Hamilton Lane Incorporated (HLNE)

Updated August 7th, 2026, by Kody Kester

Key Metrics

Current Price:	$101	**5 Year CAGR Estimate:**	25.1%	**Market Cap:**	$5.6B
Fair Value Price :	$167	**5 Year Growth Estimate:**	12.0%	**Ex-Dividend Date:**	09/21/26
% Fair Value:	61%	**5 Year Valuation Multiple Estimate:**	10.5%	**Dividend Payment Date:**	10/06/26
Dividend Yield:	2.4%	**5 Year Price Target**	$294	**Years Of Dividend Growth:**	9
Dividend Risk Score:	A	**Sector:**	Financials	**Rating:**	Buy

Overview & Current Events

Founded in 1991, Hamilton Lane Incorporated is a global private markets investment solutions provider that primarily serves institutional investors. Secondarily, HLNE also has a private wealth channel for non-institutional investors (e.g., family offices and high-net-worth individuals). Globally, the company operates across nearly two dozen offices in the United States, Canada, Europe, Asia, the Middle East, Latin America, and Australia. HLNE provides clients with a variety of services, including private equity and private credit, real estate, venture capital, and infrastructure. The company's investment solutions are comprised of funds managed by third-party managers, direct investments alongside funds, and acquisitions of secondary stakes in funds. As of Jun. 30, 2026, HLNE had $1.06 trillion in assets under management/advisement (AUM/A). Of that amount, $914.1 billion was assets under advisement, with the remaining $146.3 billion in assets under management. In the fiscal year 2026, which ended March 31st, 2026, no single client made up more than 2% of the company's management and advisory fee revenue. Furthermore, the top 10 clients only generated roughly 11% of management and advisory fee revenue in FY 2026.

On Aug. 4, HLNE shared its financial results for the fiscal first quarter ended Jun. 30, 2026. The company's total revenue surged 56.5% year-over-year to $275.3 million during the quarter. HLNE's combined AUM/A grew by 7.5% over the year-ago period. The shift to a greater mix of specialized funds and the Evergreen platform led management and advisory fees to rise by 20.7% over the year-ago period to $161.4 million in the quarter. HLNE's incentive fees soared 169.7% year-over-year to nearly $114 million for the quarter. That was driven by quarterly crystallization of performance fees from its U.S. private assets Evergreen fund, with additional contributions coming from more recently launched Evergreen funds. HLNE's non-GAAP EPS climbed 48.1% over the year-ago period to $1.94 during the quarter. That topped the analyst consensus in the quarter by $0.35.

Growth on a Per-Share Basis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
EPS	$0.89	$1.64	$1.91	$2.01	$2.73	$4.39	$3.34	$3.92	$5.04	$5.90	***$7.25***	***$12.78***
DPS	-	$0.70	$0.85	$1.10	$1.25	$1.40	$1.60	$1.78	$1.96	$2.16	***$2.40***	***$3.87***
Shares[1]	52.8	53.1	53.3	53.5	53.6	53.7	53.7	54.0	54.4	55.5	***55.1***	***58.0***

Since its IPO in 2017, HLNE has compounded its non-GAAP EPS by around 23% annually through FY 2026. The company's non-GAAP earnings base is several times larger now, however. As a result, we expect growth to materially decelerate from that rate to about 12% each year through FY 2032, off an anticipated FY 2027 base of $7.25. To be clear, HLNE's growth prospects remain encouraging with organic growth via new clients and greater existing client account balances. Bolt-on acquisitions are still another growth avenue for HLNE. Such a level of non-GAAP EPS growth should also enable annual dividend growth of around 10% over the next several years.

[1] Share count is in millions.

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Valuation Analysis

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Avg. P/E	20.5	25.7	22.9	24.4	33.3	17.8	23.1	28.8	29.2	16.0	***14.0***	***23.0***
Avg. Yld.	-	1.9%	2.0%	2.2%	1.4%	1.8%	2.2%	1.6%	1.3%	2.3%	***2.4%***	***1.3%***

HLNE's P/E ratio has ranged from as low as the high teens to as much as the high-30s in its corporate history. Over that time, the average P/E ratio was approximately 24. We still believe that a fair value multiple of 23 going forward is realistic because of HLNE's double-digit growth potential. At today's current-year P/E ratio of 14.0, HLNE's shares remain significantly undervalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2032
Payout	-	43%	45%	55%	46%	32%	48%	45%	39%	37%	***33%***	***30%***

