



Houlihan Lokey

INVESTOR PRESENTATION

February 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, 2023, 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

Houlihan Lokey

Our Product Knowledge and Industry Expertise Deliver Superior Results

Product Expertise



Corporate Finance



Financial Restructuring



Financial and Valuation Advisory

Dedicated Industry Groups



Business Services



Consumer, Food and Retail



Energy



Financial Services



FinTech



Healthcare



Industrials



Real Estate, Lodging and Leisure



Technology

Key Facts and Figures



36

LOCATIONS
WORLDWIDE

2,660

GLOBAL EMPLOYEES

312

MANAGING
DIRECTORS¹

\$1.8B

REVENUE²

1. As of December 31, 2023; excludes Corporate MDs

2. LTM ended December 31, 2023

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 30 years

High-Quality, Diversified Revenues

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

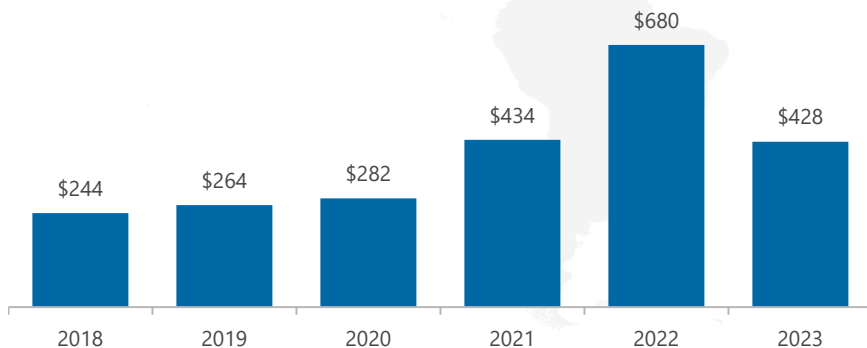
Market Fundamentals Are Favorable for Independent Advisors

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

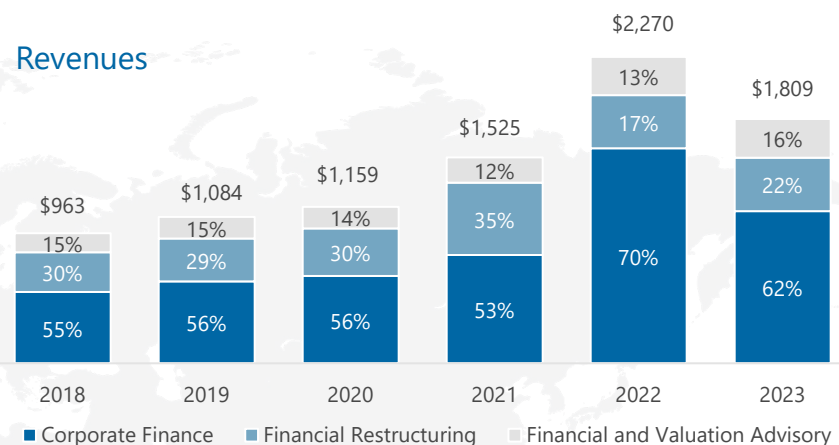
Strong Financial Performance

- Strong revenue growth with a five-year CAGR of 13%
 - Fiscal year 2022 experienced record results during extremely bullish market conditions
- Adjusted pre-tax income grew at a CAGR of 12% 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

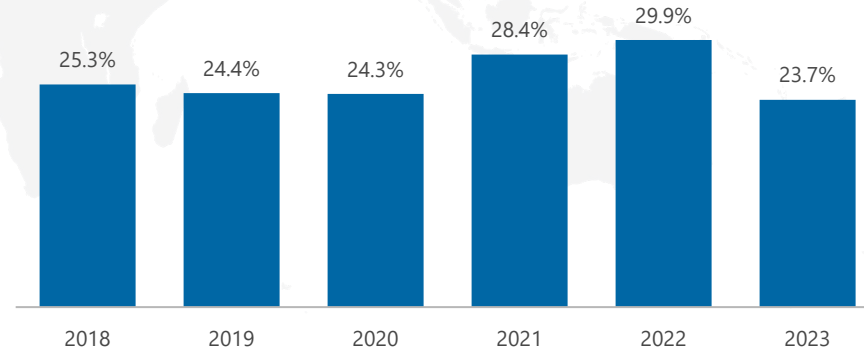
Adjusted Pre-tax Income¹



Revenues



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 29 for comparable GAAP figures.

Strong Partnership Culture with Experienced Leadership

Deep and Experienced Executive Management Team



Scott L. Beiser
CEO



Irwin N. Gold
Executive Chairman



Scott J. Adelson
Co-President



David A. Preiser
Co-President



J. Lindsey Alley
CFO

Long Tenure Results in Collaborative Culture

1

Tenured Management Team
Over 30-year average tenure of our Executive Management Team and over 25-year average tenure of our 16 person Operating Committee team

2

High Retention
12-year average tenure of Managing Directors across all business segments¹

3

Strong Loyalty
More than 63% of Managing Directors reached their respective positions through internal promotions¹

4

No "Star" Culture
No single individual generated more than 2% of revenues²

1. As of March 31, 2023. Excludes Managing Directors from acquisitions.
2. For the fiscal year ended March 31, 2023.



Community Involvement

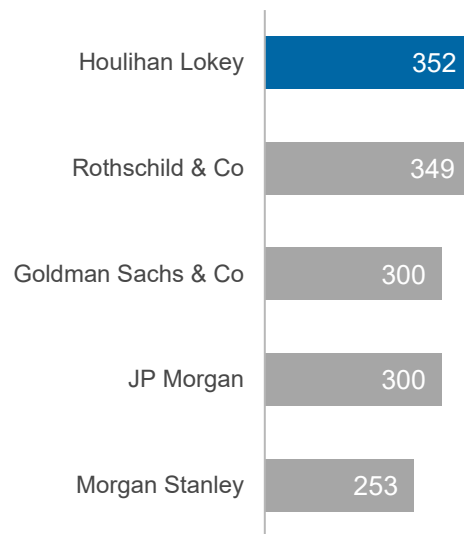
HL has a matching charitable contribution program for active employees, which results in a number of donations to causes around the globe, and a give-a-day program that results in significant participation by our employees in programs local to our offices. Listed below are several of the beneficiaries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



