



LPL FINANCIAL HOLDINGS INC. Q1 2023 HISTORICAL INFORMATION

April 27, 2023

***Notice to Investors: Non-GAAP Financial Measures**

Adjusted EPS, adjusted net income, gross profit, core G&A and EBITDA are non-GAAP financial measures. Management believes that presenting certain non-GAAP financial measures by excluding or including certain items can be helpful to investors and analysts who may wish to use this information to analyze the Company's current performance, prospects and valuation. Management uses this non-GAAP information internally to evaluate operating performance and in formulating the budget for future periods. Management believes that the non-GAAP financial measures and metrics discussed below are appropriate for evaluating the performance of the Company.

Gross profit is calculated as total revenue less advisory and commission expense; brokerage, clearing and exchange expense; and market fluctuations on employee deferred compensation. All other expense categories, including depreciation and amortization of property and equipment and amortization of other intangibles, are considered general and administrative in nature. Because the Company's gross profit amounts do not include any depreciation and amortization expense, the Company considers gross profit to be a non-GAAP financial measure that may not be comparable to similar measures used by others in its industry. Management believes that gross profit can provide investors with useful insight into the Company's core operating performance before indirect costs that are general and administrative in nature. For a calculation of gross profit, please see page 3 of this presentation.

Adjusted EPS is defined as adjusted net income, a non-GAAP measure defined as net income plus the after-tax impact of amortization of other intangibles and acquisition costs, divided by the weighted average number of diluted shares outstanding for the applicable period. The Company presents adjusted net income and adjusted EPS because management believes that these metrics can provide investors with useful insight into the Company's core operating performance by excluding non-cash items and acquisition costs that management does not believe impact the Company's ongoing operations. Adjusted net income and adjusted EPS are not measures of the Company's financial performance under GAAP and should not be considered as alternatives to net income, earnings per diluted share or any other performance measure derived in accordance with GAAP. For a reconciliation of net income and earnings per diluted share to adjusted net income and adjusted EPS, please see page 3 of this presentation.

Core G&A consists of total expense less the following expenses: advisory and commission; depreciation and amortization; interest expense on borrowings; brokerage, clearing and exchange; amortization of other intangibles; market fluctuations on employee deferred compensation; loss on extinguishment of debt; promotional (ongoing); acquisition costs; employee share-based compensation; and regulatory charges. Management presents core G&A because it believes core G&A reflects the corporate expense categories over which management can generally exercise a measure of control, compared with expense items over which management either cannot exercise control, such as advisory and commission, or which management views as promotional expense necessary to support advisor growth and retention, including conferences and transition assistance. Core G&A is not a measure of the Company's total expense as calculated in accordance with GAAP. For a reconciliation of the Company's total expense to core G&A, please see page 3 of this presentation. The Company does not provide an outlook for its total expense because it contains expense components, such as advisory and commission, that are market-driven and over which the Company cannot exercise control. Accordingly a reconciliation of the Company's outlook for total expense to an outlook for core G&A cannot be made available without unreasonable effort.

EBITDA is defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles. The Company presents EBITDA because management believes that it can be a useful financial metric in understanding the Company's earnings from operations. EBITDA is not a measure of the Company's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP. For a reconciliation of net income to EBITDA, please see page 2.

