



Financial Supplement

First Quarter 2012

April 30, 2012

Financial Supplement with EBITDA Adjustments

Q1 2012 Compared to Q1 2011 (unaudited)

(\$ Thousands)

	Q1 2012			Q1 2011			YOY Increase/(Decrease)	
	Unadjusted	Adjustments	As Adjusted	Unadjusted	Adjustments	As Adjusted	\$	%
REVENUES:								
Commissions	\$463,653	\$ -	\$463,653	\$451,877	\$ -	\$451,877	\$11,776	2.6%
Advisory fees	250,981	-	250,981	244,087	-	244,087	6,894	2.8%
Asset-based fees	97,241	-	97,241	89,823	-	89,823	7,418	8.3%
Transaction and other fees	74,572	260	74,832	73,749	131	73,880	952	1.3%
Interest income, net of operating Interest	4,710	-	4,710	5,142	-	5,142	(432)	-8.4%
Other	10,616	-	10,616	9,191	-	9,191	1,425	15.5%
Net revenues	901,773	260	902,033	873,869	131	874,000	28,033	3.2%
EXPENSES:								
Commissions and advisory fees	617,392	-	617,392	594,678	-	594,678	22,714	3.8%
Compensation and benefits	89,012	(4,512)	84,500	84,142	(4,773)	79,369	5,131	6.5%
Promotional	16,831	(46)	16,785	19,536	(355)	19,181	(2,396)	-12.5%
Depreciation and amortization	17,175	-	17,175	18,165	-	18,165	(990)	-5.5%
Occupancy and equipment	14,497	(2)	14,495	15,525	(115)	15,410	(915)	-5.9%
Professional services	13,121	(1,149)	11,972	10,164	(328)	9,836	2,136	21.7%
Brokerage, clearing and exchange	9,515	-	9,515	9,649	-	9,649	(134)	-1.4%
Communications and data processing	8,899	-	8,899	8,682	(12)	8,670	229	2.6%
Regulatory fees and expenses	7,546	-	7,546	6,572	(50)	6,522	1,024	15.7%
Restructuring charges	1,694	(1,709)	(15)	537	(537)	-	(15)	na
Other	6,672	(683)	5,989	6,489	(135)	6,354	(365)	-5.7%
Total operating expenses	802,354	(8,101)	794,253	774,139	(6,305)	767,834	26,419	3.4%
Non-operating interest expense	16,032	-	16,032	18,172	-	18,172	(2,140)	-11.8%
Loss on extinguishment of debt	16,524	(16,524)	-	-	-	-	-	na
Total expenses	834,910	(24,625)	810,285	792,311	(6,305)	786,006	24,279	3.1%

Financial Supplement with EBITDA Adjustments

Q1 2012 Compared to Q4 2011 (unaudited)

(\$ Thousands)

	Q1 2012			Q4 2011			QOQ Increase/(Decrease)	
	Unadjusted	Adjustments	As Adjusted	Unadjusted	Adjustments	As Adjusted	\$	%
REVENUES:								
Commissions	\$463,653	\$ -	\$463,653	\$404,382	\$ -	\$404,382	\$59,271	14.7%
Advisory fees	250,981	-	250,981	251,219	-	251,219	(238)	-0.1%
Asset-based fees	97,241	-	97,241	89,706	-	89,706	7,535	8.4%
Transaction and other fees	74,572	260	74,832	71,227	252	71,479	3,353	4.7%
Interest income, net of operating Interest	4,710	-	4,710	4,777	-	4,777	(67)	-1.4%
Other	10,616	-	10,616	7,342	-	7,342	3,274	44.6%
Net revenues	901,773	260	902,033	828,653	252	828,905	73,128	8.8%
EXPENSES:								
Commissions and advisory fees	617,392	-	617,392	576,904	-	576,904	40,488	7.0%
Compensation and benefits	89,012	(4,512)	84,500	79,237	(4,107)	75,130	9,370	12.5%
Promotional	16,831	(46)	16,785	19,900	(64)	19,836	(3,051)	-15.4%
Depreciation and amortization	17,175	-	17,175	16,947	-	16,947	228	1.3%
Occupancy and equipment	14,497	(2)	14,495	13,914	(60)	13,854	641	4.6%
Professional services	13,121	(1,149)	11,972	8,281	(480)	7,801	4,171	53.5%
Brokerage, clearing and exchange	9,515	-	9,515	9,219	-	9,219	296	3.2%
Communications and data processing	8,899	-	8,899	9,873	-	9,873	(974)	-9.9%
Regulatory fees and expenses	7,546	-	7,546	6,731	(409)	6,322	1,224	19.4%
Restructuring charges	1,694	(1,709)	(15)	8,372	(8,372)	-	(15)	na
Other	6,672	(683)	5,989	(146)	9,316	9,170	(3,181)	-34.7%
Total operating expenses	802,354	(8,101)	794,253	749,232	(4,176)	745,056	49,197	6.6%
Non-operating interest expense	16,032	-	16,032	15,835	-	15,835	197	1.2%
Loss on extinguishment of debt	16,524	(16,524)	-	-	-	-	-	na
Total expenses	834,910	(24,625)	810,285	765,067	(4,176)	760,891	49,394	6.5%

Insured Cash Account Fed Funds Sensitivity

(\$ thousands)

The following table reflects the impact to income before taxes on an annual basis based on an upward or downward change in short-term interest rates of one basis point.

The impact assumes that the client balances at March 31, 2012 remain unchanged.

<u>Federal Reserve Effective Federal Funds Rate</u>	<u>Annualized Increase or Decrease of Income Before Taxes per One Basis Point Change*</u>
0.00% - 0.25%	\$1,392
0.26% - 1.25%	696
1.26% - 2.50%	557
> 2.50%	-

*Excludes impact from money market revenue