



Fourth Quarter 2021  
Earnings Presentation  
February 11, 2022

This presentation may contain “forward-looking” statements that are based on our beliefs and assumptions and on information currently available to us. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, competitive position and potential organic and inorganic growth opportunities. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipate,” “believe,” “could,” “seek,” “estimate,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our beliefs and assumptions only as of the date of this presentation. Please review our press release and SEC filings for additional information on risk factors. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Victory Capital uses non-GAAP financial measures referred to as Adjusted EBITDA and Adjusted Net Income to measure the operating profitability of the business. These measures eliminate the impact of one-time acquisition, restructuring and integration costs and demonstrate the ongoing operating earnings metrics of the business. The Company has included these non-GAAP measures to provide investors with the same financial metrics used by management to assess the operating performance of the Company. Reconciliations of non-GAAP metrics to their closest comparable GAAP metrics can be found in the Appendix that accompanies this presentation.

Quarterly Business Overview

Review of Longer-Term Financial Performance

Investment Performance

Fourth-Quarter 2021 Financial Results

Appendix

# Quarterly Business Overview

## STRATEGIC HIGHLIGHTS

- Closed two strategic growth-oriented acquisitions in Q4
    - New Energy Capital
      - Launched alternative investments platform
      - Broadens ESG/impact product offering
    - WestEnd Advisors
      - Fast-growing third-party ETF Model Strategist
      - Provides entry into the rapidly growing model portfolio segment of industry
- 

## Q4 AND 2021 OPERATING & FINANCIAL HIGHLIGHTS

- Total AUM of \$183.7Bn as of December 31, 2021
  - Up 15% from Q3 2021
  - Up 25% from Q4 2020
- Q4 revenue up 1% from Q3, to \$229.1MM
  - Full-year revenue of \$890.3MM, up 15% from 2020
- Adjusted EBITDA margin of 50.2% in Q4; 50.4% in FY 2021
- Q4 Adjusted Net Income with tax benefit per diluted share of \$1.27
  - Up 19% from Q4 2020
- 2021 Adjusted Net Income with tax benefit per diluted share of \$4.82
  - Up 25% from 2020
- Quarterly cash dividend increased 47% from \$0.17 to \$0.25 per share

## DIRECT INVESTOR BUSINESS

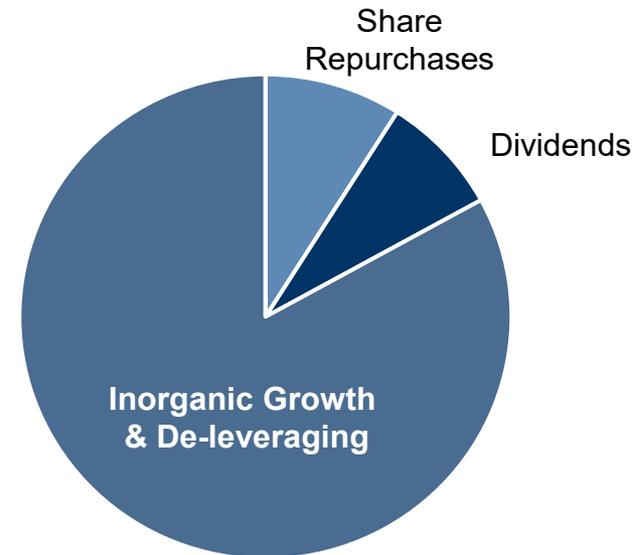
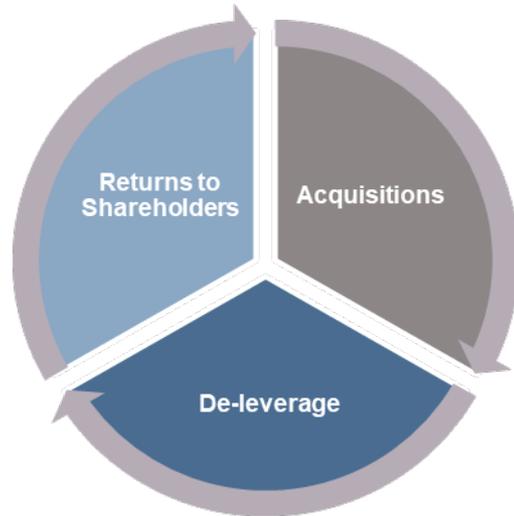
- Averaging >5K new account registrations per month since acquisition
- USAA® 529 Education Savings Plan
  - Positive net flows in Q4 and FY 2021, and since acquiring
- Six consecutive quarters of net flow improvement
- More than 110K downloads of new mobile app launched in Q3
- Build out of Digital Marketplace progressing

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## GOVERNANCE

- Special Meeting held on November 18
- Shareholders supported elimination of dual-class share structure
  - Aligns with best practices
  - Enhances index inclusion opportunities
  - Potential for new shareholders

# Review of Longer-Term Financial Performance



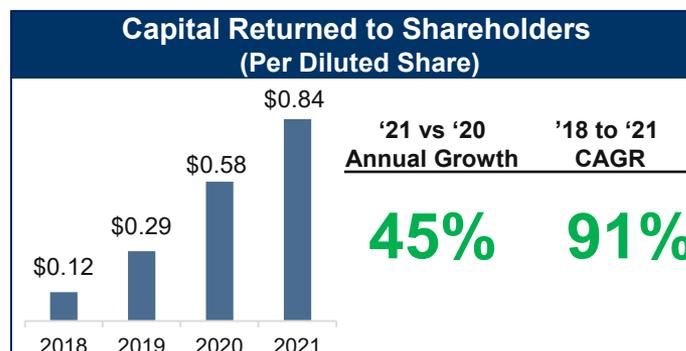
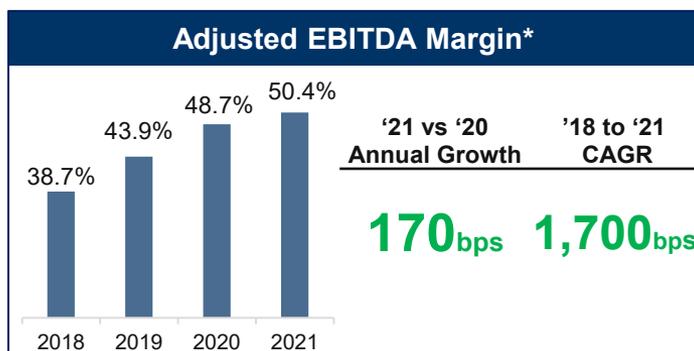
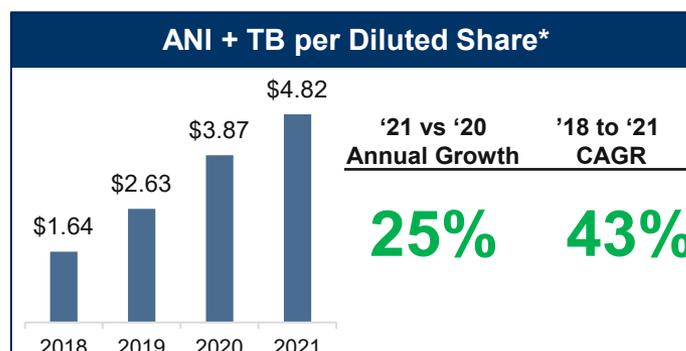
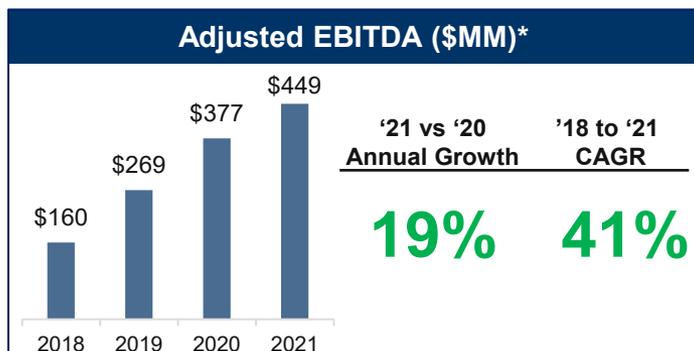
## **Enhancing Shareholder Value by:**

- Improving platform with every strategic acquisition
- Evolving product set to drive organic growth
- Gaining efficiency from integrated platform
- Evaluating numerous acquisition opportunities
- Being acquirer of choice for many asset managers
- Commitment to de-levering for balance sheet flexibility

## **Maintaining Balance Sheet Flexibility with:**

- Capital allocation policy that supports growth strategy
- Strong free cash flow generation
- Capacity to quickly de-leverage to do additional deals
- Ancillary share repurchases
- Ancillary cash dividend
- Minimal cap ex, due to business model

# Review of Longer-Term Financial Performance



#### VCTR Rankings

- ✓ 9<sup>th</sup> Overall
- ✓ 1<sup>st</sup> in Asset Management
- ✓ 4<sup>th</sup> in Financial Services
- ✓ 1<sup>st</sup> in Texas

\*Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Net Income plus Tax Benefit (ANI+TB) per diluted share are non-GAAP measures. Please see attached reconciliations to the most comparable GAAP measures in the Appendix of this presentation.

