



First Quarter Fiscal Year 2024 Earnings Presentation

August 3, 2023

Today's presenters



Scott Hart
CEO



Jason Ment
President & Co-COO



Mike McCabe
Head of Strategy



Johnny Randel
Chief Financial Officer

GAAP Consolidated Income (Loss) Statements

GAAP net income was \$49.4 million for the quarter.

GAAP net income attributable to StepStone Group Inc. was \$21.3 million (or \$0.34 per share) for the quarter.

(\$ in thousands, except per share amounts)

	Quarter		
	Jun '22	Jun '23	% Fav / Unfav
Revenues			
Management and advisory fees, net	\$ 116,732	\$ 138,115	18%
Performance fees:			
Incentive fees	-	6	na
Carried interest allocations:			
Realized	73,607	14,473	-80%
Unrealized	(113,950)	49,364	na
Total carried interest allocations	(40,343)	63,837	na
Legacy Greenspring carried interest allocations ⁽¹⁾	(153,607)	(23,947)	84%
Total revenues	(77,218)	178,011	na
Expenses			
Compensation and benefits:			
Cash-based compensation	60,061	70,081	-17%
Equity-based compensation	3,714	8,472	-128%
Performance fee-related compensation:			
Realized	41,735	9,102	78%
Unrealized	(54,553)	24,211	na
Total performance fee-related compensation	(12,818)	33,313	na
Legacy Greenspring performance fee-related compensation ⁽¹⁾	(153,607)	(23,947)	84%
Total compensation and benefits	(102,650)	87,919	na
General, administrative and other	34,232	33,277	3%
Total expenses	(68,418)	121,196	na
Other income (expense)			
Investment income (loss)	(1,101)	3,086	na
Legacy Greenspring investment loss ⁽¹⁾	(8,604)	(2,866)	67%
Investment income of Consolidated Funds	-	2,362	na
Interest income	11	431	3818%
Interest expense	(587)	(2,012)	-243%
Other income (loss)	(1,104)	227	na
Total other income (expense)	(11,385)	1,228	na
Income (loss) before income tax	(20,185)	58,043	na
Income tax expense	1,286	8,597	-569%
Net income (loss)	(21,471)	49,446	na
Less: Net income attributable to non-controlling interests in subsidiaries	7,571	9,630	-27%
Less: Net loss attributable to non-controlling interests in legacy Greenspring entities ⁽¹⁾	(8,604)	(2,866)	67%
Less: Net income (loss) attributable to non-controlling interests in the Partnership	(9,398)	19,860	na
Less: Net income attributable to redeemable non-controlling interests in Consolidated Funds	-	1,553	na
Net income (loss) attributable to StepStone Group Inc.	\$ (11,040)	\$ 21,269	na
Net income (loss) per share of Class A common stock – Basic	\$ (0.18)	\$ 0.34	na
Net income (loss) per share of Class A common stock – Diluted	\$ (0.18)	\$ 0.34	na

Fiscal Q1 2024 overview



Key Business Drivers

	FQ1'24	FQ1'23	vs. FQ1'23	FQ4'23	vs. FQ4'23
Assets under management ("AUM")	\$142.6 B	\$136.5 B	4%	\$138.4 B	3%
Fee-earning AUM ("FEAUM")	\$87.4 B	\$78.6 B	11%	\$85.4 B	2%
Undeployed fee-earning capital	\$16.9 B	\$17.1 B	-1%	\$15.7 B	8%
Gross accrued carry	\$1,277.8 M	\$1,366.3 M	-6%	\$1,227.2 M	4%



Financial Highlights¹

(\$M, except per share amounts)	FQ1'24	FQ1'23	vs. FQ1'23	FQ4'23	vs. FQ4'23
Adjusted revenues	\$152.8	\$190.3	-20%	\$152.9	-%
Management and advisory fees, net	\$138.3	\$116.7	18%	\$132.7	4%
Fee-related earnings ("FRE")	\$44.4	\$36.6	21%	\$37.8	17%
Fee-related earnings margin ²	32%	31%		28%	
Adjusted net income ("ANI")	\$29.4	\$47.1	-38%	\$27.1	8%
ANI per share	\$0.26	\$0.41	-37%	\$0.24	8%



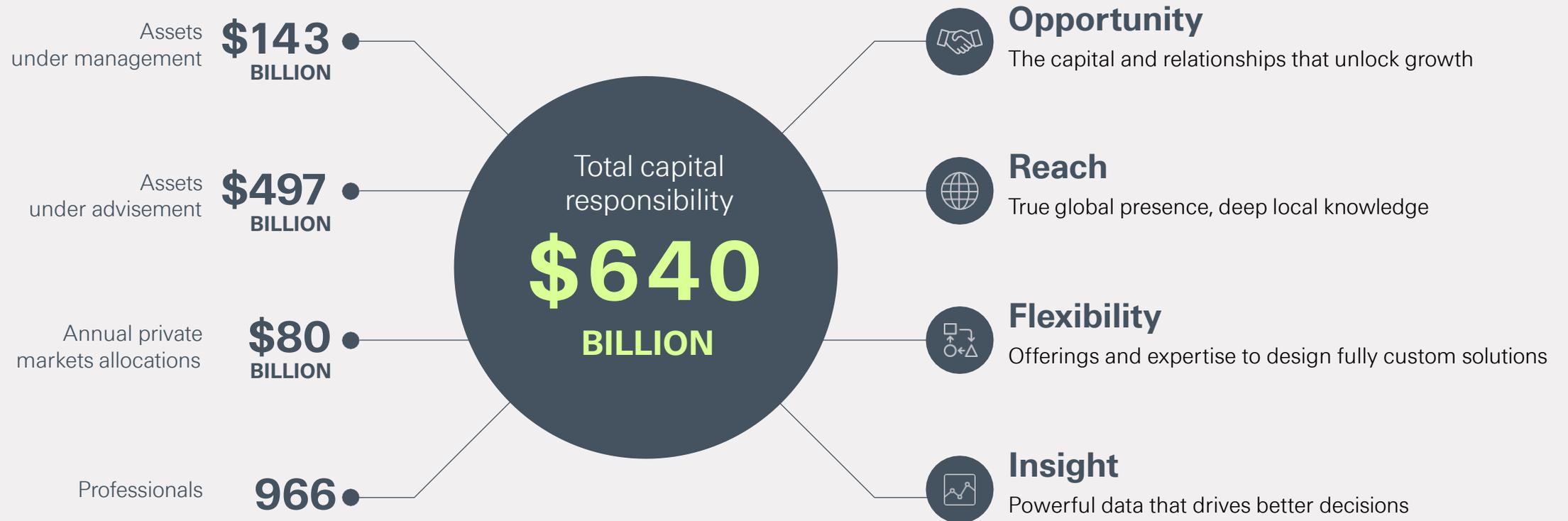
Business Update

- Declared a quarterly cash dividend of \$0.21 per share of Class A common stock payable on September 15, 2023 to record holders of Class A common stock at the close of business on August 31, 2023
- Raised a total of \$11 billion of new capital for separately managed accounts ("SMA")³ over the LTM
- Raised a total of \$4 billion for commingled funds over the LTM, which includes closings of StepStone's private equity secondaries fund, multi-strategy global venture capital fund, expansion stage venture capital directs fund, special situation real estate secondaries fund, multi-strategy growth equity fund and infrastructure co-investment fund
- Total retail platform assets surpassed \$1.7 billion in AUM, driven by continued strong subscriptions in SPRIM and SPRING



Overview

Scale that delivers



All dollars are USD. Headcount as of June 30, 2023. Data includes Greenspring Associates metrics. Total capital responsibility equals Assets Under Management (AUM) plus Assets Under Advisement (AUA). AUM includes any accounts for which StepStone Group has full discretion over the investment decisions, has responsibility to arrange or effectuate transactions, or has custody of assets. AUA refers to accounts for which StepStone Group provides advice or consultation but for which the firm does not have discretionary authority, responsibility to arrange or effectuate transactions, or custody of assets. \$640B in total capital responsibility includes \$143B in AUM and \$497B in AUA. Reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available by 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV. \$80 billion annual private market allocations are for the 12 months ended December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services.

Growth drivers

← AUM & AUA →

Separately Managed Accounts	Focused Commingled Funds	Advisory
\$85 billion	\$44 billion	\$497 billion
7% growth from the prior year	1% decline from the prior year	
\$11 billion of new capital additions during the LTM	\$4 billion raised in focused commingled funds during the LTM Includes closings of StepStone's funds: private equity secondaries multi-strategy global venture capital expansion stage venture capital directs special situation real estate secondaries infrastructure co-investment multi-strategy growth equity SPRIM and SPRING	<ul style="list-style-type: none"> \$45 billion of net client activity increased AUA over the LTM ~\$13 billion of AUA relates to advisory accounts for which we have discretion

← UFEC →

\$16.9 billion - total undeployed fee-earning capital

← FEAUM →

Separately Managed Accounts	Focused Commingled Funds
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\$57 billion

+9% from prior year

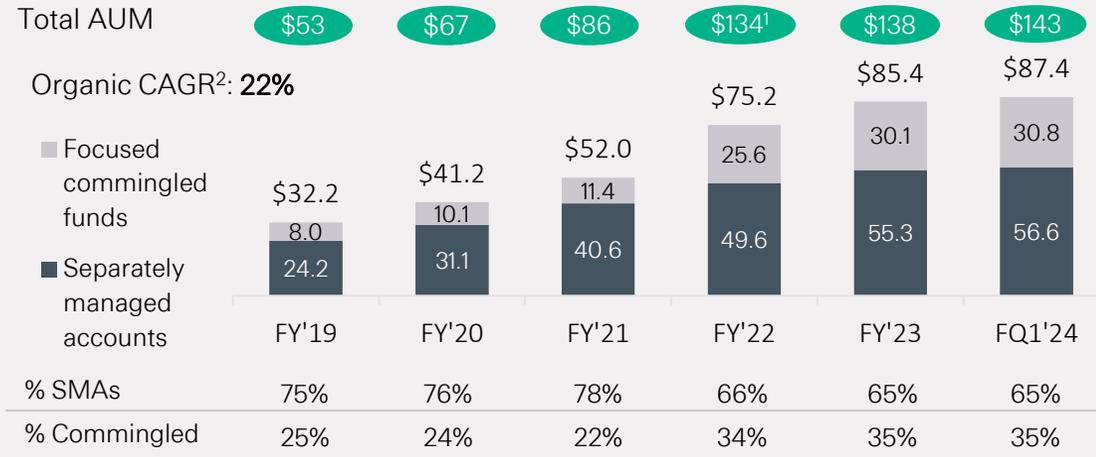
\$31 billion

+17% from prior year

Evolution of fee-earning AUM

35%
clients with
exposure to
more than one
asset class

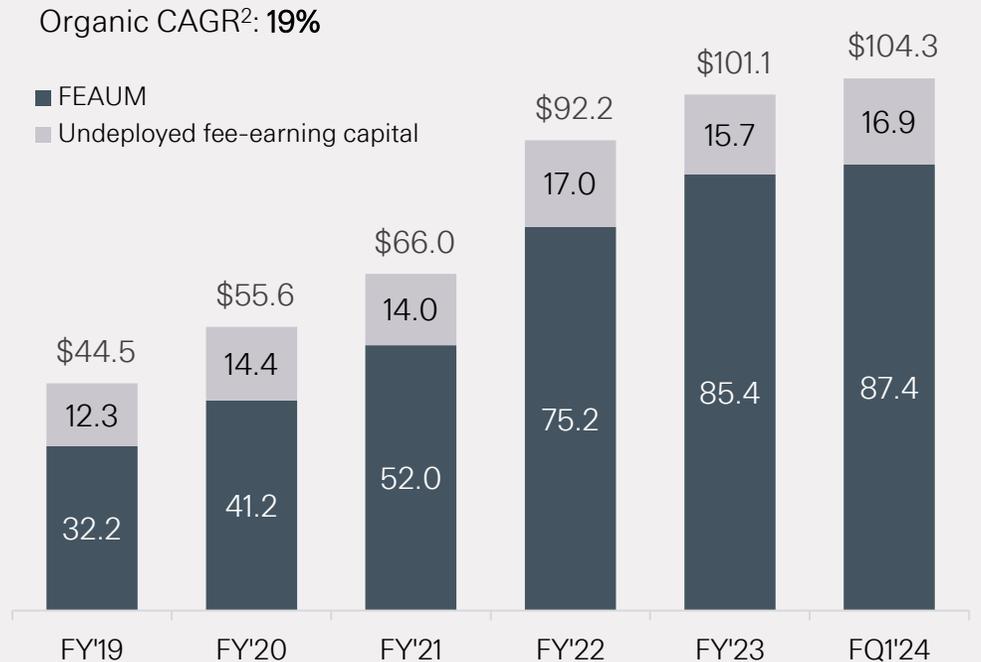
FEE-EARNING AUM BY COMMERCIAL STRUCTURE (\$B)



