

GCM Grosvenor First Quarter 2026 Results
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GCM Grosvenor Speakers:

- Stacie Selinger, GCM Grosvenor, Head of Investor Relations
- Michael Sacks, GCM Grosvenor, Chairman and Chief Executive Officer
- Jon Levin, GCM Grosvenor, President
- Pam Bentley, GCM Grosvenor, Chief Financial Officer

PRESENTATION

Operator: Good day and welcome to the GCM Grosvenor First Quarter 2026 results webcast. Later, we will conduct a question-and-answer session. If you are interested in asking a question, please ensure you dial in using the numbers you have been provided for this call and press Star One on your keypad to join the queue. If anyone should require operator assistance, please press star then zero on your telephone. As a reminder, this call will be recorded. I would now like to hand the call over to Stacie Selinger, Head of Investor Relations. You may begin.

Stacie Selinger: Thank you. Good morning and welcome to GCM Grosvenor's First Quarter 2026 Earnings call. Today I am joined by GCM Grosvenor's Chairman and Chief Executive Officer Michael Sacks; President Jon Levin; and Chief Financial Officer Pam Bentley.

Before we discuss our results, a reminder that all statements made on this call that do not relate to matters of historical fact should be considered forward-looking statements. This includes statements regarding our current expectations for the business, our financial performance and projections.

These statements are neither promises nor guarantees. They involve known and unknown risks, uncertainties, and other important factors that may cause our actual results to differ materially from those indicated by the forward-looking statements on this call. Please refer to the factors in the Risk Factors section of our 10-K, our other filings with the Securities and Exchange Commission and our earnings release, all of which can be found on the Public Shareholders Section of our website.

We'll also refer to non-GAAP measures that we view as important in assessing the performance of our business. A reconciliation of non-GAAP measures to the nearest GAAP metric can be found in our earnings presentation and earnings supplement, both of which are on our website.

Thank you again for joining us, and with that, I'll turn the call over to Michael to discuss our results.

Michael Sacks: Thank you, Stacie, and good morning, everyone.

GCM Grosvenor had a good first quarter of 2026, delivering solid investment performance across our strategies, growing our fundraising pipeline, and making solid progress on several of our key strategic initiatives, particularly with respect to the individual investor channel.

In a period marred by war and energy price shocks, our business has demonstrated consistency, resilience, and growth. During the first quarter our AUM and Fee-Paying AUM grew

by 12% and 11% year-over-year. First quarter 2026 Fee-Related Revenue and Fee-Related Earnings were essentially flat year-over-year, but importantly when adjusting for the impact of catch-up management fees, which were significant in the first quarter of 2025, Fee Related Revenue and Fee Related Earnings grew by 8% and 20% year-over-year. Our unrealized carried interest now exceeds \$1 billion, a record high for the firm and a 16% increase over the prior year level. The firm's share of that unrealized carried interest is more than \$500 million as of quarter end, which is a 23% increase year-over-year.

Despite the heightened volatility that has persisted since our last earnings call, our forward-looking view for the business remains quite positive. During the quarter we raised \$1.5 billion for a total of \$9.3 billion over the last year. Fundraising was broadly diversified across the platform.

Infrastructure, which has been our fastest growing strategy over recent years, led with \$2.6 billion of fundraising over the last twelve months, followed by \$2 billion raised for Absolute Return Strategies. While we are not changing our base position on flat ARS flows, we did enjoy net inflows in the first quarter and today enjoy a larger pipeline than we have seen in many years. Jon will address the ARS opportunity more fully in his remarks.

Outside of ARS our capital formation pipeline also remains strong. Our clients are either growing or maintaining their alternatives allocations, with many moving into new strategies where we are ideally situated to serve as their partner. While separate account fundraising can be a bit lumpy quarter to quarter, we expect second quarter fundraising to be larger than the first quarter fundraising and we expect the back half of the year to be larger than the front half of the year.

We have made a number of new business development hires to strengthen our platform and support our growth initiatives, including key hires to expand our presence in the Middle East, Europe, with a particular focus on the Nordic region, and southeast Asia. We added a senior leader to our Direct Infrastructure investment team in light of the continued growth.

A bright spot in the quarter was the continued progress of our efforts in the wealth channel, where sales momentum continues to build. It is worth noting, that due to the positioning of our products and solutions, we are not exposed to the range of issues, including redemption pressures, marks and fee-related performance fees, that are impacting the private credit and secondaries asset classes in that channel.

