1Q15 Supplemental Presentation

April 30, 2015

LPL Financial

SAFE HARBOR DISCLOSURE AND NON-GAAP FINANCIAL MEASURES

Safe Harbor Disclosure

Statements in this presentation regarding LPL Financial Holdings Inc.'s (together with its affiliates and subsidiaries, the "Company") future financial and operating results, plans, strategies, goals, and future growth, including the effect of the Department of Labor's recent rule proposal on the Company's business, as well as any other statements that are not related to present facts or current conditions or that are not purely historical, constitute forward-looking statements. These forward-looking statements are based on the Company's historical performance and its plans, estimates and expectations as of April 30, 2015. The words "anticipates," "believes," "expects," "may," "plans," "predicts," "will" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are not guarantees that the future results, plans, intentions or expectations expressed or implied by the Company will be achieved. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, legislative, regulatory, competitive and other factors, which may cause actual financial or operating results, levels of activity, or the timing of events, to be materially different than those expressed or implied by forward-looking statements. Important factors that could cause or contribute to such differences include: changes in general economic and financial market conditions, including retail investor sentiment; fluctuations in the value of advisory and brokerage assets; fluctuations in levels of net new advisory assets and the related impact on fee revenue; effects of competition in the financial services industry; changes in the number of the Company's financial advisors and institutions, and their ability to market effectively financial products and services; the Company's strategy in managing program fees; changes in the growth of the Company's fee-based business; the Company's success in integrating the operations of acquired businesses; finalization and implementation of the Department of Labor's rule; the effect of current, pending and future legislation, regulation and regulatory actions, including disciplinary actions imposed by state or federal securities regulators or self-regulatory organizations; the costs of settling and remediating issues related to pending or future regulatory matters; and the other factors set forth in Part I, "Item 1A. Risk Factors" in the Company's 2014 Annual Report on Form 10-K and any subsequent SEC filings. Except as required by law, the Company specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after April 30, 2015, even if its estimates change, and you should not rely on those statements as representing the Company's views as of any subsequent date.

Non-GAAP Financial Metrics

Adjusted earnings represent net income before: (a) employee share-based compensation expense, (b) amortization of intangible assets, (c) acquisition and integration related expenses, (d) restructuring and conversion costs, and (e) other. Reconciling items are tax effected using the income tax rates in effect for the applicable period, adjusted for any potentially non-deductible amounts. Adjusted earnings per share represents adjusted earnings divided by weighted-average outstanding shares on a fully diluted basis. The Company prepares adjusted earnings and adjusted earnings per share to eliminate the effects of items that it does not consider indicative of its core operating performance. The Company believes these measures provide investors with greater transparency by helping illustrate the underlying financial and business trends relating to results of operations and financial condition and comparability between current and prior periods.

Adjusted EBITDA is defined as EBITDA (net income plus interest expense, income tax expense, depreciation and amortization), further adjusted to exclude certain non-cash charges and other adjustments. The Company presents adjusted EBITDA because the Company considers it a useful financial metric in assessing the Company's operating performance from period to period by excluding certain items that the Company believes are not representative of its core business, such as certain material non-cash items and other adjustments that are outside the control of management.

Adjusted earnings, adjusted earnings per share, and adjusted EBITDA are not measures of the Company's financial performance under GAAP and should not be considered as an alternative to net income or earnings per share or any other performance measure derived in accordance with GAAP, or as an alternative to cash flows from operating activities as a measure of profitability or liquidity. In addition, adjusted EBITDA can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate, and capital investments.

You can find additional related information, including a reconciliation of such non-GAAP measures for the year ended December 31, 2014 within our Annual Report, under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—How We Evaluate Our Business."

Gross Profit is calculated as net revenues less production expenses. Production expenses consist of the following expense categories from the Company's consolidated statements of income: (i) commission and advisory and (ii) brokerage, clearing, and exchange. All other expense categories, including depreciation and amortization, are considered general and administrative in nature. Because the Company's gross profit amounts do not include any depreciation and amortization expense, the Company considers its gross profit amounts to be non-GAAP measures that may not be comparable to those of others in its industry.

