

CANACCORD | Financial

Canaccord Financial Inc.

Supplementary Financial Information

First Quarter Fiscal 2014

For the period ended June 30, 2013

(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 First Quarter Fiscal 2014 Quarterly Report to the Shareholders (unaudited) dated August 6, 2013, and the Annual Report dated May 21, 2013. Canaccord's fiscal year end is defined as March 31st of each year. Canaccord's first quarter 2014 ended June 30, 2013 is also referred to as Q1/14 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 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 WM fee-related revenue.

Currency:

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

Financial highlights

Results of former Collins Stewart Hawkpoint ("CSHP") entities are included since March 22, 2012

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13	FY12	FY11	FY10	FY09
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	IFRS	IFRS	IFRS	CGAAP	IFRS
			IFRS													
Financial results																
Revenue	24,682	15.2%	187,231	217,971	230,003	186,599	162,549	177,692	147,889	119,500	159,783	797,122	604,864	803,631	577,537	477,721
Expenses	(8,930)	(4.8%)	178,118	211,984	216,882	204,910	187,048	207,731	142,822	126,396	144,034	820,824	620,983	661,159	525,896	524,920
Income taxes (recovery)	5,107	(131.7%)	1,230	(437)	2,857	(3,470)	(3,877)	1,755	2,536	(1,618)	2,554	(4,927)	5,227	42,729	13,144	452
Net income (loss)	28,505	138.2%	7,883	6,424	10,264	(14,841)	(20,622)	(31,794)	2,531	(5,278)	13,195	(18,775)	(21,346)	99,743	38,497	(47,651)
Net income (loss) attributable to CFI shareholders	28,708	143.8%	8,741	6,830	10,880	(14,562)	(19,967)	(31,250)	3,026	(5,278)	13,195	(16,819)	(20,307)	99,743	38,497	(47,651)
Net income (loss) available to common shareholders	28,585	125.4%	5,781	3,943	7,882	(17,560)	(22,804)	(32,357)	1,208	(7,078)	13,105	(28,539)	(25,122)	99,743	38,497	(47,651)
Balance sheet information																
Total assets	221,595	4.3%	5,327,433	4,603,502	4,977,201	5,102,481	5,105,838	5,762,723	4,439,877	5,665,166	4,429,105	4,603,502	5,762,723	5,097,500	3,123,848	2,022,099
Total liabilities	215,577	5.3%	4,246,564	3,538,170	3,910,105	4,052,592	4,030,987	4,753,144	3,569,364	4,801,673	3,580,864	3,538,170	4,753,144	4,340,608	2,722,103	1,649,395
Non-controlling interests	(4,638)	(27.5%)	12,244	16,169	15,913	16,047	16,882	17,454	18,218	-	-	16,169	17,454	-	-	-
Total shareholders' equity	10,656	1.0%	1,068,625	1,049,163	1,051,183	1,033,842	1,057,969	992,125	852,295	863,493	848,241	1,049,163	992,125	756,892	401,745	372,704
Client assets (\$ millions)																
Assets under mgmt. (discretionary) - Canada ⁽²⁾	171	24.1%	880	835	791	784	709	677	607	574	575	835	677	546	445	393
Assets under admin. - Canada ⁽²⁾	(3,812)	(29.0%)	9,325	10,429	11,403	13,344	13,137	14,828	14,367	14,635	15,676	10,429	14,828	16,985	12,922	9,184
Assets under mgmt. - UK and Europe ⁽³⁾	3,542	28.1%	16,125	15,936	15,228	13,122	12,583	13,087	-	-	-	15,936	13,087	-	-	-
Assets under mgmt. - Australia ⁽²⁾	55	18.0%	360	451	408	354	305	-	-	-	-	451	-	-	-	-
Total	(215)	(0.8%)	25,810	26,816	27,039	26,820	26,025	27,915	14,367	14,635	15,676	26,816	27,915	16,985	12,922	9,184
Common share information																
Per share (\$)																
Basic earnings (loss)	0.30	125.0%	0.06	0.04	0.09	(0.19)	(0.24)	(0.42)	0.02	(0.09)	0.17	(0.31)	(0.33)	1.37	0.79	(0.97)
Diluted earnings (loss)	0.30	125.0%	0.06	0.04	0.08	(0.19)	(0.24)	(0.42)	0.01	(0.09)	0.16	(0.31)	(0.33)	1.22	0.69	(0.97)
Book value per diluted share ⁽⁴⁾	(0.03)	(0.4%)	7.87	7.68	7.62	7.61	7.90	8.26	8.54	8.75	8.71	7.68	8.26	8.79	6.96	6.51
Share price (\$)																
High	(1.36)	(16.4%)	6.94	7.93	6.77	6.45	8.30	9.44	9.74	13.05	15.31	8.30	15.31	16.41	11.87	11.75
Low	0.14	2.9%	5.05	6.44	4.70	4.03	4.91	7.61	6.94	9.32	11.65	4.03	6.94	7.95	5.30	2.87
Close	0.21	3.8%	5.71	6.82	6.70	5.68	5.50	8.30	7.80	9.55	12.36	6.82	8.30	14.00	11.10	5.40
Shares outstanding (thousands)																
Issued shares excluding unvested shares ⁽⁵⁾	1,369	1.5%	94,936	93,062	92,522	93,991	93,566	94,026	74,999	76,232	75,597	93,062	94,026	75,404	48,868	49,343
Issued and outstanding ⁽⁶⁾	1,540	1.5%	103,570	102,896	102,513	102,381	102,031	101,689	83,412	83,322	83,097	102,896	101,689	82,810	55,571	55,093
Diluted shares ⁽⁷⁾	1,814	1.7%	109,667	109,882	110,969	108,789	107,854	106,656	86,787	85,979	86,236	109,880	106,883	85,655	57,767	57,251
Average outstanding - basic	379	0.4%	94,524	92,663	92,268	93,716	94,145	97,830	75,221	76,073	75,087	92,218	76,715	72,990	48,698	48,929
Average diluted ⁽⁸⁾	780	0.8%	102,770	103,045	102,454	102,235	101,990	85,568	83,822	83,922	84,283	102,402	84,682	81,717	55,662	54,189
Market capitalization (thousands)	33,005	5.6%	626,201	749,399	743,492	617,922	593,196	885,245	676,940	821,101	1,065,877	749,380	887,131	1,199,170	640,259	309,155
Preferred share information (thousands)																
Shares issued and outstanding (number)	-	-	8,540	8,540	8,540	8,540	8,540	4,540	4,540	4,540	4,000	8,540	4,540	n/a	n/a	n/a
Financial measures																
Dividends per common share	-	-	0.05	0.05	0.05	0.05	0.05	0.10	0.10	0.10	0.10	0.20	0.40	0.275	0.15	0.125
Common dividend yield (closing share price) ⁽⁹⁾	(0.1)	p.p.	3.5%	2.9%	3.0%	3.5%	3.6%	4.8%	5.1%	4.2%	3.2%	2.9%	4.8%	2.0%	0.3%	2.3%
Common dividend payout ratio ⁽⁹⁾	111.9	p.p.	89.6%	130.5%	65.0%	(29.2)%	(22.4)%	(31.4)%	690.5%	(117.7)%	63.4%	(71.8)%	(139.9)%	22.8%	22.4%	(15.1)%
Total shareholder return ⁽¹⁰⁾	17.6	p.p.	(15.5)%	2.5%	18.8%	4.2%	(33.1)%	7.7%	(17.3)%	(21.9)%	(11.0)%	(15.4)%	(37.9)%	28.6%	108.3%	(44.2)%
Return on common equity (ROE) ⁽¹¹⁾	13.3	p.p.	2.7%	1.9%	3.7%	(8.3)%	(10.6)%	(16.2)%	0.6%	(2.8)%	7.0%	(3.3)%	(3.1)%	14.2%	9.8%	(12.4)%
Price to earnings multiple ⁽¹²⁾	(563.6)	n.m.	(571.0)	(22.0)	(8.7)	(6.8)	(7.4)	(24.4)	13.7	8.9	9.7	(22.0)	(24.4)	11.8	16.1	5.7
Price to book ratio ⁽¹³⁾	0.0	4.3%	0.7	0.9	0.9	0.7	0.7	1.0	0.9	1.1	1.4	0.9	1.0	1.6	1.6	0.8

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13	FY12	FY11	FY10	FY09
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	IFRS	IFRS	IFRS	IFRS	IFRS
Financial results																
Revenue	24,682	15.2%	187,231	217,971	230,003	186,599	162,549	177,692	147,889	119,500	159,783	797,122	604,864	803,631	577,537	477,721
Expenses	(7,150)	(3.9%)	174,527	200,481	205,025	179,710	181,677	166,505	132,063	122,510	143,104	766,893	564,182	643,293	520,896	473,687
Income taxes (recovery)	3,727	131.6%	894	1,911	4,525	982	(2,833)	9,098	5,182	(1,345)	2,554	4,585	15,489	46,212	14,598	5,451
Net income (loss)	28,105	172.5%	11,810	15,579	20,453	5,907	(16,295)	2,089	10,644	(1,665)	14,125	25,644	25,193	114,126	42,043	(1,417)
Net income (loss) attributable to CFI shareholders	28,473	177.3%	12,414	15,657	20,746	5,864	(16,059)	2,306	10,825	(1,665)	14,125	26,207	25,591	114,126	42,043	(1,417)
Net income (loss) available to common shareholders	28,350	150.0%	9,454	12,770	17,748	2,866	(18,896)	1,199	9,007	(3,465)	14,035	14,487	20,776	114,126	42,043	(1,417)
Common share information																
Per share (\$)																
Basic earnings (loss)	0.30	150.0%	0.10	0.14	0.19	0.03	(0.20)	0.02	0.12	(0.05)	0.19	0.16	0.28	1.56	0.86	(0.03)
Diluted earnings (loss)	0.29	145.0%	0.09	0.12	0.17	0.03	(0.20)	0.02	0.11	(0.05)	0.17	0.14	0.25	1.40	0.76	(0.03)
Financial measures																
Common dividend payout ratio ⁽⁹⁾	81.8	p.p.	54.8%	40.3%	28.9%	178.6%	(27.0)%	848.0%	92.6%	(240.5)%	59.2%	141.4%	169.2%	19.9%	22.4%	n.m.
Price to earnings multiple ⁽¹²⁾	59.8	(130.4)%	13.9	56.8	335.0	(142.0)	(45.8)	33.2	10.7	8.2	9.0	56.8	33.2	10.1	14.6	1.1

n.m.: not meaningful
p.p.: percentage points

Note: Please find notes on Page 13.

