



# Q2 2021 HISTORICAL INFORMATION

LPL Financial Holdings Inc.  
July 29, 2021

## LPL Financial Holdings Inc. - Historical Management's Statements of Operations

For the quarter ending June 30, 2021

(\$ in thousands, unless noted)	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
<b>Gross Profit*</b>									
Advisory	\$ 846,313	\$ 722,046	\$ 638,181	\$ 586,941	\$ 523,370	\$ 579,027	\$ 533,259	\$ 514,363	\$ 481,309
Sales-based commissions	249,596	236,273	202,504	180,357	159,512	228,391	193,980	194,342	203,531
Trailing commissions	348,637	320,956	300,516	292,286	267,941	275,053	282,940	280,651	275,604
Advisory fees and commissions	1,444,546	1,279,275	1,141,201	1,059,584	950,823	1,082,471	1,010,179	989,356	960,444
Production based payout	(1,247,321)	(1,095,377)	(987,882)	(917,831)	(819,953)	(920,835)	(876,654)	(857,384)	(831,178)
Advisory fees and commissions, net of payout	197,225	183,898	153,319	141,753	130,870	161,636	133,525	131,972	129,266
Client cash	90,377	97,104	105,019	108,705	116,266	151,398	155,322	162,517	161,815
Other asset-based	189,243	167,602	153,374	144,846	130,801	134,108	133,603	129,623	126,736
Transaction and fee	137,100	140,944	129,750	119,747	119,478	137,096	118,291	121,222	118,335
Interest income and other, net	11,111	9,170	10,082	8,484	9,397	8,364	13,323	13,556	15,583
<b>Total net advisory fees and commissions and attachment revenue</b>	<b>625,056</b>	<b>598,718</b>	<b>551,544</b>	<b>523,535</b>	<b>506,812</b>	<b>592,602</b>	<b>554,064</b>	<b>558,890</b>	<b>551,735</b>
Brokerage, clearing, and exchange expense	(23,459)	(19,364)	(17,762)	(17,834)	(18,565)	(17,024)	(15,927)	(16,380)	(15,994)
<b>Gross Profit*</b>	<b>601,597</b>	<b>579,354</b>	<b>533,782</b>	<b>505,701</b>	<b>488,246</b>	<b>575,578</b>	<b>538,137</b>	<b>542,510</b>	<b>535,741</b>
<b>G&amp;A Expense</b>									
Core G&A*	251,679	236,263	252,391	227,099	222,406	223,211	230,182	215,198	210,514
Regulatory charges	7,416	7,595	8,775	8,326	6,115	6,157	7,893	7,905	8,632
Promotional	64,135	54,181	48,342	57,970	44,540	57,398	51,050	61,715	41,423
Acquisition Costs	23,782	2,429	-	-	-	-	-	-	-
Employee share-based comp.	11,136	11,356	7,542	7,420	8,040	8,648	7,179	7,414	7,306
<b>Total G&amp;A</b>	<b>358,148</b>	<b>311,823</b>	<b>317,050</b>	<b>300,815</b>	<b>281,101</b>	<b>295,414</b>	<b>296,304</b>	<b>292,232</b>	<b>267,875</b>
<b>EBITDA*</b>	<b>243,449</b>	<b>267,531</b>	<b>216,732</b>	<b>204,886</b>	<b>207,146</b>	<b>280,164</b>	<b>241,833</b>	<b>250,278</b>	<b>267,866</b>
Depreciation and amortization	36,704	35,499	28,650	27,548	26,890	26,644	25,663	24,062	22,584
Amortization of intangible assets	19,925	17,431	17,270	16,829	16,689	16,570	16,631	16,286	16,249
Non-operating interest expense	25,171	25,059	24,979	25,179	26,289	29,318	31,384	31,944	33,957
Loss on extinguishment of debt and other	-	24,400	-	-	-	-	3,156	-	-
<b>INCOME BEFORE PROVISION FOR INCOME TAXES</b>	<b>161,649</b>	<b>165,142</b>	<b>145,833</b>	<b>135,330</b>	<b>137,278</b>	<b>207,632</b>	<b>164,999</b>	<b>177,986</b>	<b>195,076</b>
PROVISION FOR INCOME TAXES	42,548	35,522	34,285	31,541	35,616	51,991	38,323	46,272	48,984
<b>NET INCOME</b>	<b>\$ 119,101</b>	<b>\$ 129,620</b>	<b>\$ 111,548</b>	<b>\$ 103,789</b>	<b>\$ 101,662</b>	<b>\$ 155,641</b>	<b>\$ 126,676</b>	<b>\$ 131,714</b>	<b>\$ 146,092</b>
Earnings per share, diluted	\$ 1.46	\$ 1.59	\$ 1.38	\$ 1.29	\$ 1.27	\$ 1.92	\$ 1.53	\$ 1.57	\$ 1.71
Weighted-average shares outstanding, diluted	81,728	81,622	80,904	80,550	80,127	81,166	82,695	83,844	85,350
EPS Prior to Amortization of Intangible Assets and Acquisition Costs*	\$ 1.85	\$ 1.77	\$ 1.53	\$ 1.44	\$ 1.42	\$ 2.06	\$ 1.68	\$ 1.71	\$ 1.85

