

Press Release

Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2015 First Quarter Operating Results

Toronto, Ontario, May 12, 2015

TO OUR SHAREHOLDERS:

We present below a summary of the Company's operating results for the three months ended March 31, 2015. All per share figures disclosed below are stated on a diluted basis.

For the three months ended March 31	2015	2014
<i>(\$ in thousands, except per share amounts)</i>		
Net revenue	\$ 32,304	\$ 27,722
Operating earnings	10,476	8,556
Net gains	152	3,647
Net earnings before net gains on securities held for sale	8,584	10,624
Net gains on securities held for sale	2,967	386
Net earnings available to shareholders	11,310	10,916
EBITDA ⁽¹⁾	\$ 11,560	\$ 9,823
Adjusted cash flow from operations ⁽¹⁾	8,141	7,478
Per Share		
Net earnings available to shareholders	\$ 0.37	\$ 0.35
EBITDA ⁽¹⁾	0.38	0.31
Adjusted cash flow from operations ⁽¹⁾	0.27	0.24

As at	2015	2014	
<i>(\$ in millions, except per share amounts)</i>	March 31	December 31	March 31
Assets under management	\$ 26,093	\$ 24,968	\$ 23,237
Assets under administration	14,057	13,126	12,227
Shareholders' equity	478	489	438
Fair value of corporate holdings of securities	522	525	468
Per share			
Shareholders' equity	\$ 15.42	\$ 15.62	\$ 13.93
Fair value of corporate holdings of securities	16.86	16.78	14.88

Summary

The Company's assets under management ("AUM") as at March 31, 2015 grew to \$26.1 billion, an increase of 5% since December 31, 2014 and 12% since March 31, 2014. Assets under administration ("AUA") were \$14.1 billion as at March 31, 2015, an increase of 7% since December 31, 2014 and 15% since March 31, 2014.

The Company's operating earnings for the current quarter were \$10.5 million, an increase of 22% from \$8.6 million in Q1 2014. All segments of the Company's operations contributed positively to the overall growth in operating earnings. Net gains at \$0.2 million were lower in the current quarter than in 2014 due to lower levels of investment activities during the current quarter. The net gains on securities held for sale at \$3.0 million were higher in the current quarter than in 2014, largely due to the unrealized gains recorded on a significantly larger portfolio of securities held for sale.

Net earnings available to shareholders for the quarter were \$11.3 million, or \$0.37 per share, compared to \$10.9 million, or \$0.35 per share, for Q1 2014. The increase was due to the growth in operating earnings, offset by the reduction in the total of net gains and net gains on securities held for sale, and the resulting additional income taxes.

EBITDA⁽¹⁾ for the quarter was \$11.6 million, or \$0.38 per share, compared to \$9.8 million, or \$0.31 per share for Q1 2014. Adjusted cash flow from operations⁽¹⁾ for the quarter was \$8.1 million, or \$0.27 per share, compared to \$7.5 million, or

\$0.24 per share for Q1 2014.

The Company's shareholders' equity as at March 31, 2015 was \$478 million, or \$15.42 per share, compared to \$489 million, or \$15.62 per share, at December 31, 2014 and \$438 million, or \$13.93 per share, as at March 31, 2014. The fair value of the Company's corporate holdings of securities as at March 31, 2015 was \$522 million, or \$16.86 per share, compared to \$525 million, or \$16.78 per share, as at December 31, 2014 and \$468 million, or \$14.88 per share, as at March 31, 2014.

The Board of Directors has declared a quarterly eligible dividend of \$0.075 per share, payable on July 17, 2015, to shareholders of record on July 10, 2015.

⁽¹⁾ The Company's management uses EBITDA and Adjusted cash flow from operations to evaluate and assess the performance of its business. These two measures do not have standardized measures under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be strictly comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and Investment analysts prefer to include the use of these measures in analyzing the Company's results. The Company defines EBITDA as net earnings before interest, income taxes, amortization, stock-based compensation, and any net gains or losses less amounts attributable to non-controlling interest. The Company defines Adjusted cash flow from operations as Net cash from operating activities, net of changes in non-cash working capital items and net of non-controlling interests. The most comparable IFRS measures are Net earnings, which were \$11,551 for the three months ended March 31, 2015 (2014 - \$11,010), and Net cash used in operating activities, which was \$1,804 for the three months ended March 31, 2015 (2014 - \$8,700). More detailed descriptions of these two non-IFRS measures are provided in the Company's quarterly Management's Discussions and Analysis, including a reconciliation of these measures to their most comparable IFRS measures.

The following chart summarizes Guardian's financial results for the past eight quarters.

Quarters ended (\$ in thousands, except for per share amounts)	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 31, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013
Net revenue	\$ 32,304	\$ 31,490	\$ 30,806	\$ 29,257	\$ 27,722	\$ 27,907	\$ 25,173	\$ 25,041
Operating earnings	10,476	10,335	10,051	9,199	8,556	8,564	6,898	6,390
Net gains (losses)	152	403	(12)	2,737	3,647	7,218	3,183	666
Net earnings before net gains (losses) on securities held for sale	8,584	8,530	8,033	10,066	10,624	14,879	8,602	6,255
Net gains (losses) on securities held for sale	2,967	(92)	(156)	222	386	238	432	(1,243)
Net earnings available to shareholders	11,310	8,223	7,715	10,163	10,916	14,980	8,946	4,963
Shareholders' equity	477,901	488,835	482,242	463,306	438,363	414,985	393,670	354,622
Per average Class A and Common Share								
Net earnings:								
- Basic	\$ 0.38	\$ 0.27	\$ 0.26	\$ 0.34	\$ 0.36	\$ 0.49	\$ 0.29	\$ 0.16
- Diluted	0.37	0.27	0.25	0.33	0.35	0.48	0.29	0.16
Shareholders' equity:								
- Basic	\$ 16.15	\$ 16.33	\$ 16.08	\$ 15.34	\$ 14.49	\$ 13.68	\$ 12.94	\$ 11.64
- Diluted	15.42	15.62	15.39	14.72	13.93	13.17	12.51	11.27

Guardian Capital Group Limited is a diversified financial services company founded in 1962. Guardian provides institutional and high net worth investment management services to clients; financial services to international investors; and services to financial advisors in its national mutual fund dealer, securities dealer, and insurance distribution network. Its Common and Class A shares are listed on The Toronto Stock Exchange.

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