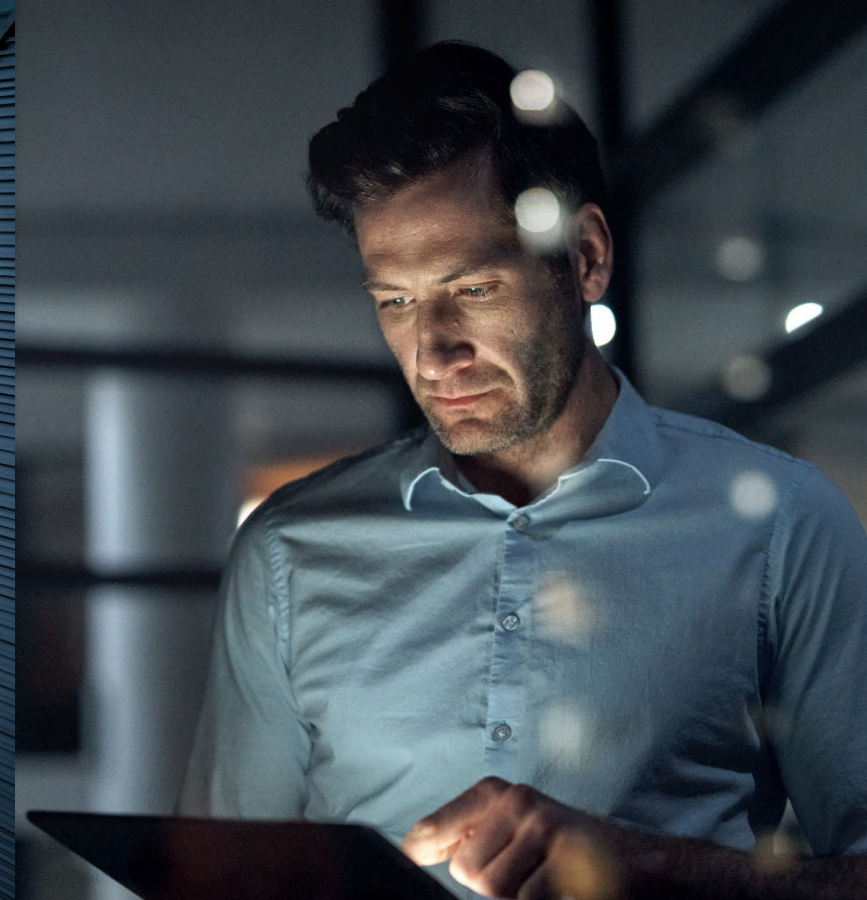




**Houlihan  
Lokey**

# Investor Presentation

February 2025





# 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

- Client-centric
- Entrepreneurial
- Collaborative
- Solution Oriented
- Data informed

## Firm's DNA

- Global advice with local execution
- Dedicated to exceeding client expectations
- Data driven approach to decision making
- Commitment to innovation
- Community minded

## Ownership and Controls

- New York Stock Exchange listed company
- Blue chip institutional ownership
- Broad-based, long-term employee ownership
- Consensual, data driven decision-making

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

2,707  
Global  
Employees

337  
Managing  
Directors

\$2.2B  
Revenue<sup>1</sup>

Note: As of December 31, 2024  
1. LTM ended December 31, 2024

# Investment Tenets



## Track Record of Growth and Profitability

Strong and consistent financial performance.



## Lower Revenues and Earnings Volatility Through Economic Cycles

Given our diversified business model, and mix of cyclical, counter-cyclical and non-cyclical businesses, we believe we are less volatile than other investment banking firms.



## Strong Growth Prospects

Significant room to grow all three businesses globally through both organic hires and acquisitions.



## Long-Tenured Management Team

The average tenure of our Executive Management Team and our 16-person Operating Committee Team is over 25 years.



## High Quality, Diversified Revenues

Diversified across clients, industries, geographies, transactions and financial professionals.



## Data Centric Strategy

Focus on leveraging technology and data drives differentiated advice and superior decision making.

# Strong Financial Performance



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



Fiscal year 2022 experienced record results during extremely bullish market conditions

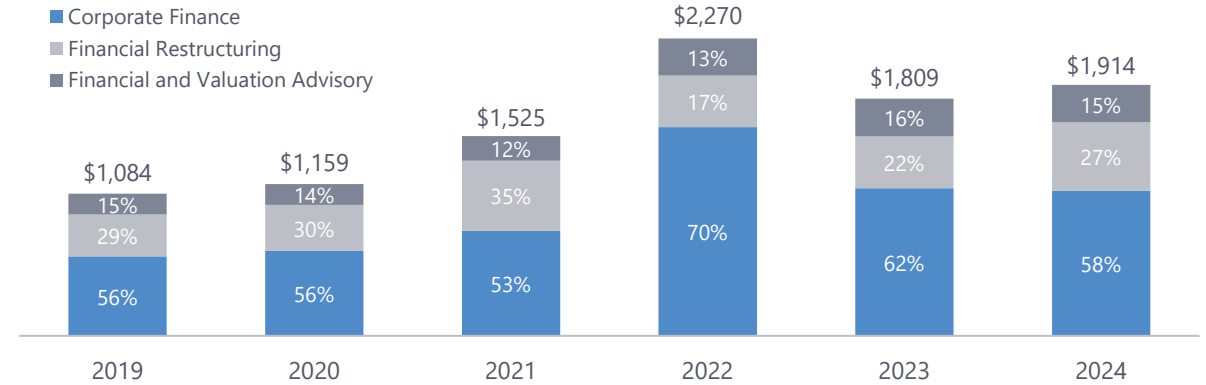


Adjusted pre-tax income grew at a CAGR of 11% over the same five-year period

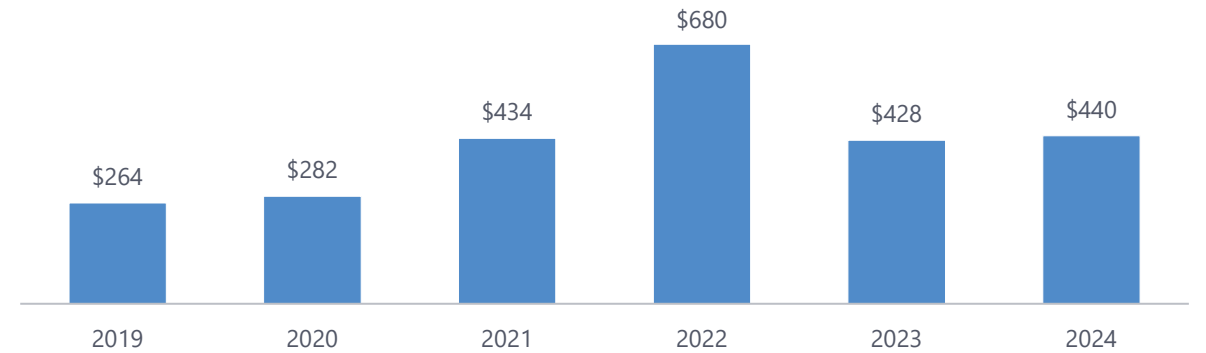


Maintained solid adjusted pre-tax margins throughout, with higher pre-tax margins for fiscal years 2021 and 2022 as a result of temporarily lower non-compensation expenses as a result of COVID-19

