

CANACCORD Financial

Canaccord Financial Inc.

Supplementary Financial Information

Second Quarter Fiscal 2012

For the period ended September 30, 2011

(Unaudited and in Canadian dollars)

Investor Relations Department

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**Advisory note:**

This document is not audited and should be read in conjunction with the Second Quarter Fiscal 2012 Quarterly Report to Shareholders (unaudited) dated November 10, 2011, and the Annual Report dated May 17, 2011. Canaccord's fiscal year end is defined as March 31st of each year. Canaccord's second quarter fiscal 2012 ended September 30, 2011 is also referred to as Q2/12 in the following disclosure.

**International Financial Reporting Standards:**

As required by the Canadian Accounting Standards Board (AcSB), the Company adopted International Financial Reporting Standards (IFRS) effective April 1, 2011. Beginning the quarter ended June 30, 2011, all financial information provided are in accordance with International Financial Reporting Standards except for non-IFRS measures. Comparative financial information for the four quarters of fiscal 2011 has been restated and presented in accordance with IFRS. All financial information provided prior to Q1/11 is in accordance with Canadian Generally Accepted Accounting Principles (CGAAP).

**Non-IFRS and Non-GAAP measures:**

Certain non-IFRS and non-GAAP measures are utilized by the Company as measures of financial performance. Non-IFRS and non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Non-IFRS and non-GAAP measures included are: net income after intersegment allocated costs, supplementary information excluding significant and acquisition-related items, return on average common equity (ROE), book value per diluted common share, assets under administration (AUA), assets under management (AUM), compensation expenses as % of revenue, non-compensation expenses as % of revenue, dividend yield, dividend payout ratio, total shareholder return, price to earnings multiple (P/E), price to book ratio (P/B), and CWM fee-related revenue.

**Currency:**

Unless otherwise specified, all currencies are in thousands of Canadian dollars.

**Financial highlights**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
			IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS			IFRS	CGAAP	CGAAP	CGAAP	CGAAP	
<b>Financial results</b>																				
Revenue	(29,785)	(20.0)%	119,500	159,783	247,595	254,834	149,285	151,917	143,133	173,197	123,744	279,283	301,202	(21,919)	(7.3)%	803,631	577,537	477,721	731,539	756,914
Expenses	(8,280)	(6.1)%	126,396	144,034	189,279	192,918	134,676	144,286	137,658	150,887	115,883	270,430	278,962	(8,532)	(3.1)%	661,159	525,896	524,920	680,008	618,717
Income taxes (recovery)	(5,976)	(137.1)%	(1,618)	2,554	16,993	18,919	4,358	2,459	(2,051)	7,197	1,115	936	6,817	(5,881)	(86.3)%	42,729	13,144	452	20,197	44,741
Net income (loss)	(15,529)	(151.5)%	(5,278)	13,195	41,323	42,997	10,251	5,172	7,526	15,113	6,746	7,917	15,423	(7,506)	(48.7)%	99,743	38,497	(47,651)	31,334	93,456
Net income (loss) available to common shareholders	(17,329)	(169.0)%	(7,078)	13,105	41,323	42,997	10,251	5,172	7,526	15,113	6,746	6,027	15,423	(9,396)	(60.9)%	99,743	38,497	(47,651)	31,334	93,456
<b>Financial position information</b>																				
Total assets	403,250	7.7%	5,665,166	4,429,105	5,097,500	4,555,884	5,261,916	3,961,904	3,123,848	2,583,857	3,407,005	5,665,166	5,261,916	403,250	7.7%	5,097,500	3,123,848	2,022,099	2,098,718	2,609,942
Total liabilities	220,287	4.8%	4,801,673	3,580,864	4,340,608	3,831,158	4,581,386	3,290,908	2,722,103	2,183,190	3,018,780	4,801,673	4,581,386	220,287	4.8%	4,340,608	2,722,103	1,649,395	1,741,274	2,237,751
Total shareholders' equity	182,963	26.9%	863,493	848,241	756,892	724,726	680,530	670,996	401,745	400,667	388,225	863,493	680,530	182,963	26.9%	756,892	401,745	372,704	357,444	372,191
<b>Client assets</b>																				
Assets under mgmt. (\$ millions) <sup>(2)</sup>	101	21.4%	574	575	546	514	473	431	445	423	453	574	473	101	21.4%	546	445	393	730	807
Assets under admin. (\$ millions)	740	5.3%	14,635	15,676	16,985	16,006	13,895	12,571	12,922	12,210	11,386	14,635	13,895	740	5.3%	16,985	12,922	9,184	14,295	15,014
<b>Common share information</b>																				
Per share (\$)																				
Basic earnings (loss)	(0.23)	(164.3)%	(0.09)	0.17	0.55	0.57	0.14	0.08	0.15	0.31	0.14	0.08	0.22	(0.14)	(63.6)%	1.37	0.79	(0.97)	0.70	2.03
Diluted earnings (loss)	(0.21)	(175.0)%	(0.09)	0.16	0.49	0.51	0.12	0.07	0.14	0.27	0.12	0.07	0.19	(0.12)	(63.2)%	1.22	0.69	(0.97)	0.64	1.94
Book value per diluted common share <sup>(3) (4)</sup>	0.71	8.8%	8.75	8.71	8.79	8.43	8.05	7.86	6.96	7.00	6.78	8.75	8.05	0.71	8.8%	8.79	6.96	6.51	7.21	7.74
Share price (\$)																				
High	2.16	19.8%	13.05	15.31	16.41	14.42	10.89	11.48	11.34	11.87	10.71	15.31	11.48	3.83	33.4%	16.41	11.87	11.75	25.92	27.50
Low	0.55	6.3%	9.32	11.65	13.03	10.09	8.77	7.95	8.27	9.50	6.70	9.32	8.77	0.55	6.3%	7.95	5.30	2.87	8.60	15.80
Close	(0.82)	(7.9)%	9.55	12.36	14.00	14.16	10.37	9.39	11.10	10.37	10.20	9.55	10.37	(0.82)	(7.9)%	14.00	11.10	5.40	9.80	22.12
Shares outstanding (thousands)																				
Issued shares excluding unvested shares <sup>(5)</sup>	1,680	2.3%	76,232	75,597	75,404	75,055	74,552	74,961	48,868	48,106	48,681	76,232	74,552	1,680	2.3%	75,404	48,868	49,343	43,873	45,973
Issued and outstanding <sup>(6)</sup>	769	0.9%	83,322	83,097	82,810	82,626	82,553	82,308	55,571	55,405	55,359	83,322	82,553	769	0.9%	82,810	55,571	55,093	47,835	47,832
Diluted shares <sup>(7)</sup>	1,414	1.7%	85,979	86,236	86,080	85,938	84,565	85,357	57,814	57,267	57,226	86,190	84,532	1,658	2.0%	85,655	57,767	57,251	49,556	48,084
Average outstanding - basic	1,838	2.5%	76,073	75,087	75,194	74,947	74,235	67,931	48,697	48,147	48,536	75,644	70,836	4,808	6.8%	72,990	48,698	48,929	44,778	45,969
Average diluted <sup>(8)</sup>	946	1.1%	83,922	84,283	84,571	83,643	82,976	76,217	56,052	56,274	55,590	84,175	79,578	4,597	5.8%	81,717	55,662	54,189	48,727	48,081
Market capitalization (thousands) <sup>(4)</sup>	(55,839)	(6.4)%	821,101	1,065,877	1,205,121	1,216,882	876,939	801,503	641,735	593,859	583,705	821,101	876,939	(55,839)	(6.4)%	1,199,170	640,259	309,155	485,649	1,063,625
<b>Preferred share information (thousands)</b>																				
Shares issued and outstanding (number)	4,540	n/a	4,540	4,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4,540	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Financial measures</b>																				
Dividends per common share	0.05	100.0%	0.10	0.10	0.10	0.075	0.05	0.05	0.05	0.05	0.05	0.20	0.10	0.10	100.0%	0.275	0.15	0.125	0.50	0.36
Common dividend yield (closing share price) <sup>(9)</sup>	2.3 p.p.		4.2%	3.2%	2.9%	2.1%	1.9%	2.1%	1.8%	1.9%	2.0%	4.2%	1.9%	2.3 p.p.		2.0%	0.3%	2.3%	5.1%	1.6%
Common dividend payout ratio <sup>(9)</sup>	(158.0) p.p.		(117.7)%	63.0%	20.0%	14.4%	40.3%	79.6%	38.4%	18.9%	42.4%	272.1%	53.4%	218.6 p.p.		22.8%	22.4%	(15.1)%	78.3%	18.5%
Total shareholder return <sup>(10)</sup>	(32.9) p.p.		(21.9)%	(11.0)%	(0.4)%	37.3%	11.0%	(15.0)%	7.5%	1.7%	46.8%	(30.4)%	(5.7)%	(24.7) p.p.		28.6%	108.3%	(44.2)%	(55.5)%	8.3%
Return on common equity (ROE) <sup>(11)</sup>	(8.8) p.p.		(2.8)%	7.0%	22.6%	24.3%	6.0%	3.9%	7.6%	15.2%	6.9%	2.1%	4.9%	(2.8) p.p.		14.2%	9.8%	(12.4)%	7.9%	28.4%
Price to earnings multiple <sup>(12)</sup>	(8.4)	(48.4)%	8.9	9.7	11.8	16.9	17.3	15.7	16.1	16.7	(11.1)	8.9	17.3	(8.4)	(48.4)%	11.8	16.1	5.7	15.8	11.4
Price to book ratio <sup>(13)</sup>	(0.2)	(15.3)%	1.1	1.4	1.6	1.7	1.3	1.2	1.6	1.5	1.5	1.1	1.3	(0.2)	(15.3)%	1.6	1.6	0.8	1.4	2.9

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16) (27)</sup>**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
			IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS			IFRS	CGAAP	CGAAP	CGAAP	CGAAP	
<b>Financial results</b>																				
Revenue	(29,785)	(20.0)%	119,500	159,783	247,595	254,834	149,285	151,917	143,133	173,197	123,744	279,283	301,202	(21,919)	(7.3)%	803,631	577,537	477,721	731,539	756,914
Expenses	(10,339)	(7.8)%	122,510	143,104	188,349	190,238	132,849	131,857	132,658	150,887	115,883	265,614	264,706	908	0.3%	643,293	520,896	473,687	609,011	618,717
Income taxes (recovery)	(5,703)	(130.9)%	(1,345)	2,554	16,993	18,992	4,358	5,869	(597)	7,197	1,115	1,209	10,227	(9,018)	(88.2)%	46,212	14,598	5,451	43,182	44,741
Net income (loss)	(13,743)	(113.8)%	(1,665)	14,125	42,253	45,604	12,078	14,191	11,072	15,113	6,746	12,460	26,269	(13,809)	(52.6)%	114,126	42,043	(1,417)	79,346	93,456
Net income (loss) available to common shareholders	(15,543)	(128.7)%	(3,465)	14,035	42,253	45,604	12,078	14,191	11,072	15,113	6,746	10,570	26,269	(15,699)	(59.8)%	114,126	42,043	(1,417)	79,346	93,256
<b>Common share information</b>																				
Per share (\$)																				
Basic earnings (loss)	(0.21)	(131.3)%	(0.05)	0.19	0.56	0.61	0.16	0.21	0.22	0.31	0.14	0.14	0.37	(0.23)	(62.2)%	1.56	0.86	(0.03)	1.77	2.03
Diluted earnings (loss)	(0.20)	(133.3)%	(0.05)	0.17	0.50	0.55	0.15	0.19	0.21	0.27	0.12	0.13	0.33	(0.20)	(60.6)%	1.40	0.76	(0.03)	1.63	1.94
<b>Financial measures</b>																				
Common dividend payout ratio <sup>(9)</sup>	(274.6) p.p.		(240.5)%	58.8%	19.6%	13.6%	34.2%	29.0%	38.4%	18.9%	42.4%	156.1%	31.4%	124.7 p.p.		19.9%	22.4%	n.m.	30.9%	18.5%
Price to earnings multiple <sup>(12)</sup>	(5.7)	(41.0)%	8.2	9.0	10.1	13.7	13.8	13.0	14.6	16.7	(13.6)	8.2	13.8	(5.7)	(41.0)%	10.1	14.6	1.1	7.3	11.4

n.m.: not meaningful

p.p.: percentage points

Note: Please find notes on Page 12.

