

Press Release

Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2014 Second Quarter Operating Results

Toronto, Ontario, August 11, 2014

All per share figures disclosed below are stated on a diluted basis.

For the periods ended June 30 (\$ in thousands, except per share amounts)	Three Months		Six Months	
	2014	2013	2014	2013
Net revenue	\$ 29,257	\$ 25,041	\$ 56,979	\$ 48,198
Operating earnings	9,199	6,390	17,755	11,469
Net gains	2,737	666	6,384	1,236
Net earnings before net gains (losses) on securities held for sale	10,066	6,255	20,690	11,320
Net gains (losses) on securities held for sale	222	(1,243)	608	(728)
Net earnings available to shareholders	10,163	4,963	21,079	10,506
EBITDA	\$ 10,427	\$ 7,859	\$ 20,198	\$ 14,330
Adjusted cash flow from operations	9,040	6,856	16,516	11,591
Per Share				
Net earnings before net gains (losses) on securities held for sale	\$ 0.32	\$ 0.20	\$ 0.66	\$ 0.36
Net earnings available to shareholders	0.33	0.16	0.68	0.34
EBITDA	0.33	0.25	0.65	0.46
Adjusted cash flow from operations	0.29	0.22	0.53	0.38
As at				
(\$ in millions, except per share amounts)	June 30, 2014	March 31, 2014	December 31, 2013	June 30, 2013
Assets under management	\$ 24,601	\$ 23,237	\$ 22,228	\$ 20,379
Assets under administration	12,732	12,227	11,559	10,322
Fair value of corporate holdings of securities	497	468	449	394
Shareholders' equity	463	438	415	355
Per Share				
Fair value of corporate holdings of securities	\$ 15.78	\$ 14.88	\$ 14.26	\$ 12.51
Shareholders' equity	14.72	13.93	13.17	11.27

The Company's assets under management ("AUM") as at June 30, 2014 grew to \$24.6 billion, an increase of 6% since March 31, 2014 and 21% since June 30, 2013. Assets under administration ("AUA") were \$12.7 billion as at June 30, 2014, an increase of 4% since March 31, 2014 and 23% since June 30, 2013.

The Company's operating earnings for the current quarter were \$9.2 million, an increase of 44% from \$6.4 million in Q2 2013. All segments of the Company's operations contributed positively to the overall growth in operating earnings. In addition, the net gains for the quarter at \$2.7 million were significantly higher than in the same quarter in 2013.

Net earnings available to shareholders for the quarter were \$10.2 million, or \$0.33 per share, compared to \$5.0 million, or \$0.16 per share, in Q2 2013. The increase in net earnings was due to a combination of the strong operating earnings growth and the increase in net gains from the Company's diversified global investment portfolio.

EBITDA for the quarter was \$10.4 million, or \$0.33 per share, compared to \$7.9 million, or \$0.25 per share in Q2 2013. Adjusted cash flow from operations for the quarter was \$9.0 million, or \$0.29 per share, compared to \$6.9 million, or \$0.22 per share in 2013. These two non-IFRS financial measures used by the Company are defined in its quarterly Management's Discussion and Analysis. The increases in each of these measures reflect the strong growth in operating earnings for the quarter.

The fair value of the Company's holdings of securities as at June 30, 2014 was \$497 million, or \$15.78 per share, compared to \$449 million, or \$14.26 per share, as at December 31, 2013 and \$394 million, or \$12.51 per share, as at June 30, 2013. The Company's shareholders' equity as at June 30, 2014 was \$463 million, or \$14.72 per share, compared to \$415 million, or \$13.17 per share, at December 31, 2013 and \$355 million, or \$11.27 per share, as at June 30, 2013.

The Board of Directors has declared a quarterly dividend of \$0.065 per share, payable on October 17, 2014, to shareholders of record on October 10, 2014.

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

Quarters ended <i>(\$ in thousands, except per share amount)</i>	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
Net revenue	\$ 29,257	\$ 27,722	\$ 27,907	\$ 25,173	\$ 25,041	\$ 23,157	\$ 24,146	\$ 21,370
Operating earnings	9,199	8,556	8,564	6,898	6,390	5,079	5,791	4,647
Net gains (losses)	2,737	3,647	7,218	3,183	666	570	(144)	2,045
Net earnings before net gains (losses) on securities held for sale	10,066	10,624	14,879	8,602	6,255	5,065	4,938	6,045
Net gains (losses) on securities held for sale	222	386	238	432	(1,243)	515	1,084	2,849
Net earnings available to shareholders	10,163	10,916	14,980	8,946	4,963	5,543	5,915	8,750
Shareholders' equity	463,306	438,363	414,985	393,670	354,622	366,519	353,756	336,362
Per average Class A and Common Share								
Net earnings before net gains (losses) on securities held for sale:								
- Basic	\$ 0.33	\$ 0.35	\$ 0.48	\$ 0.28	\$ 0.20	\$ 0.16	\$ 0.16	\$ 0.19
- Diluted	0.32	0.34	0.47	0.27	0.20	0.16	0.15	0.18
Net earnings:								
- Basic	\$ 0.34	\$ 0.36	\$ 0.49	\$ 0.29	\$ 0.16	\$ 0.18	\$ 0.19	\$ 0.28
- Diluted	0.33	0.35	0.48	0.29	0.16	0.18	0.19	0.27
Shareholders' equity:								
- Basic	\$ 15.34	\$ 14.49	\$ 13.68	\$ 12.94	\$ 11.64	\$ 11.97	\$ 11.44	\$ 10.78
- Diluted	14.72	13.93	13.17	12.51	11.27	11.59	11.16	10.54