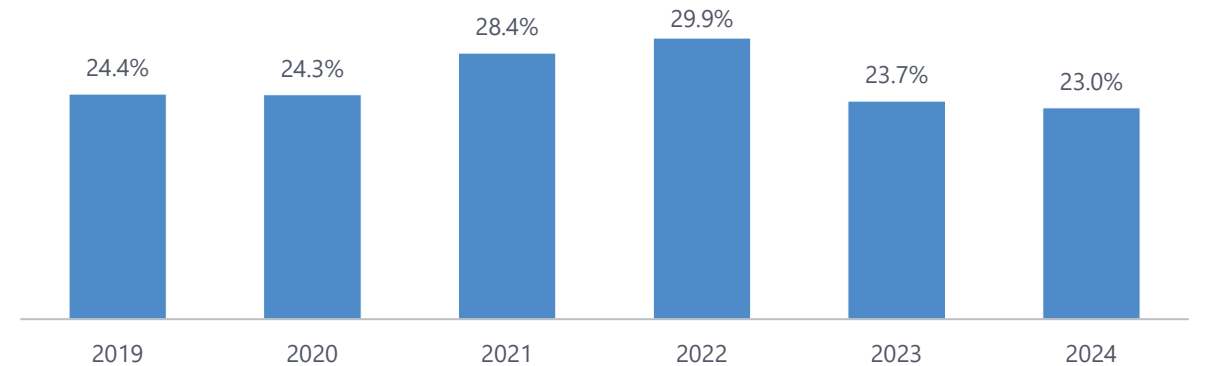
## Revenues



## Adjusted Pre-tax Income<sup>1</sup>



## Adjusted Pre-tax Margin<sup>1</sup>



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 25-year average tenure of our Executive Management Team and our 16-person Operating Committee Team
- 2 High Retention** 12-year average tenure of Managing Directors across all business segments<sup>1</sup>
- 3 Strong Loyalty** More than 60% of Managing Directors reached their respective positions through internal promotions<sup>1</sup>
- 4 No "Star" Culture** No single individual generated more than 2% of revenues<sup>2</sup>

# A Culture of Caring

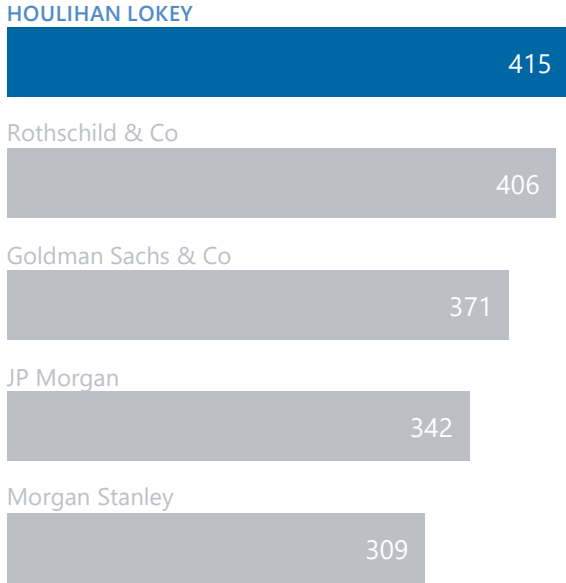
HL has a matching charitable contribution program for active employees, which results in a number of donations to causes around the globe, and a give-a-day program that results in significant participation by our employees in programs local to our offices. Listed below are several of the beneficiaries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



# Market Leader in All Three Business Segments

## Top Global M&A Firm<sup>1</sup>

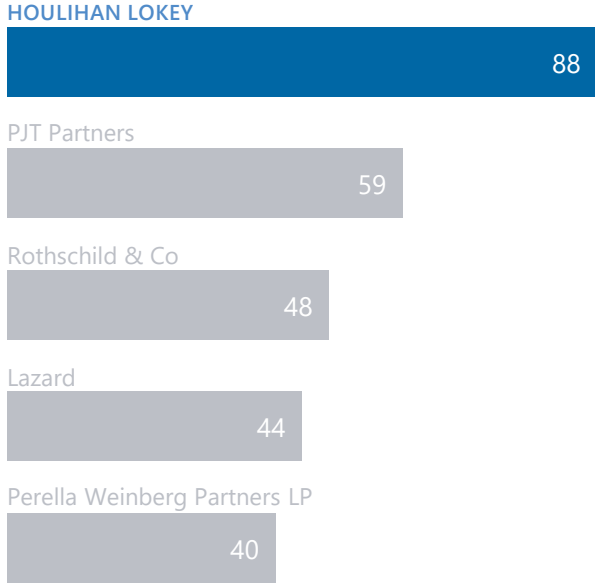
Investment Banks by Number of Global M&A Deals in CY 2024



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

## Top Global Restructuring Firm

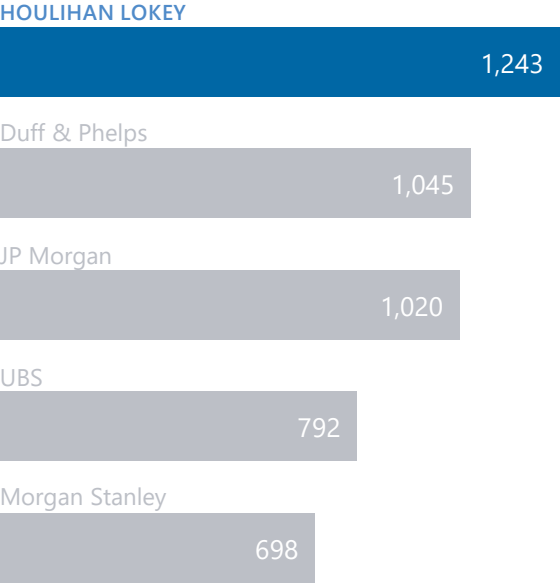
CY 2024 Global Distressed Debt and Bankruptcy Restructuring Deals



- No. 1 Global Restructuring Advisor
- 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 2000 to CY 2024)



- No. 1 Global M&A Fairness Opinion Advisor Over the Past 25 Years<sup>2</sup>
- 2,000+ Annual Engagements

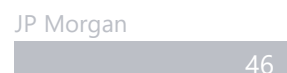
Source: LSEG  
 1. M&A ranking excludes accounting firms and brokers.  
 2. Announced or completed transactions.

# No.1

Global  
Market-Leading  
Advisor Across  
Industries

## Business Services

HOULIHAN LOKEY



## Financial Services

HOULIHAN LOKEY



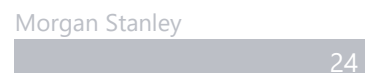
## FinTech<sup>1</sup>

HOULIHAN LOKEY



## Healthcare<sup>2</sup>

HOULIHAN LOKEY



## Industrials

HOULIHAN LOKEY



## Technology

HOULIHAN LOKEY



Source: LSEG. Excludes accounting firms and brokers.

Note: Advisory rankings based on total number of Global M&A transactions completed in CY 2024.