Canaccord Group of Companies

Condensed Consolidated Statement of Operations ⁽²⁶⁾

Results of former CSHP entities are included since March 22, 2012

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14									FY13							
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	
Revenue																			
Commissions and fees	1,288	1.5%	90,035	87,438	89,415	87,525	88,747	74,170	57,380	60,299	61,028	353,125	252,877	294,650	235,606	233,104	233,104	233,104	
Investment banking	3,172	11.1%	31,833	38,541	40,609	37,961	28,661	53,553	32,015	29,799	59,858	145,772	175,225	327,499	215,237	117,916	117,916	117,916	117,916
Advisory fees	10,279	40.1%	35,905	56,145	69,348	28,571	25,626	24,634	38,541	21,664	22,531	179,690	107,370	84,914	39,200	51,453	39,200	51,453	
Principal trading	11,693	149.0%	19,540	22,780	18,670	17,109	7,847	6,769	3,304	(1,379)	1,953	66,406	10,647	43,644	45,982	18,319	18,319	18,319	
Interest	(1,587)	(18.9)%	6,805	6,758	7,291	6,758	8,392	8,205	8,147	7,590	7,857	29,199	31,799	24,040	12,965	38,287	12,965	38,287	
Other	(163)	(5.0)%	3,113	6,309	4,670	8,675	3,276	10,361	8,502	1,527	6,556	22,930	26,946	28,884	28,547	18,642	28,547	18,642	
	24,682	15.2%	187,231	217,971	230,003	186,599	162,549	177,692	147,889	119,500	159,783	797,122	604,864	803,631	577,537	477,721	577,537	477,721	
Expenses																			
Non-share based incentive compensation	4,361	6.0%	77,026	103,619	103,806	82,742	72,665	88,463	62,981	54,138	77,401	362,832	282,983	380,311	281,291	214,550	281,291	214,550	
Share based incentive compensation	(2,812)	(23.2)%	9,299	9,678	10,331	11,772	12,111	7,178	6,834	7,700	213	43,892	21,925	8,735	17,793	7,456	17,793	7,456	
Incentive compensation ⁽¹⁴⁾	1,549	1.8%	86,325	113,297	114,137	94,514	84,776	95,641	69,815	61,838	77,614	406,724	304,908	389,046	299,084	222,006	299,084	222,006	
Salaries and benefits	(88)	(0.4)%	23,110	22,825	21,082	21,417	23,198	17,635	15,009	14,163	17,117	88,522	63,924	64,420	59,415	56,771	59,415	56,771	
Trading costs	(620)	(4.9)%	11,967	10,697	10,419	10,189	12,587	6,190	7,416	7,742	8,965	43,892	30,313	31,507	28,884	26,311	28,884	26,311	
Premises and equipment	(1,519)	(14.0)%	9,335	9,924	9,504	10,842	10,854	7,354	6,633	6,727	6,832	41,124	27,546	27,158	24,402	24,695	24,402	24,695	
Communication and technology	(3,781)	(26.4)%	10,524	11,390	12,140	11,280	14,305	8,458	6,744	6,752	6,389	49,115	28,343	25,466	21,868	25,228	21,868	25,228	
Interest	92	2.0%	4,643	3,479	3,981	3,291	4,551	3,080	2,361	1,967	2,408	15,302	9,816	7,811	2,581	11,220	2,581	11,220	
General and administrative	(3,193)	(13.3)%	20,823	20,722	23,809	20,957	24,016	20,795	16,191	16,263	16,274	89,504	69,523	67,882	52,153	69,689	52,153	69,689	
Amortization	(1,575)	(19.4)%	6,561	9,490	8,398	7,755	8,136	4,350	3,906	2,947	2,905	33,779	14,108	12,742	7,609	8,994	7,609	8,994	
Development costs	205	4.4%	4,830	3,715	6,671	4,515	4,625	4,867	5,755	5,041	5,530	19,526	21,193	22,387	24,900	28,773	24,900	28,773	
Restructuring costs	-	-	-	6,445	6,310	18,862	-	28,961	6,292	-	-	31,617	35,253	-	-	7,662	-	7,662	
Acquisition-related costs	-	-	-	-	431	1,288	-	10,400	2,700	2,956	-	1,719	16,056	12,740	5,000	-	-	-	
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	-	6,700	
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	-	5,347	
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,524	-	31,524	
	(8,930)	(4.8)%	178,118	211,984	216,882	204,910	187,048	207,731	142,822	126,396	144,034	820,824	620,983	661,159	525,896	524,920	525,896	524,920	
Income (loss) before income taxes	33,612	137.2%	9,113	5,987	13,121	(18,311)	(24,499)	(30,039)	5,067	(6,896)	15,749	(23,702)	(16,119)	142,472	51,641	(47,199)	51,641	(47,199)	
Income taxes (recovery)	5,107	131.7%	1,230	(437)	2,857	(3,470)	(3,877)	1,755	2,536	(1,618)	2,554	(4,927)	5,227	42,729	13,144	452	13,144	452	
Net income (loss)	28,505	138.2%	7,883	6,424	10,264	(14,841)	(20,622)	(31,794)	2,531	(5,278)	13,195	(18,775)	(21,346)	99,743	38,497	(47,651)	38,497	(47,651)	
Non-controlling interests ⁽²⁶⁾	(203)	(31.0)%	(858)	(406)	(616)	(279)	(655)	(544)	(495)	-	-	(1,956)	(1,039)	-	-	-	-	-	
Net income attributable to CFI shareholders	28,708	143.8%	8,741	6,830	10,880	(14,562)	(19,967)	(31,250)	3,026	(5,278)	13,195	(16,819)	(20,307)	99,743	38,497	(47,651)	38,497	(47,651)	
Preferred share dividends	(123)	(4.3)%	(2,960)	(2,887)	(2,998)	(2,998)	(2,837)	(1,107)	(1,818)	(1,800)	(90)	(11,720)	(4,815)	-	-	-	-	-	
Net income (loss) available to common shareholders	28,585	125.4%	5,781	3,943	7,882	(17,560)	(22,804)	(32,357)	1,208	(7,078)	13,105	(28,539)	(25,122)	99,743	38,497	(47,651)	38,497	(47,651)	
Non-share based incentive compensation as a % of revenue	(3.6) p.p.		41.1%	47.5%	45.1%	44.3%	44.7%	49.8%	42.6%	45.3%	48.4%	45.5%	46.8%	47.3%	48.7%	44.9%	48.7%	44.9%	
Share based incentive compensation as a % of revenue	(2.5) p.p.		5.0%	4.4%	4.5%	6.3%	7.5%	4.0%	4.6%	6.4%	0.1%	5.5%	3.6%	1.1%	3.1%	1.6%	3.1%	1.6%	
Incentive compensation as % of revenue	(6.1) p.p.		46.1%	52.0%	49.6%	50.7%	52.2%	53.8%	47.2%	51.7%	48.6%	51.0%	50.4%	48.4%	51.8%	46.5%	51.8%	46.5%	
Total compensation exp. as % of revenue ⁽¹⁵⁾	(8.1) p.p.		58.4%	62.4%	58.8%	62.2%	66.5%	63.7%	57.4%	63.6%	59.2%	62.1%	61.0%	56.4%	62.1%	58.4%	62.1%	58.4%	
Non-compensation exp. as % of revenue	(11.9) p.p.		36.7%	34.9%	35.5%	47.7%	48.6%	53.2%	39.2%	42.2%	30.9%	40.8%	41.7%	25.8%	29.0%	51.5%	29.0%	51.5%	
Total expenses as % of revenue	(20.0) p.p.		95.1%	97.3%	94.3%	109.8%	115.1%	116.9%	96.6%	105.8%	90.1%	103.0%	102.7%	82.3%	91.1%	109.9%	91.1%	109.9%	
Pre-tax profit margin	19.9 p.p.		4.9%	2.7%	5.7%	(9.8)%	(15.1)%	(16.9)%	3.4%	(5.8)%	9.9%	(3.0)%	(2.7)%	17.7%	8.9%	(9.9)%	17.7%	8.9%	
Effective tax rate	(2.3) p.p.		13.5%	(7.3)%	21.8%	19.0%	15.8%	(5.8)%	50.0%	23.5%	16.2%	20.8%	(32.4)%	30.0%	25.5%	(1.0)%	30.0%	25.5%	
Net profit margin	16.9 p.p.		4.2%	2.9%	4.5%	(8.0)%	(12.7)%	(17.9)%	1.7%	(4.4)%	8.3%	(2.4)%	(3.5)%	12.4%	6.7%	(10.0)%	12.4%	6.7%	
Basic earnings (loss) per common share	0.30	125.0%	0.06	0.04	0.09	(0.19)	(0.24)	(0.42)	0.02	(0.09)	0.17	(0.31)	(0.33)	1.37	0.79	(0.97)	1.37	0.79	
Diluted earnings (loss) per common share	0.30	125.0%	0.06	0.04	0.08	(0.19)	(0.24)	(0.42)	0.01	(0.09)	0.16	(0.31)	(0.33)	1.22	0.69	(0.97)	1.22	0.69	
Book value per diluted common share	(0.03)	0.4%	7.87	7.68	7.62	7.61	7.90	8.26	8.54	8.75	8.71	7.68	8.26	8.79	6.96	6.51	8.79	6.96	

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q1/14 vs. Q1/13		Q1/14									FY13						
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Revenue	24,682	15.2%	187,231	217,971	230,003	186,599	162,549	177,692	147,889	119,500	159,783	797,122	604,864	803,631	577,537	477,721	577,537	477,721
Total expenses	(7,150)	(3.9)%	174,527	200,481	205,025	179,710	181,677	166,505	132,063	122,510	143,104	766,893	564,182	643,293	520,896	473,687	520,896	473,687
Income before income taxes	31,832	166.4%	12,704	17,490	24,978	6,889	(19,128)	11,187	15,826	(3,010)	16,679	30,229	40,682	160,338	56,641	4,034	56,641	4,034
Net income (loss)	28,105	172.5%	11,810	15,579	20,453	5,907	(16,295)	2,089	10,644	(1,665)	14,125	25,644	25,193	114,126	42,043	(1,417)	42,043	(1,417)
Net income (loss) attributable to CFI shareholders	28,473	177.3%	12,414	15,657	20,746	5,864	(16,059)	2,306	10,825	(1,665)	14,125	26,207	25,591	114,126	42,043	(1,417)	42,043	(1,417)
Net income (loss) available to common shareholders	28,350	150.0%	9,454	12,770	17,748	2,866	(18,896)	1,199	9,007	(3,465)	14,035	14,487	20,776	114,126	42,043	(1,417)	42,043	(1,417)
Non-compensation exp. as % of revenue	(10.6) p.p.		34.8%	29.5%	30.4%	34.2%	45.3%	30.0%	31.9%	38.9%	30.3%	34.1%	32.3%	23.6%	28.1%	40.8%	28.1%	40.8%
Total expenses as % of revenue	(18.6) p.p.		93.2%	92.0%	89.1%	96.3%	111.8%	93.7%	89.3%	102.5%	89.6%	96.2%	93.3%	80.0%	90.2%	99.2%	90.2%	99.2%
Pre-tax profit margin	18.6 p.p.		6.8%	8.0%	10.9%	3.7%	(11.8)%	6.3%	10.7%	(2.5)%	10.4%	3.8%	6.7%	20.0%	9.8%	0.8%	20.0%	9.8%
Net profit margin	16.3 p.p.		6.3%	7.1%	8.9%	3.2%	(10.0)%	1.2%	7.2%	(1.4)%	8.8%	3.2%	4.2%	14.2%	7.3%	(0.3)%	14.2%	7.3%
Basic earnings (loss) per common share	0.30	150.0%	0.10	0.14	0.19	0.03	(0.20)	0.02	0.12	(0.05)	0.19	0.16	0.28	1.56	0.86	(0.03)	1.56	