Market Leader in All Three Business Segments

Top Global M&A Firm¹

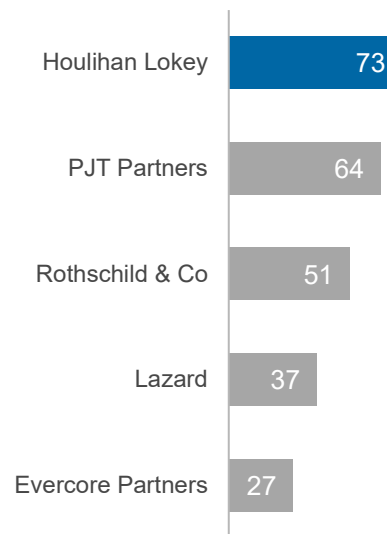
Investment Banks by Number of Global M&A Deals in CY 2023



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

Top Global Restructuring Firm

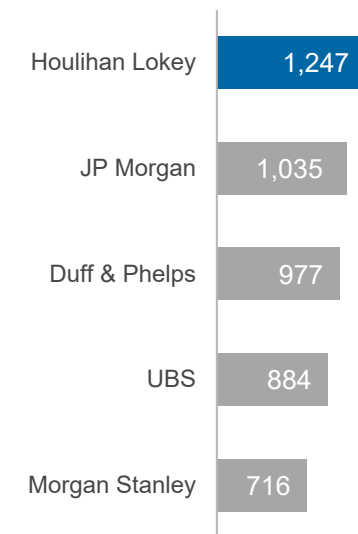
CY 2023 Global Distressed Debt and Bankruptcy Restructuring Deals



- 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
- 1,000+ Annual Engagements

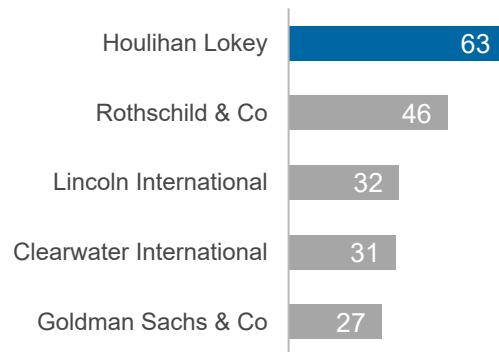
Source: LSEG (formerly Refinitiv).

1. M&A ranking excludes accounting firms and brokers.

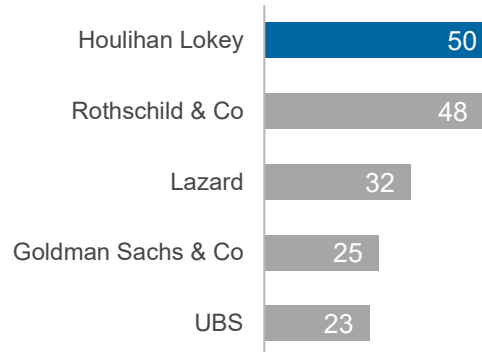
2. Announced or completed transactions

Global Market-Leading Advisor Across Industries

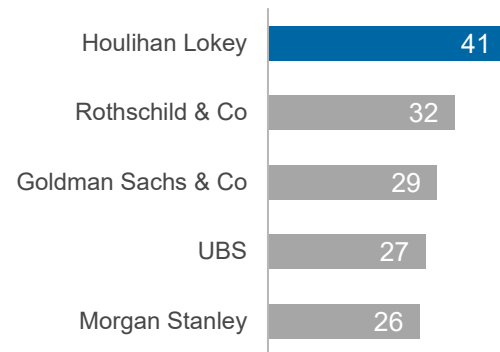
Business Services



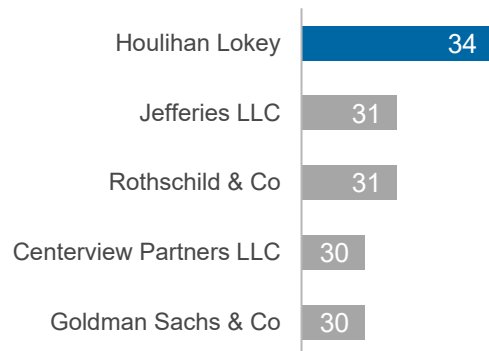
Consumer, Food, & Retail²



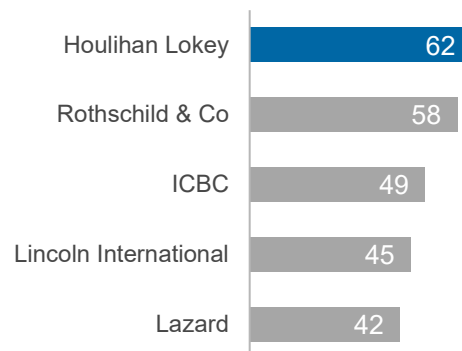
Financial Services^{1,2}



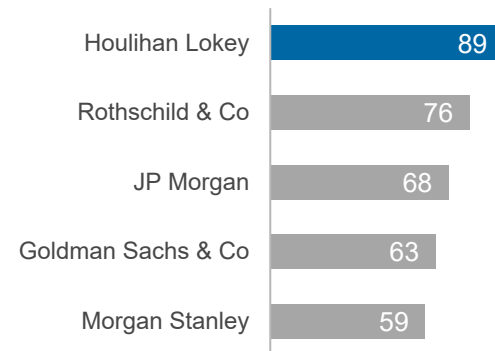
Healthcare



Industrials²



Technology



Source: LSEG (formerly Refinitiv). Excludes accounting firms and brokers.

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

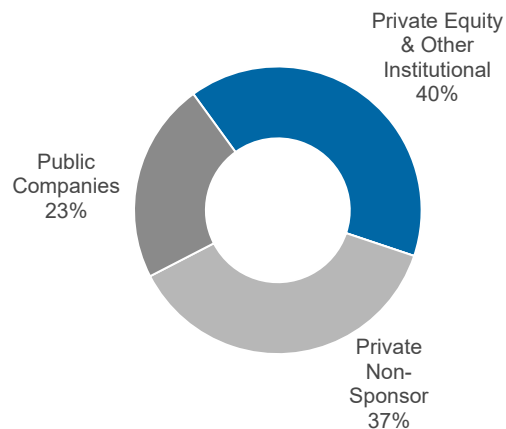
1. Excludes depositories.

