



Canaccord Capital Inc.

Supplementary Financial Information

First Quarter Fiscal 2010

For the period ended June 30, 2009

(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 2010 Quarterly Report to Shareholders (unaudited) dated August 6, 2009, and the Annual Report dated May 20, 2009. Canaccord's fiscal year end is defined as March 31st of each year. Canaccord's first quarter fiscal 2010 ended June 30, 2009 is also referred to as Q1/10 in the following disclosure.

Non-GAAP measures:

Certain non-GAAP measures are utilized by the Company as measures of financial performance. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Non-GAAP measures included are: supplementary information excluding significant items, capital employed, return on average common equity (ROE), 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, pre-tax profit margin, price to earnings multiple (P/E), and price to book ratio (P/B).

Currency:

Unless otherwise specified, all currencies are in Canadian dollars.



Financial highlights

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

	Q1/10 vs. Q1/09		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
	Increase (decrease)															
Financial results																
Revenue	(35,245) (20.4%)		137,463	106,996	87,188	110,829	172,708	143,446	183,354	158,869	245,870	477,721	731,539	756,914	583,415	432,778
Expenses	(27,711) (18.6%)		121,468	100,311	159,825	115,805	149,179	194,004	159,043	139,741	187,220	524,820	680,008	618,717	464,385	360,022
Income taxes (recovery)	(187) (2.6%)		6,883	3,019	(10,059)	422	7,070	(15,404)	9,263	6,717	19,621	452	20,197	44,741	37,880	24,177
Net income (loss)	(7,347) (44.6%)		9,112	3,666	(62,378)	(5,398)	16,459	(35,154)	15,048	12,411	39,029	(47,651)	31,334	93,456	81,150	48,579
Balance sheet information																
Total assets	(149,103) (6.4%)		2,184,790	2,022,099	1,679,685	1,942,070	2,333,893	2,098,718	1,972,741	2,525,725	2,693,627	2,022,099	2,098,718	2,609,942	2,177,973	1,638,165
Total liabilities	(94,507) (5.0%)		1,799,394	1,649,395	1,321,724	1,527,762	1,893,991	1,741,274	1,582,513	2,143,412	2,304,396	1,649,395	1,741,274	2,237,751	1,890,143	1,415,954
Total shareholders' equity	(54,506) (12.4%)		385,396	372,704	357,961	414,308	439,902	357,444	390,228	382,313	389,241	372,704	357,444	372,191	287,830	222,211
Client assets																
Assets under mgmt. (\$ millions) ⁽²⁾	(304) (40.7%)		443	393	454	609	747	730	760	777	815	393	730	807	613	380
Assets under admin. (\$ millions)	(4,354) (29.6%)		10,341	9,184	9,030	11,584	14,695	14,295	14,860	15,288	15,701	9,184	14,295	15,014	14,310	9,967
Common share information																
Per share (\$)																
Basic earnings (loss)	(0.16) (45.7%)		0.19	0.07	(1.27)	(0.11)	0.35	(0.80)	0.34	0.28	0.88	(0.97)	0.70	2.03	1.82	1.17
Diluted earnings (loss)	(0.15) (48.4%)		0.16	0.07	(1.27)	(0.11)	0.31	(0.80)	0.31	0.26	0.80	(0.97)	0.64	1.94	1.74	1.11
Book value per diluted share ⁽³⁾⁽⁴⁾	(0.93) (12.1%)		6.73	6.51	6.37	7.15	7.66	7.21	7.95	7.83	7.96	6.51	7.21	7.74	5.99	4.82
Share price (\$)																
High	(3.34) (28.4%)		8.41	5.53	8.19	9.33	11.75	16.33	20.58	22.49	25.92	11.75	25.92	27.50	21.25	11.10
Low	(2.30) (30.3%)		5.30	3.50	2.87	6.68	7.60	8.60	13.30	16.25	20.22	2.87	8.60	15.80	9.00	7.96
Close	(1.00) (12.6%)		6.95	5.40	4.04	7.98	7.95	9.80	15.30	18.98	20.83	5.40	9.80	22.12	20.80	10.48
Shares outstanding (thousands)																
Issued shares excluding unvested shares ⁽⁵⁾	(951) (1.9%)		49,118	49,343	49,108	48,274	50,069	43,873	44,191	44,548	45,184	49,343	43,873	45,973	45,746	45,413
Issued and outstanding ⁽⁶⁾	643 1.2%		55,234	55,093	54,636	54,553	54,591	47,835	47,835	47,866	47,864	55,093	47,835	47,832	47,827	46,129
Diluted shares ⁽⁷⁾	(221) (0.4%)		57,245	57,251	56,210	57,981	57,466	49,556	49,096	48,830	48,872	57,251	49,556	48,084	48,017	46,129
Average outstanding - basic	646 1.4%		48,165	49,352	49,073	49,021	47,519	44,165	44,442	44,972	45,171	48,929	44,778	45,969	44,606	41,635
Average diluted ⁽⁸⁾	2,611 5.0%		55,331	54,748	55,219	55,139	52,720	48,490	48,324	48,270	48,859	54,189	48,727	48,081	46,699	44,188
Market capitalization (thousands) ⁽⁴⁾	(59,002) (12.9%)		397,853	309,155	227,088	462,688	456,855	485,649	751,169	926,793	1,018,011	309,155	485,649	1,063,625	998,762	483,435
Financial measures																
Dividends per share	(0.125) (100.0%)		-	-	-	-	0.125	0.125	0.125	0.125	0.125	0.125	0.50	0.36	0.28	0.26
Special distributions per share ⁽⁹⁾	n.m.	n.m.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15
Dividend yield (closing share price) ⁽⁹⁾	(6.3) p.p.	-	-	-	-	6.3%	5.1%	3.3%	2.6%	2.4%	2.4%	2.3%	5.1%	1.6%	1.3%	2.5%
Dividend payout ratio ⁽⁹⁾⁽¹⁰⁾	(43.6) p.p.	-	-	-	-	43.6%	(17.6)%	40.8%	49.2%	15.7%	15.7%	(15.1)%	78.3%	18.5%	16.2%	24.7%
Total shareholder return ⁽¹⁰⁾	46.5 p.p.	28.7%	33.7%	(49.4)%	0.4%	(17.8)%	(35.9)%	(19.4)%	(8.9)%	(5.4)%	(5.4)%	(44.2)%	(55.5)%	8.3%	103.4%	5.5%
Annualized ROE	(6.0) p.p.	9.7%	4.0%	(84.3)%	(5.0)%	15.7%	(37.8)%	16.2%	12.8%	41.2%	41.2%	(12.4)%	7.9%	28.4%	33.6%	23.9%
Price to earnings multiple ⁽¹¹⁾	(13.3) (182.7%)	(6.0)	5.7	(10.9)	8.1	7.3	15.8	7.8	8.9	9.5	9.5	5.7	15.8	11.4	12.0	9.5
Price to book ratio ⁽¹²⁾	0.0	1.0	0.8	0.6	1.1	1.0	1.4	1.9	2.4	2.6	2.6	0.8	1.4	2.9	3.5	2.2

