The Baldwin Group (Q2 2026 Earnings)
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Corporate Speakers

- Bonnie Bishop; The Baldwin Insurance Group, Inc.; Executive Director of Investor Relations
- Trevor Baldwin; The Baldwin Insurance Group, Inc.; Chief Executive Officer
- Bradford Hale; The Baldwin Insurance Group, Inc.; Chief Financial Officer

Participants

- Thomas Mcjoynt-Griffith; Keefe, Bruyette, & Woods, Inc.; Analyst
- Hristian Getsov; Wells Fargo Securities; Analyst
- Charles Lederer; BMO Capital Markets Equity Research; Analyst
- Mitchell Rubin; Raymond James & Associates, Inc.; Analyst
- Andrew Kligerman; TD Cowen; Analyst
- Pablo Singzon; JPMorgan Chase & Co; Analyst

PRESENTATION

Operator^ Good day. And thank you for standing by. Welcome to the Baldwin Group Second Quarter 2026 Earnings Call. (Operator Instructions)

Please be advised that today's conference is being recorded.

I would now like to hand the conference over to your first speaker today, Bonnie Bishop, Executive Director of Investor Relations. Please go ahead.

Bonnie Bishop^ Thank you. Welcome to the Baldwin Group's second quarter 2026 earnings call.

Today's call is being recorded.

Second quarter financial results, supplemental information and the company's Form 10-Q were issued earlier this afternoon and are available on the company's website at ir.baldwin.com.

Please note that remarks made today may include forward-looking statements subject to various assumptions, risks and uncertainties, including for example our strategy with respect to our capital allocation in the future. The company's actual results may differ materially from those contemplated by such statements.

For a more detailed discussion, please refer to the note regarding forward-looking statements in the company's earnings release and our most recent Form 10-Q, both of which are available on the Baldwin website.

During the call today, the company may also discuss certain non-GAAP financial measures. For a more detailed discussion of these non-GAAP financial measures and historical reconciliation to the most closely comparable GAAP measures, please refer to the company's earnings release and supplemental information, both of which have been posted on the company's website at ir.baldwin.com.

I will now turn the call over to Trevor Baldwin, Chief Executive Officer of The Baldwin Group.

Trevor Baldwin^ Good afternoon. And thank you for joining us to discuss our second quarter results reported earlier today.

I'm joined by Brad Hale, Chief Financial Officer; and Bonnie Bishop, Executive Director of Investor Relations.

We saw continued momentum into the second quarter from the strong start to the year. We delivered total revenue of $493 million, adjusted EBITDA of $117 million, adjusted EBITDA margin of 24%, and adjusted diluted earnings per share of $0.48. Total organic revenue growth was 2%, layering in the impact of the three January partnerships as if they had been owned by The Baldwin Group in the prior comparable period and normalizing for the idiosyncratic headwinds which we are largely past as of the end of the quarter, total organic revenue growth would have been 8%.

Collectively, the three partnerships grew 25% in the second quarter and 34% through the first six months of the year, a truly remarkable performance. Adjusted free cash flow of $46 million was up 437% year-over-year.

In Insurance Advisory Solutions overall organic revenue growth was down 2%. Deconstructing that figure, sales velocity in the legacy IAS business accelerated in the quarter to 19% bringing year-to-date sales velocity to 16%. Combined sales velocity including CAC and Capstone was 30% for the quarter and 27% year-to-date.

Rate and exposure was a headwind of 240 basis points, in line with our expectations.

As we've shared previously we expect Q2 to be at or near the trough for rate and exposure headwinds. The procedural accounting change which we fully lapped on 6/30 was a 150 basis point headwind.

With respect to client retention, we experienced a 240 basis point headwind in the quarter, as a result of structural changes we have executed in the legacy IAS business as a part of our CAC integration work to align compensation plans, go-to-market capabilities and eliminate redundancies across our platform.

