

MONEX SECURITIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|-------------|
| Net income | \$ 150,751 |
| Adjustments to net income, for noncash transactions | |
| Depreciation | 48,503 |
| Realized loss on marketable securities | 12,864 |
| Net increase or decrease in assets and liabilities | |
| Receivable from clearing broker/dealer | (2,479,759) |
| Commissions receivable | (66,347) |
| Employee receivable | (121,101) |
| Income tax receivable | 94,942 |
| Other assets | 42,484 |
| Accounts payable and accrued expenses | (107,114) |
| Secured note to clearing broker/dealer | (1,009,041) |
| Commissions payable | 182,413 |
| Payable to shareholder | (225,387) |
| Deferred income taxes | (7,680) |
| Accrued income taxes | (4,430) |

NET CASH USED IN OPERATING ACTIVITIES (3,488,902)

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|-----------|
| Proceeds from sales of certificate of deposit | 10,022 |
| Purchases of marketable securities | (43,596) |
| Proceeds from sales of marketable securities | 1,973,558 |
| Purchases of property and equipment | (25,914) |

NET CASH PROVIDED BY INVESTING ACTIVITIES 1,914,070

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|---------------|------------------|
| Contributions | <u>1,650,000</u> |
|---------------|------------------|

NET CASH PROVIDED BY FINANCING ACTIVITIES 1,650,000

NET INCREASE IN CASH AND CASH EQUIVALENTS 75,168

CASH AND CASH EQUIVALENTS, beginning of year 3,449

CASH AND CASH EQUIVALENTS, end of year \$ 78,617

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

| | |
|-------------------|-------------|
| Income taxes paid | <u>\$ -</u> |
|-------------------|-------------|

The accompanying notes are an integral
part of these financial statements.