



PZEN INVESTMENT MANAGEMENT, INC.

**PZEN INVESTMENT MANAGEMENT, INC. REPORTS RESULTS
FOR THE THIRD QUARTER OF 2012**

- Revenue was \$18.9 million, operating income was \$9.4 million.
- Diluted earnings per share was \$0.09 on a GAAP basis and \$0.08 on a non-GAAP basis.
- Selected to manage 28% of Vanguard Windsor Fund.
- Declared quarterly dividend of \$0.03 per share.

NEW YORK, NEW YORK, October 23, 2012 – Pzena Investment Management, Inc. (NYSE: PZN) reported the following U.S. GAAP (U.S. Generally Accepted Accounting Principles) and non-GAAP basic and diluted net income and earnings per share for the three and nine months ended September 30, 2012 and 2011 (in thousands, except per-share amounts):

| | GAAP Basis For the Three Months Ended September 30, | | Non-GAAP Basis For the Three Months Ended September 30, | |
|----------------------------|---|---------|---|----------|
| | 2012 | 2011 | 2012 | 2011 |
| | (unaudited) | | | |
| Basic Net Income | \$ 1,263 | \$ 497 | \$ 872 | \$ 829 |
| Basic Earnings Per Share | \$ 0.12 | \$ 0.05 | \$ 0.08 | \$ 0.08 |
| Diluted Net Income | \$ 5,562 | \$ 497 | \$ 5,171 | \$ 5,292 |
| Diluted Earnings Per Share | \$ 0.09 | \$ 0.05 | \$ 0.08 | \$ 0.08 |

| | GAAP Basis For the Nine Months Ended September 30, | | Non-GAAP Basis For the Nine Months Ended September 30, | |
|----------------------------|--|-----------|--|-----------|
| | 2012 | 2011 | 2012 | 2011 |
| | (unaudited) | | | |
| Basic Net Income | \$ 2,884 | \$ 3,013 | \$ 2,528 | \$ 2,757 |
| Basic Earnings Per Share | \$ 0.27 | \$ 0.31 | \$ 0.24 | \$ 0.28 |
| Diluted Net Income | \$ 15,594 | \$ 18,350 | \$ 15,238 | \$ 18,094 |
| Diluted Earnings Per Share | \$ 0.24 | \$ 0.28 | \$ 0.23 | \$ 0.28 |

The results for the three and nine months ended September 30, 2012 and 2011 include the recurring adjustments related to the Company's tax receivable agreement and the associated liability to its selling and converting shareholders. Management believes that these accounting adjustments add a measure of non-operational complexity which obscures the underlying performance of the business. In evaluating the financial condition and results of operations, management also reviews non-GAAP measures of earnings, which exclude these items. Excluding these adjustments, non-GAAP diluted net income and non-GAAP diluted earnings per share were \$5.2 million and \$0.08, respectively, for the three months ended September 30, 2012, and \$5.3 million and \$0.08, respectively, for the three months ended September 30, 2011. Non-GAAP diluted net income and non-

GAAP diluted earnings per share were \$15.2 million and \$0.23, respectively, for the nine months ended September 30, 2012 and \$18.1 million and \$0.28, respectively, for the nine months ended September 30, 2011. GAAP and non-GAAP net income for diluted earnings per share generally assume all operating company membership units are converted into Company stock at the beginning of the reporting period, and the resulting change to Company GAAP and non-GAAP net income associated with its increased interest in the operating company is taxed at the Company's effective tax rate, exclusive of the adjustments noted above and other one-time adjustments. When this conversion results in an increase in earnings per share or a decrease in loss per share, diluted net income and diluted earnings per share are assumed to be equal to basic net income and basic earnings per share for the reporting period.

Management uses the non-GAAP measures to assess the strength of the underlying operations of the business. It believes the non-GAAP measures provide information to better analyze the Company's operations between periods and over time. Investors should consider the non-GAAP measures in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP.

