Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1986

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

NEEDHAM & COMPANY, LLC

445 PARK AVENUE
NEW YORK, NY 10022

2b Employer Identification Number (EIN) 13-3255839

2c Sponsor's telephone number 212-371-8300

2d Business code (see instructions) 523110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2012	LAURA BENJAMIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
NEEDHAM & COMPANY, LLC

445 PARK AVENUE
NEW YORK, NY 10022

3b Administrator's EIN
13-3255839

3c Administrator's telephone number
212-371-8300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:
a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	281
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	149
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	120
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	269
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	269
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	258
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2R 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 64 65 71	NONE	9810	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
ARTISAN MID CAP VALUE 04-0025081	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
KEELEY SMALL CAP VALUE 39-0281260	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NEEDHAM AGGRESSIVE GROWTH 31-1249295	0.40%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NEEDHAM GROWTH 31-1249295	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NEEDHAM SMALL CAP GROWTH 31-1249295	0.405

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
WEITZ VALUE ONE PACIFIC PLACE OMAHA, NE 68124	0.40%

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	528224	555944
(2) Participant contributions	1b(2)	1800	22201
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	994609	1216603
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	0	256778
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	2341807	1710771
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)	0	34164
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	320614	323164
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	23177275	20907951
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	27364329	25027576
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	27364329	25027576

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	559653	
(B) Participants	2a(1)(B)	1789340	
(C) Others (including rollovers)	2a(1)(C)	103498	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2452491
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	295	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	16617	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		16912
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	19849	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	554680	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		574529
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	2452274	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	2361160	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		91114

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-4584	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-4584
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-2008252
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1122210
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3452202	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3452202
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	6761	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6761
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		3458963
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-2336753
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: O'CONNOR DAVIES, LLP (2) EIN: 27-1728945

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) **4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) **4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) **4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? **4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? **4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) **4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) **4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. **4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
NEEDHAM & COMPANY, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NEEDHAM & COMPANY, LLC

D Employer Identification Number (EIN)
13-3255839

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Needham & Company, LLC 401(k) Plan

Financial Statements

December 31, 2011

O'CONNOR DAVIES

PKF

Independent Auditors' Report

The Board of Directors
Needham & Company, LLC 401(k) Plan

We were engaged to audit the accompanying statement of net assets available for benefits of the Needham & Company, LLC 401(k) Plan (the "Plan") as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed the other auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the trustee. Their report, dated October 11, 2011, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the 2011 financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2011, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2011 financial statements and supplemental schedule that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the 2011 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

O'Connor Davies, LLP

Harrison, New York
September 26, 2012

O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 I Tel: 914.381.8900 I Fax: 914.381.8910 I www.odpkf.com

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Needham & Company, LLC 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2011	2010
ASSETS		
Investments, at Fair Value		
Cash equivalents	$ 1,216,603	$ 994,609
Mutual funds	20,907,951	23,177,275
Common stocks	1,710,771	2,341,807
Corporate bonds	256,778	-
Real Estate Investment Trusts	34,164	-
Total Investments	24,126,267	26,513,691
Receivables		
Notes receivable from participants	323,164	320,614
Participant contributions	22,201	1,800
Employer contribution	555,944	528,224
Total Receivables	901,309	850,638
Total Assets	25,027,576	27,364,329
LIABILITIES	-	-
Net Assets Available for Benefits	$ 25,027,576	$ 27,364,329

See notes to financial statements

Needham & Company, LLC 401(k) Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2011

ADDITIONS	
Contributions	
Participants	$ 1,789,340
Employer	559,653
Rollover	103,498
Total Contributions	2,452,491
Investment (Loss) Income	
Net depreciation in fair value of investments	(1,992,692)
Interest and dividends	645,794
Interest on notes receivable from participants	16,617
Total Investment Loss	(1,330,281)
Total Additions, Net of Investment Loss	1,122,210
DEDUCTIONS	
Benefits paid to participants	3,452,202
Administration fees	6,761
Total Deductions	3,458,963
Net Decrease	(2,336,753)
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of year	27,364,329
End of year	$ 25,027,576

See notes to financial statements

1. Description of the Plan

The following description of the Needham & Company, LLC 401(k) Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time domestic employees of Needham & Company, LLC (the "Company" or "Employer") who have completed one hour of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan's assets are held in trust by Fidelity Management Trust Company ("Fidelity" or "Trustee").