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

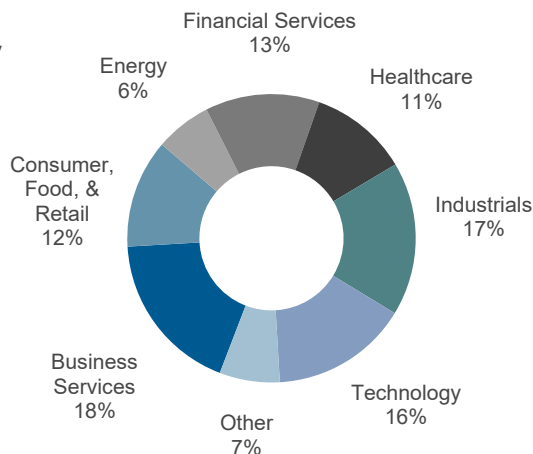
Diversified Across Geography, Client, Industry, Professional and Segment

- More than 2,000 clients served annually
- For FY 2023:
 - 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

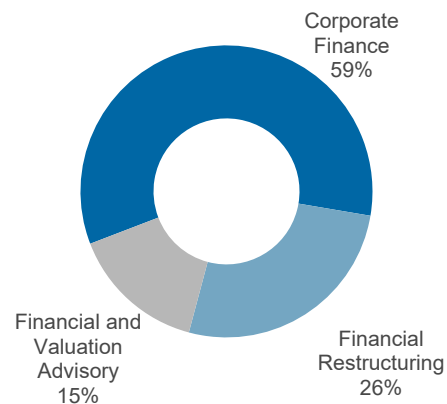
Client Mix¹



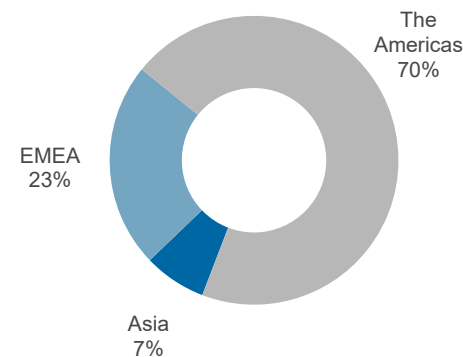
Industry Mix¹



Segment Mix¹



Geographic Mix¹



1. Based on revenues for the LTM ended December 31, 2023.

Comprehensive Coverage and Global Scale

The 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 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

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

- 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
- Increasingly complex and ever-changing regulatory reporting, valuation and tax environments
- Balanced portfolio mix of market hedged services
- Continued geographic expansion of service portfolio

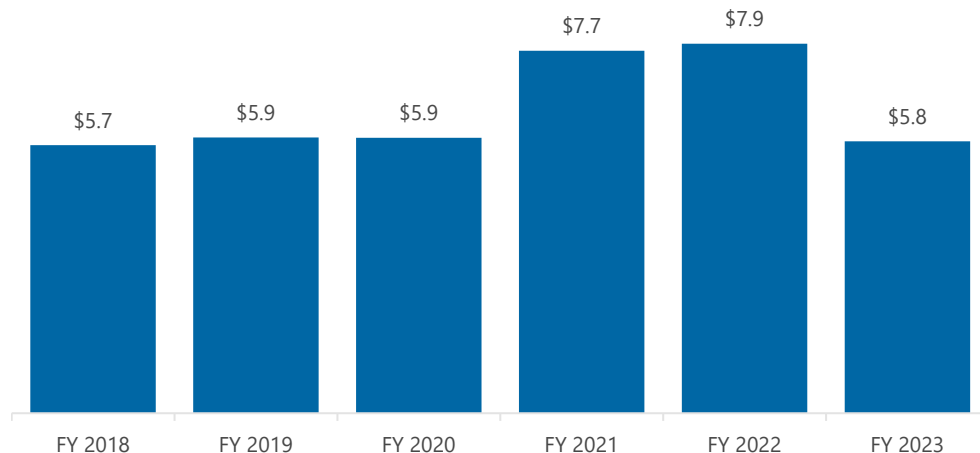
Growth Through Hiring and MD Productivity

- HL has increased its Managing Director Headcount by a CAGR of 10% 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.

Organic Growth Strengthened by Strategic Acquisitions

Growth Through Expansion of Services

2000–2009

- Private Equity Coverage
- Distressed M&A
- Industry Build-Out and Expansion
- Secondary Advisory Services
- Tax and Financial Reporting Valuations
- Portfolio Valuations

2010–Present

- Debt and Equity Capital Markets Advisory
- Hedge Fund Coverage
- Structured Product Valuation
- Activist Advisory
- Due Diligence Services
- Arranger of Leveraged Loans
- Transaction Advisory Services
- Private fundraising for Institutional Clients
- HL Finance
- Board Advisory Services

Growth Through Recent Acquisitions



Media-Focused Investment
Banking Firm

June 2015



Consumer, Food, and
Retail-Focused
Investment Banking Firm

September 2015



LEONARDO & CO.
Continental European
Investment Banking Firm

November 2015



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



Overview of Business Segments

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

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

A Houlihan Lokey Model for Growth and Success

	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
Strengths	Superior Platform Drives Success in Attractive Mid Cap Market ¹	Global Market Leader	High-Margin Provider with Strong Reputation
Managing Directors²	219	52	41
5-Year FY Revenue CAGR	16%	6%	15%
LTM December 31, 2023 Revenues / % of Total	\$1,076 / 59%	\$487 / 26%	\$276 / 15%
LTM December 31, 2023 Revenues per MD³	\$4.9	\$8.5	\$6.8
LTM December 31, 2023 Closed Transactions / Fee Events⁴	469	129	2,190

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

1. Defined as transactions \$1 billion or less in value.

2. As of December 31, 2023; excludes Corporate MDs.

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

Industry Groups



Business Services



Consumer, Food, and Retail



Energy



Financial Services



FinTech



Healthcare



Industrials



Real Estate, Lodging and Leisure



Technology

Product Specialists



Mergers & Acquisitions

Balanced and insightful mergers and acquisitions advice



Capital Markets

Comprehensive range of debt and financial restructuring advisory services and capital raisings for quoted and non-quoted clients



