



Second Quarter Fiscal Year 2024 Earnings Presentation

NOVEMBER 6, 2023

Today's presenters



Scott Hart
CEO



Jason Ment
President & Co-COO



Mike McCabe
Head of Strategy



Johnny Randel
Chief Financial Officer

GAAP Consolidated Statements of Income (Loss)

GAAP net income was \$59.3 million for the quarter and \$108.7 million year-to-date.

GAAP net income attributable to StepStone Group Inc. was \$26.2 million (or \$0.42 per share) for the quarter and \$47.5 million (or \$0.75 per share) year-to-date.

(\$ in thousands, except per share amounts)

	Quarter			Year-to-Date		
	Sep '22	Sep '23	% Fav / Unfav	Sep '22	Sep '23	% Fav / Unfav
Revenues						
Management and advisory fees, net	\$ 119,121	\$ 142,123	19%	\$ 235,853	\$ 280,238	19%
Performance fees:						
Incentive fees	5,365	4,946	-8%	5,365	4,952	-8%
Carried interest allocations:						
Realized	22,469	1,585	-93%	96,076	16,058	-83%
Unrealized	(176,778)	55,371	na	(290,728)	104,735	na
Total carried interest allocations	(154,309)	56,956	na	(194,652)	120,793	na
Legacy Greenspring carried interest allocations ⁽¹⁾	(128,672)	(12,603)	90%	(282,279)	(36,550)	87%
Total performance fees	(277,616)	49,299	na	(471,566)	89,195	na
Total revenues	(158,495)	191,422	na	(235,713)	369,433	na
Expenses						
Compensation and benefits:						
Cash-based compensation	59,501	74,851	-26%	119,562	144,932	-21%
Equity-based compensation	3,783	5,916	-56%	7,497	14,388	-92%
Performance fee-related compensation:						
Realized	13,630	1,720	87%	55,365	10,822	80%
Unrealized	(86,126)	28,712	na	(140,679)	52,923	na
Total performance fee-related compensation	(72,496)	30,432	na	(85,314)	63,745	na
Legacy Greenspring performance fee-related compensation ⁽¹⁾	(128,672)	(12,603)	-90%	(282,279)	(36,550)	-87%
Total compensation and benefits	(137,884)	98,596	na	(240,534)	186,515	na
General, administrative and other	33,733	31,729	6%	67,965	65,006	4%
Total expenses	(104,151)	130,325	na	(172,569)	251,521	na
Other income (expense)						
Investment income (loss)	(3,691)	3,080	na	(4,792)	6,166	na
Legacy Greenspring investment loss ⁽¹⁾	(15,357)	(3,966)	74%	(23,961)	(6,832)	71%
Investment income of Consolidated Funds	-	8,772	na	-	11,134	na
Interest income	356	977	174%	367	1,408	284%
Interest expense	(817)	(2,108)	-158%	(1,404)	(4,120)	-193%
Other loss	(634)	(872)	-38%	(1,738)	(645)	63%
Total other income (expense)	(20,143)	5,883	na	(31,528)	7,111	na
Income (loss) before income tax	(74,487)	66,980	na	(94,672)	125,023	na
Income tax expense (benefit)	(7,422)	7,729	na	(6,136)	16,326	na
Net income (loss)	(67,065)	59,251	na	(88,536)	108,697	na
Less: Net income attributable to non-controlling interests in subsidiaries	8,690	9,615	-11%	16,261	19,245	-18%
Less: Net loss attributable to non-controlling interests in legacy Greenspring entities ⁽¹⁾	(15,357)	(3,966)	-74%	(23,961)	(6,832)	-71%
Less: Net income (loss) attributable to non-controlling interests in the Partnership	(31,177)	22,928	na	(40,575)	42,788	na
Less: Net income attributable to redeemable non-controlling interests in Consolidated Funds	-	4,449	na	-	6,002	na
Net income (loss) attributable to StepStone Group Inc.	\$ (29,221)	\$ 26,225	na	\$ (40,261)	\$ 47,494	na
Net income (loss) per share of Class A common stock – Basic	\$ (0.48)	\$ 0.42	na	\$ (0.66)	\$ 0.76	na
Net income (loss) per share of Class A common stock – Diluted	\$ (0.48)	\$ 0.42	na	\$ (0.66)	\$ 0.75	na

Fiscal Q2 2024 overview



Key Business Drivers

	FQ2'24	FQ2'23	vs. FQ2'23	FQ1'24	vs. FQ1'24
Assets under management ("AUM")	\$145.8 B	\$135.0 B	8%	\$142.6 B	2%
Fee-earning AUM ("FEAUM")	\$87.3 B	\$80.1 B	9%	\$87.4 B	-%
Undeployed fee-earning capital	\$18.1 B	\$16.5 B	10%	\$16.9 B	7%
Gross accrued carry	\$1,331.8 M	\$1,189.3 M	12%	\$1,277.8 M	4%



Financial Highlights¹

(\$M, except per share amounts)	FQ2'24	FQ2'23	vs. FQ2'23	FQ2'24 YTD	FQ2'23 YTD	vs. FQ2'23 YTD
Adjusted revenues	\$149.8	\$150.6	-1%	\$302.6	\$341.0	-11%
Adjusted management and advisory fees, net	\$142.3	\$119.1	19%	\$280.6	\$235.9	19%
Fee-related earnings ("FRE")	\$43.8	\$39.0	12%	\$88.2	\$75.7	17%
Fee-related earnings margin ²	31%	33%		31%	32%	
Adjusted net income ("ANI")	\$30.2	\$37.3	-19%	\$59.6	\$84.4	-29%
ANI per share	\$0.26	\$0.33	-21%	\$0.52	\$0.74	-30%



Business Update

- Declared a quarterly cash dividend of \$0.21 per share of Class A common stock payable on December 15, 2023 to record holders of Class A common stock at the close of business on November 30, 2023
- Raised a total of \$9 billion of new capital for separately managed accounts ("SMA")³ over the LTM
- Raised a total of \$6 billion for commingled funds over the LTM, which includes closings of StepStone's private equity secondaries fund, venture capital secondaries, multi-strategy global venture capital fund, special situation real estate secondaries fund, multi-strategy growth equity fund and infrastructure co-investment fund
- Total retail platform assets surpassed \$2.1 billion in AUM, driven by continued strong subscriptions in SPRIM and SPRING, and the initial close of StepStone Private Infrastructure Fund ("STRUCTURE") in September 2023

¹ Adjusted revenues, adjusted management and advisory fees, net, fee-related earnings, fee-related earnings margin, adjusted net income, and ANI per share are non-GAAP measures. See definition and reconciliation of non-GAAP measures at the end of this presentation.

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

³ Includes advisory accounts for which we have discretion.



Overview

Scale that delivers



All dollars are USD. Headcount as of September 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. \$659B in total capital responsibility includes \$146B in AUM and \$513B in AUA. Reflects final data for the prior period (June 30, 2023), adjusted for net new client account activity through September 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments as of June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. When NAV data is not available by the business day occurring on or after 100 days following June 30, 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	\$46 billion	\$513 billion
8% growth from the prior year	5% growth from the prior year	<ul style="list-style-type: none"> \$46 billion of net client activity increased AUA over the LTM ~\$14 billion of AUA relates to advisory accounts for which we have discretion
\$9 billion of new capital additions during the LTM	\$6 billion raised in focused commingled funds during the LTM Includes closings of StepStone's funds: private equity secondaries venture capital secondaries multi-strategy global venture capital special situation real estate secondaries infrastructure co-investment multi-strategy growth equity private wealth (SPRIM/SPRING/STRUCTURE)	

UFEC

\$18.1 billion - total undeployed fee-earning capital

FEAUM

Separately Managed Accounts	Focused Commingled Funds
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\$56 billion