Canaccord Genuity

Condensed Statement of Operations ⁽²⁶⁾⁽²⁷⁾

Results of former CSHP entities are included since March 22, 2012

(Unaudited, for the period ended)

(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14					Q1/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	
Revenue																
Canada																
Capital Markets	(1,268)	(4.2)%	29,008	52,412	70,965	31,432	30,276	62,753	50,641	39,671	56,027	185,085	209,092	301,002	148,214	95,485
International Trading	(470)	(33.4)%	936	1,000	1,209	1,260	1,406	2,220	2,820	2,815	2,818	4,875	10,673	19,244	17,417	20,929
Fixed Income	(976)	(24.8)%	2,966	3,402	4,280	2,753	3,942	6,033	3,481	5	3,022	14,377	12,541	18,274	11,950	6,436
Total Canada	(2,714)	(7.6)%	32,910	56,814	76,454	35,445	35,624	71,006	56,942	42,491	61,867	204,337	232,306	338,520	177,581	122,850
UK and Europe ⁽¹⁷⁾	11,269	38.6%	40,489	45,552	44,248	39,034	29,220	19,861	12,748	9,338	9,246	158,054	51,193	92,677	82,454	72,926
US	21,893	70.5%	52,943	45,206	37,625	39,474	31,050	18,487	17,197	17,790	26,012	153,355	79,486	106,219	97,629	74,794
Other Foreign Locations ⁽²⁵⁾	(543)	(10.0)%	4,864	6,425	7,298	6,157	5,407	3,713	6,694	(167)	252	25,287	10,492	1,228	5,894	6,781
	29,905	29.5%	131,206	153,997	165,625	120,110	101,301	113,067	93,581	69,452	97,377	541,033	373,477	538,644	363,558	277,351
Expenses																
Non-share based incentive compensation	6,930	14.7%	54,055	76,337	76,065	57,428	47,125	60,386	39,742	31,911	47,297	256,955	179,336	247,207	184,644	135,129
Share based incentive compensation	(2,755)	(25.0)%	8,282	7,927	7,518	9,151	11,037	5,755	5,491	4,965	(1,142)	35,633	15,069	4,113	10,560	6,465
Incentive compensation ⁽¹⁴⁾	4,175	7.2%	62,337	84,264	83,583	66,579	58,162	66,141	45,233	36,876	46,155	292,588	194,405	251,320	195,204	141,594
Salaries and benefits	125	1.4%	8,936	9,480	8,280	8,670	8,811	4,982	4,241	3,382	5,211	35,241	17,816	16,382	15,309	15,068
Trading costs	1,022	10.4%	10,867	7,759	7,327	7,721	9,845	4,179	5,248	5,688	6,329	32,652	21,444	21,439	18,289	18,863
Premises and equipment	(1,281)	(18.2)%	5,748	6,541	6,285	7,195	7,029	4,122	3,512	3,993	3,109	27,050	14,736	12,388	11,722	12,400
Communication and technology	(3,344)	(32.8)%	6,850	7,177	8,207	7,393	10,194	5,670	4,181	4,209	3,961	32,971	18,021	15,977	11,169	13,569
Interest	215	5.5%	4,132	2,908	3,511	2,864	3,917	2,645	1,918	1,514	1,908	13,200	7,985	5,968	748	1,372
General and administrative	(2,777)	(18.4)%	12,352	11,771	14,915	13,669	15,129	11,583	8,697	10,314	9,346	55,484	39,940	35,320	21,222	38,418
Amortization	(2,089)	(36.1)%	3,691	5,103	5,008	5,183	5,780	3,472	2,933	2,057	1,802	21,074	10,264	8,738	3,633	4,433
Development costs	(60)	(2.8)%	2,098	956	2,806	2,025	2,158	2,098	3,205	2,536	3,150	7,945	10,989	10,810	10,300	15,268
Restructuring costs	-	-	-	5,561	5,276	4,395	-	27,786	1,292	-	-	15,232	29,078	-	-	5,971
Acquisition-related costs	-	-	-	-	-	388	-	6,323	2,700	1,443	-	388	10,466	12,740	5,000	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,524
	(4,014)	(3.3)%	117,011	141,520	145,198	126,082	121,025	139,001	83,160	72,012	80,971	533,825	375,144	391,082	292,596	298,480
Income (loss) before intersegment allocations and income taxes	33,919	172.0%	14,195	12,477	20,427	(5,972)	(19,724)	(25,934)	10,421	(2,560)	16,406	7,208	(1,667)	147,562	70,962	(21,129)
Intersegment allocations	599	35.2%	2,303	510	848	504	1,704	3,107	2,615	3,104	3,041	3,566	11,867	10,903	9,573	n/a
Income before income taxes	33,320	155.5%	11,892	11,967	19,579	(6,476)	(21,428)	(29,041)	7,806	(5,664)	13,365	3,642	(13,534)	136,659	61,389	n/a
Non-share based incentive compensation as a % of revenue	(5.3) p.p.		41.2%	49.6%	45.9%	47.8%	46.5%	53.4%	42.5%	45.9%	48.6%	47.5%	48.0%	45.9%	50.8%	48.7%
Share based incentive compensation as a % of revenue	(4.6) p.p.		6.3%	5.1%	4.5%	7.6%	10.9%	5.1%	5.9%	7.1%	(1.2)%	6.6%	4.0%	0.8%	2.9%	2.3%
Incentive compensation as a % of revenue	(9.9) p.p.		47.5%	54.7%	50.5%	55.4%	57.4%	58.5%	48.3%	53.1%	47.4%	54.1%	52.1%	46.7%	53.7%	51.1%
Total compensation exp. as a % of revenue ⁽¹⁵⁾	(11.8) p.p.		54.3%	60.9%	55.5%	62.7%	66.1%	62.9%	52.9%	58.0%	52.7%	60.6%	56.8%	49.7%	57.9%	56.5%
Non-compensation exp. as a % of revenue	(18.6) p.p.		34.9%	31.0%	32.2%	42.3%	53.4%	60.0%	36.0%	45.7%	30.4%	38.1%	43.6%	22.9%	22.6%	51.1%
Total expenses as a % of revenue	(30.4) p.p.		89.2%	91.9%	87.7%	105.0%	119.5%	122.9%	88.9%	103.7%	83.2%	98.7%	100.4%	72.6%	80.5%	107.6%
Pre-tax and intersegment allocation profit margin	30.3 p.p.		10.8%	8.1%	12.3%	(5.0)%	(19.5)%	(22.9)%	11.1%	(3.7)%	16.8%	1.3%	(0.4)%	27.4%	19.5%	(7.6)%
Pre-tax profit margin	30.2 p.p.		9.1%	7.8%	11.8%	(5.4)%	(21.2)%	(25.7)%	8.3%	(8.2)%	13.7%	0.7%	(3.6)%	25.4%	n/a	n/a
Number of employees	(92)	(8.7)%	971	973	1,006	993	1,063	1,090	650	640	636	973	1,090	627	505	474

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q1/14 vs. Q1/13		Q1/14					Q1/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
Revenue	29,905	29.5%	131,206	153,997	165,625	120,110	101,301	113,067	93,581	69,452	97,377	541,033	373,477	538,644	363,558	277,351
Total expenses	(1,343)	(1.2)%	115,309	132,501	136,449	117,863	116,652	103,027	77,401	69,639	80,041	503,465	330,108	373,216	287,596	260,985
Income (loss) before intersegment allocations and income taxes	31,248	203.6%	15,897	21,496	29,176	2,247	(15,351)	10,040	16,180	(187)	17,336	37,568	43,369	165,428	75,962	16,366
Income (loss) before income taxes	30,649	179.7%	13,594	20,986	28,328	1,743	(17,055)	6,933	13,565	(3,291)	14,295	27,266	31,502	154,525	66,389	16,366
Non-compensation exp. as a % of revenue	(15.5) p.p.		33.6%	25.2%	26.9%	35.5%	49.0%	28.2%	29.8%	42.3%	29.4%	32.5%	31.6%	19.6%	21.2%	37.6%
Total expenses as a % of revenue	(27.3) p.p.		87.9%	86.0%	82.4%	98.1%	115.2%	91.1%	82.7%	100.3%	82.2%	93.1%	88.4%	69.3%	79.1%	94.1%
Pre-tax profit margin	27.2 p.p.		10.4%	13.6%	17.1%	1.5%	(16.8)%	6.1%	14.5%	(4.7)%	14.7%	5.0%	8.4%	28.7%	18.3%	5.9%

Supplementary Revenue Breakdown

	Q1/14 vs. Q1/13		Q1/14					Q1/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
Commissions and fees ⁽³⁰⁾	777	1.8%	42,832	39,270	40,686	41,061	42,055	36,190	25,951	26,032	22,923	163,072	111,096	133,822	103,212	105,295
Investment banking	5,756	25.0%	28,802	33,074	34,190	31,356	23,046	42,554	23,556	21,108	48,446	121,666	135,664	271,840	181,837	97,048
Advisory fees	10,717	42.5%	35,905	56,134	69,341	28,559	25,188	24,598	38,541	21,661	22,531	179,222	107,331	84,544	39,200	51,453
Principal trading	11,849	147.6%	19,878	22,869	18,602	17,025	8,029	6,783	3,263	(1,431)	1,596	66,525	10,211	41,964	37,625	17,034
Interest	(381)	(12.8)%	2,586	2,229	2,872	1,914	2,967	2,590	2,133	1,827	1,804	9,982	8,354	6,081	565	4,152
Other	1,187	n.m.	1,203	421	(66)	195	16	352	137	255	77	566	821	393	1,119	2,369
	29,905	29.5%	131,206	153,997	165,625	120,110	101,301	113,067	93,581	69,452	97,377	541,033	373,477	538,644	363,558	277,351
Facilitation losses ⁽²⁴⁾	2,091	43.5%	(2,711)	(4,936)	(4,073)	(1,622)	(4,802)	(1,603)	(6,363)	(7,649)	(12,509)	(15,433)	(28,124)	(28,296)	n/a	n/a

Note: Please find notes on Page 13.