FEE-EARNING AUM BY ASSET CLASS (\$B)



FEAUM+ UNDEPLOYED FEE-EARNING CAPITAL (\$B)¹



Amounts may not sum to total due to rounding. PE – Private equity, RE – Real estate, INFRA – Infrastructure, PD – Private debt

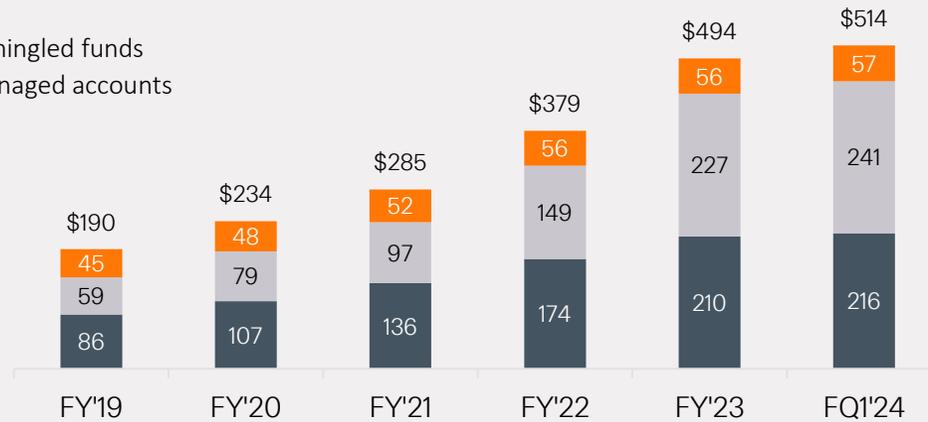
¹ The acquisition of Greenspring added approximately \$22.5B of AUM, \$11.4B of FEAUM, and \$0.5B of undeployed fee-earning capital as of 9/20/21.

² Organic CAGR excludes \$11.4B of FEAUM and \$0.5B of undeployed fee-earning capital acquired as part of Greenspring as of 9/20/21.

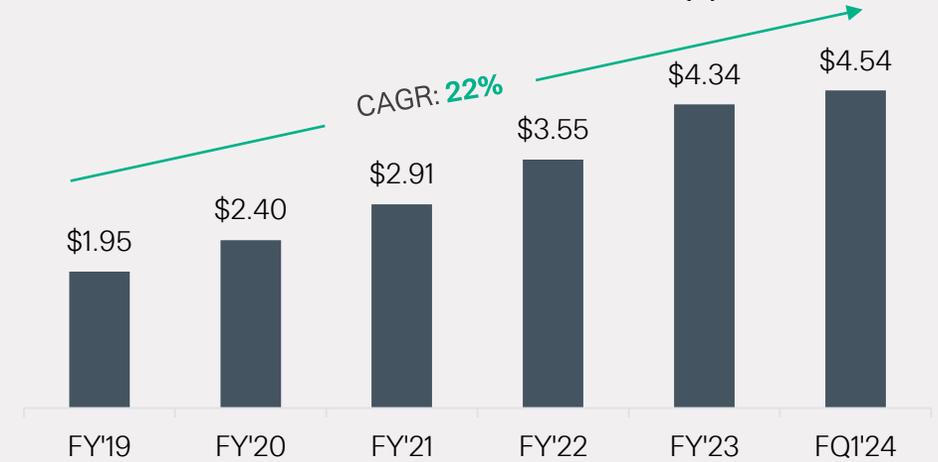
Trend in management and advisory fees

MANAGEMENT & ADVISORY FEES (\$M)^{1,2}

- Advisory fees
- Focused commingled funds
- Separately managed accounts



MANAGEMENT & ADVISORY FEES PER SHARE (\$)⁶



Blended mgmt. fee rates:³

Overall	0.53%	0.51%	0.52%	0.52%	0.54%	0.55%
By Type:						
SMA	0.41%	0.39%	0.39%	0.40%	0.40%	0.40%
Commingled	0.87%	0.89%	0.90%	0.85%	0.82%	0.84%
By Asset Class:						
PE	0.63%	0.66%	0.62%	0.64%	0.66%	0.67%
RE / INFRA / PD	0.41%	0.37%	0.42%	0.40%	0.41%	0.41%

Assets under management and advisement

FEAUM (\$B)	\$32	\$41	\$52	\$75 ²	\$85	\$87
AUM (\$B)	\$53	\$67	\$86	\$134 ²	\$138	\$143
AUA (\$B)	\$213 ⁴	\$229	\$340 ⁵	\$436	\$482	\$497
% of fee revenue from management and advisory fees ¹						
Mgmt	76%	80%	82%	85%	89%	89%
Advisory	24%	20%	18%	15%	11%	11%

Note: Amounts may not sum to total due to rounding. PE – Private equity, RE – Real estate, INFRA – Infrastructure, PD – Private debt

¹ Excludes fund reimbursement revenues.

² The acquisition of Greenspring contributed \$11.4B of FEAUM and \$22.5B of AUM as of 9/20/21, \$43.4M, \$97.7M and \$105.2M of management and advisory fees for fiscal 2022, fiscal 2023 and LTM FQ1'24, respectively.

³ Weighted-average fee rates reflect the applicable management fees for the last 12 months ending on each period presented and is inclusive of any retroactive fees for such period.

⁴ The acquisition of Courtland Partners contributed \$90B of AUA for fiscal 2019.

⁵ An expansion of client data tracked contributed \$70B of AUA for fiscal 2021.

⁶ Per share amounts calculated using adjusted shares for each respective period. See slide 33 for calculation of adjusted shares.



Financial update

Financial highlights

- Management and advisory fees, net increased 18% over the prior year quarter, driven by FEAUM growth
- Fee-related earnings increased 21% over the prior year quarter, primarily driven by growth in fee revenues
- ANI per share decreased 37% over the prior year quarter, reflecting lower net realized performance fees partially offset by higher FRE
- Results for the quarter include \$2.8 million of revenues and FRE and \$2.7 million of pre-tax ANI from retroactive fees for StepStone's private equity secondaries, multi-strategy global venture capital and infrastructure co-investment funds

	Three Months Ended June 30		
(\$M, except per share amounts and where noted)	2023	2022	% Δ YTY
AUM (\$B)	\$142.6	\$136.5	4%
FEAUM (\$B)	87.4	78.6	11%
Undeployed fee-earning capital (\$B) ¹	16.9	17.1	-1%
Management & advisory fees, net	\$138.3	\$116.7	18%
Fee-related earnings	44.4	36.6	21%
Fee-related earnings margin ²	32%	31%	
Gross realized performance fees ³	14.5	73.6	-80%
Pre-tax adjusted net income ("ANI")	37.8	60.7	-38%
Adjusted net income per share ⁴	\$0.26	\$0.41	-37%
Adjusted revenues	152.8	190.3	-20%

¹ Undeployed fee-earning capital is defined as capital not yet invested or considered active on which StepStone will earn fees once the capital is deployed or activated.

² Fee-related earnings margin is calculated by dividing fee-related earnings by management & advisory fees, net.

³ Gross realized performance fees include deferred incentive fees that are not included in our GAAP results. See reconciliation of GAAP realized performance fees to gross realized performance fees on slide 34. Excludes legacy Greenspring entities.

⁴ Reflects a 22.3% blended statutory rate applied to pre-tax adjusted net income and 114.7 million adjusted shares outstanding for FQ1'24. Reflects a 22.3% blended statutory rate applied to pre-tax adjusted net income and 114.5 million adjusted shares outstanding for FQ1'23. See slide 33 for calculation of ANI per share and a reconciliation of adjusted shares.

Adjusted revenues

(\$M, except per share amounts)

MGMT. & ADVISORY FEES

Per Share



Management fees per share increased 19% over the prior year quarter and by a compound annual growth rate of 26% over the long-term growth period driven by strong FEAUM growth

Advisory fees per share increased 9% over the prior year quarter and increased by a compound annual growth rate of 2% over the long-term growth period

GROSS REALIZED PERFORMANCE FEES

Per Share



Gross realized performance fees were down \$59 million over the prior year quarter primarily driven by decreased realization activity from our PE funds

ADJUSTED REVENUES

Per Share



Profitability

(\$M, except per share amounts)

FEE-RELATED EARNINGS

Per Share



- Fee-related earnings per share growth driven primarily by growth in FEAUM and margin expansion
- FRE margins were 32% for the quarter as compared with 31% in the prior year quarter and 24% four fiscal years ago
 - FRE margins are impacted by \$2.8 million of retroactive fees, which corresponds to \$2.8 million of fee-related earnings in FQ1'24. FRE margins in FQ1'23 were impacted by \$2.4 million of retroactive fees, which corresponds to \$2.2 million of fee-related earnings

ADJUSTED NET INCOME

Per Share



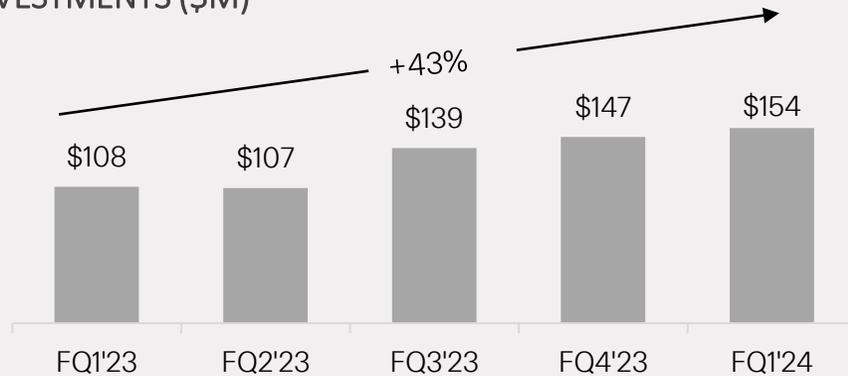
- Adjusted net income per share decreased 37% over the prior year quarter driven by moderation in net realized performance fees
- Adjusted net income per share increased by a CAGR of 26% over the long-term growth period driven by higher FRE and higher net realized performance fees

