



# Fiscal Year 2024 Fourth Quarter and Full Year Results

May 23, 2024

# Today's Speakers



**Erik Hirsch**  
Co-CEO



**Jeff Armbrister**  
Chief Financial Officer



**John Oh**  
Head of Shareholder Relations

# Period Highlights

## Business Performance

- Assets under management and fee-earning assets under management were \$124 billion and \$66 billion, respectively, as of March 31, 2024, increases of 11% and 15%, respectively, compared to March 31, 2023
- Management and advisory fees increased 22% compared to fiscal 2023

## Financial Results

USD in millions except per share amounts

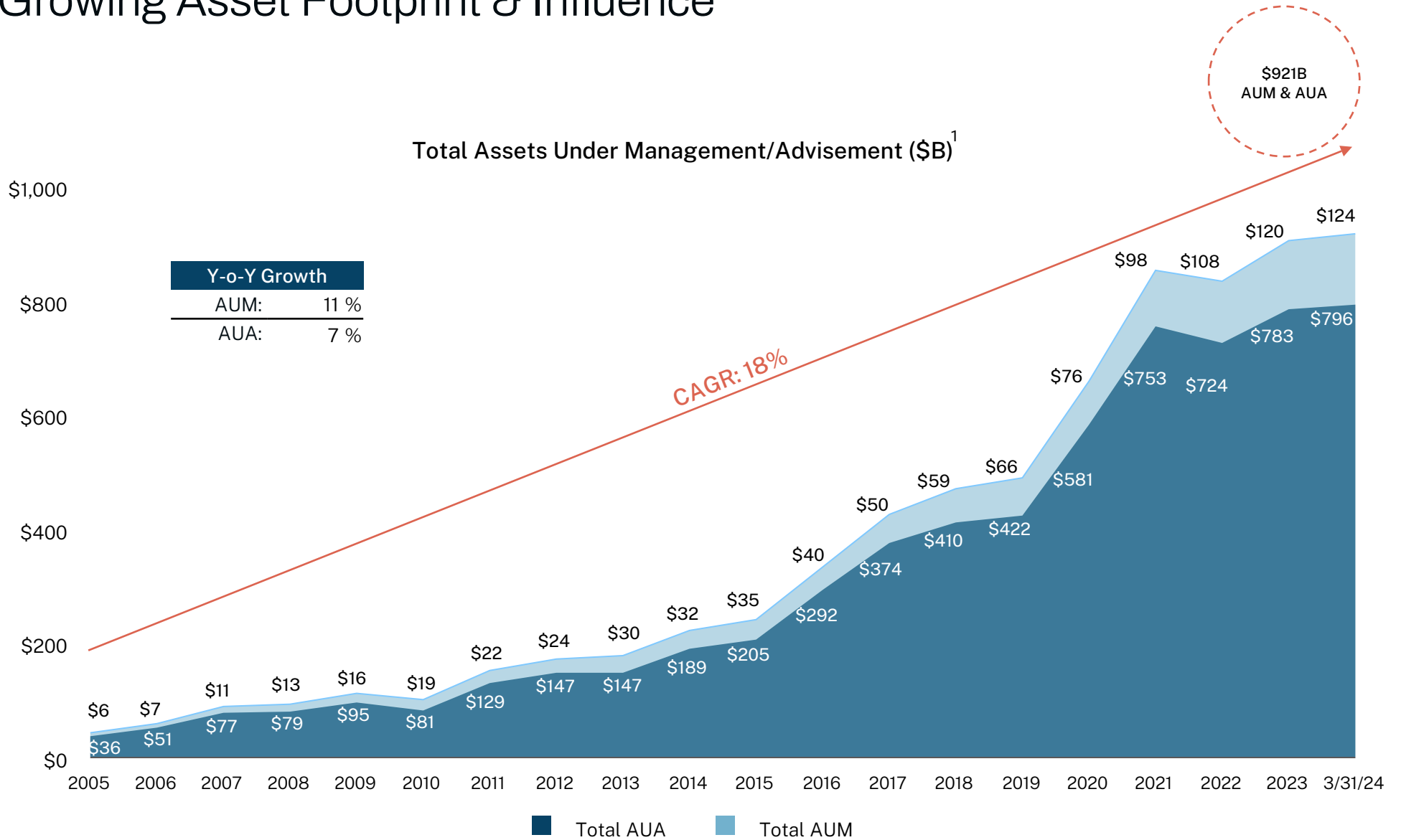
	Q4 FY24	FY24	vs. FY23
Management and advisory fees	\$123.7	\$451.9	22 %
GAAP net income	\$48.4	\$140.9	29 %
GAAP EPS	\$1.26	\$3.69	23 %
Adjusted net income <sup>1</sup>	\$74.6	\$211.5	18 %
Non-GAAP EPS <sup>1</sup>	\$1.38	\$3.92	17 %
Fee Related Earnings <sup>1</sup>	\$56.1	\$193.3	22 %
Adjusted EBITDA <sup>1</sup>	\$91.1	\$272.5	5 %

## Dividend

- Declared a quarterly dividend of \$0.49 per share of Class A common stock to record holders at the close of business on June 14, 2024

<sup>1</sup>Adjusted net income, non-GAAP earnings per share, Fee Related Earnings and Adjusted EBITDA are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see pages 20 and 21 of this presentation.

