

SANDERS MORRIS HARRIS LLC

CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2015
(in thousands)

Revenue

Commissions on brokerage activities and other products	\$ 6,611
Investment banking	286
Investment advisory and other related services	3,336
Interest	301
Other income	915
	<u>11,174</u>

Expenses

Employee compensation and benefits	8,368
Communications and data processing	1,278
Occupancy	879
Clearing and execution fees	205
Commissions	1,052
Other	901
	<u>12,683</u>

Loss from operations before equity in income of limited partnerships, realized losses on investments, and income tax benefit	(1,509)
Equity in income of limited partnerships	749
Realized losses on investments	<u>(4,895)</u>
Loss from operations before income taxes	(5,655)
Income tax benefit	1,305
Net loss	<u>\$ (4,350)</u>

The accompanying notes are an integral part of this consolidated financial statement.