

# INVESTOR PRESENTATION

---

***Investor Relations***

Sean Rourke  
(860) 263-4709  
[sean.rourke@virtus.com](mailto:sean.rourke@virtus.com)

February 2023

# 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 and political conditions (including war, acts of terrorism and civil unrest); (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) 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](http://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.

- Firm Overview
- Multi-Boutique Model
- Growth Opportunities
- Products and Performance
- Distribution
- Financial Review
- Appendix

# Firm Overview

---



**We are a distinctive partnership of boutique investment managers, singularly committed to the long-term success of individual and institutional investors**

- **Independent publicly traded asset manager**
  - Market capitalization of \$1.6<sup>1</sup> billion (NASDAQ: VRTS)
- **Managing \$149.4<sup>2</sup> billion in a multi-boutique structure**
  - Flexible model with offerings from affiliated managers and select subadvisers
  - Strong retail distribution and U.S. and non-U.S. institutional distribution support
  - Shared operations and business support services
- **Investment strategies available in multiple product forms:**
  - Open-end mutual funds
  - Closed-end funds
  - Global Funds
  - Exchange traded funds
  - Retail separate accounts
  - Institutional accounts
  - Collective investment trusts
  - Structured products

<sup>1</sup> As of February 8, 2023

<sup>2</sup> As of December 31, 2022

### Flexible Multi-Boutique Model

---

- Flexible partnership approach with alignment of interests
  - Preserves affiliate culture, investment process, and brand
  - Shared distribution and support services
- 

### Diverse, High-Quality Product Offerings

---

- Well-diversified across asset classes and investment styles
  - Differentiated strategies for changing environments and investor preferences
  - Consistently strong investment performance
- 

### Extensive Distribution Capabilities

---

- Provides one-point access to distinctive investment capabilities
  - Relationships with a broad network of intermediaries, consultants and institutional clients
  - Consultative and educational sales approach
- 

### Attractive Financial Profile

---

- Strong and diverse cash flow
  - Proven operating leverage and ability to generate attractive margins
  - Prudent capital management with modest financial leverage, focused on growing the business
- 

### Multiple Opportunities for Growth

- Introduction of new products
- Expansion of investment capabilities and distribution
- Addition of new affiliates

**To be a distinctive and trusted provider of asset management products and services that is profitable, growing, and consistently delivering value for clients and shareholders**

- Offer high-quality, attractive investment strategies to meet multiple investment needs
- Raise and retain assets by positioning products as solutions to investment needs
- Align organizational capabilities to facilitate business objectives and create an attractive environment for investment managers
- Raise awareness and knowledge of Virtus among all constituencies, including current and prospective clients, advisors, business partners, associates, and shareholders
- Manage capital prudently, balancing operating flexibility, investment in growth, and return of capital
- Build long-term shareholder value through risk-managed execution of business activities

## Multi-Boutique Model

---

We have the flexibility, agility, and responsiveness of a boutique asset management firm with the product breadth, distribution reach, and resources of larger firms

### All the Benefits of a Multi-Boutique

- Broad array of differentiated investment strategies
  - Attractive structure for high-quality investment teams and firms
- 

### Greater Efficiency

- Supported by effective retail distribution and marketing, shared operations, and business support services
  - Significant economies of scale benefit affiliates
- 

### Greater Flexibility

- Model incorporates multiple partnership options
  - Ability to respond to evolving investor preferences
- 

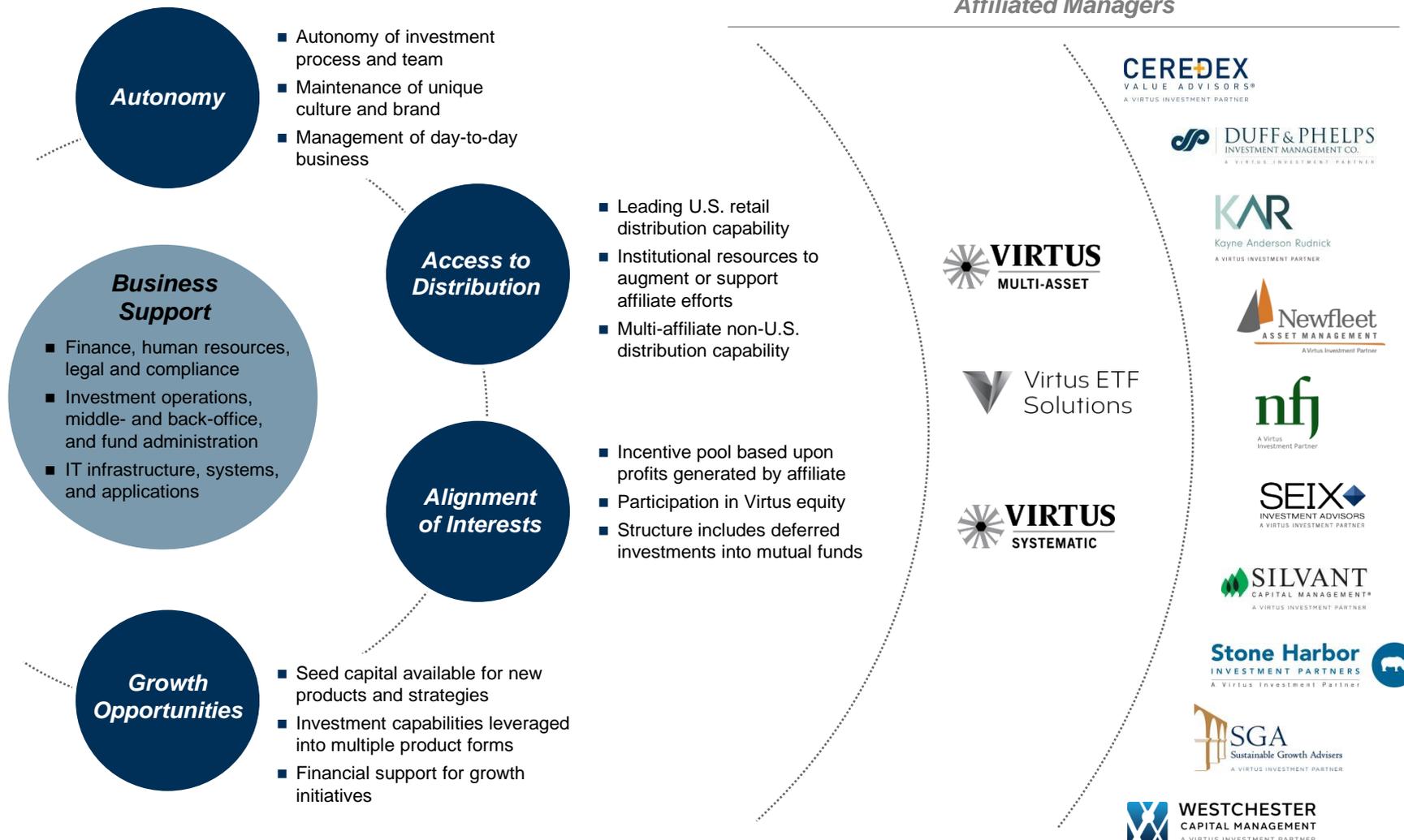
### Greater Growth Opportunities

- Expand product offerings from current and new managers
- Leverage distribution effectiveness to other channels and geographies

# MULTI-BOUTIQUE MODEL

ALIGNMENT, AUTONOMY, AND SUPPORT

Our partnership approach preserves each affiliate's unique entrepreneurial culture, provides continued investment autonomy, and ensures appropriate alignment of interests



# MULTI-BOUTIQUE MODEL

## AFFILIATED MANAGERS

				
<p>HEADQUARTERS <b>Orlando, FL</b></p>	<p>HEADQUARTERS <b>Chicago, IL</b></p>	<p>HEADQUARTERS <b>Los Angeles, CA</b></p>	<p>HEADQUARTERS <b>Hartford, CT</b></p>	<p>HEADQUARTERS <b>Dallas, TX</b></p>
<p>FOUNDED <b>1995</b></p>	<p>FOUNDED <b>1932</b></p>	<p>FOUNDED <b>1984</b></p>	<p>FOUNDED <b>2011</b></p>	<p>FOUNDED <b>1989</b></p>
<p>AUM <b>\$7.0</b></p>	<p>AUM <b>\$12.0</b></p>	<p>AUM <b>\$47.4</b></p>	<p>AUM <b>\$7.9</b></p>	<p>AUM <b>\$6.8</b></p>
<p>INVESTMENT STYLE <b>Value Equities</b></p>	<p>INVESTMENT STYLE <b>Listed Real Assets</b></p>	<p>INVESTMENT STYLE <b>Quality-Oriented Equities</b></p>	<p>INVESTMENT STYLE <b>Multi-Sector Fixed Income</b></p>	<p>INVESTMENT STYLE <b>Global Value Equities</b></p>
<p>INVESTMENT PROFESSIONALS <b>13</b></p>	<p>INVESTMENT PROFESSIONALS <b>27</b></p>	<p>INVESTMENT PROFESSIONALS <b>33</b></p>	<p>INVESTMENT PROFESSIONALS <b>24</b></p>	<p>INVESTMENT PROFESSIONALS <b>9</b></p>
				
<p>HEADQUARTERS <b>Park Ridge, NJ</b></p>	<p>HEADQUARTERS <b>Atlanta, GA</b></p>	<p>HEADQUARTERS <b>New York, NY</b></p>	<p>HEADQUARTERS <b>Stamford, CT</b></p>	<p>HEADQUARTERS <b>Valhalla, NY</b></p>
<p>FOUNDED <b>1992</b></p>	<p>FOUNDED <b>2008</b></p>	<p>FOUNDED <b>2006</b></p>	<p>FOUNDED <b>2003</b></p>	<p>FOUNDED <b>1989</b></p>
<p>AUM <b>\$14.4</b></p>	<p>AUM <b>\$1.7</b></p>	<p>AUM <b>\$10.8</b></p>	<p>AUM <b>\$20.8</b></p>	<p>AUM <b>\$5.1</b></p>
<p>INVESTMENT STYLE <b>Investment Grade and Leveraged Finance Fixed Income</b></p>	<p>INVESTMENT STYLE <b>Growth Equities</b></p>	<p>INVESTMENT STYLE <b>Emerging Markets Debt and Multi-Asset Credit</b></p>	<p>INVESTMENT STYLE <b>Global Growth Equities</b></p>	<p>INVESTMENT STYLE <b>Event-Driven Equity</b></p>
<p>INVESTMENT PROFESSIONALS <b>33</b></p>	<p>INVESTMENT PROFESSIONALS <b>7</b></p>	<p>INVESTMENT PROFESSIONALS <b>26</b></p>	<p>INVESTMENT PROFESSIONALS <b>14</b></p>	<p>INVESTMENT PROFESSIONALS <b>6</b></p>

# MULTI-BOUTIQUE MODEL

## MULTI-ASSET MANAGER



AFFILIATED

 A VIRTUS INVESTMENT PARTNER <b>Value Equity</b>	 A VIRTUS INVESTMENT PARTNER <b>Listed Real Assets</b>	 A VIRTUS INVESTMENT PARTNER <b>Quality-Oriented Equity</b>	 A Virtus Investment Partner <b>Multi-Sector Fixed Income</b>	
 <b>Global Value Equity</b>	 <b>Investment Grade and Leveraged Finance Fixed Income</b>	 A VIRTUS INVESTMENT PARTNER <b>Growth Equity</b>	 <b>Emerging Markets Debt</b>	 <b>Global Growth Equity</b>
 <b>Event-Driven Equity</b>	 <b>Actively Managed and Index-Based ETFs</b>	 <b>Global Multi-Asset</b>	 <b>Systematic Equity</b>	



UNAFFILIATED

 <b>Income &amp; Growth and Convertible</b>	 <b>International Growth Equity</b>	 <b>High-Growth Equity</b>
 <b>Risk-Based Quantitative</b>	 <b>Income-Focused Equity</b>	 <b>Systematic Quantitative</b>

As of December 31, 2022

<sup>1</sup> Virtus has a minority ownership position in Zevenbergen Capital Investments

# Growth Opportunities

---



### Product

- Leverage capabilities of current strategies into other product structures
- Broaden capabilities with new teams/managers

#### *Examples:*

- Expand ETFs, UCITS, CITs and private funds
- Selectively add subadvisers or lift outs

### Distribution

- Leverage strength in existing retail channels
- Increase presence in RIA and retirement
- Expand institutional distribution
- Broaden presence in offshore markets

#### *Examples:*

- Expand sales of newer products
- Replicate strengths in less penetrated areas
- Add distribution resources
- Enhance non-U.S. distribution support

### Inorganic

- Add differentiated or complementary investment strategies
- Diversify distribution
- Increase scale

#### *Examples:*

- Acquire boutiques with:
  - Non-competing capabilities
  - Complementary distribution capabilities
  - Significant presence in under-penetrated strategies

# GROWTH OPPORTUNITIES

## INORGANIC ACTIVITIES

Date	Opportunity	Impact
November 2010	<ul style="list-style-type: none"><li>Adopts Phoenix Edge Series Trust, a variable insurance trust (VIT), from The Phoenix Companies</li></ul>	<ul style="list-style-type: none"><li>Establishes a proprietary Virtus VIT, expanding distribution opportunities in the insurance and retirement channels</li></ul>
June 2011	<ul style="list-style-type: none"><li>Establishes Newfleet Asset Management affiliate via team lift out</li></ul>	<ul style="list-style-type: none"><li>Adds dedicated fixed income affiliate with successful track record to expand in the retail and institutional channels</li></ul>
October 2011	<ul style="list-style-type: none"><li>Adopts DCA Total Return Fund</li></ul>	<ul style="list-style-type: none"><li>Expands closed-end fund offerings</li></ul>
April 2015	<ul style="list-style-type: none"><li>Acquires majority interest in ETF Issuer Solutions</li></ul>	<ul style="list-style-type: none"><li>Establishes proprietary ETF capabilities, adds active and passive ETF products</li></ul>
June 2017	<ul style="list-style-type: none"><li>Acquires RidgeWorth Investments (Ceredex, Silvant and Seix)</li></ul>	<ul style="list-style-type: none"><li>Transformative acquisition, significantly increases scale, diversifies investment offerings and enhances distribution</li></ul>
July 2018	<ul style="list-style-type: none"><li>Makes majority investment in Sustainable Growth Advisors (SGA)</li></ul>	<ul style="list-style-type: none"><li>Adds specialized growth equity affiliate with U.S. and global equity strategies, expands institutional and non-US client base</li></ul>
May 2019	<ul style="list-style-type: none"><li>Adopts SGA Global Growth Fund from American Beacon</li></ul>	<ul style="list-style-type: none"><li>Expands fund offerings with 5-star fund managed by affiliate</li></ul>
February 2021	<ul style="list-style-type: none"><li>Adopts certain AllianzGI retail funds and establishes NFG Investment Group</li></ul>	<ul style="list-style-type: none"><li>Adds 25 open-end funds, 7 closed-end funds, and retail separate accounts; creates new value equity affiliate</li></ul>
October 2021	<ul style="list-style-type: none"><li>Acquires Westchester Capital Management</li></ul>	<ul style="list-style-type: none"><li>Adds \$5.1 billion of AUM in differentiated, non-correlated event-driven strategies</li></ul>
January 2022	<ul style="list-style-type: none"><li>Acquires Stone Harbor Investment Partners</li></ul>	<ul style="list-style-type: none"><li>Adds \$14.7 billion AUM in distinctive emerging markets debt and multi-asset credit strategies</li></ul>

