

CANACCORD | Financial

Canaccord Financial Inc.

Supplementary Financial Information

Second Quarter Fiscal 2013

For the period ended September 30, 2012

(Unaudited and in Canadian dollars)

Investor Relations Department

For further information, contact:

Jamie Kokoska

Vice President, Investor Relations & Communications

416-869-7293

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Advisory note:

This document is not audited and should be read in conjunction with the Second Quarter Fiscal 2013 Quarterly Report to Shareholders (unaudited) dated November 7, 2012, and the Annual Report dated May 23, 2012. Canaccord's fiscal year end is defined as March 31st of each year. Canaccord's second quarter fiscal 2013 ended September 30, 2012 is also referred to as Q2/13 in the following disclosure.

International Financial Reporting Standards:

As required by the Canadian Accounting Standards Board (AcSB), the Company adopted International Financial Reporting Standards (IFRS) effective April 1, 2011. Beginning the quarter ended June 30, 2011, all financial information provided are in accordance with International Financial Reporting Standards except for non-IFRS measures. Comparative financial information for the four quarters of fiscal 2011 has been restated and presented in accordance with IFRS. All financial information provided prior to Q1/11 is in accordance with Canadian Generally Accepted Accounting Principles (CGAAP).

Non-IFRS and Non-GAAP measures:

Certain non-IFRS and non-GAAP measures are utilized by the Company as measures of financial performance. Non-IFRS and non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Non-IFRS and non-GAAP measures included are: net income after intersegment allocated costs, supplementary information excluding significant items, return on average common equity (ROE), book value per diluted common share, assets under administration (AUA), assets under management (AUM), compensation expenses as % of revenue, non-compensation expenses as % of revenue, dividend yield, dividend payout ratio, total shareholder return, price to earnings multiple (P/E), price to book ratio (P/B), and WM fee-related revenue.

Currency:

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

Canaccord Group of Companies

Condensed Consolidated Statement of Operations ⁽²⁸⁾

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

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

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended		FY13 vs FY12		FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue																				
Commission	26,846	44.5%	87,145	88,450	74,170	57,380	60,299	61,028	81,959	87,433	63,002	175,595	121,327	54,268	44.7%	252,877	294,650	235,606	233,104	296,047
Investment banking	8,076	27.1%	37,875	28,629	53,553	32,015	29,799	59,858	103,646	116,716	51,236	66,504	89,657	(23,153)	(25.8)%	175,225	327,499	215,237	117,916	295,787
Advisory fees	6,907	31.9%	28,571	25,626	24,634	38,541	21,664	22,531	25,702	25,276	13,215	54,197	44,195	10,002	22.6%	107,370	84,914	39,200	51,453	41,087
Principal trading	18,488	n.m.	17,109	7,847	6,769	3,304	(1,379)	1,953	17,431	10,658	9,597	24,956	574	24,382	n.m.	10,647	43,644	45,982	18,319	7,443
Interest	(832)	(11.0)%	6,758	8,392	8,205	8,147	7,590	7,857	7,707	7,753	5,436	15,150	15,447	(297)	(1.9)%	31,799	24,040	12,965	38,287	63,168
Other	7,614	n.m.	9,141	3,605	10,361	8,502	1,527	6,556	11,150	6,998	6,799	12,746	8,083	4,663	57.7%	26,946	28,884	28,547	18,642	28,007
	67,099	56.1%	186,599	162,549	177,692	147,889	119,500	159,783	247,595	254,834	149,285	349,148	279,283	69,865	25.0%	604,864	803,631	577,537	477,721	731,539
Expenses																				
Non-share based incentive compensation	28,686	53.0%	82,824	72,692	88,463	62,981	54,138	77,401	121,923	122,575	65,815	155,616	131,539	23,977	18.2%	282,983	380,311	281,291	214,550	337,942
Share based incentive compensation	3,990	51.8%	11,690	12,084	7,178	6,834	7,700	213	(2,540)	4,065	4,723	23,774	7,913	15,861	200.4%	21,925	8,735	17,793	7,456	9,137
Incentive compensation ⁽¹⁴⁾	32,676	52.8%	94,514	84,776	95,641	69,815	61,838	77,614	119,383	126,640	70,538	179,290	139,452	39,838	28.6%	304,908	389,046	299,084	222,006	347,079
Salaries and benefits	7,254	51.2%	21,417	23,198	17,635	15,009	14,163	17,117	17,543	14,739	16,322	44,615	31,280	13,335	42.6%	63,924	64,420	59,415	56,771	54,294
Trading costs	2,447	31.6%	10,189	12,587	6,190	7,416	7,742	8,965	8,624	7,937	7,241	22,776	16,707	6,069	36.3%	30,313	31,507	28,884	26,311	27,090
Premises and equipment	4,115	61.2%	10,842	10,854	7,354	6,633	6,727	6,832	7,403	7,077	6,640	21,696	13,559	8,137	60.0%	27,546	27,158	24,402	24,695	22,745
Communication and technology	4,528	67.1%	11,280	14,305	8,458	6,744	6,752	6,389	6,307	6,111	6,779	25,585	13,141	12,444	94.7%	28,343	25,466	21,868	25,228	23,228
Interest	1,324	67.3%	3,291	4,451	3,080	2,361	1,967	2,408	2,485	3,037	1,673	7,842	4,475	3,467	79.2%	9,816	7,811	2,868	11,220	24,527
General and administrative	4,694	28.9%	20,957	24,016	20,795	16,191	16,263	16,274	19,052	17,049	15,990	44,973	32,537	12,436	38.2%	69,523	67,882	52,153	69,689	69,643
Amortization	4,808	163.1%	7,755	8,136	4,350	3,906	2,947	2,905	2,966	2,786	3,706	15,891	5,852	10,039	171.5%	14,108	12,742	7,609	8,994	8,536
Development costs	(526)	(10.4)%	4,515	4,625	4,867	5,755	5,041	5,530	5,516	5,792	5,787	9,140	10,571	(1,431)	(13.5)%	21,193	22,387	24,900	28,773	32,049
Restructuring costs	18,862	n.m.	18,862	-	28,961	6,292	-	-	-	-	-	18,862	-	18,862	n.m.	35,253	-	-	7,662	4,000
Acquisition-related costs	(1,668)	(56.4)%	1,288	-	10,400	2,700	2,956	-	-	1,750	-	1,288	2,956	(1,668)	(56.4)%	16,056	12,740	5,000	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	12,797
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	54,200
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,524	-
	78,514	62.1%	204,910	187,048	207,731	142,822	126,396	144,034	189,279	192,918	134,676	391,958	270,430	121,528	44.9%	620,983	661,159	525,896	524,920	680,008
Income (loss) before income taxes	(11,415)	165.5%	(18,311)	(24,499)	(30,039)	5,067	(6,896)	15,749	58,316	61,916	14,609	(42,810)	8,853	(51,663)	n.m.	(16,119)	142,472	51,641	(47,199)	51,531
Income taxes (recovery)	(1,852)	114.5%	(3,470)	(3,877)	1,755	2,536	(1,618)	2,554	16,993	18,919	4,358	(7,347)	936	(8,283)	n.m.	5,227	42,729	13,144	452	20,197
Net income (loss)	(9,563)	181.2%	(14,841)	(20,622)	(31,794)	2,531	(5,278)	13,195	41,323	42,997	10,251	(35,463)	7,917	(43,380)	n.m.	(21,346)	99,743	38,497	(47,651)	31,334
Non-controlling interests ⁽²⁸⁾	(279)	n.m.	(279)	(655)	(544)	(495)	-	-	-	-	-	(934)	-	(934)	n.m.	(1,039)	-	-	-	-
Net income attributable to CFI shareholders	(9,284)	175.9%	(14,562)	(19,967)	(31,250)	3,026	(5,278)	13,195	41,323	42,997	10,251	(34,529)	7,917	(42,446)	n.m.	(20,307)	99,743	38,497	(47,651)	31,334
Preferred share dividends	(1,198)	66.6%	(2,998)	(2,837)	(1,107)	(1,818)	(1,800)	(90)	-	-	-	(5,835)	(1,890)	(3,945)	n.m.	(4,815)	-	-	-	-
Net income (loss) available to common shareholders	(10,482)	148.1%	(17,560)	(22,804)	(32,357)	1,208	(7,078)	13,105	41,323	42,997	10,251	(40,364)	6,027	(46,391)	n.m.	(25,122)	99,743	38,497	(47,651)	31,334
Non-share based incentive compensation as a % of revenue	(0.9) p.p.		44.4%	44.7%	49.8%	42.6%	45.3%	48.4%	49.2%	48.1%	44.1%	44.5%	47.1%	(2.6) p.p.		46.8%	47.3%	48.7%	44.9%	46.2%
Share based incentive compensation as a % of revenue	(0.2) p.p.		6.3%	7.4%	4.0%	4.6%	6.4%	0.1%	(1.0)%	1.6%	3.2%	6.8%	2.8%	4.0 p.p.		3.6%	1.1%	3.1%	1.6%	1.2%
Incentive compensation as % of revenue	(1.0) p.p.		50.7%	52.2%	53.8%	47.2%	51.7%	48.6%	48.2%	49.7%	47.3%	51.4%	49.9%	1.5 p.p.		50.4%	48.4%	51.8%	46.5%	47.4%
Total compensation exp. as % of revenue ⁽¹⁵⁾	(1.4) p.p.		62.2%	66.5%	63.7%	57.4%	63.6%	59.2%	55.3%	55.5%	58.2%	64.1%	61.1%	3.0 p.p.		61.0%	56.4%	62.1%	58.4%	54.9%
Non-compensation exp. as % of revenue	5.6 p.p.		47.7%	48.6%	53.2%	39.2%	42.2%	30.9%	21.1%	20.2%	32.0%	48.1%	35.7%	12.4 p.p.		41.7%	25.8%	29.0%	51.5%	38.1%
Total expenses as % of revenue	4.0 p.p.		109.8%	115.1%	116.9%	96.6%	105.8%	90.1%	76.4%	75.7%	90.2%	112.3%	96.8%	15.4 p.p.		102.7%	82.3%	91.1%	109.9%	93.0%
Pre-tax profit margin	(4.0) p.p.		(9.8)%	(15.1)%	(16.9)%	3.4%	(5.8)%	9.9%	23.6%	24.3%	9.8%	(12.3)%	3.2%	(15.5) p.p.		(2.7)%	17.7%	8.9%	(9.9)%	7.0%
Effective tax rate	(4.5) p.p.		19.0%	15.8%	(5.8)%	50.0%	23.5%	16.2%	29.1%	30.6%	29.8%	17.2%	10.6%	6.6 p.p.		(32.4)%	30.0%	25.5%	(1.0)%	39.2%
Net profit margin	(3.5) p.p.		(8.0)%	(12.7)%	(17.9)%	1.7%	(4.4)%	8.3%	16.7%	16.9%	6.9%	(10.2)%	2.8%	(13.0) p.p.		(3.5)%	12.4%	6.7%	(10.0)%	4.3%
Basic earnings (loss) per common share	(0.10)	111.1%	(0.19)	(0.24)	(0.42)	0.02	(0.09)	0.17	0.55	0.57	0.14	(0.43)	0.08	(0.51)	n.m.	(0.33)	1.37	0.79	(0.97)	0.70
Diluted earnings (loss) per common share	(0.10)	111.1%	(0.19)	(0.24)	(0.42)	0.01	(0.09)	0.16	0.49	0.51	0.12	(0.43)	0.07	(0.50)	n.m.	(0.33)	1.22	0.69	(0.97)	0.64
Book value per diluted common share	(1.14)	(13.0)%	7.61	7.90	8.26	8.54	8.75	8.71	8.79	8.43	8.05	7.61	8.75	(1.14)	(13.0)%	8.26	8.79	6.96	6.51	7.21

