## CANACCORDFinancial

## Canaccord Capital Inc.

## Supplementary Financial Information

Second Quarter Fiscal 2010
For the period ended September 30, 2009
(Unaudited and in Canadian dollars)

Investor Relations Department
For further information, contact:

## CANACCORL Financial

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## Advisory note:

This document is not audited and should be read in conjunction with the Second Quarter Fiscal 2010 Quarterly Report to Shareholders (unaudited) dated November 5, 2009, and the Annual Report dated May 20, 2009. Canaccord's fiscal year end is defined as March 31st of each year. Canaccord's second quarter fiscal 2010 ended September 30 , 2009 is also referred to as $\mathrm{Q} 2 / 10$ 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: net income after intersegment allocated costs, 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) ${ }^{(1)}$ | Q2/10 vs. Q2/09 <br> Increase (decrease) |  | 0210 0110 |  | Q4109 | Q309 | Q2109 | Q109 | Q4108 | Q3108 | Q2108 | 6 Months Ended |  |  |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Q2110 | Q2109 |  |  |  |  |  |  |  | Increase (d) |  |  |  |  |  |  |
|  | 12,915 | 11.6\% |  |  | 123,744 | 137,463 | 106,996 | 87,188 | 110,829 | 172,708 | 143,446 | 183,354 | 158,869 | 261,207 | 283,537 | $(22,330)$ | (7.9)\% | 477,721 | 731,539 | 756,914 | 583,415 | 432,778 |
| Expenses | 78 | 0.1\% | 115,883 | 121,468 | 100,311 | 159,625 | 115,805 | 149,179 | 194,004 | 159,043 | 139,741 | 237,351 | 264,984 | $(27,633)$ | (10.4)\% | 524,920 | 680,008 | 618,717 | 464,385 | 360,022 |
| Income taxes (recovery) | 693 | 164.2\% | 1,115 | 6,883 | 3,019 | $(10,059)$ | 422 | 7,070 | $(15,404)$ | 9,263 | 6,717 | 7,998 | 7,492 | 506 | 6.8\% | 452 | 20,197 | 44,741 | 37,880 | 24,177 |
| Net income (loss) | 12,144 | n.m. | 6,746 | 9,112 | 3,666 | $(62,378)$ | $(5,398)$ | 16,459 | $(35,154)$ | 15,048 | 12,411 | 15,858 | 11,061 | 4,797 | 43.4\% | $(47,651)$ | 31,334 | 93,456 | 81,150 | 48,579 |
| Balance sheet information |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets | 1,464,935 | 75.4\% | 3,407,005 | 2,184,790 | 2,022,099 | 1,679,685 | 1,942,070 | 2,333,893 | 2,098,718 | 1,972,741 | 2,525,725 | 3,407,005 | 1,942,070 | 1,464,935 | 75.4\% | 2,022,099 | 2,098,718 | 2,609,942 | 2,177,973 | 1,638,165 |
| Total liabilities | 1,491,018 | 97.6\% | 3,018,780 | 1,799,394 | 1,649,395 | 1,321,724 | 1,527,762 | 1,893,991 | 1,741,274 | 1,582,513 | 2,143,412 | 3,018,780 | 1,527,762 | 1,491,018 | 97.6\% | 1,649,395 | 1,741,274 | 2,237,751 | 1,890,143 | 1,415,954 |
| Total shareholders' equity | $(26,083)$ | (6.3)\% | 388,225 | 385,396 | 372,704 | 357,961 | 414,308 | 439,902 | 357,444 | 390,228 | 382,313 | 388,225 | 414,308 | $(26,083)$ | (6.3)\% | 372,704 | 357,444 | 372,191 | 287,830 | 222,211 |
| Client assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Assets under mgmt. (\$ millions) ${ }^{(2)}$ | (156) | (25.6)\% | 453 | 443 | 393 | 454 | 609 | 747 | 730 | 760 | 777 | 453 | 609 | (156) | (25.6)\% | 393 | 730 | 807 | 613 | 380 |
| Assets under admin. (\$ millions) | (198) | (1.7)\% | 11,386 | 10,341 | 9,184 | 9,030 | 11,584 | 14,695 | 14,295 | 14,860 | 15,288 | 11,386 | 11,584 | (198) | (1.7)\% | 9,184 | 14,295 | 15,014 | 14,310 | 9,967 |
| Common share information |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Per share (\$) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic earnings (loss) | ${ }^{0.25}$ | (227.3)\% | 0.14 | 0.19 | 0.07 | (1.27) | ${ }^{(0.11)}$ | 0.35 | ${ }^{(0.80)}$ | 0.34 | 0.28 | ${ }^{0.33}$ | 0.23 | 0.10 | 43.5\% | ${ }^{(0.97)}$ | 0.70 | 2.03 | 1.82 1.74 | 1.17 |
| Diluted earnings (loss) | 0.23 | (209.1)\% | 0.12 | 0.16 | 0.07 | (1.27) | (0.11) | 0.31 | (0.80) | 0.31 | 0.26 | 0.28 | 0.21 | 0.07 | 33.3\% | (0.97) | 0.64 | 1.94 | 1.74 | 1.11 |
| Book value per diliuted share ${ }^{(3)(4)}$ | -0.37 | (5.2)\% | 6.78 | 6.73 | 6.51 | 6.37 | 7.15 | 7.66 | 7.21 | 7.95 | 7.83 | 6.78 | 7.15 | (0.37) | (5.2)\% | 6.51 | 7.21 | 7.74 | 5.99 | 4.82 |
| Share price (\$) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| High | 1.38 | 14.8\% | 10.71 | 8.41 | 5.53 | 8.19 | 9.33 | 11.75 | 16.33 | 20.58 | 22.49 | 10.71 | 11.75 | (1.04) | (8.9)\% | 11.75 | 25.92 | 27.50 | 21.25 | ${ }^{11.10}$ |
| Low | 0.02 | 0.3\% | 6.70 | 5.30 | 3.50 | 2.87 | 6.68 | 7.60 | 8.60 | 13.30 | 16.25 | 5.30 | 7.06 | (1.76) | (24.9)\% | 2.87 | 8.60 | 15.80 | 9.00 | 7.96 |
| Close | 2.22 | 27.8\% | 10.20 | 6.95 | 5.40 | 4.04 | 7.98 | 7.95 | 9.80 | 15.30 | 18.98 | 10.20 | 7.98 | 2.22 | 27.8\% | 5.40 | 9.80 | 22.12 | 20.80 | 10.48 |
| Shares outstanding (thousands) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Issued shares excluding unvested shares ${ }^{(5)}$ | 407 | 0.8\% | 48,681 | 49,118 | 49,343 | 49,108 | 48,274 | 50,069 | 43,873 | 44,191 | 44,548 | 48,681 | 48,274 | 407 | 0.8\% | 49,343 | 43,873 | 45,973 | 45,746 | 45,413 |
| Issued and outstanding ${ }^{(6)}$ | 806 | 1.5\% | 55,359 | 55,234 | 55,093 | 54,636 | 54,553 | 54,591 | 47,835 | 47,835 | 47,866 | 55,359 | 54,553 | 806 | 1.5\% | 55,093 | 47,835 | 47,832 | 47,827 | 46,129 |
| Diluted shares ${ }^{(7)}$ | (755) | (1.3)\% | 57,226 | 57,245 | 57,251 | 56,210 | 57,981 | 57,466 | 49,556 | 49,096 | 48,830 | 57,226 | 57,981 | (755) | (1.3)\% | 57,251 | 49,556 | 48,084 | 48,017 | 46,129 |
| Average outstanding - basic | (485) | (1.0)\% | ${ }^{48,536}$ | ${ }^{48,165}$ | 49,352 | ${ }^{49,073}$ | 49,021 | 47,519 | 44,165 | 44,442 | 44,972 | 48,421 | 48,248 | 173 | 0.4\% | 48,929 | 44,778 | 45,969 | 44,606 | 41,635 |
| Average diluted ${ }^{(8)}$ | 451 | 0.8\% | 55,590 | 55,331 | 54,748 | 55,219 | 55,139 | 52,720 | 48,490 | 48,324 | 48,270 | 55,445 | 53,956 | 1,489 | 2.8\% | 54,189 | 48,727 | 48,081 | 46,699 | 44,188 |
| Market capitaization (thousands) ${ }^{(4)}$ | 1,017 | 26.2\% | 583,705 | 397,853 | 309,155 | 227,088 | 462,688 | 456,855 | 485,649 | 751,169 | 926,793 | 583,705 | 462,688 | 121,017 | 26.2\% | 309,155 | 485,649 | 1,063,625 | 998,762 | 483,435 |
| Financial measures |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Dividends per share <br> Special distributions per share ${ }^{(9)}$ | 0.05 | n.m. n.m. n | 0.05 |  | : | $:$ | : | 0.125 | 0.125 | 0.125 | 0.125 | 0.05 | 0.125 | (0.08) | (60.0)\% | 0.125 | 0.50 | 0.36 | 0.28 | 0.26 0.15 |
| Dividend yield (closing share price) ${ }^{(9)}$ | 2.0 p.p. | n.m. | 2.0\% |  | - | - | - | 6.3\% | 5.1\% | 3.3\% | 2.6\% | 1.0\% | 3.1\% | (0.0) p.p. | (67.7)\% | 2.3\% | 5.1\% | 1.6\% | 1.3\% | 2.5\% |
| Dividend payout ratio (4) (9) | 42.4 p.p. | n.m. | 42.4\% |  | - | - | - | 43.6\% | (17.6)\% | 40.8\% | 49.2\% | 18.0\% | 64.9\% | (0.5) p.p. | (72.3)\% | (15.1)\% | 78.3\% | 18.5\% | 16.2\% | 24.7\% |
| Total shareholder return ${ }^{(010)}$ | 46.4 p.p. |  | 46.8\% | 28.7\% | 33.7\% | (49.4)\% | 0.4\% | (17.8)\% | (35.9)\% | (19.4)\% | (8.9)\% | 88.9\% | (17.5)\% | 1.1 p.p. |  | (44.2)\% | (55.5)\% | 8.3\% | 103.4\% | 5.5\% |
| Annualized ROE | 11.9 p.p. |  | ${ }^{6.9 \%}$ | 9.7\% | 4.0\% | (64.3)\% | (5.0)\% | 15.7\% | (37.8)\% | 16.2\% | 12.8\% | ${ }^{8.3 \%}$ | 5.3\% | 3.0 p.p. |  | (12.4)\% | 7.9\% | 28.4\% | 33.6\% | 23.9\% |
| Price to earnings multiple ${ }^{(11)}$ | (21.7) | n.m. | (13.6) | (6.0) | 5.7 | ${ }^{(10.9)}$ | 8.1 | 7.3 | 15.8 | 7.8 | 8.9 | (13.6) | 8.1 | (21.7) | n.m. | 5.7 | 15.8 | 11.4 | 12.0 | 9.5 |
| Price to book ratio ${ }^{(12)}$ | 0.4 | 38.5\% | 1.5 | 1.0 | 0.8 | 0.6 | 1.1 | 1.0 | 1.4 | 1.9 | 2.4 | 1.5 | 1.1 | 0.4 | 36.4\% | 0.8 | 1.4 | 2.9 | 3.5 | 2.2 |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(55)}$
(Unaudited for the period ended)
(in thousands of dollars)
Financial results
Financial results
Revenue
Revenue
Expenses
Income taxes (recovery)
Net income (loss)
Per share (\$)
Basic earnings (loss)
Diluted earnings (loss)
Financial measures
Dividends per share
Special distributions per share ${ }^{(9)}$
Dividend yield (closing share price) ${ }^{(9)}$
Price to earrings multiple ${ }^{\text {(11) }}$

| Q2/10 vs. Q2109(decrease) |  |
| :---: | :---: |
| 12,915 | 11.6\% |
| 78 | 0.1\% |
| 693 | 164.2\% |
| 12,144 | n.m. |
| 0.25 | n.m. |
| 0.23 | (209.1)\% |
| 0.05 | n.m. |
| 2.0 p.p. | n.m. n.m. n. |
| 2.0 p.p. | n.m. |
| 42.4 p.p. | n.m. |
| (21.7) | n.m. |


