CANACCORD GENUITY GROUP INC.
REPORTS FOURTH QUARTER FISCAL 2018 RESULTS

Excluding significant items, fourth quarter earnings per common share of $0.28 (1)

(All dollar amounts are stated in Canadian dollars unless otherwise indicated)

TORONTO, June 6, 2018 – During the fourth quarter of fiscal 2018, the quarter ended March 31, 2018, Canaccord Genuity Group Inc. (Canaccord Genuity, the Company, TSX: CF) generated $322.1 million in revenue. Excluding significant items (1), the Company recorded net income (3) of $37.3 million or net income of $33.0 million attributable to common shareholders (2) (earnings per common share of $0.28). Including all expense items, on an IFRS basis, the Company recorded a net loss (3) of $9.7 million or a net loss of $14.0 million attributable to common shareholders (2) (loss per common share of $0.15). These IFRS results include a non-cash accounting charge related to our Long-term Incentive Plan in the amount of $48.4 million as further described below. This charge has been treated as a significant item and excluded as an expense in the determination of our adjusted net income.

During the fiscal year ended March 31, 2018, the Company generated $1.02 billion in revenue. Excluding significant items (1), the Company recorded net income (3) of $81.7 million or net income of $68.0 million attributable to common shareholders (2) (earnings per common share of $0.59). Including the accounting charge referred to above and all other expense items, on an IFRS basis, the Company recorded net income (3) of $17.1 million or net income of $3.4 million attributable to common shareholders (2) (earnings per common share of $0.03).

"Fiscal 2018 was a pivotal year for our organization as we achieved our strategic goal of significantly increasing contributions from our global wealth management operations, while we continued to extract greater value from our global capital markets platform," said Dan Daviau, President & CEO of Canaccord Genuity Group Inc. "We delivered robust earnings growth and made excellent progress on our strategy of building a leading independent investment bank and wealth management firm, with disciplined expense management and stronger recurring revenue contributions."

In addition to significant items related to the amortization of intangible assets acquired in connection with a business combination, acquisition-related costs, certain incentive-based payments related to the acquisition of Hargreave Hale and restructuring costs, an accounting charge related to our Long-Term Incentive Plan was also recorded during the fourth quarter of fiscal 2018 and treated as a significant item.

The Company's Long-Term Incentive Plan has been an important element to the Company's incentive compensation program for several years. Under this plan, senior employees of the Company receive a portion of their annual compensation in the form of restricted stock units (RSUs). These RSUs vest over time, typically three years, and, prior to the accounting change described below, the cost of those RSUs was expensed over that vesting period.

Certain non-substantive changes made to the plan by the Company which took effect on March 31, 2018, had the effect of causing a change in the method of expensing these awards so that they are now expensed at the time they are deemed to be earned which is generally the fiscal period in which the awards are either made or the immediately preceding fiscal year for those awards earned in respect of that preceding fiscal year. With this change in accounting treatment, the cost of RSU awards granted in respect of fiscal 2018 as well as the

---

[1] Figures excluding significant items are non-IFRS measures. See Non-IFRS measures on page 6.

[2] Net income (loss) attributable to common shareholders is calculated as the net income (loss) adjusted for non-controlling interests and preferred share dividends.

[3] Before non-controlling interests and preferred share dividends.

unamortized expense as at March 31, 2018 of outstanding awards granted prior to fiscal 2018 were expensed in the current quarter (Q4/18). This change did not affect awards made in connection with new hires or for retention purposes. The cost of those awards will continue to be recognized over the vesting period.

With this change, the total expense for share-based awards recognized in fiscal 2018 was $94.7 million. This expense was comprised of the following two components:

- $46.3 million in respect of awards made in fiscal 2018 and the 2018 amortization expense associated with new hire and retention-based awards.
- $48.4 million in respect of awards granted prior to fiscal 2018

The amount of $48.4 million in respect of awards granted prior to fiscal 2018 was treated as a significant item in our supplementary financial reporting and is therefore excluded in the determination of our adjusted earnings and earnings per share (i.e. excluding significant items) for Q4/18 and fiscal 2018.

RSU awards are generally covered through shares held in employee benefit trusts, so this change in accounting treatment does not have an impact on either cash or capital.

Going forward, in fiscal 2019 and fiscal periods after 2019, the share-based award expense recognized in each period will only reflect the cost of awards earned in respect of that period as well as the amortized cost of new hire and retention-based awards applicable to that period.

