



Guardian Capital Group Limited

Long-term stability and growth

Annual Meeting of Shareholders | May 19, 2016

George Mavroudis | President and Chief Executive Officer



Forward Looking Statements

This presentation may contain “forward-looking statements” with respect to Guardian Capital Group Limited and its products and services, including its business operations and strategy and financial performance and condition. These statements, characterized by such words as “goal”, “outlook”, “intends”, “expects”, “plan”, “prospects”, “are confident”, “believe” and “anticipate”, are intended to reflect Guardian’s objectives, plans, expectations, estimates, beliefs and intentions.

By their nature, forward-looking statements involve risks and uncertainties. There is a risk that the expectations reflected in such forward-looking statements will not be achieved. Undue reliance should not be placed on these statements, as a number of factors could cause actual results to differ materially from Guardian’s objectives, plans, expectations and estimates reflected in the forward-looking statements. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest rates, business competition, changes in government regulations or in tax laws, and other factors.



Agenda

- Overview of Guardian Capital Group's business
- 2015 Highlights
- Investment Management
- Financial Advisory
- Questions



Guardian Capital's Vision, Mission and Values

VISION

To be a highly respected independent investment and wealth management firm

MISSION

To meet our clients' objectives by providing best-in-class solutions

VALUES

Stability
Trustworthiness
Integrity



Guardian's Businesses



GUARDIAN CAPITAL

Investment Management

AUM of \$24.8 billion*



WORLDSOURCE
WEALTH MANAGEMENT

Financial Advisory

AUA of \$15.0 billion*

Corporate Activities and Investments

- Management expertise, financing, coordination of business activities and support
- Shareholders' equity: \$498 million*
- Securities holdings: \$534 million*
- TSX Listed: GCG ; GCG.A

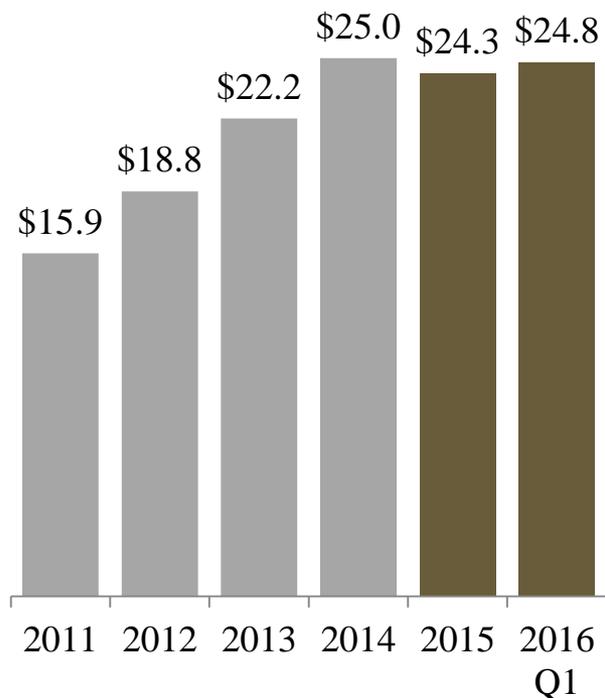
* As at March 31, 2016



Guardian's Fee Generating Assets

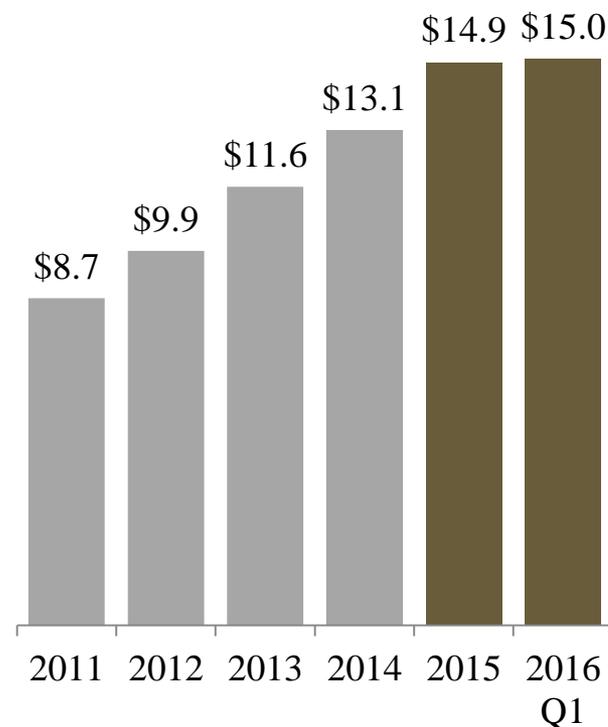
Investment Management

Assets Under Management
As at period end (\$ billions)



