
**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 March 31, 2026

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: 000-51280

MORNINGSTAR, INC.

(Exact Name of Registrant as Specified in its Charter)



Illinois
(State or Other Jurisdiction of
Incorporation or Organization)

36-3297908
(I.R.S. Employer
Identification Number)

22 West Washington Street
Chicago, Illinois
(Address of Principal Executive Offices)

60602
(Zip Code)

(312) 696-6000
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common stock, no par value	MORN	NASDAQ

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 every Interactive Data File required to be submitted 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 such files). Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 24, 2026, there were 38,028,018 shares of the company's common stock, no par value, outstanding.

**MORNINGSTAR, INC. AND SUBSIDIARIES
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PART 1. FINANCIAL INFORMATION**Item 1. Financial Statements****Morningstar, Inc. and Subsidiaries
Unaudited Consolidated Statements of Income**

(in millions, except per share amounts)	Three months ended March 31,	
	2026	2025
Revenue	\$ 644.8	\$ 581.9
Operating expense:		
Cost of revenue	238.9	231.4
Sales and marketing	115.2	112.6
General and administrative	84.0	76.5
Depreciation and amortization	51.7	47.3
Total operating expense	489.8	467.8
Other operating income	0.9	—
Operating income	155.9	114.1
Non-operating expense, net:		
Interest expense, net	(13.7)	(5.4)
Other expense, net	(0.4)	(0.2)
Non-operating expense, net	(14.1)	(5.6)
Income before income taxes and equity in investments of unconsolidated entities	141.8	108.5
Equity in investments of unconsolidated entities	(0.1)	(2.6)
Income tax expense	34.6	27.4
Consolidated net income	\$ 107.1	\$ 78.5
Net income per share:		
Basic	\$ 2.74	\$ 1.83
Diluted	\$ 2.73	\$ 1.82
Dividends per common share:		
Dividends declared per common share	\$ 0.50	\$ 0.46
Dividends paid per common share	\$ 0.50	\$ 0.46
Weighted average shares outstanding:		
Basic	39.1	42.8
Diluted	39.3	43.1

See notes to unaudited consolidated financial statements.

Morningstar, Inc. and Subsidiaries
Unaudited Consolidated Statements of Comprehensive Income

(in millions)	Three months ended March 31,	
	2026	2025
Consolidated net income	\$ 107.1	\$ 78.5
Other comprehensive income (loss), net		
Foreign currency translation adjustment	(11.3)	17.0
Other comprehensive income (loss), net	(11.3)	17.0
Comprehensive income	\$ 95.8	\$ 95.5

See notes to unaudited consolidated financial statements.

Morningstar, Inc. and Subsidiaries
Consolidated Balance Sheets

(in millions, except share amounts)	As of March 31, 2026 (unaudited)	As of December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 492.8	\$ 474.5
Investments	39.4	54.2
Accounts receivable, less allowance for credit losses of \$7.4 million and \$7.1 million, respectively	402.6	390.4
Income tax receivable	15.4	16.2
Deferred commissions	36.5	35.4
Prepaid expenses	57.1	42.5
Other current assets	19.5	24.8
Total current assets	1,063.3	1,038.0
Goodwill	1,747.2	1,610.8
Intangible assets, net	591.4	379.3
Property, equipment, and capitalized software, less accumulated depreciation and amortization of \$930.2 million and \$899.9 million, respectively	234.8	231.9
Operating lease assets	166.0	159.0
Investments in unconsolidated entities	50.3	50.3
Deferred tax assets, net	86.0	78.7
Deferred commissions	29.8	30.1
Other assets	17.5	12.1
Total assets	\$ 3,986.3	\$ 3,590.2
Liabilities and equity		
Current liabilities:		
Deferred revenue	\$ 669.3	\$ 586.1
Accrued compensation	144.9	294.2
Accounts payable and accrued liabilities	104.6	97.9
Current portion of long-term debt	18.2	—
Operating lease liabilities	42.7	41.8
Income tax payable	43.1	24.0
Other current liabilities	7.9	9.3
Total current liabilities	1,030.7	1,053.3
Operating lease liabilities	151.0	146.7
Accrued compensation	20.3	20.1
Deferred tax liabilities, net	21.5	27.2
Long-term debt	1,694.6	1,072.6
Deferred revenue	21.3	21.0
Income tax payable	13.8	13.1
Other long-term liabilities	14.4	14.3
Total liabilities	\$ 2,967.6	\$ 2,368.3
Equity:		
Morningstar, Inc. shareholders' equity:		
Common stock, no par value, 200,000,000 shares authorized, of which 38,027,605 and 39,740,881 shares were outstanding as of March 31, 2026 and December 31, 2025, respectively	—	—

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Treasury stock at cost, 17,000,866 and 15,277,454 shares as of March 31, 2026 and December 31, 2025, respectively	(2,088.7)	(1,785.7)
Additional paid-in capital	892.5	869.5
Retained earnings	2,294.3	2,206.2
Accumulated other comprehensive loss:		
Currency translation adjustment	(79.4)	(68.1)
Total accumulated other comprehensive loss	(79.4)	(68.1)
Total equity	1,018.7	1,221.9
Total liabilities and equity	\$ 3,986.3	\$ 3,590.2

See notes to unaudited consolidated financial statements.

Morningstar, Inc. and Subsidiaries
Unaudited Consolidated Statements of Equity
For the three months ended March 31, 2026 and 2025

(in millions, except share and per share amounts)	Morningstar, Inc. Shareholders' Equity						
	Common Stock		Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
	Shares Outstanding	Par Value					
Balance as of December 31, 2025	39,740,881	\$ —	\$ (1,785.7)	\$ 869.5	\$ 2,206.2	\$ (68.1)	\$ 1,221.9
Net income		—	—	—	107.1	—	107.1
Other comprehensive income (loss):							
Foreign currency translation adjustment		—	—	—	—	(11.3)	(11.3)
Other comprehensive loss, net		—	—	—	—	(11.3)	(11.3)
Issuance of common stock related to vesting of stock awards, net of shares withheld for taxes on settlements of stock awards	10,136	—	—	(0.8)	—	—	(0.8)
Reclassification of awards previously liability-classified that were converted to equity		—	—	13.0	—	—	13.0
Stock-based compensation		—	—	10.8	—	—	10.8
Common shares repurchased	(1,723,412)	—	(303.0)	—	—	—	(303.0)
Dividends declared (\$0.50 per share)		—	—	—	(19.0)	—	(19.0)
Balance as of March 31, 2026	38,027,605	\$ —	\$ (2,088.7)	\$ 892.5	\$ 2,294.3	\$ (79.4)	\$ 1,018.7

(in millions, except share and per share amounts)	Morningstar, Inc. Shareholders' Equity						
	Common Stock		Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity
	Shares Outstanding	Par Value					
Balance as of December 31, 2024	42,869,380	\$ —	\$ (993.9)	\$ 822.7	\$ 1,909.2	\$ (119.4)	\$ 1,618.6
Net income		—	—	—	78.5	—	78.5
Other comprehensive income (loss):							
Foreign currency translation adjustment		—	—	—	—	17.0	17.0
Other comprehensive income, net		—	—	—	—	17.0	17.0
Issuance of common stock related to vesting of stock awards, net of shares withheld for taxes on settlements of stock awards	69	—	—	—	—	—	—
Reclassification of awards previously liability-classified that were converted to equity		—	—	16.0	—	—	16.0
Stock-based compensation		—	—	9.1	—	—	9.1
Common shares repurchased	(368,199)	—	(110.7)	—	—	—	(110.7)
Dividends declared (\$0.46 per share)		—	—	—	(19.3)	—	(19.3)
Balance as of March 31, 2025	42,501,250	\$ —	\$ (1,104.6)	\$ 847.8	\$ 1,968.4	\$ (102.4)	\$ 1,609.2

See notes to unaudited consolidated financial statements.

Morningstar, Inc. and Subsidiaries
Unaudited Consolidated Statements of Cash Flows

(in millions)	Three months ended March 31,	
	2026	2025
Operating activities		
Consolidated net income	\$ 107.1	\$ 78.5
Adjustments to reconcile consolidated net income to net cash flows from operating activities:		
Depreciation and amortization	51.7	47.3
Deferred income taxes	(12.7)	(6.9)
Stock-based compensation expense	10.8	9.1
Provision for credit losses	1.8	2.5
Equity in investments of unconsolidated entities	0.1	2.6
Other, net	0.1	(1.1)
Changes in operating assets and liabilities:		
Accounts receivable	(9.0)	17.3
Accounts payable and accrued liabilities	6.7	0.2
Accrued compensation and deferred commissions	(138.7)	(120.5)
Income taxes	20.3	20.1
Deferred revenue	63.7	47.9
Other assets and liabilities	(10.4)	(6.0)
Cash provided by operating activities	<u>91.5</u>	<u>91.0</u>
Investing activities		
Purchases of investment securities	(10.7)	(3.3)
Proceeds from maturities and sales of investment securities	23.9	4.5
Capital expenditures	(37.9)	(32.2)
Acquisitions, net of cash acquired	(359.6)	(38.5)
Purchases of investments in unconsolidated entities	(0.1)	(1.2)
Cash used for investing activities	<u>(384.4)</u>	<u>(70.7)</u>
Financing activities		
Common shares repurchased	(300.0)	(109.6)
Dividends paid	(19.9)	(19.5)
Proceeds from revolving credit facility	295.0	145.0
Repayment of revolving credit facility	(30.0)	(40.0)
Proceeds from term facility	375.0	—
Employee taxes withheld for stock awards	(0.8)	—
Other, net	(2.4)	—
Cash provided by (used for) financing activities	<u>316.9</u>	<u>(24.1)</u>
Effect of exchange rate changes on cash and cash equivalents	(5.7)	12.6
Net increase in cash and cash equivalents	18.3	8.8
Cash and cash equivalents—beginning of period	474.5	502.7
Cash and cash equivalents—end of period	<u>\$ 492.8</u>	<u>\$ 511.5</u>
Supplemental disclosure of cash flow information		
Cash paid for income taxes	\$ 26.8	\$ 14.2
Cash paid for interest	\$ 12.3	\$ 6.4

See notes to unaudited consolidated financial statements.

MORNINGSTAR, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation of Interim Financial Information

The accompanying unaudited consolidated financial statements of Morningstar, Inc. and subsidiaries (Morningstar, we, our, the company) have been prepared to conform to the rules and regulations of the Securities and Exchange Commission (SEC). The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates. In the opinion of management, the statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly our financial position, results of operations, equity, and cash flows. These financial statements and notes are unaudited and should be read in conjunction with our Audited Consolidated Financial Statements and Notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 13, 2026 (our Annual Report).

The acronyms that appear in the Notes to our Unaudited Consolidated Financial Statements refer to the following:

ASC: Accounting Standards Codification

ASU: Accounting Standards Update

FASB: Financial Accounting Standards Board

2. Summary of Significant Accounting Policies

Our significant accounting policies are included in Note 2 of the Notes to our Audited Consolidated Financial Statements included in our Annual Report.

Recently Issued Accounting Pronouncements Not Yet Adopted

Income Statement: In November 2024, the FASB issued ASU No. 2024-03: *Disaggregation of Income Statement Expenses (DISE)* (ASU No. 2024-03), which requires additional disclosure of the nature of expenses included in the income statement. The standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. This standard is effective for our fiscal year beginning on January 1, 2027 and interim periods beginning on January 1, 2028. Early adoption is permitted. Entities should apply the guidance prospectively although retrospective application is permitted. We are evaluating the effect that ASU No. 2024-03 will have on our disclosures.