**Canaccord Group of Companies**  
**Condensed consolidated statement of operations**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	
			IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS		IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
<b>Revenue</b>																				
Commission	(2,703)	(4.3)%	60,299	61,028	81,959	87,433	63,002	62,256	62,826	60,696	56,628	121,327	125,258	(3,931)	(3.1)%	294,650	235,606	233,104	296,047	303,672
Investment banking	(21,437)	(41.8)%	29,799	59,858	103,646	116,716	51,236	55,901	54,191	82,089	32,366	89,657	107,137	(17,480)	(16.3)%	327,499	215,237	117,916	295,787	319,240
Advisory fees	8,449	63.9%	21,664	22,531	25,702	25,276	13,215	20,721	8,323	6,328	15,254	44,195	33,936	10,259	30.2%	84,914	39,200	51,453	41,087	31,033
Principal trading	(10,976)	(114.4)%	(1,379)	1,953	17,431	10,658	9,597	5,958	7,278	15,645	11,589	574	15,555	(14,981)	(96.3)%	43,644	45,982	18,319	7,443	31,638
Interest	2,154	39.6%	7,590	7,857	7,707	7,753	5,436	3,144	3,269	3,099	3,121	15,447	8,580	6,867	80.0%	24,040	12,965	38,287	63,168	57,908
Other	(5,272)	(77.5)%	1,527	6,556	11,150	6,998	6,799	3,937	7,246	5,340	4,786	8,083	10,736	(2,653)	(24.7)%	28,884	28,547	18,642	28,007	13,423
	(29,785)	(20.0)%	119,500	159,783	247,595	254,834	149,285	151,917	143,133	173,197	123,744	279,283	301,202	(21,919)	(7.3)%	803,631	577,537	477,721	731,539	756,914
<b>Expenses</b>																				
Incentive compensation <sup>(14)</sup>	(8,700)	(12.3)%	61,838	77,614	119,383	126,640	70,538	72,485	72,783	93,872	63,966	139,452	143,023	(3,571)	(2.5)%	389,046	299,084	222,006	347,079	382,897
Salaries and benefits	(2,159)	(13.2)%	14,163	17,117	17,543	14,739	16,322	15,816	16,685	14,945	13,983	31,280	32,138	(858)	(2.7)%	64,420	59,415	56,771	54,294	47,608
Trading costs	501	6.9%	7,742	8,965	8,624	7,937	7,241	7,705	7,418	7,140	7,002	16,707	14,946	1,761	11.8%	31,507	28,884	26,311	27,090	27,452
Premises and equipment	87	1.3%	6,727	6,832	7,403	7,077	6,640	6,038	6,188	6,228	6,104	13,559	12,678	881	6.9%	27,158	24,402	24,695	22,745	25,173
Communication and technology	(27)	(0.4)%	6,752	6,389	6,307	6,111	6,779	6,269	5,296	5,838	5,245	13,141	13,048	93	0.7%	25,466	21,868	25,228	23,228	21,472
Interest	294	17.6%	1,967	2,408	2,485	3,037	1,673	616	613	631	492	4,375	2,289	2,086	91.1%	7,811	2,581	11,220	24,527	20,538
General and administrative	273	1.7%	16,263	16,274	19,052	17,049	15,990	15,791	14,958	13,609	11,698	32,537	31,781	756	2.4%	67,882	52,153	69,689	69,463	64,182
Amortization	(759)	(20.5)%	2,947	2,905	2,966	2,786	3,706	3,284	1,878	1,904	1,906	5,852	6,990	(1,138)	(16.3)%	12,742	7,609	8,994	8,536	8,151
Development costs	(746)	(12.9)%	5,041	5,530	5,516	5,792	5,787	5,292	6,839	6,720	5,487	10,571	11,079	(508)	(4.6)%	22,387	24,900	28,773	32,049	21,244
Acquisition-related costs	2,956	n.m.	2,956	-	-	1,750	-	10,990	5,000	-	-	2,956	10,990	(8,034)	(73.1)%	12,740	5,000	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	12,797	-	-
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	54,200	-	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,524	-	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,662	4,000	-	-
	(8,280)	(6.1)%	126,396	144,034	189,279	192,918	134,676	144,286	137,658	150,887	115,883	270,430	278,962	(8,532)	(3.1)%	661,159	525,896	524,920	680,008	618,717
<b>Income (loss) before income taxes</b>	(21,505)	(147.2)%	(6,896)	15,749	58,316	61,916	14,609	7,631	5,475	22,310	7,861	8,853	22,240	(13,387)	(60.2)%	142,472	51,641	(47,199)	51,531	138,197
Income taxes (recovery)	(5,976)	(137.1)%	(1,618)	2,554	16,993	18,919	4,358	2,459	(2,051)	7,197	1,115	936	6,817	(5,881)	(86.3)%	42,729	13,144	452	20,197	44,741
<b>Net income (loss)</b>	(15,529)	(151.5)%	(5,278)	13,195	41,323	42,997	10,251	5,172	7,526	15,113	6,746	7,917	15,423	(7,506)	(48.7)%	99,743	38,497	(47,651)	31,334	93,456
Preferred share dividends, including related tax impact	(1,800)	n.m.	(1,800)	(90)	-	-	-	-	-	-	-	(1,890)	-	(1,890)	n.m.	-	-	-	-	-
<b>Net income (loss) available to common shareholders</b>	(17,329)	(169.0)%	(7,078)	13,105	41,323	42,997	10,251	5,172	7,526	15,113	6,746	6,027	15,423	(9,396)	(60.9)%	99,743	38,497	(47,651)	31,334	93,456
Incentive compensation as % of revenue	4.4 p.p.		51.7%	48.6%	48.2%	49.7%	47.3%	47.7%	50.8%	54.2%	51.7%	49.9%	47.5%	2.4 p.p.		48.7%	51.8%	46.5%	47.4%	50.6%
Total compensation exp. as % of revenue <sup>(15)</sup>	5.4 p.p.		63.6%	59.3%	55.3%	55.5%	58.2%	58.1%	62.5%	62.8%	63.0%	61.1%	58.2%	2.9 p.p.		56.7%	62.1%	58.4%	54.9%	56.9%
Non-compensation exp. as % of revenue	10.2 p.p.		42.2%	30.9%	21.1%	20.2%	32.0%	36.9%	33.7%	24.3%	30.7%	35.7%	34.5%	1.2 p.p.		25.8%	29.0%	51.5%	38.1%	24.8%
Total expenses as % of revenue	15.6 p.p.		105.8%	90.1%	76.4%	75.7%	90.2%	95.0%	96.2%	87.1%	93.7%	96.8%	92.6%	4.2 p.p.		82.5%	91.1%	109.9%	93.0%	81.7%
Pre-tax profit margin	(15.6) p.p.		(5.8)%	9.9%	23.6%	24.3%	9.8%	5.0%	3.8%	12.9%	6.4%	3.2%	7.4%	(4.2) p.p.		17.5%	8.9%	(9.9)%	7.0%	18.3%
Effective tax rate	(6.4) p.p.		23.5%	16.2%	29.1%	30.6%	29.8%	32.2%	(37.5)%	32.3%	14.2%	10.8%	30.7%	(20.1) p.p.		30.1%	25.5%	(1.0)%	39.2%	32.4%
Net profit margin	(11.3) p.p.		(4.4)%	8.3%	16.7%	16.9%	6.9%	3.4%	5.3%	8.7%	5.5%	2.8%	5.1%	(7.2) p.p.		12.2%	6.7%	(10.0)%	4.3%	12.3%
Basic earnings (loss) per common share	(0.23)	(164.3)%	(0.09)	0.17	0.55	0.57	0.14	0.08	0.15	0.31	0.14	0.08	0.22	(0.14)	(63.6)%	1.37	0.79	(0.97)	0.70	2.03
Diluted earnings (loss) per common share	(0.21)	(175.0)%	(0.09)	0.16	0.49	0.51	0.12	0.07	0.14	0.27	0.12	0.07	0.19	(0.12)	(63.2)%	1.22	0.69	(0.97)	0.64	1.94
Book value per diluted common share	0.71	8.8%	8.75	8.71	8.79	8.43	8.05	7.86	6.96	7.00	6.78	8.75	8.05	0.71	8.8%	8.79	6.96	6.51	7.21	7.74

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16)(27)</sup>**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	IFRS	IFRS	IFRS	IFRS	IFRS	
(in thousands of dollars)																				
Revenue	(29,785)	(20.0)%	119,500	159,783	247,595	254,834	149,285	151,917	143,133	173,197	123,744	279,283	301,202	(21,919)	(7.3)%	803,631	577,537	477,721	731,539	756,914
Total expenses	(10,339)	(7.8)%	122,510	143,104	188,349	190,238	132,849	131,857	132,658	150,887	115,883	265,614	264,706	908	0.3%	643,293	520,896	473,687	609,011	618,717
Income before income taxes	(19,446)	(118.3)%	(3,010)	16,679	59,246	64,596	16,436	20,060	10,475	22,310	7,861	13,669	36,496	(22,827)	(62.5)%	160,338	56,641	4,034	122,528	138,197
Net income (loss)	(13,743)	(113.8)%	(1,665)	14,125	42,253	45,604	12,078	14,191	11,072	15,113	6,746	12,460	26,269	(13,809)	(52.6)%	114,126	42,043	(1,417)	79,346	93,256
Net income (loss) available to common shareholders	(15,543)	(128.7)%	(3,465)	14,035	42,253	45,604	12,078	14,191	11,072	15,113	6,746	10,570	26,269	(15,699)	(59.8)%	114,126	42,043	(1,417)	79,346	93,256
Non-compensation exp. as % of revenue	8.1 p.p.		38.9%	30.3%	20.8%	19.2%	30.8%	28.7%	30.2%	24.3%	30.7%	34.0%	29.7%	4.2 p.p.		23.6%	28.1%	40.8%	28.4%	24.8%
Total expenses as % of revenue	13.5 p.p.		102.5%	89.6%	76.1%	74.7%	89.0%	86.8%	92.7%	87.1%	93.6%	95.1%	87.9%	7.2 p.p.		80.3%	90.2%	99.2%	83.3%	81.7%
Pre-tax profit margin	(13.5) p.p.		(2.5)%	10.4%	23.9%	25.3%	11.0%	13.2%	7.3%	12.9%	6.4%	4.9%	12.1%	(7.2) p.p.		19.7%	9.8%	0.8%	16.7%	18.3%
Net profit margin	(9.5) p.p.		(1.4)%	8.8%	17.1%	17.9%	8.1%	9.3%	7.7%	8.8%	5.5%	4.5%	8.7%	(4.3) p.p.		14.0%	7.3%	(0.3)%	10.8%	12.3%
Basic earnings (loss) per common share	(0.21)	(131.3)%	(0.05)	0.19	0.56	0.61	0.16	0.21	0.22	0.31	0.14	0.14	0.37	(0.23)	(62.2)%	1.56	0.86	(0.03)	1.77	2.03
Diluted earnings (loss) per common share	(0.20)	(133.3)%	(0.05)	0.17	0.50	0.55	0.15	0.19	0.21	0.27	0.12	0.13	0.33	(0.20)	(60.6)%	1.40	0.76	(0.03)	1.63	1.94

n.m.: not meaningful

Note: Please find notes on Page 12.