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

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended		FY13 vs FY12		FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue	67,099	56.1%	186,599	162,549	177,692	147,889	119,500	159,783	247,595	254,834	149,285	349,148	279,283	69,865	25.0%	604,864	803,631	577,537	477,721	731,539
Total expenses	57,200	46.7%	179,710	181,677	166,505	132,063	122,510	143,104	188,349	190,238	132,849	361,387	265,614	95,773	36.1%	564,182	643,293	520,896	473,687	609,011
Income before income taxes	9,899	n.m.	6,889	(19,128)	11,187	15,826	(3,010)	16,679	59,246	64,596	16,436	(12,239)	13,669	(25,908)	(189.5)%	40,682	160,338	56,641	4,034	122,528
Net income (loss)	7,572	n.m.	5,907	(16,295)	2,089	10,644	(1,665)	14,125	42,253	45,604	12,078	(10,388)	12,460	(22,848)	(183.4)%	25,193	114,126	42,043	(1,417)	79,346
Net income (loss) attributable to CFI shareholders	7,529	n.m.	5,864	(16,059)	2,306	10,825														

Canaccord Genuity

Condensed Statement of Operations ⁽²⁸⁾

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

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

	Q2/13 vs. Q2/12		Q2/13						Q1/13			Q4/12			Q3/12			Q2/12			Q1/12			Q4/11			Q3/11			Q2/11			6 Months Ended		FY13 vs FY12		FY12	FY11	FY10	FY09	FY08
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS			
Revenue																																									
Canada																																									
Capital Markets	(8,239)	(20.8)%	31,432	30,276	62,753	50,641	39,671	56,207	88,632	109,404	49,909	61,708	95,698	(33,990)	(35.5)%	209,092	301,002	148,214	95,485	176,655																					
International Trading	(1,555)	(55.2)%	1,260	1,406	2,220	2,820	2,815	2,818	5,985	6,339	3,714	2,666	5,633	(2,967)	(52.7)%	10,673	19,244	17,417	20,929	27,090																					
Fixed Income	2,748	n.m.	2,753	3,942	6,033	3,481	5	3,022	6,284	5,642	4,558	6,695	3,027	3,668	121.2%	12,541	18,274	11,950	6,436	8,840																					
Total Canada	(7,046)	(16.6)%	35,445	35,624	71,006	56,942	42,491	61,867	100,901	121,385	58,181	71,069	104,358	(33,289)	(31.9)%	232,306	338,527	177,581	122,950	212,585																					
UK and Europe ⁽¹⁷⁾	29,696	n.m.	39,034	29,220	19,861	12,748	9,338	9,246	34,555	23,339	18,338	68,254	18,584	49,670	267.3%	51,193	92,677	82,454	72,926	118,332																					
US	21,684	121.9%	39,474	31,050	18,487	17,197	17,790	26,012	27,712	32,618	20,083	70,524	43,802	26,722	61.0%	79,486	106,219	97,629	74,794	90,788																					
Other Foreign Locations ⁽²⁷⁾	5,171	n.m.	5,004	4,563	3,713	6,694	(167)	252	603	416	361	9,567	85	9,482	n.m.	10,492	1,228	5,894	6,781	9,937																					
	49,505	71.3%	118,957	100,457	113,067	93,581	69,452	97,377	163,771	177,758	96,963	219,414	166,829	52,585	31.5%	373,477	538,644	363,558	277,351	431,642																					
Expenses																																									
Non-share based incentive compensation	25,260	79.2%	57,171	46,580	60,386	39,742	31,911	47,297	79,647	80,361	42,653	103,751	79,208	24,543	31.0%	179,336	247,207	184,644	135,129	213,579																					
Share based incentive compensation	4,111	82.8%	9,076	11,012	5,755	5,491	4,965	(1,142)	(3,795)	2,682	3,602	20,088	3,823	16,265	n.m.	15,069	4,113	10,560	6,465	3,157																					
Incentive compensation ⁽¹⁴⁾	29,371	79.6%	66,247	57,592	66,141	45,233	36,876	46,155	75,852	83,043	46,255	123,839	83,031	40,808	49.1%	194,405	251,320	195,204	141,594	216,736																					
Salaries and benefits	5,288	156.4%	8,670	8,810	4,982	4,241	3,382	5,211	4,311	3,896	4,154	17,816	16,382	15,309	103.4%	17,816	16,382	15,309	15,068	13,794																					
Trading costs	1,836	32.3%	7,524	9,713	4,179	5,248	5,688	6,329	5,831	5,595	5,128	17,237	12,017	5,220	43.4%	21,444	21,439	18,289	18,863	18,029																					
Premises and equipment	3,132	78.4%	7,125	6,980	4,122	3,512	3,993	3,109	3,422	3,417	2,947	14,736	12,388	7,003	98.6%	14,736	12,388	11,722	12,400	11,601																					
Communication and technology	3,154	74.9%	7,363	10,158	5,670	4,181	4,209	3,961	3,866	4,023	4,149	17,521	8,170	9,351	114.5%	18,021	15,977	11,169	13,569	12,229																					
Interest	1,348	89.0%	2,862	3,913	2,645	1,918	1,514	1,908	1,988	2,549	1,297	6,775	3,422	3,353	98.0%	7,985	5,968	748	1,372	2,407																					
General and administrative	3,175	30.8%	13,489	15,001	11,583	8,697	10,314	9,346	8,959	9,264	8,110	28,490	19,660	8,830	44.9%	39,940	35,320	21,222	38,418	39,955																					
Amortization	3,084	149.9%	5,141	5,733	3,472	2,933	2,057	1,802	1,773	1,829	2,788	10,874	3,859	7,015	181.8%	10,264	8,738	3,633	4,433	3,878																					
Development costs	(511)	(20.1)%	2,025	2,158	2,098	3,205	2,536	3,150	2,605	2,930	2,786	4,183	5,686	(1,503)	(26.4)%	10,989	10,810	10,300	15,268	20,208																					
Restructuring costs	4,395	n.m.	4,395	-	27,786	1,292	-	-	-	-	-	4,395	-	4,395	n.m.	29,078	-	-	5,971	1,000																					
Acquisition-related costs	(1,055)	(73.1)%	388	-	6,323	2,700	1,443	-	-	1,750	-	388	1,443	(1,055)	(73.1)%	10,466	12,740	5,000	-	-																					
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,230																					
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																					
	53,217	73.9%	125,229	120,058	139,001	83,160	72,012	80,971	108,607	118,296	77,614	245,287	152,983	92,304	60.3%	375,144	391,082	292,596	298,480	343,067																					
Income (loss) before intersegment allocations and income taxes																																									
	(3,712)	(145.0)%	(6,272)	(19,601)	(25,934)	10,421	(2,560)	16,406	55,164	59,462	19,349	(25,873)	13,846	(39,719)	(286.9)%	(1,667)	147,562	70,962	(21,429)	88,575																					
Intersegment allocations	(2,600)	(83.8)%	504	1,704	3,107	2,615	3,104	3,041	2,549	2,734	2,904	2,208	6,145	(3,937)	(64.1)%	11,867	10,903	9,573	n/a	n/a																					
Income before income taxes																																									
	(1,112)	(19.6)%	(6,776)	(21,305)	(29,041)	7,806	(5,664)	13,365	52,615	56,728	16,445	(28,081)	7,701	(35,782)	n.m.	(13,534)	136,659	61,389	n/a	n/a																					
Non-share based incentive compensation as a % of revenue	2.1 p.p.		48.1%	46.4%	53.4%	42.5%	45.9%	48.6%	48.6%	45.2%	44.0%	47.3%	47.5%	(0.2) p.p.	48.0%	45.9%	50.8%	48.7%	49.5%																						
Share based incentive compensation as a % of revenue	0.5 p.p.		7.6%	11.0%	5.1%	5.9%	7.1%	(1.2)%	(2.3)%	1.5%	3.7%	9.2%	2.3%	6.9 p.p.	4.0%	0.8%	2.9%	2.3%	0.7%																						
Incentive compensation as % of revenue	2.5 p.p.		55.7%	57.3%	58.5%	48.3%	53.1%	47.4%	46.3%	46.7%	47.7%	56.4%	49.8%	6.7 p.p.	52.1%	46.7%	53.7%	51.1%	50.2%																						
Total compensation exp. as % of revenue ⁽¹⁵⁾	5.0 p.p.		63.0%	66.1%	62.9%	52.9%	58.0%	52.7%	48.9%	48.9%	52.0%	64.4%	54.9%	9.5 p.p.	56.8%	49.7%	57.9%	56.5%	53.4%																						
Non-compensation exp. as % of revenue	(3.5) p.p.		42.3%	53.4%	60.0%	36.0%	45.7%	30.4%	17.4%	17.6%	28.1%	47.4%	36.8%	10.6 p.p.	43.6%	22.9%	22.6%	51.1%	26.1%																						