Fourth Quarter of Fiscal 2018 vs. Fourth Quarter of Fiscal 2017

- Revenue of $322.1 million, an increase of 18.6% or $50.4 million from $271.7 million
- Excluding significant items, expenses of $269.9 million, an increase of 16.3% or $37.7 million from $232.2 million (1)
- Expenses of $324.4 million, an increase of 38.5% or $90.1 million from $234.3 million
- Excluding significant items, diluted earnings per common shares (EPS) of $0.28 compared to diluted EPS of $0.27 (1)
- Excluding significant items, net income (3) of $37.3 million compared to net income (3) of $32.7 million (1)
- Net loss (3) of $9.7 million compared to net income (3) of $31.0 million
- Diluted loss per common share of $0.15 compared to diluted EPS of $0.26

Fourth Quarter of Fiscal 2018 vs Third Quarter of Fiscal 2018

- Revenue of $322.1 million, an increase of 4.1% or $12.7 million from $309.4 million
- Excluding significant items, expenses of $269.9 million, an increase of 4.1% or $10.7 million from $259.2 million (1)
- Expenses of $324.4 million, an increase of 23.5% or $61.8 million from $262.6 million
- Excluding significant items, diluted EPS of $0.28 compared to diluted EPS of $0.31 (1)
- Excluding significant items, net income (3) of $37.3 million compared to net income (3) of $39.2 million (1)
- Net loss (3) of $9.7 million compared to net income (3) of $36.6 million
- Diluted loss per common share of $0.15 compared to diluted EPS of $0.29

Fiscal 2018 vs. Fiscal 2017

- Excluding significant items, revenue of $1.02 billion, an increase of 16.5% or $144.5 million from $878.4 million (1)
- Excluding significant items, expenses of $912.3 million, an increase of 11.6% or $95.2 million from $817.1 million (1)

- Revenue of $1.02 billion, an increase of 16.3% or $143.3 million from $879.5 million
- Expenses of $987.1 million, an increase of 19.6% or $161.4 million from $825.7 million
- Excluding significant items, diluted EPS of $0.59 compared to diluted EPS of $0.32 (1)
- Excluding significant items, net income (3) of $81.7 million compared to net income (3) of $49.2 million (1)
- Net income (3) of $17.1 million compared to net income (3) of $43.2 million
- Diluted EPS of 0.03 compared to diluted EPS of $0.27

Financial Condition at End of Fourth Quarter Fiscal 2018 vs. Fourth Quarter Fiscal 2017

- Cash and cash equivalents balance of $862.8 million, an increase of $185.0 million from $677.8 million
- Working capital of $575.6 million, an increase of $87.1 million from $488.5 million
- Total shareholders' equity of $841.4 million, an increase of $76.6 million from $764.8 million
- Book value per diluted common share of $5.71, an increase of $0.63 from $5.08 [4]
- On June 6, 2018, the Board of Directors approved a dividend of $0.12 per common share, payable on July 3, 2018, with a record date of June 22, 2018. The dividend is comprised of a $0.01 base quarterly dividend and an $0.11 supplemental dividend as outlined below.

  The Company's dividend policy which became effective March 31, 2017 is to pay a quarterly dividend of $0.01 per common share that will be declared and paid quarterly. Following the end of each fiscal year, the Board will review the capital position of the Company in the context of the market environment in combination with capital allocation requirements for its strategic priorities, and determine whether a supplemental dividend should be paid. Supplemental dividends, if declared, may be highly variable from year to year. All dividend payments will depend on general business conditions, the Company's financial condition, results of operations, capital requirements and such other factors as the Board determines to be relevant.

- On June 6, 2018, the Board approved a cash dividend of $0.24281 per Series A Preferred Share payable on July 3, 2018 to Series A Preferred shareholders of record as at June 22, 2018
- On June 6, 2018, the Board approved a cash dividend of $0.31206 per Series C Preferred Share payable on July 3, 2018 to Series C Preferred shareholders of record as at June 22, 2018.