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

For the quarter ending March 31, 2023

(\$ in thousands, unless noted)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Gross Profit*									
Advisory	\$ 954,057	\$ 902,440	\$ 923,766	\$ 1,001,851	\$ 1,047,097	\$ 997,338	\$ 959,733	\$ 846,313	\$ 722,046
Sales-based commissions	286,072	271,089	269,893	252,493	240,331	248,382	239,804	249,596	236,273
Trailing commissions	317,653	311,194	315,087	320,883	345,194	364,455	370,580	348,637	320,956
Advisory fees and commissions	1,557,782	1,484,723	1,508,746	1,575,227	1,632,622	1,610,175	1,570,117	1,444,546	1,279,275
Production-based payout	(1,342,668)	(1,313,026)	(1,326,331)	(1,370,046)	(1,405,698)	(1,410,458)	(1,368,348)	(1,247,321)	(1,095,377)
Advisory fees and commissions, net of payout	215,114	171,697	182,415	205,181	226,924	199,717	201,769	197,225	183,898
Client cash	438,612	439,181	303,681	156,219	84,721	82,455	90,941	90,344	97,203
Other asset-based	203,473	191,797	194,270	208,489	211,991	219,927	211,050	189,576	167,973
Service and fee	118,987	120,022	121,745	112,802	112,812	110,385	105,079	99,473	96,824
Transaction	48,935	46,790	43,328	44,416	46,726	39,306	35,283	37,627	44,120
Interest income and other, net	20,960	21,957	13,091	7,358	8,385	11,245	9,809	10,811	8,700
Total net advisory fees and commissions and attachment revenue	1,046,081	991,444	858,530	734,465	691,559	663,035	653,931	625,056	598,718
Brokerage, clearing, and exchange expense	(26,126)	(19,251)	(20,850)	(23,362)	(22,600)	(20,372)	(22,828)	(23,459)	(19,364)
Gross Profit*	1,019,955	972,193	837,680	711,103	668,959	642,663	631,103	601,597	579,354
G&A Expense									
Core G&A*	326,177	327,040	298,026	285,973	280,907	299,401	270,865	251,679	236,263
Regulatory charges	7,732	9,325	7,847	8,069	7,323	8,442	5,976	7,416	7,595
Promotional (ongoing)	101,163	84,077	98,667	83,791	87,411	86,071	83,630	64,135	54,181
Acquisition costs	3,092	6,435	7,498	8,909	13,323	14,291	35,887	23,782	2,429
Employee share-based compensation	17,964	12,232	11,399	13,664	12,755	9,589	9,763	11,136	11,356
Total G&A	456,128	439,109	423,437	400,406	401,719	417,794	406,121	358,148	311,823
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	24,400
EBITDA*	563,827	533,084	414,243	310,697	267,240	224,869	224,982	243,449	243,131
Depreciation and amortization	56,054	54,241	51,669	48,453	45,454	40,816	38,409	36,704	35,499
Amortization of other intangibles	24,092	22,542	22,654	21,168	21,196	20,373	21,531	19,925	17,431
Interest expense on borrowings	39,184	37,082	33,186	28,755	27,211	27,121	27,063	25,171	25,059
INCOME BEFORE PROVISION FOR INCOME TAXES	444,497	419,219	306,734	212,321	173,379	136,559	137,979	161,649	165,142
PROVISION FOR INCOME TAXES	105,613	100,137	74,403	51,776	39,635	28,478	34,915	42,548	35,522
NET INCOME	\$ 338,884	\$ 319,082	\$ 232,331	\$ 160,545	\$ 133,744	\$ 108,081	\$ 103,064	\$ 119,101	\$ 129,620
Earnings per share, diluted	\$ 4.24	\$ 3.95	\$ 2.86	\$ 1.97	\$ 1.64	\$ 1.32	\$ 1.26	\$ 1.46	\$ 1.59
Weighted-average shares outstanding, diluted	79,974	80,875	81,250	81,410	81,572	81,744	81,849	81,728	81,622
Adjusted EPS*	\$ 4.49	\$ 4.21	\$ 3.13	\$ 2.24	\$ 1.95	\$ 1.63	\$ 1.77	\$ 1.85	\$ 1.77

Note: Totals may not foot due to rounding.