Canaccord Wealth Management North America and Australia

Condensed Statement of Operations ⁽²⁾

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

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	
Revenue																				
Canada	(11,336)	(24.3)%	35,280	36,123	51,747	43,765	46,616	53,600	71,218	67,044	43,529	71,403	100,216	(28,813)	(28.8)%	195,728	228,098	184,258	169,628	245,711
US	(262)	(32.9)%	534	644	790	806	796	1,183	1,486	1,555	1,010	1,178	1,979	(801)	(40.5)%	3,575	4,951	2,788	2,856	3,416
Australia	1,153	n.m.	1,153	844	-	-	-	-	-	-	-	1,997	-	1,997	n.m.	-	-	-	-	-
	(10,445)	(22.0)%	36,967	37,611	52,537	44,571	47,412	54,783	72,704	68,599	44,539	74,578	102,195	(27,617)	(27.0)%	199,303	233,049	187,046	172,484	249,127
Expenses																				
Non-share based incentive compensation	(4,344)	(19.6)%	17,873	18,540	24,803	21,369	22,217	27,227	33,880	33,144	20,664	36,413	49,444	(13,031)	(26.4)%	95,616	110,021	83,777	74,307	111,803
Share based incentive compensation	697	44.7%	2,256	1,062	1,048	1,175	1,559	999	1,641	2,757	897	3,318	2,558	760	29.7%	4,781	6,243	4,813	76	3,837
Incentive compensation	(3,647)	(15.3)%	20,129	19,602	25,851	22,544	23,776	28,226	35,221	35,901	21,561	39,731	52,002	(12,271)	(23.6)%	100,397	116,264	88,590	74,383	115,640
Salaries and benefits	77	2.3%	3,404	3,705	4,557	3,437	3,327	3,938	5,565	3,601	4,817	7,109	7,265	(156)	(2.1)%	15,259	17,865	18,194	14,820	15,514
Trading costs	(290)	(7.0)%	1,419	1,684	1,546	1,859	1,709	2,183	2,253	2,017	1,577	3,103	3,892	(789)	(20.3)%	7,297	8,071	8,506	7,008	8,582
Premises and equipment	23	1.2%	1,904	1,940	1,822	1,838	1,881	1,852	2,030	1,993	2,068	3,844	3,733	111	3.0%	7,393	8,039	8,116	6,788	6,375
Communication and technology	125	9.0%	1,515	1,403	1,477	1,288	1,390	1,277	1,256	1,264	1,329	2,918	2,667	251	9.4%	5,432	5,174	6,116	6,415	6,383
Interest	(24)	(30.0)%	56	60	56	56	80	102	90	97	63	116	182	(66)	(36.3)%	294	308	442	7,803	19,924
General and administrative	1,084	41.2%	3,716	4,600	3,668	3,720	2,632	3,319	4,728	4,268	4,186	8,316	5,951	2,365	39.7%	13,339	16,912	16,485	17,242	12,611
Amortization	(13)	(2.3)%	541	544	500	513	554	641	632	596	575	1,085	1,195	(110)	(9.2)%	2,208	2,422	2,506	1,938	1,833
Development costs	3	0.2%	1,981	1,980	2,274	1,989	1,978	1,979	2,125	2,275	2,425	3,961	3,957	4	0.1%	8,220	9,258	10,308	7,853	6,160
Restructuring costs	13,567	n.m.	13,567	-	900	-	-	-	-	-	-	13,567	-	-	n.m.	900	-	-	180	700
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	n.m.	-	-	-	-	-
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	n.m.	-	-	-	5,347	54,200
	10,905	29.2%	48,232	35,518	42,651	37,244	37,327	43,517	54,200	52,012	38,601	83,750	80,844	2,906	3.6%	160,739	184,313	159,263	149,777	247,922
Income before intersegment allocations and income taxes	(21,350)	(211.7)%	(11,265)	2,093	9,886	7,327	10,085	11,266	18,504	16,587	5,938	(9,172)	21,351	(30,523)	(143.0)%	38,564	48,736	27,783	22,707	1,205
Intersegment allocations	1,072	13.2%	9,222	9,425	10,587	8,276	8,150	8,724	9,382	8,444	9,374	18,647	16,874	1,773	10.5%	35,737	36,604	35,782	n/a	n/a
Income (loss) before income taxes	(22,422)	n.m.	(20,487)	(7,332)	(701)	(949)	1,935	2,542	9,122	8,143	(3,436)	(27,819)	4,477	(32,296)	n.m.	2,827	12,132	(7,999)	n/a	n/a
CWM fee-related revenue ⁽¹⁸⁾	6.8 p.p.		26.2%	25.7%	18.5%	19.9%	19.4%	17.0%	12.1%	11.8%	15.2%	25.9%	18.1%	7.9 p.p.		18.5%	13.0%	12.8%	16.9%	14.7%
Non-share based incentive compensation as a % of revenue	1.5 p.p.		48.3%	49.3%	47.2%	47.9%	46.9%	49.7%	46.6%	48.3%	46.4%	48.8%	48.4%	0.4 p.p.		48.0%	47.2%	44.8%	43.1%	44.9%
Share based incentive compensation as a % of revenue	2.8 p.p.		6.1%	2.8%	2.0%	2.6%	3.3%	1.8%	2.3%	4.0%	2.0%	4.4%	2.5%	1.9 p.p.		2.4%	2.7%	2.6%	0.0%	1.5%
Incentive compensation as % of revenue	4.3 p.p.		54.5%	52.1%	49.2%	50.6%	50.1%	51.5%	48.9%	52.3%	48.4%	53.3%	50.9%	2.4 p.p.		50.4%	49.9%	47.4%	43.1%	46.4%
Total compensation exp. as % of revenue ⁽¹⁵⁾	6.5 p.p.		63.7%	62.0%	57.9%	58.3%	57.2%	58.7%	56.5%	57.6%	59.2%	62.8%	58.0%	4.8 p.p.		58.0%	57.6%	57.1%	51.7%	52.6%
Non-compensation exp. as % of revenue	45.2 p.p.		66.8%	32.5%	23.3%	25.3%	21.6%	20.7%	18.0%	18.2%	27.4%	49.5%	21.1%	28.4 p.p.		22.6%	21.5%	28.1%	35.1%	46.9%
Total expenses as % of revenue	51.7 p.p.		130.5%	94.4%	81.2%	83.6%	78.7%	79.4%	74.5%	75.8%	86.7%	112.3%	79.1%	33.2 p.p.		80.7%	79.1%	85.1%	86.8%	99.5%
Pre-tax and intersegment allocation profit margin	(51.7) p.p.		(30.5)%	5.6%	18.8%	16.4%	21.3%	20.6%	25.5%	24.2%	13.3%	(12.3)%	20.9%	(33.2) p.p.		19.3%	20.9%	14.9%	13.2%	0.5%
Pre-tax profit margin	(59.5) p.p.		(55.4)%	(19.5)%	(1.3)%	(2.1)%	4.1%	4.6%	12.5%	11.9%	(7.9)%	(37.3)%	4.4%	(41.7) p.p.		1.4%	5.2%	n/a	n/a	n/a
Assets under mgmt. (discretionary) (\$ millions) - Canada ⁽²⁾	210	36.6%	784	709	677	607	574	575	546	514	473	784	574	210	36.6%	677	546	445	393	730
Assets under admin. (\$ millions) - Canada ⁽²⁾	(1,291)	(8.8)%	13,344	13,137	14,828	14,367	14,635	15,676	16,985	16,006	13,895	13,344	14,635	(1,291)	(8.8)%	14,828	16,985	12,922	9,184	14,295
Assets under mgmt. (\$ millions) - Australia ⁽²⁾	354	n.m.	354	305	-	-	-	-	-	-	-	354	-	354	n.m.	-	-	-	-	-
Total	(937)	(6.4)%	13,698	13,442	14,828	14,367	14,635	15,676	16,985	16,006	13,895	13,698	14,635	(937)	(6.4)%	14,828	16,985	12,922	9,184	14,295
Number of employees	(54)	(7.9)%	632	673	684	699	686	666	684	671	665	632	686	(54)	(7.9)%	684	684	680	700	762
Number of Advisory Teams in Canada ⁽¹⁹⁾	(40)	(14.8)%	231	269	280	278	271	263	271	272	280	231	271	(40)	(14.8)%	280	271	303	338	354
Number of Advisors - Australia	11	n.m.	11	10	-	-	-	-	-	-	-	11	-	11	n.m.	-	-	-	-	-

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Revenue	(10,445)	(22.0)%	36,967	37,611	52,537	44,571	47,412	54,783	72,704	68,599	44,539	74,578	102,195	(27,617)	(27.0)%	199,303	233,049	187,046	172,484	249,127
Total expenses	(2,662)	(7.1)%	34,665	35,518	41,751	37,244	37,327	43,517	54,200	52,012	38,601	70,183	80,844	(10,661)	(13.2)%	159,839	184,313	159,263	144,250	193,022
Income (loss) before intersegment allocations and income taxes	(7,783)	(77.2)%	2,302	2,093	10,786	7,327	10,085	11,266	18,504	16,587	5,938	4,395	21,351	(16,956)	(79.4)%	39,464	48,736	27,783	28,234	56,105
Non-compensation exp. as % of revenue	8.5 p.p.		30.1%	32.5%	21.6%	25.3%	21.6%	20.7%	18.0%	18.2%	27.4%	31.3%	21.1%	10.2 p.p.		22.2%	21.5%	28.1%	31.9%	24.8%
Total expenses as % of revenue	15.0 p.p.		93.8%	94.4%	79.5%	83.6%	78.7%	79.4%	74.5%	75.8%	86.7%	94.1%	79.1%	15.0 p.p.		80.2%	79.1%	85.1%	83.6%	77.5%
Pre-tax and intersegment allocation profit margin	(15.0) p.p.		6.2%	5.6%	20.5%	16.4%	21.3%	20.6%	25.5%	24.2%	13.3%	5.9%	20.9%	(15.0) p.p.		19.8%	20.9%	14.9%	16.4%	22.5%

