
LPL Financial Holdings Inc. Q1 2025 Historical Information

May 8, 2025

*Notice to Investors: Non-GAAP Financial Measures

Adjusted EPS, adjusted net income, gross profit, core G&A, EBITDA, adjusted EBITDA and adjusted pre-tax income 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 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 below are appropriate for evaluating the performance of the Company.

Gross profit is calculated as total revenue less advisory and commission expense; brokerage, clearing and exchange expense; and market fluctuations on employee deferred compensation. All other expense categories, including depreciation and amortization of property and equipment and amortization of other intangibles, 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 page 4 of this presentation.

Adjusted EPS is defined as adjusted net income, a non-GAAP measure defined as net income plus the after-tax impact of amortization of other intangibles, acquisition costs and certain regulatory charges, losses on extinguishment of debt, and amounts related to the departure of the Company's former Chief Executive Officer, divided by the weighted average number of diluted shares outstanding for the applicable period. The Company presents adjusted net income and adjusted EPS because management believes that these metrics can provide investors with useful insight into the Company's core operating performance by excluding non-cash items, acquisition costs and certain other charges that management does not believe impact the Company's ongoing operations. Adjusted net income and adjusted EPS are not measures of the Company's financial performance under GAAP and should not be considered as alternatives to net income, earnings per diluted share or any other performance measure derived in accordance with GAAP. For a reconciliation of net income and earnings per diluted share to adjusted net income and adjusted EPS, please see page 5 of this presentation.

Core G&A consists of total expense less the following expenses: advisory and commission; depreciation and amortization; interest expense on borrowings; brokerage, clearing and exchange; amortization of other intangibles; market fluctuations on employee deferred compensation; losses on extinguishment of debt; promotional (ongoing); employee share-based compensation; regulatory charges; and acquisition costs. Management presents core G&A because it believes core G&A reflects the corporate 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, 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 expense as calculated in accordance with GAAP. For a reconciliation of the Company's total expense to core G&A, please see page 4 of this presentation. The Company does not provide an outlook for its total expense because it contains expense components, such as advisory and commission, that are market-driven and over which the Company cannot exercise control. Accordingly a reconciliation of the Company's outlook for total expense to an outlook for core G&A cannot be made available without unreasonable effort.

EBITDA is defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles. Adjusted EBITDA is defined as EBITDA, a non-GAAP measure, plus acquisition costs, certain regulatory charges, amounts related to the departure of the Company's former Chief Executive Officer, and losses on extinguishment of debt. The Company presents EBITDA and adjusted EBITDA because management believes that they can be useful financial metrics in understanding the Company's earnings from operations. EBITDA and adjusted EBITDA are not measures of the Company's financial performance under GAAP and should not be considered as alternatives to net income or any other performance measure derived in accordance with GAAP. For a reconciliation of net income to EBITDA and adjusted EBITDA, please see page 5.

Adjusted pre-tax income is defined as income before provision for income taxes plus amortization of other intangibles, acquisition costs, certain regulatory charges, amounts related to the departure of the Company's former Chief Executive Officer, and losses on extinguishment of debt. The Company presents adjusted pre-tax income because management believes that it can provide investors with useful insight into the Company's core operating performance by excluding non-cash items, acquisition costs, and certain other charges that management does not believe impact the Company's ongoing operations. Adjusted pre-tax income is not a measure of the Company's financial performance under GAAP and should not be considered as an alternative to income before provision for income taxes or any other performance measure derived in accordance with GAAP. For a reconciliation of income before provision for income taxes to adjusted pre-tax income, please see page 5.