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹³⁾

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

	Q1/10 vs. Q1/09		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
	(decrease)															
Financial results																
Revenue	(35,245) (20.4%)		137,463	106,996	87,188	110,829	172,708	143,446	183,354	158,869	245,870	477,721	731,539	756,914	583,415	432,778
Expenses	(27,711) (18.6%)		121,468	100,169	108,534	115,805	149,179	131,632	154,817	135,342	187,220	473,687	609,011	618,717	464,385	360,022
Income taxes (recovery)	(187) (2.6%)		6,883	3,063	(5,194)	422	7,070	(4,639)	10,704	8,217	19,621	5451	43,182	44,741	37,880	24,177
Net income (loss)	(7,347) (44.6%)		9,112	3,764	(16,242)	(5,398)	16,459	7,175	17,833	15,310	39,029	(1,417)	79,346	93,456	81,150	48,579
Common share information																
Per share (\$)																
Basic earnings (loss)	(0.16) (45.7%)		0.19	0.08	(0.33)	(0.11)	0.35	0.16	0.40	0.34	0.88	(0.03)	1.77	2.03	1.82	1.17
Diluted earnings (loss)	(0.15) (48.4%)		0.16	0.07	(0.33)	(0.11)	0.31	0.15	0.36	0.31	0.80	(0.03)	1.63	1.94	1.74	1.11
Financial measures																
Dividends per share	(0.125) (100.0%)		-	-	-	-	0.125	0.125	0.125	0.125	0.125	0.125	0.50	0.36	0.28	0.26
Special distributions per share ⁽⁹⁾	n.m.	n.m.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15
Dividend yield (closing share price) ⁽⁹⁾	(6.3) p.p.	-	-	-	-	6.3%	5.1%	3.3%	2.6%	2.4%	2.4%	2.3%	5.1%	1.6%	1.3%	2.5%
Dividend payout ratio ⁽⁹⁾⁽¹⁰⁾	(43.6) p.p.	-	-	-	-	43.6%	86.3%	40.8%	49.2%	15.7%	15.7%	n.m.	30.9%	18.5%	16.2%	24.7%
Price to earnings multiple ⁽¹¹⁾	(13.3) (182.2%)	(6.0)	1.1	7.1	8.1	7.3	7.3	7.6	8.9	9.5	9.5	1.1	7.3	11.4	12.0	9.5

n.m.: not meaningful

p.p.: percentage points

Note: Please find notes on Page 12.



Canaccord Group of Companies

Condensed consolidated statement of operations

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

	Q1/10 vs. Q1/09 Increase (decrease)	Q1/10									FY09				
		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue															
Commission	(16,540) (23.0)%	55,456	49,005	51,473	60,630	71,996	69,585	74,959	65,728	85,775	233,104	296,047	303,672	239,461	168,978
Investment banking	(20,261) (26.6)%	55,886	39,000	20,198	34,024	76,147	49,608	84,910	73,731	128,625	169,369	336,874	350,273	266,206	214,450
Principal trading	5,559 94.0%	11,470	8,540	3,761	87	5,911	4,168	367	(3,925)	6,813	18,319	7,443	31,638	27,388	13,584
Interest	(8,853) (71.8)%	3,476	5,116	9,108	11,734	12,329	14,574	16,011	16,273	16,310	38,287	63,168	57,908	36,914	26,468
Other	4,850 76.7%	11,175	5,335	2,628	4,354	6,325	5,511	7,087	7,062	8,347	18,642	28,007	13,423	13,446	9,278
	(35,245) (20.4)%	137,463	106,996	87,188	110,829	172,708	143,446	183,354	158,869	245,870	477,721	731,539	756,914	583,415	432,778
Expenses															
Incentive compensation ⁽¹³⁾	(14,264) (17.2)%	68,463	45,003	43,299	50,977	82,727	63,479	90,778	71,416	121,406	222,006	347,079	382,897	299,188	220,454
Salaries and benefits	(1,641) (10.6)%	13,802	14,316	12,817	14,195	15,443	14,718	12,658	12,649	14,269	56,771	54,294	47,608	42,019	45,715
Trading costs	1,003 15.9%	7,324	6,565	6,708	6,717	6,321	5,829	7,054	7,249	6,958	26,311	27,090	27,452	20,615	16,863
Premises and equipment	97 1.7%	5,882	6,404	6,549	5,957	5,785	5,970	5,781	5,735	5,259	24,695	22,745	25,173	15,843	11,849
Communication and technology	(674) (10.9)%	5,489	6,249	6,277	6,539	6,163	6,065	5,611	5,813	5,739	25,228	23,228	21,472	16,598	14,037
Interest	(3,114) (78.7)%	845	1,339	2,568	3,354	3,959	5,372	6,574	6,413	6,168	11,220	24,527	20,538	10,914	7,824
General and administrative	(7,389) (38.3)%	11,888	10,974	19,827	19,611	19,277	18,047	17,380	15,755	18,271	69,689	69,463	64,182	46,227	32,171
Amortization	(121) (5.9)%	1,921	2,129	2,751	2,072	2,042	2,216	2,197	2,146	1,977	8,994	8,536	8,151	4,817	3,185
Development costs	(1,608) (21.5)%	5,854	7,190	7,738	6,383	7,462	9,936	6,774	8,166	7,173	28,773	32,049	21,244	9,797	7,924
Gains on disposal of invts & claims	- -	-	-	-	-	-	-	-	-	-	-	-	-	(1,633)	-
ABCP fair value adjustment	- -	-	-	6,700	-	-	4,172	4,226	4,399	-	6,700	12,797	-	-	-
Canaccord relief program	- -	-	-	5,347	-	-	54,200	-	-	-	5,347	54,200	-	-	-
Impairment of goodwill and intangibles	- -	-	-	31,524	-	-	-	-	-	-	31,524	-	-	-	-
Restructuring costs	- -	-	142	7,520	-	-	4,000	-	-	-	7,662	4,000	-	-	-
	(27,711) (18.6)%	121,468	100,311	159,625	115,805	148,179	194,004	159,043	139,741	187,220	524,920	680,008	618,717	464,385	360,022
Income (loss) before income taxes	(7,534) (32.0)%	15,995	6,685	(72,437)	(4,976)	23,529	(50,558)	24,311	19,128	58,650	(47,199)	51,531	138,197	119,030	72,756
Income taxes (recovery)	(187) (2.6)%	6,883	3,019	(10,059)	422	7,070	(15,404)	9,263	6,717	19,621	452	20,197	44,741	37,880	24,177
Net income (loss)	(7,347) (44.6)%	9,112	3,666	(62,378)	(5,398)	16,459	(35,154)	15,048	12,411	39,029	(47,651)	31,334	93,456	81,150	48,579

Incentive compensation as % of revenue	1.9 p.p.	49.8%	42.1%	49.7%	46.0%	47.9%	44.3%	49.5%	45.0%	49.4%	46.5%	47.4%	50.6%	51.3%	50.9%
Total compensation exp. as % of revenue ⁽¹⁴⁾	3.0 p.p.	59.8%	55.4%	64.4%	58.8%	56.8%	54.5%	56.4%	52.9%	55.2%	58.4%	54.9%	56.9%	58.5%	61.5%
Non-compensation exp. as % of revenue	(1.1) p.p.	28.5%	38.3%	118.7%	45.7%	29.6%	80.7%	30.3%	35.1%	20.9%	51.5%	38.1%	24.8%	21.1%	21.7%
Total expenses as % of revenue	1.9 p.p.	88.3%	93.8%	183.1%	104.5%	86.4%	135.2%	88.7%	88.0%	76.1%	109.9%	93.0%	81.7%	79.6%	83.2%
Pre-tax profit margin	(2.0) p.p.	11.6%	6.2%	(83.1)%	(4.5)%	13.6%	(35.2)%	13.3%	12.0%	23.9%	(9.9)%	7.0%	18.3%	20.4%	16.8%
Effective tax rate	13.0 p.p.	43.0%	45.2%	13.9%	(8.5)%	30.0%	30.5%	38.1%	35.1%	33.5%	(1.0)%	39.2%	32.4%	31.8%	33.2%
Net profit margin	(2.9) p.p.	6.6%	3.4%	(71.5)%	(4.9)%	9.5%	(24.5)%	8.2%	7.8%	15.9%	(10.0)%	4.3%	12.3%	13.9%	11.2%
Basic earnings (loss) per share	(0.16) (45.7)%	0.19	0.07	(1.27)	(0.11)	0.35	(0.80)	0.34	0.28	0.86	(0.97)	0.70	2.03	1.82	1.17
Diluted earnings (loss) per share	(0.15) (48.4)%	0.16	0.07	(1.27)	(0.11)	0.31	(0.80)	0.31	0.26	0.80	(0.97)	0.64	1.94	1.74	1.11
Book value per diluted share	(0.93) (12.1)%	6.73	6.51	6.37	7.15	7.66	7.21	7.95	7.83	7.96	6.51	7.21	7.74	5.99	4.82