# Growing Asset Footprint & Influence

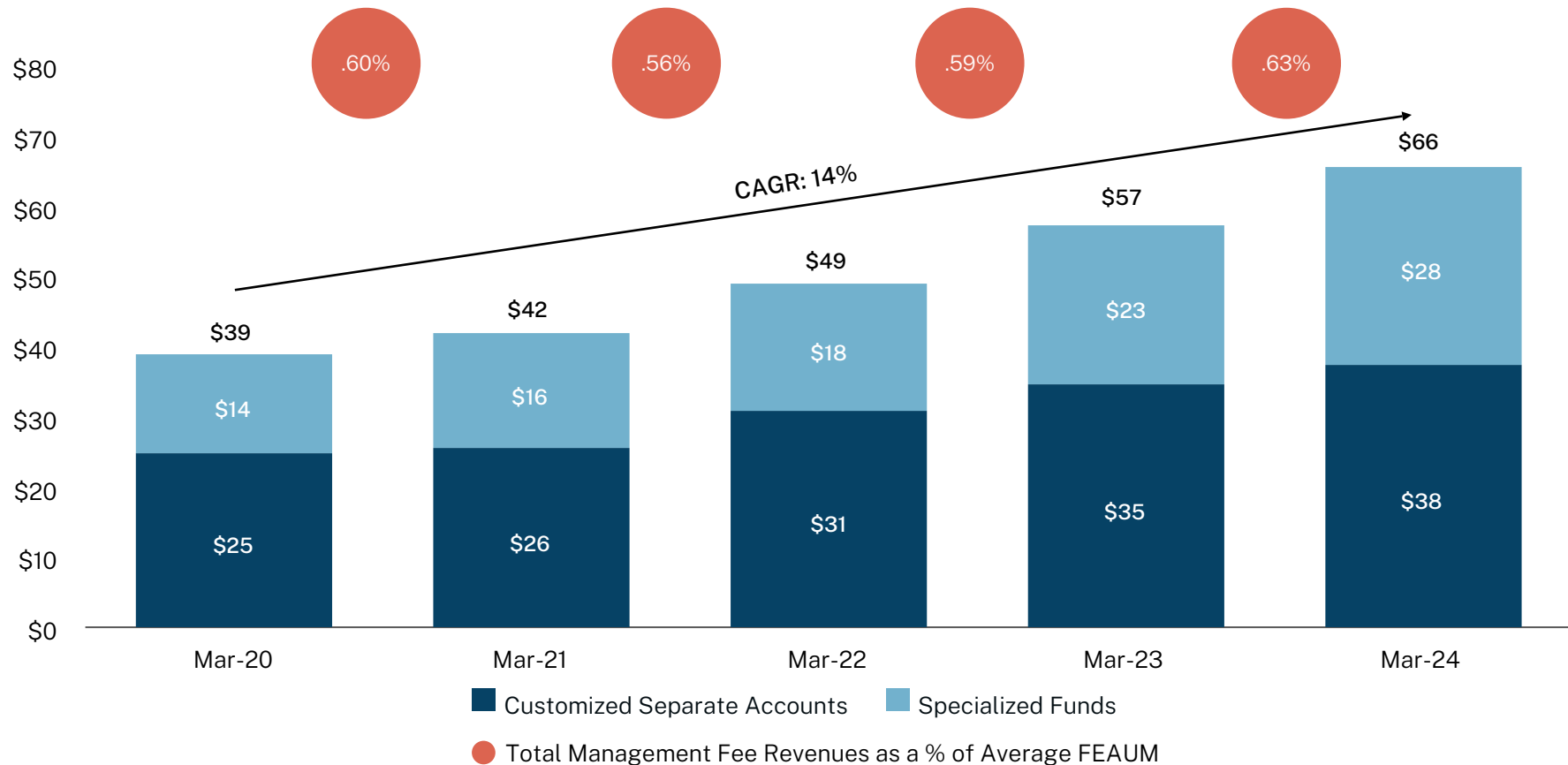


<sup>1</sup>Data as of calendar year end 12/31 unless otherwise noted. Numbers may not tie due to rounding.

# Fee-Earning AUM Driving Revenues

Fee-Earning AUM growth continues and annual fee rates are stable

Total Fee-Earning Assets Under Management (\$B)



\*Numbers may not tie due to rounding

## Y-o-Y Drivers of Growth

### Customized Separate Accounts:

- New client wins
- Client re-ups

### Specialized Funds:

- Fundraising 6th secondary fund, 9th credit-oriented fund, 2nd infrastructure fund, and evergreen funds

# AUM & AUA Drivers

## AUM

## AUA

### Customized Separate Accounts

Diverse mix of existing and prospective clients seeking to further or establish relationships with Hamilton Lane

- \$2.9 billion year-over-year increase in FEAUM
- +80% of our gross contributions during the last 12 months came from existing clients

### Specialized Funds

Select funds in market:

- Secondary fund
  - Credit-oriented fund
  - Infrastructure fund
  - Evergreen funds
- \$5.5 billion year-over-year increase in FEAUM
  - Closings during Q4 FY24:
    - Secondary fund: \$802M

### Advisory Services

Typically larger clients with wide-ranging mandates which include technology-driven reporting, monitoring and analytics services and consulting services; opportunity set continues to be robust

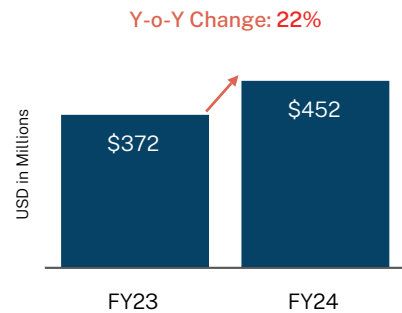
- \$51 billion year-over-year increase in AUA