Canaccord Genuity Canada
Condensed statement of operations

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

Q1/14 vs. Q1/13 Increase (decrease)	Q1/14					Q4/12				FY13	FY12	FY11	FY10	FY09	
	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12						
Revenue															
Canaccord Genuity Canada	(2,714) (7.6)%	32,910	56,814	76,454	35,445	35,624	71,006	56,942	42,491	61,867	204,337	232,306	338,520	177,581	122,850
	(2,714) (7.6)%	32,910	56,814	76,454	35,445	35,624	71,006	56,942	42,491	61,867	204,337	232,306	338,520	177,581	122,850
Expenses															
Non-share based incentive compensation	(4,560) (33.6)%	9,008	24,687	32,356	14,004	13,568	30,200	23,452	16,998	29,195	84,615	99,845	147,080	86,644	63,086
Share based incentive compensation	1,599 45.6%	5,109	3,758	3,729	5,468	3,510	6,279	3,254	3,168	(3,366)	16,465	9,335	(1,125)	6,489	3,937
Incentive compensation ⁽¹⁴⁾	(2,961) (17.3)%	14,117	28,445	36,085	19,472	17,078	36,479	26,706	20,166	25,829	101,080	109,180	145,955	93,133	67,023
Salaries and benefits	(417) (24.0)%	1,320	1,372	1,492	2,221	1,737	1,421	1,310	867	1,866	6,822	5,464	5,760	4,482	4,289
Trading costs	217 7.3%	3,201	2,802	2,737	2,309	2,984	2,748	3,263	3,155	4,193	10,832	13,359	13,928	9,367	7,303
Premises and equipment	(185) (14.6)%	1,078	1,221	1,117	1,196	1,263	1,300	1,228	1,661	852	4,797	5,041	4,319	3,014	3,158
Communication and technology	(55) (3.7)%	1,422	1,553	1,583	1,305	1,477	2,254	1,309	1,341	1,329	5,918	6,233	5,344	3,731	6,466
Interest	(595) (23.3)%	1,957	1,676	2,282	1,441	2,552	2,405	1,861	1,440	1,878	7,951	7,584	5,684	435	949
General and administrative	(1,396) (46.4)%	1,612	1,696	2,998	4,496	3,008	3,819	2,995	5,330	3,753	12,198	15,897	15,959	6,369	9,497
Amortization	(78) (5.6)%	1,322	1,485	1,403	1,401	1,400	1,522	1,400	1,417	1,219	5,689	5,558	6,461	907	1,492
Development costs	21 17.4%	142	177	206	1,037	121	34	(103)	275	690	1,541	896	3,004	3,213	2,422
Acquisition-related costs	- -	-	-	-	388	-	-	2,290	1,443	-	388	3,733	12,740	5,000	-
Impairment of goodwill and intangibles	- -	-	-	-	-	-	-	-	-	-	-	-	-	-	3,958
Restructuring costs	- -	-	-	-	575	-	6,979	884	-	-	575	7,863	-	-	4,697
	(5,449) (17.2)%	26,171	40,427	49,903	35,841	31,620	58,961	43,143	37,095	41,609	157,791	180,808	219,154	129,651	111,254
Income (loss) before intersegment allocations and income taxes	2,735 68.3%	6,739	16,387	26,551	(396)	4,004	12,045	13,799	5,396	20,258	46,546	51,498	119,366	47,930	11,596
Intersegment Allocations	(553) (19.0)%	2,361	2,279	2,591	2,518	2,914	3,107	2,615	3,104	3,041	10,302	11,867	10,903	9,573	n/a
	3,288 n.m.	4,378	14,108	23,960	(2,914)	1,090	8,938	11,184	2,292	17,217	36,244	39,631	108,463	38,357	11,596
Income (loss) before income taxes															
Non-share based incentive compensation as a % of revenue	(10.7) p.p.	27.4%	43.5%	42.3%	39.5%	38.1%	42.5%	41.2%	40.0%	47.2%	41.4%	43.0%	43.4%	48.8%	51.4%
Share based incentive compensation as a % of revenue	5.7 p.p.	15.5%	6.6%	4.9%	15.4%	9.9%	8.8%	5.7%	7.5%	(5.4)%	8.1%	4.0%	(0.3)%	3.7%	3.2%
Incentive compensation as % of revenue	(5.0) p.p.	42.9%	50.1%	47.2%	54.9%	47.9%	51.4%	46.9%	47.5%	41.7%	49.5%	47.0%	43.1%	52.4%	54.6%
Total compensation exp. as % of revenue ⁽¹⁵⁾	(5.9) p.p.	46.9%	52.5%	49.1%	61.2%	52.8%	53.4%	49.2%	49.5%	44.8%	52.8%	49.4%	44.8%	55.0%	58.0%
Non-compensation exp. as % of revenue	(3.3) p.p.	32.6%	18.7%	16.1%	39.9%	35.9%	29.7%	28.6%	37.8%	22.5%	24.4%	28.5%	19.9%	18.0%	32.5%
Total expenses as % of revenue	(9.2) p.p.	79.5%	71.2%	65.3%	101.1%	88.8%	83.0%	75.8%	87.3%	67.3%	77.2%	77.8%	64.7%	73.0%	90.6%
Pre-tax and intersegment allocation profit margin	9.2 p.p.	20.5%	28.8%	34.7%	(1.1)%	11.2%	17.0%	24.2%	12.7%	32.7%	22.8%	22.2%	35.3%	27.0%	9.4%
Pre-tax profit margin	10.2 p.p.	13.3%	24.8%	31.3%	(8.2)%	3.1%	12.6%	19.6%	5.4%	27.8%	17.7%	17.1%	32.0%	21.6%	9.4%

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

Q1/14 vs. Q1/13 Increase (decrease)	Q1/14					Q4/12				FY13	FY12	FY11	FY10	FY09	
	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12						
Revenue	(2,714) (7.6)%	32,910	56,814	76,454	35,445	35,624	71,006	56,942	42,491	61,867	204,337	232,306	338,520	177,581	122,850
Total expenses	(5,449) (17.8)%	25,241	39,497	48,973	33,948	30,690	51,052	39,039	34,722	40,679	153,108	165,492	201,288	102,282	102,599
Income (loss) before intersegment allocations and income taxes	2,735 55.4%	7,669	17,317	27,481	1,497	4,934	19,954	17,903	7,769	21,188	51,229	66,814	137,232	75,299	20,251
Income (loss) after intersegment allocations and before income taxes	3,288 162.8%	5,308	15,038	24,890	(1,021)	2,020	16,847	15,288	4,665	18,147	40,927	54,947	126,329	65,726	20,251
Non-compensation exp. as % of revenue	(3.5) p.p.	29.8%	17.0%	14.9%	34.6%	33.3%	18.5%	19.4%	32.2%	21.0%	22.1%	21.9%	16.2%	15.2%	25.5%
Total expenses as % of revenue	(9.5) p.p.	76.7%	69.5%	64.1%	95.8%	86.1%	71.9%	68.6%	81.7%	65.8%	74.9%	71.2%	59.5%	57.6%	83.5%
Pre-tax and intersegment allocation profit margin	9.5 p.p.	23.3%	30.5%	35.9%	4.2%	13.9%	28.1%	31.4%	18.3%	34.2%	25.1%	28.8%	40.5%	42.4%	16.5%

Supplementary Revenue Breakdown

Q1/14 vs. Q1/13 Increase (decrease)	Q1/14					Q4/12				FY13	FY12	FY11	FY10	FY09	
	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12						
Commissions and fees ⁽³⁰⁾	1,177 8.6%	14,900	11,823	14,531	14,052	13,723	19,975	11,861	11,610	7,890	54,129	51,336	62,551	51,815	48,193
Investment banking	(4,095) (31.0)%	9,096	12,782	14,028	10,698	13,191	30,213	14,404	15,551	34,712	50,699	94,880	194,568	104,241	50,046
Advisory fees	1,090 18.4%	7,011	29,695	45,225	8,678	5,921	16,725	27,820	16,442	17,764	89,519	78,751	62,517	6,277	14,909
Principal trading	(349) (87.9)%	48	543	493	699	397	1,761	807	(2,981)	(405)	2,132	(818)	12,833	12,778	8,388
Interest	(520) (22.1)%	1,836	1,527	2,091	1,284	2,356	2,272	2,019	1,807	1,740	7,258	7,838	5,809	2,053	1,310
Other	(17) (47.2)%	19	444	86	34	36	60	31	62	166	600	319	242	417	4
	(2,714) (7.6)%	32,910	56,814	76,454	35,445	35,624	71,006	56,942	42,491	61,867	204,337	232,306	338,520	177,581	122,850
Facilitation losses ⁽²⁴⁾	1,612 (47.9)%	(1,755)	(4,119)	(2,879)	(1,301)	(3,367)	(218)	(4,844)	(6,322)	(10,795)	(11,666)	(22,179)	(22,383)	n/a	n/a

**Canaccord Genuity UK and Europe
Condensed statement of operations**

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14 vs. Q1/13								FY13 vs. FY09					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Revenue																
UK and Europe	11,269	38.6%	40,489	45,552	44,248	39,034	29,220	19,861	12,748	9,338	9,246	158,054	51,193	92,677	82,454	72,926
	11,269	38.6%	40,489	45,552	44,248	39,034	29,220	19,861	12,748	9,338	9,246	158,054	51,193	92,677	82,454	72,926
Expenses																
Non-share based incentive compensation	3,936	33.2%	15,804	23,564	20,627	21,105	11,868	16,143	5,356	5,606	5,085	77,164	32,190	45,538	42,535	34,016
Share based incentive compensation	(4,252)	(64.7)%	2,323	3,356	3,313	3,095	6,575	(1,761)	1,073	855	1,124	16,339	1,291	2,379	3,440	1,964
Incentive compensation ⁽¹⁴⁾	(316)	(1.7)%	18,127	26,920	23,940	24,200	18,443	14,382	6,429	6,461	6,209	93,503	33,481	47,917	45,975	35,980
Salaries and benefits	41	1.0%	4,159	4,026	3,969	3,480	4,118	1,739	1,253	1,213	1,267	15,593	5,472	5,048	6,445	5,563
Trading costs	169	19.4%	1,041	634	527	624	872	657	809	940	1,024	2,657	3,430	3,514	3,552	2,941
Premises and equipment	(732)	(23.2)%	2,426	3,021	2,816	3,028	3,158	1,234	861	875	960	12,023	3,930	3,474	3,842	4,046
Communication and technology	(2,745)	(53.4)%	2,394	2,901	3,129	2,870	5,139	1,661	1,399	1,479	1,345	14,039	5,884	5,143	2,433	2,049
Interest	137	17.3%	929	831	782	916	792	153	8	17	(9)	3,321	169	102	74	253
General and administrative	(1,485)	(23.2)%	4,908	4,343	6,684	3,481	6,393	3,450	1,763	1,485	2,212	20,901	8,910	7,399	5,985	15,606
Amortization	(1,255)	(60.9)%	806	1,782	1,768	1,790	2,061	320	307	291	312	7,401	1,230	1,254	1,603	1,843
Development costs	582	n.m.	582	715	664	-	-	-	512	533	760	1,379	1,805	4,697	3,012	1,340
Acquisition-related costs	-	-	-	-	-	-	-	5,885	410	-	-	-	6,295	-	-	-
Restructuring costs	-	-	-	5,561	2,291	-	-	18,049	-	-	-	7,852	18,049	-	-	1,274
	(5,604)	(13.7)%	35,372	50,734	46,570	40,389	40,976	47,530	13,751	13,294	14,080	178,669	88,655	78,548	72,921	70,895
Income (loss) before intersegment allocations and income taxes	16,873	(143.5)%	5,117	(5,182)	(2,322)	(1,355)	(11,756)	(27,669)	(1,003)	(3,956)	(4,834)	(20,615)	(37,462)	14,129	9,533	2,031
Intersegment allocations	627	n.m.	(583)	(1,769)	(1,743)	(2,014)	(1,210)	-	-	-	-	-	-	-	-	-
Income (loss) before income taxes	16,246	(154.0)%	5,700	(3,413)	(579)	659	(10,546)	(27,669)	(1,003)	(3,956)	(4,834)	(20,615)	(37,462)	14,129	9,533	2,031
Non-share based incentive compensation as a % of revenue	(1.6) p.p.		39.0%	51.7%	46.6%	54.1%	40.6%	81.3%	42.0%	60.0%	55.0%	48.8%	62.9%	49.1%	51.6%	46.6%
Share based compensation as a % of revenue	(16.8) p.p.		5.7%	7.4%	7.5%	7.9%	22.5%	(8.9)%	8.4%	9.2%	12.2%	10.3%	2.5%	2.6%	4.2%	2.7%
Incentive compensation as % of revenue	(18.3) p.p.		44.8%	59.1%	54.1%	62.0%	63.1%	72.4%	50.4%	69.2%	67.2%	59.2%	65.4%	51.7%	55.8%	49.3%
Total compensation exp. as % of revenue ⁽¹⁵⁾	(22.2) p.p.		55.0%	67.9%	63.1%	70.9%	77.2%	81.2%	60.3%	82.2%	80.9%	69.0%	76.1%	57.2%	63.6%	57.0%
Non-compensation exp. as % of revenue	(30.7) p.p.		32.3%	43.4%	42.2%	32.6%	63.0%	158.1%	47.6%	60.2%	71.4%	44.0%	97.1%	27.2%	24.9%	40.2%
Total expenses as % of revenue	(52.9) p.p.		87.4%	111.4%	105.2%	103.5%	140.2%	239.3%	107.9%	142.4%	152.3%	113.0%	173.2%	84.8%	88.4%	97.2%
Pre-tax profit margin	52.9 p.p.		12.6%	(11.4)%	(5.2)%	(3.5)%	(40.2)%	(139.3)%	(7.9)%	(42.4)%	(52.3)%	(13.0)%	(73.2)%	15.2%	11.6%	2.8%

