

VIRTUS INVESTMENT PARTNERS, INC.  
Form 10-Q  
October 30, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the quarterly period ended September 30, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-10994

VIRTUS INVESTMENT PARTNERS, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)  
100 Pearl St., Hartford, CT 06103  
(Address of principal executive offices) (Zip Code)  
(800) 248-7971  
(Registrant's telephone number, including area code)

95-4191764  
(I.R.S. Employer  
Identification No.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.



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“We,” “us,” “our,” the “Company” and “Virtus” as used in this Quarterly Report on Form 10-Q, refer to Virtus Investment Partners, Inc., a Delaware corporation, and its subsidiaries.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

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Virtus Investment Partners, Inc.  
 Condensed Consolidated Balance Sheets  
 (Unaudited)

	September 30, 2015	December 31, 2014
(\$ in thousands, except share data)		
Assets:		
Cash and cash equivalents	\$ 126,470	\$ 202,847
Investments	55,225	63,448
Accounts receivable, net	40,107	49,721
Assets of consolidated sponsored investment products		
Cash of consolidated sponsored investment products	2,257	457
Cash pledged or on deposit of consolidated sponsored investment products	14,475	8,230
Investments of consolidated sponsored investment products	311,429	236,652
Other assets of consolidated sponsored investment products	10,494	6,960
Assets of consolidated investment product		
Cash equivalents of consolidated investment product	120	—
Investments and other assets of consolidated investment product	131,882	—
Furniture, equipment, and leasehold improvements, net	9,042	7,193
Intangible assets, net	41,672	41,783
Goodwill	6,649	5,260
Deferred taxes, net	59,700	60,162
Other assets	17,241	16,060
Total assets	\$ 826,763	\$ 698,773
Liabilities and Equity		
Liabilities:		
Accrued compensation and benefits	\$ 38,206	\$ 54,815
Accounts payable and accrued liabilities	39,739	31,627
Dividends payable	4,258	4,270
Other liabilities	12,805	9,082
Liabilities of consolidated sponsored investment products	29,849	12,556
Liabilities of consolidated investment product		
Debt of consolidated investment product	9,140	—
Securities purchased payable of consolidated investment product	103,541	—
Total liabilities	237,538	112,350
Commitments and Contingencies (Note 12)		
Redeemable noncontrolling interests	49,895	23,071
Equity:		
Equity attributable to stockholders:		
Common stock, \$0.01 par value, 1,000,000,000 shares authorized; 9,611,575 shares issued and 8,667,666 shares outstanding at September 30, 2015 and 9,551,274 shares issued and 8,975,833 shares outstanding at December 31, 2014	96	96
Additional paid-in capital	1,142,182	1,148,908
Accumulated deficit	(479,051)	(507,521)
Accumulated other comprehensive loss	(902)	(242)
Treasury stock, at cost, 943,909 and 575,441 shares at September 30, 2015 and December 31, 2014, respectively	(122,699)	(77,699)
Total equity attributable to stockholders	539,626	563,542
Noncontrolling interests	(296)	(190)

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Total equity	539,330	563,352
Total liabilities and equity	\$ 826,763	\$ 698,773

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Virtus Investment Partners, Inc.  
 Condensed Consolidated Statements of Operations  
 (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
(\$ in thousands, except per share data)				
Revenues				
Investment management fees	\$64,891	\$78,960	\$204,254	\$225,289
Distribution and service fees	15,587	23,671	52,820	70,049
Administration and transfer agent fees	11,614	14,804	37,233	41,819
Other income and fees	283	406	1,555	1,304
Total revenues	92,375	117,841	295,862	338,461
Operating Expenses				