

Press Release

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

Toronto, Ontario, May 12, 2014

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

For the three months ended March 31	2014	2013
<i>(\$ in thousands, except per share amounts)</i>		
Net revenue	\$ 27,722	\$ 23,157
Operating earnings	8,556	5,079
Net gains	3,647	570
Net earnings before net gains on securities held for sale	10,624	5,065
Net gains on securities held for sale	386	515
Net earnings available to shareholders	10,916	5,543
EBITDA	\$ 9,823	\$ 6,471
Adjusted cash flow from operations	7,478	4,735
Per Share		
Net earnings before net gains on securities held for sale	\$ 0.34	\$ 0.16
Net earnings available to shareholders	0.35	0.18
EBITDA	0.31	0.21
Adjusted cash flow from operations	0.24	0.15
As at	March 31,	December 31,
<i>(\$ in millions, except per share amounts)</i>	2014	2013
Assets under management	\$ 23,237	\$ 22,228
Assets under administration	12,227	11,559
Fair value of corporate holdings of securities	468	449
Shareholders' equity	438	415
Per Share		
Fair value of corporate holdings of securities	\$ 14.88	\$ 14.26
Shareholders' equity	13.93	13.17

The Company's assets under management as at March 31, 2014 grew to \$23.2 billion, an increase of 5% since December 31, 2013 and 14% since March 31, 2013. Assets under administration were \$12.2 billion as at March 31, 2014, an increase of 6% since December 31, 2013 and 16% since March 31, 2013.

The Company's operating earnings for the current quarter were \$8.6 million, an increase of 68% from \$5.1 million in Q1 2013. All segments of the Company's operations contributed positively to the overall growth in operating earnings. Net gains at \$3.6 million were significantly higher in the current quarter than in 2013, with approximately two-thirds of the gains provided from the sale of 65,000 shares of the Company's investment in the Bank of Montreal shares. The proceeds from the disposition were used mainly to fund the \$3.5 million increase in the Company's investment in the real estate fund managed by its subsidiary.

Net earnings available to shareholders for the quarter were \$10.9 million, or \$0.35 per share, compared to \$5.5 million, or \$0.18 per share, for Q1 2013. The increase in net earnings was due to a combination of the strong operating earnings growth and the increase in net gains discussed above.

EBITDA for the quarter was \$9.8 million, or \$0.31 per share, compared to \$6.5 million, or \$0.21 per share for Q1 2013. Adjusted cash flow from operations for the quarter was \$7.5 million, or \$0.24 per share, compared to \$4.7 million, or \$0.15 per share for 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 March 31, 2014 was \$468 million, or \$14.88 per share, compared to \$449 million, or \$14.26 per share, as at December 31, 2013 and \$403 million, or \$12.74 per share, as at March 31, 2013. The Company's shareholders' equity as at March 31, 2014 was \$438 million,

or \$13.93 per share, compared to \$415 million, or \$13.17 per share, at December 31, 2013 and \$367 million, or \$11.59 per share, as at March 31, 2013.

The Board of Directors has declared a quarterly dividend of \$0.065 per share, payable on July 17, 2014, to shareholders of record on July 10, 2014. This is an 18% increase from the previous quarterly dividend rate.

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)</i>	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
Net revenue	\$ 27,722	\$ 27,907	\$ 25,173	\$ 25,041	\$ 23,157	\$ 24,146	\$ 21,370	\$ 20,415
Operating earnings	8,556	8,564	6,898	6,390	5,079	5,791	4,647	4,860
Net gains (losses)	3,647	7,218	3,183	666	570	(144)	2,045	(548)
Net earnings before net gains (losses) on securities held for sale	10,624	14,879	8,602	6,255	5,065	4,938	6,045	2,838
Net gains (losses) on securities held for sale	386	238	432	(1,243)	515	1,084	2,849	(2,961)
Net earnings (loss) available to shareholders	10,916	14,980	8,946	4,963	5,543	5,915	8,750	(114)
Shareholders' equity	438,363	414,985	393,670	354,622	366,519	353,756	336,362	323,690
<i>(in \$)</i>								
Per average Class A and Common Share								
Net earnings before net gains (losses) on securities held for sale:								
- Basic	\$ 0.35	\$ 0.48	\$ 0.28	\$ 0.20	\$ 0.16	\$ 0.16	\$ 0.19	\$ 0.09
- Diluted	0.34	0.47	0.27	0.20	0.16	0.15	0.18	0.09
Net earnings (loss):								
- Basic	\$ 0.36	\$ 0.49	\$ 0.29	\$ 0.16	\$ 0.18	\$ 0.19	\$ 0.28	\$ (0.00)
- Diluted	0.35	0.48	0.29	0.16	0.18	0.19	0.27	(0.00)
Shareholders' equity:								
- Basic	\$ 14.49	\$ 13.68	\$ 12.94	\$ 11.64	\$ 11.97	\$ 11.44	\$ 10.78	\$ 10.29
- Diluted	13.93	13.17	12.51	11.27	11.59	11.16	10.54	10.06