Assets Under Management (unaudited)

(\$ billions)

| | Three Months Ended | | | Twelve Months Ended |
|------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
| | September 30, 2012 | June 30, 2012 | September 30, 2011 | September 30, 2012 |
| Institutional Accounts | | | | |
| Assets | | | | |
| Beginning of Period | \$ 10.9 | \$ 12.2 | \$ 12.9 | \$ 10.0 |
| <i>Inflows</i> | 0.3 | 0.3 | 0.3 | 1.3 |
| <i>Outflows</i> | (0.7) | (0.7) | (0.4) | (2.7) |
| Net Flows | (0.4) | (0.4) | (0.1) | (1.4) |
| Market Appreciation/(Depreciation) | 0.7 | (0.9) | (2.8) | 2.6 |
| End of Period | <u>\$ 11.2</u> | <u>\$ 10.9</u> | <u>\$ 10.0</u> | <u>\$ 11.2</u> |
| Retail Accounts | | | | |
| Assets | | | | |
| Beginning of Period Assets | \$ 2.2 | \$ 2.5 | \$ 3.0 | \$ 2.2 |
| <i>Inflows</i> | 3.3 | 0.1 | 0.2 | 3.8 |
| <i>Outflows</i> | (0.3) | (0.2) | (0.4) | (1.2) |
| Net Flows | 3.0 | (0.1) | (0.2) | 2.6 |
| Market Appreciation/(Depreciation) | 0.4 | (0.2) | (0.6) | 0.8 |
| End of Period | <u>\$ 5.6</u> | <u>\$ 2.2</u> | <u>\$ 2.2</u> | <u>\$ 5.6</u> |
| Total | | | | |
| Assets | | | | |
| Beginning of Period | \$ 13.1 | \$ 14.7 | \$ 15.9 | \$ 12.2 |
| <i>Inflows</i> | 3.6 | 0.4 | 0.5 | 5.1 |
| <i>Outflows</i> | (1.0) | (0.9) | (0.8) | (3.9) |
| Net Flows | 2.6 | (0.5) | (0.3) | 1.2 |
| Market Appreciation/(Depreciation) | 1.1 | (1.1) | (3.4) | 3.4 |
| End of Period | <u>\$ 16.8</u> | <u>\$ 13.1</u> | <u>\$ 12.2</u> | <u>\$ 16.8</u> |

Financial Discussion

Revenue (unaudited)

(\$ thousands)

| | Three Months Ended | | |
|------------------------|-----------------------|------------------|-----------------------|
| | September 30, 2012 | June 30, 2012 | September 30, 2011 |
| Institutional Accounts | \$ 15,741 | \$ 16,019 | \$ 17,363 |
| Retail Accounts | 3,120 | 2,320 | 2,587 |
| Total | <u>\$ 18,861</u> | <u>\$ 18,339</u> | <u>\$ 19,950</u> |

| | Nine Months Ended | |
|------------------------|-----------------------|-----------------------|
| | September 30, 2012 | September 30, 2011 |
| Institutional Accounts | \$ 49,110 | \$ 55,406 |
| Retail Accounts | 7,858 | 8,703 |
| Total | <u>\$ 56,968</u> | <u>\$ 64,109</u> |

Revenue was \$18.9 million for the third quarter of 2012, a decrease of 5.5% from \$20.0 million for the third quarter of 2011, and an increase of 2.8% from \$18.3 million for the second quarter of 2012. For the nine months ended September 30, 2012, revenues were \$57.0 million, a decrease of 11.1%, from \$64.1 million, for the nine months ended September 30, 2011.

Average assets under management for the third quarter of 2012 was \$14.8 billion, an increase of 3.5% from \$14.3 billion for the third quarter of 2011, and an increase of 8.0% from \$13.7 billion for the second quarter of 2012. The increase from the third quarter of 2011 and from the second quarter of 2012 was primarily due to large inflows associated with the Company's mandate to manage 28% of the Vanguard Windsor Fund as of the beginning of August 2012.

The weighted average fee rate was 0.508% for the third quarter of 2012, decreasing from 0.560% for the third quarter of 2011, and decreasing from 0.537% for the second quarter of 2012. The decrease from the third quarter of 2011 was primarily due to performance fees recognized during the third quarter of 2011 combined with the partial period impact of a higher mix of assets, from the Vanguard mandate, in the Company's retail Large Cap Diversified Value strategy during the third quarter of 2012, which carries a lower fee. This higher mix of assets in the Company's retail Large Cap Diversified Value strategy also impacted the variance from the second quarter of 2012.