| Q210 | Q110 | Q4109 | Q3109 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 123,744 | 137,463 | 106,996 | 87,188 | 110,829 | 172,708 | 143,446 | 183,354 | 158,869 |
| 115,883 | 121,468 | 100,169 | 108,534 | 115,805 | 149,179 | 131,632 | 154,817 | 135,342 |
| 1,115 | 6,883 | 3,063 | -5,104 | 422 | 7,070 | 4,639 | 10,704 | 8,217 |
| 6,746 | 9,112 | 3,764 | -16,242 | -5,398 | 16,459 | 7,175 | 17,833 | 15,310 |
| 0.14 | 0.19 | 0.08 | -0.33 | -0.11 | 0.35 | 0.16 | 0.40 | 0.34 |
| 0.12 | 0.16 | 0.07 | -0.33 | -0.11 | 0.31 | 0.15 | 0.36 | 0.31 |
| 0.05 |  | - | - |  | 0.125 | 0.125 | 0.125 | 0.125 |
| 2.0\% |  | . | . | - | 6.3\% | 5.1\% | 3.3\% | $2.6 \%$ |
| 42.4\% |  | - | - | - | 43.6\% | 86.3\% | 40.8\% | 49.2\% |
| (13.6) | (6.0) | 1.1 | 7.1 | 8.1 | 7.3 | 7.3 | 7.6 | 8.9 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (dec | ease) |
| 261,207 | 283,537 | -22,330 | (7.9)\% |
| 237,351 | 264,984 | -27,633 | (10.4)\% |
| 7,998 | 7,492 | 506 | 6.8\% |
| 15,858 | 11,061 | 4,797 | 43.4\% |
| 0.33 | 0.23 | 0.10 | \% |
| 0.28 | 0.21 | 0.07 | 33.3\% |
| 0.05 | 0.125 | (0.08) | (60.0)\% |
| 1.0\% | 3.1\% | (0.0) p.p. | (67.7)\% |
| 18.0\% | 64.9\% | (0.5) p.p. | (72.3)\% |
| (13.6) | 8.1 | (21.7) n. |  |


| FYo9 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 477,721 | 731,539 | 756,914 | 583,415 | 432,778 |
| 473,687 | 609,011 | 618,717 | 464,385 | 360,022 |
| 5,451 | 43,182 | 44,741 | 37,880 | 24,177 |
| (1,417) | 79,346 | 93,456 | 81,150 | 48,579 |
| (0.03) | 1.77 | 2.03 | 1.82 | 1.17 |
| (0.03) | 1.63 | 1.94 | 1.74 | 1.11 |
| 0.125 | 0.50 | 0.36 | 0.28 | 0.26 |
| 2.3\% | 5.1\% | 1.6\% | 1.3\% | 2.5\% |
| n.m. | 30.9\% | 18.5\% | 16.2\% | 24.7\% |
| 1.1 | 7.3 | 11.4 | 12.0 | 9.5 |

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

Note: Please find notes on Page 12

## CANACCORDFinancial

Canaccord Group of Companies

## Condensed consolidated statement of operations

| (Unaudited, for the period ended) (in thousands of dollars) ${ }^{(1)}$ | $\begin{gathered} \text { Q2110 vs. Q2/09 } \\ \text { Increase (decrease) } \end{gathered}$ |  | Q2110 Q110 |  | Q4109 | Q3109 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 | O210 | 6 Month | nded |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Revenue |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Commission | $(4,002)$ | (6.6)\% | 56,628 | 55,456 | 49,005 | 51,473 | 60,630 | 71,996 | 69,585 | 74,959 | 65,728 | 112,084 | 132,626 | (20,542) | (15.5)\% | 233,104 | 296,047 | 303,672 | 239,461 | 168,978 |
| Investment banking | 13,596 | 40.0\% | 47,620 | 55,886 | 39,000 | 20,198 | 34,024 | 76,147 | 49,608 | 84,910 | 73,731 | 103,506 | 110,171 | $(6,665)$ | (6.0)\% | 169,369 | 336,874 | 350,273 | 266,206 | 214,450 |
| Principal trading | 11,502 | n.m. | 11,589 | 11,470 | 8,540 | 3,781 | 87 | 5,911 | 4,168 | 387 | $(3,925)$ | 23,059 | 5,998 | 17,061 | n.m. | 18,319 | 7,443 | 31,638 | 27,388 | 13,584 |
| Interest | $(8,613)$ | (73.4)\% | 3,121 | 3,476 | 5,116 | 9,108 | 11,734 | 12,329 | 14,574 | 16,011 | 16,273 | 6,597 | 24,063 | $(17,466)$ | (72.6)\% | 38,287 | 63,168 | 57,908 | 36,914 | 26,488 |
| Other | 432 | 9.9\% | 4,786 | 11,175 | 5,335 | 2,628 | 4,354 | 6,325 | 5,511 | 7,087 | 7,062 | 15,961 | 10,679 | 5,282 | 49.5\% | 18,642 | 28,007 | 13,423 | 13,446 | 9,278 |
|  | 12,915 | 11.6\% | 123,744 | 137,463 | 106,996 | 87,188 | 110,829 | 172,708 | 143,446 | 183,354 | 158,869 | 261,207 | 283,537 | $(22,330)$ | (7.9)\% | 477,721 | 731,539 | 756,914 | 583,415 | 432,778 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Incentive compensation ${ }^{(13)}$ | 12,989 | 25.5\% | 63,966 | 68,463 | 45,003 | 43,299 | 50,977 | 82,727 | 63,479 | 90,778 | 71,416 | 132,429 | 133,704 | $(1,275)$ | (1.0)\% | 222,006 | 347,079 | 382,897 | 299,188 | 220,454 |
| Salaries and benefits | (212) | (1.5)\% | 13,983 | 13,802 | 14,316 | 12,817 | 14,195 | 15,443 | 14,718 | 12,658 | 12,649 | 27,785 | 29,638 | $(1,853)$ | (6.3)\% | 56,771 | 54,294 | 47,608 | 42,019 | 45,715 |
| Trading costs | 285 | 4.2\% | 7,002 | 7,324 | 6,565 | 6,708 | 6,717 | 6,321 | 5,829 | 7,054 | 7,249 | 14,326 | 13,038 | 1,288 | 9.9\% | 26,311 | 27,090 | 27,452 | 20,615 | 16,863 |
| Premises and equipment | 147 | 2.5\% | 6,104 | 5,882 | 6,404 | 6,549 | 5,957 | 5,785 | 5,970 | 5,781 | 5,735 | 11,986 | 11,742 | 244 | 2.1\% | 24,695 | 22,745 | 25,173 | 15,843 | 11,849 |
| Communication and technology | $(1,294)$ | (19.8)\% | 5,245 | 5,489 | 6,249 | 6,277 | 6,539 | 6,163 | 6,065 | 5,611 | 5,813 | 10,734 | 12,702 | $(1,968)$ | (15.5)\% | 25,228 | 23,228 | 21,472 | 16,598 | 14,037 |
| Interest | $(2,862)$ | (85.3)\% | 492 | 845 | 1,339 | 2,568 | 3,354 | 3,959 | 5,372 | 6,574 | 6,413 | 1,337 | 7,313 | $(5,976)$ | (81.7)\% | 11,220 | 24,527 | 20,538 | 10,914 | 7,824 |
| General and administrative | $(7,913)$ | (40.3)\% | 11,698 | 11,888 | 10,974 | 19,827 | 19,611 | 19,277 | 18,047 | 17,390 | 15,755 | 23,586 | 38,888 | $(15,302)$ | (39.3)\% | 69,689 | 69,463 | 64,182 | 46,227 | 32,171 |
| Amortization | (166) | (8.0)\% | 1,906 | 1,921 | 2,129 | 2,751 | 2,072 | 2,042 | 2,216 | 2,197 | 2,146 | 3,827 | 4,114 | (287) | (7.0)\% | 8,994 | 8,536 | 8,151 | 4,817 | 3,185 |
| Development costs | (896) | (14.0)\% | 5,487 | 5,854 | 7,190 | 7,738 | 6,383 | 7,462 | 9,936 | 6,774 | 8,166 | 11,341 | 13,845 | $(2,504)$ | (18.1)\% | 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 |  |  |  |
|  | 78 | 0.1\% | 115,883 | 121,468 | 100,311 | 159,625 | 115,805 | 149,179 | 194,004 | 159,043 | 139,741 | 237,351 | 264,984 | $(27,633)$ | (10.4)\% | 524,920 | 680,008 | 618,717 | 464,385 | 360,022 |
| Income (loss) before income taxes | 12,837 | n.m. | 7,861 | 15,995 | 6,685 | $-72,437$ | -4,976 | 23,529 | (50,558) | 24,311 | 19,128 | 23,856 | 18,553 | 5,303 | 28.6\% | -47,199 | 51,531 | 138,197 | 119,030 | 72,756 |
| Income taxes (recovery) | 693 | 164.2\% | 1,115 | 6,883 | 3,019 | -10,059 | 422 | 7,070 | $(15,404)$ | 9,263 | 6,717 | 7,998 | 7,492 | 506 | 6.8\% | 452 | 20,197 | 44,741 | 37,880 | 24,177 |
| Net income (loss) | 12,144 | n.m. | 6,746 | 9,112 | 3,666 | -62,378 | -5,398 | 16,459 | (35,154) | 15,048 | 12,411 | 15,858 | 11,061 | 4,797 | 43.4\% | -47,651 | 31,334 | 93,456 | ${ }^{81,150}$ | 48,579 |
| Incentive compensation as \% of revenue | 5.7 p.p. |  | 51.7\% | 49.8\% | 42.1\% | 49.7\% | 46.0\% | 47.9\% | 44.3\% | 49.5\% | 45.0\% | 50.7\% | 47.2\% | 3.5 p.p. |  | 46.5\% | 47.4\% | 50.6\% | 51.3\% | 50.9\% |
| Total compensation exp. as \% of revenue ${ }^{(14)}$ | 4.2 p.p. |  | 63.0\% | 59.8\% | 55.4\% | 64.4\% | 58.8\% | 56.8\% | 54.5\% | 56.4\% | 52.9\% | 61.3\% | 57.6\% | 3.7 p.p. |  | 58.4\% | 54.9\% | 56.9\% | 58.5\% | 61.5\% |
| Non-compensation exp. as \% of revenue | (15.0) p.p. |  | 30.7\% | 28.5\% | 38.3\% | 118.7\% | 45.7\% | 29.6\% | 80.7\% | 30.3\% | 35.1\% | 29.5\% | 35.8\% | (6.3) p.p. |  | 51.5\% | 38.1\% | 24.8\% | 21.1\% | 21.7\% |
| Total expenses as \% of revenue | (10.7) p.p. |  | 93.7\% | 88.3\% | 93.8\% | 183.1\% | 104.5\% | 86.4\% | 135.2\% | 86.7\% | 88.0\% | 90.8\% | 93.5\% | (2.6) p.p. |  | 109.9\% | 93.0\% | 81.7\% | 79.6\% | 83.2 |
| Pre-tax profit margin | 10.8 p.p. |  | 6.4\% | 11.6\% | 6.2\% | (83.1)\% | (4.5)\% | 13.6\% | (35.2)\% | 13.3\% | 12.0\% | 9.1\% | 6.5\% | 2.6 p.p. |  | (9.9)\% | 7.0\% | 18.3\% | 20.4\% | 16.8\% |
| Effective tax rate | 22.7 p.p. |  | 14.2\% | 43.0\% | 45.2\% | 13.9\% | (8.5)\% | 30.0\% | 30.5\% | 38.1\% | 35.1\% | 33.5\% | 40.4\% | (6.9) p.p. |  | (1.0)\% | 39.2\% | 32.4\% | 31.8\% | 33.2\% |
| Net profit margin | 10.3 p.p. |  | 5.5\% | 6.6\% | 3.4\% | (71.5)\% | (4.9)\% | 9.5\% | (24.5)\% | 8.2\% | 7.8\% | 6.1\% | 3.9\% | 2.2 p.p. |  | (10.0)\% | 4.3\% | 12.3\% | 13.9\% | 11.2\% |
| Basic earnings (loss) per share | 0.25 | n.m. | 0.14 | 0.19 | 0.07 | (1.27) | (0.11) | 0.35 | (0.80) | 0.34 | 0.28 | 0.33 | 0.23 | 0.10 | 43.5\% | (0.97) | 0.70 | 2.03 | 1.82 | 1.17 |
| Diluted earnings (loss) per share | 0.23 | n.m. | 0.12 | 0.16 | 0.07 | (1.27) | (0.11) | 0.31 | (0.80) | 0.31 | 0.26 | 0.28 | 0.21 | 0.07 | 33.3\% | (0.97) | 0.64 | 1.94 | 1.74 | 1.11 |
| Book value per diluted share | (0.37) | (5.2)\% | 6.78 | 6.73 | 6.51 | 6.37 | 7.15 | 7.66 | 7.21 | 7.95 | 7.83 | 6.78 | 7.15 | (0.37) | (5.2)\% | 6.51 | 7.21 | 7.74 | 5.99 | 4.82 |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$
(in thousands of dollars)
Revenue
Total expenses
Income (loss) before income taxes
Net income (loss)