# Financial Highlights

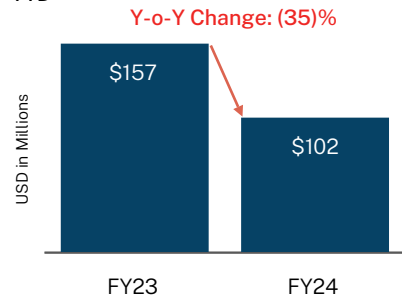
# Consolidated Revenue

## Strong growth across management and advisory fees

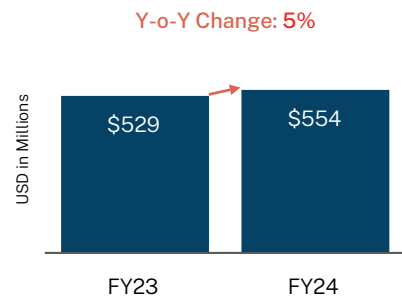
### Management and Advisory Fees YTD



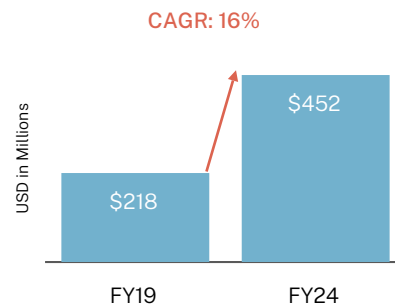
### Incentive Fees YTD



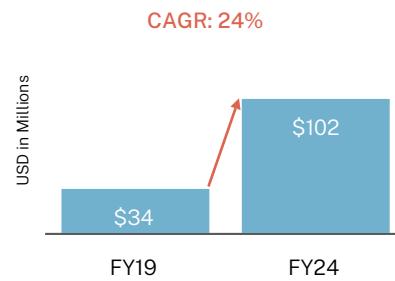
### Total Revenues YTD



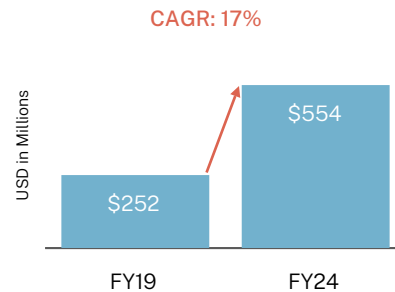
### Long-Term Growth



### Long-Term Growth



### Long-Term Growth



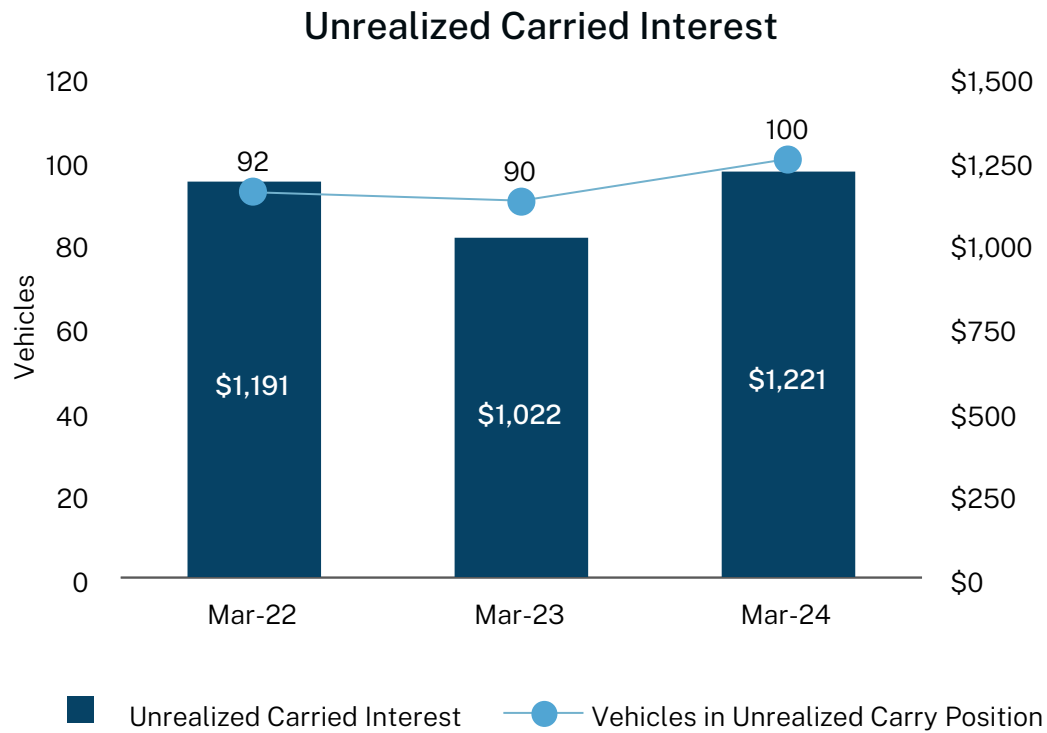
- Recurring management and advisory fees represented an average of over 80% of total revenues over the past five fiscal years
- Y-o-Y increase of 22%
- \$12.3 million in retroactive fees from our latest secondary fund in the quarter

- Incentive fees derived from a highly diversified pool of assets and funds
- Unrealized carried interest of \$1.2 billion as of 3/31/24 diversified across 3,000+ assets and 100 funds
- Timing of realizations unpredictable

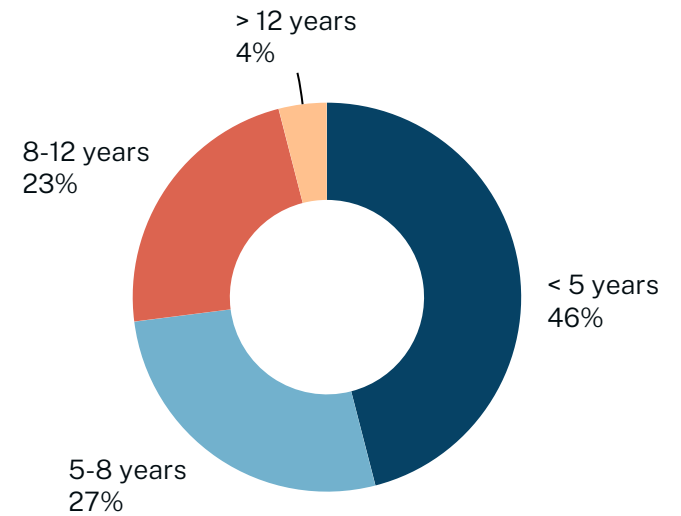
- Total revenues increased by 5%, driven by management and advisory fees



# Unrealized Carried Interest



### Unrealized Carry by Age



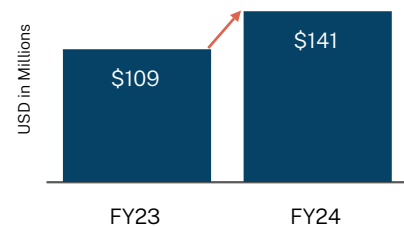
# Consolidated Earnings

## Stable long-term growth

### Net Income Attributable to HLI

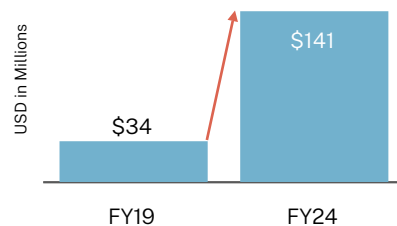
YTD

Y-o-Y Change: 29%



### Long-Term Growth

CAGR: 32%

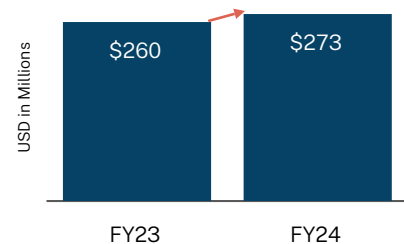


- \$48M in net income attributable to HLI for the quarter

### Adjusted EBITDA<sup>1</sup>

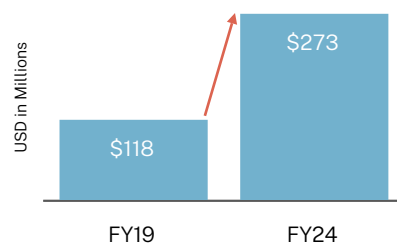
YTD

Y-o-Y Change: 5%



### Long-Term Growth

CAGR: 18%

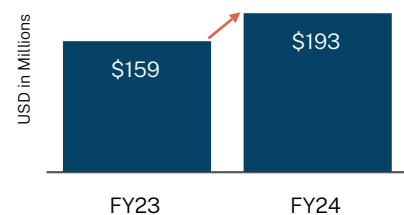


- Y-o-Y increase of 5% driven by growth in management and advisory fees partially offset by lower incentive fees