Contributions

Participants may contribute a portion of their eligible compensation, not to exceed 60% of their eligible annual compensation, as defined by the Plan. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans.

Each plan year, the Company may make discretionary matching contributions in an amount determined annually by the Board of Directors, based on a percentage of employee pre-tax contributions, not including age 50 and over catch-up contributions, as described by the provisions of the Plan. For the year ended December 31, 2011, the Company matched ½% for every 1% of participant pretax contributions, not exceeding 3% of the participant's eligible compensation. Discretionary matching contributions are subject to a maximum of 3% of eligible compensation contributed to the Plan.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. All investments are participant directed.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company contributions portion of their accounts is based on years of continuous service. A participant is 100% vested upon completion of three years of service.

1. Description of the Plan *(continued)*

Forfeitures

Upon termination of employment, participants forfeit their non-vested balances. Forfeited account balances are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce future Employer contributions to the Plan. At December 31, 2011 and 2010, forfeited non-vested accounts totaled $32,389 and $50,919. During 2011, $52,384 was used by the Company from forfeited non-vested accounts.

Notes Receivable from Participants

Participants may borrow from their account balance a minimum of $1,000 up to a maximum amount of the lesser of 50% of their vested account balance or $50,000 less the highest outstanding loan balance over the previous twelve months. The loans are secured by the balance in the participant's account and bear interest at rates that are commensurate with local prevailing rates as determined by the plan administrator. The term of a loan can range from one to five years or up to ten years if the purpose of the loan is for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

Payments of Benefits

Upon termination of a participant's employment as a result of retirement (as permitted), death, disability, dismissal, or resignation, as defined by the provisions of the Plan, the participant's account shall be paid to the participant, or designated beneficiary, in a lump-sum amount or in monthly installments.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. Administrative expenses paid by the Plan include record-keeping and trustee fees. Expenses relating to purchases, sales or transfers of the Plan's investments are charged to the particular investment fund in which the expenses relate. All other administrative expenses of the Plan are paid by the Company.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are presented on the accrual basis of accounting.

2. Summary of Significant Accounting Policies *(continued)*

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fair Value Measurements

The Plan follows Financial Accounting Standards Board ("FASB") guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable and are used to the extent that observable inputs do not exist.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Mutual funds are valued at the net asset value of shares held by the Plan at year-end. Common stocks, corporate bonds, and real estate investment trusts are valued at the closing price reported on the active market on which the individual securities are traded.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

With the exception of the Plan's record-keeping fees and participant loan expenses (loan setup and loan maintenance fees) which are charged to the individual participant's account, all other administrative expenses incurred by the Plan are paid by the Company.

2. Summary of Significant Accounting Policies *(continued)*

Accounting for Uncertainty in Income Taxes

The Plan recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Plan had no uncertain tax positions that would require financial statement recognition or disclosure. The Plan is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2008.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 26, 2012.

3. Information Certified (Unaudited)

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Accordingly, Fidelity Management Trust Company, the trustee of the Plan, has certified to the completeness and accuracy of all the investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2011 and 2010, the supplemental Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2011, and the related investment activity reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2011.

4. Investments

The following investments represent 5% or more of the Plan's net assets available for benefits as of December 31:

	2011	2010
Needham Growth Fund	$ 5,696,558	$ 6,385,443
Fidelity Retirement Money Market Fund	3,024,856	3,421,566
Fidelity Diversified International Fund	1,933,258	2,495,333
Fidelity Large Cap Stock Fund	1,758,407	2,196,034
Fidelity Growth Strategies Fund	1,306,179	1,524,509

4. Investments *(continued)*

The following table states the asset classes of the investments held by the Plan at December 31:

	2011		
	Level 1	Level 2	Total
Cash Equivalents	$ 1,216,603	$ -	$ 1,216,603
Mutual Funds			
Balanced	256,097	-	256,097
Bond	1,894,962	-	1,894,962
Convertibles	4,976	-	4,976
Equity	15,467,542	-	15,467,542
Money Market	3,024,856	-	3,024,856
Retirement Income	57,557	-	57,557
Target Date	201,961	-	201,961
Total Mutual Funds	20,907,951	-	20,907,951
Common Stocks			
Basic Materials	168,943	-	168,943
Bond	70,651	-	70,651
China Region	34,870	-	34,870
Commodities	40,859	-	40,859
Conglomerates	3,732	-	3,732
Consumer Goods	78,490	-	78,490
Equity	65,136	-	65,136
Financial	122,888	-	122,888
Healthcare	205,671	-	205,671
Industrial Goods	117,869	-	117,869
Precious Metals	140,666	-	140,666
Services	68,650	-	68,650
Technology	592,346	-	592,346
Total Common Stocks	1,710,771	-	1,710,771
Corporate Bonds	-	256,778	256,778
Real Estate Investment Trusts	34,164	-	34,164
	$ 23,869,489	$ 256,778	$ 24,126,267

4. Investments *(continued)*

	2010		
	Level 1	Level 2	Total
Cash Equivalents	$ 994,609	$ -	$ 994,609
Mutual Funds			
Balanced	272,419	-	272,419
Bond	1,841,639	-	1,841,639
Convertibles	5,370	-	5,370
Equity	17,385,113	-	17,385,113
Money Market	3,421,566	-	3,421,566
Retirement Income	81,287	-	81,287
Target Date	169,881	-	169,881
Total Mutual Funds	23,177,275	-	23,177,275
Common Stocks			
Basic Materials	133,443	-	133,443
Bond	113,408	-	113,408
China Region	56,017	-	56,017
Commodities	89,434	-	89,434
Communications	4,457	-	4,457
Conglomerates	3,787	-	3,787
Consumer Goods	101,730	-	101,730
Equity	376,465	-	376,465
Financial	133,422	-	133,422
Healthcare	291,365	-	291,365
Industrial Goods	164,353	-	164,353
Precious Metals	48,552	-	48,552
Services	156,679	-	156,679
Technology	668,695	-	668,695
Total Common Stocks	2,341,807	-	2,341,807
	$ 26,513,691	$ -	$ 26,513,691

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) (depreciated) appreciated in value for the year ended December 31, 2011 as follows:

Mutual Funds	$ (2,008,252)
Common Stocks	19,849
Corporate Bonds	295
Real Estate Investment Trusts	(4,584)
	$ (1,992,692)

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their Company contributions.

6. Income Tax Status

The underlying volume submitter prototype plan has received an opinion letter from the Internal Revenue Service ("IRS") dated March 31, 2008 stating that the form of the plan is qualified under Section 401(a) of the Internal Revenue Code ("Code"), and therefore, the related trust is tax-exempt. In accordance with Revenue Procedure 2010-6 and 2005-16, the Plan Sponsor has determined that it is eligible to and has chosen to rely on the current IRS prototype plan opinion letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

7. Related Party Transactions

Certain Plan investments are managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for record-keeping fees and participant loan expenses amounted to $6,761 for the year ended December 31, 2011.

Fidelity Management Trust Company, Keeley Asset Management Corp., Wallace R. Weits & Company, Artisan Partners Limited Partnership, and Needham Investment Management, LLC serve as investment advisors to the Plan. Needham Investment Management, LLC is an advisor to Needham & Company, LLC, the Plan's Sponsor. Certain mutual fund investments of the Plan are managed by The Needham Funds, Inc. and, therefore, these investments are considered party-in-interest transactions.

