

# Reconciliation of Q1 2023 Guidance Range

(in \$ millions)

	Guidance Range	
	Low	High
<b>Net income (controlling interest)</b>	<b>\$ 113</b>	<b>\$ 117</b>
Interest Expense	30	30
Income Taxes	40	41
Intangible amortization and impairments	30	30
Other items <sup>(1)</sup>	2	2
<b>Adjusted EBITDA (controlling interest)</b>	<b>\$ 215</b>	<b>\$ 220</b>

	Guidance Range	
	Low	High
<b>Net income (controlling interest)</b>	<b>\$ 113</b>	<b>\$ 117</b>
Intangible amortization and impairments	30	30
Intangible-related deferred taxes	15	15
Other economic items	-	-
<b>Economic net income (controlling interest)</b>	<b>\$ 158</b>	<b>\$ 162</b>
Average shares outstanding (adjusted diluted)	38.0	38.0
<b>Economic earnings per share</b>	<b>\$ 4.16</b>	<b>\$ 4.26</b>

## Notes

Adjusted EBITDA (controlling interest), Economic net income (controlling interest), and Economic earnings per share are important supplemental financial measures for management, as they enable management to assess our performance before our share of certain non-cash expenses. Adjusted EBITDA (controlling interest) represents our performance before our share of interest expense, income taxes, depreciation, amortization, impairments, gains and losses related to the BPEA Transaction, certain Affiliate equity expenses, certain gains and losses, including on general partner and seed capital investments, certain non-income based taxes, and adjustments to our contingent payment obligations. Under our Economic net income (controlling interest) definition, we add to Net income (controlling interest) our share of pre-tax intangible amortization and impairments (including the portion attributable to equity method investments in Affiliates), deferred taxes related to intangible assets, gains and losses related to the BPEA Transaction, net of tax, and other economic items which include certain gains and losses, principally related to the accounting for contingent payment obligations as well as general partner and seed capital investments, tax windfalls and shortfalls from share-based compensation, certain Affiliate equity expenses, and non-cash imputed interest. Economic earnings per share represents Economic net income (controlling interest) divided by the Average shares outstanding (adjusted diluted). Average shares outstanding (adjusted diluted) presented in this reconciliation differs from Average shares outstanding (diluted) primarily by the potential issuance of shares upon settlement of Redeemable non-controlling interests and the assumed conversion of TRUPS shares (an aggregate of 6.8 million shares in the three months ended December 31, 2022).

We believe that many investors use these measures when assessing the financial performance of companies in the investment management industry. Management also utilizes these non-GAAP performance measures to improve comparability between periods. These non-GAAP performance measures are provided in addition to, but not as a substitute for, Net income (controlling interest) or other GAAP performance measures. For additional information on our non-GAAP performance measures, see our most recent Periodic Reports on Form 10-K and Form 10-Q, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov).

Forward-looking statements speak only as of the date they are made. The Q1 2023 guidance range and this reconciliation constitute forward-looking statements made as of February 6, 2023, and we undertake no obligation to publicly update or review these or any other forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law. In that respect, we caution readers not to place undue reliance on any forward-looking statements.

As of February 6, 2023.

(1) Includes only controlling-interest depreciation for guidance purposes.