These changes have resulted in approximately $8 million of annualized revenue attrition tied to a small group of individuals who are impacted and are no longer with the firm. We anticipate that these changes will impact revenue and organic growth for the legacy IAS business in the back half of the year by approximately $4 million to $5 million. This is more than offset by the realized outperformance across CAC as a result of the go-to-market structural alignment.

In Q2, CAC generated total revenue of $94 million, continuing the strong momentum from the first quarter, with growth of 23% in relation to the second quarter of 2025. Year-to-date, CAC has delivered over $80 million of booked new business, up 43% compared to the same period in the prior year. Closed won new business including future effective dates, is over $100 million.

Sales velocity in the quarter was 59% across all product lines and 19% for recurring lines of business, while retention was north of 92%. Net growth of transaction-related product lines which consists primarily of our transaction liability and certain project specific lines of business was 44%.

Our integration work and synergy captures continues to track ahead of schedule, and we remain confident in our ability to deliver the synergy targets laid out on Slide 14 of our earnings supplement.

Taking a step back to look at the underlying momentum in the IAS business including the contribution from our new partnerships, and excluding the idiosyncratic noise associated with the revenue recognition accounting change and integration-related revenue impacts, organic revenue growth would have been 8% in the second quarter.

We believe this is far more indicative of the organic growth momentum of our IAS franchise. We continue to see impressive trends in new business in IAS and the thesis supporting the CAC merger is playing out in a faster and more meaningful way than we anticipated.

IAS is poised for a step function increase in organic growth in the back half of the year, and we expect continued strength from our newest partners as we leverage our capabilities across the enterprise.

Moving to our Underwriting, Capacity and Technology Solutions segment, organic revenue growth was 6% in the quarter including Obie, as if that business had been owned in the prior year period, organic revenue growth was 7%.

We saw strong performance across our multifamily, admitted home and real estate investor products. partially offset by continued softness in our E&S home book and lower reinsurance brokerage revenue at Juniper Re tied to a softer 6/1 renewal pricing environment which also drove improved commission rates for MSI's E&S homeowners programs that will benefit organic revenue in the back half of the year.

Our inaugural reciprocal insurance exchange, BRIE, is now licensed in 13 states, and we have begun migrating business in several states outside of Texas. We're making great progress on our second proprietary builder program with Hippo and Spinnaker and currently expect that to launch in select states by the end of the year, serving as an exciting growth vector for the business heading into 2027.

In our Mainstreet Insurance Solutions segment, organic revenue growth was 4% in the quarter, improving from a decline of roughly 5% in the first quarter as we lap the QBE commission rate reduction headwind on May 1. Normalizing for the impacts of QBE and Medicare underperformance, overall organic revenue growth was approximately 10%.

Our embedded mortgage business continues to ramp with Fairway Independent Mortgage, our most recent top 10 independent mortgage originator embedded partner tracking ahead of plan in its first three months on the platform.

Execution of our 3B/30 Catalyst program remains on track, and we are beginning to see the flow-through impact associated with the Phase 1 actions taken in the first quarter. You can find additional information on Slide 13 of our earnings supplement. We believe the timing of this program aligns nicely with the evolution of AI tools and expect AI to be a meaningful driver of reaching our 3B/30 aspirational goal.

In May, we announced our expanded enterprise relationship with Anthropic and our firm-wide rollout of Claude to enhance colleague productivity, streamline complex workflows and ultimately drive considerable client impact.

While we are still in early innings here, we are already beginning to see measurable results and firmly believe the use of these tools will have profound impacts on our business over the long term.

In summary, we are pleased with our second quarter results and the growing momentum that is building in the business as we move past the idiosyncratic headwinds that have persisted over the past 12 months.

We are confident that the underlying fundamentals of the business when combined with what are now tailwinds will accelerate our performance in the second half of 2026 and beyond.