Participants who are active employees may borrow from their accounts and such loans qualify as party-in-interest transactions. These loans are recorded as notes receivable from participants in the statement of net assets available for benefits.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

*****

Needham & Company, LLC 401(k) Plan

Supplemental Schedule

December 31, 2011

Needham & Company, LLC 401(k) Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2011

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-3255839
Plan #: 001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(e) Current Value
	CASH EQUIVALENTS	**SHARES**	
*	Fidelity Cash Reserves	1,216,599	$ 1,216,599
	SSGA Money Market FD CL A	4	4
	Total Cash Equivalents		1,216,603
	MUTUAL FUNDS		
*	Needham Growth Fund	173,781	5,696,558
*	Fidelity Retirement Money Market Fund	3,024,856	3,024,856
*	Fidelity Diversified International Fund	75,755	1,933,258
*	Fidelity Large Cap Stock Fund	102,531	1,758,407
*	Fidelity Growth Strategies Fund	70,187	1,306,179
*	Fidelity Capital and Income Fund	119,325	1,034,546
*	Fidelity Fund	31,171	970,981
*	Fidelity Low Priced Stock Fund	27,016	965,283
*	Needham Small Cap Growth Fund	78,438	883,212
*	Needham Aggressive Growth Fund	50,514	733,466
*	Fidelity Institutional Short-Intermediate Government Fund	60,710	613,779
	Artisan Mid Cap Value Fund	22,029	433,970
*	Fidelity Asset Manager 70% Fund	16,587	256,097
	Janus Enterprise Fund	2,497	144,809
	Third Avenue Focused Credit Fund	12,339	117,221
*	Fidelity Freedom 2050 Fund	11,820	100,946
	Keeley Small Cap Value Fund	4,330	100,232
	Weitz Value Fund	3,274	98,600
	Artisan Small Cap Value	6,435	96,007
	Pioneer High Yield Fund	9,525	90,104
	Baron Small Cap Fund	3,466	79,476
*	Fidelity Freedom Income Fund	5,121	57,557
*	Fidelity Magellan Fund	888	55,919
*	Fidelity Freedom 2045 Fund	5,834	50,697
	Wintergreen Fund	2,840	40,015
	Tweedy, Browne Worldwide High Dividend Yield Value	339	39,312
	Dodge & Cox Stock Fund	368	37,381
	Vanguard Index Trust S&P 500 Port	3,711	34,141
	Dodge & Cox International Stock Fund	1,092	31,923
*	Fidelity Freedom 2020 Fund	2,180	28,599
	Baron Partners Fund	1,351	26,196
	Fam Value Fund	546	24,667
*	Fidelity Trend	201	13,440
*	Fidelity Freedom 2035 Fund	1,171	12,351
*	Fidelity Freedom 2030 Fund	571	7,332
*	Fidelity Convertible Securities Fund	218	4,976
*	Fidelity Leverage Company Stock	136	3,422
*	Fidelity Freedom 2000 Fund	171	2,036
	Total Mutual Funds		20,907,951
	COMMON STOCKS		
	Apple Computer Inc.	520	210,600
	Cisco Systems Inc.	8,388	151,660
	ETFS Gold Tr Shares	800	123,944
	Brought Forward		$ 486,204

See independent auditors' report

Needham & Company, LLC 401(k) Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2011