Executive Summary

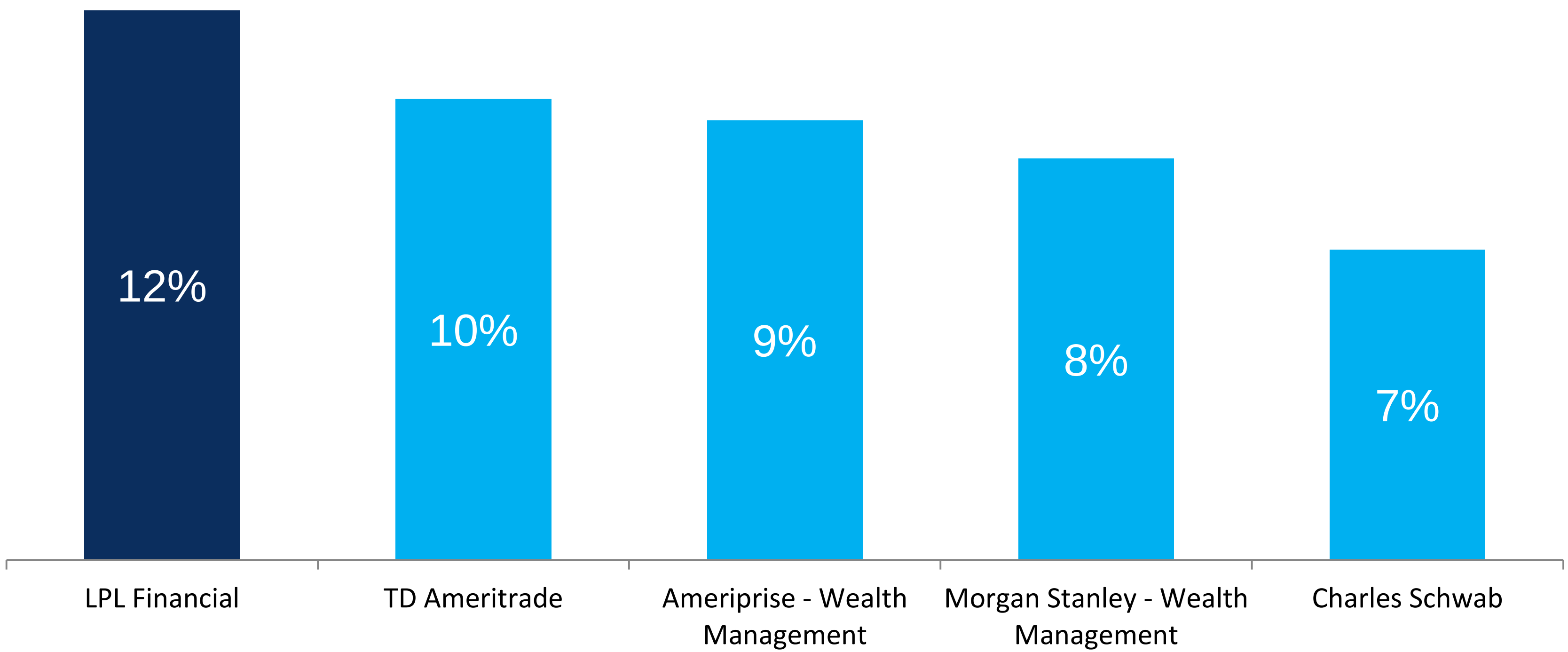
- **Our business fundamentals remained strong**
  - Healthy asset growth, net new advisory asset flows, net new advisors, and recruiting pipeline
  - Net new advisory asset growth rate of 12% over the past year is the best among publicly traded companies in the retail advice industry, including RIA custodians
  - Recurring gross profit* of >75% from a diverse group of sources provides financial stability and reduced dependency on transactional activity

- **Our flexible business model remains well positioned to continue to lead our industry**
  - Our shift towards advisory business began many years ago, and today 90% of our advisors are licensed to provide advisory services
  - The Department of Labor rule proposal on brokerage retirement accounts would apply to ~30% of total client assets
  - Alternative investments – including non-traded REITs - in brokerage retirement accounts contributed approximately 2% of gross sales** and gross profits in 2014.
  - Our diverse product offering reflects the investment needs of mass affluent investors

*Non-GAAP financial metrics; **Excludes equity, fixed income, and insurance sales

