



VICTORY CAPITAL TO ACQUIRE USAA ASSET MANAGEMENT COMPANY

*Significantly Diversifies Asset Base, Enhances Investment Capabilities and Increases Scale
Provides Entry into New Distribution Channel with Loyal Member Base*

Cleveland, Ohio, and San Antonio, Texas, November 6, 2018 — Victory Capital Holdings, Inc. (NASDAQ:VCTR) (“Victory Capital” or “the Company”) and USAA[®] today announced that Victory Capital has entered into a definitive purchase agreement to acquire USAA Asset Management Company (which includes its Mutual Fund and ETF businesses and USAA 529 College Savings Plan). As of September 30, 2018, USAA Asset Management Company had \$69.2 billion in assets under management (AUM) in 53 investment funds. Based on AUM as of September 30, 2018, Victory Capital would have approximately \$144.4 billion in firmwide AUM¹ at the close of the transaction.

USAA Asset Management Company, based in San Antonio, Texas, was formed to serve the investment needs of the military community and their families. Today, it is a leading investment firm with a full suite of investment capabilities, a strong investment performance track record and a distinguished reputation for service to its members. Barron’s named USAA Asset Management the 12th Best Fund Family of 2016 and the 23rd Best Fund Family of 2017. It was also ranked 3rd in the taxable bond category for 2016 and 5th for 2017.

USAA Asset Management Company will become Victory Capital’s 11th Investment Franchise and it will have the rights to offer products and services using the USAA brand. As part of Victory Capital, USAA’s investment teams will continue serving the investment needs of the military community and their families by employing the disciplined investment processes that they have used in the past.

The acquisition of USAA Asset Management Company represents a substantial expansion and diversification of Victory Capital’s investment platform, particularly in the fixed income and solutions asset classes. Victory Capital will extend its Solutions Platform to include target date and target risk strategies, managed volatility mutual funds and active fixed income ETFs. It will also add to its lineup of asset allocation portfolios and smart beta equity ETFs. USAA Asset Management Company also offers sub-advised and multi-manager equity funds that will expand the choices for Victory Capital clients. Based on AUM on September 30, 2018, Victory Capital’s AUM by asset class pro forma for the acquisition would be 48% equities, 26% solutions, 19% fixed income and 7% money market.¹

The transaction also provides a new and unique opportunity for Victory Capital to offer its products to USAA members through a direct member-based channel with attractive organic growth and retention rates. USAA mutual funds have experienced an average 10-year organic growth rate of 3.4% compared with 1.1% for their active manager peers.²

“USAA is renowned for its exceptional commitment to serving the military community, and we are honored to continue its long-standing tradition of putting member needs first.” said David Brown, Chairman and Chief Executive Officer of Victory Capital.

“The acquisition of USAA Asset Management Company is a strong diversifier for us with the addition of quality investment teams and products and provides us entry into a new distribution channel with a loyal member base. It increases our size and scale, enhances our ability to attract and retain top investment talent, and leverages our investments in critical components of our business, such as technology, operations, investment support and client service, across a broader base of assets,” Mr. Brown added.

“We continually look to deliver on our mission, facilitating the financial security of members through highly competitive products and services for the military community,” said Stuart Parker, Chief Executive Officer, USAA. “We believe Victory Capital is well positioned to provide a broader selection of leading-edge investment solutions to our members over the long term while maintaining the high standards of service that our members expect. We are committed to working with employees and members to ensure a smooth transition.”

Victory Capital and USAA share a commitment to investment excellence and client service that aligns the two organizations and creates a foundation upon which to build a strong future working relationship. Victory Capital intends to establish a significant presence in San Antonio and further enhance investment services for USAA members. Victory Capital also plans to develop a nationwide financial literacy platform designed to support the military community, USAA members and their families.

Under terms of the purchase agreement, Victory Capital will acquire USAA Asset Management Company for \$850 million plus the opportunity for additional contingent payments based on future business performance. Victory Capital expects to finance the transaction through a combination of debt and cash on the balance sheet. It is expected to result in significant accretion to earnings per share as well as value creation for Victory Capital shareholders through expense synergies and the opportunity for meaningful organic growth. The acquisition is expected to close in the second quarter of 2019, and is subject to regulatory and other customary approvals, conditions and consents, including approval by USAA mutual fund and ETF shareholders and Board of Trustees.

¹Based on AUM as of September 30, 2018, for Victory Capital, USAA Asset Management Company and Harvest Volatility Management, LLC. Note: Excludes \$11.8 billion of AUM in the USAA mutual funds as of September 30, 2018 that are invested through the Managed Money product offered for customers of USAA's brokerage business. Victory Capital is not acquiring the USAA brokerage business. Pro forma revenue and pro forma EBITDA do not include any revenue from AUM invested through the Managed Money product or related expenses. ²SimFunds as of September 30, 2018. Organic growth calculated as net new flows/beginning of period AUM. Market and USAA mutual fund figures exclude money market AUM.

Investor Conference Call

Victory Capital will host a conference call and webcast at 8:00 a.m. Eastern Time tomorrow, November 7, 2018. The call can be accessed via telephone at 866-465-5145 (domestic) or 409-220-9945 (international). Please reference the Victory Capital Conference Call.

A recorded replay of the conference call will be available shortly after the conclusion of the live call and can be accessed through November 21, 2018 by dialing (855) 859-2056 (domestic) or (404) 537-3406 (international), and entering the Conference ID Number 2746159. The slide presentation and webcast of the conference call can be accessed on the Events page of the Victory Capital's investor relations website at <https://ir.vcm.com>.

Barclays Capital Inc. and RBC Capital Markets served as financial advisors and Willkie Farr & Gallagher LLP acted as legal advisor to Victory Capital in this transaction. Goldman Sachs & Co. LLC served as financial advisor and Simpson Thacher & Bartlett LLP acted as legal advisor to USAA.

About Victory Capital

Victory Capital is a global investment management firm operating a next-generation, integrated multi-boutique business model with \$63.6 billion in assets under management as of September 30, 2018.

Victory Capital's differentiated model is comprised of nine Investment Franchises*, each with an independent culture and investment approach. Additionally, the Company offers a rules-based Solutions Platform, featuring the VictoryShares ETF brand, as well as custom and multi-asset class solutions. The Company's Investment Franchises and Solutions Platform are supported by a centralized distribution, marketing and operational environment, in which our investment professionals can focus on the pursuit of investment excellence.

Victory Capital provides institutions, financial advisors and retirement platforms with a variety of asset classes and investment vehicles, including separately managed accounts, collective trusts, mutual funds, ETFs, UCITs and UMA/SMA vehicles.

For more information, please visit www.vcm.com.

*Harvest Volatility Management, LLC will become Victory Capital's 10th Investment Franchise. The acquisition of Harvest is expected to close by the end of the first quarter of 2019, and is subject to regulatory and other customary approvals, conditions and consents, including approval by Harvest's clients.

About USAA

The USAA family of companies provides insurance, banking, investments, retirement products and advice to more than 12.7 million current and former members of the U.S. military and their families. Known for legendary commitment to members, USAA consistently is recognized for outstanding service, employee well-being and financial strength. USAA membership is open to all who are serving our nation in the U.S. military or have received a discharge type of Honorable – and their eligible family members. Founded in 1922, USAA is headquartered in San Antonio. For more information about USAA, follow us on Facebook or Twitter (@USAA), or visit usaa.com.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “assume,” “budget,” “continue,” “estimate,” “future,” “objective,” “outlook,” “plan,” “potential,” “predict,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Victory Capital's control, as discussed in Victory Capital's filings with the SEC, that could cause Victory Capital's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements.

Although it is not possible to identify all such risks and factors, they include, among others, the following: reductions in AUM based on investment performance, client withdrawals, difficult market conditions and other factors; the nature of the Company's contracts and investment advisory agreements; the Company's ability to maintain historical returns and sustain its historical growth; the Company's dependence on third parties to market its strategies and provide products or services for the operation of its business; the Company's ability to retain key investment professionals or members of its senior management team; the Company's reliance on the technology systems supporting its operations; the Company's ability to successfully acquire and integrate new companies; the concentration of the Company's investments in long-only small- and mid-cap equity and U.S. clients; risks and uncertainties associated with non-U.S. investments; the Company's efforts to establish and develop new teams and strategies; the ability of the Company's investment teams to identify appropriate investment opportunities; the Company's ability to limit employee misconduct; the Company's ability to meet the guidelines set by its clients; the Company's exposure to potential litigation (including administrative or tax proceedings) or regulatory actions; the Company's ability to implement effective information and cyber security policies, procedures and capabilities; the Company's substantial indebtedness; the potential impairment of the Company's goodwill and intangible assets; disruption to the operations of third parties whose functions are integral to the Company's ETF platform; the Company's determination that Victory Capital is not required to register as an "investment company" under the 1940 Act; the fluctuation of the Company's expenses; the Company's ability to respond to recent trends in the investment management industry; the level of regulation on investment management firms and the Company's ability to respond to regulatory developments; the competitiveness of the investment management industry; the dual class structure of the Company's common stock; the level of control over the Company retained by Crestview GP; the Company's status as an emerging growth company and a controlled company; and other risks and factors listed elsewhere in the Company's filings with the SEC.

Such forward-looking statements are based on numerous assumptions regarding Victory Capital's present and future business strategies and the environment in which it will operate in the future. Any forward-looking statement made in this press release speaks only as of the date hereof. Except as required by law, Victory Capital assumes no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Investor Relations Website

Victory Capital may use the Investor Relations section of its website, <https://ir.vcm.com>, to disclose material information to investors and the marketplace as a means of disclosing material, non-public information and for complying with disclosure obligations under Regulation Fair Disclosure (“Reg FD”). Victory Capital encourages investors, the media and other interested parties to visit its investor relations website regularly.