+7% from prior year

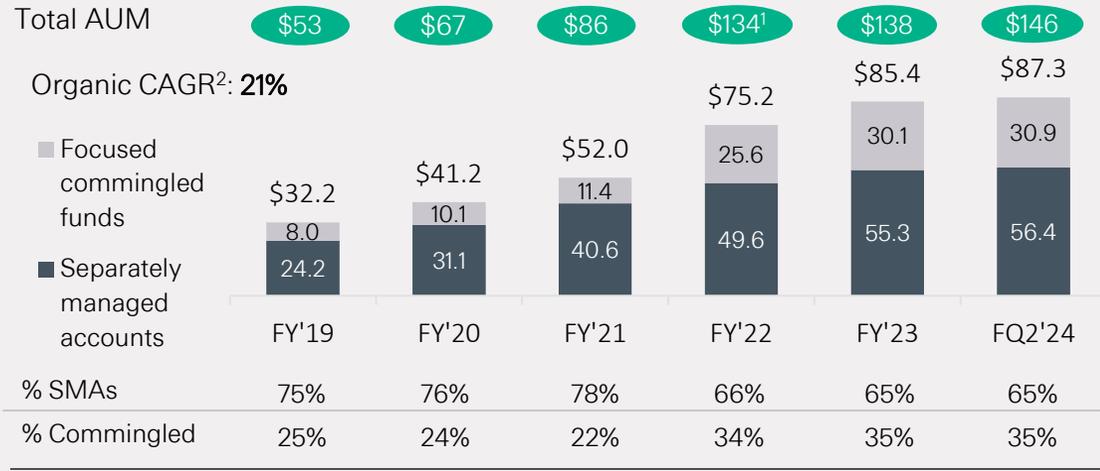
\$31 billion

+13% from prior year

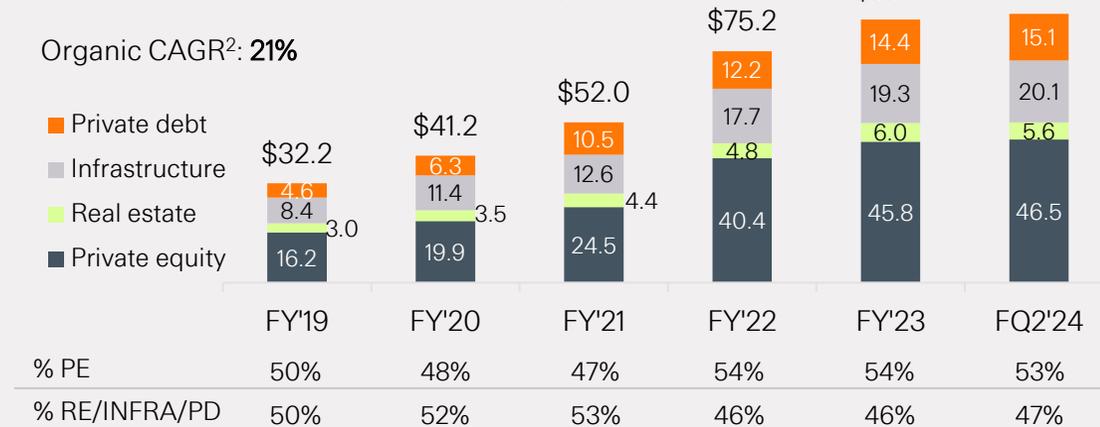
Evolution of fee-earning AUM

35%
clients with exposure to more than one asset class

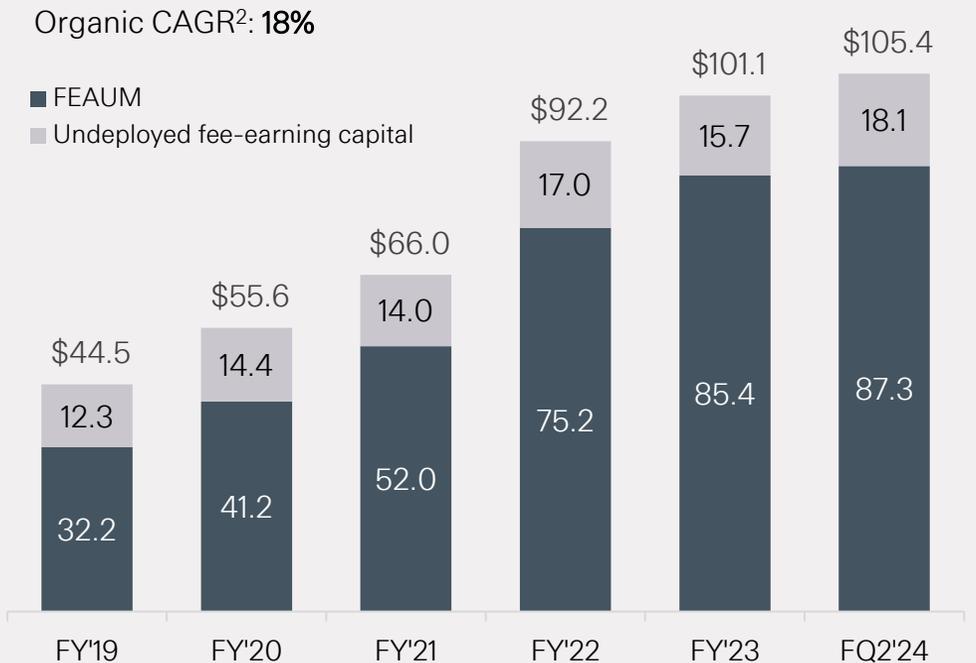
FEE-EARNING AUM BY COMMERCIAL STRUCTURE (\$B)



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.

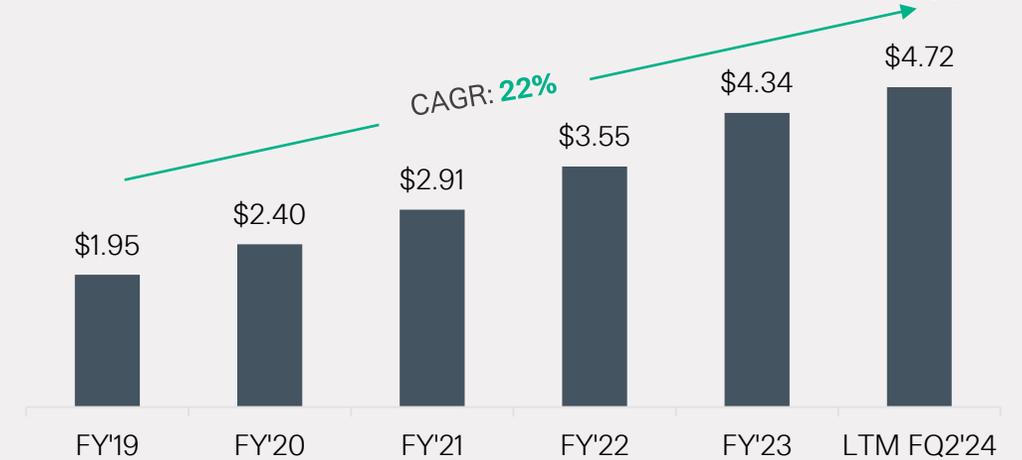
² Organic CAGR excludes \$11.4B of FEAUM and \$0.5B of undeployed fee-earning capital acquired as part of Greenspring as of 9/20/21.

Trend in adjusted management and advisory fees

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



ADJUSTED MANAGEMENT & ADVISORY FEES PER SHARE (\$)⁶



Blended management fee rates:³

Overall	0.53%	0.51%	0.52%	0.52%	0.54%	0.57%
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%	0.88%
By Asset Class:						
PE	0.63%	0.66%	0.62%	0.64%	0.66%	0.70%
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	\$146
AUA (\$B)	\$213 ⁴	\$229	\$340 ⁵	\$436	\$482	\$513

% of fee revenue from adjusted management and advisory fees¹

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 \$112.0M of adjusted management and advisory fees for fiscal 2022, fiscal 2023 and LTM FQ2'24, respectively.

³ Weighted-average fee rates reflect the applicable management fees for the last 12 months ending on each period presented and are 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 Adjusted management and advisory fees per share is a non-GAAP measure and is calculated using adjusted weighted-average shares for each respective period. See slide 33 for calculation of adjusted weighted-average shares.



Financial update

Financial highlights

- Adjusted management and advisory fees, net increased 19% for the quarter and year-to-date, driven by FEAUM growth
- Fee-related earnings increased 12% for the quarter and 17% year-to-date, primarily driven by growth in fee revenues
- ANI per share decreased 21% for the quarter and 30% year-to-date, reflecting lower net realized performance fees partially offset by higher FRE
- Results for the quarter include \$3.7 million of revenues and \$3.4 million of FRE and pre-tax ANI from retroactive fees for StepStone's private equity secondaries and multi-strategy global venture capital funds

(\$M, except per share amounts and where noted)	Three Months Ended Sep 30			Six Months Ended Sep 30		
	2023	2022	% Δ YTY	2023	2022	% Δ YTY
AUM (\$B)	\$145.8	\$135.0	8%			
FEAUM (\$B)	87.3	80.1	9%			
Undeployed fee-earning capital (\$B) ¹	18.1	16.5	10%			
Adjusted management & advisory fees, net	\$142.3	119.1	19%	\$280.6	\$235.9	19%
Fee-related earnings	43.8	39.0	12%	88.2	75.7	17%
Fee-related earnings margin ²	31%	33%		31%	32%	
Gross realized performance fees ³	7.5	31.5	-76%	22.0	105.1	-79%
Pre-tax adjusted net income ("ANI")	38.8	48.0	-19%	76.7	108.6	-29%
Adjusted net income per share ⁴	\$0.26	\$0.33	-21%	\$0.52	\$0.74	-30%
Adjusted revenues	149.8	150.6	-1%	302.6	341.0	-11%

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 adjusted management & advisory fees, net.

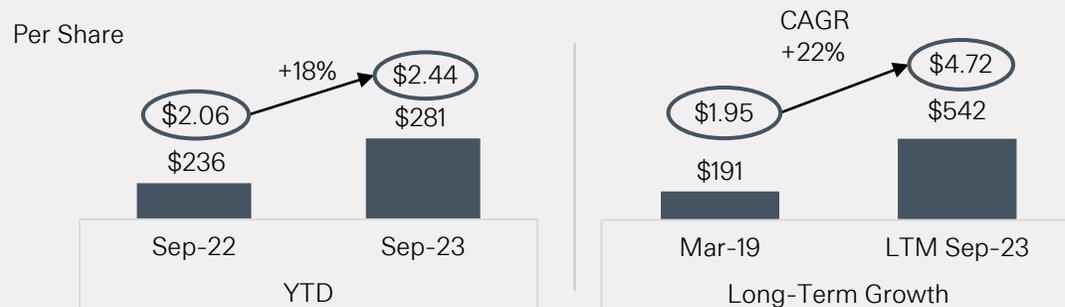
³ Gross realized performance fees is a non-GAAP measure and includes deferred incentive fees that are not included in our GAAP results. See reconciliation of total performance fees to gross and net realized performance fees on slide 34. Excludes legacy Greenspring entities.

⁴ Reflects a 22.3% blended statutory rate applied to pre-tax adjusted net income and 115.1 million and 114.9 million adjusted weighted-average shares outstanding for FQ2'24 and FQ2'24 YTD. Reflects a 22.3% blended statutory rate applied to pre-tax adjusted net income and 114.6 million and 114.5 million adjusted weighted-average shares outstanding for FQ2'23 and FQ2'23 YTD. See slide 33 for calculation of ANI per share and a reconciliation of adjusted weighted-average shares.