Accrued carry and fund investments¹

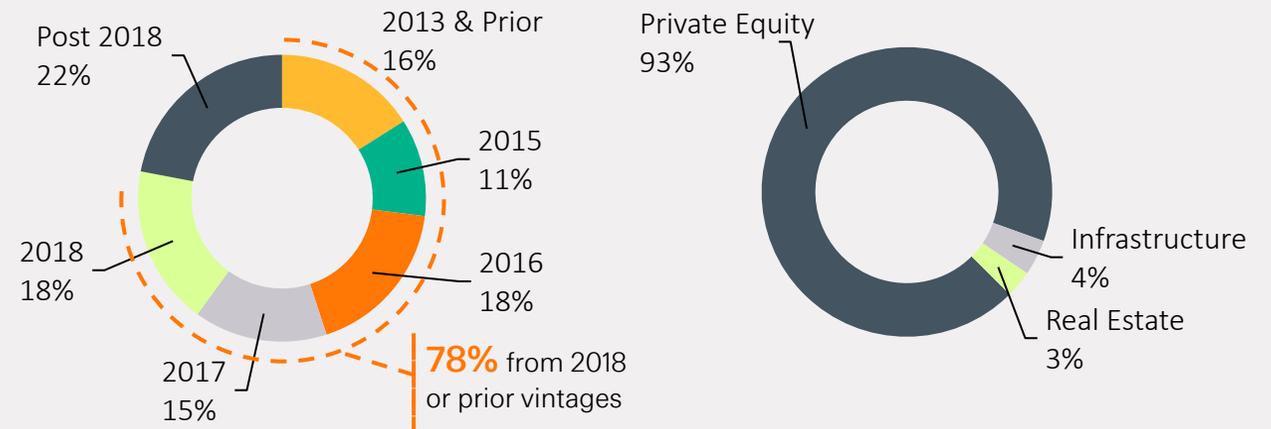
NET ACCRUED CARRY (\$M)²



INVESTMENTS (\$M)³



NET UNREALIZED CARRY AS OF 6/30/2023 BY VINTAGE AND TYPE



- Gross accrued unrealized carried interest of \$1,278 million, net accrued unrealized carry of \$609 million as of June 30, 2023 (note: valuations reported on a one quarter lag)
- Over \$65 billion in performance fee-eligible capital as of June 30, 2023
- \$750 million, or 59%, of gross accrued unrealized carried interest allocation balance is in SMAs or commingled funds that have American style (or deal-by-deal) carry waterfalls
- Approximately 190 programs with carry or incentive fee structures
- Investments in our funds held by the firm increased to \$154 million, up 43% from June 30, 2022
- Unfunded commitments were \$95 million as of June 30, 2023¹

¹ Excludes \$0.7 billion of investments in funds and accrued carried interest allocations and \$50.1 million of unfunded commitments held by the legacy Greenspring general partner entities in legacy Greenspring funds for which we do not hold any direct economic interests.
² Changes in our accrued carry balance reflect our share of the unrealized gains or losses of our client portfolios on a one quarter lag.
³ Reflects the Company's investments in funds prior to the consolidation of the Consolidated Funds, which results in the elimination of the Company's investments in such funds under GAAP. Investments in funds under GAAP were \$122 million as of June 30, 2023.



Appendix

Consolidated balance sheets

(\$ in thousands)	Jun '22	Mar '23	Jun '23
Assets			
Cash and cash equivalents	\$ 106,354	\$ 102,565	\$ 91,733
Restricted cash	978	955	699
Fees and accounts receivable	34,892	44,450	46,091
Due from affiliates	38,456	54,322	62,365
Investments:			
Investments in funds ⁽¹⁾	108,086	115,187	122,149
Accrued carried interest allocations	1,366,314	1,227,173	1,277,783
Legacy Greenspring investments in funds and accrued carried interest allocations ⁽²⁾	1,144,271	770,652	745,586
Deferred income tax assets	31,527	44,358	38,910
Lease right-of-use assets, net	72,134	101,130	100,531
Other assets and receivables	35,374	44,060	44,889
Intangibles, net	387,255	354,645	343,983
Goodwill	580,542	580,542	580,542
<i>Assets of Consolidated Funds:</i> ⁽³⁾			
Cash and cash equivalents	-	25,997	35,497
Investments, at fair value	-	30,595	39,188
Other assets	-	772	836
Total assets	\$ 3,906,183	\$ 3,497,403	\$ 3,530,782
Liabilities and stockholders' equity			
Accounts payable, accrued expenses and other liabilities	\$ 70,189	\$ 89,396	\$ 91,322
Accrued compensation and benefits	78,823	66,614	92,521
Accrued carried interest-related compensation	708,879	644,517	668,704
Legacy Greenspring accrued carried interest-related compensation ⁽²⁾	956,906	617,994	593,670
Due to affiliates	195,743	205,424	199,407
Lease liabilities	83,271	121,224	116,175
Debt obligations	62,997	98,351	98,468
<i>Liabilities of Consolidated Funds:</i> ⁽³⁾			
Other liabilities	-	566	354
Total liabilities	2,156,808	1,844,086	1,860,621
Redeemable non-controlling interests in Consolidated Funds	-	24,530	41,618
Total stockholders' equity	1,749,375	1,628,787	1,628,543
Total liabilities and stockholders' equity	\$ 3,906,183	\$ 3,497,403	\$ 3,530,782

¹ The Company's investments in funds were \$154 million and \$147 million as of June 30, 2023 and March 31, 2023, respectively. The consolidation of the Consolidated Funds results in the elimination of the Company's investments in such funds under GAAP.

² Represents amounts attributable to consolidated VIEs for which we did not acquire any direct economic interests. Such amounts are attributable to employees and therefore have been reflected as non-controlling interests in legacy Greenspring entities and legacy Greenspring accrued carried interest-related compensation, respectively.

³ Represents amounts for the StepStone Funds that we are required to consolidate at each reporting period. We consolidate funds and other entities in which we hold a controlling financial interest.

Non-GAAP financial results¹

(\$ in thousands, unless otherwise mentioned)

	Quarter		
	Jun '22	Jun '23	% Fav / Unfav
Management and advisory fees, net	\$ 116,732	\$ 138,301	18%
Less:			
Adjusted cash-based compensation	59,370	69,550	-17%
Adjusted equity-based compensation	643	1,301	-102%
Adjusted general, administrative and other	20,102	23,048	-15%
Fee-related earnings	36,617	44,402	21%
Plus:			
Realized carried interest allocations	73,607	14,473	-80%
Incentive fees	-	6	na
Realized investment income	1,969	557	-72%
Non-GAAP interest income	11	187	1600%
Adjusted other loss	(1,104)	(149)	87%
Less:			
Realized performance fee-related compensation ⁽²⁾	41,735	9,102	78%
Interest expense	587	2,012	-243%
Income attributable to non-controlling interests in subsidiaries/other:			
Fee-related earnings attributable to non-controlling interests in subsidiaries ⁽³⁾	8,514	10,534	-24%
Non fee-related earnings (losses) attributable to non-controlling interests in subsidiaries ⁽⁴⁾	(398)	6	na
Pre-tax adjusted net income	60,662	37,822	-38%
Less: Income taxes ⁽⁵⁾	13,528	8,434	38%
Adjusted net income	\$ 47,134	\$ 29,388	-38%
ANI per share	\$ 0.41	\$ 0.26	-37%

1 Excludes the impact of consolidating the Consolidated Funds. See slides 31 and 32 for reconciliation of GAAP income (loss) before income tax to ANI and FRE, and GAAP measures to adjusted measures.

2 Includes carried interest-related compensation expense related to the portion of net carried interest allocation revenue attributable to equity holders of the Company's consolidated subsidiaries that are not 100% owned (\$2.2 million and \$4.4 million for the three months ended June 30, 2023 and 2022, respectively).

3 Reflects the portion of fee-related earnings of our subsidiaries attributable to non-controlling interests.

4 Reflects components of pre-tax adjusted net income of our subsidiaries attributable to non-controlling interests other than fee-related earnings, including incentive fees and related compensation, realized investment income, net interest expense and other income (loss).

5 Represents corporate income taxes at a blended statutory rate of 22.3% applied to pre-tax adjusted net income for the three months ended June 30, 2023 and 2022. The 22.3% rate for the three months ended June 30, 2023 and 2022, is based on a federal statutory rate of 21% and a combined state, local and foreign rate net of federal benefits of 1.3%.

FEAUM overview

(\$B, unless noted)	FQ1'24	FQ1'23	Fav / Unfav Change	
			\$	%
SMAs				
Beginning balance	\$ 55.3	\$ 49.6	\$ 5.8	12%
Contributions	1.4	3.4	(1.9)	-58%
Distributions	(0.4)	(0.4)	0.0	4%
Market value, FX and other	0.3	(0.3)	0.6	na
Ending balance	\$ 56.6	\$ 52.2	\$ 4.4	9%
Management fees (\$M)	\$ 55.7	\$ 50.5	\$ 5.3	10%
Average fee rate ¹	0.40%	0.40%		0%
Commingled Funds				
Beginning balance	\$ 30.1	\$ 25.6	\$ 4.5	18%
Contributions	0.8	1.2	(0.4)	-31%
Distributions	(0.3)	(0.4)	0.1	34%
Market value, FX and other	0.1	(0.0)	0.1	na
Ending balance	\$ 30.8	\$ 26.4	\$ 4.4	17%
Management fees (\$M)	\$ 67.1	\$ 52.7	\$ 14.4	27%
Average fee rate ¹	0.84%	0.87%		-3%
Total				
Beginning balance	\$ 85.4	\$ 75.2	\$ 10.3	14%
Contributions	2.2	4.5	(2.3)	-51%
Distributions	(0.7)	(0.8)	0.1	18%
Market value, FX and other	0.4	(0.3)	0.8	na
Ending balance	\$ 87.4	\$ 78.6	\$ 8.9	11%
Management fees (\$M)	\$ 122.9	\$ 103.2	\$ 19.7	19%
Average fee rate ¹	0.55%	0.54%		2%

Walk from AUM to FEAUM	\$B
Total AUM as of 6/30/23	\$ 142.6
Less: Non-fee earning AUM	15.0
Less: Market appreciation included in AUM	23.3
Less: Undeployed fee-earning capital (capital not yet invested or considered active on which we will earn fees once capital is invested or activated)	16.9
Fee-earning AUM as of 6/30/23	\$ 87.4

- FEAUM increased by 11% for the quarter to \$87.4 billion
- Activated/deployed approximately \$1.0 billion of capital from our existing undeployed fee-earning capital during the quarter

Note: Amounts may not sum to total due to rounding. Amounts related to reductions in fee-earning AUM from funds that moved from a committed capital to net invested capital fee basis or from funds and accounts that no longer pay fees are included within distributions.

¹ Weighted-average fee rates reflect the applicable management fees for the last 12 months ending on each period presented, and is inclusive of any retroactive fees for such period.

StepStone occupies an important position within the GP & LP ecosystem

A strategic partner to our clients and managers, we listen deeply, share generously, and search diligently for new ways to address each challenge.