### Fee Related Earnings<sup>1</sup>

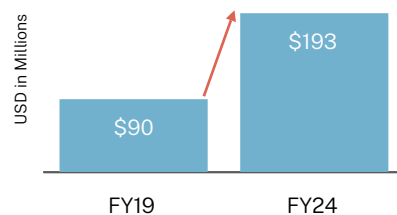
YTD

Y-o-Y Change: 22%



### Long-Term Growth

CAGR: 17%

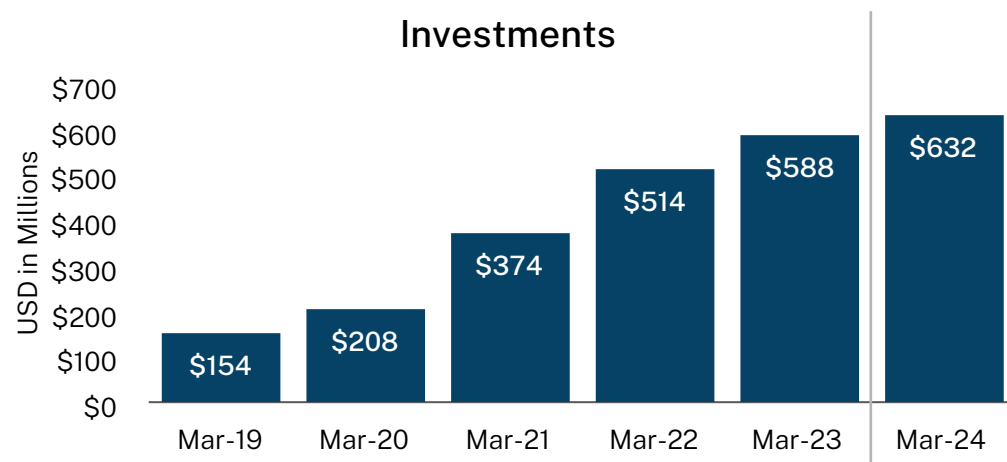


- Y-o-Y growth of 22%
- Long-term double digit growth in Fee Related Earnings

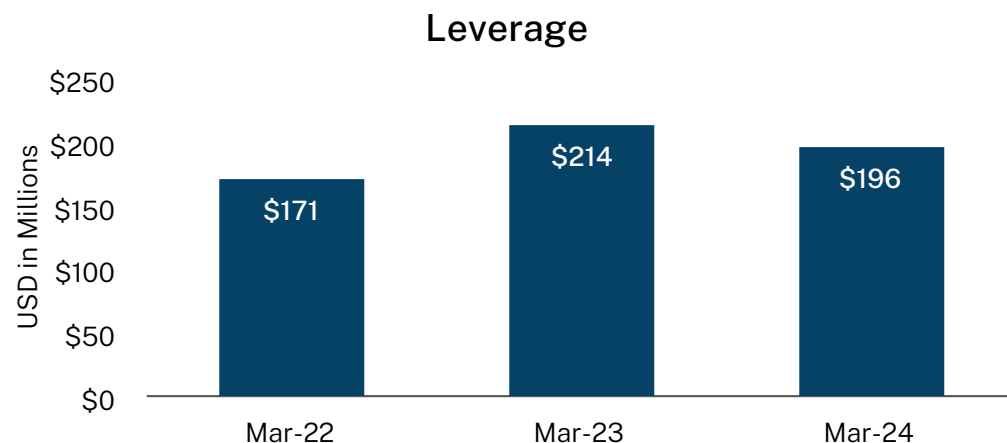
<sup>1</sup>Adjusted EBITDA and Fee Related Earnings are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see pages 20 and 21 of this presentation.

# Other Key Items

Strong balance sheet with investments in our own products and a modest amount of leverage...



- For 3/31/2024, the total investment balance consisted primarily of:
  - ~\$408M in investments in our funds
  - ~\$224M in technology related and other investments



- Modest leverage
- \$196M of debt as of 3/31/2024

# Appendix

# Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended March 31,			Year Ended March 31,		
	2023	2024	% Change	2023	2024	% Change
<i>(Dollars in thousands except share and per share amounts)</i>						
Management and advisory fees	\$95,692	\$123,704	29 %	\$371,874	\$451,936	22 %
Incentive fees	17,096	52,961	210 %	149,931	101,906	(32) %
Consolidated variable interest entities related:						
Incentive fees	—	—	N/A	6,948	—	(100) %
<b>Total revenues</b>	<b>112,788</b>	<b>176,665</b>	<b>57 %</b>	<b>528,753</b>	<b>553,842</b>	<b>5 %</b>
Compensation and benefits	40,177	64,266	60 %	198,412	204,004	3 %
General, administrative and other	23,329	28,495	22 %	89,395	103,403	16 %
Consolidated variable interest entities related:						
General, administrative and other	(35)	17	N/A	906	617	(32) %
<b>Total expenses</b>	<b>63,471</b>	<b>92,778</b>	<b>46 %</b>	<b>288,713</b>	<b>308,024</b>	<b>7 %</b>
Equity in income of investees	12,581	14,822	18 %	5,088	34,893	586 %
Interest expense	(2,590)	(2,788)	8 %	(8,617)	(11,169)	30 %
Interest income	950	1,891	99 %	1,789	5,427	203 %
Non-operating gain (loss)	6,635	(1,526)	(123) %	(5,243)	(2,515)	(52) %
Consolidated variable interest entities related:						
Equity in income of investees	425	938	121 %	1,455	1,598	10 %
Unrealized gain	440	—	(100) %	4,773	3,034	(36) %
Interest expense	—	—	N/A	—	(6)	N/A
Interest income	336	—	(100) %	3,325	4,581	38 %
<b>Total other income (expense)</b>	<b>18,777</b>	<b>13,337</b>	<b>(29) %</b>	<b>2,570</b>	<b>35,843</b>	<b>1,295 %</b>
<b>Income before income taxes</b>	<b>68,094</b>	<b>97,224</b>	<b>43 %</b>	<b>242,610</b>	<b>281,661</b>	<b>16 %</b>
Income tax expense	16,659	20,399	22 %	55,425	54,454	(2) %
<b>Net income</b>	<b>51,435</b>	<b>76,825</b>	<b>49 %</b>	<b>187,185</b>	<b>227,207</b>	<b>21 %</b>
Less: Income attributable to non-controlling interests in general partnerships	213	363	70 %	986	534	(46) %
Less: Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,701	28,102	43 %	71,027	80,835	14 %
Less: Income attributable to redeemable non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	—	—	N/A	5,617	—	(100) %
Less: Income attributable to non-controlling interests in consolidated funds	435	—	(100) %	435	4,980	1,045 %
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$31,086</b>	<b>\$48,360</b>	<b>56 %</b>	<b>\$109,120</b>	<b>\$140,858</b>	<b>29 %</b>
Basic earnings per share of Class A common stock	\$0.84	\$1.26	50 %	\$3.05	\$3.72	22 %
Diluted earnings per share of Class A Common stock	\$0.82	\$1.26	54 %	\$3.01	\$3.69	23 %
Weighted-average shares of Class A common stock outstanding - basic	37,206,876	38,273,558		37,059,654	37,858,177	
Weighted-average shares of Class A common stock outstanding - diluted	53,785,158	38,418,650		53,698,681	53,902,467	