Non-GAAP Financial Measures

\$ in millions	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total revenue	\$2,418	\$2,333	\$2,163	\$2,039	\$2,066	\$2,094	\$2,021	\$1,898	\$1,708
Advisory and commission expense	1,371	1,342	1,305	1,304	1,374	1,431	1,367	1,273	1,109
Brokerage, clearing and exchange expense	26	19	21	23	23	20	23	23	19
Employee deferred compensation ⁽¹⁾	1	-	-	-	-	-	-	-	-
Gross Profit	\$1,020	\$972	\$838	\$711	\$689	\$643	\$631	\$602	\$579
Advisory and commission expense	\$1,371	\$1,342	\$1,305	\$1,304	\$1,374	\$1,431	\$1,367	\$1,273	\$1,109
Plus (Less): Advisor deferred compensation	(28)	(29)	22	66	32	(21)	2	(26)	(14)
Production-based payout	\$1,343	\$1,313	\$1,327	\$1,370	\$1,406	\$1,410	\$1,368	\$1,247	\$1,095
Interest income, net	\$37	\$22	\$22	\$10	\$8	\$8	\$7	\$7	\$7
Plus (Less): Other revenue	33	33	(22)	(67)	(31)	25	1	30	16
(Less) Plus: Deferred compensation	(29)	(29)	22	66	32	(21)	2	(26)	(14)
(Less): Interest income on CCA balances segregated under federal or other regulations	(20)	(20)	(9)	(1)	0	0	0	0	0
Interest income and other, net	\$21	\$22	\$13	\$7	\$8	\$11	\$10	\$11	\$9
Total expense	\$1,973	\$1,914	\$1,856	\$1,827	\$1,892	\$1,958	\$1,883	\$1,736	\$1,542
Advisory and commission	1,371	1,342	1,305	1,304	1,374	1,431	1,367	1,273	1,109
Depreciation and amortization	56	54	52	48	45	41	38	37	35
Interest expense on borrowings	39	37	33	29	27	27	27	25	25
Amortization of other intangibles	24	23	23	21	21	20	22	20	17
Brokerage, clearing and exchange	26	19	21	23	23	20	23	23	19
Employee deferred compensation	1	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	24
Total G&A	\$456	\$439	\$423	\$400	\$402	\$418	\$406	\$358	\$312
Promotional (ongoing)	\$101	\$84	\$99	\$84	\$87	\$86	\$84	\$64	\$54
Employee share-based compensation	18	12	11	14	13	10	10	11	11
Regulatory charges	8	9	8	8	7	8	6	7	8
Acquisition costs	3	6	7	9	13	14	36	24	2
Core G&A	\$326	\$327	\$298	\$286	\$281	\$299	\$271	\$252	\$236
Net income / earnings per diluted share	\$339	\$319	\$232	\$161	\$134	\$108	\$103	\$119	\$130
Amortization of other intangibles	24	23	23	21	21	20	22	20	17
Acquisition costs	3	6	7	9	13	14	36	24	2
Tax benefit	(7)	(8)	(8)	(8)	(9)	(9)	(15)	(12)	(5)
Adjusted net income / adjusted EPS	\$359	\$340	\$255	\$183	\$159	\$133	\$145	\$151	\$144
Diluted share count	80	81	81	81	82	82	82	82	82

Note: Totals may not foot due to rounding.