CLIENTS

- Corporations
- Endowments and foundations
- Family offices
- Private wealth/defined contribution plans
- Insurance companies
- Pension funds
- Sovereign wealth funds

STEPSTONE

- Asset management
- Advisory and data services
- Research

- Primaries
- Secondaries
- Co-investments

A self-reinforcing growth cycle of clients, capital, relationships, data and insight

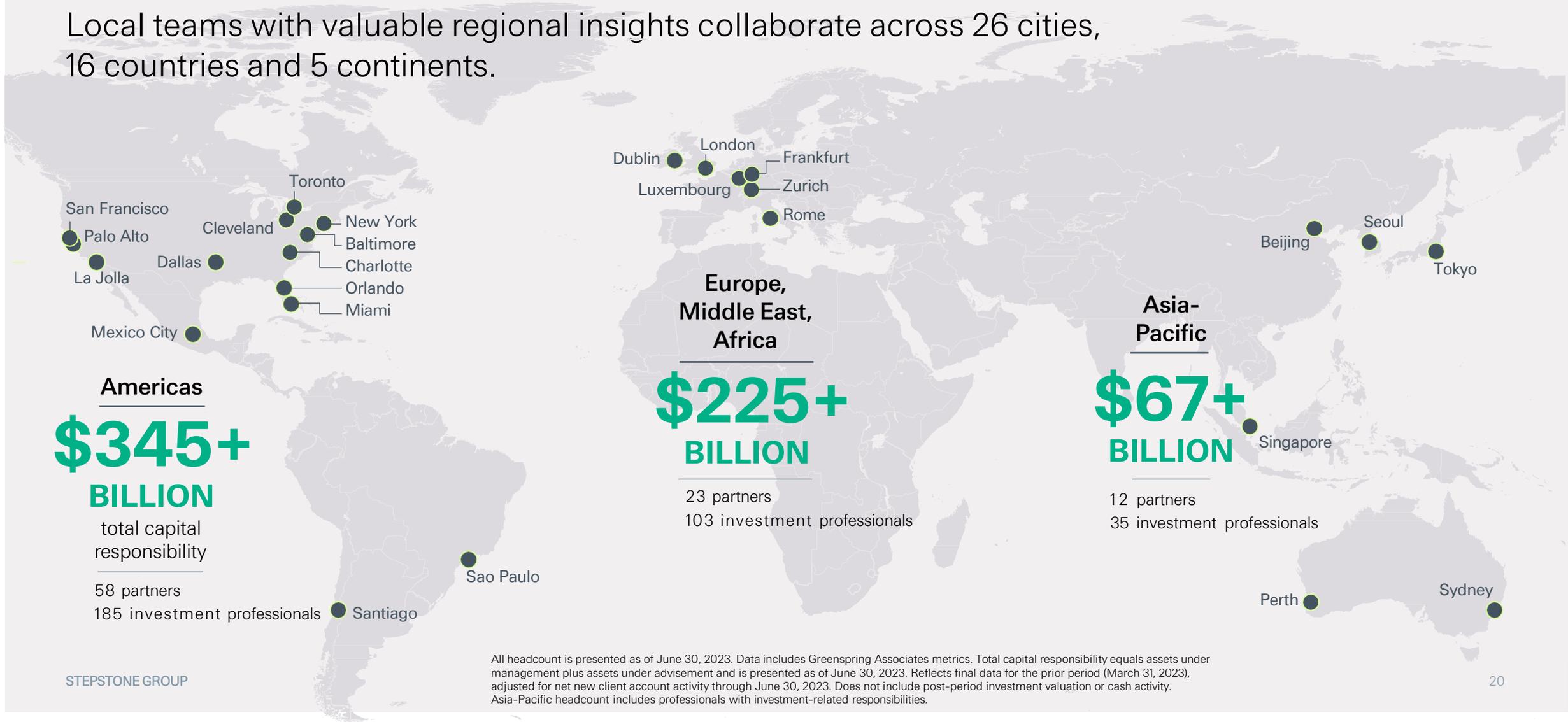
We review more than **3,700** investment opportunities annually

- Private equity
- Real estate
- Infrastructure
- Private debt

MANAGERS

Our global reach powers possibility

Local teams with valuable regional insights collaborate across 26 cities, 16 countries and 5 continents.



All headcount is presented as of June 30, 2023. Data includes Greenspring Associates metrics. Total capital responsibility equals assets under management plus assets under advisement and is presented as of June 30, 2023. Reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. Does not include post-period investment valuation or cash activity. Asia-Pacific headcount includes professionals with investment-related responsibilities.

Comprehensive private markets solutions

StepStone's flexible business model helps clients access opportunities across all asset classes:

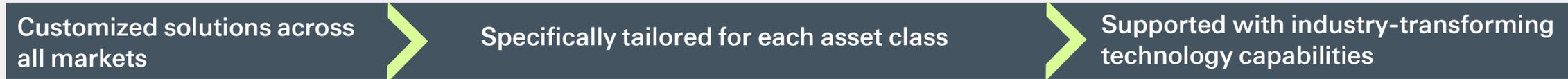
ASSET MANAGEMENT		ADVISORY		RESEARCH
Separately managed accounts	Focused commingled funds	Advisory & data services	Portfolio analytics & reporting	
<ul style="list-style-type: none"> Owned by one client and managed according to their specific preferences Address the client's specific portfolio risk/return, diversification, and liquidity objectives Integrates a combination of investment strategies across one or more asset classes 	<ul style="list-style-type: none"> Owned by multiple clients Deploy capital in specific asset classes with defined investment strategies Seeks to leverage StepStone's multi-asset class expertise 	<ul style="list-style-type: none"> Recurring support of portfolio construction and design Discrete or project-based due diligence Detailed review of existing private markets investments Consulting services Licensed access to SPI¹ Research 	<ul style="list-style-type: none"> Provide clients with tailored reporting packages Mandates typically include access to SPI Reporting 	
\$85 billion AUM and \$57 billion FEAUM (65% of total)	\$44 billion AUM and \$31 billion FEAUM (35% of total)	\$497 billion AUA and \$13 billion AUM	Provided portfolio analytics and reporting on over \$645 billion of client commitments	

Offering a full-service model to clients seeking a customized solution to private markets investing

288
bespoke SMAs +
focused
commingled funds

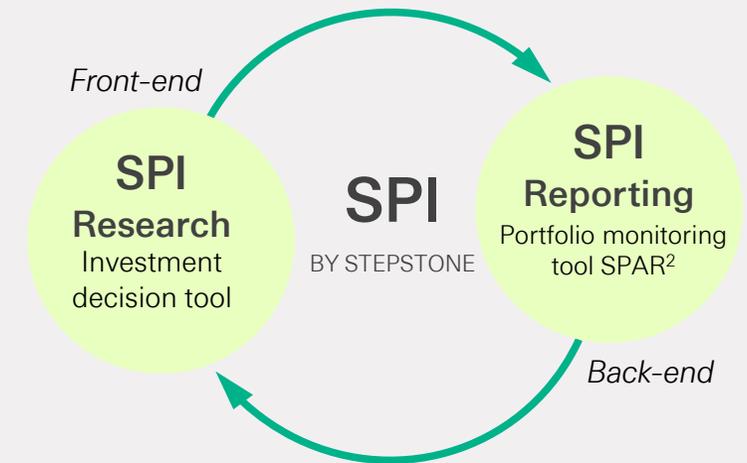
35%
of advisory clients
with an AUM
relationship

Industry-transforming technology capabilities creates a virtuous cycle of client engagement and provides a significant data advantage



- 1 Asset management solutions
- 2 Advisory and data solutions
- 3 Portfolio analytics and reporting

PRIVATE EQUITY			REAL ESTATE		
\$74B ¹	\$47B	\$252B	\$13B ¹	\$6B	\$174B
AUM	FEAUM	AUA	AUM	FEAUM	AUA
155 Investment professionals			58 Investment professionals		
INFRASTRUCTURE			PRIVATE DEBT		
\$29B ¹	\$20B	\$54B	\$27B ¹	\$15B	\$18B
AUM	FEAUM	AUA	AUM	FEAUM	AUA
63 Investment professionals			47 Investment professionals		



Note: Amounts may not sum to total due to rounding. Data presented as of June 30, 2023. AUM and AUA figures reflect final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV.

¹ Allocation of AUM by asset class is presented by underlying investment asset classification.

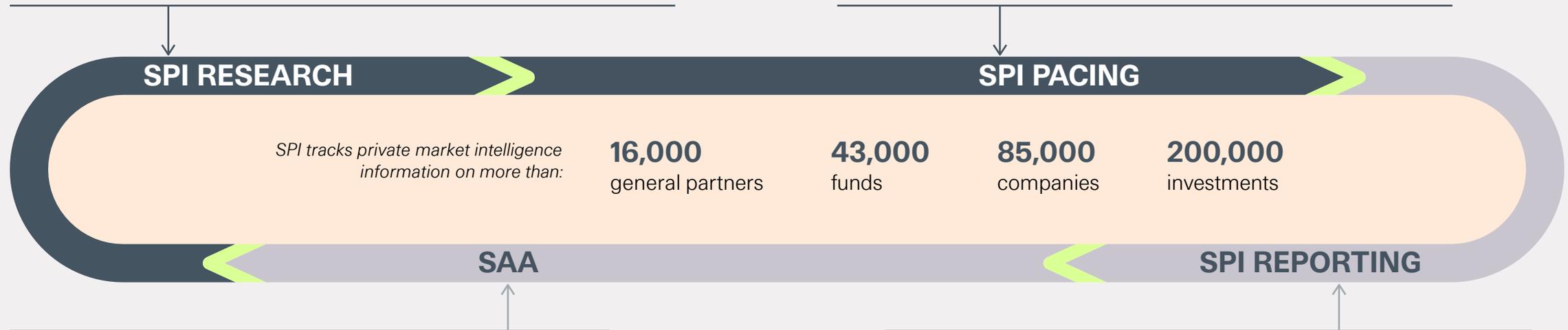
² StepStone Portfolio Analytics & Reporting.

Uncommon insights

Our view is both panoramic and precise, framed by a powerful combination of proprietary data and technology that empowers clients to act with uncommon clarity and conviction.

Investment selection

StepStone's consolidated due diligence library contains qualitative and quantitative insights from more than 320 investment professionals.



Strategic asset allocation

Determines target allocations to optimize portfolio construction along the efficient frontier.

Portfolio planning

Creates customized commitment plans by forecasting cash flows and exposures to reach allocation targets.

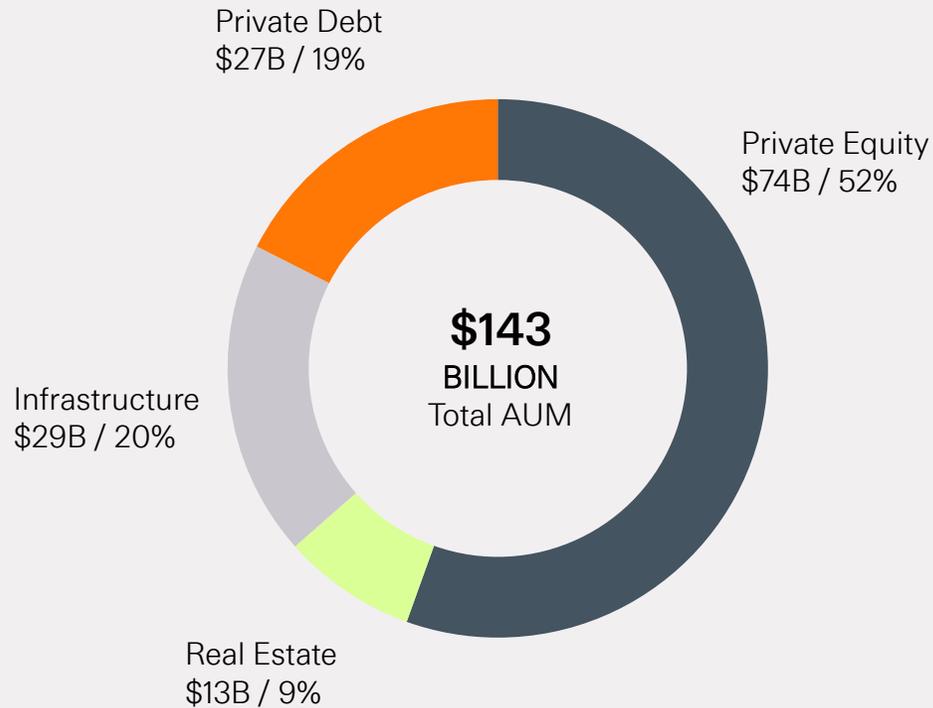
Portfolio reporting

Monitors and analyzes portfolios, funds, and underlying investments with real-time access to a fast and intuitive platform.