1. Source: Pitchbook Data, Inc.

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

# Diversified Across Geography, Client, Industry, Professional and Segment

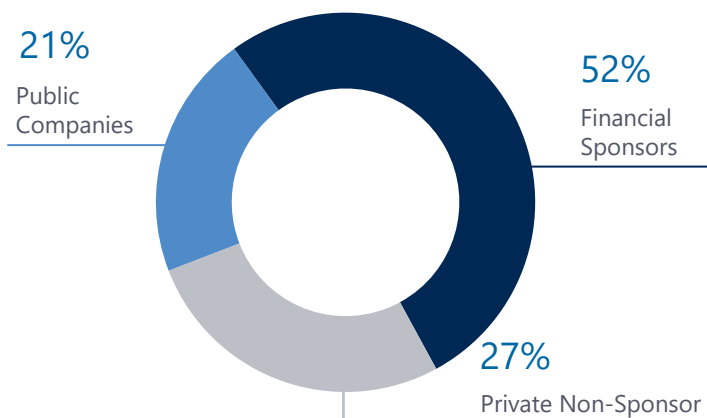
More than  
**2,000+**  
clients served annually

**2%**

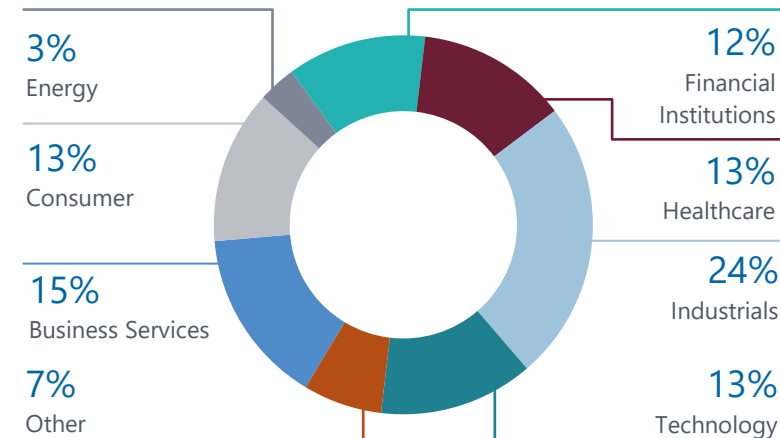
For FY 2024:

- 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 Mix<sup>1</sup>



Industry Mix<sup>1</sup>



Segment Mix<sup>1</sup>



Geographic Mix<sup>1</sup>



<sup>1</sup> Based on revenues for the LTM ended December 31, 2024.

## Comprehensive Coverage and Global Scale



### AMERICAS

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

### EUROPE AND MIDDLE EAST

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

### ASIA-PACIFIC

- Beijing
- Fukuoka
- Gurugram
- Hong Kong SAR
- Mumbai
- Shanghai
- Singapore
- Sydney
- Tokyo

# Robust Long-Term Growth Opportunities

We will continue to grow our Managing Director Headcount through:

- 1 Development and maturation of financial professionals
- 2 Targeted hiring of senior industry and product bankers
- 3 Strategic acquisitions and joint ventures
- 4 Use of advanced data and the latest technologies to drive innovation and excellence

Growth will be driven by:

## CORPORATE FINANCE

- Adding incremental industry expertise globally
- Continued geographic expansion
- Building out our Capital Solutions platform
- Increasing deal size and deal fees

## FINANCIAL RESTRUCTURING

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

## 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

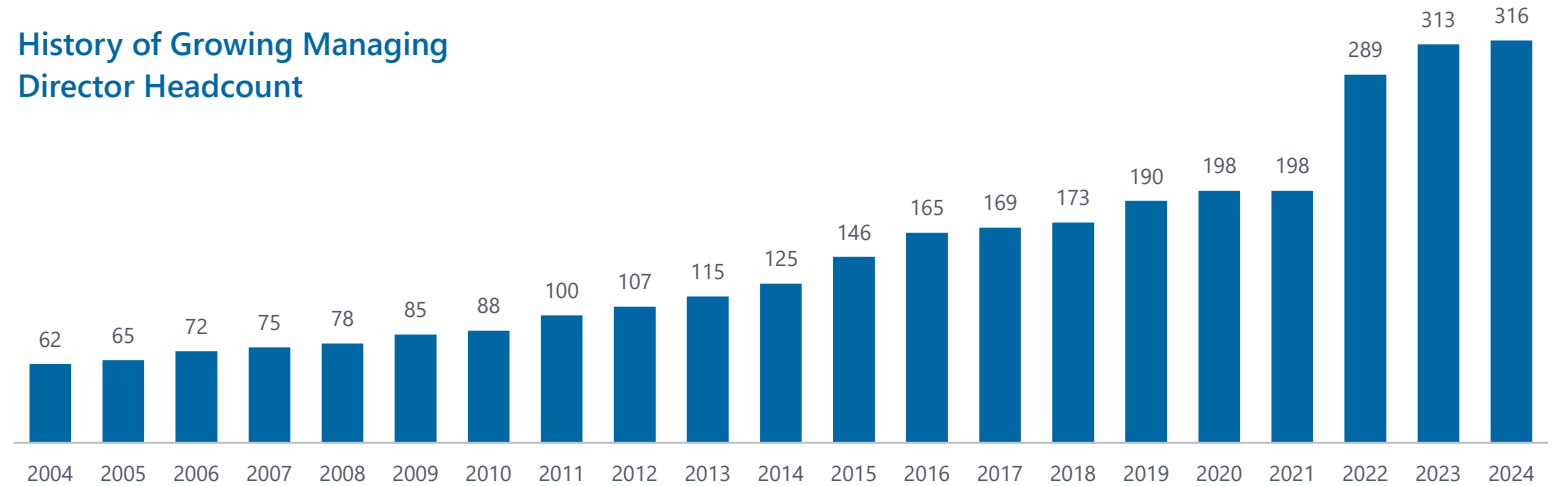


HL has increased its Managing Director Headcount by a CAGR of 8% over the last 20 years through internal promotions, opportunistic hirings, and strategic acquisitions.

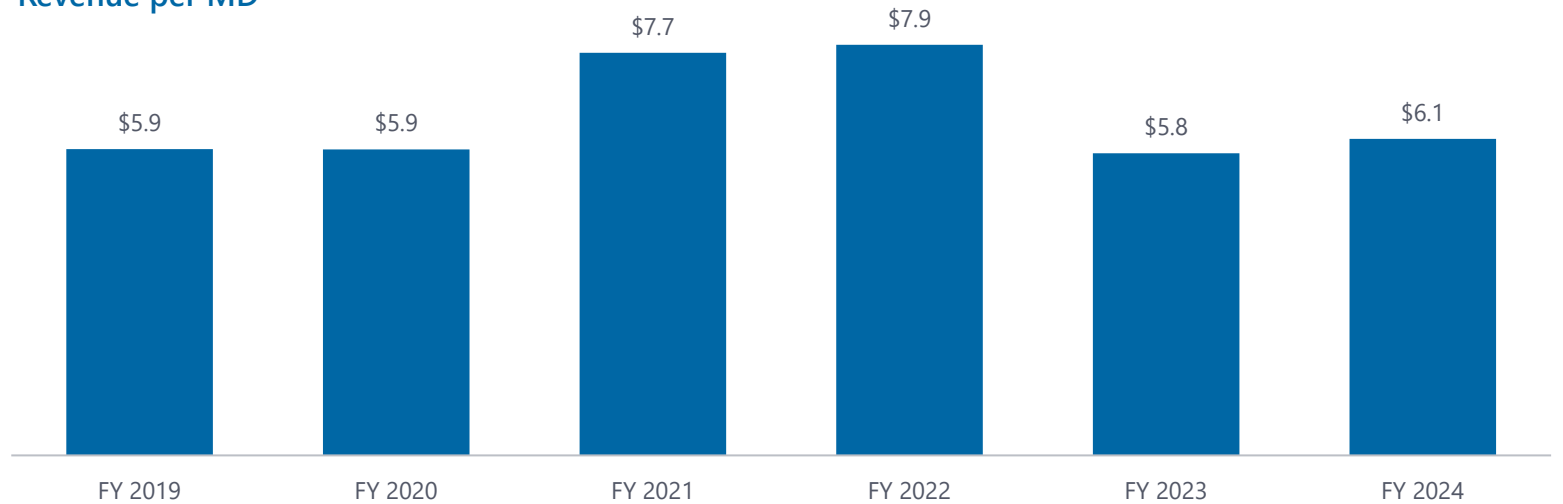


HL has maintained solid MD productivity through the cycles. Productivity increased in FY21 and FY22 due to significantly less travel and more time for deal execution as a result of COVID-19.