The current picture for us remains one of accelerating growth in the individual investor channel. During the first quarter, we raised approximately \$500 million from that channel, which is a higher number than we have historically seen in many full years.

Drilling down, in the first quarter we secured an anchor investment to build a private equity co-invest portfolio that is intended to become our private equity registered fund. That fund is currently in registration and consistent with our infrastructure interval fund, we are aiming to go to market with significant capital and a partially seeded portfolio, both of which are valuable accelerants to success.

Our infrastructure interval fund is ramping nicely, supported by healthy flows and strong underlying performance. Our Grove Lane distribution joint venture is having early success, and we will continue to invest in that business. As we have said previously, while it is a long-term build, we are very constructive on the role the individual investor will play in our future growth.

As you know credit has been an area of focus for the firm and an area of concern for the market. We raised nearly \$500 million for credit in the first quarter, representing approximately a third of our total fundraising. As a reminder, our private credit offerings are diversified with no particular concentration in any private credit subtype and diversified implementation styles. Performance across our credit portfolios remains consistent and we see attractive opportunities to deploy capital, including in credit secondaries, where we've raised nearly \$1 billion over the past year and see significant opportunity for growth. We do not see systemic issues in our credit vertical and remain confident in our ability to deliver for our credit clients.

Following Q1 we remain confident that the goals we laid out at our investor day for both FRE and ANI growth are achievable.

In closing, I want to take a minute to touch on AI. It's an important focus for the firm, and we believe something to touch on regularly with you. As we noted last quarter, we believe we are a net beneficiary from AI disruption, both with regard to our direct exposure to disrupters and with regard to the positive impact on the assets owned in our portfolios. While we do not have a view on how AI will impact people, we believe it is positive for equity.

Across our business, we are increasingly utilizing AI within our operations to drive efficiency, enhance operating leverage and support the firm's growth. To be clear, we have always been and will continue to be a people-centric organization. Our team is our greatest asset, our culture is our greatest asset. At the same time, we see already how AI can enable our team and our culture to be more efficient, more productive and deliver even greater value to our clients which will in turn deliver value to shareholders.

And with that Jon, I will turn it over to you.

Jon Levin: Thank you, Michael.

This quarter I'm going to focus my remarks on our Absolute Return Strategies business, a core pillar and a key differentiator of our platform.

To frame the discussion, as of quarter end we manage \$26 billion of ARS Fee-Paying assets, 16% larger than a year ago. FPAUM has grown at a 9% CAGR since the recent trough at the end of 2023, supporting the increasing earnings power of that business. We serve hundreds of institutional clients, many of whom we have partnered with for long periods of time, and we also manage approximately \$3 billion for individual investors in that segment. The ARS business has always been durable, but now it is also a source of growth. An interesting fact - 100% of our top 25 ARS clients from 2020 are still clients with us today.

Our ARS business is built on experience, relationships, scale, and high-touch client partnerships. Together with a long-term track record of performance, particularly over recent periods, the value proposition is compelling to our clients, especially in a world with great market uncertainty.

Our clients hire us to consistently deliver competitive risk-adjusted returns that are largely uncorrelated with the broader markets, and we've consistently delivered on that value proposition. Our multi-strategy composite has generated an 8% gross return since inception. On a 1 and 3-year basis the gross return has been 16% and 12%, respectively.

Importantly, over this period our portfolios have consistently done their job as diversifiers, demonstrating low correlation to traditional markets and providing downside protection during periods of market stress and drawdowns. That role is especially relevant in today's environment, where investors are increasingly focused on capital preservation alongside return generation. The beta of our ARS portfolios is typically less than 0.3 so those returns are impressive on a risk-adjusted basis.

In the first quarter of this year, amid elevated market dispersion and generally down equity markets, ARS preserved capital and delivered positive returns. And notably as markets reflat in April, our portfolios participated, with early indications of April performance being generally north of 4% across most portfolios.

Our industry relationships and scale provide a meaningful competitive advantage investing capital. Our platform includes approximately 190 approved funds, many of which are top performers and sometimes capacity constrained or closed to new investors. We believe as investors seek to add or re-enter ARS markets, it would be very difficult to replicate our offerings.

As we face clients, our model is high touch. We operate in a very customized, solutions-oriented way and often function as an extension of our clients' teams. This includes not just investment management, but also support across operations, risk management, portfolio construction. That level of engagement creates very durable relationships and contributes to the stability of the business that I mentioned earlier.