Supplementary Revenue Breakdown

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
Commission	(7,274)	(21.2)%	26,992	28,104	36,033	31,389	34,266	38,087	46,851	45,775	32,880	55,096	72,353	(17,257)	(23.9)%	139,775	160,459	132,363	127,899	170,684
Investment banking	(1,786)	(21.2)%	6,656	5,544	10,998	8,459	8,442	11,661	19,176	18,914	8,124	12,200	20,103	(7,903)	(39.3)%	39,560	55,659	33,400	20,867	49,804
Advisory fees	9	300.0%	12	438	36	-	3	-	-	50	250	450	3	447	n.m.	39	370	-	-	-
Principal trading	34	72.3%	81	(199)	(17)	37	47	353	714	526	321	(118)	400	(518)	(129.5)%	420	1,665	7,234	(129)	210
Interest	(530)	(15.7)%	2,841	3,262	3,237	3,426	3,371	3,392	3,221	2,965	2,556	6,103	6,763	(660)	(9.8)%	13,426	11,044	8,911	21,903	27,650
Other	(898)	(70.0)%	385	462	2,250	1,260	1,283	1,290	2,742	369	408	847	2,573	(1,726)	(67.1)%	6,083	3,852			

**Canaccord Wealth Management UK and Europe
Condensed Statement of Operations**

Results of former CSHP entities are included since March 22, 2012 ⁽³¹⁾

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended		FY13 vs FY12		FY12	FY11	FY10	FY09	FY08
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13					
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP
Revenue																	
UK and Europe	20,672	n.m.	20,672	19,587	1,987						40,259	-	40,259	n.m.	1,987		
	20,672	n.m.	20,672	19,587	1,987						40,259	-	40,259	n.m.	1,987		
Expenses																	
Non-share based incentive compensation	7,682	n.m.	7,682	7,353	683						15,035	-	15,035	n.m.	683		
Share based incentive compensation	409	n.m.	409	387	284						796	-	796	n.m.	284		
Incentive compensation	8,091	n.m.	8,091	7,740	967						15,831	-	15,831	n.m.	967		
Salaries and benefits	2,281	n.m.	2,281	2,552	178						4,833	-	4,833	n.m.	178		
Trading costs	958	n.m.	958	823	87						1,781	-	1,781	n.m.	87		
Premises and equipment	749	n.m.	749	848	42						1,597	-	1,597	n.m.	42		
Communication and technology	1,229	n.m.	1,229	1,455	117						2,684	-	2,684	n.m.	117		
Interest	9	n.m.	9	37	1						46	-	46	n.m.	1		
General and administrative	2,484	n.m.	2,484	2,628	244						5,112	-	5,112	n.m.	244		
Amortization	1,688	n.m.	1,688	1,477	13						3,165	-	3,165	n.m.	13		
Acquisition-related costs	900	-	900	-	4,077						900	-	900	n.m.	4,077		
Development costs	-	-	-	-	-						-	-	-	-	-		
	18,389	n.m.	18,389	17,560	5,726						35,949	-	35,949	n.m.	5,726		
Income before intersegment allocations and income taxes	2,283	n.m.	2,283	2,027	(3,739)						4,310	-	4,310	n.m.	(3,739)		
Intersegment allocations	2,014	n.m.	2,014	1,210	-						3,224	-	3,224	n.m.	-		
Income (loss) before income taxes	269	n.m.	269	817	(3,739)						1,086	-	1,086	n.m.	(3,739)		
CWM fee-related revenue ⁽¹⁶⁾	61.9 p.p.		61.9%	62.3%	55.5%						61.9%	-	61.9 p.p.		55.5%		
Non-share based incentive compensation as a % of revenue	37.2 p.p.		37.2%	37.5%	34.4%						37.3%	-	37.3 p.p.		34.4%		
Share based incentive compensation as a % of revenue	2.0 p.p.		2.0%	2.0%	14.3%						2.0%	-	2.0 p.p.		14.3%		
Incentive compensation as % of revenue	39.1 p.p.		39.1%	39.5%	48.7%						39.3%	-	39.3 p.p.		48.7%		
Total compensation exp. as % of revenue ⁽¹⁵⁾	50.2 p.p.		50.2%	52.5%	57.6%						51.3%	-	51.3 p.p.		57.6%		
Non-compensation exp. as % of revenue	38.8 p.p.		38.8%	37.1%	25.4%						38.0%	-	38.0 p.p.		25.4%		
Total expenses as % of revenue	89.0 p.p.		89.0%	89.7%	288.2%						89.3%	-	89.3 p.p.		288.2%		
Pre-tax and intersegment allocation profit margin	11.0 p.p.		11.0%	10.3%	(188.2)%						10.7%	-	10.7 p.p.		(188.2)%		
Pre-tax profit margin	1.3 p.p.		1.3%	4.2%	(188.2)%						2.7%	-	2.7 p.p.		(188.2)%		
Assets under mgmt. (\$ millions) - UK and Europe ⁽³⁾	13,122	n.m.	13,122	12,583	13,087						13,122	-	13,122	n.m.	13,087		
Number of employees	262	n.m.	262	267	276						262	-	262	n.m.	276		
Investment professionals and fund managers in UK and Europe ⁽³⁰⁾	96	n.m.	96	98	106						96	-	96	n.m.	106		

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended		FY13 vs FY12		FY12	FY11	FY10	FY09	FY08
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13					
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP
Revenue	20,672	n.m.	20,672	19,587	1,987						40,259	-	40,259	n.m.	1,987		
Total expenses	15,875	n.m.	15,875	16,562	5,726						32,437	-	32,437	n.m.	5,726		
Income (loss) before intersegment allocations and income taxes	4,797	n.m.	4,797	3,025	(3,739)						7,822	-	7,822	n.m.	(3,739)		
Non-compensation exp. as % of revenue	26.6 p.p.		26.6%	37.1%	25.4%						29.2%	-	29.2 p.p.		25.4%		
Total expenses as % of revenue	76.8 p.p.		76.8%	84.6%	288.2%						80.6%	-	80.6 p.p.		288.2%		
Pre-tax and intersegment allocation profit margin	23.2 p.p.		23.2%	15.4%	(188.2)%						19.4%	-	19.4 p.p.		(188.2)%		

Supplementary Revenue Breakdown

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended		FY13 vs FY12		FY12	FY11	FY10	FY09	FY08
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13					
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP
Commission and management fees	20,019	n.m.	20,019	19,067	1,931						39,086	-	39,086	n.m.	1,931		
Investment banking	-	n.m.	-	16	1						16	-	16	n.m.	1		
Advisory fees	-	n.m.	-	-	-						-	-	-	n.m.	-		
Principal trading	-	n.m.	-	-	-						-	-	-	n.m.	0		
Interest	192	n.m.	192	191	15						383	-	383	n.m.	15		
Other	461	n.m.	461	313	40						774	-	774	n.m.	40		
	20,672	n.m.	20,672	19,587	1,987						40,259	-	40,259	n.m.	1,987		

Note: Please find notes on Page 13.

**Corporate and Other segment
Condensed statement of operations**

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended		FY13 vs FY12		FY12							
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS		IFRS	IFRS	CGAAP	CGAAP	CGAAP	
Revenue																				
Canada	7,367	279.5%	10,003	4,894	10,101	9,737	2,636	7,623	11,120	8,477	7,783	14,897	10,259	4,638	45.2%	30,097	31,938	26,933	27,886	50,770
	7,367	279.5%	10,003	4,894	10,101	9,737	2,636	7,623	11,120	8,477	7,783	14,897	10,259	4,638	45.2%	30,097	31,938	26,933	27,886	50,770
Expenses																				
Non-share based incentive compensation	88	n.m.	98	219	2,591	1,870	10	2,877	8,396	9,070	2,498	317	2,887	(2,570)	(89.0)%	7,348	23,083	12,870	5,114	12,561
Share based incentive compensation	(1,227)	(104.3)%	(51)	(377)	91	168	1,176	356	(386)	(1,374)	224	(428)	1,532	(1,960)	(127.9)%	1,791	(1,621)	2,420	915	2,142
Incentive compensation	(1,139)	(96.0)%	47	(158)	2,682	2,038	1,186	3,233	8,010	7,696	2,722	(111)	4,419	(4,530)	(102.5)%	9,139	21,462	15,290	6,029	14,703
Salaries and benefits	(392)	(5.3)%	7,062	8,131	7,918	7,331	7,454	7,968	7,667	7,242	7,351	15,193	15,422	(229)	(1.5)%	30,671	30,173	25,912	26,883	24,986
Trading costs	(57)	(16.5)%	288	367	378	309	345	453	540	325	536	655	798	(143)	(17.9)%	1,485	1,997	2,089	440	479
Premises and equipment	211	24.7%	1,064	1,086	1,368	1,283	853	1,871	1,951	1,667	1,625	2,150	2,724	(574)	(21.1)%	5,375	6,731	4,564	5,507	4,769
Communication and technology	20	1.7%	1,173	1,289	1,194	1,275	1,153	1,151	1,165	824	1,253	2,462	2,304	158	6.9%	4,773	4,315	4,583	5,244	4,616
Interest	(9)	(2.4)%	364	541	378	387	373	398	427	391	361	905	771	134	17.4%	1,536	1,535	1,391	2,045	2,196
General and administrative	(2,049)	(61.8)%	1,268	1,787	5,300	3,774	3,317	3,609	5,365	3,517	3,694	3,055	6,926	(3,871)	(55.9)%	16,000	15,650	14,446	14,029	16,897
Amortization	49	14.6%	385	382	365	460	336	462	561	361	343	767	798	(31)	(3.9)%	1,623	1,582	1,470	2,623	2,825
Development costs	(18)	(3.4)%	509	487	495	561	527	401	786	587	576	996	928	68	7.3%	1,984	2,319	4,292	5,652	5,681
Restructuring costs	900	n.m.	900	-	275	5,000	-	-	-	-	-	900	-	900	n.m.	5,275	-	-	1,511	2,300
Acquisition-related costs	(1,513)	(100.0)%	-	-	-	-	1,513	-	-	-	-	-	1,513	(1,513)	(100.0)%	1,513	-	-	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	9,567	
	(3,997)	(23.4)%	13,060	13,912	20,353	22,418	17,057	19,546	26,472	22,610	18,461	26,972	36,603	(9,631)	(26.3)%	79,374	85,764	74,037	76,663	89,019
Loss before intersegment allocations and income taxes	11,364	78.8%	(3,057)	(9,018)	(10,252)	(12,681)	(14,421)	(11,923)	(15,352)	(14,133)	(10,678)	(12,075)	(26,344)	14,269	54.2%	(49,277)	(53,826)	(47,104)	(48,777)	(38,249)
Intersegment allocations to Canaccord Genuity - Canada	586	18.9%	(2,518)	(1,704)	(3,107)	(2,615)	(3,104)	(3,041)	(2,549)	(2,734)	(2,904)	(4,222)	(6,145)	1,923	31.3%	(11,867)	(10,903)	(9,573)	n/a	n/a
Intersegment allocations to Canaccord Wealth Management Canada	(1,072)	(13.2)%	(9,222)	(10,635)	(10,587)	(8,276)	(8,150)	(8,724)	(9,382)	(8,444)	(9,374)	(19,857)	(16,874)	(2,983)	(17.7)%	(35,737)	(36,604)	(35,782)	n/a	n/a
Income (loss) before income taxes	11,850	n.m.	8,683	3,321	3,442	(1,790)	(3,167)	(158)	(3,421)	(2,955)	1,600	12,004	(3,325)	15,329	n.m.	(1,673)	(6,319)	(1,749)	n/a	n/a
Number of employees	(41)	(10.7)%	343	376	378	386	384	382	373	365	369	343	384	(41)	(10.7)%	378	373	364	356	380

