

# Fiscal Year 2022 First Quarter Results

Earnings Presentation - August 3, 2021

# Today's Speakers

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**Mario Giannini**  
Chief Executive Officer

**Erik Hirsch**  
Vice Chairman

**Atul Varma**  
Chief Financial Officer

**John Oh**  
Investor Relations Manager

## Business Performance

- Assets under management and fee-earning assets under management were \$92 billion and \$43 billion, respectively, as of June 30, 2021, increases of 34% and 10%, respectively, compared to June 30, 2020
- Management and advisory fees increased 10% compared to the three months ended June 30, 2020

## Financial Results

*USD in millions except per share amounts*

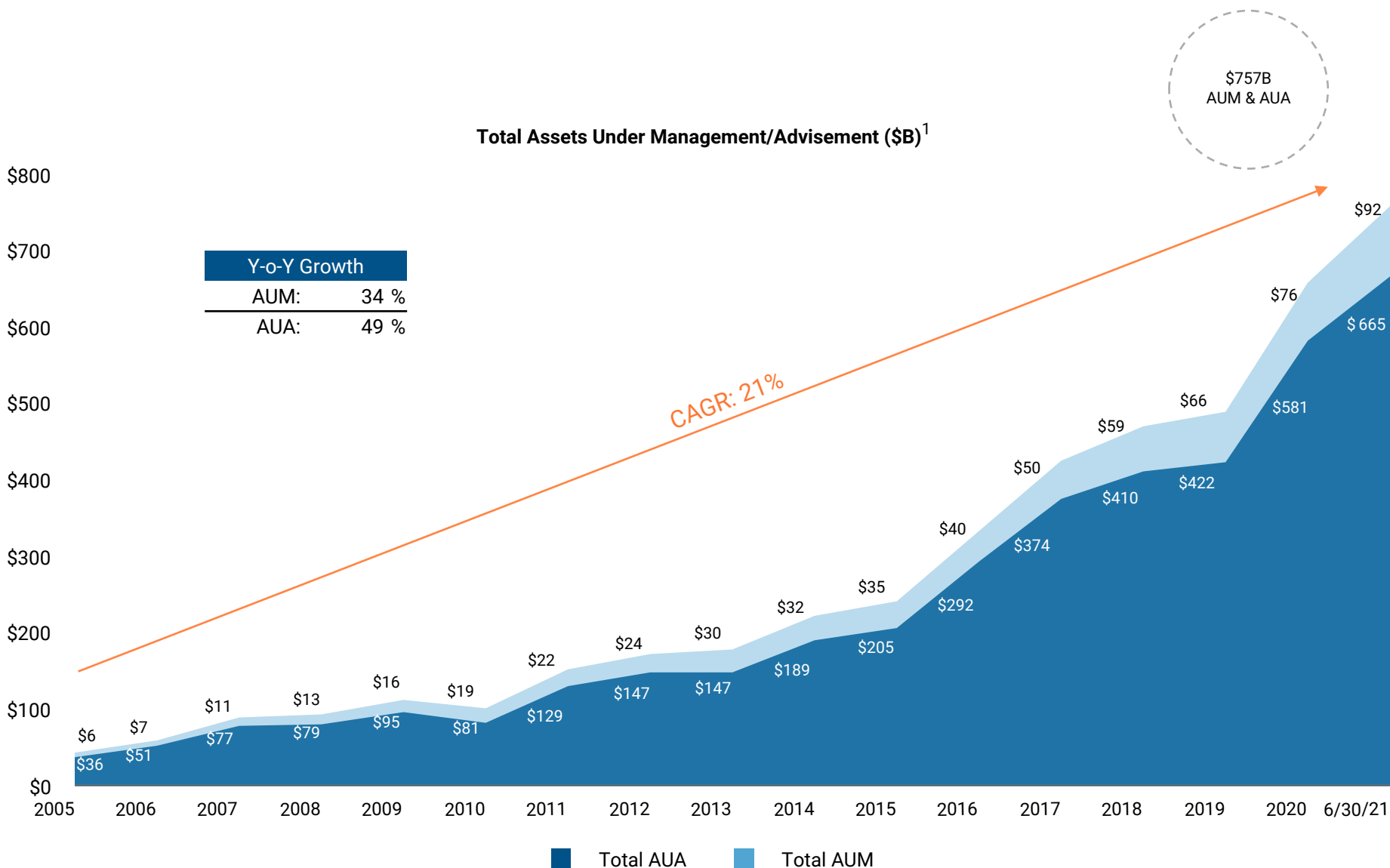
	Q1 FY22	vs. Q1 FY21	vs. Q4 FY21
Management and advisory fees	\$73.9	10 %	(8)%
GAAP net income	\$28.2	768 %	(29)%
GAAP EPS	\$0.78	609 %	(22)%
Non-GAAP EPS <sup>1</sup>	\$0.84	546 %	(12)%
Fee Related Earnings <sup>1</sup>	\$33.4	21 %	(8)%
Adjusted EBITDA <sup>1</sup>	\$40.2	27 %	(20)%

## Dividend

- Declared a quarterly dividend of \$0.35 per share of Class A common stock to record holders at the close of business on September 15, 2021

<sup>1</sup>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 21 and 22 of this presentation.