## \*Notice to Investors: Non-GAAP Financial Measures

Gross profit, Core G&A and EBITDA are non-GAAP financial measures. Management believes that presenting certain non-GAAP financial measures by excluding or including certain items can be helpful to investors and analysts who may wish to use some or all of this information to analyze the Company's current performance, prospects and valuation. Management uses this non-GAAP information internally to evaluate operating performance and in formulating the budget for future periods. Management believes that the non-GAAP financial measures and metrics discussed herein are appropriate for evaluating the performance of the Company.

EPS Prior to Amortization of Intangible Assets and Acquisition Costs is defined as GAAP EPS plus the per share impact of amortization of intangible assets and acquisition costs. The per share impact is calculated as amortization of intangible assets expense and acquisition costs, net of applicable tax benefit, divided by the number of shares outstanding for the applicable period. The Company presents EPS Prior to Amortization of Intangible Assets and Acquisition Costs because management believes that the metric can provide investors with useful insight into the Company's core operating performance by excluding non-cash items and acquisition costs that management does not believe impact the Company's ongoing operations. EPS Prior to Amortization of Intangible Assets and Acquisition Costs is not a measure of the Company's financial performance under GAAP and should not be considered as an alternative to GAAP EPS or any other performance measure derived in accordance with GAAP. For a reconciliation of EPS Prior to Amortization of Intangible Assets and Acquisition Costs, please see the prior page.

Gross Profit is calculated as total revenues, which were \$1,898 million for the three months ended June 30, 2021, less advisory and commission expenses and brokerage, clearing and exchange fees, which were \$1,273 million and \$23 million, respectively for the three months ended June 30, 2021. All other expense categories, including depreciation and amortization of fixed assets and amortization of intangible assets, 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 Gross Profit to be a non-GAAP financial measure that may not be comparable to similar measures used by others in its industry. Management believes that Gross Profit can provide investors with useful insight into the Company's core operating performance before indirect costs that are general and administrative in nature. For a calculation of Gross Profit, please see the prior page.

Core G&A consists of total operating expenses, which were \$1,711 million for the three months ended June 30, 2021, excluding the following expenses: advisory and commission, regulatory charges, promotional, employee share-based compensation, depreciation and amortization, amortization of intangible assets, brokerage, clearing and exchange and acquisition costs. Management presents Core G&A because it believes Core G&A reflects the corporate operating expense categories over which management can generally exercise a measure of control, compared with expense items over which management either cannot exercise control, such as advisory and commission expenses, or which management views as promotional expense necessary to support advisor growth and retention, including conferences and transition assistance. Core G&A is not a measure of the Company's total operating expenses as calculated in accordance with GAAP. For a reconciliation of Core G&A to the Company's total operating expenses, please see below.

EBITDA is defined as net income plus interest and other expense, income tax expense, depreciation and amortization, amortization of intangible assets and loss on extinguishment of debt. The Company presents EBITDA because management believes that it can be a useful financial metric in understanding the Company's earnings from operations. EBITDA is not a measure of the Company's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP. In addition, the Company's EBITDA can differ significantly from EBITDA calculated by other companies, depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. For a reconciliation of EBITDA to net income, please see the prior page.