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

(in thousands of dollars)

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended		FY13 vs FY12		FY12							
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS		IFRS	IFRS	CGAAP	CGAAP	CGAAP	
Revenue	7,367	279.5%	10,003	4,894	10,101	9,737	2,636	7,623	11,120	8,477	7,783	14,897	10,259	4,638	45.2%	30,097	31,938	26,933	27,886	50,770
Total expenses	(3,384)	(21.8)%	12,160	13,912	20,078	17,418	15,544	19,546	26,472	22,610	18,461	26,072	35,090	(9,018)	(25.7)%	72,586	85,764	74,037	68,452	77,152
Loss before intersegment allocations and income taxes	10,751	(83.3)%	(2,157)	(9,018)	(9,977)	(7,681)	(12,908)	(11,923)	(15,352)	(14,133)	(10,678)	(11,175)	(24,831)	13,656	55.0%	(42,489)	(53,826)	(47,104)	(40,566)	(26,382)

Note: Please find notes on Page 13.

Canada

Condensed statement of operations ⁽²⁰⁾

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue																				
Canaccord Genuity	(7,046)	(16.6)%	35,445	35,624	71,006	56,942	42,491	61,867	100,901	121,385	58,181	71,069	104,358	(33,289)	(31.9)%	232,306	338,520	177,581	122,850	212,585
Canaccord Wealth Management	(11,336)	(24.3)%	35,280	36,123	51,747	43,765	46,616	53,600	71,218	67,044	43,529	71,403	100,216	(28,813)	(28.8)%	195,728	228,098	184,258	169,628	245,711
Corporate and Other	7,367	279.5%	10,003	4,894	10,101	9,737	2,636	7,623	11,120	8,477	7,783	14,897	10,259	4,638	45.2%	30,097	31,938	26,933	27,886	50,770
	(11,015)	(12.0)%	80,728	76,641	132,854	110,444	91,743	123,090	183,239	196,906	109,493	157,369	214,833	(57,464)	(26.7)%	458,131	598,556	388,772	320,364	509,066
Expenses																				
Non-share based incentive compensation	(7,428)	(19.1)%	31,407	31,487	57,210	46,334	38,835	58,739	89,001	93,267	46,394	62,894	97,574	(34,680)	(35.5)%	201,117	277,879	182,044	141,136	226,244
Share based incentive compensation	1,777	30.1%	7,680	4,197	7,417	4,597	5,903	(2,011)	(2,346)	2,005	2,966	11,877	3,892	7,985	205.2%	15,907	3,497	13,721	4,928	5,477
Incentive compensation	(5,651)	(12.6)%	39,087	35,684	64,627	50,931	44,738	56,728	86,655	95,272	49,360	74,771	101,466	(26,695)	(26.3)%	217,024	281,376	195,765	146,064	231,721
Salaries and benefits	1,039	8.9%	12,687	13,572	13,896	12,077	11,648	13,773	14,496	12,178	13,744	26,259	25,421	838	3.3%	51,394	53,798	48,590	45,993	45,217
Trading costs	(1,409)	(27.1)%	3,784	4,850	4,636	5,332	5,193	6,806	6,617	6,104	5,375	8,634	11,999	(3,365)	(28.0)%	21,967	23,879	18,766	14,597	16,262
Premises and equipment	(301)	(6.8)%	4,094	4,240	4,490	4,349	4,395	4,575	5,263	5,085	4,655	8,334	8,970	(636)	(7.1)%	17,809	19,089	15,693	15,453	14,500
Communication and technology	78	2.0%	3,963	4,133	4,924	3,872	3,885	3,756	3,726	3,429	4,011	8,096	7,641	455	6.0%	16,407	14,830	14,427	18,120	17,836
Interest	(37)	(2.0)%	1,856	3,145	2,822	2,286	1,893	2,378	2,383	2,974	1,630	5,001	4,271	730	17.1%	9,379	7,527	618	7,893	22,799
General and administrative	(1,995)	(17.7)%	9,260	9,192	12,634	10,435	11,255	10,637	14,217	12,149	11,678	18,452	21,892	(3,440)	(15.7)%	44,961	48,389	37,184	41,297	45,245
Amortization	(22)	(1.0)%	2,285	2,280	2,386	2,373	2,307	2,322	2,425	2,214	3,116	4,565	4,629	(64)	(1.4)%	9,388	10,465	4,882	6,053	5,605
Development costs	764	27.7%	3,527	2,588	2,802	2,446	2,763	3,039	3,450	3,476	3,749	6,115	5,802	313	5.4%	11,050	14,558	17,811	15,923	14,038
Restructuring costs	15,042	n.m.	15,042	-	8,153	5,474	-	-	-	-	-	15,042	-	15,042	n.m.	13,627	-	-	2,765	4,000
Acquisition-related costs	(2,568)	(86.9)%	388	-	-	2,700	2,956	-	-	1,750	-	388	2,956	(2,568)	(86.9)%	5,656	12,740	5,000	-	-
ABCP fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700	12,797	-
Canaccord relief program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,347	54,200	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,958	-	-
	4,940	5.4%	95,973	79,684	121,370	102,275	91,033	104,014	139,232	144,631	97,318	175,657	195,047	(19,390)	(9.9)%	418,692	486,651	358,736	330,163	484,220
Income (loss) before income taxes	(15,955)	n.m.	(15,245)	(3,043)	11,484	8,169	710	19,076	44,007	52,275	12,175	(18,288)	19,786	(38,074)	(192.4)%	39,439	111,905	30,036	(9,799)	24,846

Non-share based incentive compensation as a % of revenue	(3.4) p.p.	38.9%	41.1%	43.1%	42.0%	42.3%	47.7%	48.6%	47.4%	42.4%	40.0%	45.4%	(5.5) p.p.	43.9%	46.4%	46.8%	44.1%	44.4%		
Share based incentive compensation as a % of revenue	3.1 p.p.	9.5%	5.5%	5.6%	4.2%	6.4%	(1.6)%	(1.3)%	1.0%	2.7%	7.5%	1.8%	5.7 p.p.	3.5%	0.6%	3.5%	1.5%	1.1%		
Incentive compensation as % of revenue	(0.3) p.p.	48.4%	46.6%	48.6%	46.1%	48.8%	46.1%	47.3%	48.4%	45.1%	47.5%	47.2%	0.3 p.p.	47.4%	47.0%	50.4%	45.6%	45.5%		
Total compensation exp. as % of revenue ⁽¹⁵⁾	2.7 p.p.	64.1%	64.3%	59.1%	57.0%	61.5%	57.3%	55.2%	54.6%	57.6%	64.2%	59.1%	5.1 p.p.	58.6%	56.0%	62.9%	59.9%	54.4%		
Non-compensation exp. as % of revenue	17.0 p.p.	54.8%	39.7%	32.3%	35.6%	37.8%	27.2%	20.8%	18.9%	31.2%	47.4%	31.7%	15.7 p.p.	32.8%	25.3%	29.4%	43.1%	40.8%		
Total expenses as % of revenue	19.7 p.p.	118.9%	104.0%	91.4%	92.6%	99.2%	84.5%	76.0%	73.5%	88.9%	111.6%	90.8%	20.8 p.p.	91.4%	81.3%	92.2%	103.1%	95.2%		
Pre-tax profit margin	(0.2) p.p.	(18.9)%	(4.0)%	8.6%	7.4%	0.8%	15.5%	24.0%	26.5%	11.1%	(11.6)%	9.2%	(20.8) p.p.	8.6%	18.7%	7.7%	(3.1)%	4.9%		
Number of employees	(151)	(11.3)%	1,185	1,277	1,309	1,347	1,336	1,313	1,325	1,312	1,310	1,185	1,336	(151)	(11.3)%	1,309	1,325	1,247	1,265	1,395

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

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
Revenue	(11,015)	(12.0)%	80,728	76,641	132,854	110,444	91,743	123,090	183,239	196,906	109,493	157,369	214,833	(57,464)	(26.7)%	458,131	598,556	388,772	320,364	509,066
Total expenses	(7,534)	(8.6)%	79,613	78,754	112,287	93,171	87,147	103,084	138,302	141,951	95,491	158,367	190,231	(31,864)	(16.8)%	395,689	468,785	353,736	311,393	413,223
Income (loss) before income taxes	(3,481)	(75.7)%	1,115	(2,113)	20,567	17,273	4,596	20,006	44,937	54,955	14,002	(998)	24,602	(25,600)	(104.1)%	62,442	129,771	35,036	8,971	95,843
Non-compensation exp. as % of revenue	1.0 p.p.	34.5%	38.5%	25.4%	27.3%	33.5%	26.5%	20.3%	17.5%	29.6%	36.4%	29.5%	6.9 p.p.	27.8%	22.3%	28.1%	37.3%	26.8%		
Total expenses as % of revenue	3.6 p.p.	98.6%	102.8%	84.5%	84.4%	95.0%	83.7%	75.5%	72.1%	87.2%	100.6%	88.5%	12.1 p.p.	86.4%	78.3%	90.9%	97.2%	81.2%		
Pre-tax profit margin	(3.6) p.p.	1.4%	(2.8)%	15.5%	15.6%	5.0%	16.3%	24.5%	27.9%	12.8%	(0.6)%	11.5%	(12.1) p.p.	13.6%	21.7%	9.0%	2.8%	18.8%		