LPL Financial Holdings Inc. - Key Operating Metrics

As of March 31, 2023

(End of period \$ in billions, unless noted)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Assets ⁽²⁾									
Advisory assets	620.9	583.1	542.6	558.6	624.3	643.2	594.0	577.6	496.7
Brokerage assets	554.3	527.7	495.8	506.0	538.8	563.2	538.6	534.7	461.6
Total Advisory and Brokerage Assets	1,175.2	1,110.8	1,038.4	1,064.6	1,163.1	1,206.4	1,132.6	1,112.3	958.3
Centrally managed assets ⁽³⁾	94.6	89.2	83.0	85.6	93.8	96.1	88.6	84.7	77.0
Assets by Platform									
Corporate advisory assets ⁽⁴⁾	415.3	389.1	361.6	372.1	415.8	429.6	395.6	383.6	317.5
Independent RIA advisory assets ⁽⁴⁾	205.6	194.0	181.0	186.5	208.5	213.6	198.4	194.0	179.2
Brokerage assets	554.3	527.7	495.8	506.0	538.8	563.2	538.6	534.7	461.6
Total Advisory and Brokerage Assets	1,175.2	1,110.8	1,038.4	1,064.6	1,163.1	1,206.4	1,132.6	1,112.3	958.3
Total Net New Assets ^{(5)†}									
Net new advisory assets	14.6	12.6	11.0	11.4	17.4	24.2	21.7	54.9	22.7
Net new brokerage assets	9.9	8.6	8.9	25.8	0.2	2.0	7.3	51.1	6.2
Total Net New Assets	24.5	21.3	19.9	37.2	17.6	26.2	29.0	106.0	28.9
Total Organic Net New Assets ^{(6)†}									
Organic net new advisory assets	13.7	12.6	11.0	11.4	17.4	24.2	21.1	21.4	22.7
Organic net new brokerage assets	7.1	8.6	8.9	25.8	0.2	2.0	5.6	15.6	6.2
Total Organic Net New Assets	20.8	21.3	19.9	37.2	17.6	26.2	26.7	37.1	28.9
Net brokerage to advisory conversions ⁽⁷⁾	2.1	1.5	1.7	1.8	2.9	3.4	3.1	3.2	3.3
Corporate net new advisory assets	10.4	8.4	7.1	8.3	10.6	17.0	15.2	49.0	17.1
Independent RIA net new advisory assets	4.2	4.3	3.9	3.1	6.8	7.2	6.5	6.0	5.6
Total Net New Advisory Assets	14.6	12.6	11.0	11.4	17.4	24.2	21.7	54.9	22.7
Centrally managed net new advisory assets	1.7	1.3	2.2	3.2	3.3	4.4	3.9	4.0	7.8
Client Cash Balances ⁽⁸⁾									
Insured cash account sweep	39.7	46.8	47.7	40.8	32.6	30.0	30.5	34.1	37.4
Deposit cash account sweep	10.2	11.5	12.7	12.3	9.4	9.3	8.6	7.6	7.9
Total Bank Sweep	49.9	58.4	60.3	53.1	42.0	39.3	39.0	41.7	45.3
Money market sweep	2.6	3.0	3.2	15.0	18.2	16.1	9.9	5.0	1.3
Total Client Cash Sweep Held by Third Parties	52.5	61.4	63.5	68.1	60.2	55.4	48.9	46.7	46.6
Client cash account	2.1	2.7	3.3	1.5	1.6	1.7	1.6	1.5	1.4
Total Client Cash Balances	54.6	64.1	66.8	69.6	61.7	57.1	50.5	48.2	48.1
Net buy (sell) activity ⁽⁹⁾	36.9	25.0	20.3	5.3	11.0	16.0	17.6	18.1	17.4
Market Drivers									
S&P 500 Index (end of period)	4,109	3,840	3,586	3,785	4,530	4,766	4,308	4,298	3,973
Russell 2000 Index (end of period)	1,802	1,761	1,665	1,708	2,070	2,245	2,204	2,311	2,221
Fed Funds daily effective rate (average bps)	452	366	219	73	12	8	9	7	8

Note: Totals may not foot due to rounding.

† Total net new assets include acquired net new assets for the periods presented below:

Acquired Net New Assets	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net new acquired advisory assets	0.9	0.0	0.0	0.0	0.0	0.0	0.6	33.5	0.0
Net new acquired brokerage assets	2.8	0.0	0.0	0.0	0.0	0.0	1.7	35.4	0.0
Total Acquired Net New Assets	3.7	0.0	0.0	0.0	0.0	0.0	2.3	68.9	0.0
Organic Net New Assets from Enterprises	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net new organic advisory assets	0.0	0.0	0.2	1.3	0.0	0.0	0.0	3.1	5.0
Net new organic brokerage assets	0.0	0.6	5.1	24.0	0.0	0.0	4.5	15.6	6.8
Total Organic Net New Assets from Enterprises	0.0	0.6	5.3	25.3	0.0	0.0	4.5	18.7	11.8