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

For the quarter ending March 31, 2025

(\$ in thousands, unless noted)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Gross Profit*									
Advisory	\$ 1,689,245	\$ 1,595,834	\$ 1,378,050	\$ 1,288,163	\$ 1,199,811	\$ 1,085,497	\$ 1,081,562	\$ 1,014,565	\$ 954,057
Trailing commissions	437,719	439,668	377,400	363,976	361,211	326,454	331,808	323,925	317,653
Sales-based commissions	610,038	525,795	429,132	423,070	385,235	355,958	311,792	298,961	286,072
Advisory fees and commissions	2,737,002	2,561,297	2,184,582	2,075,209	1,946,257	1,767,909	1,725,162	1,637,451	1,557,782
Production-based payout	(2,374,368)	(2,248,674)	(1,910,634)	(1,812,050)	(1,686,332)	(1,548,540)	(1,506,080)	(1,419,659)	(1,342,668)
Advisory fees and commissions, net of payout	362,634	312,623	273,948	263,159	259,925	219,369	219,082	217,792	215,114
Client cash	408,224	397,001	372,333	361,316	373,408	373,979	377,782	396,238	438,612
Other asset-based	303,210	290,962	272,336	259,533	248,339	228,473	224,614	211,300	203,473
Service and fee	145,199	139,119	145,729	135,000	132,172	130,680	135,648	123,122	118,987
Transaction	67,864	61,535	58,546	58,935	57,258	53,858	50,210	46,936	48,935
Interest income, net	27,637	28,481	31,428	27,618	22,482	21,975	23,485	20,136	17,015
Other revenue	2,023	32,705	3,392	6,621	3,382	4,636	4,113	3,431	3,945
Total net advisory fees and commissions and attachment revenue	1,316,791	1,262,426	1,157,712	1,112,182	1,096,966	1,032,970	1,034,934	1,018,955	1,046,081
Brokerage, clearing, and exchange expense	(44,138)	(34,789)	(29,636)	(32,984)	(30,532)	(25,917)	(24,793)	(29,148)	(26,126)
Gross Profit*	1,272,653	1,227,637	1,128,076	1,079,198	1,066,434	1,007,053	1,010,141	989,807	1,019,955
G&A Expense									
Core G&A*	413,069	421,894	359,134	370,912	363,513	364,469	341,728	337,025	326,177
Regulatory charges	6,887	7,335	24,879	7,594	7,469	8,905	48,083	6,600	7,732
Promotional (ongoing)	151,932	173,191	175,605	147,830	132,311	138,457	140,171	106,535	101,163
Acquisition costs excluding interest	43,407	37,261	22,243	36,876	9,524	34,931	5,989	4,091	3,092
Employee share-based compensation	18,366	26,067	20,289	19,968	22,633	15,535	15,748	16,777	17,964
Total G&A	633,661	665,748	602,150	583,180	535,450	562,297	551,719	471,028	456,128
Loss on extinguishment of debt	-	3,983	-	-	-	-	-	-	-
EBITDA*	638,992	557,906	525,926	496,018	530,984	444,756	458,422	518,779	563,827
Depreciation and amortization	92,356	92,032	78,338	70,999	67,158	67,936	64,627	58,377	56,054
Amortization of other intangibles	43,521	42,614	32,461	30,607	29,552	28,618	27,760	26,741	24,092
Interest expense on borrowings	80,725	81,979	67,779	64,341	60,082	54,415	48,363	44,842	39,184
Acquisition costs - interest	5,137	-	-	-	-	-	-	-	-
INCOME BEFORE PROVISION FOR INCOME TAXES	417,253	341,281	347,348	330,071	374,192	293,787	317,672	388,819	444,497
PROVISION FOR INCOME TAXES	98,680	70,532	92,045	86,271	85,428	76,232	93,381	103,299	105,613
NET INCOME	\$ 318,573	\$ 270,749	\$ 255,303	\$ 243,800	\$ 288,764	\$ 217,555	\$ 224,291	\$ 285,520	\$ 338,884
Earnings per share, diluted	\$ 4.24	\$ 3.59	\$ 3.39	\$ 3.23	\$ 3.83	\$ 2.85	\$ 2.91	\$ 3.65	\$ 4.24
Weighted-average shares outstanding, diluted	75,112	75,337	75,405	75,548	75,463	76,240	77,147	78,194	79,974
Adjusted EBITDA*	\$ 682,399	\$ 584,783	\$ 566,169	\$ 532,894	\$ 540,508	\$ 479,687	\$ 504,411	\$ 522,870	\$ 566,919
Adjusted pre-tax income*	\$ 509,318	\$ 410,772	\$ 420,052	\$ 397,554	\$ 413,268	\$ 357,336	\$ 391,421	\$ 419,651	\$ 471,681
Adjusted EPS*	\$ 5.15	\$ 4.25	\$ 4.16	\$ 3.88	\$ 4.21	\$ 3.51	\$ 3.74	\$ 3.94	\$ 4.49

Note: Totals may not foot due to rounding.

