



# Canaccord Capital Inc.

## Supplementary Financial Information

1st Quarter 2005

(Unaudited)

### Investor Relations & Communications Department

For further information, contact:

Anthony Ostler	Senior Vice President	604-643-7647
Adrienne Cheng	Analyst	604-643-0277

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### **Advisory Note:**

This document is not audited and should be read in conjunction with the Q1/05 Quarterly Report to Shareholders dated August 13, 2004, and the Final Prospectus dated June 23, 2004.

### **Non-GAAP Measures:**

Certain non-GAAP measures are utilized by the Company as measures of financial performance. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Non-GAAP measures included are: operating income before other items, capital employed, return on average capital employed (ROCE), return on average common equity (ROE), and assets under administration (AUA).

### **Currency:**

Unless otherwise specified, all currencies are in Canadian dollars.

## Financial Highlights

(Unaudited, for the period ended)  
(in thousands of dollars)

### Financial Results

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
Revenue	51,428	81,402	118,639	150,687	80,565	294,676	218,769	170,433	199,206	402,157
Expenses	48,757	64,870	97,524	116,330	65,327	238,080	205,427	166,753	192,465	327,480
Operating income before other items	2,671	16,533	21,115	34,358	15,238	56,596	13,342	3,680	6,741	74,677
Other expense items	3,105	2,783	3,084	3,148	2,767	9,300	10,925	32,775	12,279	12,120
Income taxes	(3)	5,150	6,763	10,218	4,065	19,946	(901)	(11,015)	(485)	22,128
Net income (loss)	(431)	8,601	11,267	20,992	8,406	27,350	3,318	(18,080)	(5,053)	40,429

### Segmented Disclosure

Business segment income (loss) before income taxes

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
Private Client Services	6,080	13,241	15,509	22,514	10,038	54,008	44,206	8,982	14,634	57,344
Global Capital Markets	2,682	14,030	17,585	22,971	13,046	29,297	2,187	(3,940)	7,008	57,269
Other	(9,196)	(13,521)	(15,063)	(14,276)	(10,613)	(36,009)	(43,976)	(34,137)	(27,180)	(52,056)

### Balance Sheet Information

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
Total assets	849,736	1,039,134	1,104,713	1,508,366	1,514,140	909,440	512,303	783,221	830,737	1,508,366
Total liabilities <sup>(1)</sup>	798,424	980,540	1,030,983	1,409,679	1,316,432	845,821	445,803	732,964	778,034	1,409,679
Total shareholders' equity <sup>(1)</sup>	51,312	58,594	73,730	98,687	197,708	63,619	66,500	50,257	52,703	98,687
Assets under administration	5,577,184	6,231,931	7,049,190	8,291,594	8,244,206	5,978,086	4,427,542	4,977,717	5,036,795	8,291,594

### Financial Measures

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
Basic earnings (loss) per share (\$)	(0.02)	0.31	0.40	0.74	0.28	1.45	0.14	(0.71)	(0.18)	1.43
Fully diluted earnings (loss) per share (\$)	(0.02)	0.24	0.32	0.58	0.23	1.45	0.14	(0.71)	(0.18)	1.12
Fully diluted book value per common share (\$)	1.93	2.17	2.52	3.15	4.34	n.m.	n.m.	n.m.	2.28	3.15
Annualized ROE / ROCE (%)	-2.4%	44.9%	51.4%	79.1%	19.3%	43.0%	5.1%	-28.3%	-7.5%	43.5%

### Note:

(1) As discussed in note 1 of the Q1/05 interim financial statements, the Company adopted the requirements of CICA Handbook Section 1100 in which convertible debentures and subordinated debt are classified as liabilities. These consolidated financial statements have been adjusted to reflect the reclassification of these items as liabilities from the capital section of the balance sheet.