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# Investment Performance



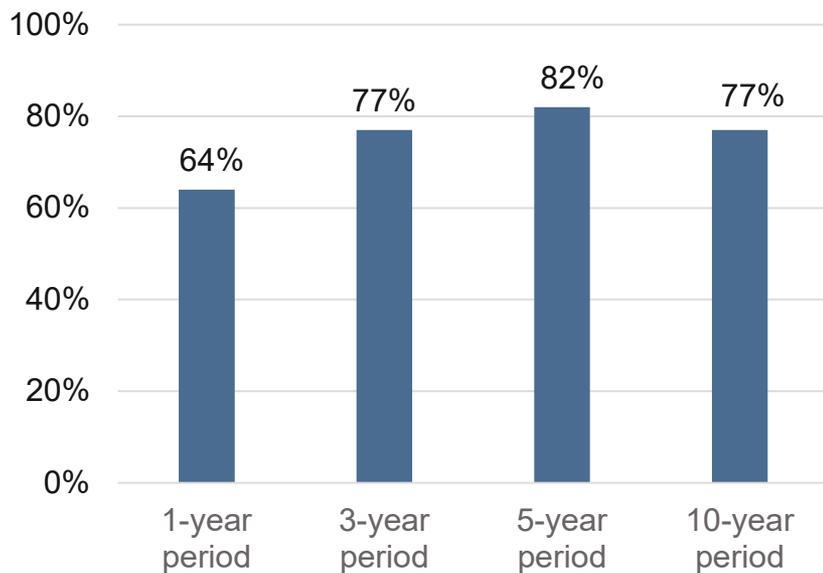
**43**

*Total Mutual Funds and ETFs with 4- or 5-Star overall ratings*

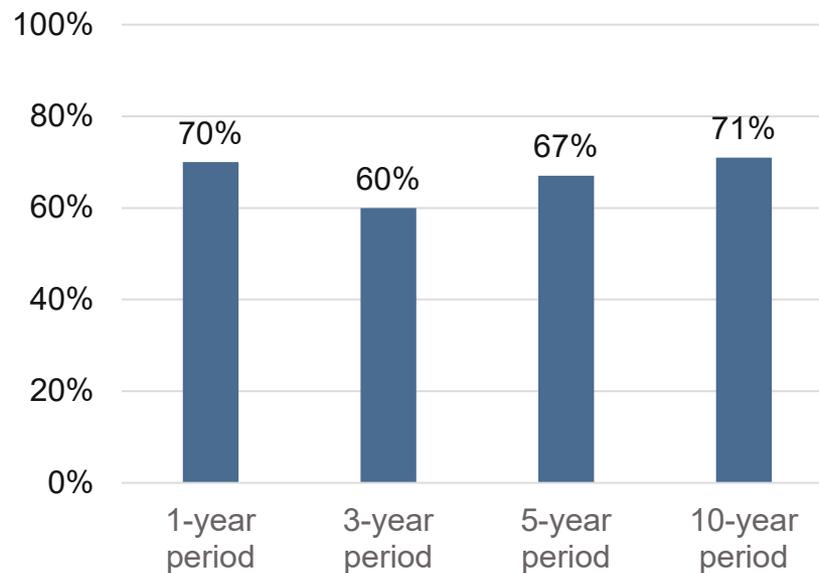
**64%**

*Total Mutual Funds and ETFs AUM with 4- or 5-Star overall ratings*

% of AUM outperforming benchmarks



% of strategies outperforming benchmarks



# Fourth-Quarter 2021 Financial Results

## FOURTH QUARTER & FULL YEAR FINANCIAL RESULTS

- AUM of \$183.7Bn as of December 31, 2021
  - Up 15% from Q3 2021
  - Up 25% from Q4 2020
- Revenue of \$229.1MM in Q4; \$890.3MM for full-year
  - Up 1% from Q3 2021 and up 14% from Q4 2020
  - Up 15% from full-year 2020
- Q4 Adjusted EBITDA of \$114.9MM and 50.2% margin
  - Full-year Adjusted EBITDA rose 19% to \$449MM with 50.4% margin
- Q4 GAAP Net Income of \$69.7MM, or \$0.94 per diluted share
- Full-year GAAP Net Income increased 31% to \$278.4MM, or \$3.75 per diluted share
- Q4 Adjusted Net Income with tax benefit of \$93.7MM, \$1.27 per diluted share
- Full-year Adjusted Net Income with tax benefit rose 25% to a record \$357.1MM or \$4.82 per diluted share

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## CAPITAL MANAGEMENT

- Priced \$505 million Incremental Term Loan at L+225
- Returned \$16MM to shareholders in Q4 and \$62MM in 2021
  - \$4.4MM in share repurchases in Q4, and \$26MM in full year
  - \$11.6MM in cash dividends in Q4, and \$36MM in full year
- New \$15MM share repurchase authorized in December

