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August 8, 2008

Canaccord Capital Inc.  
*2008 Annual General Meeting*



*message from*

**Peter Brown**

*Chairman of the Board*

Canaccord Capital Inc.  
*2008 Annual General Meeting*



## 2008 AGM agenda

1. Official Business of the Meeting  
*Terrence A. Lyons, Lead Director*
2. Fiscal 2008 and the Years Ahead  
*Paul D. Reynolds, President & CEO*
3. Audience Questions

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## official business

*Terrence A. Lyons,  
Lead Director, Board of Directors*

Canaccord Capital Inc.  
*2008 Annual General Meeting*



## official business of the meeting

- Introduction of Directors and Auditors
- Appointment of scrutineer and report on attendance and quorum
- Notice of Meeting and minutes of last meeting

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## official business of the meeting

- Appointment of auditors and remuneration:

Ernst & Young LLP  
Chartered Accountants  
Vancouver, B.C.

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## official business of the meeting

- Election of Directors:

Peter Brown	Terry Lyons
Massimo Carello	Mark Maybank
William Eeuwes	Paul Reynolds
Michael Harris	Michael Walker
Brian Harwood	John Zaozirny
Timothy Hoare	

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## fiscal 2008 and the years ahead

*Paul. D. Reynolds,  
President and CEO*

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2008 Annual General Meeting



# caution re: forward looking statements

## Caution regarding forward-looking statements:

This presentation may contain certain forward-looking statements. These statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events including business and economic conditions and Canaccord's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend" or the negative of these terms or other comparable terminology. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, readers should specifically consider various factors, which may cause actual results to differ materially from any forward-looking statement. These factors include, but are not limited to, market and general economic conditions, the nature of the financial services industry and the risks and uncertainties detailed from time to time in Canaccord's interim and annual financial statements and its Annual Information Form filed on [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date of this document, and Canaccord assumes no obligation to update or revise them to reflect new events or circumstances.

## Non-GAAP measures:

Certain non-GAAP measures are utilized by Canaccord as measures of financial performance. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies.

Canaccord's capital is represented by common shareholders' equity and, therefore, management uses return on average common equity (ROE) as a performance measure.

Assets under administration (AUA) and assets under management (AUM) are non-GAAP measures of client assets that are common to the wealth management aspects of the private client services industry. AUA is the market value of client assets administered by Canaccord from which Canaccord earns commissions or fees. This measure includes funds held in client accounts as well as the aggregate market value of long and short security positions. Canaccord's method of calculating AUA may differ from the methods used by other companies and therefore may not be comparable to other companies. Management uses this measure to assess operational performance of the Private Client Services business segment. In Q1/08, our AUM definition was reclassified to include all assets managed on a discretionary basis under our programs generally described as or known as the Independence Accounts, Separately Managed Accounts, and Advisor Managed Accounts. AUM including all these programs has been reclassified commencing in Q1/07 on this basis. Services under these programs provided include the selection of investments and the provision of investment advice. AUM are also administered by Canaccord and are included in AUA.

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# the year in review

- Market volatility
- Asset-backed commercial paper (ABCP)
  - Committed to the restructuring process
  - Challenged to provide an equitable solution for our clients



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## putting our clients first

- Committed to living up to our values
- Canaccord Relief Program
  - Clients holding \$1 million or less of ABCP
  - Par value on their investment, their share of restructuring costs, and any unpaid interest on their investment
  - April 25<sup>th</sup>: overwhelming support for restructuring plan
  - Waiting on final court approvals
    - Funds will be distributed as soon as possible

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## achievements in a challenging year

- Canaccord Adams
  - Led or co-led 175 equity transactions equaling over \$6 billion
  - Q1/09: M&A team advised on two transactions totaling \$3 billion plus
  - Expanded US banking team; new leadership
  - 17 transactions were over \$100 million

<p>New Issue Aug - Feb 2007</p>  <p>NIKO RESOURCES LTD</p> <p>Lead \$687,460,000*</p>	<p>New Issue May 2007</p>  <p>ARICOM АРИКОМ</p> <p>Co-Lead \$614,460,000</p>	<p>New Issue Mar - Nov 2007</p>  <p>PEAK GOLD LTD</p> <p>Lead/Co-Lead \$437,042,500*</p>	<p>New Issue November 2007</p>  <p>HERITAGE OIL Corporation</p> <p>Co-Lead \$363,000,000</p>	<p>New Issue Feb - Oct 2007</p>  <p>RUSORO MINING</p> <p>Lead/Co-Lead \$297,075,330*</p>	<p>New Issue November 2007</p>  <p>FCP First Calgary Petroleum Ltd.</p> <p>Co-Lead \$267,000,000</p>
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## building private client services

- Private Client Services
  - Considering strong candidates as Head of division
  - Retail Action Group formed
  - Committed to fostering and growing our retail business in Canada
  - Look to unlock more value from this business unit
  - Increased focus on wealth management