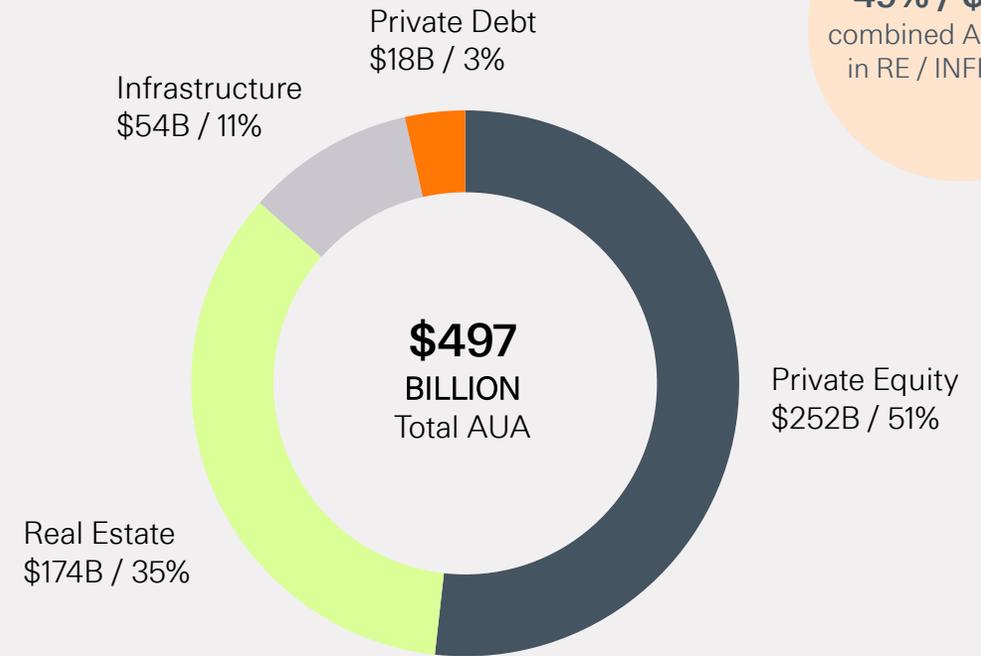
Investment expertise across all private markets asset classes

As of June 30, 2023

BY AUM¹



BY AUA

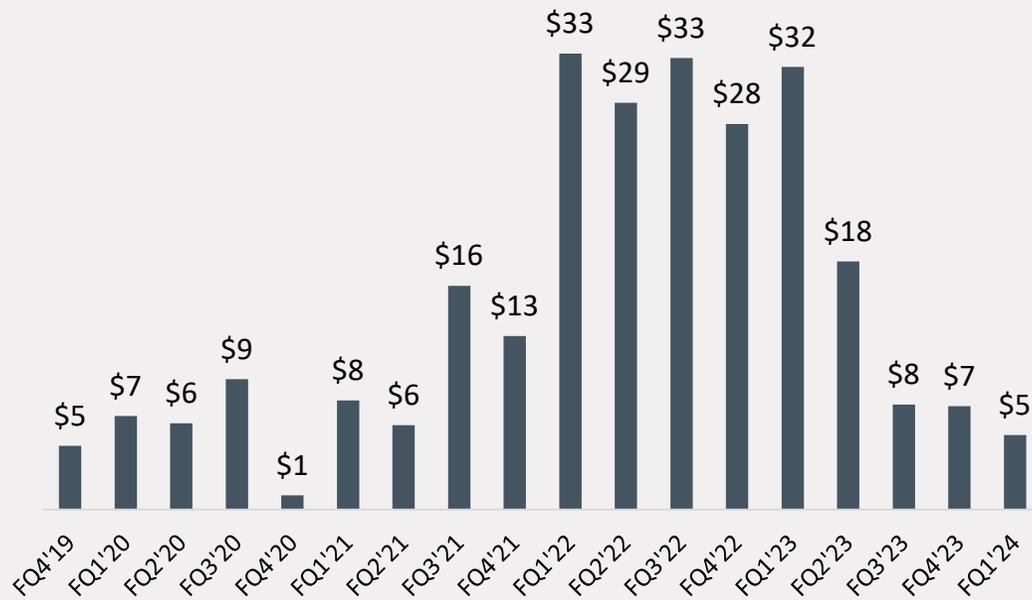


49% / \$314B
combined AUM/AUA
in RE / INFRA / PD

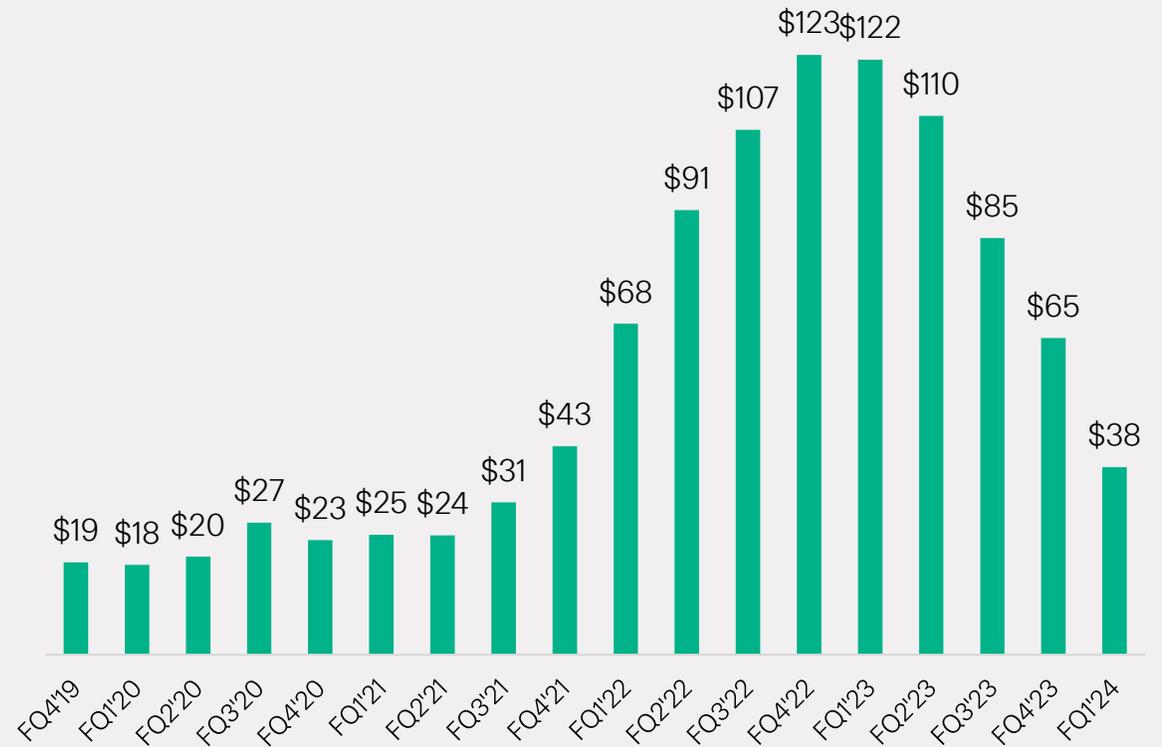
Note: Amounts and percentages may not sum to total due to rounding. Reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV.
RE – Real estate, INFRA – Infrastructure, PD – Private debt
¹Allocation of AUM by asset class is presented by underlying investment asset classification.

Net realized performance fees

QUARTERLY NET REALIZED PERFORMANCE FEES (\$M)

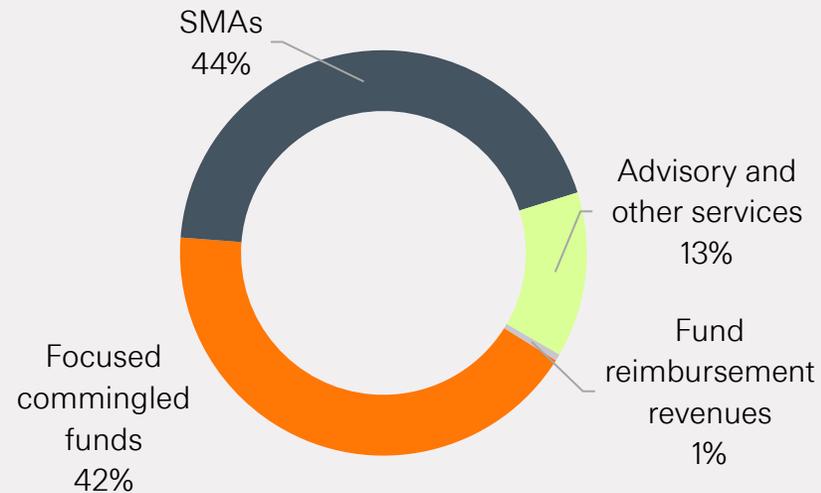


LTM NET REALIZED PERFORMANCE FEES (\$M)

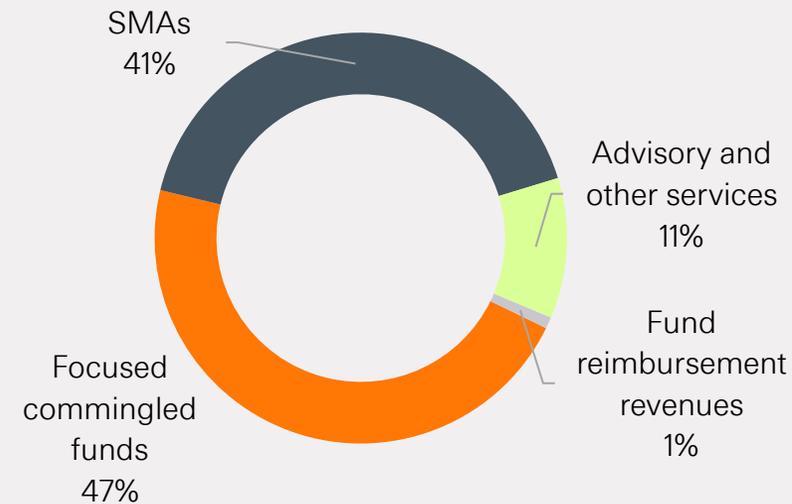


Revenues - Management and advisory fees, net

LTM JUNE'22



LTM JUNE'23



(\$ in thousands)

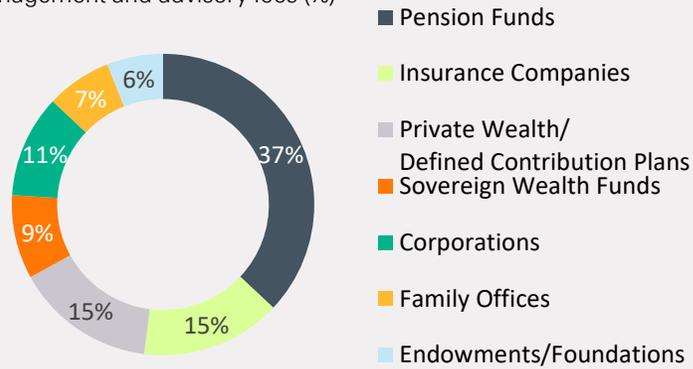
	Quarter			Last Twelve Months		
	Jun '22	Jun '23	% Fav / Unfav	Jun '22	Jun '23	% Fav / Unfav
Focused commingled funds ⁽¹⁾	\$ 52,742	\$ 67,119	27%	\$ 177,317	\$ 241,445	36%
SMAs	50,460	55,744	10%	184,173	215,471	17%
Advisory and other services	12,984	14,101	9%	55,252	57,361	4%
Fund reimbursement revenues ⁽¹⁾	546	1,337	145%	2,186	4,618	111%
Total management and advisory fees, net	\$ 116,732	\$ 138,301	18%	\$ 418,928	\$ 518,895	24%

Blue-chip, sophisticated, global clientele

As of June 30, 2023

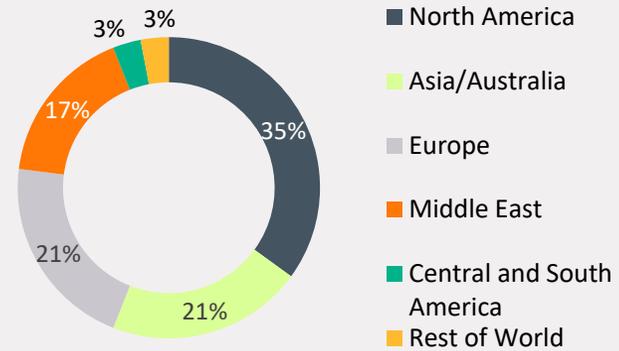
BY TYPE

LTM management and advisory fees (%)