**Canaccord Wealth Management**  
**Condensed statement of operations**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11							
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	IFRS	FY10	FY09	FY08	FY07
			IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS		IFRS	CGAAP	CGAAP	CGAAP	CGAAP	
<b>Revenue</b>																			
Canada	3,087	7.1%	46,616	53,600	71,218	67,044	43,529	46,307	54,086	50,900	39,596			228,098	184,258	169,628	245,711	268,590	
US	(214)	(21.2)%	796	1,183	1,486	1,555	1,010	900	904	833	542			4,951	2,788	2,856	3,416	4,029	
	2,873	6.5%	47,412	54,783	72,704	68,599	44,539	47,207	54,990	51,733	40,138			233,049	187,046	172,484	249,127	272,619	
<b>Expenses</b>																			
Incentive compensation	2,215	10.3%	23,776	28,226	35,521	35,901	21,561	23,281	26,203	24,376	19,368			116,264	88,590	74,383	115,640	126,668	
Salaries and benefits	(1,490)	(30.9)%	3,327	3,938	5,565	3,601	4,817	3,882	5,573	4,015	4,360			17,865	18,194	14,820	15,514	13,626	
Trading costs	132	8.4%	1,709	2,183	2,253	2,017	1,577	2,224	2,320	1,910	2,120			8,071	8,506	7,008	8,582	10,157	
Premises and equipment	(187)	(9.0)%	1,881	1,852	2,030	1,993	2,068	1,948	2,016	2,074	2,075			8,039	8,116	6,788	6,375	6,153	
Communication and technology	61	4.6%	1,390	1,277	1,256	1,264	1,329	1,325	1,426	1,660	1,494			5,174	6,116	6,415	6,383	6,338	
Interest	17	27.0%	80	102	90	97	63	58	44	51	104			308	442	7,803	19,924	17,751	
General and administrative	(1,554)	(37.1)%	2,632	3,319	4,728	4,268	4,186	3,730	6,030	4,108	2,461			16,912	16,485	17,242	12,611	13,678	
Amortization	(21)	(3.7)%	554	641	632	596	575	619	649	637	618			2,422	2,506	1,938	1,833	1,648	
Development costs	(447)	(18.4)%	1,978	1,979	2,125	2,275	2,425	2,433	2,574	3,216	2,613			9,258	10,308	7,853	6,160	6,071	
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-			-	-	5,347	54,200	-	
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-			-	-	180	700	-	
	(1,274)	(3.3)%	37,327	43,517	54,200	52,012	38,601	39,500	46,835	42,047	35,213			184,313	159,263	149,777	247,922	202,090	
<b>Income before intersegment allocations and income taxes</b>	4,147	69.8%	10,085	11,266	18,504	16,587	5,938	7,707	8,155	9,686	4,925			48,736	27,783	22,707	1,205	70,529	
Intersegment allocations	(1,224)	(13.1)%	8,150	8,724	9,382	8,444	9,374	9,404	9,225	9,773	8,219			36,604	35,782	n/a	n/a	n/a	
<b>Income (loss) before income taxes</b>	5,371	156.3%	1,935	2,542	9,122	8,143	(3,436)	(1,697)	(1,070)	(87)	(3,294)			12,132	(7,999)	n/a	n/a	n/a	
CWM fee-related revenue <sup>(18)</sup>	4.2 p.p.		19.4%	17.0%	12.1%	11.8%	15.2%	14.0%	11.4%	11.7%	15.2%			13.0%	12.8%	16.9%	14.7%	11.9%	
Incentive compensation as % of revenue	1.7 p.p.		50.1%	51.5%	48.9%	52.3%	48.4%	49.3%	47.7%	47.1%	48.3%			49.8%	47.4%	43.1%	46.4%	46.5%	
Total compensation exp. as % of revenue <sup>(15)</sup>	(2.1) p.p.		57.2%	58.7%	56.5%	57.6%	59.2%	57.5%	57.8%	54.9%	59.1%			57.4%	57.1%	51.7%	52.6%	51.5%	
Non-compensation exp. as % of revenue	(5.9) p.p.		21.6%	20.7%	18.0%	18.2%	27.4%	26.1%	27.4%	26.4%	28.6%			21.5%	28.1%	35.1%	46.9%	22.6%	
Total expenses as % of revenue	(7.9) p.p.		78.7%	79.4%	74.5%	75.8%	86.7%	83.7%	85.2%	81.3%	87.7%			79.1%	85.1%	(6.0) p.p.	79.0%	74.1%	
Pre-tax and intersegment allocation profit margin	7.9 p.p.		21.3%	20.6%	25.5%	24.2%	13.3%	16.3%	14.8%	18.7%	12.3%			21.0%	14.9%	13.2%	0.5%	25.9%	
Pre-tax profit margin	11.8 p.p.		4.1%	4.6%	12.5%	11.9%	(7.7)%	(3.6)%	(1.9)%	(0.2)%	(8.2)%			5.3%	n/a	n/a	n/a	n/a	
Assets under mgmt. (\$ millions) <sup>(2)</sup>	101	21.4%	574	575	546	514	473	431	445	423	453			546	445	393	730	807	
Assets under admin. (\$ millions)	740	5.3%	14,635	15,676	16,985	16,006	13,895	12,571	12,922	12,210	11,386			16,985	12,922	9,184	14,295	15,014	
Number of employees	21	3.2%	686	666	684	671	665	689	680	707	698			684	680	700	762	728	
Number of Advisory Teams <sup>(19)</sup>	(9)	(3.2)%	271	263	271	272	280	290	303	327	334			271	303	338	354	368	

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16)(27)</sup>**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11						
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	IFRS	FY10	FY09	FY08
Revenue	2,873	6.5%	47,412	54,783	72,704	68,599	44,539	47,207	54,990	51,733	40,138			233,049	187,046	172,484	249,127	272,619
Total expenses	(1,274)	(3.3)%	37,327	43,517	54,200	52,012	38,601	39,500	46,835	42,047	35,213			184,313	159,263	144,250	193,022	202,090
Income (loss) before intersegment allocations and income taxes	4,147	69.8%	10,085	11,266	18,504	16,587	5,938	7,707	8,155	9,686	4,925			48,736	27,783	28,234	56,105	70,529
Non-compensation exp. as % of revenue	(5.9) p.p.		21.6%	20.7%	18.0%	18.2%	27.4%	26.1%	27.4%	26.4%	28.6%			21.5%	28.1%	31.9%	24.8%	22.6%
Total expenses as % of revenue	(7.9) p.p.		78.7%	79.4%	74.5%	75.8%	86.7%	83.7%	85.2%	81.3%	87.7%			79.1%	85.1%	(6.0) p.p.	79.0%	74.1%
Pre-tax and intersegment allocation profit margin	7.9 p.p.		21.3%	20.6%	25.5%	24.2%	13.3%	16.3%	14.8%	18.7%	12.3%			21.0%	14.9%	16.4%	22.5%	25.9%

**Supplementary Revenue Breakdown**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11						
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	IFRS	FY10	FY09	FY08
Commission	1,386	4.2%	34,266	38,087	46,851	45,775	32,880	34,953	38,197	34,040	30,370			160,459	132,363	127,899	170,684	177,862
Investment banking	318	3.9%	8,442	11,661	19,176	18,914	8,124	9,445	10,808	10,384	6,254			55,659	33,400	20,867	49,804	62,132
Advisory fees	(247)	(98.8)%	3	-	-	50	250	70	-	-	-			370	-	-	-	-
Principal trading	(274)	(85.4)%	47	353	714	526	321	104	408	4,280	850			1,665	7,234	(129)	210	4,992
Interest	815	31.9%	3,371	3,392	3,221	2,965	2,556	2,302	2,191	2,171	2,224			11,044	8,911	21,903	27,650	26,877
Other	875	214.5%	1,283	1,290	2,742	369	408	333	3,386	858	440			3,852	5,138	1,944	779	756
	2,873	6.5%	47,412	54,783	72,704	68,599	44,539	47,207	54,990	51,733	40,138			233,049	187,046	172,484	249,127	272,619

Note: Please find notes on Page 12.

