

INTL FCStone Financial Inc.
Statement of Cash Flows
Year Ended September 30, 2017
(Amounts in thousands)

Cash flows from operating activities:

Net income	\$ 18,684
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	2,462
Provision for bad debts	82
Deferred income taxes	2,714
Changes in operating assets and liabilities:	
Cash, securities and other assets segregated under federal and other regulations	698,350
Securities purchased under agreements to resell	204,585
Securities borrowed	(79,716)
Deposits with and receivables from broker-dealers, clearing organizations and counterparties	(846,263)
Receivables from customers, net	(44,632)
Securities owned	(140,940)
Due from affiliates	(5,806)
Other assets	5,316
Payables to customers	187,777
Payables to broker-dealers, clearing organizations and counterparties	(123,268)
Income taxes payable to INTL FCStone, Inc.	(6,960)
Securities sold under agreements to repurchase	225,963
Securities loaned	95,593
Securities sold, not yet purchased	(207,337)
Accounts payable and accrued expenses	(3,606)
Net cash used in operating activities	<u>(17,002)</u>

Cash flows from investing activities:

Purchase of furniture, equipment, and leasehold improvements	(2,395)
Purchase of clearing organization memberships	(21)
Net cash used in investing activities	<u>(2,416)</u>

Cash flows from financing activities:

Net change in payables to lenders under loans	34,000
Net proceeds from intercompany loans with INTL FCStone, Inc.	16,045
Dividends to INTL FCStone, Inc.	(51,750)
Net cash used in financing activities	<u>(1,705)</u>
Net decrease in cash and cash equivalents	<u>(21,123)</u>

Cash and cash equivalents – at beginning of period	45,556
Cash and cash equivalents – at end of period	<u><u>\$ 24,433</u></u>

Supplemental disclosures of cash flow information:

Cash paid for income taxes	\$ 17,627
Cash paid for interest	\$ 27,308

See accompanying notes to financial statements.