Non-GAAP Financial and Other Measures

For the quarter ending March 31, 2025

(\$ in millions)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Total revenue	\$3,670	\$3,512	\$3,108	\$2,932	\$2,833	\$2,644	\$2,522	\$2,469	\$2,418
Advisory and commission expense	2,354	2,250	1,948	1,819	1,733	1,608	1,488	1,449	1,371
Brokerage, clearing and exchange expense	44	35	30	33	31	26	25	29	26
Employee deferred compensation	(1)	(1)	3	1	2	3	(1)	1	1
Gross Profit⁽¹⁾	\$1,273	\$1,228	\$1,128	\$1,079	\$1,066	\$1,007	\$1,010	\$990	\$1,020
Advisory and commission expense	\$2,354	\$2,250	\$1,948	\$1,819	\$1,733	\$1,608	\$1,488	\$1,449	\$1,371
Plus (Less): Advisor deferred compensation	20	(2)	(37)	(7)	(47)	(59)	18	(29)	(28)
Production-based payout	\$2,374	\$2,249	\$1,911	\$1,812	\$1,686	\$1,549	\$1,506	\$1,420	\$1,343
Client cash on Management's Statement of Operations	\$408	\$397	\$372	\$361	\$373	\$374	\$378	\$396	\$439
Interest income on CCA balances segregated under federal or other regulations	(16)	(18)	(18)	(20)	(21)	(21)	(17)	(18)	(20)
Client cash on Condensed Consolidated Statements of Income	\$392	\$379	\$354	\$341	\$352	\$353	\$361	\$378	\$418
Interest income, net on Management's Statement of Operations	\$28	\$28	\$31	\$28	\$22	\$22	\$23	\$20	\$17
Interest income on CCA balances segregated under federal or other regulations	16	18	18	20	21	21	17	18	20
Interest income, net on Condensed Consolidated Statements of Income	\$44	\$47	\$50	\$47	\$44	\$43	\$41	\$38	\$37
Other revenue on Management's Statement of Operations	\$2	\$33	\$3	\$7	\$3	\$5	\$4	\$3	\$4
Deferred compensation	(21)	1	40	8	49	62	(19)	30	29
Other revenue on Condensed Consolidated Statements of Income	(\$19)	\$34	\$43	\$14	\$53	\$67	(\$15)	\$34	\$33
Interest expense on borrowings on Management's Statement of Operations	\$81	\$82	\$68	\$64	\$60	\$54	\$48	\$45	\$39
Cost of debt issuance related to Commonwealth Financial Network acquisition	5	-	-	-	-	-	-	-	-
Interest expense on borrowings on Condensed Consolidated Statements of Income	\$86	\$82	\$68	\$64	\$60	\$54	\$48	\$45	\$39
Total expense	\$3,253	\$3,171	\$2,761	\$2,602	\$2,458	\$2,350	\$2,205	\$2,080	\$1,973
Advisory and commission	2,354	2,250	1,948	1,819	1,733	1,608	1,488	1,449	1,371
Depreciation and amortization	92	92	78	71	67	68	65	58	56
Interest expense on borrowings	86	82	68	64	60	54	48	45	39
Amortization of other intangibles	44	43	32	31	30	29	28	29	24
Brokerage, clearing and exchange	44	35	30	33	31	26	25	27	26
Employee deferred compensation	(1)	(1)	3	1	2	3	(1)	1	1
Loss on extinguishment of debt	-	4	-	-	-	-	-	-	-
Total G&A	\$634	\$666	\$602	\$583	\$535	\$562	\$552	\$471	\$456
Promotional (ongoing)	\$152	\$173	\$176	\$148	\$132	\$138	\$140	\$107	\$101
Employee share-based compensation	18	26	20	20	23	16	16	17	18
Regulatory charges ⁽²⁾	7	7	25	8	7	9	48	7	8
Acquisition costs excluding interest	43	37	22	37	10	35	6	4	3
Core G&A	\$413	\$422	\$359	\$371	\$364	\$364	\$342	\$337	\$326

Note: Totals may not foot due to rounding.