Adjusted revenues

(\$M, except per share amounts)

ADJUSTED MANAGEMENT & ADVISORY FEES



Management fees per share increased 20% YTD 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 4% YTD and increased by a compound annual growth rate of 2% over the long-term growth period

GROSS REALIZED PERFORMANCE FEES



Gross realized performance fees were down \$83 million YTD primarily driven by decreased realization activity from our PE funds

ADJUSTED REVENUES



STEPSTONE GROUP

Note: Adjusted management and advisory fees, gross realized performance fees, and adjusted revenues are non-GAAP measures. See definition and reconciliation of non-GAAP measures at the end of this presentation.

Profitability

(\$M, except per share amounts)

FEE-RELATED EARNINGS

Per Share



- Fee-related earnings per share increased YTD driven primarily by growth in FEAUM
- FRE margins were 31% YTD as compared with 32% in the prior year and 24% four fiscal years ago
 - FRE margins in FQ2'24 YTD were impacted by \$5.3 million of retroactive fees, which corresponds to \$5.1 million of fee-related earnings. FRE margins in FQ2'23 YTD were impacted by \$2.4 million of retroactive fees, which corresponds to \$2.2 million of fee-related earnings

ADJUSTED NET INCOME

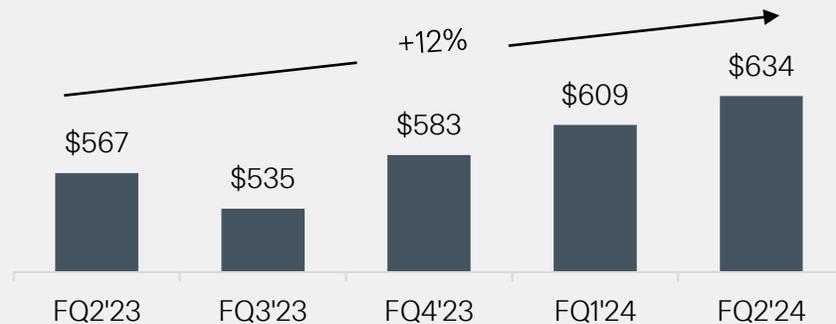
Per Share



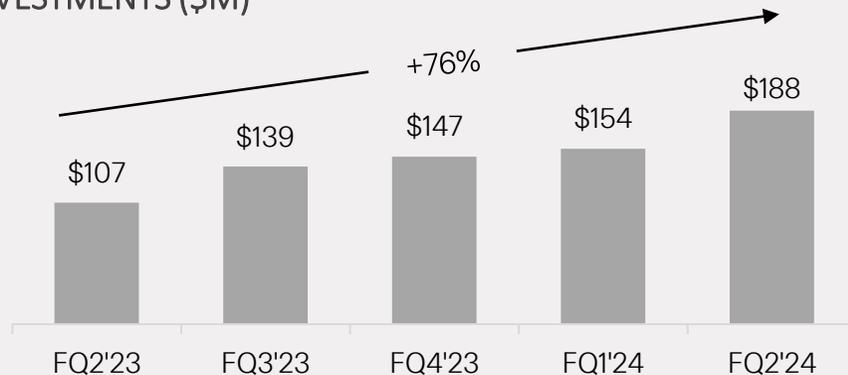
- Adjusted net income per share decreased 30% YTD driven by moderation in net realized performance fees
- Adjusted net income per share increased by a CAGR of 23% over the long-term growth period driven by higher FRE and higher net realized performance fees

Accrued carry and fund investments¹

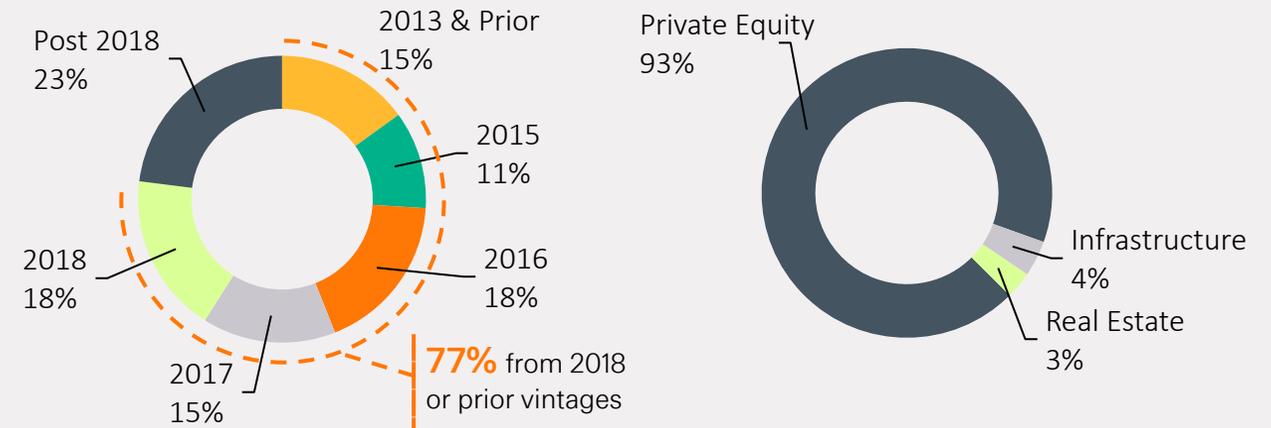
NET ACCRUED CARRY (\$M)²



INVESTMENTS (\$M)³



NET UNREALIZED CARRY AS OF 9/30/2023 BY VINTAGE AND TYPE



- Gross accrued unrealized carried interest of \$1,332 million, net accrued unrealized carry of \$634 million as of September 30, 2023 (note: valuations reported on a one quarter lag)
- Over \$67 billion in performance fee-eligible capital as of September 30, 2023
- \$788 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 195 programs with carry or incentive fee structures
- Investments in our funds held by the firm increased to \$188 million, up 76% from September 30, 2022
- Unfunded commitments were \$98 million as of September 30, 2023¹

¹ Excludes \$0.7 billion of investments in funds and accrued carried interest allocations and \$48.8 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 \$130 million as of September 30, 2023.



Appendix

Consolidated balance sheets

(\$ in thousands)	Sep '22	Mar '23	Sep '23
Assets			
Cash and cash equivalents	\$ 143,562	\$ 102,565	\$ 117,484
Restricted cash	921	955	679
Fees and accounts receivable	34,344	44,450	45,237
Due from affiliates	13,516	54,322	51,050
Investments:			
Investments in funds ⁽¹⁾	106,977	115,187	129,768
Accrued carried interest allocations	1,189,323	1,227,173	1,331,778
Legacy Greenspring investments in funds and accrued carried interest allocations ⁽²⁾	991,116	770,652	700,473
Deferred income tax assets	39,500	44,358	36,828
Lease right-of-use assets, net	62,768	101,130	99,843
Other assets and receivables	36,640	44,060	52,615
Intangibles, net	376,385	354,645	333,322
Goodwill	580,542	580,542	580,542
<i>Assets of Consolidated Funds:</i> ⁽³⁾			
Cash and cash equivalents	-	25,997	58,639
Investments, at fair value	-	30,595	68,481
Other assets	-	772	1,624
Total assets	\$ 3,575,594	\$ 3,497,403	\$ 3,608,363
Liabilities and stockholders' equity			
Accounts payable, accrued expenses and other liabilities	\$ 84,377	\$ 89,396	\$ 91,561
Accrued compensation and benefits	78,179	66,614	110,413
Accrued carried interest-related compensation	622,647	644,517	697,377
Legacy Greenspring accrued carried interest-related compensation ⁽²⁾	817,673	617,994	556,219
Due to affiliates	196,410	205,424	204,503
Lease liabilities	72,084	121,224	119,117
Debt obligations	63,115	98,351	123,586
<i>Liabilities of Consolidated Funds:</i> ⁽³⁾			
Other liabilities	-	566	7,904
Total liabilities	1,934,485	1,844,086	1,910,680
Redeemable non-controlling interests in Consolidated Funds	-	24,530	59,272
Total stockholders' equity	1,641,109	1,628,787	1,638,411
Total liabilities and stockholders' equity	\$ 3,575,594	\$ 3,497,403	\$ 3,608,363

¹ The Company's investments in funds were \$188 million and \$147 million as of September 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			Year-to-Date		
	Sep '22	Sep '23	% Fav / Unfav	Sep '22	Sep '23	% Fav / Unfav
Adjusted management and advisory fees, net	\$ 119,121	\$ 142,327	19%	\$ 235,853	\$ 280,628	19%
Less:						
Adjusted cash-based compensation	58,761	74,277	-26%	118,131	143,827	-22%
Adjusted equity-based compensation	658	1,272	-93%	1,301	2,573	-98%
Adjusted general, administrative and other	20,658	22,951	-11%	40,760	45,999	-13%
Fee-related earnings	39,044	43,827	12%	75,661	88,229	17%
Plus:						
Realized carried interest allocations	22,469	1,585	-93%	96,076	16,058	-83%
Incentive fees	5,365	4,946	-8%	5,365	4,952	-8%
Deferred incentive fees	3,683	942	-74%	3,683	942	-74%
Realized investment income	2,104	1,423	-32%	4,073	1,980	-51%
Adjusted interest income	356	728	104%	367	915	149%
Adjusted other loss	(634)	(469)	26%	(1,738)	(618)	64%
Less:						
Realized performance fee-related compensation ⁽²⁾	13,630	1,720	87%	55,365	10,822	80%
Interest expense	817	2,108	-158%	1,404	4,120	-193%
Income attributable to non-controlling interests in subsidiaries/other:						
Fee-related earnings attributable to non-controlling interests in subsidiaries ⁽³⁾	10,149	9,463	7%	18,663	19,997	-7%
Non fee-related earnings (losses) attributable to non-controlling interests in subsidiaries ⁽⁴⁾	(164)	858	na	(562)	864	na
Pre-tax adjusted net income	47,955	38,833	-19%	108,617	76,655	-29%
Less: Income taxes ⁽⁵⁾	10,694	8,660	19%	24,222	17,094	29%
Adjusted net income	\$ 37,261	\$ 30,173	-19%	\$ 84,395	\$ 59,561	-29%
ANI per share	\$ 0.33	\$ 0.26	-21%	\$ 0.74	\$ 0.52	-30%

Note: Adjusted management and advisory fees, net, adjusted cash-based compensation, adjusted equity-based compensation, adjusted general, administrative and other, fee-related earnings, adjusted interest income, adjusted net income and ANI per share are non-GAAP measures. See definition and reconciliation of non-GAAP measures at the end of this presentation.