# Growing Asset Footprint & Influence

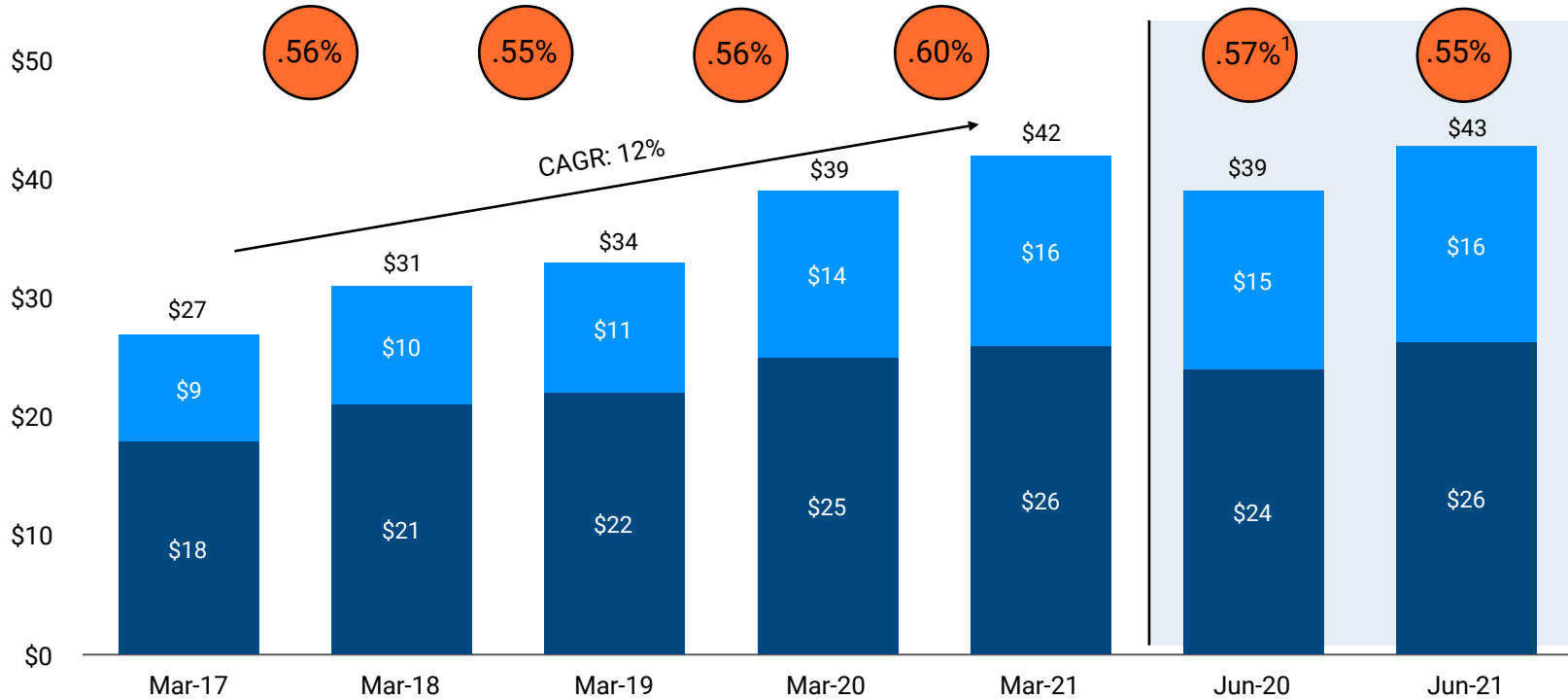


<sup>1</sup>Data as of calendar year end 12/31 unless otherwise noted. Numbers may not tie due to rounding.

# 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  
<sup>1</sup>Reflects retroactive fees of \$3.8M from latest secondary fund

- Customized Separate Accounts
- Specialized Funds
- Total Management Fee Revenues as a % of Average FEAUM

### Y-o-Y Drivers of Growth

#### Customized Separate Accounts:

- New client wins
- Client re-ups

#### Specialized Funds:

- Closed 5th secondary fund and 6th credit-oriented fund
- Fundraising 5th direct equity fund, 7th credit-oriented fund and evergreen funds

## AUM

### Customized Separate Accounts



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

- \$2.1B 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:

- Direct equity fund
  - Credit-oriented fund
  - Evergreen fund
- \$1.7B year-over-year increase in FEAUM
  - Closings during Q1 FY22:
    - Direct equity fund: \$223M

## AUA

### Advisory Services



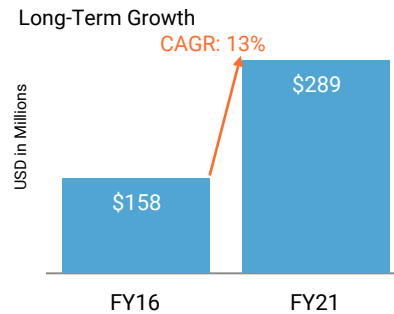
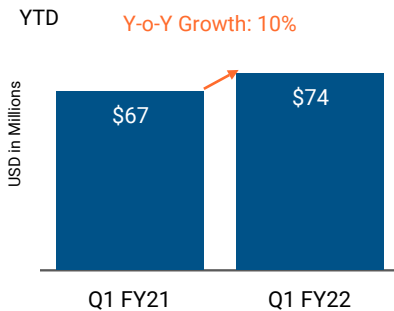
Typically larger clients with wide-ranging mandates which include technology-driven reporting, monitoring and analytics services and consulting services; opportunity set continues to be robust