Financial Advisory

Assets Under Administration
As at period end (\$ billions)



2015 Highlights

- Historic highs in key financial measures
 - Operating earnings \$43 million, 13% growth
 - Shareholders' equity per share \$16.55, 6% growth
 - Corporate holdings of securities per share \$17.72, 6% growth
 - Operating business units contributed \$29 million (2/3 of total operating earnings)
 - AUA \$15 billion, 14% growth, Annual Premiums Sold \$56 million, 24% increase
- Opportunities for continued growth
 - Global Equity sales; \$3.4 billion of AUM in global equity as at December 31, 2015, representing 15% of institutional AUM
 - Developing new markets for distribution
 - Recruitment of additional depth and breadth of investment teams
 - Continued consolidation opportunity for independent life insurance distribution network



2015 Financial Statement Highlights

(\$ millions, except per share amounts)	2015	2014	% increase
Net revenues	\$132.9	\$119.3	11%
Operating earnings	\$43.0	\$38.1	13%
EBITDA available to shareholders ¹	\$47.8	\$42.9	12%
Net earnings available to shareholders	\$44.1	\$37.0	19%
AUM	\$24,278	\$24,968	-3%
AUA	\$14,943	\$13,126	14%
Shareholders' equity per share	\$16.55	\$15.62	6%

¹ As defined in Guardian's MD&A



Q1 2016 Financial Statement Highlights

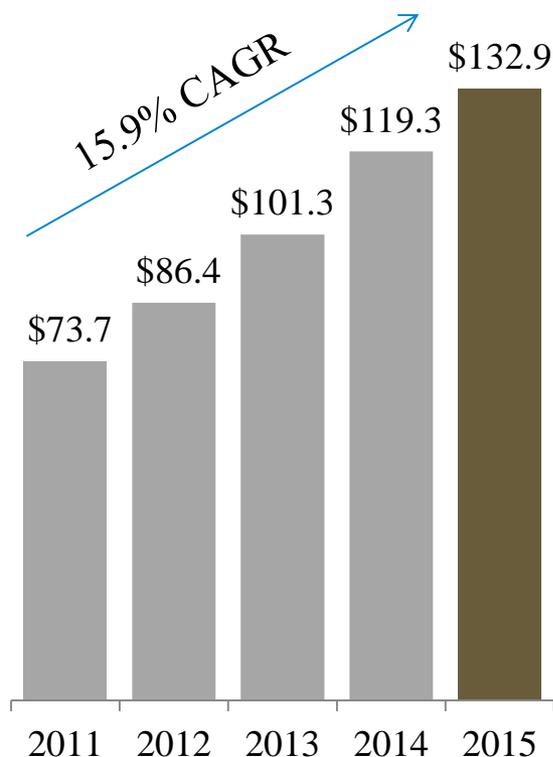
(\$ millions, except per share amounts)	2016	2015	% increase
Net revenues	\$35.1	\$32.3	9%
Operating earnings	\$11.3	\$10.5	8%
EBITDA available to shareholders ¹	\$12.5	\$11.6	8%
Net earnings available to shareholders	\$23.8	\$11.3	111%
AUM	\$24,817	\$26,093	-5%
AUA	\$14,987	\$14,057	7%
Shareholders' equity, per share	\$16.63	\$15.42	8%