LPL Financial Holdings Inc. - Monthly Key Operating Metrics

As of March 31, 2023

(End of period \$ in billions, unless noted)	Mar 2023	Feb 2023	Jan 2023	Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022
Assets ⁽²⁾													
Advisory assets	620.9	606.1	615.2	583.1	599.0	569.3	542.6	580.0	593.4	558.6	591.8	586.3	624.3
Brokerage assets	554.3	541.7	549.7	527.7	536.9	517.3	495.8	524.9	530.9	506.0	528.6	509.5	538.8
Total Advisory and Brokerage Assets	1,175.2	1,147.8	1,164.9	1,110.8	1,135.9	1,086.6	1,038.4	1,104.8	1,124.3	1,064.6	1,120.4	1,095.8	1,163.1
Total Net New Assets ^{(5)†}													
Net new advisory assets	6.3	4.3	4.0	7.4	3.6	1.6	3.8	4.2	3.0	4.1	5.1	2.2	6.0
Net new brokerage assets	4.3	1.0	4.6	4.2	2.0	2.4	1.6	5.5	1.8	6.5	19.6	(0.3)	0.3
Total Net New Assets	10.6	5.2	8.6	11.7	5.6	4.0	5.4	9.7	4.8	10.5	24.8	1.9	6.3
Total Organic Net New Assets ^{(6)‡}													
Net new organic advisory assets	6.3	4.3	3.1	7.4	3.6	1.6	3.8	4.2	3.0	4.1	5.1	2.2	6.0
Net new organic brokerage assets	3.9	1.0	2.2	4.2	2.0	2.4	1.6	5.5	1.8	6.5	19.6	(0.3)	0.3
Total Organic Net New Assets	10.1	5.2	5.4	11.7	5.6	4.0	5.4	9.7	4.8	10.5	24.8	1.9	6.3
Net brokerage to advisory conversions ⁽⁷⁾	0.7	0.8	0.6	0.5	0.7	0.3	0.4	0.9	0.4	0.5	0.6	0.7	0.9
Client Cash Balances ⁽⁸⁾													
Insured cash account sweep	39.7	40.7	43.5	46.8	45.4	46.9	47.7	47.1	41.9	40.8	37.3	34.1	32.6
Deposit cash account sweep	10.2	10.3	10.8	11.5	11.5	12.2	12.7	12.4	12.3	12.3	11.0	9.2	9.4
Total Bank Sweep	49.9	51.0	54.3	58.4	56.8	59.1	60.3	59.5	54.2	53.1	48.3	43.3	42.0
Money market sweep	2.6	2.8	2.9	3.0	3.0	3.1	3.2	3.2	13.9	15.0	17.1	16.9	18.2
Total Client Cash Sweep Held by Third Parties	52.5	53.8	57.2	61.4	59.8	62.2	63.5	62.7	68.1	68.1	65.4	60.2	60.2
Client cash account	2.1	2.4	2.5	2.7	2.7	3.0	3.3	3.1	1.3	1.5	1.8	1.4	1.6
Total Client Cash Balances	54.6	56.2	59.7	64.1	62.5	65.2	66.8	65.8	69.4	69.6	67.2	61.7	61.7
Net buy (sell) activity ⁽⁹⁾	13.4	12.4	11.1	7.9	9.4	7.7	5.2	10.0	5.1	2.0	0.2	3.1	3.5
Market Drivers													
S&P 500 Index (end of period)	4,109	3,970	4,077	3,840	4,080	3,872	3,586	3,955	4,130	3,785	4,132	4,132	4,530
Russell 2000 Index (end of period)	1,802	1,897	1,932	1,761	1,887	1,847	1,665	1,844	1,885	1,708	1,864	1,864	2,070
Fed Funds daily effective rate (average bps)	465	457	433	409	377	308	260	233	164	119	76	33	20

Note: Totals may not foot due to rounding.

