



Fiscal Year 2019 First Quarter

Earnings Presentation - August 7, 2018

Today's Speakers



Mario Giannini
Chief Executive Officer



Erik Hirsch
Vice Chairman



Randy Stilman
Chief Financial Officer



Demetrius Sidberry
Head of Investor Relations

Business Performance

- Total asset footprint (assets under management/advisement) reached a record amount of approximately \$471 billion, growing 31% compared to June 30, 2017
- Assets under management and fee-earning assets under management were approximately \$57 billion and \$31 billion, respectively, as of June 30, 2018, increases of 24% and 11%, respectively, compared to June 30, 2017

Financial Results

USD in millions except per share amounts

	Q1 FY19	vs. Q1 FY18	vs. Q4 FY18
Management and advisory fees	\$51.0	(1%)	5%
GAAP net income	\$8.8	62%	(34%)
GAAP EPS	\$0.39	30%	(43%)
Non-GAAP EPS ¹	\$0.38	19%	(34%)
Fee Related Earnings ¹	\$20.8	(12%)	11%
Adjusted EBITDA ¹	\$30.4	15%	(36%)

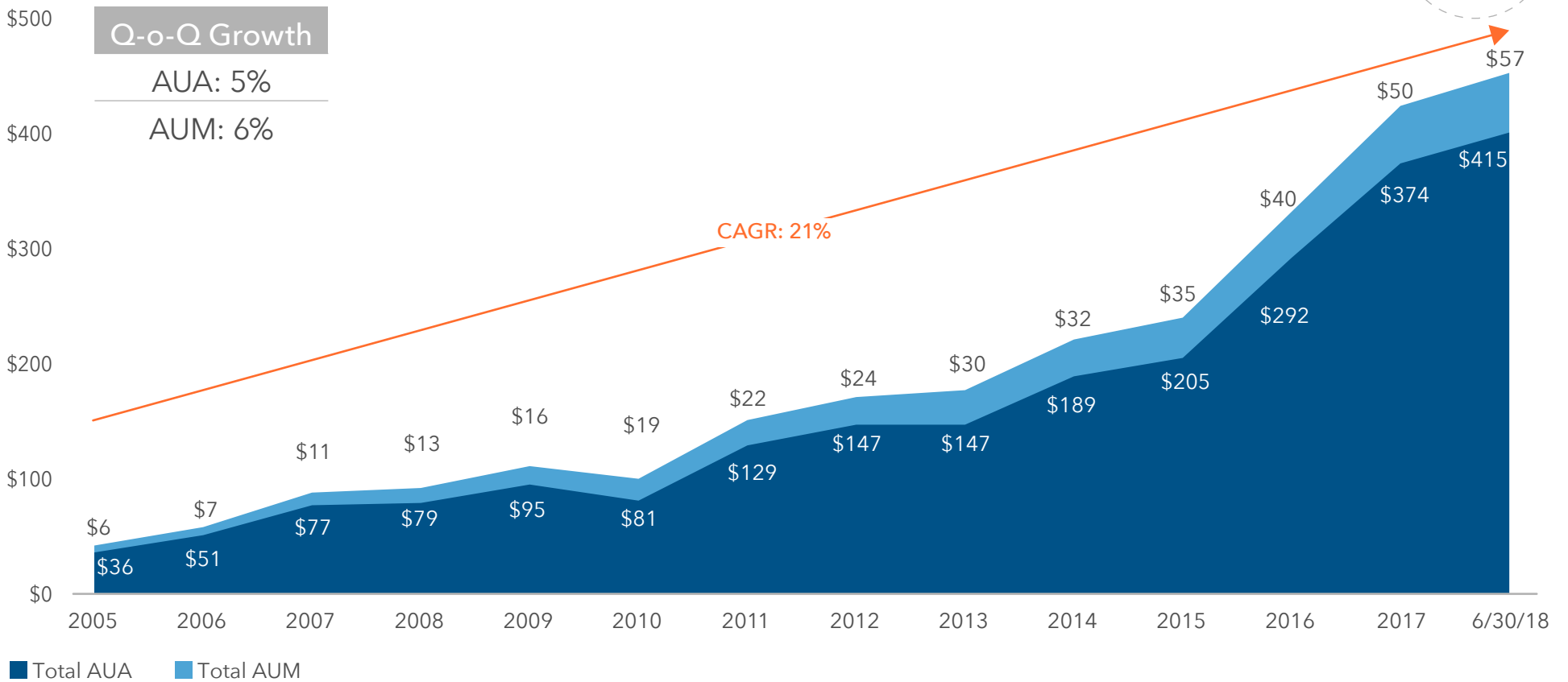
Dividend

- Declared a quarterly dividend of \$0.2125 per share of Class A common stock to record holders at the close of business on September 14, 2018

¹ 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, see pages 14 and 20 of this presentation.