Capitalized Software: In September 2025, the FASB issued ASU No. 2025-06: *Targeted Improvements to the Accounting for Internal-Use Software* (ASU No. 2025-06) to clarify and modernize the recognition and disclosure framework for internal-use software costs. This standard removes all references to software development project stages and requires capitalization to begin once (1) management commits funding and (2) completion and intended use are probable, considering whether significant development uncertainties have been resolved. This standard is effective for our fiscal year beginning on January 1, 2028 and interim reporting periods within that fiscal year. Early adoption is permitted. Entities may apply the guidance using a prospective, retrospective, or modified transition approach. We have not made a decision regarding early adoption and are evaluating the effect that ASU No. 2025-06 will have on our consolidated financial statements.

3. Credit Arrangements

Debt

The following table summarizes our debt as of March 31, 2026 and December 31, 2025:

(in millions)	As of March 31, 2026	As of December 31, 2025
2025 Term Facility, net of unamortized debt issuance costs of \$1.3 million and \$1.5 million, respectively	\$ 748.7	\$ 373.5
2025 Revolving Credit Facility	615.0	350.0
2.32% Senior Notes due October 26, 2030, net of unamortized debt issuance costs of \$0.9 million and \$0.9 million, respectively	349.1	349.1
Total debt	\$ 1,712.8	\$ 1,072.6

Credit Agreement

On October 31, 2025, the company entered into a new senior credit agreement (the 2025 Credit Agreement). The 2025 Credit Agreement provides the company with a multi-currency credit facility with a borrowing capacity of up to \$1.5 billion, including a five-year \$750.0 million revolving credit facility (the 2025 Revolving Credit Facility), a five-year delayed draw term facility of up to \$375.0 million (the 2025 A-1 Facility), and a three-year term facility of up to \$375.0 million (the 2025 A-2 Facility and, together with the 2025 A-1 Facility, the 2025 Term Facility; and, together with the 2025 Revolving Credit Facility, the 2025 Facility). The 2025 Credit Agreement also provides for the issuance of up to \$50.0 million of letters of credit and a \$100.0 million sublimit for a swingline facility under the 2025 Revolving Credit Facility.

As of March 31, 2026, the total outstanding debt under the 2025 Credit Agreement was \$1.4 billion, net of debt issuance costs, including \$375.0 million drawn under the 2025 A-1 Facility, \$375.0 million drawn under the 2025 A-2 Facility, and \$615.0 million drawn under the 2025 Revolving Credit Facility. The company's borrowing availability includes \$135.0 million under the 2025 Revolving Credit Facility.

The proceeds borrowed under the 2025 Facility were used to refinance existing indebtedness under the company's prior credit agreement, pay fees and expenses in connection with the 2025 Facility, finance the acquisition of the Center for Research in Security Prices (CRSP), and for general corporate purposes.

The interest rate applicable to loans under the 2025 Credit Agreement will be based on the SOFR, SONIA, EURIBOR, Term CORRA, or BBSY depending on the currency of the loan and will include an applicable margin for such loans, which ranges between 1.05% and 1.425%, based on Morningstar's consolidated net leverage ratio and other applicable adjustments as further described in the 2025 Credit Agreement.

The portions of deferred debt issuance costs related to the 2025 Revolving Credit Facility are included in other current and non-current assets, and the portion of deferred debt issuance costs related to the 2025 Term Facility is reported as a reduction to the carrying amount of the 2025 Term Facility. Debt issuance costs related to the 2025 Revolving Credit Facility are amortized on a straight-line basis to interest expense over the term of the 2025 Credit Agreement. Debt issuance costs related to the 2025 Term Facility are amortized to interest expense using the effective interest method over the term of the 2025 Credit Agreement.

Private Placement Debt Offering

On October 26, 2020, we completed the issuance and sale of \$350.0 million aggregate principal amount of 2.32% senior notes due October 26, 2030 (the 2030 Notes), in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended. Proceeds were primarily used to pay off a portion of the company's outstanding debt under a prior credit agreement. Interest on the 2030 Notes will be paid semi-annually on each October 30 and April 30 during the term of the 2030 Notes and at maturity, with the first interest payment date occurring on April 30, 2021. As of March 31, 2026, our total outstanding debt, net of issuance costs, under the 2030 Notes was \$349.1 million.

Compliance with Covenants

Each of the 2025 Credit Agreement and the 2030 Notes include customary representations, warranties, and covenants, including financial covenants, that require us to maintain specified ratios of consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) to consolidated interest charges and consolidated net funded indebtedness (in the case of the 2025 Credit Agreement) or consolidated funded indebtedness (in the case of the 2030 Notes) to consolidated EBITDA, which are evaluated on a quarterly basis. We were in compliance with these financial covenants as of March 31, 2026.

4. Acquisitions, Goodwill, and Other Intangible Assets

2026 Acquisitions

Acquisition of the Center for Research in Security Prices, LLC (CRSP)

On February 2, 2026, we completed our acquisition of 100% of the equity interests in CRSP, a provider of historical stock market data and indexes, from the University of Chicago. The closing consideration of \$363.0 million was paid in cash and reflects adjustments for estimated available cash, indebtedness, and working capital. We began consolidating the financial results of CRSP in our consolidated financial statements as of February 2, 2026. CRSP is included in the Morningstar Indexes operating segment.

The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to FASB ASC 805, Business Combinations (FASB ASC 805), which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. As of March 31, 2026, we completed our initial determination of the fair values of the acquired identifiable assets and liabilities based on the financial data available. Based on the timing of the closing of this transaction, certain valuation calculations are considered preliminary due to information that may subsequently become available, and values assigned to various assets and liabilities could change.

The acquisition date fair value of certain assets and liabilities, including intangible assets acquired and related weighted average expected life calculations, are provisional and subject to revision within one year of the acquisition date. Any changes in the fair values of the assets acquired and liabilities assumed during the measurement period may result in adjustments to goodwill.

The following table summarizes our preliminary allocation of the estimated fair values of the assets acquired and liabilities assumed at the acquisition date:

	(in millions)	
Fair value of consideration transferred	\$	363.0
Cash and cash equivalents	\$	3.4
Accounts receivable		6.4
Other current and non-current assets		15.1
Intangible assets, net		233.0
Deferred revenue		(22.8)
Other current and non-current liabilities		(11.7)
Total fair value of net assets acquired	\$	223.4
Goodwill	\$	139.6

Acquired accounts receivable were recorded at fair value and reflect the best estimate at the acquisition date of the contractual cash flows expected to be collected.

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The preliminary allocation of the estimated fair values of the assets acquired and liabilities assumed includes \$233.0 million of acquired intangible assets, as follows:

	(in millions)	Weighted average useful life (years)
Customer-related assets	\$ 113.0	13
Technology-based assets	115.0	8
Intellectual property	5.0	7
Total intangible assets	<u>\$ 233.0</u>	

Goodwill of \$139.6 million represents the excess over the fair value of the net tangible and intangible assets acquired. We paid this premium for several reasons, including the opportunity to strengthen our market position and expand our presence among index providers of US equity index funds.

The value assigned to goodwill and intangible assets are deductible for income tax purposes over a period of approximately 15 years from the acquisition date.

2025 Acquisitions

Morningstar Credit Analytics (formerly Dealview Technologies Limited (DealX))

On March 1, 2025, we completed our acquisition of the remaining 65% of the equity interests in DealX, a provider of standardized US commercial mortgage-backed security (CMBS) and global collateralized loan obligation (CLO) data. We began consolidating the financial results of DealX in our consolidated financial statements as of March 1, 2025. DealX is included in the Morningstar Credit segment and has been renamed Morningstar Credit Analytics.

The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to FASB ASC 805, *Business Combinations* (FASB ASC 805), which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. We finalized the purchase price allocation during the fourth quarter of 2025 and did not record any significant adjustments compared to the preliminary estimates.

The allocation of the fair values of the assets acquired and liabilities assumed includes \$9.7 million of goodwill, which is not deductible for income tax purposes, and \$13.1 million of acquired intangible assets, as follows:

	(in millions)	Weighted average useful life (years)
Customer-related assets	\$ 0.6	10
Technology-based assets	12.5	5
Total intangible assets	<u>\$ 13.1</u>	

Lumonic Inc. (Lumonic)

On March 3, 2025, we acquired 100% of the equity interests in Lumonic, a private credit portfolio monitoring and management platform. We began consolidating the financial results of Lumonic in our consolidated financial statements as of March 3, 2025. Lumonic is included in the PitchBook segment.

The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to FASB ASC 805, which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. We finalized the purchase price allocation during the fourth quarter of 2025 and did not record any significant adjustments compared to the preliminary estimates.

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The allocation of the fair values of the assets acquired and liabilities assumed includes \$21.3 million of goodwill, which is not deductible for income tax purposes, and \$10.6 million of acquired intangible assets, as follows:

	(in millions)	Weighted average useful life (years)
Customer-related assets	\$ 1.4	15
Technology-based assets	9.1	8
Intellectual property	0.1	3
Total intangible assets	<u>\$ 10.6</u>	

Goodwill

The following table shows the changes in our goodwill balances from December 31, 2025 to March 31, 2026:

(in millions)	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement	Total Reportable Segments	Corporate and All Other	Total
Balance as of December 31, 2025	\$ 608.6	\$ 628.7	\$ 119.6	\$ 90.3	\$ 93.5	\$ 1,540.7	\$ 70.1	\$ 1,610.8
Acquisition of CRSP	—	—	—	—	—	—	139.6	139.6
Foreign currency translation and other	(3.3)	—	(0.9)	1.1	—	(3.1)	(0.1)	(3.2)
Balance as of March 31, 2026	<u>\$ 605.3</u>	<u>\$ 628.7</u>	<u>\$ 118.7</u>	<u>\$ 91.4</u>	<u>\$ 93.5</u>	<u>\$ 1,537.6</u>	<u>\$ 209.6</u>	<u>\$ 1,747.2</u>

Refer to Note 7 for detailed segment information.

Intangible Assets

The following table summarizes our intangible assets:

(in millions)	As of March 31, 2026			As of December 31, 2025		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Customer-related assets	\$ 693.0	\$ (331.9)	\$ 361.1	\$ 583.9	\$ (324.1)	\$ 259.8
Technology-based assets	439.5	(229.8)	209.7	328.0	(225.5)	102.5
Intellectual property & other	95.7	(75.1)	20.6	91.2	(74.2)	17.0
Total intangible assets	<u>\$ 1,228.2</u>	<u>\$ (636.8)</u>	<u>\$ 591.4</u>	<u>\$ 1,003.1</u>	<u>\$ (623.8)</u>	<u>\$ 379.3</u>

The following table summarizes our amortization expense related to intangible assets:

(in millions)	Three months ended March 31,	
	2026	2025
Amortization expense	\$ 19.0	\$ 14.4

We amortize intangible assets using the straight-line method over their estimated useful lives.

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Based on acquisitions completed through March 31, 2026, we expect intangible amortization expense for each of the next five years and thereafter as follows:

(in millions)	As of March 31, 2026	
Remainder of 2026 (April 1 through December 31)	\$	59.0
2027		73.3
2028		69.3
2029		66.2
2030		60.4
Thereafter		263.2
Total	\$	591.4

Our estimates of future amortization expense for intangible assets may be affected by future acquisitions, divestitures, changes in the estimated useful lives, impairments, and foreign currency translation.