## History of Growing Managing Director Headcount



## Revenue per MD<sup>1</sup>



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.

# Growth Through Recent Acquisitions

- HL has made 19 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 at a multiple that makes the acquisition accretive to HL



Data and Analytics, Content, Software, and Services Advisory Firm

April 2018



Private Equity Fundraising Advisory Firm

May 2018



Spain-Focused Investment Banking Firm

November 2019



Financial Institutions Group-Focused Investment Bank

December 2019



Technology, Media, & Telecom-Focused Investment Bank

August 2020



Household, Beauty and Personal Care Investment Bank

July 2021



Global Technology-Focused Investment Bank

October 2021



Telecoms, Technology, Media, & Data-Focused Advisory Firm

February 2023



Global Information Technology Services Advisory Firm

December 2023



Global Independent Advisory Firm

April 2024



Prytania Solutions Limited UK-Based Tech-Enabled Valuation Platform

October 2024



Insurance and Wealth Management-Focused Independent Advisory Firm

December 2024



# 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
<b>Core Services</b>	Mergers/Acquisitions Capital Markets Advisory Private Funds Placement	Debtor and Creditor Restructuring Distressed M&A Liability Management	Financial Opinions Valuation Services Transaction Advisory Services
<b>Managing Directors<sup>1</sup></b>	238	57	42
<b>5-Year FY Revenue CAGR<sup>2</sup></b>	13%	10%	12%
<b>LTM December 31, 2024 Revenues / % of Total</b>	\$1,402 / 62%	\$535 / 24%	\$307 / 14%
<b>LTM December 31, 2024 Revenues per MD<sup>3</sup></b>	\$6.1	\$9.4	\$7.5
<b>LTM December 31, 2024 Closed Transactions / Fee Events<sup>4</sup></b>	538	142	2,321

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

*1. As of December 31, 2024.*

*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

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**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 Advisor<sup>1</sup>

**No.1**  
Global Advisor to Private Equity<sup>2</sup>

**No.1**  
US M&A Advisor<sup>1</sup>

**Leading**  
Capital Markets Advisor

## Market-Leading Advisor Across Industries<sup>1</sup>

2024 M&A Advisory Rankings  
All Global Business Services Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>86</b>
2	Rothschild & Co	62
3	Goldman Sachs & Co	54
4	Benchmark International	49
5	JP Morgan	46

Source: LSEG.  
Excludes accounting firms and brokers.

2024 M&A Advisory Rankings  
All Global Financial Services Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>56</b>
2	Goldman Sachs & Co	46
3	JP Morgan	41
4	Rothschild & Co	40
5	Morgan Stanley	36

Source: LSEG.  
Excludes accounting firms and brokers.

2024 M&A Advisory Rankings  
All Global FinTech Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>17</b>
2	Raymond James Financial	14
2	The Goldman Sachs Group	14
4	William Blair & Co	12
5*	Evercore/Jefferies/Morgan Stanley	10

Source: PitchBook Data, Inc.  
\*Represents a three-way tie between Evercore Group, Jefferies Financial Group, and Morgan Stanley.

2024 M&A Advisory Rankings  
Global Healthcare Transactions Under \$1 Billion

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>35</b>
2	Rothschild & Co	28
3	KeyBanc Capital Markets Inc	25
4	Morgan Stanley	24
5	Goldman Sachs & Co	22

Source: LSEG.  
Excludes accounting firms and brokers.

2024 M&A Advisory Rankings  
All Global Industrials Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>81</b>
2	Rothschild & Co	68
3	JP Morgan	64
4	Mizuho Financial Group	57
5	Goldman Sachs & Co	56

Source: LSEG.  
Excludes accounting firms and brokers.

2024 M&A Advisory Rankings  
All Global Technology Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>101</b>
2	Goldman Sachs & Co	98
3	JP Morgan	93
4	Morgan Stanley	81
5	Rothschild & Co	65

Source: LSEG.  
Excludes accounting firms and brokers.

Note: Advisory rankings based on total number of Global M&A transactions completed in CY 2024.