¹ As defined in Guardian's MD&A



Net Revenue

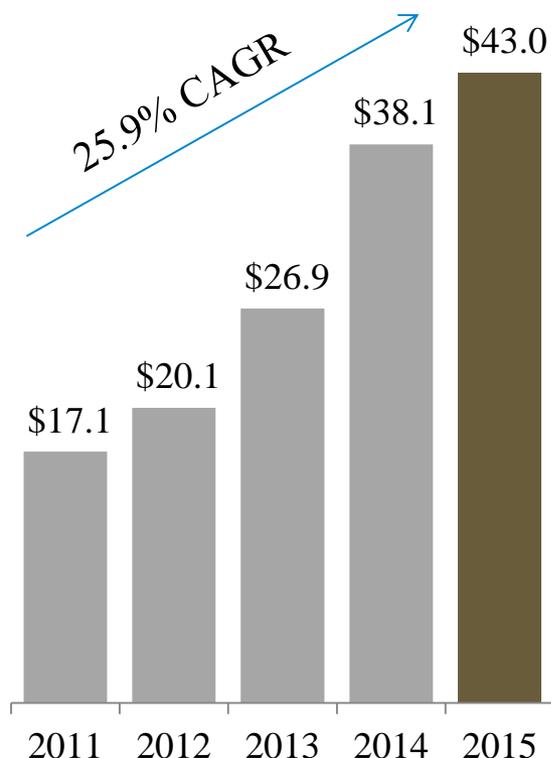
Years Ended December 31
(\$ millions)



- 2015 net revenue of \$133 million, 11% increase over prior year
- \$65 million in net management fees, 7% higher on higher average AUM and improved margins
- \$34 million in net commission revenue, 21% higher due to combination of successful recruitment efforts, acquisitions and organic growth
- \$13 million in administrative services income, 14% higher than 2014
- \$21 million in dividend and interest, 12% higher than 2014
- Continued growth in net revenue to \$35.1 million in Q1 2016, a 9% increase from the prior year

Operating Earnings

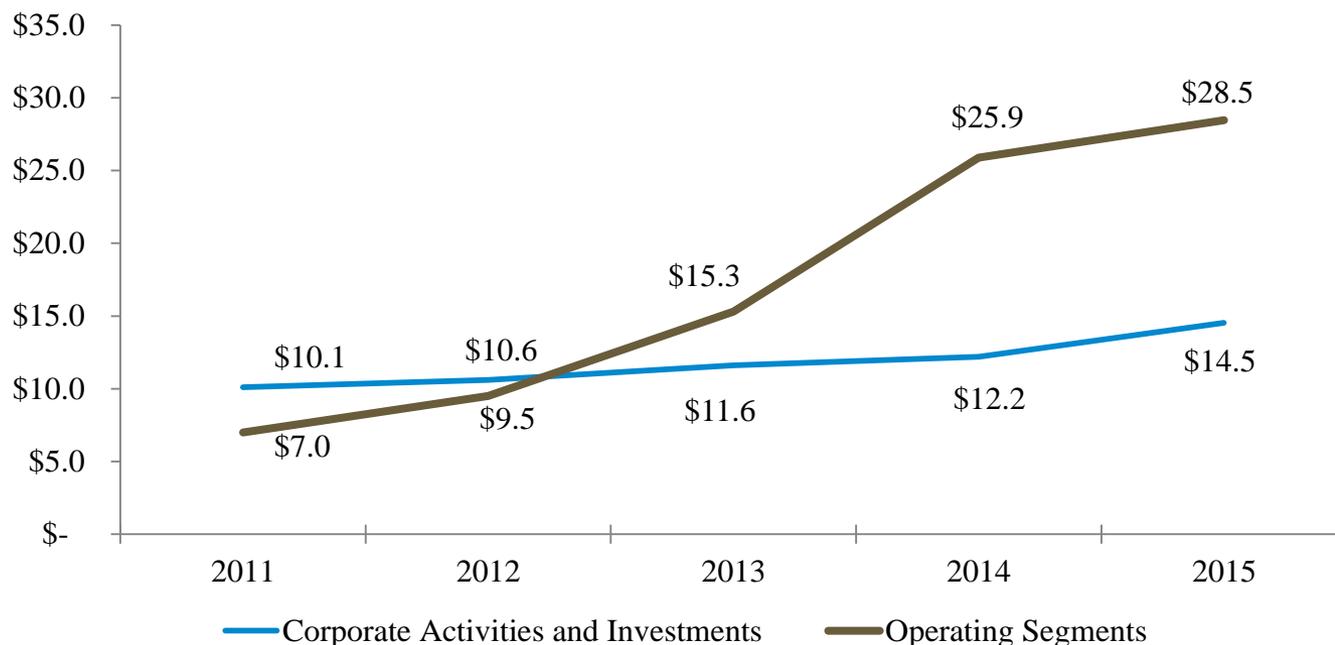
Years Ended December 31
(\$ millions)