5. Income Per Share

The following table shows how we reconcile our net income and the number of shares used in computing basic and diluted net income per share:

(in millions, except per share amounts)	Three months ended March 31,	
	2026	2025
Basic net income per share:		
Consolidated net income	\$ 107.1	\$ 78.5
Weighted average common shares outstanding	39.1	42.8
Basic net income per share	\$ 2.74	\$ 1.83
Diluted net income per share:		
Consolidated net income	\$ 107.1	\$ 78.5
Weighted average common shares outstanding	39.1	42.8
Net effect of dilutive stock awards	0.2	0.3
Weighted average common shares outstanding for computing diluted income per share	39.3	43.1
Diluted net income per share	\$ 2.73	\$ 1.82

During the periods presented, we have outstanding restricted stock units (RSUs), market stock units (MSUs), and performance stock units (PSUs) that are excluded from our calculation of diluted earnings per share as their effect is antidilutive. The amount of these potential antidilutive shares was immaterial.

6. Revenue

Disaggregation of Revenue

The following table presents our revenue disaggregated by revenue type:

(in millions)	Three months ended March 31,	
	2026	2025
License-based	\$ 444.9	\$ 418.0
Asset-based	95.1	85.7
Transaction-based	104.8	78.2
Consolidated revenue	\$ 644.8	\$ 581.9

Contract Liabilities

Our contract liabilities represent deferred revenue. We record deferred revenue when a contract requires a customer to be billed in advance. The following table summarizes our contract liabilities balance:

(in millions)	As of March 31, 2026	As of December 31, 2025
Deferred revenue (current)	\$ 669.3	\$ 586.1
Deferred revenue (non-current)	21.3	21.0
Total contract liabilities	\$ 690.6	\$ 607.1

The following table presents revenue recognized that was included in the deferred revenue balance at the beginning of the period:

(in millions)	Three months ended March 31,	
	2026	2025
Revenue recognized that was included in opening deferred revenue	\$ 273.7	\$ 252.9

Remaining Performance Obligations

Remaining performance obligations include both amounts recorded as deferred revenue in our Consolidated Balance Sheets as of March 31, 2026 as well as amounts not yet invoiced to customers as of March 31, 2026, largely reflecting future revenue related to signed multi-year arrangements. As of March 31, 2026, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$1.7 billion. We expect to recognize into revenue 58% of this balance during the remainder of 2026, 25% of this balance in 2027, 11% of this balance in 2028, and the remaining amount thereafter.

The percentages in the prior paragraph exclude variable consideration for unsatisfied performance obligations related to certain of our license-based, asset-based, and transaction-based contracts as we apply the optional exemption available under FASB ASC Topic 606. These performance obligations are expected to be satisfied over the next one to three years. Variable consideration for these contracts cannot be reasonably estimated because it depends on factors such as future user licenses, changes in the underlying asset values, or the number of internet advertising impressions in any given period, which are only known as services are performed.

The percentages above also exclude unsatisfied performance obligations for certain license-based contracts with durations of one year or less as we apply the optional exemption under FASB ASC Topic 606. For certain license-based contracts, the remaining performance obligations are expected to be less than one year based on the subscription terms or the existence of cancellation terms that may be exercised causing the contract term to be less than one year from March 31, 2026.

Contract Assets

Our contract assets represent accounts receivable, less allowance for credit losses, and deferred commissions.

The following table summarizes our contract assets balance:

(in millions)	As of March 31, 2026	As of December 31, 2025
Accounts receivable, less allowance for credit losses	\$ 402.6	\$ 390.4
Deferred commissions	66.3	65.5
Total contract assets	<u>\$ 468.9</u>	<u>\$ 455.9</u>

7. Segment and Geographical Area Information

Segment Information

Our segments are generally organized around the company's products offerings. The company has concluded that it has seven operating segments, which are presented as the following five reportable segments:

- Morningstar Direct Platform
- PitchBook
- Morningstar Credit
- Morningstar Wealth
- Morningstar Retirement

The operating segments of Morningstar Sustainalytics and Morningstar Indexes do not individually meet the quantitative segment reporting thresholds and have been combined and presented as part of Corporate and All Other, which is not a reportable segment. Corporate and All Other provides a reconciliation between revenue from our total reportable segments and consolidated revenue amounts.

Morningstar Direct Platform provides investors comprehensive data, research and insights, and investment analysis to empower investment decision-making. Morningstar Direct Platform includes product areas such as Morningstar Data, Morningstar Direct, and Morningstar Advisor Workstation.

PitchBook provides investors access to data, proprietary research, analytics, and AI-enabled software across private capital markets, including venture capital, private equity, private credit, bank loans, and M&A. The platform offers access to Morningstar's public-equity data and research.

Morningstar Credit provides investors with credit ratings, research, data, and credit analytics solutions. Morningstar Credit includes the Morningstar DBRS product area and the Morningstar Credit data and credit analytics product areas.

Morningstar Wealth provides investment products, investor tools, and an advisor platform powered by our research and data. Morningstar Wealth serves financial advisors through model portfolios, separately managed accounts, and an advisor platform powered by our research and data, and individuals through Morningstar Investor.

Morningstar Retirement offers products designed to help individuals reach their retirement goals. Its offerings include managed retirement accounts, fiduciary services, and custom models.

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FASB ASC 280 *Segment Reporting* (FASB ASC 280) establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assess performance. The company's chief executive officer, who is considered to be its CODM, reviews segment revenue and Segment Adjusted Operating Income presented on an operating segment basis for purposes of making operating decisions and assessing financial performance. For each segment, the CODM uses segment revenue and Segment Adjusted Operating Income in the annual budget and forecasting process. The CODM considers budget-to-actual variance when making decisions about allocating capital and personnel.

We define Segment Adjusted Operating Income as operating income (loss) excluding intangible amortization expense, the impact of merger, acquisition, and divestiture-related activity which, when applicable, may include certain non-recurring expenses such as pre-deal due diligence, transaction costs, contingent consideration, severance, and post-close integration costs (M&A-related expenses), and certain other one-time, non-recurring items which management does not consider when evaluating ongoing performance (other non-recurring items).

Although these adjustments are excluded from Segment Adjusted Operating Income, they are included in reported consolidated operating income and are included in the reconciliation to consolidated results. The CODM does not consider these adjustments for the purposes of making decisions to allocate resources among segments or to assess segment performance.

Expenses presented as part of the company's segments include allocations of shared costs. Shared costs include technology, investment research, sales, facilities, and marketing. These allocations are based on expected utilization of shared resources. Adjusted Operating Income is the reported measure that the company believes is most consistent with those used in measuring the corresponding amount in the consolidated financial statements.

The CODM does not review any information regarding total assets on a segment basis. Operating segments do not record intersegment revenues; therefore, there is none to be reported.

The following tables present information about the company's reportable segments for the three months ended March 31, 2026 and 2025, along with the items necessary to reconcile the segment information to the totals reported in the accompanying consolidated financial statements. Prior period segment information is presented on a comparable basis to the basis on which current period segment information is presented and reviewed by the CODM.

(in millions)	Three months ended March 31, 2026						Total Reportable Segments
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement		
Revenue by type:							
License-based	\$ 215.2	\$ 170.5	\$ 5.8	\$ 14.2	\$ 0.4		\$ 406.1
Asset-based	—	—	—	36.5	38.4		74.9
Transaction-based	—	1.9	95.2	7.3	—		104.4
Total segment revenue	215.2	172.4	101.0	58.0	38.8		585.4
Less:							
Compensation expense ⁽¹⁾	68.6	79.4	44.4	24.9	12.0		
Other segment items ⁽²⁾	55.6	41.4	15.4	27.5	7.0		
Adjusted operating income	\$ 91.0	\$ 51.6	\$ 41.2	\$ 5.6	\$ 19.8		\$ 209.2

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(in millions)	Three months ended March 31, 2025						Total Reportable Segments
	Morningstar Direct Platform	PitchBook	Morningstar Credit	Morningstar Wealth	Morningstar Retirement		
Revenue by type:							
License-based	\$ 199.2	\$ 161.8	\$ 4.6	\$ 19.1	\$ 0.5	\$ 385.2	
Asset-based	—	—	—	36.1	32.4	68.5	
Transaction-based	—	1.9	68.4	6.1	—	76.4	
Total segment revenue	199.2	163.7	73.0	61.3	32.9	530.1	
Less:							
Compensation expense ⁽¹⁾	57.7	76.1	38.5	30.2	11.6		
Other segment items ⁽²⁾	54.4	35.3	13.1	31.9	6.7		
Adjusted operating income (loss)	\$ 87.1	\$ 52.3	\$ 21.4	\$ (0.8)	\$ 14.6	\$ 174.6	

(1) Compensation expense includes salaries, bonus, commissions, severance, employee benefits, payroll taxes, and stock-based compensation incurred for employees directly associated with each reportable segment. Allocated compensation expense related to corporate and centralized functions is reported within Other segment items.

(2) Other segment items for each reportable segment includes:

Morningstar Direct Platform - allocated expenses, infrastructure costs, and other overhead costs.

PitchBook - allocated expenses, infrastructure costs, professional fees, and other overhead costs.

Morningstar Credit - allocated expenses, infrastructure costs, professional fees, and other overhead costs.

Morningstar Wealth - allocated expenses, infrastructure costs, and other overhead costs.

Morningstar Retirement - allocated expenses, infrastructure costs, and other overhead costs.

(in millions)	Three months ended March 31,	
	2026	2025
Reconciliation of reportable segment revenue to consolidated revenue:		
Total reportable segment revenue	\$ 585.4	\$ 530.1
Corporate and All Other ⁽³⁾	59.4	51.8
Total consolidated revenue	\$ 644.8	\$ 581.9
Reconciliation of reportable segment adjusted operating income to income before income taxes:		
Total reportable segment adjusted operating income	\$ 209.2	\$ 174.6
Corporate and All Other ⁽⁴⁾	(30.6)	(39.2)
Intangible amortization expense	(19.0)	(14.4)
M&A-related expenses	(4.6)	(6.9)
Other non-recurring items	0.9	—
Operating Income	155.9	114.1
Non-operating expense, net	(14.1)	(5.6)
Equity in investments of unconsolidated entities	(0.1)	(2.6)
Income before income taxes	\$ 141.7	\$ 105.9

(3) Corporate and All Other provides a reconciliation between revenue from our Total Reportable Segments and consolidated revenue amounts. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues. Revenue from Morningstar Sustainalytics was \$26.6 million and \$28.8 million for the three months ended March 31, 2026 and 2025, respectively. Revenue from Morningstar Indexes was \$32.8 million and \$23.0 million for the three months ended March 31, 2026 and 2025, respectively.

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(4) Corporate and All Other includes unallocated corporate expenses as well as adjusted operating income (loss) from Morningstar Sustainalytics and Morningstar Indexes. For the first quarters of 2026 and 2025, unallocated corporate expenses were \$41.8 million in each period. Unallocated corporate expenses include finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated.