From a financial perspective, our ARS business produces high-quality earnings. It's cash generative with recurring management fees that compound alongside positive performance. There's also meaningful upside from performance fees. You've seen that. We currently have approximately \$35 million of run-rate performance fees, and as a reminder, in multiple recent years we have generated more than \$50 million annually in performance fees. While the timing of those fees can vary and are hard to predict, they represent an important source of earnings and cash flow.

We're seeing improving client demand, supported by a market backdrop that's increasingly favorable for hedge fund strategies. Higher interest rates, greater dispersion across markets, elevated volatility and ongoing uncertainty all tend to create a more attractive opportunity set for active, hedged investing.

We generated positive inflows of approximately \$200 million in the quarter, coming off a positive net inflow year in 2025. The recent investment performance in combination with a constructive flows environment enabled Q1 ARS management fee growth of 10% year-over-year and supports continued growth from there.

With that, I'll turn it over to Pam.

Pam Bentley: Thanks, Jon.

Our business showed solid momentum to start the year, supported by both investment performance and ongoing fundraising activity.

Assets Under Management for the first quarter of '26 was \$91 billion and Fee-Paying AUM was \$74 billion, a 12% and 11% increase year-over-year respectively, reflecting growth driven by

performance as well as capital formation across our strategies. Contracted Not-Yet-Fee-Paying AUM was \$9.8 billion, a 20% increase year-over-year, providing a strong foundation for continued organic growth as that capital is deployed and converted into fee-paying AUM over time.

Private Markets management fees for the quarter were \$63 million down from \$67 million at this time last year due to \$7.6 million of catch-up fees in our Q1 25 results. Excluding the impact of these catch-up fees, private market management fees for the quarter grew 7% year-over-year. For the second quarter, we expect Private Markets management fees to increase by approximately 2% on a sequential quarter basis over the first quarter of 2026.

Absolute Return Strategies management fees were \$42 million in the quarter, a 10% increase over the prior year. As Jon highlighted, this reflects both performance and net inflows, and we continue to benefit from that strong investment result in the strategy. In the second quarter, we expect ARS management fees to again be up approximately 1% on a sequential quarter basis, which equates to an approximately 10% growth rate year-over-year.

Total Fee-Related Revenue for the first quarter was \$107 million and we expect Fee-Related Revenue to increase in the second quarter by a high single-digit percentage growth rate year-over-year.

Turning to expenses, our compensation philosophy remains centered on attracting and retaining top talent while aligning interests with our clients and shareholders. FRE compensation and benefits were \$37 million in the quarter, which represents a year-over-year decline due to the benefits of operating leverage. We expect this figure to increase by approximately \$1 million in the second quarter.

Non-GAAP general, administrative and other expenses were \$23 million in the quarter, slightly higher than expected and includes costs of faster AI-related technology investments. We continue to manage expenses in a disciplined manner while also investing in the business to support our long-term growth initiatives. We expect G&A and Other expenses in the second quarter to be consistent with the first quarter.

Pulling this all together, first quarter Fee-Related Earnings were flat year-over-year at \$47 million, resulting in an FRE margin of 44%. Excluding the impact of the prior year catch-up fees, our Fee-Related Earnings in the quarter grew by approximately 20% year-over-year, and we continue to enjoy organic growth and operating leverage across the business.

Turning briefly to incentive fees, performance remains solid across the platform. As a reminder, ARS performance fees are primarily realized in the fourth quarter, and we continue to view these fees as a meaningful contributor to our overall earnings power. Our carry fund investment performance remains strong and this quarter we surpassed a notable milestone with gross unrealized carry exceeding \$1 billion and the firm share exceeding \$500 million, up 16% and 23% year-over-year, respectively.

Our balance sheet remains strong, and we are maintaining a healthy, quarterly dividend of 12 cents per share. As of Tuesday, we had a 4% dividend yield, and there is room for future dividend growth as we enjoy positive momentum in our earnings. During the quarter we repaid \$65 million of our term loan and repurchased \$18.6 million or 1.6 million shares under our stock

repurchase authorization plan. We intend to use the \$64 million remaining in our program as of May 1st to largely manage dilution.

More broadly, we remain well positioned for growth in '26 and beyond. We benefit from strong fundraising momentum, and strong investment performance alongside embedded revenue growth from contracted capital and ongoing operating leverage within the business.

Thank you again for joining us, and we're now happy to take your questions.

Operator: Thank you. If you'd like to ask a question at this time, please press Star One on your telephone keypad. If you are using a speakerphone, please ensure your mute function is turned off. Again, that function is Star One. Our first question comes from Bill Katz of TD Cowen.