† Total net new assets include acquired net new assets for the periods presented below:

Acquired Net New Assets	Mar 2023	Feb 2023	Jan 2023	Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022
Net new acquired advisory assets	0.1	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net new acquired brokerage assets	0.4	0.0	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Acquired Net New Assets	0.5	0.0	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Organic Net New Assets from Enterprises	Mar 2023	Feb 2023	Jan 2023	Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	Jul 2022	Jun 2022	May 2022	Apr 2022	Mar 2022
Net new organic advisory assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	1.3	0.0	0.0
Net new organic brokerage assets	0.0	0.0	0.0	0.0	0.2	0.4	0.2	4.0	0.9	5.8	18.2	0.0	0.0
Total Organic Net New Assets from Enterprises	0.0	0.0	0.0	0.0	0.2	0.4	0.2	4.3	0.9	5.8	19.5	0.0	0.0

LPL Financial Holdings Inc. - Productivity Metrics

For the quarter ending March 31, 2023

(Average bps, unless noted)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Average Total Brokerage & Advisory Assets (\$ in billions)	\$1,114	\$1,112	\$1,131	\$1,144	\$1,135	\$1,079	\$998	\$915	\$835
Gross Profit (bps)									
Net advisory fees and commissions	7.0	7.1	7.2	7.3	7.3	7.3	7.4	7.4	7.3
Other asset-based	7.2	7.3	7.4	7.4	7.3	7.3	7.2	7.2	7.2
Service and fee	4.3	4.2	4.0	3.9	3.8	3.8	4.0	4.1	4.3
Client cash	12.0	8.8	5.5	3.6	3.1	3.3	3.8	4.4	5.1
Transaction, net of BC&E	0.8	0.9	0.8	0.7	0.6	0.7	0.7	0.8	0.9
Interest income and other, net	0.6	0.5	0.4	0.3	0.4	0.4	0.4	0.4	0.4
Gross Profit ROA (bps)	31.8 bps	28.7 bps	25.3 bps	23.2 bps	22.4 bps	22.7 bps	23.5 bps	24.3 bps	25.2 bps
Operating Expenses (bps)									
Core G&A	11.1	10.7	10.3	9.9	9.7	9.8	10.1	10.6	11.2
Promotional	3.3	3.2	3.1	3.0	2.8	2.7	2.5	2.5	2.5
Regulatory	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4
Employee share-based compensation	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
D&A expense (ex. amortization of other intangibles)	1.9	1.8	1.6	1.5	1.4	1.4	1.4	1.4	1.4
Amortization of other intangibles	0.8	0.8	0.8	0.7	0.7	0.7	0.8	0.8	0.8
Operating Expense ROA (bps)	17.9 bps	17.2 bps	16.5 bps	15.8 bps	15.3 bps	15.3 bps	15.5 bps	16.0 bps	16.7 bps
EBIT ROA (bps)	13.9 bps	11.5 bps	8.8 bps	7.4 bps	7.1 bps	7.4 bps	8.0 bps	8.3 bps	8.5 bps

Note: Totals may not foot due to rounding. All periods are based on the trailing twelve months.

