



**Houlihan
Lokey**

Investor Presentation

July 2024



Disclaimers

Forward-Looking Information

This presentation contains forward-looking statements. All statements other than statements of historical facts contained in this presentation may be forward-looking statements. The words “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors, that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause actual results to differ materially from expectations are disclosed under the “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” sections of our annual report on Form 10-K for the year ended March 31, 2024, and subsequent filings with the Securities and Exchange Commission (the “SEC”). All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. You should evaluate all forward-looking statements made in this presentation in the context of these risks and uncertainties. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements. The forward-looking statements in this presentation are made only as of the date hereof. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Non-GAAP Financial Measures

Adjusted pre-tax income, adjusted net income, total and on a per share basis, and certain adjusted items used to determine adjusted net income, are presented and discussed in this presentation and are non-GAAP measures that management believes, when presented together with comparable GAAP measures, are useful to investors in understanding the Company’s operating results. The adjusted items included in this presentation as calculated by the Company are not necessarily comparable to similarly titled measures reported by other companies. Additionally, these adjusted amounts are not a measurement of financial performance or liquidity under GAAP and should not be considered as an alternative to the Company’s financial information determined under GAAP. For a description of the Company’s use of these adjusted items and a reconciliation with comparable GAAP items, see the section of this presentation titled “Reconciliation of GAAP to Adjusted Financial Information.” Please refer to our financial statements, prepared in accordance with GAAP, for purposes of evaluating our financial condition, results of operations, and cash flows.

Our Culture

Employee DNA

- Analytically driven
- Client service and solution driven
- Entrepreneurially motivated
- Desirous of a winning culture
- Strong loyalty to the firm
- High integrity

Firm's DNA

- Partnership culture
- Not a "star" culture
- Consensual decision-making
- Measured risk-taking

Ownership and Controls

- Broad-based, long-term employee ownership
- Sophisticated corporate procedures and financial systems
- New York Stock Exchange listed company
- Blue chip institutional ownership

Our Product
Knowledge and
Industry Expertise
Deliver Superior
Results

CORE SERVICES



Corporate Finance



Financial Restructuring



Financial and Valuation Advisory

DEDICATED INDUSTRY GROUPS



Business Services



Financial Services



Industrials



Consumer



FinTech



Real Estate



Energy



Healthcare



Technology

KEY FACTS AND FIGURES



36
Locations
Worldwide

2,584
Global
Employees

328
Managing
Directors¹

\$2.0B
Revenue²

1. As of June 30, 2024; excludes Corporate MDs
2. LTM ended June 30, 2024



Investment Tenets



Strong Track Record of Growth and Profitability

Strong and consistent financial performance since going public. Long history of growing senior banker headcount.



Lower Revenues and Earnings Volatility Through Economic Cycles

Given our diversified business model, focus on mid-cap clients in our corporate finance business and the size of our restructuring practice, we believe we are less volatile than other investment banking firms.



Strong Growth Prospects

HL has significant room to grow all three businesses globally.



Long-Tenured Management Team

The average tenure of our executive leadership team is over 35 years.



High Quality, Diversified Revenues

HL is diversified across clients, industries, geographies, transactions and financial professionals.



Market Fundamentals Are Favorable for Independent Advisors

We believe that independence is increasingly important to our clients and that our limited- service focus is more attractive to our clients than being a full-service investment banking firm.



Strong Financial Performance



Strong revenue growth with a five-year CAGR of 12%



Fiscal year 2022 experienced record results during extremely bullish market conditions

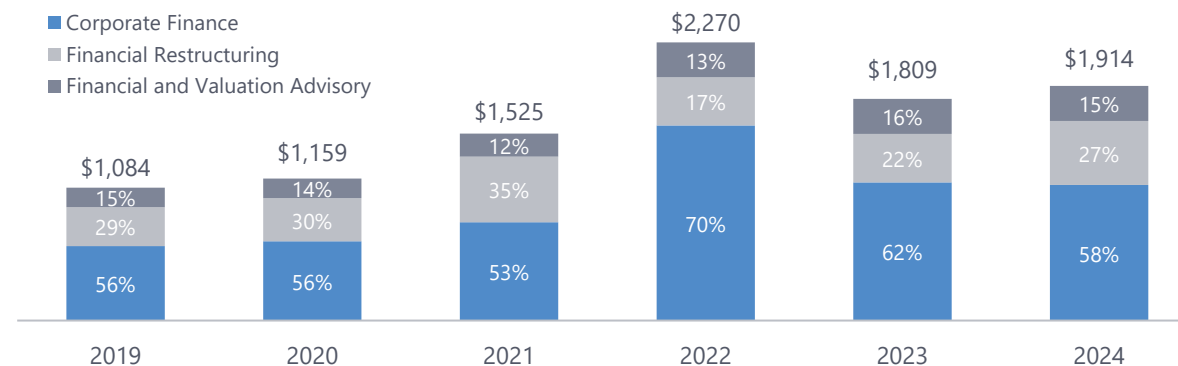


Adjusted pre-tax income grew at a CAGR of 11% over the same five-year period

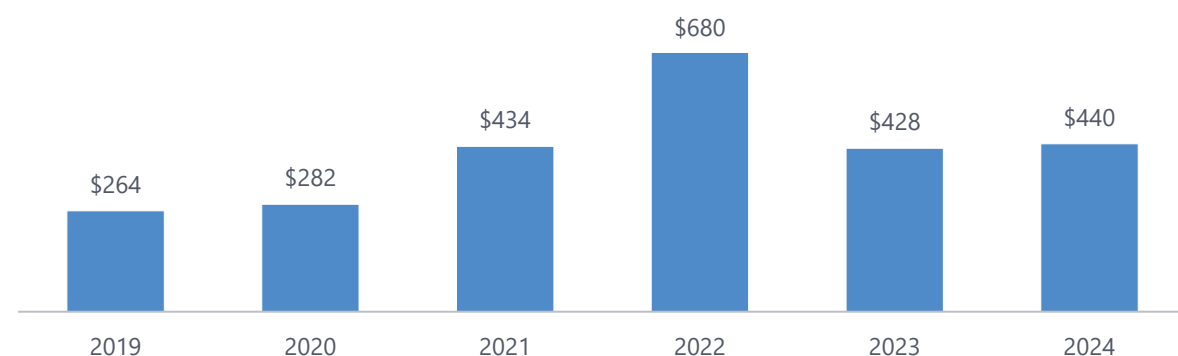


Maintained solid adjusted pre-tax margins throughout, with higher pre-tax margins for fiscal years 2021 and 2022 as a result of temporarily lower non-compensation expenses as a result of COVID-19

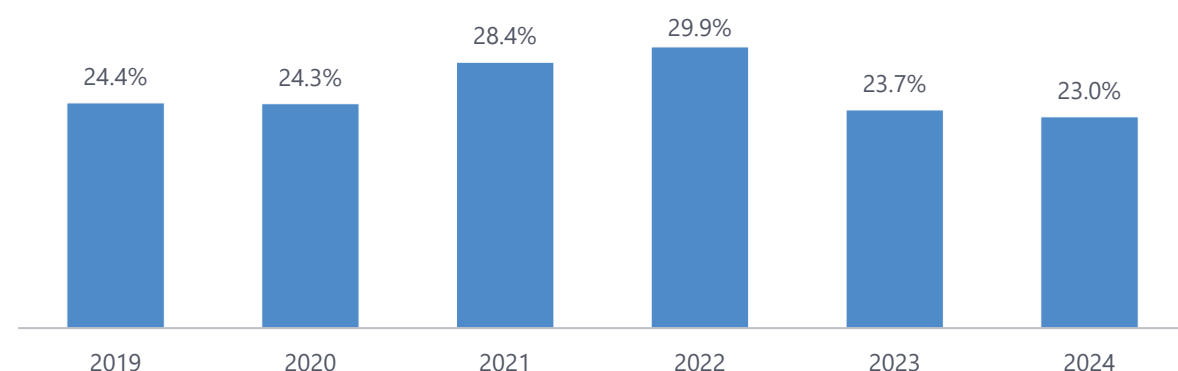
Revenues



Adjusted Pre-tax Income¹



Adjusted Pre-tax Margin¹



Note: For fiscal years ended March 31. All dollar amounts in millions unless otherwise noted.

1. Adjusted Pre-tax Income and Adjusted Pre-Tax Margin are non-GAAP financial measures. See page 30 for comparable GAAP figures.



