

Eaton Vance Corp.

Fourth Quarter Fiscal 2020 Supplemental Information

November 24, 2020

2 | Fourth Quarter Fiscal 2020 Financial Highlights



Financial Results

- (\$0.31) of GAAP earnings per diluted share, reflecting \$0.99 per diluted share charges related to pending Morgan Stanley transaction and \$0.19 per diluted share impairment loss on investment in Hexavest
- \$0.88 of adjusted earnings per diluted share, up 7% sequentially and down 1% year-over-year
- \$451.1 million of consolidated revenue, up 7% sequentially and up 4% year-over-year
- 31.6% adjusted operating margin flat versus 3Q F2020 and down from 31.8% in 4Q F2019

Managed Assets and Flows

- \$515.7 billion ending consolidated AUM, up 2% sequentially and up 4% from a year ago
- \$5.2 billion of consolidated net inflows, or \$4.8 billion excluding Parametric overlay services
- Annualized internal growth of 4% in managed assets and 5% in management fee revenue

Investment Performance

- 32 U.S. mutual funds currently rated 5 stars by Morningstar for one or more share classes
- 70 U.S. mutual funds currently rated 4 or 5 stars by Morningstar for at least one class of shares
- 18% of U.S. mutual fund AUM in funds ranking in top quartile of their Morningstar peer group over three years, 46% over five years and 55% over ten years

Capital Management

- \$0.375 per share regular quarterly dividend
- \$1.1 billion of cash, cash equivalents and short-term debt securities held
- \$266.0 million of seed capital investments in managed funds and accounts
- \$300.0 million undrawn line of credit; no debt due until June 2023

Management believes that certain non-U.S. GAAP financial measures, specifically, adjusted operating income, adjusted net income attributable to Eaton Vance Corp. shareholders and adjusted earnings per diluted share, while not a substitute for U.S. GAAP financial measures, may be effective indicators of the Company's performance over time. Non-U.S. GAAP financial measures should not be construed to be superior to U.S. GAAP measures. In calculating these non-U.S. GAAP financial measures, operating income, net income attributable to Eaton Vance Corp. shareholders and earnings per diluted share are adjusted to exclude items management deems non-operating or non-recurring in nature, or otherwise outside the ordinary course of business. These adjustments may include, when applicable, the add back of closed-end fund structuring fees, costs associated with debt repayments and tax settlements, the tax impact of stock-based compensation shortfalls or windfalls, impairment charges, acquisition-related items and non-recurring charges for the effect of tax law changes. The adjusted measures also exclude the impact of consolidated investment entities and other seed capital investments. Management and our Board of Directors, as well as certain of our outside investors, consider the adjusted numbers a measure of the Company's underlying operating performance. Management believes adjusted net income attributable to Eaton Vance Corp. shareholders and adjusted earnings per diluted share are important indicators of our operations because they exclude items that may not be indicative of, or are unrelated to, our core operating results, and may provide a useful baseline for analyzing trends in our underlying business.

Effective in the second quarter of fiscal 2020, the Company's calculation of non-U.S. GAAP financial measures excludes the impact of consolidated investment entities and other seed capital investments. Adjustments to U.S. GAAP operating income include the add-back of management fee revenue received from consolidated investment entities that are eliminated in consolidation and the non-management expenses of consolidated sponsored funds recognized in consolidation. Adjustments to U.S. GAAP net income attributable to Eaton Vance Corp. shareholders include the after-tax impact of these adjustments to operating income and the elimination of gains (losses) and other investment income (expense) of consolidated investment entities and other seed capital investments included in non-operating income (expense), as determined net of tax and non-controlling and other beneficial interests. All prior period non-U.S. GAAP financial measures have been updated to reflect this change.

3 | Summary of Proposed Acquisition of Eaton Vance by Morgan Stanley



Transaction Overview

- Eaton Vance and Morgan Stanley announced on October 8, 2020 that they have entered into a definitive agreement for Morgan Stanley to acquire Eaton Vance
- Eaton Vance shareholders will receive at closing \$28.25 per share in cash and 0.5833 shares of Morgan Stanley common stock per share of Eaton Vance common stock held
- Each Eaton Vance shareholder may elect to receive the merger consideration all in cash or all in stock, subject to proration and adjustment
- Anticipate that the transaction proceeds received in Morgan Stanley stock will not be taxable to Eaton Vance shareholders
- Proposed transaction is subject to customary closing conditions and expected to close in the second quarter of 2021; the Company's management believes the transaction is on track to close as scheduled

Special Dividend

- Merger agreement provides for Eaton Vance shareholders to receive, prior to the close of the transaction, a one-time special dividend of \$4.25 per share of Eaton Vance common stock held
- Eaton Vance Board of Directors has declared the \$4.25 per share special dividend as payable on December 18, 2020 to shareholders of record of December 4, 2020

Fourth Quarter Financial Impact

- Eaton Vance recognized \$146.0 million of accelerated stock-based compensation expense and \$8.5 million of legal, consulting and other costs in the fourth quarter of fiscal 2020 in connection with the proposed acquisition of Eaton Vance by Morgan Stanley
- The Company's weighted average diluted shares outstanding increased by 4.2 million shares, or 4 percent, in the fourth quarter of fiscal 2020 due principally to transaction-related accelerated vesting of restricted stock awards and the impact of higher market prices of Eaton Vance non-voting common stock
- Eaton Vance earnings for the fourth quarter of fiscal 2020 reflect \$0.94 per diluted share of accelerated stock-based compensation expense and \$0.05 per diluted share of other costs recognized in connection with the proposed transaction

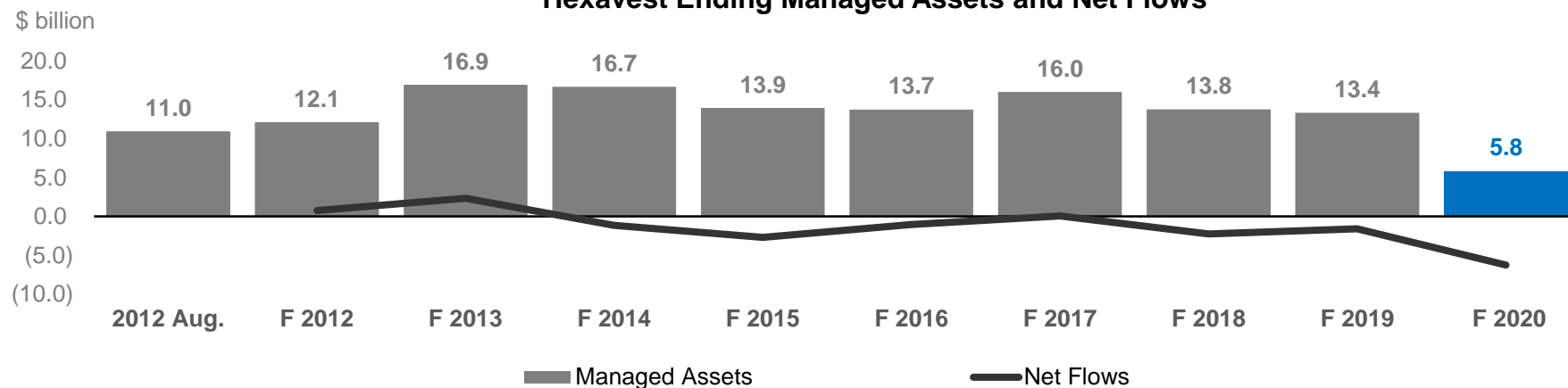
4 | Summary of Eaton Vance Investment in Hexavest Inc.