SUMMARY OF OPERATIONS

Corporate

- On April 25, 2018, the Company announced that it entered into an agreement to acquire Jitneytrade Inc. and Finlogik Inc. directly and through the purchase of Finlogik Capital Inc. Jitneytrade Inc. is a direct access broker and an active trader in futures and equity options in Canada. Finlogik Inc. is in the business of delivering value-added fintech solutions in the Canadian market. This acquisition closed on June 6, 2018.
- At its meeting on June 6, 2018, the Board of Directors approved the grant of 6,220,000 performance share options (PSOs) to senior management of the Company and its operating subsidiaries. The options will be granted under the terms of the Company's Performance Share Option (PSO) plan to be presented to the shareholders for their approval at the Company's annual general meeting to be held on August 2, 2018. The grant is subject to ratification at that meeting. The options will have an exercise price determined within the context of the market at the time of the grant, will have a term of five years and will time-vest rateably over four years (with one third vesting on each of the second, third and fourth anniversaries of the date of

---

[4] See Non-IFRS Measures on page 6.
[5] Transactions over $1.5 million. Internally sourced information.

grant). PSOs will also be subject to market (stock price) performance vesting conditions, as well as have a three times exercise price cap on payout value.

Capital Markets

- Canaccord Genuity participated in 107 investment banking transactions globally, raising total proceeds of C$9.4 billion [5] during fiscal Q4/18
- Of these, Canaccord Genuity led or co-led 60 transactions globally, raising proceeds of C$2.4 billion [5] during fiscal Q4/18
- Significant investment banking transactions for Canaccord Genuity during fiscal Q4/18 include:
    - £173.0 million initial public offering for Baillie Gifford US Growth Trust plc on LSE
    - US$312.5 million in two transactions for Atara Biotherapeutics on Nasdaq
    - US$260.2 million for Xencor Inc. on Nasdaq
    - C$230.0 million for Aurora Cannabis on TSX
    - C$149.5 million for Hydropothecary Corporation on TSXV
    - US$130.0 million in two transactions for Helios + Matheson on Nasdaq
    - C$132.8 million for MedReleaf on TSX
    - £57.6 million for The Renewables Infrastructure Group Limited on LSE
    - £51.5 million for Tyman plc on LSE
    - £47.5 million for Triple Point Social Housing REIT
    - C$75.0 million for ABCann Global Corporation on TSXV
    - US$60.0 million initial public offering for BioXcel Therapeutics Inc.
    - £35.0 million for Seeing Machines Limited on AIM
    - C$51.7 million for Nuuvera Inc. on TSXV
    - C$45.0 million for Etherium Capital on TSXV
    - £21.1 million block trade for Liontrust Asset Management on LSE
    - C$40.3 million for Namaste Technologies Inc. on CSE
    - £18.4 million for Velocys plc
    - C$38.7 million Initial Public Offering for Cannabis Growth Opportunity Corporation on CSE
    - C$38.2 million for Pollard Banknote Ltd. on TSX
    - C$34.9 million fully marketed equity financing for Coinsquare
    - C$34.5 million for Profound Medical Corp. on TSXV
    - US$23.3 million for Tyme technologies on Nasdaq
    - C$30.2 million for Aleafia Inc. on TSXV
    - C$30.2 million for Axis Auto Finance on TSXV
    - C$29.7 million for HashChain Technology Inc. on TSXV
    - US $23.0 million for ConforMIS Inc. on Nasdaq
    - C$27.8 million for Sunniva Inc. on CSE
    - C$27.1 million private placement for HyperBlock Technologies Corp.
    - C$28.8 million for PRO Real Estate Investment Trust on TSXV
    - C$25.3 million for Patriot One Technologies on TSXV
    - C$24.2 million for Millenial Lithium Corp. on TSXV

  - US$13.0 million initial public offering for Kore Potash on AIM
  - C$22.0 million for Standard Lithium Ltd. On TSXV
  - C$17.5 million for Golden Leaf Holdings on CSE
  - AUD$25.0 million placement and AUD$13 million debt funding for Alliance Mineral Assets Ltd on SGX
  - AUD$10.5 million for Think Childcare Ltd. on ASX
- In Canada, Canaccord Genuity participated in raising $221.9 million for government and corporate bond issuances during fiscal Q4/18
- Advisory fees recorded during fiscal Q4/18 were $40.9 million, a decrease of $11.5 million or 22.0% compared to the same quarter last year
- During fiscal Q4/18, significant M&A and advisory transactions included:
  - Rockspring Property Holdings Limited on its sale to PATRIZIA Immobilien AG
  - Ardian on its €670 million disposal of Trescal to OMERS Private Equity
  - HLD/Dentressangle on its €1.5 billion acquisition of Kiloutou
  - The Carlyle Group and PAI Partners on its €200 million disposal of Crouzet
  - Broken Coast Cannabis Inc. on its C$273 million sale to Aphria
  - Partnerships BC on its C$126.8 million financing for the Capital Regional District Treatment Facility
  - Northern Star Resources on its A$23 million strategic investment in Echo Resources
  - Nuuvera on its C$787 million sale to Aphria Inc.
  - Aurora Cannabis on its C$1.2 billion acquisition of CanniMed Therapeutics Inc.
  - Thoma Bravo and Motus on Thoma Bravo's acquisition of the premier vehicle management platforms of Motus and Runzheimer
  - Outpatient Imaging Affiliates, LLC on its sale to ICV Partners
  - Blockchain Dynamics on its C$30 million sale to CryptoGlobal
  - Aura Minerals on its merger with Rio Novo Gold Inc.
  - BuildDirect.com on its restructuring and recapitalization