- \$218B year-over-year increase in AUA

# Financial Highlights

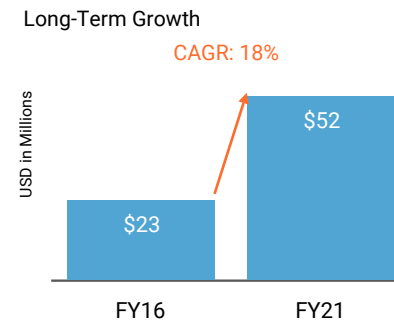
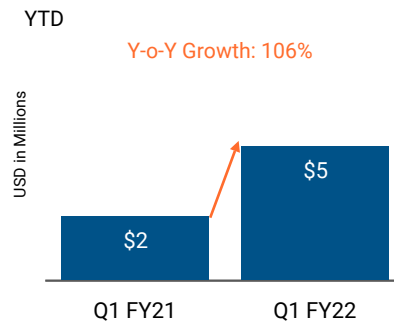
## Strong revenue growth across management and advisory fees

### Management and Advisory Fees



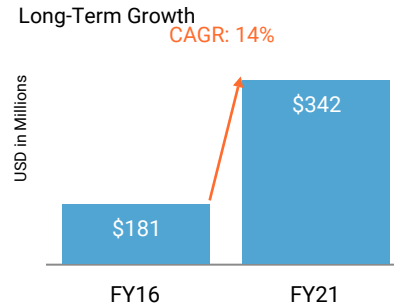
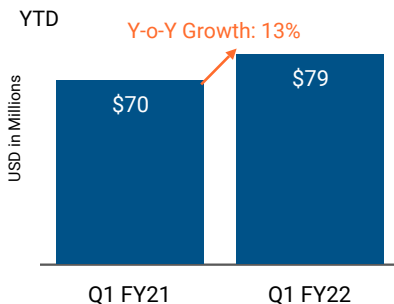
- Recurring management and advisory fees represented an average of just under 90% of total revenues over the past five fiscal years
- Y-o-Y increase of 10%

### Incentive Fees



- Incentive fees derived from a highly diversified pool of assets and funds
- Unrealized carried interest of \$809M as of 6/30/21 diversified across 3,000+ assets and over 80 funds
- Timing of realizations unpredictable

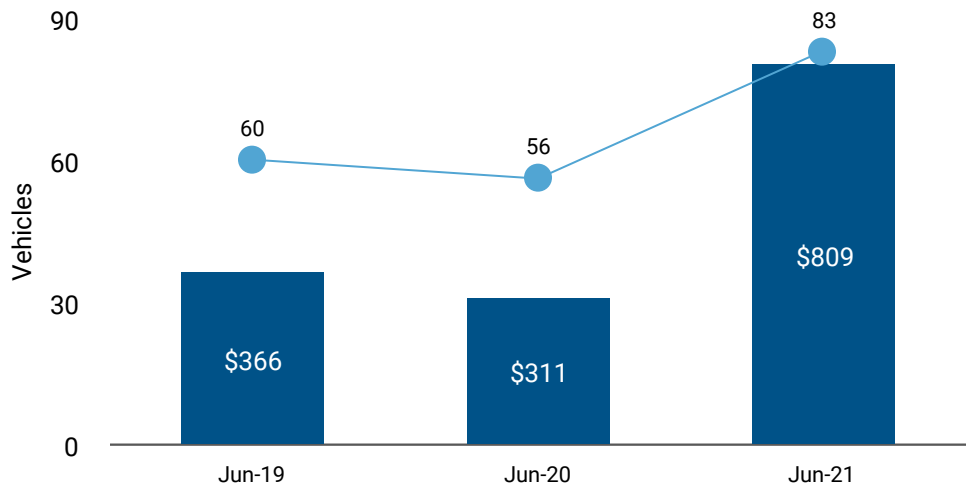
### Total Revenues



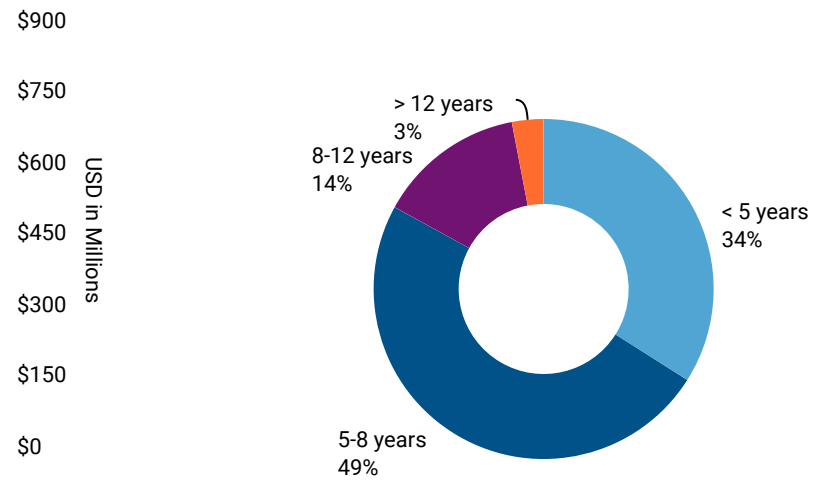
- Total revenues increased by 13%, driven by recurring management and advisory fee growth across core offerings