# GROWTH OPPORTUNITIES

## CURRENT M&A FOCUS AREAS

**Selective acquisition strategy targeting differentiated, institutional quality managers, as well as opportunities that expand our product offering or enhance our scale and/or distribution capabilities**

- While our long-term growth strategy is not contingent upon M&A, our business model is effectively built to support and maintain the addition of new affiliated managers
- We evaluate inorganic growth opportunities selectively, and only consider opportunities that make both financial and strategic sense
- Any opportunity considered must represent our highest and best use of capital
- Our track record demonstrates a disciplined approach to M&A evaluation, and successful execution of acquisitions

## Products and Performance

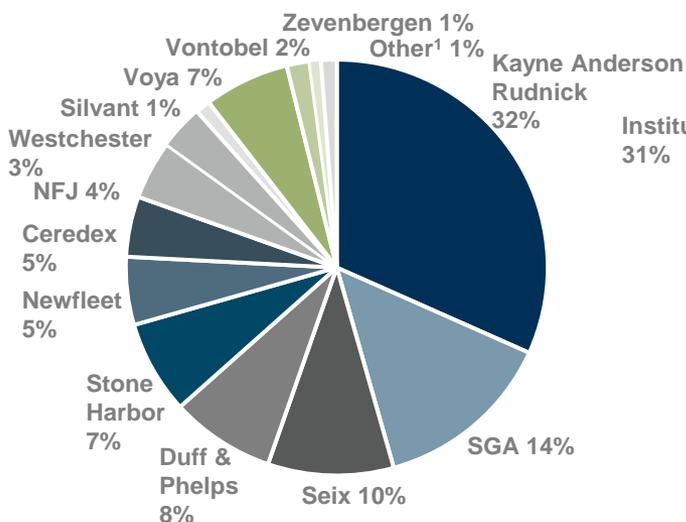
---

# PRODUCTS AND PERFORMANCE

## DIVERSIFIED CAPABILITIES



### AUM by Manager



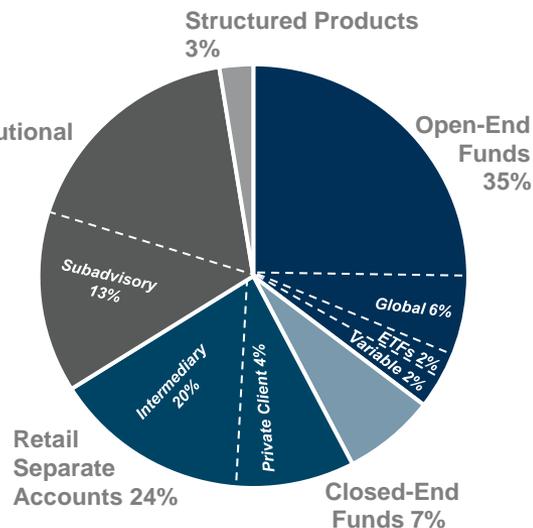
#### Affiliated Managers

Kayne Anderson Rudnick	\$47.4
SGA	20.8
Seix	14.4
Duff & Phelps	12.0
Stone Harbor	10.8
Newfleet	7.9
Ceredex	7.0
NFJ	6.8
Westchester Capital	5.1
Silvant	1.7
VIA and Other <sup>2</sup>	0.7
<b>Total</b>	<b>\$134.6</b>

#### Unaffiliated Managers

Voya	\$9.8
Vontobel	2.6
Zevenbergen	1.3
Other Subadvisers	1.1
<b>Total</b>	<b>\$14.8</b>

### AUM by Product Type



#### Funds

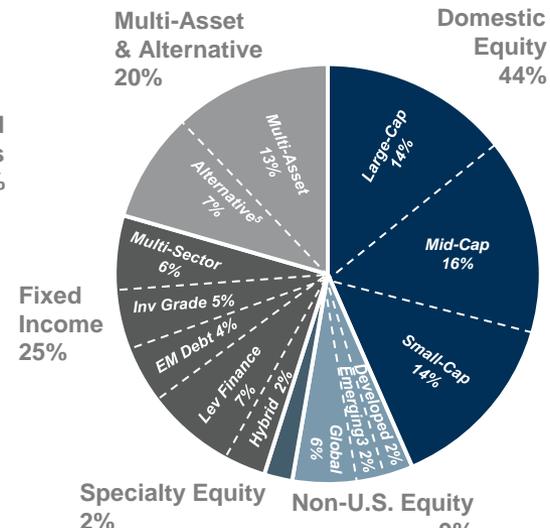
Retail	\$47.7
Closed-End	10.4
Global	3.2
ETFs	1.2
Variable Insurance	0.8
<b>Total</b>	<b>\$63.3</b>

#### Separate Accounts

Institutional Accounts	\$46.9
Retail Separate Accounts	35.4
Structured Products	3.8
<b>Total</b>	<b>\$86.1</b>

**Total AUM: \$149.4 billion**

### AUM by Asset Class



#### Equity

Domestic Mid-Cap	\$ 23.4
Domestic Large-Cap	21.1
Domestic Small-Cap	20.5
Specialty <sup>3</sup>	3.2
Global	8.3
Emerging Market	2.6
Developed Market	2.8
<b>Total</b>	<b>\$81.9</b>

#### Fixed Income

Leveraged Finance	\$10.2
Multi-Sector	9.7
Investment Grade <sup>4</sup>	7.0
Emerging Market Debt	6.7
Hybrid	3.3
<b>Total</b>	<b>\$36.9</b>

#### Multi-Asset and Alternative

Multi-Asset <sup>5</sup>	\$19.9
Alternative <sup>6</sup>	10.7
<b>Total</b>	<b>\$30.6</b>

\$ billions; As of December 31, 2022; totals may not add due to rounding <sup>1</sup>Includes Other Subadvisers and VIA and Other

<sup>2</sup>Includes Systematic, Multi-Asset, and ETF strategies <sup>3</sup>Includes strategies designed to give targeted investment exposure to specific trends, themes or industry sectors

<sup>4</sup>Includes ultra-short bond strategies <sup>5</sup>Consists of strategies with substantial holdings in at least two of the following: equity, fixed income and alternatives

<sup>6</sup>Consists of event-driven, real estate securities, infrastructure, long/short, and other strategies

# PRODUCTS AND PERFORMANCE

## MULTI-PRODUCT OFFERINGS



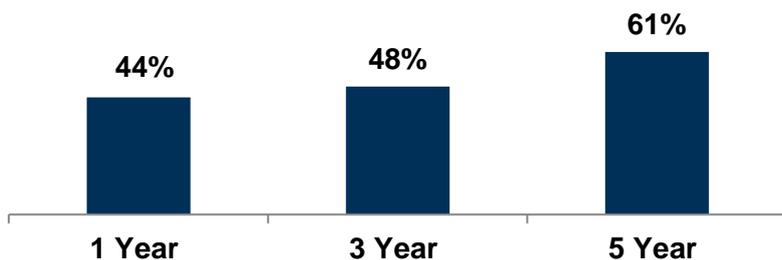
<b>Open-End Funds</b>	83 Funds \$47.7 billion	<ul style="list-style-type: none"><li>■ Most major traditional investment categories with a strength in differentiated strategies</li><li>■ Product offerings leverage all affiliate capabilities and select, high-quality subadvisers</li><li>■ Widely available and distributed through broad range of intermediaries</li></ul>
<b>Variable Insurance Funds</b>	9 Funds \$0.8 billion	<ul style="list-style-type: none"><li>■ Focused selection of investment strategies generally leveraging open-end strategies</li><li>■ Managed by Duff &amp; Phelps, Kayne Anderson Rudnick, Newfleet, SGA, and Westchester</li><li>■ Investment offerings made available within variable annuities and variable life insurance</li></ul>
<b>Exchange-Traded Funds</b>	16 Funds \$1.2 billion	<ul style="list-style-type: none"><li>■ Focused set of offerings of active and passive strategies to address specific needs</li><li>■ Managers include Newfleet, Seix, and subadvisers Wellington, LifeSci, InfraCap, Reaves</li><li>■ Distributed through intermediaries, predominately independent and RIA</li></ul>
<b>Global Funds</b>	20 Funds \$3.2 billion	<ul style="list-style-type: none"><li>■ Tailored set of strategies attractive in the non-U.S. market</li><li>■ Offerings from Kayne Anderson Rudnick, Newfleet, Seix, Stone Harbor, and SGA</li><li>■ Distribution in U.S. to NRAs through dedicated resource and third-party firm</li></ul>
<b>Closed-End Funds</b>	14 Funds \$10.4 billion	<ul style="list-style-type: none"><li>■ Yield-generating strategies (utility, municipals, multi-sector fixed, MLP, and options)</li><li>■ Managed by Duff &amp; Phelps, Kayne Anderson Rudnick, Newfleet, NFJ, Voya IM and Stone Harbor</li><li>■ Available through intermediaries; focus on retirees</li></ul>
<b>Retail Separate Accounts</b>	22 Strategies \$35.4 billion	<ul style="list-style-type: none"><li>■ Offerings from Duff &amp; Phelps, Kayne Anderson Rudnick, NFJ, Seix, and SGA</li><li>■ Managed accounts sponsored and distributed by unaffiliated brokerage firms</li><li>■ Private client services offered directly to high-net-worth clients</li></ul>
<b>Institutional</b>	\$46.9 billion	<ul style="list-style-type: none"><li>■ Fixed income, equity, and solution-oriented strategies leveraging capabilities from Ceredex, Duff &amp; Phelps, Kayne Anderson Rudnick, Newfleet, NFJ, Seix, Silvant, Stone Harbor, and SGA</li><li>■ Affiliate-centric with shared support, targeting channels in U.S. and non-U.S. markets</li></ul>
<b>Structured Products</b>	\$3.8 billion	<ul style="list-style-type: none"><li>■ Offerings leverage capabilities of Seix and Newfleet</li><li>■ Focused on BB- and B-rated loans from companies with strong asset coverage and solid free cash flow generation</li></ul>

# PRODUCTS AND PERFORMANCE

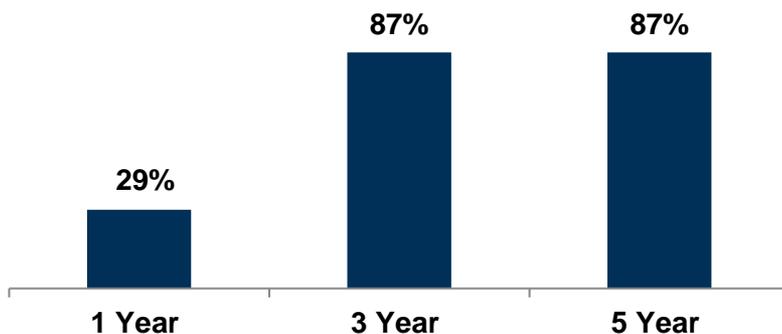
ATTRACTIVE PERFORMANCE



## Institutional Performance<sup>1</sup>



## Retail Separate Accounts Performance<sup>1</sup>



## Mutual Fund Performance<sup>2</sup>

Morningstar Rating	# of Funds	\$ AUM	% of AUM
★★★★★	9	\$8,460	18%
★★★★	25	\$18,401	39%
★★★	27	\$15,826	33%
★★	14	\$3,764	8%
★	2	\$998	2%

57% (for 5 Star, 4 Star, and 3 Star ratings)  
90% (for 5 Star, 4 Star, 3 Star, and 2 Star ratings)

### Morningstar Normal Distribution

5 Star	4 Star	3 Star	2 Star	1 Star
10%	22.5%	35%	22.5%	10%

Strong ratings are not indicative of positive fund performance.  
The Overall Morningstar Rating is based on risk-adjusted returns.

As of December 31, 2022; \$ millions

<sup>1</sup> % of AUM outperforming benchmarks

<sup>2</sup> AUM excludes non-rated funds. Based on institutional-class shares, except for funds without I shares, for which A shares were used, or if A share rating is higher than I shares  
Past performance is not indicative of future results

# PRODUCTS AND PERFORMANCE

DIVERSITY OF PERFORMANCE



34 mutual funds rated 5 or 4 Stars, including 7 of 10 largest funds

## 5- and 4-Star Mutual Funds by Asset Class

Asset Class	# of Funds <sup>1</sup>
Fixed Income	11
U.S. Equity	9
Multi-Asset/Alternative	11
International Equity	3

## Ten Largest Mutual Funds

Fund	AUM	M'Star Rating <sup>1</sup>
Income & Growth	\$5.0	3
Newfleet Multi-Sector Short Term Bond	\$4.9	4
The Merger Fund®	\$4.3	4
KAR Small-Cap Growth	\$3.2	5
Ceredex Mid-Cap Value	\$2.6	3
Seix Floating Rate High Income	\$2.1	4
Vontobel EM Opportunities	\$1.7	3
Convertible	\$1.6	5
KAR Small-Cap Core	\$1.6	5
KAR Mid-Cap Growth	\$1.5	4

As of December 31, 2022; \$ billions

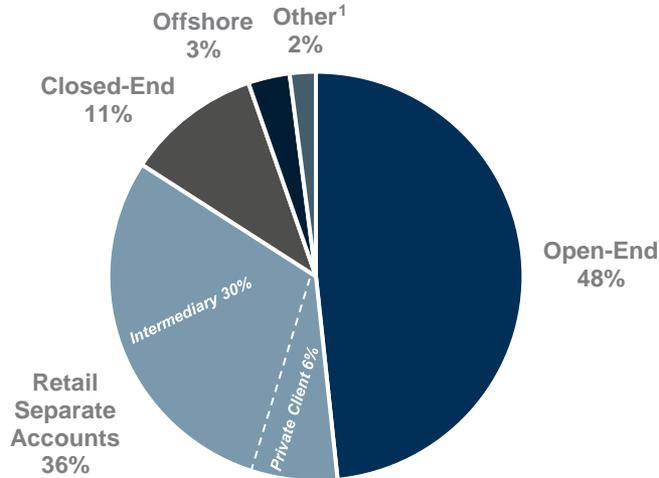
<sup>1</sup>Morningstar overall rating for institutional-class shares based on risk-adjusted returns. Strong ratings are not indicative of positive fund performance.