- Hexavest is a Montreal-based boutique investment manager founded in 2004
- Specializes in global equity management for institutional clients, applying a contrarian, top-down approach and active currency management
- In August 2012, Eaton Vance acquired a 49% interest and distribution rights to Hexavest strategies in markets outside Canada
- \$194.7 million initial Eaton Vance investment
- \$91.8 million cumulative allocated net income and \$83.9 million cumulative cash distributions received by Eaton Vance to date from Hexavest equity interest
- \$12.3 million cumulative contribution to Eaton Vance operating income from Hexavest strategy management and distribution fees
- \$6.5 million pre-tax charge recognized in first quarter of fiscal 2018 upon expiration of option to acquire additional 26% interest in Hexavest
- Impairment charges of \$100.5 million and \$21.8 million recognized in third and fourth quarters of fiscal 2020; current carrying value after impairment of \$11.4 million

Eaton Vance Investment in Hexavest	
<i>Cumulative since August 2012 acquisition (\$ millions)</i>	
49% equity interest	\$ 186.4
<u>Option to acquire additional 26% interest</u>	<u>8.3</u>
Total initial investment	<u>194.7</u>
<i>Financial impact of option:</i>	
Loss recognized on expiration of option (1Q F18)	(6.5)
<u>Foreign currency loss on expiration of option</u>	<u>(1.8)</u>
Net loss on option	<u>(8.3)</u>
<i>Financial impact of equity investment:</i>	
Net income earned to date	91.8
Amortization of intangible asset	(11.7)
<u>Impairment charge (3Q F20)</u>	<u>(100.5)</u>
<u>Impairment charge (4Q F20)</u>	<u>(21.8)</u>
Net loss on 49% equity interest	<u>(42.1)</u>
Dividends received to date (return of capital)	(83.9)
<u>Unrealized foreign currency loss on investment</u>	<u>(49.0)</u>
Total carrying value - October 31, 2020	\$ 11.4

Hexavest Ending Managed Assets and Net Flows



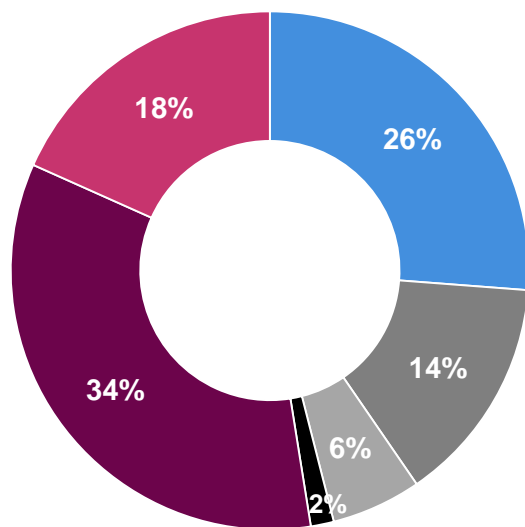
Includes managed assets and flows of Eaton Vance-sponsored funds for which Hexavest is adviser or sub-adviser. Eaton Vance receives management fees (and in some cases also distribution fees) on these assets, which are included in Eaton Vance consolidated assets under management and flows. Also includes managed assets and flows of Eaton Vance-distributed separate accounts managed by Hexavest, for which Eaton Vance receives distribution fees, but not management fees, as well as the managed assets and flows of pre-transaction Hexavest clients and post-transaction Hexavest clients in Canada, for which Eaton Vance receives no management fees or distribution fees. Hexavest funds and accounts for which Eaton Vance does not receive management fees are not included in Eaton Vance consolidated assets under management and flows.



by Investment Mandate

Ending Assets under Management

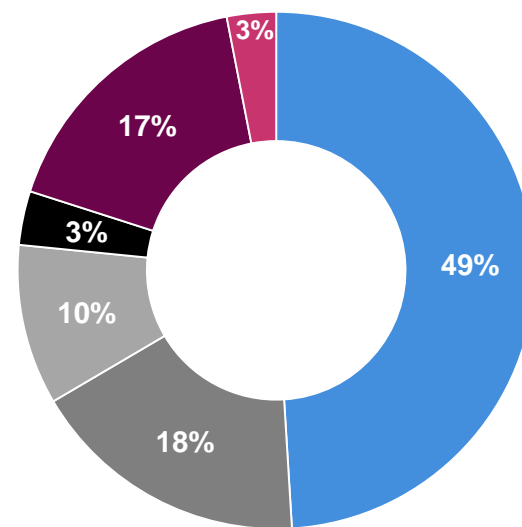
(As of October 31, 2020)



\$515.7 billion

Management Fees

(For the fiscal year ended October 31, 2020)



\$1,514.4 million

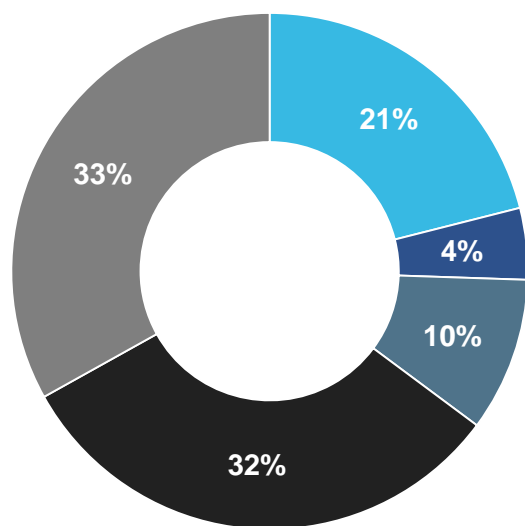
- Equity
- Fixed Income
- Floating-Rate Income
- Alternative
- Parametric Custom Portfolios
- Parametric Overlay Services



by Investment Vehicle

Ending Assets under Management

(As of October 31, 2020)

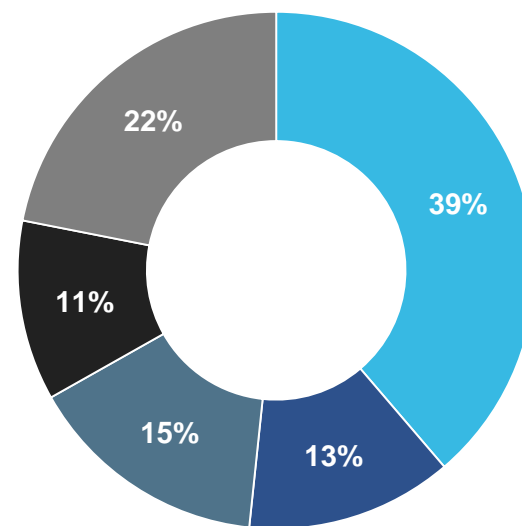


\$515.7 billion

Management Fees

(For the fiscal year ended October 31, 2020)

- Open-End Funds
- Closed-End Funds
- Private Funds
- Institutional Separate Accounts
- Individual Separate Accounts