**Canaccord Genuity**  
**Condensed statement of operations**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS			IFRS	CGAAP	CGAAP	CGAAP	CGAAP
<b>Revenue</b>																				
Canada																				
Capital Markets	(10,238)	(20.5)%	39,671	56,027	88,632	109,404	49,909	53,057	32,806	58,040	27,314	95,698	102,966	(7,268)	(7.1)%	301,002	148,214	95,485	176,655	187,562
International Trading	68	2.6%	2,682	2,893	4,664	4,484	2,614	2,600	2,655	3,235	2,854	5,575	5,214	361	6.9%	14,362	11,561	14,604	19,722	24,177
Registered Traders	(967)	(87.9)%	133	(75)	1,321	1,855	1,100	606	1,058	1,114	1,782	58	1,706	(1,648)	(96.6)%	4,882	5,856	6,325	7,368	7,878
Fixed Income	(4,553)	(99.9)%	5	3,022	6,284	5,642	4,558	1,790	2,770	4,963	2,513	3,027	6,348	(3,321)	(52.3)%	18,274	11,950	6,436	8,840	7,707
Total Canada	(15,690)	(27.0)%	42,491	61,867	100,901	121,385	58,181	58,053	39,289	67,352	34,463	104,358	116,234	(11,876)	(10.2)%	338,520	177,581	122,850	212,585	227,324
UK and Other Foreign Locations <sup>(17)</sup>	(9,528)	(51.0)%	9,171	9,498	35,158	23,755	18,699	16,293	24,827	26,754	14,417	18,669	34,992	(16,323)	(46.6)%	93,905	88,348	79,707	128,629	145,749
US	(2,293)	(11.4)%	17,790	26,012	27,712	32,618	20,083	25,806	19,380	21,984	29,595	43,802	45,889	(2,087)	(4.5)%	106,219	97,629	74,794	90,788	76,644
	(27,511)	(28.4)%	69,452	97,377	163,771	177,758	96,963	100,152	83,496	116,090	78,475	166,829	197,115	(30,286)	(15.4)%	538,644	363,558	277,351	431,642	449,717
<b>Expenses</b>																				
Incentive compensation <sup>(14)</sup>	(9,379)	(20.3)%	36,876	46,155	75,852	83,043	46,255	46,170	43,645	63,567	42,761	83,031	92,425	(9,394)	(10.2)%	251,320	195,204	141,594	216,736	233,582
Salaries and benefits	(772)	(18.6)%	3,382	5,211	4,311	3,896	4,154	4,021	4,088	4,441	3,376	8,593	8,175	418	5.1%	16,382	15,309	15,068	13,794	11,193
Trading costs	560	10.9%	5,688	6,329	5,831	5,595	5,128	4,885	4,483	4,661	4,275	12,017	10,013	2,004	20.0%	21,439	18,289	18,863	18,029	16,982
Premises and equipment	1,046	35.5%	3,993	3,109	3,422	3,417	2,947	2,602	2,882	2,984	2,972	7,102	5,549	1,553	28.0%	12,388	11,722	12,400	11,601	14,129
Communication and technology	12	0.3%	4,209	3,961	3,886	4,023	4,197	3,871	2,772	3,006	2,611	8,170	8,068	102	1.3%	15,977	11,169	13,569	12,229	10,347
Interest	265	21.2%	1,514	1,908	1,968	2,549	1,249	202	232	290	66	3,422	1,451	1,971	135.8%	5,968	748	1,372	2,407	2,717
General and administrative	2,204	27.2%	10,314	9,346	8,959	9,264	8,110	8,987	4,283	5,794	5,244	19,660	17,097	2,563	15.0%	35,320	21,222	38,418	39,955	34,853
Amortization	(731)	(26.2)%	2,057	1,802	1,773	1,829	2,788	2,348	846	903	926	3,859	5,136	(1,277)	(24.9)%	8,738	3,633	4,433	3,878	3,921
Development costs	(250)	(9.0)%	2,536	3,150	2,605	2,930	2,786	2,489	3,105	2,464	1,787	5,686	5,275	411	7.8%	10,810	10,300	15,268	20,208	10,723
Acquisition-related costs	1,443	n.m.	1,443	-	-	1,750	-	10,990	5,000	-	-	1,443	10,990	(9,547)	(86.9)%	12,740	5,000	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,230	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,524	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,971	1,000	-
	(5,602)	(7.2)%	72,012	80,971	108,607	118,296	77,614	86,565	71,336	88,110	64,018	152,983	164,179	(11,196)	(6.8)%	391,082	292,596	298,480	343,067	338,447
<b>Income (loss) before intersegment allocations and income taxes</b>																				
	(21,909)	(113.2)%	(2,560)	16,406	55,164	59,462	19,349	13,587	12,160	27,980	14,457	13,846	32,936	(19,090)	(58.0)%	147,562	70,962	(21,129)	88,575	111,270
Intersegment allocations	200	6.9%	3,104	3,041	2,549	2,734	2,904	2,716	2,700	2,371	2,191	6,145	5,620	525	9.3%	10,903	9,573	n/a	n/a	n/a
<b>Income before income taxes</b>																				
	(22,109)	(134.4)%	(5,664)	13,365	52,615	56,728	16,445	10,871	9,460	25,609	12,266	7,701	27,316	(19,615)	(71.8)%	136,659	61,389	n/a	n/a	n/a
Incentive compensation as % of revenue	5.4 p.p.		53.1%	47.4%	46.3%	46.7%	47.7%	46.1%	52.3%	54.8%	54.5%	49.8%	46.9%	2.9 p.p.		47.1%	53.7%	51.1%	50.2%	51.9%
Total compensation exp. as % of revenue <sup>(15)(22)</sup>	5.9 p.p.		58.0%	52.7%	48.9%	48.9%	52.0%	50.1%	57.2%	58.6%	58.8%	54.9%	51.0%	3.9 p.p.		50.1%	57.9%	56.5%	53.4%	54.4%
Non-compensation exp. as % of revenue	17.6 p.p.		45.7%	30.4%	17.4%	17.6%	28.3%	26.3%	28.3%	17.3%	22.8%	36.8%	32.3%	4.5 p.p.		22.9%	22.6%	51.1%	26.1%	20.9%
Total expenses as % of revenue	23.5 p.p.		103.7%	83.2%	66.3%	66.5%	80.0%	86.4%	85.4%	75.9%	81.6%	91.7%	83.3%	8.4 p.p.		73.0%	80.5%	107.6%	79.5%	75.3%
Pre-tax and intersegment allocation profit margin	(23.6) p.p.		(3.7)%	16.8%	33.7%	33.5%	20.0%	13.6%	14.6%	24.1%	18.4%	8.3%	16.7%	(8.4) p.p.		27.0%	19.5%	(7.6)%	20.5%	24.7%
Pre-tax profit margin	(25.1) p.p.		(8.2)%	13.7%	32.1%	31.9%	17.0%	10.9%	11.3%	22.1%	15.6%	4.6%	13.9%	(9.2) p.p.		24.9%	n/a	n/a	n/a	n/a
Number of employees	43	7.2%	640	636	627	592	597	580	505	503	482	640	597	43	7.2%	627	505	474	541	502

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16)(27)</sup>**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
Revenue	(27,511)	(28.4)%	69,452	97,377	163,771	177,758	96,963	100,152	83,496	116,090	78,475	166,829	197,115	(30,286)	(15.4)%	538,644	363,558	277,351	431,642	449,717
Total expenses	(6,148)	(8.1)%	69,639	80,041	107,677	115,616	75,787	74,136	66,336	88,110	64,018	149,680	149,923	(243)	(0.2)%	373,216	287,596	260,985	338,837	338,447
Income before intersegment allocations and income taxes	(21,363)	(100.9)%	(187)	17,336	56,094	62,142	21,176	26,016	17,160	27,980	14,457	17,149	47,192	(30,043)	(63.7)%	165,428	75,962	16,366	92,805	111,270
Non-compensation exp. as % of revenue	16.1 p.p.		42.3%	29.4%	16.8%	16.1%	26.2%	23.9%	22.3%	17.3%	22.8%	34.8%	25.0%	9.8 p.p.		19.6%	21.2%	37.6%	25.1%	20.9%
Total expenses as % of revenue	22.1 p.p.		100.3%	82.2%	65.7%	65.0%	78.2%	74.0%	79.4%	75.9%	81.6%	89.7%	76.1%	13.7 p.p.		69.7%	79.1%	94.1%	78.5%	75.3%
Pre-tax and intersegment allocation profit margin	(22.1) p.p.		(0.3)%	17.8%	34.3%	35.0%	21.8%	26.0%	20.6%	24.1%	18.4%	10.3%	23.9%	(13.7) p.p.		30.3%	20.9%	5.9%	21.5%	24.7%

**Supplementary Revenue Breakdown**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
Commission	(4,090)	(13.6)%	26,032	22,923	34,956	41,491	30,122	27,253	24,606	26,648	26,258	48,955	57,375	(8,420)	(14.7)%	133,822	103,212	105,295	125,363	125,810
Investment banking	(22,004)	(51.0)%	21,108	48,446	84,470	97,802	43,112	46,456	43,383	71,705	26,112	69,554	89,568	(20,014)	(22.3)%	271,840	181,837	97,048	245,983	257,102
Advisory fees	8,696	67.1%	21,661	22,531	25,702	25,226	12,965	20,651	8,323	6,328	15,254	44,192	33,616	10,576	31.5%	84,544	39,200	51,453	41,087	31,033
Principal trading	(10,704)	(115.4)%	(1,431)	1,596	16,713	10,128	9,273	5,850	6,575	11,377	10,681	165	15,123	(14,958)	(98.9)%	41,964	37,625	17,034	7,233	26,646
Interest	516	39.4%	1,827	1,804	1,891	2,898	1,311	(19)	248	80	113	3,631	1,292	2,339	181.0%	6,081	565	4,152	8,036	9,202
Other	75	41.7%	255	77	39	213	180	(39)	361	(48)	57	332	141	191	135.5%	393	1,119	2,369	3,940	(76)
	(27,511)	(28.4)%	69,452	97,377	163,771	177,758	96,963	100,152	83,496	116,090	78,475	166,829	197,115	(30,286)	(15.4)%	538,644	363,558	277,351	431,642	449,717
Facilitation losses <sup>(28)</sup>	(1,256)	(19.6)%	(7,649)	(12,509)	(10,900)	(2,762)	(6,393)													

**Corporate and Other segment  
Condensed statement of operations**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP
<b>Revenue</b>																				
Canada	(5,147)	(66.1)%	2,636	7,623	11,120	8,477	7,783	4,558	4,647	5,374	5,131	10,259	12,341	(2,082)	(16.9)%	31,938	26,933	27,886	50,770	34,578
	(5,147)	(66.1)%	2,636	7,623	11,120	8,477	7,783	4,558	4,647	5,374	5,131	10,259	12,341	(2,082)	(16.9)%	31,938	26,933	27,886	50,770	34,578
<b>Expenses</b>																				
Incentive compensation	(1,536)	(56.4)%	1,186	3,233	8,010	7,696	2,722	3,034	2,935	5,929	1,837	4,419	5,756	(1,337)	(23.2)%	21,462	15,290	6,029	14,703	22,647
Salaries and benefits	103	1.4%	7,454	7,968	7,667	7,242	7,351	7,913	7,024	6,489	6,247	15,422	15,264	158	1.0%	30,173	25,912	26,883	24,986	22,789
Trading costs	(191)	(35.6)%	345	453	540	325	536	596	615	569	607	798	1,132	(334)	(29.5)%	1,997	2,089	440	479	313
Premises and equipment	(772)	(47.5)%	853	1,871	1,951	1,667	1,625	1,488	1,290	1,170	1,057	2,724	3,113	(389)	(12.5)%	6,731	4,564	5,507	4,769	4,891
Communication and technology	(100)	(8.0)%	1,153	1,151	1,165	824	1,253	1,073	1,098	1,172	1,140	2,304	2,326	(22)	(0.9)%	4,315	4,583	5,244	4,616	4,787
Interest	12	3.3%	373	398	427	391	361	356	337	290	322	771	717	54	7.5%	1,535	1,391	2,045	2,196	70
General and administrative	(377)	(10.2)%	3,317	3,609	5,365	3,517	3,694	3,074	4,645	3,707	3,993	6,926	6,768	158	2.3%	15,650	14,446	14,029	16,897	15,651
Amortization	(7)	(2.0)%	336	462	561	361	343	317	383	364	362	798	660	138	20.9%	1,582	1,470	2,623	2,825	2,582
Development costs	(49)	(8.5)%	527	401	786	587	576	370	1,160	1,040	1,087	928	946	(18)	(1.9)%	2,319	4,292	5,652	5,681	4,450
Acquisition-related costs	1,513	n.m.	1,513	-	-	-	-	-	-	-	-	1,513	-	-	n.m.	-	-	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	9,567	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,511	2,300	-
	(1,404)	(7.6)%	17,057	19,546	26,472	22,610	18,461	18,221	19,487	20,730	16,652	36,603	36,682	(79)	(0.2)%	85,764	74,037	76,663	89,019	78,180
<b>Loss before intersegment allocations and income taxes</b>	(3,743)	(35.1)%	(14,421)	(11,923)	(15,352)	(14,133)	(10,678)	(13,663)	(14,840)	(15,356)	(11,521)	(26,344)	(24,341)	(2,003)	(8.2)%	(53,826)	(47,104)	(48,777)	(38,249)	(43,602)
Intersegment allocations to Canaccord Genuity	(200)	(6.9)%	(3,104)	(3,041)	(2,549)	(2,734)	(2,904)	(2,716)	(2,700)	(2,371)	(2,191)	(6,145)	(5,620)	(525)	(9.3)%	(10,903)	(9,573)	n/a	n/a	n/a
Intersegment allocations to Canaccord Wealth Management	1,224	13.1%	(8,150)	(8,724)	(9,382)	(8,444)	(9,374)	(9,404)	(9,225)	(9,773)	(8,219)	(16,874)	(18,778)	1,904	10.1%	(36,604)	(35,782)	n/a	n/a	n/a
<b>Income (loss) before income taxes</b>	(4,767)	n.m.	(3,167)	(158)	(3,421)	(2,955)	1,600	(1,543)	(2,915)	(3,212)	(1,111)	(3,325)	57	(3,382)	n.m.	(6,319)	(1,749)	n/a	n/a	n/a
Number of employees	15	4.1%	384	382	373	365	369	371	364	360	359	384	369	15	4.1%	373	364	356	380	360