# Non-GAAP Financial Measures

	Three Months Ended March 31,			Year Ended March 31,		
	2023	2024	% Change	2023	2024	% Change
<i>(Dollars in thousands except share and per share amounts)</i>						
<b>Adjusted EBITDA<sup>1</sup></b>						
Management and advisory fees	\$95,692	\$123,704	29 %	\$371,874	\$451,936	22 %
Revenue related to consolidated funds	61	—	(100)%	61	394	546 %
Total expenses	63,471	92,778	46 %	288,713	308,024	7 %
Less:						
Incentive fee related compensation <sup>2</sup>	(8,120)	(25,157)	210 %	(74,374)	(48,406)	(35)%
Consolidated VIE related general, administrative and other expenses	—	—	N/A	(846)	(566)	(33)%
Non-operating income related compensation	(313)	—	N/A	(367)	(59)	(84)%
Management fee related expenses	55,038	67,621	23 %	213,126	258,993	22 %
<b>Fee Related Earnings</b>	<b>\$40,715</b>	<b>\$56,083</b>	<b>38 %</b>	<b>\$158,809</b>	<b>\$193,337</b>	<b>22 %</b>
<b>Fee Related Earnings Margin</b>	<b>43 %</b>	<b>45 %</b>		<b>43 %</b>	<b>43 %</b>	
Incentive fees	17,096	52,961	210 %	156,879	101,906	(35)%
Incentive fees attributable to non-controlling interests	—	—	N/A	(302)	—	N/A
Incentive fee related compensation <sup>2</sup>	(8,120)	(25,157)	210 %	(74,374)	(48,406)	(35)%
Non-operating income related compensation	(313)	—	N/A	(367)	(59)	(84)%
Interest income	950	1,891	99 %	1,789	5,427	203 %
Equity-based compensation	3,134	2,906	(7)%	9,950	12,133	22 %
Depreciation and amortization	1,842	2,411	31 %	7,442	8,186	10 %
<b>Adjusted EBITDA</b>	<b>\$55,304</b>	<b>\$91,095</b>	<b>65 %</b>	<b>\$259,826</b>	<b>\$272,524</b>	<b>5 %</b>
<b>Adjusted EBITDA Margin</b>	<b>49 %</b>	<b>52 %</b>		<b>49 %</b>	<b>49 %</b>	
<b>Non-GAAP earnings per share<sup>1</sup></b>						
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$31,086</b>	<b>\$48,360</b>	<b>56 %</b>	<b>\$109,120</b>	<b>\$140,858</b>	<b>29 %</b>
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,701	28,102	43 %	71,027	80,835	14 %
Income tax expense	16,659	20,399	22 %	55,425	54,454	(2)%
<b>Adjusted pre-tax net income</b>	<b>67,446</b>	<b>96,861</b>	<b>44 %</b>	<b>235,572</b>	<b>276,147</b>	<b>17 %</b>
Adjusted income taxes <sup>3</sup>	(15,884)	(22,306)	40 %	(56,066)	(64,618)	15 %
<b>Adjusted net income</b>	<b>\$51,562</b>	<b>\$74,555</b>	<b>45 %</b>	<b>\$179,506</b>	<b>\$211,529</b>	<b>18 %</b>
<b>Adjusted shares outstanding</b>	<b>53,785,158</b>	<b>53,994,746</b>		<b>53,698,681</b>	<b>53,902,467</b>	
<b>Non-GAAP earnings per share</b>	<b>\$0.96</b>	<b>\$1.38</b>	<b>44 %</b>	<b>\$3.34</b>	<b>\$3.92</b>	<b>17 %</b>

<sup>1</sup> Adjusted EBITDA and Non-GAAP earnings per share are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures, see page 20.

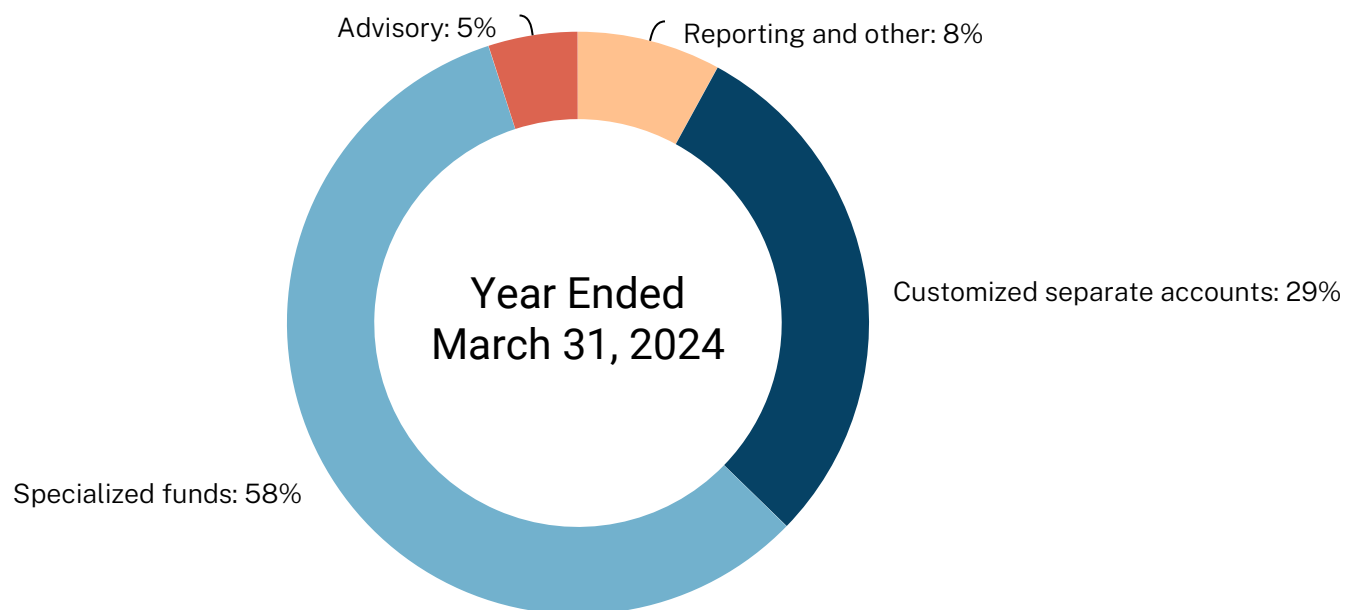
<sup>2</sup> Incentive fee related compensation includes incentive fee compensation expense and bonus related to carried interest that is classified as base compensation.

<sup>3</sup> Represents corporate income taxes at our estimated statutory tax rate of 23.8% and 23.4% for the years ended March 31, 2023 and 2024, respectively, applied to adjusted pre-tax net income. The 23.8% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.8%. The 23.4% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.4%.