Non-GAAP Financial and Other Measures

For the quarter ending March 31, 2025

(\$ in millions)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net income	\$319	\$271	\$255	\$244	\$289	\$218	\$224	\$286	\$339
Interest expense on borrowings	86	82	68	64	60	54	48	45	39
Provision for income taxes	99	71	92	86	85	76	93	103	106
Depreciation and amortization	92	92	78	71	67	68	65	58	56
Amortization of other intangibles	44	43	32	31	30	29	28	27	24
EBITDA	\$639	\$558	\$526	\$496	\$531	\$445	\$458	\$519	\$564
Regulatory charges ⁽²⁾	-	-	18	-	-	-	40	-	-
Acquisition costs excluding interest	43	37	22	37	10	35	6	4	3
Loss on extinguishment of debt	-	4	-	-	-	-	-	-	-
Departure of former Chief Executive Officer ⁽³⁾	-	(14)	-	-	-	-	-	-	-
Adjusted EBITDA	\$682	\$585	\$566	\$533	\$541	\$480	\$504	\$523	\$567
Income before provision for income taxes	\$417	\$341	\$347	\$330	\$374	\$294	\$318	\$389	\$444
Amortization of other intangibles	44	43	32	31	30	29	28	27	24
Regulatory charges ⁽²⁾	-	-	18	-	-	-	40	-	-
Acquisition costs	49	37	22	37	10	35	6	4	3
Departure of former Chief Executive Officer ⁽³⁾	-	(14)	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	4	-	-	-	-	-	-	-
Adjusted pre-tax income	\$509	\$411	\$420	\$398	\$414	\$358	\$391	\$420	\$472

	Q1 2025		Q4 2024		Q3 2024		Q2 2024		Q1 2024		Q4 2023		Q3 2023		Q2 2023		Q1 2023	
	Amount	Per Share																
Net income / earnings per diluted share	\$319	\$4.24	\$271	\$3.59	\$255	\$3.39	\$244	\$3.23	\$289	\$3.83	\$218	\$2.85	\$224	\$2.91	\$286	\$3.65	\$339	\$4.24
Amortization of other intangibles	44	0.58	43	0.57	32	0.43	31	0.41	30	0.39	29	0.38	28	0.36	27	0.34	24	0.30
Acquisition costs	49	0.65	37	0.49	22	0.29	37	0.49	10	0.13	35	0.46	6	0.08	4	0.05	3	0.04
Regulatory charges ⁽²⁾	-	-	-	-	18	0.24	-	-	-	-	-	-	40	0.52	-	-	-	-
Departure of former Chief Executive Officer ⁽³⁾	-	-	(14)	(0.19)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	-	4	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax benefit	(24)	(0.32)	(20)	(0.27)	(15)	(0.19)	(18)	(0.24)	(10)	(0.14)	(14)	(0.18)	(9)	(0.12)	(8)	(0.10)	(7)	(0.09)
Adjusted net income / adjusted EPS	\$387	\$5.15	\$320	\$4.25	\$313	\$4.16	\$293	\$3.88	\$318	\$4.21	\$267	\$3.51	\$289	\$3.74	\$308	\$3.94	\$359	\$4.49
Diluted share count	75		75		75		76		75		76		77		78		80	

Note: Totals may not foot due to rounding.