# Distribution

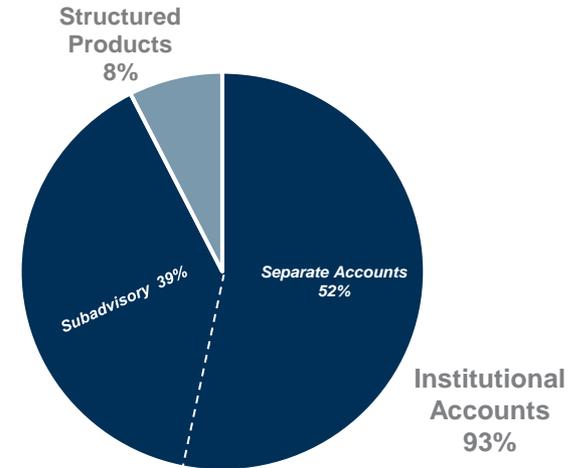
---

Broad and diversified product offerings make us a meaningful partner with distributors and consultants for retail and institutional clients

**Retail AUM (\$98.7B)**



**Institutional AUM (\$50.7B)**



- Centralized retail distribution resources for mutual fund, retail separate account, and ETF sales
- Distribution through financial advisors in the wirehouse, independent/RIA, and DCIO channels
- Strength and growth in retail separate accounts

- Experienced, centralized institutional sales team supporting U.S and non-U.S. institutional clients
- Direct and consultant-sourced relationships
- Diversified and stable client base with public institutions, corporations, and foundations

\$ billions

As of December 31, 2022; totals may not add due to rounding

<sup>1</sup> Includes ETFs and variable insurance funds

MUTUAL FUNDS ■ CLOSED-END FUNDS ■ RETAIL SEPARATE ACCOUNTS  
UCITS ■ COLLECTIVE INVESTMENT TRUSTS ■ ETFs

Wirehouse	Regional	Independent/ RIA	Private Bank	Retirement and Insurance	Offshore
Merrill Lynch Morgan Stanley UBS Wells Fargo	Janney Raymond James RBC Stifel Nicolaus	Ameriprise AXA Commonwealth LPL	Citi Deutsche Fifth Third JP Morgan	Empower Jackson National Nationwide Transamerica	Merrill Lynch Morgan Stanley Snowden Lane UBS

- Well-defined and differentiated value proposition supports financial intermediaries
- Broad penetration and relationships with national and regional firms
- Experienced, channelized sales force with above-average years of experience in the industry

### Strategy

One-point access to boutique managers

- Broad and differentiated product offerings
- Allows financial advisors to focus on fewer relationships

### Team

Experienced and high-quality  
70+ person sales force

- Significant industry experience and tenure
- Effective communication of sophisticated strategies

### Approach

Consultative approach  
addressing client needs

- Assist financial advisors in managing their books of business
- Help financial advisors address current and future client needs with thoughtful educational content

# Financial Review

---

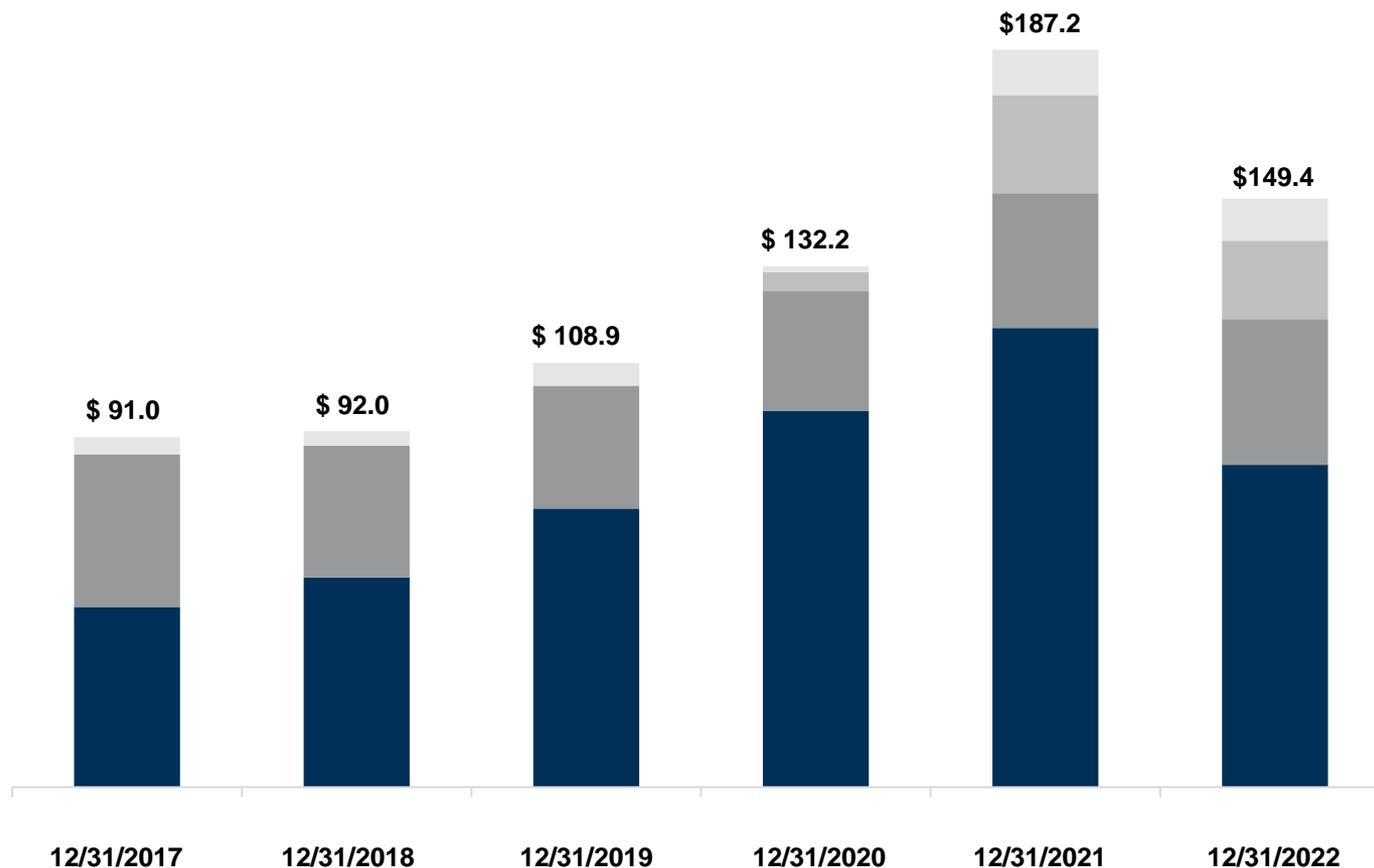


# ASSETS UNDER MANAGEMENT

## DIVERSIFIED AUM



- Alternative
- Multi-Asset
- Fixed Income
- Equity



	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
Equity	\$ 45.4	\$ 53.3	\$ 70.7	\$ 86.3	\$ 116.5	\$ 81.9
Fixed Income	\$ 40.5	\$ 35.0	\$ 32.4	\$ 29.0	\$ 34.3	\$ 36.9
Multi-Asset <sup>1</sup>	\$ -	\$ -	\$ -	\$ 12.1	\$ 24.9	\$ 19.9
Alternatives <sup>2</sup>	\$ 5.1	\$ 3.7	\$ 5.8	\$ 4.8	\$ 11.5	\$ 10.7

\$ billions

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

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

# SALES AND NET FLOWS

## QUARTERLY TREND



METRICS	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
Sales Rate	19.5%	20.4%	17.2%	14.6%	19.8%
Total Net Flow Rate	(0%)	(4.2%)	(10.4%)	(8.5%)	(9.3%)
Open-End Funds Sales Rate	23.2%	25.5%	17.1%	19.2%	22.1%

\$ billions

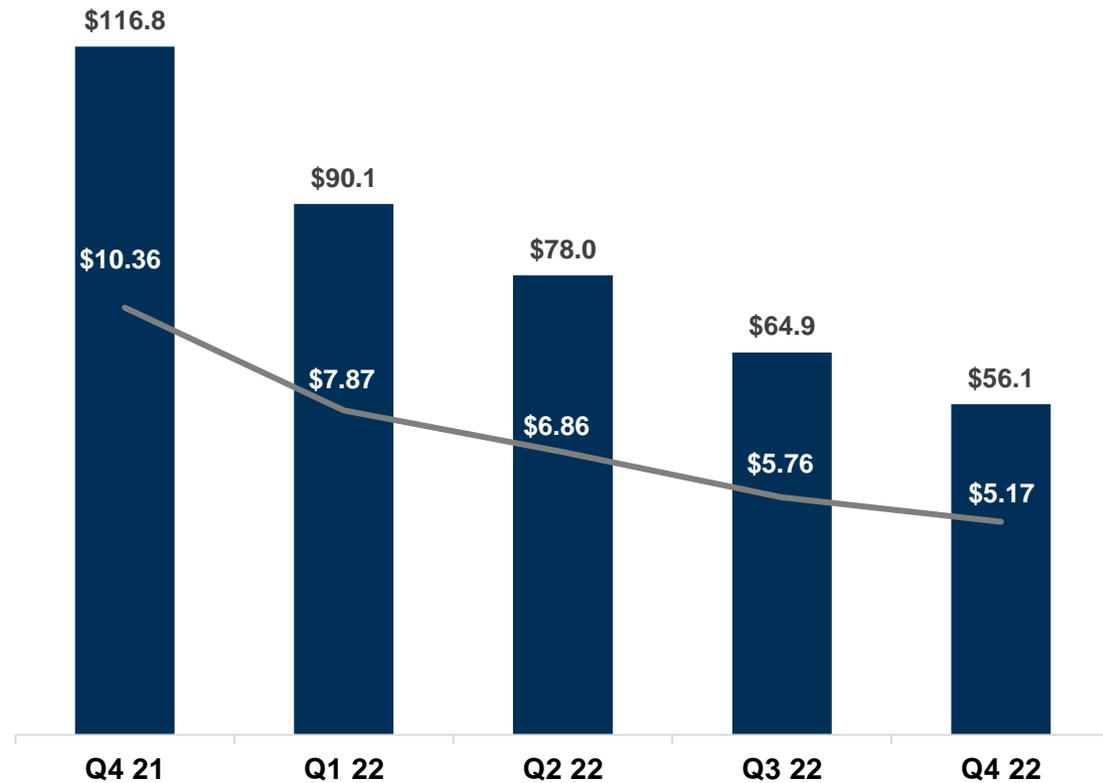
Sales rate is annualized inflows divided by beginning-of-period assets; net flow rate is annualized net flows divided by beginning of period assets

<sup>1</sup>Represents U.S. retail funds, global funds, exchange traded funds, and variable insurance funds

# OPERATING INCOME, AS ADJUSTED

## QUARTERLY TREND

■ Operating Income, as adjusted  
— Net Income per diluted share, as adjusted



### METRICS

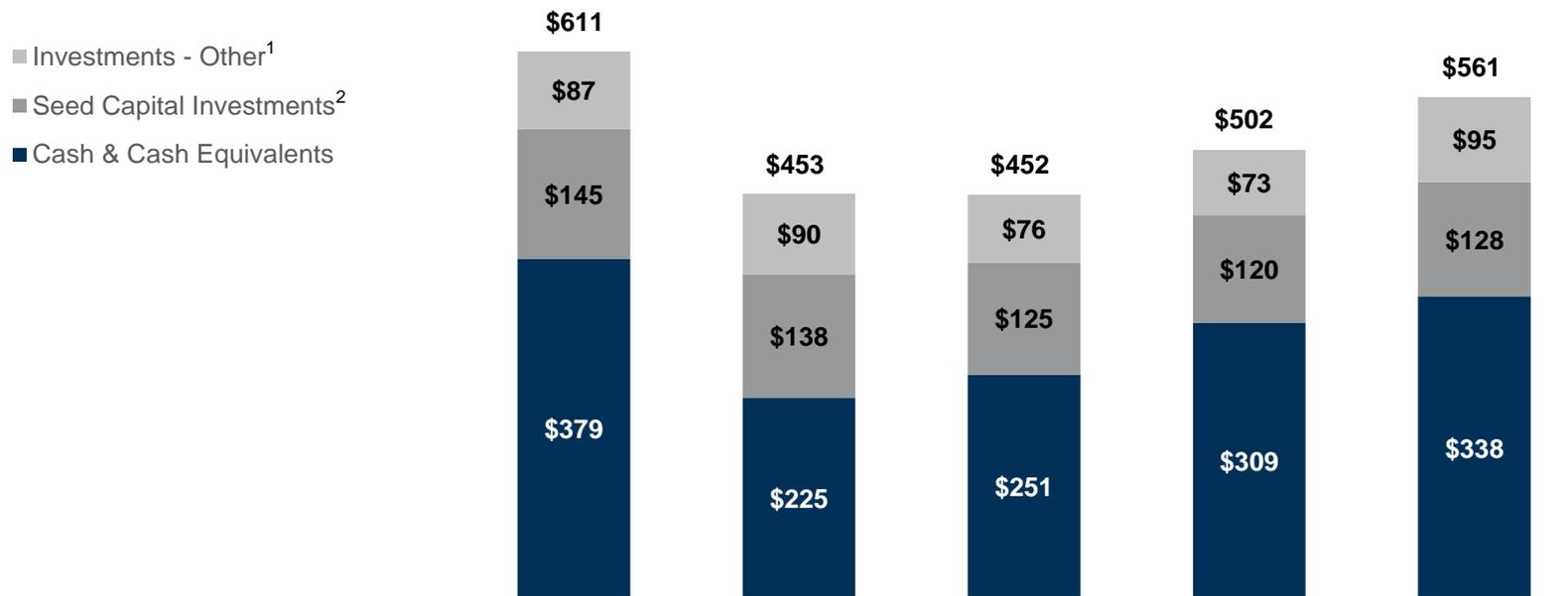
Net Income, as Adjusted <sup>1</sup>	\$82.1	\$61.7	\$52.2	\$43.0	\$38.3
Operating Margin, as Adjusted	50.2%	40.6%	39.2%	35.0%	31.8%

\$ in millions, except per share data

<sup>1</sup>Net Income Attributable to Virtus Investment Partners, Inc.