**Canaccord Group of Companies**

**Condensed Consolidated Statement of Operations**

(Unaudited, for the period ended)

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
<b>Revenue</b>										
Private Client Services	27,632,501	39,143,915	48,539,063	60,666,987	38,321,895	169,892,000	140,251,000	90,534,000	97,784,000	175,982,466
Global Capital Markets	20,817,005	39,000,387	66,515,334	85,425,153	39,170,535	110,484,000	66,288,000	72,264,000	91,629,000	211,757,879
Other	2,978,761	3,258,142	3,584,549	4,595,032	3,072,552	14,300,000	12,230,000	7,635,000	9,793,000	14,416,484
	51,428,267	81,402,444	118,638,946	150,687,171	80,564,982	294,676,000	218,769,000	170,433,000	199,206,000	402,156,829
<b>Expenses</b>										
Incentive Compensation	23,674,464	39,668,657	69,927,073	85,532,069	35,473,490	154,350,000	100,727,000	78,428,000	92,594,000	218,802,263
Salaries and Benefits	8,900,729	8,337,852	9,180,804	10,773,180	11,213,784	27,803,000	34,418,000	32,147,000	35,661,000	37,192,564
Trading Costs	3,543,934	3,808,359	4,665,569	5,292,172	4,452,696	11,780,000	13,745,000	9,621,000	15,343,000	17,310,034
Premises and Equipment	3,007,013	3,117,386	3,184,327	3,708,762	3,028,518	10,101,000	13,274,000	12,616,000	12,089,000	13,017,488
Communication and Technology	3,158,344	3,072,060	3,113,390	2,945,842	3,221,350	8,687,000	12,178,000	11,650,000	12,984,000	12,289,636
Interest	869,388	937,810	1,019,308	1,167,712	1,445,517	4,230,000	6,551,000	4,116,000	3,239,000	3,994,218
General and Administrative	5,603,446	5,927,470	6,433,184	6,909,809	6,491,223	21,129,000	24,534,000	18,175,000	20,555,000	24,873,909
	48,757,319	64,869,594	97,523,656	116,329,545	65,326,578	238,080,000	205,427,000	166,753,000	192,465,000	327,480,113
<b>Operating Income Before Other Items</b>	2,670,949	16,532,850	21,115,291	34,357,626	15,238,404	56,596,000	13,342,000	3,680,000	6,741,000	74,676,716
Amortization	911,957	874,939	1,026,541	751,539	691,707	1,580,000	2,794,000	3,982,000	3,898,000	3,564,977
Discretionary Payouts	-	-	-	-	-	3,429,000	5,920,000	1,597,000	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-	(1,400,000)	(4,465,000)	-	(4,261,000)	-
Development Costs	1,830,438	1,955,572	2,057,653	2,396,572	2,075,610	4,157,000	4,770,000	4,443,000	4,137,000	8,240,235
Restructuring and Other Costs	362,416	(47,919)	-	-	-	1,534,000	1,906,000	22,753,000	8,505,000	314,497
<b>Income (Loss) Before Income Taxes</b>	<b>(433,863)</b>	<b>13,750,258</b>	<b>18,031,097</b>	<b>31,209,515</b>	<b>12,471,086</b>	<b>47,296,000</b>	<b>2,417,000</b>	<b>(29,095,000)</b>	<b>(5,538,000)</b>	<b>62,557,007</b>
Income Taxes	(2,943)	5,149,634	6,763,184	10,217,949	4,065,144	19,946,000	(901,000)	(11,015,000)	(485,000)	22,127,824
<b>Net income (Loss)</b>	<b>(430,920)</b>	<b>8,600,624</b>	<b>11,267,913</b>	<b>20,991,566</b>	<b>8,405,942</b>	<b>27,350,000</b>	<b>3,318,000</b>	<b>(18,080,000)</b>	<b>(5,053,000)</b>	<b>40,429,183</b>
Basic earnings (loss) per share (\$)	(0.02)	0.31	0.40	0.74	0.28	1.45	0.14	(0.71)	(0.18)	1.43
Fully diluted earnings (loss) per share (\$)	(0.02)	0.24	0.32	0.58	0.23	1.45	0.14	(0.71)	(0.18)	1.12
Fully diluted book value per common share (\$)	1.93	2.17	2.52	3.15	4.34	n.m.	n.m.	n.m.	2.28	3.15
Annualized ROE / ROCE (%)	-2.4%	44.9%	51.4%	79.1%	19.3%	43.0%	5.1%	-28.3%	-7.5%	43.5%