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 (\$2.4 million for the three months ended September 30, 2022, and \$2.2 million and \$6.8 million for the six months ended September 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 ANI for the three and six months ended September 30, 2023 and 2022, respectively. The 22.3% rate for the three and six months ended September 30, 2023 and 2022, respectively, 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%.

FEAUM overview

(\$B, unless noted)			Fav / Unfav Change	
	FQ2'24	FQ2'23	\$	%
SMAs				
Beginning balance	\$ 56.6	\$ 52.2	\$ 4.4	9%
Contributions ¹	1.0	1.8	(0.7)	-41%
Distributions ²	(1.5)	(0.6)	(0.9)	-148%
Market value, FX and other ³	<u>0.2</u>	<u>(0.5)</u>	<u>0.6</u>	na
Ending balance	\$ 56.4	\$ 52.9	\$ 3.5	7%
Management fees (\$M)	\$ 56.4	\$ 52.2	\$ 4.3	8%
Average fee rate ⁴	0.40%	0.40%		0%
Commingled Funds				
Beginning balance	\$ 30.8	\$ 26.4	\$ 4.4	17%
Contributions ¹	1.0	1.1	(0.1)	-13%
Distributions ²	(1.0)	(0.3)	(0.7)	-225%
Market value, FX and other ³	<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	184%
Ending balance	\$ 30.9	\$ 27.2	\$ 3.7	13%
Management fees (\$M)	\$ 70.5	\$ 51.6	\$ 18.9	37%
Average fee rate ⁴	0.88%	0.85%		4%
Total				
Beginning balance	\$ 87.4	\$ 78.6	\$ 8.9	11%
Contributions ¹	2.0	2.9	(0.9)	-30%
Distributions ²	(2.4)	(0.9)	(1.6)	-174%
Market value, FX and other ³	<u>0.3</u>	<u>(0.4)</u>	<u>0.7</u>	na
Ending balance	<u>\$ 87.3</u>	<u>\$ 80.1</u>	<u>\$ 7.2</u>	9%
Management fees (\$M)	\$ 126.9	\$ 103.7	\$ 23.2	22%
Average fee rate ⁴	0.57%	0.55%		4%

Walk from AUM to FEAUM	\$B
Total AUM as of 9/30/23	\$ 145.8
Less: Non-fee earning AUM	16.5
Less: Market appreciation included in AUM	23.9
Less: Undeployed fee-earning capital (capital not yet invested or considered active on which we will earn fees once capital is invested or activated)	18.1
Fee-earning AUM as of 9/30/23	\$ 87.3

- FEAUM increased by 9% for the quarter to \$87.3 billion
- Activated/deployed approximately \$1.0 billion of capital from our existing undeployed fee-earning capital during the quarter

¹ Contributions consist of new capital commitments that earn fees on committed capital and capital contributions to funds and accounts that earn fees on net invested capital or NAV.

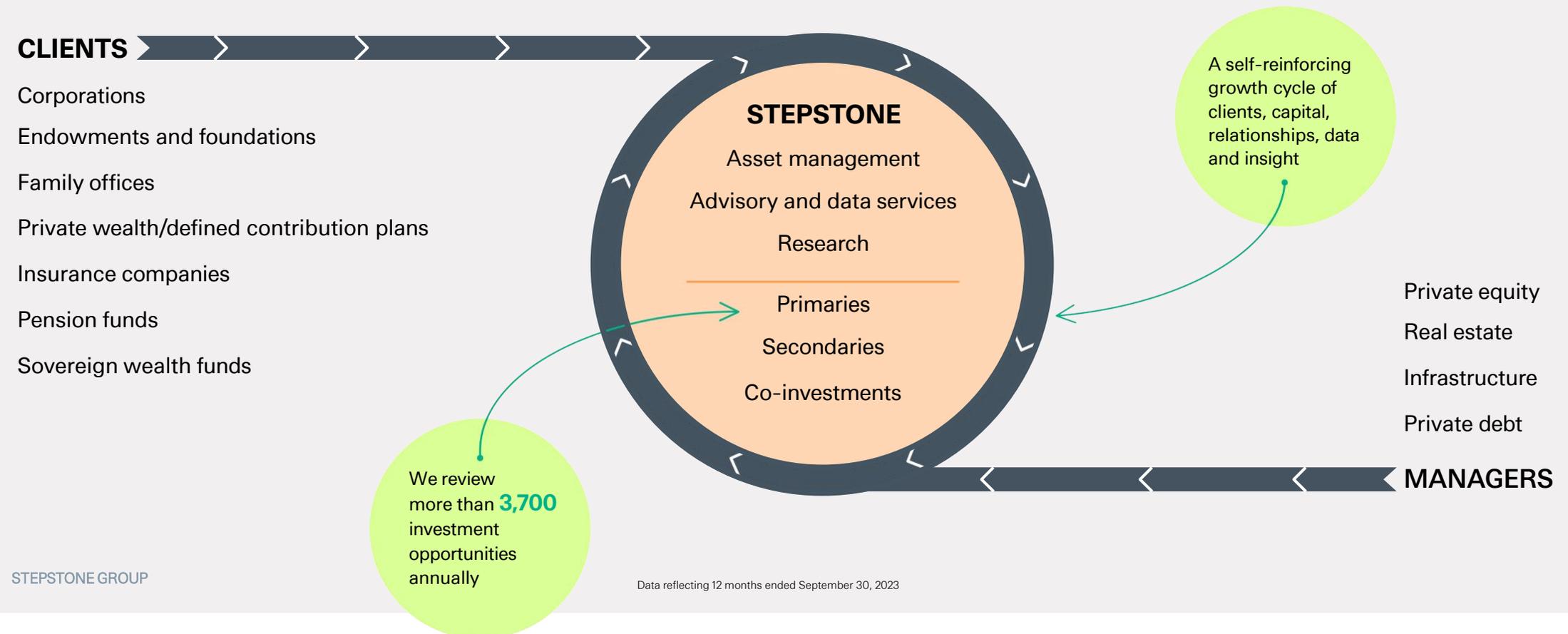
² Distributions consist of returns of capital from funds and accounts that pay fees on net invested capital or NAV and reductions in fee-earning AUM from funds that moved from a committed capital to net invested capital fee basis or from funds and accounts that no longer pay fees.

³ Market value, FX and other primarily consist of changes in market value appreciation (depreciation) for funds that pay on NAV and the effect of foreign exchange rate changes on non-U.S. dollar denominated commitments.

⁴ 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.

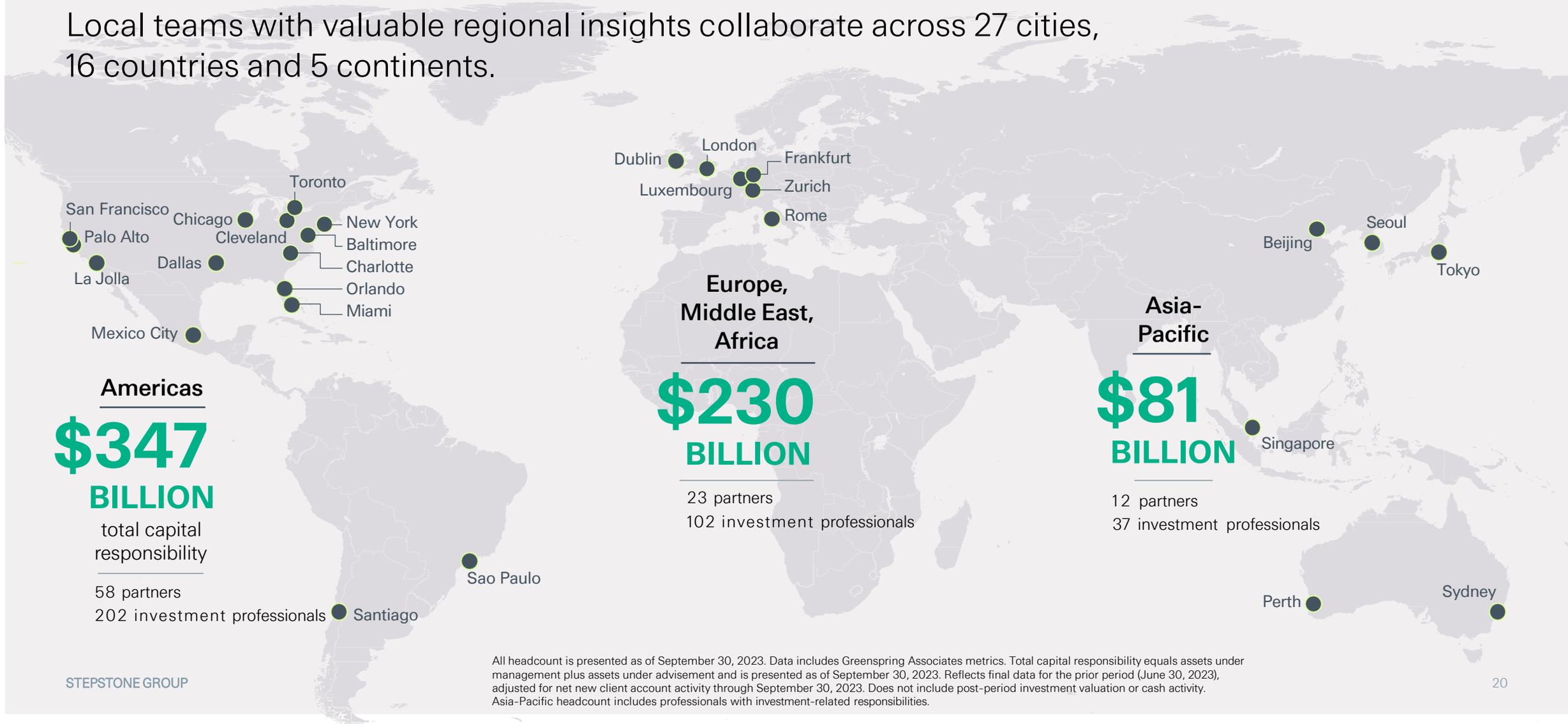
StepStone occupies an important position within the GP & LP ecosystem

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



Our global reach powers possibility

Local teams with valuable regional insights collaborate across 27 cities, 16 countries and 5 continents.