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16) (27)</sup>**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)		FY11	FY10	FY09	FY08	FY07
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP
(in thousands of dollars)																				
Revenue	(5,147)	(66.1)%	2,636	7,623	11,120	8,477	7,783	4,558	4,647	5,374	5,131	10,259	12,341	(2,082)	(16.9)%	31,938	26,933	27,886	50,770	34,578
Total expenses	(2,917)	(15.8)%	15,544	19,546	26,472	22,610	18,461	18,221	19,487	20,730	16,652	35,090	36,682	(1,592)	(4.3)%	85,764	74,037	68,452	77,152	78,180
Loss before intersegment allocations and income taxes	(2,230)	(20.9)%	(12,908)	(11,923)	(15,352)	(14,133)	(10,678)	(13,663)	(14,840)	(15,356)	(11,521)	(24,831)	(24,341)	(490)	(2.0)%	(53,826)	(47,104)	(40,566)	(26,382)	(43,602)

n.m.: not meaningful

Note: Please find notes on Page 12.

Canada

Condensed statement of operations <sup>(20)</sup>

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						Q2/11			6 Months Ended				FY11				
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	Increase (decrease)		IFRS	CGAAP	CGAAP	CGAAP	CGAAP
<b>Revenue</b>																				
Canaccord Genuity	(15,690)	(27.0)%	42,491	61,867	100,901	121,385	58,181	58,053	39,289	67,352	34,463	104,358	116,234	(11,876)	(10.2)%	338,520	177,581	122,850	212,585	227,324
Canaccord Wealth Management	3,087	7.1%	46,616	53,600	71,218	67,044	43,529	46,307	54,086	50,900	39,596	100,216	89,836	10,380	11.6%	228,098	184,258	169,628	245,711	268,590
Corporate and Other	(5,147)	(66.1)%	2,636	7,623	11,120	8,477	7,783	4,558	4,647	5,374	5,131	10,259	12,341	(2,082)	(16.9)%	31,938	26,933	27,886	50,770	34,578
	(17,750)	(16.2)%	91,743	123,090	183,239	196,906	109,493	108,918	98,022	123,626	79,190	214,833	218,411	(3,578)	(1.6)%	598,556	388,772	320,364	509,066	530,492
<b>Expenses</b>																				
Incentive compensation	(4,622)	(9.4)%	44,738	56,728	86,655	95,272	49,360	50,089	48,182	65,080	38,928	101,466	99,449	2,017	2.0%	281,376	195,765	146,064	231,721	263,196
Salaries and benefits	(2,096)	(15.3)%	11,648	13,773	14,496	12,178	13,744	13,380	13,818	12,075	11,462	25,421	27,124	(1,703)	(6.3)%	53,798	48,590	45,993	45,217	39,359
Trading costs	(182)	(3.4)%	5,193	6,806	6,617	6,104	5,375	5,783	5,147	4,751	4,541	11,999	11,158	841	7.5%	23,879	18,766	14,597	16,262	16,983
Premises and equipment	(260)	(5.6)%	4,395	4,575	5,263	5,085	4,655	4,086	4,079	4,027	3,885	8,970	8,741	229	2.6%	19,089	15,693	15,453	14,500	14,529
Communication and technology	(126)	(3.1)%	3,885	3,756	3,726	3,429	4,011	3,664	3,374	3,740	3,502	7,641	7,675	(34)	(0.4)%	14,830	14,427	18,120	17,836	16,961
Interest	263	16.1%	1,893	2,378	2,383	2,974	1,630	540	172	429	277	4,271	2,170	2,101	96.8%	7,527	618	7,893	22,799	20,121
General and administrative	(423)	(3.6)%	11,255	10,637	14,217	12,149	11,678	10,345	12,296	9,716	7,759	21,892	22,023	(131)	(0.6)%	48,389	37,184	41,297	45,245	42,592
Amortization	(809)	(26.0)%	2,307	2,322	2,425	2,214	3,116	2,710	1,260	1,226	1,204	4,629	5,826	(1,197)	(20.5)%	10,465	4,882	6,053	5,605	5,428
Development costs	(986)	(26.3)%	2,763	3,039	3,450	3,476	3,749	3,883	4,449	5,476	4,114	5,802	7,632	(1,830)	(24.0)%	14,558	17,811	15,923	14,038	12,105
Acquisition-related costs	2,956	n.m.	2,956	-	-	1,750	-	10,990	5,000	-	-	2,956	10,990	(8,034)	(73.1)%	12,740	5,000	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	-	12,797	-
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	-	54,200	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,958	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,765	-	4,000	-
	(6,285)	(6.5)%	91,033	104,014	139,232	144,631	97,318	105,470	97,777	106,520	75,672	195,047	202,788	(7,741)	(3.8)%	486,651	358,736	330,163	484,220	431,274
	(11,465)	(94.2)%	710	19,076	44,007	52,275	12,175	3,448	245	17,106	3,518	19,786	15,623	4,163	26.6%	111,905	30,036	(9,799)	24,846	99,218
<b>Income (loss) before income taxes</b>																				

Incentive compensation as % of revenue	3.7 p.p.		48.8%	46.1%	47.3%	48.4%	45.1%	46.0%	49.2%	52.6%	49.2%	47.2%	45.5%	1.7 p.p.		47.3%	50.4%	45.6%	45.5%	49.7%
Total compensation exp. as % of revenue <sup>(15)</sup>	3.8 p.p.		61.5%	57.3%	55.2%	54.6%	57.6%	58.3%	63.3%	62.4%	63.6%	59.1%	58.0%	1.1 p.p.		56.3%	62.9%	59.9%	54.4%	57.1%
Non-compensation exp. as % of revenue	6.5 p.p.		37.8%	27.2%	20.8%	18.9%	31.2%	38.6%	36.5%	23.8%	31.9%	31.7%	34.9%	(3.2) p.p.		25.2%	29.4%	43.1%	40.8%	24.3%
Total expenses as % of revenue	10.3 p.p.		99.2%	84.5%	76.0%	73.5%	88.9%	96.8%	99.8%	86.2%	95.6%	90.8%	92.8%	(2.1) p.p.		81.5%	92.2%	103.1%	95.2%	81.4%
Pre-tax and profit margin	(10.3) p.p.		0.8%	15.5%	24.0%	26.5%	11.1%	3.2%	0.2%	13.8%	4.4%	9.2%	7.2%	2.1 p.p.		18.5%	7.7%	(3.1)%	4.9%	18.7%
Number of employees	26	2.0%	1,336	1,313	1,325	1,312	1,310	1,333	1,247	1,271	1,257	1,336	1,310	26	2.0%	1,325	1,247	1,265	1,395	1,334

Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16)(27)</sup>

(in thousands of dollars)

	Q2/12 vs. Q2/11		Q2/12						Q2/11			6 Months Ended				FY11				
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	Increase (decrease)		IFRS	CGAAP	CGAAP	CGAAP	CGAAP
Revenue	(17,750)	(16.2)%	91,743	123,090	183,239	196,906	109,493	108,918	98,022	123,626	79,190	214,833	218,411	(3,578)	(1.6)%	598,556	388,772	320,364	509,066	530,492
Total expenses	(8,344)	(8.7)%	87,147	103,084	138,302	141,951	95,491	93,041	92,777	106,520	75,672	190,231	188,532	1,699	0.9%	468,785	353,736	311,393	413,223	431,274
Income before income taxes	(9,406)	(67.2)%	4,596	20,006	44,937	54,955	14,002	15,877	5,245	17,106	3,518	24,602	29,879	(5,277)	(17.7)%	129,771	35,036	8,971	95,843	99,218
Non-compensation exp. as % of revenue	4.0 p.p.		33.5%	26.5%	20.3%	17.5%	29.6%	27.2%	31.4%	23.8%	31.9%	29.5%	28.4%	1.1 p.p.		22.2%	28.1%	37.3%	26.8%	24.3%
Total expenses as % of revenue	7.8 p.p.		95.0%	83.7%	75.5%	72.1%	87.2%	85.4%	94.6%	86.2%	95.6%	88.5%	86.3%	2.2 p.p.		78.5%	90.9%	97.2%	81.2%	81.4%
Pre-tax and profit margin	(7.8) p.p.		5.0%	16.3%	24.5%	27.9%	12.8%	14.6%	5.4%	13.8%	4.4%	11.5%	13.7%	(2.2) p.p.		21.5%	9.0%	2.8%	18.8%	18.6%

Supplementary Revenue Breakdown

	Q2/12 vs. Q2/11		Q2/12						Q2/11			6 Months Ended				FY11				
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	Increase (decrease)		IFRS	CGAAP	CGAAP	CGAAP	CGAAP
Commission	310	0.7%	45,125	44,915	61,873	67,349	44,815	44,827	49,348	47,003	43,321	90,040	89,642	398	0.4%	218,864	181,684	173,357	234,389	245,369
Investment banking	(17,324)	(41.7)%	24,217	46,052	75,738	91,523	41,541	41,164	34,068	56,636	22,209	70,269	82,705	(12,436)	(15.0)%	249,966	138,231	70,730	170,811	192,313
Advisory fees	8,025	95.3%	16,445	17,764	19,980	19,913	8,420	14,574	1,297	1,601	1,211	34,209	22,994	11,215	48.8%	62,887	5,553	14,909	17,584	12,713
Principal trading	(5,633)	(208.3)%	(2,929)	(48)	6,902	3,619	2,704	1,288	3,191	9,164	3,867	(2,977)	3,992	(6,969)	(174.6)%	14,513	21,135	9,673	3,820	14,642
Interest	2,207	41.2%	7,569	7,780	7,586	7,687	5,362	3,079	3,272	3,852	3,893	15,349	8,441	6,908	81.8%	23,714	14,456	35,471	58,127	52,152
Other	(5,335)	(80.2)%	1,316	6,627	11,160	6,815	6,651	3,986	6,846	5,370	4,689	7,943	10,637	(2,694)	(25.3)%	28,612	27,713	16,224	24,335	13,303
	(17,750)	(16.2)%	91,743	123,090	183,239	196,906	109,493	108,918	98,022	123,626	79,190	214,833	218,411	(3,578)	(1.6)%	598,556	388,772	320,364	509,066	530,492
Facilitation losses <sup>(28)</sup>	(1,252)	(24.7)%	(6,322)	(10,795)	(9,261)	(1,134)	(5,070)	(6,918)	n/a	n/a	n/a	(17,117)	(11,988)	(5,129)	42.8%	(22,383)	n/a	n/a	n/a	n/a

n.m.: not meaningful

Note: Please find notes on Page 12.