Growing Asset Footprint & Influence

Total Assets Under Management/Advisement (\$B)¹

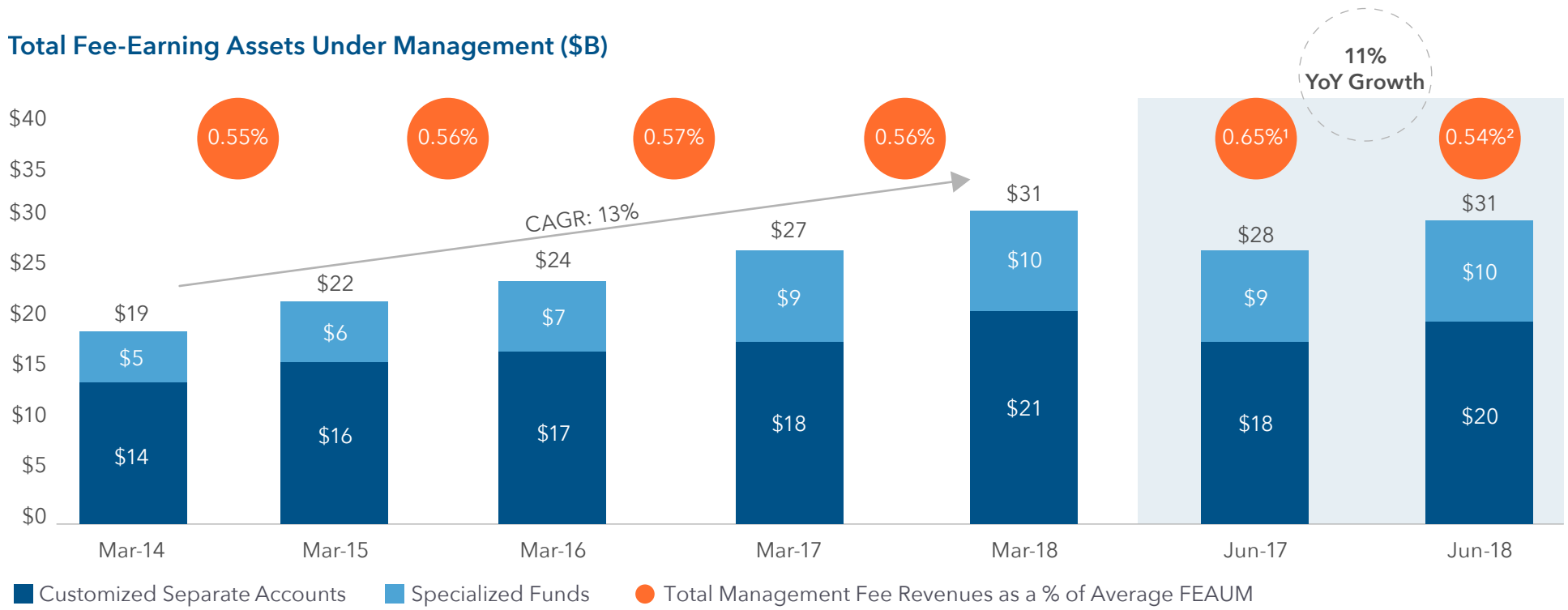


¹ Data as of calendar year end 12/31 unless otherwise noted. Numbers may not tie due to rounding.

Fee-Earning AUM Driving Revenues

Fee-earning AUM growth continues...

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



* Numbers may not tie due to rounding

¹ Reflects retroactive fees of \$5.8M

² Reflects retroactive fees of \$0.5M

...and annual fee rates are stable

Y-o-Y Drivers of Growth

Customized Separate Accounts:

- New client wins
- Client re-ups

Specialized Funds:

- Closed credit oriented fund
- Fundraising co-investment, credit oriented (2019) and fund-of-funds products

Acquisition of Real Assets firm:

- Closed Q2 FY18
- ~\$700M of FEAUM in total acquired

AUM

Customized Separate Accounts



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

Specialized Funds



Select funds in market:

- Co-investment fund
- Credit-oriented funds
- Private equity fund-of-funds

AUA

Advisory Services



Typically larger clients with wide-ranging mandates; opportunity set continues to be robust

- ~70% of our gross contributions during the last 12 months came from existing clients

- FEAUM added during Q1 FY19:
 - Co-investment fund: \$268M
 - Private equity fund-of-funds: \$55M