\$ in millions	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
<b>Total operating expense</b>	<b>\$1,711</b>	<b>\$1,493</b>	<b>\$1,410</b>	<b>\$1,300</b>	<b>\$1,203</b>	<b>\$1,226</b>	<b>\$1,248</b>	<b>\$1,205</b>	<b>\$1,161</b>
Advisory and commissions	1,273	1,109	1,030	937	860	871	894	857	838
Depreciation & amortization	37	35	29	28	27	27	26	24	23
Amortization of intangible assets	20	17	17	17	17	17	17	16	16
Brokerage, clearing and exchange	23	19	18	18	19	17	16	16	16
<b>Total G&amp;A</b>	<b>\$358</b>	<b>\$312</b>	<b>\$317</b>	<b>\$301</b>	<b>\$281</b>	<b>\$295</b>	<b>\$296</b>	<b>\$292</b>	<b>\$268</b>
Promotional	64	54	48	58	45	57	51	62	41
Acquisition Costs	24	2	0	0	0	0	0	0	0
Employee share-based compensation	11	11	8	7	8	9	7	7	7
Regulatory charges	7	8	9	8	6	6	8	8	9
<b>Core G&amp;A</b>	<b>\$252</b>	<b>\$236</b>	<b>\$252</b>	<b>\$227</b>	<b>\$222</b>	<b>\$223</b>	<b>\$230</b>	<b>\$215</b>	<b>\$211</b>
	<b>Q2 2021</b>	<b>Q1 2021</b>	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Q2 2020</b>	<b>Q1 2020</b>	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>Q2 2019</b>
Production based payout	\$1,247	\$1,095	\$988	\$918	\$820	\$921	\$877	\$857	\$831
Advisor deferred compensation expense	26	14	42	19	40	(50)	17	(1)	7
<b>Advisory and commission expense</b>	<b>\$1,273</b>	<b>\$1,109</b>	<b>\$1,030</b>	<b>\$937</b>	<b>\$860</b>	<b>\$871</b>	<b>\$894</b>	<b>\$857</b>	<b>\$838</b>
	<b>Q2 2021</b>	<b>Q1 2021</b>	<b>Q4 2020</b>	<b>Q3 2020</b>	<b>Q2 2020</b>	<b>Q1 2020</b>	<b>Q4 2019</b>	<b>Q3 2019</b>	<b>Q2 2019</b>
Interest income	\$7	\$7	\$7	\$7	\$7	\$10	\$11	\$12	\$12
Plus: Other Revenue	30	16	45	21	43	(51)	20	1	11
Less: Advisor deferred compensation expense	(26)	(14)	(42)	(19)	(40)	50	(17)	1	(7)
<b>Interest income and other, net</b>	<b>\$11</b>	<b>\$9</b>	<b>\$10</b>	<b>\$8</b>	<b>\$9</b>	<b>\$8</b>	<b>\$13</b>	<b>\$14</b>	<b>\$16</b>

Note: Totals may not foot due to rounding.