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

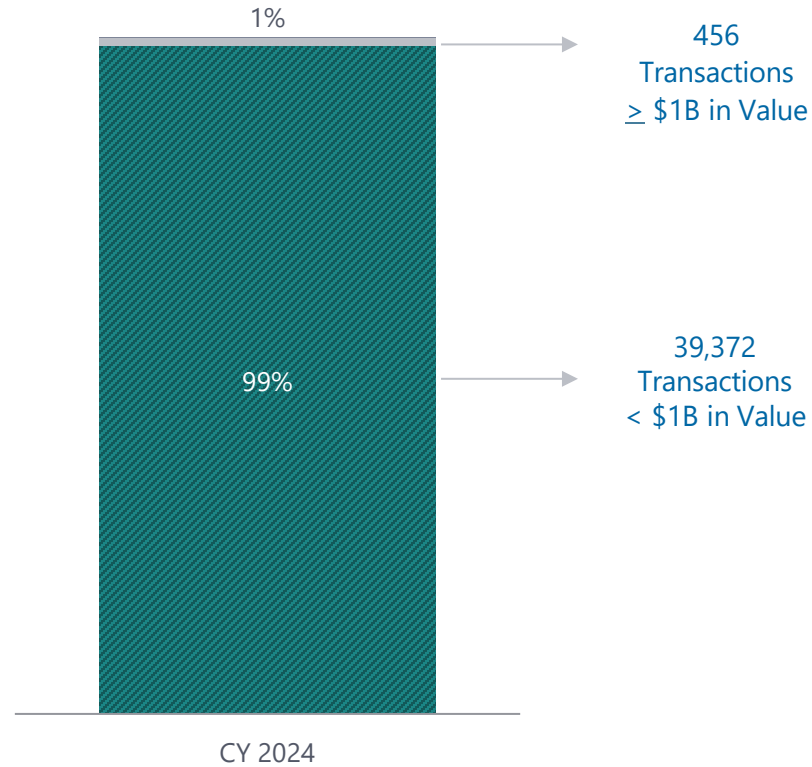
1%

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 2024

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

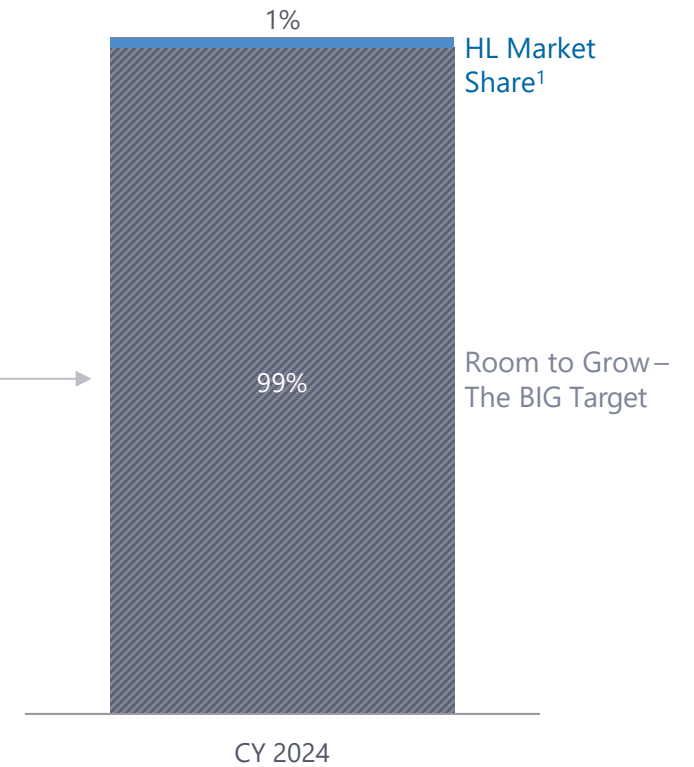
## Global Closed M&A Transactions CY 2024

39,828 Transactions



## Mid-Cap Transactions

39,372 Transactions



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

179

dedicated professionals across 16 offices in six countries as of December 31, 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 regarding 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

2024 Global Distressed Debt and Bankruptcy Restructuring Rankings

By Deal Count

**HOULIHAN LOKEY**



PJT Partners



Rothschild & Co



Lazard



Parella Weinberg Partners LP



## 15 Largest Bankruptcies

Advisor in 12 of the 15 Largest Bankruptcies 2000–2024

	Assets (\$B)
Lehman Brothers Holdings Inc.	691
Washington Mutual Inc. <sup>1</sup>	328
Sunac China Holdings Limited	304
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) <sup>2</sup>	36

Source: LSEG, BankruptcyData.com and Debtwire. Excludes sovereign debt.

1. Houlihan Lokey advised certain creditors of the Washington Mutual Receivership.

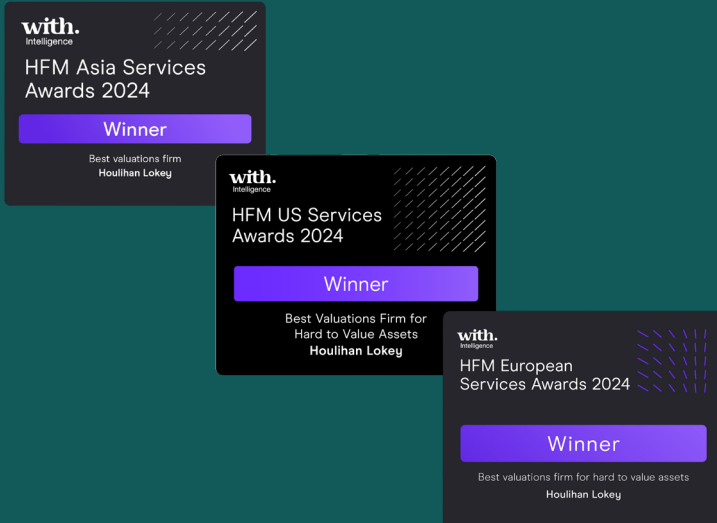
2. Houlihan Lokey advised a group of noteholders of Pacific Gas & Electric subsidiary National Energy Group Inc.

# Financial and Valuation Advisory

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

Awarded the Best Valuation firm for Hard to Value Assets Globally for the Past 5 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, 2024. 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 service offering, 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.<sup>1</sup>

1	<b>HOULIHAN LOKEY</b>	<b>217</b>
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

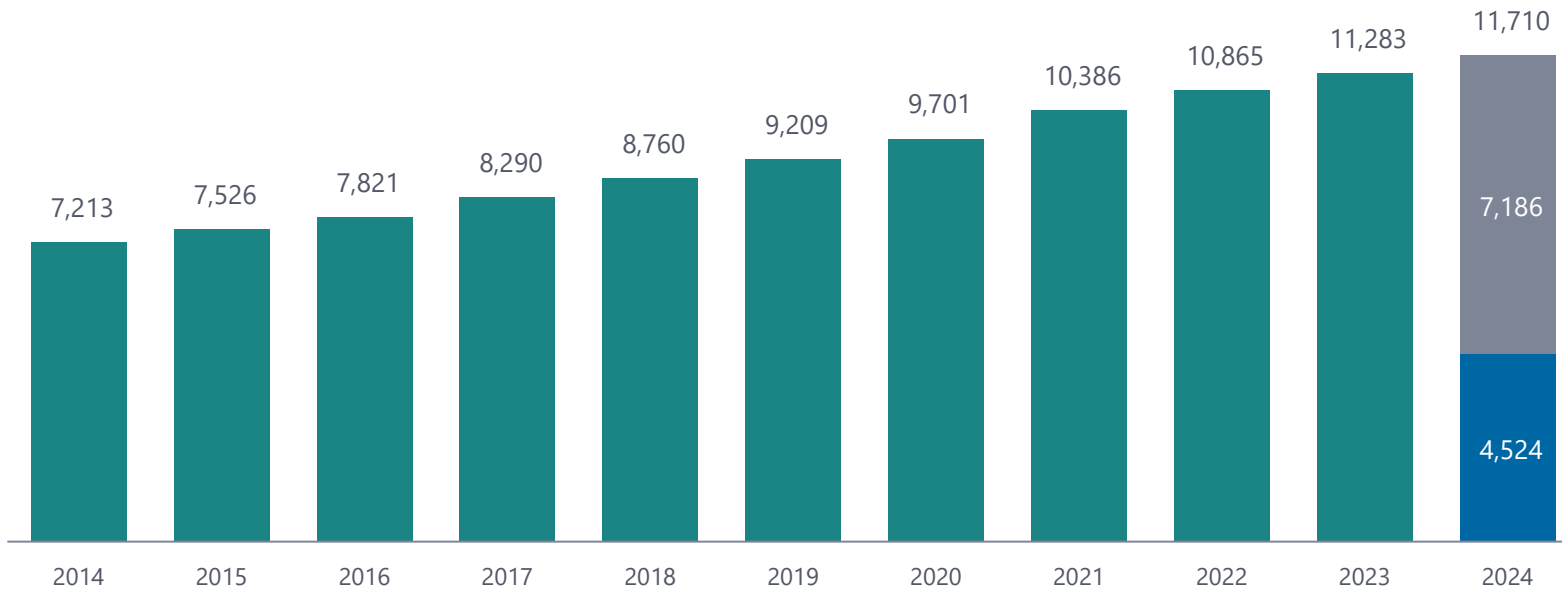
- Each year, we work on hundreds of engagements for private equity groups and their portfolio companies
- Sold over 800 companies to financial sponsors over the last five years
- Buyout firms have approximately \$950 billion of dry powder<sup>2</sup>
- Provide financial sponsors access to successful 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)

- Greater than 5 Years Old
- Less than 5 Years Old



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

Source: PitchBook as of December 31, 2024.