- \$18.0B in AUA added during fiscal Q1 FY19

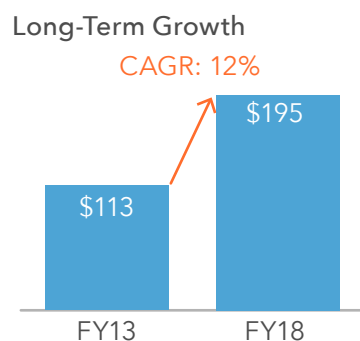
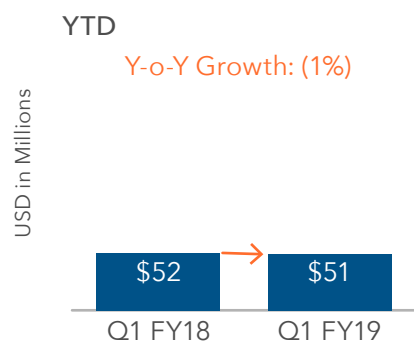


Financial Highlights

Consolidated Revenue

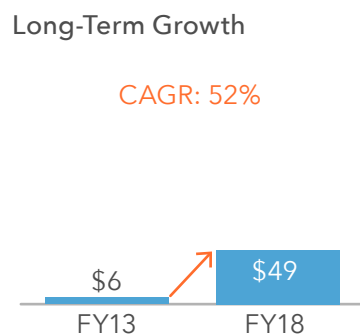
Strong revenue growth across management and advisory fees and incentive fees

Management and Advisory Fees



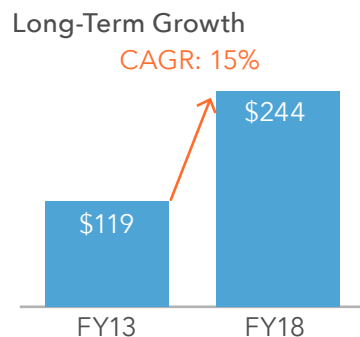
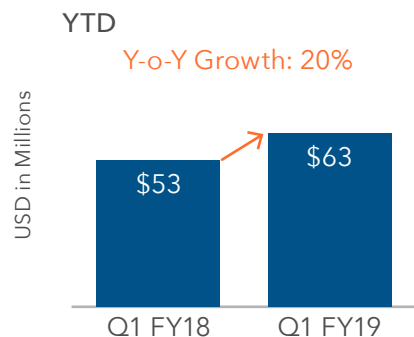
- Represented an average of 90% of total revenues over the past five fiscal years
- Y-o-Y decline of 1% due to \$5.8M in retroactive fees from our latest secondary fund in the prior year period

Incentive Fees



- Incentive fees derived from a highly diversified pool of assets and funds
- Allocated carried interest of \$293M as of 6/30/18 diversified across +3,000 assets and +50 funds
- Y-o-Y growth in incentive fees driven by \$5.2M recognition of carried interest from Co-Investment Fund II and \$6.7M from customized separate accounts
- \$2.5M of deferred carried interest from Co-Investment Fund II recognized in Q1 FY19

Total Revenues

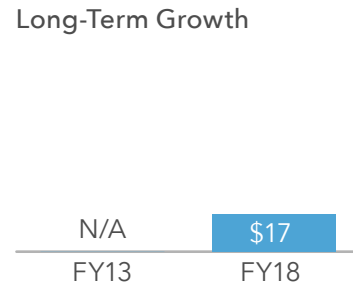
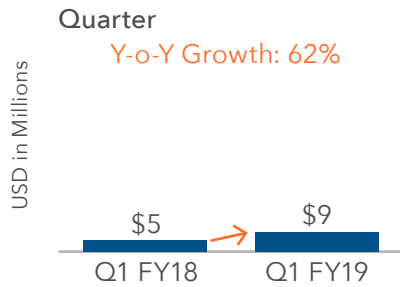


- Total revenues increased by 20%, driven by incentive fee growth and recurring management and advisory fee growth across core offerings

Consolidated Earnings

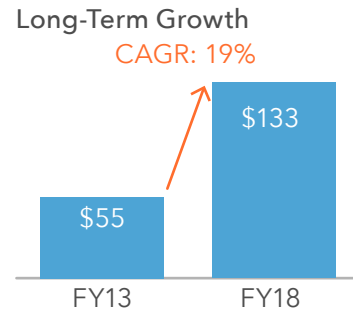
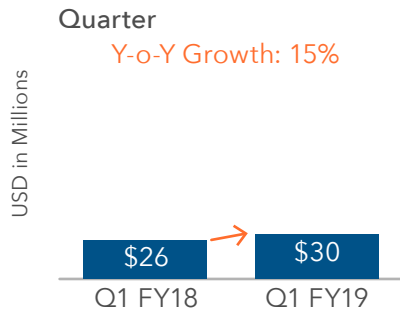
Profitability stable and growing