## Unrealized Carried Interest



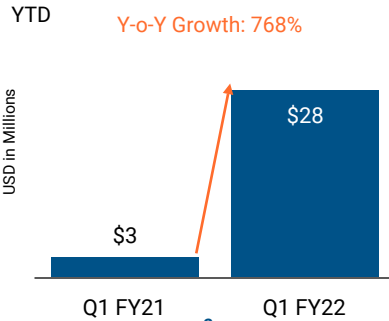
## Unrealized Carry by Age



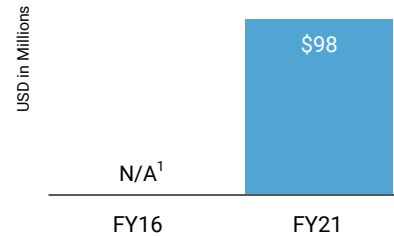
■ Unrealized Carried Interest    ● Vehicles in Unrealized Carry Position

## Profitability stable and growing

### Net Income Attributable to HLI

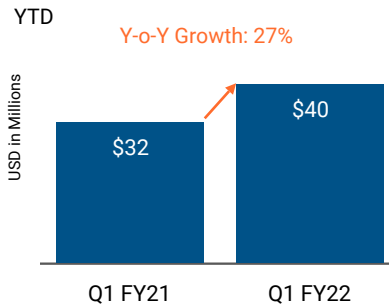


### Long-Term Growth

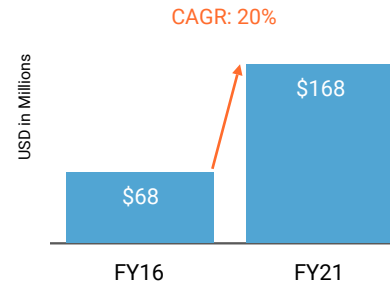


- \$28M in net income attributable to HLI for the quarter

### Adjusted EBITDA<sup>2</sup>

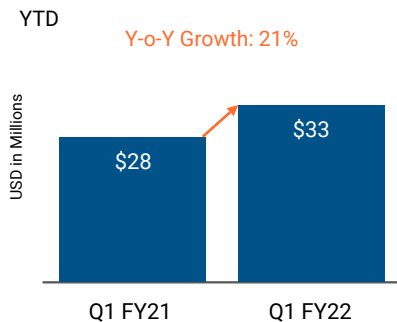


### Long-Term Growth

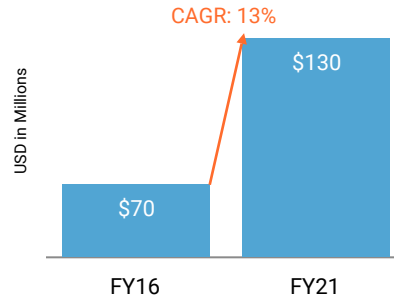


- Y-o-Y increase of 27% driven by growth in both management and advisory fees and incentive fees

### Fee Related Earnings<sup>2</sup>



### Long-Term Growth



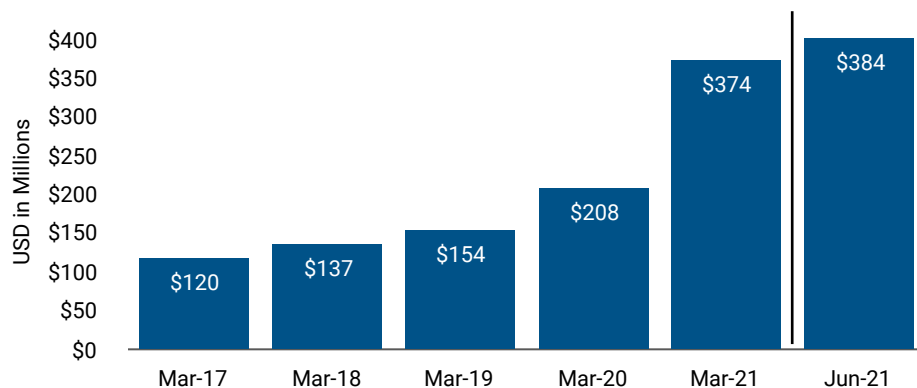
- Y-o-Y growth of 21%
- Long-term double digit growth in Fee Related Earnings

<sup>1</sup>Prior to our IPO, HLI was a wholly-owned subsidiary of HLA with no operations or assets.

<sup>2</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 21 and 22 of this presentation.

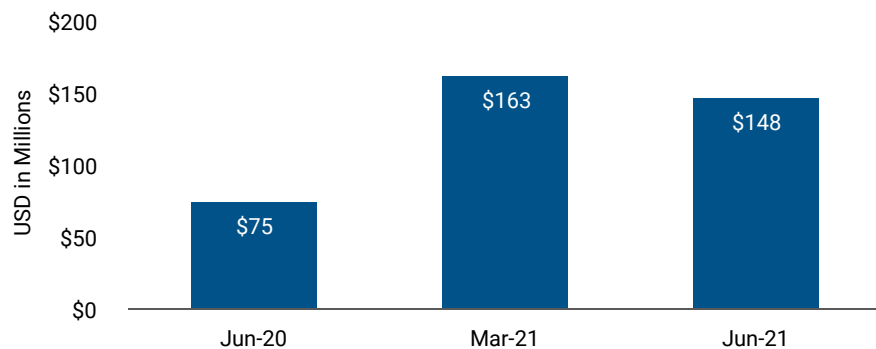
Strong balance sheet with investments in our own products and a modest amount of leverage...

