

COLLECTORS UNIVERSE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	<u>Year Ended June 30,</u>	
	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 7,401	\$ 7,359
Adjustments to reconcile net income to net cash provided by operating activities:		
(Income) loss from discontinued operations	(17)	75
Depreciation and amortization expense	1,293	1,256
Stock-based compensation expense	2,239	1,946
Provision for bad debts	8	25
Provision for inventory write-down	336	94
Provision for warranty	535	791
Loss on sale of property and equipment	19	4
Changes in operating assets and liabilities:		
Accounts receivable	(391)	(95)
Inventories	(67)	(326)
Prepaid expenses and other	427	(402)
Deferred income taxes	533	(272)
Other assets	146	15
Accounts payable and accrued liabilities	(604)	379
Accrued compensation and benefits	(249)	1,459
Income taxes payable	(327)	90
Deferred revenue	(24)	300
Deferred rent	(39)	(13)
Net cash provided by operating activities of continuing operations	<u>11,219</u>	<u>12,685</u>
Net cash used in operating activities of discontinued operations	<u>(615)</u>	<u>(569)</u>
Net cash provided by operating activities	<u>10,604</u>	<u>12,116</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(777)	(1,166)
Proceeds from sale of property and equipment	19	7
Patents and other intangibles	(57)	(23)
Proceeds from sale of business	116	18
Capitalized software development costs	(441)	(191)
Purchase of business	(200)	-
Net cash used in investing activities	<u>(1,340)</u>	<u>(1,355)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	-	1,354
Payments for retirement of common stock	(558)	(186)
Dividends paid to common stockholders	(11,361)	(10,731)
Net cash used in financing activities	<u>(11,919)</u>	<u>(9,563)</u>
Increase (decrease) in cash and cash equivalents	(2,655)	1,198
Cash and cash equivalents at beginning of year	19,909	18,711
Cash and cash equivalents at end of year	<u>\$ 17,254</u>	<u>\$ 19,909</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Income taxes paid during the period	<u>\$ 4,556</u>	<u>\$ 5,217</u>