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

(in thousands of dollars)

	Q1/14 vs. Q1/13		Q1/14 vs. Q1/13								FY13 vs. FY09					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
Revenue	11,269	38.6%	40,489	45,552	44,248	39,034	29,220	19,861	12,748	9,338	9,246	158,054	51,193	92,677	82,454	72,926
Total expenses	(3,900)	(9.9)%	35,372	44,134	43,212	39,343	39,272	23,596	13,341	13,294	14,080	165,961	64,311	78,548	72,921	69,621
Income (loss) before intersegment allocations and income taxes	15,169	(150.9)%	5,117	1,418	1,036	(309)	(10,052)	(3,735)	(593)	(3,956)	(4,834)	(7,907)	(13,118)	14,129	9,533	3,305
Income (loss) after intersegment allocations and before income taxes	14,542	(164.5)%	5,700	3,187	2,779	1,705	(8,842)	(3,735)	(593)	(3,956)	(4,834)	(7,907)	(13,118)	14,129	9,533	3,305
Non-compensation exp. as % of revenue	(24.9) p.p.		32.3%	29.0%	34.6%	29.9%	57.2%	37.6%	44.4%	60.2%	71.4%	36.0%	49.5%	27.6%	13.4%	38.5%
Total expenses as % of revenue	(47.0) p.p.		87.4%	96.9%	97.7%	100.8%	134.4%	118.8%	104.7%	142.4%	152.3%	105.0%	125.6%	84.8%	69.8%	95.5%
Pre-tax and intersegment allocation profit margin	47.0 p.p.		12.6%	3.1%	2.3%	(0.8)%	(34.4)%	(18.8)%	(4.7)%	(42.4)%	(52.3)%	(5.0)%	(25.6)%	15.2%	30.2%	4.5%

Supplementary Revenue Breakdown

	Q1/14 vs. Q1/13		Q1/14 vs. Q1/13								FY13 vs. FY09					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
Commissions and fees ⁽³⁰⁾	(665)	(7.1)%	8,713	10,030	8,339	7,811	9,378	4,038	2,712	3,186	3,355	35,558	13,291	17,589	11,461	10,891
Investment banking	1,736	59.4%	4,658	7,150	12,430	10,921	2,922	6,834	3,072	750	2,299	33,423	12,955	34,572	35,794	26,736
Advisory fees	7,037	48.1%	21,653	19,658	16,995	13,802	14,616	5,533	4,356	3,235	1,470	65,071	10,494	12,248	11,757	21,373
Principal trading	2,895	118.5%	5,338	8,936	6,665	6,462	2,443	3,447	2,591	2,232	2,173	24,506	14,543	28,332	23,190	9,476
Interest	(52)	(88)%	7	19	106	43	59	15	-	3	2	227	20	25	94	2,226
Other	318	(160.6)%	120	(241)	(287)	(5)	(198)	(6)	17	(68)	(53)	(731)	(110)	(89)	158	2,224
	11,269	38.6%	40,489	45,552	44,248	39,034	29,220	19,861	12,748	9,338	9,246	158,054	51,193	92,677	82,454	72,926
Facilitation losses ⁽²⁴⁾	190	n.m.	-	(276)	(520)	-	(190)	-	-	-	-	(986)	-	-	n/a	n/a

Canaccord Genuity US
Condensed statement of operations

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Revenue																
Capital Markets US	21,893	70.5%	52,943	45,206	37,625	39,474	31,050	18,487	17,197	17,790	26,012	153,355	79,486	106,219	97,629	74,794
	21,893	70.5%	52,943	45,206	37,625	39,474	31,050	18,487	17,197	17,790	26,012	153,355	79,486	106,219	97,629	74,794
Expenses																
Non-share based incentive compensation	7,279	40.2%	25,374	23,498	18,709	19,610	18,095	11,934	8,230	8,694	13,018	79,912	41,876	54,480	53,240	34,505
Share based incentive compensation	(75)	(8.1)%	850	803	207	506	925	1,237	1,164	942	1,100	2,441	4,443	2,859	586	151
Incentive compensation ⁽¹⁴⁾	7,204	37.9%	26,224	24,301	18,916	20,116	19,020	13,171	9,394	9,636	14,118	82,353	46,319	57,339	53,826	34,656
Salaries and benefits	(115)	(4.5)%	2,449	3,061	2,093	2,346	2,564	1,303	1,048	1,128	1,093	10,064	4,572	4,921	4,348	5,162
Trading costs	437	7.7%	6,136	3,964	3,708	4,437	5,699	545	1,034	1,593	1,112	17,808	4,284	3,997	5,370	8,618
Premises and equipment	(294)	(13.0)%	1,969	1,846	1,927	2,385	2,263	1,345	1,204	1,323	1,159	8,421	5,031	4,451	4,811	5,141
Communication and technology	(730)	(21.4)%	2,676	2,527	3,290	3,084	3,406	1,587	1,370	1,347	1,265	12,307	5,569	5,470	5,005	5,056
Interest	675	120.1%	1,237	393	442	502	562	81	48	56	38	1,899	223	181	238	170
General and administrative	(217)	(4.5)%	4,603	4,060	4,237	3,965	4,820	3,382	3,078	3,287	3,054	17,082	12,801	11,446	8,776	13,146
Amortization	(180)	(40.7)%	262	201	213	406	442	552	320	313	243	1,262	1,428	997	1,123	1,098
Development costs	(1,051)	(63.1)%	614	762	1,031	1,301	1,665	1,123	1,039	1,211	1,162	4,759	4,535	3,033	4,075	11,506
Restructuring costs	-	-	-	-	2,985	3,820	-	2,758	408	-	-	6,805	3,166	-	-	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,566
Acquisition-related costs	(438)	(100.0)%	-	-	-	-	-	438	-	-	-	-	438	-	-	-
	5,729	14.2%	46,170	41,115	38,842	42,362	40,441	26,285	18,943	19,894	23,244	162,760	88,366	91,835	87,572	112,119
Income (loss) before intersegment allocations and income taxes	16,164	(172.1)%	6,773	4,091	(1,217)	(2,888)	(9,391)	(7,798)	(1,746)	(2,104)	2,768	(9,405)	(8,880)	14,384	10,057	(37,325)
Intersegment allocations	525	n.m.	525	-	-	-	-	-	-	-	-	-	-	-	-	-
Income (loss) before income taxes	15,639	(166.5)%	6,248	4,091	(1,217)	(2,888)	(9,391)	(7,798)	(1,746)	(2,104)	2,768	(9,405)	(8,880)	14,384	10,057	(37,325)
Non-share based incentive compensation as a % of revenue	(10.3) p.p.		47.9%	52.0%	49.7%	49.7%	58.3%	64.6%	47.9%	48.9%	50.0%	52.1%	52.7%	51.3%	54.5%	46.1%
Share based incentive compensation as a % of revenue	(1.4) p.p.		1.6%	1.8%	0.6%	1.3%	3.0%	6.7%	6.8%	5.3%	4.2%	1.6%	5.6%	2.7%	0.6%	0.2%
Incentive compensation as a % of revenue	(11.7) p.p.		49.5%	53.8%	50.3%	51.0%	61.3%	71.2%	54.6%	54.2%	54.3%	53.7%	58.3%	54.0%	55.1%	46.3%
Total compensation exp. as % of revenue ⁽¹⁵⁾	(15.4) p.p.		54.2%	60.5%	55.8%	56.9%	69.5%	78.3%	60.7%	60.5%	58.5%	60.3%	64.0%	58.6%	59.6%	53.2%
Non-compensation exp. as % of revenue	(27.7) p.p.		33.0%	30.4%	47.4%	50.4%	60.7%	63.9%	49.4%	51.3%	30.9%	45.9%	47.1%	27.8%	30.1%	96.7%
Total expenses as % of revenue	(43.0) p.p.		87.2%	91.0%	103.2%	107.3%	130.2%	142.2%	110.2%	111.8%	89.4%	106.1%	111.2%	86.5%	89.7%	149.9%
Pre-tax profit margin	42.0 p.p.		11.8%	9.0%	(3.2)%	(7.3)%	(30.2)%	(42.2)%	(10.2)%	(11.8)%	10.6%	(6.1)%	(11.2)%	13.5%	10.3%	(49.9)%

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Revenue	21,893	70.5%	52,943	45,206	37,625	39,474	31,050	18,487	17,197	17,790	26,012	153,355	79,486	106,219	97,629	74,794
Total expenses	5,730	14.2%	46,169	41,114	35,855	38,539	40,439	23,089	18,535	19,894	23,244	155,947	84,762	91,835	87,572	84,553
Income (loss) before intersegment allocations and income taxes	16,163	(172.1)%	6,774	4,092	1,770	935	(9,389)	(4,602)	(1,338)	(2,104)	2,768	(2,592)	(5,276)	14,384	10,057	(9,759)
Income (loss) after intersegment allocations and before income taxes	15,638	(166.6)%	6,249	4,092	1,770	935	(9,389)	(4,602)	(1,338)	(2,104)	2,768	(2,592)	(5,276)	14,384	10,057	(9,759)
Non-compensation exp. as % of revenue	(27.7) p.p.		33.0%	30.4%	39.5%	40.7%	60.7%	46.6%	47.1%	51.3%	30.9%	41.4%	42.6%	27.8%	30.1%	59.8%
Total expenses as % of revenue	(43.0) p.p.		87.2%	90.9%	95.3%	97.6%	130.2%	124.9%	107.8%	111.8%	89.4%	101.7%	106.6%	86.5%	89.7%	113.0%
Pre-tax and intersegment allocation profit margin	43.0 p.p.		12.8%	9.1%	4.7%	2.4%	(30.2)%	(24.9)%	(7.8)%	(11.8)%	10.6%	(1.7)%	(6.6)%	13.5%	10.3%	(13.0)%