LPL Financial Holdings Inc. - Key Operating Metrics

As of March 31, 2025

(End of period \$ in billions, unless noted)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Assets ⁽⁴⁾									
Advisory assets	977.4	957.0	892.0	829.1	793.0	735.8	662.7	661.6	620.9
Brokerage assets	817.5	783.7	700.1	668.7	647.9	618.2	575.7	578.6	554.3
Total Advisory and Brokerage Assets	1,794.9	1,740.7	1,592.1	1,497.8	1,440.9	1,354.1	1,238.4	1,240.2	1,175.2
Centrally managed assets ⁽⁵⁾	164.4	160.0	138.1	126.9	121.7	112.1	100.5	99.8	94.6
Assets by Platform									
Corporate advisory assets ⁽⁶⁾	699.1	678.3	618.8	567.8	537.6	496.5	444.4	442.1	415.3
Independent RIA advisory assets ⁽⁶⁾	278.3	278.7	273.2	261.3	255.4	239.3	218.3	219.5	205.6
Brokerage assets	817.5	783.7	700.1	668.7	647.9	618.2	575.7	578.6	554.3
Total Advisory and Brokerage Assets	1,794.9	1,740.7	1,592.1	1,497.8	1,440.9	1,354.1	1,238.4	1,240.2	1,175.2
Organic Net New Assets ^{† (7)}									
Organic net new advisory assets ⁽⁸⁾	35.7	49.3	23.2	26.6	16.2	20.5	22.7	18.1	13.7
Organic net new brokerage assets	35.2	18.8	3.8	2.5	0.5	4.2	10.5	3.6	7.1
Total Organic Net New Assets	70.9	68.0	27.0	29.0	16.7	24.7	33.2	21.7	20.8
Acquired Net New Assets									
Acquired net new advisory assets	1.9	21.8	0.5	0.3	0.0	0.0	0.0	0.0	0.9
Acquired net new brokerage assets	6.0	67.5	0.1	4.8	0.0	0.0	0.0	0.0	2.8
Total Acquired Net New Assets	7.9	89.3	0.6	5.0	0.0	0.0	0.0	0.0	3.7
Total Net New Assets ⁽⁹⁾⁽¹⁰⁾									
Net new advisory assets	37.6	71.1	23.7	26.8	16.2	20.5	22.7	18.1	14.6
Net new brokerage assets	41.2	86.2	3.8	7.2	0.5	4.2	10.5	3.6	9.9
Total Net New Assets	78.8	157.3	27.5	34.0	16.7	24.7	33.2	21.7	24.5
Net brokerage to advisory conversions ⁽¹¹⁾	5.9	4.8	3.5	3.7	3.6	2.6	2.7	2.2	2.1
Corporate RIA net new advisory assets	31.7	64.5	24.0	23.4	13.9	15.9	17.0	11.8	10.4
Independent RIA net new advisory assets	5.9	6.6	(0.3)	3.4	2.3	4.6	5.7	6.4	4.2
Total Net New Advisory Assets	37.6	71.1	23.7	26.8	16.2	20.5	22.7	18.1	14.6
Centrally managed net new advisory assets	6.5	24.9	4.4	4.4	3.6	3.0	4.4	2.0	1.7
Client Cash Balances ⁽¹²⁾									
Insured cash account sweep	36.1	38.3	32.1	31.0	32.6	34.5	33.6	36.0	39.7
Deposit cash account sweep	10.7	10.7	9.6	9.2	9.2	9.3	9.1	9.5	10.2
Total Bank Sweep	46.8	49.0	41.7	40.2	41.8	43.8	42.7	45.5	49.9
Money market sweep	4.3	4.3	2.3	2.3	2.4	2.4	2.6	2.3	2.6
Total Client Cash Sweep Held by Third Parties	51.1	53.3	44.0	42.5	44.2	46.2	45.3	47.9	52.5
Client cash account ⁽¹³⁾	1.9	1.8	1.8	1.5	2.1	2.0	1.5	1.7	1.6
Total Client Cash Balances	53.1	55.1	45.8	44.0	46.3	48.2	46.9	49.6	54.0
Net buy (sell) activity ⁽¹⁴⁾	42.0	38.3	37.7	39.3	37.8	32.8	35.6	32.3	36.9
Market Drivers									
S&P 500 Index (end of period)	5,612	5,882	5,762	5,460	5,254	4,770	4,288	4,450	4,109
Russell 2000 Index (end of period)	2,012	2,230	2,230	2,048	2,125	2,027	1,785	1,889	1,802
Fed Funds daily effective rate (average bps)	433	466	527	533	533	533	526	499	452
† Organic Net New Assets from Large Institutions									
Organic net new advisory assets	6.8	18.4	0.0	0.0	0.0	0.0	2.3	0.0	0.0
Organic net new brokerage assets	36.1	21.2	0.0	0.0	0.0	0.3	8.5	0.0	0.0
Total Organic Net New Assets from Large Institutions	43.0	39.6	0.0	0.0	0.0	0.3	10.8	0.0	0.0

Note: Totals may not foot due to rounding.