# Assets Under Management

- AUM of \$183.7Bn as of December 31, 2021

- Up 15% from Q3 2021

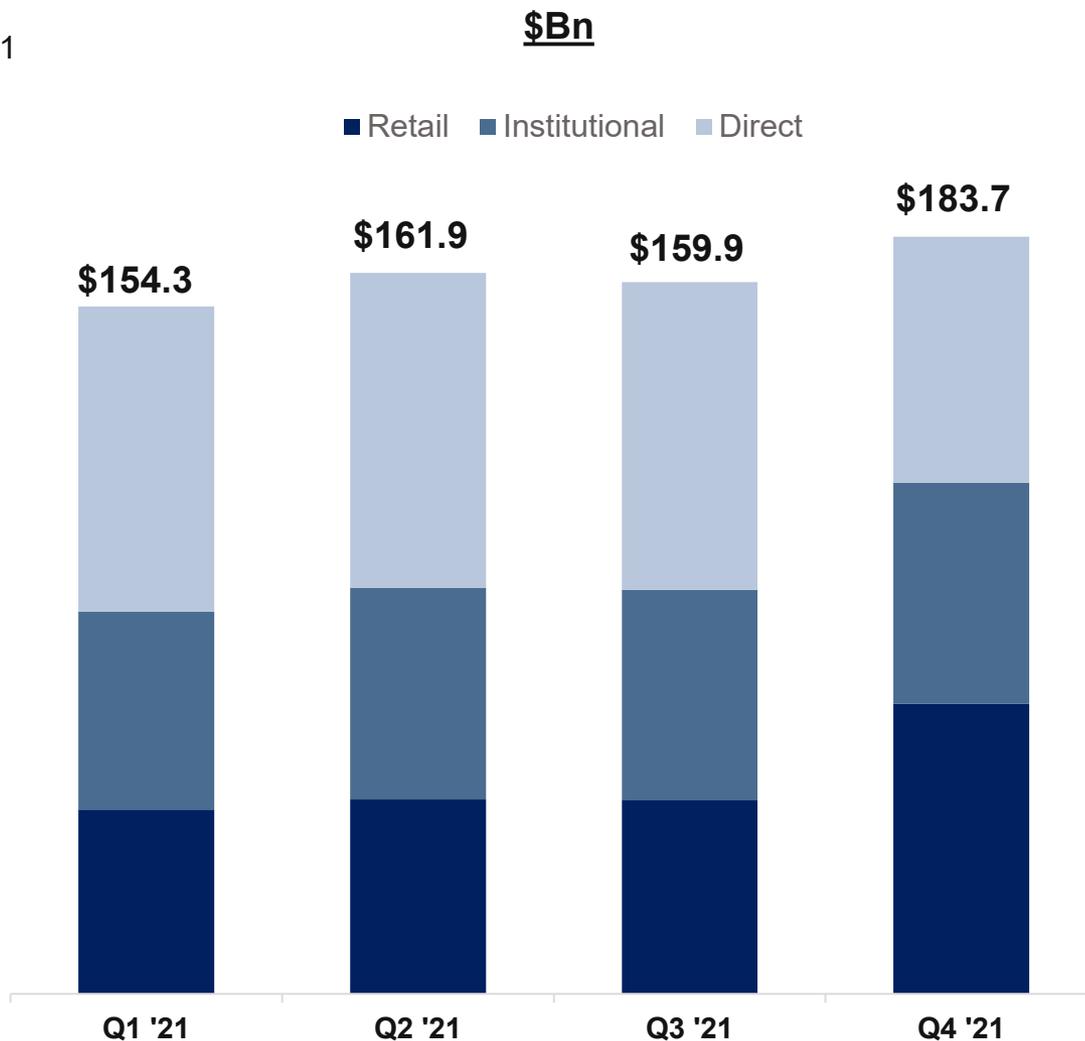
- Up 25% from Q4 2020

- Diversified distribution

- Retail

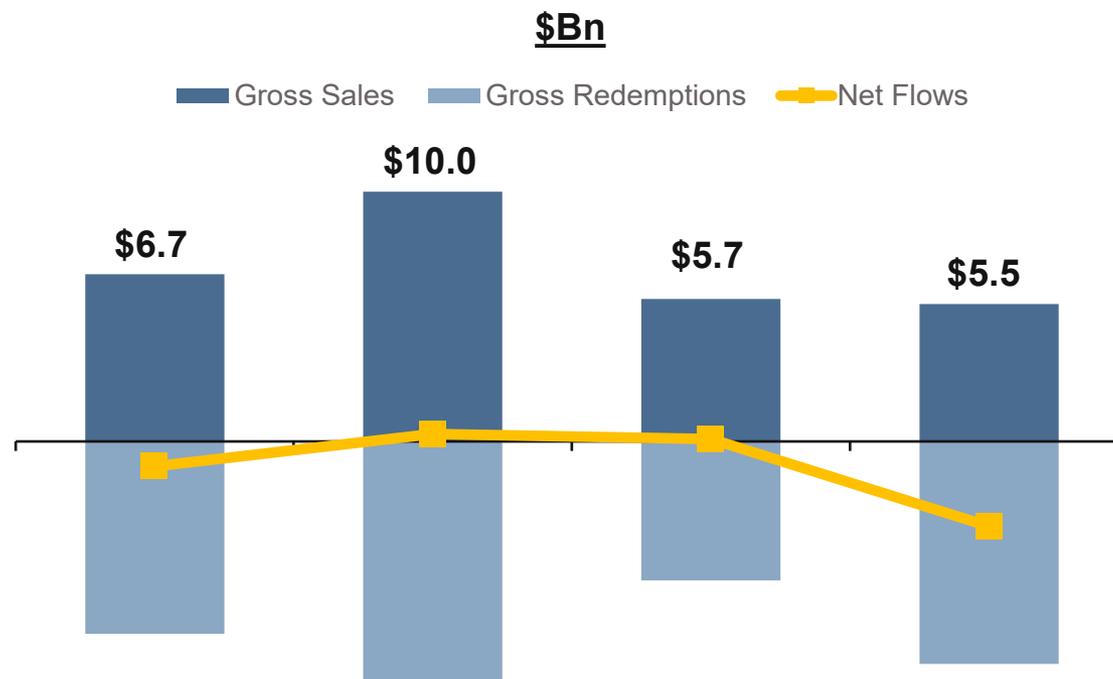
- Institutional

- Direct



Assets under management are as of the end of the respective periods shown.

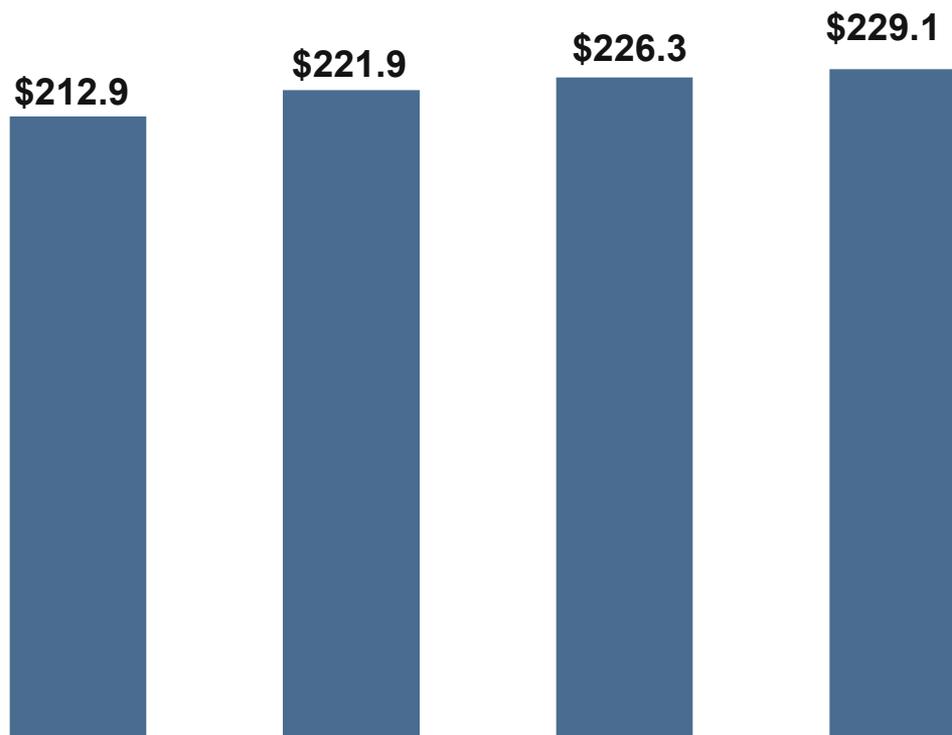
- Gross LT sales of \$5.5Bn in Q4
- Record LT gross sales of \$27.9Bn in 2021
- Multiple franchises/strategies and products generated long-term net inflows in 2021 including:
  - INCORE
  - RS Global
  - Solutions Platform
  - Sophus
  - Sycamore
  - Trivalent
  - VictoryShares ETFs



Operating Metrics	Q1 '21	Q2 '21	Q3 '21	Q4 '21
Net long-term flows (\$MM)	-\$983	+\$302	+\$131	-\$3,402

\$MM

- Q4 2021 revenue of \$229MM
  - Up 1% vs Q3 2021
  - Up 14% vs Q4 2020
- Full-year 2021 revenue of \$890MM
  - Up 15% vs 2020



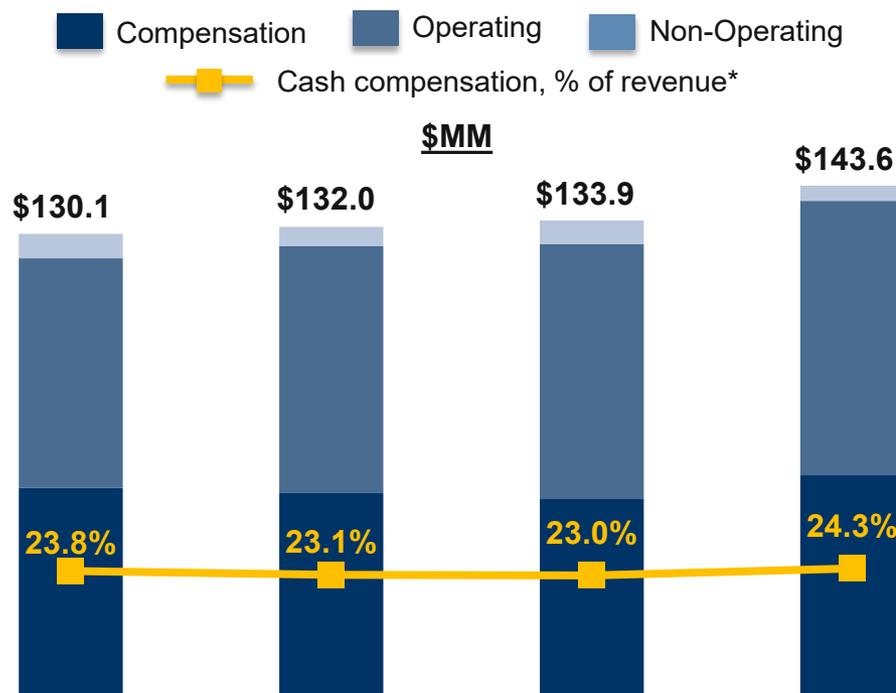
Operating Metrics	Q1 '21	Q2 '21	Q3 '21	Q4 '21
Average AUM (\$Bn)	\$151.1	\$158.5	\$162.5	<b>\$162.3*</b>
Average Fee Rate (bps), as reported	57.2	56.2	55.3	<b>56.0</b>

\*Q4 2021 Average AUM, does not include any impact from the WestEnd Advisors acquisition that closed on December 31, 2021.

# Expenses

- Q4 2021 total expenses increased \$9.7MM vs Q3 2021

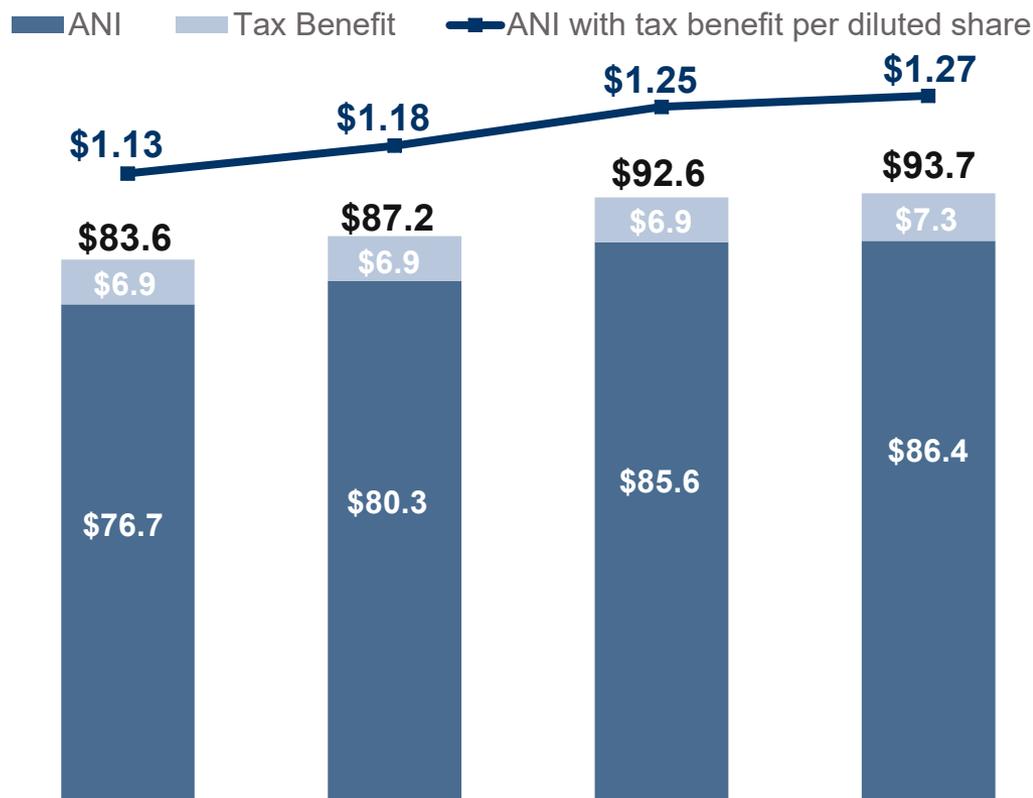
- Driven by \$4.9MM increase in acquisition, restructuring and integration expense
- \$1.9MM of acquisition / transaction related compensation
- Cash compensation up \$3.5MM on higher earnings and incentive compensation, and NEC acquisition