Strong Partnership Culture with Experienced Leadership

Deep and Experienced Executive Management Team



Scott J. Adelson
CEO



Irwin N. Gold
Co-Chairman



Scott L. Beiser
Co-Chairman



P. Eric Siegert
Co-Chairman



J. Lindsey Alley
CFO

1. As of March 31, 2024. Excludes Managing Directors from acquisitions.
2. For the fiscal year ended March 31, 2024.

Long Tenure Results in Collaborative Culture

- | | | |
|---|-------------------------|--|
| 1 | Tenured Management Team | Over 35-year average tenure of our Executive Management Team and over 27-year average tenure of our 16-person Operating Committee team |
| 2 | High Retention | 12-year average tenure of Managing Directors across all business segments ¹ |
| 3 | Strong Loyalty | More than 60% of Managing Directors reached their respective positions through internal promotions ¹ |
| 4 | No “Star” Culture | No single individual generated more than 2% of revenues ² |



A Culture of Caring

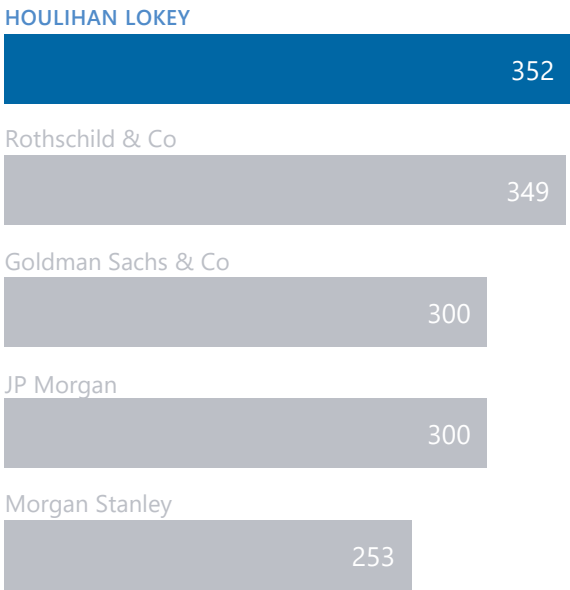
HL has a matching charitable contribution program for active employees, which results in a number of donations to causes around the globe, and a give-a-day program that results in significant participation by our employees in programs local to our offices. Listed below are several of the beneficiaries of our programs:



Market Leader in All Three Business Segments

Top Global M&A Firm¹

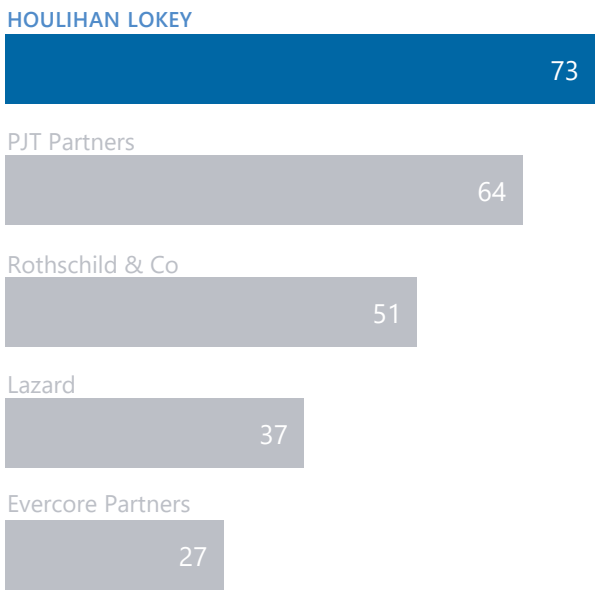
Investment Banks by Number of Global M&A Deals in CY 2023



- No. 1 U.S. M&A Advisor
- Leading Capital Markets Advisor

Top Global Restructuring Firm

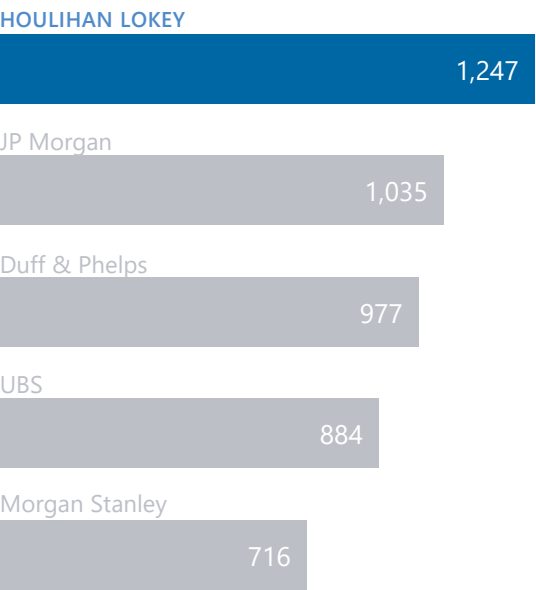
CY 2023 Global Distressed Debt and Bankruptcy Restructuring Deals



- No. 1 Global Restructuring Advisor, Based on Total Deal Value and Number of Transactions Closed
- Advised on 12 of the 15 Largest U.S. Bankruptcies Since 2000

Top Global Fairness Opinion Firm

Global M&A Fairness Advisors: Announced or Completed Deals (CY 1999 to CY 2023)



- No. 1 Global M&A Fairness Opinion Advisor Over the Past 25 Years²
- 2,000+ Annual Engagements

Source: LSEG
1. M&A ranking excludes accounting firms and brokers.
2. Announced or completed transactions



No.1

Global
Market-Leading
Advisor Across
Industries

Business Services

HOULIHAN LOKEY

63

Rothschild & Co

46

Lincoln International

32

Clearwater International

31

Goldman Sachs & Co

27

Consumer¹

HOULIHAN LOKEY

50

Rothschild & Co

48

Lazard

32

Goldman Sachs & Co

25

UBS

23

Financial Services¹

HOULIHAN LOKEY

41

Rothschild & Co

32

Goldman Sachs & Co

29

UBS

27

Morgan Stanley

26

Healthcare

HOULIHAN LOKEY

34

Jefferies LLC

31

Rothschild & Co

31

Centerview Partners LLC

30

Goldman Sachs & Co

30

Industrials¹

HOULIHAN LOKEY

62

Rothschild & Co

58

ICBC

49

Lincoln International

45

Lazard

42

Technology

HOULIHAN LOKEY

89

Rothschild & Co

76

JP Morgan

68

Goldman Sachs & Co

63

Morgan Stanley

59

Source: LSEG. Excludes accounting firms and brokers.

Note: Advisory rankings based on total number of Global M&A transactions completed in CY 2023.

1. Transactions under \$1 billion in total deal value.



Diversified Across Geography, Client, Industry, Professional and Segment

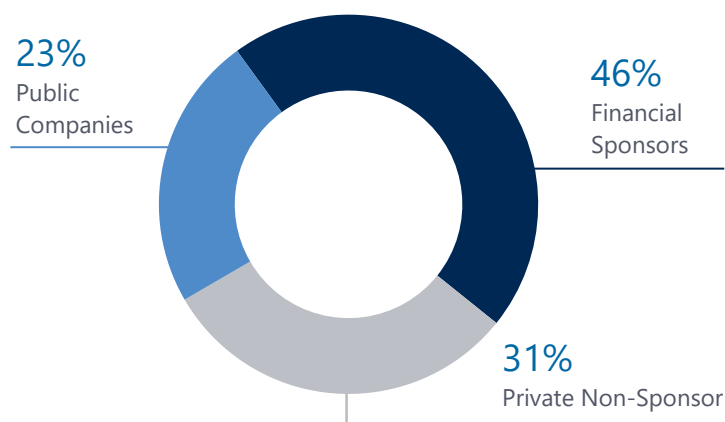
More than
2,000+
clients served annually

2%

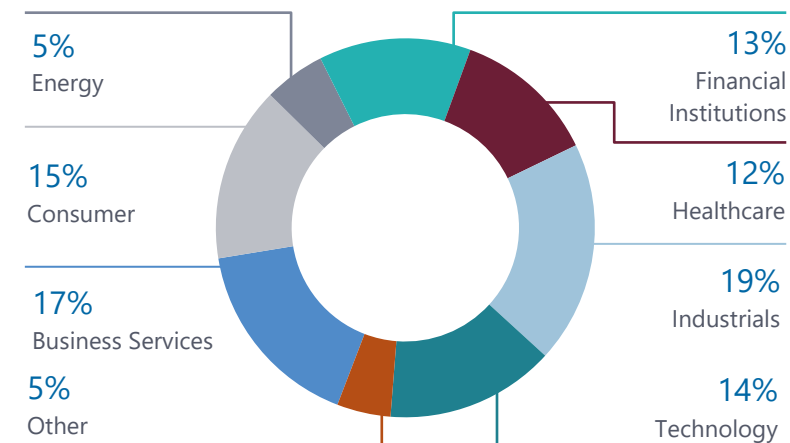
For FY 2024:

- No single transaction fee represented more than 2% of our revenues
- No individual financial professional was responsible for more than 2% of our revenues
- No single employee shareholder owns more than 2% of shares outstanding

Client Mix¹



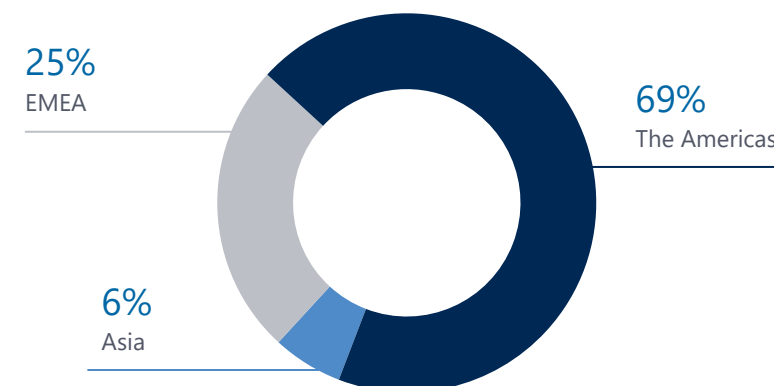
Industry Mix¹



Segment Mix¹



Geographic Mix¹



1. Based on revenues for the LTM ended June 30, 2024.

Comprehensive Coverage and Global Scale



AMERICAS

Atlanta	Los Angeles
Baltimore	Miami
Boston	Minneapolis
Charlotte	New York
Chicago	San Francisco
Dallas	São Paulo
Houston	Washington, D.C.

EUROPE AND MIDDLE EAST

Amsterdam	Milan
Antwerp	Munich
Dubai	Paris
Frankfurt	Stockholm
London	Tel Aviv
Madrid	Zurich
Manchester	

ASIA- PACIFIC

Beijing	Shanghai
Fukuoka	Singapore
Gurugram	Sydney
Hong Kong SAR	Tokyo
Mumbai	



Robust Long-Term Growth Opportunities

We will continue to grow our talent pool through:

- 1 The further development and maturation of financial & operational professionals
- 2 Targeted professional hires & increased operational support needs
- 3 Acquisitions and joint ventures

Growth will be driven by:

CORPORATE FINANCE

- Adding incremental industry expertise globally
- Continued geographic expansion
- Building out our Capital Markets and Fund Placement platforms
- Increasing deal size and deal fees

FINANCIAL RESTRUCTURING

- Growing availability and use of leverage
- Continued globalization of financial restructuring
- Increasingly complex balance sheets
- Impact from ongoing technology disruptors

FINANCIAL AND VALUATION ADVISORY

- Increasingly complex and ever-changing regulatory reporting, valuation and tax environments
- Continued geographic expansion of service portfolio
- Addition of new high-value services and scaling of existing services through targeted senior hires
- Deepening client relationships and walletshare, supported by a complete lifecycle of services



Growth Through Hiring and MD Productivity

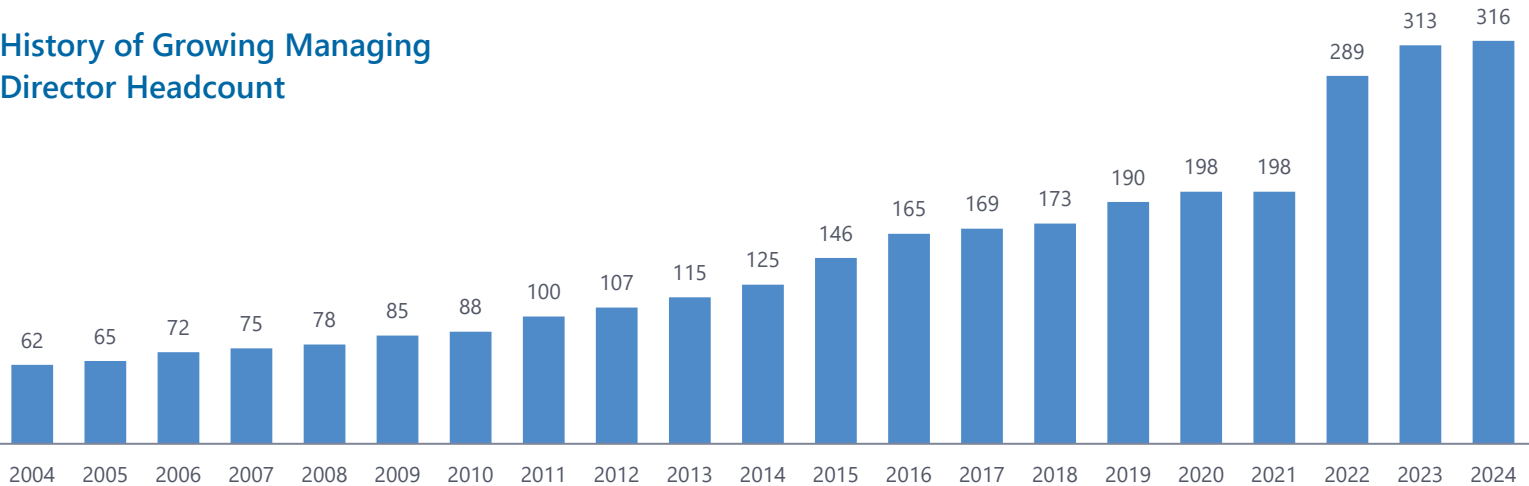


HL has increased its Managing Director Headcount by a CAGR of 8% over the last 20 years through internal promotions, opportunistic hirings, and strategic acquisitions.

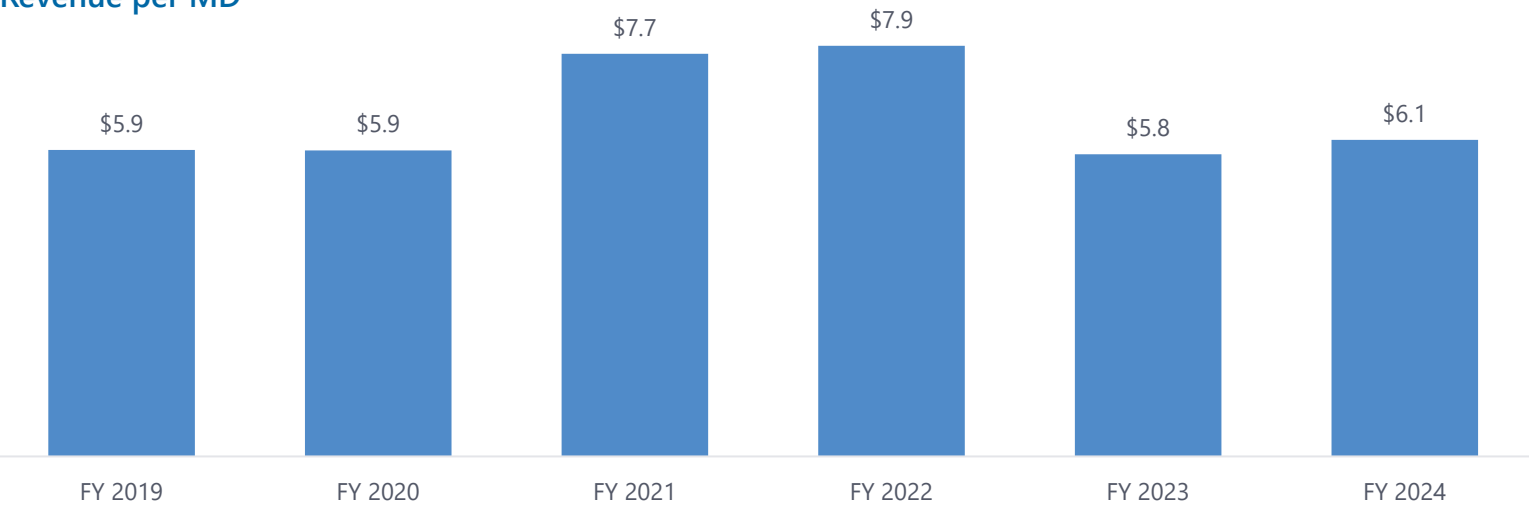


HL has maintained solid MD productivity through the cycles. Productivity increased in FY21 and FY22 due to significantly less travel and more time for deal execution as a result of COVID-19.

