

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(In Thousands)	December 31,	
	2007	2006
<b>Assets</b>		
Cash and cash equivalents	\$ 897,872	\$ 513,041
Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations	659,219	508,303
Financial instruments owned, including securities pledged to creditors of \$1,087,906 and \$1,481,098 in 2007 and 2006, respectively:		
Corporate equity securities	2,266,679	1,737,174
Corporate debt securities	2,162,893	1,918,829
U.S. Government and agency obligations	730,921	592,374
Mortgage-backed securities	26,895	85,040
Asset-backed securities	—	28,009
Derivatives	501,502	234,646
Investments at fair value	104,199	97,289
Other	2,889	10,151
Total financial instruments owned	5,795,978	4,703,512
Investments in managed funds	293,523	372,869
Other investments	78,715	28,244
Securities borrowed	16,422,130	9,711,894
Securities purchased under agreements to resell	3,372,294	226,176
Receivable from brokers, dealers and clearing organizations	508,926	254,580
Receivable from customers	764,833	663,552
Premises and equipment	141,472	91,375
Goodwill	344,063	257,321
Other assets	514,792	494,590
<b>Total Assets</b>	<b>\$ 29,793,817</b>	<b>\$ 17,825,457</b>
<b>Liabilities and Stockholders' Equity</b>		
Bank loans and current portion of long-term debt	\$ 280,378	\$ 99,981
Financial instruments sold, not yet purchased:		
Corporate equity securities	1,389,099	1,835,046
Corporate debt securities	1,407,387	1,185,400
U.S. Government and agency obligations	206,090	339,891
Derivatives	331,788	240,231
Other	314	301
Total financial instruments sold, not yet purchased	3,334,678	3,600,869
Securities loaned	7,681,464	6,794,554
Securities sold under agreements to repurchase	11,325,562	2,092,838
Payable to brokers, dealers and clearing organizations	874,028	669,196
Payable to customers	1,415,803	1,010,486
Accrued expenses and other liabilities	627,597	650,974
	25,539,510	14,918,898
Long-term debt	1,764,067	1,168,562
Mandatorily redeemable convertible preferred stock	125,000	125,000
Minority interest	603,696	31,910
<b>Total Liabilities</b>	<b>28,032,273</b>	<b>16,244,370</b>
<b>Stockholders' equity:</b>		
Common stock	16	14
Additional paid-in capital	1,115,011	876,393
Retained earnings	1,031,764	952,263
Less:		
Treasury stock	(394,406)	(254,437)
Accumulated other comprehensive gain:		
Currency translation adjustments	10,986	9,764
Additional minimum pension liability	(1,827)	(2,910)
<b>Total accumulated other comprehensive gain</b>	<b>9,159</b>	<b>6,854</b>
<b>Total stockholders' equity</b>	<b>1,761,544</b>	<b>1,581,087</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 29,793,817</b>	<b>\$ 17,825,457</b>