Net Income Attributable to HLI



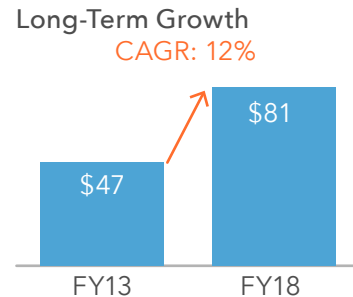
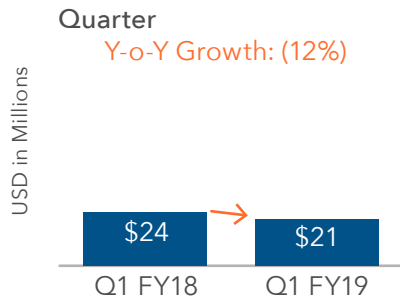
- Y-o-Y growth of 62%
- \$9M in net income attributable to HLI for the quarter

Adjusted EBITDA¹



- Y-o-Y growth of 15%
- Margins decreased Y-o-Y due to retroactive fees in the prior year period

Fee Related Earnings¹

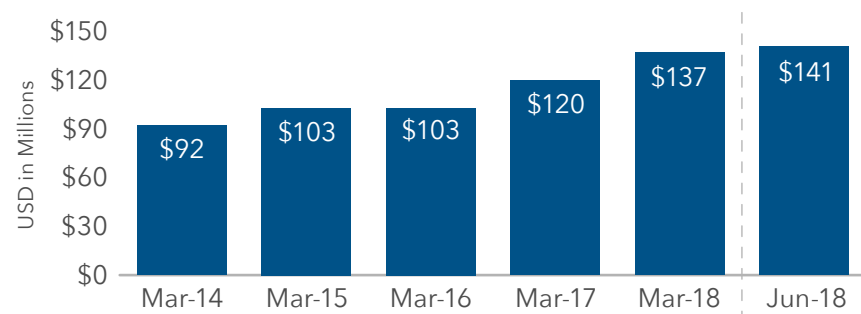


- Y-o-Y decrease of 12% due to retroactive fees in the prior year period
- Long-term double digit growth in Fee Related Earnings

¹ Adjusted EBITDA and Fee Related-Earnings are non-GAAP financial measures. For a reconciliation from GAAP financial measures to non-GAAP financial measures, see pages 14 and 20 of this presentation.

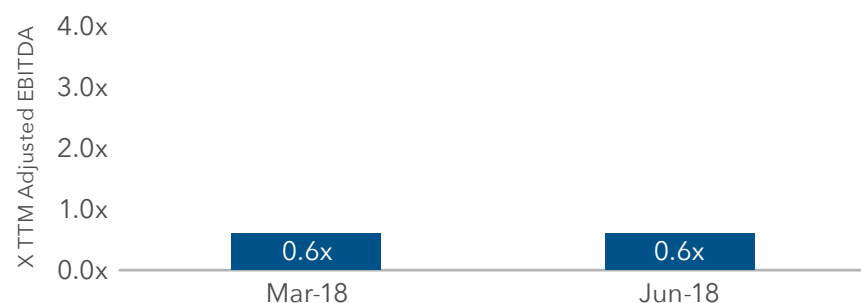
Strong balance sheet with investments in our own products and a modest amount of leverage...

Investments



- Vast majority of our investments are those made alongside our clients
- For 6/30/18, the total investment balance consisted of ~\$124M in equity method investments in our funds and ~\$17M in technology-related investments

Gross Leverage Profile¹



- Principal amount of debt outstanding of \$84.0M as of 6/30/18

¹ Ratio of principal amount of debt outstanding to trailing twelve months Adjusted EBITDA. See page 21 for additional detail on calculation of gross leverage ratio.