(\$MM)	Q1 '21	Q2 '21	Q3 '21	Q4 '21
Cash Compensation, payroll taxes (ex acq/trans related comp)*	\$ 50.7	\$ 51.3	\$ 52.1	\$ 55.6
Acquisition / Transaction related compensation	-	-	-	1.9
Equity Compensation (Non-cash)	5.5	4.3	4.0	3.7
Deferred Compensation MTM (Non-cash)	2.7	1.8	(0.3)	1.3
<b>Total Compensation Expenses</b>	59.0	57.5	55.8	62.5
Acquisition, Restructuring, and Integration Expenses	4.4	6.5	8.4	13.3
All Other Non-Personnel Operating Expenses	59.8	62.6	63.0	63.5
<b>Total Operating Expenses</b>	123.2	126.6	127.3	139.3
Unrealized Gain/(Loss) on Deferred Comp Plan - Offset	2.7	1.8	(0.3)	1.3
<b>Total Non-Operating Exp. (inclusive of Def Comp G/L)</b>	6.9	5.4	6.6	4.3
<b>Total Expenses</b>	\$ 130.1	\$ 132.0	\$ 133.9	\$ 143.6

- 2021 margins are inclusive of investments in:
  - Technology
  - Distribution
  - Data
  - Direct Investor Business
  - Additional headcount

## \$MM except per share data

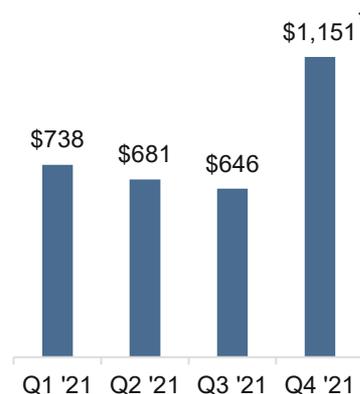


Operating Metrics	Q1 '21	Q2 '21	Q3 '21	Q4 '21
Adjusted EBITDA (\$MM)	\$106.8	\$112.2	\$115.0	<b>\$114.9</b>
Adjusted EBITDA margin	50.2%	50.6%	50.8%	<b>50.2%</b>

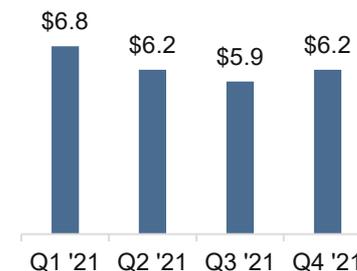
Adjusted measures are non-GAAP financial measures. Reconciliations and explanations of these non-GAAP financial measures are provided at the end of this presentation.

Selected Balance Sheet Items (\$MM)	12/31/2021
Cash / Cash Equivalents	\$70
Debt*	\$1,151
Stockholders' Equity	\$930
Diluted Shares Outstanding (MM)	74.0
Net Debt / Adjusted EBITDA	2.2x

**Debt (\$MM)**



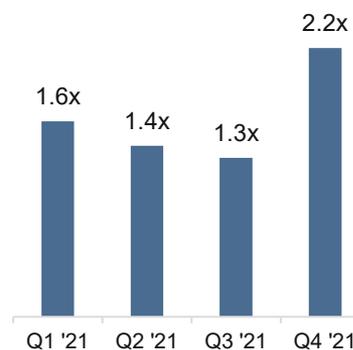
**Interest Expense and Other Financing Costs (\$MM)**



## Q4 2021 Highlights

- Returned \$16.0MM to shareholders
  - Repurchased 122K shares
  - Authorized new \$15MM program
- Increased quarterly cash dividend 47%
- Incremental Term Loan priced at L+225
- Leverage ratio of 2.2x at year-end 2021
- \*Excludes \$55 million of debt repaid since yearend

**Leverage Ratio**



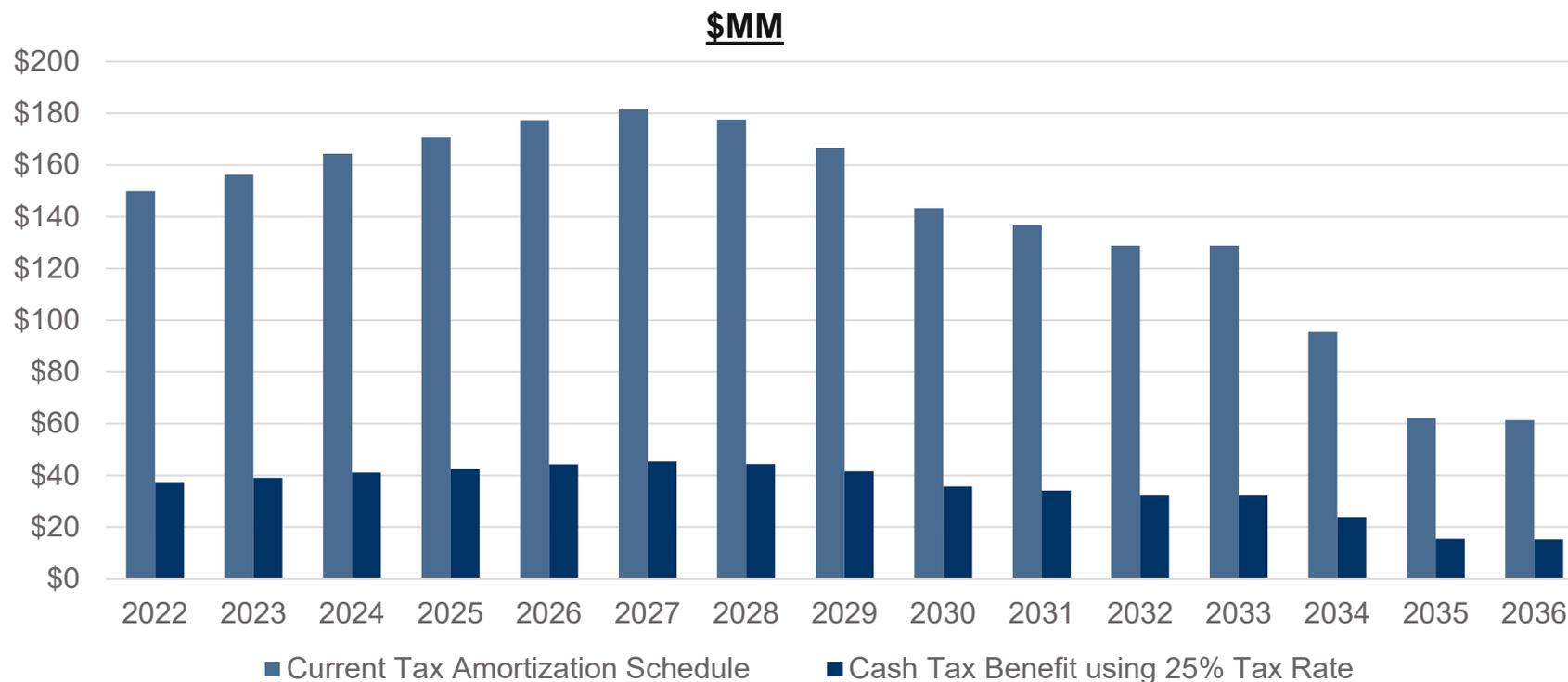
**GAAP Operating Cash Flow (\$MM)**



# Appendix

## Section 338(h)(10) Election

- Stepped up cost basis of acquired indefinite lived intangible assets is deductible for corporate income tax purposes over 15 years
  - \$2.1 billion in total future tax amortization
  - **\$525MM** in future cash tax savings, assuming 25% tax rate
  - **NPV \$337MM, conservatively discounted at 7%, or >\$4.90 per share**



## **Information Regarding Non-GAAP Financial Measures**

Victory Capital uses non-GAAP financial measures referred to as Adjusted EBITDA and Adjusted Net Income to measure the operating profitability of the Company. These measures eliminate the impact of one-time acquisition, restructuring and integration costs and demonstrate the ongoing operating earnings metrics of the Company. The Company has included these non-GAAP measures to provide investors with the same financial metrics used by management to assess the operating performance of the Company. Due to rounding, numbers presented in the following tables may not add up to precisely the totals provided.