The weighted average fee rate for institutional accounts was 0.575% for the third quarter of 2012, decreasing from 0.597% for the third quarter of 2011, and increasing from 0.566% for the second quarter of 2012. The net decrease from the third quarter of 2011 was primarily due to performance fees recognized in the third quarter of 2011, partially offset by a higher mix of assets in the Company's Global strategy, which generally carries higher fee rates. The increase from the second quarter of 2012 was primarily due to the decrease in average institutional assets. The Company's tiered fee schedules typically charge higher rates as account size decreases.

The weighted average fee rate for retail accounts was 0.321% for the third quarter of 2012, decreasing from 0.395% for the third quarter of 2011, and decreasing from 0.394% for the second quarter of 2012. The decrease from the third quarter of 2011 and from the second quarter of 2012 was primarily due to the partial period impact of the higher mix of assets, from the Vanguard mandate, in the Company's retail Large Cap Diversified Value strategy during the third quarter of 2012.

Total operating expenses were \$9.5 million in the third quarter of 2012, decreasing from \$9.7 million in the third quarter of 2011 and from \$9.9 million for the second quarter of 2012. The decrease from the second quarter of 2012 was primarily driven by lower compensation costs. The decrease in quarterly operating expenses year-over-year was primarily driven by a reduction in real estate expenses associated with the sublease of excess office space during the fourth quarter of 2011.

As of September 30, 2012, employee headcount was 68, up from 66 at September 30, 2011 and up from 67 at June 30, 2012.

The operating margin was 49.9% on a GAAP basis for the third quarter of 2012, compared to 51.4% for the third quarter of 2011, and 45.9% for the second quarter of 2012.

Other income/(expense) were expenses of \$1.2 million for each of the third quarters of 2012 and 2011, and income of \$0.1 million for the second quarter of 2012. Other income/(expense) includes the net realized and unrealized gain/(loss) recognized by the Company on its direct investments, as well as those recognized by the Company's external investors on their investments in investment partnerships that the Company is required to consolidate. A portion of realized and unrealized gain/(loss) associated with the investments of the Company's outside interests are offset in net income attributable to non-controlling interests. Third quarter 2012 other income/(expense) also included an expense of \$1.7 million associated with an increase in the Company's liability to its selling and converting shareholders resulting from changes in the realizability of its related deferred tax asset. Such adjustments generated an expense of \$0.1 million in the third quarter of 2011 and income of \$0.3 million in the second quarter of 2012. Details of other income/(expense), as well as a reconciliation of the related GAAP and non-GAAP measures, are shown below:

Other Income/(Expense) (unaudited)

(\$ thousands)

| | Three Months Ended | | |
|---|-----------------------|------------------|-----------------------|
| | September 30, 2012 | June 30, 2012 | September 30, 2011 |
| Net Interest and Dividend Income | \$ 94 | \$ 75 | \$ 101 |
| Net Realized and Unrealized Gain/(Loss) from Investments | 395 | (189) | (1,150) |
| Change in Liability to Selling and Converting Shareholders ¹ | (1,684) | 315 | (50) |
| Other (Expense) | (44) | (72) | (61) |
| GAAP Other Income/(Expense) | (1,239) | 129 | (1,160) |
| Change in Liability to Selling and Converting Shareholders ¹ | 1,684 | (315) | 50 |
| Outside Interests of Investment Partnerships ² | (210) | 116 | 714 |
| Non-GAAP Other Income/(Expense), Net of Outside Interests | <u>\$ 235</u> | <u>\$ (70)</u> | <u>\$ (396)</u> |

| | Nine Months Ended | |
|---|-----------------------|-----------------------|
| | September 30, 2012 | September 30, 2011 |
| Net Interest and Dividend Income | \$ 221 | \$ 244 |
| Net Realized and Unrealized Gain/(Loss) from Investments | 1,061 | (709) |
| Change in Liability to Selling and Converting Shareholders ¹ | (2,342) | (2,307) |
| Other (Expense) | (11) | (232) |
| GAAP Other (Expense) | (1,071) | (3,004) |
| Change in Liability to Selling and Converting Shareholders ¹ | 2,342 | 2,307 |
| Outside Interests of Investment Partnerships ² | (563) | 663 |
| Non-GAAP Other Income/(Expense), Net of Outside Interests | <u>\$ 708</u> | <u>\$ (34)</u> |

(1) Reflects the change in the liability to the Company's selling and converging shareholders associated with the deferred tax asset generated by the Company's

initial public offering and subsequent unit conversions.