Non-compensation exp. as \% of rever
Total expenses as \% of revenue
Pre-tax profit marain
Net profit margin
Basic earnings per share
Diluted earnings per share

| Q2/10 vs. Q2/09 Increase (decrease) |  | Q2110 | Q1/10 | Q4/09 | Q3/09 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 12,915 | 11.6\% | 123,744 | 137,463 | 106,996 | 87,188 | 110,829 | 172,708 | 143,446 | 183 | 158,869 |
| 78 | 0.1\% | 115,883 | 121,468 | 100,169 | 108,534 | 115,805 | 149,179 | 131,632 | 154,817 | 135,342 |
| 12,837 | n.m. | 7,861 | 15,995 | 6,827 | -21,346 | -4,976 | 23,529 | 11,814 | 28,537 | 23,527 |
| 12,144 | n.m. | 6,746 | 9,112 | 3,764 | -16,242 | -5,398 | 16,459 | 7,175 | 17,833 | 15,310 |
| (15.0) p.p. |  | 30.7\% | 28.5\% | 38.2\% | 60.1\% | 45.7\% | 29.5\% | 37.3\% | 28.0\% | 32.3\% |
| (10.8) p.p. |  | 93.6\% | 88.3\% | 93.6\% | 124.5\% | 104.5\% | 86.4\% | 91.8\% | 84.4\% | 85.2\% |
| 10.8 p.p. |  | 6.4\% | 11.6\% | 6.4\% | (24.5)\% | (4.5)\% | 13.6\% | 8.2\% | 15.6\% | 14.8\% |
| 10.3 p.p. |  | 5.5\% | 6.6\% | 3.5\% | (18.6)\% | (4.9)\% | 9.5\% | 5.0\% | 9.7\% | 9.6\% |
| 0.25 | n.m. | 0.14 | 0.19 | 0.08 | (0.33) | (0.11) | 0.35 | 0.16 | 0.40 | 0.34 |
| 0.23 | n.m. | 0.12 | 0.16 | 0.07 | (0.33) | (0.11) | 0.31 | 0.15 | 0.36 | 0.31 |


| 6 Months Ended |  |  |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |  |  |  |  |  |
| 261,207 | 283,537 | $(22,330)$ | (7.9)\% | 477,721 | 731,539 | 756,914 | 583,415 | 432,778 |
| 237,351 | 264,984 | $(27,633)$ | (10.4)\% | 473,687 | 609,011 | 618,717 | 464,385 | 360,022 |
| 23,856 | 18,553 | 5,303 | 28.6\% | 4,034 | 122,528 | 138,197 | 119,030 | 72,756 |
| 15,858 | 11,061 | 4,797 | 43.4\% | -1,417 | 79,346 | 93,456 | 81,150 | 48,579 |
| 29.5\% | 35.8\% | (6.3) p.p. |  | 40.8\% | 28.4\% | 24.8\% | 21.1\% | 21.7\% |
| 90.9\% | 93.5\% | (2.6) p.p. |  | 99.2\% | 83.3\% | 81.7\% | 79.6\% | 83.2\% |
| 9.1\% | 6.5\% | 2.6 p.p. |  | 0.8\% | 16.7\% | 18.3\% | 20.4\% | 16.8\% |
| 6.1\% | 3.9\% | 2.2 p.p. |  | (0.3)\% | 10.8\% | 12.3\% | 13.9\% | 11.2\% |
| 0.33 | 0.23 | 0.10 | 43.5\% | (0.03) | 1.77 | 2.03 | 1.82 | 1.17 |
| 0.28 | 0.21 | 0.07 | 33.3\% | (0.03) | 1.63 | 1.94 | 1.74 | 1.11 |

## CANACCORD Financial

Canaccord Adams

## Condensed statement of operations

(Unaudited, for the period ended)
(in thousands of dollars) ${ }^{(1)}$
Revenue
Canada
Capital Markets
Inpernational Trading
Inter
In
Registered Trad
Total Canada
UK and Other Foreign Location ${ }^{(12)}$
US ${ }^{(21)}$
Expenses
Incentive compensation ${ }^{(13)}$
Salaries and bene
Trading costs
Communication and technology
${ }^{1}$ Interest
General and administrative
Amortization
Development costs
ABCP fair value adiustmen
Impairment of goodwill and intangibles
Restructuring costs
Income (loss) before intersegment allocations and
income taxes
Intersegment Allocations
Income (loss) before income taxes
Incentive compensation as \% of revenue
Total compensation exp. as \% of revenue ${ }^{(14)}$
Total compensation exp. as \% of revenue
Non-compensation exp. as $\%$ of revenue
Total expenses as $\%$ of revenue
Pre-tax and intersegment allocation profit margin
Pre-tax profit margin

| Q2/10 vs. Q2/09 |  |
| :---: | :---: |
| 3,853 | 16.4\% |
| (585) | (17.0)\% |
| 1,147 | 180.6\% |
| 938 | 59.6\% |
| 5,353 | 18.4\% |
| 2,647 | 2.5\% |
| 12,139 | 69.5\% |
| 20,139 | 34.5\% |
| 12,763 | 42.5\% |
| (543) | (13.9)\% |
| (843) | (16.5)\% |
| (132) | (4.3)\% |
| $(1,192)$ | (31.3)\% |
| (291) | (81.5)\% |
| $(6,999)$ | (57.2)\% |
| $(1,895)$ | (51.5)\% |
|  |  |
| 868 | 1.4\% |
| 19,271 | n/a |
| 2,191 | n/a |
| 12,266 | n/a |


| Q2110 | Q1/10 | Q4109 | Q3/09 | Q2109 | Q109 | Q4/08 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 27,314 | 30,054 | 25,033 | 12,639 | 23,461 | 34,352 | 31,944 | 42,952 | 39,210 |
| 2,854 | 2,817 | 2,825 | 3,975 | 3,439 | 4,365 | 4,034 | 4,912 | 4,789 |
| 1,782 | 1,902 | 1,777 | 2,298 | 635 | 1,615 | 1,713 | 1,715 | 2,210 |
| 2,513 | 1,704 | 1,641 | 1,517 | 1,575 | 1,703 | 2,042 | 2,499 | 2,178 |
| 34,463 | 36,477 | 31,276 | 20,429 | 29,110 | 42,035 | 39,733 | 52,078 | 48,387 |
| 14,417 | 22,350 | 17,000 | 12,748 | 11,77 | 38,18 | 14,940 | 35,117 | 20,857 |
| 29,595 | 26,670 | 16,696 | 16,073 | 17,45 | 24,569 | 23,292 | 22,388 | 19,827 |
| 78,475 | 85,497 | 64,972 | 49,250 | 58,336 | 104,793 | 77,965 | 109,583 | 89,071 |
| 42,761 | 45,231 | 30,210 | 28,857 | 29,998 | 52,529 | 40,395 | 57,933 | 42,205 |
| 3,376 | 3,404 | 3,513 | 3,413 | 3,919 | 4,223 | 3,306 | 3,275 | 3,194 |
| 4,275 | 4,870 | 4,618 | 4,587 | 5,118 | 4,540 | 4,027 | 4,655 | 4,906 |
| 2,972 | 2,884 | 3,106 | 3,322 | 3,104 | 2,868 | 3,067 | 3,011 | 2,910 |
| 2,611 | 2,780 | 3,352 | 3,136 | 3,803 | 3,278 | 3,325 | 3,063 | 2,962 |
| 66 | 160 | 261 | 272 | 357 | 482 | 722 | 738 | 353 |
| 5,244 | 5,901 | 5,237 | 8,873 | 12,243 | 12,065 | 10,920 | 8,753 | 9,885 |
| 926 | 958 | 1,009 | 1,586 | 926 | 912 | 998 | 984 | 985 |
| 1,787 | 2,944 | 3,212 | 4,251 | 3,682 | 4,123 | 6,398 | 3,936 | 5,582 |
|  |  |  |  |  |  | 983 | 1,101 | 1,146 |
|  |  |  | 31,524 |  |  |  |  |  |
|  |  | 22 | 5,949 |  |  | 1,000 |  |  |
| 64,018 | 69,132 | 54,540 | 95,770 | 63,150 | 85,020 | 75,141 | 87,449 | 74,128 |
| 14,457 | 16,365 | 10,432 | -46,520 | $-4,814$ | 19,773 | 2,824 | 22,134 | 14,943 |
| 2,191 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| 12,266 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2/10 | Q2109 | Increase (decrease) |  |
| 57,368 | 57,813 | (445) | (0.8)\% |
| 5,671 | 7,804 | $(2,133)$ | (27.3)\% |
| 3,684 | 2,250 | 1,434 | 63.7\% |
| 4,217 | 3,278 | 939 | 28.6\% |
| 70,940 | 71,145 | (205) | (0.3)\% |
| 36,767 | 49,959 | $(13,192)$ | (26.4)\% |
| 56,265 | 42,025 | 14,240 | 33.9\% |
| 163,972 | 163,129 | 843 | 0.5\% |
| 87,992 | 82,527 | 5,465 | 6.6\% |
| 6,780 | 8,142 | $(1,362)$ | (16.7)\% |
| 9,145 | 9,658 | (513) | (5.3)\% |
| 5,856 | 5,972 | (116) | (1.9)\% |
| 5,391 | 7,081 | $(1,690)$ | (23.9)\% |
| 226 | 839 | (613) | (73.1)\% |
| 11,145 | 24,308 | $(13,163)$ | (54.2)\% |
| 1,884 | 1,838 | 46 | 2.5\% |
| 4,731 | 7,805 | $(3,074)$ | (39.4)\% |
| - | - | - |  |
|  |  |  |  |
| 133,150 | 148,170 | $(15,020)$ | (10.1)\% |
| 30,822 | 14,959 | 15,863 | 106.0\% |
| n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 95,485 | 176,655 | 187,562 | 150,470 | 95,559 |
| 14,604 | 19,722 | 24,177 | 20,940 | 15,452 |
| 6,325 | 7,368 | 7,878 | 9,124 | 4,275 |
| 6,436 | 8,840 | 7,707 | 8,540 | 8,278 |
| 122,850 | 212,585 | 227,324 | 189,074 | 123,564 |
| ,707 | 128,269 | 145,749 | 125,900 | 116,090 |
| 74,794 | 90,788 | 76,644 | 18,692 |  |
| 277,351 | 431,642 | 449,717 | 333,666 | 239,654 |
| 141,594 | 216,736 | 233,582 | 175,604 | 125,030 |
| 15,068 | 13,794 | 11,193 | 8,435 | 16,577 |
| 18,863 | 18,029 | 16,982 | 10,095 | 6,951 |
| 0 | 601 | 14,129 | 5,886 | 880 |
| 13,569 | 12,229 | 10,347 | 6,727 | 5,252 |
| 1,372 | 2,407 | 2,717 | 1,789 | 611 |
| 38,418 | 39,955 | 34,853 | 19,998 | 13,448 |
| 4,433 | 3,878 | 3,921 | 1,910 | 1,204 |
| 15,268 | 20,208 | 10,723 | 1,239 | 682 |
|  | 3,230 |  |  |  |
| 31,524 |  |  |  |  |
| 5,971 | 1,000 |  |  |  |
| 298,480 | 343,067 | 338,447 | 231,683 | 173,735 |
| -21,129 | 88,575 | 111,270 | 101,983 | 65,919 |
| n/a | n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a | n/a |
| 51.1\% | 50.2\% | 51.9\% | 52.6\% | 52.2\% |
| 56.5\% | 53.4\% | 54.4\% | 55.2\% | 59.1\% |
| 51.1\% | \% | 9\% | 2\% | 4\% |
| 107.6\% | 79.5\% | 75.3\% | 69.4\% | 72.5\% |
| (7.6)\% | 20.5\% | 24.7\% | 30.6\% | 27.5\% |
| n/a | n/a | n/a | n/a | n/a |
| 474 | 541 | 502 | 464 | 279 |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$