As the insurance market evolves at a rapid pace, we want to thank our nearly 5,000 colleagues for adapting and embracing new technologies as we build a dynamic workplace designed to maximize outcomes for our colleagues, clients and stakeholders.

Before I turn it over to Brad, I want to acknowledge the rumors in the marketplace around our potential exploration of capital structure alternatives, consistent with how we've operated in the past, we do not comment on market rumors or speculation and will not be addressing related questions today.

With that, I will now turn it over to Brad, who will detail our financial results.

Bradford Hale^ Thanks, Trevor. And good afternoon, everyone.

For the second quarter, we generated organic revenue growth of 2% and total revenue of $493 million.

Looking at the segment level, organic revenue growth was down 2% in IAS, up 6% in UCTS and up 4% in MIS. Adjusting for the transitory items Trevor walked through, along with layering in the impact of the 1/1 partnerships on an as-if basis, underlying organic revenue growth would have been 8%.

We recorded GAAP net loss attributable to Baldwin for the second quarter of $39 million or GAAP diluted loss per share of $0.42. Adjusted net income for the second quarter, which excludes share-based compensation, amortization and other onetime expenses, was $68 million or $0.48 per fully diluted share. A table reconciling GAAP net loss attributable to Baldwin to adjusted net income can be found in our earnings release and our 10-Q filed with the SEC.

Adjusted EBITDA for the second quarter grew 37% to $117 million compared to $86 million in the prior year period. Adjusted EBITDA margin increased approximately 110 basis points year-over-year to 23.7% for the quarter compared to 22.6% in the prior year period. The approximately 110 basis point margin increase can be attributed to the accretive contribution from CAC inclusive of the cost synergies realized to date and strong margin expansion at MIS as we lapped the QBE commission reset and benefited from the Hippo homebuilder distribution network partnership.

Adjusted free cash flow for the second quarter was $46 million compared to $9 million in Q2 2025, driven by growth in adjusted EBITDA and favorable working capital dynamics.

In relation to our guidance of double-digit growth for the full year, adjusted free cash flow is up 34% year-to-date. CAC benefited from an $11 million working capital tailwind in the quarter, a reversal of the roughly $30 million headwind in the first quarter that resulted from assumed bonus and commission liabilities in the merger.

Our full year cash flow trajectory remains on track for double-digit growth in 2026. We ended the quarter with net leverage at approximately 4.5x as we deployed an additional $80 million to repurchase approximately 4 million shares. Therefore as of the end of Q2, approximately half of our authorized $250 million buyback program has been deployed.

Moving on to our third quarter guide.

We expect revenue of $485 million to $495 million and organic revenue growth in the mid-single digits.

We anticipate adjusted EBITDA between $105 million and $110 million and adjusted diluted EPS of $0.42 to $0.46 per share.

Looking ahead, our full year consolidated guidance remains largely unchanged. We now anticipate organic revenue growth in the mid-single digits for the full year and exiting the year with Q4 at high single digits or greater. This update to organic growth expectations is tied to the revenue impacts from the structural changes at legacy IAS as part of our CAC integration work.

To conclude, we are encouraged by the growing momentum we see across the business and the meaningful contribution from our recent partner firms.

As we have lapped the idiosyncratic headwinds that persisted over the last 12 months, we anticipate a natural inflection in the second half of 2026.

Our focus remains on accelerating execution across the platform, integrating our recent partnerships and leveraging innovative technology and AI-driven solutions to enhance client outcomes and drive long-term shareholder value.

We will now take questions.

QUESTIONS AND ANSWERS

Operator?^ Operator^ (Operator Instructions) And our first question comes from Tommy McJoynt of KBW.

Thomas Mcjoynt-Griffith^ The first one here is on the CAC Group performance there. The growth rate has been incredibly strong in the first half of the year.

First off, can you just remind us what industries CAC Group is most focused on? And then help us think about the sustainability of the strength in the first half of the year and using that to help us frame, should we expect a potential headwind from that business normalizing next year just against tough comps?

