



Financial Supplement

Second Quarter 2011

LPL Financial
**Earnings Release Income Statement
with EBITDA Adjustments
Q2 2011 Compared to Q2 2010
(\$ thousands)**

	Q2 2011			Q2 2010			YOY Adjusted Variance	
	Earnings Release	Adjustments	Adjusted	Earnings Release	Adjustments	Adjusted	\$	%
REVENUES:								
Commissions	\$459,882	-	\$459,882	\$420,169	-	\$420,169	\$39,713	9.5%
Advisory Fees	264,289	-	264,289	215,146	-	215,146	49,143	22.8%
Asset-Based Fees	90,504	-	90,504	77,436	-	77,436	13,068	16.9%
Transaction & Other Fees	68,755	269	69,024	68,132	-	68,132	892	1.3%
Other	10,566	-	10,566	9,278	-	9,278	1,288	13.9%
Total Net Revenues	893,996	269	894,265	790,161	0	790,161	104,104	13.2%
EXPENSES:								
Production	634,088	-	634,088	556,538	-	556,538	77,550	13.9%
Compensation & Benefits	81,410	(3,487)	77,923	74,822	(2,799)	72,023	5,900	8.2%
General & Administrative	58,168	(2,047)	56,121	54,550	(5,643)	48,907	7,214	14.8%
Depreciation & Amortization	18,407	-	18,407	22,110	-	22,110	(3,703)	-16.7%
Restructuring Charges	4,814	(4,814)	0	4,622	(4,622)	0	-	-
Other	3,476	(340)	3,136	3,229	(400)	2,829	307	10.9%
Total Operating Expenses	800,363	(10,688)	789,675	715,871	(13,464)	702,407	87,268	12.4%
Non-Operating Interest Expense	18,154	-	18,154	27,683	-	27,683	(9,529)	-34.4%
Loss on Extinguishment of Debt	-	-	0	37,979	(37,979)	0	-	-
Total Expenses	818,517	(10,688)	807,829	781,533	(51,443)	730,090	77,739	10.6%

LPL Financial
**Earnings Release Income Statement
with EBITDA Adjustments
Q2 2011 Compared to Q1 2011
(\$ thousands)**

	Q2 2011			Q1 2011			YOY Adjusted Variance	
	Earnings Release	Adjustments	Adjusted	Earnings Release	Adjustments	Adjusted	\$	%
REVENUES:								
Commissions	\$459,882		\$459,882	\$451,877	-	\$451,877	\$8,005	1.8%
Advisory Fees	264,289		264,289	244,087	-	244,087	20,202	8.3%
Asset-Based Fees	90,504		90,504	89,823	-	89,823	681	0.8%
Transaction & Other Fees	68,755	269	69,024	73,749	131	73,880	(4,856)	-6.6%
Other	10,566		10,566	14,333	-	14,333	(3,767)	-26.3%
Total Net Revenues	893,996	269	894,265	873,869	131	874,000	20,265	2.3%
EXPENSES:								
Production	634,088	-	634,088	604,327	-	604,327	29,761	4.9%
Compensation & Benefits	81,410	(3,487)	77,923	84,142	(4,773)	79,369	(1,446)	-1.8%
General & Administrative	58,168	(2,047)	56,121	64,282	(956)	63,326	(7,205)	-11.4%
Depreciation & Amortization	18,407	-	18,407	18,165	-	18,165	242	1.3%
Restructuring Charges	4,814	(4,814)	0	537	(537)	0	-	-
Other	3,476	(340)	3,136	2,686	(39)	2,647	489	18.5%
Total Operating Expenses	800,363	(10,688)	789,675	774,139	(6,305)	767,834	21,841	2.8%
Non-Operating Interest Expense	18,154	-	18,154	18,172	-	18,172	(18)	-0.1%
Loss on Extinguishment of Debt	-	-	0	-	-	0	-	-
Total Expenses	818,517	(10,688)	807,829	792,311	(6,305)	786,006	21,823	2.8%

LPL Financial**Earnings Release Income Statement
with EBITDA Adjustments
YTD 2011 Compared to YTD 2010
(\$ thousands)**

	YTD 2011			YTD 2010			YOY Adjusted Variance	
	Earnings Release	Adjustments	Adjusted	Earnings Release	Adjustments	Adjusted	\$	%
REVENUES:								
Commissions	\$911,759	-	\$911,759	\$809,141	-	\$809,141	\$102,618	12.7%
Advisory Fees	508,376	-	508,376	421,476	-	421,476	86,900	20.6%
Asset-Based Fees	180,327	-	180,327	148,886	-	148,886	31,441	21.1%
Transaction & Other Fees	142,504	400	142,904	135,495	842	136,337	6,567	4.8%
Other	24,899	-	24,899	18,569	-	18,569	6,330	34.1%
Total Net Revenues	1,767,865	400	1,768,265	1,533,567	842	1,534,409	233,856	15.2%
EXPENSES:								
Production	1,238,415	-	1,238,415	1,069,740	-	1,069,740	168,675	15.8%
Compensation & Benefits	165,552	(8,260)	157,292	148,397	(5,504)	142,893	14,399	10.1%
General & Administrative	122,450	(3,003)	119,447	107,787	(6,481)	101,306	18,141	17.9%
Depreciation & Amortization	36,572	-	36,572	47,700	-	47,700	(11,128)	-23.3%
Restructuring Charges	5,351	(5,351)	0	8,571	(8,571)	0	-	-
Other	6,162	(379)	5,783	8,030	(2,881)	5,149	634	12.3%
Total Operating Expenses	1,574,502	(16,993)	1,557,509	1,390,225	(23,437)	1,366,788	190,721	14.0%
Non-Operating Interest Expense	36,326	-	36,326	52,019	-	52,019	(15,693)	-30.2%
Loss on Extinguishment of Debt	-	-	0	37,979	(37,979)	0	-	-
Total Expenses	1,610,828	(16,993)	1,593,835	1,480,223	(61,416)	1,418,807	175,028	12.3%

LPL Financial

Insured Cash Account Fed Funds Sensitivity

(\$ thousands)

The following table reflects the impact to income before taxes on an annual basis based on an upward or downward change in short-term interest rates of one basis point.

The impact assumes that the client balances at June 30, 2011 remain unchanged.

<u>Federal Reserve Effective Federal Funds Rate</u>	<u>Annualized Increase or Decrease of Income Before Taxes per One Basis Point Change</u>
0.00% - 0.25%	\$1,325
0.26% - 1.25%	600
1.26% - 2.50%	300
> 2.50%	-