Canaccord Genuity Wealth Management (Global)

- Globally, Canaccord Genuity Wealth Management generated $117.6 million in revenue during Q4/18
- Assets under administration in Canada and assets under management in the UK & Europe and Australia were $61.3 billion at the end of Q4/18(4), an increase of 3.6% or $2.1 billion at the end of the previous quarter and an increase of 58.7% or $22.7 billion at the end of fiscal Q4/17

Canaccord Genuity Wealth Management (North America)

- Canaccord Genuity Wealth Management (North America) generated $51.5 million in revenue and, after intersegment allocations, and excluding items significant items (1), recorded net income before taxes of $8.5 million during Q4/18
- Assets under administration in North America were $15.6 billion as at March 31, 2018, an increase of 7.7% from $14.5 billion at the end of the previous quarter and an increase of 17.7% from $13.2 billion at the end of fiscal Q4/17(4)
- Assets under management in North America (discretionary) were $2.8 billion as at March 31, 2018, a decrease of 0.8% from $2.8 billion at the end of the previous quarter and an increase of 6.8% from $2.6 billion at the end of fiscal Q4/17(4) (included in assets under administration)

- Canaccord Genuity Wealth Management had 142 Advisory Teams [(6)] at the end of fiscal Q4/18, an increase of one Advisory team from March 31, 2017 and an increase of eight Advisory team from December 31, 2017

Canaccord Genuity Wealth Management (UK & Europe)

- Wealth management operations in the UK & Europe generated $64.9 million in revenue and, after intersegment allocations, and excluding significant items, recorded net income of $9.8 million before taxes during Q4/18[(1)]
- Assets under management (discretionary and non-discretionary) were $44.9 billion (£24.8 billion) as at March 31, 2018, an increase of 2.5% from $43.8 billion (£25.8 billion) at the end of the previous quarter and an increase of 83.0% from $24.5 billion (£14.7 billion) at March 31, 2017[(4)]. In local currency (GBP), assets under management at March 31, 2018 decreased by 4.1% compared to Q3/18 and increased 69.0% compared to March 31, 2017 [(4)]. The acquisition of Hargreave Hale Limited in Q2/18 contributed to the increase in AUM in Q4/18 over the same quarter in the previous year.

Non-IFRS Measures

The non-International Financial Reporting Standards (IFRS) measures presented include assets under administration, assets under management, book value per diluted common share and figures that exclude significant items. Significant items include restructuring costs, amortization of intangible assets acquired in connection with a business combination, impairment of goodwill and other assets and acquisition-related expense items, which include costs recognized in relation to both prospective and completed acquisitions, gains or losses related to business disposals including recognition of realized translation gains on the disposal of foreign operations, certain accounting charges related to the change in the Company’s long-term incentive plan as recorded with effect on March 31, 2018, certain incentive-based payments related to the acquisition of Hargreave Hale, as well as certain expense items, typically included in development costs, which are considered by management to reflect a singular charge of a non-operating nature. Book value per diluted common share is calculated as total common shareholders’ equity adjusted for assumed proceeds from the exercise of options and warrants and conversion of convertible debentures divided by the number of diluted common shares outstanding including estimated amounts in respect of share issuance commitments including options, warrants and convertible debentures, and, commencing in Q1/14, adjusted for shares purchased under the Company’s normal course issuer bid (NCIB) and not yet cancelled and estimated forfeitures in respect of unvested share awards under share-based payment plans.