## Investments



- For 6/30/21, the total investment balance consisted of:
  - ~\$265M in equity method investments in our funds
  - ~\$119M in technology related and other investments

## Leverage



- Modest leverage
- \$148M of debt as of 6/30/21



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# Appendix

# Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended				
	June 30, 2020	March 31, 2021	June 30, 2021	YoY Change %	QoQ Change %
<i>(Dollars in thousands except share and per share amounts)</i>					
Management and advisory fees	\$67,267	\$80,531	\$73,884	10 %	(8)%
Incentive fees	2,244	18,622	2,364	5 %	(87)%
Consolidated variable interest entities related:					
Incentive fees	233	3,724	2,747	1,079 %	(26)%
<b>Total revenues</b>	<b>69,744</b>	<b>102,877</b>	<b>78,995</b>	<b>13 %</b>	<b>(23)%</b>
Compensation and benefits	30,351	42,405	26,732	(12)%	(37)%
General, administrative and other	10,560	14,232	16,154	53 %	14 %
Consolidated variable interest entities related:					
General, administrative and other	–	378	359	N/A	(5)%
<b>Total expenses</b>	<b>40,911</b>	<b>57,015</b>	<b>43,245</b>	<b>6 %</b>	<b>(24)%</b>
Equity in (loss) income of investees	(17,045)	21,452	20,049	N/A	(7)%
Interest expense	(487)	(596)	(1,165)	139 %	95 %
Interest income	24	901	423	1,663 %	(53)%
Non-operating (expense) income	(275)	(935)	3,603	N/A	N/A
Consolidated variable interest entities related:					
Equity in (loss) income of investees	(4,158)	115	229	N/A	99 %
Unrealized gains (loss)	–	2,141	(2,244)	N/A	(205)%
Interest expense	–	(459)	–	N/A	N/A
<b>Total other income (expense)</b>	<b>(21,941)</b>	<b>22,619</b>	<b>20,895</b>	<b>N/A</b>	<b>(8)%</b>
<b>Income before income taxes</b>	<b>6,892</b>	<b>68,481</b>	<b>56,645</b>	<b>722 %</b>	<b>(17)%</b>
Income tax expense	1,924	3,895	11,964	522 %	207 %
<b>Net income</b>	<b>4,968</b>	<b>64,586</b>	<b>44,681</b>	<b>799 %</b>	<b>(31)%</b>
Less: (Loss) income attributable to non-controlling interests in general partnerships	(2,010)	96	213	N/A	122 %
Less: Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	3,732	23,437	19,296	417 %	(18)%
Less: Income (loss) attributable to redeemable non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	–	1,293	(2,996)	N/A	(332)%
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$3,246</b>	<b>\$39,760</b>	<b>\$28,168</b>	<b>768 %</b>	<b>(29)%</b>
Basic earnings per share of Class A common stock	\$0.11	\$1.01	\$0.78	609 %	(23)%
Diluted earnings per share of Class A Common stock	\$0.11	\$1.00	\$0.78	609 %	(22)%
Weighted-average shares of Class A common stock outstanding - basic	30,237,450	34,938,487	36,003,089		
Weighted-average shares of Class A common stock outstanding - diluted	30,440,152	35,185,882	36,128,994		

# Non-GAAP Financial Measures

	Three Months Ended			YoY Change %	QoQ Change %
	June 30, 2020	March 31, 2021	June 30, 2021		
<i>(Dollars in thousands except share and per share amounts)</i>					
<b>Adjusted EBITDA<sup>1</sup></b>					
Management and advisory fees	\$67,267	\$80,531	\$73,884	10 %	(8)%
Total expenses	40,911	57,015	43,245	6 %	(24)%
Less:					
Incentive fee related compensation <sup>2</sup>	(1,173)	(10,610)	(2,383)	103 %	(78)%
SPAC related compensation	—	(1,686)	—	N/A	N/A
SPAC related general, administrative and other expenses	—	(378)	(359)	N/A	(5)%
Management fee related expenses	39,738	44,341	40,503	2 %	(9)%
<b>Fee Related Earnings</b>	<b>\$27,529</b>	<b>\$36,191</b>	<b>\$33,381</b>	<b>21 %</b>	<b>(8)%</b>
<b>Fee Related Earnings Margin</b>	<b>41 %</b>	<b>45 %</b>	<b>45 %</b>		
Incentive fees	2,477	22,346	5,111	106 %	(77)%
Incentive fees attributable to non-controlling interests	(8)	(21)	(95)	1,088 %	352 %
Incentive fee related compensation <sup>2</sup>	(1,173)	(10,610)	(2,383)	103 %	(78)%
SPAC related compensation	—	(1,686)	—	N/A	N/A
Interest income	24	901	423	1,663 %	(53)%
Equity-based compensation	1,748	1,769	2,341	34 %	32 %
Depreciation and amortization	1,004	1,152	1,378	37 %	20 %
<b>Adjusted EBITDA</b>	<b>\$31,601</b>	<b>\$50,042</b>	<b>\$40,156</b>	<b>27 %</b>	<b>(20)%</b>
<b>Adjusted EBITDA Margin</b>	<b>45 %</b>	<b>49 %</b>	<b>51 %</b>		
<b>Non-GAAP earnings per share<sup>1</sup></b>					
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$3,246</b>	<b>\$39,760</b>	<b>\$28,168</b>	<b>768 %</b>	<b>(29)%</b>
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	3,732	23,437	19,296	417 %	(18)%
Income tax expense	1,924	3,895	11,964	522 %	207 %
<b>Adjusted pre-tax net income</b>	<b>8,902</b>	<b>67,092</b>	<b>59,428</b>	<b>568 %</b>	<b>(11)%</b>
Adjusted income taxes <sup>3</sup>	(2,110)	(16,093)	(14,144)	570 %	(12)%
<b>Adjusted net income</b>	<b>\$6,792</b>	<b>\$50,999</b>	<b>\$45,284</b>	<b>567 %</b>	<b>(11)%</b>
<b>Adjusted shares outstanding<sup>4</sup></b>	<b>53,573,570</b>	<b>53,675,223</b>	<b>53,682,228</b>		
<b>Non-GAAP earnings per share</b>	<b>\$0.13</b>	<b>\$0.95</b>	<b>\$0.84</b>	<b>546 %</b>	<b>(12)%</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 21.

