

**WEDBUSH, Inc.**

Consolidated Statements of Financial Condition

As of March 31

<b>Assets</b>	<b>2012</b>	<b>2011</b>
Cash and cash equivalents	\$ 166,503,000	\$ 139,370,000
Cash and securities segregated for regulatory purposes	1,657,734,000	1,616,732,000
Receivables:		
Brokers, dealers and clearing organizations	358,050,000	391,547,000
Brokerage clients, less reserves of \$6,365,000 in 2012 and \$7,297,000 in 2011	386,447,000	298,717,000
Bank loans, less reserves of \$1,652,000 in 2012 and \$1,169,000 in 2011	96,189,000	70,201,000
Other	48,018,000	26,431,000
Securities borrowed	1,165,407,000	591,068,000
Securities purchased under agreements to resell	32,593,000	—
Securities owned, at fair value	238,699,000	159,315,000
Available-for-sale securities, at fair value	100,579,000	88,074,000
Private equity and other securities, at fair value	111,270,000	69,656,000
Cash value of life insurance	23,720,000	22,634,000
Property and equipment, less accumulated depreciation of \$11,215,000 in 2012 and \$4,097,000 in 2011	4,585,000	1,831,000
Intellectual property, less accumulated amortization of \$109,000 in 2012	1,911,000	—
Other assets	8,908,000	6,151,000
<b>Total assets</b>	<b>\$ 4,400,613,000</b>	<b>\$ 3,481,727,000</b>
<b>Liabilities and Stockholders' Equity</b>		
Bank loan payable	\$ -	\$ -
Payables:		
Brokers, dealers and clearing organizations	9,685,000	7,930,000
Brokerage clients	2,227,938,000	2,129,785,000
Bank client deposits	201,026,000	161,213,000
Securities loaned	1,224,182,000	659,271,000
Securities sold under repurchase agreements	28,447,000	—
Securities sold, not yet purchased, at fair value	217,933,000	66,993,000
Deferred income taxes	8,205,000	6,960,000
Accounts payable and accrued liabilities	52,261,000	57,888,000
Life insurance borrowings	19,731,000	19,731,000
<b>Total liabilities</b>	<b>3,989,408,000</b>	<b>3,109,771,000</b>
Commitments and contingent liabilities		
Stockholders' equity:		
Common stock, \$0.041675 stated value. Authorized 20,000,000 shares; issued 12,594,988 shares in 2012 and 12,516,128 shares in 2011; outstanding 10,757,556 shares in 2012 and 10,674,713 shares in 2011	523,000	520,000
Additional paid-in capital	20,329,000	18,205,000
Retained earnings	303,893,000	301,842,000
Company stock at cost, 1,837,432 shares in 2012 and 1,841,415 shares in 2011	(16,218,000)	(16,268,000)
Accumulated other comprehensive earnings:		
Net unrealized gain on available-for-sale securities, net of tax of \$1,980,000 and \$1,893,000 in 2012 and 2011, respectively	2,831,000	2,707,000
<b>Total WEDBUSH, Inc. stockholders' equity</b>	<b>311,358,000</b>	<b>307,006,000</b>
Non-controlling interests	99,847,000	64,950,000
Total stockholders' equity	411,205,000	371,956,000
<b>Total liabilities and stockholders' equity</b>	<b>\$ 4,400,613,000</b>	<b>\$ 3,481,727,000</b>