## LPL Financial Holdings Inc. - Historical Quarterly Activity

As of June 30, 2021

(End of Period \$ in billions, unless noted)	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
<b>Assets</b>									
Advisory Assets <sup>(1)</sup>	577.6	496.7	461.2	405.9	375.3	322.3	365.8	338.0	327.3
Brokerage Assets <sup>(2)</sup>	534.7	461.6	441.9	404.4	386.4	347.6	398.6	381.3	378.7
<b>Total Advisory and Brokerage Assets</b>	<b>1,112.3</b>	<b>958.3</b>	<b>903.1</b>	<b>810.4</b>	<b>761.7</b>	<b>669.9</b>	<b>764.4</b>	<b>719.3</b>	<b>706.0</b>
Centrally Managed Assets <sup>(3)</sup>	84.7	77.0	67.1	59.0	54.4	46.9	52.4	47.8	45.7
<b>Total Net New Assets</b>									
Net New Advisory Assets <sup>(4)</sup>	54.9	22.7	18.4	10.4	10.2	13.2	11.5	10.1	7.5
Net New Brokerage Assets <sup>(5)</sup>	51.1	6.2	3.4	0.7	2.8	1.2	1.0	1.8	(1.3)
<b>Total Net New Assets</b>	<b>106.0</b>	<b>28.9</b>	<b>21.8</b>	<b>11.1</b>	<b>13.0</b>	<b>14.3</b>	<b>12.5</b>	<b>11.9</b>	<b>6.2</b>
<b>Total Organic Net New Assets<sup>(6)</sup></b>									
Organic Net New Advisory Assets	21.4	22.7	15.9	10.4	10.2	13.2	11.5	9.0	7.5
Organic Net New Brokerage Assets	15.6	6.2	1.9	0.7	2.8	1.2	1.0	0.0	(1.3)
<b>Total Organic Net New Assets</b>	<b>37.1</b>	<b>28.9</b>	<b>17.8</b>	<b>11.1</b>	<b>13.0</b>	<b>14.3</b>	<b>12.5</b>	<b>9.0</b>	<b>6.2</b>
Net Brokerage to Advisory Conversions <sup>(7)</sup>	3.2	3.3	2.6	2.0	1.6	2.4	1.9	1.7	1.8
Corporate Platform Net New Advisory Assets	49.0	17.1	15.0	7.8	6.2	7.8	8.7	7.1	5.7
Hybrid Platform Net New Advisory Assets	6.0	5.6	3.3	2.6	4.0	5.4	2.9	2.9	1.8
<b>Total Net New Advisory Assets</b>	<b>54.9</b>	<b>22.7</b>	<b>18.4</b>	<b>10.4</b>	<b>10.2</b>	<b>13.2</b>	<b>11.5</b>	<b>10.1</b>	<b>7.5</b>
Centrally Managed Net New Advisory Assets <sup>(8)</sup>	4.0	7.8	2.5	1.9	1.3	2.2	2.3	2.0	1.3
<b>Client Cash Balances</b>									
Insured Cash Account Balances	34.1	37.4	37.3	34.7	33.1	34.5	24.4	22.2	21.3
Deposit Cash Account Balances	7.6	7.9	8.2	8.0	7.7	8.7	5.0	4.6	4.3
<b>Total Bank Sweep Balances</b>	<b>41.7</b>	<b>45.3</b>	<b>45.5</b>	<b>42.7</b>	<b>40.8</b>	<b>43.2</b>	<b>29.4</b>	<b>26.8</b>	<b>25.6</b>
Money Market Account Cash Balances	5.0	1.3	1.5	1.5	1.6	1.8	1.9	2.6	3.5
Purchased Money Market Funds	1.7	1.6	1.9	2.3	2.8	2.8	2.4	1.8	1.0
<b>Total Money Market Balances</b>	<b>6.7</b>	<b>3.0</b>	<b>3.3</b>	<b>3.9</b>	<b>4.5</b>	<b>4.6</b>	<b>4.3</b>	<b>4.4</b>	<b>4.5</b>
<b>Total Client Cash Balances</b>	<b>48.4</b>	<b>48.3</b>	<b>48.9</b>	<b>46.6</b>	<b>45.3</b>	<b>47.8</b>	<b>33.7</b>	<b>31.2</b>	<b>30.1</b>
Net Buy (Sell) Activity <sup>(9)</sup>	18.1	17.4	12.2	9.3	12.5	0.2	9.8	9.0	9.7
<b>Market Indices</b>									
S&P 500 (end of period)	4,298	3,973	3,756	3,363	3,100	2,585	3,231	2,977	2,942
Fed Funds Effective Rate (average bps)	7	8	9	9	6	123	165	220	240

Note: The Company's Q2 2021 results included \$70.0 billion of total brokerage and advisory assets from Waddell & Reed, of which \$35.7 billion was brokerage assets and \$34.3 billion was advisory assets. The Company's Q2 2021 results also included \$15.6 billion of total brokerage and advisory assets from M&T Bank, of which \$12.4 billion was brokerage assets and \$3.1 billion was advisory assets. The Company's Q2 2021 results included \$3.1 billion of brokerage assets from BMO Harris Financial Advisors. The Company's Q1 2021 results included \$11.8 billion of total brokerage and advisory assets from BMO Harris Financial Advisors, of which \$6.8 billion was brokerage assets and \$5.0 billion was advisory assets.

(1) Consists of total advisory assets under custody at the Company's broker-dealer subsidiaries, LPL Financial LLC ("LPL Financial") and Waddell & Reed, LLC ("Waddell & Reed"). Results for Q4 2020 also included advisory assets related to the onboarding of E.K. Riley Investments, LLC and Lucia Securities, LLC.

(2) Consists of brokerage assets serviced by advisors licensed with LPL Financial and Waddell & Reed. Results for Q4 2020 also included brokerage assets related to the onboarding of E.K. Riley Investments, LLC and Lucia Securities, LLC.

(3) Represents those advisory assets in LPL Financial's Model Wealth Portfolios, Optimum Market Portfolios, Personal Wealth Portfolios and Guided Wealth Portfolios platforms.

(4) Consists of Advisory Asset Inflows minus Outflows, plus Advisory Dividends, plus Interest, minus Advisory Fees.

(5) Consists of Brokerage Asset Inflows minus Outflows, plus Brokerage Dividends, plus Interest.