# STRONG CAPITAL POSITION

## BALANCED CAPITAL MANAGEMENT



METRICS	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
Working Capital <sup>3</sup>	\$220	\$196	\$185	\$195	\$181
Gross Debt <sup>4</sup>	\$274	\$274	\$263	\$262	\$262
Net Debt (Cash) <sup>5</sup>	(\$105)	\$48	\$12	(\$47)	(\$77)

\$ in millions

<sup>1</sup> Represents investments in collateralized loan obligations ("CLOs") and mutual funds that are not seed capital investments

<sup>2</sup> Represents sponsored investment products including open-end funds, ETFs, and separate accounts

<sup>3</sup> 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

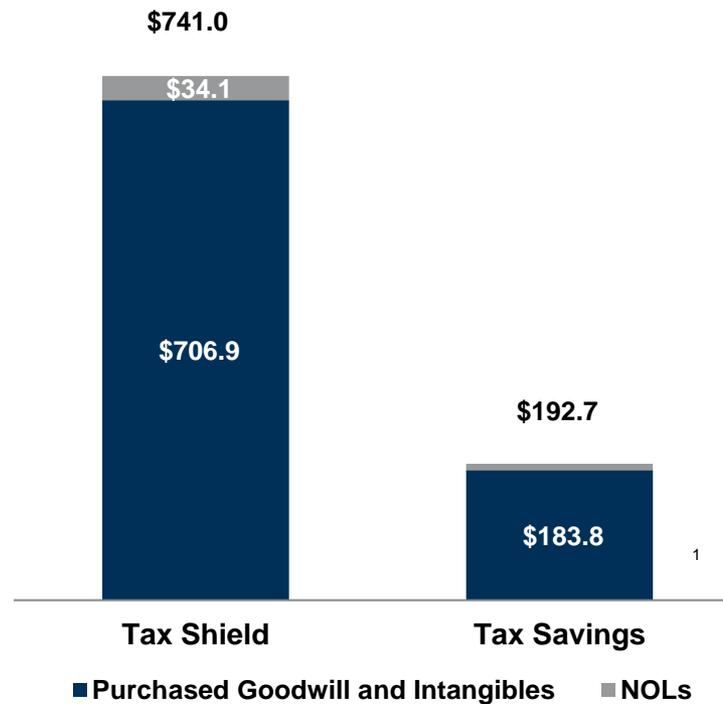
<sup>4</sup> Excludes deferred financing costs

<sup>5</sup> Defined as gross debt less cash and cash equivalents

# TAX BENEFIT

## FAVORABLE CASH FLOW IMPACT

- Recent acquisitions have created significant tax benefit from amortizable intangible assets
- Cash tax savings expected to average \$14 million per year over next 14 years (2023-2036)



\$ in millions

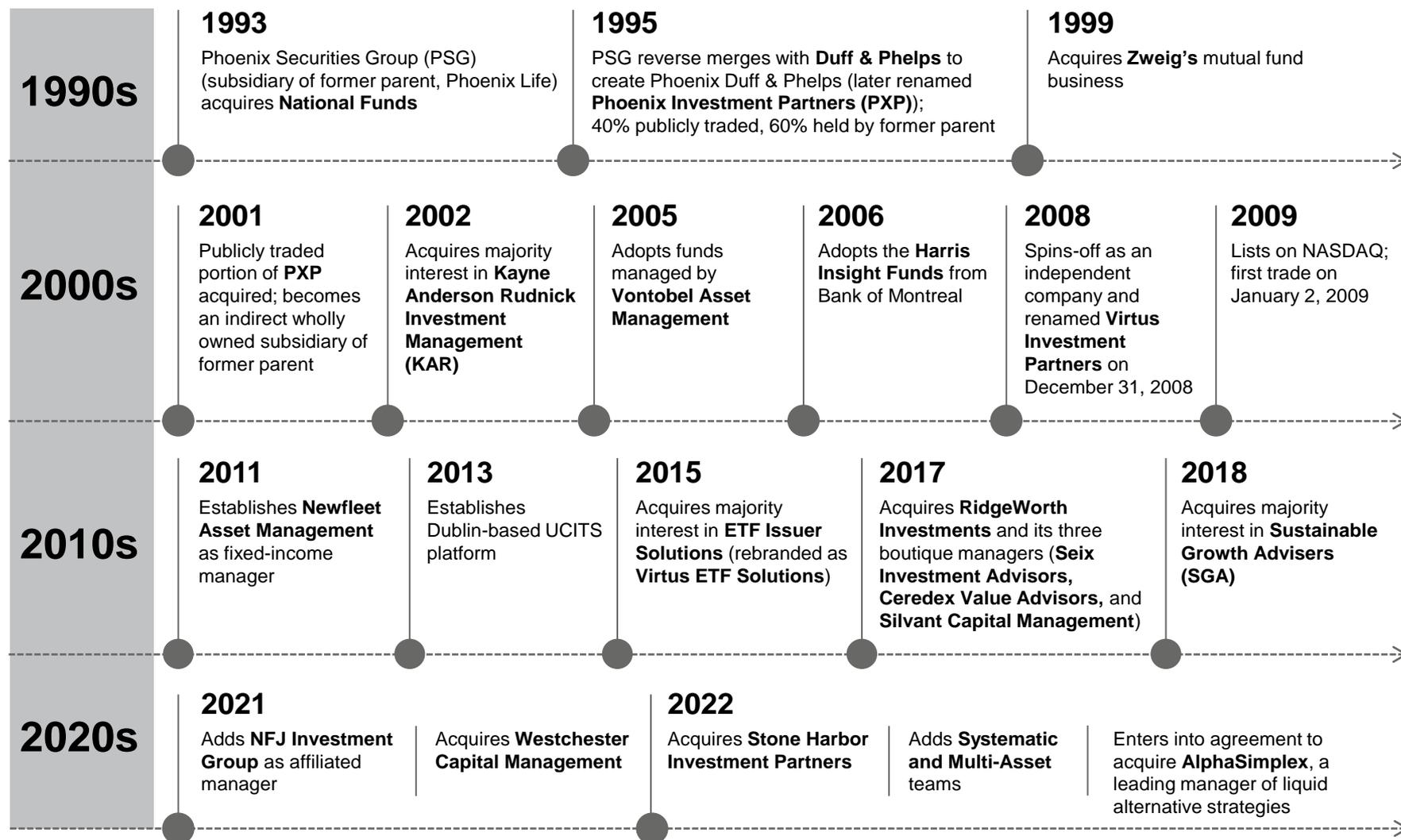
<sup>1</sup> Net operating losses (NOLs) tax shield at assumed effective rate of 26%

# Appendix

---



Established in the 1990s and fully independent since January 2009



# PRODUCTS

## BREAKDOWN OF PRODUCTS BY AFFILIATE



### AUM by Product and Adviser

Adviser	Open-End Funds	Closed-End Funds	Insurance Funds	ETFs	Retail Separate Accounts	Institutional Accounts	Structured Products	Total
Ceredex	\$3.6					\$3.4		\$7.0
Duff & Phelps	\$1.5	\$5.7	\$0.1			\$4.7		\$12.0
Kayne Anderson Rudnick	\$12.4		\$0.5		\$28.5	\$6.0		\$47.4
Newfleet	\$6.7	\$0.3	\$0.1	\$0.1		\$0.5	\$0.2	\$7.9
NFJ	\$2.5	\$1.0			\$3.0	\$0.3		\$6.8
Seix	\$3.6			\$0.1	\$1.8	\$5.3	\$3.6	\$14.4
Silvant	\$1.1					\$0.6		\$1.7
Stone Harbor	\$2.9	\$0.1				\$7.8		\$10.8
SGA	\$0.9		\$0.1		\$2.1	\$17.7		\$20.8
Virtus ETF Advisers				\$0.1				\$0.1
Westchester	\$4.7					\$0.4		\$5.1
VIA - Systematic & Multi-Asset	\$0.4					\$0.2		\$0.6
Voya	\$6.5	\$3.3						\$9.8
Vontobel	\$2.6							\$2.6
Zevenbergen	\$1.3							\$1.3
Other	\$0.2			\$0.9				\$1.1
<b>Total</b>	<b>\$50.9</b>	<b>\$10.4</b>	<b>\$0.8</b>	<b>\$1.2</b>	<b>\$35.4</b>	<b>\$46.9</b>	<b>\$3.8</b>	<b>\$149.4</b>

\$ billions; totals may not add due to rounding; As of December 31, 2022

# FINANCIAL SUPPLEMENT



# NON-GAAP INFORMATION

## INCOME STATEMENT <sup>1</sup> (UNAUDITED)



	<u>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Revenues, As Adjusted</b>							
Investment management fees, as adjusted	\$203,429	\$196,289	\$175,896	\$163,997	\$156,121	\$740,623	\$692,303
Administration and shareholder service fees, as adjusted	27,665	24,387	21,987	20,587	19,005	102,694	85,966
Other income and fees, as adjusted	1,510	1,272	1,142	1,102	1,144	4,563	4,660
<b>Total revenues, as adjusted</b>	<b>\$232,604</b>	<b>\$221,948</b>	<b>\$199,025</b>	<b>\$185,686</b>	<b>\$176,270</b>	<b>\$847,880</b>	<b>\$782,929</b>
<b>Operating Expenses, As Adjusted</b>							
Employment expenses, as adjusted	\$91,996	\$101,589	\$89,100	\$88,716	\$88,313	\$355,400	\$367,718
Other operating expenses, as adjusted	22,880	29,327	30,958	31,096	30,756	80,747	122,137
Depreciation and other amortization, as adjusted	906	935	962	938	1,088	3,900	3,923
<b>Total operating expenses, as adjusted</b>	<b>\$115,782</b>	<b>\$131,851</b>	<b>\$121,020</b>	<b>\$120,750</b>	<b>\$120,157</b>	<b>\$440,047</b>	<b>\$493,778</b>
<b>Operating Income (Loss), As Adjusted</b>	<b>\$116,822</b>	<b>\$90,097</b>	<b>\$78,005</b>	<b>\$64,936</b>	<b>\$56,113</b>	<b>\$407,833</b>	<b>\$289,151</b>

\$ in thousands

<sup>1</sup> 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 <sup>1</sup> (CONTINUED) (UNAUDITED)



	<u>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Other Income (Expense), As Adjusted</b>							
Realized and unrealized gain (loss) on investments, net, as adjusted	(\$145)	(\$455)	(\$2,704)	(\$782)	\$572	\$282	(\$3,369)
Other income, net, as adjusted	632	287	571	(659)	(352)	4,230	(153)
Total other income (expense), as adjusted	\$487	(\$168)	(\$2,133)	(\$1,441)	\$220	\$4,512	(\$3,522)
<b>Interest Income (Expense), As Adjusted</b>							
Interest expense, as adjusted	(\$2,322)	(\$2,279)	(\$2,825)	(\$3,557)	(\$4,512)	(\$9,060)	(\$13,173)
Interest and dividend income, as adjusted	1,772	1,196	2,109	2,210	3,689	4,916	9,204
Total interest income (expense), net, as adjusted	(\$550)	(\$1,083)	(\$716)	(\$1,347)	(\$823)	(\$4,144)	(\$3,969)
<b>Pre-Tax Income (Loss), As Adjusted</b>	<b>\$116,759</b>	<b>\$88,846</b>	<b>\$75,156</b>	<b>\$62,148</b>	<b>\$55,510</b>	<b>\$408,201</b>	<b>\$281,660</b>
Income tax expense (benefit), as adjusted	31,468	24,078	20,401	16,755	15,153	108,917	76,387
<b>Net Income (Loss), As Adjusted</b>	<b>\$85,291</b>	<b>\$64,768</b>	<b>\$54,755</b>	<b>\$45,393</b>	<b>\$40,357</b>	<b>\$299,284</b>	<b>\$205,273</b>
Noncontrolling interests, as adjusted	(3,161)	(3,114)	(2,586)	(2,393)	(2,018)	(12,360)	(10,111)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc., As Adjusted</b>	<b>\$82,130</b>	<b>\$61,654</b>	<b>\$52,169</b>	<b>\$43,000</b>	<b>\$38,339</b>	<b>\$286,924</b>	<b>\$195,162</b>
Weighted average shares outstanding - diluted, as adjusted	7,929	7,839	7,607	7,463	7,419	8,003	7,582
<b>Earnings (Loss) Per Share - Diluted, As Adjusted</b>	<b>\$10.36</b>	<b>\$7.87</b>	<b>\$6.86</b>	<b>\$5.76</b>	<b>\$5.17</b>	<b>\$35.85</b>	<b>\$25.74</b>

\$ and shares in thousands

<sup>1</sup> 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

## BALANCE SHEET <sup>1</sup> (UNAUDITED)



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>
<b>Assets:</b>					
Cash and cash equivalents	\$378,921	\$225,217	\$250,530	\$309,248	\$338,234
Investments – seed capital	144,660	137,835	125,409	119,818	128,038
Investments – other	86,569	90,139	75,673	72,547	95,493
Investments – long term	28,556	28,347	25,655	25,111	23,332
Accounts receivable, net	125,224	126,171	109,497	105,958	100,873
Furniture, equipment, and leasehold improvements, net	12,542	18,142	19,016	19,237	19,123
Intangible assets, net	500,571	496,709	482,085	467,476	442,519
Goodwill	338,406	347,423	347,423	348,836	348,836
Deferred taxes, net	19,204	18,714	21,721	24,979	23,171
Other assets	60,102	96,192	96,551	92,532	94,944
<b>Total Assets</b>	<b>\$1,694,755</b>	<b>\$1,584,889</b>	<b>\$1,553,560</b>	<b>\$1,585,742</b>	<b>\$1,614,563</b>

\$ in thousands

<sup>1</sup> 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 <sup>1</sup> (CONTINUED) (UNAUDITED)



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>
<b>Liabilities and Equity</b>					
<b>Liabilities:</b>					
Accrued compensation and benefits	\$187,449	\$70,646	\$105,106	\$145,361	\$181,805
Accounts payable and accrued liabilities	48,496	62,335	40,800	37,758	33,200
Dividends payable	14,824	14,398	13,861	15,357	15,812
Other liabilities	60,224	95,068	93,502	90,698	87,827
Debt <sup>2</sup>	266,346	265,954	255,832	255,428	255,025
Contingent consideration <sup>3</sup>	162,564	130,728	133,628	133,628	128,400
<b>Total Liabilities</b>	<b>\$739,903</b>	<b>\$639,129</b>	<b>\$642,729</b>	<b>\$678,230</b>	<b>\$702,069</b>
Redeemable noncontrolling interests	\$126,549	\$129,305	\$126,097	\$108,282	\$95,450
<b>Equity:</b>					
Total equity exc. noncontrolling interests	\$828,303	\$816,455	\$784,734	\$799,230	\$817,044
<b>Total Liabilities and Equity</b>	<b>\$1,694,755</b>	<b>\$1,584,889</b>	<b>\$1,553,560</b>	<b>\$1,585,742</b>	<b>\$1,614,563</b>
<b>Working Capital <sup>4</sup></b>	<b>\$219,829</b>	<b>\$196,126</b>	<b>\$185,374</b>	<b>\$195,166</b>	<b>\$180,556</b>

\$ in thousands

<sup>1</sup> 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

<sup>2</sup> Defined as gross debt less deferred financing costs

<sup>3</sup> Represents estimates of revenue participation and contingent payments