**Private Client Services**  
**Condensed Statement of Operations**

(Unaudited, for the period ended)

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
<b>Revenue</b>										
Private Client Services	27,632,501	39,143,915	48,539,063	60,666,987	38,321,895	169,892,000	140,251,000	90,534,000	97,784,000	175,982,466
<b>Expenses</b>										
Incentive Compensation	12,821,635	17,541,428	23,896,537	28,497,986	17,723,520	83,072,000	61,864,000	40,915,000	45,179,000	82,757,586
Salaries and Benefits	2,337,065	2,201,356	2,381,844	3,236,796	2,851,041	9,049,000	9,950,000	7,703,000	9,105,000	10,157,060
Trading Costs	389,907	99,867	309,405	508,997	2,341,157	1,823,000	2,388,000	1,050,000	1,646,000	1,308,177
Premises and Equipment	1,187,207	1,158,304	1,167,660	1,228,377	1,116,406	3,990,000	4,778,000	4,739,000	4,555,000	4,741,548
Communication and Technology	1,429,199	1,294,372	1,399,743	1,368,090	1,455,304	4,318,000	6,319,000	6,575,000	6,636,000	5,491,405
Interest	49	144	67	83	71	-	-	-	-	344
General and Administrative	1,874,285	2,297,126	2,677,541	2,462,205	1,871,299	8,622,000	6,906,000	7,057,000	5,719,000	9,311,157
	20,039,348	24,592,599	31,832,798	37,302,534	27,358,799	110,874,000	92,205,000	68,039,000	72,840,000	113,767,279
<b>Operating Income Before Other Items</b>	7,593,154	14,551,316	16,706,265	23,364,453	10,963,096	59,018,000	48,046,000	22,495,000	24,944,000	62,215,187
Amortization	327,858	330,059	447,573	189,783	242,142	726,000	871,000	1,321,000	1,399,000	1,295,273
Discretionary Payouts	-	-	-	-	-	-	-	-	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-	-	-	-	-	-
Development Costs	822,452	1,028,347	749,833	660,478	682,921	2,750,000	1,949,000	1,295,000	2,015,000	3,261,111
Restructuring and Other Costs	362,416	(47,919)	-	-	-	1,534,000	1,020,000	10,897,000	6,896,000	314,497
<b>Income Before Income Taxes</b>	6,080,427	13,240,829	15,508,859	22,514,191	10,038,033	54,008,000	44,206,000	8,982,000	14,634,000	57,344,306
Assets under administration (\$000's)	5,577,184	6,231,931	7,049,190	8,291,594	8,244,206	5,978,086	4,427,542	4,977,717	5,036,795	8,291,594
Number of employees	638	626	635	652	668	516	630	623	628	652
Number of investment advisors	420	410	408	409	426	354	413	416	417	409

**Global Capital Markets**  
**Condensed Statement of Operations**

(Unaudited, for the period ended)