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁵⁾

	Q1/10 vs. Q1/09 Increase (decrease)	Q1/10									FY09				
		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue	(35,245) (20.4)%	137,463	106,996	87,188	110,829	172,708	143,446	183,354	158,869	245,870	477,721	731,539	756,914	583,415	432,778
Total expenses	(27,711) (18.6)%	121,468	100,169	108,534	115,805	149,179	131,632	154,817	135,342	187,220	473,687	609,011	618,717	464,385	360,022
Income (loss) before income taxes	(7,534) (32.0)%	15,995	6,827	(21,346)	(4,976)	23,529	11,814	28,537	23,527	58,650	4,034	122,528	138,197	119,030	72,756
Net income (loss)	(7,347) (44.6)%	9,112	3,764	(16,242)	(5,398)	16,459	7,175	17,833	15,310	39,029	(1,417)	79,346	93,456	81,150	48,579
Non-compensation exp. as % of revenue	(1.0) p.p.	28.5%	38.2%	60.1%	45.7%	29.5%	37.3%	28.0%	32.3%	20.9%	40.8%	28.4%	24.8%	21.1%	21.7%
Total expenses as % of revenue	1.9 p.p.	88.3%	93.6%	124.5%	104.5%	86.4%	91.8%	84.4%	85.2%	76.1%	99.2%	83.3%	81.7%	79.6%	83.2%
Pre-tax profit margin	(2.0) p.p.	11.6%	6.4%	(24.5)%	(4.5)%	13.6%	(35.2)%	13.3%	12.0%	23.9%	(9.9)%	7.0%	18.3%	20.4%	16.8%
Net profit margin	(2.9) p.p.	6.6%	3.5%	(18.6)%	(4.9)%	9.5%	(24.5)%	8.2%	7.8%	15.9%	(10.0)%	4.3%	12.3%	13.9%	11.2%
Basic earnings per share	(0.16) (45.7)%	0.19	0.08	(0.33)	(0.11)	0.35	0.16	0.40	0.34	0.86	(0.03)	1.77	2.03	1.82	1.17
Diluted earnings per share	(0.15) (48.4)%	0.16	0.07	(0.33)	(0.11)	0.31	0.15	0.36	0.31	0.80	(0.03)	1.63	1.94	1.74	1.11

Note: Please find notes on Page 12.



Canaccord Adams
Condensed statement of operations

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

	Q1/10 vs. Q1/09		Q1/10									FY09				
	Increase (decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
Canada																
Capital Markets	(4,298) (12.5)%		30,054	25,033	12,639	23,461	34,352	31,944	42,952	39,210	62,549	95,485	176,655	187,562	150,470	95,559
International Trading	(1,548) (35.5)%		2,817	2,825	3,975	3,439	4,365	4,034	4,912	4,789	5,987	14,604	19,722	24,177	20,940	15,452
Registered Traders	287 17.8%		1,902	1,777	2,298	635	1,615	1,713	1,715	2,210	1,730	6,305	7,388	7,878	9,124	4,275
Fixed Income	1 0.1%		1,704	1,641	1,517	1,575	1,703	2,042	2,459	2,178	2,121	6,436	8,840	7,707	8,540	8,278
Total Canada	(5,558) (13.2)%		36,477	31,276	20,429	29,110	42,035	39,733	52,078	48,387	72,387	122,850	212,585	227,324	189,074	123,564
UK and Other Foreign Location ⁽¹⁶⁾	(15,839) (41.5)%		22,350	17,000	12,748	11,770	38,189	14,940	35,117	20,857	57,355	79,707	128,269	145,749	125,900	116,090
US ⁽¹⁷⁾	2,101 8.6%		26,670	16,696	16,073	17,456	24,569	23,292	22,388	19,827	25,281	74,794	90,788	76,644	18,692	-
	(19,296) (18.4)%		85,497	64,972	49,250	58,336	104,793	77,965	109,583	89,071	155,023	277,351	431,642	449,717	333,666	239,654
Expenses																
Incentive compensation ⁽¹³⁾	(7,298) (13.9)%		45,231	30,210	28,857	29,998	52,529	40,395	57,933	42,205	76,203	141,594	216,736	233,582	175,604	125,030
Salaries and benefits	(819) (19.4)%		3,404	3,513	3,413	3,919	4,223	3,306	3,275	3,194	4,019	15,068	13,794	11,193	8,435	16,577
Trading costs ⁽¹⁸⁾	330 7.3%		4,870	4,618	4,587	5,118	4,540	4,027	4,655	4,906	4,441	18,863	18,029	16,982	10,095	6,951
Premises and equipment	16 0.6%		2,894	3,106	3,322	3,104	2,869	3,067	3,011	2,910	2,613	12,400	11,601	14,129	5,886	3,980
Communication and technology	(498) (15.2)%		2,780	3,352	3,136	3,803	3,278	3,325	3,063	2,962	2,879	13,569	12,229	10,347	6,727	5,252
Interest	(322) (66.8)%		160	261	272	357	482	722	738	953	594	1,372	2,407	2,717	1,789	611
General and administrative	(6,164) (51.1)%		5,901	5,237	8,873	12,243	12,065	10,920	8,753	9,885	10,397	38,418	39,955	34,853	19,998	13,448
Amortization	46 5.0%		958	1,009	1,586	926	912	998	984	985	911	4,433	3,878	3,921	1,910	1,204
Development costs	(1,179) (28.6)%		2,944	3,212	4,251	3,682	4,123	6,398	3,936	5,582	4,292	15,268	20,208	10,723	1,239	682
ABCP fair value adjustment	- -		-	-	-	-	-	983	1,101	1,146	-	-	3,230	-	-	-
Impairment of goodwill and intangibles	- -		-	-	31,524	-	-	-	-	-	-	31,524	-	-	-	-
Restructuring costs	- -		-	22	5,949	-	-	1,000	-	-	-	5,971	1,000	-	-	-
	(15,888) (18.7)%		69,132	54,540	95,770	63,150	85,020	75,141	87,449	74,128	106,349	298,480	343,067	338,447	231,683	173,735
Income (loss) before income taxes ⁽¹⁷⁾	(3,408) (17.2)%		16,365	10,432	(46,520)	(4,814)	19,773	2,824	22,134	14,943	48,674	(21,129)	88,575	111,270	101,983	65,919

Incentive compensation as % of revenue	2.8 p.p.	52.9%	46.5%	58.6%	51.4%	50.1%	51.8%	52.9%	47.4%	49.2%	51.1%	50.2%	51.9%	52.6%	52.2%
Total compensation exp. as % of revenue ⁽¹⁴⁾	2.7 p.p.	56.9%	51.9%	65.5%	58.1%	54.2%	56.1%	55.9%	51.0%	51.7%	56.5%	53.4%	54.4%	55.2%	59.1%
Non-compensation exp. as % of revenue	(3.0) p.p.	24.0%	32.0%	128.9%	50.1%	27.0%	40.3%	23.9%	32.2%	16.9%	51.1%	26.1%	20.9%	14.2%	13.4%
Total expenses as % of revenue	(0.3) p.p.	80.9%	83.9%	194.5%	108.3%	81.1%	96.4%	79.8%	83.2%	68.6%	107.6%	79.5%	75.3%	69.4%	72.5%
Pre-tax profit margin	0.3 p.p.	19.1%	16.1%	(94.5)%	(8.3)%	18.9%	3.6%	20.2%	16.8%	31.4%	(7.6)%	20.5%	24.7%	30.6%	27.5%
Number of employees	(71) (13.0)%	474	474	480	551	545	541	531	535	534	474	541	502	464	279

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁹⁾

	Q1/10 vs. Q1/09		Q1/10									FY09				
	Increase (decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
(in thousands of dollars)																
Revenue	(12,993) (16.7)%		85,497	64,972	49,250	58,336	104,793	77,965	109,583	89,071	155,023	277,351	431,642	449,717	333,666	239,654
Total expenses	(18,640) (25.5)%		69,132	54,518	58,297	63,150	85,020	73,158	86,348	72,982	106,349	260,985	338,837	338,447	231,683	173,735
Income (loss) before income taxes	5,647 117.5%		16,365	10,454	(9,047)	(4,814)	19,773	4,807	23,235	16,089	48,674	16,366	92,805	111,270	101,983	65,919
Non-compensation exp. as % of revenue	(3.0) p.p.	24.0%	32.0%	52.8%	50.1%	27.0%	37.8%	22.9%	31.0%	16.9%	37.6%	25.1%	20.9%	14.2%	13.4%	
Total expenses as % of revenue	(0.3) p.p.	80.9%	83.9%	118.4%	108.3%	81.1%	93.8%	78.8%	81.9%	68.6%	94.1%	78.5%	75.3%	69.4%	72.5%	
Pre-tax profit margin	0.3 p.p.	19.1%	16.1%	(18.4)%	(8.3)%	18.9%	6.2%	21.2%	18.1%	31.4%	5.9%	21.5%	24.7%	30.6%	27.5%	

Note: Please find notes on Page 12.