Bill Katz: Great. Thank you. Good morning, everybody. Appreciate you taking the question. Michael, I'd just like to go back to some of your commentary. Just speaking, maybe if you can unpack the confidence in the gross sales. I think you mentioned you expect it to be up sequentially and in the second half of the year, be higher than the first half. Can you unpack where you're seeing the growth? Break it down between maybe the SMA side, the specialized side? And then just to leverage on some of Jon's comments, how you're seeing that between maybe the private market side versus the absolute return side? Thank you.

Michael Sacks: Thanks for the question, Bill. So I think the first thing that I would say is that our first quarter fundraising was in line with our expectations. And I think that's important for everybody to hear. It was obviously a lower number than the first quarter a year ago, but it was what we expected. And all of our statements regarding our confidence with Q2, the back half of the year, the full year, are absolutely still intact. We feel very good about that. The pipeline is quite full.

We see that growth coming really everywhere. So we see our separate account re-ups and new separate accounts being a source of fundraising and growth for the year. We see our specialized funds being a source of fundraising for the year, and we see the individual investor channel continuing to be a source of growth and fundraising for the remainder of the year. Our specialized fund fundraising for this year will be weighted towards the back half of the year and likely weighted towards Q4, as certain funds will turn on in terms of fundraising later in the year, in the second half.

So I think that's touching on all of the things you asked me to comment on. And if not, you'll let me know. But our pipeline is quite full, and we are making progress monthly in our individual investor efforts. And we are enthusiastic about the way things are looking, which led us to reiterate our guidance for '28 from Investor Day that we've given you before.

Bill Katz: Okay. Thank you. I can follow up offline. Just coming back to '28 for a moment. If I do the quick math on your guidance for management fees, when you look at where it was a year ago, it's running more of a mid-high single-digit growth rate. What acceleration do you think you need to ensure that you can hit your '28 goal of doubling FRE? Thank you.

Michael Sacks: So let me answer from two directions. One is top line. And let me just actually take a big step back and say, we're confident we've recommitted to those growth objectives. Obviously, getting to those growth objectives, I don't think we ever thought or communicated was a perfectly linear function like straight line. And we expected and continue to expect years where we would be above the CAGR, so to speak, and years where we would be below. But

we think that that target CAGR is well within our reach. And we feel very good about our ability to get there.

I think we will see over that period of time some increase in the top line growth. And as you know, and as we've consistently said, we continue to believe we have margin expansion as well. So if you look at our revenue growth adjusted for the catch-up fees, and then you look at our FRE growth, you see that impact of margin expansion. And so I think it'll be a combination of solid top-line growth, probably higher over the full period than the numbers you just quoted, but also margin expansion that will deliver the profitability growth.

Operator: We'll go next to Ken Worthington of J.P. Morgan.

Ken Worthington: Hi. Good morning, and thanks for taking the question. I wanted to dig a little bit into wealth. I apologize if I misheard this. I think you said that you raised \$500 million this quarter in the wealth business. You've got the infra product in market. Where did the money go, if I heard it correctly, and it was \$500 million? And did the \$500 million include some of the seed capital that you raised for the registered private equity fund?

Michael Sacks: So, Jon, I'm going to let you take that. But the one thing that I do want to mention, in our last quarter call, Jon talked a lot about our private label wealth growth. So while we have the Infrastructure Interval Fund and market raising money every day, and we are bringing the private equity co-invest fund is in registration, we continue to raise money in the wealth channel outside of the registered vehicles.

And I think that's important to just remember, Ken. Jon spent a bunch of time on that last quarter, quoted the number of private label relationships we started over the last year or two. And it was a significant number, and we're going to continue to grow in that part of the wealth channel as well. And so Jon, anything else you want to add?

Jon Levin: Yeah, I think I'll just expand on that point, Michael, which is our ability to raise. We're super excited about the infrastructure product. We're super excited about the private equity product that will come in registered form. It did not include, by the way, Ken, to your point, the seed capital, because that came from an institutional investor. So the \$500 does not include that. But at a broader level, as Michael pointed out, the registered funds are exceptionally important, but they actually will probably never be the majority of the capital that we raise from the wealth channel. Maybe over time, but certainly not for the near term.

We raise capital across all of our verticals, private equity, infrastructure, real estate, absolute return strategies, and we have the ability to raise that capital in separate account form, where you're doing possibly separate accounts for a single wealth individual of a high net worth nature. It could be a separate account, that is, for an advisory firm or an advisor at a large firm that services or serves to be a solution for a number of that particular advisor's clients. It could be a 3(c)(7) private, traditional closed-end fund. And of course, then it could also be registered funds.