(2) Represents the non-controlling interest allocation of the loss/(income) of the Company's consolidated investment partnerships to its external investors.

The Company recognized a \$0.8 million income tax benefit for the third quarter of 2012, and a \$1.5 million income tax expense for both the third quarter of 2011 and the second quarter of 2012. Third quarter 2012 income taxes included \$2.1 million in income associated with a decrease to the valuation allowance recorded against the Company's deferred tax asset related to the basis step ups associated with operating company unit exchanges. Such adjustments generated income tax expenses of \$0.3 million in the third quarter of 2011 and \$0.4 million in the second quarter of 2012. Details of the income tax expense/(benefit), as well as a reconciliation of the related GAAP and non-GAAP measures, are shown below:

Income Tax (Benefit)/Expense (unaudited)

(\$ thousands)

| | Three Months Ended | | |
|--|-----------------------|------------------|-----------------------|
| | September 30, 2012 | June 30, 2012 | September 30, 2011 |
| Corporate Income Tax Expense | \$ 654 | \$ 537 | \$ 622 |
| Unincorporated Business Tax Expense | 594 | 551 | 596 |
| Non-GAAP Income Tax Expense | 1,248 | 1,088 | 1,218 |
| Change in Valuation Allowance ¹ | (2,075) | 446 | 282 |
| GAAP Income Tax (Benefit)/Expense | <u>\$ (827)</u> | <u>\$ 1,534</u> | <u>\$ 1,500</u> |

| | Nine Months Ended | |
|--|-----------------------|-----------------------|
| | September 30, 2012 | September 30, 2011 |
| Corporate Income Tax Expense | \$ 1,873 | \$ 2,068 |
| Unincorporated Business Tax Expense | 1,778 | 2,062 |
| Non-GAAP Income Tax Expense | 3,651 | 4,130 |
| Change in Valuation Allowance ¹ | (2,698) | (2,563) |
| GAAP Income Tax Expense | <u>\$ 953</u> | <u>\$ 1,567</u> |

(1) Reflects the valuation allowance assessed against the deferred tax asset established as part of the Company's initial public offering and subsequent unit conversions.

Details of the non-controlling interests in the operations of the Company's operating company and consolidated subsidiaries, as well as a reconciliation of the related GAAP and non-GAAP measures, are shown below:

Non-Controlling Interests (unaudited)

(\$ thousands)

| | Three Months Ended | | |
|---|-----------------------|------------------|-----------------------|
| | September 30, 2012 | June 30, 2012 | September 30, 2011 |
| Operating Company Allocation ¹ | \$ 7,523 | \$ 6,508 | \$ 7,811 |
| Outside Interests of Investment Partnerships ² | 210 | (116) | (714) |
| GAAP Net Income Attributable to Non-Controlling Interests | <u>\$ 7,733</u> | <u>\$ 6,392</u> | <u>\$ 7,097</u> |

| | Nine Months Ended | |
|---|-----------------------|-----------------------|
| | September 30, 2012 | September 30, 2011 |
| Operating Company Allocation ¹ | \$ 22,240 | \$ 26,841 |
| Outside Interests of Investment Partnerships ² | 563 | (663) |
| GAAP Net Income Attributable to Non-Controlling Interests | <u>\$ 22,803</u> | <u>\$ 26,178</u> |

(1) Reflects the change in the liability to the Company's selling and converging shareholders associated with the deferred tax asset generated by the Company's initial public offering and subsequent unit conversions.

(2) Represents the non-controlling interest allocation of the loss/(income) of the Company's consolidated investment partnerships to its external investors.

On October 17, 2012, the Company's Board of Directors approved a quarterly dividend of \$0.03 per share of its Class A common stock to be declared on October 23, 2012. The following dates apply to the dividend:

Record Date: November 15, 2012

Payment Date: November 29, 2012

During the last twelve months, inclusive of the dividend noted above, the Company declared total dividends of \$0.28 per share of its Class A common stock.

Third quarter 2012 Earnings Call Information

Pzena Investment Management, Inc. (NYSE: PZN) will hold a conference call to discuss the Company's financial results and outlook at 10:00 a.m. ET, Wednesday, October 24, 2012. The call will be open to the public.

Webcast Instructions: To gain access to the webcast, which will be "listen-only," go to the Events page in the Investor Relations area of the Company's website, www.pzena.com.