Supplementary Revenue Breakdown

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Commissions and fees ⁽³⁰⁾	(50)	(0.3)%	17,578	15,504	16,119	16,627	17,628	11,285	10,987	11,236	11,678	65,878	45,186	53,682	39,936	46,210
Investment banking	9,069	233.6%	12,951	9,745	3,573	6,814	3,882	3,882	5,322	4,626	11,414	24,014	25,244	42,700	37,147	12,860
Advisory fees	3,005	83.5%	6,603	6,074	5,988	5,624	3,598	1,320	837	1,962	2,960	21,284	7,079	9,588	21,890	15,171
Principal trading	9,066	166.8%	14,502	13,382	11,455	9,853	5,436	1,678	-	-	-	40,126	1,678	-	-	-
Interest	133	39.1%	473	418	454	398	340	25	13	15	7	1,610	60	27	(1,652)	368
Other	670	n.m.	836	83	36	158	166	297	38	(49)	(47)	443	239	222	308	185
	21,893	70.5%	52,943	45,206	37,625	39,474	31,050	18,487	17,197	17,790	26,012	153,355	79,486	106,219	97,629	74,794
Facilitation losses ⁽²⁴⁾	289	(23.2)%	(956)	(541)	(674)	(320)	(1,245)	(1,385)	(1,519)	(1,327)	(1,714)	(2,780)	(5,945)	(5,913)	n/a	n/a

Canaccord Genuity Other Foreign Locations (Canaccord International Ltd., Canaccord Genuity Asia, Canaccord Genuity (Australia) Limited & Canaccord Genuity Singapore Pte. Ltd)

Condensed statement of operations ⁽²⁵⁾⁽²⁶⁾⁽²⁷⁾

Results of former CSHP entities are included since March 22, 2012

(Unaudited, for the period ended)

(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14								FY13					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Revenue																
Canaccord Genuity	(454)	(9.9)%	4,109	5,127	7,120	5,004	4,563	3,713	6,694	(167)	252	21,814	10,492	1,228	5,894	6,781
Canaccord Genuity Wealth Management	(89)	n.m.	755	1,298	178	1,153	844	-	-	-	-	3,473	-	-	-	-
	(543)	(10.0)%	4,864	6,425	7,298	6,157	5,407	3,713	6,694	(167)	252	25,287	10,492	1,228	5,894	6,781
Expenses																
Non-share based incentive compensation	275	7.7%	3,869	4,588	4,373	2,709	3,594	2,109	2,704	613	(1)	15,264	5,425	109	2,225	3,522
Share based incentive compensation	(27)	n.m.	-	10	269	82	27	-	-	-	-	388	-	-	45	413
Incentive compensation ⁽¹⁴⁾	248	6.8%	3,869	4,598	4,642	2,791	3,621	2,109	2,704	613	(1)	15,652	5,425	109	2,271	3,935
Salaries and benefits	616	157.1%	1,008	1,021	726	623	392	519	630	174	985	2,762	2,308	653	34	54
Trading costs	199	68.6%	489	359	355	351	290	229	142	-	-	1,355	371	-	-	1
Premises and equipment	(70)	(20.3)%	275	453	425	586	345	243	219	134	138	1,809	734	144	55	55
Communication and technology	186	108.1%	358	196	205	134	172	168	103	42	22	707	335	20	-	(2)
Interest	(2)	(18.2)%	9	8	5	5	11	6	1	1	1	29	9	1	1	-
General and administrative	321	35.4%	1,229	1,672	996	1,727	908	932	861	212	327	5,303	2,332	516	92	169
Amortization	(576)	(30.7)%	1,301	1,635	1,624	1,586	1,877	1,078	906	36	28	6,722	2,048	26	-	-
Development costs	388	104.3%	760	(698)	905	(313)	372	941	1,757	517	538	266	3,753	76	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,310	16.4%	9,298	9,244	9,883	7,490	7,988	6,225	7,323	1,729	2,038	34,605	17,315	1,545	2,453	4,212
Income (loss) before income taxes	(1,853)	(71.8)%	(4,434)	(2,819)	(2,585)	(1,333)	(2,581)	(2,512)	(629)	(1,896)	(1,786)	(9,318)	(6,823)	(317)	3,441	2,569

Non-share based incentive compensation as a % of rev	13.1 p.p.	79.5%	71.4%	59.9%	44.0%	66.5%	56.8%	40.4%	(367.1)%	(0.4)%	60.4%	51.7%	8.9%	37.8%	51.9%	
Share based incentive compensation as a % of revenue	(0.5) p.p.	-	0.2%	3.7%	1.3%	0.5%	-	-	-	-	1.5%	-	-	0.8%	6.1%	
Incentive compensation as % of revenue	12.5 p.p.	79.5%	71.6%	63.6%	45.3%	67.0%	56.8%	40.4%	(367.1)%	(0.4)%	61.9%	51.7%	8.9%	38.5%	58.0%	
Total compensation exp. as % of revenue ⁽¹⁵⁾	26.0 p.p.	100.3%	87.5%	73.6%	55.4%	74.2%	70.8%	49.8%	(471.3)%	390.5%	72.8%	73.7%	62.1%	39.1%	58.8%	
Non-compensation exp. as % of revenue	17.4 p.p.	90.9%	56.4%	61.9%	66.2%	73.5%	96.9%	59.6%	(564.1)%	418.3%	64.0%	91.3%	63.8%	2.5%	3.3%	
Total expenses as % of revenue	43.4 p.p.	191.2%	143.9%	135.4%	121.7%	147.7%	167.7%	109.4%	(1035.3)%	808.7%	136.8%	165.0%	125.8%	41.6%	62.1%	
Pre-tax profit margin	(43.4) p.p.	(91.2)%	(43.9)%	(35.4)%	(21.7)%	(47.7)%	(67.7)%	(9.4)%	1135.3%	(708.7)%	(36.8)%	(65.0)%	(25.8)%	58.4%	37.9%	
Number of employees	5	5.4%	98	98	99	96	93	80	69	36	36	98	80	41	1	1

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q1/14 vs. Q1/13		Q1/14								FY13					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Revenue	(543)	(10.0)%	4,864	6,425	7,298	6,157	5,407	3,713	6,694	(167)	252	25,287	10,492	1,228	5,894	6,781
Total expenses	2,276	36.4%	8,527	7,756	8,409	6,033	6,251	5,290	6,486	1,729	2,038	28,449	15,543	1,545	2,453	4,212
Income (loss) before income taxes	(2,819)	n.m.	(3,663)	(1,331)	(1,111)	124	(844)	(1,577)	208	(1,896)	(1,786)	(3,162)	(5,051)	(317)	3,441	2,569

Supplementary Revenue Breakdown

	Q1/14 vs. Q1/13		Q1/14								FY13					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	CGAAP	CGAAP									
Commissions and fees ⁽³⁰⁾	315	23.8%	1,641	1,913	1,697	2,571	1,326	892	391	-	-	7,507	1,283	-	-	1
Investment banking	(954)	(31.3)%	2,097	3,397	4,159	2,923	3,051	1,625	758	181	21	13,530	2,585	-	4,655	7,406
Advisory fees	(415)	(39.4)%	638	707	1,133	455	1,053	1,020	5,528	22	337	3,348	6,907	191	(724)	-
Principal trading	237	(96.0)%	(10)	8	(11)	11	(247)	(103)	(135)	(682)	(172)	(239)	(1,092)	799	1,657	(830)
Interest	58	27.4%	270	265	221	189	212	278	101	2	55	887	436	220	70	248
Other	216	n.m.	228	135	99	8	12	1	51	310	11	254	373	18	236	(44)
	(543)	(10.0)%	4,864	6,425	7,298	6,157	5,407	3,713	6,694	(167)	252	25,287	10,492	1,228	5,894	6,781

n.m.: not meaningful

Note: Please find notes on Page 13.

Canaccord Genuity Wealth Management North America
Condensed Statement of Operations

Results of former CSHP entities are included since March 22, 2012

(Unaudited, for the period ended)
 (in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13 Increase (decrease)	Q1/14 vs. Q1/13									FY13 vs. FY12				
		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Revenue															
Canada	(9,739) (27.0)%	26,384	31,741	34,481	35,280	36,123	51,747	43,765	46,616	53,600	137,625	195,728	228,098	184,258	169,628
US	(186) (28.9)%	458	482	570	534	644	790	806	796	1,183	2,230	3,575	4,951	2,788	2,856
	(9,925) (27.0)%	26,842	32,223	35,051	35,814	36,767	52,537	44,571	47,412	54,783	139,855	199,303	233,049	187,046	172,484
Expenses															
Non-share based incentive compensation	(5,179) (28.8)%	12,789	15,948	16,176	17,534	17,968	24,803	21,369	22,217	27,227	67,626	95,616	110,021	83,777	74,307
Share based incentive compensation	(769) (72.3)%	295	1,365	2,005	2,263	1,064	1,048	1,175	1,559	999	6,697	4,781	6,243	4,813	76
Incentive compensation ⁽¹⁴⁾	(5,948) (31.3)%	13,084	17,313	18,181	19,797	19,032	25,851	22,544	23,776	28,226	74,323	100,397	116,264	88,590	74,383
Salaries and benefits	71 1.9%	3,775	3,521	3,216	3,404	3,704	4,557	3,437	3,327	3,938	13,845	15,259	17,865	18,194	14,820
Trading costs	1,537 99.0%	3,089	1,242	1,421	1,222	1,552	1,546	1,859	1,709	2,183	5,437	7,297	8,071	8,506	7,008
Premises and equipment	(447) (23.6)%	1,444	1,386	1,292	1,834	1,891	1,822	1,838	1,881	1,852	6,403	7,393	8,039	8,116	6,788
Communication and technology	(13) (1.0)%	1,354	1,437	1,332	1,485	1,367	1,477	1,288	1,390	1,277	5,621	5,432	5,174	6,116	6,415
Interest	(9) (16.1)%	47	39	47	54	56	56	56	80	102	196	294	308	442	7,803
General and administrative	(1,804) (40.3)%	2,668	3,243	3,197	3,536	4,472	3,668	3,720	2,632	3,319	14,448	13,339	16,912	16,485	17,242
Amortization	(129) (26.0)%	368	1,940	1,080	499	497	500	513	554	641	4,016	2,208	2,422	2,506	1,938
Development costs	(643) (32.5)%	1,337	1,312	1,374	1,981	1,980	2,274	1,989	1,978	1,979	6,647	8,220	9,258	10,308	7,853
Restructuring costs	-	-	-	-	13,567	-	900	-	-	-	13,567	900	-	-	180
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347
	(7,385) (21.4)%	27,166	31,433	31,140	47,379	34,551	42,651	37,244	37,327	43,517	144,503	160,739	184,313	159,263	149,777
Income before intersegment allocations and income taxes	(2,540) (114.6)%	(324)	790	3,911	(11,565)	2,216	9,886	7,327	10,085	11,266	(4,648)	38,564	48,736	27,783	22,707
Intersegment allocations	(4,617) (49.0)%	4,808	8,342	8,506	9,222	9,425	10,587	8,276	8,150	8,724	35,495	35,737	36,604	35,782	n/a
Income (loss) before income taxes	2,077 28.8%	(5,132)	(7,552)	(4,595)	(20,787)	(7,209)	(701)	(949)	1,935	2,542	(40,143)	2,827	12,132	(7,999)	n/a
CWM fee-related revenue ⁽¹⁸⁾	6.1 p.p.	31.8%	25.0%	28.0%	26.2%	25.7%	18.5%	19.9%	19.4%	17.0%	26.2%	18.9%	13.0%	12.8%	16.9%
Non-share based incentive compensation as a % of revenue	(1.2) p.p.	47.6%	49.5%	46.1%	49.0%	48.9%	47.2%	47.9%	46.9%	49.7%	48.4%	48.0%	47.2%	44.8%	43.1%
Share based incentive compensation as a % of revenue	(1.8) p.p.	1.1%	4.2%	5.7%	6.3%	2.9%	2.0%	2.6%	3.3%	1.8%	4.8%	2.4%	2.7%	2.6%	0.0%
Incentive compensation as % of revenue	(3.0) p.p.	48.7%	53.7%	51.9%	55.3%	51.8%	49.2%	50.6%	50.1%	51.5%	53.1%	50.4%	49.9%	47.4%	43.1%
Total compensation exp. as % of revenue ⁽¹⁵⁾	1.0 p.p.	62.8%	64.7%	61.0%	64.8%	61.8%	57.9%	58.3%	57.2%	58.7%	63.0%	58.0%	57.6%	57.1%	51.7%
Non-compensation exp. as % of revenue	6.3 p.p.	38.4%	32.9%	27.8%	67.5%	32.1%	23.3%	25.3%	21.6%	20.7%	40.3%	22.6%	21.5%	28.1%	35.1%
Total expenses as % of revenue	7.2 p.p.	101.2%	97.5%	88.8%	132.3%	94.0%	81.2%	83.6%	78.7%	79.4%	103.3%	80.7%	79.1%	85.1%	86.8%
Pre-tax and intersegment allocation profit margin	(7.2) p.p.	(1.2)%	2.5%	11.2%	(32.3)%	6.0%	18.8%	16.4%	21.3%	20.6%	(3.3)%	19.3%	20.9%	14.9%	13.2%
Pre-tax profit margin	0.5 p.p.	(19.1)%	(23.4)%	(13.1)%	(58.0)%	(19.6)%	(1.3)%	(2.1)%	4.1%	4.6%	(28.7)%	1.4%	5.2%	(4.3)%	n/a
Assets under mgmt. (discretionary) (\$ millions) - Canada ⁽²⁾	171 24.1%	880	835	791	784	709	677	607	574	575	835	677	546	445	393
Assets under admin. (\$ millions) - Canada ⁽²⁾	(3,812) (29.0)%	9,325	10,429	11,403	13,344	13,137	14,828	14,367	14,635	15,676	10,429	14,828	16,985	12,922	9,184
Number of employees	(214) (32.3)%	448	461	493	617	662	684	699	686	666	461	684	684	680	700
Number of Advisory Teams in Canada ⁽¹⁹⁾	(96) (35.7)%	173	178	184	231	269	280	278	271	263	178	280	271	303	338