Trevor Baldwin^ Tommy, this is Trevor. Yes. I mean CAC has had an extraordinary start to the year. And there's a number of things that are ultimately driving that.

First, I would just point to the industrial logic that we and the leaders across CAC saw when we brought these businesses together in the merger, combining the depth and breadth of expertise in large and complex end client markets including industries like natural resources, large and complex public companies, transaction liability solutions, private equity and large risk management-oriented accounts.

And then plugging that into the broader distribution network and sales organization that we have here at Baldwin and it's an incredible combination. We've done a tremendous amount of work very quickly to bring these businesses together in a thoughtful manner where we've aligned around go-to-market. We've organized around client capability and risk product solution, and the results have been profound.

So as we look at what's driving the growth across CAC, it's broad-based. In the quarter, the private equity team won over 130 new client accounts, our financial lines team successfully won multiple large new IPO mandates and including a couple of the largest IPOs of the year. And we successfully won a number of all lines, large complex public company accounts through combined Baldwin and CAC team engagement.

So it's -- the core CAC business is performing incredibly well. It's a group of colleagues and professionals that are just incredibly talented. And then you combine that with the broader kind of sales organization and resources here at Baldwin and how that enables us to project the broader organization into the market and we're out successfully taking share at a really meaningful clip.

Relative to overall kind of trajectory, it's -- there's undoubtedly going to be kind of some variability quarter-to-quarter in the business because of the nature of some of the transactional product lines that they play in around private equity, M&A solutions, tax solutions.

But more broadly, as we look at the pipeline, as we look at kind of closed won future effective date business, we're feeling really confident about the continued momentum heading into the back half of the year.

As we look to 2027, I'd say it's early for us to begin commenting on how we think about overall performance and there's lots of factors that come into that.

But I'd say, broadly, the success at CAC is not driven because of some kind of outside idiosyncratic factors, it's a result of underlying pipeline and new business momentum, and that is repeatable.

Thomas Mcjoynt-Griffith^ And then just one more. You called out a new performance headwind, that $8 million of annualized eliminated redundancies. Do you guys have confidence that, that's the extent of the, what I'll call dyssynergies from the CAC Group transaction? And will that lap at the end of the year? Or will that extend into the first quarter of next year?

Trevor Baldwin^ Yes, Tommy, we feel like that is the extent of what the, call it, dyssynergies would be. And it's a function of we've moved very quickly to align around practice leaders, product group leaders, combined business structures, we're not going to have multiple practice groups in the same industry.

We're not going to have multiple product groups in the same product line. And so we aligned around our best out front. We've built the team. We've aligned compensation models. And when you do that, certain people aren't going to necessarily get the same opportunity that they want, and that's normal.

I wouldn't though -- I'd say I wouldn't characterize it as a dyssynergy per se, it's just -- it's revenue that is not showing up in the legacy IAS P&L, but that is more than kind of showing up inside the CAC P&L.

And so if you look at aggregate revenue across IAS inclusive of CAC, it's exactly where we would have expected it to be. It's just what's showing up in what part of the P&L.

Operator^ And our next question comes from Hristian Getsov of Wells Fargo.

Hristian Getsov^ My first question is on the rate and exposure. And I'm just trying to gauge your confidence that the rate and exposure headwind is troughed because it seems like across the industry, it seems like the rate and exposure piece could actually get softer from here, but everybody's portfolio is a bit different, but maybe you could kind of just walk me through what you're expecting in the second half that gives you that confidence?

Trevor Baldwin^ Yes. Hristian, this is Trevor.

So I'd say broadly, the market is softening. And while casualty rates on an absolute basis are positive, they are ebbing, property is very deeply soft. And our confidence around Q2 being the trough is less about the rate of travel of underlying insurance rate and more a reflection of the composition of our portfolio on a quarter-to-quarter basis.