# Management and Advisory Fees

*(Dollars in thousands)*

	Three Months Ended March 31,			Year Ended March 31,		
	2023	2024	% Change	2023	2024	% Change
<b>Management and advisory fees</b>						
Specialized funds	\$52,169	\$76,039	46 %	\$196,268	\$261,012	33 %
Customized separate accounts	30,434	32,124	6 %	117,763	128,826	9 %
Advisory	5,712	5,838	2 %	24,785	24,229	(2) %
Reporting and other	5,622	6,413	14 %	24,792	24,711	0 %
Distribution management	697	1,075	54 %	2,560	5,054	97 %
Fund reimbursement revenue	1,058	2,215	109 %	5,706	8,104	42 %
<b>Total management and advisory fees</b>	<b>\$95,692</b>	<b>\$123,704</b>	<b>29 %</b>	<b>\$371,874</b>	<b>\$451,936</b>	<b>22 %</b>



# Incentive Fees

(Dollars in thousands)	Three Months Ended March 31,			Year Ended March 31,		
	2023	2024	% Change	2023	2024	% Change
<b>Incentive fees</b>						
Direct equity funds	\$2,368	\$3,943	67 %	\$60,472	\$7,387	(88) %
Secondary funds	8,933	29,419	229 %	36,326	41,464	14 %
Direct credit funds	1,497	3,147	110 %	9,135	7,872	(14) %
Evergreen funds	1,172	5,530	372 %	5,241	15,404	194 %
Other specialized funds	1,427	4,745	233 %	13,986	17,861	28 %
Customized separate accounts	1,699	6,177	264 %	31,719	11,918	(62) %
<b>Incentive fees</b>	<b>\$17,096</b>	<b>\$52,961</b>	<b>210 %</b>	<b>\$156,879</b>	<b>\$101,906</b>	<b>(35) %</b>

	As of				
	March 31, 2023	December 31, 2023	March 31, 2024	YoY % Change	QoQ % Change
<b>Allocated carried interest</b>					
Secondary Fund II	\$359	\$130	\$42	(88) %	(68) %
Secondary Fund III	30,084	28,370	450	(99) %	(98) %
Secondary Fund IV	121,750	117,690	112,008	(8) %	(5) %
Secondary Fund V	144,739	147,372	162,124	12 %	10 %
Secondary Fund VI	5,209	27,436	35,841	588 %	31 %
Co-investment Fund II	17,047	17,143	20,041	18 %	17 %
Co-investment Fund III	51,139	40,241	42,443	(17) %	5 %
Co-investment Fund IV	111,318	132,875	150,097	35 %	13 %
Equity Opportunities Fund V	11,252	24,779	35,832	218 %	45 %
Evergreen funds	95,477	120,290	153,709	61 %	28 %
Other specialized funds	113,627	117,504	133,127	17 %	13 %
Customized separate accounts	320,249	351,848	375,774	17 %	7 %
<b>Total allocated carried interest</b>	<b>\$1,022,250</b>	<b>\$1,125,678</b>	<b>\$1,221,488</b>	<b>19 %</b>	<b>9 %</b>



# Assets Under Management

<i>(Dollars in millions)</i>	March 31, 2023	December 31, 2023	March 31, 2024	YoY % Change	QoQ % Change
<b>Assets under management / advisement</b>					
Assets under management	\$111,901	\$119,953	\$124,406	11 %	4 %
Assets under advisement	744,770	782,892	796,173	7 %	2 %
<b>Total assets under management /advisement</b>	<b>\$856,671</b>	<b>\$902,845</b>	<b>\$920,579</b>	<b>7 %</b>	<b>2 %</b>
<b>Fee-earning assets under management</b>					
<b>Customized separate accounts</b>					
<b>Balance, beginning of period</b>	\$33,089	\$36,234	\$36,924	12 %	2 %
Contributions	3,204	1,743	2,896	(10) %	66 %
Distributions	(1,725)	(1,000)	(2,478)	44 %	148 %
Foreign exchange, market value and other	116	(53)	232	100 %	N/A
<b>Balance, end of period</b>	<b>\$34,684</b>	<b>\$36,924</b>	<b>\$37,574</b>	<b>8 %</b>	<b>2 %</b>
<b>Specialized funds</b>					
<b>Balance, beginning of period</b>	\$21,776	\$25,187	\$26,175	20 %	4 %
Contributions	961	1,273	2,053	114 %	61 %
Distributions	(233)	(370)	(261)	12 %	(29) %
Foreign exchange, market value and other	158	85	208	32 %	145 %
<b>Balance, end of period</b>	<b>\$22,662</b>	<b>\$26,175</b>	<b>\$28,175</b>	<b>24 %</b>	<b>8 %</b>
<b>Total</b>					
<b>Balance, beginning of period</b>	\$54,865	\$61,421	\$63,099	15 %	3 %
Contributions	4,165	3,016	4,949	19 %	64 %
Distributions	(1,958)	(1,370)	(2,739)	40 %	100 %
Foreign exchange, market value and other	274	32	440	61 %	1,275 %
<b>Balance, end of period</b>	<b>\$57,346</b>	<b>\$63,099</b>	<b>\$65,749</b>	<b>15 %</b>	<b>4 %</b>

# Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in thousands)

	March 31, 2023	March 31, 2024
<b>Assets</b>		
Cash and cash equivalents	\$99,686	\$114,634
Restricted cash	4,804	4,985
Fees receivable	47,140	108,291
Prepaid expenses	9,817	11,073
Due from related parties	7,186	8,150
Furniture, fixtures and equipment, net	28,425	33,013
Lease right-of-use assets, net	62,327	62,425
Investments	530,921	603,697
Deferred income taxes	233,912	261,887
Other assets	46,784	34,435
Assets of consolidated variable interest entities:		
Cash and cash equivalents	12,062	—
Investments	57,044	28,575
Other assets	435	35
<b>Total assets</b>	<b>\$1,140,543</b>	<b>\$1,271,200</b>
<b>Liabilities and equity</b>		
Accounts payable	\$4,559	\$4,505
Accrued compensation and benefits	24,190	35,979
Accrued members' distributions	15,723	23,815
Accrued dividend	15,049	17,628
Debt	213,533	196,159
Payable to related parties pursuant to tax receivable agreement	174,702	201,422
Lease liabilities	78,817	79,033
Other liabilities (includes \$14,228 and \$13,071 at fair value)	32,856	36,700
Liabilities of consolidated variable interest entities:		
Other liabilities	6,922	1
<b>Total liabilities</b>	<b>566,351</b>	<b>595,242</b>
Total equity	574,192	675,958
<b>Total liabilities and equity</b>	<b>\$1,140,543</b>	<b>\$1,271,200</b>