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-3255839
Plan #: 001

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	Carried forward		$ 486,204
	COMMON STOCKS *(CONTINUED)*		
	General Electric Co.	4,675	83,733
	Ishares Tr 1-3 Yr Treasury Index Fund	800	67,600
	Irobot Corporation	2,000	59,700
	Pfizer Inc.	2,579	55,823
	Fifth Third Bancorp	3,538	45,009
	Microsoft Corp.	1,636	42,479
	Yamana Gold Inc.	2,507	36,835
	Ishares Tr FTSE/Xinhua Chine 25 Index	1,000	34,870
	Cliffs Natural Resources Inc.	538	33,544
	Powershares DB Multi Sector Commodity Tr	1,000	28,570
	Google Inc.	42	27,128
	Berkshire Hathaway Inc.	350	26,705
	CH Robinson Worldwide Inc.	356	24,842
	Intel Corp.	1,015	24,622
	Donaldson Inc.	354	24,100
	Exxon Mobil Corp.	275	23,309
	Varian Medical Systems Inc.	340	22,824
	Express Scripts Inc.	500	22,345
	Automatic Data Processing Inc.	393	21,226
	Mettler-Toledo International Inc.	135	19,941
	CME Group Inc.	80	19,494
	Sirius XM Radio Inc.	10,000	18,200
	Sector Spdr Trust Shares Ben Int Financial	1,380	17,949
	Ishares Tr Msci Emerging Mkts	437	16,585
	E M C Corp Mass	750	16,155
	Techne Corp.	225	15,358
	Spdr Gold Tr Gold Shs	100	15,199
	Teradata Corp.	300	14,553
	Careview Communications Inc.	9,000	14,220
	Sigma Aldrich Corp.	225	14,053
	International Business Machines	75	13,791
	North American Palladium Ltd.	5,250	13,387
	Cenovus Energy Inc.	403	13,380
	Vanguard Index Tr Vanguard Total Stock	200	12,860
	Potash Corp. of Saskatchewan Inc.	302	12,473
	Seagate Technology PLC	750	12,300
	Mcdonalds Corp.	122	12,297
	Idexx Laboratories Corp.	150	11,544
	Neonode Inc.	2,300	10,925
	Coca-Cola Co.	153	10,741
	Gen-Probe Incorporated	175	10,346
	Electronics Arts Inc.	500	10,300
	S&P 500 Depository Receipt	79	10,025
	Stryker Corp.	200	9,942
	EOG Resources Inc.	100	9,851
	United States Oil Fund LP	238	9,070
	Brought Forward		$ 1,556,407

See independent auditors' report

Needham & Company, LLC 401(k) Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2011

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

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	Carried forward		$ 1,556,407
	COMMON STOCKS *(CONTINUED)*		
	Proshares Tr Ultra Financials	200	8,874
	Bottomline Technologies	375	8,689
	Corning Inc.	638	8,291
	Ishares Tr Russell 2000 Index Fund	104	7,674
	Disney Walt Co.	190	7,157
	Celgene Corp.	100	6,760
	Visa Inc.	50	5,160
	National Oilwell Inc.	75	5,099
	Salesforce Com Inc.	50	5,073
	Telik Inc.	25,060	4,962
	JPMorgan Chase & Co.	145	4,841
	Honeywell International Inc.	86	4,679
	Direxion Shares ETF Tr Daily Small Cap	175	4,634
	Biolase Technology Inc.	1,771	4,551
	Innovative Solutions and Support Inc.	1,250	4,300
	ING Global Equity Dividend & Premium Opportunity Fund	485	4,193
	Teva Pharmaceutical Industries Limited	95	3,862
	Caterpillar Inc.	41	3,732
	Schlumberger Ltd.	54	3,699
	Ford Motor Co.	300	3,228
	United States Steel Corp.	121	3,219
	Proshares Tr Ultrashort Lehman	100	3,051
	Proshares Tr Ultrashort	50	2,966
	Boeing Co.	36	2,679
	Deere & Co.	34	2,678
	Chimera Investment Corp.	1,000	2,510
	Heineken NV	100	2,322
	Delcath Systems Inc.	700	2,135
	Archer Daniels Midland	74	2,117
	Vmware Inc.	25	2,080
	PNC Financial Services Group	31	1,814
	Research In Motion Ltd.	125	1,813
	Kronos Worldwide Inc.	100	1,804
	Ishares Comex Gold Trust Ishares Etf	100	1,523
	Proshares Tr Ultrashort	50	1,518
	Freeport Mcmoran Copper & Gold Cl B	41	1,509
	Soufun Holdings Ltd.	100	1,460
	Benchmark Electronics Inc.	103	1,387
	Yucheng Technologies Ltd.	500	1,125
	Sagent Pharmaceuticals Inc.	50	1,050
	Level 3 Communications Inc.	44	748
	Eastman Kodak Co.	1,000	650
	New York & Co. Inc.	200	532
	Taomee Holdings Ltd.	100	462
	Drinks Amers Holdings Ltd.	734	382
	Concurrent Computer Corp.	100	379
	Brought Forward		$ 1,709,778

See independent auditors' report

Needham & Company, LLC 401(k) Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2011