# Financial Overview



# Strong Top-Line Growth and Disciplined Expense

## Long history of revenue growth through various market cycles



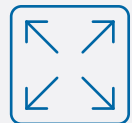
- Resilient business mix consisting of cyclical and countercyclical elements
- Leader in each of our three business segments with ample growth opportunities

## Consistent track record of profitability through market cycles



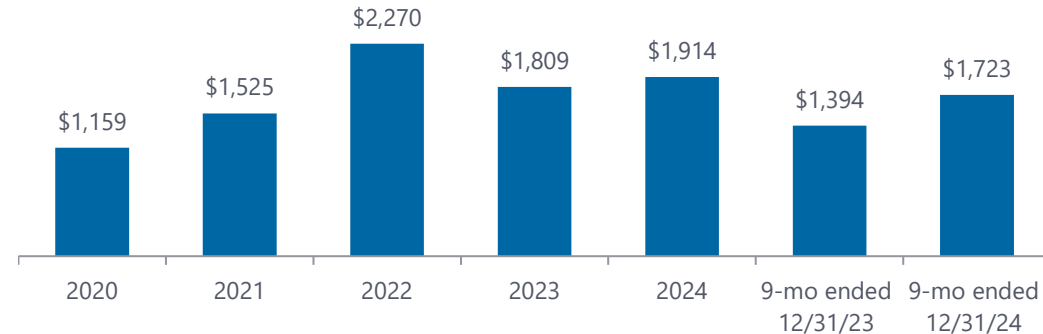
- Maintained double-digit adjusted pre-tax margins through downturns in the economy
- Each business segment is similarly profitable to shareholders

## Scalable, capital-light model

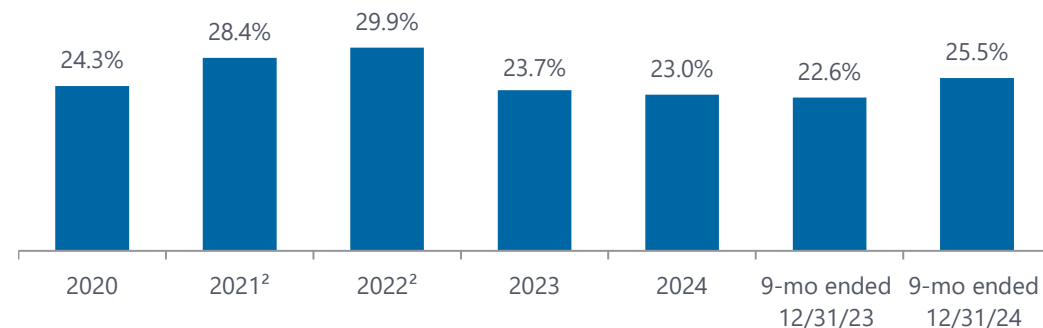


- Minimal capital balance sheet requirements
- Low leverage levels
- Scalable model that can be further leveraged to support top-line growth

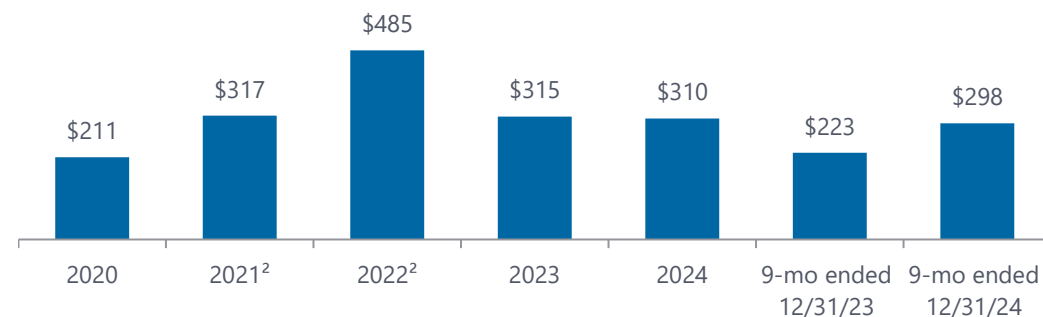
## Revenues



## Adjusted Pre-tax Margin<sup>1</sup>



## Adjusted Net Income<sup>1</sup>



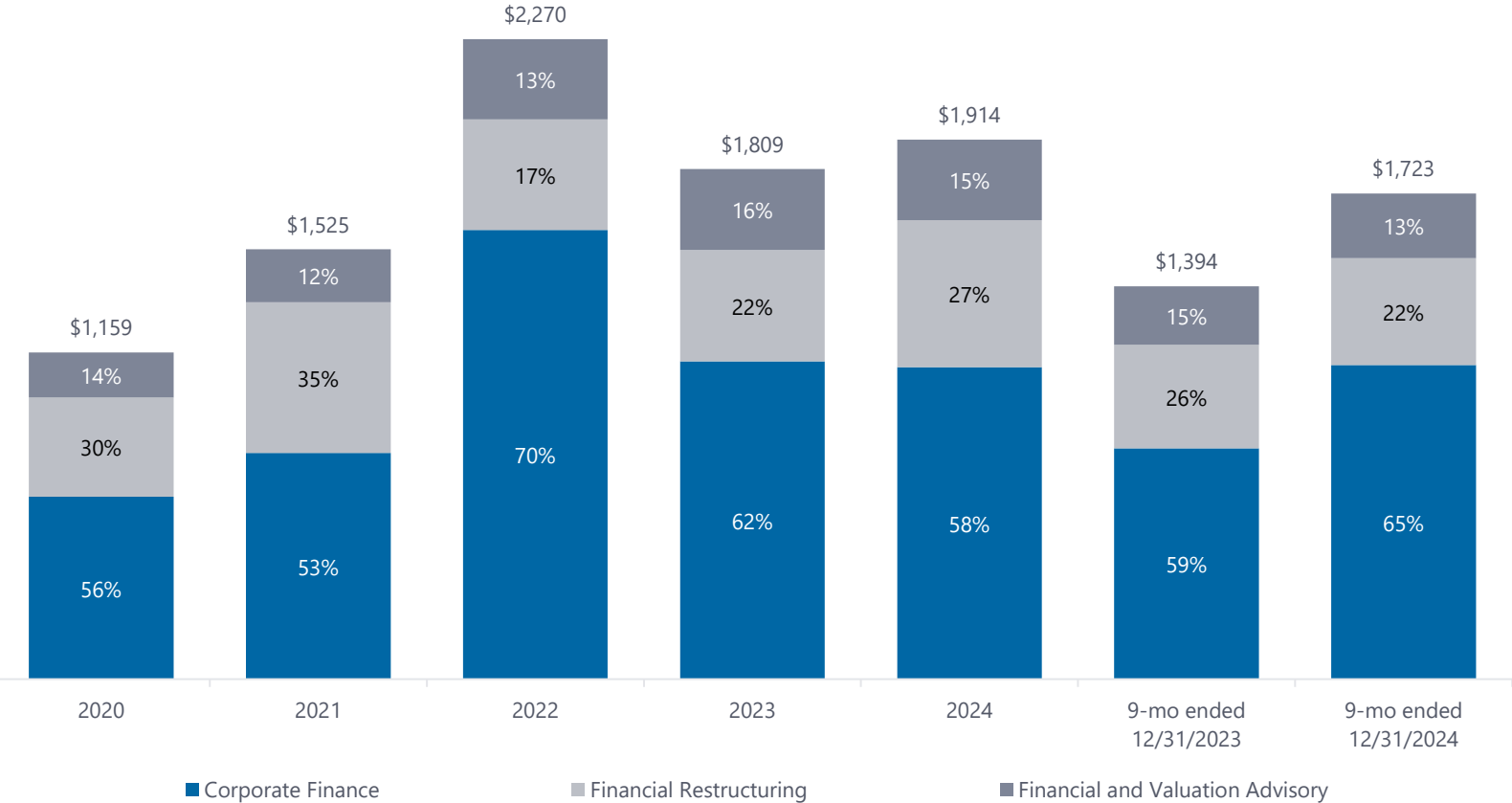
Note: Fiscal year ended March 31. All dollar amounts in millions.