# Condensed Consolidated Statements of Cash Flows (Unaudited)

(Dollars in thousands)	Year Ended March 31,		
	2022	2023	2024
<b>Operating activities</b>			
Net income	\$247,253	\$187,185	\$227,207
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	5,495	7,443	8,186
Change in deferred income taxes	23,944	20,433	16,697
Change in payable to related parties pursuant to tax receivable agreement	(5,332)	(3,251)	318
Equity-based compensation	7,404	9,950	12,133
Equity in income of investees	(78,813)	(5,088)	(34,893)
Net realized (gain) loss on sale of investments	(11,936)	(12,230)	288
Fair value adjustment of other investments	(47,487)	(20,730)	333
Proceeds received from partnerships	46,817	15,981	28,254
Non-cash lease expense	9,890	7,460	8,696
Gain on sale of intangible asset	—	2,771	—
Impairment of other investment	—	43,289	—
Other	(815)	(2,813)	706
Changes in operating assets and liabilities	(22,370)	(25,252)	(41,931)
Consolidated variable interest entities related	(4,527)	1,441	(105,142)
<b>Net cash provided by operating activities</b>	<b>\$169,523</b>	<b>\$226,589</b>	<b>\$120,852</b>
<b>Investing activities</b>			
Purchase of furniture, fixtures and equipment	\$(8,526)	\$(4,747)	\$(11,073)
Cash paid for acquisition of business	(10,096)	(1,500)	—
Purchase of convertible notes	—	(2,535)	(8,000)
Purchase of investments	(18,997)	(37,025)	(6,352)
Proceeds from sale of investments	12,623	13,478	1,343
Distributions received from investments	12,739	1,406	—
Proceeds from sale of intangible assets	—	—	3,305
Distributions received from Partnerships	15,010	14,438	14,147
Contributions to Partnerships	(73,240)	(84,557)	(57,722)
Consolidated variable interest entities related	—	278,954	(57,832)
<b>Net cash (used in) provided by investing activities</b>	<b>\$(70,487)</b>	<b>\$177,912</b>	<b>\$(122,184)</b>
<b>Financing activities</b>			
Proceeds from offering	\$73,833	\$43,686	\$201,671
Purchase of membership interests	(73,833)	(43,686)	(201,671)
Borrowings of debt, net of deferred financing coss	24,925	31,682	—
Repayments of long term debt	(1,840)	(4,496)	(2,500)
Drawdown on revolver	—	40,000	10,000
Repayment of revolver	(15,000)	(25,000)	(25,000)
Repurchase of Class B common stock	(1)	—	(2)
Repurchase of Class A shares for employee tax withholding	(3,485)	(2,325)	(3,507)
Proceeds received from issuance of shares under Employee Share Purchase Plan	1,860	1,937	2,253
Payments to related parties pursuant to the tax receivable agreement	(23,170)	(10,345)	(11,123)
Dividends paid	(49,630)	(72,409)	(65,406)
Members' distributions paid	(47,711)	(63,444)	(43,872)
Consolidated variable interest entities related	836	(259,746)	143,556
<b>Net cash (used in) provided by financing activities</b>	<b>\$(113,216)</b>	<b>\$(364,146)</b>	<b>\$4,399</b>
<b>(Decrease) increase in cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities</b>	<b>(14,180)</b>	<b>40,355</b>	<b>3,067</b>
Cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities at beginning of the period	90,377	76,197	116,552
<b>Cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities at end of the period</b>	<b>\$76,197</b>	<b>\$116,552</b>	<b>\$119,619</b>

# Non-GAAP Reconciliation

## Reconciliation from Net Income

(Dollars in thousands except share and per share amounts)

	Year Ended March 31,		Three Months Ended March 31,		Year Ended March 31,	
	2019	2024	2023	2024	2023	2024
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$33,573</b>	<b>\$140,858</b>	<b>\$31,086</b>	<b>\$48,360</b>	<b>\$109,120</b>	<b>\$140,858</b>
Income attributable to non-controlling interests in general partnerships	564	534	213	363	986	534
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	64,860	80,835	19,701	28,102	71,027	80,835
Income attributable to non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	—	—	—	—	5,617	—
Income attributable to non-controlling interests in consolidated funds	—	4,980	435	—	435	4,980
Incentive fees	(34,406)	(101,906)	(17,096)	(52,961)	(156,879)	(101,906)
Incentive fee related compensation <sup>1</sup>	14,983	48,406	8,120	25,157	74,374	48,406
Consolidated VIE related general, administrative and other expenses	—	566	—	—	846	566
Revenue related to consolidated funds	—	394	61	—	61	394
Non-operating income related compensation	—	59	313	—	367	59
Interest income	(255)	(10,008)	(1,285)	(1,891)	(5,114)	(10,008)
Interest expense	3,039	11,175	2,590	2,788	8,617	11,175
Income tax expense	30,560	54,454	16,659	20,399	55,425	54,454
Equity in income of investees	(7,202)	(36,491)	(13,006)	(15,760)	(6,543)	(36,491)
Contingent compensation related to acquisition	5,100	—	—	—	—	—
Non-operating (gain) loss	(20,915)	(519)	(7,076)	1,526	470	(519)
<b>Fee Related Earnings</b>	<b>\$89,901</b>	<b>\$193,337</b>	<b>\$40,715</b>	<b>\$56,083</b>	<b>\$158,809</b>	<b>\$193,337</b>
Depreciation and amortization	2,500	8,186	1,842	2,411	7,442	8,186
Equity-based compensation	6,382	12,133	3,134	2,906	9,950	12,133
Incentive fees	34,406	101,906	17,096	52,961	156,879	101,906
Incentive fees attributable to non-controlling interests	(725)	—	—	—	(302)	—
Incentive fee related compensation <sup>1</sup>	(14,983)	(48,406)	(8,120)	(25,157)	(74,374)	(48,406)
Non-operating income related compensation	—	(59)	(313)	—	(367)	(59)
Interest income	255	5,427	950	1,891	1,789	5,427
<b>Adjusted EBITDA</b>	<b>\$117,736</b>	<b>\$272,524</b>	<b>\$55,304</b>	<b>\$91,095</b>	<b>\$259,826</b>	<b>\$272,524</b>
<b>Non-GAAP earnings per share reconciliation</b>						
<b>Net income attributable to Hamilton Lane Incorporated</b>			<b>\$31,086</b>	<b>\$48,360</b>	<b>\$109,120</b>	<b>\$140,858</b>
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.			19,701	28,102	71,027	80,835
Income tax expense			16,659	20,399	55,425	54,454
<b>Adjusted pre-tax net income</b>			<b>67,446</b>	<b>96,861</b>	<b>235,572</b>	<b>276,147</b>
Adjusted income taxes <sup>2</sup>			(15,884)	(22,306)	(56,066)	(64,618)
<b>Adjusted net income</b>			<b>\$51,562</b>	<b>\$74,555</b>	<b>\$179,506</b>	<b>\$211,529</b>
<b>Adjusted shares outstanding</b>			<b>53,785,158</b>	<b>53,994,746</b>	<b>53,698,681</b>	<b>53,902,467</b>
<b>Non-GAAP earnings per share</b>			<b>\$0.96</b>	<b>\$1.38</b>	<b>\$3.34</b>	<b>\$3.92</b>

<sup>1</sup> Incentive fee related compensation includes incentive fee compensation expense and bonus related to carried interest that is classified as base compensation.