Private Funds Advisory

The Private Funds Group brings together extensive fundraising and in-house operating experience

Corporate Finance

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

The Global #1 Advisor



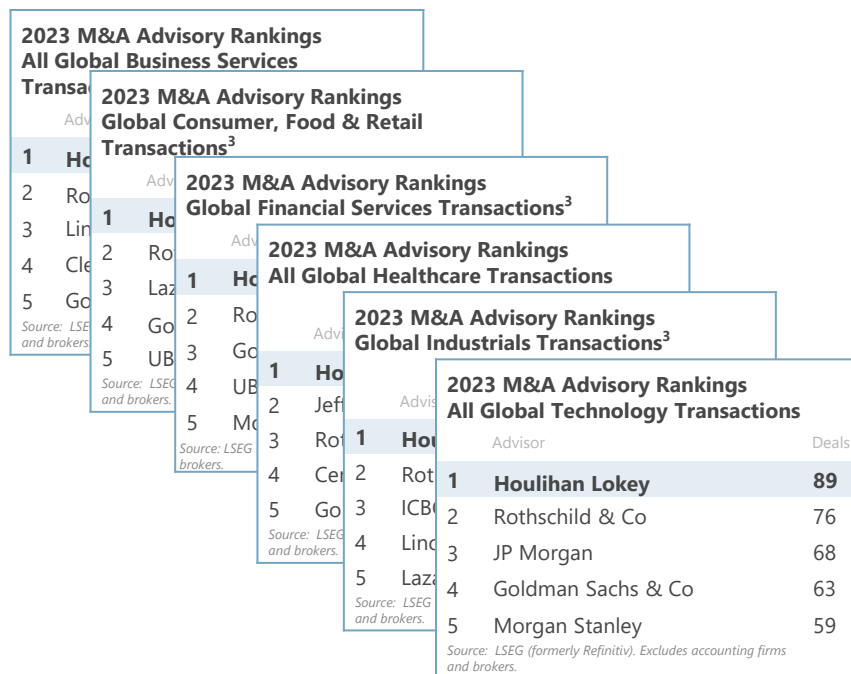
No. 1 Global M&A Advisor¹

No. 1 Global Advisor to Private Equity²

No. 1 US M&A Advisor¹

Leading Capital Markets Advisor

Market-Leading Advisor Across Industries¹



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

1. Source: LSEG (formerly Refinitiv). Excludes accounting firms and brokers.

2. Represents number of transactions closed for the calendar year to date period ended September 30, 2023. Source: PitchBook. Excludes accounting firms and brokers.

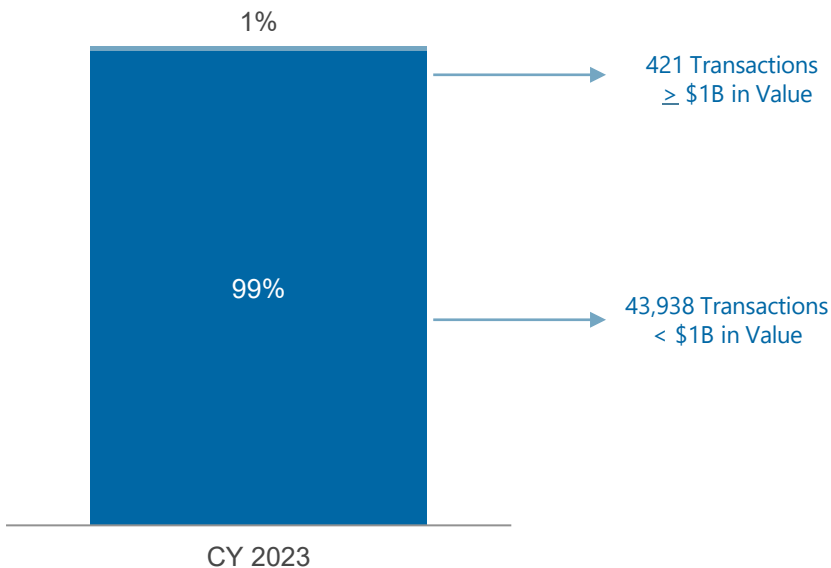
3. Transactions under \$1 billion in total deal value.

Corporate Finance Mergers & Acquisitions

- Our Corporate Finance business is a leader in the Global mid-cap space, which represented approximately 99% of M&A volume in CY 2023
- 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

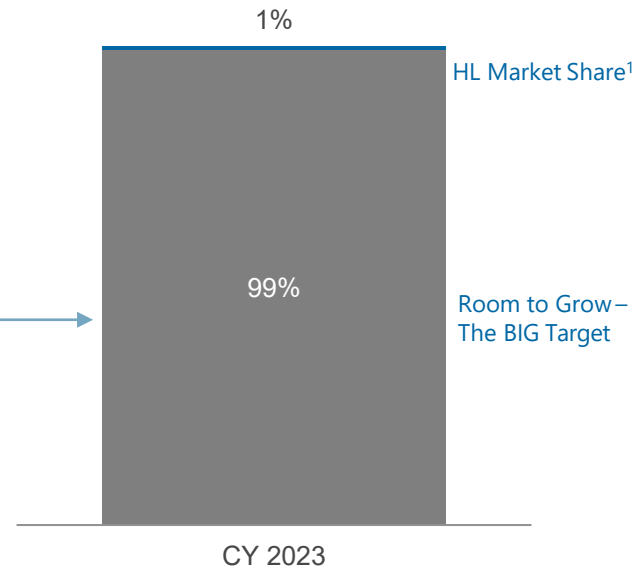
GLOBAL CLOSED M&A TRANSACTIONS CY 2023

44,359 Transactions



MID-CAP TRANSACTIONS

43,938 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 90 dedicated professionals across 11 offices in five countries as of FYE 2023

Raised ~\$26 billion and advised on an additional ~\$9 billion across 250+ transactions over the past two fiscal years¹

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
- 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
 - Through HL Finance, LLC, a wholly owned subsidiary, provide underwriting commitments through financing agreements with institutional investors

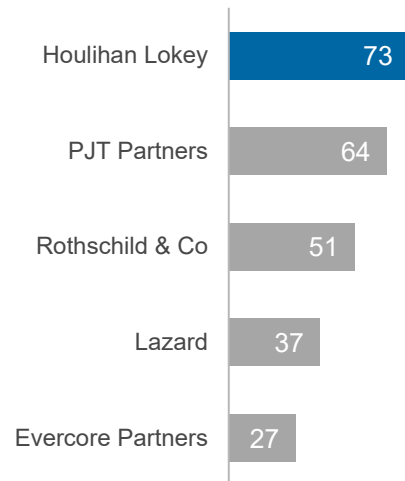
1. Pro forma including GCA.