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.

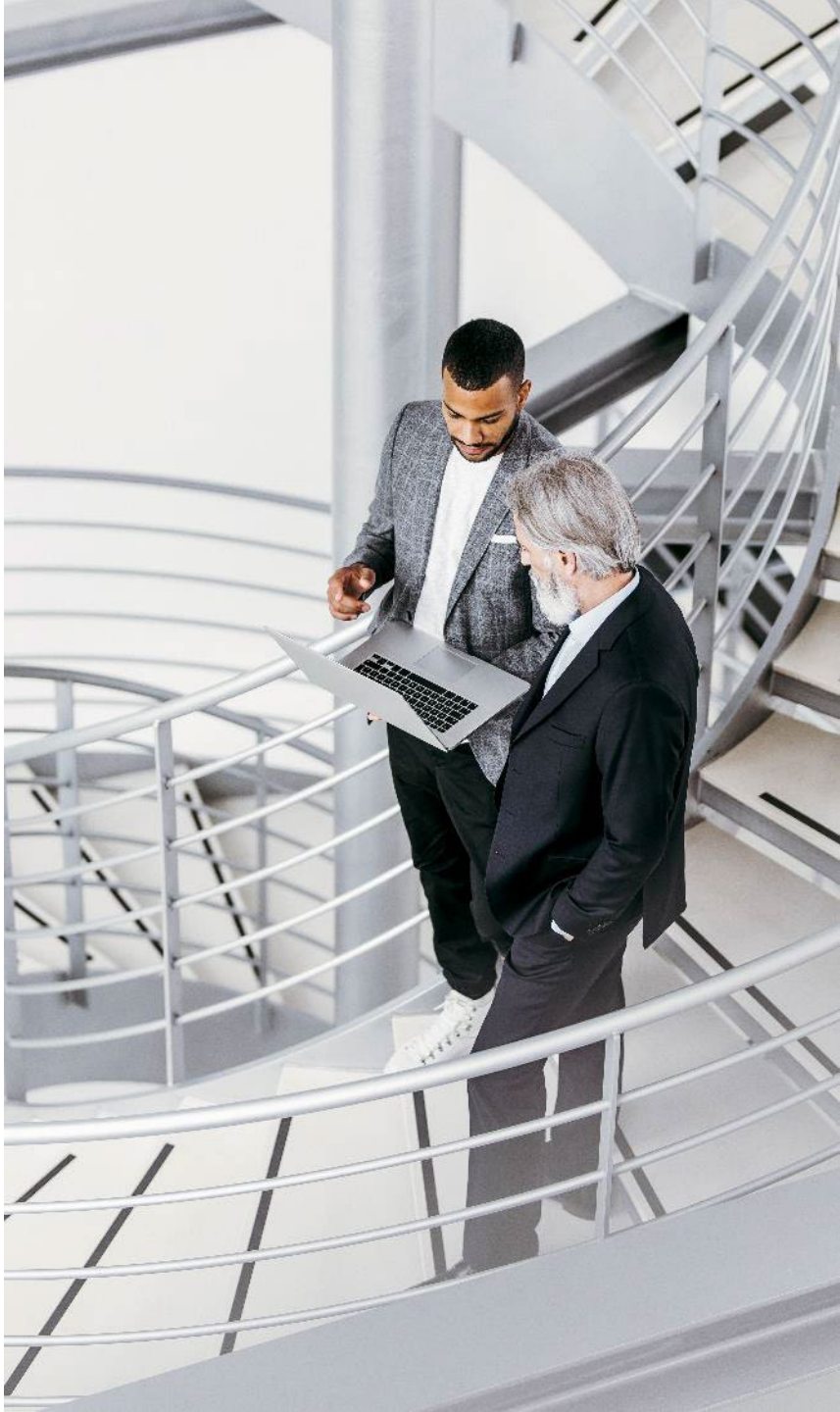
2. Operated at higher margins due to temporarily lower non-compensation expenses as a result of COVID-19.

# 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 December 31,		Nine Months Ended December 31,	
	2024	2023	2024	2023
<b>Revenues</b>	\$ 634,428	\$ 511,130	\$ 1,722,994	\$ 1,393,948
<b>Employee compensation and benefits expenses</b>				
Employee compensation and benefits expenses (GAAP)	\$ 402,971	\$ 324,039	\$ 1,093,724	\$ 884,064
Less: Acquisition related compensation and benefits	(12,798)	(9,694)	(34,083)	(26,786)
Employee compensation and benefits expenses (adjusted)	390,173	314,345	1,059,641	857,278
<b>Non-compensation expenses</b>				
Non-compensation expenses (GAAP)	\$ 95,355	\$ 90,551	\$ 266,931	\$ 249,720
Less: Acquisition related legal structure reorganization	(3,619)	(2,603)	(4,824)	(2,603)
Less: Integration and acquisition related costs	(4,668)	(4,259)	(8,222)	(5,724)
Less: Acquisition amortization	(4,066)	(1,560)	(9,674)	(8,275)
Non-compensation expenses (adjusted)	83,002	82,129	244,211	233,118
<b>Operating income</b>				
Operating income (GAAP)	\$ 136,102	\$ 96,540	\$ 362,339	\$ 260,164
Plus: Adjustments <sup>(1)</sup>	25,151	18,116	56,803	43,388
Operating income (adjusted)	161,253	114,656	419,142	303,552
<b>Other income, net</b>				
Other income, net (GAAP)	\$ (9,016)	\$ (6,035)	\$ (18,741)	\$ (12,336)
Plus/(less): Change in acquisition earnout liability fair value	—	—	(828)	816
Other income, net (adjusted)	(9,016)	(6,035)	(19,569)	(11,520)
<b>Provision for income taxes</b>				
Provision for income taxes (GAAP)	\$ 49,816	\$ 31,772	\$ 103,289	\$ 73,276
Plus: Impact of the excess tax benefit for stock vesting	—	—	21,921	7,299
Less: Reversal of deferred tax asset	—	—	(1,690)	—
Less: Non-deductible acquisition related costs	(1,462)	(679)	(1,462)	(679)
Adjusted provision for income taxes	48,354	31,093	122,058	79,896
Plus: Resulting tax impact <sup>(2)</sup>	8,380	5,491	18,525	12,516
Provision for income taxes (adjusted)	56,734	36,584	140,583	92,412
<b>Net income</b>				
Net income (GAAP)	\$ 95,302	\$ 70,803	\$ 277,791	\$ 199,224
Plus/(less): Adjustments <sup>(3)</sup>	18,233	13,304	20,337	23,436
Net income (adjusted)	\$ 113,535	\$ 84,107	\$ 298,128	\$ 222,660
<b>Fully diluted shares outstanding</b>				
Fully diluted shares outstanding (GAAP)	68,760,959	67,886,301	68,558,325	67,896,302
Plus: Impact of unvested GCA retention and deferred share awards	334,677	968,515	454,494	1,148,657
Fully diluted shares outstanding (adjusted)	69,095,636	68,854,816	69,012,819	69,044,959
Diluted EPS attributable to Houlihan Lokey, Inc. (GAAP)	\$ 1.39	\$ 1.04	\$ 4.05	\$ 2.93
Diluted EPS attributable to Houlihan Lokey, Inc. (adjusted)	\$ 1.64	\$ 1.22	\$ 4.32	\$ 3.22