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q1/14 vs. Q1/13 Increase (decrease)	Q1/14 vs. Q1/13									FY13 vs. FY12				
		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Revenue	(9,925) (27.0)%	26,842	32,223	35,051	35,814	36,767	52,537	44,571	47,412	54,783	139,855	199,303	233,049	187,046	172,484
Total expenses	(7,385) (21.4)%	27,166	31,433	31,140	33,812	34,551	41,751	37,244	37,327	43,517	130,936	159,839	184,313	159,263	144,250
Income (loss) before intersegment allocations and income taxes	(2,540) (114.6)%	(324)	790	3,911	2,002	2,216	10,786	7,327	10,085	11,266	8,919	39,464	48,736	27,783	28,234
Income (loss) before income taxes	2,077 (28.8)%	(5,132)	(7,552)	(4,595)	(7,220)	(7,209)	199	(949)	1,935	2,542	(26,576)	3,727	12,132	(7,999)	28,234
Non-compensation exp. as % of revenue	6.3 p.p.	38.4%	32.9%	27.8%	29.6%	32.1%	21.6%	25.3%	21.6%	20.7%	30.6%	22.2%	21.5%	28.1%	31.9%
Total expenses as % of revenue	7.2 p.p.	101.2%	97.5%	88.8%	94.4%	94.0%	79.5%	83.6%	78.7%	79.4%	93.6%	80.2%	79.1%	85.1%	83.6%
Pre-tax and intersegment allocation profit margin	(7.2) p.p.	(1.2)%	2.5%	11.2%	5.6%	6.0%	20.5%	16.4%	21.3%	20.6%	6.4%	19.8%	20.9%	14.9%	16.4%

Supplementary Revenue Breakdown

	Q1/14 vs. Q1/13 Increase (decrease)	Q1/14 vs. Q1/13									FY13 vs. FY12				
		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP
Commissions and fees	(6,016) (22.0)%	21,312	22,467	24,460	26,063	27,328	36,033	31,389	34,266	38,087	100,318	139,775	160,459	132,363	127,899
Investment banking	(2,536) (45.6)%	3,031	5,593	6,233	6,520	5,567	10,998	8,459	8,442	11,661	23,913	39,560	55,659	33,400	20,867
Advisory fees	(438) (100.0)%	-	11	7	12	438	36	-	3	-	468	39	370	-	-
Principal trading	(146) 73.4%	(345)	(94)	(61)	81	(199)	(17)	37	47	353	(273)	420	1,665	7,234	(129)
Interest	(1,237) (38.9)%	1,939	2,260	2,506	2,765	3,176	3,237	3,426	3,371	3,392	10,707	13,426	11,044	8,911	21,903
Other	448 98.0%	905	1,986	1,906	373	457	2,250	1,260	1,283	1,290	4,722	6,083	3,852	5,138	1,944
	(9,925) (27.0)%	26,842	32,223	35,051	35,814	36,767	52,537	44,571	47,412	54,783	139,855	199,303	233,049	187,046	172,484

Note: Please find notes on Page 13.

Corporate and Other segment
Condensed statement of operations

(Unaudited, for the period ended)
(in thousands of dollars) ⁽¹⁾

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	
Revenue																
Canada	(2,689)	(54.9)%	2,205	5,045	4,535	10,003	4,894	10,101	9,737	2,636	7,623	24,477	30,097	31,938	26,933	27,886
	(2,689)	(54.9)%	2,205	5,045	4,535	10,003	4,894	10,101	9,737	2,636	7,623	24,477	30,097	31,938	26,933	27,886
Expenses																
Non-share based incentive compensation	557	254.3%	776	2,137	2,260	98	219	2,591	1,870	10	2,877	4,714	7,348	23,083	12,870	5,114
Share based incentive compensation	518	(137.4)%	141	313	434	(51)	(377)	91	168	1,176	356	319	1,791	(1,621)	2,420	915
Incentive compensation ⁽¹⁴⁾	1,075	n.m.	917	2,450	2,694	47	(158)	2,682	2,038	1,186	3,233	5,033	9,139	21,462	15,290	6,029
Salaries and benefits	(738)	(9.1)%	7,393	7,518	6,990	7,062	8,131	7,918	7,331	7,454	7,968	29,701	30,671	30,173	25,912	26,883
Trading costs	(3,363)	n.m.	(2,996)	412	379	288	367	378	309	345	453	1,446	1,485	1,997	2,089	440
Premises and equipment	220	20.3%	1,306	1,406	1,377	1,064	1,086	1,368	1,283	853	1,871	4,933	5,375	6,731	4,564	5,507
Communication and technology	(439)	(34.1)%	850	1,117	1,175	1,173	1,289	1,194	1,275	1,153	1,151	4,754	4,773	4,315	4,583	5,244
Interest	(173)	(32.0)%	368	520	381	364	541	378	387	373	398	1,806	1,536	1,535	1,391	2,045
General and administrative	1,298	72.6%	3,085	3,229	2,825	1,268	1,787	5,300	3,774	3,317	3,609	9,109	16,000	15,650	14,446	14,029
Amortization	84	22.0%	466	705	498	385	382	365	460	336	462	1,970	1,623	1,582	1,470	2,623
Development costs	(61)	(12.5)%	426	504	488	509	487	495	561	527	401	1,988	1,984	2,319	4,292	5,652
Restructuring costs	-	-	-	-	-	900	-	275	5,000	-	-	900	5,275	-	-	1,511
Acquisition-related costs	-	-	-	-	-	-	-	-	-	1,513	-	-	1,513	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700
	(2,097)	(15.1)%	11,815	17,861	16,807	13,060	13,912	20,353	22,418	17,057	19,546	61,640	79,374	85,764	74,037	76,663
Loss before intersegment allocations and income taxes	(592)	(6.6)%	(9,610)	(12,816)	(12,272)	(3,057)	(9,018)	(10,252)	(12,681)	(14,421)	(11,923)	(37,163)	(49,277)	(53,826)	(47,104)	(48,777)
Intersegment allocations	3,595	29.1%	(8,744)	(10,621)	(11,097)	(11,740)	(12,339)	(13,694)	(10,891)	(11,254)	(11,765)	(45,797)	(47,604)	(47,507)	(45,355)	n/a
Income (loss) before income taxes	(4,187)	(126.1)%	(866)	(2,195)	(1,175)	8,683	3,321	3,442	(1,790)	(3,167)	(158)	8,634	(1,673)	(6,319)	(1,749)	n/a
Number of employees	(53)	(14.1)%	323	332	332	343	376	378	386	384	382	332	378	373	364	356

Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

(in thousands of dollars)

	Q1/14 vs. Q1/13		Q1/14					Q4/12				FY13				
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
Revenue	(2,689)	(54.9)%	2,205	5,045	4,535	10,003	4,894	10,101	9,737	2,636	7,623	24,477	30,097	31,938	26,933	27,886
Total expenses	(2,097)	(15.1)%	11,815	17,861	16,807	12,160	13,912	20,078	17,418	15,544	19,546	60,740	72,586	85,764	74,037	68,452
Loss before intersegment allocations and income taxes	(592)	(6.6)%	(9,610)	(12,816)	(12,272)	(2,157)	(9,018)	(9,977)	(7,681)	(12,908)	(11,923)	(36,263)	(42,489)	(53,826)	(47,104)	(40,566)
Loss before income taxes	(4,187)	(126.1)%	(866)	(2,195)	(1,175)	9,583	3,321	3,717	3,210	(1,654)	(158)	9,534	5,115	(6,319)	(1,749)	(40,566)

Note: Please find notes on Page 13.

