

WADDELL & REED, INC. AND SUBSIDIARIES
(A Wholly Owned Subsidiary of Waddell & Reed Financial, Inc.)

Consolidated Balance Sheet

December 31, 2015

(In thousands)

Assets

Cash and cash equivalents	\$ 337,143
Cash and cash equivalents – restricted	66,880
Investment securities	71,396
Receivables:	
Funds and separate accounts	29,008
Customers and other	220,106
Due from affiliates	9,938
Prepaid expenses and other current assets	25,657
Income taxes receivable	3,620
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Total current assets	763,748
Property and equipment, net	104,125
Deferred sales commissions, net	13,588
Deferred income taxes	32,194
Goodwill and identifiable intangible asset	35,095
Other assets	15,448
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Total assets	\$ 964,198

Liabilities and Stockholder's Equity

Accounts payable	\$ 28,225
Payable to investment companies for securities	113,648
Payable to third party brokers	14,373
Payable to customers	120,420
Accrued compensation	36,978
Other current liabilities	39,944
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Total current liabilities	353,588
Accrued pension and postretirement costs	39,579
Other non-current liabilities	20,519
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Total liabilities	413,686
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Commitments and contingencies	
Stockholder's equity:	
Common stock, \$1.00 par value: 1,000 shares authorized, issued, and outstanding.	1
Additional paid-in capital	252,843
Retained earnings	346,224
Accumulated other comprehensive loss	(48,556)
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Total stockholder's equity	550,512
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Total liabilities and stockholder's equity	\$ 964,198

See accompanying notes to consolidated financial statements.