Comprehensive private markets solutions

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

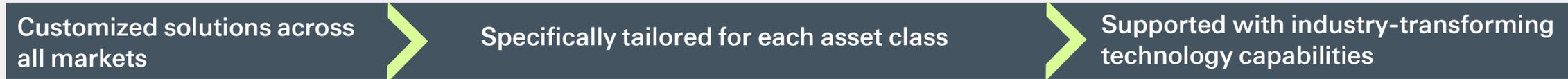
ASSET MANAGEMENT		ADVISORY		RESEARCH
Separately managed accounts	Focused commingled funds	Advisory & data services	Portfolio analytics & reporting	
<ul style="list-style-type: none"> Owned by one client and managed according to their specific preferences Address the client's specific portfolio risk/return, 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 \$56 billion FEAUM (65% of total)	\$46 billion AUM and \$31 billion FEAUM (35% of total)	\$513 billion AUA and \$14 billion AUM	Provided portfolio analytics and reporting on over \$675 billion of client commitments	

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

295
bespoke SMAs +
focused
commingled funds

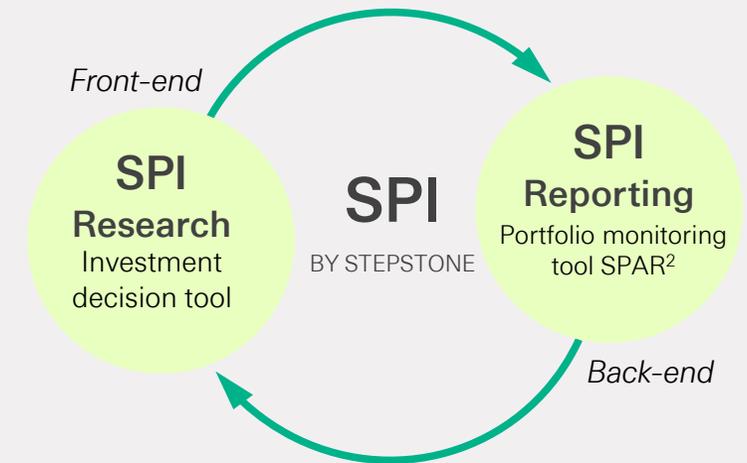
35%
of advisory clients
with an AUM
relationship

Industry-transforming technology capabilities create a virtuous cycle of client engagement and provide a significant data advantage



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

PRIVATE EQUITY			REAL ESTATE		
\$76B ¹	\$46B	\$264B	\$14B ¹	\$6B	\$175B
AUM	FEAUM	AUA	AUM	FEAUM	AUA
167 Investment professionals			59 Investment professionals		
INFRASTRUCTURE			PRIVATE DEBT		
\$29B ¹	\$20B	\$55B	\$28B ¹	\$15B	\$18B
AUM	FEAUM	AUA	AUM	FEAUM	AUA
66 Investment professionals			49 Investment professionals		



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

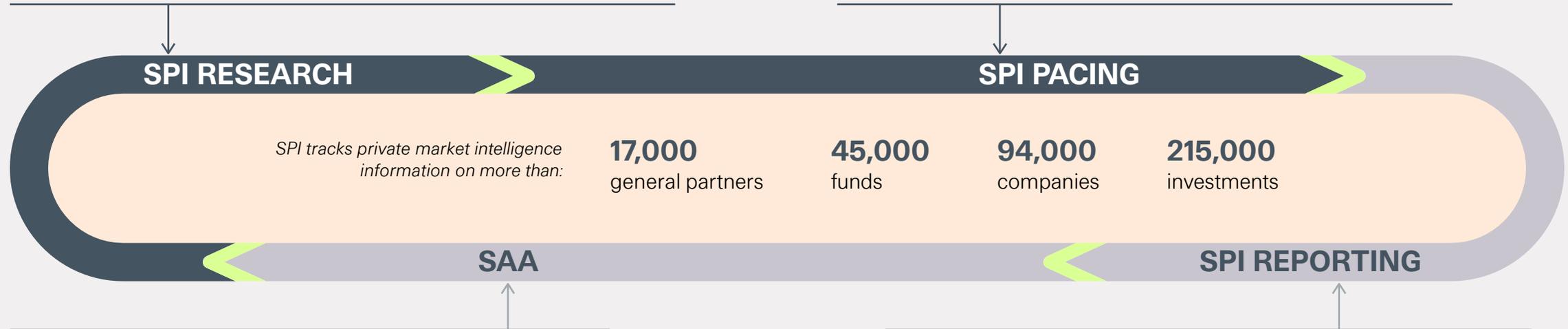
² StepStone Portfolio Analytics & Reporting.

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 340 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.

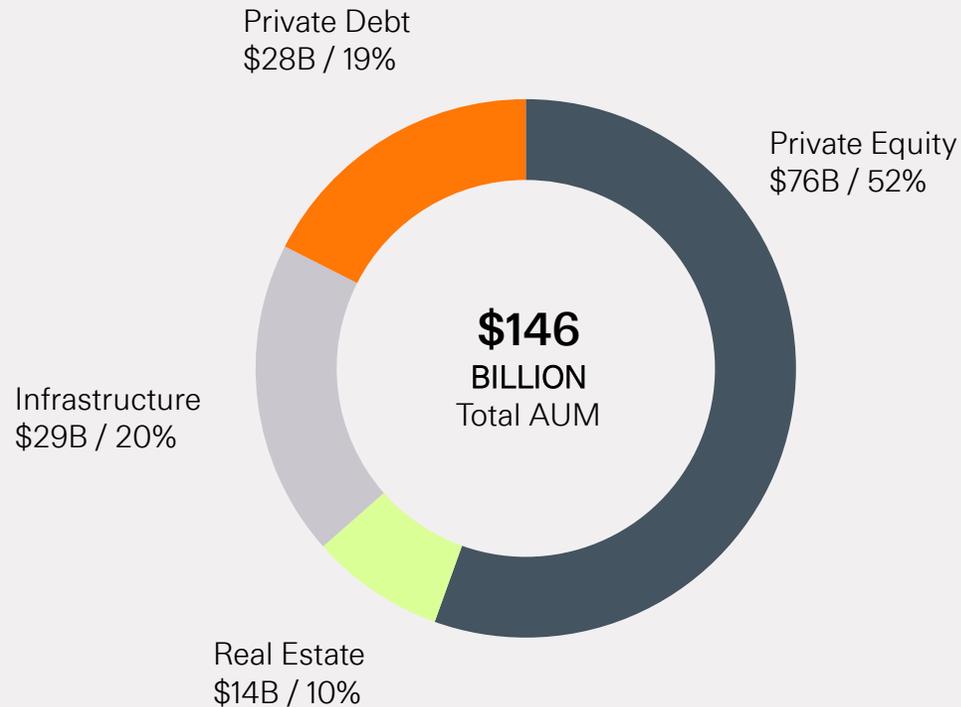
Portfolio reporting

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

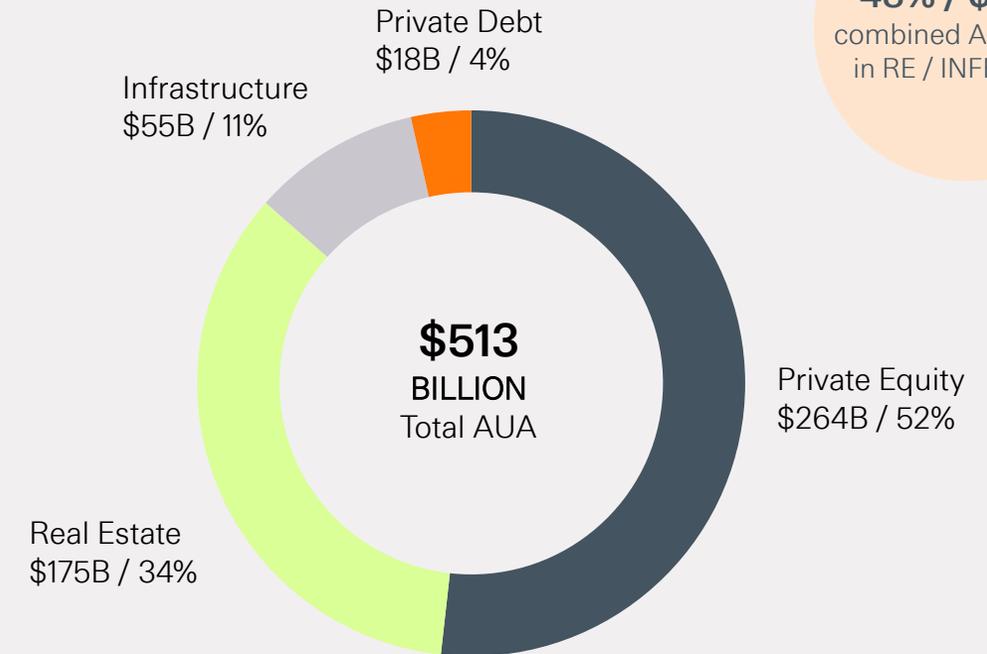
Investment expertise across all private markets asset classes