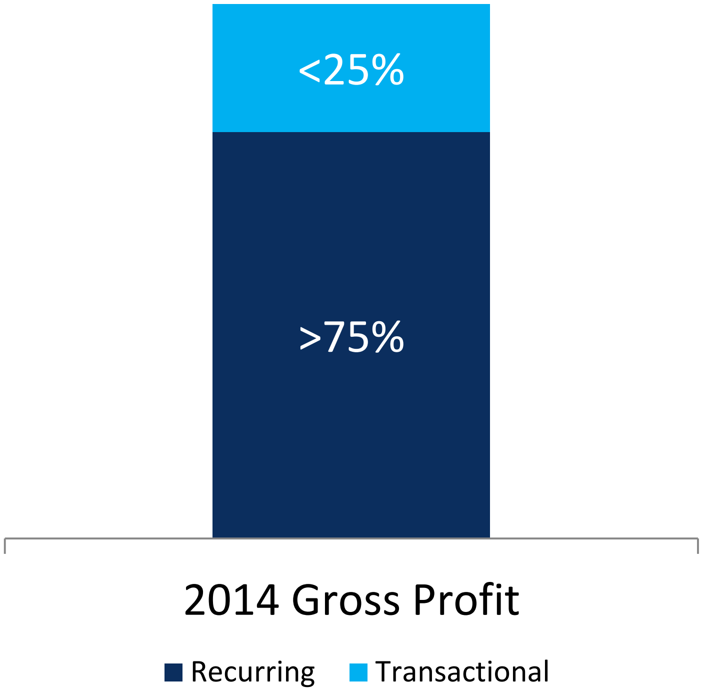
Our net new advisory asset growth rate of 12% over the past year is the best among publicly traded companies in the retail advice industry

2014 Net Flows Growth[1]



[1] Based on net flows reported from publicly disclosed information as of December 31, 2014, inclusive of acquisitions

Recurring gross profit* of >75% has created financial stability and minimized dependency on sales commissions