<sup>4</sup> 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 revenue participation amounts earned as of the balance sheet date and due within 12 months

# U.S. GAAP INFORMATION

## INCOME STATEMENT (UNAUDITED)



	<u>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Revenues</b>							
Investment management fees	\$213,673	\$206,817	\$185,024	\$172,850	\$163,648	\$781,585	\$728,339
Distribution and service fees	23,464	20,007	17,159	15,746	14,606	90,555	67,518
Administration and shareholder service fees	27,615	24,344	21,982	20,563	18,973	102,531	85,862
Other income and fees	1,510	1,272	1,142	1,102	1,144	4,563	4,660
<b>Total revenues</b>	<b>\$266,262</b>	<b>\$252,440</b>	<b>\$225,307</b>	<b>\$210,261</b>	<b>\$198,371</b>	<b>\$979,234</b>	<b>\$886,379</b>
<b>Operating Expenses</b>							
Employment expenses	\$91,496	\$105,993	\$89,360	\$88,230	\$87,676	\$358,230	\$371,259
Distribution and other asset-based expenses	36,032	32,846	28,583	26,818	24,365	141,039	112,612
Other operating expenses	25,808	31,712	31,559	31,096	31,811	90,134	126,178
Other operating expenses of CIP <sup>1</sup>	1,705	740	649	538	2,481	3,562	4,408
Restructuring and severance	—	—	—	4,015	—	—	4,015
Change in fair value of contingent consideration	12,400	—	2,900	—	5,120	12,400	8,020
Depreciation expense	906	935	962	938	1,088	3,900	3,923
Amortization expense	14,262	14,662	14,624	14,609	14,609	44,481	58,504
<b>Total operating expenses</b>	<b>\$182,609</b>	<b>\$186,888</b>	<b>\$168,637</b>	<b>\$166,244</b>	<b>\$167,150</b>	<b>\$653,746</b>	<b>\$688,919</b>
<b>Operating Income (Loss)</b>	<b>\$83,653</b>	<b>\$65,552</b>	<b>\$56,670</b>	<b>\$44,017</b>	<b>\$31,221</b>	<b>\$325,488</b>	<b>\$197,460</b>

\$ in thousands

<sup>1</sup> 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>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Other Income (Expense)</b>							
Realized and unrealized gain (loss) on investments, net	\$1,026	(\$2,982)	(\$10,543)	(\$2,493)	\$3,529	\$3,907	(\$12,489)
Realized and unrealized gain (loss) of CIP <sup>1</sup> , net	2,980	(13,344)	(21,659)	(8,440)	4,147	(1,761)	(39,296)
Other income (expense), net	632	287	571	(659)	(352)	4,230	(153)
Total other income (expense), net	\$4,638	(\$16,039)	(\$31,631)	(\$11,592)	\$7,324	\$6,376	(\$51,938)
<b>Interest Income (Expense)</b>							
Interest expense	(\$2,322)	(\$2,279)	(\$2,825)	(\$3,557)	(\$4,512)	(\$9,240)	(\$13,173)
Interest and dividend income	793	328	529	1,013	2,578	1,364	4,448
Interest and dividend income of investments of CIP <sup>1</sup>	20,765	20,380	22,412	28,644	35,889	90,080	107,325
Interest expense of CIP <sup>1</sup>	(18,056)	(12,088)	(14,416)	(20,356)	(33,374)	(60,398)	(80,234)
Total interest income (expense), net	\$1,180	\$6,341	\$5,700	\$5,744	\$581	\$21,806	\$18,366
<b>Income (Loss) Before Income Taxes</b>	<b>\$89,471</b>	<b>\$55,854</b>	<b>\$30,739</b>	<b>\$38,169</b>	<b>\$39,126</b>	<b>\$353,670</b>	<b>\$163,888</b>
Income tax expense (benefit)	27,458	16,735	16,480	10,754	13,291	90,835	57,260
<b>Net Income (Loss)</b>	<b>\$62,013</b>	<b>\$39,119</b>	<b>\$14,259</b>	<b>\$27,415</b>	<b>\$25,835</b>	<b>\$262,835</b>	<b>\$106,628</b>
Noncontrolling interests	(12,173)	(6,060)	3,143	4,265	9,565	(54,704)	10,913
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>\$49,840</b>	<b>\$33,059</b>	<b>\$17,402</b>	<b>\$31,680</b>	<b>\$35,400</b>	<b>\$208,131</b>	<b>\$117,541</b>
Weighted average shares outstanding - diluted	7,929	7,839	7,607	7,463	7,419	8,003	7,582
<b>Earnings (Loss) Per Share - Diluted</b>	<b>\$6.29</b>	<b>\$4.22</b>	<b>\$2.29</b>	<b>\$4.25</b>	<b>\$4.77</b>	<b>\$26.01</b>	<b>\$15.50</b>

\$ and shares in thousands

<sup>1</sup> 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, ASSET CLASS AND REGION



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>
<b>Assets by Product</b>					
U.S. Retail Funds	\$74,616	\$66,554	\$53,838	\$49,164	\$47,494
Global Funds	1,418	4,089	3,483	3,216	3,443
Exchange Traded Funds	1,479	1,448	1,287	1,262	1,226
Variable Insurance Funds	1,193	1,058	871	812	837
<b>Total – Open-End Funds</b>	<b>\$78,706</b>	<b>\$73,149</b>	<b>\$59,479</b>	<b>\$54,454</b>	<b>\$53,000</b>
Closed-End Funds	\$12,068	\$12,060	\$10,645	\$10,146	\$10,361
Intermediary Sold Managed Accounts	\$37,621	\$34,347	\$29,425	\$27,648	\$29,160
Private Client	6,917	6,477	5,823	5,733	6,192
<b>Total – Retail Separate Accounts</b>	<b>\$44,538</b>	<b>\$40,824</b>	<b>\$35,248</b>	<b>\$33,381</b>	<b>\$35,352</b>
Institutional Separate Accounts	\$48,140	\$53,658	\$46,440	\$43,444	\$46,908
Structured Products	3,734	3,651	3,608	3,549	3,755
<b>Total – Institutional Accounts</b>	<b>\$51,874</b>	<b>\$57,309</b>	<b>\$50,048</b>	<b>\$46,993</b>	<b>\$50,663</b>
<b>Total</b>	<b>\$187,186</b>	<b>\$183,342</b>	<b>\$155,420</b>	<b>\$144,974</b>	<b>\$149,376</b>
<b>Assets by Asset Class</b>					
Equity	\$116,546	\$102,989	\$84,754	\$78,034	\$81,894
Fixed Income	34,261	45,418	39,322	36,910	36,903
Multi-Asset <sup>1</sup>	24,853	23,415	20,261	19,364	19,937
Alternatives <sup>2</sup>	11,526	11,520	11,083	10,666	10,642
<b>Total</b>	<b>\$187,186</b>	<b>\$183,342</b>	<b>\$155,420</b>	<b>\$144,974</b>	<b>\$149,376</b>
<b>Assets by Region</b>					
U.S.	\$168,651	\$156,661	\$131,573	\$123,064	\$125,228
Non-U.S.	18,535	26,681	23,847	21,910	24,148
<b>Total</b>	<b>\$187,186</b>	<b>\$183,342</b>	<b>\$155,420</b>	<b>\$144,974</b>	<b>\$149,376</b>

\$ in millions

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

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

# ASSETS UNDER MANAGEMENT

## BY PRODUCT AND ASSET CLASS



	<i>Open-End Funds</i>	<i>Closed-End Funds</i>	<i>Retail Separate Accounts</i>	<i>Institutional Accounts</i>	<i>Total as of 12/31/2022</i>
<b>Equity:</b>					
Domestic Equity	\$18,021	\$—	\$26,814	\$20,113	\$64,948
International Equity	4,077	—	82	1,241	5,400
Global Equity	1,232	—	357	6,703	8,292
Specialty Equity <sup>1</sup>	2,391	786	77	—	3,254
<b>Total Equity</b>	<b>\$25,721</b>	<b>\$786</b>	<b>\$27,330</b>	<b>\$28,057</b>	<b>\$81,894</b>
<b>Fixed Income:</b>					
Leveraged Finance	\$3,537	\$—	\$1,467	\$5,192	\$10,196
Multi-Sector	7,898	146	—	1,653	9,697
Emerging Markets Debt	996	159	—	5,493	6,648
Investment Grade	847	128	303	5,751	7,029
Hybrid	2,020	1,313	—	—	3,333
<b>Total Fixed Income</b>	<b>\$15,298</b>	<b>\$1,746</b>	<b>\$1,770</b>	<b>\$18,089</b>	<b>\$36,903</b>
<b>Multi-Asset <sup>2</sup></b>	<b>\$5,662</b>	<b>\$7,159</b>	<b>\$6,252</b>	<b>\$864</b>	<b>\$19,937</b>
<b>Alternative <sup>3</sup></b>	<b>\$6,319</b>	<b>\$670</b>	<b>\$0</b>	<b>\$3,653</b>	<b>\$10,642</b>
<b>Total</b>	<b>\$53,000</b>	<b>\$10,361</b>	<b>\$35,352</b>	<b>\$50,663</b>	<b>\$149,376</b>

\$ in millions

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

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

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

# ASSET FLOWS

## TOTAL



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Total</b>							
Beginning balance	\$177,305	\$187,186	\$183,342	\$155,420	\$144,974	\$132,194	\$187,186
Inflows	8,712	9,435	7,884	5,723	7,251	36,496	30,293
Outflows	(8,693)	(11,395)	(12,652)	(9,037)	(10,652)	(33,014)	(43,736)
<b>Net Flows</b>	<b>19</b>	<b>(1,960)</b>	<b>(4,768)</b>	<b>(3,314)</b>	<b>(3,401)</b>	<b>3,482</b>	<b>(13,443)</b>
Market performance	6,333	(16,457)	(22,794)	(6,646)	8,814	19,352	(37,083)
Other <sup>1</sup>	3,529	14,573	(360)	(486)	(1,011)	32,158	12,716
<b>Ending Balance - Total</b>	<b>\$187,186</b>	<b>\$183,342</b>	<b>\$155,420</b>	<b>\$144,974</b>	<b>\$149,376</b>	<b>\$187,186</b>	<b>\$149,376</b>
<i>Inflow Rate</i> <sup>2</sup>	19.5 %	20.4 %	17.2 %	14.6 %	19.8 %	27.6 %	16.2 %
<i>Outflow Rate</i> <sup>2</sup>	(19.5)%	(24.6)%	(27.6)%	(23.1)%	(29.1)%	(25.0)%	(23.4)%
<i>Net Flow Rate</i> <sup>2</sup>	— %	(4.2)%	(10.4)%	(8.5)%	(9.3)%	2.6 %	(7.2)%

\$ in millions

<sup>1</sup> 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

<sup>2</sup> Annualized flows divided by beginning of period AUM

# ASSET FLOWS

## BY PRODUCT



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>U.S. Retail Funds</b>							
Beginning balance	\$70,526	\$74,616	\$66,554	\$53,838	\$49,164	\$48,492	\$74,616
Inflows	4,029	4,739	2,797	2,494	2,716	17,827	12,746
Outflows	(5,744)	(7,858)	(7,254)	(5,310)	(6,317)	(20,729)	(26,739)
Net Flows	(1,715)	(3,119)	(4,457)	(2,816)	(3,601)	(2,902)	(13,993)
Market performance	2,185	(6,432)	(8,136)	(1,678)	2,362	5,869	(13,884)
Other <sup>1</sup>	3,620	1,489	(123)	(180)	(431)	23,157	755
<b>Ending Balance</b>	<b>\$74,616</b>	<b>\$66,554</b>	<b>\$53,838</b>	<b>\$49,164</b>	<b>\$47,494</b>	<b>\$74,616</b>	<b>\$47,494</b>
<b>Global Funds <sup>2</sup></b>							
Beginning balance	\$1,399	\$1,418	\$4,089	\$3,483	\$3,216	\$1,173	\$1,418
Inflows	83	62	164	284	205	479	715
Outflows	(74)	(320)	(234)	(283)	(327)	(323)	(1,164)
Net Flows	9	(258)	(70)	1	(122)	156	(449)
Market performance	11	(379)	(535)	(267)	350	91	(831)
Other <sup>1</sup>	(1)	3,308	(1)	(1)	(1)	(2)	3,305
<b>Ending Balance</b>	<b>\$1,418</b>	<b>\$4,089</b>	<b>\$3,483</b>	<b>\$3,216</b>	<b>\$3,443</b>	<b>\$1,418</b>	<b>\$3,443</b>