Management believes that these non-IFRS measures will allow for a better evaluation of the operating performance of the Company’s business and facilitate meaningful comparison of results in the current period to those in prior periods and future periods. Figures that exclude significant items provide useful information by excluding certain items that may not be indicative of the Company’s core operating results. A limitation of utilizing these figures that exclude significant items is that the IFRS accounting effects of these items do in fact reflect the underlying financial results of the Company’s business; thus, these effects should not be ignored in evaluating and analyzing the Company’s financial results. Therefore, management believes that the Company’s IFRS measures of financial performance and the respective non-IFRS measures should be considered together.

[6] 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 licensed 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 of business.

Selected financial information excluding significant items [1]

(C$ thousands, except per share and % amounts)	Three months ended March 31 2018	Three months ended March 31 2017	Quarter-over-quarter change	Years ended March 31 2018	Years ended March 31 2017	Year – over – year change
Total revenue per IFRS	**$322,080**	$271,656	18.6%	**$1,022,877**	$879,546	16.3%
Total expenses per IFRS	**$324,379**	$234,251	38.5%	**$987,131**	$825,662	19.6%
Revenue						
Significant items included in Canaccord Genuity						
Realized translation gains on disposal of Singapore	—	—	—	—	1,193	(100.0) %
Total revenue excluding significant items	**$322,080**	$271,656	18.6%	**$1,022,877**	$878,353	16.5%
Expenses						
Significant items recorded in Canaccord Genuity						
Amortization of intangible assets	**579**	830	(30.2) %	**2,317**	3,304	(29.9) %
Restructuring costs [2]	—	—	n.m.	**4,704**	—	n.m.
Acceleration of long-term incentive plan expense [3]	**42,399**	—	n.m.	**42,399**	—	n.m.
Significant items recorded in Canaccord Genuity Wealth Management						
Amortization of intangible assets	**2,867**	1,260	127.5%	**8,273**	5,262	57.2%
Restructuring costs [2]	**939**	—	n.m.	**2,939**	—	n.m.
Acquisition-related costs	**184**	—	n.m.	**6,732**	—	n.m.
Acceleration of long-term incentive plan expense [3]	**4,058**	—	n.m.	**4,058**	—	n.m.
Incentive based payments related to acquisition [4]	**1,541**	—	n.m.	**1,541**	—	n.m.
Significant items recorded in Corporate and Other						
Acceleration of long-term incentive plan expense [3]	**1,898**	—	n.m.	**1,898**	—	n.m.
Total significant items	**54,465**	2,090	n.m.	**74,861**	8,566	n.m.
Total expenses excluding significant items	**269,914**	232,161	16.3%	**912,270**	817,096	11.6%
Net income before income taxes – adjusted	**$52,166**	$39,495	32.1%	**$110,607**	$61,257	80.6%
Income tax expense – adjusted	**14,854**	6,755	119.9%	**28,950**	12,061	140.0%
Net income – adjusted	**$37,312**	$32,740	14.0%	**$81,657**	$49,196	66.0%
Net income attributable to common shareholders, adjusted	**$33,003**	$28,099	17.5%	**$68,011**	$32,825	107.2%
Earnings per common share – basic, adjusted	**$0.36**	$0.31	16.1%	**$0.73**	$0.36	102.8%
Earnings per common share – diluted, adjusted	**$0.28**	$0.27	3.7%	**$0.59**	$0.32	84.4%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 6.

(2) Restructuring costs for the year ended March 31, 2018 related to termination benefits incurred as a result of the closing of certain trading operations in our UK & Europe capital markets operations, staff reductions in our Canadian and US capital markets operations, as well as real estate costs related to the acquisition of Hargreave Hale.

(3) Effective as of March 31, 2018 the Plan was changed to remove certain employment-related conditions for the vesting of RSU awards made as part of the normal course incentive compensation payment cycle. As a result of this change, the costs of RSUs granted as part of the normal course incentive compensation payment cycle will now be expensed in the period in which those awards are deemed to be earned, instead of recognizing the costs over the vesting period. This change led to the acceleration of the remaining expense for certain awards made under the LTIP which had not been fully amortized as of March 31, 2018. The total charge recorded during the year ended March 31, 2018 in respect of awards granted prior to fiscal 2018 was $48.4 million.