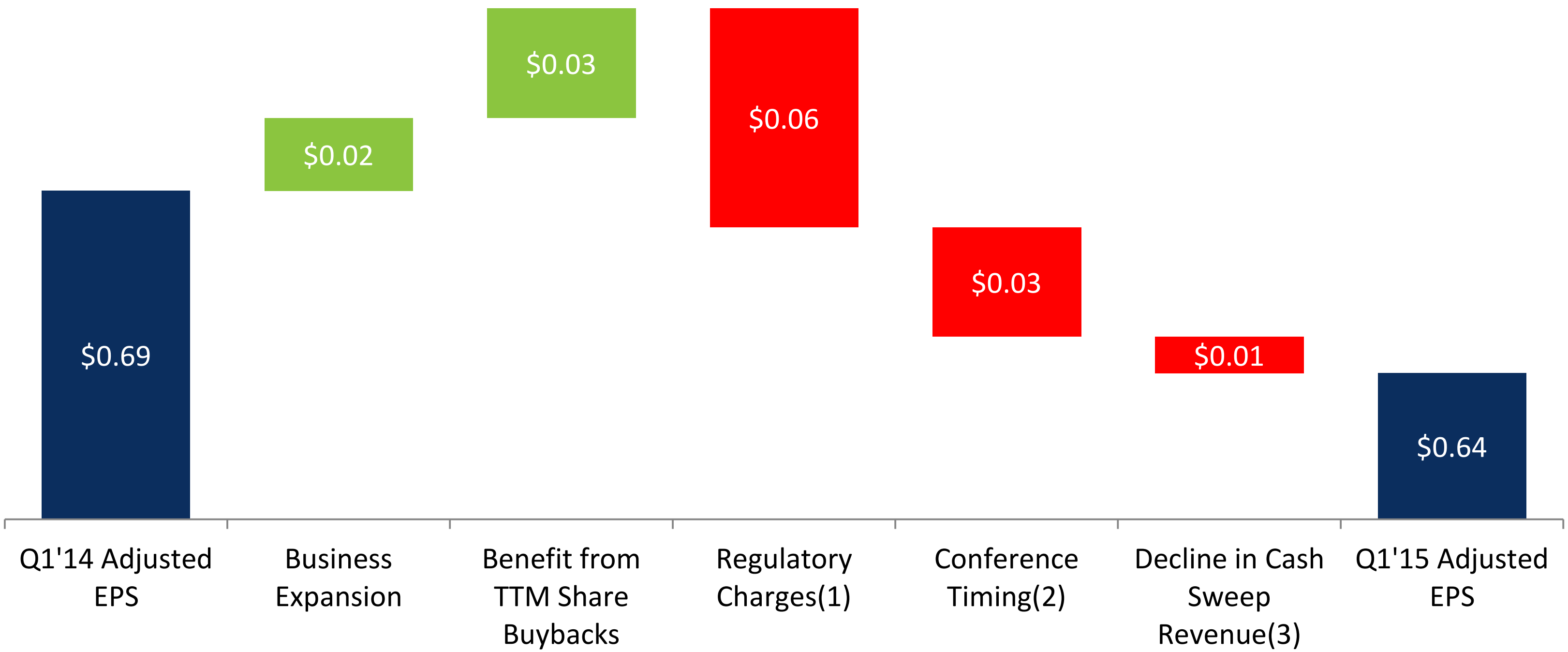


2014 Components ($ in millions)	Revenue	% Recurring	Gross Profit	% of Gross Profit	Recurring Gross Profit
Advisory	1,338	99%	231	17%	229
Sales commissions	1,181	0%	120	9%	-
Trailing commissions	937	100%	115	9%	115
Cash sweep	100	100%	100	8%	100
Other asset based	377	96%	357	27%	344
Transaction and fee	370	63%	340	26%	214
Interest and other	71	32%	62	4%	20
Total	**4,373**		**1,326**	**100%**	**1,022**
% Recurring		**68%**			**77%**

*Gross profit is a Non-GAAP financial metric
Note: The 2014 gross profit breakdown applies a refined cost allocation methodology that was implemented in 2015. The gross profit breakdown methodology differs from the 2013 gross profit breakdown methodology that was included in a presentation dated December 10, 2014 ("The LPL Financial Opportunity") posted on LPL's website in connection with the Goldman Sachs investor conference held on December 10, 2014. Applying the updated methodology to 2013 yields gross profit distribution of 17% Advisory, 9% Sales Commissions, 9% Trail Commissions, 34% Asset Based, 27% Transaction and Fees, and 4% Interest and Other.

In the first quarter, Adjusted EPS* declined as business expansion and share repurchases were outweighed by regulatory, cash sweep, and conference timing

Components of our Q1 2015 Year-over-Year Adjusted Earnings per Share* performance



*Adjusted EPS and Adjusted Earnings per Share are non-GAAP financial metrics

[1] Represent the increase in Q1'15 regulatory charges compared to Q1'14

[2] Represents an increase in conference expense attributable to the occurrence of two advisor conferences in Q1'15

[3] Represent the decline in Q1'15 cash sweep revenue compared to Q1'14

We have been undergoing a transition to advisory for many years and are benefitting from the marketplace trend towards advisory business

1990 | 2000 | 2010 | Today

- 1991 – LPL Launches our first advisory platform, enabling advisors to build advisory portfolios
- Mid '90s– LPL establishes Advisory Consulting Team, providing advisory-oriented training and support to LPL advisors
- 2004 – LPL launches "centrally managed" platforms, enabling advisors to use 3rd party portfolio managers
- 2008 – LPL launches Independent RIA Platform
- 2014 – LPL's 7 advisory platforms serve all levels of wealth, generating industry-leading growth