As of September 30, 2023

BY AUM¹



BY AUA

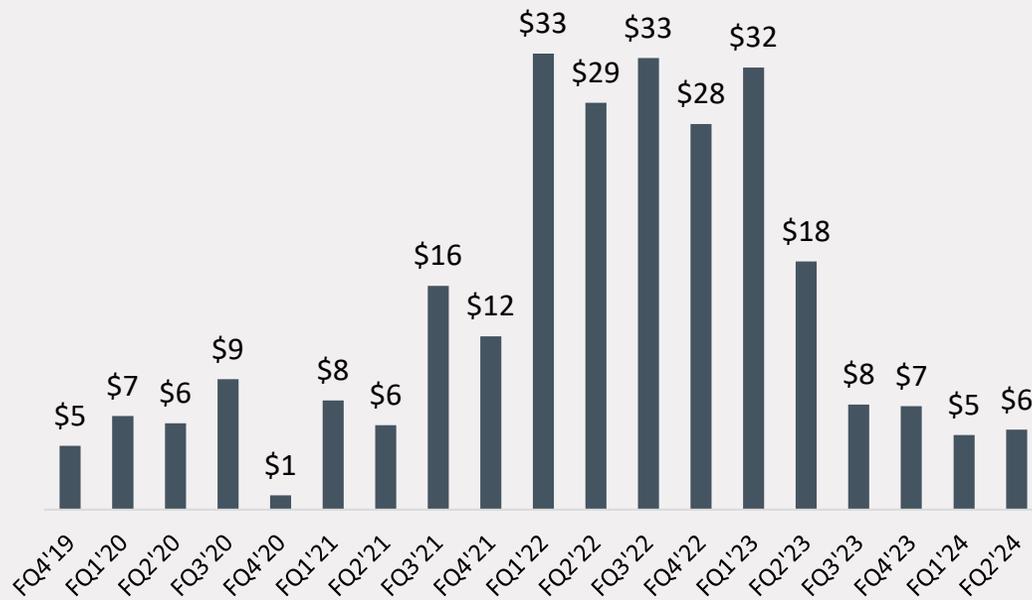


48% / \$318B
combined AUM/AUA
in RE / INFRA / PD

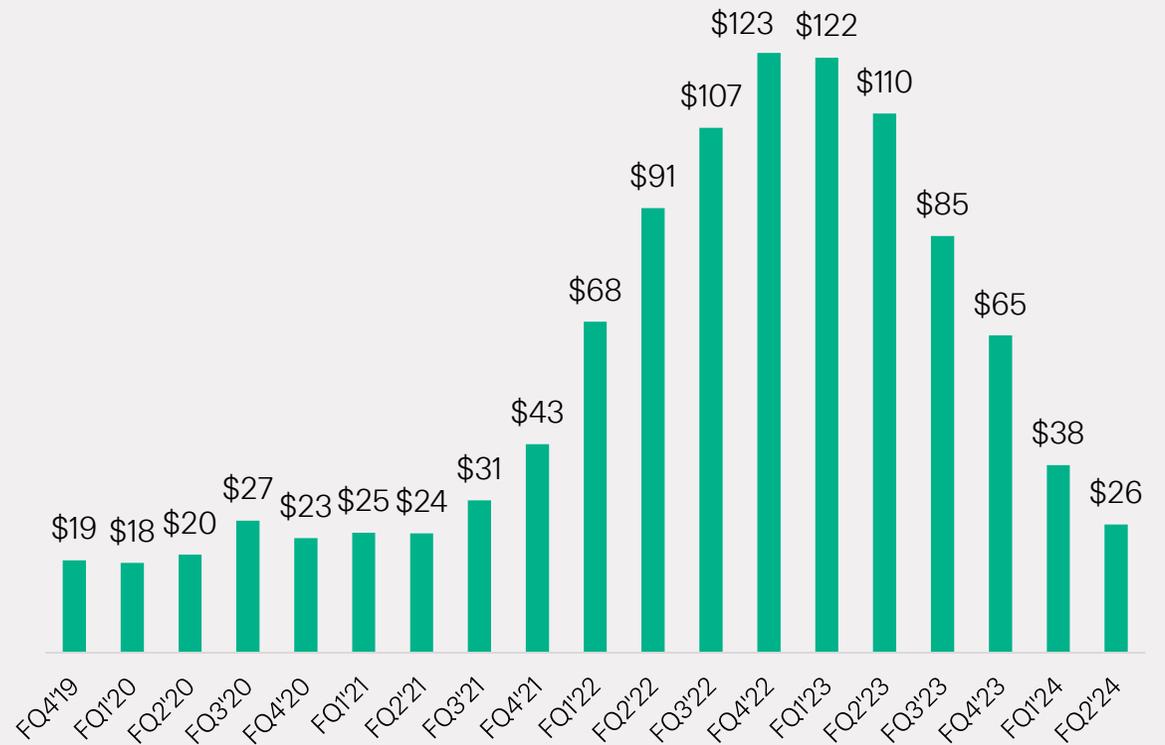
Note: Amounts and percentages may not sum to total due to rounding. Reflects final data for the prior period (June 30, 2023), adjusted for net new client account activity through September 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. When NAV data is not available by the business day occurring on or after 100 days following June 30, 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)

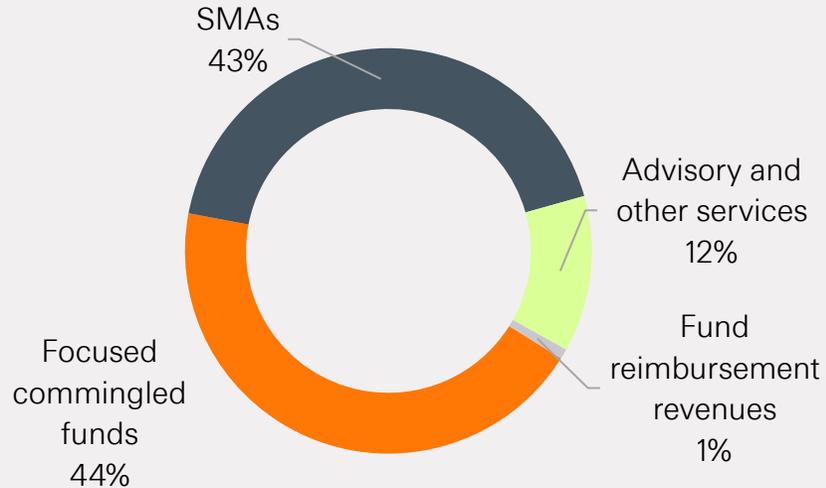


LTM NET REALIZED PERFORMANCE FEES (\$M)

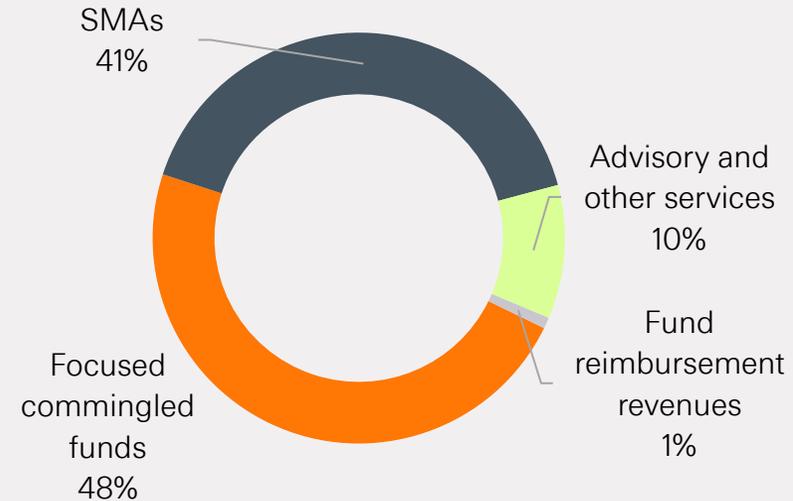


Revenues – Adjusted management and advisory fees, net

LTM SEP'22



LTM SEP'23



(\$ in thousands)

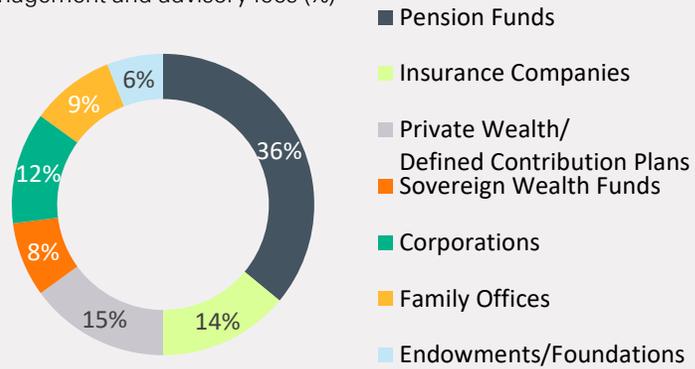
	Quarter			Year-to-date			Last Twelve Months		
	Sep '22	Sep '23	% Fav / Unfav	Sep '22	Sep '23	% Fav / Unfav	Sep '22	Sep '23	% Fav / Unfav
Focused commingled funds ⁽¹⁾	\$ 51,553	\$ 70,481	37%	\$ 104,295	\$ 137,600	32%	\$ 200,370	\$ 260,373	30%
SMAs	52,179	56,431	8%	102,639	112,175	9%	193,842	219,723	13%
Advisory and other services	13,788	13,740	0%	26,772	27,841	4%	56,660	57,313	1%
Fund reimbursement revenues ⁽¹⁾	1,601	1,675	5%	2,147	3,012	40%	3,594	4,692	31%
Total adjusted management and advisory fees, net	\$ 119,121	\$ 142,327	19%	\$ 235,853	\$ 280,628	19%	\$ 454,466	\$ 542,101	19%