The following table presents depreciation expense by reportable segment:

(in millions)	Three months ended March 31,	
	2026	2025
Morningstar Direct Platform	\$ 9.5	\$ 10.8
PitchBook	7.9	7.8
Morningstar Credit	1.4	2.0
Morningstar Wealth	1.6	4.5
Morningstar Retirement	2.3	2.6
Total Reportable Segments	22.7	27.7
Corporate and All Other ⁽⁵⁾	9.9	5.1
Total	\$ 32.6	\$ 32.8

(5) Corporate and All Other provides a reconciliation between depreciation expense from our Total Reportable Segments and consolidated depreciation expense. Corporate and All Other includes unallocated corporate expenses of depreciation expense related to finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated as well as depreciation expense from Morningstar Sustainalytics and Morningstar Indexes.

Geographical Area Information

The tables below summarize our revenue, long-lived assets, which includes property, equipment, and capitalized software, net, and operating lease assets by geographical area. Revenue is attributed to geographical area based on country in which the sale was contracted.

Revenue by geographical area (in millions)	Three months ended March 31,	
	2026	2025
United States	\$ 462.0	\$ 424.5
Asia	11.8	11.9
Australia	18.1	15.1
Canada	42.7	33.1
Continental Europe	57.0	50.6
United Kingdom	49.2	43.7
Other	4.0	3.0
Total International	182.8	157.4
Consolidated revenue	\$ 644.8	\$ 581.9

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**Property, equipment, and capitalized software, net by geographical area
(in millions)**

	As of March 31, 2026		As of December 31, 2025	
United States	\$	177.8	\$	178.6
Asia		27.7		22.8
Australia		1.0		1.1
Canada		17.6		17.9
Continental Europe		5.8		6.3
United Kingdom		4.7		4.9
Other		0.2		0.3
Total International		57.0		53.3
Consolidated property, equipment, and capitalized software, net	\$	234.8	\$	231.9

**Operating lease assets by geographical area
(in millions)**

	As of March 31, 2026		As of December 31, 2025	
United States	\$	75.4	\$	74.9
Asia		57.5		48.7
Australia		1.3		1.5
Canada		8.3		7.8
Continental Europe		15.4		16.5
United Kingdom		7.5		9.0
Other		0.6		0.6
Total International		90.6		84.1
Consolidated operating lease assets	\$	166.0	\$	159.0

8. Fair Value Measurements

The tables below present information about items that are measured at fair value:

(in millions)	Fair Value as of March 31, 2026	Level within the Fair Value Hierarchy as of March 31, 2026		
		Level 1	Level 2	Level 3
Cash equivalents	\$ 48.2	\$ 48.2	\$ —	\$ —
Investments:				
Marketable equity investments, exchange-traded funds, and mutual funds	35.2	35.2	—	—
Marketable debt securities	1.4	1.4	—	—
Total	\$ 84.8	\$ 84.8	\$ —	\$ —

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(in millions)	Fair Value as of December 31, 2025	Level within the Fair Value Hierarchy as of December 31, 2025		
		Level 1	Level 2	Level 3
Cash equivalents	\$ 40.1	\$ 40.1	\$ —	\$ —
Investments:				
Marketable equity investments, exchange-traded funds, and mutual funds	50.0	50.0	—	—
Marketable debt securities	1.5	1.5	—	—
Total	\$ 91.6	\$ 91.6	\$ —	\$ —

9. Investments in Unconsolidated Entities

As of March 31, 2026 and December 31, 2025, our investment in unconsolidated entities balance totaled \$50.3 million. We have investments in both equity method investments and investments in equity securities with and without a readily determinable fair value.

The carrying amount of investments in equity securities without a readily determinable fair value, including our investment in SmartX Advisory Solutions, was \$44.4 million and \$44.0 million as of March 31, 2026 and December 31, 2025, respectively. We did not record any material adjustments or impairment losses in the first three months of 2026 or 2025.

10. Leases

We lease office space and certain equipment under various operating leases, with most of our lease portfolio consisting of operating leases for office space. Our leases have remaining lease terms of approximately 1 year to 10 years, which may include the option to extend the lease when it is reasonably certain we will exercise that option. We do not have lease agreements with residual value guarantees, sale leaseback terms, or material restrictive covenants.

The following table presents the components of lease cost:

(in millions)	Three months ended March 31,	
	2026	2025
Operating lease cost	\$ 12.1	\$ 11.0
Variable lease cost	\$ 3.9	\$ 2.8

The following table presents other information related to operating leases:

(in millions)	Three months ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement for operating lease liabilities	\$ 12.3	\$ 9.4
Right of use assets obtained in exchange for operating lease liability	\$ 18.6	\$ —

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The following table shows our minimum future lease commitments due in the remainder of 2026, each of the next four subsequent years, and thereafter, for operating leases:

(in millions)	As of March 31, 2026	
Remainder of 2026 (April 1 through December 31)	\$	37.3
2027		44.6
2028		37.6
2029		26.5
2030		20.0
Thereafter		59.2
Total minimum lease commitments		225.2
Adjustment for discount to present value		31.5
Present value of lease liabilities	\$	193.7

The following table summarizes the weighted-average remaining lease terms and weighted-average discount rates for our operating leases:

	As of March 31, 2026
Weighted-average remaining lease term (in years)	5.8
Weighted-average discount rate	4.7 %

11. Stock-Based Compensation

Stock-Based Compensation Plans

Our employees and our non-employee directors are eligible for awards under the Morningstar Amended and Restated 2011 Stock Incentive Plan, which provides for a variety of equity-based awards, including stock options, RSUs, MSUs, PSUs, and restricted stock.

The following table summarizes the stock-based compensation expense included in each of our operating expense categories:

(in millions)	Three months ended March 31,	
	2026	2025
Cost of revenue	\$ 4.3	\$ 3.5
Sales and marketing	1.3	1.9
General and administrative	5.2	3.7
Total stock-based compensation expense	\$ 10.8	\$ 9.1

As of March 31, 2026, the total unrecognized stock-based compensation cost related to outstanding RSUs, MSUs, and PSUs expected to vest was \$77.9 million, which we expect to recognize over a weighted average period of 24 months.

12. Income Taxes

The following table shows our effective tax rate for the three months ended March 31, 2026 and March 31, 2025:

(in millions)	Three months ended March 31,	
	2026	2025
Income before income taxes and equity in investments of unconsolidated entities	\$ 141.8	\$ 108.5
Equity in investments of unconsolidated entities	(0.1)	(2.6)
Income before income taxes	\$ 141.7	\$ 105.9
Income tax expense	\$ 34.6	\$ 27.4
Effective tax rate	24.4 %	25.9 %

Our effective tax rate in the first quarter of 2026 was 24.4%, reflecting a decrease of 1.5 percentage points, compared with the same period in the prior year.

The Organization for Economic Co-operation and Development (OECD) has proposed a global minimum tax of 15% of reported profits (Pillar Two) that has been agreed upon in principle by over 140 countries. Since the proposal, many countries incorporated Pillar Two model rule concepts into their domestic laws. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two differently than the model rules and on different timelines. On January 5, 2026, the OECD announced changes to the model rules to include the "side by side" arrangement, which contains simplification measures as well as an exemption for US parented companies from certain aspects of the Pillar Two regime. The updated model rules will need to be enacted into local legislation to become effective. Pillar Two did not have a material impact on our consolidated financial statements as of March 31, 2026. We are continuing to monitor developments and administrative guidance in addition to evaluating the potential impact of Pillar Two on our consolidated financial statements for future periods.

On July 4, 2025, the One Big Beautiful Bill Act (the OBBB) was enacted in the United States. The OBBB contains several changes impacting corporate taxpayers, including modifications to the capitalization of research and development expenses, changes to calculations for the limitation on deductions for interest expense, and the reestablishment of accelerated depreciation (full expensing) on fixed assets. The OBBB also includes adjustments to the calculation of certain international tax framework provisions, which were initially established by the Tax Cuts and Jobs Act of 2017. The OBBB has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The OBBB did not have a material impact on our consolidated financial statements as of March 31, 2026.

Unrecognized Tax Benefits

The table below provides information concerning our gross unrecognized tax benefits as of March 31, 2026 and December 31, 2025, as well as the effect these gross unrecognized tax benefits would have on our income tax expense, if they were recognized.

(in millions)	As of March 31, 2026		As of December 31, 2025	
Gross unrecognized tax benefits	\$	12.9	\$	12.3
Gross unrecognized tax benefits that would affect income tax expense	\$	12.9	\$	12.3
Decrease in income tax expense upon recognition of gross unrecognized tax benefits	\$	12.4	\$	11.9

As of March 31, 2026, our Unaudited Consolidated Balance Sheet included a liability of \$13.9 million for unrecognized tax benefits. As of December 31, 2025, our Consolidated Balance Sheet included a liability of \$13.1 million for unrecognized tax benefits. These amounts include interest and penalties, less any associated tax benefits.

We conduct business globally, and, as a result, we file income tax returns in US federal, state, local, and foreign jurisdictions. In the normal course of business, we are subject to examination by tax authorities throughout the world. The open tax years for our US federal tax returns and most state tax returns include the years 2020 to the present.

We are currently under audit by state and local tax authorities in the US as well as tax authorities in certain non-US jurisdictions. It is likely that the examination phase of some of these state, local, and non-US audits will conclude in 2026. It is not possible to estimate the effect of current audits on previously recorded unrecognized tax benefits.

Approximately 81% of our cash, cash equivalents, and investments balance as of March 31, 2026 and December 31, 2025, was held by our operations outside of the US. We generally consider the accumulated undistributed earnings of most of our foreign subsidiaries to be indefinitely reinvested, and it is not practicable to determine the amount of the unrecognized deferred tax liability related to these earnings. The amount of indefinitely reinvested earnings is based on our estimates and assumptions. This amount is subject to change in the normal course of business as we evaluate operational cash flows, working capital needs, regulatory requirements, investment needs, and other factors. Accordingly, we regularly update our earnings and profits analysis to reflect these developments.

Certain of our non-US operations have incurred net operating losses (NOLs), which may become deductible to the extent these operations become profitable. For each of our operations, we evaluate whether it is more likely than not that the tax benefits related to NOLs will be realized. As part of this evaluation, we consider evidence such as tax planning strategies, historical operating results, forecasted taxable income, and recent financial performance. In the year that certain non-US operations record a loss, we do not recognize a corresponding tax benefit, which increases our effective tax rate. Upon determining that it is more likely than not that the NOLs will be realized, we reduce the tax valuation allowances related to these NOLs, which results in a reduction to our income tax expense and our effective tax rate in that period.

13. Contingencies

We record accrued liabilities for litigation, regulatory, and other business matters when those matters represent loss contingencies that are both probable and estimable. In these cases, there may be an exposure to loss in excess of any amounts accrued. Unless a loss contingency is both probable and estimable, we do not establish an accrued liability. As litigation, regulatory, or other business matters develop, we evaluate on an ongoing basis whether such matters present a loss contingency that is probable and estimable.

Data Audits and Reviews

In our global data business, we include in our products, or directly redistribute to our customers, data and information licensed from third-party vendors. Our compliance with the terms of these licenses is reviewed internally and is also subject to audit by the third-party vendors. At any given time, we may be undergoing several such internal reviews and third-party vendor audits, and the results and findings may indicate that we may be required to make a payment for prior data usage. Due to a lack of available information and data, as well as potential variations of any audit or internal review findings, we generally are not able to reasonably estimate a possible loss, or range of losses, for these matters. In situations where more information or specific areas subject to audit are available, we may be able to estimate a potential range of losses. While we cannot predict the outcome of these processes, we do not anticipate they will have a material adverse effect on our business, operating results, or financial position.