LPL Financial Holdings Inc. - Monthly Key Operating Metrics

As of March 31, 2025

(End of period \$ in billions, unless noted)	Mar 2025	Feb 2025	Jan 2025	Dec 2024	Nov 2024	Oct 2024	Sep 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024
Assets ⁽⁴⁾													
Advisory assets	977.4	995.0	992.4	957.0	973.8	910.6	892.0	869.5	850.6	829.1	809.4	775.5	793.0
Brokerage assets	817.5	828.2	819.4	783.7	785.6	762.7	700.1	690.6	678.7	668.7	655.0	637.5	647.9
Total Advisory and Brokerage Assets	1,794.9	1,823.1	1,811.8	1,740.7	1,759.3	1,673.3	1,592.1	1,560.1	1,529.3	1,497.8	1,464.4	1,413.0	1,440.9
Organic Net New Assets ^{† (7)}													
Organic net new advisory assets ⁽⁸⁾	12.7	9.6	13.4	12.5	27.9	8.8	11.0	5.4	6.8	9.2	9.9	7.4	7.5
Organic net new brokerage assets	0.5	14.1	20.5	12.9	6.3	(0.5)	0.5	1.1	2.2	1.6	1.3	(0.4)	0.4
Total Organic Net New Assets	13.1	23.8	34.0	25.5	34.2	8.3	11.4	6.6	9.0	10.8	11.2	7.0	7.9
Acquired Net New Assets													
Acquired net new advisory assets	1.8	0.0	0.1	0.0	0.5	21.3	0.2	0.2	0.0	0.0	0.0	0.3	0.0
Acquired net new brokerage assets	5.3	0.7	0.0	0.2	0.3	67.0	0.1	0.0	0.0	0.0	0.0	4.8	0.0
Total Acquired Net New Assets	7.1	0.7	0.1	0.3	0.8	88.3	0.3	0.3	0.0	0.0	0.0	5.0	0.0
Total Net New Assets ⁽⁹⁾⁽¹⁰⁾													
Net new advisory assets	14.5	9.6	13.5	12.6	28.4	30.1	11.2	5.7	6.8	9.2	9.9	7.6	7.5
Net new brokerage assets	5.8	14.8	20.6	13.2	6.6	66.5	0.5	1.2	2.2	1.6	1.3	4.3	0.4
Total Net New Assets	20.2	24.5	34.1	25.8	35.0	96.6	11.7	6.8	9.0	10.8	11.2	12.0	7.9
Net brokerage to advisory conversions ⁽¹¹⁾	1.9	1.9	2.1	2.0	1.7	1.1	1.2	1.3	1.0	1.2	1.2	1.2	1.3
Client Cash Balances ⁽¹²⁾													
Insured cash account sweep	36.1	35.6	36.2	38.3	34.8	34.7	32.1	30.4	31.1	31.0	31.8	32.5	32.6
Deposit cash account sweep	10.7	10.2	10.0	10.7	9.9	9.7	9.6	9.3	9.1	9.2	9.0	9.1	9.2
Total Bank Sweep	46.8	45.8	46.3	49.0	44.7	44.4	41.7	39.7	40.2	40.2	40.8	41.6	41.8
Money market sweep	4.3	4.0	4.1	4.3	4.3	2.6	2.3	2.2	2.3	2.3	2.3	2.3	2.4
Total Client Cash Sweep Held by Third Parties	51.1	49.8	50.4	53.3	49.0	47.0	44.0	41.9	42.5	42.5	43.1	43.8	44.2
Client cash account ⁽¹³⁾	1.9	1.5	1.8	1.8	1.5	1.3	1.8	1.4	1.5	1.5	1.3	1.9	2.1
Total Client Cash Balances	53.1	51.3	52.2	55.1	50.5	48.3	45.8	43.3	44.0	44.0	44.5	45.7	46.3
Net buy (sell) activity ⁽¹⁴⁾	13.2	14.3	14.5	13.5	12.4	12.5	12.2	12.6	12.9	12.1	15.0	12.3	12.9
Market Drivers													
S&P 500 Index (end of period)	5,612	5,955	6,041	5,882	6,032	5,705	5,762	5,648	5,522	5,460	5,278	5,036	5,254
Russell 2000 Index (end of period)	2,012	2,163	2,288	2,230	2,435	2,197	2,230	2,218	2,254	2,048	2,070	1,974	2,125
Fed Funds Daily effective rate (average bps)	433	433	433	448	465	483	513	533	533	533	533	533	533
† Organic Net New Assets from Large Institutions													
Organic net new advisory assets	0.0	0.0	6.8	0.0	18.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Organic net new brokerage assets	0.2	14.0	21.9	13.4	7.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Organic Net New Assets from Large Institutions	0.2	14.0	28.8	13.4	26.3	0.0							

Note: Totals may not foot due to rounding.