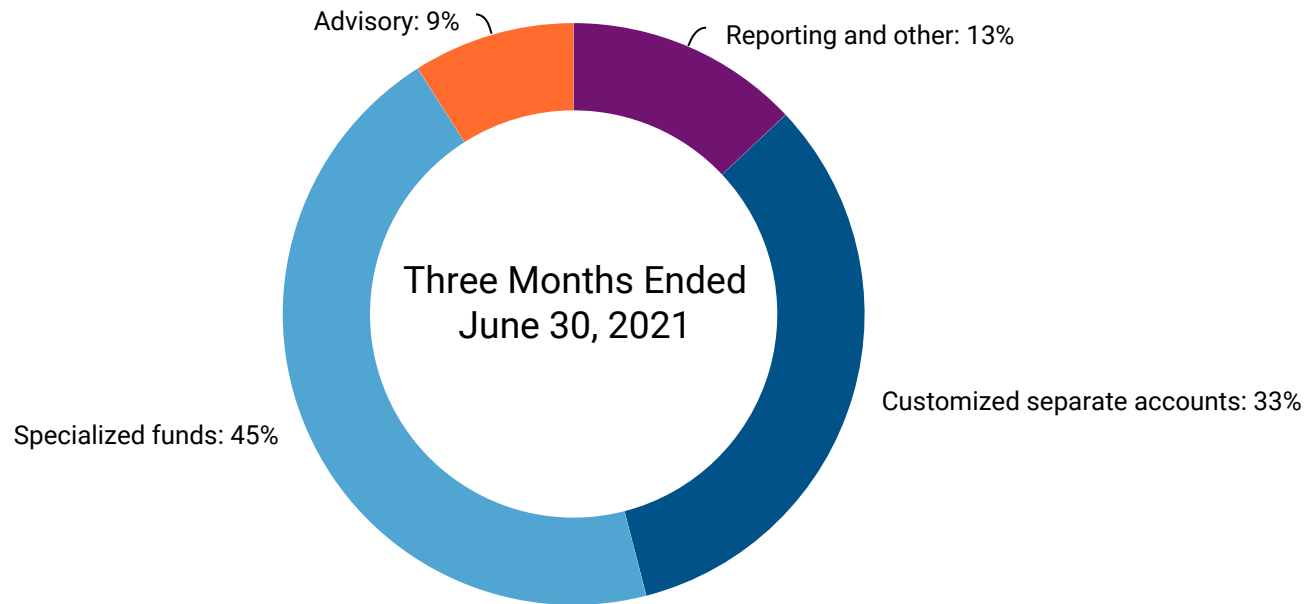
<sup>2</sup> Incentive fee related compensation includes incentive fee compensation expense and bonus related to carried interest that is classified as base compensation.

<sup>3</sup> Represents corporate income taxes at our estimated statutory tax rate of 23.8% and 23.7% for the three month periods ended June 30, 2021 and 2020, 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 23.7% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.7%.

<sup>4</sup> 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, 2020	March 31, 2021	June 30, 2021		
<b>Management and advisory fees</b>					
Specialized funds	\$32,231	\$45,920	\$33,388	4 %	(27)%
Customized separate accounts	23,515	23,363	24,500	4 %	5 %
Advisory	6,765	6,511	6,366	(6)%	(2)%
Reporting and other	2,836	3,041	5,282	86 %	74 %
Distribution management	1,727	1,410	4,121	139 %	192 %
Fund reimbursement revenue	193	286	227	18 %	(21)%
<b>Total management and advisory fees</b>	<b>\$67,267</b>	<b>\$80,531</b>	<b>\$73,884</b>	<b>10 %</b>	<b>(8)%</b>





# Incentive Fees

<i>(Dollars in thousands)</i>	Three Months Ended			YoY Change %	QoQ Change %
	June 30, 2020	March 31, 2021	June 30, 2021		
<b>Incentive fees</b>					
Secondary Fund II	\$159	\$264	\$30	(81)%	(89)%
Co-investment Fund II	233	20	2,747	1,079 %	13,635 %
Other specialized funds	1,826	9,088	1,629	(11)%	(82)%
Customized separate accounts	259	12,974	705	172 %	(95)%
<b>Incentive fees</b>	<b>\$2,477</b>	<b>\$22,346</b>	<b>\$5,111</b>	<b>106 %</b>	<b>(77)%</b>