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Barron's ranked USAA Asset Management 12th overall and 3rd in the Taxable Bond category out of 61 fund families for the one-year period ended December 31, 2016 and 23rd overall and 5th in the Taxable Bond category out of 58 firms for the one-year period ended December 31, 2017.

How *Barron's* Ranks the Fund Families

All mutual and exchange-traded funds are required to report their returns (to regulators, as well as in advertising and marketing material) after fees are deducted, to better reflect what investors would actually receive. But our aim is to measure managers' skill, independent of expenses beyond annual management fees. That's a large part of why we calculate returns before any 12b-1 fees are deducted. Similarly, loads, or sales charges, aren't included in our calculation of returns. The other reason? The multitude of share classes makes it nearly impossible to ascertain what a typical investor would pay in terms of annual expenses or loads.

Each fund's performance is measured against all of the other funds in its Lipper category, with a percentile ranking of 100 being the highest and one the lowest. The result is then weighted by asset size, relative to the fund family's other assets in its general classification. If a family's biggest funds do well, that boosts its overall showing; poor performance in its biggest funds hurts a firm's ranking. To be included in our survey, a firm must have at least three funds in the general equity category, one world equity, one mixed asset (such as a balanced or target-date fund), two taxable bonds, and one national tax-exempt bond fund.

We have historically excluded single-sector and single-country stock funds, but those are now included, as part of the general equity category. We exclude all index funds, including pure index, enhanced index, and index-based. But we include actively managed exchange-traded funds and ETFs with indexing strategies that are not the traditional capitalization-weighted or equal-weighted.

Finally, the score is multiplied by the weighting of its general classification, as determined by the entire Lipper universe of funds. The category weightings for the one-year results in 2017 were general equity, 36.1%; mixed asset, 19.9%; world equity, 18.7%; taxable bond, 21.2%; and tax-exempt bond, 4%.

The scoring: Say a fund in the general U.S. equity category has \$500 million in assets, accounting for half of a firm's assets in that category, and its performance lands it in the 75th percentile for the category. The first calculation would be 75 times 0.5, which comes to 37.5. That score is then multiplied by 36.1%, general equity's overall weighting in Lipper's universe. So it would be 37.5 times 0.361, which equals 13.54. Similar calculations are done for each fund in our study. Then the numbers are added for each category and overall. The shop with the highest total score wins. The same process is repeated to determine five- and 10-year rankings.

Source: “*Barron's Best Fund Families*”, March 12, 2018.



Third Quarter 2018 Results and
Acquisition of USAA Asset Management Company
November 7, 2018

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

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

Topics

Highlights of Today's Discussion

Third Quarter Financial Results

Acquisition of USAA Asset Management Company

Appendix

Acquisition of USAA Asset Management Company

- Significantly diversifies assets under management (“AUM”) and expands our investment capabilities
- Substantially increases Victory Capital’s size and scale
- Adds a new and unique direct-member distribution channel with an extremely loyal member base
- Financially compelling transaction that is aligned with our stated acquisition strategy
- Shared core values and strong cultural alignment
- Introduces nationally recognized and well-respected brand to our platform
- USAA Asset Management Company will become Victory Capital’s 11th Investment Franchise

Third Quarter Results

- AUM of \$63.6Bn
- Strong investment performance, with 69%, 66%, 75% and 88% of AUM outperforming its respective benchmarks over the trailing one year, three years, five years and 10 years, respectively
- Gross flows of \$2.9Bn
- Net outflows of \$672MM; positive Solutions, Global / Non-U.S. Equity net flows
- Adjusted EBITDA margin of 40.1%
- \$0.45 per diluted share of adjusted net income with tax benefit
- \$40.3MM of cash flow from operations
- Announced planned acquisition of Harvest Volatility Management, LLC (“Harvest”)

Third Quarter Financial Results

INVESTMENT PERFORMANCE

- 69% of AUM outperformed benchmarks over the trailing one-year, 66% over the trailing three-year, 75% over the trailing five-year, 88% over the trailing 10-year
- 68% of AUM in mutual funds and ETFs rated 4- or 5-stars overall by Morningstar, 53% over three years, 79% over five years, 77% over 10 years

AUM AND FLOWS

- AUM at September 30, 2018 was \$63.6Bn, up 2% from June 30, 2018 AUM of \$62.3Bn
- Market action of \$2.1Bn and net flows of (\$672MM); positive Solutions, Global / Non-U.S. Equity net flows

FINANCIAL RESULTS

- \$108.1MM Revenue vs. \$104.4MM in 2Q18
- 40.1% Adjusted EBITDA margin vs. 39.0% in the prior quarter
- \$0.45 Adjusted Net Income with tax benefit per diluted share vs. \$0.41 in 2Q18
- Cash Flow from Operations of \$40.3MM vs. \$33.7MM in the prior quarter

CAPITAL MANAGEMENT

- Announced Harvest acquisition and financing
- Ended quarter with \$280MM of debt outstanding; prepaid \$20MM during the quarter
- 291,585 shares repurchased in 3Q18

Commitment to Long-Term Investment Performance Recognized by the Market



26

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

68%

Victory Mutual Fund and ETF AUM with 4- or 5-Star overall ratings

Percentage of AUM that has outperformed its benchmark:

69% *Over a one-year period*

66% *Over a three-year period*

75% *Over a five-year period*

88% *Over a ten-year period*



4 *Consecutive years in the Top 25 Fund Families*

#10 *Overall ranking for 2017*

#21 *Overall ranking for 2016*

Barron's / Lipper Fund Family Rankings **#25** *Overall ranking for 2015*

#15 *Overall ranking for 2014*



*Institutional Brand Awareness**

#6 *Among managers \$50-\$100B in 2018*

#4 *Among managers \$50-\$100B in 2017*

#4 *Among managers \$50-\$100B in 2016*

#1 *Among managers \$25-\$50B in 2015*

Notes: 29 mutual funds and ETFs did not have 4 or 5 star overall ratings. 32% of AUM in mutual funds and ETFs did not receive overall rating of 4 or 5 stars. Past performance does not guarantee future results. Investing involves risk, including the potential loss of principal.

Data as of September 30, 2018

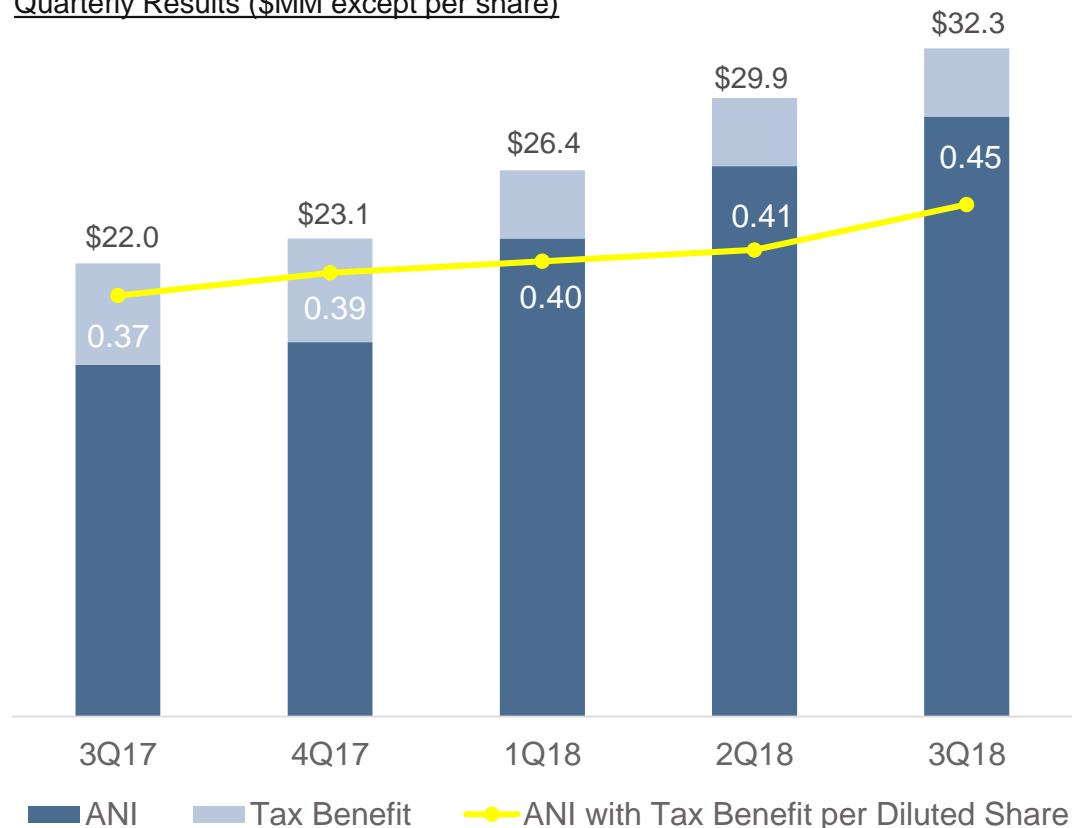
*eVestment, The Importance of Brand Awareness, updated September 2018

Financial Results Summary

Quarterly Results (\$MM except per share)

Commentary:

- 8% YoY AUM growth
- 6% YoY increase in revenue
- (9%) YoY decrease in expenses
- 180bps YoY Adjusted EBITDA margin expansion to 40.1%
- 47% YoY increase in Adjusted Net Income with Tax Benefit



Operating Metrics	3Q17	4Q17	1Q18	2Q18	3Q18
Adjusted EBITDA (\$MM)	\$39.3	\$40.0	\$39.8	\$40.7	\$43.3
Adjusted EBITDA Margin	38.3%	37.9%	37.9%	39.0%	40.1%

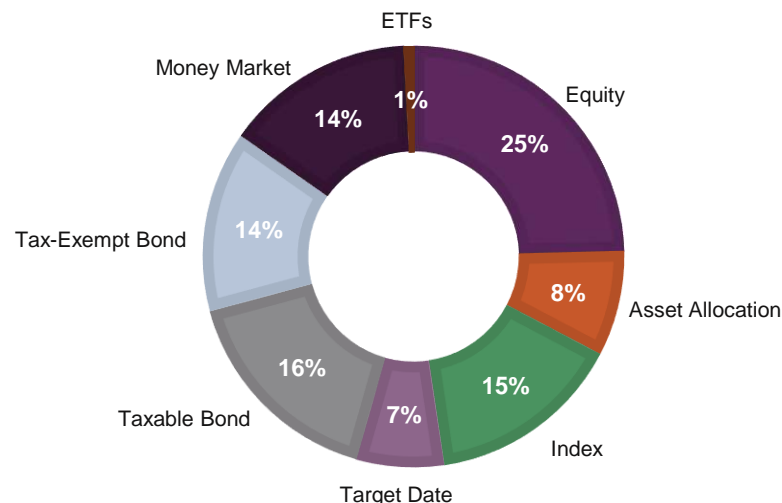
Notes: Adjusted measures are non-GAAP financial measures. An explanation of these non-GAAP financial measures is provided in the Notes and Disclosures at the end of this presentation.