Blue-chip, sophisticated, global clientele

As of September 30, 2023

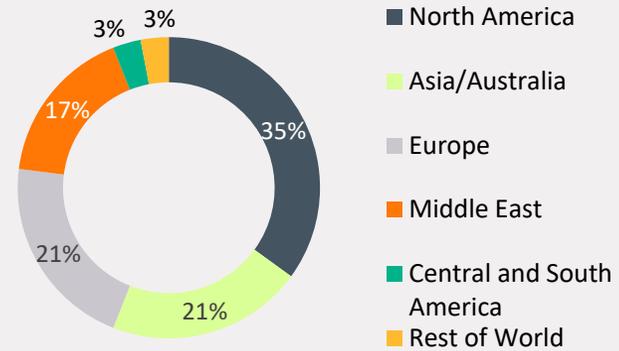
BY TYPE

LTM management and advisory fees (%)



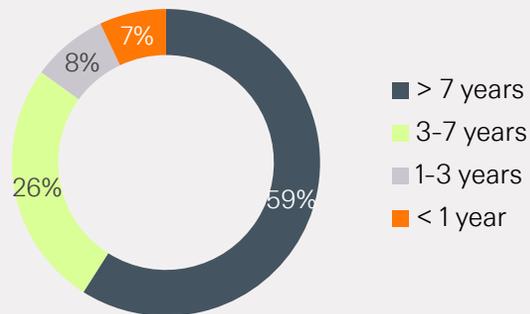
BY GEOGRAPHY

LTM management and advisory fees (%)



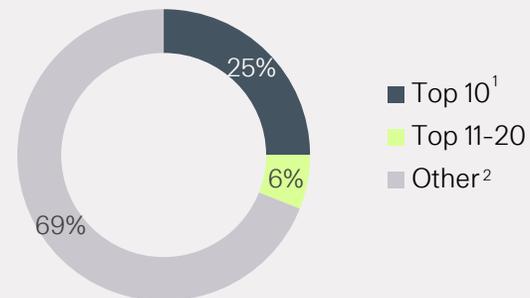
BY REMAINING ACCOUNT TENOR

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 ~48% 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: \$76B <ul style="list-style-type: none"> SMA AUM: \$38B FCF AUM: \$38B Advisory AUA: \$264B \$42B Approved in 2022 			<ul style="list-style-type: none"> Total AUM: \$14B <ul style="list-style-type: none"> SMA AUM: \$5B FCF AUM: \$4B Advisory AUM: \$5B Advisory AUA: \$175B \$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: \$55B \$14B Approved in 2022 		<ul style="list-style-type: none"> Total AUM: \$28B <ul style="list-style-type: none"> SMA AUM: \$16B FCF AUM: \$3B Advisory AUM: \$8B 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	16.6%	1.6x	Core/core+ fund investments	6.3%	1.4x	Primaries	10.1%	Direct lending	7.1%
Secondaries	17.2%	1.5x	Value-add/opportunistic fund investments	9.6%	1.3x	Secondaries	10.9%	Distressed debt	9.0%
Co-investments ⁷	19.2%	1.7x	Real estate debt fund investments	5.6%	1.1x	Co-investments ⁷	8.9%	Other ⁹	7.2%
			Value-add/opportunistic secondaries & Co-investments	13.0%	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 September 30, 2023. Reflects final data for the prior period (June 30, 2023), adjusted for net new client account activity through September 30, 2023. Does not include post-period investment valuation or cash activity. NAV data for underlying investments is as of June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. When NAV data is not available by the business day occurring on or after 100 days following June 30, 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 June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. For investment returns where NAV data is not available by the business day occurring on or after 100 days following June 30, 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 2,489 investments totaling \$177.2 billion of capital commitments and excludes (i) two advisory co-investments, totaling \$100.0 million of capital commitments, (ii) 261 client-directed private equity investments, totaling \$29.7 billion of capital commitments, and (iii) investments for which StepStone does not provide monitoring and reporting services to the client that made the investment. Private Equity includes buyout, venture capital, growth equity, fund-of-funds, and energy focused strategies.

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 475 investments totaling \$75.9 billion of capital commitments and excludes (i) 86 client-directed real estate investments, totaling \$13.2 billion of capital commitments, (ii) 11 secondary/co-investment core/core+ or credit investments, totaling \$655.9 million of capital commitments, (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.

⁶ Infrastructure includes 243 investments totaling \$50.9 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 StepStone's acquisition of Courtland Partners, Ltd. on April 1, 2018 (the "Courtland acquisition"), totaling \$501.9 million of capital commitments, (ii) 29 client-directed infrastructure investments, totaling \$4.5 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 direct investments for infrastructure.

⁸ Private debt includes 870 investments totaling \$45.7 billion of capital commitments and excludes (i) 41 client-directed debt investments, totaling \$2.9 billion of capital commitments, (ii) 54 real estate credit investments that were recommended by Courtland Partners, Ltd. prior to the Courtland acquisition, 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	\$ 1,731 ³
SPRING	Evergreen	2022	373 ³
STRUCTURE	Evergreen	2023	53 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 October 1, 2023.

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

(\$ in thousands)

	Quarter		Year-to-Date		Full Year	Last Twelve Months
	Sep '22	Sep '23	Sep '22	Sep '23	Mar '19	Sep '23
Income (loss) before income tax	\$ (74,487)	\$ 66,980	\$ (94,672)	\$ 125,023	\$ 61,599	\$ 178,241
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	(9,985)	(10,321)	(18,101)	(20,861)	(5,678)	(41,814)
Net loss attributable to non-controlling interests in legacy Greenspring entities	15,357	3,966	23,961	6,832	-	26,946
Unrealized carried interest allocations	176,778	(55,371)	290,728	(104,735)	(27,254)	(142,121)
Unrealized performance fee-related compensation	(86,126)	28,712	(140,679)	52,923	11,219	74,563
Unrealized investment (income) loss	5,795	(1,657)	8,865	(4,186)	(678)	(5,039)
Impact of Consolidated Funds	-	(8,223)	-	(10,870)	-	(19,767)
Deferred incentive fees	3,683	942	3,683	942	964	1,151
Equity-based compensation ⁽²⁾	3,125	4,644	6,196	11,815	1,725	27,533
Amortization of intangibles	10,870	10,661	21,741	21,322	6,487	43,062
Tax Receivable Agreements adjustments through earnings	-	-	-	-	-	(244)
Non-core items ⁽³⁾	2,945	(1,500)	6,895	(1,550)	4,673	9,135
Pre-tax adjusted net income	47,955	38,833	108,617	76,655	53,057	151,646
Income taxes ⁽⁴⁾	(10,694)	(8,660)	(24,222)	(17,094)	(13,265)	(33,817)
Adjusted net income	37,261	30,173	84,395	59,561	39,792	117,829
Income taxes ⁽⁴⁾	10,694	8,660	24,222	17,094	13,265	33,817
Realized carried interest allocations	(22,469)	(1,585)	(96,076)	(16,058)	(36,648)	(51,071)
Realized performance fee-related compensation ⁽⁵⁾	13,630	1,720	55,365	10,822	20,259	35,303
Realized investment income	(2,104)	(1,423)	(4,073)	(1,980)	(3,448)	(3,410)
Incentive fees	(5,365)	(4,946)	(5,365)	(4,952)	(1,540)	(9,250)
Deferred incentive fees	(3,683)	(942)	(3,683)	(942)	(964)	(1,151)
Adjusted interest income ⁽⁶⁾	(356)	(728)	(367)	(915)	(1,507)	(2,274)
Interest expense	817	2,108	1,404	4,120	10,261	6,905
Adjusted other loss ⁽⁶⁾⁽⁷⁾	634	469	1,738	618	194	214
Net income attributable to non-controlling interests in subsidiaries ⁽¹⁾	9,985	10,321	18,101	20,861	5,678	41,814
Fee-related earnings	\$ 39,044	\$ 43,827	\$ 75,661	\$ 88,229	\$ 45,342	\$ 168,726

1 Reflects the portion of pre-tax ANI 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 (\$0.2 million for the three months ended September 30, 2023, \$0.2 million for the six months ended September 30, 2023, \$1.8 million in fiscal 2019 and \$7.1 million for the last twelve months ended September 30, 2023), lease remeasurement adjustments (\$2.7 million for the three and six months ended September 30, 2022), accelerated depreciation of leasehold improvements for changes in lease terms (\$0.6 million and \$0.2 million for the three months ended September 30, 2023 and 2022, respectively, \$1.3 million and \$0.2 million for the six months ended September 30, 2023 and 2022, respectively, and \$2.5 for the last twelve months ended September 30, 2023), severance costs (\$0.1 million and \$0.2 million for the three and six months ended September 30, 2022, respectively, \$0.1 million in fiscal 2019 and \$0.1 million for the last twelve months ended September 30, 2023), (gain) loss on change in fair value for contingent consideration obligation (\$2.9 million and \$4.7 million for the three months ended September 30, 2023 and 2022, respectively, \$(4.1) million and \$8.0 million for the six months ended September 30, 2023 and 2022, respectively, and \$(2.7) million for the last twelve months ended September 30, 2023), compensation paid to certain employees as part of an acquisition earn-out (\$0.6 million for the three months ended September 30, 2023 and 2022, respectively, \$1.1 million and \$1.3 million for the six months ended September 30, 2023 and 2022, respectively, and \$2.2 million for the last twelve months ended September 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 ANI for the three and six months ended September 30, 2023 and 2022, and the last twelve months ended September 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 (\$2.4 million for the three months ended September 30, 2022, \$2.2 million and \$6.8 million for the six months ended September 30, 2023 and 2022, respectively, \$0.1 million in fiscal 2019 and \$6.7 million for the last twelve months ended September 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 last twelve months ended September 30, 2023, respectively).