Advisory Today

90%
of advisors licensed for advisory business

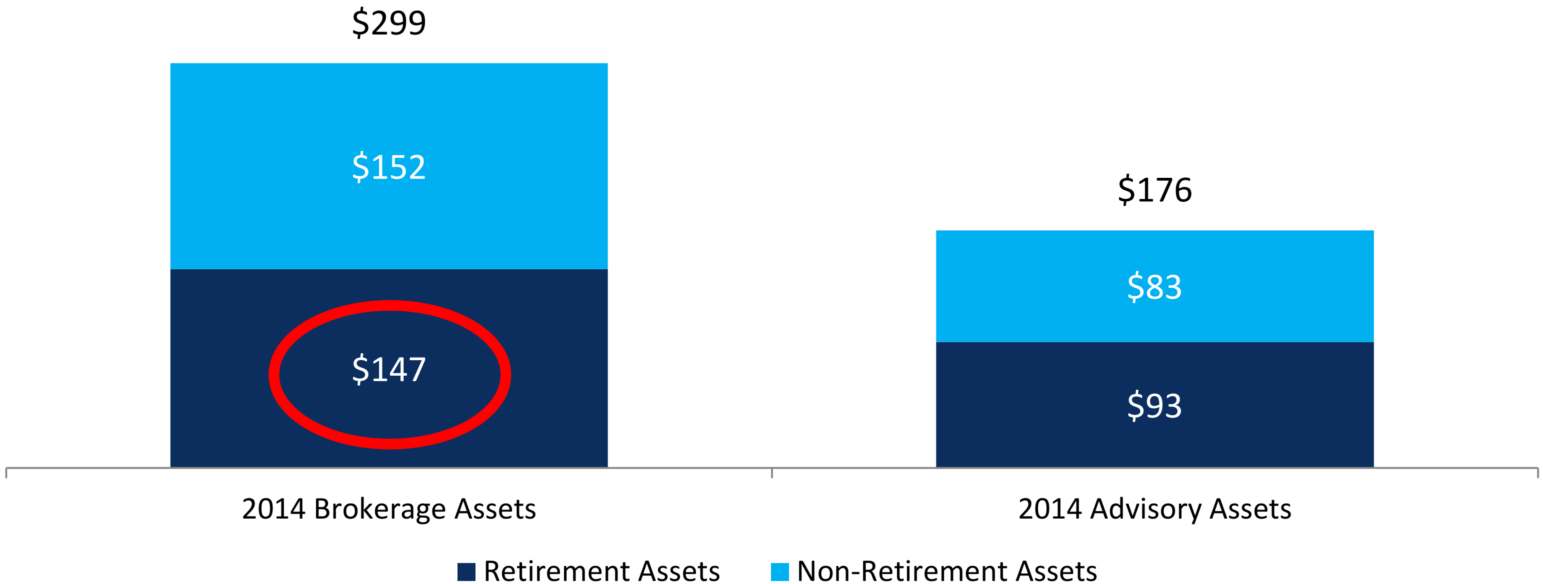
62%
of gross asset sales* are advisory

38%
of client assets are in advisory accounts

*Excludes equity, fixed income, and insurance sales

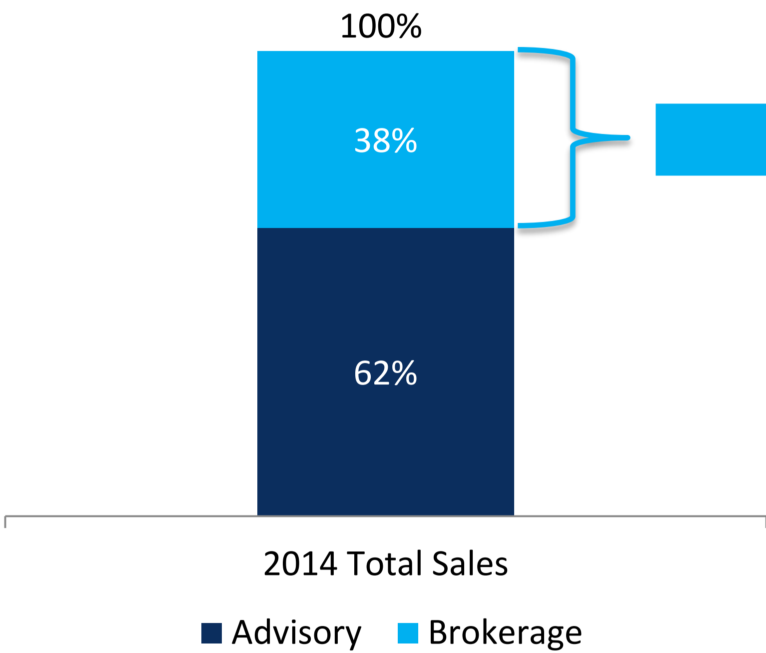
The Department of Labor focus on brokerage retirement accounts would likely impact ~30% of client assets

Total Brokerage & Advisory Client Assets of $475.1B (as of December 31, 2014)