History of Growing Managing Director Headcount



Revenue per MD¹



Note: For fiscal years ended March 31. All dollar amounts in millions unless otherwise noted.
1. Based on the number of MDs at the end of each respective fiscal year, excludes corporate MDs.

Growth Through Recent Acquisitions

- HL has made 17 acquisitions over the last 12 years
- We have made acquisitions to deepen our industry coverage, expand our geographic reach and add additional service offerings
- HL has historically used acquisitions as a complement to our organic growth
- We believe that there are hundreds of potential boutique acquisition candidates around the globe that could be a strategic fit
- Our primary acquisition premise is that the depth and breadth of our platform enables Sellers to engage with larger clients resulting in higher average fees per engagement
- Acquisitions are structured using a combination of up-front consideration and contingent consideration as a multiple that makes the acquisition accretive to HL



Overview of Business Segments



A Houlihan Lokey Model for Growth and Success

HL maintains three primary service lines – Corporate Finance, Financial Restructuring, and Financial and Valuation Advisory.

Our business is diversified across clients, services, industries, professionals, and geographies.

	Corporate Finance	Financial Restructuring	Financial and Valuation Advisory
Core Services	Mergers/Acquisitions Capital Markets Advisory Private Funds Placement	Debtor and Creditor Restructuring Distressed M&A Liability Management	Financial Opinions Valuation Services Transaction Advisory Services
Managing Directors¹	228	58	42
5-Year FY Revenue CAGR²	13%	10%	12%
LTM June 30, 2024 Revenues / % of Total	\$1,208 / 60%	\$516 / 26%	\$288 / 14%
LTM June 30, 2024 Revenues per MD³	\$5.5	\$9.2	\$7.1
LTM June 30, 2024 Closed Transactions / Fee Events⁴	471	129	1,879

Note: All dollar amounts in millions unless otherwise noted. Figures may not tie due to rounding.

1. As of June 30, 2024; excludes Corporate MDs.

2. Revenue CAGR for the last 5 fiscal years.

3. Based on the average of the MD count at the end of each fiscal quarter throughout the LTM.

4. A Fee Event includes any engagement that involves revenue activity during the measurement period based on a revenue minimum of one thousand dollars.

References in this press release to closed transactions should be understood to be the same as transactions that are "effectively closed" as described in our periodic reports on Forms 10-K and 10-Q.



Corporate Finance

Integrated Platform combining
Industry Coverage, Product Expertise,
and Global Reach

PRODUCT SPECIALISTS



Mergers and Acquisitions

Balanced and insightful mergers and acquisitions advice



Capital Markets

Comprehensive range of debt and equity capital raisings for companies, private equity groups and alternative asset managers

INDUSTRY GROUPS



Business Services



Healthcare



Consumer



Industrials



Energy



Real Estate



Financial Services



Technology



FinTech



Corporate Finance

Houlihan Lokey's Corporate Finance group closes more deals than any other firm anywhere in the world

No.1
Global M&A Advisor¹

No.1
Global Advisor to Private Equity²

No.1
US M&A Advisor¹

Leading
Capital Markets Advisor

Market-Leading Advisor Across Industries¹

2023 M&A Advisory Rankings
All Global Business Services Transactions

	Advisor	Deals
1	Houlihan Lokey	63
2	Rothschild & Co	46
3	Lincoln International	32
4	Clearwater International	31
5	Goldman Sachs & Co	27

Source: LSEG.
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
Global Consumer Transactions Under \$1 Billion

	Advisor	Deals
1	Houlihan Lokey	50
2	Rothschild & Co	48
3	Lazard	32
4	Goldman Sachs & Co	25
5	UBS	23

Source: LSEG.
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
All Global Healthcare Transactions

	Advisor	Deals
1	Houlihan Lokey	34
2	Jefferies LLC	31
2	Rothschild & Co	31
4	Centerview Partners LLC	30
4	Goldman Sachs & Co	30

Source: LSEG.
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
Global Financial Services Transactions Under \$1 Billion

	Advisor	Deals
1	Houlihan Lokey	41
2	Rothschild & Co	32
3	Goldman Sachs & Co	29
4	UBS	27
5	Morgan Stanley	26

Source: LSEG.
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
Global Industrials Transactions Under \$1 Billion

	Advisor	Deals
1	Houlihan Lokey	62
2	Rothschild & Co	58
3	ICBC	49
4	Lincoln International	45
5	Lazard	42

Source: LSEG.
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
All Global Technology Transactions

	Advisor	Deals
1	Houlihan Lokey	89
2	Rothschild & Co	76
3	JP Morgan	68
4	Goldman Sachs & Co	63
5	Morgan Stanley	59

Source: LSEG.
Excludes accounting firms and brokers.

Note: Advisory rankings based on total number of Global M&A transactions completed in CY 2023.

1. Source: LSEG. Excludes accounting firms and brokers.

2. Represents number of transactions closed for the calendar year to date period ended December 31, 2023. Source: PitchBook. Excludes accounting firms and brokers.

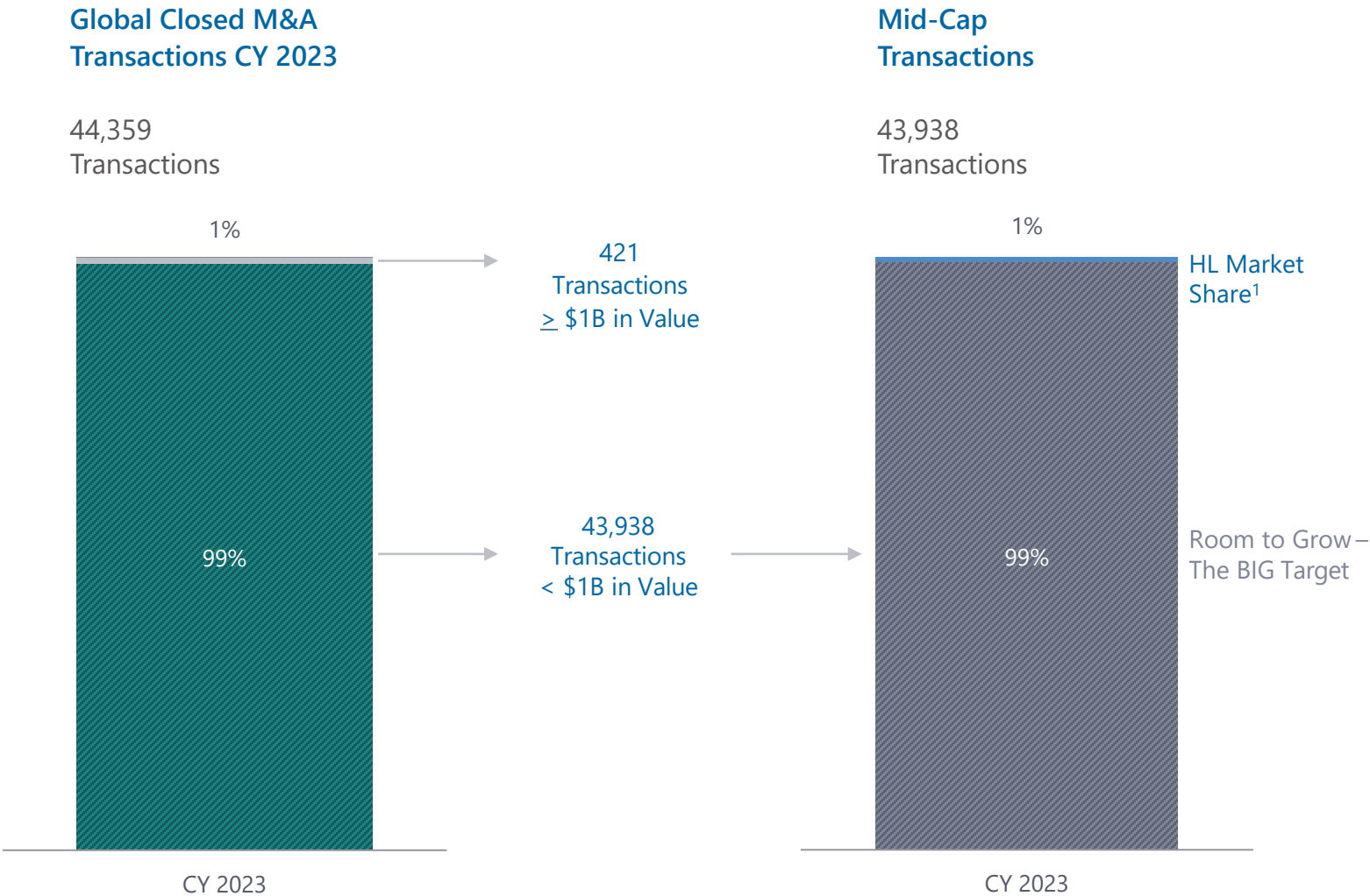


Corporate Finance Mergers & Acquisitions

1%

Our market share in the Global mid-cap space is approximately 1%, based on the number of closed Corporate Finance transactions we completed in CY 2023

The mid-cap space is less volatile than the large-cap space, which, when combined with HL’s ongoing opportunities to increase its relatively low market share, generally results in less revenue “downside” in weaker M&A markets



Source: LSEG.
1. Includes capital advisory transactions.