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
<b>Revenue</b>										
Capital Markets	8,026,479	19,234,041	25,036,026	36,524,569	17,306,833	29,778,000	26,077,000	23,464,000	35,601,000	88,821,114
International Trading	2,647,991	3,556,965	5,766,480	4,829,049	3,308,482	54,951,000	8,665,000	6,270,000	7,491,000	16,800,485
Registered Traders	2,374,033	2,416,063	3,247,004	3,455,705	(82,448)	-	7,018,000	7,795,000	10,564,000	11,492,804
Fixed Income	2,014,146	1,850,433	2,127,790	4,162,412	2,288,568	3,131,000	5,614,000	9,465,000	9,509,000	10,154,781
International (UK)	5,754,357	11,942,885	30,338,035	36,453,419	16,349,099	22,624,000	18,914,000	25,270,000	28,464,000	84,488,696
	20,817,005	39,000,387	66,515,334	85,425,153	39,170,535	110,484,000	66,288,000	72,264,000	91,629,000	211,757,879
<b>Expenses</b>										
Incentive Compensation	9,450,131	17,815,297	40,605,454	52,427,192	15,463,209	58,079,000	33,588,000	35,649,000	45,982,000	120,298,074
Salaries and Benefits	3,068,695	2,845,218	3,103,351	3,499,501	3,821,125	8,520,000	11,199,000	11,939,000	13,486,000	12,516,765
Trading Costs	974,012	352,608	1,043,704	1,069,460	1,750,932	2,754,000	3,358,000	2,425,000	3,782,000	3,439,784
Premises and Equipment	1,004,025	1,105,005	1,023,189	1,103,953	1,025,232	2,602,000	3,770,000	4,144,000	4,634,000	4,236,172
Communication and Technology	1,246,128	935,978	1,054,129	968,727	1,250,323	2,853,000	3,402,000	4,105,000	4,921,000	4,204,962
Interest	20,845	19,312	(11,482)	6,468	419	-	619,000	296,000	332,000	35,143
General and Administrative	1,858,118	1,479,252	1,664,914	2,630,140	2,468,057	5,792,000	10,229,000	4,810,000	9,057,000	7,632,423
	17,621,954	24,552,671	48,483,258	61,705,441	25,779,298	80,600,000	66,165,000	63,368,000	82,194,000	152,363,323
<b>Operating Income Before Other Items</b>	3,195,051	14,447,716	18,032,077	23,719,712	13,391,237	29,884,000	123,000	8,896,000	9,435,000	59,394,556
Amortization	362,032	303,815	308,103	316,618	264,632	451,000	876,000	1,644,000	1,488,000	1,290,568
Discretionary Payouts	-	-	-	-	-	-	500,000	161,000	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-	-	(4,465,000)	-	-	-
Development Costs	150,899	113,637	138,853	431,939	80,680	136,000	139,000	375,000	(670,000)	835,327
Restructuring and Other Costs	-	-	-	-	-	-	886,000	10,656,000	1,609,000	-
<b>Income (Loss) Before Income Taxes</b>	2,682,120	14,030,264	17,585,121	22,971,156	13,045,925	29,297,000	2,187,000	(3,940,000)	7,008,000	57,268,661
Number of employees	223	227	230	232	238	172	219	222	235	232

**Other Segment**  
**Condensed Statement of Operations**

(Unaudited, for the period ended)

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05
<b>Revenue</b>					
Other	2,978,761	3,258,142	3,584,549	4,595,032	3,072,552
<b>Expenses</b>					
Incentive Compensation	1,402,698	4,311,931	5,425,082	4,606,892	2,286,761
Salaries and Benefits	3,494,969	3,291,277	3,695,609	4,036,883	4,541,617
Trading Costs	2,180,014	3,355,884	3,312,460	3,713,715	360,607
Premises and Equipment	815,782	854,077	993,478	1,376,431	886,881
Communication and Technology	483,017	841,709	659,518	609,024	515,723
Interest	848,494	918,353	1,030,723	1,161,161	1,445,026
General and Administrative	1,871,043	2,151,092	2,090,729	1,817,464	2,151,867
	11,096,017	15,724,324	17,207,599	17,321,570	12,188,482
<b>Operating Income Before Other Items</b>	(8,117,256)	(12,466,182)	(13,623,051)	(12,726,538)	(9,115,929)
Amortization	222,067	241,065	270,866	245,139	184,933
Discretionary Payouts	-	-	-	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-
Development Costs	857,087	813,589	1,168,967	1,304,155	1,312,009
Restructuring and Other Costs	-	-	-	-	-
<b>Loss Before Income Taxes</b>	(9,196,410)	(13,520,835)	(15,062,883)	(14,275,831)	(10,612,871)