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Appendix



Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2017	March 31, 2018	June 30, 2018		
<i>(Dollars in thousands except share and per share amounts)</i>					
Revenues					
Management and advisory fees	\$51,684	\$48,704	\$50,979	(1%)	5%
Incentive fees	1,017	28,905	12,383	1,118%	(57%)
Total revenues	52,701	77,609	63,362	20%	(18%)
Expenses					
Compensation and benefits	19,962	22,621	26,622	33%	18%
General, administrative and other	8,458	10,626	11,048	31%	4%
Total expenses	28,420	33,247	37,670	33%	13%
Other income (expense)					
Equity in income (loss) of investees	5,919	4,036	(114)	(102%)	(103%)
Interest expense	(1,106)	(707)	(765)	(31%)	8%
Interest income	316	56	42	(87%)	(25%)
Other non-operating (loss) income	(106)	867	(135)	27%	(116%)
Total other income (expense)	5,023	4,252	(972)	(119%)	(123%)
Income before income taxes	29,304	48,614	24,720	(16%)	(49%)
Income tax expense	3,692	3,996	1,617	(56%)	(60%)
Net income	25,612	44,618	23,103	(10%)	(48%)
Less: Income (loss) attributable to non-controlling interests in general partnerships	898	698	(120)	(113%)	(117%)
Less: Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,250	30,422	14,378	(25%)	(53%)
Net income attributable to Hamilton Lane Incorporated	\$5,464	\$13,498	\$8,845	62%	(34%)
Basic earnings per share of Class A common stock	\$0.30	\$0.69	\$0.40	33%	(42%)
Diluted earnings per share of Class A common stock	\$0.30	\$0.68	\$0.39	30%	(43%)
Weighted-average shares of Class A common stock outstanding - basic	17,981,601	19,504,124	22,248,547		
Weighted-average shares of Class A common stock outstanding - diluted	18,459,415	20,216,258	22,773,487		

Non-GAAP Financial Measures

(Dollars in thousands except share and per share amounts)	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2017	March 31, 2018	June 30, 2018		
Adjusted EBITDA					
Management and advisory fees	\$51,684	\$48,704	\$50,979	(1%)	5%
Total expenses	28,420	33,247	37,670	33%	13%
Less:					
Incentive fee related compensation ¹	(499)	(1,165)	(4,727)	847%	306%
Contingent compensation related to acquisition	-	(2,201)	(2,773)	N/A	26%
Management fee related expenses	27,921	29,881	30,170	8%	1%
Fee Related Earnings	\$23,763	\$18,823	\$20,809	(12%)	11%
Incentive fees ²	1,017	28,905	12,383	1,118%	(57%)
Incentive fees attributable to non-controlling interests ²	-	(895)	(211)	N/A	(76%)
Incentive fee related compensation ¹	(499)	(1,165)	(4,727)	847%	306%
Interest income	316	56	42	(87%)	(25%)
Equity-based compensation	1,416	1,272	1,587	12%	25%
Depreciation and amortization	437	495	510	17%	3%
Adjusted EBITDA	\$26,450	\$47,491	\$30,393	15%	(36%)
Adjusted EBITDA margin	50%	61%	48%	(2%)	(12%)
Non-GAAP earnings per share reconciliation					
Net income attributable to Hamilton Lane Incorporated	\$5,464	\$13,498	\$8,845		
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,250	30,422	14,378		
Income tax expense	3,692	3,996	1,617		
Impact of Tax Act on TRA liability ³	-	(778)	-		
Contingent compensation related to acquisition	-	2,201	2,773		
Adjusted pre-tax net income	28,406	49,339	27,613	(3%)	(44%)
Adjusted income taxes ⁴	(11,431)	(18,247)	(7,458)	(35%)	(59%)
Adjusted net income	\$16,975	\$31,092	\$20,155	19%	(35%)
Adjusted shares outstanding⁵	52,898,084	53,334,091	53,377,470		
Non-GAAP earnings per share	\$0.32	\$0.58	\$0.38	19%	(34%)

¹ Incentive fee related compensation includes incentive fee compensation expense, bonus and other revenue sharing related to carried interest that is classified as base compensation. Incentive fee related compensation for the three months ended June 30, 2018 excludes compensation expense related to the \$2.5 million recognition of incentive fees included in net income from one of our co-investment funds during the period as the related incentive fee compensation was recognized in fiscal 2016.

² Incentive fees for the three months ended June 30, 2018 include \$2.7 million of non-cash carry. Of the \$2.7 million, \$2.5 million is included in net income and \$0.2 million is attributable to non-controlling interests.

³ Represents change in payable to related parties pursuant to the TRA as a result of being re-measured due to the tax rate change. The change in liability was recorded to other non-operating income in the Condensed Consolidated Statements of Income.