Ratings and Regulatory Matters

Our ratings and related research activities, including credit ratings, environmental, social, and governance ratings, managed investment, and equity ratings, are or may in the future become subject to regulation or increased scrutiny from executive, legislative, regulatory, and private parties. As a result, those activities may be subject to governmental, regulatory, and legislative investigations, regulatory examinations in the ordinary course of business, subpoenas, and other forms of legal process, which may lead to claims and litigation that are based on these ratings and related research activities. Our regulated businesses are generally subject to periodic reviews, inspections, examinations, and investigations by regulators in the jurisdictions in which they operate, any of which may result in claims, legal proceedings, assessments, fines, penalties, disgorgement, or restrictions on business activities. While it is difficult to predict the outcome of any particular investigation or proceeding, we do not believe the result of any of these matters will have a material adverse effect on our business, operating results, or financial position.

Other Matters

We are involved from time to time in commercial disputes and legal proceedings that arise in the normal course of our business. While it is difficult to predict the outcome of any particular dispute or proceeding, we do not believe the result of any of these matters will have a material adverse effect on our business, operating results, or financial position.

14. Share Repurchase Program

On October 29, 2025, the board of directors approved a share repurchase program that authorizes the company to repurchase up to \$1.0 billion in shares of the company's outstanding common stock, effective October 31, 2025 (the Share Repurchase Program). The current share repurchase program is set to expire on October 30, 2028. Under this authorization, we may repurchase shares from time to time at prevailing market prices on the open market or in private transactions in amounts that we deem appropriate.

For the three months ended March 31, 2026, we repurchased a total of 1,723,412 shares for \$300.0 million. As of March 31, 2026, we have repurchased a total of 3,126,261 shares for \$600.0 million under the Share Repurchase Program, leaving \$400.0 million available for future repurchases.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The discussion included in this section, as well as other sections of this Quarterly Report on Form 10-Q (this Quarterly Report), contains forward-looking statements as that term is used in the Private Securities Litigation Reform Act of 1995. These statements are based on our current expectations about future events or future financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, and often contain words such as "committed," "consider," "estimate," "future," "goal," "is designed to," "maintain," "may," "objective," "ongoing," "could," "expect," "intend," "plan," "possible," "potential," "anticipate," "believe," "predict," "continue," "strategy," "will," "would," "determine," "evaluate," or the negative thereof, and similar expressions. These statements involve known and unknown risks and uncertainties that may cause the events we discuss not to occur or to differ significantly from what we expect. For us, these risks and uncertainties include, among others:

- failing to achieve the anticipated benefits of the Center for Research in Security Prices, LLC (CRSP) acquisition;
- failing to maintain and protect our brand, independence, and reputation;
- failing to prevent and/or mitigate cybersecurity events and the failure to protect confidential information, including personal information about individuals;
- changing economic and market conditions, including prolonged volatility, recessions, or downturns affecting the financial, data and software sectors and global financial markets, fluctuating interest rates, and the impacts of global trade policies, may negatively impact our financial results, including those of our asset-based businesses;
- compliance failures, regulatory action, or changes in or expansion of laws applicable to our regulated businesses;
- failing to innovate or streamline our product and service offerings or meet or anticipate our clients' changing needs;
- the impact of artificial intelligence (AI) technologies on our business, as well as legal and reputational risks as they are incorporated into our products and tools;
- failing to detect errors in our products or methodology or our products performing improperly due to defects, malfunctions, or similar problems;
- failing to recruit, develop, and retain qualified employees;
- failing to scale our operations and increase productivity in order to implement our business plans and strategies, including failing to manage costs related thereto;
- liability for any losses that result from errors in our automated advisory tools or errors in the use of the information and data we collect;
- inadequacy of our operational risk management and business continuity programs to address materially disruptive events;
- our strategic transactions, acquisitions, divestitures, and investments in companies or technologies failing to yield expected business or financial benefits, negatively impacting our operating results and our ability to deliver long-term value to shareholders;
- triggering events for impairment of goodwill or assets;
- failing to maintain growth across our businesses due to changes in geopolitics and the regulatory landscape;
- failing to recognize deferred revenue;
- liability relating to the information and data we collect, store, use, create, and distribute or the reports that we publish or are produced by our software products;
- the potential adverse effect of our indebtedness (and rising interest rates) on our cash flow and financial and operational flexibility;
- liability, regulatory scrutiny, costs, and reputational risks relating to environmental, social, and governance considerations;
- our dependence on third-party service providers in our operations;
- inadequacy of our insurance coverage;

- *challenges in accounting for tax complexities in the global jurisdictions we operate in could materially affect our tax obligations and tax rates;*
- *the potential impact of vendor consolidation and clients' strategic decisions to replace our products and services with in-house products and services;*
- *our ability to build and maintain short-term and long-term shareholder value and pay dividends to our shareholders;*
- *our ability to repurchase shares of our common stock;*
- *our ability to maintain existing business and renewal rates and to gain new business;*
- *the impact of recently issued accounting pronouncements on our consolidated financial statements and related disclosures;*
- *impact on our stock price due to market conditions, any future sales of our common stock, and fluctuations in our operating results; and*
- *failing to protect our intellectual property rights or claims of intellectual property infringement against us.*

A more complete description of these risks and uncertainties, among others, can be found in our other filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the year ended December 31, 2025 (our Annual Report). If any of these risks and uncertainties materialize, our actual future results and other future events may vary significantly from what we expect. We do not undertake to update our forward-looking statements as a result of new information, future events, or otherwise, except as may be required by law. You are, however, advised to review any further disclosures we make on related subjects, and about new or additional risks, uncertainties, and assumptions in our filings with the SEC on Forms 10-K, 10-Q, and 8-K.

All dollar and percentage comparisons, which are often accompanied by words such as "increase," "decrease," "grew," "declined," "was up," "was down," "was flat," or "was similar" refer to a comparison with the same period in the previous year unless otherwise stated.

Understanding our company

Our Business

Our mission is to empower investor success. We deliver connected data, independent research, investor-first tools, and long-term portfolio strategies with a focus on removing frictions that can slow decisions, cloud markets, and drive up costs.

Our strategy is to deliver insights and experiences that make us essential to investor workflow.

The company has seven operating segments, which are presented as the following five reportable segments: Morningstar Direct Platform, PitchBook, Morningstar Credit, Morningstar Wealth, and Morningstar Retirement. The operating segments of Morningstar Sustainalytics and Morningstar Indexes do not individually meet the quantitative segment reporting thresholds and have been combined and presented as part of Corporate and All Other, which is not a reportable segment. Prior-period segment information is presented on a comparable basis to the basis on which current period segment information is presented and reviewed by the chief operating decision maker (CODM). For additional information about our segment reporting, refer to Note 7 of the Notes to our Unaudited Consolidated Financial Statements.

In addition to reviewing revenue by our reportable segments, we review revenue by type. We leverage our proprietary data and research to sell products and services across our portfolio that generate revenue in three primary ways:

License-based: Generated mostly by our Morningstar Direct Platform and PitchBook segments, revenue through license agreements is derived from either a per user or enterprise-basis. Our license agreements typically range from one to three years and are accounted for as subscription services available to customers and not as licenses under the accounting guidance.

Asset-based: Generated mostly by our Morningstar Wealth and Morningstar Retirement segments, revenue where basis points and other fees are charged for assets under management or advisement (AUMA). Our asset-based arrangements typically range from one to three years.

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Transaction-based: Revenue that is one time in nature and related Morningstar Credit recurring revenue primarily derived from surveillance and research.

Three Months Ended March 31, 2026 vs. Three Months Ended March 31, 2025**Consolidated Results**

Key Metrics (in millions)	Three months ended March 31,		
	2026	2025	Change
Consolidated revenue	\$ 644.8	\$ 581.9	10.8 %
Operating income	\$ 155.9	\$ 114.1	36.6 %
Operating margin	24.2 %	19.6 %	4.6 pp
Cash provided by operating activities	\$ 91.5	\$ 91.0	0.5 %
Capital expenditures	(37.9)	(32.2)	17.7 %
Free cash flow	\$ 53.6	\$ 58.8	(8.8)%
Cash used for investing activities	\$ (384.4)	\$ (70.7)	443.7 %
Cash provided by (used for) financing activities	\$ 316.9	\$ (24.1)	NMF

pp — percentage points

NMF — not meaningful

Supplemental Information

To supplement our consolidated financial statements presented in accordance with US Generally Accepted Accounting Principles (GAAP), we use the following non-GAAP measures:

- **"Organic Revenue"** is consolidated revenue before (1) acquisitions and divestitures, (2) adoption of new accounting standards or revisions to accounting practices (accounting changes), and (3) the effect of foreign currency translations.
- **"Adjusted Operating Income (Loss)"** is consolidated operating income (loss) excluding (1) intangible amortization expense, (2) the impact of merger, acquisition, and divestiture-related activity which, when applicable, may include certain non-recurring expenses such as pre-deal due diligence, transaction costs, contingent consideration, severance, and post-close integration costs (M&A-related expenses), and (3) certain other one-time, non-recurring items which management does not consider when evaluating ongoing performance (other non-recurring items).
- **"Adjusted Operating Margin"** is operating margin excluding (1) intangible amortization expense, (2) M&A-related expenses, and (3) other non-recurring items.
- **"Free Cash Flow"** is cash provided by or used for operating activities less capital expenditures.

These non-GAAP measures may not be comparable to similarly titled measures reported by other companies and should not be considered an alternative to any measure of performance promulgated under GAAP.

We present organic revenue because we believe it helps investors better compare our period-over-period results, and our management team uses this measure to evaluate the performance of our business. We exclude revenue from acquired businesses from our organic revenue growth calculation for a period of 12 months after we complete the acquisition. For divestitures (including sale of assets), we exclude revenue in the prior-year period for which there is no comparable revenue in the current period.

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We present adjusted operating income (loss) and adjusted operating margin because we believe they better reflect period-over-period comparisons and improve overall understanding of the underlying performance of the business absent the impact of intangible amortization expense, M&A-related expenses, and certain other one-time, non-recurring items.

We present free cash flow as a supplemental disclosure to help investors better understand how much cash is available after making capital expenditures. Our management team uses free cash flow as a metric to evaluate the health of our business.