- Operating earnings increased \$4.9 million, or 13%, over the prior year
- Positive contributions to growth in operating earnings from all business segments
- Maintained a 32% margin despite continued investment in new areas of growth for the future; operating losses from new initiatives were \$3.5 million in 2015 compared to prior year of \$1.5 million
- Continued growth in operating earnings to \$11.4 million in Q1 2016, an 8% increase from the prior year

Operating Earnings by Segment

Operating Earnings by Segment
(\$ millions)

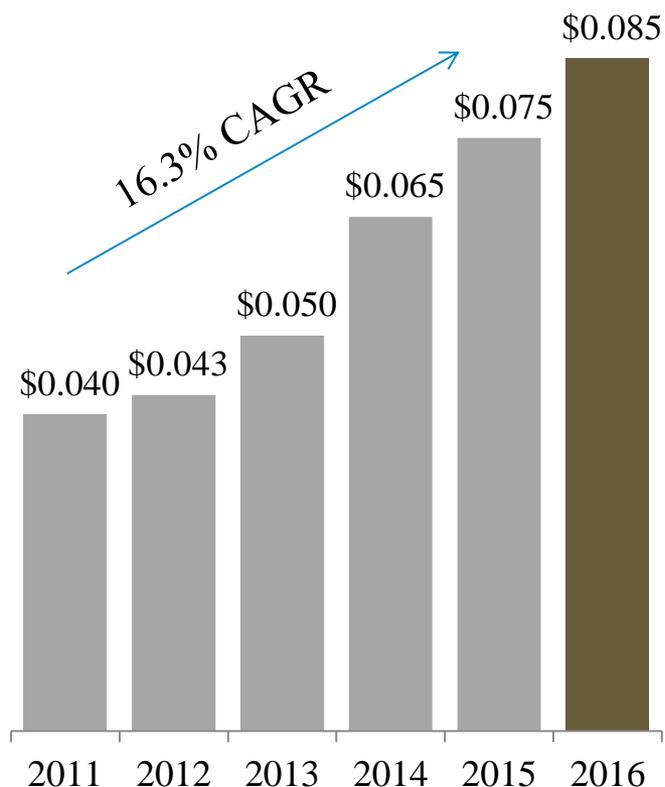


- Growth in our Operating Segments, with less dependency on stable Corporate Activities and Investments segment

Dividends per share

Quarterly Dividends Per Share

For the years ended

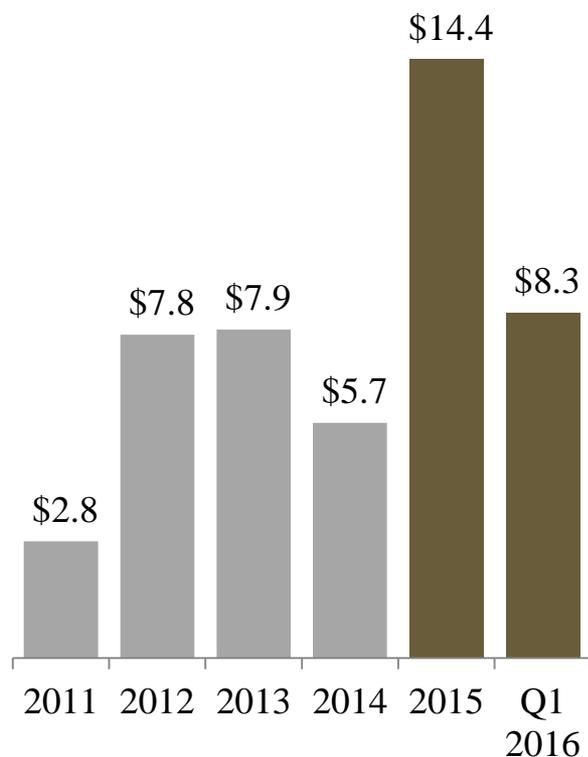


- Total of \$0.29 per share paid in 2015
- Quarterly dividend rate increased to \$0.085 per share from \$0.075 per share, 13% increase

For the year 2016, the rate represents the latest quarterly dividend paid
For years 2013, 2014, and 2015 the rates represent the fourth quarter dividend paid
For years 2011 and 2012, the rates represent one-quarter of the annual dividend

Share Buybacks

Years Ended December 31
(\$ millions)