\$ in millions

<sup>1</sup> 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

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

# ASSET FLOWS

## BY PRODUCT (CONTINUED)



	<u>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Exchange Traded Funds</b>							
Beginning balance	\$1,321	\$1,479	\$1,448	\$1,287	\$1,262	\$837	\$1,479
Inflows	211	126	136	91	98	792	451
Outflows	(73)	(151)	(116)	(63)	(163)	(307)	(493)
Net Flows	138	(25)	20	28	(65)	485	(42)
Market performance	41	19	(158)	(30)	47	213	(122)
Other <sup>1</sup>	(21)	(25)	(23)	(23)	(18)	(56)	(89)
<b>Ending Balance</b>	<b>\$1,479</b>	<b>\$1,448</b>	<b>\$1,287</b>	<b>\$1,262</b>	<b>\$1,226</b>	<b>\$1,479</b>	<b>\$1,226</b>
<b>Variable Insurance Funds</b>							
Beginning balance	\$1,119	\$1,193	\$1,058	\$871	\$812	\$1,106	\$1,193
Inflows	23	29	23	11	10	60	73
Outflows	(52)	(49)	(39)	(33)	(32)	(166)	(153)
Net Flows	(29)	(20)	(16)	(22)	(22)	(106)	(80)
Market performance	45	(115)	(171)	(37)	47	135	(276)
Other <sup>1</sup>	58	—	—	—	—	58	—
<b>Ending Balance</b>	<b>\$1,193</b>	<b>\$1,058</b>	<b>\$871</b>	<b>\$812</b>	<b>\$837</b>	<b>\$1,193</b>	<b>\$837</b>
<b>Total Open End Funds</b>							
Beginning balance	\$74,365	\$78,706	\$73,149	\$59,479	\$54,454	\$51,608	\$78,706
Inflows	4,346	4,956	3,120	2,880	3,029	19,158	13,985
Outflows	(5,943)	(8,378)	(7,643)	(5,689)	(6,839)	(21,525)	(28,549)
Net Flows	(1,597)	(3,422)	(4,523)	(2,809)	(3,810)	(2,367)	(14,564)
Market performance	2,282	(6,907)	(9,000)	(2,012)	2,806	6,308	(15,113)
Other <sup>1</sup>	3,656	4,772	(147)	(204)	(450)	23,157	3,971
<b>Ending Balance</b>	<b>\$78,706</b>	<b>\$73,149</b>	<b>\$59,479</b>	<b>\$54,454</b>	<b>\$53,000</b>	<b>\$78,706</b>	<b>\$53,000</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Closed-End Funds</b>							
Beginning balance	\$11,721	\$12,068	\$12,060	\$10,645	\$10,146	\$5,914	\$12,068
Inflows	19	8	24	157	2	22	191
Outflows	—	—	—	—	—	—	—
Net Flows	19	8	24	157	2	22	191
Market performance	718	(196)	(1,250)	(531)	631	1,223	(1,346)
Other <sup>1</sup>	(390)	180	(189)	(125)	(418)	4,909	(552)
<b>Ending Balance</b>	<b>\$12,068</b>	<b>\$12,060</b>	<b>\$10,645</b>	<b>\$10,146</b>	<b>\$10,361</b>	<b>\$12,068</b>	<b>\$10,361</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Intermediary Sold Managed Accounts</b>							
Beginning balance	\$34,974	\$37,621	\$34,347	\$29,425	\$27,648	\$23,852	\$37,621
Inflows	2,045	1,771	1,093	886	889	8,331	4,639
Outflows	(999)	(1,221)	(1,784)	(1,252)	(1,404)	(3,593)	(5,661)
Net Flows	1,046	550	(691)	(366)	(515)	4,738	(1,022)
Market performance	1,591	(3,824)	(4,231)	(1,411)	2,027	5,471	(7,439)
Other <sup>1</sup>	10	—	—	—	—	3,560	—
<b>Ending Balance</b>	<b>\$37,621</b>	<b>\$34,347</b>	<b>\$29,425</b>	<b>\$27,648</b>	<b>\$29,160</b>	<b>\$37,621</b>	<b>\$29,160</b>
<b>Private Client</b>							
Beginning balance	\$6,554	\$6,917	\$6,477	\$5,823	\$5,733	\$5,899	\$6,917
Inflows	195	251	195	293	332	884	1,071
Outflows	(126)	(173)	(193)	(166)	(247)	(492)	(779)
Net Flows	69	78	2	127	85	392	292
Market performance	304	(518)	(656)	(217)	374	653	(1,017)
Other <sup>1</sup>	(10)	—	—	—	—	(27)	—
<b>Ending Balance</b>	<b>\$6,917</b>	<b>\$6,477</b>	<b>\$5,823</b>	<b>\$5,733</b>	<b>\$6,192</b>	<b>\$6,917</b>	<b>\$6,192</b>
<b>Total Retail Separate Accounts</b>							
Beginning balance	\$41,528	\$44,538	\$40,824	\$35,248	\$33,381	\$29,751	\$44,538
Inflows	2,240	2,022	1,288	1,179	1,221	9,215	5,710
Outflows	(1,125)	(1,394)	(1,977)	(1,418)	(1,651)	(4,085)	(6,440)
Net Flows	1,115	628	(689)	(239)	(430)	5,130	(730)
Market performance	1,895	(4,342)	(4,887)	(1,628)	2,401	6,124	(8,456)
Other <sup>1</sup>	—	—	—	—	—	3,533	—
<b>Ending Balance</b>	<b>\$44,538</b>	<b>\$40,824</b>	<b>\$35,248</b>	<b>\$33,381</b>	<b>\$35,352</b>	<b>\$44,538</b>	<b>\$35,352</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Institutional Separate Accounts</b>							
Beginning balance	\$45,882	\$48,140	\$53,658	\$46,440	\$43,444	\$40,861	\$48,140
Inflows	2,099	2,449	3,452	1,507	2,724	8,093	10,132
Outflows	(1,625)	(1,623)	(3,032)	(1,930)	(2,162)	(7,404)	(8,747)
Net Flows	474	826	420	(423)	562	689	1,385
Market performance	1,409	(5,040)	(7,692)	(2,512)	2,926	5,564	(12,318)
Other <sup>1</sup>	375	9,732	54	(61)	(24)	1,026	9,701
<b>Ending Balance</b>	<b>\$48,140</b>	<b>\$53,658</b>	<b>\$46,440</b>	<b>\$43,444</b>	<b>\$46,908</b>	<b>\$48,140</b>	<b>\$46,908</b>
<b>Structured Products</b>							
Beginning balance	\$3,809	\$3,734	\$3,651	\$3,608	\$3,549	\$4,060	\$3,734
Inflows	8	—	—	—	275	8	275
Outflows	—	—	—	—	—	—	—
Net Flows	8	—	—	—	275	8	275
Market performance	29	28	35	37	50	133	150
Other <sup>1</sup>	(112)	(111)	(78)	(96)	(119)	(467)	(404)
<b>Ending Balance</b>	<b>\$3,734</b>	<b>\$3,651</b>	<b>\$3,608</b>	<b>\$3,549</b>	<b>\$3,755</b>	<b>\$3,734</b>	<b>\$3,755</b>
<b>Total Institutional Accounts</b>							
Beginning balance	\$49,691	\$51,874	\$57,309	\$50,048	\$46,993	\$44,921	\$51,874
Inflows	2,107	2,449	3,452	1,507	2,999	8,101	10,407
Outflows	(1,625)	(1,623)	(3,032)	(1,930)	(2,162)	(7,404)	(8,747)
Net Flows	482	826	420	(423)	837	697	1,660
Market performance	1,438	(5,012)	(7,657)	(2,475)	2,976	5,697	(12,168)
Other <sup>1</sup>	263	9,621	(24)	(157)	(143)	559	9,297
<b>Ending Balance</b>	<b>\$51,874</b>	<b>\$57,309</b>	<b>\$50,048</b>	<b>\$46,993</b>	<b>\$50,663</b>	<b>\$51,874</b>	<b>\$50,663</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Domestic Equity</b>							
Beginning balance	\$83,331	\$87,889	\$78,504	\$65,797	\$61,537	\$63,680	\$87,889
Inflows	3,596	4,279	2,942	1,871	3,090	16,404	12,182
Outflows	(3,013)	(4,343)	(4,268)	(3,019)	(4,024)	(13,809)	(15,654)
Net Flows	583	(64)	(1,326)	(1,148)	(934)	2,595	(3,472)
Market performance	4,323	(9,339)	(11,367)	(3,083)	4,560	13,576	(19,229)
Other <sup>1</sup>	(348)	18	(14)	(29)	(215)	8,038	(240)
<b>Ending Balance</b>	<b>\$87,889</b>	<b>\$78,504</b>	<b>\$65,797</b>	<b>\$61,537</b>	<b>\$64,948</b>	<b>\$87,889</b>	<b>\$64,948</b>
<b>International Equity</b>							
Beginning balance	\$11,979	\$10,720	\$8,675	\$6,456	\$5,537	\$11,629	\$10,720
Inflows	592	655	350	682	317	2,922	2,004
Outflows	(1,420)	(1,284)	(1,425)	(921)	(1,011)	(4,445)	(4,641)
Net Flows	(828)	(629)	(1,075)	(239)	(694)	(1,523)	(2,637)
Market performance	56	(1,415)	(1,142)	(678)	563	45	(2,672)
Other <sup>1</sup>	(487)	(1)	(2)	(2)	(6)	569	(11)
<b>Ending Balance</b>	<b>\$10,720</b>	<b>\$8,675</b>	<b>\$6,456</b>	<b>\$5,537</b>	<b>\$5,400</b>	<b>\$10,720</b>	<b>\$5,400</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Global Equity</b>							
Beginning balance	\$11,009	\$11,658	\$10,580	\$8,701	\$7,519	\$9,512	\$11,658
Inflows	1,231	214	1,154	156	604	3,133	2,128
Outflows	(298)	(230)	(1,011)	(868)	(462)	(1,627)	(2,571)
Net Flows	933	(16)	143	(712)	142	1,506	(443)
Market performance	(338)	(1,059)	(2,021)	(470)	634	496	(2,916)
Other <sup>2</sup>	54	(3)	(1)	0	(3)	144	(7)
<b>Ending Balance</b>	<b>\$11,658</b>	<b>\$10,580</b>	<b>\$8,701</b>	<b>\$7,519</b>	<b>\$8,292</b>	<b>\$11,658</b>	<b>\$8,292</b>
<b>Specialty Equity <sup>1</sup></b>							
Beginning balance	\$6,413	\$6,279	\$5,230	\$3,800	\$3,441	\$1,447	\$6,279
Inflows	260	202	137	100	74	1,527	513
Outflows	(453)	(535)	(372)	(371)	(279)	(1,954)	(1,557)
Net Flows	(193)	(333)	(235)	(271)	(205)	(427)	(1,044)
Market performance	249	(804)	(1,187)	(82)	60	536	(2,013)
Other <sup>2</sup>	(190)	88	(8)	(6)	(42)	4,723	32
<b>Ending Balance</b>	<b>\$6,279</b>	<b>\$5,230</b>	<b>\$3,800</b>	<b>\$3,441</b>	<b>\$3,254</b>	<b>\$6,279</b>	<b>\$3,254</b>
<b>Total Equity</b>							
Beginning balance	\$112,732	\$116,546	\$102,989	\$84,754	\$78,034	\$86,268	\$116,546
Inflows	5,679	5,350	4,583	2,809	4,085	23,986	16,827
Outflows	(5,184)	(6,392)	(7,076)	(5,179)	(5,776)	(21,835)	(24,423)
Net Flows	495	(1,042)	(2,493)	(2,370)	(1,691)	2,151	(7,596)
Market performance	4,290	(12,617)	(15,717)	(4,313)	5,817	14,653	(26,830)
Other <sup>2</sup>	(971)	102	(25)	(37)	(266)	13,474	(226)
<b>Ending Balance</b>	<b>\$116,546</b>	<b>\$102,989</b>	<b>\$84,754</b>	<b>\$78,034</b>	<b>\$81,894</b>	<b>\$116,546</b>	<b>\$81,894</b>

\$ in millions

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

<sup>2</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Leveraged Finance</b>							
Beginning balance	\$12,210	\$12,069	\$12,213	\$10,816	\$10,363	\$10,730	\$12,069
Inflows	666	981	491	370	666	2,774	2,508
Outflows	(755)	(847)	(1,219)	(620)	(792)	(2,262)	(3,478)
Net Flows	(89)	134	(728)	(250)	(126)	512	(970)
Market performance	73	(203)	(578)	77	285	481	(419)
Other <sup>1</sup>	(125)	211	(91)	(280)	(326)	346	(486)
<b>Ending Balance</b>	<b>\$12,069</b>	<b>\$12,213</b>	<b>\$10,816</b>	<b>\$10,363</b>	<b>\$10,196</b>	<b>\$12,069</b>	<b>\$10,194</b>
<b>Multi-Sector</b>							
Beginning balance	\$9,690	\$9,633	\$11,765	\$10,551	\$9,851	\$9,128	\$9,633
Inflows	547	513	458	763	540	2,699	2,274
Outflows	(556)	(811)	(857)	(906)	(1,021)	(2,212)	(3,595)
Net Flows	(9)	(298)	(399)	(143)	(481)	487	(1,321)
Market performance	(31)	(604)	(876)	(481)	355	39	(1,606)
Other <sup>1</sup>	(17)	3,034	61	(76)	(28)	(21)	2,991
<b>Ending Balance</b>	<b>\$9,633</b>	<b>\$11,765</b>	<b>\$10,551</b>	<b>\$9,851</b>	<b>\$9,697</b>	<b>\$9,633</b>	<b>\$9,697</b>
<b>Emerging Markets Debt</b>							
Beginning balance	\$—	\$—	\$9,246	\$7,353	\$6,543	\$—	\$—
Inflows	—	631	105	61	180	—	977
Outflows	—	(821)	(895)	(470)	(694)	—	(2,880)
Net Flows	—	(190)	(790)	(409)	(514)	—	(1,903)
Market performance	—	(977)	(1,085)	(388)	641	—	(1,809)
Other <sup>1</sup>	—	10,413	(18)	(13)	(22)	—	10,360
<b>Ending Balance</b>	<b>\$—</b>	<b>\$9,246</b>	<b>\$7,353</b>	<b>\$6,543</b>	<b>\$6,648</b>	<b>\$—</b>	<b>\$6,648</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Investment Grade</b>							
Beginning balance	\$7,924	\$7,177	\$7,475	\$6,865	\$6,649	\$8,883	\$7,177
Inflows	229	164	137	372	584	1,267	1,257
Outflows	(933)	(545)	(479)	(331)	(289)	(2,472)	(1,644)
Net Flows	(704)	(381)	(342)	41	295	(1,205)	(387)
Market performance	(11)	(368)	(228)	(227)	147	(104)	(676)
Other <sup>1</sup>	(32)	1,047	(40)	(30)	(62)	(397)	915
<b>Ending Balance</b>	<b>\$7,177</b>	<b>\$7,475</b>	<b>\$6,865</b>	<b>\$6,649</b>	<b>\$7,029</b>	<b>\$7,177</b>	<b>\$7,029</b>
<b>Hybrid</b>							
Beginning balance	\$5,416	\$5,382	\$4,719	\$3,737	\$3,504	\$224	\$5,382
Inflows	313	284	162	162	162	1,389	770
Outflows	(272)	(584)	(447)	(447)	(447)	(976)	(1,925)
Net Flows	41	(300)	(285)	(285)	(285)	413	(1,155)
Market performance	44	(329)	(626)	(41)	72	169	(924)
Other <sup>1</sup>	(119)	(34)	(71)	93	42	4,576	30
<b>Ending Balance</b>	<b>\$5,382</b>	<b>\$4,719</b>	<b>\$3,737</b>	<b>\$3,504</b>	<b>\$3,333</b>	<b>\$5,382</b>	<b>\$3,333</b>
<b>Total Fixed Income</b>							
Beginning balance	\$35,240	\$34,261	\$45,418	\$39,322	\$36,910	\$28,965	\$34,261
Inflows	1,755	2,573	1,353	1,728	2,132	8,129	7,786
Outflows	(2,516)	(3,608)	(3,897)	(2,774)	(3,243)	(7,922)	(13,522)
Net Flows	(761)	(1,035)	(2,544)	(1,046)	(1,111)	207	(5,736)
Market performance	75	(2,481)	(3,393)	(1,060)	1,500	585	(5,434)
Other <sup>1</sup>	(293)	14,671	(159)	(306)	(396)	4,504	13,810
<b>Ending Balance</b>	<b>\$34,261</b>	<b>\$45,416</b>	<b>\$39,322</b>	<b>\$36,910</b>	<b>\$36,903</b>	<b>\$34,261</b>	<b>\$36,901</b>