Acquisition of USAA Asset Management Company

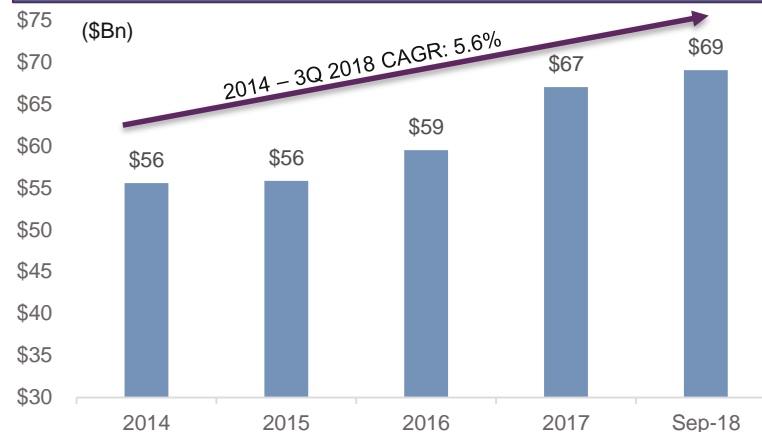
About USAA Asset Management Company

- USAA Asset Management Company is a scaled, diversified platform, including mutual funds, ETFs and a 529 college savings plan
- Based in San Antonio, Texas, with \$69.2Bn in AUM as of September 30, 2018
- Proven expertise in managing fixed income, global multi-asset and equity strategies through both internal investment teams and external subadvisors
- Member-based direct channel with loyal client base and demonstrated history of organic growth and attractive retention rates
- Nationally recognized and well respected brand with distinguished reputation of service to its members
- Expertise recognized by the industry:
 - **Named 12th Best Fund Family of 2016 and 23rd Best Fund Family of 2017 by Barron's**
 - **Ranked 3rd in the taxable bond category by Barron's for 2016 and 5th for 2017**
 - **Named "Best Institutional ETF User" of 2016 by etf.com; one of five finalists for "New ETF Issuer of the Year" for 2017**
 - **#1 College Savings Plan (10 year investment performance)¹**

Product Diversification



Historical AUM Growth



Note: Excludes \$11.8Bn of AUM in the USAA mutual funds as of September 30, 2018 that are invested through the Managed Money product offered for customers of USAA's brokerage business. Victory Capital is not acquiring the USAA brokerage business. Pro forma revenue and pro forma EBITDA do not include any revenue from AUM invested through the Managed Money product or related expenses. ¹ Savingforcollege.com as of 6/30/2018

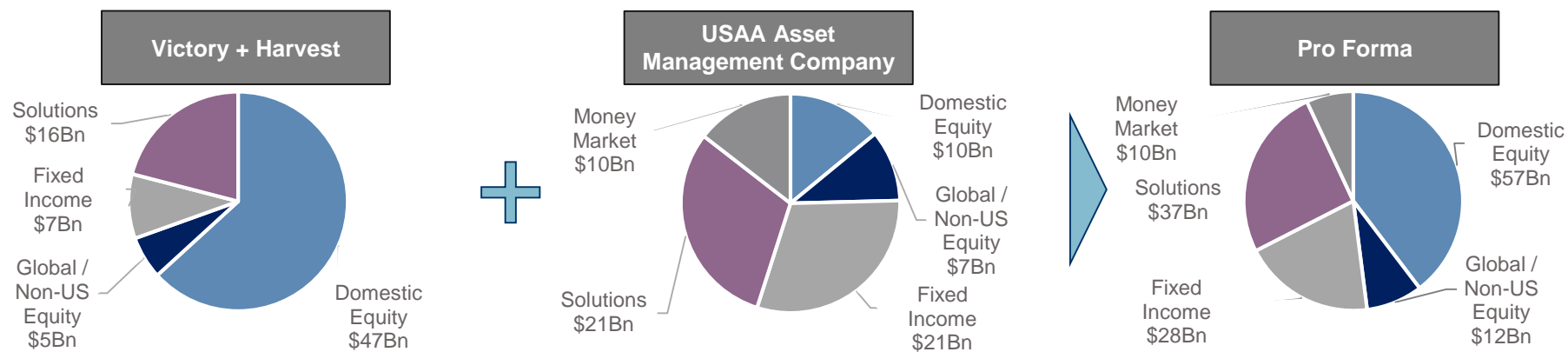
1 Diversification of AUM and expansion of investment capabilities

2 Increase in size and scale; \$144Bn asset management firm

3 New and unique direct-member distribution channel

4 Financially compelling transaction

Transaction Diversifies AUM



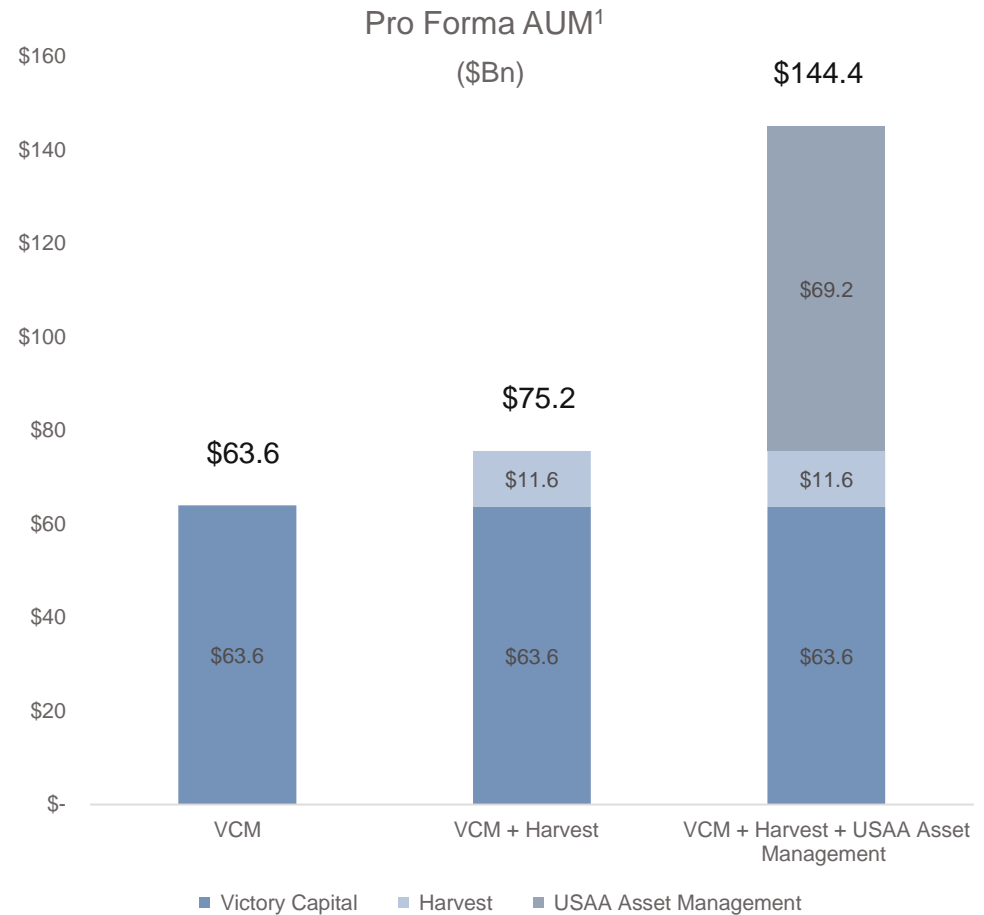
	Victory + Harvest	USAA Asset Management Company	Pro Forma
Domestic Equities	63%	14%	40%
Global / Non-US Equities	6%	11%	8%
Solutions	21%	30%	26%
Fixed Income	10%	30%	19%
Money Market	0%	15%	7%
Total	100%	100%	100%

Diversifies our asset base:

- Reduces U.S. equity exposure to 40% from 63% and results in a more balanced AUM mix across asset classes
- Increases our scale / AUM in Solutions category, a compelling asset class, to 26%
- Enhances Solutions Platform to include Target Date, Target Risk and Active Fixed Income ETFs
- Significantly expands and diversifies our Fixed Income capabilities; Fixed Income / Money Market increases from 10% to 26%

Transaction Increases Size and Scale

- Acquisitions of USAA Asset Management Company and Harvest more than double Victory Capital's AUM on a pro forma basis
- Size / scale leverages our investment into our broad integrated operating and sales platform
- Larger platform to develop and enhance product set for the future



Note: Excludes \$11.8Bn of AUM in the USAA mutual funds that are invested through the Managed Money product. Reference Note on slide 10.