LPL Financial Holdings Inc. - Key Business and Financial Metrics

For the quarter ending March 31, 2023

	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
<u>Advisors</u>									
Advisors	21,521	21,275	21,044	20,871	20,091	19,876	19,627	19,114	17,672
Net new advisors	246	231	173	780	215	249	513	1,442	385
Total client accounts (in millions)	8.0	7.9	7.8	7.6	7.3	7.2	7.1	6.7	6.1
<u>Services Group</u>									
Services Group subscriptions ⁽¹⁰⁾									
Professional Services	1,753	1,484	1,459	1,377	1,328	1,235	1,099	897	805
Business Optimizers	2,955	2,802	2,605	2,425	2,138	1,787	1,499	1,188	910
Planning & Advice	236	193	169	94	63	-	-	-	-
Total Services Group subscriptions	4,944	4,479	4,233	3,896	3,529	3,022	2,598	2,085	1,715
Total Services Group annualized revenue	~\$38M	~\$36M	~\$34M	~\$32M	~\$30M	~\$28M	~\$25M	~\$20M	~\$19M
Services Group advisor count	3,324	3,039	2,926	2,656	2,481	2,266	2,038	1,694	1,411
AUM retention rate (quarterly annualized) ⁽¹¹⁾	98.7%	98.2%	98.4%	98.0%	98.3%	98.3%	97.8%	98.4%	98.1%
<u>Capital Management (\$ in millions)</u>									
Share repurchases	275.0	150.0	75.0	50.0	50.0	50.0	40.0	-	-
Dividends	23.6	19.9	20.0	20.0	20.0	20.0	20.1	20.0	20.0
Total Capital Returned	298.6	169.9	95.0	70.0	70.0	70.0	60.1	20.0	20.0

Endnotes

(1) During the first quarter of 2023, the Company updated its presentation of employee deferred compensation to be consistent with its presentation of advisor deferred compensation. As a result, gains or losses related to market fluctuations on advisor and employee deferred compensation plans are presented in the same line item as the related increase or decrease in compensation expense for purposes of Management's Statements of Operations. This change has not been applied retroactively as the impact on prior periods was not material.

(2) Consists of total advisory and brokerage assets under custody at the Company's broker-dealer subsidiary, LPL Financial LLC ("LPL Financial"), and Waddell & Reed, LLC ("Waddell & Reed"). As of March 31, 2023, there were no assets under custody at Waddell & Reed.

(3) Consists of advisory assets in LPL Financial's Model Wealth Portfolios, Optimum Market Portfolios, Personal Wealth Portfolios and Guided Wealth Portfolios platforms.

(4) Assets on the Company's corporate advisory platform are serviced by investment advisor representatives of LPL Financial or Allen & Company of Florida, LLC. Assets on the Company's independent RIA advisory platform are serviced by investment advisor representatives of separate registered investment advisor firms rather than representatives of LPL Financial.

(5) Consists of total client deposits into advisory or brokerage accounts less total client withdrawals from advisory or brokerage accounts, plus dividends, plus interest, minus advisory fees. The Company considers conversions from and to brokerage or advisory accounts as deposits and withdrawals, respectively.

(6) Consists of net new assets excluding assets acquired from Waddell & Reed. Acquired assets include \$2.3 billion and \$68.9 billion of net new assets from Waddell & Reed in Q3 2021 and Q2 2021, respectively.

(7) Consists of existing custodied accounts that converted from brokerage to advisory, less existing custodied assets that converted from advisory to brokerage.

(8) During the second quarter of 2022, the Company updated its definition of client cash balances to include client cash accounts and exclude purchased money market funds. Client cash accounts include cash that clients have deposited with LPL Financial that is included in client payables in the condensed consolidated balance sheets. Prior period disclosures have been updated to reflect this change as applicable. The following table presents the Company's purchased money market fund balances for the periods presented:

(End of period \$ in billions)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Purchased Money Market Funds	15.0	8.8	4.2	1.9	1.6	1.9	1.8	1.7	1.6

(9) Represents the amount of securities purchased less the amount of securities sold in client accounts custodied with LPL Financial.

(10) Refers to active subscriptions related to professional services offerings (CFO Solutions, Marketing Solutions, Admin Solutions, Advisor Institute, Bookkeeping and Partial Book Sales) and business optimizer offerings (M&A Solutions, Digital Office, Resilience Plans and Assurance Plans), as well as planning and advice services (Paraplanning) for which subscriptions are the number of advisors using the service.

(11) Reflects retention of total advisory and brokerage assets, calculated by deducting quarterly annualized attrition from total advisory and brokerage assets, divided by the prior-quarter total advisory and brokerage assets.