Consolidated Revenue

Revenue by type (in millions)	Three months ended March 31,		
	2026	2025	Change
Morningstar Direct Platform			
License-based	\$ 215.2	\$ 199.2	8.0 %
Asset-based	—	—	— %
Transaction-based	—	—	— %
Morningstar Direct Platform total	\$ 215.2	\$ 199.2	8.0 %
PitchBook			
License-based	\$ 170.5	\$ 161.8	5.4 %
Asset-based	—	—	— %
Transaction-based	1.9	1.9	— %
PitchBook total	\$ 172.4	\$ 163.7	5.3 %
Morningstar Credit			
License-based	\$ 5.8	\$ 4.6	26.1 %
Asset-based	—	—	— %
Transaction-based	95.2	68.4	39.2 %
Morningstar Credit total	\$ 101.0	\$ 73.0	38.4 %
Morningstar Wealth			
License-based	\$ 14.2	\$ 19.1	(25.7)%
Asset-based	36.5	36.1	1.1 %
Transaction-based	7.3	6.1	19.7 %
Morningstar Wealth total	\$ 58.0	\$ 61.3	(5.4)%
Morningstar Retirement			
License-based	\$ 0.4	\$ 0.5	(20.0)%
Asset-based	38.4	32.4	18.5 %
Transaction-based	—	—	— %
Morningstar Retirement total	\$ 38.8	\$ 32.9	17.9 %
Corporate and All Other ⁽¹⁾			
License-based	\$ 38.8	\$ 32.8	18.3 %
Asset-based	20.2	17.2	17.4 %
Transaction-based	0.4	1.8	(77.8)%
Corporate and All Other total	\$ 59.4	\$ 51.8	14.7 %
Consolidated revenue	\$ 444.9	\$ 418.0	6.4 %
	95.1	85.7	11.0 %
	104.8	78.2	34.0 %
	\$ 644.8	\$ 581.9	10.8 %

(1) Corporate and All Other provides a reconciliation between revenue from our Total Reportable Segments and consolidated revenue amounts. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues. Revenue from Morningstar Sustainalytics was \$26.6 million and \$28.8 million for the three months ended March 31, 2026 and 2025, respectively. Revenue from Morningstar Indexes was \$32.8 million and \$23.0 million for the three months ended March 31, 2026 and 2025, respectively.

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In the first quarter of 2026, consolidated revenue increased 10.8% to \$644.8 million. Foreign currency movements increased revenue by \$13.5 million.

License-based revenue increased 6.4%, or 2.6% on an organic basis, during the first quarter of 2026, primarily driven by strong demand for Morningstar Direct Platform and PitchBook products.

Asset-based revenue increased 11.0% on a both a reported and organic basis, during the first quarter of 2026. The increase in reported asset-based revenue was primarily driven by an increase in Morningstar Retirement products.

Transaction-based revenue increased 34.0%, or 30.6% on an organic basis, during the first quarter of 2026, primarily driven by Morningstar Credit revenue.

Organic Revenue

Organic revenue increased 7.6% in the first quarter of 2026, driven by organic growth in Morningstar Credit, Morningstar Direct Platform, and PitchBook.

The table below shows a reconciliation of organic revenue to the most directly comparable GAAP financial measure.

(in millions)	Three months ended March 31,		
	2026	2025	Change
Consolidated revenue	\$ 644.8	\$ 581.9	10.8 %
Acquisitions	(10.5)	—	NMF
Divestitures	(3.0)	(7.6)	NMF
Effect of foreign currency translations	(13.5)	—	NMF
Organic revenue	\$ 617.8	\$ 574.3	7.6 %

Consolidated Revenue by Geographical Area

(in millions)	Three months ended March 31,		
	2026	2025	Change
United States	\$ 462.0	\$ 424.5	8.8 %
Asia	11.8	11.9	(0.8)%
Australia	18.1	15.1	19.9 %
Canada	42.7	33.1	29.0 %
Continental Europe	57.0	50.6	12.6 %
United Kingdom	49.2	43.7	12.6 %
Other	4.0	3.0	33.3 %
Total International	182.8	157.4	16.1 %
Consolidated revenue	\$ 644.8	\$ 581.9	10.8 %

International revenue comprised 28% of our consolidated revenue in the first quarter of 2026, which was comparable to the same period in 2025. Approximately 58% of international revenue was generated in Continental Europe and the United Kingdom during the first quarter of 2026, which was comparable to the same period in 2025. Revenue from international operations increased 16.1% during the first quarter of 2026, driven by strong demand for Morningstar Credit and Morningstar Direct Platform products.

Consolidated Operating Expense

(in millions)	Three months ended March 31,		
	2026	2025	Change
Cost of revenue	\$ 238.9	\$ 231.4	3.2 %
% of consolidated revenue	37.1 %	39.8 %	(2.7) pp
Sales and marketing	115.2	112.6	2.3 %
% of consolidated revenue	17.9 %	19.4 %	(1.5) pp
General and administrative	84.0	76.5	9.8 %
% of consolidated revenue	13.0 %	13.1 %	(0.1) pp
Depreciation and amortization	51.7	47.3	9.3 %
% of consolidated revenue	8.0 %	8.1 %	(0.1) pp
Total operating expense	\$ 489.8	\$ 467.8	4.7 %
% of consolidated revenue	76.0 %	80.4 %	(4.4) pp

Cost of Revenue

Cost of revenue increased \$7.5 million in the first quarter of 2026. Higher compensation expense of \$4.6 million in the first quarter of 2026 was the largest contributor to the increase, primarily driven by unfavorable currency translation related to US dollar weakness. Technology infrastructure costs were also a driver due to the company's investment in and renewal of various SaaS-based platforms across the business.

Sales and Marketing

Sales and marketing expense increased \$2.6 million in the first quarter of 2026. Advertising and marketing costs increased \$1.9 million due to an increase in paid advertising.

General and Administrative

General and administrative expense increased \$7.5 million in the first quarter of 2026. Higher compensation expense of \$3.0 million was the largest contributor to the increase, driven primarily by unfavorable currency translation related to US dollar weakness and stock-based compensation. Facilities-related expenses and professional fees also contributed to the increase.

Depreciation and Amortization

Depreciation expense decreased slightly in the first quarter of 2026 while intangible amortization expense increased \$4.6 million, primarily from additional amortization related to intangibles from the acquisition of the Center for Research in Security Prices (CRSP).

Consolidated Operating Income and Operating Margin

(in millions)	Three months ended March 31,		
	2026	2025	Change
Operating income	\$ 155.9	\$ 114.1	36.6 %
% of revenue	24.2 %	19.6 %	4.6 pp

Consolidated operating income increased \$41.8 million in the first quarter of 2026, reflecting an increase in revenue of \$62.9 million, partially offset by an increase in operating expense of \$22.0 million. Operating margin was 24.2%, an increase of 4.6 percentage points compared with the first quarter of 2025.

Adjusted Operating Income and Adjusted Operating Margin

We reported adjusted operating income of \$178.6 million in the first quarter of 2026. The table below shows a reconciliation of adjusted operating income to the most directly comparable GAAP financial measure.

(in millions)	Three months ended March 31,		
	2026	2025	Change
Operating income	\$ 155.9	\$ 114.1	36.6 %
Intangible amortization expense	19.0	14.4	31.9 %
M&A-related expenses	4.6	6.9	(33.3)%
Other non-recurring items	(0.9)	—	NMF
Adjusted operating income	<u>\$ 178.6</u>	<u>\$ 135.4</u>	31.9 %
Morningstar Direct Platform	\$ 91.0	\$ 87.1	4.5 %
PitchBook	51.6	52.3	(1.3)%
Morningstar Credit	41.2	21.4	92.5 %
Morningstar Wealth	5.6	(0.8)	NMF
Morningstar Retirement	19.8	14.6	35.6 %
Less: Corporate and All Other ⁽¹⁾	(30.6)	(39.2)	NMF
Adjusted operating income	<u>\$ 178.6</u>	<u>\$ 135.4</u>	31.9 %

(1) Corporate and All Other includes unallocated corporate expenses as well as adjusted operating income (loss) from Morningstar Sustainalytics and Morningstar Indexes. For the first quarters of 2026 and 2025, unallocated corporate expenses were \$41.8 million in each period. Unallocated corporate expenses include finance, human resources, legal, and other management-related costs that are not considered when segment performance is evaluated.

We reported adjusted operating margin of 27.7% in the first quarter of 2026. The table below shows a reconciliation of adjusted operating margin to the most directly comparable GAAP financial measure.

	Three months ended March 31,		
	2026	2025	Change
Operating margin	24.2 %	19.6 %	4.6 pp
Intangible amortization expense	2.9 %	2.5 %	0.4 pp
M&A-related expenses	0.7 %	1.2 %	(0.5) pp
Other non-recurring items	(0.1)%	— %	(0.1) pp
Adjusted operating margin	<u>27.7 %</u>	<u>23.3 %</u>	4.4 pp

Segment Results

Segment adjusted operating income reflects the impact of direct segment expenses as well as certain allocated centralized costs, such as information technology, sales and marketing, and research and data.

Morningstar Direct Platform

The following table presents results for Morningstar Direct Platform:

(in millions)	Three months ended March 31,		
	2026	2025	Change
Total revenue	\$ 215.2	\$ 199.2	8.0 %
Adjusted operating income	\$ 91.0	\$ 87.1	4.5 %
Adjusted operating margin	42.3 %	43.7 %	(1.4) pp

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Morningstar Direct Platform total revenue increased \$16.0 million, or 8.0%, for the three months ended March 31, 2026. Revenue grew 5.0% on an organic basis, primarily driven by growth in Morningstar Data and Morningstar Direct.

Morningstar Data contributed \$9.4 million to revenue growth, with revenue increasing 9.4% or 6.3% on an organic basis. The increase in Morningstar Data was driven in part by expansion with existing clients supported by new use cases, with continued strength in managed investment data and Morningstar Essentials products.

Morningstar Direct contributed \$6.8 million to revenue growth, with revenue increasing 9.4% or 6.0% on an organic basis, reflecting increased revenue per license and expansion with existing clients in reporting solutions despite a decline of 1.8% in Direct Licenses compared with the prior-year period as some client workflows shifted.

Morningstar Direct Platform adjusted operating income increased \$3.9 million, or 4.5%, and adjusted operating margin decreased 1.4 percentage points for the three months ended March 31, 2026. The decline in adjusted operating margin was due in part to a shift of additional research and sales resources to support Direct Platform growth priorities, partially offset by targeted reorganizations in the fourth quarter of 2025.

Morningstar Direct Platform depreciation expense was \$9.5 million and \$10.8 million for the three months ended March 31, 2026 and 2025, respectively.

PitchBook

The following table presents results for PitchBook:

(in millions)	Three months ended March 31,		
	2026	2025	Change
Total revenue	\$ 172.4	\$ 163.7	5.3 %
Adjusted operating income	\$ 51.6	\$ 52.3	(1.3)%
Adjusted operating margin	29.9 %	31.9 %	(2.0) pp

PitchBook total revenue increased \$8.7 million, or 5.3%, for the three months ended March 31, 2026. Revenue grew 4.8% on an organic basis.

Growth was primarily driven by the PitchBook platform with strength in the direct data business, which continued to expand from a smaller base. The increase in PitchBook revenue reflected contributions from its core investor and advisor client segments, although growth slowed, especially in venture capital, while the corporate client segment continued to experience softness. Licensed user counts were relatively flat compared to the prior-year period, reflecting the addition of new logos offset by churn within the corporate segment.

PitchBook adjusted operating income decreased \$0.7 million, or 1.3%, and adjusted operating margin decreased 2.0 percentage points for the three months ended March 31, 2026. The decline in adjusted operating margin was due in part to higher advertising expenses and an increase in compensation costs, which included the impact of additional headcount to support new growth initiatives.

PitchBook depreciation expense was \$7.9 million and \$7.8 million for the three months ended March 31, 2026.

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Morningstar Credit

The following table presents results for Morningstar Credit:

(in millions)	Three months ended March 31,		
	2026	2025	Change
Total revenue	\$ 101.0	\$ 73.0	38.4 %
Adjusted operating income	\$ 41.2	\$ 21.4	92.5 %
Adjusted operating margin	40.8 %	29.3 %	11.5 pp

Morningstar Credit total revenue increased \$28.0 million, or 38.4%, for the three months ended March 31, 2026. Revenue grew 34.3% on an organic basis, supported by a robust issuance market. Revenue grew across geographies and asset classes, with particular strength in Canadian and European corporates and US structured finance ratings revenue. Organic revenue growth excludes revenue associated with DealX for the first two months of the quarter, and foreign currency impact.