	As of			YoY Change %	QoQ Change %
	June 30, 2020	March 31, 2021	June 30, 2021		
<b>Allocated carried interest</b>					
Secondary Fund II	\$2,832	\$1,020	\$917	(68)%	(10)%
Secondary Fund III	27,468	35,088	33,344	21 %	(5)%
Secondary Fund IV	40,304	94,056	112,965	180 %	20 %
Secondary Fund V	—	36,723	45,692	N/A	24 %
Co-investment Fund II	27,338	21,767	20,377	(25)%	(6)%
Co-investment Fund III	37,806	88,229	107,876	185 %	22 %
Co-investment Fund IV	—	37,671	73,402	N/A	95 %
Other specialized funds	60,236	125,312	148,401	146 %	18 %
Customized separate accounts	114,931	208,906	265,782	131 %	27 %
<b>Total allocated carried interest</b>	<b>\$310,915</b>	<b>\$648,772</b>	<b>\$808,756</b>	<b>160 %</b>	<b>25 %</b>

# Assets Under Management

(Dollars in millions)

	June 30, 2020	March 31, 2021	June 30, 2021	YoY Change %	QoQ Change %
<b>Assets under management / advisement</b>					
Assets under management	\$68,269	\$87,816	\$91,668	34 %	4 %
Assets under advisement	447,312	630,740	665,024	49 %	5 %
<b>Total assets under management / advisement</b>	<b>\$515,581</b>	<b>\$718,556</b>	<b>\$756,692</b>	<b>47 %</b>	<b>5 %</b>
<b>Fee-earning assets under management</b>					
<b>Customized separate accounts</b>					
<b>Balance, beginning of period</b>	\$24,545	\$25,026	\$25,664	5 %	3 %
Contributions	1,009	2,330	1,573	56 %	(32)%
Distributions	(1,110)	(1,936)	(1,007)	(9)%	(48)%
Foreign exchange, market value and other	(158)	244	147	N/A	(40)%
<b>Balance, end of period</b>	<b>\$24,286</b>	<b>\$25,664</b>	<b>\$26,377</b>	<b>9 %</b>	<b>3 %</b>
<b>Specialized funds</b>					
<b>Balance, beginning of period</b>	\$14,118	\$15,167	\$16,341	16 %	8 %
Contributions	791	1,361	936	18 %	(31)%
Distributions	(195)	(211)	(941)	383 %	346 %
Foreign exchange, market value and other	6	24	48	700 %	100 %
<b>Balance, end of period</b>	<b>\$14,720</b>	<b>\$16,341</b>	<b>\$16,384</b>	<b>11 %</b>	<b>0 %</b>
<b>Total</b>					
<b>Balance, beginning of period</b>	\$38,663	\$40,193	\$42,005	9 %	5 %
Contributions	1,800	3,691	2,509	39 %	(32)%
Distributions	(1,305)	(2,147)	(1,948)	49 %	(9)%
Foreign exchange, market value and other	(152)	268	195	N/A	(27)%
<b>Balance, end of period</b>	<b>\$39,006</b>	<b>\$42,005</b>	<b>\$42,761</b>	<b>10 %</b>	<b>2 %</b>

# Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in thousands except share and per share amounts)

	March 31, 2021	June 30, 2021
<b>Assets</b>		
Cash and cash equivalents	\$87,025	\$73,124
Restricted cash	3,041	3,048
Fees receivable	29,202	29,047
Prepaid expenses	6,143	5,998
Due from related parties	2,495	2,359
Furniture, fixtures and equipment, net	23,308	27,091
Lease right-of-use assets, net	64,384	61,916
Investments	368,836	377,988
Deferred income taxes	251,949	243,989
Other assets	17,821	31,672
Assets of consolidated variable interest entities:		
Cash and cash equivalents	311	76
Investments held in trust	276,003	276,019
Investments	4,787	5,942
Other assets	1,214	1,033
<b>Total Assets</b>	<b>\$1,136,519</b>	<b>\$1,139,302</b>
<b>Liabilities, redeemable non-controlling interests and equity</b>		
Accounts payable	\$2,173	\$3,154
Accrued compensation and benefits	29,415	31,604
Accrued members' distributions	16,877	10,733
Accrued dividend	11,201	12,600
Debt	163,175	147,648
Payable to related parties pursuant to tax receivable agreement	194,764	194,225
Lease liabilities	75,281	76,257
Other liabilities (includes \$17,381 and \$17,537 at fair value)	36,122	28,160
Liabilities of consolidated variable interest entities:		
Other liabilities	17,310	19,497
<b>Total liabilities</b>	<b>546,318</b>	<b>523,878</b>
Redeemable non-controlling interests	276,000	276,000
Total equity	314,201	339,424
<b>Total liabilities, redeemable non-controlling interests and equity</b>	<b>\$1,136,519</b>	<b>\$1,139,302</b>