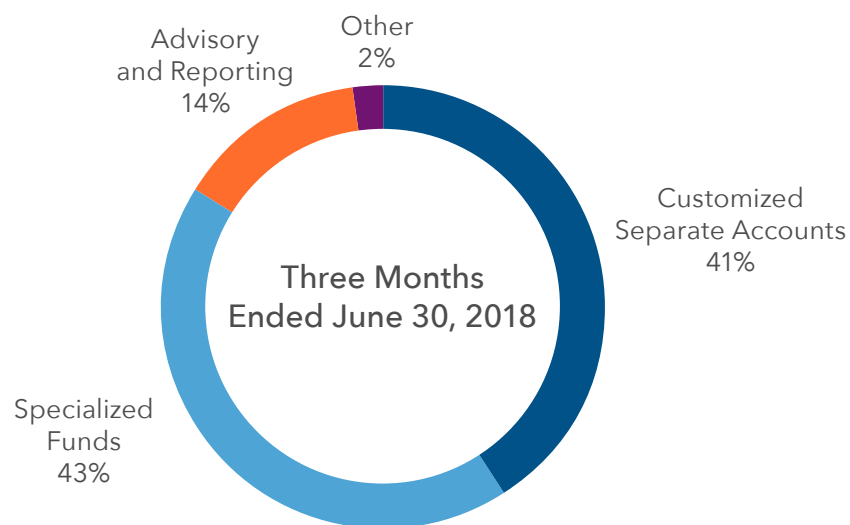
⁴ Represents corporate income taxes at our estimated statutory tax rate of 27.01% for the three month period ended June 30, 2018 and 40.24% for the three month period ended June 30, 2017 applied to adjusted pre-tax net income. The 27.01% is based on a federal tax statutory rate of 21.00% and a combined state income tax rate net of federal benefits of 6.01%. The 40.24% was based on a federal tax statutory rate of 35.00% and a combined state income tax rate net of federal benefits of 5.24%.

⁵ Assumes the full exchange of Class B and Class C units in HLA for Class A common stock of HLI pursuant to the exchange agreement.

Management and Advisory Fees

(Dollars in thousands)

	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2017	March 31, 2018	June 30, 2018		
Management and advisory fees					
Customized separate accounts	\$18,784	\$20,891	\$20,387	9%	(2%)
Specialized funds	25,206	19,569	21,015	(17%)	7%
Advisory and reporting	6,650	7,401	8,159	23%	10%
Distribution management	1,044	843	1,088	4%	29%
Fund reimbursement revenue	-	-	330	N/A	N/A
Total management and advisory fees	\$51,684	\$48,704	\$50,979	(1%)	5%



Incentive Fees

(Dollars in thousands)

	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2017	March 31, 2018	June 30, 2018		
Incentive fees					
Secondary Fund II	\$638	\$-	\$441	(31%)	N/A
Co-investment Fund II	-	26,072	5,158	N/A	(80%)
Other specialized funds	(40)	150	126	N/A	(16%)
Customized separate accounts	419	2,683	6,658	1,489%	148%
Incentive fees	\$1,017	\$28,905	\$12,383	1,118%	(57%)

	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2017	March 31, 2018	June 30, 2018		
Allocated carried interest					
Secondary Fund II	\$7,513	\$6,305	\$5,798	(23%)	(8%)
Secondary Fund III	30,306	36,335	36,592	21%	1%
Secondary Fund IV	4,730	16,818	20,778	339%	24%
Co-investment Fund I	1,050	-	-	(100%)	N/A
Co-investment Fund II	106,208	68,431	61,327	(42%)	(10%)
Co-investment Fund III	20,031	35,635	32,924	64%	(8%)
Other specialized funds	18,614	32,520	33,391	79%	3%
Customized separate accounts	77,922	107,722	102,083	31%	(5%)
Total allocated carried interest	\$266,374	\$303,766	\$292,893	10%	(4%)

Assets Under Management

<i>(Dollars in millions)</i>	June 30, 2017	March 31, 2018	June 30, 2018	YoY % Change	QoQ % Change
Assets under management / advisement					
Assets under management	\$45,788	\$53,679	\$56,684	24%	6%
Assets under advisement	313,652	396,837	414,796	32%	5%
Total assets under management / advisement	\$359,440	\$450,516	\$471,480	31%	5%
Fee-earning assets under management					
Customized separate accounts					
Balance, beginning of period	\$18,028	\$20,383	\$20,931	16%	3%
Contributions	997	2,267	1,073	8%	(53%)
Distributions	(754)	(1,691)	(1,863)	147%	10%
Foreign exchange, market value and other	(85)	(28)	68	N/A	N/A
Balance, end of period	\$18,186	\$20,931	\$20,209	11%	(3%)
Specialized funds					
Balance, beginning of period	\$8,793	\$9,274	\$9,758	11%	5%
Contributions	759	925	746	(2%)	(19%)
Distributions	(113)	(443)	(166)	47%	(63%)
Foreign exchange, market value and other	(2)	2	(5)	150%	(350%)
Balance, end of period	\$9,437	\$9,758	\$10,333	9%	6%
Total					
Balance, beginning of period	\$26,821	\$29,657	\$30,689	14%	3%
Contributions	1,756	3,192	1,819	4%	(43%)
Distributions	(867)	(2,134)	(2,029)	134%	(5%)
Foreign exchange, market value and other	(87)	(26)	63	N/A	N/A
Balance, end of period	\$27,623	\$30,689	\$30,542	11%	(0%)

Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in thousands except share and per share amounts)

	March 31, 2018	June 30, 2018
Assets		
Cash and cash equivalents	\$47,596	\$53,641
Restricted cash	1,787	1,801
Fees receivable	14,924	16,710
Prepaid expenses	2,301	3,153
Due from related parties	3,236	1,963
Furniture, fixtures and equipment, net	4,782	5,800
Investments	137,253	141,164
Deferred income taxes	73,381	72,798
Other assets	8,535	9,705
Total assets	\$293,795	\$306,735
Liabilities and Equity		
Accounts payable	\$1,700	\$405
Accrued compensation and benefits	8,092	21,786
Deferred incentive fee revenue	6,245	3,704
Debt	84,162	83,707
Accrued members' distributions	11,837	4,618
Payable to related parties pursuant to tax receivable agreement	34,133	34,335
Accrued dividends	3,893	4,729
Other liabilities	7,659	8,526
Total liabilities	157,721	161,810
Preferred stock, \$0.001 par value, 10,000,000 authorized, none issued	-	-
Class A common stock, \$0.001 par value, 300,000,000 authorized; 23,127,291 and 23,139,476 issued and outstanding as of June 30, 2018 and March 31, 2018, respectively	22	22
Class B common stock, \$0.001 par value, 50,000,000 authorized; 25,700,068 issued and outstanding as of June 30, 2018 and March 31, 2018, respectively	26	26
Additional paid-in-capital	73,829	74,802
Retained earnings	4,549	8,685
Total Hamilton Lane Incorporated stockholders' equity	78,426	83,535
Non-controlling interests in general partnerships	7,266	6,709
Non-controlling interests in Hamilton Lane Advisors, L.L.C.	50,382	54,681
Total equity	136,074	144,925
Total liabilities and equity	\$293,795	\$306,735

Condensed Consolidated Statements of Cash Flows (Unaudited)

<i>(Dollars in thousands)</i>	Three Months Ended	
	June 30, 2017	June 30, 2018
Operating activities		
Net income	\$25,612	\$23,103
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	437	510
Change in deferred income taxes	1,903	583
Change in payable to related parties pursuant to tax receivable agreement	-	202
Amortization of deferred financing costs	85	14
Equity-based compensation	1,416	1,587
Equity in loss (income) of investees	(5,919)	114
Proceeds received from investments	5,176	2,679
Changes in operating assets and liabilities	347	9,006
Other	129	66
Net cash provided by operating activities	29,186	37,864
Investing activities		
Purchase of furniture, fixtures and equipment	(388)	(1,413)
Distributions received from investments	3,465	1,960
Contributions to investments	(6,589)	(8,641)
Net cash used in investing activities	(3,512)	(8,094)
Financing activities		
Repayments of debt	(650)	(469)
Contributions from non-controlling interest in general partnerships	40	17
Distributions to non-controlling interest in general partnerships	(1,134)	(454)
Repurchase of Class A shares for employee tax withholding	(663)	(150)
Proceeds received from option exercises	313	-
Dividends paid	-	(3,893)
Members' distributions	(9,387)	(18,762)
Net cash used in financing activities	(11,481)	(23,711)
Increase in cash, cash equivalents, and restricted cash	14,193	6,059
Cash, cash equivalents, and restricted cash at beginning of the period	34,135	49,383
Cash, cash equivalents, and restricted cash at end of the period	\$48,328	\$55,442

Non-GAAP Reconciliation

Reconciliation from Net Income

(Dollars in thousands)