| (in thousands of dollars) | Q2/10 vs. Q2/09Increase (decrease) |  | Q2110 | Q1/10 | Q4109 | Q3/09 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 | 6 Months Ended |  |  |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Q2110 |  |  |  |  |  |  |  |  | Q2109 | Increase (d | ease) |  |  |  |  |  |
| Revenue | 20,139 | 34.5\% |  | 78,475 | 85,497 | 64,972 | 49,250 | 58,336 | 104,793 | 77,965 | 109,583 | 89,071 | 163,972 | 163,129 | 843 | 0.5\% | 277,351 | 431,642 | 449,717 | 333,666 | 239,654 |
| Total expenses | 868 | 1.4\% | 64,018 | 69,132 | 54,518 | 58,297 | 63,150 | 85,020 | 73,158 | 86,348 | 72,982 | 133,150 | 148,170 | -15,020 | (10.1)\% | 260,985 | 338,837 | 338,447 | 231,683 | 173,735 |
| Income (loss) before intersegment allocations and income taxes | 19,27 | n.m. | 14,4 | 16,365 | 10,4 | -9,0 | -4,8 | 19,773 | 4,807 | 23,2 | 16,089 | 30, | 14,959 | 15 | 106.0\% | 366 | 92,805 | 111,270 | 101,983 | 65,919 |
| Non-compensation exp. as \% of revenue | (27.3) p.p. |  | 22.8\% | 24.0\% | 32.0\% | 52.8\% | 50.1\% | 27.0\% | 37.8\% | 22.9\% | 31.0\% | 23.4\% | 35.2\% | (11.8) p.p. |  | 37.6\% | 25.1\% | 20.9\% | 14.2\% | 13.4\% |
| Total expenses as \% of revenue | (26.7) p.p. |  | 81.6\% | 80.9\% | 83.9\% | 118.4\% | 108.3\% | 81.1\% | 93.8\% | 78.8\% | 81.9\% | 81.2\% | 90.8\% | (9.6) p.p. |  | 94.1\% | 78.5\% | 75.3\% | 69.4\% | 72.5\% |
| Pre-tax and intersegment allocation profit margin | 26.7 p.p. |  | 18.4\% | 19.1\% | 16.1\% | (18.4)\% | (8.3)\% | 18.9\% | 6.2\% | 21.2\% | 18.1\% | 18.8\% | 9.2\% | 9.6 p.p. |  | 5.9\% | 21.5\% | 24.7\% | 30.6\% | 27.5\% |

## CANACCORDFinancial

Canaccord Wealth Management

## Condensed statement of operations

(Unaudited, for the period ended)
(in thousands of dollars) ${ }^{(1)}$
Revenue
Canada
US ${ }^{(21)}$
Expenses
Incentive compensation
Trading costs
Premises and equipment
Communication and technology
Interest
General and administrative
Amortization
Canaccord relief program
Restructuring costs
Income (loss) before intersegment allocations and
Intersegment Allocations
Income (loss) before income taxes
CWM fee-related revenue ${ }^{(88)}$
Incentive compensation as \% of revenue
Total compensation exp. as $\%$ of revenue ${ }^{(14)}$
Non-compensation exp. as $\%$ of revenue
Total expenses as $\%$ of revenue
Pre-tax and intersegment allocation profit margin Pre-tax profit margin

Assets under mgmt. (\$ millions) ${ }^{(2)}$
Number of employees
Number of employees
Number of CWM client accounts

| Q2110 vs. Q2109 Increase (decrease) |  |
| :---: | :---: |
| $(3,420)$ | (8.0)\% |
| (286) | (34.5)\% |
| $(3,706)$ | (8.5)\% |
| (748) | (3.7)\% |
| 883 | 25.4\% |
| 514 | 32.0\% |
| 373 | 21.9\% |
| (62) | (4.0)\% |
| $(2,355)$ | (95.8)\% |
| (745) | (23.2)\% |
| 207 | 50.4\% |
| 1,235 | 89.6\% |
|  |  |
| (698) | (1.9)\% |
| $(3,008)$ | (37.9)\% |
| 8,219 | n/a |
| $(3,294)$ | n/a |


| Q2110 | Q1/10 | Q4109 | Q3109 | Q2109 | Q109 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 39,596 | 39,676 | 36,739 | 33,072 | 43,016 | 56,801 | 53,686 | 60,447 | 56,588 |
| 2 | 9 | 6 | 460 | 828 | 52 | 777 | 19 | 827 |
| 40,138 | 40,185 | 37,255 | 33,532 | 43,844 | 57,853 | 54,463 | 61,166 | 57,415 |
| 19,368 | 18,643 | 13,122 | 14,195 | 20,116 | 26,950 | 24,166 | 28,443 | 25,351 |
| 4,360 | 4,246 | 4,505 | 3,057 | 3,477 | 3,781 | 4,683 | 3,272 | 3,510 |
| 2,120 | 2,156 | 1,697 | 1,856 | 1,606 | 1,849 | 1,694 | 2,331 | 2,158 |
| 2,075 | 1,951 | 1,822 | 1,632 | 1,702 | 1,632 | 1,630 | 1,605 | 1,605 |
| 1,494 | 1,536 | 1,630 | 1,590 | 1,556 | 1,639 | 1,59 | 1,5 | 1,573 |
| 104 | 243 | 671 | 1,758 | 2,459 | 2,915 | 4,124 | 5,305 | 5,435 |
| 2,461 | 3,886 | 2,268 | 7,826 | 3,206 | 3,942 | 3,477 | 3,587 | 2,594 |
| 618 | 602 | 655 | 463 | 411 | 409 | 436 | 495 | 472 |
| 2,613 | 1,905 | 2,597 | 2,312 | 1,378 | 1,566 | 1,897 | 1,550 | 1,341 |
| - |  | - | 5,347 |  |  | 54,200 | - |  |
|  |  | . | 180 |  |  | 700 | - |  |
| 35,213 | 35,168 | 28,967 | 40,216 | 35,911 | 44,683 | 98,603 | 48,132 | 44,039 |
| 4,925 | 5,017 | 8,288 | -6,684 | 7,933 | 13,170 | -44,140 | 13,034 | 13,376 |
| 8,219 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| -3,294 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 79,272 | 99,817 | (20,545) | (20.6)\% |
| 1,051 | 1,880 | (829) | (44.1)\% |
| 80,323 | 101,697 | (21,374) | (21.0)\% |
| 38,011 | 47,066 | $(9,055)$ | (19.2)\% |
| 8,606 | 7,258 | 1,348 | 18.6\% |
| 4,276 | 3,455 | 821 | 23.8\% |
| 4,026 | 3,334 | 2 | 20.8\% |
| 3,030 | 3,195 | (165) | (5.2)\% |
| 347 | 5,374 | $(5,027)$ | (93.5)\% |
| 6,347 | 7,148 | (801) | (11.2)\% |
| 1,220 | 820 | 400 | 48.8\% |
| 4,518 | 2,944 | 1,574 | 53.5\% |
|  |  |  |  |
| 70,381 | 80,594 | (10,213) | (12.7)\% |
| 9,942 | 21,103 | (11,161) | (52.9)\% |
| n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 169,628 | 245,711 | 268,590 | 223,925 | 178,176 |
| 2,856 | 3,416 | 4,029 | 1,269 |  |
| 172,484 | 249,127 | 272,619 | 225,194 | 178,176 |
| 74,383 | 115,640 | 126,668 | 105,283 | 84,396 |
| 14,820 | 15,514 | 13,626 | 13,053 | 11,158 |
| 7,008 | 8,582 | 10,157 | 9,013 | 8,802 |
| 6,788 | 6,375 | 6,153 | 5,464 | 4,653 |
| 6,415 | 6,383 | 6,338 | 6,066 | 5,819 |
| 7,803 | 19,924 | 17,751 | 7,194 | 3,711 |
| 17,242 | 12,611 | 13,678 | 12,162 | 5,080 |
| 1,938 | 1,833 | 1,648 | 1,439 | 1,087 |
| 7,853 | 6,160 | 6,071 | 4,302 | 2,798 |
| 5,347 | 54,200 |  |  |  |
| 180 | 700 |  |  |  |
| 149,777 | 247,922 | 202,090 | 163,976 | 127,504 |
| 22,707 | 1,205 | 70,529 | 61,218 | 50,672 |
| n/a | n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a | n/a |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$

| (in thousands of dollars) | $\begin{gathered} \text { Q2110 vs. Q2109 } \\ \text { Increase (decrease) } \\ \hline \end{gathered}$ |  | $\frac{\text { Q2/10 }}{40,138}$ | Q1/10 | Q4109 |  |  |  |  |  |  | 6 Months Ended |  |  |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | ${ }_{\text {Q309 }}^{33,532}$ |  |  | $\frac{\text { Q209 }}{43,844}$ | ${ }_{\text {Q109 }}^{57}$ | $\frac{\text { Q4/08 }}{54,463}$ | $\frac{\text { Q3108 }}{61,166}$ | $\frac{\text { Q208 }}{57.415}$ | $\frac{\text { Q2110 }}{80,323}$ | ${ }_{\text {Q209 }}$ 101,697 | ${ }_{\text {Increase }}(21,374)$ | $\frac{\text { ease) }}{(21.0) \%}$ | ${ }^{\text {Fro9 }}$ | ${ }^{\text {FY08 }}$ | ${ }_{\text {Fro7 }}$ | ${ }^{\text {Fro6 }}$ |  |
| Total expenses | (698) | (1.9)\% |  | 35,213 | 35,168 | 28,967 | 34,689 | 35,911 | 44,683 | 43,703 | 48,132 | 44,039 | 70,381 | 80,594 | $(10,213)$ | (12.7)\% | 144,250 | 193,022 | 202,090 | 163,976 | 127,504 |
| income taxes | $(3,008)$ | (37.9)\% | 4,925 | 5,017 | 8,288 | -1,157 | 7,933 | 13,170 | 10,760 | 13,034 | 13,376 | 9,942 | 21,103 | (11,161) | (52.9)\% | 28,234 | 56,105 | 70,529 | 61,218 | 50,672 |
| Non-compensation exp. as \% of revenue | 0.5 p.p. |  | 28.6\% | 30.6\% | 30.4\% | 52.0\% | 28.1\% | 24.1\% | 27.3\% | 26.8\% | 26.4\% | 29.6\% | 25.8\% | 3.8 p.p. |  | 31.9\% | 24.8\% | 22.6\% | 20.3\% | 18.0\% |
| Total expenses as \% of revenue | 5.8 p.p. |  | 87.7\% | 87.5\% | 77.8\% | 103.5\% | 81.9\% | 77.2\% | 80.2\% | 78.7\% | 76.7\% | 87.6\% | 79.2\% | 8.4 p.p. |  | 83.6\% | 77.5\% | 74.1\% | 72.8\% | 71.6\% |
| Pre-tax and intersegment allocation profit margin | (5.8) p.p. |  | 12.3\% | 12.5\% | 22.2\% | (3.5)\% | 18.1\% | 22.8\% | 19.8\% | 21.3\% | 23.3\% | 12.4\% | 20.8\% | (8.4) p.p. |  | 16.4\% | 22.5\% | 25.9\% | 27.2\% | 28.4\% |