	FY00	FY01	FY02	FY03	FY04
	14,300,000	12,230,000	7,635,000	9,793,000	14,416,484
	13,199,000	5,275,000	1,864,000	1,433,000	15,746,603
	10,234,000	13,269,000	12,505,000	13,070,000	14,518,739
	7,203,000	7,999,000	6,146,000	9,915,000	12,562,073
	3,509,000	4,726,000	3,733,000	2,900,000	4,039,768
	1,516,000	2,457,000	970,000	1,427,000	2,593,269
	4,230,000	5,932,000	3,820,000	2,907,000	3,958,731
	6,715,000	7,399,000	6,308,000	5,779,000	7,930,329
	46,606,000	47,057,000	35,346,000	37,431,000	61,349,511
	(32,306,000)	(34,827,000)	(27,711,000)	(27,638,000)	(46,933,027)
	403,000	1,047,000	1,017,000	1,011,000	979,136
	3,429,000	5,420,000	1,436,000	-	-
	(1,400,000)	-	-	(4,261,000)	-
	1,271,000	2,682,000	2,773,000	2,792,000	4,143,797
	-	-	1,200,000	-	-
	(36,009,000)	(43,976,000)	(34,137,000)	(27,180,000)	(52,055,960)

**Canada**  
**Condensed Statement of Operations**

*(Unaudited, for the period ended)*

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05
<b>Revenue</b>					
Private Client Services	27,632,501	39,143,915	48,539,063	60,666,987	38,321,895
Global Capital Markets	15,062,648	27,057,502	36,177,299	48,971,734	22,821,435
Other	2,978,761	3,258,142	3,584,549	4,595,032	3,072,552
	45,673,910	69,459,559	88,300,911	114,233,753	64,215,883
<b>Expenses</b>					
Incentive Compensation	21,216,886	33,609,795	49,412,636	60,586,489	28,954,770
Salaries and Benefits	7,468,227	7,077,655	7,702,420	9,086,068	9,356,784
Trading Costs	3,310,262	3,561,978	4,385,504	4,935,766	4,161,962
Premises and Equipment	2,421,648	2,426,053	2,560,682	3,036,123	2,455,913
Communication and Technology	2,939,816	2,894,537	2,907,545	2,711,349	2,966,964
Interest	848,543	918,498	1,030,790	1,161,244	1,445,097
General and Administrative	5,010,782	5,064,136	5,796,296	5,540,135	5,572,566
	43,216,164	55,552,652	73,795,873	87,057,173	54,914,057
<b>Operating Income Before Other Items</b>	2,457,746	13,906,907	14,505,038	27,176,579	9,301,826
Amortization	679,547	701,587	874,343	592,935	565,349
Discretionary Payouts	-	-	-	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-
Development Costs	1,830,438	1,955,572	2,057,653	2,396,572	2,075,610
Restructuring and Other Costs	362,416	(47,919)	-	-	-
<b>Income (Loss) Before Income Taxes</b>	(414,656)	11,297,667	11,573,042	24,187,072	6,660,867