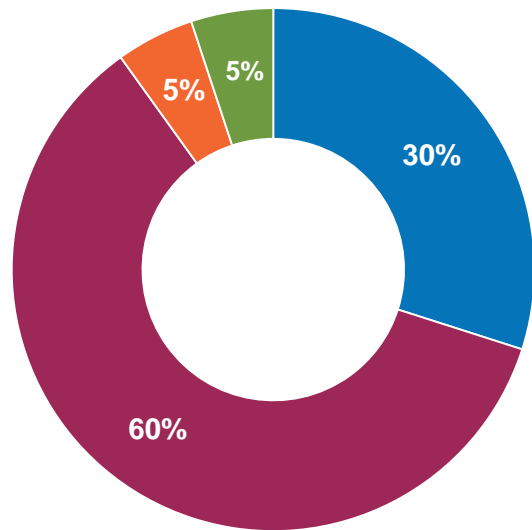


\$1,514.4 million



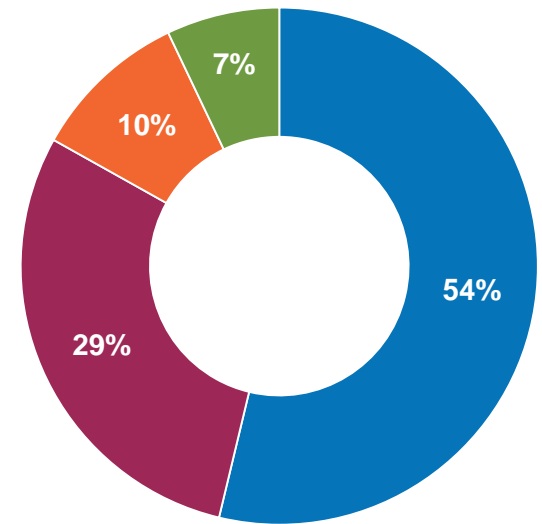
by Investment Affiliate

Ending Assets under Management
(As of October 31, 2020)



\$515.7 billion

Management Fees
(For the fiscal year ended October 31, 2020)



\$1,514.4 million

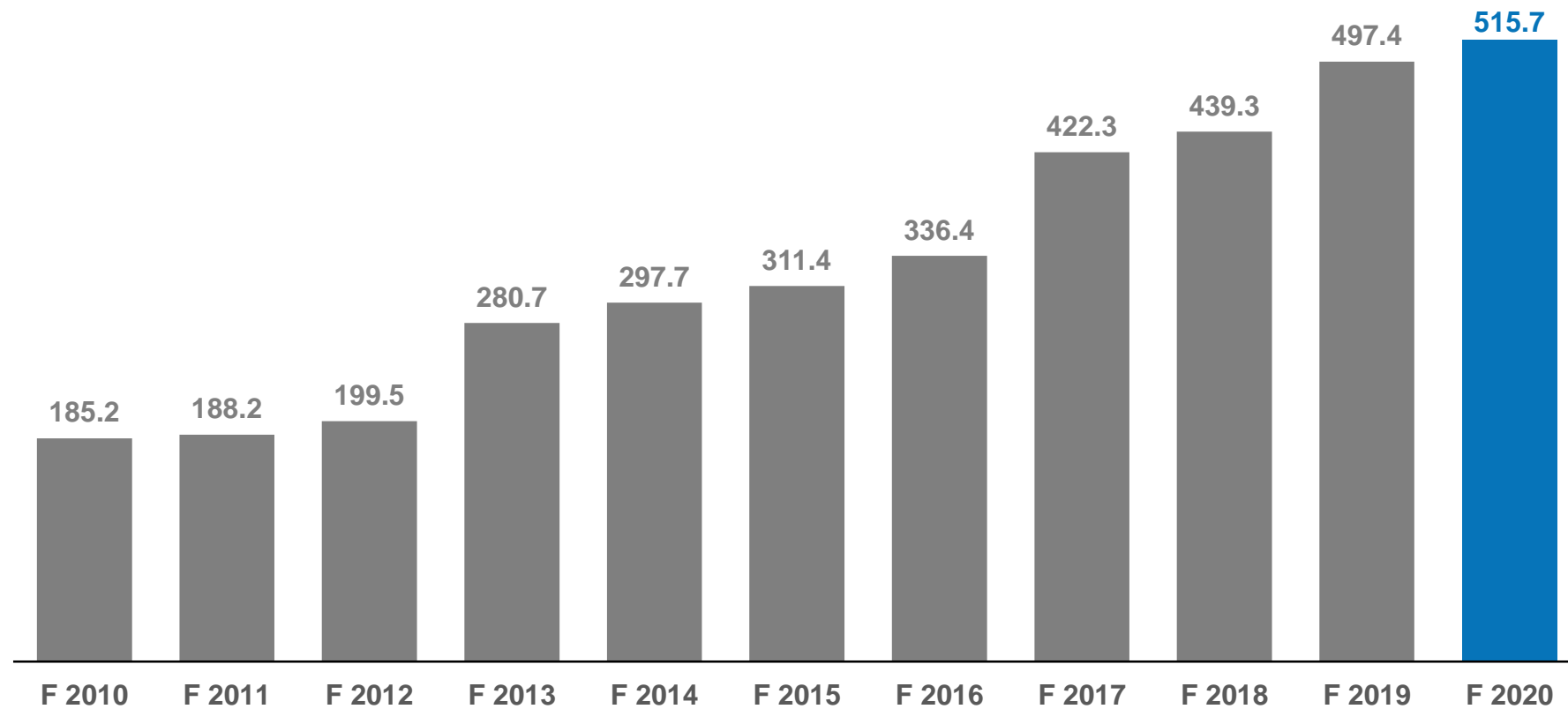
- Eaton Vance Management
- Parametric
- Atlanta Capital
- Calvert

Eaton Vance Corp. consolidated totals as of and for the period ended October 31, 2020. Does not include the directly managed assets and associated revenue of 49%-owned Hexavest Inc. Managed assets and associated revenue of client portfolios overseen by multiple Eaton Vance affiliates are attributed based on the strategy's primary identity.