Corporate Finance Capital Markets

We believe we have one of the largest capital markets groups at non-balance-sheet banks, raising capital for both sponsors and corporate clients

More than

170

dedicated professionals across 14 offices in six countries as of June 30, 2024

Raised and advised on more than \$19 billion across

~126

transactions in fiscal year 2024

Private Capital Solutions

- Houlihan Lokey is a market leader in placing bespoke capital in the private markets—from senior debt to equity
 - Access capital when traditional markets / providers are inappropriate or unreceptive
- Placement of solution-oriented capital for a wide range of financing needs
 - High-touch, confidential, targeted process
 - Differentiated investor relationships and access to decision-makers
- Financing solutions for companies at various stages of the corporate lifecycle
 - Acquisitions, dividends, refinancings, growth capital and special situations
 - ABLs, secured loans, mezzanine debt, minority and co-investment equity

Capital Markets Advisory

- Independent advisor on bank commitments and equity and debt securities offerings
- Drive competition to optimize positioning, structure / terms and syndication
 - Value-added distribution (anchor investors)
- Evaluate public vs. private market solutions
- Ability in the US to participate in public / syndicated offerings
 - Act as Bookrunner / Co-Manager on securities offerings and Arranger on leveraged loans

Private Funds Advisory

- Long-term partner to GPs, offering an integrated set of solutions and a dedicated team to address their most important strategic decisions
- Raise private capital from institutional and third-party investors for funds and single-asset transactions
- Provide GP- and LP-led liquidity solutions across existing fund investments
 - Single- and multi-asset continuation vehicles, strip sales, LP stakes portfolios and fund-level financings
- Provide strategic advisory re: stake sales to Partners and Founders of private equity firms



Financial Restructuring



Deepest bench in the industry with 54 Managing Directors and 240 total finance professionals as of March 31, 2024



A true global player, having dedicated resources in 17 offices worldwide and executed transactions in more than 60 countries since 2000



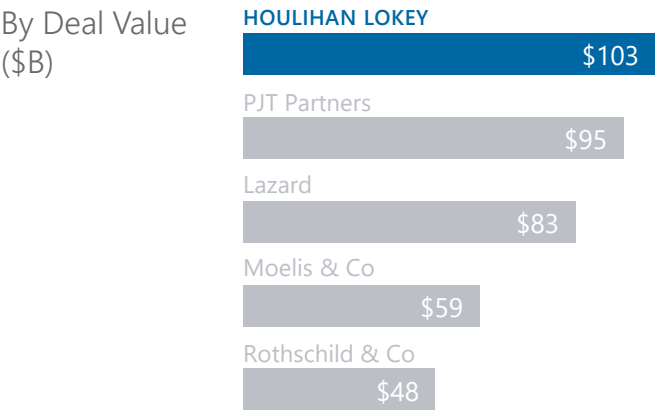
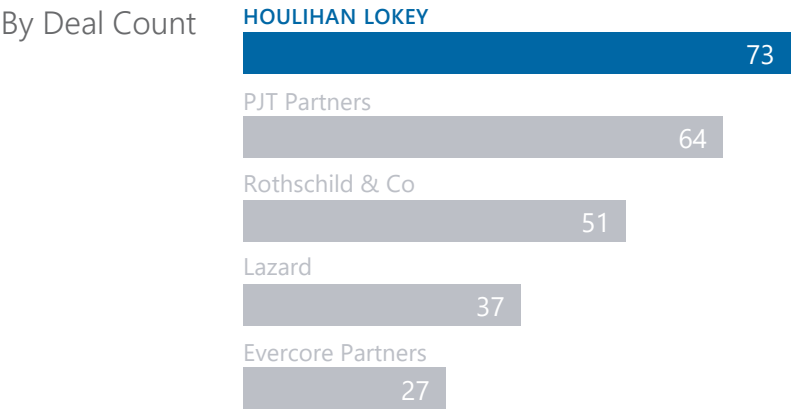
Extensive experience and flexibility to work on large global restructurings as well as mid-cap restructurings for debtors and creditors



With contracting monetary policies and credit market instabilities, global restructuring activity has elevated and is expected to remain robust for the foreseeable future. We have maintained our market share throughout various economic cycles and continue to execute groundbreaking transactions in nearly all industries and geographies

Top Global Restructuring Advisor

2023 Global Distressed Debt and Bankruptcy Restructuring Rankings



15 Largest Bankruptcies

Advisor in 12 of the 15 Largest Bankruptcies 2000–2023

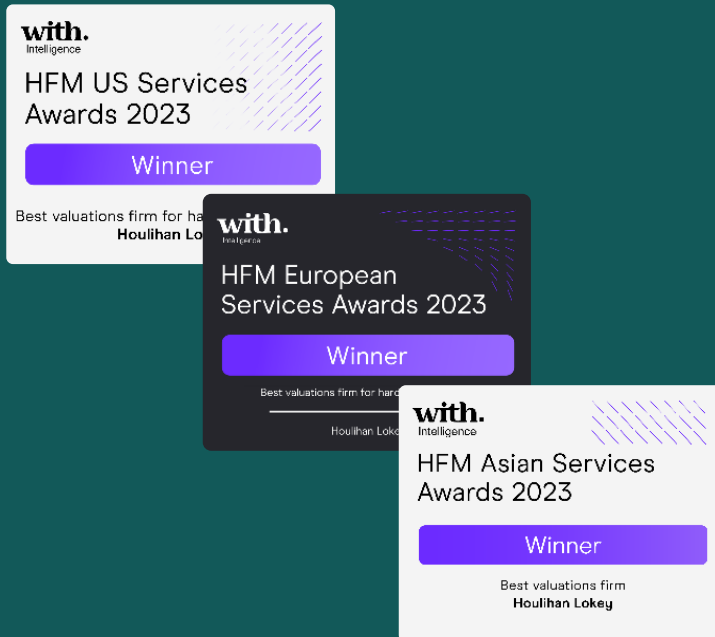
	Assets (\$B)
Lehman Brothers Holdings Inc.	691
Washington Mutual Inc. ¹	328
Sunac China Holdings Limited	138
WorldCom Inc.	104
General Motors Corporation	91
CIT Group Inc.	80
PG&E Corp. (Pacific Gas) (2019)	71
Enron Corp.	66
Conseco Inc.	61
Energy Future Holdings Corp.	41
MF Global Holdings Ltd.	41
Chrysler LLC	39
AIG Financial Products Corp.	38
Thornburg Mortgage Inc.	37
Pacific Gas & Electric (2004) ²	36

Source: LSEG, BankruptcyData.com, Debtwire.
1. Houlihan Lokey advised certain creditors of the Washington Mutual Receivership.
2. Houlihan Lokey advised a group of noteholders of Pacific Gas & Electric subsidiary National Energy Group Inc.

Financial and Valuation Advisory

No. 1 Global M&A Fairness Opinion Advisor Over the Past **25 Years**

Over the past **50 years**, Houlihan Lokey has established one of the largest worldwide financial and valuation advisory practices



Note: As of December 31, 2023. Source: LSEG. Announced or completed transactions.

