

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

Consolidated Balance Sheet

December 31, 2017

(In thousands)

Assets

Cash and cash equivalents	\$ 117,712
Cash and cash equivalents – restricted	28,156
Investment securities	111,790
Receivables:	
Funds and separate accounts	18,069
Customers and other	96,082
Due from affiliates	17,731
Prepaid expenses and other current assets	21,435
Income taxes receivable	5,653
Total current assets	416,628
Property and equipment, net	83,486
Deferred income taxes	13,350
Goodwill and identifiable intangible asset	35,095
Other non-current assets	14,803
Total assets	\$ 563,362

Liabilities and Stockholder's Equity

Accounts payable	\$ 15,199
Payable to investment companies for securities	43,422
Payable to third party brokers	7,030
Payable to customers	66,830
Accrued compensation	35,708
Due to affiliates	2,903
Other current liabilities	13,620
Total current liabilities	184,712
Accrued pension and postretirement costs	13,613
Other non-current liabilities	19,718
Total liabilities	218,043
Commitments and contingencies	
Redeemable noncontrolling interests	2,626
Stockholder's equity:	
Common stock, \$1.00 par value: 1,000 shares authorized, issued and outstanding	1
Additional paid-in capital	247,237
Retained earnings	95,076
Accumulated other comprehensive loss	379
Total stockholder's equity	342,693
Total liabilities, redeemable noncontrolling interests and stockholder's equity	\$ 563,362

See accompanying notes to consolidated financial statements.