¹Based on September 30, 2018 AUM figures for Victory Capital, USAA Asset Management Company and Harvest Volatility Management, LLC.

Direct Member-Based Channel

- Average 10-year organic growth rate of 3.4% vs. 1.1% for the industry¹
- Loyal client base with historically high retention rates (82% over five years)
- Average client invested for 11 years
- 1.5MM of USAA's total network of ~13MM members currently own an investment product
- Members primarily purchase mutual funds through proprietary self-service digital and mobile platforms
- 24% of members with mutual funds have automatic investment plans
- 529 College Saving Plan with five-year AUM retention rate of 86%
 - Average client invested with USAA for 7 years
 - Automatic investment plans represent 60% of gross sales
 - #1 College Savings Plan (10 year investment performance)²



¹SimFunds as of September 30, 2018. Organic growth calculated as net new flows/beginning of period AUM. Market and USAA mutual fund figures exclude money market AUM.

²Savingforcollege.com as of 6/30/2018

The USAA logo is used with kind permission from USAA. The trademarks, logos and names of other companies, products and services are the property of their respective owners. Victory Capital Management Inc. is not affiliated with USAA.

Use of the term "member" or "membership" refers to membership in USAA Membership Services and does not convey any legal or ownership rights in USAA. Restrictions apply and are subject to change. USAA means United Services Automobile Association and its affiliates.

FINANCIALLY COMPELLING

- \$850MM purchase price
- Additional contingent payments of up to \$150MM over four years based on future business performance
- Expected to be highly accretive to EPS

EPS Accretion	
2020	~90%
2019 Illustrative	~60%
Partial year 2019 ¹	~30%

- Attractive purchase multiples on EBITDA:
 - Upfront excluding expected synergies and tax benefit: 6.9x
 - Upfront including expected synergies: 3.8x
 - Upfront including expected synergies and tax benefit: 3.2x
- \$100MM expected expense synergies net of investments; represents ~32% of the expense base of the USAA entities being acquired and ~17% of pro forma 2018 expense base; excludes revenue synergies
- Synergies estimated to be fully phased in by end of 2020

Timing of Expected Synergies	
At close	\$42MM
Within 6 months	\$83MM
Within 12 – 15 months	\$100MM

- One-time expected integration cost of \$50MM
- Expected to create annual tax expense savings of \$14MM - \$16MM

Note: Excludes \$11.8Bn of AUM in the USAA mutual funds that are invested through the Managed Money product. Reference Note on slide 10.

¹Assumes transaction closes on 7/1/19. The transaction is subject to regulatory and other customary approvals, conditions and consents, including approval by USAA Asset Management Company fund shareholders and Board of Trustees.

TRANSACTION FINANCING

- Transaction will be financed through a combination of debt and cash on the balance sheet
- Committed bank financing
- Net debt / EBITDA of ~3.2x at closing with substantial pro forma cash generation

TRANSFORMED FINANCIAL PROFILE

- Pro forma Revenue: ~\$900MM¹
- Pro forma EBITDA: ~\$420MM²
- Pro forma EBITDA margin: 45%+

Note: Excludes \$11.8Bn of AUM in the USAA mutual funds that are invested through the Managed Money product. Reference Note on slide 10.

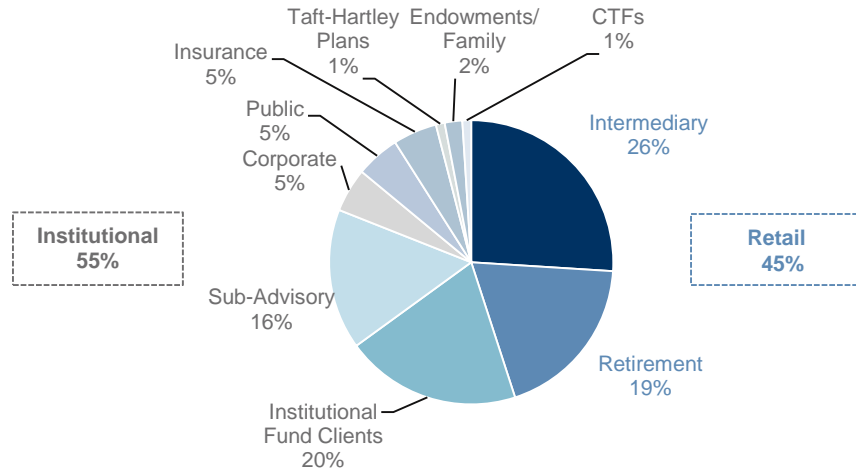
¹*Based on 2018E revenue for Victory, Harvest and USAA Asset Management Company.*

²*Based on 2018E EBITDA for Victory, Harvest and USAA Asset Management Company and \$100MM in fully realized expected synergies.*

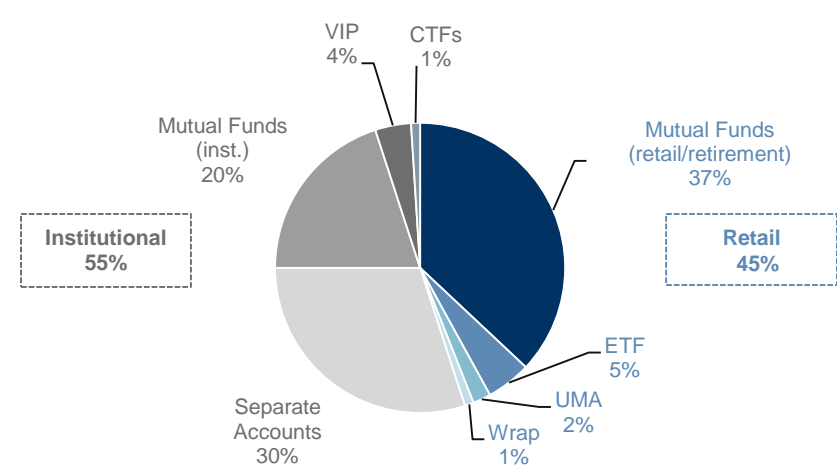
Appendix

Diversified Platform Across Asset Classes, Investment Strategies, Client Types and Investment Vehicles

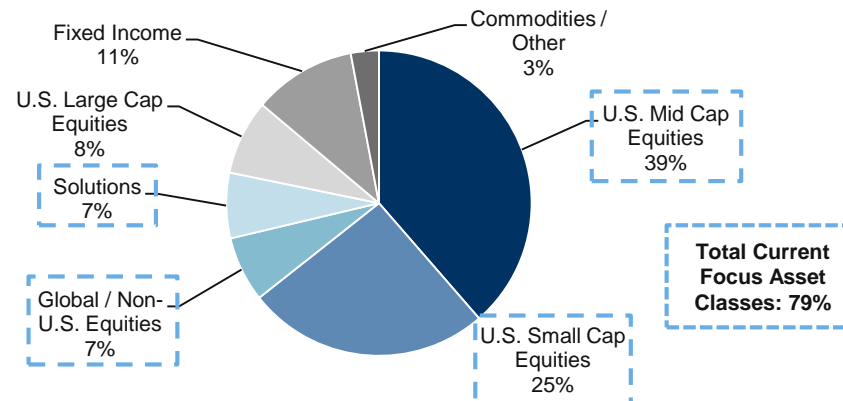
Diverse Institutional and Retail Client Base...



...Served by a Variety of Investment Solutions...