## CANACCORDFinancial

## Corporate and Other segment

## Condensed statement of operations

(Unaudited, for the period ended)
Revenue $^{\text {(in thousands of dollars) }{ }^{(1)} \text { ) }}$
Canada
Expenses
Incentive compensation
Salaries and benefits
Salaries and b
Trading costs
Premises and equipment
Communication and technology
Interest
General and administrative
Amortization
Development
Gains on disposal of invts \& claims ABCP fair value adjustment
Restructuring costs
ncome (loss) before intersegment allocations an income taxes

Intersegment Allocations to Canaccord Adam Intersegment Allocations to Canaccord Wealth Management

Income (loss) before income taxes
Number of employees

| $\begin{aligned} & \text { Q2110 vs. Q2109 } \\ & \text { Increase (decrease) } \end{aligned}$ |  | Q2110 | Q110 | Q4109 | Q3109 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $(3,518)$ | (40.7)\% | 5,131 | 11,781 | 4,769 | 4,406 | 8,649 | 10,062 | 11,018 | 12,605 | 12,383 |
| $(3,518)$ | (40.7)\% | 5,131 | 11,781 | 4,769 | 4,406 | 8,649 | 10,062 | 11,018 | 12,605 | 12,383 |
| 974 | 112.9\% | 1,837 | 4,589 | 1,671 | 247 | 863 | 3,248 | -1,082 | 4,402 | 3,860 |
| (552) | (8.1)\% | 6,247 | 6,152 | 6,298 | 6,347 | 6,799 | 7,439 | 6,729 | 6,111 | 5,945 |
| 614 | n.m. | 607 | 298 | 250 | 265 | -7 | -68 | 108 | 68 | 185 |
| (94) | (8.2)\% | 1,057 | 1,047 | 1,476 | 1,595 | 1,151 | 1,285 | 1,273 | 1,165 | 1,220 |
| (40) | (3.4)\% | 1,140 | 1,173 | 1,267 | 1,551 | 1,180 | 1,246 | 1,144 | 1,004 | 1,278 |
| (216) | (40.1)\% | 322 | 442 | 407 | 538 | 538 | 562 | 526 | 531 | 625 |
| (169) | (4.1)\% | 3,993 | 2,101 | 3,469 | 3,128 | 4,162 | 3,270 | 3,650 | 5,050 | 3,276 |
| (373) | (50.7)\% | 362 | 361 | 465 | 702 | 735 | 721 | 782 | 718 | 689 |
| (236) | (17.8)\% | 1,087 | 1,005 | 1,381 | 1,175 | 1,323 | 1,773 | 1,641 | 1,288 | 1,243 |
|  |  |  |  |  | 6,700 | - |  | 3,189 | 3,125 | 3,253 |
|  |  |  |  | 120 | 1,391 | - |  | 2,300 |  |  |
| (92) | (0.5)\% | 16,652 | 17,168 | 16,804 | 23,639 | 16,744 | 19,476 | 20,260 | 23,462 | 21,574 |
| $(3,426)$ | 42.3\% | -11,521 | -5,387 | -12,035 | -19,233 | -8,095 | -9,414 | -9,242 | -10,857 | -9,191 |
| -2,191 | n/a | -2,191 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| -8,219 | n/a | -8,219 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| $-1,111$ | n/a | -1,111 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| (34) | (8.7)\% | 359 | 352 | 356 | 365 | 393 | 393 | 380 | 373 | 370 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 16,912 | 18,711 | (1,799) | (9.6)\% |
| 16,912 | 18,711 | $(1,799)$ | (9.6)\% |
| 6,426 | 4,111 | 2,315 | 56.3\% |
| 12,399 | 14,238 | $(1,839)$ | (12.9)\% |
| 905 | -75 | 980 | n.m. |
| 2,104 | 2,436 | (332) | (13.6)\% |
| 2,313 | 2,426 | (113) | (4.7)\% |
| 764 | 1,100 | (336) | (30.5)\% |
| 6,094 | 7,432 | $(1,338)$ | (18.0)\% |
| 723 | 1,456 | (733) | (50.3)\% |
| 2,092 | 3,096 | $(1,004)$ | (32.4)\% |
|  |  |  |  |
|  |  |  |  |
| 33,820 | 36,220 | $(2,400)$ | (6.6)\% |
| -16,908 | -17,509 | 601 | (3.4)\% |
| n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a |
| 359 | 393 | (34) | (8.7)\% |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 27,886 | 50,770 | 34,578 | 24,555 | 14,948 |
| 27,886 | 50,770 | 34,5 | 24,555 | 14,948 |
| 6,029 | 14,703 | 22,647 | 18,301 | 11,028 |
| 26,883 | 24,986 | 22,789 | 20,531 | 17,980 |
| 440 | 479 | 313 | 1,507 | 1,110 |
| 5,507 | 4,769 | 4,891 | 4,493 | 3,216 |
| 5,24 | 4,616 | 4,787 | 05 | 2,966 |
| 2,045 | 2,196 | 70 | 1,931 | 3,502 |
| 14,029 | 16,897 | 15,651 | 14,067 | 13,643 |
| 2,623 | 2,825 | 2,582 | 1,468 | 894 |
| 5,652 | 5,681 | 4,450 | 4,256 <br> $(1,633)$ | 4,444 |
| 6,700 | 9,567 |  |  |  |
| 1,511 | 2,300 |  |  |  |
| 76,663 | 89,019 | 78,180 | 68,726 | 58,783 |
| -48,777 | -38,249 | -43,602 | $(44,171)$ | $(43,835)$ |
| n/a | n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a | n/a |
| n/a | n/a | n/a | n/a | n/a |
| 356 | 380 | 360 | 335 | 324 |

## Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$

| (in thousands of dollars) <br> Revenue | $\begin{gathered} \hline \text { Q2/10 vs. Q2/09 } \\ \text { (decrease) } \\ \hline \end{gathered}$ |  | Q2110 Q1110 |  | Q4109 | Q3109 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 | Q2110 | ${ }_{\text {O2/09 }}^{6 \text { Months }}$ | Inded |  | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $(3,518)$ | (40.7)\% |  |  | 4.769 |  |  | 10.062 |  |  | 12383 | 16.912 | Q20,711 | (1,799) | (9.6) | 27,886 | 50.770 | 34.578 | 24,555 | 14,948 |
| Total expenses | (92) | (0.5) \% | 16,652 | 17,168 | 16,684 | 15,548 | 16,744 | 19,476 | 14,771 | 20,337 | 18,321 | 33,820 | 36,220 | $(2,400)$ | (6.6)\% | 68,452 | 77,152 | 78,180 | 68,726 | 58,783 |
| Income (loss) before intersegment allocations and income taxes | $(3,426)$ | 42.3\% | -11,521 | -5,387 | -11,915 | -11,142 | -8,095 | -9,414 | -3,753 | -7,732 | -5,938 | -16,908 | -17,509 | 601 | (3.4)\% | -40,566 | -26,382 | -43,602 | (44,171) | $(43,835)$ |

[^0]
## CANACCORD Financial

## Canada

## Condensed statement of operations ${ }^{(20)}$

(Unaudited, for the period ended)
(in thousands of dollars) ${ }^{\text {(1) }}$
Revenue
Canaccord Adams
Canaccord Wealth Management
Corporate and Other
Expenses
Incentive compensation
Salaries and benefits
Salaries and be
Trading costs
Premises and equipment
Communication and technology
${ }^{\text {Interest }}$
General and administrative
Amortization
Development costs
Gain on disposal of invts \& claims
ABCP fair value adjustmen
Canaccord relief program
mpairment of goodwill and intangibles
Impairment of good
Restructuring costs
Income (loss) before income taxes
Incentive compensation as \% of revenue
Total compensation exp. as $\%$ of revenue ${ }^{(14)}$
ion-compensation exp. as $\%$ of revenue
Total expenses as $\%$ of revenue
Pre-tax and profit margin

| Q2/10 vs. Q2/09 <br> Increase (decrease) |  |
| :---: | :---: |
| 5,353 | 18.4\% |
| $(3,420)$ | (8.0)\% |
| $(3,518)$ | (40.7)\% |
| $(1,585)$ | (2.0)\% |
| 3,082 | 8.6\% |
| 115 | 1.0\% |
| 1,194 | 35.7\% |
| 225 | 6.1\% |
| $(1,074)$ | (23.5)\% |
| $(2,430)$ | (89.8)\% |
| $(2,810)$ | (26.6)\% |
| (168) | (12.2)\% |
| 810 | 24.5\% |
|  |  |
|  |  |
|  |  |
| $(1,056)$ | (1.4)\% |
| (529) | $\stackrel{(13.1) \%}{ }$ |


| Q210 | Q1/10 | Q4109 | Q3/09 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 34,463 | 36,477 | 31,276 | 20,429 | 29,110 | 42,035 | 39,733 | 52,078 | 48,387 |
| 39,596 | 39,676 | 36,739 | 33,072 | 43,016 | 56,801 | 53,686 | 60,447 | 56,588 |
| 5,131 | 11,781 | 4,769 | 4,406 | 8,649 | 10,062 | 11,018 | 12,605 | 12,383 |
| 79,190 | 87,934 | 72,784 | 57,907 | 80,775 | 108,898 | 104,437 | 125,130 | 117,358 |
| 38,928 | 43,575 | 29,690 | 28,216 | 35,846 | 52,312 | 42,278 | 58,353 | 52,413 |
| 11,462 | 11,235 | 11,808 | 10,244 | 11,347 | 12,594 | 12,403 | 10,559 | 10,399 |
| 4,541 | 4,327 | 3,862 | 4,063 | 3,347 | 3,325 | 3,357 | 4,334 | 4,309 |
| 3,885 | 3,702 | 4,062 | 4,010 | 3,660 | 3,721 | 3,733 | 3,630 | 3,659 |
| 3,502 | 3,811 | 4,293 | 4,604 | 4,576 | 4,647 | 4,496 | 4,310 | 4,532 |
| 277 | -260 | 198 | 1,663 | 2,707 | 3,325 | 4,900 | 6,118 | 5,934 |
| 7,759 | 7,413 | 5,941 | 13,192 | 10,569 | 11,595 | 10,702 | 12,891 | 9,494 |
| 1,204 | 1,192 | 1,390 | , | 1,372 | 1,355 | 478 | ,452 | 1,389 |
| 4,114 | 3,772 | 4,637 | 4,127 | 3,304 | 3,855 | 4,230 | 3,260 | 3,297 |
| - |  |  | 6,700 |  |  | 4,172 | 4,226 | 4,399 |
| - | - |  | 5,347 |  |  | 54,200 | - |  |
| - |  |  | 3,958 |  |  | - |  |  |
| . |  | 142 | 2,623 | - |  | 4,000 | - |  |
| 75,672 | 78,767 | 66,023 | 90,683 | 76,728 | 96,729 | 149,949 | 109,133 | 99,825 |
| 3,518 | 9,167 | 6,761 | $-32,776$ | 4,047 | 12,169 | -45,512 | 15,997 | 17,533 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 70,940 | 71,145 | (205) | (0.3)\% |
| 79,272 | 99,817 | (20,545) | (20.6)\% |
| 16,912 | 18,711 | $(1,799)$ | (9.6)\% |
| 167,124 | 189,673 | (22,549) | (11.9)\% |
| 82,503 | 88,158 | $(5,655)$ | (6.4)\% |
| 22,697 | 23,941 | $(1,244)$ | (5.2)\% |
| 8,868 | 6,672 | 2,196 | 32.9\% |
| 7,587 | 7,381 | 206 | 2.8\% |
| 7,313 | 9,223 | $(1,910)$ | (20.7)\% |
| 17 | 6,032 | $(6,015)$ | (99.7)\% |
| 15,172 | 22,164 | $(6,992)$ | (31.5)\% |
| 2,396 | 2,727 | (331) | (12.1)\% |
| 7,886 | 7,159 | 727 | 10.2\% |
| - |  |  |  |
|  |  |  |  |
|  |  |  |  |
| - | - | - |  |
| 154,439 | 173,457 | $(19,018)$ | (11.0)\% |
| 12,685 | 16,216 | $(3,531)$ | (21.8)\% |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 122,850 | 212,585 | 227,324 | 189,07 | 123,564 |
| 169,628 | 245,711 | 268,590 | 223,925 | 178,176 |
| 27,886 | 50,770 | 34,578 | 24,555 | 14,948 |
| 320,364 | 509,066 | 530,492 | 437,554 | 316,688 |
| 146,064 | 231,721 | 263,196 | 221,165 | 154,427 |
| 45,993 | 45,217 | 59 | 37,196 | 920 |
| 4,597 | 16,262 | 16,983 | 17,399 | 700 |
| 15,453 | 14,500 | 14,529 | 12,701 | 9,706 |
| 18,120 | 17,836 | 16,961 | 14,662 | 13,001 |
| 7,893 | 22,799 | 20,121 | 10,820 | 7,823 |
| 41,297 | 45,245 | 42,592 | 38,066 | 26,292 |
| 6,053 | 605 | 5,428 | 3,923 | , 565 |
| 15,923 | 14,038 | 12,105 | 23 | 7,924 |
|  |  |  | $(1,633)$ |  |
| 6,700 | 12,797 |  |  |  |
| 5,347 | 54,200 |  |  |  |
| 3,958 |  |  |  |  |
| 2,765 | 4,000 |  |  |  |
| 330,163 | 484,220 | 431,274 | 363,542 | 274,358 |
| $-9,799$ | 24,846 | 99,218 | 74,012 | 42,330 |