\$ in millions

<sup>1</sup> 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>12/31/2021</u>	<u>3/31/2022</u>	<u>6/30/2022</u>	<u>9/30/2022</u>	<u>12/31/2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Multi-Asset <sup>1</sup></b>							
Beginning balance	\$23,641	\$24,853	\$23,415	\$20,261	\$19,364	\$12,201	\$23,415
Inflows	583	577	383	599	413	2,490	1,972
Outflows	(397)	(597)	(703)	(515)	(693)	(1,606)	(2,508)
Net Flows	186	(20)	(320)	84	(280)	884	(536)
Market performance	1,283	(1,237)	(2,678)	(861)	1,105	2,612	(3,671)
Other <sup>2</sup>	(257)	(181)	(156)	(120)	(252)	9,156	(709)
<b>Ending Balance</b>	<b>\$24,853</b>	<b>\$23,415</b>	<b>\$20,261</b>	<b>\$19,364</b>	<b>\$19,937</b>	<b>\$24,853</b>	<b>\$18,499</b>
<b>Alternative <sup>3</sup></b>							
Beginning balance	\$5,692	\$11,526	\$11,520	\$11,083	\$10,666	\$4,760	\$11,520
Inflows	695	934	1,565	587	621	1,891	3,707
Outflows	(596)	(799)	(976)	(569)	(940)	(1,651)	(3,284)
Net Flows	99	135	589	18	(319)	240	423
Market performance	685	(122)	(1,006)	(412)	392	1,502	(1,148)
Other <sup>2</sup>	5,050	(19)	(20)	(23)	(97)	5,024	(159)
<b>Ending Balance</b>	<b>\$11,526</b>	<b>\$11,520</b>	<b>\$11,083</b>	<b>\$10,666</b>	<b>\$10,642</b>	<b>\$11,526</b>	<b>\$10,636</b>

\$ in millions

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

<sup>2</sup> 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

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

# INVESTMENT MANAGEMENT FEES

## AVERAGE ASSETS <sup>1</sup> BY PRODUCT



	<u>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
U.S. Retail Funds	\$76,288	\$69,133	\$59,799	\$54,563	\$49,752	\$71,059	\$58,312
Global Funds	1,426	3,902	3,444	3,355	3,032	1,389	3,433
Exchange Traded Funds	1,387	1,422	1,401	1,371	1,243	1,183	1,359
Variable Insurance Funds	1,202	1,080	948	896	843	1,143	942
<b>Total – Open-End Funds</b>	<b>\$80,303</b>	<b>\$75,537</b>	<b>\$65,592</b>	<b>\$60,185</b>	<b>\$54,870</b>	<b>\$74,774</b>	<b>\$64,046</b>
Closed-End Funds	\$12,043	\$11,762	\$11,405	\$10,971	\$10,389	\$11,352	\$11,132
Intermediary Sold Managed Accounts	\$34,973	\$37,621	\$34,347	\$29,425	\$27,647	\$31,613	\$32,260
Private Client	6,555	6,917	6,477	5,823	5,734	6,254	6,238
<b>Total – Retail Separate Accounts</b>	<b>\$41,528</b>	<b>\$44,538</b>	<b>\$40,824</b>	<b>\$35,248</b>	<b>\$33,381</b>	<b>\$37,867</b>	<b>\$38,498</b>
Institutional Separate Accounts	\$46,959	\$54,615	\$49,957	\$47,127	\$46,325	\$45,000	\$49,506
Structured Products	3,734	3,654	3,603	3,541	3,656	3,849	3,614
<b>Total – Institutional Accounts</b>	<b>\$50,693</b>	<b>\$58,269</b>	<b>\$53,560</b>	<b>\$50,668</b>	<b>\$49,981</b>	<b>\$48,849</b>	<b>\$53,120</b>
<b>Total</b>	<b>\$184,567</b>	<b>\$190,106</b>	<b>\$171,381</b>	<b>\$157,072</b>	<b>\$148,621</b>	<b>\$172,841</b>	<b>\$166,795</b>

\$ in millions

<sup>1</sup> 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 EARNED <sup>1</sup> BY PRODUCT (IN BASIS POINTS)



	<u>Q4:21</u>	<u>Q1:22</u>	<u>Q2:22</u>	<u>Q3:22</u>	<u>Q4:22</u>	<u>TY:21</u>	<u>TY:22</u>
U.S. Retail Funds	49.3	47.8	47.4	49.0	48.7	47.4	48.1
Global Funds	43.5	33.5	37.8	25.8	39.3	49.1	33.9
Exchange Traded Funds	6.5	10.0	11.1	8.6	5.2	9.4	8.8
Variable Insurance Funds	51.5	52.7	49.2	50.8	47.6	50.8	50.2
<b>Total – Open-End Funds</b>	<b>48.5</b>	<b>46.5</b>	<b>46.2</b>	<b>46.8</b>	<b>47.2</b>	<b>46.9</b>	<b>46.6</b>
Closed-End Funds	55.5	58.4	56.9	57.0	57.1	55.8	57.4
Intermediary Sold Managed Accounts	38.4	36.9	36.3	35.5	35.4	38.0	36.1
Private Client	77.7	79.8	77.8	76.2	76.9	77.9	77.7
<b>Total – Retail Separate Accounts</b>	<b>44.6</b>	<b>43.6</b>	<b>42.9</b>	<b>42.2</b>	<b>42.6</b>	<b>44.6</b>	<b>42.8</b>
Institutional Separate Accounts <sup>2</sup>	32.4	31.2	30.3	31.0	31.7	31.8	31.0
Structured Products	35.2	36.0	35.1	34.7	35.8	37.3	35.4
<b>Total – Institutional Accounts <sup>3</sup></b>	<b>32.6</b>	<b>31.5</b>	<b>30.6</b>	<b>31.3</b>	<b>32.0</b>	<b>32.2</b>	<b>31.4</b>
<b>Total <sup>4</sup></b>	<b>43.7</b>	<b>41.9</b>	<b>41.2</b>	<b>41.5</b>	<b>41.7</b>	<b>42.9</b>	<b>41.6</b>

\$ in millions

<sup>1</sup> 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.

<sup>2</sup> Includes incentive fees earned during the three months ended 12/31/21, 03/31/22, 06/30/22, 09/30/22, and 12/31/22 that increased the fee rate by 0.6, 0.5, 0.3, 0.3 and 0.4 bps, respectively

<sup>3</sup> Includes incentive fees earned during the three months ended 12/31/21, 03/31/22, 06/30/22, 09/30/22, and 12/31/22 that increased the fee rate by 0.5, 0.5, 0.3, 0.2 and 0.4 bps, respectively

<sup>4</sup> Includes incentive fees earned during the three months ended 12/31/21, 03/31/22, 06/30/22, 09/30/22, and 12/31/22 that increased the fee rate by 0.1, 0.1, 0.1, 0.1 and 0.1 bps, respectively

# RECONCILIATION: U.S. GAAP TO NON-GAAP

Q4 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	
<b>Revenues</b>							
Investment management fees	163,648	2,231	(9,758)	—	—	—	156,121
Distribution and service fees	14,606	1	(14,607)	—	—	—	—
Administration and shareholder service fees	18,973	32	—	—	—	—	19,005
Other income and fees	1,144	—	—	—	—	—	1,144
Total revenues	198,371	2,264	(24,365)	—	—	—	176,270
<b>Operating Expenses</b>							
Employment expenses	87,676	—	—	—	—	637	88,313
Distribution and other asset-based expenses	24,365	—	(24,365)	—	—	—	—
Other operating expenses	31,811	—	—	—	(1,055)	—	30,756
Operating expenses of CIP	2,481	(2,481)	—	—	—	—	—
Change in fair value of contingent consideration	5,120	—	—	—	(5,120)	—	—
Depreciation expense	1,088	—	—	—	—	—	1,088
Amortization expense	14,609	—	—	(14,609)	—	—	—
Total operating expenses	167,150	(2,481)	(24,365)	(14,609)	—	637	120,157
<b>Operating Income (Loss)</b>	31,221	4,745	—	14,609	—	6,175	56,113
<b>Other Income (Expense)</b>							
Realized and unrealized gain (loss) on investments, net	3,529	365	—	—	(3,322)	—	572
Realized and unrealized gain (loss) of CIP, net	4,147	(4,147)	—	—	—	—	—
Other income (expense), net	(352)	—	—	—	—	—	(352)
Total other income (expense), net	7,324	(3,782)	—	—	(3,322)	—	220
<b>Interest Income (Expense)</b>							
Interest expense	(4,512)	—	—	—	—	—	(4,512)
Interest and dividend income	2,578	1,111	—	—	—	—	3,689
Interest and dividend income of CIP	35,889	(35,889)	—	—	—	—	—
Interest expense of CIP	(33,374)	33,374	—	—	—	—	—
Total interest income (expense), net	581	(1,404)	—	—	—	—	(823)
<b>Income (Loss) Before Income Taxes</b>	39,126	(441)	—	14,609	(3,322)	6,175	55,510
Income tax expense (benefit)	13,291	—	—	3,988	(46)	1,686	15,153
<b>Net Income (Loss)</b>	25,835	(441)	—	10,621	(3,276)	4,489	40,357
Noncontrolling interests	9,565	441	—	(679)	—	(11,345)	(2,018)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	35,400	—	—	9,942	(3,276)	4,489	38,339
Earnings (Loss) Per Share - Diluted	4.77	—	—	—	—	—	5.17
Weighted Average Shares Outstanding - Diluted	7,419	—	—	—	—	—	7,419

# RECONCILIATION: U.S. GAAP TO NON-GAAP

Q3 2022 (UNAUDITED)



	Reclassification		Other adjustments					Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Restructuring expense	Amortization of intangible assets	Seed capital and CLO investments	Other	
<b>Revenues</b>								
Investment management fees	172,850	2,217	(11,070)	—	—	—	—	163,997
Distribution and service fees	15,746	2	(15,748)	—	—	—	—	—
Administration and shareholder service fees	20,563	24	—	—	—	—	—	20,587
Other income and fees	1,102	—	—	—	—	—	—	1,102
<b>Total revenues</b>	<b>210,261</b>	<b>2,243</b>	<b>(26,818)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>185,686</b>
<b>Operating Expenses</b>								
Employment expenses	88,230	—	—	—	—	—	486	88,716
Distribution and other asset-based expenses	26,818	—	(26,818)	—	—	—	—	—
Other operating expenses	31,096	—	—	—	—	—	—	31,096
Operating expenses of CIP	538	(538)	—	—	—	—	—	—
Restructuring expense	4,015	—	—	(4,015)	—	—	—	—
Change in fair value of contingent consideration	—	—	—	—	—	—	—	—
Depreciation expense	938	—	—	—	—	—	—	938
Amortization expense	14,609	—	—	—	(14,609)	—	—	—
<b>Total operating expenses</b>	<b>166,244</b>	<b>(538)</b>	<b>(26,818)</b>	<b>(4,015)</b>	<b>(14,609)</b>	<b>—</b>	<b>486</b>	<b>120,750</b>
<b>Operating Income (Loss)</b>	<b>44,017</b>	<b>2,781</b>	<b>—</b>	<b>4,015</b>	<b>14,609</b>	<b>—</b>	<b>(486)</b>	<b>64,936</b>
<b>Other Income (Expense)</b>								
Realized and unrealized gain (loss) on investments, net	(2,493)	(3,652)	—	—	—	5,363	—	(782)
Realized and unrealized gain (loss) of CIP, net	(8,440)	8,440	—	—	—	—	—	—
Other income (expense), net	(659)	—	—	—	—	—	—	(659)
<b>Total other income (expense), net</b>	<b>(11,592)</b>	<b>4,788</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,363</b>	<b>—</b>	<b>(1,441)</b>
<b>Interest Income (Expense)</b>								
Interest expense	(3,557)	—	—	—	—	—	—	(3,557)
Interest and dividend income	1,013	1,197	—	—	—	—	—	2,210
Interest and dividend income of CIP	28,644	(28,644)	—	—	—	—	—	—
Interest expense of CIP	(20,356)	20,356	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>5,744</b>	<b>(7,091)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,347)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>38,169</b>	<b>478</b>	<b>—</b>	<b>4,015</b>	<b>14,609</b>	<b>5,363</b>	<b>(486)</b>	<b>62,148</b>
Income tax expense (benefit)	10,754	—	—	1,082	3,939	370	610	16,755
<b>Net Income (Loss)</b>	<b>27,415</b>	<b>478</b>	<b>—</b>	<b>2,933</b>	<b>10,670</b>	<b>4,993</b>	<b>(1,096)</b>	<b>45,393</b>
Noncontrolling interests	4,265	(478)	—	—	(718)	—	(5,462)	(2,393)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>31,680</b>	<b>—</b>	<b>—</b>	<b>2,933</b>	<b>9,952</b>	<b>4,993</b>	<b>(6,558)</b>	<b>43,000</b>
Earnings (Loss) Per Share - Diluted	4.25	—	—	—	—	—	—	5.76
Weighted Average Shares Outstanding - Diluted	7,463	—	—	—	—	—	—	7,463

# RECONCILIATION: U.S. GAAP TO NON-GAAP

Q2 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
<b>Revenues</b>								
Investment management fees	185,024	2,296	(11,424)	—	—	—	—	175,896
Distribution and service fees	17,159	—	(17,159)	—	—	—	—	—
Administration and shareholder service fees	21,982	5	—	—	—	—	—	21,987
Other income and fees	1,142	—	—	—	—	—	—	1,142
<b>Total revenues</b>	<b>225,307</b>	<b>2,301</b>	<b>(28,583)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>199,025</b>
<b>Operating Expenses</b>								
Employment expenses	89,360	—	—	—	—	(260)	—	89,100
Distribution and other asset-based expenses	28,583	—	(28,583)	—	—	—	—	—
Other operating expenses	31,559	—	—	—	—	(601)	—	30,958
Operating expenses of CIP	649	(649)	—	—	—	—	—	—
Change in fair value of contingent consideration	2,900	—	—	—	—	(2,900)	—	—
Depreciation expense	962	—	—	—	—	—	—	962
Amortization expense	14,624	—	—	(14,624)	—	—	—	—
<b>Total operating expenses</b>	<b>168,637</b>	<b>(649)</b>	<b>(28,583)</b>	<b>(14,624)</b>	<b>—</b>	<b>(3,761)</b>	<b>—</b>	<b>121,020</b>
<b>Operating Income (Loss)</b>	<b>56,670</b>	<b>2,950</b>	<b>—</b>	<b>14,624</b>	<b>—</b>	<b>3,761</b>	<b>—</b>	<b>78,005</b>
<b>Other Income (Expense)</b>								
Realized and unrealized gain (loss) on investments, net	(10,543)	(17,071)	—	—	24,910	—	—	(2,704)
Realized and unrealized gain (loss) of CIP, net	(21,659)	21,659	—	—	—	—	—	—
Other income (expense), net	571	—	—	—	—	—	—	571
<b>Total other income (expense), net</b>	<b>(31,631)</b>	<b>4,588</b>	<b>—</b>	<b>—</b>	<b>24,910</b>	<b>—</b>	<b>—</b>	<b>(2,133)</b>
<b>Interest Income (Expense)</b>								
Interest expense	(2,825)	—	—	—	—	—	—	(2,825)
Interest and dividend income	529	1,580	—	—	—	—	—	2,109
Interest and dividend income of CIP	22,412	(22,412)	—	—	—	—	—	—
Interest expense of CIP	(14,416)	14,416	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>5,700</b>	<b>(6,416)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(716)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>30,739</b>	<b>1,122</b>	<b>—</b>	<b>14,624</b>	<b>24,910</b>	<b>3,761</b>	<b>—</b>	<b>75,156</b>
Income tax expense (benefit)	16,480	—	—	3,970	(1,259)	1,021	189	20,401
<b>Net Income (Loss)</b>	<b>14,259</b>	<b>1,122</b>	<b>—</b>	<b>10,654</b>	<b>26,169</b>	<b>2,740</b>	<b>(189)</b>	<b>54,755</b>
Noncontrolling interests	3,143	(1,122)	—	(736)	—	—	(3,871)	(2,586)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>17,402</b>	<b>—</b>	<b>—</b>	<b>9,918</b>	<b>26,169</b>	<b>2,740</b>	<b>(4,060)</b>	<b>52,169</b>
Earnings (Loss) Per Share - Diluted	2.29	—	—	—	—	—	—	6.86
Weighted Average Shares Outstanding - Diluted	7,607	—	—	—	—	—	—	7,607