Private Client Services
Condensed statement of operations

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

	Q1/10 vs. Q1/09		Increase (decrease)													
			Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
Canada	(17,125)	(30.1)%	39,676	36,739	33,072	43,016	56,801	53,686	60,447	56,588	74,990	169,628	245,711	268,590	223,925	178,176
US ⁽²⁾	(543)	(51.6)%	509	516	480	828	1,052	777	719	827	1,093	2,856	3,416	4,029	1,269	-
	(17,668)	(30.5)%	40,185	37,255	33,552	43,844	57,853	54,463	61,166	57,415	76,083	172,484	249,127	272,619	225,194	178,176
Expenses																
Incentive compensation	(8,307)	(30.8)%	18,843	13,122	14,195	20,116	26,950	24,166	28,443	25,351	37,680	74,383	115,640	126,668	105,283	84,396
Salaries and benefits	465	12.3%	4,246	4,505	3,057	3,477	3,781	4,683	3,272	3,510	4,049	14,820	15,514	13,626	13,053	11,158
Trading costs	307	16.6%	2,156	1,697	1,856	1,606	1,849	1,694	2,331	2,158	2,399	7,008	8,582	10,157	9,013	8,802
Premises and equipment	319	19.5%	1,951	1,822	1,632	1,702	1,632	1,630	1,605	1,605	1,535	6,788	6,375	6,153	5,464	4,653
Communication and technology	(103)	(6.3)%	1,536	1,630	1,590	1,556	1,639	1,596	1,544	1,573	1,670	6,415	6,383	6,338	6,066	5,819
Interest	(2,672)	(91.7)%	243	671	1,758	2,459	2,915	4,124	5,305	5,435	5,060	7,803	19,924	17,751	7,194	3,711
General and administrative	(56)	(1.4)%	3,886	2,268	7,826	3,206	3,942	3,477	3,587	2,594	2,953	17,242	12,611	13,678	12,162	5,080
Amortization	193	47.2%	602	655	463	411	409	436	495	472	430	1,938	1,833	1,648	1,439	1,087
Development costs	339	21.6%	1,905	2,597	2,312	1,378	1,566	1,897	1,550	1,341	1,372	7,853	6,160	6,071	4,302	2,798
Canaccord relief program	-	-	-	-	5,347	-	-	54,200	-	-	-	5,347	54,200	-	-	-
Restructuring costs	-	-	-	-	180	-	-	700	-	-	-	180	700	-	-	-
	(9,515)	(21.3)%	35,168	28,967	40,216	35,911	44,683	98,603	48,132	44,039	57,148	149,777	247,922	202,090	163,976	127,504
Income (loss) before income taxes ⁽¹⁷⁾	(8,153)	(61.9)%	5,017	8,288	(6,664)	7,933	13,170	(44,140)	13,034	13,376	18,935	22,707	1,205	70,529	61,218	50,672
PCS fee-related revenue ⁽¹⁸⁾	(1.9) p.p.		13.8%	14.5%	18.4%	19.3%	15.7%	16.3%	15.3%	16.0%	12.0%	16.9%	14.7%	11.9%	9.9%	7.7%
Incentive compensation as % of revenue	(0.2) p.p.		46.4%	35.2%	42.3%	45.9%	46.6%	44.4%	46.5%	44.2%	49.5%	43.1%	46.4%	46.5%	46.8%	47.4%
Total compensation exp. as % of revenue ⁽¹⁴⁾	3.8 p.p.		57.0%	47.3%	51.4%	53.8%	53.1%	53.0%	51.9%	50.3%	54.8%	51.7%	52.6%	51.5%	52.5%	53.6%
Non-compensation exp. as % of revenue	6.3 p.p.		30.5%	30.4%	68.5%	28.1%	24.1%	128.0%	26.8%	26.4%	20.3%	35.1%	46.9%	22.6%	20.3%	18.0%
Total expenses as % of revenue	10.3 p.p.		87.5%	77.8%	119.9%	81.9%	77.2%	181.0%	78.7%	76.7%	75.1%	86.8%	99.5%	74.1%	72.8%	71.6%
Pre-tax profit margin	(10.3) p.p.		12.5%	22.2%	(19.9)%	18.1%	22.8%	(61.0)%	21.3%	23.3%	24.9%	13.2%	0.5%	25.9%	27.2%	28.4%
Assets under mgmt. (\$ millions) ⁽²⁾	(304)	(40.7)%	443	393	454	609	747	730	760	777	815	393	730	807	613	380
Assets under admin. (\$ millions)	(4,354)	(29.6)%	10,341	9,184	9,030	11,584	14,695	14,295	14,860	15,288	15,701	9,184	14,295	15,014	14,310	9,967
Number of employees	(72)	(9.5)%	688	700	725	744	760	762	772	784	757	700	762	728	689	657
Number of Advisory Teams ⁽¹⁵⁾	(19)	(5.4)%	335	338	347	341	354	354	377	378	373	338	354	368	365	343
Number of PCS client accounts	(9,229)	(5.2)%	166,747	167,659	171,199	173,949	175,976	175,570	173,599	170,879	170,054	167,659	175,570	156,003	155,404	144,451

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

	Q1/10 vs. Q1/09		Increase (decrease)													
			Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
(17,668)	(30.5)%	40,185	37,255	33,552	43,844	57,853	54,463	61,166	57,415	76,083	172,484	249,127	272,619	225,194	178,176	
Total expenses																
(9,515)	(21.3)%	35,168	28,967	34,689	35,911	44,683	43,703	48,132	44,039	57,148	144,250	193,022	202,090	163,976	127,504	
Income (loss) before income taxes																
(8,153)	(61.9)%	5,017	8,288	(1,157)	7,933	13,170	10,760	13,034	13,376	18,935	28,234	56,105	70,529	61,218	50,672	
Non-compensation exp. as % of revenue	6.4 p.p.		30.6%	30.4%	52.0%	28.1%	24.1%	27.3%	26.8%	26.4%	20.3%	31.9%	24.8%	22.6%	20.3%	18.0%
Total expenses as % of revenue	10.3 p.p.		87.5%	77.8%	103.5%	81.9%	77.2%	80.2%	78.7%	76.7%	75.1%	83.6%	77.5%	74.1%	72.8%	71.6%
Pre-tax profit margin	(10.3) p.p.		12.5%	22.2%	(3.5)%	18.1%	22.8%	19.8%	21.3%	23.3%	24.9%	16.4%	22.5%	25.9%	27.2%	28.4%

Note: Please find notes on Page 12.