Financial Restructuring

- Deepest bench in the industry with 57 Managing Directors and 310 total finance professionals as of March 31, 2023
- 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

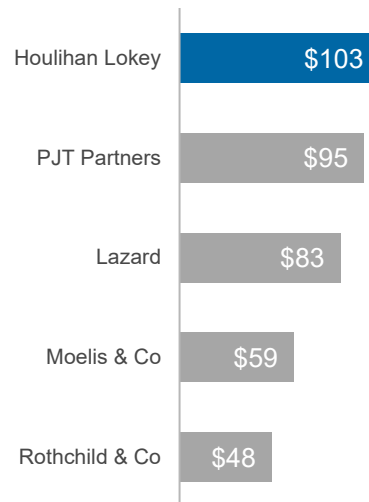
Top Global Restructuring Advisor (No. of Deals)

2023 Global Distressed Debt and Bankruptcy
Restructuring Rankings By Deal Count



Top Global Restructuring Advisor (Deal Value)

2023 Global Distressed Debt and Bankruptcy
Restructuring Rankings By Deal Value (in \$B)



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
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
Refco Inc.	33

Source: LSEG (formerly Refinitiv), 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



Services Offered

- Transaction (including Solvency) Opinions
- Portfolio Valuation and Fund Advisory
- Transaction Advisory Services
 - Buy-side and Sell-side Diligence
 - M&A Tax Advisory
 - Tax Restructuring
 - Accounting and Financial Reporting
 - Data Analytics
 - Tech & Cyber Security
- 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 life cycle
- 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

Broad and Deep Financial Sponsor Group

- HL has 25 senior officers dedicated to the sponsor community in North America and Europe as of FYE 2023
- Coverage of 1,000+ private equity firms, 250+ credit funds and 75+ family offices as of FYE 2023
- Organized geographically to ensure client coverage proximity

Most Active Investment Banks to Global P.E.²

1	Houlihan Lokey	242
2	Lincoln International	192
3	William Blair & Company	118
4	The Goldman Sachs Group	108
5	Jefferies Financial Group	108

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

- Worked on over 2,000 engagements involving sponsors and their portfolio companies in calendar-year 2023
- Sold over 750 companies to financial sponsors over the last five years
- Buyout firms have approximately \$910 billion of dry powder¹
- Provide financial sponsors access to successful solutions – with coverage officers facilitating two-way information flow between sponsors and Houlihan Lokey

1. As of March 31, 2023. Source: Preqin.

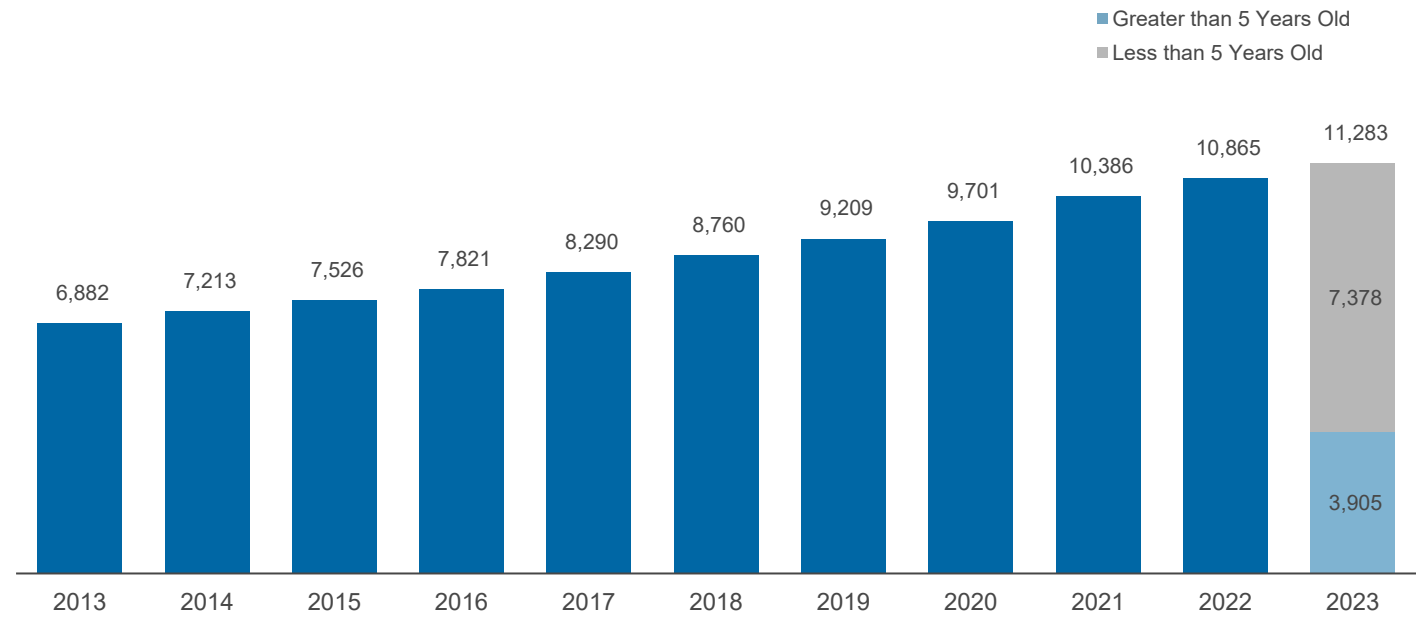
2. Represents number of transactions closed for the calendar year to date period ended December 31, 2022 Source: PitchBook. Excludes accounting firms and brokers.



Private Equity Portfolio Company Inventory

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.

Current Inventory of U.S. Private-Equity-Backed Companies (2013–2023)



Source: PitchBook as of December 31, 2023.