So the second quarter is when we renewed the preponderance of our cat-exposed property, our largest cat property reinsurance renewals. And so that aspect, the cat property part of the market is very clearly deeply soft, far more so than any other part of the insurance market today. And so as we look at mix of business going forward, that gives us a strong degree of confidence around those headwinds abating.

Hristian Getsov^ Got it. And then for my second question, I totally understand you can't comment on the rumors, but given the move in shares in the last 1.5 months, how should we kind of think about buybacks from here, just given versus the more elevated $80 million in the Q2?

Bradford Hale^ Yes. Thanks, Hristian. It's Brad.

Yes. So we took the opportunity, given what we saw a dislocation in the price to repurchase about 4 million shares for about $80 million in Q2.

As we've said previously we're not just an indiscriminate buyer, but we do continue to see dislocation in our stock price.

That being said, we're not able to be in the market buying currently, and we will balance that future buyback decision against the leverage profile and the leverage range of four to 4.5x that we've communicated.

Operator^ And our next question comes from Charlie Lederer of BMO.

Charles Lederer^ On the UCTS business, it sounds like even though the second quarter organic came in a little below where you had guided that you have -- do you think you have a bounce back in the back half of the year because of lower reinsurance costs for the E&S home book, did I understand that correctly? And I guess, how should we think about the renters book in the back half of the year? I think 3Q is a seasonally strong quarter there.

Trevor Baldwin^ Charlie. Yes, overall, pleased with the momentum and the trajectory we're seeing out at UCTS.

Second quarter was impacted by about $4 million of year-over-year reduction in revenue at Juniper, tied to risk-adjusted rate decreases in excess of 20% on some of our largest property placements and as well as a stub cover that we had placed on behalf of BRIE in the second quarter of last year that will be a calendar year renewal going forward.

So that both impacted organic as well as absolute EBITDA dollars to the tune of about $4 million. Just to be clear, the momentum at Juniper is incredibly strong. We expect organic growth from Juniper for the year in excess of 20%. And so this is really more of a timing dynamic.

And as I mentioned earlier in my prepared remarks, we do meaningfully benefit from the reduction in risk-adjusted reinsurance pricing as it enables us to increase the ceding commission on those programs where we were able to realize the reinsurance savings.

Specific to renters, the renters portfolio continues to perform quite well double-digit organic growth in the quarter, strong momentum, a new large property management software provider recently went live with us on the platform and is driving pretty meaningful growth trajectory and our largest software partner, we have recently rolled out a new co-developed group renters product that we're incredibly excited about.

So I'd say, our strategic and competitive position and renters and the underlying momentum in that portfolio continues to be quite strong.

Charles Lederer^ And then maybe moving over to the MIS business. The QBE impact rolled off in the middle of the quarter. I guess as we think about organic accelerating from here in the back half, can you kind of break that down between the homebuilder business, the mortgage servicer business and what kind of impacts you're seeing from the Medicare business in the back half of the year?

Trevor Baldwin^ Yes. So we think we've got the vast majority of the impacts from the Medicare slowdown behind us and anticipate the Medicare impact to be kind of close to neutral in the back half of the year, not something that arises to the scale where it's worth, I'd say, calling out on a go-forward basis.

We continue to have incredibly strong momentum in the mortgage origination market. We called out the success we're seeing with our most recent large partner Fairway and the momentum that they're carrying. And you're seeing both the momentum and operating leverage in the mortgage business as well as the continued growth and success from integrating the Hippo acquisition into Westwood show up in real margin accretion in that segment as well.

So we're super pleased with how performance continues to track there. We continue to think that it's a winner takes most type opportunity in both the mortgage and the builder space. And we're really excited about how we're positioned as a winner there.

So normalized for the Medicare and the QBE commission reduction headwinds organic for the segment would have been 10% in the quarter and 10% year-to-date. We're not going to provide segment level guidance, and there can be kind of quarter-to-quarter timing differences, but overall, feeling good about the overall trajectory of that business.