Services Offered

- Transaction (including Solvency) Opinions
- Portfolio Valuation and Fund Advisory
- Transaction Advisory Services
- Corporate Valuation Advisory Services
- Fund Opinions
- Dispute Resolution Consulting

Diversified Revenue Stream

- Significant and growing revenues in massive global addressable markets
- Diverse, full-cycle service portfolio balanced to mitigate volatility due to changing M&A markets
- Low client concentration with more than 1,200 unique clients
- Long-standing, sticky clients with over 50% of our FVA business being recurring in nature
- Diverse client base, including corporate clients (public and private), financial sponsors, hedge funds, government agencies and entrepreneurially owned companies

Operating Philosophy

- Extending the HL brand and reputation as a premium provider and leading advisor in complex matters
- Strengthening fee mix with larger-cap and public clients using value-added transaction driven services
 - Rapid growth in number of \$1M+ clients
- Client-centric, providing recurring and transaction-based services through the client's full lifecycle
- Market thought leader with innovative new service offerings (such as our ESG/Sustainability Advisory Services), market indices and analytical tools
- Realizing above-market revenue growth and margin targets



Financial Sponsors Group

Houlihan Lokey has one of the largest Financial Sponsors Groups focused on mid and large-cap funds

Most Active Investment Banks to Global P.E.¹

1	HOULIHAN LOKEY	217
2	Lincoln International	156
3	William Blair & Company	112
4	Lazard	96
5	Raymond James Financial	85

Broad and Deep Financial Sponsor Group

- HL has 30 senior officers dedicated to the sponsor community in North America, Europe, and Japan as of FYE 2024
- Coverage of 1,300+ private equity firms, 300+ credit funds and 70+ family offices as of FYE 2024
- Organized geographically to ensure client coverage proximity

In-Depth Data on Buyer Behavior

- Knowledge of and database on financial sponsor preferences and behavior through our relationships and deal flow
- Collect and analyze comprehensive data on industry, size and general market trends

Importance of Our Sponsor Relationships

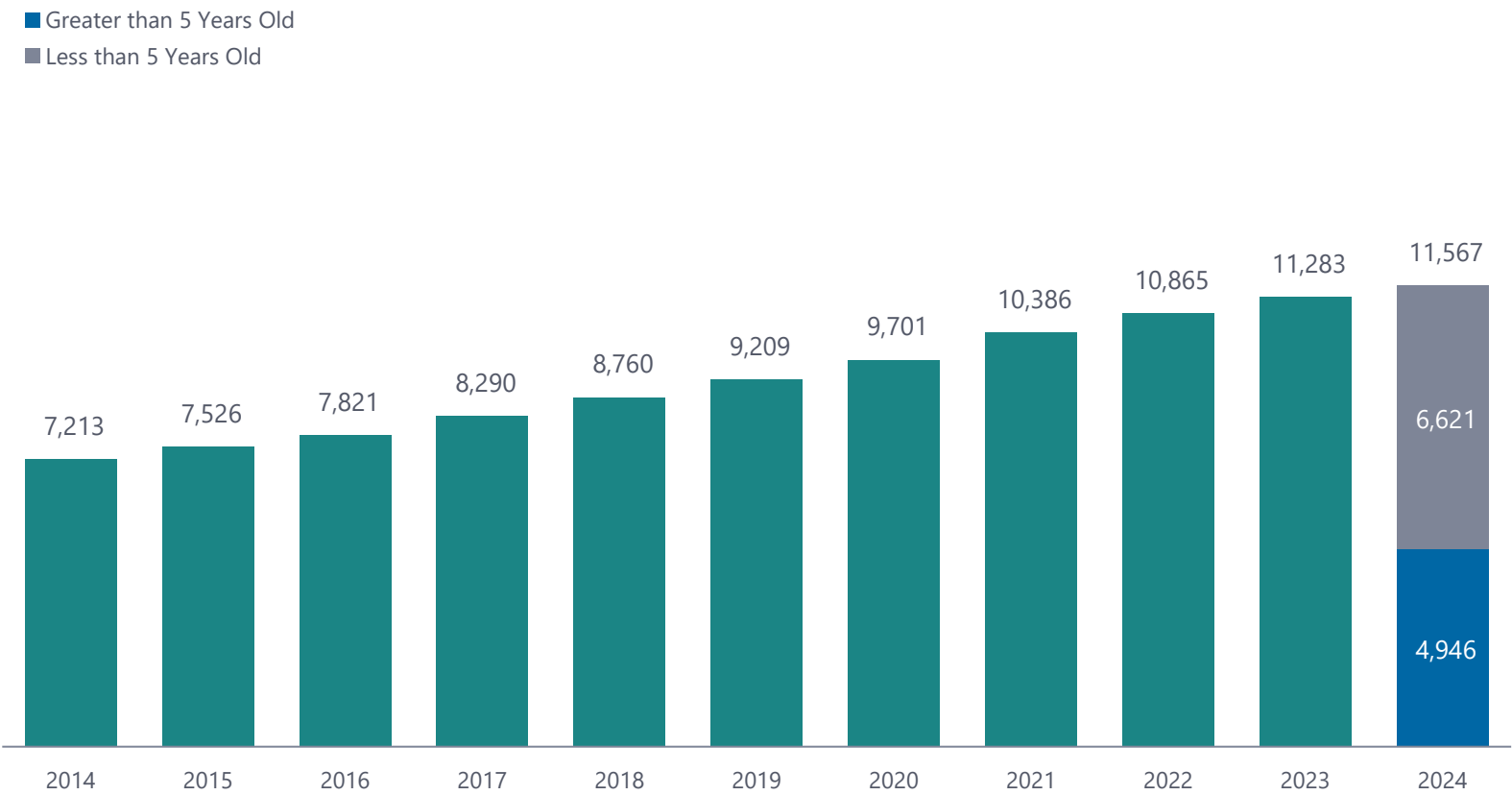
- Each year, we work on hundreds of engagements for private equity groups and their portfolio companies
- Sold over 800 companies to financial sponsors over the last five years
- Buyout firms have approximately \$950 billion of dry powder²
- Provide financial sponsors access to successful solutions – with coverage officers facilitating two-way information flow between sponsors and Houlihan Lokey

1. Represents number of transactions closed for the calendar year to date period ended December 31, 2023. Source: PitchBook. Excludes accounting firms and brokers.
2. As of March 31, 2024. US only. Source: Preqin.



Private Equity Portfolio Company Inventory

Current Inventory of U.S. Private-Equity-Backed Companies (2014–2024)



Source: PitchBook as of June 30, 2024.

Given our strong market share serving the PE community, HL is well positioned to benefit from the growing number of portfolio companies held by private equity





Financial Overview



Strong Top-Line Growth and Disciplined Expense

Long history of revenue growth through various market cycles



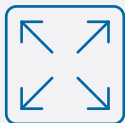
- Resilient business mix consisting of cyclical and countercyclical elements
- Leader in each of our three business segments with ample growth opportunities

Consistent track record of profitability through market cycles



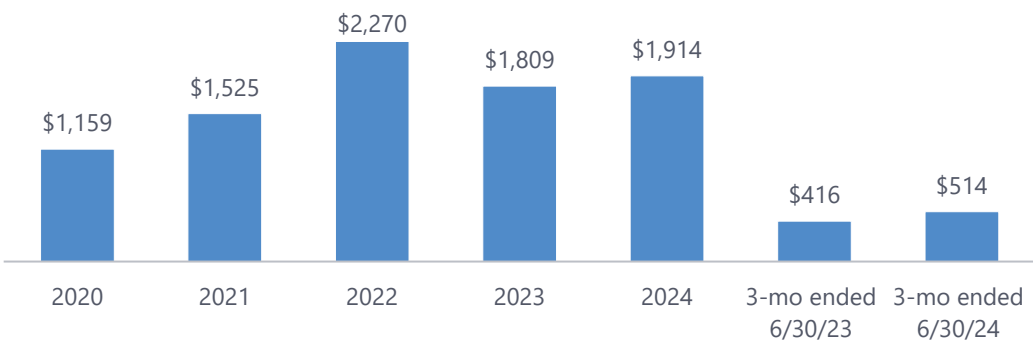
- Maintained double-digit adjusted pre-tax margins through downturns in the economy
- Each business segment is similarly profitable to shareholders