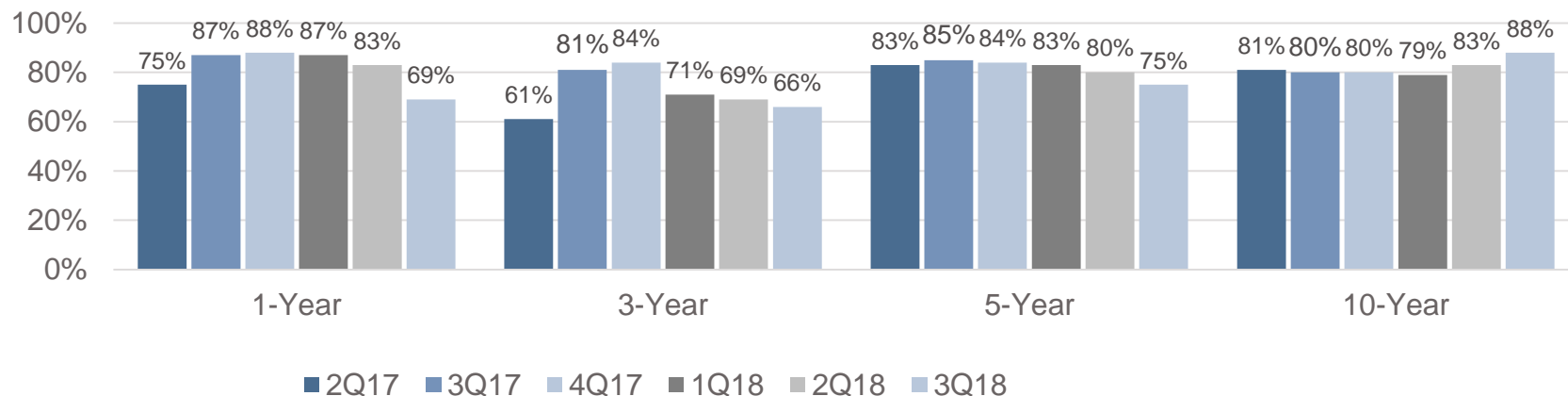


...Across a Broad Range of Asset Classes

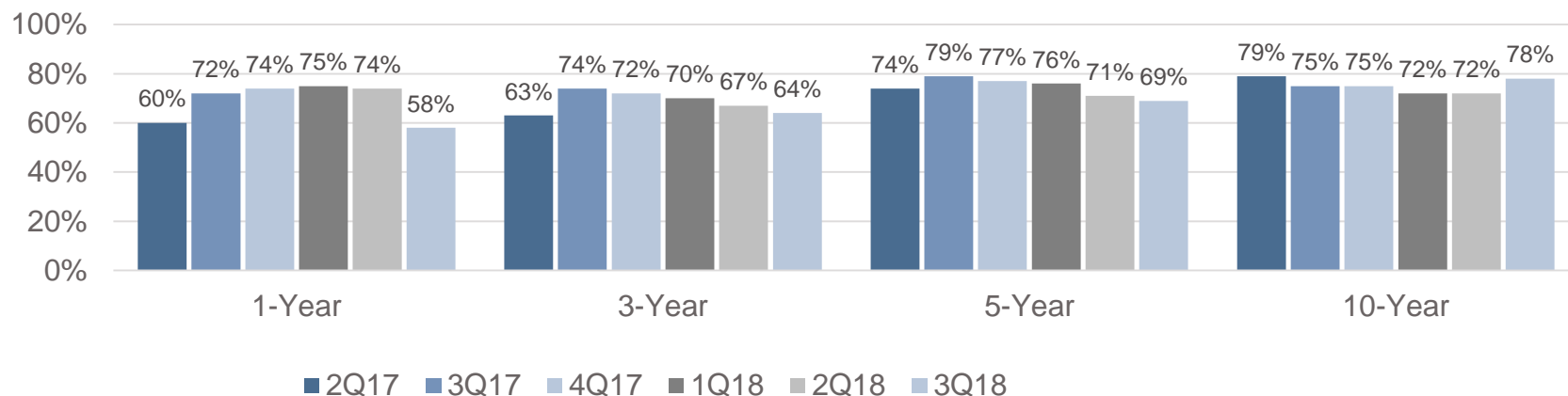


Long-term Outperformance Over Benchmarks

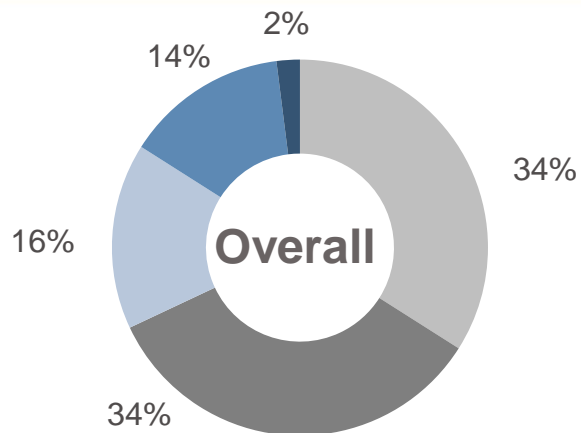
Percentage of AUM that has outperformed benchmark



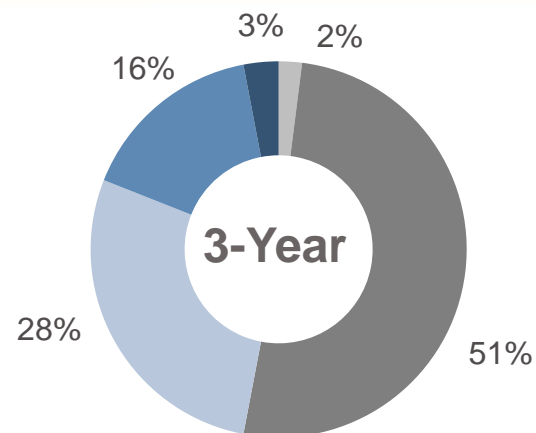
Percentage of strategies that has outperformed benchmark



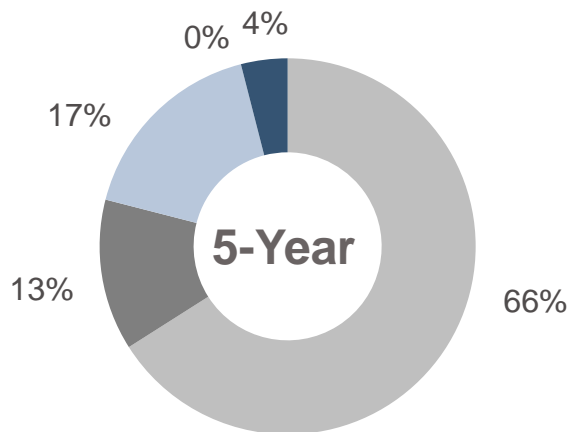
68% of AUM in Mutual Funds and ETFs Ranked 4- or 5-Stars Overall by Morningstar



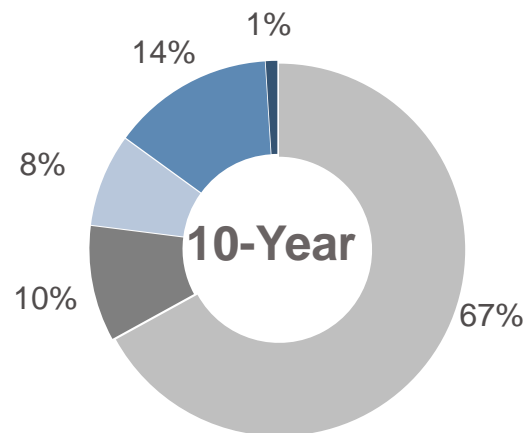
4/5 Star = 68%



4/5 Star = 53%



4/5 Star = 79%



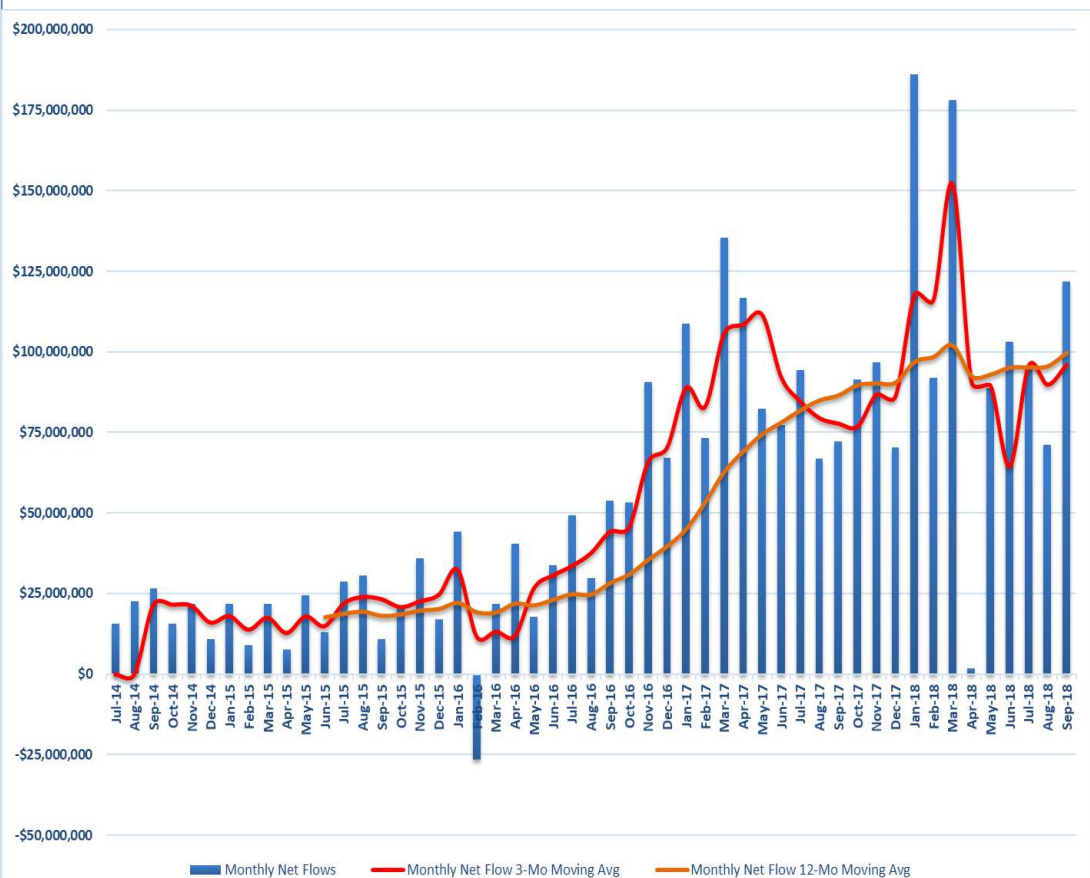
4/5 Star = 77%

■ 5-Star ■ 4-Star ■ 3-Star ■ 2-Star ■ 1-Star

Notes: Percentages of mutual fund and ETF AUM not receiving 4 or 5 star ratings: 32% for overall period, 47% for 3 years, 21% for 5 years and 23% for 10 years. Past performance does not guarantee future results. Investing involves risk, including the potential loss of principal.
Data as of September 30, 2018

VictoryShares Update: Strong Momentum

Demonstrated Track Record of Success in 2018



Measures of Our Success

- **49%** Market Share increase YoY
- VictoryShares ETFs have posted positive net flows every quarter and 40 of 41 months since the CEMP acquisition
- Rank **19th** of 141 ETF Issuers in YTD Net Flows
- **24th** in Overall ETF AUM out of 141 issuers as of September 30th
- Rank **34th** of 141 ETF Issuers for 1-year net sales / assets
- **6th** fastest-growing ETF provider with more than \$3bn AUM¹
- **6** ETFs with AUM over **\$100MM** and **3** ETFs with AUM over **\$500MM**
- **4** ETFs are rated **4-** or **5-**stars by Morningstar
- In August, **5** VictoryShares ETFs celebrated their 3-year anniversaries of which **3** were rated **4-** or **5-**stars overall and for the trailing 3-years as of September 30, 2018