Bradford Hale^ Yes. And one piece to remember, Charlie, is the Fairway relationship included the purchase of a small agency that was their legacy agency. So it's a bit of a nuance, but the Fairway relationship that started in April actually doesn't hit organic throughout the balance of this year until we lap that April 1, 2026 start date.

So while we're seeing a lot of momentum there, it is not giving us an organic lift in year, just a total revenue lift.

Operator^ And our next question comes from Mitchell Rubin of Raymond James.

Mitchell Rubin^ This is Mitch on for Greg. I appreciated the commentary on the licensing progress of BRIE.

On Slide 7 of the presentation, you mentioned expectations for an uplift from AIF economics over time. Can you give us a sense of the magnitude of that uplift and where those economics stand today?

Trevor Baldwin^ So the impact from the AIF economics is relatively de minimis year-to-date. But what we would say is the AIF fees are roughly 5% of premium as that premium is earned ratably over the policy period. And so as BRIE continues to renew more policies in, that will begin to grow and trickle in.

As a reminder, the AIF entity, we are the majority owner of. So you can think about two-thirds of that overall 5% inuring to the benefit of The Baldwin Group.

And I'd say -- and the other point to just know is it's not coming in through the top line because of the equity method accounting treatment with which it's being booked.

Mitchell Rubin^ Got it. For my follow-up, this quarter .you attributed the 110 basis points of margin expansion to CAC and MIS with no explicit mention of AI. The last quarter, you talked about internal AI productivity gains running upwards of 80%, is that benefit embedded in the numbers? Or is it just not showing up in the P&L yet?

Trevor Baldwin^ It's very much embedded in the numbers. We're continuing to see really exciting momentum and progress across our AI efforts in the Catalyst transformation program. Specific to the Catalyst program and the role transformation and AI deployments that we've been executing on since the beginning of the year, we now have converted over 47,000 tasks which have been completed in the past 17 weeks at a 98% plus quality rate which has gone to over 99% in recent weeks.

So the model is running at production scale, not pilot scale. We've got 27 processes that we've optimized and standardized across our commercial and benefit service lines this quarter alone, and we've been kind of deploying AI into those capabilities to continue to enhance and optimize on a recursive basis.

Another example is we've deployed some AI solutions into our direct bill processing, part of that change is tied to the procedural accounting change that we have been talking about for the past 12 months in IAS. That's enabled us to improve monthly reconciliation on direct bill from roughly 90% in month to a sustained 98%. And we've been able to reduce run rate costs from $3 million to $1 million a year to execute on that and cut our own internal labor costs on the process from $1.2 million to roughly $400,000.

So those are just a handful of examples, but we're seeing really exciting gains from the AI solutions we've been deploying. We're still very early days and have growing confidence around the broad-based profound impact that it's going to have on our business and for the benefit of both our clients and our colleagues.

Operator^ (Operator Instructions) And our next question comes from Andrew Kligerman of TD Cowen.

Andrew Kligerman^ I wanted to talk about net new business. The generation was super strong this quarter with sales velocity of 30% versus IAS' previous high teens run rate. So maybe you could -- well let me even throw in retention to that equation. And so the part A of it would be are there headwinds to retention given the pricing pressures out there?

And then with regard to the new business trends, maybe you could talk about the drivers there that may or may not be getting you excited? This was a big number in the quarter.

Trevor Baldwin^ Yes. Thanks, Andrew.

So retention at legacy IAS business has been hovering around 90%. Now that was impacted by the onetime integration-related revenue impacts that I mentioned earlier in the call. And so bringing that down to, call it, mid- to high 80s for the quarter on a onetime basis. But we've seen multiple quarters now in a row of year-over-year retention improvement. So we're feeling really good about the momentum there.

And at CAC, as I mentioned on the call client retention in excess of 92%. So seeing good success there.