And so it's pretty broad-based. And I would argue, and we do argue and do say, and Michael mentioned, I talked about this in one of our previous calls, we think that's actually one of our real competitive advantages in the wealth channel is that flexibility, both on the broad, diversified open architecture solution, but also flexibility with respect to the wrapper.

Ken Worthington: Great. Thank you very much.

Operator: We'll go next to Crispin Love, Piper Sandler.

Ben Graham: Hi, this is Ben Graham in for Crispin Love. Thanks for taking the question. I'm just wondering if you could discuss what you're seeing in Grove Lane recently, and more specifically, just if the current climate and sentiment in alts has changed your near-term views for Grove Lane at all. Thank you.

Michael Sacks: Yeah. So Grove Lane is doing well. We're adding to the Grove Lane team. As we said in our comments, we're going to continue to invest in Grove Lane. And we're very happy with what we're seeing there and with how Grove Lane and the Grove Lane team, which we have added to over the last year, is performing. We mentioned that some of the issue set that has captured a lot of conversation and attention in the wealth channel with regard to alts. It's, for the most part, an issue set that we're quite insulated against and perhaps even a beneficiary of because our products aren't in the center of that conversation in any way.

And I laid out the specific places that we're not impacted, which is where all that conversation is. So we're just seeing growth there, and we're seeing opportunity there. We're very happy with Grove Lane. We're investing with Grove Lane, and I'm not stating that I think that we are a beneficiary from the conversation and stresses associated with redemption or fee-related performance fees or marks or anything like that, but we don't have those issues in our portfolios and our offerings in the wealth channel. And so we are growing admittedly off a low base, but we're growing, and we feel very good about that.

Ben Graham: Awesome. That's it for me. Appreciate the color there.

Michael Sacks: Thanks. Thanks for the question.

Operator: We'll go next to Bill Katz with TD Cowen.

Bill Katz: Okay. Thank you for taking the follow-up. I got myself disconnected just as you were answering my prior call, so I apologize for that. But I think I got the notes from my team. Just thinking about realizations for a moment, and you mentioned that you're now north of \$500 million in terms of your share of that. It looks like your ratio of that is going up over time. So maybe a two-part question. How do you see the realization backdrop over the near term? I appreciate that the macro is very choppy from day-to-day.

And then one of your peers recently had a very unique way of trying to accelerate the realization possibility and capital raising by creating new entities to transfer some of that value. I'm just wondering if, as you've looked at that, and is there an opportunity here to somehow accelerate the latent earnings power? Because if I do the math, it looks like the net accrued carries about 20-some odd percent of your market cap. And it just seems like a lot of untapped earnings. Thank you.

Michael Sacks: So thank you, Bill, for the question. And thank you for the realization of the value of our net accrued carry. And I would start the answer by pointing out that behind that net accrued carry at net asset value is a tremendous amount of carry at work that is not yet in the money. We're not today working on a transaction like that. We're familiar with what you're referencing. We're not working on that today. There may be opportunities for us to do that and to accelerate the realization of some of the carry. It is not the easiest thing to do. It's a longer, broader conversation.

Carry is a huge asset class across the industry, and it is an asset class that is, at this point, largely unfinanced. And I do think there are opportunities for financing markets to unlock some of that value, but it's not the easiest asset class to value and unlock because there is so much carry at work that is not yet in the money that is harder to find agreement on value. So the carried NAV is not particularly hard. It's NAV. Everything's liquidated yesterday. That's what you get.

But you have this giant asset behind that that is not in carried NAV yet. And that's where it's not the easiest asset to value and to find agreement on value for. And we, as you know, are significant owners of the firm and therefore the firm's share of both carry at NAV and carry at work. And we're always going to want to – we're not going to want to do anything that we don't think is a fair and full reflection of value just to accelerate the timing of something that we believe is a when, not if. And we believe its fundamental value is growing while we're holding it.

So we're certainly – this is something we spend a lot of time talking about internally, because we do think that there are opportunities to try to finance the carry asset, not just for Grosvenor, but across the industry. That's a big opportunity. But that carry at work piece is hard to get to a place where you are happy with the value you're getting. It's necessarily attached and tied to carry at NAV. And we're just not going to make a deal that shortchanges value for short-term realization when we believe that the value is growing, the value of the carry at NAV is growing from increased value of portfolio holdings, and the value of the carry at work is coming into the money and growing your carried NAV as well. Does that make sense to you?