Financial Overview

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

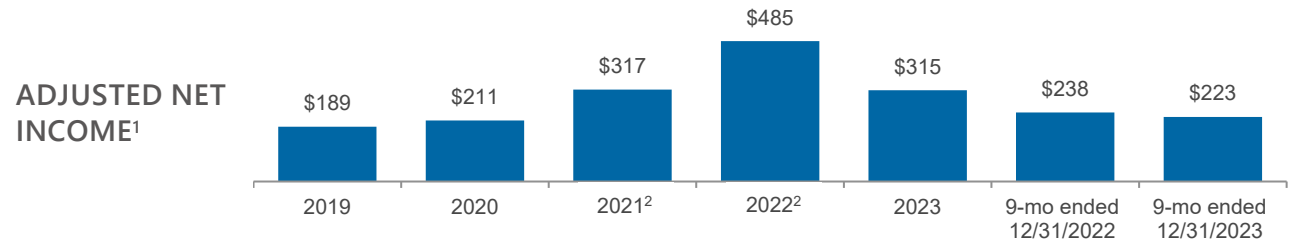
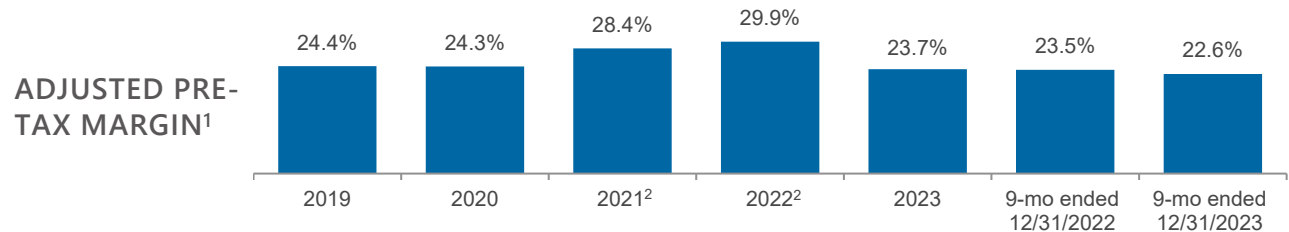
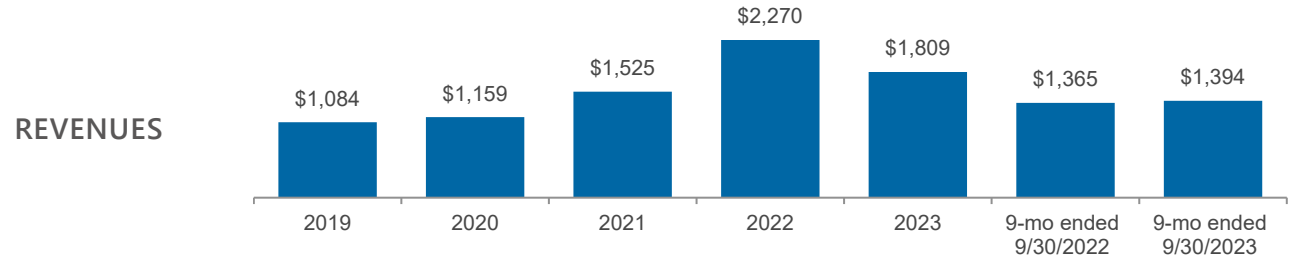
Consistent track record of profitability through market cycles

- 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

Strong Top-Line Growth & Disciplined Expense



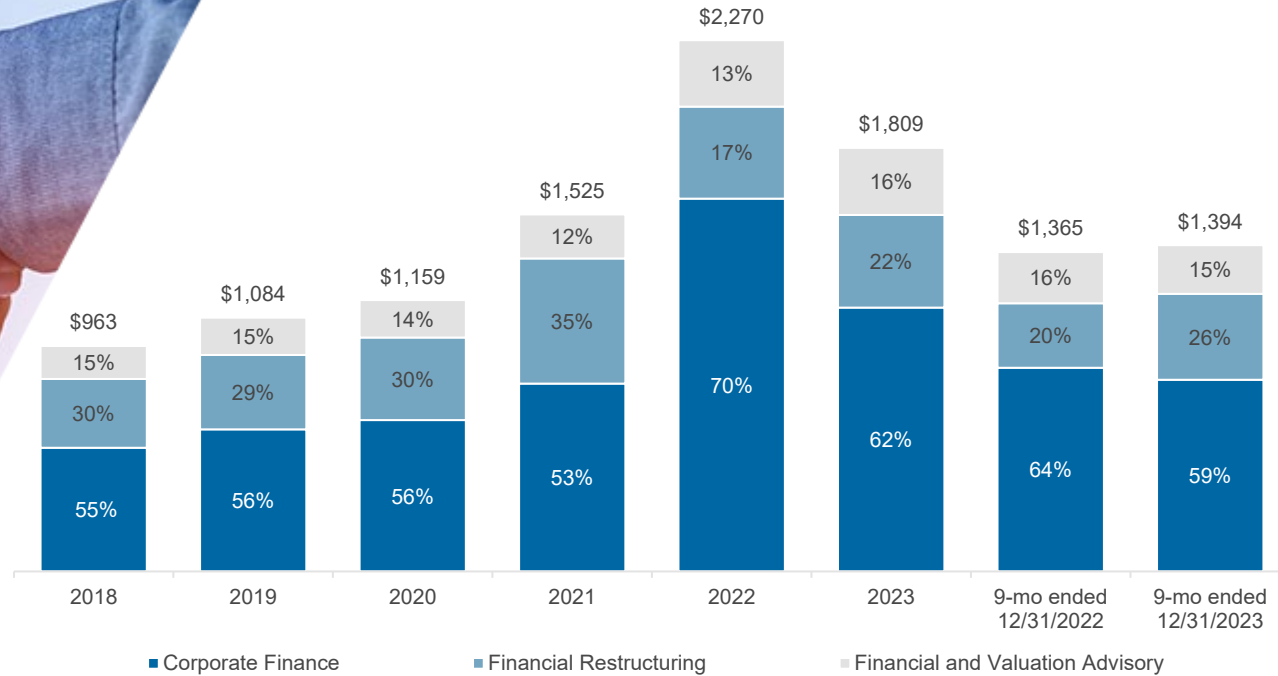
Note: Fiscal year ended March 31, unless otherwise noted. All dollar amounts in millions.