Reconciliation of GAAP measures to adjusted measures

(\$ in thousands)

	Quarter		Year-to-Date		Full Year	Last Twelve Months
	Sep '22	Sep '23	Sep '22	Sep '23	Mar '19	Sep '23
Total revenues	\$ (158,495)	\$ 191,422	\$ (235,713)	\$ 369,433	\$ 256,268	\$ 537,572
Unrealized carried interest allocations	176,778	(55,371)	290,728	(104,735)	(27,254)	(142,121)
Deferred incentive fees	3,683	942	3,683	942	964	1,151
Legacy Greenspring carried interest allocations	128,672	12,603	282,279	36,550	-	206,434
Management and advisory fee revenues for the Consolidated Funds ⁽¹⁾	-	204	-	390	-	537
Adjusted revenues	\$ 150,638	\$ 149,800	\$ 340,977	\$ 302,580	\$ 229,978	\$ 603,573
GAAP management and advisory fees, net	\$ 119,121	\$ 142,123	\$ 235,853	\$ 280,238	\$ 190,826	\$ 541,564
Adjustments ⁽¹⁾	-	204	-	390	-	537
Adjusted management and advisory fees, net	\$ 119,121	\$ 142,327	\$ 235,853	\$ 280,628	\$ 190,826	\$ 542,101
GAAP cash-based compensation	\$ 59,501	\$ 74,851	\$ 119,562	\$ 144,932	\$ 108,340	\$ 277,550
Adjustments ⁽²⁾	(740)	(574)	(1,431)	(1,105)	(2,920)	(2,278)
Adjusted cash-based compensation	\$ 58,761	\$ 74,277	\$ 118,131	\$ 143,827	\$ 105,420	\$ 275,272
GAAP equity-based compensation	\$ 3,783	\$ 5,916	\$ 7,497	\$ 14,388	\$ -	\$ 31,831
Adjustments ⁽³⁾	(3,125)	(4,644)	(6,196)	(11,815)	-	(27,533)
Adjusted equity-based compensation	\$ 658	\$ 1,272	\$ 1,301	\$ 2,573	\$ -	\$ 4,298
GAAP general, administrative and other	\$ 33,733	\$ 31,729	\$ 67,965	\$ 65,006	\$ 48,304	\$ 144,200
Adjustments ⁽⁴⁾	(13,075)	(8,778)	(27,205)	(19,007)	(8,240)	(50,395)
Adjusted general, administrative and other	\$ 20,658	\$ 22,951	\$ 40,760	\$ 45,999	\$ 40,064	\$ 93,805
GAAP interest income	\$ 356	\$ 977	\$ 367	\$ 1,408	\$ 1,507	\$ 2,962
Adjustments ⁽⁵⁾	-	(249)	-	(493)	-	(688)
Adjusted interest income	\$ 356	\$ 728	\$ 367	\$ 915	\$ 1,507	\$ 2,274
GAAP other loss	\$ (634)	\$ (872)	\$ (1,738)	\$ (645)	\$ (194)	\$ (327)
Adjustments ⁽⁶⁾	-	403	-	27	-	113
Adjusted other loss	\$ (634)	\$ (469)	\$ (1,738)	\$ (618)	\$ (194)	\$ (214)

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		Year-to-date		Full Year	Last Twelve Months
	Sep '22	Sep '23	Sep '22	Sep '23	Mar '19	Sep '23
ANI	\$ 37,261	\$ 30,173	\$ 84,395	\$ 59,561	\$ 39,792	\$ 117,829
Weighted-average shares of Class A common stock outstanding – Basic ⁽¹⁾	61,407,834	62,858,468	61,276,707	62,846,708	29,237,500	62,672,993
Assumed vesting of RSUs ⁽¹⁾	913,479	801,014	856,217	601,620	745,347	545,861
Assumed vesting and exchange of Class B2 units ⁽¹⁾	2,466,194	2,538,647	2,457,561	2,521,725	2,411,318	2,507,627
Exchange of Class B units in the Partnership ⁽¹⁾⁽²⁾	46,889,995	46,417,845	47,017,716	46,418,987	65,578,831	46,480,047
Exchange of Class C units in the Partnership ⁽³⁾	2,928,824	2,502,086	2,928,824	2,508,053	-	2,595,611
Adjusted shares ⁽¹⁾	114,606,326	115,118,060	114,537,025	114,897,093	97,972,996	114,802,139
ANI per share	\$ 0.33	\$ 0.26	\$ 0.74	\$ 0.52	\$ 0.41	\$ 1.03

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 2019 assumes the same number of adjusted weighted-average 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 the Partnership for Class A common stock of SSG pursuant to the Class B Exchange Agreement.

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

Reconciliation of total 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	FQ2'24
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	\$ 4.9
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	1.6
Unrealized carried interest allocations	(16.7)	34.1	66.2	(14.9)	76.3	(132.1)	157.5	150.7	257.8	176.4	143.9	132.5	133.1	(113.9)	(176.8)	(63.4)	100.8	49.4	55.4
Legacy Greenspring carried interest allocations	-	-	-	-	-	-	-	-	-	-	-	105.0	82.1	(153.6)	(128.7)	(88.9)	(81.0)	(23.9)	(12.6)
Total performance fees	(6.7)	48.6	78.0	4.9	79.7	(124.9)	167.3	177.1	282.9	230.5	198.2	304.1	252.5	(193.9)	(277.7)	(133.0)	39.8	40.0	49.3
Unrealized carried interest allocations	16.7	(34.1)	(66.2)	14.9	(76.3)	132.1	(157.5)	(150.7)	(257.8)	(176.4)	(143.9)	(132.5)	(133.1)	113.9	176.8	63.4	(100.8)	(49.4)	(55.4)
Legacy Greenspring carried interest allocations	-	-	-	-	-	-	-	-	-	-	-	(105.0)	(82.1)	153.6	128.7	88.9	81.0	23.9	12.6
Deferred incentive fees	-	-	0.8	-	-	3.5	1.2	-	-	4.0	1.8	-	(4.4)	-	3.7	-	0.2	-	0.9
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	7.5
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)	(1.7)
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	\$ 5.8

	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	FQ2'24
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	\$ 9.3
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	51.1
Unrealized carried interest allocations	27.3	54.1	97.2	68.7	161.7	(4.5)	86.8	252.4	433.9	742.4	728.8	710.6	585.9	295.6	(25.1)	(221.0)	(253.3)	(90.0)	142.2
Legacy Greenspring carried interest allocations	-	-	-	-	-	-	-	-	-	-	-	105.0	187.1	33.5	(95.2)	(289.1)	(452.2)	(322.5)	(206.4)
Total performance fees	65.5	94.3	139.0	124.9	211.3	37.8	127.0	299.2	502.3	857.7	888.7	1,015.7	985.4	560.9	85.0	(352.1)	(564.7)	(330.9)	(3.9)
Unrealized carried interest allocations	(27.3)	(54.1)	(97.2)	(68.7)	(161.7)	4.5	(86.8)	(252.4)	(433.9)	(742.4)	(728.8)	(710.6)	(585.9)	(295.6)	25.1	221.0	253.3	90.0	(142.2)
Legacy Greenspring carried interest allocations	-	-	-	-	-	-	-	-	-	-	-	(105.0)	(187.1)	(33.5)	95.2	289.1	452.2	322.5	206.4
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	1.2
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	61.5
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)	(35.3)
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	\$ 26.2

Definitions

Adjusted net income, or “ANI”, is a non-GAAP performance measure that we present before the consolidation of StepStone Funds on a pre-tax and after-tax basis used to evaluate profitability. ANI represents the after-tax net realized income attributable to us. 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. The components of revenues used in the determination of ANI (“**adjusted revenues**”) comprise adjusted management and advisory fees, net, 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 (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) net income (loss) attributable to non-controlling interests, (f) charges associated with acquisitions and corporate transactions, and (g) certain other items that we believe are not indicative of our core operating performance. ANI is 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 weighted-average 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. We believe AUA is a useful metric for assessing the relative size of our advisory business.

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 September 30, 2023 reflects final data for the prior period (June 30, 2023), adjusted for net new client account activity through September 30, 2023. NAV data for underlying investments is as of June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. When NAV data is not available by the business day occurring on or after 100 days following June 30, 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 September 30, 2023 reflects final data for the prior period (June 30, 2023), adjusted for net new client account activity through September 30, 2023. NAV data for underlying investments is as of June 30, 2023, as reported by underlying managers up to the business day occurring on or after 100 days following June 30, 2023. When NAV data is not available by the business day occurring on or after 100 days following June 30, 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. We believe FEAUM is a useful metric in order to assess assets forming the basis of our management fee revenue.

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 adjusted management and advisory fees, net, 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, (d) charges associated with acquisitions and corporate transactions, and (e) certain other items that we believe are not indicative of our core operating performance. 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 June 30, 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 June 30, 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, 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. We believe undeployed fee-earning capital is a useful metric for measuring the amount of capital that we can put to work in the future and thus earn management fee revenue thereon.

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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