(6) Consists of net new assets excluding the acquisitions of Waddell & Reed, Lucia Securities, LLC and E.K. Riley Investments, LLC. Acquired assets include \$68.9 billion of net new assets related to Waddell & Reed in Q2 2021, \$2.5 billion of net new assets related to E.K. Riley Investments, LLC in Q4 2020, and \$1.5 billion of net new assets from Lucia Securities, LLC in Q4 2020. Acquired assets include \$2.9 billion of net new assets related to Allen & Company in Q3 2019.

(7) Consists of existing custodied accounts that converted from brokerage to advisory, less existing custodied assets that converted from advisory to brokerage.

(8) Consists of total client deposits into Centrally Managed Assets accounts less total client withdrawals from Centrally Managed Assets accounts.

(9) Represents the amount of securities purchased less the amount of securities sold in client accounts custodied with LPL Financial. Reported activity does not include any other cash activity, such as deposits, withdrawals, dividends received or fees paid.

**LPL Financial Holdings Inc. - Historical Monthly Activity Through June 2021**

As of June 30, 2021

(End of Period \$ in billions, unless noted)	Jun 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Sep 2020	Aug 2020	Jul 2020	Jun 2020
<b>Assets</b>													
Advisory Assets <sup>(1)</sup>	577.6	559.0	550.5	496.7	477.4	464.6	461.2	442.0	406.0	405.9	410.4	392.7	375.3
Brokerage Assets <sup>(2)</sup>	534.7	515.1	512.7	461.6	447.7	442.3	441.9	431.3	401.6	404.4	412.2	399.2	386.4
<b>Total Advisory and Brokerage Assets</b>	<b>1,112.3</b>	<b>1,074.1</b>	<b>1,063.2</b>	<b>958.3</b>	<b>925.1</b>	<b>907.0</b>	<b>903.1</b>	<b>873.3</b>	<b>807.6</b>	<b>810.4</b>	<b>822.7</b>	<b>791.9</b>	<b>761.7</b>
<b>Total Net New Assets</b>													
Net New Advisory Assets <sup>(3)</sup>	11.2	5.7	38.0	12.5	6.0	4.2	6.8	5.8	5.7	4.4	3.1	2.9	4.3
Net New Brokerage Assets <sup>(4)</sup>	14.8	0.4	35.9	6.9	(0.0)	(0.6)	1.1	1.6	0.8	0.7	0.0	0.0	1.0
<b>Total Net New Assets</b>	<b>26.0</b>	<b>6.1</b>	<b>73.8</b>	<b>19.4</b>	<b>5.9</b>	<b>3.6</b>	<b>7.9</b>	<b>7.4</b>	<b>6.5</b>	<b>5.1</b>	<b>3.1</b>	<b>2.9</b>	<b>5.4</b>
<b>Total Organic Net New Assets<sup>(5)</sup></b>													
Net New Organic Advisory Assets	10.4	5.7	5.4	12.5	6.0	4.2	6.8	4.2	4.8	4.4	3.1	2.9	4.3
Net New Organic Brokerage Assets	13.9	0.4	1.4	6.9	(0.0)	(0.6)	1.1	0.7	0.2	0.7	0.0	0.0	1.0
<b>Total Organic Net New Assets</b>	<b>24.2</b>	<b>6.1</b>	<b>6.7</b>	<b>19.4</b>	<b>5.9</b>	<b>3.6</b>	<b>7.9</b>	<b>4.9</b>	<b>5.0</b>	<b>5.1</b>	<b>3.1</b>	<b>2.9</b>	<b>5.4</b>
Net Brokerage to Advisory Conversions <sup>(6)</sup>	0.9	1.0	1.3	1.2	1.1	1.0	1.0	0.7	0.9	0.7	0.6	0.7	0.7
<b>Client Cash Balances</b>													
Insured Cash Account Balances	34.1	34.5	35.0	37.4	37.3	37.5	37.3	36.1	36.0	34.7	33.4	33.2	33.1
Deposit Cash Account Balances	7.6	7.6	7.5	7.9	7.9	8.0	8.2	8.3	8.6	8.0	7.6	7.6	7.7
<b>Total Insured Sweep Balances</b>	<b>41.7</b>	<b>42.0</b>	<b>42.5</b>	<b>45.3</b>	<b>45.2</b>	<b>45.5</b>	<b>45.5</b>	<b>44.5</b>	<b>44.6</b>	<b>42.7</b>	<b>41.0</b>	<b>40.8</b>	<b>40.8</b>
Money Market Sweep Balances	5.0	4.3	3.7	1.3	1.4	1.4	1.5	1.5	1.6	1.5	1.5	1.6	1.6
Purchased Money Market Funds	1.7	1.5	1.5	1.6	1.7	1.8	1.9	2.1	2.2	2.3	2.6	2.8	2.8
<b>Total Money Market Balances</b>	<b>6.7</b>	<b>5.8</b>	<b>5.2</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.3</b>	<b>3.6</b>	<b>3.8</b>	<b>3.9</b>	<b>4.1</b>	<b>4.4</b>	<b>4.5</b>
<b>Total Client Cash Balances<sup>(7)</sup></b>	<b>48.4</b>	<b>47.8</b>	<b>47.7</b>	<b>48.3</b>	<b>48.3</b>	<b>48.8</b>	<b>48.9</b>	<b>48.1</b>	<b>48.3</b>	<b>46.6</b>	<b>45.1</b>	<b>45.1</b>	<b>45.3</b>
Net Buy (Sell) Activity <sup>(8)</sup>	6.0	5.2	6.9	6.9	6.0	4.5	5.6	4.2	2.5	2.9	3.6	2.9	4.5
<b>Market Indices</b>													
S&P 500 (end of period)	4,298	4,204	4,181	3,973	3,811	3,714	3,756	3,622	3,270	3,363	3,500	3,271	3,100
Fed Funds Effective Rate (average bps)	8	6	7	7	8	9	9	9	9	9	9	9	8