Bill Katz: Right. It does. And so thank you for that. I'm just wondering, just given the backdrop, how you are thinking about the opportunity to maybe tap into that \$500 million as you look over the next several quarters, just in terms of realization potential?

Michael Sacks: Yeah.

Jon Levin: Maybe I'll just jump in to say one of the transactions Michael talked about was people financing different assets on the balance sheet that the corporation owns. There's also what you've probably seen is a huge amount of activity around continuation funds. The transaction from one of our peers you might have been referring to could have been some recent deal where there was some leverage put on a prior fund, such that the proceeds from that leverage could go commit to the new fund and potentially unlock some carry in the prior. Any time you have a massive amount of capital invested in the private markets, there will be various tools and innovations developed to, as Michael pointed out, finance that and be creative in terms of liquidity provider.

I wouldn't say we're not looking at any stuff like that right now, as Michael pointed out. I won't say we would never look at stuff like that. I think the broader point from our perspective is you have an asset that is compounding, as Michael pointed out, at very nice growth rates, which means that it is working for you, the shareholders, even while it is not necessarily turned into cash. And I think the other point from our perspective is it's made up of well over 100, if not 150 waterfalls, which is unique. And it's diversified across all asset classes and all the implementation styles. And our clients are patient with respect to the realization of capital. And we're patient with respect to the realization of that asset, especially when it continues to build value and work for you.

Bill Katz: Okay. Thank you for taking the extra question.

Michael Sacks: Thank you.

Operator: We'll go next to Tyler Mueller with William Blair.

Tyler Mueller: Hi. Good morning. It looks like you're in the market with two new specialized funds. I think one of them is the multi-asset class fund. The predecessor funds there, last two raised about \$1 billion each in a pretty strong performance. How are those initial conversations going? And any color you would offer on those?

Michael Sacks: Jon, do you want to take that? I think we're in pre-market, but do you want to take that, Jon?

Jon Levin: Sure. Yeah. I think that's our MAC IV franchise that you're talking about. You're correct that the prior fund was roughly that size, and you're correct that the performance has been very good, actually, as you've heard us talk about it probably more in the last call. It happens to be one of the areas, not the only area, where we were able to leverage the broad origination of the platform and leverage the information we get from our privileged position in the ecosystem to pick up on various themes going on in the market, which meant that it was a place where we were able to get long some of those AI themes and data and energy and technology themes that are powering the market now. And so it's been a very good story for investors.

It's one of those products that doesn't neatly fit into a bucket, but for investors that just appreciate the value of our origination and appreciate the delivery of an attractive risk-adjusted return profile. We're excited to start, as Michael said, pre-marketing and start talking to clients about that subsequent fund towards the back half of this year.

Michael Sacks: The only thing I would add is that I believe that MAC III, just hit the market, came to market at a time that wasn't the best time for MAC III. And I think that had it been six to nine months earlier that we were back in market, it would have actually been a much larger raise than it ended up being. And I think the timing for MAC IV, which will be in market later in the year, and we're in pre-marketing now, the timing for that is much better.

And so we're enthusiastic about trying to drive MAC IV for the reasons Jon mentioned. And just for the simple timing, which was unfortunate, and I think did result in MAC III being a lower raise than it could have been. And we have advantageous timing now with MAC IV.

Tyler Mueller: Got it. And then I got to ask on SpaceX, since it helped a peer pretty well last week. Is there any color you're willing to share about your exposure in the current market?

Michael Sacks: All I think we're prepared to say at this time is we do have exposure to SpaceX. It's been a very, very successful investment for the firm. And obviously, with all of the public information that's out regarding SpaceX and their planned offering as early as, I guess, next month. And their relatively frequent announcements with regard to progress, including yesterday, and their deal with Anthropic. We're enthusiastic about the upside potential that our SpaceX exposure provides us over the remainder of the year.

Tyler Mueller: Got it. Thank you.

Operator: Again, if you have a question, please press star and then one on your telephone keypad.

Michael Sacks: Okay. Let me just add to that last answer just to say that I think if SpaceX does become public, at that time, we'll probably talk about it in a bit more detail, and it probably will be more volatile than it has been in terms of valuation and mark week-to-week, month-to-month. And so we'll want to provide more detail on that if that does happen later in the quarter or in the third quarter.

Operator: And I'm not showing any further questions. This does conclude today's conference. We thank you for your participation.