8 | Consolidated Assets under Management



\$ billion

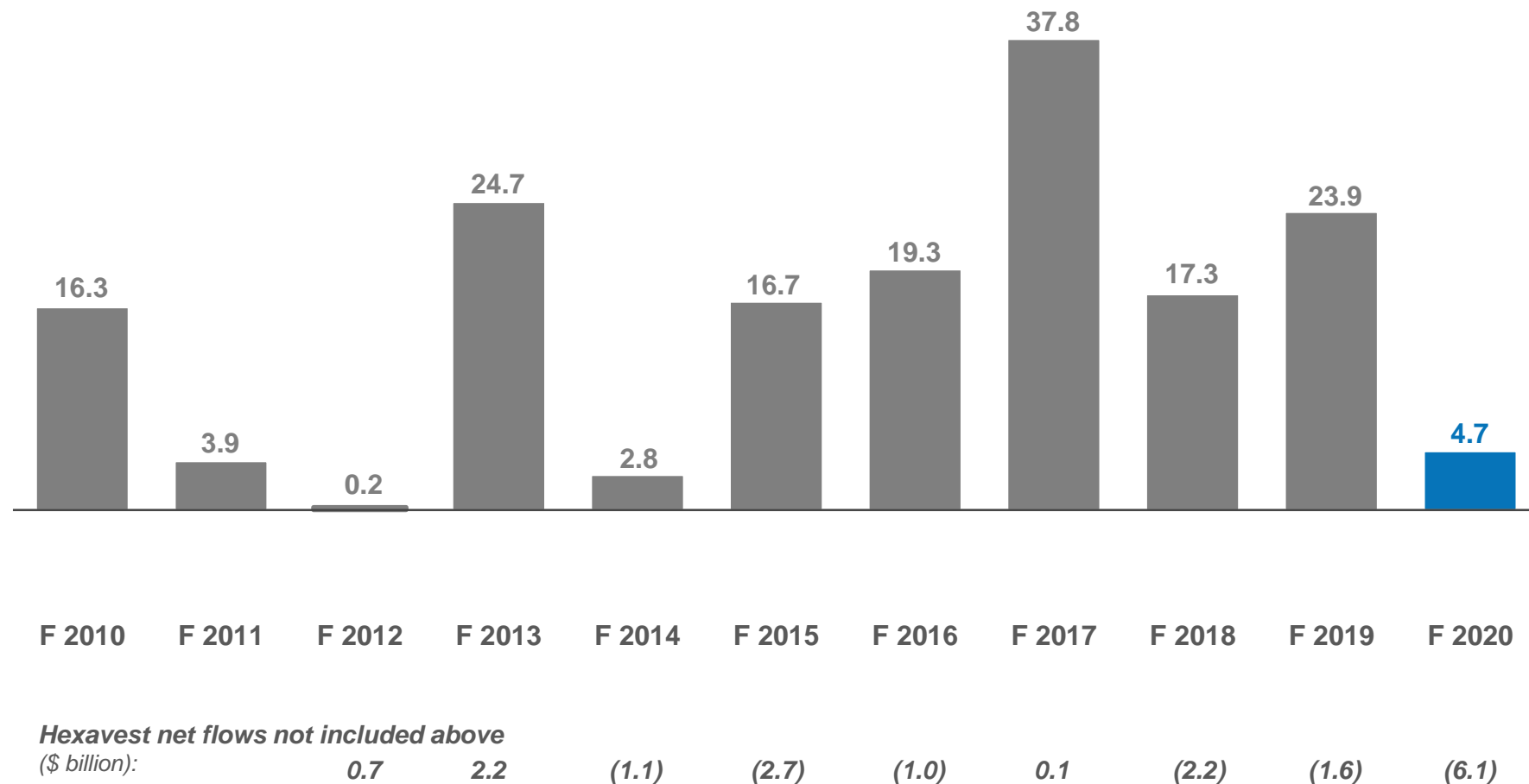


Eaton Vance Corp. consolidated totals as of period end. Does not include the directly managed assets of 49%-owned Hexavest Inc., which were \$5.8 billion as of October 31, 2020.

9 | Consolidated Net Inflows

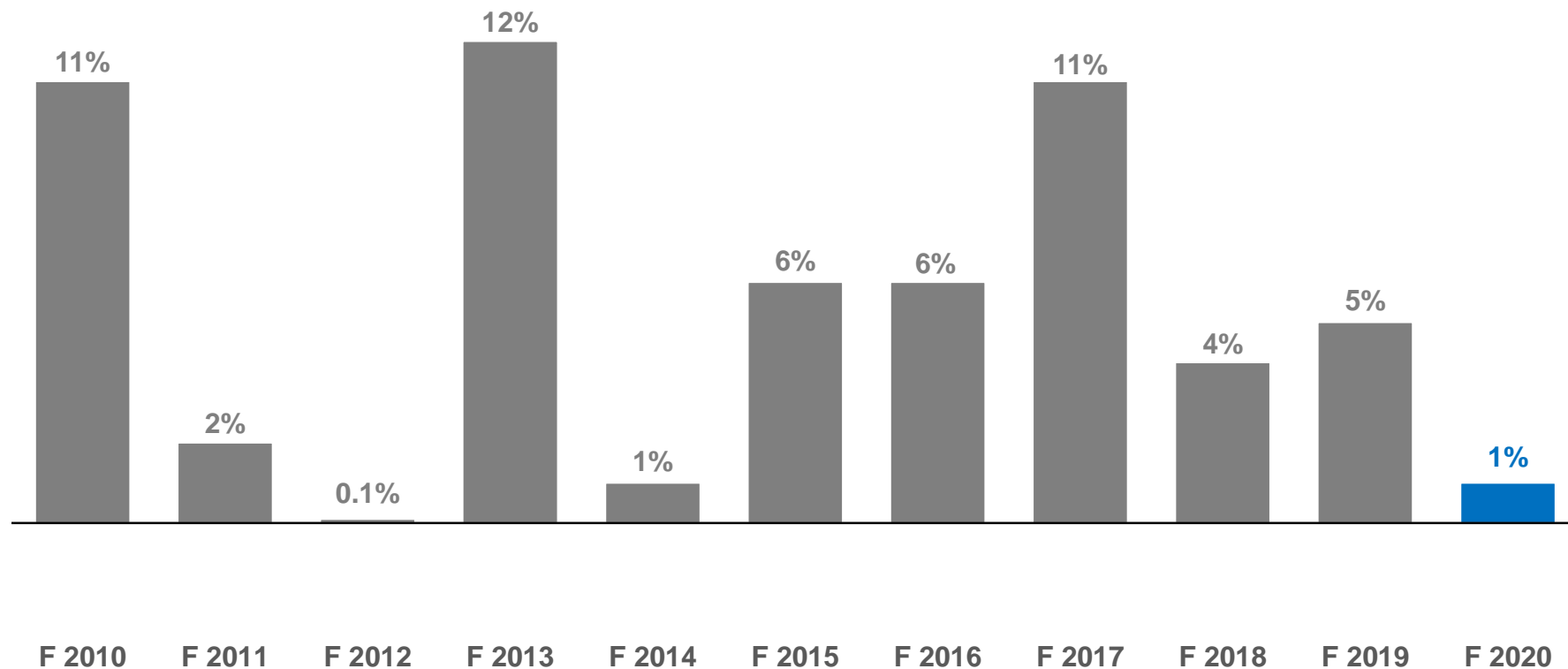


\$ billion



Does not reflect assets acquired or, except as noted, flows into directly managed assets of 49%-owned Hexavest, Inc.

10 | Annualized Internal Growth in Consolidated Managed Assets



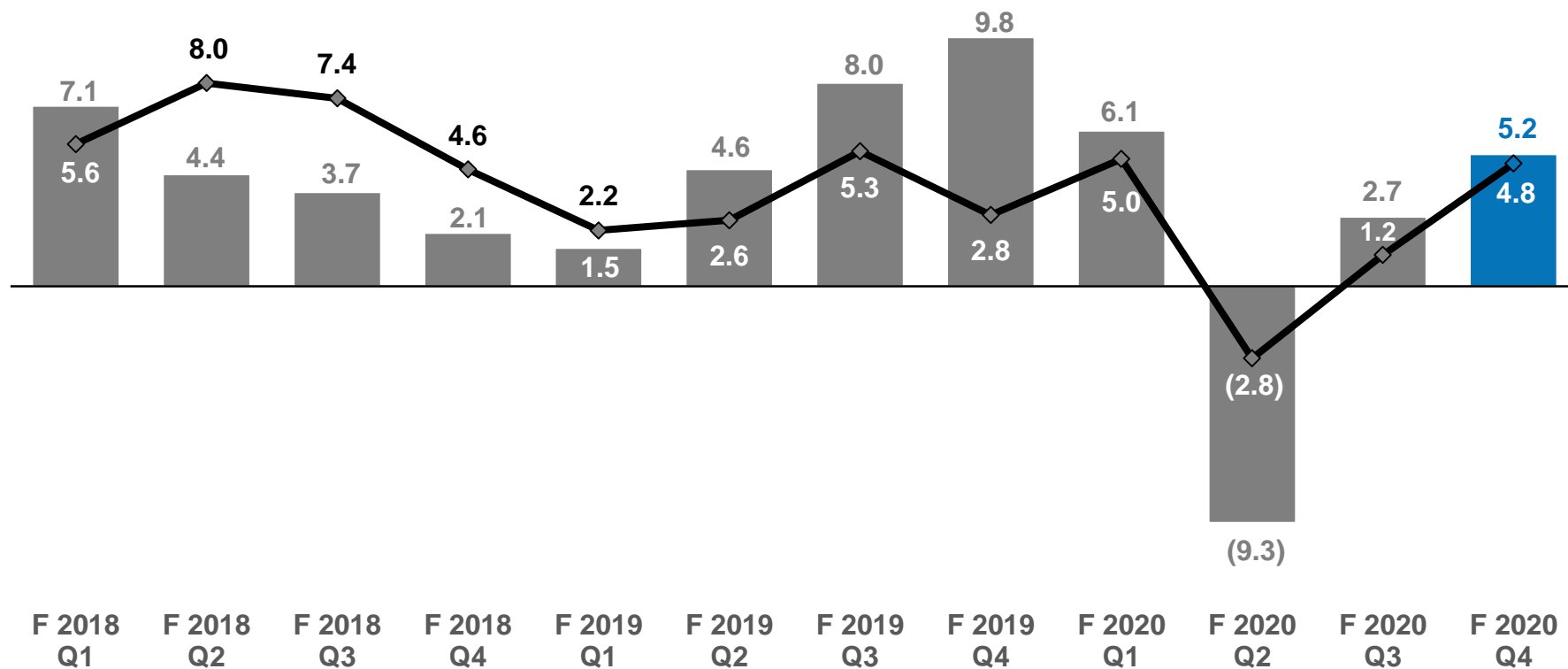
Consolidated net inflows divided by beginning of period consolidated assets under management. Does not reflect assets acquired or directly managed assets and related flows of 49%-owned Hexavest Inc.