**UK and Other Foreign Locations**  
**Condensed statement of operations <sup>(17)</sup>**

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS		IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
<b>Revenue</b>																				
Canaccord Genuity	(9,528)	(51.0)%	9,171	9,498	35,158	23,755	18,699	16,293	24,827	26,754	14,417	18,669	34,992	(16,323)	(46.6)%	93,905	88,348	79,707	128,269	145,749
	(9,528)	(51.0)%	9,171	9,498	35,158	23,755	18,699	16,293	24,827	26,754	14,417	18,669	34,992	(16,323)	(46.6)%	93,905	88,348	79,707	128,269	145,749
<b>Expenses</b>																				
Incentive compensation	(2,688)	(29.2)%	6,532	5,680	16,945	12,553	9,220	7,648	12,832	15,066	7,986	12,212	16,868	(4,655)	(27.6)%	46,367	46,677	38,356	65,047	73,627
National Health Insurance tax <sup>(14)</sup>	112	25.9%	542	528	419	423	430	388	380	456	371	1,070	818	251	30.7%	1,659	1,569	1,559	1,571	3,514
Total incentive compensation	(2,576)	(26.7)%	7,074	6,208	17,364	12,976	9,650	8,036	13,212	15,522	8,357	13,282	17,686	(4,404)	(24.9)%	48,026	48,246	39,915	66,618	77,141
Salaries and benefits	124	9.8%	1,387	2,252	1,878	1,311	1,263	1,249	1,915	1,680	1,402	3,639	2,512	1,127	44.9%	5,701	6,479	5,617	4,594	3,139
Trading costs	99	11.8%	940	1,024	983	870	841	820	781	808	968	1,964	1,661	303	18.2%	3,514	3,552	2,942	2,179	1,477
Premises and equipment	120	13.5%	1,009	1,098	958	883	889	888	958	1,067	920	2,107	1,777	330	18.6%	3,618	3,897	4,101	3,278	6,400
Communication and technology	181	13.5%	1,521	1,367	1,333	1,310	1,340	1,180	680	754	523	2,888	2,520	368	14.6%	5,163	2,433	2,047	2,816	2,227
Interest	6	50.0%	18	(8)	62	12	12	17	12	23	15	10	29	(19)	(65.5)%	103	75	253	(2)	2
General and administrative	89	5.5%	1,697	2,539	2,064	1,756	1,608	2,487	1,076	1,552	1,571	4,236	4,095	141	3.4%	7,915	6,077	15,775	11,784	10,469
Amortization	13	4.1%	327	340	340	314	314	312	339	391	425	667	626	41	6.5%	1,280	1,603	1,843	1,825	2,016
Development costs	38	3.8%	1,050	1,298	1,550	1,103	1,012	1,108	1,972	345	343	2,348	2,120	228	10.8%	4,773	3,012	1,340	1,133	269
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,274	-	-	-
	(1,906)	(11.3)%	15,023	16,118	26,532	20,535	16,929	16,097	20,945	22,142	14,524	31,141	33,026	(1,885)	(5.7)%	80,093	75,374	75,107	94,225	103,140
<b>Income (loss) before income taxes</b>	(7,622)	n.m.	(5,852)	(6,620)	8,626	3,220	1,770	196	3,882	4,612	(107)	(12,472)	1,966	(14,438)	n.m.	13,812	12,974	4,600	34,044	42,609
Incentive compensation as % of revenue	25.5 p.p.		77.1%	65.4%	49.4%	54.6%	51.6%	49.3%	53.2%	58.0%	58.0%	71.1%	50.5%	20.6 p.p.		51.1%	54.6%	50.1%	51.9%	52.9%
Total compensation exp. as % of revenue <sup>(15)</sup>	33.9 p.p.		92.3%	89.1%	54.7%	60.1%	58.4%	57.0%	60.9%	64.3%	67.7%	90.6%	57.7%	32.9 p.p.		57.2%	61.9%	57.1%	55.5%	55.1%
Non-compensation exp. as % of revenue	39.4 p.p.		71.6%	80.6%	20.7%	26.3%	32.2%	41.8%	23.4%	18.5%	33.1%	76.2%	36.7%	39.5 p.p.		28.1%	23.5%	37.1%	17.9%	15.7%
Total expenses as % of revenue	73.3 p.p.		163.8%	169.7%	75.5%	86.4%	90.5%	98.8%	84.4%	82.8%	100.7%	166.8%	94.4%	72.4 p.p.		85.3%	85.3%	94.2%	73.4%	70.8%
Pre-tax profit margin	(73.3) p.p.		(63.8)%	(69.7)%	24.5%	13.6%	9.5%	1.2%	15.6%	17.2%	(0.7)%	(66.8)%	5.6%	(72.4) p.p.		14.7%	14.7%	5.8%	26.5%	29.2%
Number of employees	45	31.5%	188	191	184	141	143	138	139	137	125	188	143	45	31.5%	184	139	114	125	93

**Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16) (27)</sup>**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS		IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
Revenue	(9,528)	(51.0)%	9,171	9,498	35,158	23,755	18,699	16,293	24,827	26,754	14,417	18,669	34,992	(16,323)	(46.6)%	93,905	88,348	79,707	128,269	145,749
Total expenses	(1,906)	(11.3)%	15,023	16,118	26,532	20,535	16,929	16,097	20,945	22,142	14,524	31,141	33,026	(1,885)	(5.7)%	80,093	75,374	73,833	94,225	103,140
Income (loss) before income taxes	(7,622)	n.m.	(5,852)	(6,620)	8,626	3,220	1,770	196	3,882	4,612	(107)	(12,472)	1,966	(14,438)	n.m.	13,812	12,974	5,874	34,044	42,609

**Supplementary Revenue Breakdown**

	Q2/12 vs. Q2/11		Q2/12						6 Months Ended			FY11								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS		IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
Commission	(1,101)	(25.7)%	3,187	3,355	4,877	4,800	4,288	3,624	2,939	3,598	2,710	6,542	7,912	(1,370)	(17.3)%	17,589	11,461	10,892	14,557	11,991
Investment banking	(2,546)	(73.2)%	931	2,320	16,817	9,429	3,477	4,849	15,435	13,506	1,696	3,251	8,326	(5,075)	(61.0)%	34,572	40,449	34,142	90,899	106,017
Advisory fees	(798)	(19.7)%	3,257	1,807	2,862	2,437	4,055	3,085	2,093	3,202	2,275	5,064	7,140	(2,076)	(29.1)%	12,439	11,033	21,373	11,914	5,581
Principal trading	(5,343)	(77.5)%	1,550	2,001	10,529	7,039	6,893	4,670	4,087	6,481	7,722	3,551	11,563	(8,012)	(69.3)%	29,131	24,847	8,646	3,623	18,630
Interest	(52)	(91.2)%	5	58	92	48	57	48	63	25	22	63	105	(42)	(40.0)%	245	164	2,474	3,949	4,006
Other	312	n.m.	241	(43)	(19)	2	(71)	17	210	(58)	(8)	198	(54)	252	n.m.	(71)	394	2,180	3,327	(476)
	(9,528)	(51.0)%	9,171	9,498	35,158	23,755	18,699	16,293	24,827	26,754	14,417	18,669	34,992	(16,323)	(46.6)%	93,905	88,348	79,707	128,269	145,749

n.m.: not meaningful

Note: Please find notes on Page 12.

US

Condensed statement of operations <sup>(21)</sup>

(Unaudited, for the period ended)  
(in thousands of dollars) <sup>(1)</sup>

	Q2/12 vs. Q2/11		6 Months Ended									6 Months Ended								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	
<b>Revenue</b>																				
Canaccord Genuity	(2,293)	(11.4)%	17,790	26,012	27,712	32,618	20,083	25,806	19,380	21,984	29,595	43,802	45,889	(2,087)	(4.5)%	106,219	97,629	74,794	90,788	76,644
Canaccord Wealth Management	(214)	(21.2)%	796	1,183	1,486	1,555	1,010	900	904	833	542	1,979	1,910	69	3.6%	4,951	2,788	2,856	3,416	4,029
	(2,507)	(11.9)%	18,586	27,195	29,198	34,173	21,093	26,706	20,284	22,817	30,137	45,781	47,799	(2,018)	(4.2)%	111,170	100,417	77,650	94,204	80,673
<b>Expenses</b>																				
Incentive compensation	(1,502)	(13.0)%	10,026	14,678	15,364	18,392	11,528	14,360	11,389	13,270	16,681	24,704	25,888	(1,184)	(4.6)%	59,644	55,073	36,027	48,740	42,560
Salaries and benefits	(187)	(14.2)%	1,128	1,092	1,169	1,250	1,315	1,187	952	1,190	1,119	2,220	2,502	(282)	(11.3)%	4,921	4,346	5,161	4,483	5,110
Trading costs	584	57.0%	1,609	1,135	1,024	963	1,025	1,102	1,490	1,581	1,493	2,744	2,127	617	29.0%	4,114	6,566	8,772	8,649	8,992
Premises and equipment	227	20.7%	1,323	1,159	1,182	1,109	1,096	1,064	1,151	1,134	1,299	2,482	2,160	322	14.9%	4,451	4,812	5,141	4,967	4,244
Communication and technology	(82)	(5.7)%	1,346	1,266	1,248	1,372	1,428	1,425	1,242	1,344	1,220	2,612	2,853	(241)	(8.4)%	5,473	5,008	5,061	2,576	2,284
Interest	25	80.6%	56	38	40	51	31	59	429	179	200	94	90	4	4.4%	181	1,888	3,074	1,730	415
General and administrative	607	22.4%	3,311	3,098	2,771	3,144	2,704	2,959	1,586	2,341	2,368	6,409	5,663	746	13.2%	11,578	8,892	12,617	12,434	11,121
Amortization	37	13.4%	313	243	201	258	276	262	279	287	277	556	538	18	3.3%	997	1,124	1,098	1,106	707
Development costs	202	19.7%	1,228	1,193	516	1,213	1,026	301	418	899	1,030	2,421	1,327	1,094	82.4%	3,056	4,077	11,510	16,878	8,870
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,566	-	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,623	-	-	-
	(89)	(0.4)%	20,340	23,902	23,515	27,752	20,429	22,719	18,936	22,225	25,687	44,242	43,148	1,094	2.5%	94,415	91,786	119,650	101,563	84,303
<b>Income (loss) before income taxes</b>	(2,418)	n.m.	(1,754)	3,293	5,683	6,421	664	3,987	1,348	592	4,450	1,539	4,651	(3,112)	(66.9)%	16,755	8,631	(42,000)	(7,359)	(3,630)
Incentive compensation as % of revenue	(0.7) p.p.		53.9%	54.0%	52.6%	53.8%	54.7%	53.8%	56.1%	58.2%	55.4%	54.0%	54.2%	(0.2) p.p.		53.7%	54.8%	46.4%	51.6%	52.4%
Total compensation exp. as % of revenue <sup>(15) (22)</sup>	(0.9) p.p.		60.0%	58.0%	56.6%	57.5%	60.9%	58.2%	60.8%	63.4%	59.1%	58.8%	59.4%	(0.6) p.p.		58.1%	59.2%	53.0%	56.4%	58.7%
Non-compensation exp. as % of revenue	13.5 p.p.		49.4%	29.9%	23.9%	23.7%	36.0%	26.9%	32.5%	34.0%	26.2%	37.8%	30.9%	7.0 p.p.		27.7%	32.2%	101.0%	51.2%	45.0%
Total expenses as % of revenue	12.6 p.p.		109.4%	87.9%	80.5%	81.2%	96.9%	85.1%	93.4%	97.4%	85.2%	96.8%	90.3%	6.4 p.p.		85.8%	91.4%	154.1%	107.6%	103.7%
Pre-tax profit margin	(12.6) p.p.		(9.4)%	12.1%	19.5%	18.8%	3.1%	14.9%	6.6%	2.6%	14.8%	3.4%	9.7%	(6.4) p.p.		14.2%	8.6%	(54.1)%	(7.8)%	(4.5)%
Number of employees	8	4.5%	186	180	175	175	178	169	163	162	157	186	178	8	4.5%	175	163	151	163	163