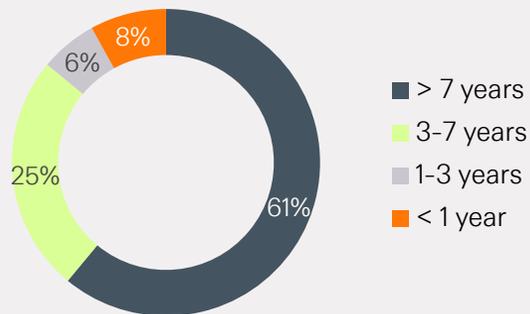
BY GEOGRAPHY

LTM management and advisory fees (%)



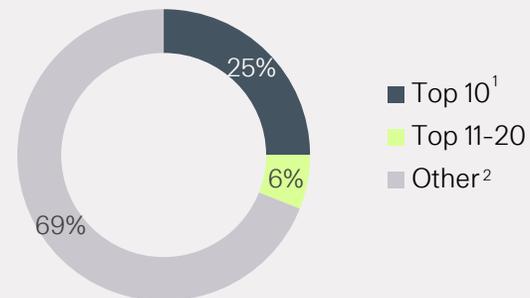
BY REMAINING ACCOUNT TENOR

LTM management fees (%)



BY CLIENT

LTM management and advisory fees (%)



¹ Our top 10 clients comprise over 50 separate mandates and commitments to commingled funds.

² Includes ~47% of management and advisory fee contribution from focused commingled funds.

Our diversified platform spans private markets solutions

Private Equity			Real Estate			Infrastructure		Private Debt	
<ul style="list-style-type: none"> Total AUM: \$74B <ul style="list-style-type: none"> SMA AUM: \$37B FCF AUM: \$37B Advisory AUA: \$252B \$42B Approved in 2022 			<ul style="list-style-type: none"> Total AUM: \$13B <ul style="list-style-type: none"> SMA AUM: \$6B FCF AUM: \$4B Advisory AUM: \$4B Advisory AUA: \$174B \$18B Approved in 2022 			<ul style="list-style-type: none"> Total AUM: \$29B <ul style="list-style-type: none"> SMA AUM: \$26B FCF AUM: \$1B Advisory AUM: \$2B Advisory AUA: \$54B \$14B Approved in 2022 		<ul style="list-style-type: none"> Total AUM: \$27B <ul style="list-style-type: none"> SMA AUM: \$16B FCF AUM: \$3B Advisory AUM: \$7B Advisory AUA: \$18B \$6B Approved in 2022 	
INVESTMENT STRATEGY ^{1,2,4}	NET IRR ³	NET TVM ³	INVESTMENT STRATEGY ^{1,4,5}	NET IRR ³	NET TVM ³	INVESTMENT STRATEGY ^{1,4,6}	NET IRR ³	INVESTMENT STRATEGY ^{1,4,8}	NET IRR ³
Primaries	17.0%	1.6x	Core/core+ fund investments	8.3%	1.5x	Primaries	10.4%	Direct lending	6.9%
Secondaries	17.8%	1.5x	Value-add/opportunistic fund investments	9.8%	1.3x	Secondaries	10.9%	Distressed debt	9.0%
Co-investments ⁷	19.7%	1.7x	Real estate debt fund investments	5.7%	1.2x	Co-investments ⁷	9.4%	Other ⁹	7.3%
			Value-add/opportunistic secondaries & Co-investments	14.0%	1.3x				

Note: Approvals are LTM as of December 31, 2022. Excludes legacy funds, feeder funds and research-only, non-advisory services.

Amounts may not sum to total due to rounding. SMA – Separately managed accounts. FCF – Focused commingled funds.

⁴AUM and AUA figures are as of June 30, 2023. Reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV.

Please see next slide for performance footnote references.

Past performance is not necessarily indicative of future results and there can be no assurance that the fund will achieve comparable results or avoid substantial losses.

Track record disclosures

Note: Descriptions for certain terms can be found on the definitions page starting on slide 35 of this presentation.

¹ Investment returns reflect NAV data for underlying investments as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. For investment returns where NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV. Investment returns are calculated on a constant currency adjusted reporting basis converting non-USD investment cash flows and NAVs to USD using the foreign currency exchange rate corresponding to each client's first cash flow date.

² Private equity includes 2,444 investments totaling \$173.8 billion of capital commitments and excludes (i) two advisory co-investments, totaling \$100.0 million of capital commitments, (ii) all client-directed private equity investments (253 investments totaling \$29.4 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

³ Net IRR and Net TVM are presented solely for illustrative purposes and do not represent actual returns received by any investor in any of the StepStone Funds represented above and are net of fees and expenses charged by both the underlying investment and hypothetical StepStone fees. The aggregate returns are not indicative of the returns an individual investor would receive from these investments. No individual investor received the aggregate returns described herein as the investments were made across multiple mandates over multiple years. StepStone fees and expenses are based on the following assumptions (management fees and expenses represent an annual rate):

- (i) Primaries: 25 basis points of net invested capital for management fees (and on NAV for private debt), charged quarterly.
- (ii) Secondaries: 125 basis points (60 basis points for infrastructure) of capital commitments in years 1 through 4 for management fees, charged quarterly. In year 5, management fees step down to 90% of the previous year's fee; 65 basis points for private debt, assessed quarterly on the net asset value.
- (iii) Co-investments: 100 basis points (85 and 50 basis points for infrastructure co-investments and direct asset management investments, respectively) on net committed capital for management fees, charged quarterly; 65 basis points for private debt, assessed quarterly on the net asset value.
- (iv) All investment types assess 5 basis points of capital commitments for fund expenses, charged quarterly, and 1 basis point of capital commitments drawn down in the first cash flow quarter for organizational costs.
- (v) Private equity and infrastructure secondaries and co-investments include 12.5% and 10.0% of paid and unrealized carry, respectively, with an 8.0% preferred return hurdle. Real estate secondaries and co-investments include 15.0% of paid and unrealized carry, with an 8.0% preferred return hurdle. Private debt secondaries and co-investments include 10.0% of paid and unrealized carry, with an 5.0% preferred return hurdle.

Net IRR and Net TVM for certain investments may have been impacted by StepStone's or the underlying fund manager's use of subscription backed credit facilities by such vehicles. Reinvested/recycled amounts increase contributed capital.

⁴ Investments of former clients are included in performance summary past the client termination date until such time as StepStone stops receiving current investment data (quarterly valuations and cash flows) for the investment. At that point, StepStone will then 'liquidate' the fund by entering a distribution amount equal to the last reported NAV, thus ending its contribution to the track record as of that date. Historical performance contribution will be maintained up until the 'liquidation' date.

⁵ Real estate includes 472 investments totaling \$75.9 billion of capital commitments and excludes (i) all client-directed real estate investments (81 investments totaling \$12.1 billion of capital commitments), (ii) 11 secondary/co-investment core/core+ or credit investments, totaling \$608.7 million, (iii) four advisory fund investments totaling \$463.6 million of capital commitments, and (iv) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment. Includes the discretionary track record of Courtland Partners, Ltd., which StepStone acquired on April 1, 2018 (the "Courtland acquisition").

⁶ Infrastructure includes 232 investments totaling \$47.9 billion of capital commitments and excludes (i) 11 infrastructure investments made by the Partnership prior to the formation of the infrastructure subsidiary in 2013 or made prior to the Courtland acquisition totaling \$501.9 million of capital commitments, (ii) all client-directed infrastructure investments (27 investments totaling \$4.3 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

⁷ Co-investments includes venture capital and growth equity direct investments for private equity, and asset management investments for infrastructure.

⁸ Private debt includes 824 investments totaling \$44.2 billion of capital commitments and excludes (i) all client-directed debt investments (41 investments, totaling \$2.9 billion of capital commitments), (ii) real estate credit investments that were recommended by Courtland Partners, Ltd. prior to the Courtland acquisition (54 investments totaling \$5.2 billion of capital commitments), and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment.

⁹ Other includes mezzanine debt, collateralized loan obligations, leasing, regulatory capital, trade finance, intellectual property/royalty, real estate debt and infrastructure debt.

Past performance is not necessarily indicative of future results and there can be no assurance that the fund will achieve comparable results or avoid substantial losses.

Notable StepStone focused commingled funds¹

Current funds in market include:

- Private equity secondaries fund
- Multi-strategy global venture capital fund
- Multi-strategy growth equity fund
- Expansion stage venture capital directs fund
- Venture capital secondaries
- Special situation real estate secondaries fund
- Infrastructure co-investment fund
- Corporate direct lending fund

Fund Name ²	Description	Vintage Year	Fund Size (\$M)
Private equity			
StepStone Secondary Opportunities Fund IV	Private equity secondaries	2019	\$ 2,097
StepStone VC Global Partners X	Multi-strategy global venture capital	2020	1,480
StepStone Tactical Growth Fund III	Multi-strategy growth equity	2020	696
StepStone VC Opportunities VI	Expansion stage venture capital directs	2020	653
StepStone VC Asia Fund I	Multi-strategy Asia venture capital	2020	251
StepStone VC Micro IV	Micro venture capital primaries	2022	234
StepStone VC Early Stage II	Early-stage venture capital directs	2021	352
StepStone VC Secondaries Fund V	Venture capital secondaries	2021	2,600
StepStone Capital Partners V	Private equity co-investments	2021	2,364
Real estate			
StepStone Real Estate Partners IV	Special situation real estate secondaries	2019	\$ 1,404
Private debt			
StepStone Credit Opportunities Fund I	Corporate / opportunistic lending	2021	\$ 632
Senior Corporate Lending Fund II	Corporate direct lending	2021	1,275
Private wealth			
SPRIM	Evergreen	2020	\$ 1,477 ³
SPRING	Evergreen	2022	305 ³

¹ Includes funds with fund size greater than \$150 million.

² Reflects most recently closed fund for each category of investment strategy.

³ Reflects fair value of the fund's portfolio as of July 1, 2023.