Corporate and Other segment
Condensed statement of operations

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

	Q1/10 vs. Q1/09		Q1/10 vs. Q1/09								FY09 vs. FY08					
	Increase (decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
Canada	1,719	17.1%	11,781	4,769	4,406	8,649	10,062	11,018	12,605	12,383	14,764	27,886	50,770	34,578	24,555	14,948
	1,719	17.1%	11,781	4,769	4,406	8,649	10,062	11,018	12,605	12,383	14,764	27,886	50,770	34,578	24,555	14,948
Expenses																
Incentive compensation	1,341	41.3%	4,589	1,671	247	863	3,248	(1,082)	4,402	3,860	7,523	6,029	14,703	22,647	18,301	11,028
Salaries and benefits	(1,287)	(17.3)%	6,152	6,298	6,347	6,799	7,439	6,729	6,111	5,945	6,201	26,883	24,986	22,769	20,531	17,980
Trading costs	366	(538.2)%	298	250	265	(7)	(68)	108	68	185	118	440	479	313	1,507	1,110
Premises and equipment	(238)	(18.5)%	1,047	1,476	1,595	1,151	1,285	1,273	1,165	1,220	1,111	5,507	4,769	4,891	4,493	3,216
Communication and technology	(73)	(5.9)%	1,173	1,267	1,551	1,180	1,246	1,144	1,004	1,278	1,190	5,244	4,616	4,787	3,805	2,966
Interest	(120)	(21.4)%	442	407	538	538	562	526	531	625	514	2,045	2,196	70	1,931	3,502
General and administrative	(1,169)	(35.7)%	2,101	3,469	3,128	4,162	3,270	3,650	5,050	3,276	4,921	14,029	16,897	15,651	14,067	13,643
Amortization	(360)	(49.9)%	361	465	702	735	721	782	718	689	636	2,623	2,825	2,582	1,468	894
Development costs	(768)	(43.3)%	1,005	1,381	1,175	1,323	1,773	1,641	1,288	1,243	1,509	5,652	5,681	4,450	4,256	4,444
Gains on disposal of invts & claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,633)	-
ABC fair value adjustment	-	-	-	-	6,700	-	-	3,189	3,125	3,253	-	6,700	9,567	-	-	-
Restructuring costs	-	-	-	120	1,391	-	-	2,300	-	-	-	1,511	2,300	-	-	-
	(2,308)	(11.9)%	17,168	16,804	23,639	16,744	19,476	20,260	23,462	21,574	23,723	76,663	89,019	78,180	68,726	58,783
Loss before income taxes ⁽¹⁷⁾	4,027	(42.8)%	(5,387)	(12,035)	(19,233)	(8,095)	(9,414)	(9,242)	(10,857)	(9,191)	(8,959)	(48,777)	(38,249)	(43,602)	(44,171)	(43,835)
Number of employees	(46)	(11.7)%	347	356	365	393	393	380	373	370	366	356	380	360	335	324

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁹⁾

	Q1/10 vs. Q1/09		Q1/10 vs. Q1/09								FY09 vs. FY08					
	(decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue	1,719	17.1%	11,781	4,769	4,406	8,649	10,062	11,018	12,605	12,383	14,764	27,886	50,770	34,578	24,555	14,948
Total expenses	(2,308)	(11.9)%	17,168	16,684	15,548	16,744	19,476	14,771	20,337	18,321	23,723	68,452	77,152	78,180	68,726	58,783
Loss before income taxes	4,027	(42.8)%	(5,387)	(11,915)	(11,142)	(8,095)	(9,414)	(3,753)	(7,732)	(5,938)	(8,959)	(40,566)	(26,382)	(43,602)	(44,171)	(43,835)

Note: Please find notes on Page 12.



Canada
Condensed statement of operations ⁽²⁰⁾

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

	Q1/10 vs. Q1/09		Increase (decrease)													
			Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
Canaccord Adams	(5,558)	(13.2)%	36,477	31,276	20,429	29,110	42,035	39,733	52,078	48,387	72,387	122,850	212,585	227,324	189,074	123,564
Private Client Services	(17,125)	(30.1)%	39,676	36,739	33,072	43,016	56,801	53,698	60,447	56,588	74,990	169,628	245,711	268,590	223,925	178,176
Corporate and Other	1,719	17.1%	11,781	4,769	4,406	8,649	10,062	11,018	12,805	12,383	14,764	27,886	50,770	34,578	24,555	14,948
	(20,964)	(19.3)%	87,934	72,784	57,907	80,775	108,898	104,437	125,130	117,358	162,141	320,364	509,066	530,492	437,554	316,688
Expenses																
Incentive compensation	(8,737)	(16.7)%	43,575	29,690	28,216	35,846	52,312	42,278	58,353	52,413	78,677	146,064	231,721	263,196	221,165	154,427
Salaries and benefits	(1,359)	(10.8)%	11,235	11,808	10,244	11,347	12,594	12,403	10,559	10,399	11,856	45,993	45,217	39,359	37,196	36,920
Trading costs	1,002	30.1%	4,327	3,862	4,063	3,347	3,325	3,357	4,334	4,309	4,262	14,597	16,262	16,983	17,399	15,700
Premises and equipment	(19)	(0.5)%	3,702	4,062	4,010	3,660	3,721	3,733	3,630	3,659	3,478	15,453	14,500	14,529	12,701	9,706
Communication and technology	(836)	(18.0)%	3,811	4,293	4,604	4,576	4,647	4,496	4,310	4,532	4,498	18,120	17,836	16,961	14,662	13,001
Interest	(3,585)	(107.8)%	(260)	198	1,663	2,707	3,325	4,900	6,118	5,934	5,847	7,893	22,799	20,121	10,820	7,823
General and administrative	(4,182)	(36.1)%	7,413	5,941	13,192	10,569	11,595	10,702	12,891	9,494	12,158	41,297	45,245	42,592	38,066	26,292
Amortization	(163)	(12.0)%	1,192	1,390	1,936	1,372	1,355	1,478	1,452	1,389	1,286	6,053	5,605	5,428	3,923	2,565
Development costs	(83)	(2.2)%	3,772	4,837	4,127	3,304	3,855	4,230	3,260	3,297	3,251	15,923	14,038	12,105	9,243	7,924
Gain on disposal of invts & claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,633)	-
ABCP fair value adjustment	-	-	-	-	6,700	-	-	4,172	4,226	4,399	-	6,700	12,797	-	-	-
Canaccord relief program	-	-	-	-	5,347	-	-	54,200	-	-	-	5,347	54,200	-	-	-
Impairment of goodwill and intangibles	-	-	-	-	3,958	-	-	-	-	-	-	3,958	-	-	-	-
Restructuring costs	-	-	-	142	2,623	-	-	4,000	-	-	-	2,765	4,000	-	-	-
	(17,962)	(18.6)%	78,767	66,023	90,683	76,728	96,729	149,949	109,133	99,825	125,313	330,163	484,220	431,274	363,542	274,358
	(3,002)	(24.7)%	9,167	6,761	(32,776)	4,047	12,169	(45,512)	15,997	17,533	36,828	(9,799)	24,846	99,218	74,012	42,330
Income (loss) before income taxes																

Incentive compensation as % of revenue	1.5 p.p.		49.6%	40.8%	48.8%	44.4%	48.0%	40.5%	46.6%	44.7%	48.5%	45.6%	45.5%	49.7%	50.6%	48.8%
Total compensation exp. as % of revenue	2.7 p.p.		62.3%	57.0%	66.5%	58.4%	59.6%	52.4%	55.1%	53.6%	55.9%	59.9%	54.4%	57.1%	59.1%	60.4%
Non-compensation exp. as % of revenue	(2.0) p.p.		27.2%	33.7%	90.3%	36.6%	29.2%	91.2%	32.1%	31.5%	21.4%	43.1%	40.8%	24.3%	24.0%	26.2%
Total expenses as % of revenue	0.6 p.p.		89.5%	90.7%	156.7%	95.0%	88.8%	143.6%	87.2%	85.1%	77.3%	103.1%	95.2%	81.4%	83.1%	86.6%
Pre-tax profit margin	(0.7) p.p.		10.4%	9.3%	(56.7)%	5.0%	11.2%	(43.6)%	12.8%	14.9%	22.7%	(3.1)%	4.8%	18.6%	16.9%	13.4%
Number of employees	(165)	(11.8)%	1,239	1,265	1,301	1,385	1,404	1,395	1,399	1,418	1,383	1,265	1,395	1,334	1,257	1,190