Supplementary Information Excluding Significant and Acquisition-related Items (Non-IFRS and Non-GAAP) <sup>(16) (27)</sup>

	Q2/12 vs. Q2/11		6 Months Ended									6 Months Ended								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	
Revenue	(2,507)	(11.9)%	18,586	27,195	29,198	34,173	21,093	26,706	20,284	22,817	30,137	45,781	47,799	(2,018)	(4.2)%	111,170	100,417	77,650	94,204	80,673
Total expenses	(89)	(0.4)%	20,340	23,902	23,515	27,752	20,429	22,719	18,936	22,225	25,687	44,242	43,148	1,094	2.5%	94,415	91,786	88,461	101,563	84,303
Income (loss) before income taxes	(2,418)	n.m.	(1,754)	3,293	5,683	6,421	664	3,987	1,348	592	4,450	1,539	4,651	(3,112)	(66.9)%	16,755	8,631	(10,811)	(7,359)	(3,630)

Supplementary Revenue Breakdown

	Q2/12 vs. Q2/11		6 Months Ended									6 Months Ended								
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q2/12	Q2/11	Increase (decrease)	FY11	FY10	FY09	FY08	FY07	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP	
Commission	(1,912)	(13.8)%	11,987	12,758	15,209	15,284	13,899	13,805	10,539	10,095	10,597	24,745	27,704	(2,959)	(10.7)%	58,197	42,461	48,855	47,101	46,312
Investment banking	(1,567)	(25.2)%	4,651	11,486	11,091	15,764	6,218	9,888	4,688	11,947	8,461	16,137	16,106	31	0.2%	42,961	37,280	13,044	34,077	20,909
Advisory fees	1,222	165.1%	1,962	2,960	2,860	2,926	740	3,062	4,933	1,525	11,768	4,922	3,802	1,120	29.5%	9,588	21,891	15,171	11,589	12,740
Principal trading	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,634)
Interest	(1)	(5.9)%	16	19	29	18	17	17	(66)	(778)	(794)	35	34	1	2.9%	81	(1,655)	342	1,092	1,750
Other	(249)	(113.7)%	(30)	(28)	9	181	219	(66)	190	28	105	(58)	153	(211)	(137.9)%	343	440	238	345	596
	(2,507)	(11.9)%	18,586	27,195	29,198	34,173	21,093	26,706	20,284	22,817	30,137	45,781	47,799	(2,018)	(4.2)%	111,170	100,417	77,650	94,204	80,673
Facilitation losses <sup>(28)</sup>	(4)	(0.3)%	(1,327)	(1,714)	(1,639)	(1,628)	(1,323)	(1,323)	n/a	n/a	n/a	(3,041)	(2,646)	(395)	14.9%	(5,913)	n/a	n/a	n/a	n/a

n.m.: not meaningful  
Note: Please find notes on Page 12.

Canaccord group of companies

Consolidated condensed statement of financial position

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

	Q2/12 vs. Q2/11		Q2/12		Q1/12		Q4/11		Q3/11		Q2/11		Q1/11		Q4/10		Q3/10		Q2/10		Q1/10		FY11	FY10	FY09	FY08	FY07	
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP	CGAAP														
<b>Assets</b>																												
Cash and cash equivalents	54,206	8.5%	691,114	710,734	954,068	713,117	636,908	569,953	731,852	782,576	709,455	734,268	954,068	731,852	701,173	435,649	506,640											
Securities owned, at market	47,858	3.8%	1,316,755	849,679	947,185	1,098,154	1,268,897	835,261	362,755	404,537	517,070	169,030	947,185	362,755	133,691	92,796	348,764											
Accounts receivable	282,941	9.5%	3,270,356	2,488,826	2,828,812	2,383,057	2,987,415	2,185,305	1,972,924	1,311,144	2,085,356	1,166,610	2,828,812	1,972,924	1,061,161	1,422,917	1,672,035											
Income taxes recoverable	13,209	-	18,776	10,317	-	-	5,567	5,287	-	-	2,107	17,740	-	-	23,771	11,083	-											
Deferred tax asset	715	66.4%	1,791	2,076	1,503	1,036	1,076	680	13,190	11,890	12,019	13,358	1,503	13,190	15,680	28,207	11,021											
Investments	(798)	(11.9)%	5,934	5,934	5,934	6,732	6,732	6,732	5,000	5,000	5,000	5,000	5,934	5,000	5,000	5,000	-											
Investment in asset backed commercial paper	-	-	-	-	-	-	-	-	-	28,239	34,280	34,418	-	-	35,312	29,860	-											
Equipment and leasehold improvements	5,657	15.1%	43,120	43,289	40,818	36,860	37,463	39,001	38,127	40,471	41,718	44,366	40,818	38,127	46,311	40,686	37,549											
Goodwill and other intangibles	(538)	(0.2)%	317,320	318,250	319,180	316,928	317,858	319,685	-	-	-	-	319,180	-	-	32,520	33,933											
<b>Total assets</b>	<b>403,250</b>	<b>7.7%</b>	<b>5,665,166</b>	<b>4,429,105</b>	<b>5,097,500</b>	<b>4,555,884</b>	<b>5,261,916</b>	<b>3,961,904</b>	<b>3,123,848</b>	<b>2,583,857</b>	<b>3,407,005</b>	<b>2,184,790</b>	<b>5,097,500</b>	<b>3,123,848</b>	<b>2,022,099</b>	<b>2,098,718</b>	<b>2,609,942</b>											
<b>Liabilities and shareholders' equity</b>																												
Bank indebtedness	(64,733)	(100.0)%	-	24,125	13,580	34,913	64,733	82,992	29,435	44,600	85,600	105,788	13,580	29,435	75,600	15,038	-											
Securities sold short, at market	(118,961)	(9.6)%	1,117,268	731,730	722,613	853,869	1,236,229	702,976	364,137	324,877	382,209	56,318	722,613	364,137	79,426	13,757	41,176											
Accounts payable, accrued liabilities and other	405,587	12.4%	3,663,323	2,802,669	3,557,275	2,910,423	3,257,736	2,483,250	2,308,146	1,794,123	2,535,971	1,622,288	3,557,275	2,308,146	1,469,369	1,687,479	2,156,540											
Income taxes payable	-	-	-	-	23,977	8,668	-	-	5,385	4,590	-	-	23,977	5,385	-	15,035	-											
Deferred tax liability	(1,606)	(20.9)%	6,082	7,340	8,163	8,285	7,688	6,690	-	-	-	-	8,163	-	-	-	-											
Subordinated debt	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	25,000	25,000	25,000											
Shareholders' equity	182,963	26.9%	863,493	848,241	756,892	724,726	680,530	670,996	401,745	400,667	388,225	385,396	756,892	401,745	372,704	357,444	372,191											
<b>Total liabilities and shareholders' equity</b>	<b>403,250</b>	<b>7.7%</b>	<b>5,665,166</b>	<b>4,429,105</b>	<b>5,097,500</b>	<b>4,555,884</b>	<b>5,261,916</b>	<b>3,961,904</b>	<b>3,123,848</b>	<b>2,583,857</b>	<b>3,407,005</b>	<b>2,184,790</b>	<b>5,097,500</b>	<b>3,123,848</b>	<b>2,022,099</b>	<b>2,098,718</b>	<b>2,609,942</b>											

Note: Please find notes on Page 12.

**Miscellaneous operational statistics**

(Unaudited, for the period ended)

	Q2/12 vs. Q2/11		Q2/12								FY11						
	Increase (decrease)		Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q1/11	Q4/10	Q3/10	Q2/10	Q1/10	FY11	FY10	FY09	FY08	FY07
<b>Number of employees in Canada</b>																	
Number in Canaccord Genuity	(10)	(3.6)%	266	265	268	276	276	273	203	204	200	204	268	203	209	253	246
Number in Canaccord Wealth Management	21	3.2%	686	666	684	671	665	689	680	707	698	688	684	680	700	762	728
Number in Corporate and Other	15	4.1%	384	382	373	365	369	371	364	360	359	352	373	364	356	380	360
Total Canada	26	2.0%	1,336	1,313	1,325	1,312	1,310	1,333	1,247	1,271	1,257	1,244	1,325	1,247	1,265	1,395	1,334
<b>Number of employees in UK &amp; Other Foreign Locations</b>																	
Number in Canaccord Genuity	45	31.5%	188	191	184	141	143	138	139	137	125	118	184	139	114	125	93
<b>Number of employees in US</b>																	
Number in Canaccord Genuity	8	4.5%	186	180	175	175	178	169	163	162	157	152	175	163	151	163	163
<b>Number of employees firm wide</b> <sup>(24)</sup>	79	4.8%	1,710	1,684	1,684	1,628	1,631	1,640	1,549	1,570	1,539	1,514	1,684	1,549	1,530	1,683	1,590
<b>Number of Advisory Teams</b> <sup>(19)</sup>	(9)	(3.2)%	271	263	271	272	280	290	303	327	334	335	271	303	338	354	368
<b>Number of licenced professionals</b>	(86)	(12.1)%	626	628	645	653	712	684	718	753	763	773	645	718	790	852	817
<b>Assets under mgmt. (\$millions)</b> <sup>(2)</sup>	101	21.4%	574	575	546	514	473	431	445	423	453	443	546	445	393	730	807
<b>Assets under admin. (\$millions)</b>	740	5.3%	14,635	15,676	16,985	16,006	13,895	12,571	12,922	12,210	11,386	10,341	16,985	12,922	9,184	14,295	15,014
<b>AUA per Advisory Team (\$ millions)</b> <sup>(19)</sup>	4	8.8%	54	60	63	59	50	43	43	37	34	31	63	43	27	40	41
<b>Number of companies with Canaccord Genuity Limited as Broker</b>																	
London Stock Exchange (LSE)	9	45.0%	29	29	26	24	20	23	23	23	9	9	26	23	9	5	1
Alternative Investment Market (AIM)	4	10.8%	41	41	39	35	37	39	43	45	44	49	39	43	51	60	58
Total Broker	13	22.8%	70	70	65	59	57	62	66	68	53	58	65	66	60	65	59
<b>Number of companies with Canaccord Genuity Limited as Nomad</b> <sup>(23)</sup>																	
LSE	1	-	2	1	1	1	1	1	1	-	-	-	1	1	-	1	0
AIM	2	6.7%	32	31	30	29	30	32	35	37	36	41	30	35	42	51	50
Total Nomad	3	9.7%	34	32	31	30	31	33	36	37	36	41	31	36	42	52	50

Note: Please find notes on Page 12.

