,293	3	(23,296)	—	—	—	—	—
Administration and shareholder service fees	26,479	3	—	—	—	—	—	26,482
Other income and fees	1,159	—	—	—	—	—	—	1,159
Total revenues	252,064	2,298	(36,692)	—	—	—	—	217,670
Operating Expenses								
Employment expenses	87,345	—	—	—	—	(429)	(445)	86,471
Distribution and other asset-based expenses	36,692	—	(36,692)	—	—	—	—	—
Other operating expenses	22,800	—	—	—	—	(1,842)	(785)	20,173
Operating expenses of CIP	639	(639)	—	—	—	—	—	—
Depreciation expense	915	—	—	—	—	—	—	915
Amortization expense	10,391	—	—	(10,391)	—	—	—	—
Total operating expenses	158,782	(639)	(36,692)	(10,391)	—	(2,271)	(1,230)	107,559
Operating Income (Loss)	93,282	2,937	—	10,391	—	2,271	1,230	110,111
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	(504)	2,638	—	—	(2,110)	—	—	24
Realized and unrealized gain (loss) of CIP, net	(2,801)	2,801	—	—	—	—	—	—
Other income (expense), net	1,001	—	—	—	—	—	—	1,001
Total other income (expense), net	(2,304)	5,439	—	—	(2,110)	—	—	1,025
Interest Income (Expense)								
Interest expense	(2,348)	—	—	—	—	—	180	(2,168)
Interest and dividend income	269	744	—	—	—	—	—	1,013
Interest and dividend income of CIP	22,877	(22,877)	—	—	—	—	—	—
Interest expense of CIP	(13,442)	13,442	—	—	—	—	—	—
Total interest income (expense), net	7,356	(8,691)	—	—	—	—	180	(1,155)
Income (Loss) Before Income Taxes	98,334	(315)	—	10,391	(2,110)	2,271	1,410	109,981
Income tax expense (benefit)	25,823	—	—	2,751	(779)	601	717	29,113
Net Income (Loss)	72,511	(315)	—	7,640	(1,331)	1,670	693	80,868
Noncontrolling interests	(13,775)	315	—	(736)	—	—	10,841	(3,355)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	58,736	—	—	6,904	(1,331)	1,670	11,534	77,513
Earnings (Loss) Per Share - Diluted	7.36	—	—	—	—	—	—	9.71
Weighted Average Shares Outstanding - Diluted	7,984	—	—	—	—	—	—	7,984

RECONCILIATION: U.S. GAAP TO NON-GAAP

Q2 2021 (UNAUDITED)



	Reclassification		Other adjustments					Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
Revenues								
Investment management fees	193,510	2,290	(12,570)	—	—	—	—	183,230
Distribution and service fees	23,450	1	(23,451)	—	—	—	—	—
Administration and shareholder service fees	25,877	49	—	—	—	—	—	25,926
Other income and fees	1,174	—	—	—	—	—	—	1,174
Total revenues	244,011	2,340	(36,021)	—	—	—	—	210,330
Operating Expenses								
Employment expenses	87,630	—	—	—	—	(615)	(494)	86,521
Distribution and other asset-based expenses	36,021	—	(36,021)	—	—	—	—	—
Other operating expenses	21,946	—	—	—	—	(2,052)	—	19,894
Operating expenses of CIP	659	(659)	—	—	—	—	—	—
Depreciation expense	981	—	—	—	—	—	—	981
Amortization expense	10,363	—	—	(10,363)	—	—	—	—
Total operating expenses	157,600	(659)	(36,021)	(10,363)	—	(2,667)	(494)	107,396
Operating Income (Loss)	86,411	2,999	—	10,363	—	2,667	494	102,934
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	2,494	5,707	—	—	(7,725)	—	—	476
Realized and unrealized gain (loss) of CIP, net	2,747	(2,747)	—	—	—	—	—	—
Other income (expense), net	826	—	—	—	—	—	—	826
Total other income (expense), net	6,067	2,960	—	—	(7,725)	—	—	1,302
Interest Income (Expense)								
Interest expense	(2,256)	—	—	—	—	—	—	(2,256)
Interest and dividend income	166	919	—	—	—	—	—	1,085
Interest and dividend income of CIP	22,562	(22,562)	—	—	—	—	—	—
Interest expense of CIP	(14,452)	14,452	—	—	—	—	—	—
Total interest income (expense), net	6,020	(7,191)	—	—	—	—	—	(1,171)
Income (Loss) Before Income Taxes	98,498	(1,232)	—	10,363	(7,725)	2,667	494	103,065
Income tax expense (benefit)	22,401	—	—	2,754	(521)	709	2,051	27,394
Net Income (Loss)	76,097	(1,232)	—	7,609	(7,204)	1,958	(1,557)	75,671
Noncontrolling interests	(13,130)	1,232	—	(736)	—	—	9,624	(3,010)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	62,967	—	—	6,873	(7,204)	1,958	8,067	72,661
Earnings (Loss) Per Share - Diluted	7.86							9.07
Weighted Average Shares Outstanding - Diluted	8,007							8,007