### **Adjusted EBITDA**

Adjustments made to GAAP Net Income to calculate Adjusted EBITDA, as applicable, are:

- Adding back income tax expense;
- Adding back interest paid on debt and other financing costs net of interest income;
- Adding back depreciation on property and equipment;
- Adding back other business taxes;
- Adding back amortization expense on acquisition-related intangible assets;
- Adding back stock-based compensation expense associated with equity awards issued from pools created in connection with the management-led buyout and various acquisitions and as a result of equity grants related to the IPO;
- Adding back direct incremental costs of acquisitions, including restructuring costs;
- Adding back debt issuance costs; and
- Adjusting for earnings/losses on equity method investments.

## **Information Regarding Non-GAAP Financial Measures (cont.)**

### **Adjusted Net Income**

Adjustments made to GAAP Net Income to calculate Adjusted Net Income, as applicable, are:

- Adding back other business taxes;
- Adding back amortization expense on acquisition-related intangible assets;
- Adding back stock-based compensation expense associated with equity awards issued from pools created in connection with the management-led buyout and various acquisitions and as a result of any equity grants related to the IPO;
- Adding back direct incremental costs of acquisitions, including restructuring costs;
- Adding back debt issuance costs; and
- Subtracting an estimate of income tax expense applied to the sum of the adjustments above.

### **Tax Benefit of Goodwill and Acquired Intangible Assets**

Due to Victory Capital's acquisitive nature, tax deductions allowed on acquired intangible assets and goodwill provide it with additional significant supplemental economic benefit. The tax benefit of goodwill and intangible assets represent the tax benefits associated with deductions allowed for intangible assets and goodwill generated from prior acquisitions in which the Company received a step-up in basis for tax purposes. Acquired intangible assets and goodwill may be amortized for tax purposes, generally over a 15-year period. The tax benefit from amortization on these assets is included to show the full economic benefit of deductions for all acquired intangible assets with a step-up in tax basis.

# Consolidated Reconciliations of Adjusted EBITDA



	For the three months ended,				
	<i>(in thousands)</i>				
	<u>12/31/2020</u>	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>
<b>GAAP Net income</b>	<b>\$ 54,895</b>	<b>\$ 65,202</b>	<b>\$ 69,270</b>	<b>\$ 74,175</b>	<b>\$ 69,742</b>
GAAP Income tax expense	(17,681)	(17,662)	(20,629)	(18,181)	(15,781)
<b>GAAP income before taxes</b>	<b>72,576</b>	<b>82,864</b>	<b>89,899</b>	<b>92,356</b>	<b>85,523</b>
Interest expense	7,432	7,310	6,086	5,561	5,328
Depreciation	1,107	1,246	1,524	1,693	1,746
Other business taxes	265	374	524	376	383
GAAP amortization of acquisition-related intangibles	3,122	3,138	3,171	2,684	3,638
Stock-based compensation	3,774	4,636	3,124	2,851	2,499
Acquisition, restructuring and exit costs	13,904	4,389	6,544	8,425	15,188
Debt issuance costs	1,459	2,793	1,304	960	532
Losses from equity method investments	193	92	65	70	104
<b>Adjusted EBITDA</b>	<b>\$ 103,832</b>	<b>\$ 106,842</b>	<b>\$ 112,241</b>	<b>\$ 114,976</b>	<b>\$ 114,941</b>
<b>Revenue (in thousands)</b>	<b>\$ 200,388</b>	<b>\$ 212,949</b>	<b>\$ 221,904</b>	<b>\$ 226,290</b>	<b>\$ 229,122</b>
<b>Adjusted EBITDA Margin</b>	<b>51.8%</b>	<b>50.2%</b>	<b>50.6%</b>	<b>50.8%</b>	<b>50.2%</b>

# Consolidated Reconciliations of Adjusted Net Income



	<b>For the three months ended,</b>				
	<i>(in thousands, except per-share data)</i>				
	<u>12/31/2020</u>	<u>3/31/2021</u>	<u>6/30/2021</u>	<u>9/30/2021</u>	<u>12/31/2021</u>
<b>GAAP Net Income</b>	<b>\$ 54,895</b>	<b>\$ 65,202</b>	<b>\$ 69,270</b>	<b>\$ 74,175</b>	<b>\$ 69,742</b>
Other business taxes	265	374	524	376	383
GAAP amortization of acquisition-related intangibles	3,122	3,138	3,171	2,684	3,638
Stock-based compensation	3,774	4,636	3,124	2,851	2,499
Acquisition, restructuring and exit costs	13,904	4,389	6,544	8,425	15,188
Debt issuance costs	1,459	2,793	1,304	960	532
Tax effect of above adjustments	<u>(5,631)</u>	<u>(3,832)</u>	<u>(3,667)</u>	<u>(3,824)</u>	<u>(5,560)</u>
Adjusted Net Income	71,788	76,700	80,270	85,647	86,422
Tax benefit of goodwill and acquired intangibles	<u>6,774</u>	<u>6,918</u>	<u>6,918</u>	<u>6,918</u>	<u>7,258</u>
<b>Adjusted Net Income with Tax Benefit</b>	<b>\$ 78,562</b>	<b>\$ 83,618</b>	<b>\$ 87,188</b>	<b>\$ 92,565</b>	<b>\$ 93,680</b>
Weighted average shares outstanding – diluted	73,682	74,108	74,166	74,053	73,973
<b>Adjusted Net income with Tax Benefit Per Diluted Share</b>	<b>\$ 1.07</b>	<b>\$ 1.13</b>	<b>\$ 1.18</b>	<b>\$ 1.25</b>	<b>\$ 1.27</b>

# Consolidated Reconciliations of Adjusted EBITDA

	For the twelve months ended, (in thousands)			
	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
<b>GAAP Net income</b>	<b>\$ 63,704</b>	<b>\$ 92,491</b>	<b>\$ 212,522</b>	<b>\$ 278,389</b>
GAAP Income tax expense	<u>(21,207)</u>	<u>(28,197)</u>	<u>(66,018)</u>	<u>(72,253)</u>
<b>GAAP income before taxes</b>	<b>\$ 84,911</b>	<b>\$ 120,688</b>	<b>\$ 278,540</b>	<b>\$ 350,642</b>
Interest expense	20,173	40,706	33,724	24,285
Depreciation	2,956	2,995	3,551	6,209
Other business taxes	1,505	1,484	(2,566)	1,657
GAAP amortization of acquisition-related intangibles	20,321	20,878	12,830	12,631
Stock-based compensation	15,238	14,849	15,020	13,110
Acquisition, restructuring and exit costs	6,389	56,751	29,463	34,546
Debt issuance costs	7,807	13,119	6,546	5,589
Pre-IPO governance expenses	138	-	-	-
Losses (earnings) from equity method investments	<u>730</u>	<u>(2,683)</u>	<u>193</u>	<u>331</u>
<b>Adjusted EBITDA</b>	<b><u>\$ 160,168</u></b>	<b><u>\$ 268,787</u></b>	<b><u>\$ 377,311</u></b>	<b><u>\$ 449,000</u></b>
<b>Revenue (in thousands)</b>	<b>\$ 413,412</b>	<b>\$ 612,373</b>	<b>\$ 775,351</b>	<b>\$ 890,265</b>
<b>Adjusted EBITDA Margin</b>	<b>38.7%</b>	<b>43.9%</b>	<b>48.7%</b>	<b>50.4%</b>

# Detailed Reconciliation of Q4 '21 Adjusted Net Income



(in thousands, except per-share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments		
<b>Revenue</b>									
Investment management fees	\$ 174,867						\$ -	\$ 174,867	
Fund administration and distribution fees	54,255						-	54,255	
Total revenue	<u>229,122</u>	-	-	-	-	-	-	<u>229,122</u>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	62,528	-	-	(2,499)	(1,906)	-	(4,405)	58,123	
Distribution and other asset-based expenses (2)	45,200	-	-	-	-	-	-	45,200	
General and administrative (2)	12,904	(383)	-	-	-	-	(383)	12,521	
Depreciation and amortization (2)	5,384	-	(3,638)	-	-	-	(3,638)	1,746	
Change in value of consideration payable for acquisition of business (2)	3,200	-	-	-	(3,200)	-	(3,200)	-	
Acquisition-related costs (2)	9,997	-	-	-	(9,997)	-	(9,997)	-	
Restructuring and integration costs (2)	85	-	-	-	(85)	-	(85)	-	
Total operating expenses	<u>139,298</u>	<u>(383)</u>	<u>(3,638)</u>	<u>(2,499)</u>	<u>(15,188)</u>	<u>-</u>	<u>(21,708)</u>	<u>117,590</u>	
Income/(loss) from operations	<b>89,824</b>	<b>383</b>	<b>3,638</b>	<b>2,499</b>	<b>15,188</b>	<b>-</b>	<b>21,708</b>	<b>111,532</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	1,498						-	1,498	
Interest expense and other financing costs (3)	(5,799)					532	532	(5,267)	
Loss on debt extinguishment (3)	-					-	-	-	
Total other income (expense), net	<u>(4,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>532</u>	<u>532</u>	<u>(3,769)</u>	
Income/(loss) before income taxes	<b>85,523</b>	<b>383</b>	<b>3,638</b>	<b>2,499</b>	<b>15,188</b>	<b>532</b>	<b>22,240</b>	<b>107,763</b>	
Income tax (expense)/benefit	(15,781)	(96)	(910)	(625)	(3,796)	(133)	(5,560)	(21,341)	7,258
Net income/(loss)	<u>\$ 69,742</u>	<u>\$ 287</u>	<u>\$ 2,728</u>	<u>\$ 1,874</u>	<u>\$ 11,392</u>	<u>\$ 399</u>	<u>\$ 16,680</u>	<u>\$ 86,422</u>	<u>+ \$ 7,258 = \$ 93,680</u>
Earnings per share—basic	\$ 1.02						\$ 1.26	\$ 0.11	
Earnings per share—diluted	\$ 0.94						\$ 1.17	+ \$ 0.10	<u>= \$ 1.27</u>
Weighted average shares outstanding—basic	68,378						68,378	68,378	
Weighted average shares outstanding—diluted	73,973						73,973	73,973	
<b>Memo: Expenses</b>									
Personnel (1)	62,528							58,123	
Operating (2)	76,770							59,467	
Non-Operating (3)	4,301							3,769	