LPL Financial Holdings Inc. - Key Productivity and Business Metrics

For the quarter ending March 31, 2025

	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Average Total Brokerage & Advisory Assets (\$ in billions)	\$1,638	\$1,537	\$1,428	\$1,354	\$1,290	\$1,231	\$1,186	\$1,142	\$1,114
Gross Profit (average bps)									
Net advisory fees and commissions	7.4	7.2	7.1	7.1	7.1	7.1	6.9	6.9	7.0
Other asset-based	6.9	7.0	7.1	7.1	7.1	7.1	7.0	7.0	7.2
Service and fee	3.4	3.6	3.8	3.9	4.0	4.1	4.2	4.2	4.3
Client cash	9.4	9.8	10.4	11.0	11.8	12.9	13.9	13.8	12.0
Transaction, net of BC&E	0.6	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Interest income and other, net	0.8	0.8	0.9	0.8	0.8	0.8	0.8	0.7	0.6
Gross Profit ROA (average bps)	28.5 bps	29.1 bps	30.1 bps	30.7 bps	31.6 bps	32.8 bps	33.6 bps	33.4 bps	31.8 bps
Operating Expenses (average bps)									
Core G&A	9.6	9.9	10.2	10.6	10.9	11.1	11.2	11.3	11.1
Promotional	4.0	4.1	4.2	4.1	4.0	4.0	3.6	3.4	3.3
Regulatory	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Employee share-based compensation	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
D&A expense (ex. amortization of other intangibles)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.9
Amortization of other intangibles	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.8	0.8
Operating Expense ROA (average bps)	17.1 bps	17.6 bps	17.9 bps	18.3 bps	18.5 bps	18.8 bps	18.5 bps	18.2 bps	17.9 bps
EBIT ROA (average bps)	11.4 bps	11.5 bps	12.2 bps	12.4 bps	13.1 bps	14.0 bps	15.1 bps	15.2 bps	13.9 bps
Business Metrics									
Advisors	29,493	28,888	23,686	23,462	22,884	22,660	22,404	21,942	21,521
Net new advisors	605	5,202	224	578	224	256	462	421	246
Total client accounts (in millions)	10.4	10.0	8.7	8.6	8.4	8.3	8.2	8.1	8.0
Transition assistance loan amortization (\$ in millions)	81.8	76.3	69.1	61.9	58.3	55.1	53.7	50.5	46.7
Recruited AUM (\$ in billions)	38.6	78.7	25.7	24.3	20.2	16.9	31.2	18.6	12.9
AUM retention rate (quarterly annualized) ⁽¹⁵⁾	98.2%	97.3%	97.0%	98.4%	97.4%	98.4%	98.8%	98.8%	98.7%
Employees ⁽¹⁶⁾	9,118	9,051	8,790	8,642	8,252	8,163	7,757	7,570	7,074
Capital Management (\$ in millions)									
Capital expenditures ⁽¹⁷⁾	119.5	165.5	147.1	128.9	121.0	105.9	95.0	101.1	101.3
Acquisitions, net ⁽¹⁸⁾	95.1	847.9	34.1	115.1	10.2	92.9	60.3	49.0	251.3
Share repurchases	100.0	100.0	-	-	70.0	225.0	250.0	350.0	275.0
Dividends	22.4	22.5	22.4	22.4	22.4	22.7	22.8	23.1	23.6
Total Capital Returned	122.4	122.5	22.4	22.4	92.4	247.7	272.8	373.1	298.6

Note: Totals may not foot due to rounding. Average assets and ROA periods are based on the trailing twelve months. EBIT ROA excludes Acquisition costs and other charges that are excluded from adjusted net income, as outlined on page 5.