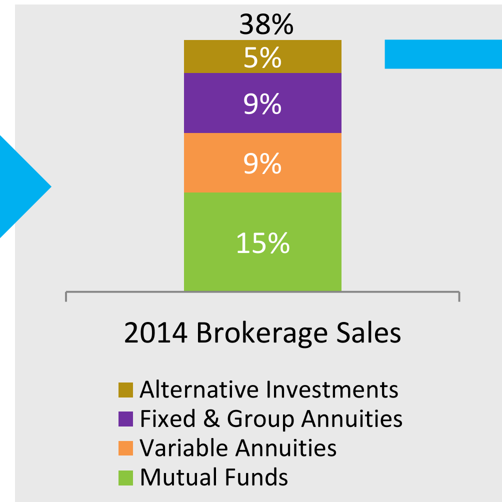


We have limited financial exposure under the DOL proposal as written

2014 Total Gross Asset Sales*



2014 Brokerage Gross Asset Sales*

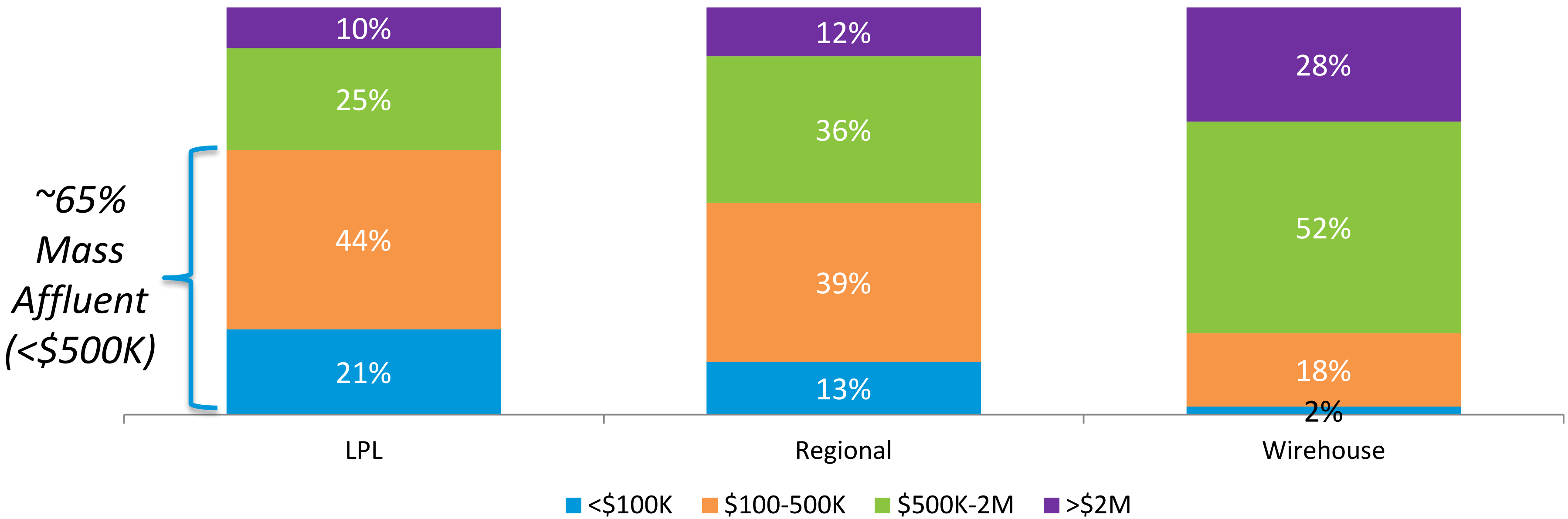


2014 Brokerage Retirement Acct. Sales

- Alternatives Investments generated ~5% of total brokerage sales and ~5% of total gross profit**
- ~40% of Alternative Investment sales were in brokerage retirement accounts
- Therefore, ~2% of total gross sales and total gross profit** were generated by Alternative Investments in brokerage retirement accounts

*Excludes equity, fixed income, and insurance sales; **Includes gross profit from Alternative Investment commissions, marketing allowances, and account fees

Our product mix is reflective of serving a greater percentage of mass affluent investors than wirehouse or regional firms



[1] Cerulli Advisor Metrics 2014

Putting clients first has driven the success of our advisors' businesses and our own