(4) Incentive-based payments related to the acquisition of Hargreave Hale determined with reference to financial targets and other performance criteria.

n.m.: not meaningful

Business segment results for fiscal 2018

				Excluding significant items (A)	*IFRS*
(C$ thousands, except per share amounts)	**Canaccord Genuity**	**Canaccord Genuity Wealth Management**	**Corporate and Other**	**Total**	**Total**
Revenue	$637,556	$370,265	$15,056	$1,022,877	$1,022,877
Expenses	(607,906)	(320,737)	(58,488)	(987,131)	(987,131)
Inter-segment allocations	(16,524)	(15,529)	32,053	---	---
Income (loss) before income taxes and significant items	$13,126	$33,999	$(11,379)	$35,746	$35,746
Significant items					
Amortization of intangible assets	2,317	8,273	---	10,590	---
Restructuring costs	4,704	2,939	---	7,643	---
Acquisition-related costs	---	6,732	---	6,732	---
Acceleration of LTIP expense	42,399	4,058	1,898	48,355	---
Incentive-based payments	---	1,541	---	1,541	---
Total significant items	49,420	23,543	1,898	74,861	---
Income (loss) before income taxes	$62,546	$57,542	$(9,481)	$110,607	$35,746
Income (taxes) recovery (B)	(23,142)	(9,207)	3,399	(28,950)	(18,669)
Non-controlling interests	(4,053)	---	---	(4,053)	(4,053)
Preferred share dividends (C)	(6,069)	(3,524)	---	(9,593)	(9,593)
Corporate and other (C)	(3,848)	(2,235)	6,082	---	---
Net income attributable to common shareholders	$25,435	$42,576	---	$68,011	$3,431
Dilutive EPS factors					
Interest on convertible debentures, net of tax (C)	2,125	1,234	---	3,359	---
	$27,560	$43,810	---	$71,370	$3,431
Average diluted number of shares (D)	120,093	120,093		120,093	110,862
Diluted earnings per share, excluding significant items (A)	**$0.23**	**$0.36**	---	**$0.59**	---
Diluted earnings per share on an IFRS basis	---	---	---	---	**$0.03**

(A) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 6.
(B) Allocation of consolidated tax provision based on management estimates by region and by business unit
(C) Allocation to capital markets and wealth management segments based on revenue
(D) This is the diluted share number used to calculate diluted EPS.

Fellow Shareholders:

Fiscal 2018 was a good year for Canaccord Genuity Group Inc. Total firm-wide revenue surpassed $1 billion for the first time in our Company's history. Excluding significant items [(1)], we delivered earnings per share of $0.59, an improvement of 84% compared to a year ago.

Throughout the year we made excellent progress against our objectives: we achieved significant growth in our global wealth management operations and improved market share across our capital markets operations. Because of these efforts, we delivered solid financial results and set new benchmarks for our businesses.

Our strategic shift to strengthening contributions from our global wealth management businesses has positioned this segment to deliver a significantly higher contribution to our overall profitability.

Excluding significant items [(1)], our global wealth management operations contributed 49% of the total pre-tax net income for our combined operating businesses for the fiscal year, in line with our stated goal. Total client assets grew to $61.3 billion, a year-over-year improvement of 59%.

The most substantial contribution to this growth came from our expanded UK & Europe wealth management business, which contributed record revenue of $201.4 million for the year. With the closing of our acquisition of Hargreave Hale in September, we have been privileged to welcome over 200 new employees and more than 14,000 new clients, and we are making excellent progress with our integration efforts. Now a top-10 wealth manager in the UK with £24.8 billion in client assets, our teams are leveraging synergies across their expanded platform to deliver impressive asset and related revenue growth, while strengthening our national footprint across the UK.

We also achieved significant growth in our Canadian wealth management business. With a platform that welcomes and embraces established and entrepreneurial financial advisors, we have added Investment Advisory teams and new clients representing over $5.0 billion in assets since we began our recruiting efforts in 2016 and have meaningfully strengthened our competitive position as a leading independent wealth management business in Canada. Total assets under administration and management increased by 18% from a year ago, to $15.6 billion. Excluding significant items [(1)], this business contributed pre-tax net income of $20.2 million to our overall results.

A supportive backdrop for growth stocks allowed us to reinforce our market position as the leading independent investment bank and advisory firm for mid-market growth companies.

Our global capital markets division was a major contributor to our firmwide revenue growth in fiscal 2018 with a record revenue result of $637.5 million.

Despite the market being punctuated by periods of elevated volatility during fiscal 2018, our investment banking segment performed exceptionally well. A healthy environment for capital raising activity in our core focus sectors – particularly during the second half of our fiscal year – led to a 39% year-over-year increase in revenues for this segment.

Our Canadian operation ended the fiscal year as the dominant independent investment bank in the country for both number of transactions and total amount raised. Revenue generated through investment banking activities in this business nearly doubled over the 12-month period to $125.1 million.