Source: Morningstar Direct as 9/30/18

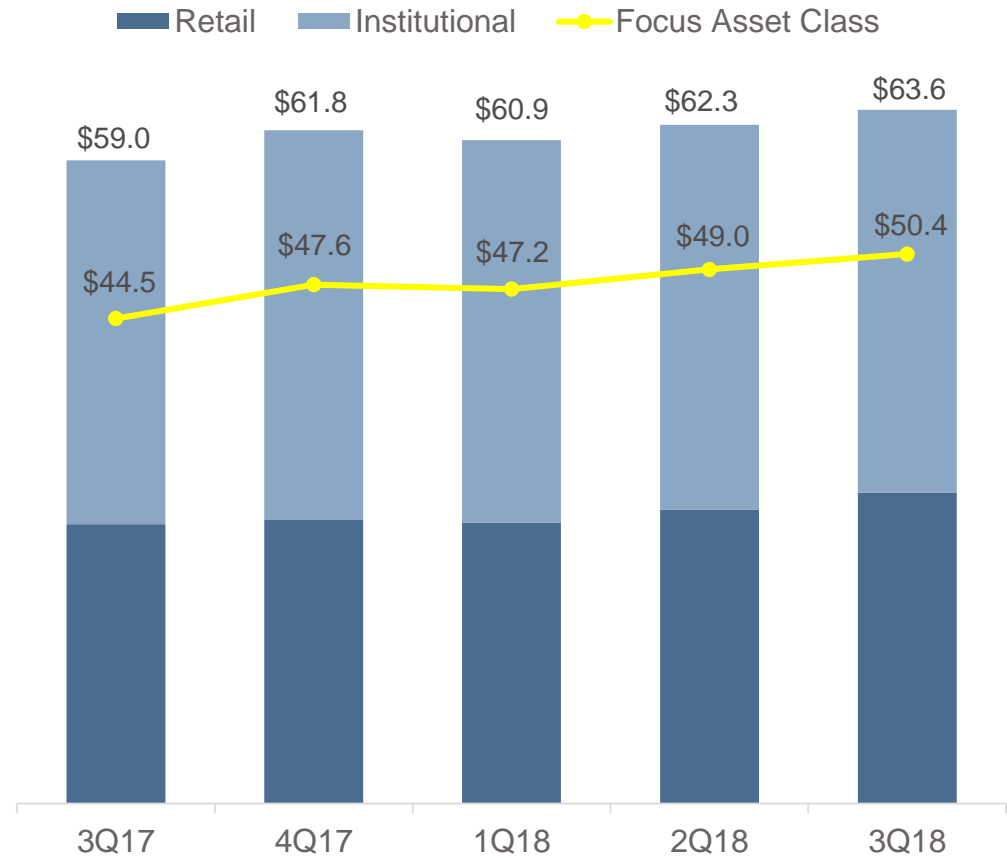
¹ Denotes year-over-year growth of firms with AUM of \$3Bn or more

Assets Under Management (End of Period)

Commentary:

- 8% YoY AUM growth
- Focus asset class AUM grew 13% from 3Q17 to 3Q18; currently 79% of total AUM
- Mutual fund / VIP / ETF AUM of \$41.5Bn as of 9/30/18, across 59 different products
- 55% Institutional and 45% Retail AUM split as of 9/30/18
- AUM is diversified with 9 distinct Investment Franchises, a Solutions Platform, 8 asset classes, 71 strategies and 2 broad distribution channels balanced across the institutional and retail markets

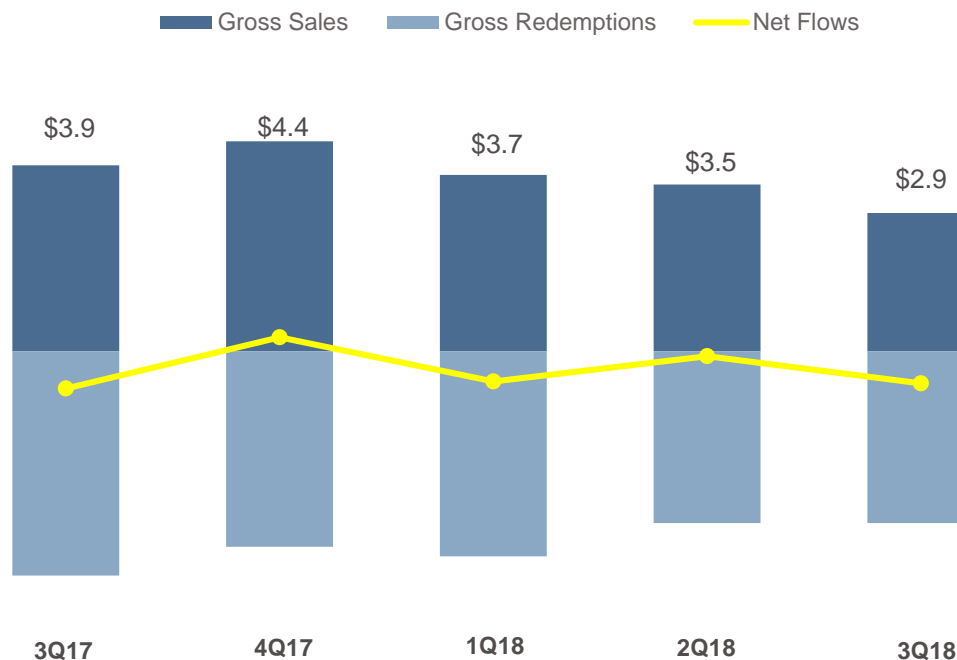
Quarterly Results (\$Bn)



Commentary:

- Gross sales decreased 17% QoQ to \$2.9Bn
- LTM Gross sales of \$14.5Bn
- 3Q18 net flows of (\$672MM) included:
 - Positive net flows in Solutions and Global / Non-US
 - ETFs +\$287MM
 - Separate Accounts and Other (\$107MM)
 - Mutual Funds / VIP (\$852MM)
- LTM focus asset class net flows of +\$640MM

Quarterly Results (\$Bn)



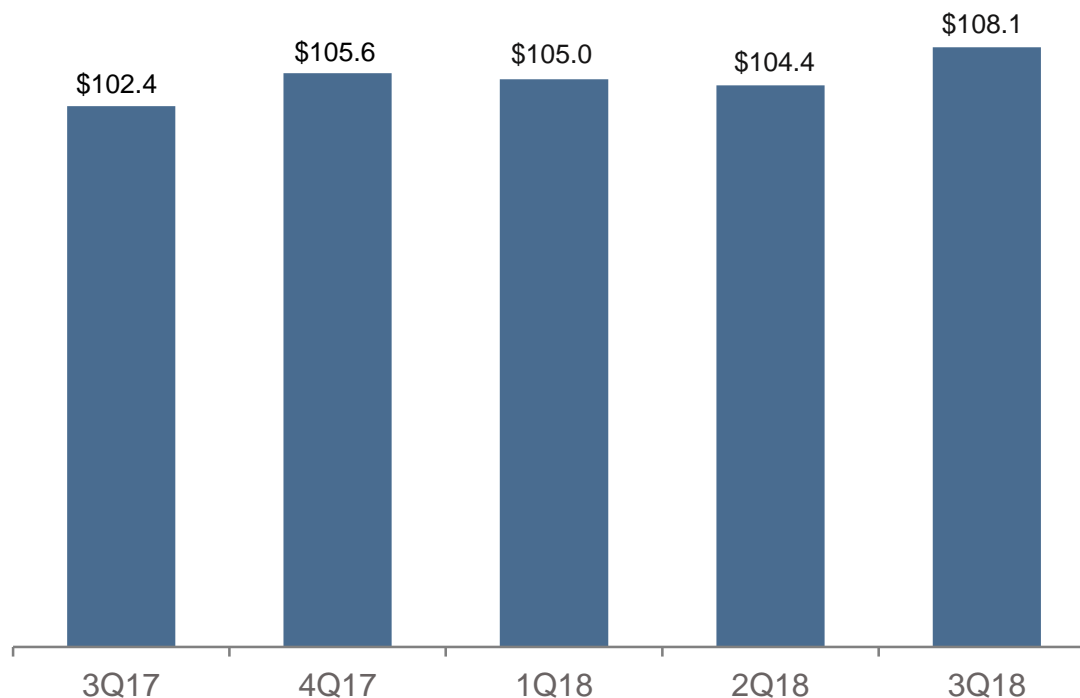
Operating Metrics	3Q17	4Q17	1Q18	2Q18	3Q18
Gross Sales (%)	6.8%	7.4%	6.0%	5.7%	4.7%
Net Flows (\$MM)	-\$778	\$294	-\$633	-\$102	-\$672
Net Flows (%)	-1.4%	0.5%	-1.0%	-0.2%	-1.1%
Focus Asset Class*					
Gross Sales (%)	7.7%	8.5%	6.4%	4.9%	3.7%
Net Flows (\$MM)	-\$490	\$829	-\$271	\$524	-\$442
Net Flows (%)	-1.1%	1.9%	-0.6%	1.1%	-0.9%

*Includes Victory funds and strategies in the U.S. Small Cap Equity, U.S. Mid Cap Equity and Global/Non-U.S. asset classes as well as the Solutions Platform

Commentary:

- 6% YoY Revenue growth reflecting higher average AUM levels
- 9% YoY Avg AUM growth

Quarterly Results (\$MM)