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## 120 day plan: strong foundations

- Continue to focus on building shareholder value
  - Evaluating operations to run more efficiently
  - Reassessing our margins and updating our business platform
  - Outcomes: increased profitability and net income stability
  - Evolutionary change of our business

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## strong financial base

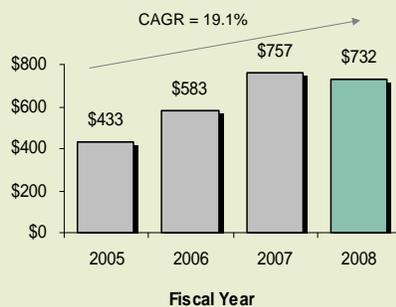
- Unlocking the potential that exists in Canaccord
- Solid capital base
- Focused business model
- Integrated global platform

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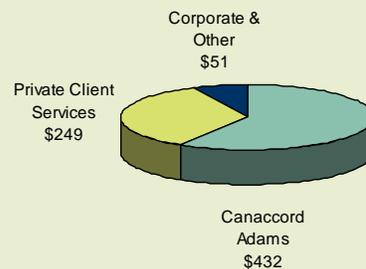
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## revenue CAGR of 19%

revenue by year  
(C\$ millions)



revenue by  
business segment  
(C \$millions)



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## impact of third party asset-backed commercial paper

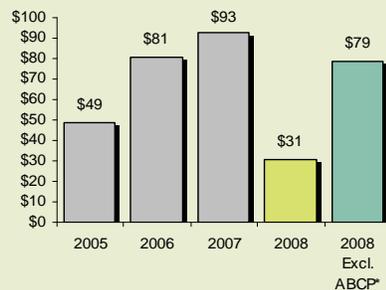
- Cost of Canaccord Relief Program and restructuring was C\$58.2 million pre-tax, C\$39.6 million after-tax
  - C\$0.82 per share
- This non-recurring charge was booked in Q4/08
- Fair value provision of \$12.8 million on Canaccord held ABCP, C\$8.4 million after-tax
  - C\$0.17 per share

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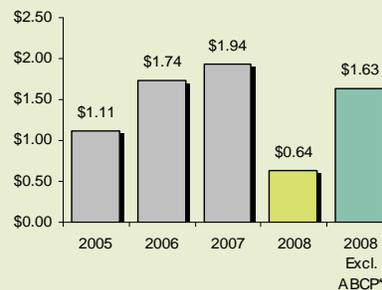
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## net income and EPS down for fiscal 08

**net income**  
(C\$ millions)



**diluted EPS**  
(C\$ millions)



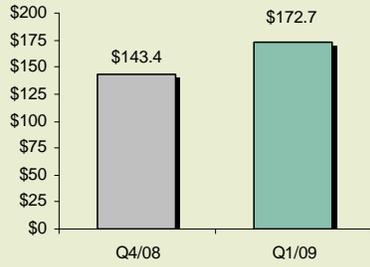
\* Excluding ABCP of \$41.3 million and \$0.99 per share respectively

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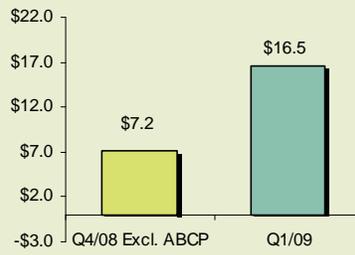
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# Q1 09 revenue and net income

**revenue**  
(C\$ millions)



**net income**  
(C\$ millions)

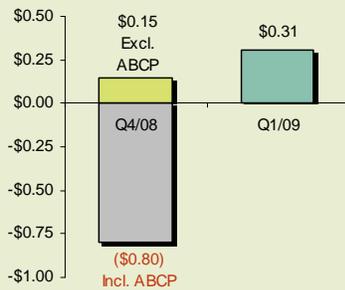


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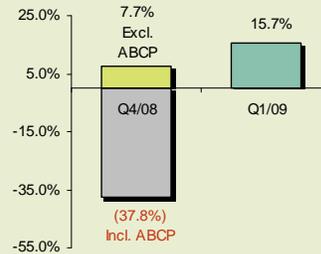
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# Q1 09 EPS and ROE

**diluted EPS**  
(C\$)



**ROE**



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## we remain well capitalized

- May 2008: Canaccord closed a fully underwritten financing of 6.7 million common shares at a price of \$10.25 per share
- We are well capitalized

(in C\$ millions)	Q1/09	Q1/08	% increase
Working capital	\$333.3	\$311.4	7.0%
Cash & cash equivalents	\$555.0	\$329.6	68.4%
Shareholders' equity	\$439.9	\$389.2	13.0%

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## Questions?

*senior management participants*

Terry Lyons	Lead Director
Paul Reynolds	Director, President & CEO
Mark Maybank	Director & COO
Brad Kotush	Executive VP & CFO

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