An environment of growing earnings and elevated equity valuations led to a general trend of larger deal size across our advisory business, and we serviced increasing demand for independent advice that is free from conflict. We also experienced strong flows across our institutional equities business. Despite a softer trading environment, our US equities business continued to gain market share and the International Equities Group delivered continued

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 6.

growth. We anticipate that the acquisition of Jitneytrade and its related technology business, Finlogik Inc., will further strengthen our market share as the leading independent trader in Canada and provide access to new areas of growth through the development of fintech solutions for our capital markets and wealth management divisions.

Our efforts to intensify our focus on our core capabilities in our US capital markets division led to significant profitability growth for fiscal 2018. Excluding significant items (1), pre-tax net income in this business grew to $5.4 million over the year, while the total revenue contribution was in-line with prior periods. Our teams in the UK, Europe & Dubai have continued to be productive on several notable investment banking and advisory mandates, and, despite a slow start to the year, delivered positive results for the last three consecutive quarters.

And finally, our Australian capital markets business delivered another strong performance. Despite the brief loss of momentum for growth stocks early in the year, an improved market backdrop allowed this business to deliver a record revenue result in the second half of the fiscal year. I am also very pleased to announce that we have agreed to increase our ownership stake in this business to 80%, which supports our objective of more closely aligning this business with our global platform and exploring opportunities to grow our wealth management businesses in the region. Since our initial investment in 2011, this operation has steadily increased its contributions to our overall group results, and we look forward to capturing a greater share of this growth for our shareholders. By increasing share ownership among our partners and employees in Australia, we more closely align their incentives with the performance of the organization.

Our efforts to better focus and align our operations have allowed us to strengthen our operating leverage and extract greater value from our business in any market environment.

Revenue per employee in our global capital markets business has improved by 38% since we began our realignment initiatives in fiscal 2016, a reflection of our efforts to capture greater efficiencies from our existing infrastructure while improving our execution capabilities. By strengthening collaboration across regions, we have been able to drive incremental revenue growth and harness opportunities to lead the market in emerging high-growth sectors such as cannabis and blockchain.

We have continued to manage our fixed costs, leaving our business increasingly better positioned to generate meaningful profits. Despite higher costs related to the expansion of our UK & Europe wealth management business and the increased activity across our capital markets operations, excluding significant items (1), our firm-wide expense ratio decreased by 3.8 percentage points over the fiscal year.

We have also improved our technological and operational infrastructure with a focus on strengthening the security and stability of our platform and ensuring compliance with an increasingly complex regulatory environment. Our enhanced back-office support capabilities provide us with the flexibility to continue adding scale across our wealth management operations while positioning our capital markets business to move swiftly into new areas of growth.

In keeping with our stated intention to review every aspect of our business with a view to improving long term value for our shareholders, we took steps to better align our compensation strategy with the performance of the business, shifting performance goals from a revenue basis to a longer term profitability basis. A significant portion of certain senior officers' compensation will be in the form of Performance Share Units (PSUs), whose future payout will be conditioned on achievement of predetermined multi-year, market-based and financial performance metrics.

With an effective date of March 31, 2018, we made certain non-substantive changes to the Company's long-term incentive plan which governs our share-based awards program. These changes had the effect of causing a change in the method of expensing these awards so that they are now expensed in the period they are deemed to be earned rather than over the vesting period. With this accounting change, the cost of share-based awards granted in respect of fiscal 2018, as well as the unamortized balance as at March 31, 2018 of outstanding awards granted prior to fiscal 2018, was expensed in the fourth quarter of fiscal 2018. This change did not affect awards made in connection with new hires or for retention purposes, and the cost of those awards will continue to be recognized over the vesting period. The cost of awards granted prior to fiscal 2018 that was expensed in the current year was $48.4 million.

This amount has been treated as a significant item for purposes of determining our adjusted (i.e. excluding significant items [(1)]) fourth quarter and fiscal 2018 results. Share-based awards are generally covered through shares held in employee benefit trusts, so this change in accounting treatment does not have an impact on cash, book value or capital.

Others within the industry treat their share-based awards on a similar basis, and we believe this treatment provides greater transparency of our financial results and more closely aligns our revenues and expenses in reporting periods. Going forward, the share-based award expense recognized in each period will reflect only the cost of awards earned in respect of that period as well as the amortized cost of new hire and retention-based awards applicable to that period.