RECONCILIATION: U.S. GAAP TO NON-GAAP

Q1 2021 (UNAUDITED)



	Reclassification		Other adjustments					Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
Revenues								
Investment management fees	173,269	2,609	(11,943)	—	—	—	—	163,935
Distribution and service fees	20,348	3	(20,351)	—	—	—	—	—
Administration and shareholder service fees	22,560	61	—	—	—	—	—	22,621
Other income and fees	720	—	—	—	—	—	—	720
Total revenues	216,897	2,673	(32,294)	—	—	—	—	187,276
Operating Expenses								
Employment expenses	91,759	—	—	—	—	(867)	(480)	90,412
Distribution and other asset-based expenses	32,294	—	(32,294)	—	—	—	—	—
Other operating expenses	19,580	—	—	—	—	(1,780)	—	17,800
Operating expenses of CIP	559	(559)	—	—	—	—	—	—
Depreciation expense	1,098	—	—	—	—	—	—	1,098
Amortization expense	9,465	—	—	(9,465)	—	—	—	—
Total operating expenses	154,755	(559)	(32,294)	(9,465)	—	(2,647)	(480)	109,310
Operating Income (Loss)	62,142	3,232	—	9,465	—	2,647	480	77,966
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	891	569	—	—	(1,533)	—	—	(73)
Realized and unrealized gain (loss) of CIP, net	(4,687)	4,687	—	—	—	—	—	—
Other income (expense), net	1,771	—	—	—	—	—	—	1,771
Total other income (expense), net	(2,025)	5,256	—	—	(1,533)	—	—	1,698
Interest Income (Expense)								
Interest expense	(2,314)	—	—	—	—	—	—	(2,314)
Interest and dividend income	136	910	—	—	—	—	—	1,046
Interest and dividend income of CIP	23,876	(23,876)	—	—	—	—	—	—
Interest expense of CIP	(14,448)	14,448	—	—	—	—	—	—
Total interest income (expense), net	7,250	(8,518)	—	—	—	—	—	(1,268)
Income (Loss) Before Income Taxes	67,367	(30)	—	9,465	(1,533)	2,647	480	78,396
Income tax expense (benefit)	15,153	—	—	2,528	(377)	707	2,931	20,942
Net Income (Loss)	52,214	(30)	—	6,937	(1,156)	1,940	(2,451)	57,454
Noncontrolling interests	(15,626)	30	—	(736)	—	—	13,498	(2,834)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	36,588	—	—	6,201	(1,156)	1,940	11,047	54,620
Earnings (Loss) Per Share - Diluted	4.54	—	—	—	—	—	—	6.78
Weighted Average Shares Outstanding - Diluted	8,052	—	—	—	—	—	—	8,052

RECONCILIATION: U.S. GAAP TO NON-GAAP

YTD 2022 (UNAUDITED)



	Reclassification			Other adjustments				Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
Revenues								
Investment management fees	206,817	2,310	(12,838)	—	—	—	—	196,289
Distribution and service fees	20,007	1	(20,008)	—	—	—	—	—
Administration and shareholder service fees	24,344	43	—	—	—	—	—	24,387
Other income and fees	1,272	—	—	—	—	—	—	1,272
Total revenues	252,440	2,354	(32,846)	—	—	—	—	221,948
Operating Expenses								
Employment expenses	105,993	—	—	—	—	(4,282)	(122)	101,589
Distribution and other asset-based expenses	32,846	—	(32,846)	—	—	—	—	—
Other operating expenses	31,712	—	—	—	—	(2,385)	—	29,327
Operating expenses of CIP	740	(740)	—	—	—	—	—	—
Depreciation expense	935	—	—	—	—	—	—	935
Amortization expense	14,662	—	—	(14,662)	—	—	—	—
Total operating expenses	186,888	(740)	(32,846)	(14,662)	—	(6,667)	(122)	131,851
Operating Income (Loss)	65,552	3,094	—	14,662	—	6,667	122	90,097
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	(2,982)	(8,208)	—	—	10,735	—	—	(455)
Realized and unrealized gain (loss) of CIP, net	(13,344)	13,344	—	—	—	—	—	—
Other income (expense), net	287	—	—	—	—	—	—	287
Total other income (expense), net	(16,039)	5,136	—	—	10,735	—	—	(168)
Interest Income (Expense)								
Interest expense	(2,279)	—	—	—	—	—	—	(2,279)
Interest and dividend income	328	868	—	—	—	—	—	1,196
Interest and dividend income of CIP	20,380	(20,380)	—	—	—	—	—	—
Interest expense of CIP	(12,088)	12,088	—	—	—	—	—	—
Total interest income (expense), net	6,341	(7,424)	—	—	—	—	—	(1,083)
Income (Loss) Before Income Taxes	55,854	806	—	14,662	10,735	6,667	122	88,846
Income tax expense (benefit)	16,735	—	—	3,974	(1,041)	1,807	2,603	24,078
Net Income (Loss)	39,119	806	—	10,688	11,776	4,860	(2,481)	64,768
Noncontrolling interests	(6,060)	(806)	—	(736)	—	—	4,488	(3,114)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	33,059	—	—	9,952	11,776	4,860	2,007	61,654
Earnings (Loss) Per Share - Diluted	4.22	—	—	—	—	—	—	7.87
Weighted Average Shares Outstanding - Diluted	7,839	—	—	—	—	—	—	7,839