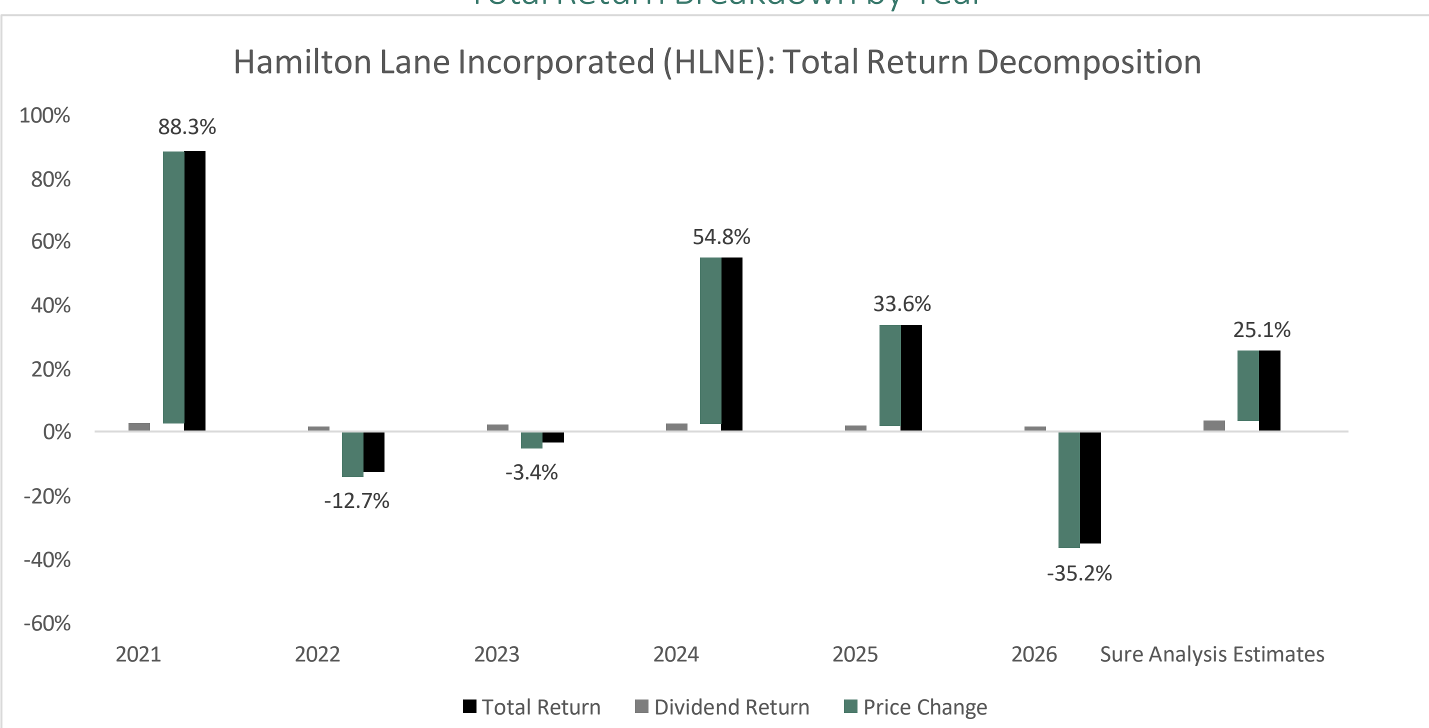
Throughout its corporate history, HLNE has done right by its clients, generating excellent returns. This has earned the company a trusted reputation as a leader within its industry, which helps it to keep existing clients and attract new ones. That also explains how HLNE has consistently grown its non-GAAP EPS over the years.

In Q1 2027, the company's interest coverage ratio was 474.1x. Additionally, the dividend payout ratio is positioned to be in the low-30% to mid-30% range in FY 2027. That should help HLNE to build on its nine-year dividend growth streak for the foreseeable future.

Final Thoughts & Recommendation

HLNE's 2.4% dividend yield, 12.0% annual non-GAAP EPS growth prospects, and 10.5% annual valuation multiple upside potential could deliver 25.1% annual total returns through FY 2032. As a result, we're maintaining our Buy rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	180	244	252	279	349	381	529	554	713	759
D&A Exp.	2	2	3	3	12	15	15	8	9	10
Operating Profit	62	117	102	119	158	230	255	249	337	409
Operating Margin	34%	47.9%	40.3%	42.5%	45.2%	60.5%	48.2%	44.9%	47.3%	53.8%
Net Profit	74	106	99	127	169	248	191	227	314	388
Net Margin	41%	43.6%	39.3%	45.4%	48.4%	65.1%	36.1%	41.0%	44.0%	51.1%
Free Cash Flow	89	110	117	118	203	189	238	124	311	431
Income Tax	0	33	31	14	24	66	55	54	49	75

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Assets	241	294	361	474	1137	1,295	1,141	1,271	1,690	2,305
Cash & Equivalents	34	49	52	53	90	76	117	120	284	372
Goodwill	1	7	7	12	12	22	16	14	12	-
Total Liabilities	154	158	191	236	546	557	566	595	766	838
Long-Term Debt	84	84	71	80	232	246	285	266	359	356
Shareholder's Equity	60	78	110	155	238	347	415	525	717	
LTD/ERatio	1.40	1.07	0.64	0.55	1.00	0.73	0.70	0.52	0.51	0.24

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return on Assets	34.0%	39.8%	30.3%	30.4%	21.0%	20.4%	15.7%	18.8%	21.2%	19.4%
Return on Equity		95.5%	64.7%	62.3%	40.8%	37.4%	29.1%	36.3%	39.2%	32.4%
ROIC	49.2%	54.3%	43.0%	45.1%	29.3%	27.3%	20.6%	25.0%	28.0%	24.9%
Shares Out.	52.8	53.1	53.3	53.5	53.6	53.7	53.7	54.0	54.4	55.5
Revenue/Share	9.80	12.85	10.38	9.81	10.46	7.10	9.85	10.27	17.69	13.93
FCF/Share	4.86	5.82	4.81	4.15	6.08	3.52	4.43	2.30	7.72	7.91

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.