Canaccord Group of Companies

Condensed Consolidated Statement of Financial Position ⁽²⁶⁾

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

	Q1/14 vs. Q1/13		Q1/14 vs. Q1/13								FY13 vs. FY10					
	Increase (decrease)		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
			IFRS	CGAAP	CGAAP											
Assets																
Cash and cash equivalents	(263,158)	(40.9)%	380,869	491,012	555,960	575,367	644,027	814,238	700,914	691,114	710,734	491,012	814,238	954,068	731,852	701,173
Securities owned	211,904	17.4%	1,426,328	924,337	1,453,470	1,087,334	1,214,424	1,171,988	1,100,470	1,316,755	849,679	924,337	1,171,988	947,185	362,755	133,691
Accounts receivable	295,130	11.6%	2,843,247	2,513,958	2,280,064	2,750,879	2,548,117	3,081,640	2,215,448	3,270,356	2,488,826	2,513,958	3,081,640	2,828,812	1,972,924	1,061,161
Income taxes recoverable	(12,590)	(79.4)%	3,276	-	-	15,120	15,866	8,301	15,565	18,776	10,317	-	8,301	-	-	23,771
Deferred tax assets	3,203	47.6%	9,938	12,552	8,550	6,077	6,735	3,959	2,419	1,791	2,076	12,552	3,959	1,503	13,190	15,680
Investments	(5,375)	(56.7)%	4,113	3,695	3,276	3,247	9,488	9,493	5,934	5,934	5,934	3,695	9,493	5,934	5,000	5,000
Investment in asset backed commercial paper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,312
Equipment and leasehold improvements	(7,385)	(14.9)%	42,293	42,979	46,613	48,013	49,678	51,084	44,550	43,120	43,289	42,979	51,084	40,818	38,127	46,311
Goodwill and other intangibles	(134)	(0.0)%	617,369	614,969	629,268	616,444	617,503	622,020	354,577	317,320	318,250	614,969	622,020	319,180	-	-
Total assets	221,595	4.3%	5,327,433	4,603,502	4,977,201	5,102,481	5,105,838	5,762,723	4,439,877	5,665,166	4,429,105	4,603,502	5,762,723	5,097,500	3,123,848	2,022,099
Liabilities and equity																
Bank indebtedness	(351)	(0.4)%	84,185	66,138	-	29,475	84,536	75,141	-	-	24,125	66,138	75,141	13,580	29,435	75,600
Short term credit facility	-	-	-	-	-	-	-	150,000	-	-	-	-	150,000	-	-	-
Securities sold short	179,150	17.3%	1,215,685	689,020	1,193,043	847,665	1,036,535	914,649	952,750	1,117,268	731,730	689,020	914,649	722,613	364,137	79,426
Accounts payable, accrued liabilities and other	28,331	1.0%	2,915,765	2,746,790	2,681,775	3,150,580	2,887,434	3,590,266	2,592,774	3,663,323	2,802,669	2,746,790	3,590,266	3,557,275	2,308,146	1,469,369
Income taxes payable	-	-	-	4,428	2,494	-	-	-	-	-	-	-	4,428	23,977	5,385	-
Contingent consideration	14,218	100.0%	14,218	14,218	14,218	6,000	-	-	-	-	-	14,218	-	-	-	-
Deferred tax liabilities	(5,771)	(77.1)%	1,711	2,576	3,575	3,872	7,482	8,088	8,840	6,082	7,340	2,576	8,088	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	15,000	25,000
Non-controlling interests ⁽²⁸⁾	(4,638)	(27.5)%	12,244	16,169	15,913	16,047	16,882	17,454	18,218	-	-	16,169	17,454	-	-	-
Shareholders' equity	10,656	1.0%	1,068,625	1,049,163	1,051,183	1,033,842	1,057,969	992,125	852,295	863,493	848,241	1,049,163	992,125	756,892	401,745	372,704
Total liabilities and equity	221,595	4.3%	5,327,433	4,603,502	4,977,201	5,102,481	5,105,838	5,762,723	4,439,877	5,665,166	4,429,105	4,603,502	5,762,723	5,097,500	3,123,848	2,022,099

Note: Please find notes on Page 13.

Miscellaneous operational statistics

(Unaudited, for the period ended)

	Q1/14 vs. Q1/13		Q1/14	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	FY13	FY12	FY11	FY10	FY09
	Increase (decrease)															
Number of employees in Canada																
Number in Canaccord Genuity	(18)	(7.5)%	221	222	224	225	239	247	262	266	265	222	247	268	203	209
Number in Canaccord Genuity Wealth Management	(214)	(32.3)%	448	461	493	617	662	684	699	686	666	461	684	684	680	700
Number in Corporate and Other	(53)	(14.1)%	323	332	332	343	376	378	386	384	382	332	378	373	364	356
Total Canada	(285)	(22.3)%	992	1,015	1,049	1,185	1,277	1,309	1,347	1,336	1,313	1,015	1,309	1,325	1,247	1,265
Number of employees in UK and Europe																
Number in Canaccord Genuity	(39)	(9.1)%	388	400	424	420	427	461	143	152	155	400	461	143	138	105
Number in Canaccord Genuity Wealth Management	22	8.2%	289	294	298	262	267	276	-	-	-	294	276	-	-	-
Number of employees in US																
Number in Canaccord Genuity	(40)	(13.2)%	264	253	259	252	304	302	176	186	180	253	302	175	163	151
Number of employees in Other Foreign Locations																
Number in Canaccord Genuity	6	7.3%	88	84	85	81	82	80	69	36	36	84	80	41	1	9
Number in Canaccord Genuity Wealth Management	(1)	(9.1)%	10	14	14	15	11	-	-	-	-	14	-	-	-	-
Number of employees firm wide ⁽²³⁾	(337)	(14.2)%	2,031	2,060	2,129	2,215	2,368	2,428	1,735	1,710	1,684	2,060	2,428	1,684	1,549	1,530
Number of Advisory Teams in Canada ⁽¹⁹⁾	(96)	(35.7)%	173	178	184	231	269	280	278	271	263	178	280	271	303	338
Number of licenced professionals in Canada	(132)	(21.9)%	472	494	483	553	604	604	631	626	628	494	604	645	718	790
Number of investment professionals and fund managers in UK and Europe ⁽³¹⁾	21	21.4%	119	122	119	96	98	106	-	-	-	122	106	-	-	-
Number of Advisors - Australia	(3)	(30.0)%	7	12	11	11	10	-	-	-	-	12	-	-	-	-
Assets under mgmt. (discretionary) (\$millions) - Canada ⁽²⁾	171	24.1%	880	835	791	784	709	677	607	574	575	835	677	546	445	393
Assets under admin. (\$millions) - Canada ⁽²⁾	(3,812)	(29.0)%	9,325	10,429	11,403	13,344	13,137	14,828	14,367	14,635	15,676	10,429	14,828	16,985	12,922	9,184
Assets under mgmt. (\$millions) - UK and Europe ⁽³⁾	3,542	28.1%	16,125	15,936	15,228	13,122	12,583	13,087	-	-	-	15,936	13,087	-	-	-
Assets under mgmt. (\$millions) - Australia ⁽²⁾	55	18.0%	360	451	408	354	305	-	-	-	-	451	-	-	-	-
Total	(215)	(0.8)%	25,810	26,816	27,039	26,820	26,025	27,915	14,367	14,635	15,676	26,816	27,915	16,985	12,922	9,184
Number of companies with Canaccord Genuity Limited as Broker																
London Stock Exchange (LSE)	(18)	(24.0)%	57	55	61	71	75	52	31	29	29	55	52	26	23	9
Alternative Investment Market (AIM)	(17)	(25.0)%	51	56	62	65	68	77	48	41	41	56	77	39	43	51
Total Broker	(35)	(24.5)%	108	111	123	136	143	129	79	70	70	111	129	65	66	60
Number of companies with Canaccord Genuity Limited as Nomad ⁽²²⁾																
LSE	-	-	-	-	-	-	-	-	2	2	1	-	-	1	1	-
AIM	(10)	(18.9)%	43	45	50	52	53	62	35	32	31	45	62	30	35	42
Total Nomad	(10)	(18.9)%	43	45	50	52	53	62	37	34	32	45	62	31	36	42

n.m. not meaningful

Note: Please find notes on Page 13.

**Canaccord Group of Companies
Notes**

- (1) Financial results are expressed in C\$ thousands, except for assets under administration, assets under management, preferred share information, common share information, financial measures, number of employees, number of Advisory Teams, number of Advisors, number of investment professionals and fund managers, and number of licensed professionals.
- (2) Assets under management in Canada are assets managed on discretionary basis under our programs generally described as or known as the *Complete Canaccord Investment Counseling Program* and the *Complete Canaccord Private Investment Management Program* offered by Canaccord. Assets under administration in Canada is the market value of client assets administered by Canaccord, from which Canaccord earns commissions or fees. Assets under management in Australia is the market value of client assets managed and administered by Canaccord, from which Canaccord earns commissions or fees.
- (3) Assets under administration in the UK and Europe is the market value of client assets managed and administered by Canaccord, from which Canaccord earns commissions or fees. This measure includes both discretionary and non-discretionary accounts.
- (4) Book value per diluted share is calculated as total common shareholders' equity divided by the number of diluted shares outstanding and commencing in Q1/14 adjusted for shares purchased under the normal course issuer bid and not yet cancelled, and estimated forfeitures in respect of unvested share awards under share-based payment plans.
- (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) This is the diluted common share number used to calculate book value per diluted share; includes amounts in respect of unvested share awards pursuant to share-based payment plans (see note 4).
- (8) This is the diluted common share number used to calculate diluted EPS.
- (9) Special distributions per share and dividends per preferred share are not included in the dividend yield and 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) Long term incentive compensation holdback expense has been reclassified from share-based compensation expense to non-share based compensation expense commencing Q1/14.
- (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, restructuring costs, and acquisition-related expense items. Acquisition-related expense items include acquisition-related costs and amortization of intangible assets.
- (17) Canaccord's UK and Europe operations include activities related to capital markets and wealth management activities in the United Kingdom and Europe. Operating results from former CSHP entities have been included since March 22, 2012.
- (18) Fee-based revenue 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.
- (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 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 Wealth Management, delivered through Canaccord Genuity Wealth Management (USA), Inc., and US capital markets operations, delivered through Canaccord Genuity Inc. and Canaccord Securities LLC. US Other operations, also delivered through Canaccord Genuity Wealth Management (USA), Inc., include revenue and expenses not specifically allocable to US Canaccord Genuity Wealth Management and US Canaccord Genuity.
- (22) 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.
- (23) The employee count excludes temporary employees and those on long term disability but includes employees on leave of absence.
- (24) 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.
- (25) Revenue derived from capital markets activity outside of Canada, the US and UK and Europe is reported as Other Foreign Locations, which includes revenue from Canaccord International Ltd., Canaccord Genuity Asia, our 50% interest in Canaccord Genuity (Australia) Limited (formerly Canaccord BGF), and Canaccord Singapore Pte. Ltd. Operating results of Canaccord Singapore Pte. Ltd have been included since March 22, 2012.
- (26) In accordance with IAS 27 "Consolidated and separate financial statements", the financial position, operating results and cash flows of Canaccord Genuity and Wealth Management's operations in Australia are fully consolidated, and a 50% non-controlling interest has been recognized, which represents the portion of the net identifiable assets in Australia since November 1, 2011 attributable to non-controlling shareholders. Canaccord BGF was rebranded to Canaccord Genuity and Canaccord Genuity Wealth Management starting on July 16, 2012.
- (27) Includes wealth management operations in Australia. Results for wealth management operations in Australia have been included starting April 1, 2012.
- (28) Investment professionals include all staff with direct sales responsibilities, which include brokers and assistants with direct client contacts. Fund managers include all staff who manages client assets.
- (29) Result of former CSHP Wealth Management group since March 22, 2012 and the wealth management business of Eden Financial Ltd. since October 1, 2012 are included.
- (30) Canaccord Genuity generates commission revenue only.