	FY00	FY01	FY02	FY03	FY04
	169,892,000	140,251,000	90,534,000	97,784,000	175,982,466
	87,859,000	47,374,000	46,994,000	63,165,000	127,269,183
	14,300,000	12,230,000	7,635,000	9,793,000	14,416,484
	272,051,000	199,855,000	145,163,000	170,742,000	317,668,133
	142,246,000	91,273,000	64,869,000	77,997,000	164,825,807
	24,233,000	29,253,000	26,310,000	28,762,000	31,334,369
	11,607,000	13,236,000	8,739,000	14,233,000	16,193,510
	8,700,000	10,889,000	10,085,000	9,115,000	10,444,506
	7,897,000	11,443,000	10,840,000	11,950,000	11,453,247
	4,230,000	5,932,000	3,821,000	2,907,000	3,959,075
	19,501,000	22,528,000	15,768,000	17,969,000	21,411,350
	218,414,000	184,554,000	140,432,000	162,933,000	259,621,863
	53,637,000	15,301,000	4,731,000	7,809,000	58,046,270
	1,284,000	2,169,000	2,864,000	2,936,000	2,848,412
	3,429,000	5,420,000	1,436,000	-	-
	(1,400,000)	-	-	(4,261,000)	-
	4,157,000	4,770,000	4,443,000	4,137,000	8,240,235
	1,534,000	1,906,000	22,403,000	8,259,000	314,497
	44,633,000	1,036,000	(26,415,000)	(3,262,000)	46,643,126

**UK**  
**Condensed Statement of Operations**

(Unaudited, for the period ended)

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05
<b>Revenue</b>					
Private Client Services	-	-	-	-	-
Global Capital Markets	5,754,357	11,942,885	30,338,035	36,453,419	16,349,099
Other	-	-	-	-	-
	5,754,357	11,942,885	30,338,035	36,453,419	16,349,099
<b>Expenses</b>					
Incentive Compensation	2,457,578	6,058,862	20,514,437	24,945,581	6,518,721
Salaries and Benefits	1,432,502	1,260,197	1,478,384	1,687,112	1,856,999
Trading Costs	233,672	246,381	280,065	356,406	290,733
Premises and Equipment	585,365	691,333	623,645	672,638	572,605
Communication and Technology	218,529	177,523	205,845	234,493	254,386
Interest	20,845	19,312	(11,482)	6,468	419
General and Administrative	592,664	863,334	636,888	1,369,674	918,657
	5,541,155	9,316,942	23,727,782	29,272,371	10,412,521
<b>Operating Income Before Other Items</b>	213,202	2,625,943	6,610,253	7,181,047	5,936,578
Amortization	232,410	173,352	152,199	158,604	126,358
Discretionary Payouts	-	-	-	-	-
Gain on Disposal of Invts and Claims	-	-	-	-	-
Development Costs	-	-	-	-	-
Restructuring and Other Costs	-	-	-	-	-
<b>Income (Loss) Before Income Taxes</b>	(19,208)	2,452,591	6,458,055	7,022,443	5,810,220

	FY00	FY01	FY02	FY03	FY04
	-	-	-	-	-
	22,625,000	18,914,000	25,270,000	28,464,000	84,488,696
	-	-	-	-	-
	22,625,000	18,914,000	25,270,000	28,464,000	84,488,696
	12,104,000	9,454,000	13,559,000	14,597,000	53,976,457
	3,570,000	5,165,000	5,837,000	6,899,000	5,858,195
	173,000	509,000	882,000	1,110,000	1,116,524
	1,401,000	2,385,000	2,531,000	2,974,000	2,572,982
	790,000	735,000	810,000	1,034,000	836,389
	-	619,000	295,000	332,000	35,143
	1,628,000	2,006,000	2,407,000	2,586,000	3,462,559
	19,666,000	20,873,000	26,321,000	29,532,000	67,858,249
	2,959,000	(1,959,000)	(1,051,000)	(1,068,000)	16,630,446
	296,000	625,000	1,118,000	962,000	716,565
	-	500,000	161,000	-	-
	-	(4,465,000)	-	-	-
	-	-	-	-	-
	-	-	350,000	246,000	-
	2,663,000	1,381,000	(2,680,000)	(2,276,000)	15,913,881

Number of employees 50 52 53 53 55

43 45 48 50 53

**Canaccord Group of Companies  
Consolidated Balance Sheet**

(Unaudited, As at)  
(in thousands of dollars)