Supplementary Revenue Breakdown

	Q2/13 vs. Q2/12		Q2/13						6 Months Ended			FY13 vs FY12		FY12						
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP	CGAAP		
Commission	(5,440)	(12.1)%	39,685	40,560	55,318	42,584	45,125	44,915	61,873	67,349	44,815	80,245	90,040	(9,795)	(10.9)%	187,942	218,864	181,684	173,357	234,389
Investment banking	(7,029)	(29.0)%	17,188	18,690	41,150	22,843	24,217	46,052	75,738	91,523	41,541	35,878	70,269	(34,391)	(48.9)%	134,262	249,966	138,231	70,730	170,811
Advisory fees	(7,754)	(47.2)%	8,691	6,359	16,761	27,819	16,445	17,764	19,980	19,913	8,420	15,050	34,209	(19,159)	(56.0)%	78,789	62,887	5,553	14,909	17,584
Principal trading	3,713	(126.8)%	784	215	1,747	848	(2,929)	(48)	6,902	3,619	2,704	999	(2,977)	3,976	(133.6)%	(382)	14,513	21,135	9,673	3,820
Interest	(1,634)	(21.6)%	5,935	7,592	7,872	8,033	7,569	7,780	7,586	7,687	5,362	13,527	15,349	(1,822)	(11.9)%	31,254	23,714	14,456	35,471	58,127
Other	7,129	n.m.	8,445	3,225	10,006	8,317	1,316	6,627	11,160	6,815	6,651	11,670	7,943	3,727	46.9%	26,266	28,612	27,713	16,224	24,335
	(11,015)	(12.0)%	80,728	76,641	132,854	110,444	91,743	123,090	183,239	196,906	109,493	157,369	214,833	(57,464)	(26.7)%	458,131	598,556	388,772	320,364	509,066
Facilitation losses ⁽²⁶⁾	5,020	(79.4)%	(1,302)	(3,367)	(218)	(4,844)	(6,322)	(10,795)	(9,261)	(1,134)	(5,070)	(4,669)	(17,117)	12,448	72.7%	(22,179)	(22,383)	n/a	n/a	n/a

Note: Please find notes on Page 13.

US

Condensed statement of operations ⁽²¹⁾

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

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

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended				FY13 vs FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue																				
Canaccord Genuity	21,684	121.9%	39,474	31,050	18,487	17,197	17,790	26,012	27,712	32,618	20,083	70,524	43,802	26,722	61.0%	79,486	106,219	97,629	74,794	90,788
Canaccord Wealth Management	(262)	(32.9)%	534	644	790	806	796	1,183	1,486	1,555	1,010	1,178	1,979	(801)	(40.5)%	3,575	4,951	2,788	2,856	3,416
	21,422	115.3%	40,008	31,694	19,277	18,003	18,586	27,195	29,198	34,173	21,093	71,702	45,781	25,921	56.6%	83,061	111,170	100,417	77,650	94,204
Expenses																				
Non-share based incentive compensation	10,755	118.4%	19,839	18,364	12,319	8,587	9,084	13,578	15,037	18,002	10,237	38,203	22,662	15,541	68.6%	43,568	56,785	54,488	35,876	49,543
Share based incentive compensation	(436)	(46.3)%	506	925	1,237	1,164	942	1,100	327	390	1,291	1,431	2,042	(611)	(29.9)%	4,443	2,859	585	151	(803)
Incentive compensation	10,319	102.9%	20,345	19,289	13,556	9,751	10,026	14,678	15,364	18,392	11,528	39,634	24,704	14,930	60.4%	48,011	59,644	55,073	36,027	48,740
Salaries and benefits	1,218	108.0%	2,346	2,564	1,303	1,049	1,128	1,092	1,169	1,250	1,315	4,910	2,220	2,690	121.2%	4,572	4,921	4,346	5,161	4,483
Trading costs	2,863	177.9%	4,472	5,752	583	1,133	1,609	1,135	1,024	963	1,025	10,224	2,744	7,480	272.6%	4,460	4,114	6,566	8,772	8,649
Premises and equipment	1,062	80.3%	2,385	2,263	1,345	1,204	1,323	1,159	1,182	1,109	1,096	4,648	2,482	2,166	87.3%	5,031	4,451	4,812	5,141	4,967
Communication and technology	1,738	129.1%	3,084	3,406	1,588	1,370	1,346	1,266	1,248	1,372	1,428	6,490	2,612	3,878	148.5%	5,570	5,473	5,008	5,061	2,576
Interest	449	n.m.	505	566	98	66	56	38	40	51	31	1,071	94	977	n.m.	258	181	1,888	3,074	1,730
General and administrative	694	21.0%	4,005	4,895	3,536	3,132	3,311	3,098	2,771	3,144	2,704	8,900	6,409	2,491	38.9%	13,077	11,578	8,892	12,617	12,434
Amortization	93	29.7%	406	442	552	320	313	243	201	258	276	848	556	292	52.5%	1,428	997	1,124	1,098	1,106
Development costs	73	5.9%	1,301	1,665	1,123	1,040	1,228	1,193	516	1,213	1,026	2,966	2,421	545	22.5%	4,584	3,056	4,077	11,510	16,878
Restructuring costs	3,820	n.m.	3,820	-	2,758	408	-	-	-	-	-	3,820	-	3,820	n.m.	3,166	-	-	3,623	-
Acquisition-related costs	-	-	-	-	437	-	-	-	-	-	-	-	-	-	-	437	-	-	-	-
Impairment of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,566	-
	22,329	109.8%	42,669	40,842	26,879	19,473	20,340	23,902	23,515	27,752	20,429	83,511	44,242	39,269	88.8%	90,594	94,415	91,786	119,650	101,563
	(907)	51.7%	(2,661)	(9,148)	(7,602)	(1,470)	(1,754)	3,293	5,683	6,421	664	(11,809)	1,539	(13,348)	n.m.	(7,533)	16,755	8,631	(42,000)	(7,359)
Income (loss) before income taxes																				

Non-share based incentive compensation as a % of revenue	0.7 p.p.	49.6%	57.9%	63.9%	47.7%	48.9%	49.9%	51.5%	52.7%	48.5%	53.3%	49.5%	3.8 p.p.	52.5%	51.1%	54.3%	46.2%	52.6%	
Share based incentive compensation as a % of revenue	(3.8) p.p.	1.3%	2.9%	6.4%	6.5%	5.1%	4.0%	1.1%	1.1%	6.1%	2.0%	4.5%	(2.5) p.p.	5.3%	2.6%	0.6%	0.2%	(0.9)%	
Incentive compensation as % of revenue	(3.1) p.p.	50.9%	60.9%	70.3%	54.2%	53.9%	54.0%	52.6%	53.8%	54.7%	55.3%	54.0%	1.3 p.p.	57.8%	53.7%	54.8%	46.4%	51.6%	
Total compensation exp. as % of revenue ⁽¹⁵⁾	(3.3) p.p.	56.7%	68.9%	77.1%	60.0%	60.0%	58.0%	56.6%	57.5%	60.9%	62.1%	58.8%	3.3 p.p.	63.3%	58.1%	59.2%	53.0%	56.4%	
Non-compensation exp. as % of revenue	0.5 p.p.	49.9%	59.9%	60.1%	48.2%	49.4%	29.9%	23.9%	23.7%	36.0%	54.3%	37.8%	16.5 p.p.	45.2%	26.9%	32.2%	101.0%	51.2%	
Total expenses as % of revenue	(2.8) p.p.	106.7%	128.9%	139.4%	108.2%	109.4%	87.9%	80.5%	81.2%	96.9%	116.5%	96.6%	19.8 p.p.	109.1%	84.9%	91.4%	154.1%	107.6%	
Pre-tax profit margin	2.8 p.p.	(6.7)%	(28.9)%	(39.4)%	(8.2)%	(9.4)%	12.1%	19.5%	18.8%	3.1%	(16.5)%	3.4%	(19.8) p.p.	(9.1)%	15.1%	8.6%	(54.1)%	(7.8)%	
Number of employees	66	35.5%	252	304	302	176	186	180	175	178	252	186	66	35.5%	302	175	163	151	163

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

(in thousands of dollars)

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended				FY13 vs FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue	21,422	115.3%	40,008	31,694	19,277	18,003	18,586	27,195	29,198	34,173	21,093	71,702	45,781	25,921	56.6%	83,061	111,170	100,417	77,650	94,204
Total expenses	18,506	91.0%	38,846	40,841	23,684	19,065	20,340	23,902	23,515	27,752	20,429	79,687	44,242	35,445	80.1%	86,991	94,415	91,786	88,461	101,563
Income (loss) before income taxes	2,916	(166.2)%	1,162	(9,147)	(4,407)	(1,062)	(1,754)	3,293	5,683	6,421	664	(7,985)	1,539	(9,524)	n.m.	(3,930)	16,755	8,631	(10,811)	(7,359)

Supplementary Revenue Breakdown

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended				FY13 vs FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Commission	5,071	42.3%	17,058	18,119	11,991	11,693	11,987	12,758	15,209	15,284	13,899	35,177	24,745	10,432	42.2%	48,429	58,197	42,461	48,855	47,101
Investment banking	2,191	47.1%	6,842	3,949	3,942	5,342	4,651	11,486	11,091	15,764	6,218	10,791	16,137	(5,346)	(33.1)%	25,421	42,961	37,280	13,044	34,077
Advisory fees	3,662	186.6%	5,624	3,598	1,320	838	1,962	2,960	2,860	2,926	740	9,222	4,922	4,300	87.4%	7,080	9,588	21,891	15,171	11,589
Principal trading	9,853	n.m.	9,853	5,436	1,678	-	-	-	-	-	-	15,289	-	15,289	n.m.	1,678	-	-	-	-
Interest	383	n.m.	399	339	25	13	16	19	29	18	17	738	35	703	n.m.	73	81	(1,655)	342	1,092
Other	262	n.m.	232	253	321	117	(30)	(28)	9	181	219	485	(58)	543	n.m.	380	343	440	238	345
	21,422	115.3%	40,008	31,694	19,277	18,003	18,586	27,195	29,198	34,173	21,093	71,702	45,781	25,921	56.6%	83,061	111,170	100,417	77,650	94,204
Facilitation losses ⁽²⁸⁾	1,007	(75.9)%	(320)	(1,245)	(1,385)	(1,519)	(1,327)	(1,714)	(1,639)	(1,628)	(1,323)	(1,565)	(3,041)	1,476	(48.5)%	(5,945)	(5,913)	n/a	n/a	n/a

Note: Please find notes on Page 13.

