



## LPL Financial Closes E.K. Riley Asset Acquisition

August 18, 2020

*E.K. Riley Investments, LLC serves more than \$2 billion of client assets  
Approximately 90 percent of the advisors with E.K. Riley Investments are expected to join LPL  
Anticipated transaction multiple continues to be ~6x post-synergy EBITDA*

SAN DIEGO, Aug. 18, 2020 (GLOBE NEWSWIRE) -- LPL Financial Holdings Inc. (Nasdaq: LPLA) (collectively with its subsidiaries, "LPL"), today announced the closing of its acquisition of assets of E.K. Riley Investments, LLC, a broker-dealer and registered investment advisor (RIA) based in Seattle. E.K. Riley Investments serves more than \$2 billion of client assets, which are expected to onboard to LPL's platform by the end of 2020. Approximately 90 percent of the firm's 35 independent advisors are expected to join LPL.

"It is a privilege and honor to welcome the E.K. Riley team to LPL. An established and successful firm, E.K. Riley recognized the value that a partnership with LPL could bring to their firm today as well as into the future. One way we demonstrate our commitment to our advisors is through the delivery of relevant resources and technology that help them thrive in today's competitive environment. And with our scale and unwavering advisor focus, our clients can be assured they have a partner who will invest in their success over the long run," said Rich Steinmeier, LPL Financial managing director and divisional president, Business Development. "We are excited to connect the E.K. Riley team to the business solutions, technology and personalized service and support that can help them drive efficiency into their practices and deliver an enhanced experience to their clients. We look forward to being their committed partner for many, many years to come."

"Our partnership with LPL is the result of overall cultural similarities between our organizations," said Brian Bertsch, President of E.K. Riley. "We continue to be consistently impressed with their people-centric culture. We are excited to see our advisors thrive as part of the LPL family."

Edward Riley, Chairman and CEO of E.K. Riley, agreed: "LPL's culture, technology, and other capabilities allow our financial advisors to offer outstanding service and advice to their clients."

The transaction was structured as an asset purchase, and closed on August 18, 2020. LPL continues to anticipate a transaction multiple of ~6x post-synergy EBITDA.

### **About LPL Financial**

LPL Financial is a leader in the retail financial advice market and the nation's largest independent broker-dealer\*. We serve independent financial advisors, professionals, and financial institutions, providing them with the technology, research, clearing and compliance services, and practice management programs they need to create and grow thriving practices. LPL enables them to provide objective guidance to millions of American families seeking wealth management, retirement planning, financial planning and asset management solutions.

Securities and Advisory services offered through LPL Financial, a registered investment advisor. Member FINRA/SIPC.

\*Based on total revenues, Financial Planning magazine June 1996-2020

### **Forward-Looking Statements**

Statements in this press release regarding LPL's and E.K. Riley Investments' future operating results, growth and plans, including the amount and timing of client asset onboarding, advisor headcount and post-synergy EBITDA, 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 historical performance of LPL and E.K. Riley Investments and LPL's plans, estimates and expectations as of August 18, 2020. Forward-looking statements are not guarantees that the future levels of assets serviced, results, plans, intentions or expectations expressed or implied by LPL 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 levels of client assets serviced, 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. In particular, LPL can provide no assurance that the client assets reported as serviced by E.K. Riley Investments' financial advisors will translate into assets serviced at LPL, or that E.K. Riley Investments' advisors will join LPL. Important factors that could cause or contribute to such differences include: difficulties and delays in onboarding the clients of E.K. Riley Investments' advisors, which could negatively affect LPL's ability to realize revenue or expense synergies or other expected benefits of the transaction; the choice by clients of E.K. Riley Investments' advisors not to open brokerage and/or advisory accounts at LPL; changes in general economic and financial market conditions, including retail investor sentiment; fluctuations in the value of assets under custody; effects of competition in the financial services industry, including competitors' success in recruiting E.K. Riley Investments' advisors and their clients; and the other factors set forth in Part I, "Item 1A. Risk Factors" in LPL's 2019 Annual Report on Form 10-K and any subsequent SEC filing. Except as required by law, LPL specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this press release, even if its estimates change, and you should not rely on those statements as representing LPL's views as of any date subsequent to August 18, 2020. Estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

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