Reconciliation of GAAP income (loss) before income tax to ANI and FRE

(\$ in thousands)

	Quarter			Full Year	Last Twelve Months
	Jun '22	Mar '23	Jun '23	Mar '19	Jun '23
Income (loss) before income tax	\$ (20,185)	\$ 67,505	\$ 58,043	\$ 61,599	\$ 36,774
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	(8,116)	(10,151)	(10,540)	(5,678)	(41,478)
Net loss attributable to non-controlling interests in legacy Greenspring entities	8,604	11,148	2,866	-	38,337
Unrealized carried interest allocations	113,950	(100,753)	(49,364)	(27,254)	90,028
Unrealized performance fee-related compensation	(54,553)	53,515	24,211	11,219	(40,275)
Unrealized investment (income) loss	3,070	(2,207)	(2,529)	(678)	2,413
Impact of Consolidated Funds	-	(4,002)	(2,647)	-	(11,544)
Deferred incentive fees	-	209	-	964	3,892
Equity-based compensation ⁽²⁾	3,071	8,274	7,171	1,725	26,014
Amortization of intangibles	10,871	10,870	10,661	6,487	43,271
Tax Receivable Agreements adjustments through earnings	-	(244)	-	-	(244)
Non-core items ⁽³⁾	3,950	733	(50)	4,673	13,580
Pre-tax adjusted net income	60,662	34,897	37,822	53,057	160,768
Income taxes ⁽⁴⁾	(13,528)	(7,782)	(8,434)	(13,265)	(35,851)
Adjusted net income	47,134	27,115	29,388	39,792	124,917
Income taxes ⁽⁴⁾	13,528	7,782	8,434	13,265	35,851
Realized carried interest allocations	(73,607)	(18,693)	(14,473)	(36,648)	(71,955)
Realized performance fee-related compensation ⁽⁵⁾	41,735	12,755	9,102	20,259	47,213
Realized investment income	(1,969)	(757)	(557)	(3,448)	(4,091)
Incentive fees	-	(1,318)	(6)	(1,540)	(9,669)
Deferred incentive fees	-	(209)	-	(964)	(3,892)
Non-GAAP interest income ⁽⁶⁾	(11)	(658)	(187)	(1,507)	(1,902)
Interest expense	587	1,674	2,012	10,261	5,614
Adjusted other (income) loss ⁽⁶⁾⁽⁷⁾	1,104	(46)	149	194	379
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	8,116	10,151	10,540	5,678	41,478
Fee-related earnings	\$ 36,617	\$ 37,796	\$ 44,402	\$ 45,342	\$ 163,943

- 1 Reflects the portion of pre-tax adjusted net income of our subsidiaries attributable to non-controlling interests.
- 2 Reflects equity-based compensation for awards granted prior to and in connection with the IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction.
- 3 Includes (income) expense related to compensation paid to certain equity holders as part of an acquisition earn-out (\$2.9 million in fiscal 2019), transaction costs (\$1.8 million for fiscal 2019, and \$6.9 million for the last twelve months ended June 30, 2023), lease remeasurement adjustments (\$2.7 million for the last twelve months ended June 30, 2023), accelerated depreciation of leasehold improvements for changes in lease terms (\$0.6 million for the three months ended June 30, 2023, \$0.6 million for the three months ended March 31, 2023 and \$2.1 million for the last twelve months ended June 30, 2023), severance costs (\$0.1 million in fiscal 2019, \$0.1 million for the three months ended March 31, 2023 and \$0.2 million for the last twelve months ended June 30, 2023), (gain) loss on change in fair value for contingent consideration obligation (\$1.2 million and \$3.3 million for the three months ended June 30, 2023 and 2022, respectively, \$(0.6) million for the three months ended March 31, 2023 and \$4.9 million for the last twelve months ended June 30, 2023) compensation paid to certain employees as part of an acquisition earn-out (\$0.5 million for the three months ended June 30, 2023, \$0.6 million for the three months ended March 31, 2023 and \$2.2 million for the last twelve months ended June 30, 2023) and other non-core operating income and expenses).
- 4 Represents corporate income taxes at a blended statutory rate of 22.3% applied to pre-tax adjusted net income for the three months ended June 30, 2023 and 2022, the three months ended March 31, 2023, and the last twelve months ended June 30, 2023. The 22.3% rate is based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 1.3%. As we were not subject to U.S. federal and state income taxes prior to the Reorganization and IPO, a blended statutory rate of 25.0% has been applied to fiscal 2019 for comparability purposes.
- 5 Includes carried interest-related compensation expense related to the portion of net carried interest allocation revenue attributable to equity holders of the Company's consolidated subsidiaries that are not 100% owned (\$2.2 million and \$4.4 million for the three months ended June 30, 2023 and 2022, respectively, \$2.3 million for the three months ended March 31, 2023, \$0.1 million in fiscal 2019, and \$9.1 million for the last twelve months ended June 30, 2023).
- 6 Excludes the impact of consolidating the Consolidated Funds.
- 7 Excludes amounts for Tax Receivable Agreements adjustments recognized as other income (loss) (\$0.2 million for the three months ended March 31, 2023, and \$0.2 million for the last twelve months ended June 30, 2023).

Reconciliation of GAAP measures to adjusted measures

(\$ in thousands)

	Quarter			Full Year	Last Twelve Months
	Jun '22	Mar '23	Jun '23	Mar '19	Jun '23
Total revenues	\$ (77,218)	\$ 172,374	\$ 178,011	\$ 256,268	\$ 187,655
Unrealized carried interest allocations	113,950	(100,753)	(49,364)	(27,254)	90,028
Deferred incentive fees	-	209	-	964	3,892
Legacy Greenspring carried interest allocations	153,607	80,963	23,947	-	322,503
Management and advisory fee revenues for the Consolidated Funds ⁽¹⁾	-	147	186	-	333
Adjusted revenues	\$ 190,339	\$ 152,940	\$ 152,780	\$ 229,978	\$ 604,411
GAAP management and advisory fees, net	\$ 116,732	\$ 132,573	\$ 138,115	\$ 190,826	\$ 518,562
Adjustments ⁽¹⁾	-	147	186	-	333
Management and advisory fees, net	\$ 116,732	\$ 132,720	\$ 138,301	\$ 190,826	\$ 518,895
GAAP cash-based compensation	\$ 60,061	\$ 69,990	\$ 70,081	\$ 108,340	\$ 262,200
Adjustments ⁽²⁾	(691)	(653)	(531)	(2,920)	(2,444)
Adjusted cash-based compensation	\$ 59,370	\$ 69,337	\$ 69,550	\$ 105,420	\$ 259,756
GAAP equity-based compensation	\$ 3,714	\$ 9,335	\$ 8,472	\$ -	\$ 29,698
Adjustments ⁽³⁾	(3,071)	(8,274)	(7,171)	-	(26,014)
Adjusted equity-based compensation	\$ 643	\$ 1,061	\$ 1,301	\$ -	\$ 3,684
GAAP general, administrative and other	\$ 34,232	\$ 35,612	\$ 33,277	\$ 48,304	\$ 146,204
Adjustments ⁽⁴⁾	(14,130)	(11,086)	(10,229)	(8,240)	(54,692)
Adjusted general, administrative and other	\$ 20,102	\$ 24,526	\$ 23,048	\$ 40,064	\$ 91,512
GAAP interest income	\$ 11	\$ 853	\$ 431	\$ 1,507	\$ 2,341
Adjustments ⁽⁵⁾	-	(195)	(244)	-	(439)
Non-GAAP interest income	\$ 11	\$ 658	\$ 187	\$ 1,507	\$ 1,902
GAAP other income (loss)	\$ (1,104)	\$ (40)	\$ 227	\$ (194)	\$ (89)
Adjustments ⁽⁶⁾	-	86	(376)	-	(290)
Adjusted other income (loss)	\$ (1,104)	\$ 46	\$ (149)	\$ (194)	\$ (379)

¹ Reflects the add-back of management and advisory fee revenues for the Consolidated Funds, which have been eliminated in consolidation.

² Reflects the removal of severance and compensation paid to certain employees as part of an acquisition earn-out.

³ Reflects the removal of equity-based compensation for awards granted prior to and in connection with the IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction.

⁴ Reflects the removal of lease remeasurement adjustments, accelerated depreciation of leasehold improvements for changes in lease terms, amortization of intangibles, transaction-related costs and other non-core operating income and expenses.

⁵ Reflects the removal of interest income earned by the Consolidated Funds.

⁶ Reflects the removal of amounts for Tax Receivable Agreements adjustments recognized as other income (loss) and the removal of the impact of consolidation of the Consolidated Funds.

Calculation and reconciliation of adjusted net income per share

(\$ in thousands, except share and per share amounts)

	Quarter		Quarter	Full Year	Last Twelve
	Jun '22	Jun '23	Mar '23	Mar '19	Jun '23
Adjusted net income	\$ 47,134	\$ 29,388	\$ 27,115	\$ 39,792	\$ 124,917
Weighted-average shares of Class A common stock outstanding – Basic ⁽¹⁾	61,144,139	62,834,818	62,805,788	29,237,500	62,310,335
Assumed vesting of RSUs ⁽¹⁾	798,326	400,034	524,576	745,347	573,977
Assumed vesting and exchange of Class B2 units ⁽¹⁾	2,448,833	2,504,618	2,501,045	2,411,318	2,489,514
Exchange of Class B units in the Partnership ⁽¹⁾⁽²⁾	47,146,840	46,420,141	46,420,141	65,578,831	46,598,085
Exchange of Class C units in the Partnership ⁽³⁾	2,928,824	2,514,085	2,514,085	-	2,702,295
Adjusted shares ⁽¹⁾	114,466,962	114,673,696	114,765,635	97,972,996	114,674,206
Adjusted net income per share	\$ 0.41	\$ 0.26	\$ 0.24	\$ 0.41	\$ 1.09

¹ Our Class A common stock did not exist prior to the Reorganization and IPO in September 2020. As a result, the computation of ANI per share for fiscal 2018 assumes the same number of adjusted shares outstanding as reported for the three months ended September 30, 2020 for comparability purposes.

² Assumes the full exchange of Class B units in StepStone Group LP for Class A common stock of SSG pursuant to the Class B Exchange Agreement.

³ Assumes the full exchange of Class C units in StepStone Group LP for Class A common stock of SSG pursuant to the Class C Exchange Agreement.

Reconciliation of GAAP realized performance fees to gross and net realized performance fees¹

(\$ in millions)

	Quarter																	
	FQ4'19	FQ1'20	FQ2'20	FQ3'20	FQ4'20	FQ1'21	FQ2'21	FQ3'21	FQ4'21	FQ1'22	FQ2'22	FQ3'22	FQ4'22	FQ1'23	FQ2'23	FQ3'23	FQ4'23	FQ1'24
Realized carried interest allocations	\$ 9.9	\$ 12.9	\$ 11.1	\$ 19.6	\$ 2.6	\$ 3.6	\$ 8.6	\$ 26.1	\$ 24.7	\$ 50.0	\$ 52.5	\$ 66.6	\$ 31.7	\$ 73.6	\$ 22.5	\$ 16.3	\$ 18.7	\$ 14.5
Incentive fees	0.1	1.6	0.8	0.2	0.8	3.6	1.2	0.3	0.4	4.2	1.8	0.0	5.6	-	5.4	3.0	1.3	0.0
Deferred incentive fees	-	-	0.8	-	-	3.5	1.2	-	-	4.0	1.8	-	(4.4)	-	3.7	-	0.2	-
Gross realized performance fees	10.0	14.5	12.6	19.8	3.4	10.8	10.9	26.4	25.1	58.2	56.1	66.6	32.9	73.6	31.5	19.3	20.2	14.5
Realized performance fee-related compensation	(5.4)	(7.8)	(6.4)	(10.4)	(2.4)	(2.9)	(4.8)	(10.2)	(12.6)	(25.3)	(26.8)	(34.0)	(5.1)	(41.7)	(13.6)	(11.7)	(12.8)	(9.1)
Net realized performance fees	\$ 4.6	\$ 6.7	\$ 6.2	\$ 9.4	\$ 1.0	\$ 7.9	\$ 6.1	\$ 16.1	\$ 12.5	\$ 32.9	\$ 29.3	\$ 32.6	\$ 27.8	\$ 31.9	\$ 17.9	\$ 7.6	\$ 7.5	\$ 5.4