1. See page 30 for a description and reconciliation to the most directly comparable GAAP measures for relative year-to-date periods for fiscal 2023 and 2022. See page 31 for comparable historical GAAP figures and refer to previously filed earnings releases for historical adjustments.

2. Operated at higher margins as a result of 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 are cash flow positive 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
- Through share repurchases, offset the annual dilution associated with stock granted to employees as part of their compensation
- 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

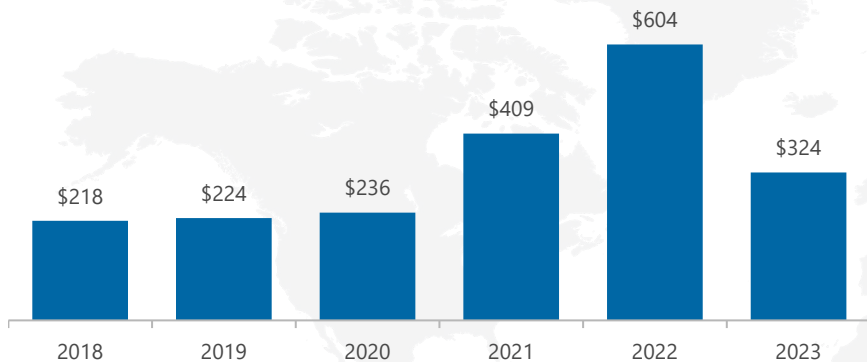
Reconciliation of GAAP to Adjusted Financials

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2023	2022	2023	2022
<i>(In thousands, except per share data)</i>				
Revenues	\$ 511,130	\$ 456,499	\$ 1,393,948	\$ 1,364,680
Employee compensation and benefits expenses				
Employee compensation and benefits expenses (GAAP)	\$ 324,039	\$ 289,348	\$ 884,064	\$ 864,942
Less: Acquisition related retention payments	(9,694)	(8,599)	(26,786)	(25,663)
Employee compensation and benefits expenses (adjusted)	314,345	280,749	857,278	839,279
Non-compensation expenses				
Non-compensation expenses (GAAP)	\$ 90,551	\$ 82,978	\$ 249,720	\$ 248,624
Less: Acquisition related legal structure reorganization	\$ (2,603)	—	\$ (2,603)	—
Less: Integration and acquisition related costs	(4,259)	—	(5,724)	(2,325)
Less: Acquisition amortization	(1,560)	(10,367)	(8,275)	(41,756)
Non-compensation expenses (adjusted)	82,129	72,611	233,118	204,543
Operating income				
Operating income (GAAP)	\$ 96,540	\$ 84,173	\$ 260,164	\$ 251,114
Plus: Adjustments ⁽¹⁾	18,116	18,966	43,388	69,744
Operating income (adjusted)	114,656	103,139	303,552	320,858
Other (income)/expense, net				
Other (income)/expense, net (GAAP)	\$ (6,035)	\$ 563	\$ (12,336)	\$ 7,416
Less: Warrant revaluation	—	—	—	(2,264)
Less: SPAC wind-down write-off	—	(2,742)	—	(2,742)
Plus/(less): Change in acquisition earnout liability fair value	—	—	816	(2,841)
Other (income), net (adjusted)	(6,035)	(2,179)	(11,520)	(431)
Provision for income taxes				
Provision for income taxes (GAAP)	\$ 31,772	\$ 20,559	\$ 73,276	\$ 49,135
Plus: Impact of the excess tax benefit for stock vesting	—	—	7,299	8,102
Plus: Release of the provision for an uncertain tax position as a result of the successful closure of a state audit	—	—	—	5,762
Less: Non-deductible acquisition related costs	(679)	—	(679)	—
Adjusted provision for income taxes	31,093	20,559	79,896	62,999
Plus: Resulting tax impact ⁽²⁾	5,491	5,338	12,516	20,187
Provision for income taxes (adjusted)	36,584	25,897	92,412	83,186
Net income				
Net income (GAAP)	\$ 70,803	\$ 63,051	\$ 199,224	\$ 194,563
Plus: Adjustments ⁽³⁾	13,304	16,370	23,436	43,540
Net income (adjusted)	84,107	79,421	222,660	238,103
Fully diluted shares outstanding				
Fully diluted shares outstanding (GAAP)	67,886,301	69,725,692	67,896,302	69,453,588
Plus: Impact of unvested GCA retention and deferred share awards	968,515	—	1,148,657	—
Fully diluted shares outstanding (adjusted)	68,854,816	69,725,692	69,044,959	69,453,588
Diluted EPS attributable to Houlihan Lokey, Inc. (GAAP)				
Diluted EPS attributable to Houlihan Lokey, Inc. (GAAP)	\$ 1.04	\$ 0.90	\$ 2.93	\$ 2.80
Diluted EPS attributable to Houlihan Lokey, Inc. (adjusted)	\$ 1.22	\$ 1.14	\$ 3.22	\$ 3.43

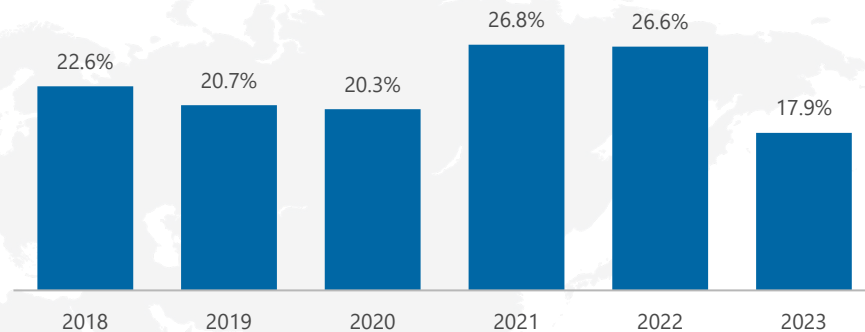
1. The aggregate of adjustments from employee compensation and benefits and non-compensation expenses.
2. Reflects the tax impact of utilizing the adjusted effective tax rate on the non-tax adjustments identified above.
3. Consists of all adjustments identified above net of the associated tax impact.