Teleconference Instructions: To gain access to the conference call via telephone, U.S./Canada callers should dial 800-435-1398; international callers should dial 617-614-4078. The conference ID number is 98609292.

Replay: The conference call will be available for replay through November 9, 2012, on the web using the information given above.

About Pzena Investment Management

Pzena Investment Management, LLC, the firm's operating company, is a value-oriented investment management firm. Founded in 1995, Pzena Investment Management has built a diverse, global client base. More firm and stock information is posted at www.pzena.com.

Forward-Looking Statements

This press release may contain, in addition to historical information, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the Company's current assumptions, expectations and projections about future events. Words like "believe," "anticipate," "intend," "estimate," "expect," "project," and similar expressions are used to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements are necessarily estimates reflecting the best judgment of the Company's management and involve a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed or implied by the forward-looking statements.

Among the factors that could cause actual results to differ from those expressed or implied by a forward-looking statement are those described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K, as filed with the SEC on March 14, 2012 and in the Company's Quarterly Reports on Form 10-Q as filed with the SEC. In light of these risks, uncertainties, assumptions, and factors, actual results could differ materially from those expressed or implied in the forward-looking statements.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this release.

The Company is not under any obligation and does not intend to make publicly available any update or other revisions to any forward-looking statements to reflect circumstances existing after the date of this release or to reflect the occurrence of future events even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized.

Contact: Lawrence Kohn, 212-355-1600 or kohn@pzena.com

PZENA INVESTMENT MANAGEMENT, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(in thousands)

| | As of | |
|--|-------------------------------------|------------------------------------|
| | <u>September 30,</u> <u>2012</u> | <u>December 31,</u> <u>2011</u> |
| | (unaudited) | |
| ASSETS | | |
| Cash and Cash Equivalents | \$ 38,130 | \$ 35,083 |
| Restricted Cash | 1,030 | 1,030 |
| Due from Broker | 3,744 | 457 |
| Advisory Fees Receivable | 14,586 | 14,717 |
| Investments, at Fair Value | 5,106 | 4,919 |
| Prepaid Expenses and Other Assets | 731 | 808 |
| Deferred Tax Asset, Net of Valuation Allowance of \$60,287 and \$61,050, respectively | 9,991 | 8,835 |
| Property and Equipment, Net of Accumulated Depreciation of \$2,649 and \$2,516, respectively | 755 | 829 |
| TOTAL ASSETS | <u><u>\$ 74,073</u></u> | <u><u>\$ 66,678</u></u> |
| LIABILITIES AND EQUITY | | |
| Liabilities: | | |
| Accounts Payable and Accrued Expenses | \$ 15,371 | \$ 6,062 |
| Due to Broker | 1,741 | - |
| Liability to Selling and Converting Shareholders | 11,710 | 11,218 |
| Lease Liability | 1,335 | 1,795 |
| Deferred Compensation Liability | 975 | 1,173 |
| Other Liabilities | 206 | 206 |
| TOTAL LIABILITIES | <u>31,338</u> | <u>20,454</u> |
| Equity: | | |
| Total Pzena Investment Management, Inc.'s Equity | 14,462 | 13,937 |
| Non-Controlling Interests | 28,273 | 32,287 |
| TOTAL EQUITY | <u>42,735</u> | <u>46,224</u> |
| TOTAL LIABILITIES AND EQUITY | <u><u>\$ 74,073</u></u> | <u><u>\$ 66,678</u></u> |

PZENA INVESTMENT MANAGEMENT, INC.

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per-share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|---|---------------|--|-----------------|
| | 2012 | 2011 | 2012 | 2011 |
| REVENUE | \$ 18,861 | \$ 19,950 | \$ 56,968 | \$ 64,109 |
| EXPENSES | | | | |
| Compensation and Benefits Expense | 7,689 | 7,727 | 23,874 | 24,375 |
| General and Administrative Expense | 1,764 | 1,969 | 5,383 | 5,972 |
| TOTAL OPERATING EXPENSES | 9,453 | 9,696 | 29,257 | 30,347 |
| Operating Income | 9,408 | 10,254 | 27,711 | 33,762 |
| Other (Expense) | (1,239) | (1,160) | (1,071) | (3,004) |
| Income Before Taxes | 8,169 | 9,094 | 26,640 | 30,758 |
| Income Tax (Benefit)/Expense | (827) | 1,500 | 953 | 1,567 |
| Consolidated Net Income | 8,996 | 7,594 | 25,687 | 29,191 |
| Less: Net Income Attributable to Non-Controlling Interests | 7,733 | 7,097 | 22,803 | 26,178 |
| Net Income Attributable to Pzena Investment Management, Inc. | <u>\$ 1,263</u> | <u>\$ 497</u> | <u>\$ 2,884</u> | <u>\$ 3,013</u> |