The strong performance we achieved this year reflects hard work and diligence by all our employees who upheld our core values of entrepreneurialism, independence and partnership.

Our results for this fiscal year are indicative of the continued momentum in our business as we solidify our position as the dominant mid-market investment bank and wealth management firm in the regions where we operate. I believe that a significant market share opportunity exists across our businesses and I am confident that Canaccord Genuity is best positioned versus our peers to capture this share.

We will continue to focus on key sectors of the global growth economy, because it’s what we do best. At the same time, we continue to make disciplined investments in our business, broadening our technological capability and further developing our digital offerings.

Looking ahead, I believe that our business is appropriately scaled to take advantage of market opportunities while allowing us to exceed our clients’ expectations in a range of market environments. The volatility that shocked the market toward the end of our fiscal year served as an important reminder that the markets are not always going to be predictable, and reinforced the value of maintaining liquidity in our business and being prepared for developments outside our control.

I would like to thank our Board of Directors for their guidance throughout this pivotal year for our organization. And to you, our valued shareholders, I thank you for your continued support and would like to remind you that the values that drive our decisions are shared by all our employees, partners and directors. Getting here required hard work, and we know that continuing to advance our business will require ongoing discipline and commitment across the organization. As we begin a new fiscal year, we remain committed to operating a highly focused business that is thoughtful in the way it deploys capital and one where all employees are aligned with shareholders in their incentives.

Kind regards,

Dan Daviau
President & CEO
Canaccord Genuity Group Inc.

ACCESS TO QUARTERLY RESULTS INFORMATION

Interested investors, the media and others may review this quarterly earnings release and supplementary financial information at http://www.canaccordgenuitygroup.com/EN/IR/Pages/default.aspx.

CONFERENCE CALL AND WEBCAST PRESENTATION

Interested parties are invited to listen to Canaccord Genuity's fourth quarter results conference call, via live webcast or a toll-free number. The conference call is scheduled for Thursday, June 7, 2018 at 5:00 a.m. Pacific time, 8:00 a.m. Eastern time, 1:00 p.m. UK time, 8:00 p.m. China Standard Time, and 10:00 p.m. Australia EST. During the call, senior executives will comment on the results and respond to questions from analysts and institutional investors.

The conference call may be accessed live and archived on a listen-only basis at:
http://www.canaccordgenuitygroup.com/EN/NewsEvents/Pages/Events.aspx

Analysts and institutional investors can call in via telephone at:

- 647-427-7450 (within Toronto)
- 1-888-231-8191 (toll free outside Toronto)
- 0-800-051-7107 (toll free from the United Kingdom)
- 0-800-91-7449 (toll free from France)
- 10-800-714-1191 (toll free from Northern China)
- 10-800-140-1195 (toll free from Southern China)
- 1-800-287-011 (toll free from Australia)
- 800-017-8071 (toll free from United Arab Emirates)

Please ask to participate in the Canaccord Genuity Group Inc. Q4/18 results call. If a passcode is requested, please use 1795147.

A replay of the conference call will be made available from approximately two hours after the live call on June 7, 2018, until August 1, 2018 at 416-849-0833 or 1-855-859-2056 by entering passcode 1795147 followed by the (#) key.

ABOUT CANACCORD GENUITY GROUP INC.:

Through its principal subsidiaries, Canaccord Genuity Group Inc. (the Company) is a leading independent, full-service financial services firm, with operations in two principal segments of the securities industry: wealth management and capital markets. Since its establishment in 1950, the Company has been driven by an unwavering commitment to building lasting client relationships. We achieve this by generating value for our individual, institutional and corporate clients through comprehensive investment solutions, brokerage services and investment banking services. The Company has wealth management offices located in Canada, Australia, the UK, Guernsey, Jersey, and the Isle of Man. Canaccord Genuity, the international capital markets division, operates in North America, UK & Europe, Asia, Australia and the Middle East. To us there are no foreign markets.™

Canaccord Genuity Group Inc. is publicly traded under the symbol CF on the TSX. Canaccord Genuity Series A Preferred Shares are listed on the TSX under the symbol CF.PR.A. Canaccord Genuity Series C Preferred Shares are listed on the TSX under the symbol CF.PR.C.

FOR FURTHER INFORMATION, CONTACT

Investor and media relations inquiries:
Christina Marinoff
Vice President, Investor Relations and Communications
Phone: 416-687-5507
Email: christina.marinoff@canaccord.com