Comparable GAAP vs. Adjusted Financial Figures

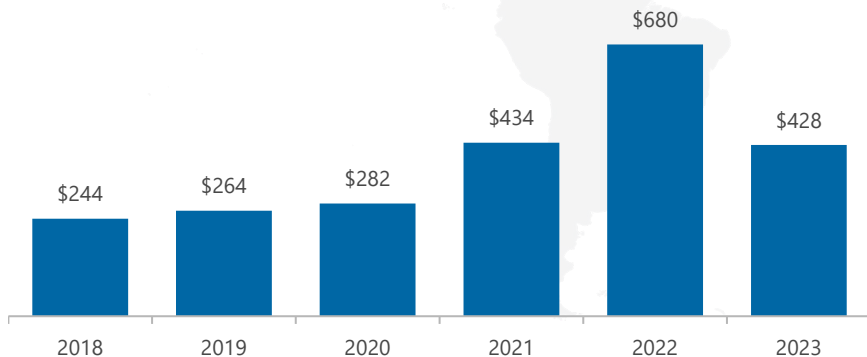
GAAP Pre-tax Income



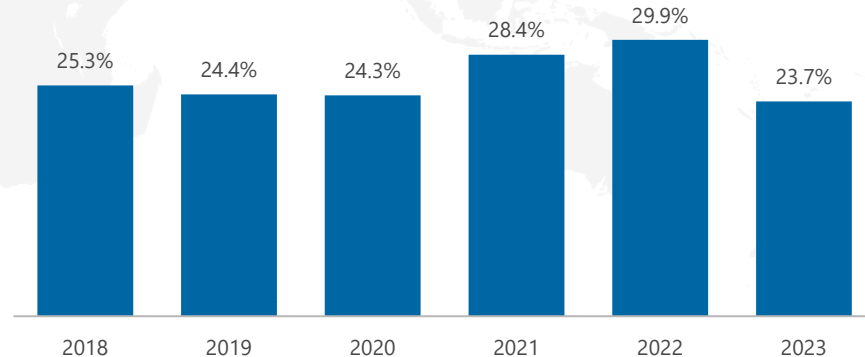
GAAP Pre-tax Margin



Adjusted Pre-tax Income



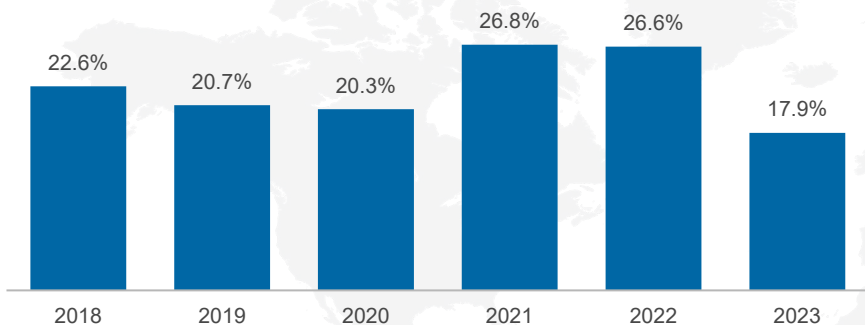
Adjusted Pre-tax Margin



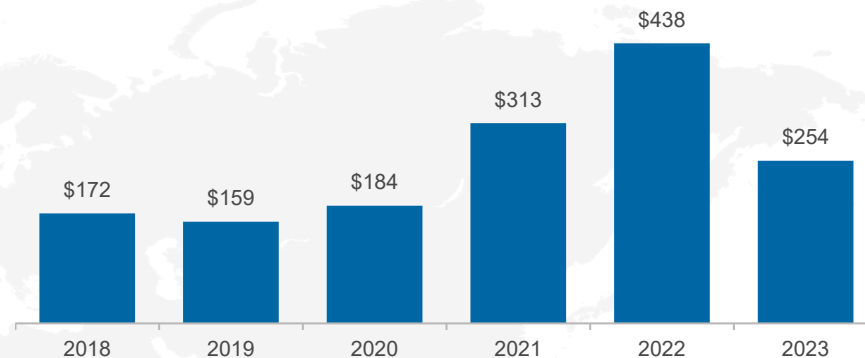
Note: For fiscal years ended March 31. All dollar amounts in millions unless otherwise noted.

Comparable GAAP vs. Adjusted Financial Figures (Cont'd)

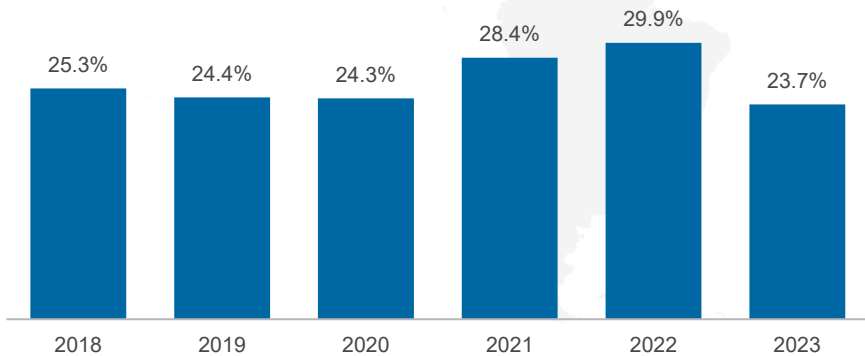
GAAP Pre-tax Margin



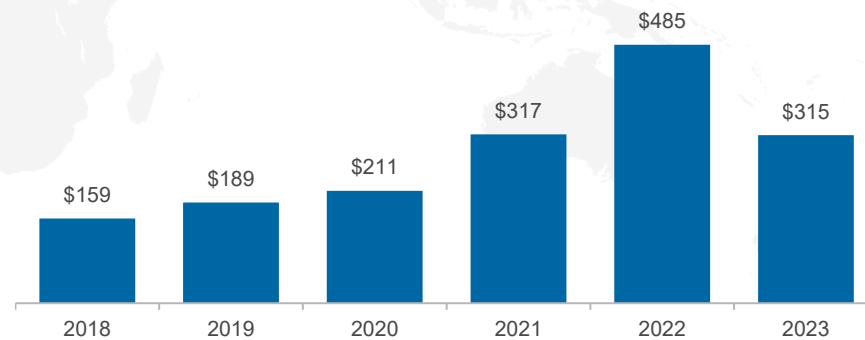
GAAP Net Income



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

CORPORATE FINANCE

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