11 | Consolidated Net Flows by Quarter



\$ billion

—◆— Excluding Parametric Overlay Services



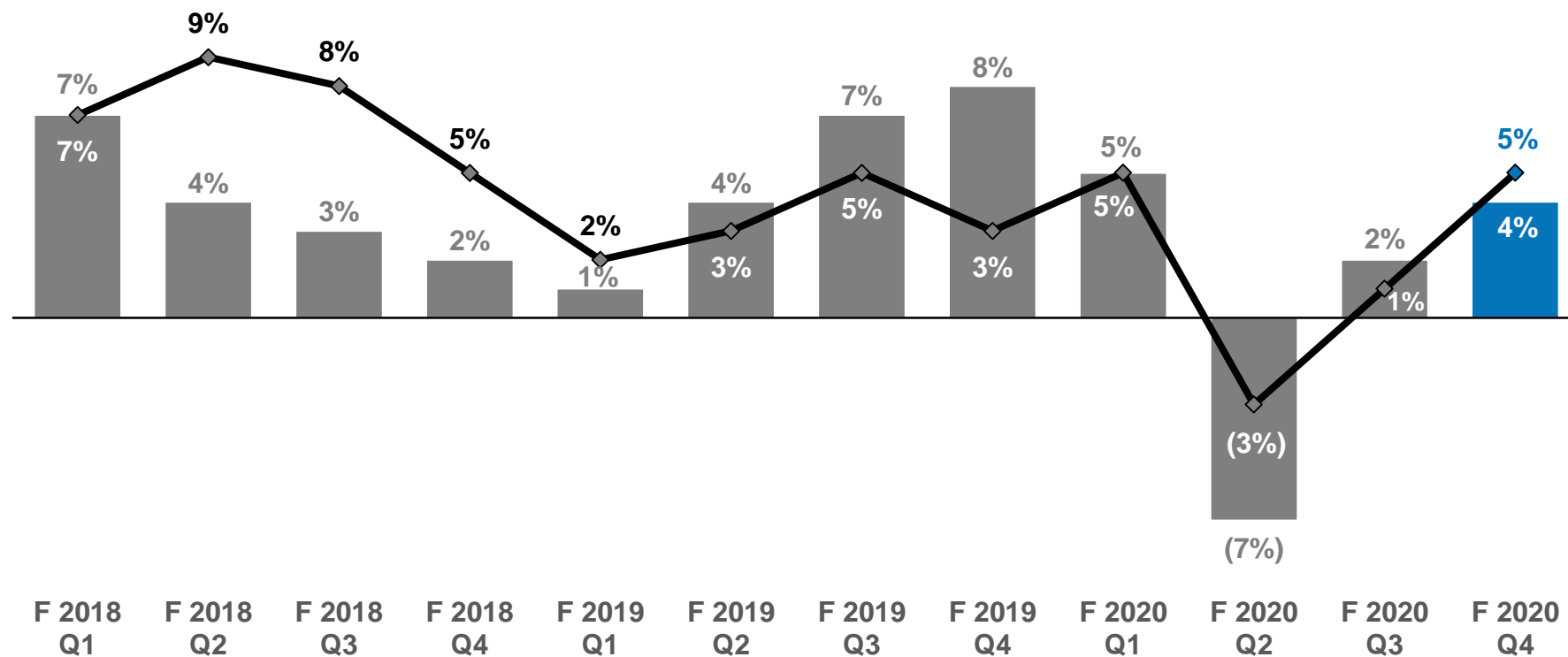
Hexavest net flows not included above (\$ billion):
 (0.4) (0.2) (0.7) (0.9) (0.7) 0.2 (0.6) (0.4) (0.5) (2.1) (2.7) (0.8)

Consolidated quarterly net inflows. Does not reflect assets acquired or, except as noted, flows for directly managed assets of 49%-owned Hexavest Inc.