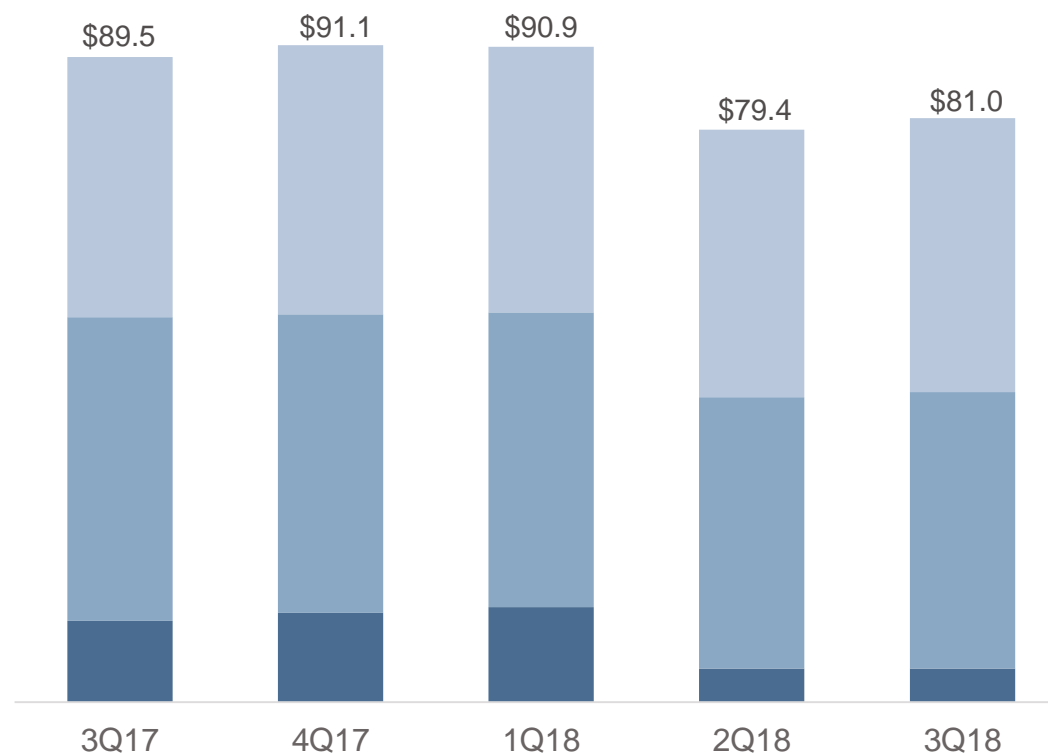


Operating Metrics	3Q17	4Q17	1Q18	2Q18	3Q18
Avg AUM (\$Bn)	\$57.9	\$60.4	\$62.0	\$61.6	\$63.4
Avg Fee Rate (bps)	70.2	69.4	68.6	68.0	67.6

Commentary:

Quarterly Results (\$MM)

- (9%) YoY decrease in expenses, reflecting operational efficiencies and lower interest expense
- Personnel expenses increased +2% QoQ and +5% YoY on mathematical calculation of incentive compensation
- Operating expenses increased 2% QoQ due to variable expenses tied to AUM and decreased (9%) YoY primarily due to operational efficiencies
- Non-operating expenses decreased (58%) YOY, reflecting lower interest expense as a result of the debt refinancing in 1Q18



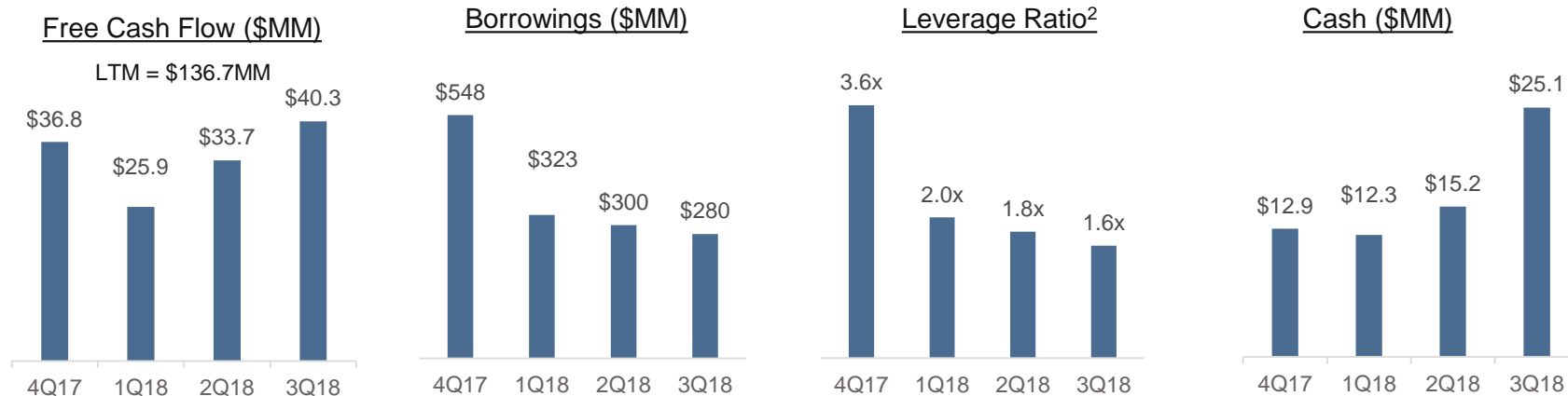
Expense Metrics (\$MM)	3Q17	4Q17	1Q18	2Q18	3Q18
Personnel	\$36.1	\$37.3	\$36.8	\$37.1	\$38.0
Operating ¹	42.1	41.4	40.9	37.6	38.3
Non-Operating	11.3	12.4	13.2	4.7	4.7

¹ Excludes personnel expense

Commentary:

- 3Q18 debt balance of \$280MM; \$20MM of pre-payments made in 3Q18 and annualized interest expense savings of \$1.0MM
- Avg Fully Diluted Shares Outstanding of 71.9MM for the quarter

Selected Balance Sheet Items (\$MM)		9/30/18
Cash / Cash Equivalents		\$25.1
Debt ¹		\$280.0
Equity		\$441.9
Diluted Shares Outstanding (MM)		71.9
Selected Metrics		9/30/18
Net Debt / LTM Credit EBITDA ²		1.6x
Net Debt / LTM Adjusted EBITDA		1.6x
Net Debt ²		\$261.7



¹ Represents outstanding term loans as of September 30, 2018. Balance sheet amount of long-term debt is \$268.4MM which is net of \$11.6MM unamortized debt issuance costs and debt discount.

² Calculated in accordance with credit agreement.

GAAP Net Income to Adjusted Net Income Reconciliation



Three months Ended September 30, 2018

(in thousands except share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Pre-IPO Governance Costs		
Revenue									
Investment management fees	\$ 92,525							\$ 92,525	
Fund administration and distribution fees	15,557							15,557	
Total revenue	108,082	-	-	-	-	-	-	108,082	-
Expenses									
Personnel compensation and benefits (1)	38,027			(4,005)				34,022	
Distribution and other asset-based expenses (2)	24,269							24,269	
General and administrative (2)	6,951	(350)						6,601	
Depreciation and amortization (2)	5,574		(4,799)					775	
Change in value of consideration payable for acquisition of business (2)	-							-	
Acquisition-related costs (2)	1,451				(1,452)			(1)	
Restructuring and integration costs (2)	-				-			-	
Total operating expenses	76,272	(350)	(4,799)	(4,005)	(1,452)	-	-	65,666	
Income/(loss) from operations	31,810	350	4,799	4,005	1,452	-	-	42,416	
Other income (expense)									
Interest income and other income/(expense) (3)	(200)				195			(5)	
Interest expense and other financing costs (3)	(4,458)					373		(4,085)	
Loss on debt extinguishment (3)	-							-	
Total other income (expense), net	(4,658)	-	-	-	195	373	-	(4,090)	
Income/(loss) before income taxes	27,152	350	4,799	4,005	1,647	373	-	38,326	
Income tax (expense)/benefit	(6,562)	(88)	(1,200)	(1,001)	(412)	(93)	-	(9,356)	3,318
Net income/(loss)	\$ 20,590	\$ 262	\$ 3,599	\$ 3,004	\$ 1,235	\$ 280	\$ -	\$ 28,970	\$ 3,318
Earnings per share—basic	\$ 0.30							\$ 0.43	\$ 0.05
Earnings per share—diluted	\$ 0.29							\$ 0.40	\$ 0.05
Weighted average shares outstanding—basic	67,972,313							67,972,313	67,972,313
Weighted average shares outstanding—diluted	71,863,566							71,863,566	71,863,566
Memo: Expenses									
Personnel (1)	38,027							34,022	
Operating (2)	38,245							31,644	
Non-Operating (3)	4,658							4,090	