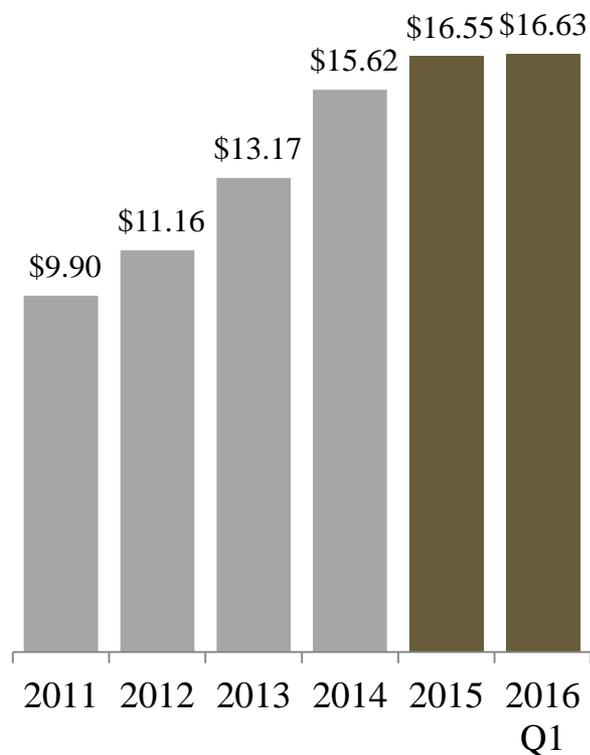


- Since 2011, 9.6% of outstanding shares repurchased (3.3 million shares)
- \$46.8 million in cash returned to shareholders
- Average purchase price of \$14.29 per share
- Buybacks funded by operating cash flows
- No dilutive options issued during this period of buybacks
- \$23.0 million was returned to shareholders in share buybacks and dividends in 2015

Shareholders' Equity

Equity per share, diluted

As at period end

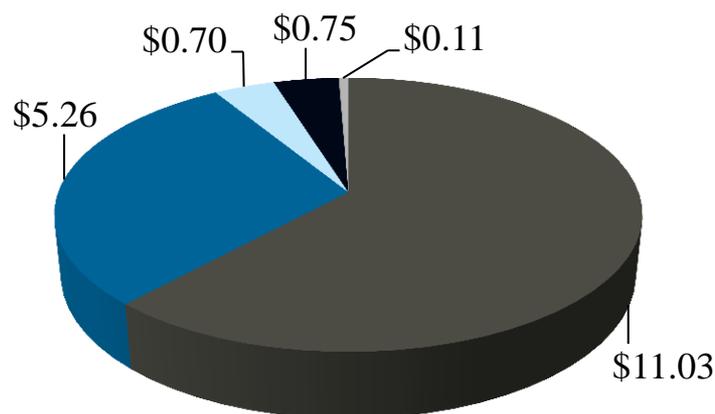


- 13.7% CAGR in Shareholders' equity per share since 2011
- 6.0% increase in Shareholders' equity per share during 2015

Investment Portfolio

Securities per share, diluted

As at March 31, 2016



- Bank of Montreal
- Investment funds
- Public equities
- Real estate and other
- Short-term securities and bonds

- Provides a stable stream of investment income
- As at March 31:
 - Bank of Montreal represents 62% of the portfolio (66% at December 31, 2015)
 - Remaining 38% represents largely the proprietary investment funds and strategies
 - Non-domestic equity investments represents 29% of the portfolio (26% at December 31, 2015)

Guardian Capital Strengths and Challenges

Over the past five years, Guardian has made significant progress in its strategies:



Key challenges going forward include:

- ▶ **DISTRIBUTION CAPABILITY**
- ▶ **CANADIAN CONCENTRATION**
- ▶ **TECHNOLOGY INFRASTRUCTURE**

Investment Management



GUARDIAN CAPITAL

- \$24.8 billion in AUM*
- Competitive investment products
- Executing on opportunities
- Active across multiple distribution channels



GUARDIAN CAPITAL | LP

Institutional Investment Management

\$22.5 billion in AUM*



GUARDIAN CAPITAL | ADVISORS

Private Wealth Management

\$2.3 billion in AUM*

* As at March 31, 2016



Institutional Investment Solutions

Canadian Equities

\$12.3 billion*

- Large Cap Core
- Growth
- Equity Income
- Small/Mid Cap

Foreign Equities

\$3.1 billion*

- Global Dividend
- Global Growth
- Concentrated Global and Emerging Markets

Fixed Income

\$7.1 billion*

- Core
- Liability Driven
- Short Duration
- High Yield
- Unconstrained HY

Stable, Growing Team

33 Investment professionals

- Average industry tenure of 21 years
- Average Guardian tenure of 10 years
- 16 have joined in the last 5 years
- Continuously looking for talented individuals