12 | Annualized Internal Growth in Consolidated Managed Assets by Quarter

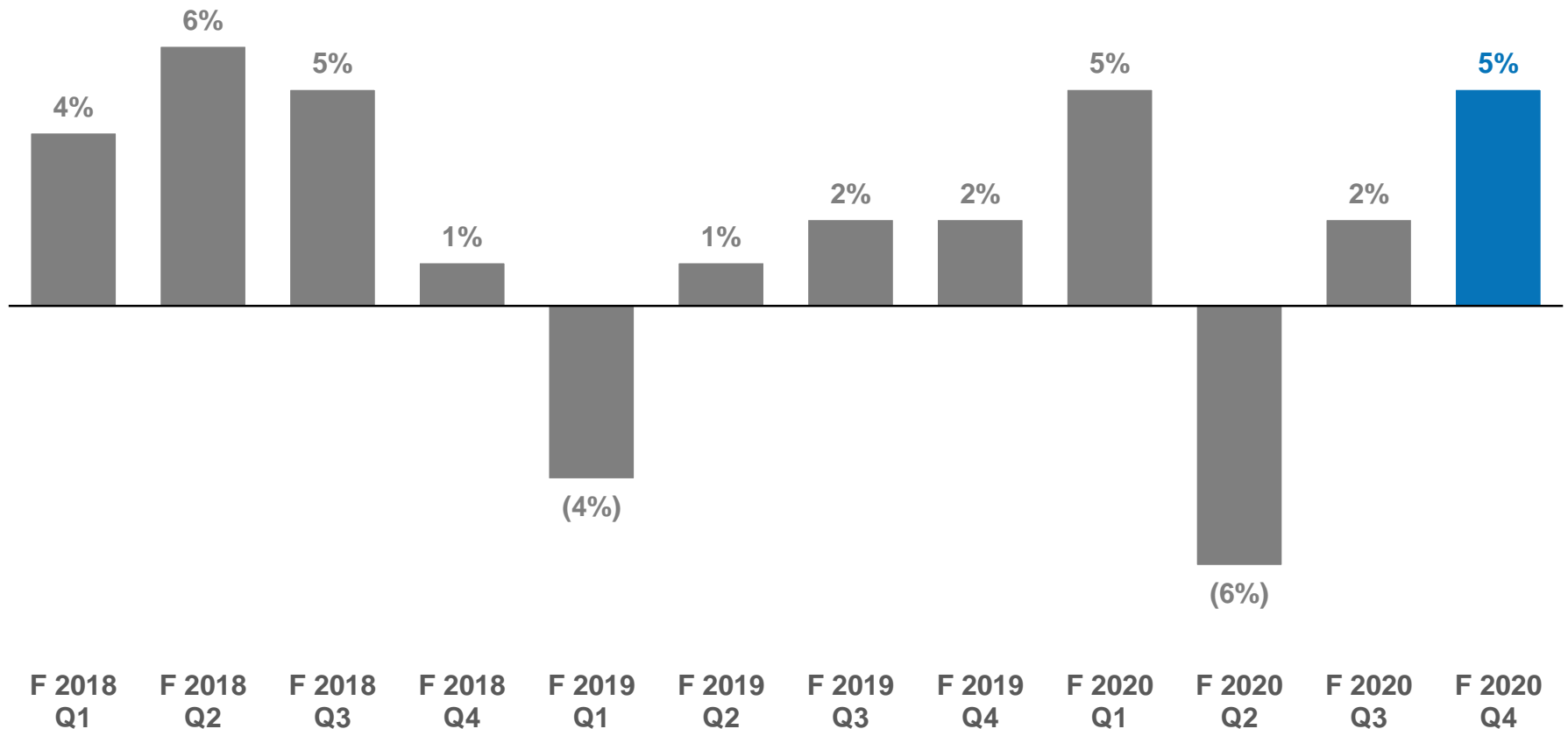


—◆— Excluding Parametric Overlay Services



Quarterly consolidated net inflows x 4 divided by beginning of period consolidated assets under management. Does not reflect assets acquired or directly managed assets and related flows of 49%-owned Hexavest Inc.

13 | Annualized Internal Growth in Consolidated Management Fees by Quarter

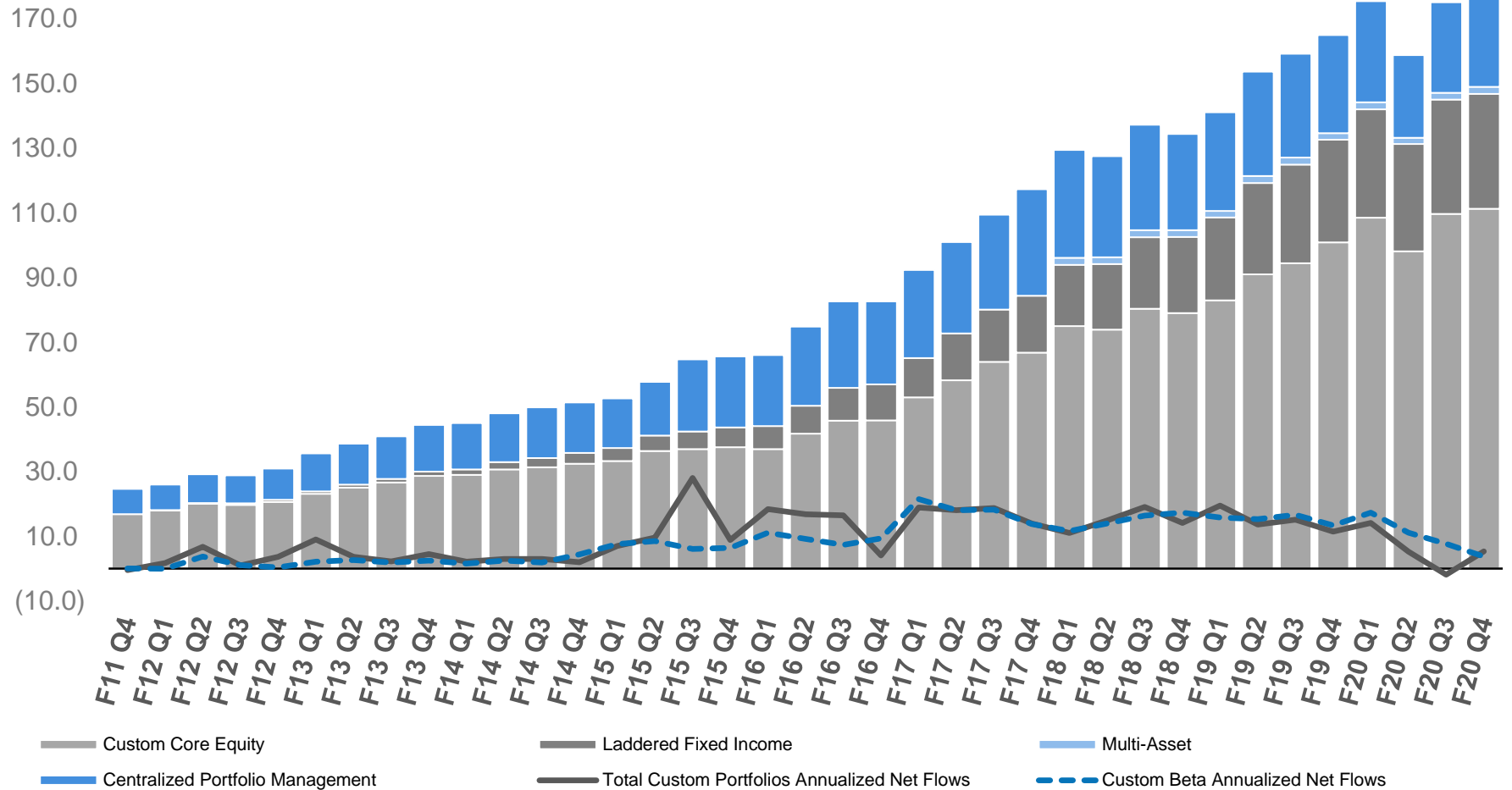


Does not reflect assets acquired or directly managed assets and related flows of 49%-owned Hexavest Inc.