RECONCILIATION: U.S. GAAP TO NON-GAAP

YTD 2021 (UNAUDITED)



	Reclassification		Other adjustments					Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
Revenues								
Investment management fees	173,269	2,609	(11,943)	—	—	—	—	163,935
Distribution and service fees	20,348	3	(20,351)	—	—	—	—	—
Administration and shareholder service fees	22,560	61	—	—	—	—	—	22,621
Other income and fees	720	—	—	—	—	—	—	720
Total revenues	216,897	2,673	(32,294)	—	—	—	—	187,276
Operating Expenses								
Employment expenses	91,759	—	—	—	—	(867)	(480)	90,412
Distribution and other asset-based expenses	32,294	—	(32,294)	—	—	—	—	—
Other operating expenses	19,580	—	—	—	—	(1,780)	—	17,800
Operating expenses of CIP	559	(559)	—	—	—	—	—	—
Depreciation expense	1,098	—	—	—	—	—	—	1,098
Amortization expense	9,465	—	—	(9,465)	—	—	—	—
Total operating expenses	154,755	(559)	(32,294)	(9,465)	—	(2,647)	(480)	109,310
Operating Income (Loss)	62,142	3,232	—	9,465	—	2,647	480	77,966
Other Income (Expense)								
Realized and unrealized gain (loss) on investments, net	891	569	—	—	(1,533)	—	—	(73)
Realized and unrealized gain (loss) of CIP, net	(4,687)	4,687	—	—	—	—	—	—
Other income (expense), net	1,771	—	—	—	—	—	—	1,771
Total other income (expense), net	(2,025)	5,256	—	—	(1,533)	—	—	1,698
Interest Income (Expense)								
Interest expense	(2,314)	—	—	—	—	—	—	(2,314)
Interest and dividend income	136	910	—	—	—	—	—	1,046
Interest and dividend income of CIP	23,876	(23,876)	—	—	—	—	—	—
Interest expense of CIP	(14,448)	14,448	—	—	—	—	—	—
Total interest income (expense), net	7,250	(8,518)	—	—	—	—	—	(1,268)
Income (Loss) Before Income Taxes	67,367	(30)	—	9,465	(1,533)	2,647	480	78,396
Income tax expense (benefit)	15,153	—	—	2,528	(377)	707	2,931	20,942
Net Income (Loss)	52,214	(30)	—	6,937	(1,156)	1,940	(2,451)	57,454
Noncontrolling interests	(15,626)	30	—	(736)	—	—	13,498	(2,834)
Net Income (Loss) Attributable to Virtus Investment Partners, Inc.	36,588	—	—	6,201	(1,156)	1,940	11,047	54,620
Earnings (Loss) Per Share - Diluted	4.54	—	—	—	—	—	—	6.78
Weighted Average Shares Outstanding - Diluted	8,052	—	—	—	—	—	—	8,052

Non-GAAP financial information differs from financial information determined in accordance with U.S. GAAP as a result of the reclassification of certain income statement items, as well as the exclusion of certain expenses and other items that are not reflective of the earnings generated from providing investment management and related services. Non-GAAP financial information has material limitations and should not be viewed in isolation or as a substitute for U.S. GAAP measures.

Reclassifications:

1. Consolidated investment products - Revenues and expenses generated by operating activities of mutual funds and CLOs that are consolidated in the financial statements. Management believes that excluding these operating activities to reflect net revenues and expenses of the company prior to the consolidation of these products is consistent with the approach of reflecting its operating results from managing third-party client assets.