<sup>2</sup> Represents corporate income taxes at our estimated statutory tax rate of 23.8% and 23.4% for the years ended March 31, 2023 and 2024, respectively, applied to adjusted pre-tax net income. The 23.8% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.8%. The 23.4% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.4%.

# Terms

Adjusted EBITDA is an internal measure of profitability. We believe Adjusted EBITDA is useful to investors because it enables them to better evaluate the performance of our core business across reporting periods. Adjusted EBITDA represents net income excluding (a) interest expense on our outstanding debt, (b) income tax expense, (c) depreciation and amortization expense, (d) equity-based compensation expense, (e) non-operating (loss) gain and (f) certain other significant items that we believe are not indicative of our core performance.

Fee Related Earnings ("FRE") is used to highlight earnings from recurring management fees. FRE represents net income excluding (a) incentive fees and related compensation, (b) interest income and expense, (c) income tax expense, (d) equity in income of investees, (e) non-operating (loss) gain and (f) certain other significant items that we believe are not indicative of our core performance. We believe FRE is useful to investors because it provides additional insight into the operating profitability of our business. FRE is presented before income taxes.

Non-GAAP earnings per share measures our per-share earnings excluding certain significant items that we believe are not indicative of our core performance and assuming all Class B and Class C units in HLA were exchanged for Class A common stock in HLI. Non-GAAP earnings per share is calculated as adjusted net income divided by adjusted shares outstanding. Adjusted net income is income before taxes fully taxed at our estimated statutory tax rate and excludes any impact of changes in carrying amount of our redeemable non-controlling interest. Adjusted shares outstanding for the years ended March 31, 2023 and 2024 are equal to weighted-average shares of Class A common stock outstanding - diluted. We believe adjusted net income and non-GAAP earnings per share are useful to investors because they enable them to better evaluate total and per-share operating performance across reporting periods.

Our assets under management ("AUM"), as presented in these materials, comprise the assets associated with our customized separate accounts and specialized funds. AUM does not include the assets associated with our distribution management services. We classify assets as AUM if we have full discretion over the investment decisions in an account. We calculate our AUM as the sum of:

- (1) the net asset value of our clients' and funds' underlying investments;
- (2) the unfunded commitments to our clients' and funds' underlying investments; and
- (3) the amounts authorized for us to invest on behalf of our clients and fund investors but not committed to an underlying investment.

Management fee revenue is based on a variety of factors and is not linearly correlated with AUM. However, we believe AUM is a useful metric for assessing the relative size and scope of our asset management business.

Our assets under advisement ("AUA") comprise assets from clients for which we do not have full discretion to make investments in their account. We generally earn revenue on a fixed fee basis on our AUA client accounts for services including asset allocation, strategic planning, development of investment policies and guidelines, screening and recommending investments, monitoring and reporting on investments and investment manager review and due diligence. Advisory fees vary by client based on the amount of annual commitments, services provided and other factors. Since we earn annual fixed fees from the majority of our AUA clients, the growth in AUA from existing accounts does not have a material impact on our revenues. However, we view AUA growth as a meaningful benefit in terms of the amount of data we are able to collect and the degree of influence we have with fund managers.

Fee-earning assets under management (Fee-earning "AUM" or "FEAUM") is a metric we use to measure the assets from which we earn management fees. Our fee-earning AUM comprise assets in our customized separate accounts and specialized funds from which we derive management fees that are generally derived from applying a certain percentage to the appropriate fee base. We classify customized separate account revenue as management fees if the client is charged an asset-based fee, which includes the majority of our discretionary AUM accounts but also includes certain non-discretionary AUA accounts. Our fee-earning AUM is equal to the amount of capital commitments, net invested capital and net asset value of our customized separate accounts and specialized funds depending on the fee terms. The vast majority of our customized separate accounts and specialized funds earn fees based on commitments or net invested capital, which are not affected by market appreciation or depreciation. Therefore, revenues and fee-earning AUM are not significantly affected by changes in market value. Our calculations of fee-earning AUM may differ from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers. Our definition of fee-earning AUM is not based on any definition that is set forth in the agreements governing the customized separate accounts or specialized funds that we manage.

Hamilton Lane Incorporated ("HLI"), a Delaware corporation, was formed for the purpose of completing an initial public offering ("IPO") and related transactions in order to carry on the business of Hamilton Lane Advisors, L.L.C. ("HLA") as a publicly-traded entity. As of the closing of our IPO on March 6, 2017, HLI became the sole managing member of HLA.

# Disclosures

Some of the statements in this presentation may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Words such as "will", "expect", "believe", "estimate", "continue", "anticipate", "intend", "plan", and similar expressions are intended to identify these forward-looking statements. Forward-looking statements discuss management's current expectations and projections relating to our financial position, results of operations, plans, objectives, future performance and business. All forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause actual results to be materially different, including risks relating to: our ability to manage growth, fund performance, competition in our industry, changes in our regulatory environment and tax status; market conditions generally; our ability to access suitable investment opportunities for our clients; our ability to maintain our fee structure; our ability to attract and retain key employees; our ability to manage our obligations under our debt agreements; defaults by clients and third-party investors on their obligations to fund commitments; our exposure and that of our clients and investors to the credit risks of financial institutions at which we and they hold accounts; our ability to comply with investment guidelines set by our clients; our ability to successfully integrate acquired businesses with ours; our ability to manage risks associated with introducing new types of investment structures, products or services or entering into strategic partnerships; our ability to manage redemption or repurchase rights in certain of our funds; our ability to manage, identify and anticipate risks we face; our ability to manage the effects of events outside of our control; and our ability to receive distributions from Hamilton Lane Advisors, L.L.C. to fund our payment of dividends, taxes and other expenses.

The foregoing list of factors is not exhaustive. For more information regarding these risks and uncertainties as well as additional risks that we face, you should refer to the "Risk Factors" detailed in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 31, 2023 and in our subsequent reports filed from time to time with the Securities and Exchange Commission, including our upcoming Form 10-K for fiscal 2024. The forward-looking statements included in this presentation are made only as of the date presented. We undertake no obligation to update or revise any forward-looking statement as a result of new information or future events, except as otherwise required by law.

Values appearing in this presentation that are whole numbers are rounded approximations.

As of May 23, 2024