# Detailed Reconciliation of Q3 '21 Adjusted Net Income

(in thousands, except per-share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments		
<b>Revenue</b>									
Investment management fees	\$ 171,355						\$ -	\$ 171,355	
Fund administration and distribution fees	54,935						-	54,935	
Total revenue	<b>226,290</b>	-	-	-	-	-	-	<b>226,290</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	55,837	-	-	(2,851)	-	-	(2,851)	52,986	
Distribution and other asset-based expenses (2)	44,859	-	-	-	-	-	-	44,859	
General and administrative (2)	13,795	(376)	-	-	-	13	(363)	13,432	
Depreciation and amortization (2)	4,377	-	(2,684)	-	-	-	(2,684)	1,693	
Change in value of consideration payable for acquisition of business (2)	2,400	-	-	-	(2,400)	-	(2,400)	-	
Acquisition-related costs (2)	6,007	-	-	-	(5,819)	-	(5,819)	-	
Restructuring and integration costs (2)	18	-	-	-	(206)	-	(206)	-	
Total operating expenses	<b>127,293</b>	<b>(376)</b>	<b>(2,684)</b>	<b>(2,851)</b>	<b>(8,425)</b>	<b>13</b>	<b>(14,323)</b>	<b>112,970</b>	
Income/(loss) from operations	<b>98,997</b>	<b>376</b>	<b>2,684</b>	<b>2,851</b>	<b>8,425</b>	<b>(13)</b>	<b>14,323</b>	<b>113,320</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	(119)						-	(119)	
Interest expense and other financing costs (3)	(5,853)					553	553	(5,300)	
Loss on debt extinguishment (3)	(669)					420	420	(249)	
Total other income (expense), net	<b>(6,641)</b>	-	-	-	-	<b>973</b>	<b>973</b>	<b>(5,668)</b>	
Income/(loss) before income taxes	<b>92,356</b>	<b>376</b>	<b>2,684</b>	<b>2,851</b>	<b>8,425</b>	<b>960</b>	<b>15,296</b>	<b>107,652</b>	
Income tax (expense)/benefit	(18,181)	(94)	(671)	(713)	(2,106)	(240)	(3,824)	(22,005)	6,918
Net income/(loss)	<b>\$ 74,175</b>	<b>\$ 282</b>	<b>\$ 2,013</b>	<b>\$ 2,138</b>	<b>\$ 6,319</b>	<b>\$ 720</b>	<b>\$ 11,472</b>	<b>\$ 85,647</b>	<b>+ \$ 6,918 = \$ 92,565</b>
Earnings per share—basic	\$ 1.09						\$ 1.26	\$ 0.10	
Earnings per share—diluted	\$ 1.00						\$ 1.16	+ \$ 0.09 = \$ 1.25	
Weighted average shares outstanding—basic	67,980						67,980	67,980	
Weighted average shares outstanding—diluted	74,053						74,053	74,053	
<b>Memo: Expenses</b>									
Personnel (1)	55,837							52,986	
Operating (2)	71,456							59,984	
Non-Operating (3)	6,641							5,668	

# Detailed Reconciliation of Q2 '21 Adjusted Net Income



(in thousands, except per-share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments		
<b>Revenue</b>									
Investment management fees	\$ 168,033						\$ -	\$ 168,033	
Fund administration and distribution fees	53,871						-	53,871	
Total revenue	<b>221,904</b>	-	-	-	-	-	-	<b>221,904</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	57,462	-	-	(3,124)	-	-	(3,124)	54,338	
Distribution and other asset-based expenses (2)	44,223	-	-	-	-	-	-	44,223	
General and administrative (2)	13,713	(524)	-	-	-	-	(524)	13,189	
Depreciation and amortization (2)	4,694	-	(3,171)	-	-	-	(3,171)	1,523	
Change in value of consideration payable for acquisition of business (2)	5,700	-	-	-	(5,700)	-	(5,700)	-	
Acquisition-related costs (2)	422	-	-	-	(422)	-	(422)	-	
Restructuring and integration costs (2)	422	-	-	-	(422)	-	(422)	-	
Total operating expenses	<b>126,636</b>	<b>(524)</b>	<b>(3,171)</b>	<b>(3,124)</b>	<b>(6,544)</b>	<b>-</b>	<b>(13,363)</b>	<b>113,273</b>	
Income/(loss) from operations	<b>95,268</b>	<b>524</b>	<b>3,171</b>	<b>3,124</b>	<b>6,544</b>	<b>-</b>	<b>13,363</b>	<b>108,631</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	1,932						-	1,932	
Interest expense and other financing costs (3)	(6,155)						585	(5,570)	
Loss on debt extinguishment (3)	(1,146)						719	(427)	
Total other income (expense), net	<b>(5,369)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,304</b>	<b>1,304</b>	<b>(4,065)</b>	
Income/(loss) before income taxes	<b>89,899</b>	<b>524</b>	<b>3,171</b>	<b>3,124</b>	<b>6,544</b>	<b>1,304</b>	<b>14,667</b>	<b>104,566</b>	
Income tax (expense)/benefit	(20,629)	(131)	(793)	(781)	(1,636)	(326)	(3,667)	(24,296)	6,918
Net income/(loss)	<b>\$ 69,270</b>	<b>\$ 393</b>	<b>\$ 2,378</b>	<b>\$ 2,343</b>	<b>\$ 4,908</b>	<b>\$ 978</b>	<b>\$ 11,000</b>	<b>\$ 80,270</b>	<b>+ \$ 6,918 = \$ 87,188</b>
Earnings per share—basic	\$ 1.02							\$ 1.18	\$ 0.10
Earnings per share—diluted	\$ 0.93							\$ 1.08	+ \$ 0.09 = \$ 1.18
Weighted average shares outstanding—basic	67,776							67,776	67,776
Weighted average shares outstanding—diluted	74,166							74,166	74,166
<b>Memo: Expenses</b>									
Personnel (1)	57,462							54,338	
Operating (2)	69,174							58,935	
Non-Operating (3)	5,369							4,065	

# Detailed Reconciliation of Q1 '21 Adjusted Net Income



(in thousands, except per-share amounts)

	Adjustments						Total Adjustments	Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs			
<b>Revenue</b>									
Investment management fees	\$ 160,284						\$ -	\$ 160,284	
Fund administration and distribution fees	52,665						-	52,665	
Total revenue	<b>212,949</b>	-	-	-	-	-	-	<b>212,949</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	59,006			(4,636)			(4,636)	54,370	
Distribution and other asset-based expenses (2)	42,103						-	42,103	
General and administrative (2)	13,310	(374)				(386)	(760)	12,550	
Depreciation and amortization (2)	4,385		(3,138)				(3,138)	1,247	
Change in value of consideration payable for acquisition of business (2)	2,500				(2,500)		(2,500)	-	
Acquisition-related costs (2)	(164)				164		164	-	
Restructuring and integration costs (2)	2,053				(2,053)		(2,053)	-	
Total operating expenses	<b>123,193</b>	<b>(374)</b>	<b>(3,138)</b>	<b>(4,636)</b>	<b>(4,389)</b>	<b>(386)</b>	<b>(12,923)</b>	<b>110,270</b>	
Income/(loss) from operations	<b>89,756</b>	<b>374</b>	<b>3,138</b>	<b>4,636</b>	<b>4,389</b>	<b>386</b>	<b>12,923</b>	<b>102,679</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	2,734						-	2,734	
Interest expense and other financing costs (3)	(6,845)					662	662	(6,183)	
Loss on debt extinguishment (3)	(2,781)					1,745	1,745	(1,036)	
Total other income (expense), net	<b>(6,892)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,407</b>	<b>2,407</b>	<b>(4,485)</b>	
Income/(loss) before income taxes	<b>82,864</b>	<b>374</b>	<b>3,138</b>	<b>4,636</b>	<b>4,389</b>	<b>2,793</b>	<b>15,330</b>	<b>98,194</b>	
Income tax (expense)/benefit	(17,662)	(94)	(785)	(1,158)	(1,097)	(698)	(3,832)	(21,494)	6,918
Net income/(loss)	<b>\$ 65,202</b>	<b>\$ 280</b>	<b>\$ 2,353</b>	<b>\$ 3,478</b>	<b>\$ 3,292</b>	<b>\$ 2,095</b>	<b>\$ 11,498</b>	<b>\$ 76,700</b>	<b>+ \$ 6,918 = \$ 83,618</b>
Earnings per share—basic	\$ 0.96							\$ 1.13	\$ 0.10
Earnings per share—diluted	\$ 0.88							\$ 1.03	+ \$ 0.09 = \$ 1.13
Weighted average shares outstanding—basic	67,761							67,761	67,761
Weighted average shares outstanding—diluted	74,108							74,108	74,108
<b>Memo: Expenses</b>									
Personnel (1)	59,006							54,370	
Operating (2)	64,187							55,900	
Non-Operating (3)	6,892							4,485	