Endnotes

- (1) Gross profit for the three months ended December 31, 2024 includes other income of \$26.4 million related to the departure of the Company's former Chief Executive Officer and related clawback of share-based compensation awards.
- (2) Regulatory charges for the three months ended September 30, 2024 include charges related to a settlement with the SEC to resolve the Company's civil investigation of certain elements of the Company's Anti-Money Laundering ("AML") compliance program. The Company has recorded an \$18.0 million charge for the quarter ended September 30, 2024 and reached a settlement with the staff of the SEC and paid the civil monetary penalty in January 2025. Regulatory charges for the three months ended September 30, 2023 include a \$40.0 million charge to reflect the amount of the penalty related to the SEC's civil investigation of the Company's compliance with records preservation requirements for business-related electronic communications that was not covered by the Company's captive insurance subsidiary. The Company reached a settlement with the staff of the SEC and paid the civil monetary penalty of \$50.0 million in August 2024.
- (3) The departure of the Company's former Chief Executive Officer resulted in other income of \$26.4 million related to the clawback of share-based compensation awards which was offset by share-based compensation expense of \$12.0 million related to the modification of certain stock options that were retained as per the settlement agreement that the Company reached with the former Chief Executive Officer.
- (4) Consists of total advisory and brokerage assets under custody at the Company's primary broker-dealer subsidiary, LPL Financial LLC ("LPL Financial"), as well as assets under custody of a third-party custodian related to Atria Wealth Solutions, Inc.'s seven introducing broker-dealer subsidiaries.
- (5) Consists of advisory assets in LPL Financial's Model Wealth Portfolios, Optimum Market Portfolios, Personal Wealth Portfolios and Guided Wealth Portfolios platforms.
- (6) Assets on the Company's corporate advisory platform are serviced by investment advisor representatives of LPL Financial. Assets on the Company's independent RIA advisory platform are serviced by investment advisor representatives of separate registered investment advisor firms rather than representatives of LPL Financial.
- (7) Organic net new assets include assets that off-boarded as part of the previously disclosed planned separation from misaligned large OSJs. In Q3 2024, there were \$6.3B of assets that off-boarded, including \$0.6B in July, \$3.8B in August, and \$1.9B in September. In Q4 2024, there were \$2.0B of assets that off-boarded, including \$1.0B in October, \$0.6B in November and \$0.4B in December. In Q1 2025, there were \$0.7B of assets that off-boarded, including \$0.2B in January, \$0.2B in February, and \$0.2B in March.
- (8) Organic net new advisory assets include advisory assets that off-boarded as part of the previously disclosed planned separation from misaligned large OSJs. In Q3 2024, there were \$5.2B of advisory assets that off-boarded, including \$0.5B in July, \$3.6B in August, and \$1.0B in September. In Q4 2024, there were \$0.4B of advisory assets that off-boarded, including \$0.2B in October, \$0.1B in November and \$0.1B in December. In Q1 2025, there were \$0.3B of advisory assets that off-boarded, including \$0.1B in January, \$0.1B in February, and \$0.1B in March.
- (9) Consists of total client deposits into advisory or brokerage accounts less total client withdrawals from advisory or brokerage accounts, plus dividends, plus interest, minus advisory fees. The Company considers conversions from and to brokerage or advisory accounts as deposits and withdrawals, respectively.
- (10) Total net new assets includes acquired net new assets.
- (11) Consists of existing custodied accounts that converted from brokerage to advisory, less existing custodied assets that converted from advisory to brokerage.
- (12) Client cash balances include client cash accounts and exclude purchased money market funds. Client cash account ("CCA") balances include cash that clients have deposited with LPL Financial that is included in Client payables in the consolidated balance sheets. The following table presents purchased money market fund balances for the periods presented:
- | (End of period \$ in billions) | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Purchased Money Market Funds | 44.7 | 41.0 | 38.5 | 35.7 | 32.6 | 29.5 | 25.2 | 20.0 | 15.0 |
- (13) During the first quarter of 2024, the Company updated its definition of the client cash account balances to exclude other client payables. Prior period disclosures have been updated to reflect this change as applicable.
- (14) Represents the amount of securities purchased less the amount of securities sold in client accounts custodied with LPL Financial.
- (15) Reflects retention of total advisory and brokerage assets, calculated by deducting quarterly annualized attrition from total advisory and brokerage assets, divided by the prior-quarter total advisory and brokerage assets.
- (16) During the first quarter of 2025, the Company updated its reporting of employees to include all full-time employees, including those reflected in Core G&A, promotional (ongoing) and advisory and commission expense. Prior period disclosures have been updated to reflect this change as applicable.
- (17) Capital expenditures represent cash payments for property and equipment during the period.
- (18) Acquisitions, net represents cash paid for acquisitions, net of cash acquired during the period. Acquisitions, net for the three months ended March 31, 2025 excludes \$70.2 million related to The Investment Center, which was prefunded on October 1, 2024 in conjunction with the close of the Atria acquisition, as well as cash inflows associated with working capital and other post-closing adjustments.