**Assets**

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05
Cash and cash equivalents	122,765	90,306	110,001	91,966	34,008
Securities owned, at market	129,233	154,298	202,500	376,447	377,789
Accounts receivable	563,245	761,732	754,766	997,621	1,052,409
Income taxes recoverable	866	-	-	-	-
Future income taxes	3,583	3,202	3,029	-	1,645
Equipment and leasehold improvements	11,293	10,671	10,720	12,373	12,182
Notes receivable	17,559	17,835	22,758	28,765	35,355
Deferred charges	1,192	1,091	940	1,194	752
<b>Total Assets</b>	<b>849,736</b>	<b>1,039,134</b>	<b>1,104,713</b>	<b>1,508,366</b>	<b>1,514,140</b>

**Liabilities and Shareholders' Equity**

Call loans	-	-	-	2,541	40,745
Securities sold short, at market	62,028	57,816	113,189	281,723	270,228
Accounts payable and accrued liabilities	687,621	869,349	854,844	1,048,395	957,362
Income taxes payable	-	3,780	10,304	16,905	2,742
Future income taxes	-	-	-	973	-
Notes payable	17,559	18,379	21,882	28,765	35,355
Convertible debentures <sup>(1)</sup>	21,215	21,215	20,763	20,377	-
Subordinated debt <sup>(1)</sup>	10,000	10,000	10,000	10,000	10,000
Shareholders' equity <sup>(1)</sup>	51,312	58,594	73,730	98,687	197,708
<b>Total Liabilities and Shareholders' Equity</b>	<b>849,736</b>	<b>1,039,134</b>	<b>1,104,713</b>	<b>1,508,366</b>	<b>1,514,140</b>

	FY00	FY01	FY02	FY03	FY04
	139,713	24,291	23,697	100,024	91,966
	60,433	94,057	89,608	136,073	376,447
	699,421	366,042	639,243	559,627	997,621
	-	10,861	8,581	558	-
	-	-	2,327	3,735	-
	8,414	16,085	14,151	12,027	12,373
	-	-	5,614	17,393	28,765
	1,459	967	-	1,300	1,194
	<b>909,440</b>	<b>512,303</b>	<b>783,221</b>	<b>830,737</b>	<b>1,508,366</b>
	33,063	45,072	1,924	-	2,541
	8,652	21,312	31,645	85,373	281,723
	756,659	358,736	662,724	644,043	1,048,395
	18,839	-	-	-	16,905
	(73)	-	-	-	973
	1,064	683	8,446	17,393	28,765
	-	-	11,225	21,225	20,377
	27,617	20,000	17,000	10,000	10,000
	63,619	66,500	50,257	52,703	98,687
	<b>909,440</b>	<b>512,303</b>	<b>783,221</b>	<b>830,737</b>	<b>1,508,366</b>

**Note:**

(1) As discussed in note 1 of the Q1/05 interim financial statements, the Company adopted the requirements of CICA Handbook Section 1100 in which convertible debentures and subordinated debt are classified as liabilities. These consolidated financial statements have been adjusted to reflect the reclassification of these items as liabilities from the capital section of the balance sheet.

## Miscellaneous Operational Statistics

(Unaudited, for the period ended)

### Number of Employees in Canada

	Q1/04	Q2/04	Q3/04	Q4/04	Q1/05	FY00	FY01	FY02	FY03	FY04
Number in Private Client Services	638	626	635	652	668	516	630	623	628	652
Number in Global Capital Markets	185	186	187	189	194	139	185	187	197	189
Number in Other (Pinnacle, support/admin.)	286	281	289	309	321	205	282	259	277	309
Total Canada	1,109	1,093	1,111	1,150	1,183	860	1,097	1,069	1,102	1,150

### Number of Employees in UK

Number in Private Client Services	-	-	-	-	-	-	-	-	-	-
Number in Global Capital Markets	38	41	43	43	44	33	34	35	38	43
Number in Other (Support/admin.)	12	11	10	10	11	10	11	13	12	10
Total UK	50	52	53	53	55	43	45	48	50	53