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

Condensed statement of operations ⁽²⁷⁾⁽²⁸⁾

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

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

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended		FY13 vs FY12		FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue																				
Canaccord Genuity	5,171	n.m.	5,004	4,563	3,713	6,694	(167)	252	603	416	361	9,567	85	9,482	n.m.	10,492	1,228	5,894	6,781	9,937
Canaccord Wealth Management	1,153	n.m.	1,153	844	-	-	-	-	-	-	-	1,997	-	1,997	n.m.	-	-	-	-	-
	6,324	n.m.	6,157	5,407	3,713	6,694	(167)	252	603	416	361	11,564	85	11,479	n.m.	10,492	1,228	5,894	6,781	9,937
Expenses																				
Non-share based incentive compensation	2,178	n.m.	2,791	3,621	2,109	2,704	613	(1)	106	7	(2)	6,412	612	5,800	n.m.	5,425	109	2,225	3,522	4,944
Share based incentive compensation	-	n.m.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45	413	-	396
Incentive compensation	2,178	n.m.	2,791	3,621	2,109	2,704	613	(1)	106	7	(2)	6,412	612	5,800	n.m.	5,425	109	2,271	3,935	5,340
Salaries and benefits	449	258.0%	623	392	519	630	174	985	630	8	8	1,015	1,159	(144)	(12.4)%	2,308	653	34	54	47
Trading costs	351	n.m.	351	290	229	142	-	-	-	-	-	641	-	641	n.m.	371	-	-	1	-
Premises and equipment	452	n.m.	586	345	243	219	134	138	103	13	14	931	272	659	242.3%	734	144	55	55	51
Communication and technology	92	219.0%	134	172	168	103	42	22	20	-	-	306	64	242	n.m.	335	20	-	(2)	-
Interest	4	n.m.	5	11	6	1	1	1	2	-	(1)	16	2	14	n.m.	9	1	1	-	2
General and administrative	1,515	n.m.	1,727	908	932	861	212	327	354	123	15	2,635	539	2,096	n.m.	2,332	516	92	169	66
Amortization	1,550	n.m.	1,586	1,877	1,078	906	36	28	26	-	-	3,463	64	3,399	n.m.	2,048	26	-	-	-
Development costs	(630)	(160.5)%	(313)	372	941	1,757	517	538	76	-	-	59	1,055	(996)	(94.4)%	3,753	76	-	-	-
Acquisition-related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	5,761	n.m.	7,490	7,988	6,225	7,323	1,729	2,038	1,317	151	34	15,478	3,767	11,711	n.m.	17,315	1,545	2,453	4,212	5,506
Income (loss) before income taxes	563	(29.7)%	(1,333)	(2,581)	(2,512)	(629)	(1,896)	(1,786)	(714)	265	327	(3,914)	(3,682)	(232)	6.3%	(6,823)	(317)	3,441	2,569	4,431

Non-share based incentive compensation as a % of reve	n.m.	45.3%	67.0%	56.8%	40.4%	(367.1)%	(0.4)%	17.6%	1.7%	(0.6)%	55.4%	720.0%	n.m.	51.7%	8.9%	37.8%	51.9%	49.8%
Share based incentive compensation as a % of revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8%	6.1%	4.0%
Incentive compensation as % of revenue	n.m.	45.3%	67.0%	56.8%	40.4%	(367.1)%	(0.4)%	17.6%	1.7%	(0.6)%	55.4%	n.m.	n.m.	51.7%	8.9%	38.5%	58.0%	53.7%
Total compensation exp. as % of revenue ⁽¹⁵⁾	n.m.	55.4%	74.2%	70.8%	49.8%	(471.3)%	390.5%	122.1%	3.6%	1.7%	64.2%	n.m.	n.m.	73.7%	62.1%	39.1%	58.8%	54.2%
Non-compensation exp. as % of revenue	n.m.	66.2%	73.5%	96.9%	59.6%	(564.1)%	418.3%	96.4%	32.7%	7.8%	69.6%	n.m.	n.m.	91.3%	63.8%	2.5%	3.3%	1.2%
Total expenses as % of revenue	n.m.	121.7%	147.7%	167.7%	109.4%	(1035.3)%	808.7%	218.4%	36.3%	9.4%	133.8%	n.m.	n.m.	165.0%	125.8%	41.6%	62.1%	55.4%
Pre-tax profit margin	n.m.	(21.7)%	(47.7)%	(67.7)%	(9.4)%	1135.3%	(708.7)%	(118.4)%	63.7%	90.6%	(33.8)%	n.m.	n.m.	(65.0)%	(25.8)%	58.4%	37.9%	44.6%

Number of employees	60	166.7%	96	93	80	69	36	36	41	1	1	96	36	60	166.7%	80	41	1	1	1
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Supplementary Information Excluding Significant Items (Non-IFRS and Non-GAAP) ⁽¹⁶⁾

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended		FY13 vs FY12		FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Revenue	6,324	n.m.	6,157	5,407	3,713	6,694	(167)	252	603	416	361	11,564	85	11,479	n.m.	10,492	1,228	5,894	6,781	9,937
Total expenses	4,304	248.9%	6,033	6,251	5,290	6,486	1,729	2,038	1,317	151	34	12,284	3,767	8,517	226.1%	15,543	1,545	2,453	4,212	5,506
Income (loss) before income taxes	2,020	(106.5)%	124	(844)	(1,577)	208	(1,896)	(1,786)	(714)	265	327	(720)	(3,682)	2,962	(80.4)%	(5,051)	(317)	3,441	2,569	4,431

Supplementary Revenue Breakdown

	Q2/13 vs. Q2/12		Q2/13									6 Months Ended		FY13 vs FY12		FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	Q2/13	Q2/12	Increase (decrease)	FY12	FY11	FY10	FY09	FY08	
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP		
Commission	2,571	n.m.	2,571	1,326	892	391	-	-	-	-	-	3,897	-	3,897	n.m.	1,283	-	-	1	-
Investment banking	2,742	n.m.	2,923	3,051	1,625	758	181	21	-	-	-	5,974	202	5,772	n.m.	2,585	-	4,655	7,406	10,110
Advisory fees	433	n.m.	455	1,053	1,020	5,528	22	337	191	-	-	1,508	359	1,149	n.m.	6,907	191	(724)	-	-
Principal trading	693	(101.6)%	11	(247)	(103)	(135)	(682)	(172)	316	377	310	(236)	(854)	618	(72.4)%	(1,092)	799	1,657	(830)	(796)
Interest	187	n.m.	189	212	278	101	2	55	77	45	53	401	57	344	n.m.	436	220	70	248	610
Other	(302)	(97.4)%	8	12	1	51	310	11	19	(6)	(2)	20	321	(301)	(93.8)%	373	18	236	(44)	13
	6,324	n.m.	6,157	5,407	3,713	6,694	(167)	252	603	416	361	11,564	85	11,479	n.m.	10,492	1,228	5,894	6,781	9,937

n.m.: not meaningful

Note: Please find notes on Page 13.

Canaccord Group of Companies

Condensed Consolidated Statement of Financial Position ⁽²⁸⁾

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

	Q2/13 vs. Q2/12		Q2/13						Q3/11			FY12				
	Increase (decrease)		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	FY12	FY11	FY10	FY09	FY08
			IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	CGAAP	CGAAP	CGAAP
Assets																
Cash and cash equivalents	(115,747)	(16.7)%	575,367	644,027	814,238	700,914	691,114	710,734	954,068	713,117	636,908	814,238	954,068	731,852	701,173	435,649
Securities owned	(229,421)	(17.4)%	1,087,334	1,214,424	1,171,988	1,100,470	1,316,755	849,679	947,185	1,098,154	1,268,897	1,171,988	947,185	362,755	133,691	92,796
Accounts receivable	(519,477)	(15.9)%	2,750,879	2,548,117	3,081,640	2,215,448	3,270,356	2,488,826	2,828,812	2,383,057	2,987,415	3,081,640	2,828,812	1,972,924	1,061,161	1,422,917
Income taxes recoverable	(3,656)	(19.5)%	15,120	15,866	8,301	15,565	18,776	10,317	-	-	5,567	8,301	-	-	23,771	11,083
Deferred tax assets	4,286	239.3%	6,077	6,735	3,959	2,419	1,791	2,076	1,503	1,036	1,076	3,959	1,503	13,190	15,680	28,207
Investments	(2,687)	(45.3)%	3,247	9,488	9,493	5,934	5,934	5,934	5,934	6,732	6,732	9,493	5,934	5,000	5,000	5,000
Investment in asset backed commercial paper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,312	29,860
Equipment and leasehold improvements	4,893	11.3%	48,013	49,678	51,084	44,550	43,120	43,289	40,818	36,860	37,463	51,084	40,818	38,127	46,311	40,686
Goodwill and other intangibles	299,124	94.3%	616,444	617,503	622,020	354,577	317,320	318,250	319,180	316,928	317,858	622,020	319,180	-	-	32,520
Total assets	(562,685)	(9.9)%	5,102,481	5,105,838	5,762,723	4,439,877	5,665,166	4,429,105	5,097,500	4,555,884	5,261,916	5,762,723	5,097,500	3,123,848	2,022,099	2,098,718
Liabilities and equity																
Bank indebtedness	29,475	n.m.	29,475	84,536	75,141	-	-	24,125	13,580	34,913	64,733	75,141	13,580	29,435	75,600	15,038
Short term credit facility	-	-	-	-	150,000	-	-	-	-	-	-	150,000	-	-	-	-
Securities sold short	(269,603)	(24.1)%	847,665	1,036,535	914,649	952,750	1,117,268	731,730	722,613	853,869	1,236,229	914,649	722,613	364,137	79,426	13,757
Accounts payable, accrued liabilities and other	(512,743)	(14.0)%	3,150,580	2,887,434	3,590,266	2,592,774	3,663,323	2,802,669	3,557,275	2,910,423	3,257,736	3,590,266	3,557,275	2,308,146	1,469,369	1,687,479
Income taxes payable	-	-	-	-	-	-	-	-	23,977	8,668	-	-	23,977	5,385	-	-
Contingent consideration	6,000	100.0%	6,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	(2,210)	(36.3)%	3,872	7,482	8,088	8,840	6,082	7,340	8,163	8,285	7,688	8,088	8,163	-	-	-
Subordinated debt	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	25,000	25,000
Non-controlling interests ⁽²⁸⁾	16,047	n.m.	16,047	16,882	17,454	18,218	-	-	-	-	-	17,454	-	-	-	-
Shareholders' equity	170,349	19.7%	1,033,842	1,057,969	992,125	852,295	863,493	848,241	756,892	724,726	680,530	992,125	756,892	401,745	372,704	357,444
Total liabilities and equity	(562,685)	(9.9)%	5,102,481	5,105,838	5,762,723	4,439,877	5,665,166	4,429,105	5,097,500	4,555,884	5,261,916	5,762,723	5,097,500	3,123,848	2,022,099	2,098,718

Note: Please find notes on Page 13.