Morningstar Credit adjusted operating income increased \$19.8 million, or 92.5%, and adjusted operating margin increased 11.5 percentage points for the three months ended March 31, 2026. The increase in adjusted operating income and margin reflected higher revenue, partially offset by higher compensation costs. The increase in compensation was primarily driven by higher salaries and benefits due to increases in headcount to support growth.

Morningstar Credit depreciation expense was \$1.4 million and \$2.0 million for the three months ended March 31, 2026 and 2025.

Morningstar Wealth

The following table presents results for Morningstar Wealth:

(in millions)	Three months ended March 31,		
	2026	2025	Change
Total revenue	\$ 58.0	\$ 61.3	(5.4)%
Adjusted operating income (loss)	\$ 5.6	\$ (0.8)	NMF
Adjusted operating margin	9.7 %	(1.3)%	11.0 pp

Morningstar Wealth total revenue decreased \$3.3 million, or 5.4%, for the three months ended March 31, 2026. Revenue decreased 1.6% on an organic basis. Organic revenue growth excludes interim service fees received from AssetMark associated with the company's sale of customer assets from the US Morningstar Wealth Turnkey Asset Management Platform from the prior-year period, and foreign currency impact. Reported and organic revenue growth included a \$5.5 million negative impact from the sunsetting of Morningstar Office, which was partially offset by growth in ad sales and Investment Management, which grew on an organic basis.

Asset-based revenue is based on quarter-end, prior quarter-end, or average asset levels during each quarter, which are often reported on a one-quarter lag for certain Investment Management products including Morningstar Managed Portfolios. The timing of client asset reporting and the structure of our contracts often results in a lag between market movements and the impact on revenue. The following table summarizes our approximate Morningstar Wealth AUMA:

(in billions)	As of March 31,		
	2026	2025	Change
Morningstar Model Portfolios	\$ 51.9	\$ 44.5	16.6 %
Institutional Asset Management	5.9	6.9	(14.5)%
Asset Allocation Services	2.6	12.4	(79.0)%
Investment Management (total)	\$ 60.4	\$ 63.8	(5.3)%

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Investment Management total revenue increased \$0.4 million, or 1.1% on a reported basis for the three months ended March 31, 2026. Revenue increased 10.6% on an organic basis. Reported AUMA decreased 5.3% to \$60.4 billion compared with the prior-year period. Excluding the impact of the loss of an Asset Allocation Services client, which accounted for a negligible share of Investment Management revenue, AUMA increased compared to the prior-year period, supported by market appreciation and positive net flows to Morningstar Model Portfolios offered on third-party platforms and the International Wealth Platform.

Morningstar Wealth adjusted operating income increased \$6.4 million and adjusted operating margin increased 11.0 percentage points for the three months ended March 31, 2026.

Morningstar Wealth depreciation expense was \$1.6 million and \$4.5 million for the three months ended March 31, 2026 and 2025.

Morningstar Retirement

The following table presents results for Morningstar Retirement:

(in millions)	Three months ended March 31,		
	2026	2025	Change
Total revenue	\$ 38.8	\$ 32.9	17.9 %
Adjusted operating income	\$ 19.8	\$ 14.6	35.6 %
Adjusted operating margin	51.0 %	44.4 %	6.6 pp

Morningstar Retirement total revenue increased \$5.9 million, or 17.9% on both a reported and organic basis for the three months ended March 31, 2026. AUMA, calculated using the most recently available average quarterly or monthly data, increased 11.7% to \$310.0 billion compared with the prior-year period, primarily due to market gains and supported by positive net flows to traditional and Advisor Managed Accounts.

Asset-based revenue is based on quarter-end, prior quarter-end, or average asset levels during each quarter, which are often reported on a one-quarter lag. The timing of client asset reporting and the structure of our contracts often results in a lag between market movements and the impact on revenue. The following table summarizes our approximate Morningstar Retirement AUMA:

(in billions)	As of March 31,		
	2026	2025	Change
Managed Accounts	\$ 191.7	\$ 162.8	17.8 %
Fiduciary Services	73.5	65.6	12.0 %
Custom Models/CIT	44.8	49.2	(8.9)%
Morningstar Retirement (total)	\$ 310.0	\$ 277.6	11.7 %

Morningstar Retirement adjusted operating income increased \$5.2 million and adjusted operating margin increased 6.6 percentage points for the three months ended March 31, 2026. Adjusted operating income included the impact of a discrete expense related to a correction of a client's participant accounts.

Morningstar Retirement depreciation expense was \$2.3 million and \$2.6 million for the three months ended March 31, 2026 and 2025, respectively.

Corporate and All Other

Corporate and All Other provides a reconciliation between revenue from our Total Reportable Segments and consolidated revenue amounts. Corporate and All Other includes Morningstar Sustainalytics and Morningstar Indexes as sources of revenues.

Corporate and All Other revenue increased \$7.6 million, or 14.7% on a reported basis, for the three months ended March 31, 2026.

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Morningstar Sustainalytics revenue decreased \$2.2 million, or 7.6%, for the three months ended March 31, 2026. Organic revenue decreased 14.1%, primarily due to the retirement of the second party opinions product.

Morningstar Indexes revenue increased \$9.8 million, or 42.6%, for the three months ended March 31, 2026. Organic revenue was roughly flat. Organic revenue growth excludes revenue associated with CRSP and foreign currency impact. Asset value linked to Morningstar Indexes increased to \$3.2 trillion from \$208.7 billion in the prior-year period, driven by the inclusion of \$2.9 trillion of assets linked to CRSP indexes, along with market performance and net inflows over the trailing 12 months.

Non-operating expense, net, Equity in investments of unconsolidated entities, and Effective tax rate and income tax expense

Non-Operating Expense, Net

(in millions)	Three months ended March 31,	
	2026	2025
Interest income	\$ 1.9	\$ 3.5
Interest expense	(15.6)	(8.9)
Other expense, net	(0.4)	(0.2)
Non-operating expense, net	\$ (14.1)	\$ (5.6)

Interest income reflects interest from our cash, cash equivalents, and investment portfolio. Interest expense mainly relates to the outstanding principal balances under the company's prior credit agreement, the 2025 Credit Agreement, and the 2030 Notes.

Other expense, net primarily consists of foreign currency exchange gains (losses) and gains (losses) on investments.

Equity in Investments of Unconsolidated Entities

(in millions)	Three months ended March 31,	
	2026	2025
Equity in investments of unconsolidated entities	\$ (0.1)	\$ (2.6)

Equity in investments of unconsolidated entities primarily reflects income and losses from our unconsolidated entities.

Effective Tax Rate and Income Tax Expense

(in millions)	Three months ended March 31,	
	2026	2025
Income before income taxes and equity in investments of unconsolidated entities	\$ 141.8	\$ 108.5
Equity in investments of unconsolidated entities	(0.1)	(2.6)
Income before income taxes	\$ 141.7	\$ 105.9
Income tax expense	\$ 34.6	\$ 27.4
Effective tax rate	24.4 %	25.9 %

Our effective tax rate in the first quarter of 2026 was 24.4%, reflecting a decrease of 1.5 percentage points compared with the same period in the prior year.

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The Organization for Economic Co-operation and Development (OECD) has proposed a global minimum tax of 15% of reported profits (Pillar Two) that has been agreed upon in principle by over 140 countries. Since the proposal, many countries incorporated Pillar Two model rule concepts into their domestic laws. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two differently than the model rules and on different timelines. On January 5, 2026, the OECD announced changes to the model rules to include the “side by side” arrangement, which contains simplification measures as well as an exemption for US parented companies from certain aspects of the Pillar Two regime. The updated model rules will need to be enacted into local legislation to become effective. Pillar Two did not have a material impact on our consolidated financial statements as of March 31, 2026. We are continuing to monitor developments and administrative guidance in addition to evaluating the potential impact of Pillar Two on our consolidated financial statements for future periods.

On July 4, 2025, the One Big Beautiful Bill Act (the OBBB) was enacted in the United States. The OBBB contains several changes impacting corporate taxpayers, including modifications to the capitalization of research and development expenses, changes to calculations for the limitation on deductions for interest expense, and the reestablishment of accelerated depreciation (full expensing) on fixed assets. The OBBB also includes adjustments to the calculation of certain international tax framework provisions, which were initially established by the Tax Cuts and Jobs Act of 2017. The OBBB has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The OBBB did not have a material impact on our consolidated financial statements as of March 31, 2026.

Liquidity and Capital Resources

As of March 31, 2026, we had cash, cash equivalents, and investments totaling \$532.2 million, compared with \$528.7 million as of December 31, 2025, an increase of \$3.5 million.

Cash provided by operating activities is our main source of cash. In the first three months of 2026, cash provided by operating activities increased 0.5% to \$91.5 million and free cash flow decreased by 8.8% to \$53.6 million.

We believe our available cash balances and investments, along with cash generated from operations and our credit facility, will be sufficient to meet our operating and cash needs for at least the next 12 months. We are focused on maintaining a strong balance sheet and liquidity position. We hold our cash reserves in cash equivalents and investments and maintain a conservative investment policy. We invest most of our investment balance in stocks, bonds, options, mutual funds, money market funds, or exchange-traded products that replicate the model portfolios and strategies created by Morningstar. These investment accounts may also include exchange-traded products where Morningstar is an index provider.

Approximately 81% of our cash, cash equivalents, and investments balance as of both March 31, 2026 and December 31, 2025 was held by our operations outside the United States. We generally consider the accumulated undistributed earnings of most of our foreign subsidiaries to be permanently reinvested.

We intend to use our cash, cash equivalents, and investments for general corporate purposes, including working capital and funding future growth.

Credit Agreement

On October 31, 2025, the company entered into a new senior credit agreement (the 2025 Credit Agreement). The 2025 Credit Agreement provides the company with a multi-currency credit facility with a borrowing capacity of up to \$1.5 billion, including a five-year \$750.0 million revolving credit facility (the 2025 Revolving Credit Facility), a five-year delayed draw term facility of up to \$375.0 million (the 2025 A-1 Facility), and a three-year term facility of up to \$375.0 million (the 2025 A-2 Facility and, together with the 2025 A-1 Facility, the 2025 Term Facility; and, together with the 2025 Revolving Credit Facility, the 2025 Facility). The 2025 Credit Agreement also provides for the issuance of up to \$50.0 million of letters of credit and a \$100.0 million sublimit for a swingline facility under the 2025 Revolving Credit Facility.

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As of March 31, 2026, the total outstanding debt under the 2025 Credit Agreement was \$1.4 billion, net of debt issuance costs, including \$375.0 million drawn under the 2025 A-1 Facility, \$375.0 million drawn under the 2025 A-2 Facility, and \$615.0 million drawn under the 2025 Revolving Credit Facility. The company's borrowing availability includes \$135.0 million under the 2025 Revolving Credit Facility.

The proceeds borrowed under the 2025 Facility were used to refinance existing indebtedness under the company's prior credit agreement, pay fees and expenses in connection with the 2025 Facility, finance the acquisition of CRSP, and for general corporate purposes.