Scalable, capital-light model

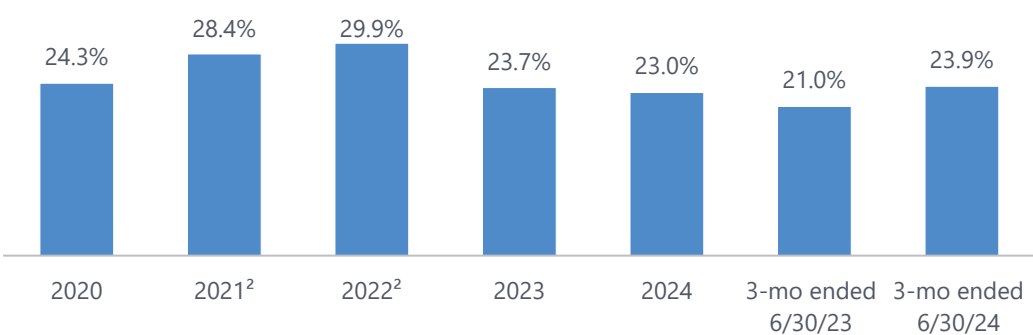


- Minimal capital balance sheet requirements
- Low leverage levels
- Scalable model that can be further leveraged to support top-line growth

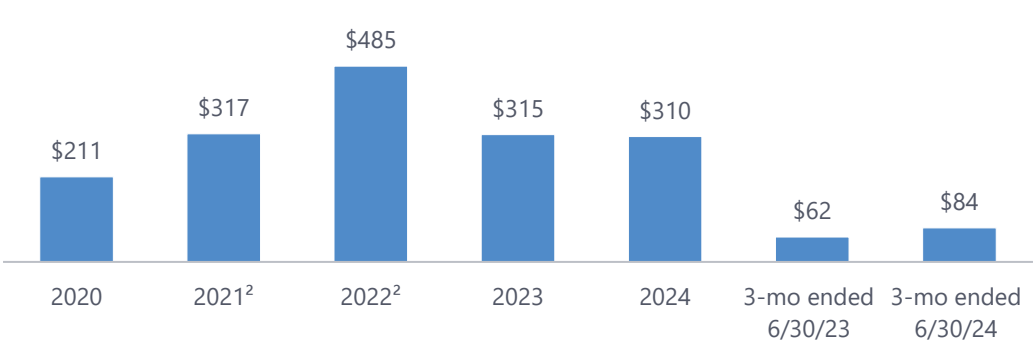
Revenues



Adjusted Pre-tax Margin¹



Adjusted Net Income¹



Note: Fiscal year ended March 31. All dollar amounts in millions.

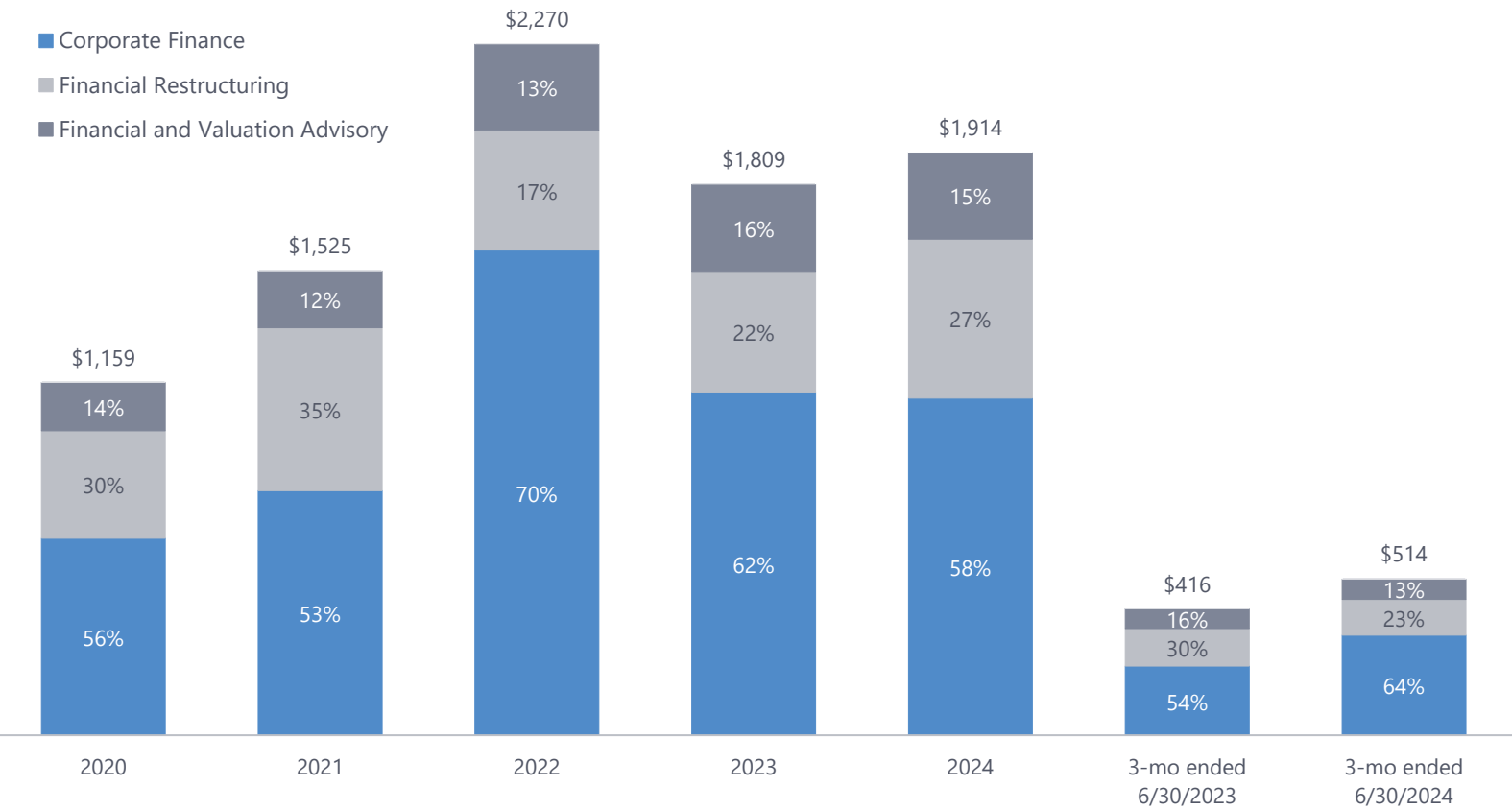
1. See page 30 for a description and reconciliation to the most directly comparable GAAP measures for relative year-to-date periods for fiscal 2024 and 2025. See page 31 for comparable historical GAAP figures and refer to previously filed earnings releases for historical adjustments.

2. Operated at higher margins due to temporarily lower non-compensation expenses as a result of COVID-19.



Business Segment Financials

Revenues By Business Segment



Note: Fiscal year ended March 31. All dollar amounts in millions unless otherwise noted.



Expense, Balance Sheet and Cash Management

Operating Expenses



Compensation

Given our diversified business model, we are able to maintain a tight compensation ratio through market cycles

Non-compensation

We believe our annual non-compensation ratio is among the lowest of our publicly traded peers

Balance Sheet Health



We operate
with extremely low levels of debt

We maintain
a revolver of \$100 million which has remained largely undrawn

We generate
a significant amount of cash flow throughout the year

We are focused on
maintaining this balance sheet flexibility in order to enable us to be opportunistic, especially regarding acquisition opportunities

Shareholder Return



We are committed to the following principles:

- Grow our quarterly dividend as the business grows
- When possible, use cash to make acquisitions that are strategic as well as accretive to shareholders
- If excess cash accumulates, return it to shareholders in the most efficient manner possible



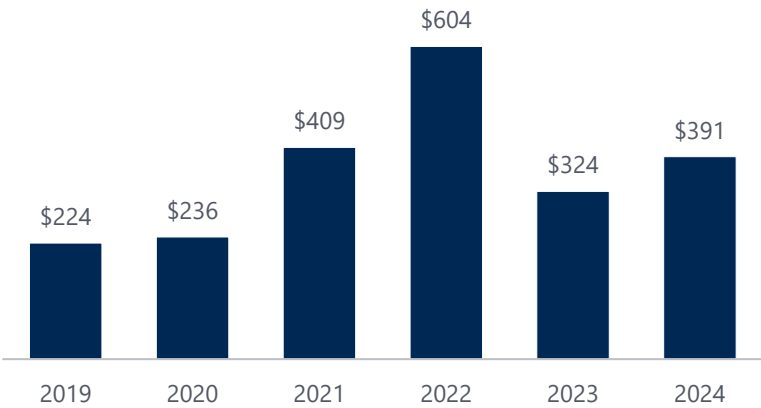
Reconciliation of GAAP to Adjusted Financials