Miscellaneous operational statistics

(Unaudited, for the period ended)

	Q2/13 vs. Q2/12		Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12	Q4/11	Q3/11	Q2/11	FY12	FY11	FY10	FY09	FY08
	Increase (decrease)															
Number of employees in Canada																
Number in Canaccord Genuity	(41)	(15.4)%	225	239	247	262	266	265	268	276	276	247	268	203	209	253
Number in Canaccord Wealth Management	(69)	(10.1)%	617	662	684	699	686	666	684	671	665	684	684	680	700	762
Number in Corporate and Other	(41)	(10.7)%	343	376	378	386	384	382	373	365	369	378	373	364	356	380
Total Canada	(151)	(11.3)%	1,185	1,277	1,309	1,347	1,336	1,313	1,325	1,312	1,310	1,309	1,325	1,247	1,265	1,395
Number of employees in UK and Europe																
Number in Canaccord Genuity	268	176.3%	420	427	461	143	152	155	143	140	142	461	143	138	105	112
Number in Canaccord Wealth Management	262	n.m.	262	267	276	-	-	-	-	-	-	276	-	-	-	-
Number of employees in US																
Number in Canaccord Genuity	66	35.5%	252	304	302	176	186	180	175	175	178	302	175	163	151	163
Number of employees in Other Foreign Locations																
Number in Canaccord Genuity	45	125.0%	81	82	80	69	36	36	41	1	1	80	41	1	9	13
Number in Canaccord Wealth Management	15	n.m.	15	11	-	-	-	-	-	-	-	-	-	-	-	-
Number of employees firm wide ⁽²³⁾																
	505	29.5%	2,215	2,368	2,428	1,735	1,710	1,684	1,684	1,628	1,631	2,428	1,684	1,549	1,530	1,683
Number of Advisory Teams in Canada ⁽¹⁹⁾																
	(40)	(14.8)%	231	269	280	278	271	263	271	272	280	280	271	303	338	354
Number of licenced professionals in Canada																
	(73)	(11.7)%	553	604	604	631	626	628	645	653	712	604	645	718	790	852
Number of investment professionals and fund managers in UK and Europe ⁽³¹⁾																
	96	n.m.	96	98	106	-	-	-	-	-	-	106	-	-	-	-
Number of Advisors - Australia																
	11	n.m.	11	10	-	-	-	-	-	-	-	-	-	-	-	-
Assets under mgmt. (discretionary) (\$millions) - Canada ⁽²⁾																
	210	36.6%	784	709	677	607	574	575	546	514	473	677	546	445	393	730
Assets under admin. (\$millions) - Canada ⁽²⁾																
	(1,291)	(8.8)%	13,344	13,137	14,828	14,367	14,635	15,676	16,985	16,006	13,895	14,828	16,985	12,922	9,184	14,295
Assets under mgmt. (\$millions) - UK and Europe ⁽³⁾																
	13,122	n.m.	13,122	12,583	13,087	-	-	-	-	-	-	13,087	-	-	-	-
Assets under mgmt. (\$millions) - Australia ⁽²⁾																
	354	n.m.	354	305	-	-	-	-	-	-	-	-	-	-	-	-
Total	12,185	83.3%	26,820	26,025	27,915	14,367	14,635	15,676	16,985	16,006	13,895	27,915	16,985	12,922	9,184	14,295
Number of companies with Canaccord Genuity Limited as Broker																
London Stock Exchange (LSE)	42	144.8%	71	75	52	31	29	29	26	24	20	52	26	23	9	5
Alternative Investment Market (AIM)	24	58.5%	65	68	77	48	41	41	39	35	37	77	39	43	51	60
Total Broker	66	94.3%	136	143	129	79	70	70	65	59	57	129	65	66	60	65
Number of companies with Canaccord Genuity Limited as Nomad ⁽²²⁾																
LSE	(2)	(100.0)%	-	-	-	2	2	1	1	1	1	0	1	1	-	1
AIM	20	62.5%	52	53	62	35	32	31	30	29	30	62	30	35	42	51
Total Nomad	18	52.9%	52	53	62	37	34	32	31	30	31	62	31	36	42	52

n.m. not meaningful

Note: Please find notes on Page 13.

**Canaccord Group of Companies
Notes**

- (1) Financial results are expressed in C\$ thousands, except for assets under administration, assets under management, preferred share information, common share information, financial measures, number of employees, number of Advisory Teams, number of Advisors, number of investment professionals and fund managers, and number of licensed professionals.
- (2) Assets under management in Canada are assets managed on discretionary basis under our programs generally described as or known as the *Complete Canaccord Investment Counseling Program* and the *Complete Canaccord Managed Account Program* offered by Canaccord. Assets under administration in Canada is the market value of client assets administered by Canaccord, from which Canaccord earns commissions or fees. Assets under management in Australia is the market value of client assets managed and administered by Canaccord, from which Canaccord earns commissions or fees.
- (3) Assets under administration in the UK and Europe is the market value of client assets managed and administered by Canaccord, from which Canaccord earns commissions or fees. This measure includes both discretionary and non-discretionary accounts.
- (4) Book value per diluted share is calculated as total common shareholders' equity divided by the number of diluted shares outstanding.
- (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 share-based payment plans.
- (8) This is the diluted common share number used to calculate diluted EPS.
- (9) Special distributions per share and dividends per preferred share are not included in the dividend yield and dividend payout calculations.
- (10) Total shareholder return is calculated as the change in share price plus dividends paid to common shares and special distributions paid in the current period as a percentage of the prior period's closing share price, assuming reinvestment of all dividends.
- (11) ROE is presented on an annualized basis. Quarterly annualized ROE is calculated by dividing the annualized net income for the three month period over the average common shareholders' equity.
- (12) The price to earnings multiple is calculated based on the end of period share price and 12-month trailing diluted EPS.
- (13) The price to book ratio is calculated based on the end of period share price and common shareholder's equity per diluted common share.
- (14) Incentive compensation includes National Health Insurance tax applicable to the UK and is based on a percentage of incentive compensation payout.
- (15) Total compensation expense includes incentive compensation and salaries and benefits, but excludes hiring incentives and development group salary and benefits, which are included in development costs. Development group salary and benefits have been reclassified to salaries and benefits expense line starting in Q1/11.
- (16) Significant items include ABCP fair value adjustment, Canaccord relief program, restructuring costs, and acquisition-related expense items. Acquisition-related expense items include acquisition-related costs and amortization of intangible assets.
- (17) Canaccord's UK and Europe operations include activities related to capital markets and wealth management activities in the United Kingdom and Europe. Operating results from former CSHP entities have been included since March 22, 2012.
- (18) 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) Advisory Teams are normally comprised of one or more Investment Advisors (IAs) and their assistants and associates, who together manage a shared set of client accounts. Advisory Teams that are led by, or only include, an IA who has been licenced for less than three years are not included in our Advisory Team count, as it typically takes a new IA approximately three years to build an average sized book.
- (20) Canaccord's Canadian operations include activities related to Canadian Wealth Management, capital markets activities in Canada delivered through Canaccord Genuity (a division of Canaccord Genuity Corp., our principal Canadian operating subsidiary), and Canadian Corporate and Other operations.
- (21) Canaccord's US operations include activities related to US Wealth Management, delivered through Canaccord Wealth Management (USA), Inc., and US capital markets operations, delivered through Canaccord Genuity Inc. and Canaccord Securities LLC. US Other operations, also delivered through Canaccord Wealth Management (USA), Inc., include revenue and expenses not specifically allocable to US Canaccord Wealth Management and US Canaccord Genuity.
- (22) A company listed on AIM is required to retain a Nominated Adviser (commonly referred to as Nomad) during the company's life on the market. Nominated Advisers are responsible, amongst other duties, for warranting that a company is appropriate for joining AIM.
- (23) The employee count excludes temporary employees and those on long term disability but includes employees on leave of absence.
- (24) 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.
- (26) Canaccord Genuity's facilitation losses, which are included as part of commission revenue, are disclosed separately beginning Q1/11 as part of our transition to IFRS.
- (27) Revenue derived from capital markets activity outside of Canada, the US and UK and Europe is reported as Other Foreign Locations, which includes revenue from Canaccord International Ltd., Canaccord Genuity Asia, our 50% interest in Canaccord Genuity (Australia) Limited (formerly Canaccord BGF), and Canaccord Singapore Pte. Ltd. Operating results of Canaccord Singapore Pte. Ltd have been included since March 22, 2012.
- (28) In accordance with IAS 27 "Consolidated and separate financial statements", the financial position, operating results and cash flows of Canaccord Genuity and Wealth Management's operations in Australia are fully consolidated, and a 50% non-controlling interest has been recognized, which represents the portion of the net identifiable assets in Australia since November 1, 2011 attributable to non-controlling shareholders. Canaccord BGF was rebranded to Canaccord Genuity and Canaccord Wealth Management starting on July 16, 2012.
- (29) Includes wealth management operations in Canada and Australia. Results for wealth management operations in Australia have been included starting April 1, 2012 as a result of its rebranding during Q1/13.
- (30) Investment professionals include all staff with direct sales responsibilities, which include brokers and assistants with direct client contacts. Fund managers include all staff who manages client assets.
- (31) Operating results from former CSHP Wealth Management group are included since March 22, 2012.