# Detailed Reconciliation of Q4 '20 Adjusted Net Income



	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments	Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
<b>Revenue</b>									
Investment management fees	\$ 147,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,883	\$ -
Fund administration and distribution fees	52,505	-	-	-	-	-	-	52,505	-
Total revenue	<u>200,388</u>	-	-	-	-	-	-	<u>200,388</u>	-
<b>Expenses</b>									
Personnel compensation and benefits (1)	53,107	-	-	(3,774)	-	-	(3,774)	49,333	-
Distribution and other asset-based expenses (2)	40,074	-	-	-	-	-	-	40,074	-
General and administrative (2)	12,845	(265)	-	-	(1,454)	-	(1,719)	11,126	-
Depreciation and amortization (2)	4,229	-	(3,122)	-	-	-	(3,122)	1,107	-
Change in value of consideration payable for acquisition of business (2)	9,500	-	-	-	(9,500)	-	(9,500)	-	-
Acquisition-related costs (2)	52	-	-	-	(52)	-	(52)	-	-
Restructuring and integration costs (2)	2,898	-	-	-	(2,898)	-	(2,898)	-	-
Total operating expenses	<u>122,705</u>	<u>(265)</u>	<u>(3,122)</u>	<u>(3,774)</u>	<u>(13,904)</u>	<u>-</u>	<u>(21,065)</u>	<u>101,640</u>	<u>-</u>
Income/(loss) from operations	<b>77,683</b>	<b>265</b>	<b>3,122</b>	<b>3,774</b>	<b>13,904</b>	<b>-</b>	<b>21,065</b>	<b>98,748</b>	<b>-</b>
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	3,789	-	-	-	-	-	-	3,789	-
Interest expense and other financing costs (3)	(7,700)	-	-	-	-	709	709	(6,991)	-
Loss on debt extinguishment (3)	(1,196)	-	-	-	-	750	750	(446)	-
Total other income (expense), net	<u>(5,107)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,459</u>	<u>1,459</u>	<u>(3,648)</u>	<u>-</u>
Income/(loss) before income taxes	<b>72,576</b>	<b>265</b>	<b>3,122</b>	<b>3,774</b>	<b>13,904</b>	<b>1,459</b>	<b>22,524</b>	<b>95,100</b>	<b>-</b>
Income tax (expense)/benefit	(17,681)	(66)	(781)	(944)	(3,476)	(365)	(5,631)	(23,312)	6,774
Net income/(loss)	<u>\$ 54,895</u>	<u>\$ 199</u>	<u>\$ 2,342</u>	<u>\$ 2,831</u>	<u>\$ 10,428</u>	<u>\$ 1,094</u>	<u>\$ 16,893</u>	<u>\$ 71,788</u>	<u>\$ 6,774</u>
Earnings per share—basic	\$ 0.81							\$ 1.06	\$ 0.10
Earnings per share—diluted	\$ 0.75							\$ 0.97	\$ 0.09
Weighted average shares outstanding—basic	67,489							67,489	67,489
Weighted average shares outstanding—diluted	73,682							73,682	73,682
<b>Memo: Expenses</b>									
Personnel (1)	53,107							49,333	
Operating (2)	69,598							52,307	
Non-Operating (3)	5,107							3,648	

# Detailed Reconciliation of 2021 Adjusted Net Income



(in thousands, except per-share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments		
<b>Revenue</b>									
Investment management fees	\$ 674,539						\$ -	\$ 674,539	
Fund administration and distribution fees	215,726						-	215,726	
Total revenue	<b>890,265</b>	-	-	-	-	-	-	<b>890,265</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	234,833			(13,110)	(1,906)		(15,016)	219,817	
Distribution and other asset-based expenses (2)	176,385						-	176,385	
General and administrative (2)	53,722	(1,657)					(2,030)	51,692	
Depreciation and amortization (2)	18,840		(12,631)				(12,631)	6,209	
Change in value of consideration payable for acquisition of business (2)	13,800				(13,800)		(13,800)	-	
Acquisition-related costs (2)	16,262				(16,262)		(16,262)	-	
Restructuring and integration costs (2)	2,578				(2,578)		(2,578)	-	
Total operating expenses	<b>516,420</b>	<b>(1,657)</b>	<b>(12,631)</b>	<b>(13,110)</b>	<b>(34,546)</b>	<b>(373)</b>	<b>(62,317)</b>	<b>454,103</b>	
Income/(loss) from operations	<b>373,845</b>	<b>1,657</b>	<b>12,631</b>	<b>13,110</b>	<b>34,546</b>	<b>373</b>	<b>62,317</b>	<b>436,162</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	6,045						-	6,045	
Interest expense and other financing costs (3)	(24,652)					2,332	2,332	(22,320)	
Loss on debt extinguishment (3)	(4,596)					2,884	2,884	(1,712)	
Total other income (expense), net	<b>(23,203)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,216</b>	<b>5,216</b>	<b>(17,987)</b>	
Income/(loss) before income taxes	<b>350,642</b>	<b>1,657</b>	<b>12,631</b>	<b>13,110</b>	<b>34,546</b>	<b>5,589</b>	<b>67,533</b>	<b>418,175</b>	
Income tax (expense)/benefit	(72,253)	(414)	(3,158)	(3,278)	(8,636)	(1,397)	(16,883)	(89,136)	28,012
Net income/(loss)	<b>\$ 278,389</b>	<b>\$ 1,243</b>	<b>\$ 9,473</b>	<b>\$ 9,832</b>	<b>\$ 25,910</b>	<b>\$ 4,192</b>	<b>\$ 50,650</b>	<b>\$ 329,039</b>	<b>+ \$ 28,012 = \$ 357,051</b>
Earnings per share—basic	\$ 4.10							\$ 4.84	\$ 0.41
Earnings per share—diluted	\$ 3.75							<b>\$ 4.44</b>	<b>+ \$ 0.38 = \$ 4.82</b>
Weighted average shares outstanding—basic	67,976							67,976	67,976
Weighted average shares outstanding—diluted	74,151							74,151	74,151
<b>Memo: Expenses</b>									
Personnel (1)	234,833							219,817	
Operating (2)	281,587							234,286	
Non-Operating (3)	23,203							17,987	

# Detailed Reconciliation of 2020 Adjusted Net Income



(in thousands, except per-share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments		
<b>Revenue</b>									
Investment management fees	\$ 562,036						\$ -	\$ 562,036	
Fund administration and distribution fees	213,315						-	213,315	
Total revenue	<b>775,351</b>	-	-	-	-	-	-	<b>775,351</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	197,158			(15,020)	(1,188)		(16,208)	180,950	
Distribution and other asset-based expenses (2)	175,687						-	175,687	
General and administrative (2)	51,218	2,556			(8,343)	(898)	(6,685)	44,533	
Depreciation and amortization (2)	16,381		(12,830)				(12,830)	3,551	
Change in value of consideration payable for acquisition of business (2)	11,300				(11,300)		(11,300)	-	
Acquisition-related costs (2)	1,108				(1,108)		(1,108)	-	
Restructuring and integration costs (2)	7,786				(7,524)		(7,524)	262	
Total operating expenses	<b>460,638</b>	<b>2,556</b>	<b>(12,830)</b>	<b>(15,020)</b>	<b>(29,463)</b>	<b>(898)</b>	<b>(55,655)</b>	<b>404,983</b>	
Income/(loss) from operations	<b>314,713</b>	<b>(2,556)</b>	<b>12,830</b>	<b>15,020</b>	<b>29,463</b>	<b>898</b>	<b>55,655</b>	<b>370,368</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	3,703						-	3,703	
Interest expense and other financing costs (3)	(37,005)					2,984	2,984	(34,021)	
Loss on debt extinguishment (3)	(2,871)					2,664	2,664	(207)	
Total other income (expense), net	<b>(36,173)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,648</b>	<b>5,648</b>	<b>(30,525)</b>	
Income/(loss) before income taxes	<b>278,540</b>	<b>(2,556)</b>	<b>12,830</b>	<b>15,020</b>	<b>29,463</b>	<b>6,546</b>	<b>61,303</b>	<b>339,843</b>	
Income tax (expense)/benefit	(66,018)	639	(3,208)	(3,755)	(7,366)	(1,637)	(15,326)	(81,344)	26,992
Net income/(loss)	<b>\$ 212,522</b>	<b>\$ (1,917)</b>	<b>\$ 9,623</b>	<b>\$ 11,265</b>	<b>\$ 22,097</b>	<b>\$ 4,910</b>	<b>\$ 45,977</b>	<b>\$ 258,499</b>	<b>+ \$ 26,992 = \$ 285,491</b>
Earnings per share—basic	\$ 3.14							\$ 3.82	\$ 0.40
Earnings per share—diluted	\$ 2.88							\$ 3.51	+ \$ 0.37 = \$ 3.87
Weighted average shares outstanding—basic	67,710							67,710	67,710
Weighted average shares outstanding—diluted	73,719							73,719	73,719
<b>Memo: Expenses</b>									
Personnel (1)	197,158							180,950	
Operating (2)	263,480							224,033	
Non-Operating (3)	36,173							30,525	