	Three Months Ended		
	June 30, 2017	March 31, 2018	June 30, 2018
Net income attributable to Hamilton Lane Incorporated	\$5,464	\$13,498	\$8,845
Income (loss) attributable to non-controlling interests in general partnerships	898	698	(120)
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,250	30,422	14,378
Incentive fees ¹	(1,017)	(28,905)	(12,383)
Incentive fee related compensation ²	499	1,165	4,727
Interest income	(316)	(56)	(42)
Interest expense	1,106	707	765
Income tax expense	3,692	3,996	1,617
Equity in (income) loss of investees	(5,919)	(4,036)	114
Contingent compensation related to acquisition	-	2,201	2,773
Other non-operating loss (income)	106	(867)	135
Fee Related Earnings	\$23,763	\$18,823	\$20,809
Depreciation and amortization	437	495	510
Equity-based compensation	1,416	1,272	1,587
Incentive fees ¹	1,017	28,905	12,383
Incentive fees attributable to non-controlling interests ¹	-	(895)	(211)
Incentive fee related compensation ²	(499)	(1,165)	(4,727)
Interest income	316	56	42
Adjusted EBITDA	\$26,450	\$47,491	\$30,393
Non-GAAP earnings per share reconciliation			
Net income attributable to Hamilton Lane Incorporated	\$5,464	\$13,498	\$8,845
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	19,250	30,422	14,378
Income tax expense	3,692	3,996	1,617
Impact of Tax Act on TRA liability ³	-	(778)	-
Contingent compensation related to acquisition	-	2,201	2,773
Adjusted pre-tax net income	28,406	49,339	27,613
Adjusted income taxes ⁴	(11,431)	(18,247)	(7,458)
Adjusted net income	\$16,975	\$31,092	\$20,155
Weighted-average shares of Class A common stock outstanding	18,459,415	20,216,258	22,773,487
Exchange of Class B and Class C units in HLA ⁵	34,438,669	33,117,833	30,603,983
Adjusted shares outstanding	52,898,084	53,334,091	53,377,470
Non-GAAP earnings per share	\$0.32	\$0.58	\$0.38

¹ Incentive fees for the three months ended June 30, 2018 include \$2.7 million of non-cash carry. Of the \$2.7 million, \$2.5 million is included in net income and \$0.2 million is attributable to non-controlling interests.

² Incentive fee related compensation includes incentive fee compensation expense, bonus and other revenue sharing related to carried interest that is classified as base compensation. Incentive fee related compensation for the three months ended June 30, 2018 excludes compensation expense related to the \$2.5 million recognition of incentive fees included in net income from one of our co-investment funds during the period as the related incentive fee compensation was recognized in fiscal 2016.

³ Represents change in payable to related parties pursuant to the TRA as a result of being re-measured due to the tax rate change. The change in liability was recorded to other non-operating income in the Condensed Consolidated Statements of Income.

⁴ Represents corporate income taxes at our estimated statutory tax rate of 27.01% for the three month period ended June 30, 2018 and 40.24% for the three month period ended June 30, 2017 applied to adjusted pre-tax net income. The 27.01% is based on a federal tax statutory rate of 21.00% and a combined state income tax rate net of federal benefits of 6.01%. The 40.24% was based on a federal tax statutory rate of 35.00% and a combined state income tax rate net of federal benefits of 5.24%.

⁵ Assumes the full exchange of Class B and Class C units in HLA for Class A common stock of HLI pursuant to the exchange agreement.

Gross Leverage Ratio

<i>(Dollars in thousands)</i>	Twelve Months Ended	
	March 31, 2018	June 30, 2018
Principal amount of debt outstanding	\$84,513	\$84,044
Adjusted EBITDA	132,586	136,529
Gross leverage ratio	0.6x	0.6x

Adjusted EBITDA is used to measure our profitability including carried interest. 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) other non-operating income and (f) certain other significant items that we believe are not indicative of our core performance.

Fee Related Earnings ("FRE") is used to highlight our 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) other non-operating income 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. We believe Non-GAAP earnings per share is useful to investors because it enables them to better evaluate per-share operating performance across reporting periods.

Our **assets under management ("AUM")** comprise primarily the assets associated with our customized separate accounts and specialized funds. 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, legal negotiations, 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, or fee-earning AUM, 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. 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. Substantially all 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 (or "**HLI**") was incorporated in the State of Delaware on December 31, 2007. The Company was formed for the purpose of completing an initial public offering ("**IPO**") and related transactions ("**Reorganization**") in order to carry on the business of Hamilton Lane Advisors, L.L.C. ("**HLA**") as a publicly-traded entity. As of March 6, 2017, HLI became the sole managing member of HLA.

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” and similar expressions are used 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, risk, 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 consummate planned acquisitions and successfully integrate the acquired businesses with ours; our ability to manage our obligations under our debt agreements; defaults by clients and third-party investors on their obligations to us; our ability to comply with investment guidelines set by our clients; 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, 2018, and in our subsequent reports filed from time to time with the Securities and Exchange Commission. 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.