	Last Twelve Months																	
	FQ4'19	FQ1'20	FQ2'20	FQ3'20	FQ4'20	FQ1'21	FQ2'21	FQ3'21	FQ4'21	FQ1'22	FQ2'22	FQ3'22	FQ4'22	FQ1'23	FQ2'23	FQ3'23	FQ4'23	FQ1'24
Realized carried interest allocations	\$ 36.6	\$ 38.3	\$ 39.2	\$ 53.4	\$ 46.2	\$ 36.9	\$ 34.4	\$ 40.9	\$ 63.0	\$ 109.3	\$ 153.3	\$ 193.7	\$ 200.7	\$ 224.4	\$ 194.3	\$ 144.1	\$ 131.1	\$ 72.0
Incentive fees	1.5	1.9	2.6	2.7	3.4	5.4	5.8	5.9	5.5	6.1	6.7	6.4	11.6	7.4	11.0	13.9	9.7	9.7
Deferred incentive fees	1.0	-	0.8	0.8	0.8	4.3	4.7	4.7	4.7	5.2	5.8	5.8	1.4	(2.6)	(0.7)	(0.7)	3.9	3.9
Gross realized performance fees	39.2	40.2	42.6	57.0	50.4	46.6	44.9	51.5	73.1	120.5	165.7	205.9	213.8	229.2	204.6	157.3	144.6	85.5
Realized performance fee-related compensation	(20.3)	(21.8)	(22.6)	(30.0)	(27.0)	(22.1)	(20.5)	(20.4)	(30.5)	(52.9)	(74.9)	(98.7)	(91.2)	(107.6)	(94.5)	(72.2)	(79.8)	(47.2)
Net realized performance fees	\$ 18.9	\$ 18.4	\$ 20.0	\$ 27.0	\$ 23.4	\$ 24.5	\$ 24.4	\$ 31.1	\$ 42.6	\$ 67.6	\$ 90.8	\$ 107.2	\$ 122.5	\$ 121.5	\$ 110.1	\$ 85.1	\$ 64.8	\$ 38.3

Definitions

Adjusted net income, or “ANI”, is a non-GAAP performance measure that we present on a pre-tax and after-tax basis used to evaluate profitability. ANI represents the after-tax net realized income attributable to us. The components of revenues used in the determination of ANI (“**adjusted revenues**”) comprise net management and advisory fees, incentive fees (including the deferred portion) and realized carried interest allocations. In addition, ANI excludes: (a) unrealized carried interest allocation revenues and related compensation, (b) unrealized investment income or loss, (c) equity-based compensation for awards granted prior to and in connection with our initial public offering (“**IPO**”), profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction, (d) amortization of intangibles and (e) certain other items that we believe are not indicative of our core operating performance, including charges associated with acquisitions and corporate transactions, contract terminations and employee severance. ANI does not reflect legacy Greenspring carried interest allocation revenues, legacy Greenspring carried interest-related compensation and legacy Greenspring investment income as none of the economics are attributable to us. ANI is income before taxes fully taxed at our blended statutory rate. We believe ANI and adjusted revenues are useful to investors because they enable investors to evaluate the performance of our business across reporting periods.

ANI per share measures our per-share earnings assuming all Class B units and Class C units in the Partnership were exchanged for Class A common stock in SSG, including the dilutive impact of outstanding equity-based awards. ANI per share is calculated as ANI divided by adjusted shares outstanding. We believe ANI per share is useful to investors because it enables them to better evaluate per-share operating performance across reporting periods.

Assets under advisement, or “AUA”, consists of client assets for which we do not have full discretion to make investment decisions but play a role in advising the client or monitoring their investments. We generally earn revenue for advisory-related services on a contractual fixed fee basis. Advisory-related services include asset allocation, strategic planning, development of investment policies and guidelines, screening and recommending investments, legal negotiations, monitoring and reporting on investments, and investment manager review and due diligence. Advisory fees vary by client based on the scope of services, investment activity and other factors. Most of our advisory fees are fixed, and therefore, increases or decreases in AUA do not necessarily lead to proportionate changes in revenue.

Our AUA is calculated as the sum of (i) the net asset value (“**NAV**”) of client portfolio assets for which we do not have full discretion and (ii) the unfunded commitments of clients to the underlying investments. Our AUA reflects the investment valuations in respect of the underlying investments of our client accounts on a three-month lag, adjusted for new client account activity through the period end. Our AUA does not include post-period investment valuation or cash activity. AUA as of June 30, 2023 reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. NAV data for underlying investments is as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV. Beginning in the quarter ended March 31, 2021, the computation of AUA was modified to include the portion of client portfolio assets for which we do not directly provide recommendations, monitoring and/or reporting services. Prior period amounts have not been recast for this change as such historical data does not exist. The impact of the change was approximately \$70 billion in the quarter ended March 31, 2021.

Definitions (continued)

Assets under management, or “**AUM**”, primarily reflects the assets associated with our separately managed accounts (“**SMA**s”) and focused commingled funds. We classify assets as AUM if we have full discretion over the investment decisions in an account or have responsibility or custody of assets. Although management fees are based on a variety of factors and are not linearly correlated with AUM, we believe AUM is a useful metric for assessing the relative size and scope of our asset management business.

Our AUM is calculated as the sum of (i) the NAV of client portfolio assets, including the StepStone Funds and (ii) the unfunded commitments of clients to the underlying investments and the StepStone Funds. Our AUM reflects the investment valuations in respect of the underlying investments of our funds and accounts on a three-month lag, adjusted for new client account activity through the period end. Our AUM does not include post-period investment valuation or cash activity. AUM as of June 30, 2023 reflects final data for the prior period (March 31, 2023), adjusted for net new client account activity through June 30, 2023. NAV data for underlying investments is as of March 31, 2023, as reported by underlying managers up to 100 days following March 31, 2023. When NAV data is not available 100 days following March 31, 2023, such NAVs are adjusted for cash activity following the last available reported NAV.

Company refers to SSG and its consolidated subsidiaries, including the Partnership, following the Reorganization and IPO and to the Partnership and its consolidated subsidiaries prior to the Reorganization and IPO.

Compound annual growth rate, or “**CAGR**,” represents a measure of the annual growth rate over multiple periods, considering the effect of compounding.

Consolidated Funds refer to the StepStone Funds that we are required to consolidate as of the applicable reporting period. We consolidate funds and other entities in which we hold a controlling financial interest.

Fee-earning AUM, or “**FEAUM**”, reflects the assets from which we earn management fee revenue (i.e., fee basis) and includes assets in our SMA, focused commingled funds and assets held directly by our clients for which we have fiduciary oversight and are paid fees as the manager of the assets. Our SMA and focused commingled funds typically pay management fees based on capital commitments, net invested capital and, in certain cases, NAV, depending on the fee terms. Management fees are only marginally affected by market appreciation or depreciation because substantially all of the StepStone Funds pay management fees based on capital commitments or net invested capital. As a result, management fees and FEAUM are not materially affected by changes in market value.

Fee-related earnings, or “**FRE**”, is a non-GAAP performance measure used to monitor our baseline earnings from recurring management and advisory fees. FRE is a component of ANI and comprises net management and advisory fees, less adjusted expenses which are operating expenses other than (a) performance fee-related compensation, (b) equity-based compensation for awards granted prior to and in connection with our IPO, profits interests issued by our non-wholly owned subsidiaries, and unrealized mark-to-market changes in the fair value of the profits interests issued in connection with the Private Wealth Transaction, (c) amortization of intangibles, and (d) certain other items that we believe are not indicative of our core operating performance, including charges associated with acquisitions and corporate transactions, contract terminations and employee severance. FRE is presented before income taxes. We believe FRE is useful to investors because it provides additional insight into the operating profitability of our business and our ability to cover direct base compensation and operating expenses from total fee revenues.

Fee-related earnings margin is a non-GAAP performance measure which is calculated by dividing fee-related earnings by management & advisory fees, net. We believe fee-related earnings margin is an important measure of profitability on revenues that are largely recurring by nature.

Fund size refers to total capital commitments to a StepStone Fund, including commitments from the Company as the general partner.

Definitions (continued)

Gross realized performance fees represent realized carried interest allocations and incentive fees, including the deferred portion and excluding legacy Greenspring entities. We believe gross realized performance fees is useful to investors because it presents the total performance fees realized by us.

Invested capital refers to the total amount of all investments made by a fund, including commitment-reducing and non-commitment-reducing capital calls.

IRR refers to the annualized internal rate of return for all investments within the relevant investment strategy on an inception-to-date basis as of March 31, 2023 (except as noted otherwise on slides 28 and 29), based on contributions, distributions and unrealized value.

Last twelve months, or "LTM," refer to the preceding twelve months as of the period end.

Legacy Greenspring entities refer to certain entities for which the Company, indirectly through its subsidiaries, became the sole and/or managing member in connection with the Greenspring acquisition.

Net asset value, or "NAV," refers to the estimated fair value of unrealized investments plus any net assets or liabilities associated with the investment as of March 31, 2023.

Net IRR refers to IRR, net of fees and expenses charged by both the underlying fund managers and the Partnership.

Net realized performance fees represent gross realized performance fees, less realized performance fee-related compensation and excluding legacy Greenspring entities. We believe net realized performance fees is useful to investors because it presents the performance fees attributable to us, net of amounts paid to employees as performance fee-related compensation.

Net TVM refers to the total value to paid-in capital or invested capital expressed as a multiple. Net TVM is calculated as distributions plus unrealized valuations divided by invested capital (including all capitalized costs).

Partnership refers solely to StepStone Group LP, a Delaware limited partnership, and not to any of its subsidiaries.

Private Wealth Transaction refers to new arrangements entered into by which certain members of the StepStone Group Private Wealth LLC ("**SPW**") team received a profits interest in SPW and concurrently entered into an option agreement which provides that, (i) we have the right to acquire the profits interest at the end of any fiscal quarter after June 30, 2027, in exchange for payment of a call price and (ii) the SPW management team, through an entity named CH Equity Partners, LLC (formerly known as Conversus Holdings LLC), has the right to put the profits interest to us on June 30, 2026 or at the end of any fiscal quarter thereafter, in exchange for payment of a put price.

Reorganization refers to the series of transactions immediately before the Company's IPO, which was completed on September 18, 2020.

StepStone Funds refer to focused commingled funds and separately managed accounts of the Company, including acquired Greenspring funds, for which the Partnership or one of its subsidiaries acts as both investment adviser and general partner or managing member.

StepStone Group Inc. or "SSG" refers solely to StepStone Group Inc., a Delaware corporation, and not to any of its subsidiaries.

Total capital responsibility equals AUM plus AUA. AUM includes any accounts for which StepStone Group has full discretion over the investment decisions, has responsibility to arrange or effectuate transactions, or has custody of assets. AUA refers to accounts for which StepStone Group provides advice or consultation but for which the firm does not have discretionary authority, responsibility to arrange or effectuate transactions, or custody of assets.

Undeployed fee-earning capital represents the amount of capital commitments to StepStone Funds that has not yet been invested or considered active but will generate management fee revenue once this capital is invested or activated.

Disclosure

Some of the statements in this presentation may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking. Words such as “anticipate,” “believe,” “continue,” “estimate,” “expect,” “future,” “intend,” “may,” “plan” and “will” and similar expressions identify forward-looking statements. Forward-looking statements reflect management’s current plans, estimates and expectations and are inherently uncertain. The inclusion of any forward-looking information in this presentation should not be regarded as a representation that the future plans, estimates or expectations contemplated will be achieved. Forward-looking statements are subject to various risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, global and domestic market and business conditions, successful execution of business and growth strategies and regulatory factors relevant to our business, as well as assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity and the risks and uncertainties described in greater detail under “Risk Factors” included in our annual report on Form 10-K for the fiscal year ended March 31, 2023, and in our subsequent reports filed with the Securities and Exchange Commission, as such factors may be updated from time to time. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

The non-GAAP financial measures contained in this presentation (including, without limitation, Adjusted Revenues, Adjusted Net Income (on both a pre-tax and after-tax basis), Adjusted Net Income per share, Fee-Related Earnings and Fee-Related Earnings Margin) are not GAAP measures of the Company’s financial performance or liquidity and should not be considered as alternatives to revenues or net income (loss) as measures of financial performance or cash flows from operations as a measure of liquidity, or any other performance measure derived in accordance with GAAP. A reconciliation of such non-GAAP measures to their most directly comparable GAAP measure is included on slides 31-34 of this presentation. You are encouraged to evaluate each adjustment to non-GAAP financial measures and the reasons management considers it appropriate for supplemental analysis. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. In addition, these measures may not be comparable to similarly titled measures used by other companies in our industry or across different industries.



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