# 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	
<b>Revenues</b>								
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
<b>Total revenues</b>	<b>252,440</b>	<b>2,354</b>	<b>(32,846)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>221,948</b>
<b>Operating Expenses</b>								
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)	—	—	—	—	—	—
Change in fair value of contingent consideration	—	—	—	—	—	—	—	—
Depreciation expense	935	—	—	—	—	—	—	935
Amortization expense	14,662	—	—	(14,662)	—	—	—	—
<b>Total operating expenses</b>	<b>186,888</b>	<b>(740)</b>	<b>(32,846)</b>	<b>(14,662)</b>	<b>—</b>	<b>(6,667)</b>	<b>(122)</b>	<b>131,851</b>
<b>Operating Income (Loss)</b>	<b>65,552</b>	<b>3,094</b>	<b>—</b>	<b>14,662</b>	<b>—</b>	<b>6,667</b>	<b>122</b>	<b>90,097</b>
<b>Other Income (Expense)</b>								
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
<b>Total other income (expense), net</b>	<b>(16,039)</b>	<b>5,136</b>	<b>—</b>	<b>—</b>	<b>10,735</b>	<b>—</b>	<b>—</b>	<b>(168)</b>
<b>Interest Income (Expense)</b>								
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	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>6,341</b>	<b>(7,424)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(1,083)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>55,854</b>	<b>806</b>	<b>—</b>	<b>14,662</b>	<b>10,735</b>	<b>6,667</b>	<b>122</b>	<b>88,846</b>
Income tax expense (benefit)	16,735	—	—	3,974	(1,041)	1,807	2,603	24,078
<b>Net Income (Loss)</b>	<b>39,119</b>	<b>806</b>	<b>—</b>	<b>10,688</b>	<b>11,776</b>	<b>4,860</b>	<b>(2,481)</b>	<b>64,768</b>
Noncontrolling interests	(6,060)	(806)	—	(736)	—	—	4,488	(3,114)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>33,059</b>	<b>—</b>	<b>—</b>	<b>9,952</b>	<b>11,776</b>	<b>4,860</b>	<b>2,007</b>	<b>61,654</b>
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	
<b>Revenues</b>								
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
<b>Total revenues</b>	<b>266,262</b>	<b>2,374</b>	<b>(36,032)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>232,604</b>
<b>Operating Expenses</b>								
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)	—	—	—	—
<b>Total operating expenses</b>	<b>182,609</b>	<b>(1,705)</b>	<b>(36,032)</b>	<b>(14,262)</b>	<b>—</b>	<b>(14,454)</b>	<b>(374)</b>	<b>115,782</b>
<b>Operating Income (Loss)</b>	<b>83,653</b>	<b>4,079</b>	<b>—</b>	<b>14,262</b>	<b>—</b>	<b>14,454</b>	<b>374</b>	<b>116,822</b>
<b>Other Income (Expense)</b>								
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
<b>Total other income (expense), net</b>	<b>4,638</b>	<b>(2,866)</b>	<b>—</b>	<b>—</b>	<b>(1,285)</b>	<b>—</b>	<b>—</b>	<b>487</b>
<b>Interest Income (Expense)</b>								
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	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>1,180</b>	<b>(1,730)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(550)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>89,471</b>	<b>(517)</b>	<b>—</b>	<b>14,262</b>	<b>(1,285)</b>	<b>14,454</b>	<b>374</b>	<b>116,759</b>
Income tax expense (benefit)	27,458	—	—	3,844	(2,880)	3,896	(850)	31,468
<b>Net Income (Loss)</b>	<b>62,013</b>	<b>(517)</b>	<b>—</b>	<b>10,418</b>	<b>1,595</b>	<b>10,558</b>	<b>1,224</b>	<b>85,291</b>
Noncontrolling interests	(12,173)	517	—	(736)	—	—	9,231	(3,161)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>49,840</b>	<b>—</b>	<b>—</b>	<b>9,682</b>	<b>1,595</b>	<b>10,558</b>	<b>10,455</b>	<b>82,130</b>
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

TY 2022 (UNAUDITED)



	Reclassification		Other adjustments						Non-GAAP Basis
	U.S. GAAP Basis	Consolidated investment products	Revenue related	Restructuring expense	Amortization of intangible assets	Seed capital and CLO investments	Acquisition and integration	Other	
<b>Revenues</b>									
Investment management fees	728,339	9,054	(45,090)	—	—	—	—	—	692,303
Distribution and service fees	67,518	4	(67,522)	—	—	—	—	—	—
Administration and shareholder service fees	85,862	104	—	—	—	—	—	—	85,966
Other income and fees	4,660	—	—	—	—	—	—	—	4,660
<b>Total revenues</b>	<b>886,379</b>	<b>9,162</b>	<b>(112,612)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>782,929</b>
<b>Operating Expenses</b>									
Employment expenses	371,259	—	—	—	—	—	(4,542)	1,001	367,718
Distribution and other asset-based expenses	112,612	—	(112,612)	—	—	—	—	—	—
Other operating expenses	126,178	—	—	—	—	—	(4,041)	—	122,137
Operating expenses of CIP	4,408	(4,408)	—	—	—	—	—	—	—
Restructuring expense	4,015	—	—	(4,015)	—	—	—	—	—
Change in fair value of contingent consideration	8,020	—	—	—	—	—	(8,020)	—	—
Depreciation expense	3,923	—	—	—	—	—	—	—	3,923
Amortization expense	58,504	—	—	—	(58,504)	—	—	—	—
<b>Total operating expenses</b>	<b>688,919</b>	<b>(4,408)</b>	<b>(112,612)</b>	<b>(4,015)</b>	<b>(58,504)</b>	<b>—</b>	<b>(16,603)</b>	<b>1,001</b>	<b>493,778</b>
<b>Operating Income (Loss)</b>	<b>197,460</b>	<b>13,570</b>	<b>—</b>	<b>4,015</b>	<b>58,504</b>	<b>—</b>	<b>16,603</b>	<b>(1,001)</b>	<b>289,151</b>
<b>Other Income (Expense)</b>									
Realized and unrealized gain (loss) on investments, net	(12,489)	(28,566)	—	—	—	37,686	—	—	(3,369)
Realized and unrealized gain (loss) of CIP, net	(39,296)	39,296	—	—	—	—	—	—	—
Other income (expense), net	(153)	—	—	—	—	—	—	—	(153)
<b>Total other income (expense), net</b>	<b>(51,938)</b>	<b>10,730</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>37,686</b>	<b>—</b>	<b>—</b>	<b>(3,522)</b>
<b>Interest Income (Expense)</b>									
Interest expense	(13,173)	—	—	—	—	—	—	—	(13,173)
Interest and dividend income	4,448	4,756	—	—	—	—	—	—	9,204
Interest and dividend income of CIP	107,325	(107,325)	—	—	—	—	—	—	—
Interest expense of CIP	(80,234)	80,234	—	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>18,366</b>	<b>(22,335)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(3,969)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>163,888</b>	<b>1,965</b>	<b>—</b>	<b>4,015</b>	<b>58,504</b>	<b>37,686</b>	<b>16,603</b>	<b>(1,001)</b>	<b>281,660</b>
Income tax expense (benefit)	57,260	—	—	1,082	15,871	(1,976)	4,514	(364)	76,387
<b>Net Income (Loss)</b>	<b>106,628</b>	<b>1,965</b>	<b>—</b>	<b>2,933</b>	<b>42,633</b>	<b>39,662</b>	<b>12,089</b>	<b>(637)</b>	<b>205,273</b>
Noncontrolling interests	10,913	(1,965)	—	—	(2,869)	—	—	(16,190)	(10,111)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>117,541</b>	<b>—</b>	<b>—</b>	<b>2,933</b>	<b>39,764</b>	<b>39,662</b>	<b>12,089</b>	<b>(16,827)</b>	<b>195,162</b>
Earnings (Loss) Per Share - Diluted	15.50	—	—	—	—	—	—	—	25.74
Weighted Average Shares Outstanding - Diluted	7,582	—	—	—	—	—	—	—	7,582

# RECONCILIATION: U.S. GAAP TO NON-GAAP

TY 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	
<b>Revenues</b>								
Investment management fees	781,585	9,514	(50,476)	—	—	—	—	740,623
Distribution and service fees	90,555	8	(90,563)	—	—	—	—	—
Administration and shareholder service fees	102,531	163	—	—	—	—	—	102,694
Other income and fees	4,563	—	—	—	—	—	—	4,563
<b>Total revenues</b>	<b>979,234</b>	<b>9,685</b>	<b>(141,039)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>847,880</b>
<b>Operating Expenses</b>								
Employment expenses	358,230	—	—	—	—	(1,065)	(1,765)	355,400
Distribution and other asset-based expenses	141,039	—	(141,039)	—	—	—	—	—
Other operating expenses	90,134	—	—	—	—	(8,574)	(813)	80,747
Operating expenses of CIP	3,562	(3,562)	—	—	—	—	—	—
Change in fair value of contingent consideration	12,400	—	—	—	—	(12,400)	—	—
Depreciation expense	3,900	—	—	—	—	—	—	3,900
Amortization expense	44,481	—	—	(44,481)	—	—	—	—
<b>Total operating expenses</b>	<b>653,746</b>	<b>(3,562)</b>	<b>(141,039)</b>	<b>(44,481)</b>	<b>—</b>	<b>(22,039)</b>	<b>(2,578)</b>	<b>440,047</b>
<b>Operating Income (Loss)</b>	<b>325,488</b>	<b>13,247</b>	<b>—</b>	<b>44,481</b>	<b>—</b>	<b>22,039</b>	<b>2,578</b>	<b>407,833</b>
<b>Other Income (Expense)</b>								
Realized and unrealized gain (loss) on investments, net	3,907	9,028	—	—	(12,653)	—	—	282
Realized and unrealized gain (loss) of CIP, net	(1,761)	1,761	—	—	—	—	—	—
Other income (expense), net	4,230	—	—	—	—	—	—	4,230
<b>Total other income (expense), net</b>	<b>6,376</b>	<b>10,789</b>	<b>—</b>	<b>—</b>	<b>(12,653)</b>	<b>—</b>	<b>—</b>	<b>4,512</b>
<b>Interest Income (Expense)</b>								
Interest expense	(9,240)	—	—	—	—	—	180	(9,060)
Interest and dividend income	1,364	3,552	—	—	—	—	—	4,916
Interest and dividend income of CIP	90,080	(90,080)	—	—	—	—	—	—
Interest expense of CIP	(60,398)	60,398	—	—	—	—	—	—
<b>Total interest income (expense), net</b>	<b>21,806</b>	<b>(26,130)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>180</b>	<b>(4,144)</b>
<b>Income (Loss) Before Income Taxes</b>	<b>353,670</b>	<b>(2,094)</b>	<b>—</b>	<b>44,481</b>	<b>(12,653)</b>	<b>22,039</b>	<b>2,758</b>	<b>408,201</b>
Income tax expense (benefit)	90,835	—	—	11,877	(4,557)	5,913	4,849	108,917
<b>Net Income (Loss)</b>	<b>262,835</b>	<b>(2,094)</b>	<b>—</b>	<b>32,604</b>	<b>(8,096)</b>	<b>16,126</b>	<b>(2,091)</b>	<b>299,284</b>
Noncontrolling interests	(54,704)	2,094	—	(2,944)	—	—	43,194	(12,360)
<b>Net Income (Loss) Attributable to Virtus Investment Partners, Inc.</b>	<b>208,131</b>	<b>—</b>	<b>—</b>	<b>29,660</b>	<b>(8,096)</b>	<b>16,126</b>	<b>41,103</b>	<b>286,924</b>
Earnings (Loss) Per Share - Diluted	26.01	—	—	—	—	—	—	35.85
Weighted Average Shares Outstanding - Diluted	8,003	—	—	—	—	—	—	8,003

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 expense - 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>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Acquisition and Integration Expenses</b>							
Employment expenses	\$(846)	\$4,282	\$260	\$—	\$—	\$1,065	\$4,542
Other operating expenses	2,900	2,385	601	—	1,055	8,574	4,041
Change in fair value of contingent consideration	12,400	—	2,900	—	5,120	12,400	8,020
<b>Total Acquisition and Integration Operating Expenses</b>	<b>\$14,454</b>	<b>\$6,667</b>	<b>\$3,761</b>	<b>\$0</b>	<b>\$6,175</b>	<b>\$22,039</b>	<b>\$16,603</b>
	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>TY:21</u>	<u>TY:22</u>
<b>Other</b>							
Employment expense fair value adjustments	\$346	\$122	\$—	\$(486)	\$(637)	\$1,765	\$(1,001)
Non-capitalized debt issuance costs	28	—	—	—	—	813	—
Gain / loss on extinguishment or modification of debt	—	—	—	—	—	180	—
Tax impact of adjustments	(101)	(33)	—	131	174	(733)	272
Other discrete tax adjustments	951	(2,570)	(189)	(741)	3,592	(4,116)	92
Affiliate minority interest fair value adjustments	9,231	4,488	(3,871)	(5,462)	(11,345)	43,194	(16,190)
<b>Total Other</b>	<b>\$10,455</b>	<b>\$2,007</b>	<b>\$(4,060)</b>	<b>\$(6,558)</b>	<b>\$(8,216)</b>	<b>\$41,103</b>	<b>\$(16,827)</b>

\$ in thousands