GAAP Net Income to Adjusted Net Income Reconciliation



Three months Ended June 30, 2018
(in thousands except share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Pre-IPO Governance Costs		
Revenue									
Investment management fees	\$ 88,998							\$ 88,998	
Fund administration and distribution fees	15,401							15,401	
Total revenue	104,399	-	-	-	-	-	-	104,399	-
Expenses									
Personnel compensation and benefits (1)	37,140			(3,968)				33,172	
Distribution and other asset-based expenses (2)	24,127							24,127	
General and administrative (2)	7,088	(443)			(13)		3	6,635	
Depreciation and amortization (2)	5,931		(5,195)					736	
Change in value of consideration payable for acquisition of business (2)	(4)							(4)	
Acquisition-related costs (2)	(5)				5			-	
Restructuring and integration costs (2)	438				(438)			-	
Total operating expenses	74,715	(443)	(5,195)	(3,968)	(446)	-	3	64,666	
Income/(loss) from operations	29,684	443	5,195	3,968	446	-	(3)	39,733	
Other income (expense)									
Interest income and other income/(expense) (3)	8				114			122	
Interest expense and other financing costs (3)	(4,706)					361		(4,345)	
Loss on debt extinguishment (3)	-							-	
Total other income (expense), net	(4,698)	-	-	-	114	361	-	(4,223)	
Income/(loss) before income taxes	24,986	443	5,195	3,968	560	361	(3)	35,510	
Income tax (expense)/benefit	(6,311)	(111)	(1,299)	(992)	(140)	(90)	1	(8,942)	3,320
Net income/(loss)	\$ 18,675	\$ 332	\$ 3,896	\$ 2,976	\$ 420	\$ 271	\$ (2)	\$ 26,568	\$ 3,320
Earnings per share—basic	\$ 0.27							\$ 0.39	\$ 0.05
Earnings per share—diluted	\$ 0.26							\$ 0.37	\$ 0.04
Weighted average shares outstanding—basic	67,948,732							67,948,732	67,948,732
Weighted average shares outstanding—diluted	72,135,290							72,135,290	72,135,290
Memo: Expenses									
Personnel (1)	37,140							33,172	
Operating (2)	37,575							31,494	
Non-Operating (3)	4,698							4,223	

GAAP Net Income to Adjusted Net Income Reconciliation



Nine months Ended September 30, 2018

(in thousands except share amounts)

	Adjustments							Non-GAAP Basis	Tax Benefit of Goodwill and Acquired Intangibles
	U.S. GAAP Basis	Other Business Taxes	GAAP Amortization of Acquisition-Related Intangibles	Stock-Based Compensation	Acquisition, Restructuring and Exit Costs	Debt Issuance Costs	Pre-IPO Governance Costs		
Revenue									
Investment management fees	\$ 270,653							\$ 270,653	
Fund administration and distribution fees	46,792							46,792	
Total revenue	317,445	-	-	-	-	-	-	317,445	-
Expenses									
Personnel compensation and benefits (1)	111,970			(11,295)				100,675	
Distribution and other asset-based expenses (2)	73,557							73,557	
General and administrative (2)	23,095	(1,168)			(267)		(138)	21,522	
Depreciation and amortization (2)	17,917		(15,670)					2,247	
Change in value of consideration payable for acquisition of business (2)	(4)							(4)	
Acquisition-related costs (2)	1,446				(1,446)			-	
Restructuring and integration costs (2)	702				(702)			-	
Total operating expenses	228,683	(1,168)	(15,670)	(11,295)	(2,415)	-	(138)	197,997	
Income/(loss) from operations		1,168	15,670	11,295	2,415	-	138	119,448	
Other income (expense)									
Interest income and other income/(expense) (3)	(229)				310			81	
Interest expense and other financing costs (3)	(16,256)					7,436		(8,820)	
Loss on debt extinguishment (3)	(6,058)							(6,058)	
Total other income (expense), net	(22,543)	-	-	-	310	7,436	-	(14,797)	
Income/(loss) before income taxes	66,219	1,168	15,670	11,295	2,725	7,436	138	104,651	
Income tax (expense)/benefit	(16,430)	(292)	(3,918)	(2,824)	(681)	(1,859)	(35)	(26,038)	9,958
Net income/(loss)	\$ 49,789	\$ 876	\$ 11,753	\$ 8,471	\$ 2,044	\$ 5,577	\$ 104	\$ 78,613	\$ 9,958
Earnings per share—basic	\$ 0.76							\$ 1.19	\$ 0.15
Earnings per share—diluted	\$ 0.71							\$ 1.12	\$ 0.14
Weighted average shares outstanding—basic	65,816,557							65,816,557	65,816,557
Weighted average shares outstanding—diluted	70,168,116							70,168,116	70,168,116
Memo: Expenses									
Personnel (1)	111,970							100,675	
Operating (2)	116,713							97,322	
Non-Operating (3)	22,543							14,797	

Information Regarding Non-GAAP Financial Measures

Victory Capital uses non-GAAP financial measures referred to as Adjusted EBITDA and Adjusted Net Income to measure the operating profitability of the Company. These measures eliminate the impact of one-time acquisition, restructuring and integration costs and demonstrate the ongoing operating earnings metrics of the Company. The Company has included these non-GAAP measures to provide investors with the same financial metrics used by management to assess the operating performance of the Company.

Adjusted EBITDA

Adjustments made to GAAP net income to calculate Adjusted EBITDA are:

- Adding back income tax;
- Adding back interest paid on debt and other financing costs net of interest income;
- Adding back depreciation on property and equipment;
- Adding back other business taxes;
- Adding back amortization of acquisition-related intangibles;
- Adding back the expense associated with stock-based compensation associated with equity issued from pools that were created in connection with the management-led buyout with Crestview GP from KeyCorp, the Munder Acquisition and the RS Acquisition and as a result of any equity grants related to the IPO;
- Adding back direct incremental costs of acquisitions and the IPO, including expenses associated with third-party advisors, proxy solicitations of mutual fund shareholders for transaction consents, vendor contract early termination costs, loss on other receivable recorded in connection with an acquisition and severance, retention and transaction incentive compensation;
- Adding back debt issuance costs;
- Adding back pre-IPO governance expenses paid to the Company's private equity partners that terminated as of the completion of the IPO; and
- Adjusting for earnings/losses on equity method investments.

Information Regarding Non-GAAP Financial Measures (cont.)

Adjusted Net Income

Adjustments made to GAAP net income to calculate Adjusted Net Income are:

- Adding back other business taxes;
- Adding back amortization of acquisition-related intangibles;
- Adding back the expense associated with stock-based compensation associated with equity issued from pools that were created in connection with the management-led buyout with Crestview GP from KeyCorp, the Munder Acquisition and the RS Acquisition and as a result of any equity grants related to the IPO;
- Adding back direct incremental costs of acquisitions and the IPO, including expenses associated with third-party advisors, proxy solicitations of mutual fund shareholders for transaction consents, vendor contract early termination costs, loss on other receivable recorded in connection with an acquisition and severance, retention and transaction incentive compensation;
- Adding back debt issuance costs;
- Adding back pre-IPO governance expenses paid to the Company's private equity partners that terminated as of the completion of the IPO; and
- Subtracting an estimate of income tax expense on the adjustments.

Tax Benefit of Goodwill and Acquired Intangibles

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

Transaction-related Non-GAAP Measures

This presentation includes transaction-related non-GAAP measures.

The operating metrics are presented for projection purposes only.

Projected pro forma EBITDA reflects the benefit of the full realization of expected synergies and excludes the expected one-time integration costs.

The U.S. GAAP impact of this transaction cannot be quantified at this time, as such calculations are dependent on the nature of the purchase price accounting adjustments and their impact going forward.

Investing involves risk, including the potential loss of principal. There are no assurances that any fund will achieve its stated objective.

Past performance does not guarantee future results. A fund's most recent performance can be found at vcm.com.

An investor should carefully consider a fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the prospectus or the summary prospectus. To obtain a prospectus for the VictoryShares ETFs visit www.victoryshares.com. To obtain a prospectus for the Victory Funds mutual funds visit www.victoryfundliterature.com. Please read the prospectus carefully before investing.

VictoryShares ETFs are distributed by Foreside Fund Services, LLC. Victory Funds mutual funds are distributed by Victory Capital Advisers, Inc. Neither Victory Capital Advisers, Inc. nor its affiliates are affiliated with Foreside Fund Services, LLC.

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

Barron's ranked Victory Capital 10th overall and 2nd in the Mixed Asset category out 58 fund families for the one-year period ended December 31, 2017, 21st out of 61 firms for the one-year period ended December 31, 2016, 25th out of 67 firms for the one-year period ended December 31, 2015, and 15th out of 65 firms for the one-year period ended December 31, 2014.

How Barron's Ranks the Fund Families

All mutual and exchange-traded funds are required to report their returns (to regulators, as well as in advertising and marketing material) after fees are deducted, to better reflect what investors would actually receive. But our aim is to measure managers' skill, independent of expenses beyond annual management fees. That's a large part of why we calculate returns before any 12b-1 fees are deducted. Similarly, loads, or sales charges, aren't included in our calculation of returns. The other reason? The multitude of share classes makes it nearly impossible to ascertain what a typical investor would pay in terms of annual expenses or loads.

Each fund's performance is measured against all of the other funds in its Lipper category, with a percentile ranking of 100 being the highest and one the lowest. The result is then weighted by asset size, relative to the fund family's other assets in its general classification. If a family's biggest funds do well, that boosts its overall showing; poor performance in its biggest funds hurts a firm's ranking.

To be included in our survey, a firm must have at least three funds in the general equity category, one world equity, one mixed asset (such as a balanced or target-date fund), two taxable bonds, and one national tax-exempt bond fund. We have historically excluded single-sector and single-country stock funds, but those are now included, as part of the general equity category. We exclude all index funds, including pure index, enhanced index, and index-based. But we include actively managed exchange-traded funds and ETFs with indexing strategies that are not the traditional capitalization-weighted or equal-weighted. Finally, the score is multiplied by the weighting of its general classification, as determined by the entire Lipper universe of funds. The category weightings for the one-year results in 2017 were general equity, 36.1%; mixed asset, 19.9%; world equity, 18.7%; taxable bond, 21.2%; and tax-exempt bond, 4%.

The scoring: Say a fund in the general U.S. equity category has \$500 million in assets, accounting for half of a firm's assets in that category, and its performance lands it in the 75th percentile for the category. The first calculation would be 75 times 0.5, which comes to 37.5. That score is then multiplied by 36.1%, general equity's overall weighting in Lipper's universe. So it would be 37.5 times 0.361, which equals 13.54. Similar calculations are done for each fund in our study. Then the numbers are added for each category and overall. The shop with the highest total score wins. The same process is repeated to determine five- and ten-year rankings.