# Condensed Consolidated Statements of Cash Flows (Unaudited)

	Three Months Ended	
	June 30, 2020	June 30, 2021
<i>(Dollars in thousands)</i>		
<b>Operating activities</b>		
Net income	\$4,968	\$44,681
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,004	1,378
Change in deferred income taxes	(638)	7,960
Change in payable to related parties pursuant to tax receivable agreement	—	(539)
Equity-based compensation	1,748	2,341
Equity in loss (income) of investees	17,045	(20,049)
Fair value adjustment of other investment	—	(3,455)
Proceeds received from investments	157	3,381
Non-cash lease expense	822	3,522
Other	23	(849)
Changes in operating assets and liabilities	18,168	(8,126)
Consolidated variable interest entities related	4,158	2,144
<b>Net cash provided by operating activities</b>	<b>\$47,455</b>	<b>\$32,389</b>
<b>Investing activities</b>		
Purchase of furniture, fixtures and equipment	(998)	(4,535)
Purchase of other investments	—	(298)
Cash paid for acquisition of business	—	(10,096)
Distribution from investment valued under the measurement alternative	—	12,739
Distributions received from investments	4,162	13,281
Contributions to investments	(9,238)	(15,522)
<b>Net cash used in investing activities</b>	<b>\$(6,074)</b>	<b>\$(4,431)</b>
<b>Financing activities</b>		
Proceeds from offerings	204,979	—
Purchase of membership interests	(204,979)	—
Repayments of debt	—	(469)
Repayment of revolver	—	(15,000)
Repurchase of Class B common stock	(2)	—
Repurchase of Class A shares for employee tax withholding	—	(68)
Proceeds received from issuance of shares under Employee Share Purchase Plan	339	397
Payments to related parties, pursuant to tax receivable agreement	(36)	—
Dividends paid	(8,027)	(11,201)
Other	—	(74)
Members' distributions paid	(12,429)	(15,809)
Consolidated variable interest entities related	(188)	137
<b>Net cash used in financing activities</b>	<b>\$(20,343)</b>	<b>\$(42,087)</b>
Effect of exchange rate changes on cash and cash equivalents	(10)	—
<b>Increase (decrease) in cash, cash equivalents, and restricted cash</b>	<b>21,028</b>	<b>(14,129)</b>
Cash, cash equivalents, and restricted cash at beginning of the period	53,210	90,377
<b>Cash, cash equivalents, and restricted cash at end of the period</b>	<b>\$74,238</b>	<b>\$76,248</b>

# Non-GAAP Reconciliation

## Reconciliation from Net Income

(Dollars in thousands except share and per share amounts)

	Year Ended March 31,		Three Months Ended,		
	2016	2021	June 30, 2020	March 31, 2021	June 30, 2021
<b>Net income attributable to Hamilton Lane Incorporated</b>	<b>\$0</b>	<b>\$98,022</b>	<b>\$3,246</b>	<b>\$39,760</b>	<b>\$28,168</b>
(Loss) income attributable to non-controlling interests in general partnerships	(1,255)	(250)	(2,010)	96	213
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	57,107	69,720	3,732	23,437	19,296
Income (loss) attributable to non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	—	1,293	—	1,293	(2,996)
Incentive fees	(23,167)	(52,191)	(2,477)	(22,346)	(5,111)
Incentive fee related compensation <sup>1</sup>	31,714	24,438	1,173	10,610	2,383
SPAC related compensation	—	1,686	—	1,686	—
SPAC related general, administrative and other expenses	—	378	—	378	359
Interest income	(194)	(1,676)	(24)	(901)	(423)
Interest expense	12,641	2,503	487	1,055	1,165
Income tax expense	869	24,417	1,924	3,895	11,964
Equity in (income) loss of investees	(1,518)	(30,266)	21,203	(21,567)	(20,278)
Non-operating (income) expense	(5,816)	(8,035)	275	(1,205)	(1,359)
<b>Fee Related Earnings</b>	<b>\$70,381</b>	<b>\$130,039</b>	<b>\$27,529</b>	<b>\$36,191</b>	<b>\$33,381</b>
Depreciation and amortization	2,027	4,134	1,004	1,152	1,378
Equity-based compensation	3,730	7,079	1,748	1,769	2,341
Incentive fees	23,167	52,191	2,477	22,346	5,111
Incentive fees attributable to non-controlling interests	—	(756)	(8)	(21)	(95)
Incentive fee related compensation <sup>1</sup>	(31,714)	(24,438)	(1,173)	(10,610)	(2,383)
SPAC related compensation	—	(1,686)	—	(1,686)	—
Interest income	194	1,676	24	901	423
<b>Adjusted EBITDA</b>	<b>\$67,785</b>	<b>\$168,239</b>	<b>\$31,601</b>	<b>\$50,042</b>	<b>\$40,156</b>
<b>Non-GAAP earnings per share reconciliation</b>					
<b>Net income attributable to Hamilton Lane Incorporated</b>			<b>\$3,246</b>	<b>\$39,760</b>	<b>\$28,168</b>
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.			3,732	23,437	19,296
Income tax expense			1,924	3,895	11,964
<b>Adjusted pre-tax net income</b>			<b>8,902</b>	<b>67,092</b>	<b>59,428</b>
Adjusted income taxes <sup>2</sup>			(2,110)	(16,093)	(14,144)
<b>Adjusted net income</b>			<b>\$6,792</b>	<b>\$50,999</b>	<b>\$45,284</b>
<b>Weighted-average shares of Class A common stock outstanding - diluted</b>			30,440,152	35,185,882	36,128,994
Exchange of Class B and Class C units in HLA <sup>3</sup>			23,133,418	18,489,341	17,553,234
<b>Adjusted shares outstanding</b>			<b>53,573,570</b>	<b>53,675,223</b>	<b>53,682,228</b>
<b>Non-GAAP earnings per share</b>			<b>\$0.13</b>	<b>\$0.95</b>	<b>\$0.84</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 23.7% for the three month periods ended June 30, 2021 and 2020, 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 23.7% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.7%.

<sup>3</sup> 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.

**Adjusted EBITDA** is our primary 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) 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 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 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, 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 ("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. 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"), 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.

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, 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 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 pursuing new lines of business or entering into strategic partnerships; 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 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, 2021, as amended, 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.

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

**As of August 3, 2021**