On the sales velocity, it's a function of depth of capability, unique product expertise and real kind of awareness and recognition across our end client industry sectors that we're deep in and the risk product lines that we have depth in. And so we're in the market, we are winning business, business is being referred. And in sectors like M&A, private equity, transaction-related solutions, we're taking meaningful share. While the M&A market is up, our M&A business is up dramatically more than the broader market is.

And so it's indicative of the market share that we're taking and the wins that we're putting on the board. And I'd say, as I look at where we're competing, it's against all of the kind of bulge bracket global brokers that you would recognize, and we're competing and we're winning. And so the franchise is really healthy, and it's showing up in those new business results.

Andrew Kligerman^ That's pretty exciting.

So Trevor team, the elephant in the room question is what we've been hearing in the media about leverage buyout. I know you can't specifically address that. You had a great share repurchase in the quarter, say whatever you can about a potential LBO, but maybe tell us a little bit about how you're thinking about the stock, how it's valued right now where you think it should be. So I've kind of open ended it and would love to hear your thoughts.

Trevor Baldwin^ Yes, Andrew. So we're not going to comment on market rumors and speculation. But when we think about the business and the share price, I'd say we believe that intrinsic value is in excess of where our shares trade today. And you saw us put our money to work in the quarter repurchasing roughly $80 million worth or 4 million shares.

At the current time we're not in a position to continue that repurchase program, as you've heard Brad say in the past, we're not indiscriminate buyers, and we have taken leverage up to the top end of what we had communicated at 4.5x.

And so at a point in time where we're able to be back in the market. Our level of activity would be informed by where leverage sits and where the shares are trading. But to be very clear, we view intrinsic value to be in excess of where the shares trade today.

Operator^ And our next question comes from Pablo Singzon of JPMorgan.

Pablo Singzon^ So I actually just had one question. So I wanted to take a step back from the quarter to ask about, I suppose, the big program 3B/30. I guess can you give us your updated thoughts on your ability to reach the goals that you had laid out there just given the current market environment? And what are the sort of key initiatives that you have to execute in order to get there? And I guess, related to that just how are you feeling about those goals? And what timeline do you have in mind?

Trevor Baldwin^ Yes. Pablo, I'd say we continue to feel really good about the path to 3B/30.

As you heard in my prepared remarks, like what we're seeing early days from AI is super encouraging around productivity gains, throughput and cycle time compression of complex knowledge work and the ability to drive more through the top of the funnel from a revenue generation standpoint. And we've got a lot of early proof points around that, that are quite compelling.

From a revenue perspective, we'll finish the year around $2 billion of revenue. And so kind of two-thirds of our way there at the time we announced the program, we thought about the path there to being kind of equal parts, organic and inorganic. The partnerships that we completed earlier this year, a big kind of step forward in that and if you look at the normalized organic growth of the business year-to-date, inclusive of the partnerships that we've completed, it's roughly 10%.

So kind of right in line with the level of organic growth that we had penciled in over kind of the time period to be able to get there.

So I'd say we're feeling good. We're tracking in line to expectations. And if anything, impacts -- the growing impacts from AI, from the Catalyst program and frankly, the building momentum around new business and the market share gains that we're seeing give us growing confidence.

Operator^ I'm showing no further questions at this time. I'd like to turn it back to Trevor Baldwin for closing remarks.

Trevor Baldwin^ Thank you all for joining us this evening.

As I noted at the open, we're pleased with our second quarter and confident in our trajectory through the balance of the year. The momentum we've built is real in our advisory businesses, our embedded distribution and our recent partnerships, and it's a direct reflection of our colleagues who show up every day for our clients, for one another and for the firm that we're building together.

To our clients and insurance company partners, thank you for your continued trust. And to our shareholders, thank you for your support as we continue to deliver against our Catalyst 3B/30 goals. Thank you.

Operator^ This concludes today's conference call. Thank you for participating. And you may now disconnect.