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-3255839
Plan #: 001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(e) Current Value
	Carried forward		$ 1,709,778
	COMMON STOCKS *(CONTINUED)*		
	Mgic Invstment Corp.	100	373
	Advanced Semiconductor Engineering Inc.	73	318
	Internap Network Services Corp.	32	190
	Dolphin Digital Media Inc.	1,052	84
	Sourcinglink.Net Inc.	500	20
	Biosante Pharmaceuticals Inc.	16	8
	Total Common Stocks		1,710,771
	CORPORATE BONDS		
	Goodyear Tire & Rubber Co.	42,000	46,305
	Meadwestvaco Corp.	31,000	36,013
	General Electric Capital Corp.	30,000	35,128
	Hydro-Quebec	20,000	28,569
	Archer Daniels Midland	20,000	25,799
	Aetna Inc.	20,000	23,784
	Nokia Corp.	20,000	20,183
	Appalachian Power Co.	10,000	12,935
	General Electric Capital Corp.	10,000	10,939
	Barclays Bk PLC	10,000	8,972
	Boeing Co.	3,000	4,546
	Alcan Inc.	2,000	2,462
	Potomac Electric Power	1,000	1,143
	Total Corporate Bonds		256,778
	REAL ESTATE INVESTMENT TRUSTS		
	Annaly Mortgage Management Inc.	2,000	31,920
	Senior Housing Property Trust	100	2,244
	Total Real Estate Investment Trusts		34,164
	Total Investments		24,126,267
*	**NOTES RECEIVABLE FROM PARTICIPANTS**	Loans have an interest rate of 5.00% with maturities through 2021	323,164
			$ 24,449,431

* - Denotes a party-in-interest as defined by ERISA.

See independent auditors' report

Form 5500	Annual Return/Report of Employee Benefit Plan	OMB Nos. 1210-0110 1210-0089
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	2011 This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ___

B This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. ▶ ☐

D Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
Needham & Company, LLC 401(k) Plan

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1986

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

Needham & Company, LLC

445 Park Avenue

New York NY 10022

2b Employer Identification Number (EIN) 13-3255839

2c Sponsor's telephone number 212-371-8300

2d Business code (see instructions) 523110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Laura Benjamin	10/4/12	Laura Benjamin
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		10/4/12	Joseph Turano
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
Needham & Company, LLC

445 Park Avenue

New York NY 10022

3b Administrator's EIN
13-3255839

3c Administrator's telephone number
212-371-8300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	281
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	149
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	120
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	269
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	269
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	258
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2R 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☐	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒	**H** (Financial Information)
(2)	☐	**I** (Financial Information – Small Plan)
(3)	☐	**A** (Insurance Information)
(4)	☒	**C** (Service Provider Information)
(5)	☐	**D** (DFE/Participating Plan Information)
(6)	☐	**G** (Financial Transaction Schedules)

Needham & Company, LLC 401(k) Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2011

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-3255839
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	Dolphin Digital Media Inc.	1,052	84
	Sourcinglink.Net Inc.	500	20
	Biosante Pharmaceuticals Inc.	16	8
	Total Common Stocks		1,710,771
	CORPORATE BONDS		
	Goodyear Tire & Rubber Co.	42,000	46,305
	Meadwestvaco Corp.	31,000	36,013
	General Electric Capital Corp.	30,000	35,128
	Hydro-Quebec	20,000	28,569
	Archer Daniels Midland	20,000	25,799
	Aetna Inc.	20,000	23,784
	Nokia Corp.	20,000	20,183
	Appalachian Power Co.	10,000	12,935
	General Electric Capital Corp.	10,000	10,939
	Barclays Bk PLC	10,000	8,972
	Boeing Co.	3,000	4,546
	Alcan Inc.	2,000	2,462
	Potomac Electric Power	1,000	1,143
	Total Corporate Bonds		256,778
	REAL ESTATE INVESTMENT TRUSTS		
	Annaly Mortgage Management Inc.	2,000	31,920
	Senior Housing Property Trust	100	2,244
	Total Real Estate Investment Trusts		34,164
	Total Investments		24,126,267
*	**NOTES RECEIVABLE FROM PARTICIPANTS**	Loans have an interest rate of 5.00% with maturities through 2021	323,164
			$ 24,449,431

* - Denotes a party-in-interest as defined by ERISA.

See independent auditors' report