Earnings per Share - Basic and Diluted Attributable to
Pzena Investment Management, Inc. Common Stockholders:

| | | | | |
|---|------------|------------|------------|------------|
| Net Income for Basic Earnings per Share | \$ 1,263 | \$ 497 | \$ 2,884 | \$ 3,013 |
| Basic Earnings per Share | \$ 0.12 | \$ 0.05 | \$ 0.27 | \$ 0.31 |
| Basic Weighted Average Shares Outstanding | 10,780,603 | 10,013,573 | 10,640,878 | 9,770,068 |
| Net Income for Diluted Earnings per Share | \$ 5,562 | \$ 497 | \$ 15,594 | \$ 18,350 |
| Diluted Earnings per Share | \$ 0.09 | \$ 0.05 | \$ 0.24 | \$ 0.28 |
| Diluted Weighted Average Shares Outstanding | 65,404,610 | 10,013,573 | 65,382,457 | 65,011,182 |

PZENA INVESTMENT MANAGEMENT, INC.

UNAUDITED NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per-share amounts)

| | Non-GAAP Basis Three Months Ended September 30, | | Non-GAAP Basis Nine Months Ended September 30, | |
|--|---|---------------|--|-----------------|
| | 2012 | 2011 | 2012 | 2011 |
| REVENUE | \$ 18,861 | \$ 19,950 | \$ 56,968 | \$ 64,109 |
| EXPENSES | | | | |
| Compensation and Benefits Expense | 7,689 | 7,727 | 23,874 | 24,375 |
| General and Administrative Expense | 1,764 | 1,969 | 5,383 | 5,972 |
| TOTAL OPERATING EXPENSES | 9,453 | 9,696 | 29,257 | 30,347 |
| Operating Income | 9,408 | 10,254 | 27,711 | 33,762 |
| Other Income/(Expense), Net of Outside Interests | 235 | (396) | 708 | (34) |
| Income Before Taxes and Operating Company Allocation | 9,643 | 9,858 | 28,419 | 33,728 |
| Unincorporated Business Tax Expense | 594 | 596 | 1,778 | 2,062 |
| Allocable Income | 9,049 | 9,262 | 26,641 | 31,666 |
| Operating Company Allocation | 7,523 | 7,811 | 22,240 | 26,841 |
| Income Before Corporate Income Taxes | 1,526 | 1,451 | 4,401 | 4,825 |
| Corporate Income Tax Expense | 654 | 622 | 1,873 | 2,068 |
| Non-GAAP Net Income | <u>\$ 872</u> | <u>\$ 829</u> | <u>\$ 2,528</u> | <u>\$ 2,757</u> |
| Tax Receivable Agreement Income, Net of Taxes | 391 | (332) | 356 | 256 |
| GAAP Net Income | <u>\$ 1,263</u> | <u>\$ 497</u> | <u>\$ 2,884</u> | <u>\$ 3,013</u> |
| Earnings Per Share - Basic and Diluted Attributable to Pzena Investment Management, Inc. Common Stockholders: | | | | |
| Net Income for Basic Earnings per Share | \$ 872 | \$ 829 | \$ 2,528 | \$ 2,757 |
| Basic Earnings per Share | \$ 0.08 | \$ 0.08 | \$ 0.24 | \$ 0.28 |
| Basic Weighted Average Shares Outstanding | 10,780,603 | 10,013,573 | 10,640,878 | 9,770,068 |
| Net Income for Diluted Earnings per Share | \$ 5,171 | \$ 5,292 | \$ 15,238 | \$ 18,094 |
| Diluted Earnings per Share | \$ 0.08 | \$ 0.08 | \$ 0.23 | \$ 0.28 |
| Diluted Weighted Average Shares Outstanding | 65,404,610 | 64,910,014 | 65,382,457 | 65,011,182 |