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁹⁾

(in thousands of dollars)

	Q1/10 vs. Q1/09		Increase (decrease)													
			Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue	(20,964)	(19.3)%	87,934	72,784	57,907	80,775	108,898	104,437	125,130	117,358	162,141	320,364	509,066	530,492	437,554	316,688
Total expenses	(17,962)	(18.6)%	78,767	65,881	72,055	76,728	96,729	87,577	104,907	95,426	125,313	311,393	413,223	431,274	363,542	274,358
Income (loss) before income taxes	(3,002)	(24.7)%	9,167	6,903	(14,148)	4,047	12,169	16,860	20,223	21,932	36,828	8,971	95,843	99,218	74,012	42,330
Non-compensation exp. as % of revenue	(2.0) p.p.		27.2%	33.5%	58.1%	36.6%	29.2%	31.5%	28.8%	27.8%	21.4%	37.3%	26.8%	24.3%	24.0%	26.2%
Total expenses as % of revenue	0.6 p.p.		89.5%	90.5%	124.5%	95.0%	88.8%	83.9%	83.9%	81.4%	77.3%	97.2%	81.2%	81.4%	83.1%	86.6%
Pre-tax profit margin	(0.7) p.p.		10.4%	9.5%	(24.5)%	5.0%	11.2%	16.1%	16.1%	18.6%	22.7%	2.8%	18.8%	18.6%	16.9%	13.4%

Note: Please find notes on Page 12.



**UK and Other Foreign Location
Condensed statement of operations ⁽¹⁶⁾**

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

	Q1/10 vs. Q1/09		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
	Increase (decrease)	(%)														
Revenue																
Canaccord Adams	(15,839)	(41.5)%	22,350	17,000	12,748	11,770	38,189	14,940	35,117	20,857	57,355	79,707	128,269	145,749	125,900	116,090
	(15,839)	(41.5)%	22,350	17,000	12,748	11,770	38,189	14,940	35,117	20,857	57,355	79,707	128,269	145,749	125,900	116,090
Expenses																
Incentive compensation	(8,253)	(43.3)%	10,793	6,451	6,553	6,306	19,046	6,304	19,655	9,123	29,965	38,356	65,047	73,627	65,303	62,316
National Health Insurance tax ⁽¹³⁾	(2)	(5.5)%	362	349	422	405	383	422	392	369	388	1,559	1,571	3,514	3,586	3,711
Total incentive compensation	(8,274)	(42.6)%	11,155	6,800	6,975	6,711	19,429	6,726	20,047	9,492	30,353	39,915	66,618	77,141	68,889	66,027
Salaries and benefits	146	10.9%	1,482	1,310	1,349	1,622	1,336	1,335	1,081	993	1,185	5,617	4,594	3,139	3,210	8,795
Trading costs	362	57.2%	995	816	736	757	633	573	690	497	419	2,942	2,179	1,477	1,190	1,163
Premises and equipment	(15)	(1.6)%	952	940	1,156	1,038	967	963	896	907	512	4,101	3,278	6,400	2,139	2,143
Communication and technology	(317)	(40.0)%	476	525	(62)	791	793	798	686	710	622	2,047	2,816	2,227	1,440	1,036
Interest	(123)	(83.1)%	25	21	21	63	148	(2)	-	-	-	253	(2)	2	5	1
General and administrative	(1,956)	(51.0)%	1,878	2,704	4,108	5,129	3,834	4,149	2,038	2,573	3,024	15,775	11,784	10,469	6,374	5,879
Amortization	7	1.6%	448	441	520	441	441	440	449	477	459	1,843	1,825	2,016	716	620
Development costs	86	32.3%	352	349	365	360	266	373	274	431	55	1,340	1,139	269	-	-
Restructuring costs	-	-	-	-	1,274	-	-	-	-	-	-	1,274	-	-	-	-
	(10,084)	(36.2)%	17,763	13,906	16,442	16,912	27,847	15,355	26,161	16,080	36,629	75,107	94,225	103,140	83,963	85,664
Income (loss) before income taxes	(5,755)	(55.6)%	4,587	3,094	(3,694)	(5,142)	10,342	(415)	8,956	4,777	20,726	4,600	34,044	42,609	41,937	30,426
Incentive compensation as % of revenue	(1.0) p.p.		49.9%	40.0%	54.7%	57.0%	50.9%	45.0%	57.1%	45.5%	52.9%	50.1%	51.9%	52.9%	54.7%	56.9%
Total compensation exp. as % of revenue ⁽¹⁴⁾	2.2 p.p.		56.5%	47.7%	65.3%	70.8%	54.4%	54.0%	60.2%	50.3%	55.0%	57.1%	55.5%	55.1%	57.3%	64.5%
Non-compensation exp. as % of revenue	4.4 p.p.		22.9%	34.1%	63.7%	72.9%	18.5%	48.8%	14.3%	26.8%	8.9%	37.1%	17.9%	15.7%	9.4%	9.3%
Total expenses as % of revenue	6.5 p.p.		79.4%	81.8%	129.0%	143.7%	72.9%	102.8%	74.5%	77.1%	63.9%	94.2%	73.4%	70.8%	66.7%	73.8%
Pre-tax profit margin	(6.6) p.p.		20.5%	18.2%	(29.0)%	(43.7)%	27.1%	(2.8)%	25.5%	22.9%	36.1%	5.8%	26.5%	29.2%	33.3%	26.2%
Number of employees	(7)	(5.6)%	118	114	117	127	125	125	116	109	104	114	125	93	81	70

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁵⁾

(in thousands of dollars)

	Q1/10 vs. Q1/09		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
	Increase (decrease)	(%)														
Revenue	(15,839)	(41.5)%	22,350	17,000	12,748	11,770	38,189	14,940	35,117	20,857	57,355	79,707	128,269	145,749	125,900	116,090
Total expenses	(10,084)	(36.2)%	17,763	13,906	15,168	16,912	27,847	15,355	26,161	16,080	36,629	73,833	94,225	103,140	83,963	85,664
Income (loss) before income taxes	(5,755)	(55.6)%	4,587	3,094	(2,420)	(5,142)	10,342	(415)	8,956	4,777	20,726	5,874	34,044	42,609	41,937	30,426

Note: Please find notes on Page 12.