The interest rate applicable to loans under the 2025 Credit Agreement will be based on the SOFR, SONIA, EURIBOR, Term CORRA, or BBSY depending on the currency of the loan and will include an applicable margin for such loans, which ranges between 1.05% and 1.425%, based on Morningstar's consolidated net leverage ratio and other applicable adjustments as further described in the 2025 Credit Agreement.

The portions of deferred debt issuance costs related to the 2025 Revolving Credit Facility are included in other current and non-current assets, and the portion of deferred debt issuance costs related to the 2025 Term Facility is reported as a reduction to the carrying amount of the 2025 Term Facility. Debt issuance costs related to the 2025 Revolving Credit Facility are amortized on a straight-line basis to interest expense over the term of the 2025 Credit Agreement. Debt issuance costs related to the 2025 Term Facility are amortized to interest expense using the effective interest method over the term of the 2025 Credit Agreement.

Private Placement Debt Offering

On October 26, 2020, we completed the issuance and sale of \$350.0 million aggregate principal amount of 2.32% senior notes due October 26, 2030 (the 2030 Notes), in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended. Proceeds were primarily used to pay off a portion of the company's outstanding debt under a prior credit agreement. Interest on the 2030 Notes will be paid semi-annually on each October 30 and April 30 during the term of the 2030 Notes and at maturity, with the first interest payment date occurring on April 30, 2021. As of March 31, 2026, our total outstanding debt, net of issuance costs, under the 2030 Notes was \$349.1 million.

Compliance with Covenants

Each of the 2025 Credit Agreement and the 2030 Notes include customary representations, warranties, and covenants, including financial covenants, that require us to maintain specified ratios of consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) to consolidated interest charges and consolidated net funded indebtedness (in the case of the 2025 Credit Agreement) or consolidated funded indebtedness (in the case of the 2030 Notes) to consolidated EBITDA, which are evaluated on a quarterly basis. We were in compliance with these financial covenants as of March 31, 2026, with consolidated funded indebtedness to consolidated EBITDA calculated at approximately 2.0x.

Dividend

In March 2026, our board of directors approved a regular quarterly dividend of \$0.50 per share, or \$19.0 million, payable on April 30, 2026 to shareholders of record as of April 3, 2026. We paid \$19.9 million in dividends during the three months ended March 31, 2026.

Share Repurchase Program

On October 29, 2025, the board of directors approved a share repurchase program that authorizes the company to repurchase up to \$1.0 billion in shares of the company's outstanding common stock, effective October 31, 2025 (the Share Repurchase Program). The current share repurchase program is set to expire on October 30, 2028. Under this authorization, we may repurchase shares from time to time at prevailing market prices on the open market or in private transactions in amounts that we deem appropriate.

For the three months ended March 31, 2026, we repurchased a total of 1,723,412 shares for \$300.0 million. As of March 31, 2026, we have repurchased a total of 3,126,261 shares for \$600.0 million under the Share Repurchase Program, leaving \$400.0 million available for future repurchases.

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For the three months ended March 31, 2026, we paid \$359.6 million, net of cash acquired, related to the acquisition of CRSP. For the three months ended March 31, 2025, we paid \$38.5 million, net of cash acquired, related to the acquisitions of DealX and Lumonic Inc.

We expect to continue making capital expenditures for the remainder of 2026, primarily for computer hardware, software, and leasehold improvements for new and existing office locations.

Consolidated Free Cash Flow

The table below shows a reconciliation of free cash flow to the most directly comparable GAAP financial measure.

(in millions)	Three months ended March 31,		
	2026	2025	Change
Cash provided by operating activities	\$ 91.5	\$ 91.0	0.5 %
Capital expenditures	(37.9)	(32.2)	17.7 %
Free cash flow	\$ 53.6	\$ 58.8	(8.8)%

We generated free cash flow of \$53.6 million in the first quarter of 2026 compared with \$58.8 million in the first quarter of 2025. The change reflects a \$0.5 million increase in cash provided by operating activities and a \$5.7 million increase in capital expenditures compared to the prior-year period. Cash provided by operating activities was roughly flat as higher cash earnings were offset by increases in working capital and higher cash taxes paid. Free cash flow decreased in the first quarter of 2026 reflecting an increase in capital expenditures compared to the prior-year period due in part to spending related to office refreshes across geographies.

Application of Critical Accounting Policies and Estimates

We discuss our critical accounting policies and estimates in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, in our Annual Report. We also discuss our significant accounting policies in Note 2 of the Notes to our Audited Consolidated Financial Statements included in our Annual Report and in Note 2 of the Notes to our Unaudited Consolidated Financial Statements contained in Part 1, Item 1 of this Quarterly Report. There have not been any material changes during the three months ended March 31, 2026 to the methodologies applied by management for critical accounting policies previously disclosed in our Annual Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our investment portfolio is actively managed and may suffer losses from fluctuating interest rates, market prices, or adverse security selection. These accounts may consist of stocks, bonds, options, mutual funds, money market funds, or exchange-traded products that replicate the model portfolios and strategies created by Morningstar. These investment accounts may also include exchange-traded products where Morningstar is an index provider. As of March 31, 2026, our cash, cash equivalents, and investments balance was \$532.2 million. Based on our estimates, a 100 basis-point change in interest rates would not have a material effect on the fair value of our investment portfolio.

We are subject to risk from fluctuations in the interest rates related to a portion of our long-term debt. The interest rates are based upon the applicable Secured Overnight Financing Rate (SOFR) plus an applicable margin for such loans or the lender's base rate plus an applicable margin for such loans. On an annualized basis, we estimate a 100 basis-point change in the SOFR would have a \$13.7 million impact on our interest expense based on our outstanding principal balance and SOFR at March 31, 2026.

We are subject to risk from fluctuations in foreign currencies from our operations outside of the US. We do not currently have any positions in derivative instruments to hedge our foreign currency risk.

The table below shows our exposure to foreign currency denominated revenue and operating income for the three months ended March 31, 2026:

(in millions, except foreign currency rates)	Three months ended March 31, 2026				
	Australian Dollar	British Pound	Canadian Dollar	Euro	Other Foreign Currencies
Currency rate in US dollars as of March 31, 2026	0.6872	1.3218	0.7179	1.1505	n/a
Percentage of revenue	2.7 %	7.6 %	6.6 %	6.2 %	5.1 %
Percentage of operating income (loss)	4.8 %	(2.0)%	9.4 %	8.5 %	(8.2)%
Estimated effect of a 10% adverse currency fluctuation on revenue	\$ (1.7)	\$ (4.8)	\$ (4.2)	\$ (4.0)	\$ (3.2)
Estimated effect of a 10% adverse currency fluctuation on operating income (loss)	\$ (0.7)	\$ 0.3	\$ (1.4)	\$ (1.3)	\$ 1.2

The table below shows our net investment exposure to foreign currencies as of March 31, 2026:

(in millions)	As of March 31, 2026				
	Australian Dollar	British Pound	Canadian Dollar	Euro	Other Foreign Currencies
Assets, net of unconsolidated entities	\$ 77.3	\$ 294.0	\$ 245.2	\$ 264.5	\$ 267.8
Less: liabilities	(29.4)	(77.5)	(70.2)	(129.7)	(132.0)
Net currency position	\$ 47.9	\$ 216.5	\$ 175.0	\$ 134.8	\$ 135.8
Estimated effect of a 10% adverse currency fluctuation on equity	\$ (4.8)	\$ (21.7)	\$ (17.5)	\$ (13.5)	\$ (13.6)

Item 4. Controls and Procedures

(a) Evaluation and Disclosure Controls and Procedures

Disclosure controls and procedures are designed to reasonably assure that information required to be disclosed in the reports filed or submitted under the Securities Exchange Act of 1934, as amended (the Exchange Act) is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to reasonably assure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of March 31, 2026. Based on that evaluation, our chief executive officer and chief financial officer concluded that as of March 31, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended March 31, 2026, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

(c) Inherent Limitations on Effectiveness of Controls and Procedures

Our management, including our chief executive officer and chief financial officer, believe that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been or would be detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART 2. OTHER INFORMATION

Item 1. Legal Proceedings

We incorporate by reference the information regarding legal proceedings set forth in Note 13 of the Notes to our Unaudited Consolidated Financial Statements contained in Part 1, Item 1 of this Quarterly Report.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risk factors in Part I, "Item 1A. Risk Factors" in our Annual Report when deciding whether to invest in our common stock or otherwise evaluating our business. If any of those risks or uncertainties materialize, our business, financial condition, and/or operating results could suffer. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment. Our operations could also be affected by other risks and uncertainties that are not presently known to us or that we currently consider immaterial to our operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The table below presents month-to-month information related to repurchases of common stock we made during the three months ended March 31, 2026. Refer to Note 14 of the Notes to our Unaudited Consolidated Financial Statements for more information regarding our share repurchase program:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced programs (a)	Approximate dollar value of shares that may yet be purchased under the programs (a)
January 1, 2026 - January 31, 2026	—	\$ —	—	\$ 700,017,506
February 1, 2026 - February 28, 2026	963,556	166.05	963,556	\$ 540,018,256
March 1, 2026 - March 31, 2026	759,856	184.25	759,856	\$ 400,017,600
Total	<u>1,723,412</u>	\$ 174.07	<u>1,723,412</u>	

(a) Repurchases effected pursuant to the \$1.0 billion 3-year share repurchase program effective October 31, 2025 (announced October 29, 2025).

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Insider Trading Arrangements

During the three months ended March 31, 2026, none of the company's officers (as defined in Section 16 of the Exchange Act) and directors adopted or terminated contracts, instructions, or written plans for the purchase or sale of the company's securities.

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Item 6. Exhibits

Exhibit No	Description of Exhibit
3.1	Amended and Restated Articles of Incorporation of Morningstar are incorporated by reference to Exhibit 3.1 to our Registration Statement on Form S-1, as amended, Registration No. 333-115209.
3.2	By-laws of Morningstar, as in effect on February 27, 2018, are incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K that we filed with the SEC on February 28, 2018.
31.1 †	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended
31.2 †	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended
32.1 †*	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2 †*	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101†	The following financial information from Morningstar, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, filed with the SEC on April 29, 2026 formatted in Inline XBRL: (i) Cover Page, (ii) Unaudited Consolidated Statements of Income, (iii) Unaudited Consolidated Statements of Comprehensive Income (iv) Unaudited Consolidated Balance Sheets, (v) Unaudited Consolidated Statement of Equity, (vi) Unaudited Consolidated Statements of Cash Flows and (vii) the Notes to Unaudited Consolidated Financial Statements
104†	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)

† Filed herewith.

*The certificates furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: April 29, 2026

MORNINGSTAR, INC.

By: /s/ Michael Holt
Michael Holt
Chief Financial Officer (principal financial officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Kunal Kapoor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morningstar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2026

/s/ Kunal Kapoor

Kunal Kapoor
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Michael Holt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morningstar, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2026

/s/ Michael Holt

Michael Holt
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

Kunal Kapoor, as Chief Executive Officer of Morningstar, Inc. (the Company), certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kunal Kapoor

Kunal Kapoor
Chief Executive Officer

Date: April 29, 2026

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

Michael Holt, as Chief Financial Officer of Morningstar, Inc. (the Company), certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael Holt

Michael Holt

Chief Financial Officer

Date: April 29, 2026