# Detailed Reconciliation of 2019 Adjusted Net Income



	Adjustments								
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Total Adjustments	Non-GAAP Basis	
<b>Revenue</b>									
Investment management fees	\$ 466,802						\$ -	\$ 466,802	
Fund administration and distribution fees	145,571						-	145,571	
Total revenue	<b>612,373</b>	-	-	-	-	-	-	<b>612,373</b>	-
<b>Expenses</b>									
Personnel compensation and benefits (1)	179,809			(14,849)	(1,621)		(16,470)	163,339	
Distribution and other asset-based expenses (2)	146,622						-	146,622	
General and administrative (2)	46,568	(1,484)			(4,249)	(4,340)	(10,073)	36,495	
Depreciation and amortization (2)	23,873		(20,878)				(20,878)	2,995	
Change in value of consideration payable for acquisition of business (2)	19,886				(19,886)		(19,886)	-	
Acquisition-related costs (2)	22,317				(22,317)		(22,317)	-	
Restructuring and integration costs (2)	8,678				(8,678)		(8,678)	-	
Total operating expenses	<b>447,753</b>	<b>(1,484)</b>	<b>(20,878)</b>	<b>(14,849)</b>	<b>(56,751)</b>	<b>(4,340)</b>	<b>(98,302)</b>	<b>349,451</b>	
Income/(loss) from operations	<b>164,620</b>	<b>1,484</b>	<b>20,878</b>	<b>14,849</b>	<b>56,751</b>	<b>4,340</b>	<b>98,302</b>	<b>262,922</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	6,829				-		-	6,829	
Interest expense and other financing costs (3)	(40,901)					2,498	2,498	(38,403)	
Loss on debt extinguishment (3)	(9,860)					6,281	6,281	(3,579)	
Total other income (expense), net	<b>(43,932)</b>	-	-	-	-	<b>8,779</b>	<b>8,779</b>	<b>(35,153)</b>	
Income/(loss) before income taxes	<b>120,688</b>	<b>1,484</b>	<b>20,878</b>	<b>14,849</b>	<b>56,751</b>	<b>13,119</b>	<b>107,081</b>	<b>227,769</b>	
Income tax (expense)/benefit	(28,197)	(371)	(5,220)	(3,712)	(14,187)	(3,280)	(26,770)	(54,967)	20,324
Net income/(loss)	<b>\$ 92,491</b>	<b>\$ 1,113</b>	<b>\$ 15,658</b>	<b>\$ 11,137</b>	<b>\$ 42,564</b>	<b>\$ 9,839</b>	<b>\$ 80,311</b>	<b>\$ 172,802</b>	<b>+ \$ 20,324 = \$ 193,126</b>
Earnings per share—basic	\$ 1.37							\$ 2.56	\$ 0.30
Earnings per share—diluted	\$ 1.26							\$ 2.35	+ \$ 0.28 = <b>\$ 2.63</b>
Weighted average shares outstanding—basic	67,616							67,616	67,616
Weighted average shares outstanding—diluted	73,466							73,466	73,466
<b>Memo: Expenses</b>									
Personnel (1)	179,809							163,339	
Operating (2)	267,944							186,112	
Non-Operating (3)	43,932							35,153	

# Detailed Reconciliation of 2018 Adjusted Net Income

## For the Year Ended December 31, 2018

(in thousands except share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Pre-IPO Governance Costs		
<b>Revenue</b>									
Investment management fees	\$ 352,683							\$ 352,683	
Fund administration and distribution fees	60,729							60,729	
<b>Total revenue</b>	<b>413,412</b>							<b>413,412</b>	
<b>Expenses</b>									
Personnel compensation and benefits (1)	145,880			(15,238)	-			130,642	
Distribution and other asset-based expenses (2)	94,680							94,680	
General and administrative (2)	30,005	(1,505)			(303)		(138)	28,059	
Depreciation and amortization (2)	23,277		(20,321)					2,956	
Change in value of consideration payable for acquisition of business (2)	(37)							(37)	
Acquisition-related costs (2)	4,346				(4,346)			-	
Restructuring and integration costs (2)	742				(742)			-	
<b>Total operating expenses</b>	<b>298,893</b>	<b>(1,505)</b>	<b>(20,321)</b>	<b>(15,238)</b>	<b>(5,391)</b>		<b>(138)</b>	<b>256,300</b>	
<b>Income from operations</b>	<b>114,519</b>	<b>1,505</b>	<b>20,321</b>	<b>15,238</b>	<b>5,391</b>		<b>138</b>	<b>157,112</b>	
<b>Other income (expense)</b>									
Interest income and other income/(expense) (3)	(2,856)				998			(1,858)	
Interest expense and other financing costs (3)	(20,694)					7,807		(12,887)	
Loss on debt extinguishment (3)	(6,058)							(6,058)	
<b>Total other income (expense), net</b>	<b>(29,608)</b>				<b>998</b>	<b>7,807</b>		<b>(20,803)</b>	
<b>Income/(loss) before income taxes</b>	<b>84,911</b>	<b>1,505</b>	<b>20,321</b>	<b>15,238</b>	<b>6,389</b>	<b>7,807</b>	<b>138</b>	<b>136,309</b>	
<b>Income tax (expense)/benefit</b>	<b>(21,207)</b>	<b>(376)</b>	<b>(5,080)</b>	<b>(3,810)</b>	<b>(1,597)</b>	<b>(1,951)</b>	<b>(35)</b>	<b>(34,056)</b>	<b>13,278</b>
<b>Net income/(loss)</b>	<b>\$ 63,704</b>	<b>\$ 1,129</b>	<b>\$ 15,241</b>	<b>\$ 11,428</b>	<b>\$ 4,792</b>	<b>\$ 5,856</b>	<b>\$ 103</b>	<b>\$ 102,253</b>	<b>\$ 13,278</b>
<b>Earnings per share of common stock</b>									
Basic	\$ 0.96							\$ 1.54	\$ 0.20
Diluted	\$ 0.90							\$ 1.45	\$ 0.19
<b>Weighted average number of shares outstanding</b>									
Basic	66,295,240							66,295,240	66,295,240
Diluted	70,510,536							70,510,536	70,510,536
<b>Memo: Expenses</b>									
Personnel (1)	145,880							130,642	
Operating (2)	153,013							125,658	
Non-Operating (3)	29,608							20,803	

Investing involves risk, including the potential loss of principal. There are no assurances that any fund will achieve its stated objective. All data in this presentation, unless otherwise noted, is as of December 31, 2021.

**Past performance does not guarantee future results.** A fund's most recent performance can be found at [vcm.com](http://vcm.com). 62 mutual funds and ETFs did not have 4- or 5- star overall ratings or are not rated. 36% of AUM in mutual funds and ETFs did not receive overall rating of 4 or 5 stars or are not rated. Internal analysis by Victory Capital was used to calculate relative performance. Not all asset classes considered are available to the general public and not all strategies included have a history to be included in each time period. The returns used for this comparison are gross of fees and do not reflect the returns an investor would receive. Visit [www.vcm.com](http://www.vcm.com) for more information.

The Morningstar Rating for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and ten-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36–59 months of total returns, 60% five-year rating/40% three-year rating for 60–119 months of total returns, and 50% ten-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the ten-year overall star rating formula seems to give the most weight to the ten-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings may reflect fee waivers in effect; in their absence, ratings may have been lower.

**Consider the investment objectives, risks, charges and expenses of the funds and the USAA 529 Education Savings Plan (Plan) carefully before investing. Visit [vcm.com/prospectus](http://vcm.com/prospectus) for a Mutual Fund or ETF prospectus or summary prospectus or for a Plan Description and Participation Agreement containing this and other important information about the Funds and Plan. Read it carefully before investing. You should compare the Plan with any 529 Plan offered by your home state or your beneficiary's home state and consider, before investing, any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in the home state's plan. Interests in the USAA 529 Education Savings Plan (Plan) are municipal fund securities issued by the Nevada College Savings Trust Fund (Trust). The value of an investment in the Plan will vary with market conditions. The Plan is administered by the Nevada State Treasurer, Zach Conine. Victory Capital Management Inc. provides investment management services, and Victory Capital Services, Inc. markets and distributes the Plan. Ascensus Broker Dealer Services, Inc. serves as the Program Manager as well as effects account owner transactions in the Plan. Interests in the Plan are not guaranteed by the Trust, the Plan, the state of Nevada, the Board or any other governmental entities, or any USAA, Victory or Ascensus entities and you could lose money.**

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