### Number of Employees Firm wide

	1,159	1,145	1,164	1,203	1,238	903	1,142	1,117	1,152	1,203
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### Number of Investment Advisors

	420	410	408	409	426	354	413	416	417	409
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### Number of Licenced Professionals

	677	672	686	675	689	n.m	n.m	n.m	668	675
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### Assets Under Administration (\$000's)

	5,577,184	6,231,931	7,049,190	8,291,594	8,244,206	5,978,086	4,427,542	4,977,717	5,036,795	8,291,594
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### Number of Companies with Canaccord Capital Europe Ltd. as Broker

London Stock Exchange (LSE)	5	5	5	5	6	-	2	3	5	5
Alternative Investment Market (AIM)	18	22	28	31	35	-	-	6	16	31
Total Broker	23	27	33	36	41	-	2	9	21	36

### Number of Companies with Canaccord Capital Europe Ltd. as Nominated Advisor (Nomad)

LSE	3	3	3	3	3	-	1	1	3	3
AIM	11	15	21	24	28	-	-	3	10	24
Total Nomad	14	18	24	27	31	-	1	4	13	27

**Equity Offerings Over \$1.5 million**

**April 1st - June 30th 2004**

<b>Manager</b>	<b>Participation in all of Deals</b>	<b>Rank # of Deals</b>	<b># of Deals Lead</b>	<b>Market Share</b>	<b>Rank</b>	<b>Gross Proceeds (\$000's)</b>	<b>Total Proceeds (\$000's)</b>
<b>Canaccord Capital</b>	<b>99</b>	<b>1</b>	<b>22</b>	<b>8.3%</b>	<b>4</b>	<b>165,137</b>	<b>5,097,633</b>
CIBC World Markets	81	2	31	11.7%	1	3,160,331	8,602,362
National Bank	80	3	10	3.8%	8	795,535	8,319,591
Scotia Capital Markets	79	4	12	4.5%	6	742,450	8,506,554
BMO Nesbitt	79	5	12	4.5%	5	1,152,919	8,069,622
RBC Dominion	78	6	26	9.8%	2	2,758,870	8,364,698
TD Securities	76	7	7	2.6%	11	682,989	7,774,284
Dundee Securities	62	8	11	4.2%	7	266,741	3,821,118
GMP	55	9	22	8.3%	3	454,303	2,035,846
First Associates	47	10	7	2.6%	13	63,637	2,223,421
Others			105	39.6%		1,677,990	
			<b>265</b>	<b>100%</b>		<b>11,920,902</b>	

**April 1st - June 30th 2003**

<b>Manager</b>	<b>Participation in all of Deals</b>	<b>Rank # of Deals</b>	<b># of Deals Lead</b>	<b>Market Share</b>	<b>Rank</b>	<b>Gross Proceeds (\$000's)</b>	<b>Total Proceeds (\$000's)</b>
Self-Underwritten	171	1	30	18.8%	1	296,086	9,926,403
CIBC World Markets	46	2	17	10.6%	2	3,559,339	7,050,924
TD Securities	46	3	5	3.1%	9	735,175	7,031,300
BMO Nesbitt	42	4	7	4.4%	7	823,074	5,996,430
Scotia Capital Markets	40	5	10	6.3%	5	1,075,327	7,271,451
RBC Dominion	32	6	7	4.4%	6	1,363,361	6,455,529
<b>Canaccord Capital</b>	<b>30</b>	<b>7</b>	<b>5</b>	<b>3.1%</b>	<b>11</b>	<b>35,982</b>	<b>2,665,556</b>
Dundee Securities	27	8	12	7.5%	3	171,133	1,604,092
GMP	22	9	11	6.9%	4	186,797	835,502
First Associates	19	10	6	3.8%	8	14,518	939,658
Others			60	31.2%		838,587	
			<b>160</b>	<b>100%</b>		<b>9,099,379</b>	

Source: Financial Post Data Group