Financial Post Data Group League Table <sup>(25)</sup>

Q2/12 vs. Q2/11:

Q2/12 (July 1, 2011 - September 30, 2011)								Q2/11 (July 1, 2010 - September 30, 2010)							
Manager	# of deals led <sup>(25)</sup>	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)	Manager	# of deals led	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)
RBC Capital Markets	20	12.4%	1	1,283,660	52	7	1,142,300	Canaccord Genuity Corp.	26	14.6%	1	780,396	72	1	1,339,551
TD Securities Inc.	18	11.2%	2	2,312,900	52	8	870,540	GMP Securities L.P.	14	7.9%	2	813,950	31	7	592,390
<b>Canaccord Genuity Corp.</b>	<b>16</b>	<b>9.9%</b>	<b>3</b>	<b>471,585</b>	<b>95</b>	<b>1</b>	<b>1,169,863</b>	RBC Capital Markets	13	7.3%	3	699,820	37	2	504,750
CIBC World Markets Inc.	13	8.1%	4	787,910	62	3	1,205,890	CIBC World Markets Inc.	11	6.2%	4	926,670	34	4	464,710
National Bank Financial Inc.	12	7.5%	5	280,130	59	4	617,880	Cormark Securities Inc.	11	6.2%	5	210,720	32	6	226,430
BMO Capital Markets	7	4.3%	6	586,530	55	5	865,150	Wellington West Capital Markets Inc.	11	6.2%	6	197,610	30	8	196,970
Cormark Securities Inc.	5	3.1%	7	182,790	27	9	222,550	BMO Capital Markets	9	5.1%	7	572,860	34	3	482,760
Scotia Capital Inc.	4	2.5%	8	226,170	65	2	1,139,620	Scotia Capital Inc.	8	4.5%	8	508,950	32	5	409,990
GMP Securities L.P.	4	2.5%	9	39,890	53	6	451,340	Dundee Securities Corporation	8	4.5%	9	157,790	29	9	211,950
Paradigm Capital Inc.	3	1.9%	10	38,470	9	10	49,690	TD Securities Inc.	7	3.9%	10	562,520	28	10	400,120
Others	59	36.6%		769,550				Others	60	33.7%		1,914,780			
	<b>161</b>	<b>100.0%</b>							<b>178</b>	<b>100.0%</b>					

Fiscal 2012 vs. Fiscal 2011:

Fiscal 2012 (April 1, 2011 - September 30, 2011)								Fiscal 2011 (April 1, 2010 - September 30, 2010)							
Manager	# of deals led <sup>(25)</sup>	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)	Manager	# of deals led <sup>(25)</sup>	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)
<b>Canaccord Genuity Corp.</b>	<b>61</b>	<b>13.3%</b>	<b>1</b>	<b>1,448,842</b>	<b>162</b>	<b>1</b>	<b>3,615,716</b>	<b>Canaccord Genuity Corp.</b>	<b>55</b>	<b>13.0%</b>	<b>1</b>	<b>1,941,716</b>	<b>169</b>	<b>1</b>	<b>4,227,265</b>
RBC Capital Markets	47	10.2%	2	3,466,490	85	8	1,725,500	CIBC World Markets Inc.	34	8.0%	2	3,133,880	84	3	1,621,490
CIBC World Markets Inc.	38	8.3%	3	2,839,100	101	4	1,769,680	RBC Capital Markets	32	7.6%	3	2,015,590	80	7	1,395,840
TD Securities Inc.	31	6.8%	4	3,570,500	89	6	1,526,720	BMO Capital Markets	25	5.9%	4	1,445,690	84	4	1,138,230
National Bank Financial Inc.	27	5.9%	5	752,970	105	2	1,157,130	GMP Securities L.P.	29	6.9%	5	2,398,980	82	6	1,418,130
BMO Capital Markets	21	4.6%	6	1,489,000	94	5	1,389,050	Cormark Securities Inc.	24	5.7%	6	477,200	64	10	484,110
Scotia Capital Inc.	21	4.6%	7	1,430,010	103	3	1,568,810	National Bank Financial Inc.	15	3.5%	7	472,420	83	5	803,850
Cormark Securities Inc.	16	3.5%	8	399,940	42	10	398,270	Macquarie Capital Markets Canada Ltd.	15	3.5%	8	340,710	93	2	733,010
Dundee Securities Ltd.	16	3.5%	9	264,950	69	9	469,760	Dundee Securities Corporation	19	4.5%	9	252,650	65	9	557,350
GMP Securities L.P.	15	3.3%	10	331,840	89	7	775,170	TD Securities Inc.	17	4.0%	10	1,304,060	67	8	908,890
Others	166	36.2%		3,783,120				Others	158	37.4%		4,783,460			
	<b>459</b>	<b>100.0%</b>							<b>423</b>	<b>100.0%</b>					

Source: FPinfomart and Company Information

Note: Please find notes on Page 12.

**Canaccord Group of Companies  
Notes**

- (1) Financial results are expressed in C\$ thousands, except for assets under management, preferred share information, assets under administration, common share information, financial measures, number of employees and number of Advisory Teams.
- (2) AUM are assets managed on a discretionary basis under our programs generally described as or known as the *Complete Canaccord Investment Counselling Program* and the *Complete Canaccord Managed Account Program* offered by Canaccord.
- (3) Book value per diluted share is calculated as total common shareholders' equity divided by the number of diluted shares outstanding.
- (4) In Q4/07, the definition of diluted shares outstanding was revised to include shares related to share issuance commitment.
- (5) Excludes shares relating to share purchase loans for recruitment and retention programs and unvested shares purchased by employee benefit trust for LTIP.
- (6) Includes shares relating to share purchase loans for recruitment and retention programs and unvested shares purchased by employee benefit trust for LTIP.
- (7) Includes dilutive earned shares under our stock-based compensation plan.
- (8) This is the diluted common share number used to calculate diluted EPS.
- (9) Special distributions per common share and dividends per preferred share are not included in the common dividend yield and common dividend payout calculations.
- (10) Total shareholder return is calculated as the change in share price plus dividends paid to common shares and special distributions paid in the current period as a percentage of the prior period's closing share price, assuming reinvestment of all dividends.
- (11) ROE is presented on an annualized basis. Quarterly annualized ROE is calculated by dividing the annualized net income for the three month period over the average common shareholders' equity.
- (12) The price to earnings multiple is calculated based on the end of period share price and 12-month trailing diluted EPS.
- (13) The price to book ratio is calculated based on the end of period share price and common shareholder's equity per diluted common share.
- (14) Incentive compensation includes National Health Insurance tax applicable to the UK and is based on a percentage of incentive compensation payout.
- (15) Total compensation expense includes incentive compensation and salaries and benefits, but excludes hiring incentives and development group salary and benefits, which are included in development costs. Development group salary and benefits have been reclassified to salaries and benefits expense line starting in Q1/11.
- (16) Significant items include ABCP fair value adjustment, Canaccord relief program, impairment of goodwill and intangibles, and restructuring costs.
- (17) Canaccord's UK operations include activities related to Canaccord Genuity Limited, engaged in capital markets activities in the United Kingdom. Revenue derived from capital markets activity outside of Canada, the US and the UK is reported as Other Foreign Locations, which includes revenue from Canaccord International Ltd. and Canaccord Genuity Asia.
- (18) Starting in fiscal 2008, we are reporting fee-based revenue which includes fees earned in separately managed, advisor managed and fee-based accounts. We are also including mutual fund and segregated fund trailer revenue in this calculation. This method of calculating fee-based revenue may differ from approaches used by other companies and therefore may not be comparable. Historical figures prior to Q4/08 have been restated.
- (19) Advisory Teams are normally comprised of one or more Investment Advisors (IAs) and their assistants and associates, who together manage a shared set of client accounts. Advisory Teams that are led by, or only include, an IA who has been licenced for less than three years are not included in our Advisory Team count, as it typically takes a new IA approximately three years to build an average sized book.
- (20) Canaccord's Canadian operations include activities related to Canadian Canaccord Wealth Management, capital markets activities in Canada delivered through Canaccord Genuity (a division of Canaccord Genuity Corp., our principal Canadian operating subsidiary), and Canadian Corporate and Other operations.
- (21) Canaccord's US operations include activities related to US Canaccord Wealth Management, delivered through Canaccord Wealth Management (USA), Inc., and US capital markets operations, delivered through Canaccord Genuity Inc. US Other operations, also delivered through Canaccord Wealth Management (USA), Inc., include revenue and expenses not specifically allocable to US Canaccord Wealth Management and US Canaccord Genuity.
- (22) Total compensation in Canaccord Genuity Inc. also includes retention costs from the Adams Harkness acquisition.
- (23) A company listed on AIM is required to retain a Nominated Adviser (commonly referred to as Nomad) during the company's life on the market. Nominated Advisers are responsible, amongst other duties, for warranting that a company is appropriate for joining AIM.
- (24) The employee count excludes temporary employees and those on long term disability but includes employees on leave of absence.
- (25) League table includes all transactions \$1.5 million and greater listed on the Canadian exchanges and all Canadian issuer transactions listed on any foreign exchanges. Total proceeds for number of deals led is achieved by using full credit for the lead, or divided evenly with joint book runners, and total proceeds for participation is achieved using bonus credit for participants.
- (26) In addition to the transactions participated by its Canadian operation, Canaccord's figures also include deals transacted by its UK, and US operations.
- (27) Acquisition-related expense items for Q1/11 include \$11.0 million of acquisition-related costs and \$1.4 million of amortization of intangible assets connected to the purchase of Genuity. The same expense for Q2/11 includes \$1.9 million of amortization of intangible assets connected to the purchase of Genuity. Q3/11 includes \$1.8 million of acquisition-related costs for the purchase of The Balloch Group Limited and \$0.9 million of amortization of intangible assets connected to the purchase of Genuity. Q4/11, Q1/12 and Q2/12 include \$0.9 million of amortization of intangible assets. In addition, Q2/12 include \$1.4 million of acquisition costs related to purchase of BGF and \$1.5 million related to prospective acquisitions not pursued.
- (28) Canaccord Genuity's facilitation losses, which are included as part of commission revenue, are disclosed separately beginning Q1/11 as part of our transition to IFRS.