14 | Parametric Custom Portfolios Managed Assets and Annualized Net Flows

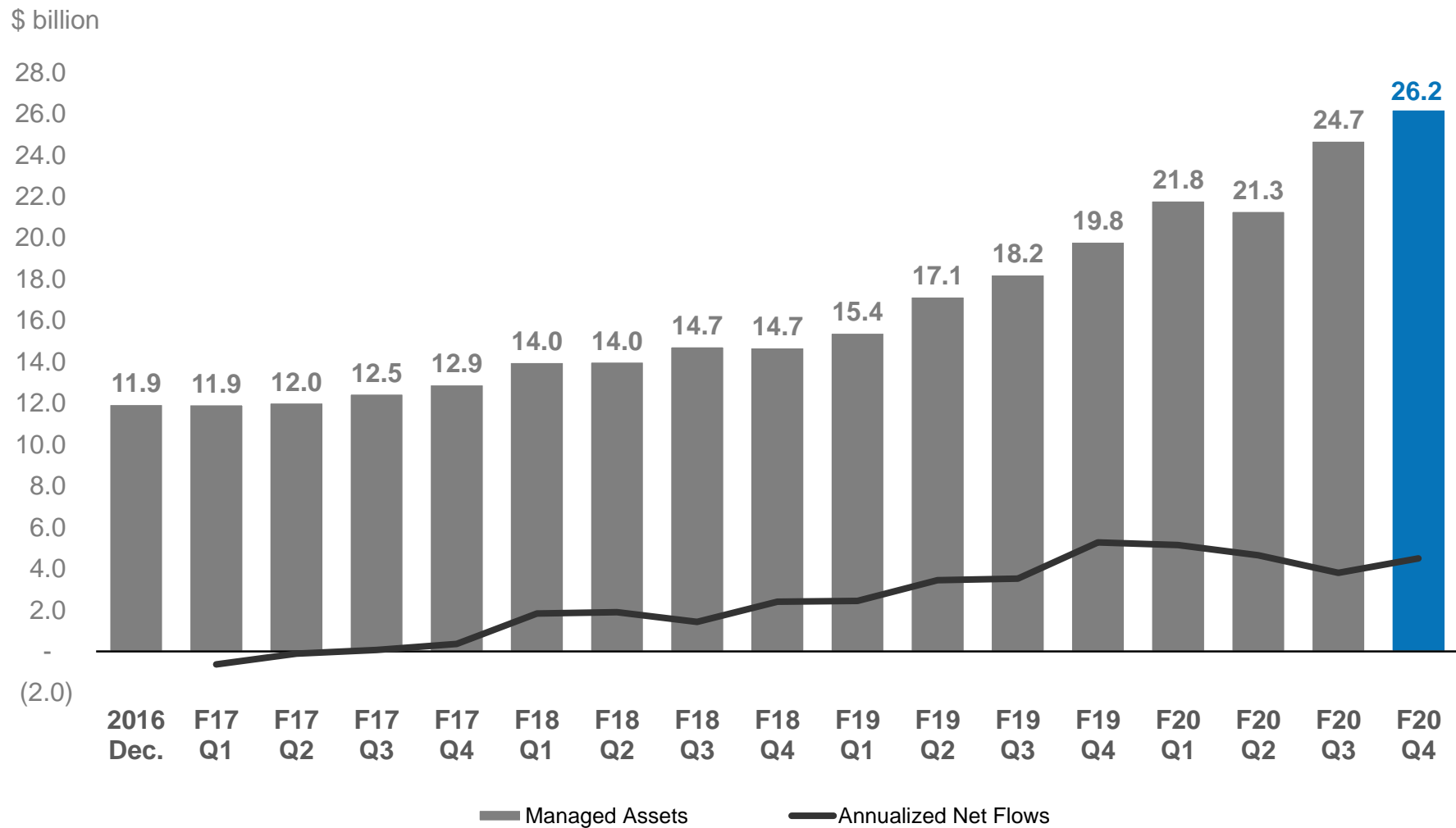


\$ billion



Equity, fixed income and multi-asset separate accounts managed by Parametric for which customization is a primary feature; other Parametric strategies may also be customized. Managed assets are shown as of fiscal quarter end (bars) and annualized net flows are for the fiscal quarter (lines). Custom Beta defined to include Custom Core Equity and Laddered Fixed Income individual separate accounts.

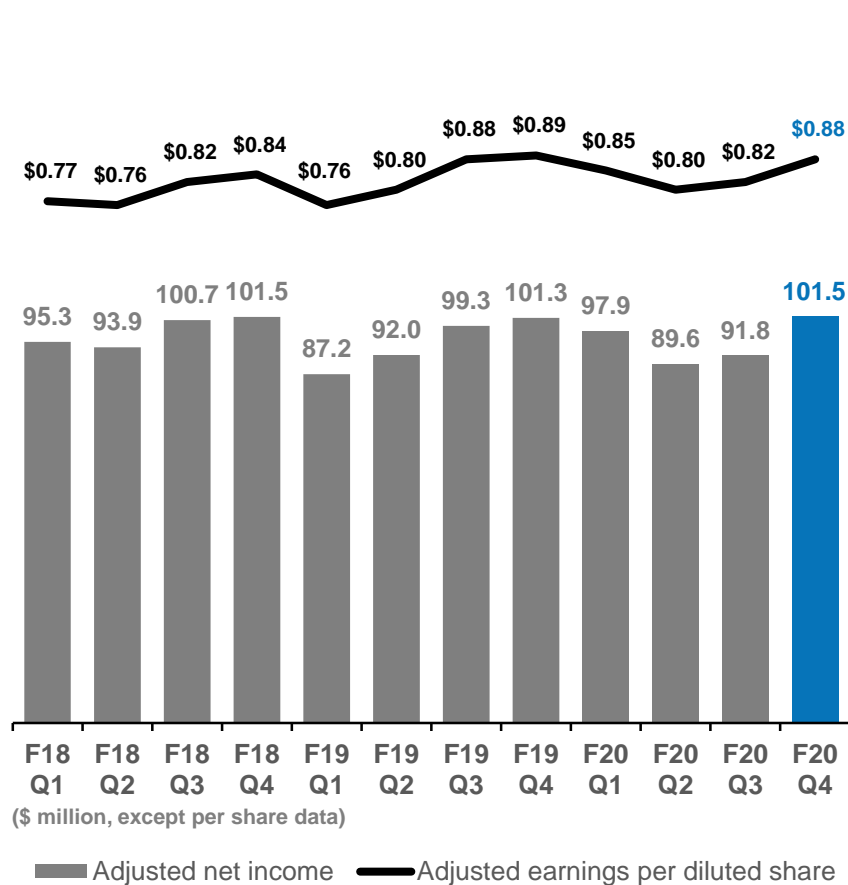
15 | Calvert Managed Assets and Annualized Net Flows



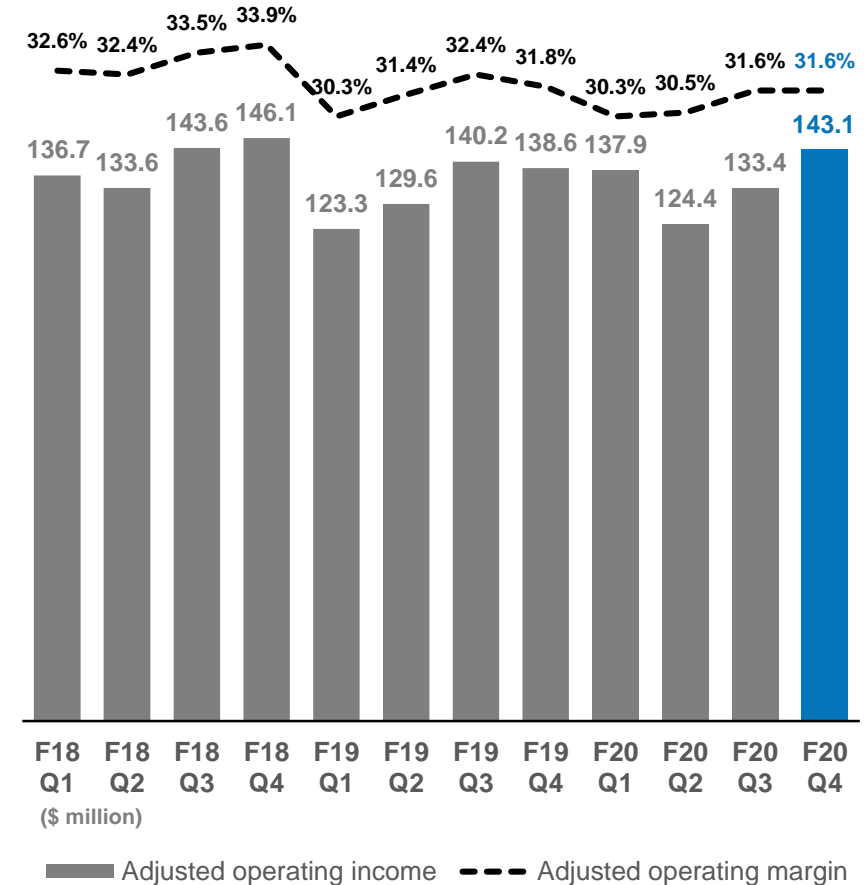
Managed assets of client portfolios overseen by multiple Eaton Vance affiliates are attributed based on the strategy's primary identity. Indicated net flows exclude \$354 million of acquisition-related outflows in the second quarter of fiscal 2017. Managed assets are shown as of fiscal quarter end (bars) and annualized net flows are for the fiscal quarter (line).