US

Condensed statement of operations ⁽²¹⁾

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

	Q1/10 vs. Q1/09		Q1/10								FY09					
	Increase (decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue																
Canaccord Adams	2,101	8.6%	26,670	16,696	16,073	17,456	24,569	23,292	22,388	19,827	25,281	74,794	90,788	76,644	18,692	-
Private Client Services	(543)	(51.6)%	509	516	460	828	1,052	777	719	827	1,093	2,856	3,416	4,029	1,269	-
	1,558	6.1%	27,179	17,212	16,533	18,284	25,621	24,069	23,107	20,654	26,374	77,650	94,204	80,673	19,961	-
Expenses																
Incentive compensation	2,747	25.0%	13,733	8,513	8,108	8,420	10,986	14,475	12,378	9,511	12,376	36,027	48,740	42,560	9,134	-
Salaries and benefits	(428)	(28.3)%	1,085	1,198	1,224	1,226	1,513	980	1,018	1,257	1,228	5,161	4,483	5,110	1,613	-
Trading costs	(361)	(15.3)%	2,002	1,887	1,909	2,613	2,363	1,899	2,030	2,443	2,277	8,772	8,649	8,992	2,026	-
Premises and equipment	131	11.9%	1,228	1,402	1,383	1,259	1,097	1,274	1,255	1,169	1,269	5,141	4,967	4,244	1,003	-
Communication and technology	479	66.3%	1,202	1,431	1,735	1,172	723	771	615	571	619	5,061	2,576	2,284	496	-
Interest	594	122.2%	1,080	1,120	884	584	486	474	456	479	321	3,074	1,730	415	89	-
General and administrative	(1,251)	(32.5)%	2,597	2,329	2,527	3,913	3,848	3,196	2,461	3,688	3,089	12,617	12,434	11,121	1,787	-
Amortization	35	14.2%	281	298	295	259	246	298	296	280	232	1,098	1,106	707	178	-
Development costs	(1,611)	(48.2)%	1,730	2,204	3,246	2,719	3,341	5,333	3,240	4,438	3,867	11,510	16,878	8,670	554	-
Impairment of goodwill and intangibles	-	-	-	-	27,566	-	-	-	-	-	-	27,566	-	-	-	-
Restructuring costs	-	-	-	-	3,623	-	-	-	-	-	-	3,623	-	-	-	-
	335	1.4%	24,938	20,382	52,500	22,165	24,603	28,700	23,749	23,836	25,278	119,650	101,563	84,303	16,880	-
Income (loss) before income taxes	1,223	120.1%	2,241	(3,170)	(35,967)	(3,881)	1,018	(4,631)	(642)	(3,182)	1,096	(42,000)	(7,359)	(3,630)	3,081	-
Incentive compensation as % of revenue	7.6 p.p.		50.5%	49.5%	49.0%	46.0%	42.9%	60.1%	53.5%	45.9%	46.8%	46.4%	51.6%	52.4%	45.6%	-
Total compensation exp. as % of revenue ⁽¹⁴⁾⁽²²⁾	5.7 p.p.		54.5%	56.4%	56.4%	52.7%	48.8%	64.1%	57.9%	51.9%	51.5%	53.0%	56.4%	58.7%	53.6%	-
Non-compensation exp. as % of revenue	(10.0) p.p.		37.2%	62.0%	261.1%	68.4%	47.2%	55.0%	44.8%	63.0%	44.2%	101.0%	51.2%	45.0%	30.6%	-
Total expenses as % of revenue	(4.4) p.p.		91.7%	118.4%	317.5%	121.1%	96.0%	119.1%	102.7%	114.9%	95.7%	154.1%	107.6%	103.7%	84.2%	-
Pre-tax profit margin	4.3 p.p.		8.2%	(18.4)%	(217.5)%	(21.1)%	4.0%	(19.1)%	(2.7)%	(14.9)%	4.3%	(54.1)%	(7.6)%	(3.7)%	15.8%	-
Number of employees	(17)	(10.1)%	152	151	152	176	169	163	161	162	170	151	163	163	150	-

Supplementary Information Excluding Significant Items (Non-GAAP) ⁽¹⁹⁾

	Q1/10 vs. Q1/09		Q1/10								FY09					
	(decrease)		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Revenue	1,558	6.1%	27,179	17,212	16,533	18,284	25,621	24,069	23,107	20,654	26,374	77,650	94,204	80,673	19,961	-
Total expenses	335	1.4%	24,938	20,382	21,311	22,165	24,603	28,700	23,749	23,836	25,278	88,461	101,563	84,303	16,880	-
Income (loss) before income taxes	1,223	120.1%	2,241	(3,170)	(4,778)	(3,881)	1,018	(4,631)	(642)	(3,182)	1,096	(10,811)	(7,359)	(3,630)	3,081	-

Note: Please find notes on Page 12.



Canaccord group of companies
Consolidated balance sheet

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

	Q1/10 vs. Q4/09		Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
	Increase (decrease)	%														
Assets																
Cash and cash equivalents	33,095	4.7%	734,268	701,173	684,463	521,322	555,017	435,649	421,783	379,680	329,584	701,173	435,649	506,640	370,507	349,700
Securities owned, at market	35,339	26.4%	169,030	133,691	72,938	56,055	117,013	92,796	164,388	227,368	225,734	133,691	92,796	348,764	203,020	160,348
Accounts receivable	105,449	9.9%	1,166,610	1,061,161	806,402	1,227,426	1,525,096	1,422,917	1,260,869	1,829,712	2,052,737	1,061,161	1,422,917	1,672,035	1,539,998	1,068,757
Income taxes recoverable	(6,031)	(25.4)%	17,740	23,771	29,887	19,772	19,440	11,083	2,758	661	-	23,771	11,083	-	-	-
Future income taxes	(2,322)	(14.8)%	13,358	15,680	13,657	11,566	10,725	28,207	10,630	9,940	7,761	15,680	28,207	11,021	10,769	3,992
Investments	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-
Investment in asset backed commercial paper	(894)	(2.5)%	34,418	35,312	23,160	29,860	29,860	29,860	34,501	-	-	35,312	29,860	-	-	-
Equipment and leasehold improvements	(1,945)	(4.2)%	44,366	46,311	44,178	39,254	39,575	40,686	39,939	40,137	39,231	46,311	40,686	37,549	25,750	13,750
Notes receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,618
Goodwill and other intangibles	-	-	-	-	-	31,815	32,167	32,520	32,873	33,227	33,580	-	32,520	33,933	27,929	-
Total assets	162,691	8.0%	2,184,790	2,022,099	1,679,685	1,942,070	2,333,893	2,098,718	1,972,741	2,525,725	2,693,627	2,022,099	2,098,718	2,609,942	2,177,973	1,638,165
Liabilities and shareholders' equity																
Bank indebtedness	30,188	39.9%	105,788	75,600	39,040	6,854	-	15,038	-	48,130	2,265	75,600	15,038	-	4,684	-
Securities sold short, at market	(23,108)	(29.1)%	56,318	79,426	62,151	15,194	32,227	13,757	96,383	48,784	85,222	79,426	13,757	41,176	37,169	105,527
Accounts payable and accrued liabilities	152,919	10.4%	1,622,288	1,469,369	1,195,533	1,480,714	1,836,764	1,687,479	1,461,130	2,021,498	2,189,371	1,469,369	1,687,479	2,156,540	1,832,956	1,262,072
Income taxes payable	-	-	-	-	-	-	-	-	-	-	2,528	-	-	15,035	15,334	6,737
Notes payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,618
Subordinated debt	(10,000)	(0.40)%	15,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	-	-
Shareholders' equity	12,692	3.4%	385,396	372,704	357,961	414,308	439,902	357,444	390,228	382,313	389,241	372,704	357,444	372,191	287,830	222,211
Total liabilities and shareholders' equity	162,691	8.0%	2,184,790	2,022,099	1,679,685	1,942,070	2,333,893	2,098,718	1,972,741	2,525,725	2,693,627	2,022,099	2,098,718	2,609,942	2,177,973	1,638,165

Note: Please find notes on Page 12.



Miscellaneous operational statistics

(Unaudited, for the period ended)