Revenue related adjustments:

2. Investment management fees/Distribution and service fees - Each of these revenue line items is reduced to exclude fees passed-through to third-party client intermediaries who own the retail client relationship and are responsible for distributing the product and servicing the client. The amount of fees fluctuate each period, based on a predetermined percentage of the value of assets under management, and vary based on the type of investment product. The specific adjustments are as follows:

Investment management fees - Based on specific agreements, the portion of investment management fees passed-through to third-party intermediaries for services to investors in sponsored investment products.

Distribution and service fees - Based on distinct arrangements, fees collected by the Company then passed-through to third-party client intermediaries for services to investors in sponsored investment products. Adjustment represents all of the Company's distribution and service fees which are recorded as a separate line item on the condensed consolidated statements of operations.

Management believes that making these adjustments aids in comparing the company's operating results with other asset management firms that do not utilize third-party client intermediaries.

Other adjustments:

3. Distribution and other asset-based expenses - Primarily payments to third-party client intermediaries for providing services to investors in sponsored investment products. Management believes that making this adjustment aids in comparing the company's operating results with other asset management firms that do not utilize third-party client intermediaries.
4. Amortization of intangible assets - Non-cash amortization expense or impairment expense, if any, attributable to acquisition-related intangible assets, including any portion that is allocated to noncontrolling interests. Management believes that making this adjustment aids in comparing the company's operating results with other asset management firms that have not engaged in acquisitions.
5. Restructuring and severance - Certain expenses associated with restructuring the business, including lease abandonment-related expenses and severance costs associated with staff reductions, that are not reflective of the ongoing earnings generation of the business. Management believes that making this adjustment aids in comparing the company's operating results with prior periods.
6. Acquisition and integration expenses - Expenses that are directly related to acquisition and integration activities. Acquisition expenses include transaction closing costs, change in fair value of contingent consideration, certain professional fees, and financing fees. Integration expenses include costs incurred that are directly attributable to combining businesses, including compensation, restructuring and severance charges, professional fees, consulting fees, and other expenses. Management believes that making these adjustments aids in comparing the company's operating results with other asset management firms that have not engaged in acquisitions.
7. Other - Certain expenses that are not reflective of the ongoing earnings generation of the business. Employment expenses and noncontrolling interests are adjusted for fair value measurements of affiliate minority interests. Other operating expenses are adjusted for non-capitalized debt issuance costs. Interest expense is adjusted to remove gains on early extinguishment of debt and the write-off of previously capitalized costs associated with the modification of debt. Income tax expense (benefit) items are adjusted, for uncertain tax positions, changes in tax law, valuation allowances, and other unusual or infrequent items not related to current operating results to reflect a normalized effective rate. Management believes that making these adjustments aids in comparing the company's operating results with prior periods.
8. Seed capital and CLO investments (gains) losses - Gains and losses (realized and unrealized) of seed capital and CLO investments. Gains and losses (realized and unrealized) generated by investments in seed capital and CLO investments can vary significantly from period to period and do not reflect the Company's operating results from providing investment management and related services. Management believes that making this adjustment aids in comparing the Company's operating results with prior periods and with other asset management firms that do not have meaningful seed capital and CLO investments.

FOOTNOTES

(UNAUDITED)



Components of Acquisition and Integration Expenses and Other for the respective periods are shown in the table below:

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Acquisition and Integration Expenses							
Employment expenses	\$867	\$615	\$429	\$(846)	\$4,282	\$867	\$4,282
Other operating expenses	1,780	2,052	1,842	2,900	2,385	1,780	2,385
Change in fair value of contingent consideration	—	—	—	12,400	—	—	—
Total Acquisition and Integration Operating Expenses	\$2,647	\$2,667	\$2,271	\$14,454	\$6,667	\$2,647	\$6,667
	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>YTD:21</u>	<u>YTD:22</u>
Other							
Employment expense fair value adjustments	\$480	\$494	\$445	\$346	\$122	\$480	\$122
Non-capitalized debt issuance costs	—	—	785	28	—	—	—
Gain / loss on extinguishment or modification of debt	—	—	180	—	—	—	—
Tax impact of adjustments	(128)	(131)	(373)	(101)	(33)	(128)	(33)
Other discrete tax adjustments	(2,803)	(1,920)	(344)	951	(2,570)	(2,803)	(2,570)
Affiliate minority interest fair value adjustments	13,498	9,624	10,841	9,231	4,488	13,498	4,488
Total Other	\$11,047	\$8,067	\$11,534	\$10,455	\$2,007	\$11,047	\$2,007

\$ in thousands