Adjusted Net Income Attributable to EVC Shareholders and Adjusted Earnings Per Diluted Share

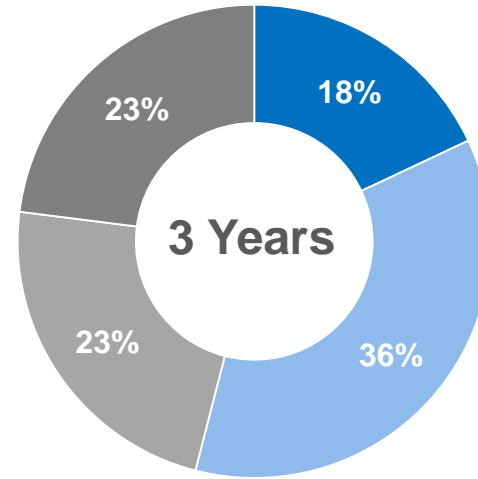
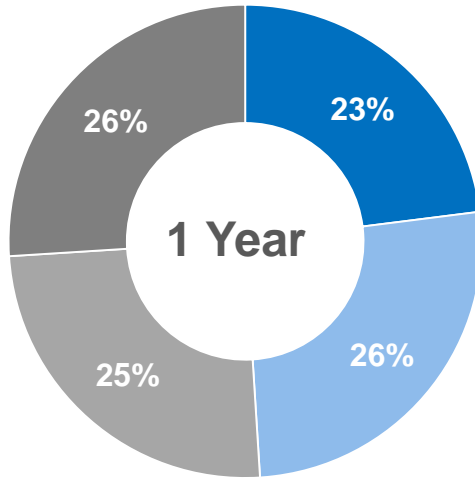


Adjusted Operating Income and Adjusted Operating Margin

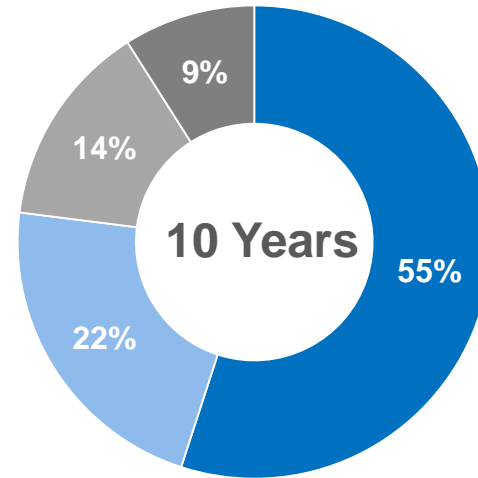
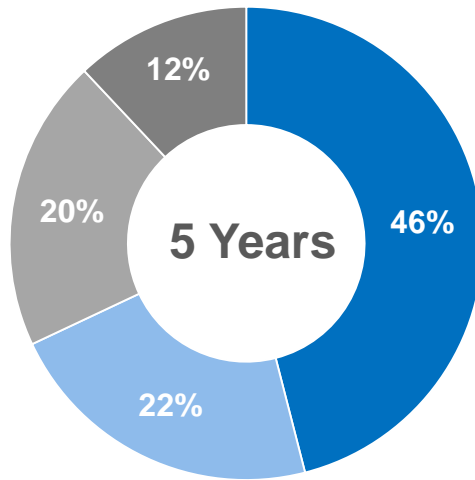


See footnote on slide 2. For further information and reconciliation between GAAP and adjusted results, see previously filed Form 10-Ks, 10-Qs and 8-Ks of Eaton Vance Corp.

17 | Mutual Fund Performance Quartile Rankings



- 1st
- 2nd
- 3rd
- 4th



Asset-weighted rankings of Calvert, Eaton Vance and Parametric U.S. mutual funds within their respective Morningstar categories as of October 31, 2020 based on total return net of expenses with distributions reinvested. Source: Morningstar, Inc. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, a fund's current performance may be lower or higher than quoted.



70
Morningstar
Top-Rated
Funds

Calvert, Eaton Vance and Parametric U.S. mutual funds with one or more share classes (including load-waived A) rated four or five stars as of October 31, 2020. Source: Morningstar, Inc. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, a fund's current performance may be lower or higher than quoted.



Calvert Balanced

Calvert Conservative Allocation

Calvert Emerging Markets Equity

Calvert Equity

Calvert Global Water

Calvert Growth Allocation

Calvert International Equity

Calvert International Responsible Index

Calvert Mid-Cap

Calvert Moderate Allocation

Calvert Small-Cap

Calvert US Large-Cap Core Responsible Index

Calvert US Large-Cap Growth Responsible Index

Calvert US Large-Cap Value Responsible Index

Calvert US Mid-Cap Core Responsible Index

EV Atlanta Capital Focused Growth

EV Balanced

EV Focused Value Opportunities

EV Global Income Builder

EV Global Small-Cap Equity

EV Greater China Growth

EV Greater India

EV Richard Bernstein All-Asset Strategy

EV Richard Bernstein Equity Strategy

EV Stock

EV Tax-Managed Equity Asset Allocation

EV Tax-Managed Value

Parametric International Equity

Parametric Tax-Managed International Equity

Calvert, Eaton Vance and Parametric equity and multi-asset U.S. mutual funds with one or more share classes (including load-waived A) rated four or five stars as of October 31, 2020. Funds with one or more share classes rated five stars are in **BOLD**. Source: Morningstar, Inc. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, a fund's current performance may be lower or higher than quoted.



Calvert High Yield Bond

Calvert Short Duration Income

EV Core Plus Bond

EV Emerging Markets Debt Opportunities

EV Emerging Markets Local Income

EV Floating-Rate

EV Floating-Rate Advantage

EV Floating-Rate & High Income

EV Global Macro Absolute Return Advantage

EV Government Opportunities

EV High Income Opportunities

EV Income Fund of Boston

EV Short Duration Government Income

EV Short Duration Strategic Income

Parametric Commodity Strategy



Calvert Responsible Muni Income	EV Single-State Municipal Income:
EV AMT-Free Municipal Income	AZ, CA, CT, GA, MA, MD, MN, MO,
EV High-Yield Municipal Income	NC, NJ, NY, OH, OR, PA, SC, VA
EV Natl Ltd Maturity Muni Income	Parametric TABS 1-to-10 Year Laddered Muni Bond
EV National Municipal Income	Parametric TABS 5-to-15 Year Laddered Muni Bond
EV Short Dur Muni Opportunities	Parametric TABS 10-to-20 Year Laddered Muni Bond
	Parametric TABS Short-Term Municipal Bond

Calvert, Eaton Vance and Parametric municipal income U.S. mutual funds with one or more share classes (including load-waived A) rated four or five stars as of October 31, 2020. Funds with one or more share classes rated five stars are in **BOLD**. Source: Morningstar, Inc. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, a fund's current performance may be lower or higher than quoted.