Note: The Company's June 2021 and April 2021 results included \$2.9 billion and \$67.1 billion of total brokerage and advisory assets from Waddell & Reed, respectively. The Company's June 2021 results included \$15.6 billion of total brokerage and advisory assets from M&T Bank. The Company's June 2021, May 2021, April 2021 and March 2021 results included \$0.7 billion, \$0.3 billion, \$2.1 billion and \$11.8 billion of total brokerage and advisory assets from BMO Harris Financial Advisors, respectively.

(1) Consists of total advisory assets under custody at the Company's broker-dealer subsidiaries, LPL Financial LLC and Waddell & Reed, LLC. June 2021 and April 2021 results included \$0.9 billion and \$32.6 billion of advisory assets related to Waddell & Reed, respectively. June 2021 results included \$3.1 billion of advisory assets related to the onboarding of M&T Bank. March 2021 results included \$5.0 billion of advisory assets related to the onboarding of BMO Harris Financial Advisors. November 2020 also included advisory assets related to the onboarding of E.K. Riley Investments, LLC. October 2020 also included advisory assets related to the onboarding of Lucia Securities, LLC.

(2) Consists of brokerage assets serviced by advisors licensed with LPL Financial. June 2021 and April 2021 results included \$0.9 billion and \$34.5 billion of brokerage assets related to Waddell & Reed. June 2021 results included \$12.4 billion of brokerage assets related to the onboarding of M&T Bank. June 2021, May 2021, April 2021, and March 2021 results included \$0.7 billion, \$0.3 billion, \$2.1 billion, and \$6.8 billion of brokerage assets related to the onboarding of BMO Harris Financial Advisors, respectively. November 2020 also included brokerage assets related to the onboarding of E.K. Riley. October 2020 also included brokerage assets related to the onboarding of Lucia Securities.

(3) Consists of Advisory Asset Inflows minus Outflows, plus Advisory Dividends, plus Interest, minus Advisory Fees.

(4) Consists of Brokerage Asset Inflows minus Outflows, plus Brokerage Dividends, plus Interest.

(5) Consists of net new assets excluding the acquisitions of Waddell & Reed, Lucia Securities, LLC and E.K. Riley Investments, LLC. Acquired assets include \$1.8 billion and \$67.1 billion of net new assets related to Waddell & Reed, LLC in June 2021 and April 2021 respectively, \$2.5 billion of net new assets related to E.K. Riley Investments, LLC in November 2020, and \$1.5 billion of net new assets from Lucia Securities, LLC in October 2020.

(6) Consists of existing custodied assets that converted from brokerage to advisory, less existing custodied assets that converted from advisory to brokerage.

(7) In April 2021, results included \$1.1 billion of Money Market Account cash balances from Waddell & Reed.

(8) Represents the amount of securities purchased less the amount of securities sold in client accounts custodied with LPL Financial. Reported activity does not include any other cash activity, such as deposits, withdrawals, dividends received or fees paid.