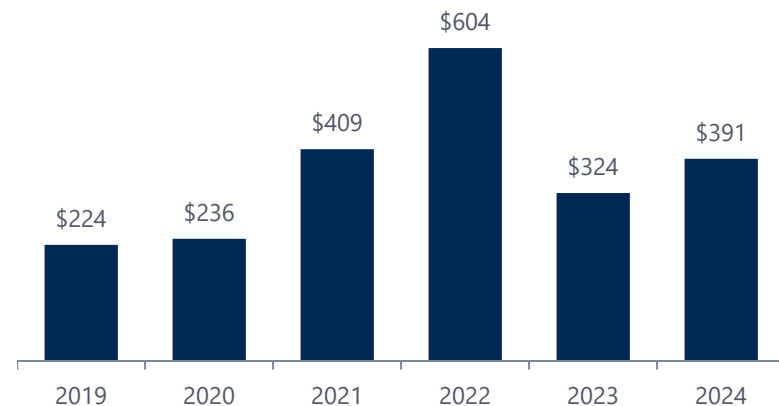
1. The aggregate of adjustments from employee compensation and benefits and non-compensation expenses.

2. Reflects the tax impact of utilizing the adjusted effective tax rate on the non-tax adjustments identified above.

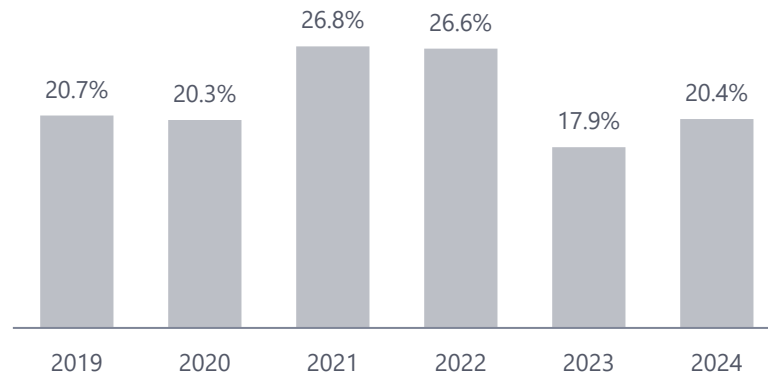
3. Consists of all adjustments identified above net of the associated tax impact.

# Comparable GAAP vs. Adjusted Financial Figures

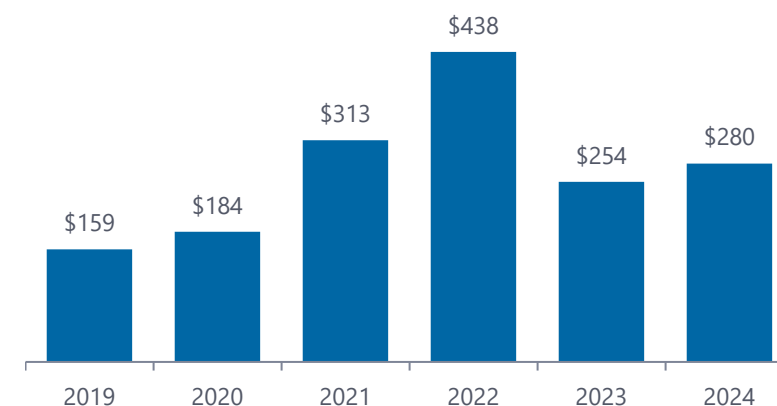
## GAAP Pre-tax Income



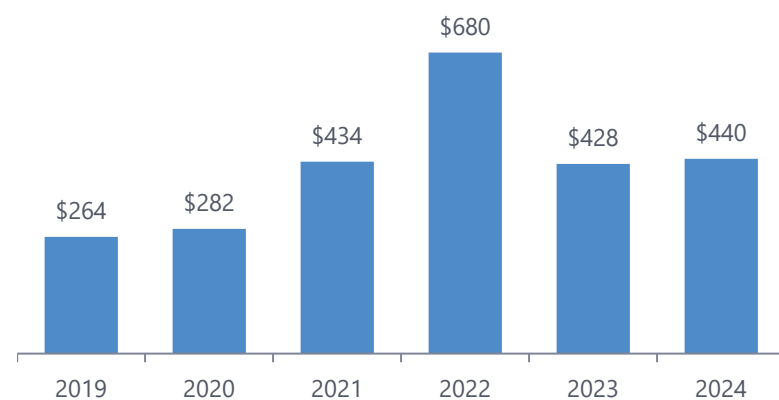
## GAAP Pre-tax Margin



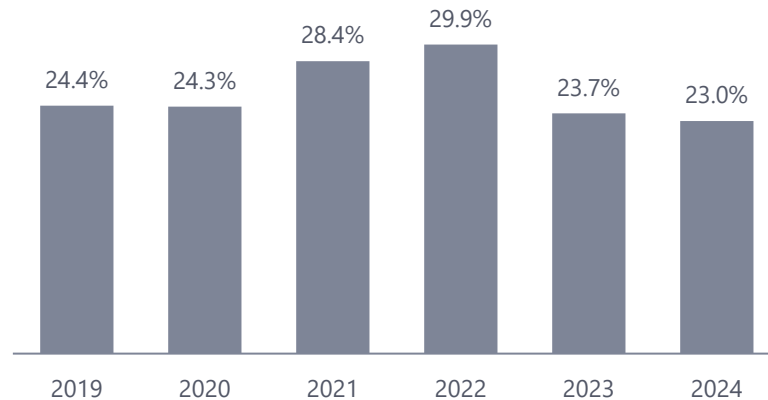
## GAAP Net Income



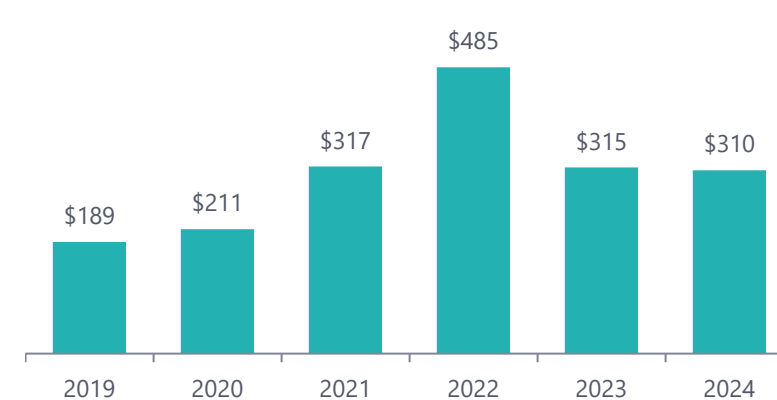
## Adjusted Pre-tax Income



## 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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