	Q1/10 vs. Q1/09		Q1/10 vs. Q1/09								FY09 vs. FY05					
	Increase	(decrease)	Q1/10	Q4/09	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	FY09	FY08	FY07	FY06	FY05
Number of employees in Canada																
Number in Canaccord Adams	(47)	(18.7)%	204	209	211	248	251	253	254	264	260	209	253	246	233	209
Number in Private Client Services	(72)	(9.5)%	688	700	725	744	760	762	772	784	757	700	762	728	689	657
Number in Corporate and Other	(46)	(11.7)%	347	356	365	393	393	380	373	370	366	356	380	360	335	324
Total Canada	(165)	(11.8)%	1,239	1,265	1,301	1,385	1,404	1,395	1,399	1,418	1,383	1,285	1,395	1,334	1,257	1,190
Number of employees in UK																
Number in Canaccord Adams	(7)	(5.6)%	118	114	117	127	125	125	116	109	104	114	125	93	81	70
Number of employees in US																
Number in Canaccord Adams	(17)	(10.1)%	152	151	152	176	169	163	161	162	170	151	163	163	150	0
Number of employees firm wide ⁽²⁴⁾	(189)	(11.1)%	1,509	1,530	1,570	1,688	1,698	1,683	1,676	1,689	1,657	1,530	1,683	1,590	1,488	1,260
Number of Advisory Teams ⁽¹⁹⁾	(19)	(5.4)%	335	338	347	341	354	354	377	378	373	338	354	368	365	343
Number of licenced professionals	(59)	(7.1)%	773	790	809	818	832	852	859	865	840	790	852	817	763	710
Number of PCS client accounts	(9,229)	(5.2)%	166,747	167,659	171,199	173,949	175,976	175,570	173,599	170,879	170,054	167,659	175,570	156,003	155,404	144,451
Assets under mgmt. (\$millions) ⁽²⁾	(304)	(40.7)%	443	393	454	609	747	730	760	777	815	393	730	807	613	380
Assets under admin. (\$millions)	(4,354)	(29.6)%	10,341	9,184	9,030	11,584	14,695	14,295	14,860	15,288	15,701	9,184	14,295	15,014	14,310	9,867
AUA per Advisory Team (\$ millions) ⁽¹⁹⁾	(11)	(25.6)%	31	27	26	34	42	40	39	40	42	27	40	41	39	29
Number of companies with Canaccord Adams Limited as Broker																
London Stock Exchange (LSE)	4	80.0%	9	9	7	5	5	5	4	4	3	9	5	1	1	6
Alternative Investment Market (AIM)	(9)	(15.5)%	49	51	55	55	58	60	60	58	57	51	60	58	53	51
Total Broker	(5)	(7.9)%	58	60	62	60	63	65	64	62	60	60	65	59	54	57
Number of companies with Canaccord Adams Limited as Nomad / Financial Adviser ⁽²⁵⁾																
LSE	n.m.	n.m.	0	0	0	0	0	1	1	0	1	0	1	0	1	4
AIM	(7)	(14.6)%	41	42	46	45	48	51	50	51	49	42	51	50	49	47
Total Nomad / Financial Adviser	(7)	(14.6)%	41	42	46	45	48	52	51	51	50	42	52	50	50	51

Note: Please find notes on Page 12.



Financial Post Data Group League Table ⁽²⁵⁾

Q1/10 vs. Q1/09:

Q1/10 (April 1, 2009 - June 30, 2009)								Q1/09 (April 1, 2009 - June 30, 2009)							
Manager	# of deals led	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)	Manager	# of deals led	Market share	Rank by mkt. share	Total proceeds (led transactions) (\$000's)	Participation in # of deals	Rank by # of deals	Total proceeds (\$000's)
GMP Securities L.P	23	11.1%	1	1,198,820	45	6	673,590	Canaccord Adams ⁽²⁶⁾	33	16.3%	1	907,468	68	1	6,327,881
Canaccord Adams⁽²⁶⁾	23	11.1%	2	551,816	74	1	1,538,536	RBC Capital Markets	13	6.4%	2	3,029,998	33	6	6,969,437
CIBC World Markets Inc.	16	7.7%	3	1,584,870	54	3	1,363,770	CIBC World Markets Inc.	12	5.9%	3	1,908,439	38	4	6,316,048
RBC Capital Markets	14	6.8%	4	1,537,260	48	5	1,260,600	GMP Securities L.P.	11	5.4%	4	617,390	30	8	1,603,922
BMO Capital Markets	13	6.3%	5	1,187,870	50	4	966,760	BMO Capital Markets	9	4.4%	5	2,451,039	38	3	6,951,294
Cormark Securities Inc.	12	5.8%	6	418,420	26	10	272,970	TD Securities Inc.	8	3.9%	6	2,642,653	35	5	6,757,176
Scotia Capital Inc.	11	5.3%	7	1,001,510	56	2	1,106,180	Raymond James Ltd.	8	3.9%	7	396,680	23	9	1,889,197
TD Securities Inc.	9	4.3%	8	1,589,410	38	9	1,018,030	National Bank Financial Inc.	7	3.4%	8	667,464	39	2	6,631,254
Dundee Securities Corporation	7	3.4%	9	249,950	40	8	316,710	Scotia Capital Inc.	5	2.5%	9	1,160,247	32	7	6,883,153
National Bank Financial Inc.	6	2.9%	10	181,730	43	7	707,500	Macquarie Capital Markets	3	1.5%	10	249,109	18	10	1,096,027
Others	73	35.3%		4,181,760				Others	94	46.3%		1,574,300			
	207	100.0%							203	100.0%					

Source: FPinformart and Company Information

Note: Please find notes on Page 12.



Canaccord Group of Companies
Notes

- (1) Financial results are expressed in C\$ thousands, except for assets under management, assets under administration, common share information, financial ratios, number of employees, PCS client accounts and investment advisors teams.
- (2) AUM are 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 offered by Canaccord.
- (3) Book value per diluted share is calculated as total shareholders' equity less redeemable preferred shares divided by the number of diluted shares outstanding.
- (4) In Q4/07, the definition of diluted shares outstanding was revised to include shares related to share issuance commitment.
- (5) Excludes shares relating to share purchase loans for recruitment and retention programs and unvested shares purchased by employee benefit trust for LTIP.
- (6) Includes shares relating to share purchase loans for recruitment and retention programs and unvested shares purchased by employee benefit trust for LTIP.
- (7) Includes dilutive earned shares under our stock-based compensation plan.
- (8) This is the diluted share number used to calculate diluted EPS.
- (9) Special distributions per 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 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) The price to earnings multiple is calculated based on the end of period share price and 12-month trailing diluted EPS.
- (12) The price to book ratio is calculated based on the end of period share price and book value per diluted share.
- (13) Incentive compensation includes National Health Insurance tax applicable to the UK and is based on a percentage of incentive compensation payout.
- (14) 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.
- (15) Excludes ABCP fair value adjustment, Canaccord relief program, Impairment of goodwill and intangibles and Restructuring costs.
- (16) Canaccord's UK operations include activities related to Canaccord Adams Limited, engaged in capital markets activities in the United Kingdom. Revenue derived from capital markets activity outside of Canada, the US and the UK is reported as Other Foreign Location.
- (17) Income (loss) before income taxes excludes allocated overhead expenses which are included in Corporate and Other segment expenses.
- (18) Starting in fiscal 2008, we are reporting fee-based revenue which includes fees earned in separately managed, advisor managed and fee-based accounts. We are also including mutual fund and segregated fund trailer revenue in this calculation. This method of calculating fee-based revenue may differ from approaches used by other companies and therefore may not be comparable. Historical figures prior to Q4/08 have been restated.
- (19) Upon reviewing the population of Investment Advisors (IAs), it was determined that IAs will be reported as IA teams excluding rookies that have been licensed three years or less, and therefore, historical statistics prior to Q4/08 have been reclassified.
- (20) Canaccord's Canadian operations include activities related to Canadian Private Client Services, capital markets activities in Canada delivered through Canaccord Adams (a division of Canaccord Capital Corporation, our principal Canadian operating subsidiary), and Canadian Corporate and Other operations.
- (21) Canaccord's US operations include activities related to US Private Client Services, delivered through Canaccord Capital Corporation (USA), Inc., and US capital markets operations, delivered through Canaccord Adams Inc. US Other operations, also delivered through Canaccord Capital Corporation (USA), Inc., include revenue and expenses not specifically allocable to US Private Client Services and US Canaccord Adams.
- (22) Total compensation in Canaccord Adams Inc. also includes retention costs from the Adams Harkness acquisition.
- (23) A company listed on AIM is required to retain a Nominated Adviser (commonly referred to as Nomad) during the company's life on the market. Nominated Advisers are responsible, amongst other duties, for warranting that a company is appropriate for joining AIM. The Nomad is similar to a Financial Adviser on the LSE, but is specific to AIM.
- (24) The employee count excludes temporary employees and those on long term disability but includes employees on leave of absence.
- (25) League table includes all transactions \$1.5 million and greater listed on the Canadian exchanges and all Canadian issuer transactions listed on any foreign exchanges. Total proceeds for number of deals led is achieved by using full credit for the lead, or divided evenly with joint book runners, and total proceeds for participation is achieved using bonus credit for participants.
- (26) In addition to the transactions participated by its Canadian operation, Canaccord's figures also include deals transacted by its UK, and US operations.