| 4.8 p.p. |  | 49.2\% | 49.6\% | 40.8\% | 48.8\% | 44.4\% | 48.0\% | 40.5\% | 46.6\% | 44.7\% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 5.2 p.p. |  | 63.6\% | 62.3\% | 57.0\% | 66.5\% | 58.4\% | 59.6\% | 52.4\% | 55.1\% | 53.6\% |
| (4.7) p.p. |  | 31.9\% | 27.2\% | 33.7\% | 90.3\% | 36.6\% | 29.2\% | 91.2\% | 32.1\% | 31.5\% |
| 0.5 p.p. |  | 95.6\% | 89.5\% | 90.7\% | 156.7\% | 95.0\% | 88.8\% | 143.6\% | 87.2\% | 85.1\% |
| (0.5) p.p. |  | 4.4\% | 10.4\% | 9.3\% | (56.7)\% | 5.0\% | 11.2\% | (43.6)\% | 12.8\% | 14.9\% |
| (128) | (9.2)\% | 1,257 | 1,244 | 1,265 | 1,301 | 1,385 | 1,404 | 1,395 | 1,399 | 1,418 |


| $49.4 \%$ | $46.5 \%$ |
| :---: | :---: |
| $62.9 \%$ | $59.1 \%$ |
| $29.5 \%$ | $32.3 \%$ |
| $92.4 \%$ | $91.5 \%$ |
| $7.6 \%$ | $8.5 \%$ |
|  |  |
| 1,257 | 1.38 |


|  |  |
| ---: | ---: |
| 46.5\% | 2.9 p.p. |
| $59.1 \%$ | 3.8.p.p. |
| $32.3 \%$ | (2.9) p.p. |
| $91.5 \%$ | 1.0 p.p. |
| $8.5 \%$ | (1.0) p.p. |
| 1,385 | $(128)$ |

$45.6 \%$
$59.9 \%$
$43.1 \%$
$103.1 \%$
$(3.1) \%$

| $45.5 \%$ | $49.7 \%$ | $50.6 \%$ | $48.8 \%$ |
| :---: | :---: | :---: | :---: |
| $54.4 \%$ | $57.1 \%$ | $59.1 \%$ | $60.4 \%$ |
| $40.8 \%$ | $24.3 \%$ | $24.0 \%$ | $26.2 \%$ |
| $95.2 \%$ | $81.4 \%$ | $8.1 \%$ | $86.6 \%$ |
| $4.8 \%$ | $18.6 \%$ | $16.9 \%$ | $13.4 \%$ |
|  |  |  |  |
| 1,395 | 1,334 | 1,257 | 1,190 |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$
(in thousands of dollars)
Revenue
Total expenses
Income (loss) before intersegment allocations and
income taxes
Non-compensation exp. as \% of revenue
Total expenses as \% of revenue
Pre-tax and profit margin

| Q2110 vs. Q2109 <br> Increase (decrease) |
| :---: | :---: |
| $(1,585)$ $(2.0) \%$ <br> $(1,56)$ $(1.4) \%$ <br> (529) $(13.1) \%$ |


| Q2110 | Q1/10 | Q4109 | Q3/09 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 79,190 | 87,934 | 72,784 | 57,907 | 80,775 | 108,898 | 104,437 | 125,130 | 117,358 |
| 75,672 | 78,767 | 65,881 | 72,055 | 76,728 | 96,729 | 87,577 | 104,907 | 95,426 |
| 3,518 | 9,167 | 6,903 | -14,148 | 4,047 | 12,169 | 16,860 | 20,223 | 21,932 |
| 31.9\% | .2\% | \% | \% | \% | \% | \% | 8\% | 8\% |
| 95.6\% | 89.5\% | 90.5\% | 124.5\% | 95.0\% | 88.8\% | 83.9\% | 83.9\% | 81.4\% |
| 4.4\% | 10.4\% | 9.5\% | (24.5)\% | 5.0\% | 11.2\% | 16.1\% | 16.1\% | 18.6 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase | ease) |
| 167,124 | 189,673 | $(22,549)$ | (11.9)\% |
| 154,439 | 173,457 | $(19,018)$ | (11.0)\% |
| 12,685 | 16,216 | $(3,531)$ | (21.8)\% |
| 29.5\% | 32.3\% | (2.9) p.p. |  |
| 92.4\% | 91.5\% | 1.0 p.p. |  |
| 7.6\% | 8.5\% | (1.0) p.p. |  |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 320,36 | 509,066 | 530,4 | 437,55 | 316,688 |
| 311,393 | 413,223 | 431,274 | 363,542 | 274,358 |
| 8,971 | 95,843 | 99,218 | 74,012 | 42,330 |
| 37.3\% | 26.8\% | 24.3\% | 24.0\% | 26.2\% |
| 97.2\% | 81.2\% | 81.4\% | 83.1\% | 86.6\% |
| 2.8\% | 18.8\% | 18.6\% | 16.9\% | 13.4 |

## CANACCORL Financial

UK and Other Foreign Location

## Condensed statement of operations ${ }^{(16)}$

(Unaudited, for the period ended)
(in thousands of dollars) ${ }^{\text {(1) }}$
Canaccord Adams
Expense
Incentive compensation
National Health Insurance tax
Total incentive compensation
Salaries and benefits
Trading costs
Premises and equipment
Communication and technology
Interest
General and administrative
Amortization
Development costs
Restructuring costs
Income (loss) before income taxes
Incentive compensation as \% of revenue
Total compensation exp. as \% of revenue ${ }^{(12)}$
Non-compensation exp. as \% of revenue
Total expenses as \% of revenue
Numer of

| Q2/10 vs. Q2/09 Increase (decrease) |  | O2110 | 01/10 | O4109 | O3109 | O2109 | O109 | Q4108 | O3108 | O2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2,647 | 22.5\% | 14,417 | 22,350 | 17,000 | 12,748 | 11,770 | 38,189 | 14,940 | 35,117 | 20,857 |
| 2,647 | 22.5\% | 14,417 | 22,350 | 17,000 | 12,748 | 11,770 | 38,189 | 14,940 | 35,117 | 20,857 |
| 1,680 | 26.6\% | 7,9 | 10,793 | 6,45 | 6,5 | 6,306 | 19,046 | 6,304 | 19,6 | 9,123 |
| (34) | (8.4)\% | 371 | 362 | 349 | 422 | 405 | 383 | 422 | 392 | 369 |
| 1,646 | 24.5\% | 8,357 | 11,155 | 6,800 | 6,975 | 6,711 | 19,429 | 6,726 | 20,047 | 9,492 |
| (220) | (13.6)\% | 1,402 | 1,482 | 1,310 | 1,349 | 1,622 | 1,336 | 1,335 | 1,081 | 993 |
| 211 | 27.9\% | 968 | 995 | 816 | 736 | 757 | 633 | 3 | 690 | 497 |
| (118) | (11.4)\% | 920 | 952 | 940 | 1,156 | 1,038 | 967 | 963 | 896 | 907 |
| (268) | (33.9)\% | 523 | 476 | 525 | -62 | 791 | 793 | 798 | 686 | 710 |
| (48) | (76.2)\% | 15 | 25 | 21 | 21 | 63 | 148 | -2 |  |  |
| $(3,558)$ | (69.4)\% | 1,571 | 1,878 | 2,704 | 4,108 | 5,129 | 3,834 | 4,149 | 2,038 | 2,573 |
| (16) | (3.6)\% | 425 | 448 | 441 | 520 | 441 | 441 | 440 | 449 | 477 |
| (17) | (4.7)\% | 343 | 352 | 349 | 365 | 360 | 266 | 373 | 274 | 431 |
| - |  | . |  | - | 1,274 | - |  | - |  |  |
| -2,388 | (14.1)\% | 14,524 | 17,763 | 13,906 | 16,442 | 16,912 | 27,847 | 15,355 | 26,161 | 16,080 |
| 5,035 | (97.9)\% | -107 | 4,587 | 3,094 | -3,694 | -5,142 | 10,342 | 415 | 8,956 | 4,777 |
| 0.9 p.p. |  | 58.0\% | 49.9\% | 40.0\% | 54.7\% | 57.0\% | 50.9\% | 45.0\% | 57.1\% | 45.5\% |
| (3.1) p.p. |  | 67.7\% | 56.5\% | 7.7\% | 65.3\% | 70.8\% | 54.4\% | 54.0\% | 60.2\% | 50.3\% |
| (39.8) p.p. |  | 33.1\% | 22.9\% | 34.1\% | 63.7\% | 72.9\% | 18.5\% | 48.8\% | 14.3\% | 26.8\% |
| (42.9) p.p. |  | 100.7\% | 79.4\% | 81.8\% | 129.0\% | 143.7\% | 72.9\% | 102.8\% | 74.5\% | 77.1\% |
| 42.9 p.p. |  | (0.7)\% | 20.5\% | 18.2\% | (29.0)\% | (43.7)\% | 27.1\% | (2.8)\% | 25.5\% | 22.9\% |
| (2) | (1.6)\% | 125 | 118 | 114 | 117 | 127 | 125 | 125 | 116 | 109 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 36,767 | 49,959 | $(13,192)$ | (26.4)\% |
| 36,767 | 49,959 | $(13,192)$ | (26.4)\% |
| 18,779 | 25,352 | $(6,573)$ | (25.9)\% |
| 733 | 788 | (55) | (7.0)\% |
| 19,512 | 26,140 | (6,628) | (25.4)\% |
| 2,884 | 2,958 | (74) | (2.5)\% |
| 1,963 | 1,390 | 573 | 41.2\% |
| 1,872 | 2,005 | (133) | (6.6)\% |
| 999 | 1,584 | (585) | (36.9)\% |
| 40 | 211 | (171) | n.m. |
| 3,449 | 8,963 | $(5,514)$ | (61.5)\% |
| 873 | 882 | (9) | (1.0)\% |
| 695 | 626 | 69 | 11.0\% |
|  | - |  | n.m. |
| 32,287 | 44,759 | (12,472) | (27.9)\% |
| 4,480 | 5,200 | (720) | (13.8)\% |
| 53.1\% | 52.3\% | 0.7 p.p. |  |
| 60.9\% | 58.2\% | 2.7 p.p. |  |
| 26.9\% | 31.3\% | (4.4) p.p. |  |
| 87.8\% | 89.6\% | (1.8) p.p. |  |
| 12.2\% | 10.4\% | 1.8 p.p. |  |
| 125 | 127 | (2) | (1.6)\% |


| FYo9 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 79,707 | 128,269 | 145,749 | 125,900 | 116,090 |
| 79,707 | 128,269 | 145,749 | 125,900 | 116,090 |
| 38,356 | 65,047 | 73,627 | 65,303 | 62,316 |
| 1,559 | 1,571 | 3,514 | 3,586 | 3,711 |
| 39,915 | 66,618 | 77,141 | 68,889 | 66,027 |
| 5,617 | 4,594 | 3,139 | 3,210 | 8,795 |
| 2,942 | 2,179 | 1,477 | 1,190 | 1,163 |
| 4,101 | 3,278 | 6,400 | 2,139 | 2,143 |
| 2,047 | 2,816 | 2,227 | 1,440 | 1,036 |
| 253 | -2 | 2 | 5 | 1 |
| 15,775 | 11,784 | 10,469 | 6,374 | 5,879 |
| 1,843 | 1,825 | 2,016 | 716 | 620 |
| 1,340 | 1,133 | 269 |  |  |
| 1,274 |  |  |  |  |
| 75,107 | 94,225 | 103,140 | 83,963 | 85,664 |
| 4,600 | 34,044 | 42,609 | 41,937 | 30,426 |
| 50.1\% | 51.9\% | 52.9\% | 54.7\% | 56.9\% |
| 57.1\% | 55.5\% | 55.1\% | 57.3\% | 64.5\% |
| 37.1\% | 17.9\% | 15.7\% | 9.4\% | 9.3\% |
| 94.2\% | 73.4\% | 70.8\% | 66.7\% | 73.8\% |
| 5.8\% | 26.5\% | 29.2\% | 33.3\% | 26.2\% |
| 114 | 125 | 93 | 81 | 70 |

## Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$

(in thousands of dollars)
Revenue
Income (loss) before income taxes
Note: Please find notes on Page 12.

| Q2110 vs. Q2109(decrease) |  | Q2/10 | Q1/10 | Q4109 | Q3109 | Q2109 | Q1/09 | Q4108 | Q3108 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2,647 | 22.5\% | 14,417 | 22,350 | 17,00 | 12,74 | 11,77 | 38,18 | 14,94 | 35,11 | 20,857 |
| $(2,388)$ | (14.1)\% | 14,524 | 17,763 | 13,906 | 15,168 | 16,912 | 27,847 | 15,355 | 26,161 | 16,080 |
| 5,035 | (97.9)\% | -107 | 4,587 | 3,094 | -2,420 | -5,142 | 10,342 | -415 | 8,956 | 4,77 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 36,767 | 49,959 | $(13,192)$ | $(26.4) \%$ |
| 32,287 | 44,759 | $(12,472)$ | $(27.9) \%$ |
| 4,480 | 5,200 | $(720)$ | $(13.8) \%$ |


|  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| FY09 | FY08 | FY07 | FY06 | FY05 |
| 79,707 | 128,269 | 145,749 | 125,900 | 116,090 |
| 73,833 | 94,225 | 103,140 | 83,963 | 85,64 |
| 5,874 | 34,044 | 42,609 | 41,937 | 30,426 |

## us

## Condensed statement of operations ${ }^{(21)}$

(Unaudited, for the period ended)
(in thousands of dollars) ${ }^{(2)}$
Canaccord Adams
Canaccord Weath Managemen
Expenses
Incentive compensation
Salaries and
Trading costs
Premises and equipment
Communication and technology
Interest
General and administrative
Amortization
Impairment of goodwill and intangibles
Restructuring costs

## Income (loss) before income taxes

Incentive compensation as \% of revenue
Total compensation exp. as \% of revenue ${ }^{(14)(2)}$
Non-compensation exp. as \% of revenue
Total expenses as $\%$ of revenue
Pre-tax profit margin

| $\begin{gathered} \hline \text { Q2110 vs. Q2/09 } \\ \text { Increase (decrease) } \\ \hline \end{gathered}$ |  |
| :---: | :---: |
| $\begin{aligned} & 12,139 \\ & \hline \end{aligned}$ | $\begin{gathered} 69.5 \% \\ (34.5) \% \end{gathered}$ |
| 11,853 | 64.8\% |
| $8,261$ | 98.1\% (8.7)\% |
| $(1,120)$ | (42.9)\% |
| 40 | 3.2\% |
| 48 | 4.1 |
| (384) | (65.8)\% |
| $(1,545)$ | (39.5)\% |
| 18 | 6.9\% |
| $(1,689)$ | (62.1)\% |
|  |  |
| 3,522 | 15.9\% |
| 8,331 | n.m. |

9.4 p.p.
6.4 p.p.
(42.2) p.p.

| 6.4 p.p. |
| :---: |
| $\begin{array}{c}\text { (42.2 p.p. } \\ \text { (35.8) p.p. }\end{array}$ |

(35.8) p.p.
35.8 p.p.

| Q2110 | Q110 | Q4109 | Q3/09 | Q2109 | Q1/09 | Q4108 | Q3/08 | Q2108 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 29,595 | 26,670 | 16,696 | 16,073 | 17,456 | 24,569 | 23,292 | 22,388 | 19,827 |
| 542 | 509 | 516 | 460 | 828 | 1,052 | 777 | 719 | 827 |
| 30,137 | 27,179 | 17,212 | 16,533 | 18,284 | 25,621 | 24,069 | 23,107 | 20,654 |
| 16,681 | 13,733 | 8,513 | 8,108 | 8,420 | 10,986 | 14,475 | 12,378 | 9,511 |
| 1,119 | 1,085 | 1,198 | 1,224 | 1,226 | 1,513 | 980 | 1,018 | 1,257 |
| 1,493 | 2,002 | 1,887 | 1,909 | 2,613 | 2,363 | 1,899 | 2,030 | 2,443 |
| 1,299 | 1,228 | 1,402 | 1,383 | 1,259 | 1,097 | 1,274 | 1,255 | 1,169 |
| 1,2 | 1,202 | 1,431 | 1,735 | 2 | 723 | 771 | 615 | 1 |
| 200 | 1,080 | 1,120 | 884 | 584 | 486 | 474 | 456 | 479 |
| 2,368 | 2,597 | 2,329 | 2,527 | 3,913 | 3,848 | 3,196 | 2,461 | 3,688 |
| 277 | 281 | 298 | 295 | 259 | 246 | 298 | 296 | 280 |
| 1,030 | 1,730 | 2,204 | 3,246 | 2,719 | 3,341 | 5,333 | 3,240 | 4,438 |
|  |  |  | 27,566 |  |  |  |  |  |
| - |  | - | 3,623 | - |  | - | - |  |
| 25,687 | 24,938 | 20,382 | 52,500 | 22,165 | 24,603 | 28,700 | 23,749 | 23,836 |
| 4,450 | 2,241 | -3,170 | -35,967 | -3,881 | 1,018 | -4,631 | -642 | -3,182 |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 56,265 | 42,025 | 14,240 | 33.9\% |
| 1,051 | 1,880 | (829) | (44.1)\% |
| 57,316 | 43,905 | 13,411 | 30.5\% |
| 30,414 | 19,406 | 11,008 | 56.7\% |
| 2,204 | 2,739 | (535) | (19.5)\% |
| 3,495 | 4,976 | $(1,481)$ | (29.8)\% |
| 2,527 | 2,356 | 171 | 7.3\% |
| 2,422 | 1,895 | 527 | 27.8\% |
| 1,280 | 1,070 | 210 | 19.6\% |
| 4,965 | 7,761 | $(2,796)$ | (36.0)\% |
| 558 | 505 | 53 | 10.5\% |
| 2,760 | 6,060 | $(3,300)$ | (54.5)\% |
| - | - | - | n.m. |
|  | - | - | n.m. |
| 50,625 | 46,768 | 3,857 | 8.2\% |
| 6,691 | -2,863 | 9,554 | m. |


| FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: |
| 74,794 | 90,788 | 76,644 | 18,692 |  |
| 2,856 | 3,416 | 4,029 | 1,269 |  |
| 77,650 | 94,204 | 80,673 | 19,961 |  |
| 36,027 | 48,740 | 42,560 | 9,134 |  |
| 5,161 | 4,483 | 5,110 | 1,61 |  |
| 8,772 | 8,649 | 8,992 | 2,026 |  |
| 5,141 | 4,967 | 4,244 | 1,003 |  |
| 5,061 | 2,576 | 2,284 | 496 |  |
| 3,074 | 1,730 | 415 | 89 |  |
| 12,617 | 12,434 | 11,121 | 1,787 |  |
| 1,098 | 1,106 | 707 | 178 |  |
| 11,510 | 16,878 | 8,870 | 554 |  |
| 27,566 |  |  |  |  |
| 3,623 |  |  |  |  |
| 119,650 | 101,563 | 84,303 | 16,880 |  |
| -42,000 | -7,359 | -3,630 | 3,081 |  |
| 46.4\% | 51.6\% | 52.4\% | 45.6\% |  |
| 53.0\% | 56.4\% | 58.7\% | 53.6\% |  |
| 101.0\% | 51.2\% | 45.0\% | 30.6\% |  |
| 154.1\% | 107.6\% | 103.7\% | 84.2\% |  |
| (54.1)\% | (7.6)\% | (3.7)\% | 15.8\% |  |
| 151 | 163 | 163 | 150 |  |

Supplementary Information Excluding Significant Items (Non-GAAP) ${ }^{(15)}$
(in thousands of dollars)
Revenue
Total expenses
Income (loss) before income taxes

| Q2110 vs. Q2109 |  |
| :---: | :---: |
| (decrease) |  |
| 11,853 | $64.8 \%$ |
| 3,522 | $15.9 \%$ |
| 8,331 | n.m. |


|  |  |  |  |  |  |  |  |  |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Q2110 | Q1/10 | Q4109 | Q3/09 | Q2109 | Q109 | Q4108 | Q3108 | Q2108 |
| 30,137 | 27,179 | 17,212 | 16,533 | 18,284 | 25,621 | 24,069 | 23,107 | 20,654 |
| 25,687 | 24,938 | 20,382 | 21,311 | 22,165 | 24,603 | 28,700 | 23,749 | 23,836 |
| 4,450 | 2,241 | $-3,170$ | $-4,778$ | $-3,881$ | 1,018 | $-4,631$ | -642 | $-3,182$ |


| 6 Months Ended |  |  |  |
| :---: | :---: | :---: | :---: |
| Q2110 | Q2109 | Increase (decrease) |  |
| 57,316 | 43,905 | 13,411 | $30.5 \%$ |
| 50,625 | 46,768 | 3,857 | $8.2 \%$ |
| 6,691 | $-2,863$ | 9,554 | n.m. |


|  |  |  |  |  |
| ---: | ---: | ---: | ---: | ---: |
| FY09 | FY08 | FY07 | FY06 | FY05 |
| 77,650 | 94,204 | 80,673 | 19,961 |  |
| 88,461 | 101,563 | 84,303 | 16,880 | - |
| $-10,811$ | $-7,359$ | $-3,630$ | 3,081 |  |

[^1]
## CANACCORLFinancial

## Canaccord group of companies

Consolidated balance sheet
(Unaudited, for the period ended)
Assets
Cash and cash equivalents
Securities owned, at market
Accounts receivable
Income taxes recoverable
Future income taxe
Investments
Investment in asset backed commercial pape
Equipment and leasehold improvements
Notes receivable
intangible
otal assets
Liabilities and shareholders' equity
Bank indebtedness
Securities sold short, at market Accounts payable and accrued liabilities
Income taxes payable
Notes payable
Subordinated debt
Total liabilities and shareholders' equity
Note: Please find notes on Page 12.