<i>(In thousands, except per share data)</i>	Three Months Ended June 30, 2024	
	2024	2023
Revenues	\$ 513,609	\$ 415,829
Employee compensation and benefits expenses		
Employee compensation and benefits expenses (GAAP)	\$ 330,116	\$ 263,483
Less: Acquisition related retention payments	(14,247)	(7,750)
Employee compensation and benefits expenses (adjusted)	315,869	255,733
Non-compensation expenses		
Non-compensation expenses (GAAP)	\$ 87,925	\$ 78,999
Less: Acquisition related legal structure reorganization	(500)	—
Less: Integration and acquisition related costs	(3,554)	—
Less: Acquisition amortization	(3,541)	(3,355)
Non-compensation expenses (adjusted)	80,330	75,644
Operating income		
Operating income (GAAP)	\$ 95,568	\$ 73,347
Plus: Adjustments ⁽¹⁾	21,842	11,105
Operating income (adjusted)	117,410	84,452
Other income, net		
Other income, net (GAAP)	\$ (4,306)	\$ (3,005)
Plus: Change in acquisition earnout liability fair value	(828)	—
Other income, net (adjusted)	(5,134)	(3,005)
Provision for income taxes		
Provision for income taxes (GAAP)	\$ 10,934	\$ 14,962
Plus: Impact of the excess tax benefit for stock vesting	21,921	7,299
Less: Reversal of deferred tax asset	(1,690)	—
Adjusted provision for income taxes	31,165	22,261
Plus: Resulting tax impact ⁽²⁾	7,074	3,238
Provision for income taxes (adjusted)	38,239	25,499
Net income		
Net income (GAAP)	\$ 88,940	\$ 61,390
Plus/(less): Adjustments ⁽³⁾	(4,635)	568
Net income (adjusted)	\$ 84,305	\$ 61,958
Fully diluted shares outstanding		
Fully diluted shares outstanding (GAAP)	68,501,059	68,000,392
Plus: Impact of unvested GCA retention and deferred share awards	622,396	1,472,899
Fully diluted shares outstanding (adjusted)	69,123,455	69,473,291
Diluted EPS attributable to Houlihan Lokey, Inc. (GAAP)	\$ 1.30	\$ 0.90
Diluted EPS attributable to Houlihan Lokey, Inc. (adjusted)	\$ 1.22	\$ 0.89

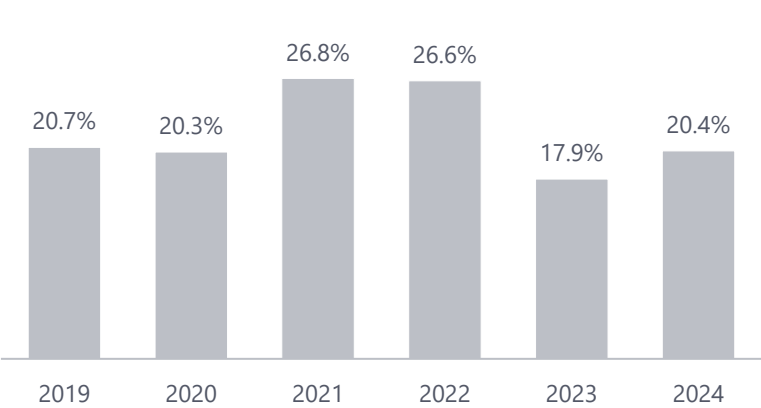
1. The aggregate of adjustments from employee compensation and benefits and non-compensation expenses.
2. Reflects the tax impact of utilizing the adjusted effective tax rate on the non-tax adjustments identified above.
3. Consists of all adjustments identified above net of the associated tax impact.

Comparable GAAP vs. Adjusted Financial Figures

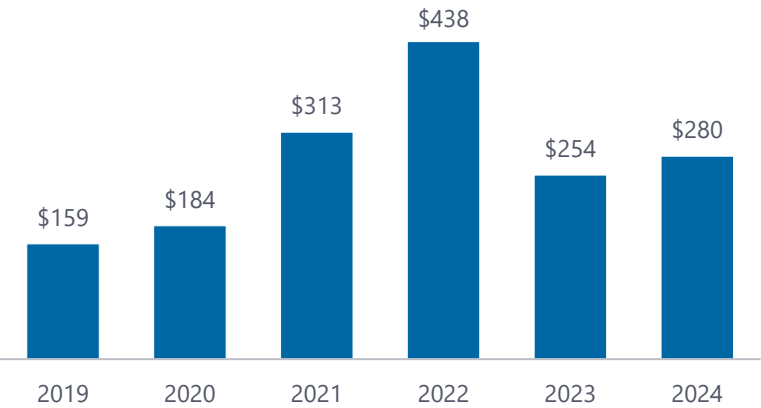
GAAP Pre-tax Income



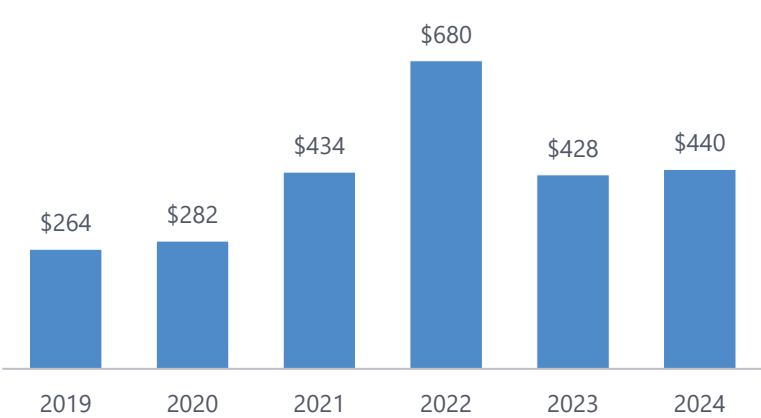
GAAP Pre-tax Margin



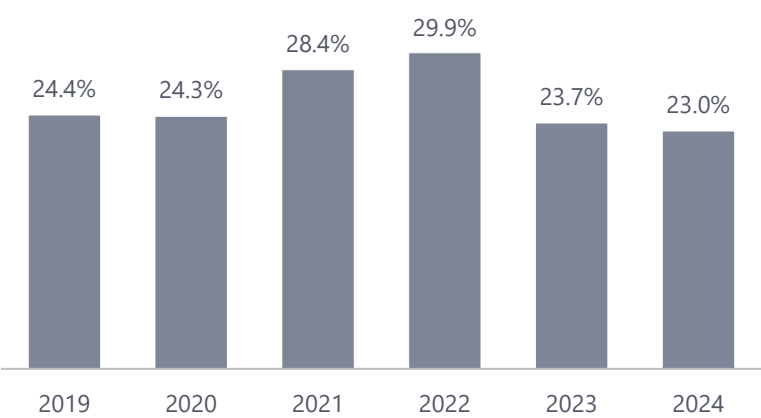
GAAP Net Income



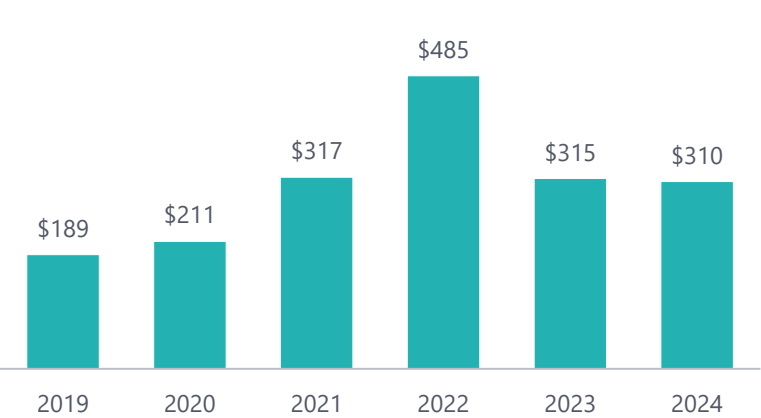
Adjusted Pre-tax Income



Adjusted Pre-tax Margin



Adjusted Net Income



Note: For fiscal years ended March 31. All dollar amounts in millions unless otherwise noted.

Our Vision

We will be recognized globally for providing the finest financial advice and service to our clients and the best place to work for our colleagues.

Our Mission



We help our clients achieve superior outcomes by providing thoughtful, caring advice while acting with honor and integrity



We are strategic in our approach to growth and are committed to creating lasting value for our shareholders



We maintain an intellectually stimulating, fair, and fun place to work



We seek to improve our local and global communities through the responsible and direct actions of our firm and its people





Houlihan
Lokey



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