## CANACCORDFinancial

## Miscellaneous operational statistics

| (Unaudited, for the period ended) | $\begin{aligned} & \text { Q2/10 vs } \\ & \text { Increase (c } \end{aligned}$ | 20ase) | Q210 | Q1/10 | Q4109 | Q3109 | Q2109 | Q109 | Q4108 | Q3108 | Q2108 | FY09 | FY08 | FY07 | FY06 | FY05 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of employees in Canada |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number in Canaccord Adams | -48 | (19.4)\% | 200 | 204 | 209 | 211 | 248 | 251 | 253 | 254 | 264 | 209 | 253 | 246 | 233 | 209 |
| Number in Canaccord Wealth Management | -46 | (6.2)\% | 698 | 688 | 700 | 725 | 744 | 760 | 762 | 772 | 784 | 700 | 762 | 728 | 689 | 657 |
| Number in Corporate and Other | -34 | (8.7)\% | 359 | 352 | 356 | 365 | 393 | 393 | 380 | 373 | 370 | 356 | 380 | 360 | 335 | 324 |
| Total Canada | -128 | (9.2)\% | 1,257 | 1,244 | 1,265 | 1,301 | 1,385 | 1,404 | 1,395 | 1,399 | 1,418 | 1,265 | 1,395 | 1,334 | 1,257 | 1,190 |
| Number of employees in UK |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number in Canaccord Adams | -2 | (1.6) \% | 125 | 118 | 114 | 117 | 127 | 125 | 125 | 116 | 109 | 114 | 125 | 93 | 81 | 70 |
| Number of employees in US |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number in Canaccord Adams | -19 | (10.8)\% | 157 | 152 | 151 | 152 | 176 | 169 | 163 | 161 | 162 | 151 | 163 | 163 | 150 | 0 |
| Number of employees firm wide ${ }^{(24)}$ | -149 | (8.8)\% | 1,539 | 1,514 | 1,530 | 1,570 | 1,688 | 1,698 | 1,683 | 1,676 | 1,689 | 1,530 | 1,683 | 1,590 | 1,488 | 1,260 |
| Number of Advisory Teams ${ }^{(19)}$ | -7 | (2.1)\% | 334 | 335 | 338 | 347 | 341 | 354 | 354 | 377 | 378 | 338 | 354 | 368 | 365 | 343 |
| Number of licenced professionals | -55 | (6.7)\% | 763 | 773 | 790 | 809 | 818 | 832 | 852 | 859 | 865 | 790 | 852 | 817 | 763 | 710 |
| Number of CWM client accounts | -10,752 | (6.2)\% | 163,197 | 166,747 | 167,659 | 171,199 | 173,949 | 175,976 | 175,570 | 173,599 | 170,879 | 167,659 | 175,570 | 156,003 | 155,404 | 144,451 |
| Assets under mgmt. (Smillions) ${ }^{(2)}$ | -156 | (25.6)\% | 453 | 443 | 393 | 454 | 609 | 747 | 730 | 760 | 777 | 393 | 730 | 807 | 613 | 380 |
| Assets under admin. (Smillions) | -198 | (1.7)\% | 11,386 | 10,341 | 9,184 | 9,030 | 11,584 | 14,695 | 14,295 | 14,860 | 15,288 | 9,184 | 14,295 | 15,014 | 14,310 | 9,967 |
| AUA per Advisory Team (\$ millions) ${ }^{(19)}$ | 0 | 0.4\% | 34 | 31 | 27 | 26 | 34 | 42 | 40 | 39 | 40 | 27 | 40 | 41 | 39 | 29 |
| Number of companies with Canaccord Adams Limited as Broker |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| London Stock Exchange (LSE) | 4 | 80.0\% | 9 | 9 | 9 | 7 | 5 | 5 | 5 | 4 | 4 | 9 | 5 | 1 | 1 | 6 |
| Alternative Investment Market (AIM) | -11 | (20.0)\% | 44 | 49 | 51 | 55 | 55 | 58 | 60 | 60 | 58 | 51 | 60 | 58 | 53 | 51 |
| Total Broker | -7 | (11.7)\% | 53 | 58 | 60 | 62 | 60 | 63 | 65 | 64 | 62 | 60 | 65 | 59 | 54 | 57 |
| Number of companies with Canaccord Adams |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Limited as Nomad / Financial Adviser ${ }^{(23)}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LSE | n.m. | n.m. | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 4 |
| AIM | -9 | (20.0)\% | 36 | 41 | 42 | 46 | 45 | 48 | 51 | 50 | 51 | 42 | 51 | 50 | 49 | 47 |
| Total Nomad / Financial Adviser | -9 | (20.0)\% | 36 | 41 | 42 | 46 | 45 | 48 | 52 | 51 | 51 | 42 | 52 | 50 | 50 | 51 |

Note: Please find notes on Page 12.

Financial Post Data Group League Table ${ }^{(25)}$

Q2/10 vs. Q2/09:

| Q2/10 (July 1, 2009 - September 30, 2009) |  |  |  |  |  |  |  | Q2/09 (July 1, 2009 - September 30, 2009) |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Manager | $\begin{gathered} \text { \# of deals } \\ \text { led } \end{gathered}$ | 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 | $\begin{gathered} \# \text { of deals } \\ \text { led } \end{gathered}$ | Market share | Rank by mkt. share | Total proceeds (led transactions) (\$000's) | Participation in \# of deals | Rank by \# of deals | Total proceeds (\$000's) |
| CIBC World Markets Inc. | 16 | 8.2\% | 1 | 2,534,340,000 | 46 | 3 | 1,280,300,000 | Canaccord Adams ${ }^{(26)}$ | 31 | 18.7\% | 1 | 506,098 | 1 | 1 | 1,870,729 |
| Canaccord Adams ${ }^{(26)}$ | 16 | 8.2\% | 2 | 479,035,538 | 57 | 1 | 1,583,009,541 | Blackmont Capital Inc. | 12 | 7.2\% | 2 | 25,296 | 24 | 2 | 350,719 |
| RBC Capital Markets | 15 | 7.7\% | 3 | 1,850,580,000 | 40 | 6 | 1,032,210,000 | RBC Capital Markets | 9 | 5.4\% | 3 | 707,934 | 18 | 7 | 2,011,002 |
| BMO Capital Markets | 13 | 6.7\% | 4 | 619,420,000 | 46 | 4 | 974,130,000 | GMP Securities L.P. | 9 | 5.4\% | 4 | 820,810 | 18 | 8 | 1,077,339 |
| TD Securities Inc. | 12 | 6.2\% | 5 | 1,235,620,000 | 37 | 7 | 810,150,000 | Haywood Securities Inc. | 7 | 4.2\% | 5 | 70,399 | 10 | 19 | 112,925 |
| Scotia Capital Inc. | 11 | 5.7\% | 6 | 1,958,200,000 | 49 | 2 | 1,172,390,000 | Wellington West Capital Inc. | 6 | 3.6\% | 6 | 129,504 | 16 | 12 | 602,633 |
| GMP Securities L.P | 9 | 4.6\% | 7 | 535,220,000 | 37 | 8 | 697,760,000 | CIBC World Markets Inc. | 6 | 3.6\% | 7 | 713,608 | 19 | 5 | 2,234,997 |
| Cormark Securites Inc. | 8 | 4.1\% | 8 | 253,500,000 | 23 | 11 | 518,300,000 | Raymond James Ltd. | 5 | 3.0\% | 8 | 37,100 | 21 | 3 | 838,816 |
| Wellington West | 8 | 4.1\% | 9 | 130,820,000 | 27 | 10 | 217,130,000 | PI Financial Corp. | 5 | 3.0\% | 9 | 29,725 | 7 | 22 | 40,973 |
| National Bank Financial Inc. Others | 7 | 3.6\% | 10 | 199,930,000 | 44 | 5 | 633,050,000 | Leede Financial Markets Inc. | 5 | 3.0\% | 10 | 8,850 | 5 | 25 | 8,850 |
|  | 79 | 40.7\% |  | 5,915,620,000 |  |  |  | Others | 71 | 42.8\% |  | 2,273,160 |  |  |  |
|  | 194 | 100.0\% |  |  |  |  |  |  | 166 | 100.0\% |  |  |  |  |  |

Fiscal 2010 vs. Fiscal 2009:

| Fiscal 2010 (April 1, 2009 - September 30, 2009) |  |  |  |  |  |  |  | Fiscal 2009 (April 1, 2008 -September 30, 2008) |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Manager | $\begin{gathered} \text { \# of deals } \\ \text { led }{ }^{(25)} \end{gathered}$ | 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 | $\underset{\text { led deals }}{\text { \# }}$ | Market share | Rank by mkt. share | Total proceeds (led transactions) (\$000's) | Participation in \# of deals | Rank by \# of deals | Total proceeds (\$000's) |
| Canaccord Adams ${ }^{(26)}$ | 39 | 9.8\% | 1 | 1,072,997,423 | 131 | 1 | 3,509,783,844 | Canaccord Adams ${ }^{(26)}$ | 73 | 17.7\% | 1 | 885,648 | 120 | 1 | 6,003,643 |
| GMP Securities L.P | 33 | 8.3\% | 2 | 1,856,550,000 | 83 | 7 | 1,484,010,000 | Blackmont Capital Inc. | 24 | 8.5\% | 2 | 121,325 | 61 | 2 | 2,020,398 |
| CIBC World Markets Inc. | 32 | 8.0\% | 3 | 4,119,220,000 | 99 | 3 | 2,586,940,000 | RBC Capital Markets | 23 | 6.3\% | 3 | 3,729,547 | 51 | 6 | 8,687,077 |
| RBC Capital Markets | 29 | 7.3\% | 4 | 3,427,870,000 | 87 | 5 | 2,238,280,000 | GMP Securities L.P. | 20 | 6.0\% | 4 | 1,438,200 | 49 | 8 | 2,799,318 |
| BMO Capital Markets | 26 | 6.5\% | 5 | 1,809,980,000 | 95 | 4 | 1,893,910,000 | CIBC World Markets Inc. | 19 | 3.8\% | 5 | 2,560,096 | 60 | 3 | 8,840,894 |
| Scotia Capital Inc. | 22 | 5.5\% | 6 | 2,959,710,000 | 104 | 2 | 2,221,440,000 | Raymond James Ltd. | 14 | 3.4\% | 6 | 433,980 | 46 | 10 | 2,823,723 |
| TD Securities Inc. | 20 | 5.0\% | 7 | 2,494,900,000 | 74 | 8 | 1,710,950,000 | BMO Capital Markets | 13 | 3.2\% | 7 | 26,795 | 58 | 5 | 9,379,745 |
| Cormark Securities Inc. | 20 | 5.0\% | 8 | 671,920,000 | 49 | 10 | 791,270,000 | TD Securities Inc. | 12 | 3.2\% | 8 | 3,559,794 | 51 | 7 | 9,310,931 |
| Wellington West Capital | 14 | 3.5\% | 9 | 224,460,000 | 58 | 9 | 409,460,000 | Dundee Securities | 12 | 3.0\% | 9 | 242,219 | 46 | 11 | 3,723,589 |
| National Bank Finacial Inc. Others | 13 | 3.3\% | 10 | 381,660,000 | 86 | 6 | 1,283,340,000 | Wellington West Capital Inc. | 11 | 3.0\% | 10 | 237,608 | 38 | 12 | 1,611,913 |
|  | 152 | 38.0\% |  | 10,020,580,000 |  |  |  | Others | 197 | 41.9\% |  | 4,253,670 |  |  |  |
|  | 400 | 100.0\% |  |  |  |  |  |  | 418 | 100.0\% |  |  |  |  |  |

Source: FPinfomart and Company Information
Note: Please find notes on Page 12

## CANACCORD Financial

## Canaccord Group of Companies <br> Notes


(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 calculated 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) 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.
(18) 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.
(19) Canaccord's Canadian operations include activities related to Canadian Canaccord Wealth Management, 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.
 US Other operations, also delivered through Canaccord Capital Corporation (USA), Inc., include revenue and expenses not specifically allocable to US Canaccord Wealth Management and US Canaccord Adams.
(21) Total compensation in Canaccord Adams Inc. also includes retention costs from the Adams Harkness acquisition.
(22) A company listed on AIM is required to retain a Nominated Adviser (commonly referred to as Nomad) during the company's life on the market. Nominated Advisers are responsible, amongst other duties, for warranting that a company is appropriate for joining AIM. The Nomad is similar to a Financial Adviser on the LSE, but is specific to AIM
(23) The employee count excludes temporary employees and those on long term disability but includes employees on leave of absence
(24) 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.
(25) In addition to the transactions participated by its Canadian operation, Canaccord's figures also include deals transacted by its UK, and US operations.


[^0]:    Note: Please find notes on Page 12

[^1]:    Note: Please find notes on Page 12.