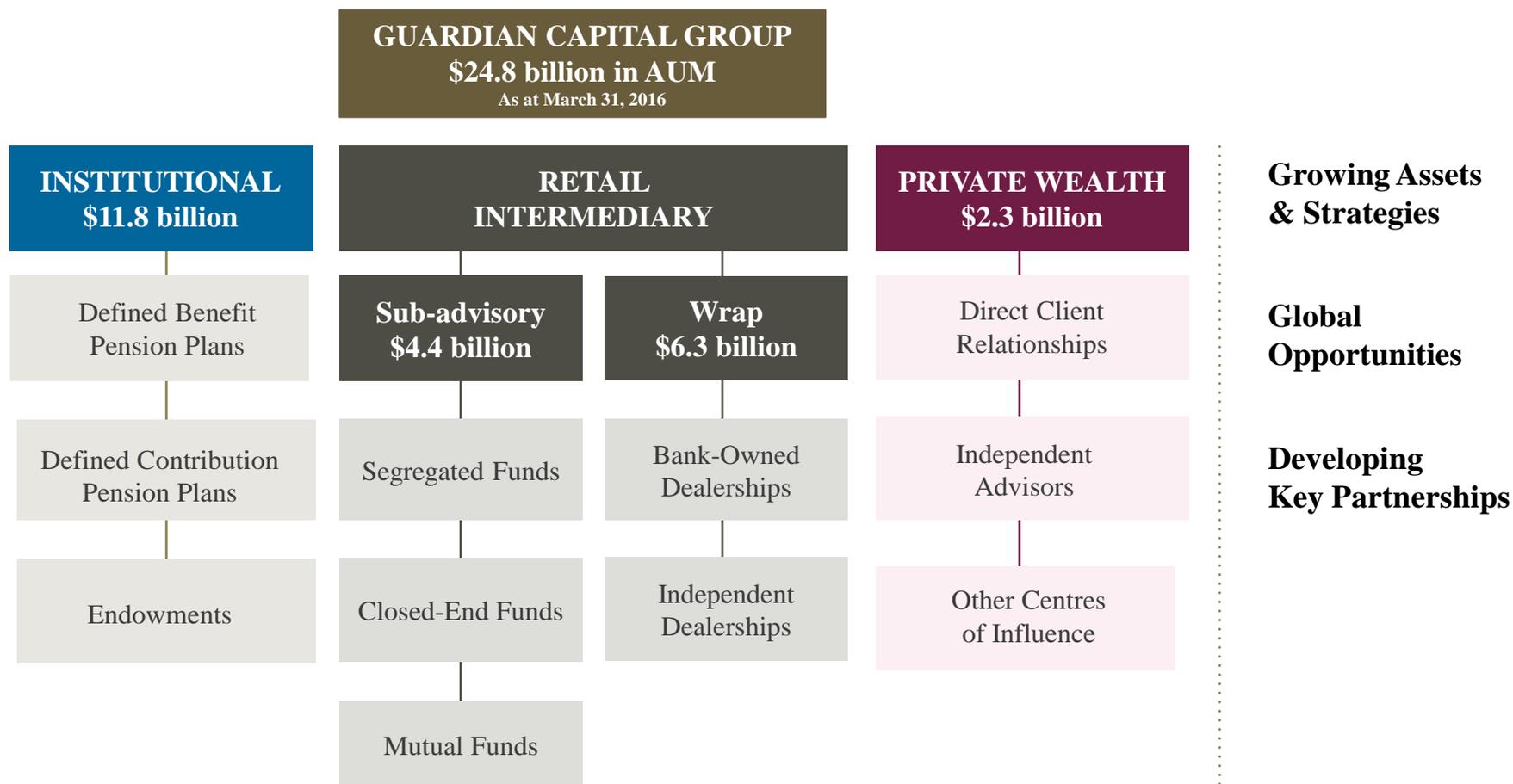
Growing Assets and Strategies

- All asset classes have experienced significant positive net flows over the past 5 years
- Global Dividend strategy is experiencing strong growth
- Concentrated fundamental strategies with strong long-term performance to meet growing investor appetite
- Considering new asset classes/strategies for future growth

* As at March 31, 2016



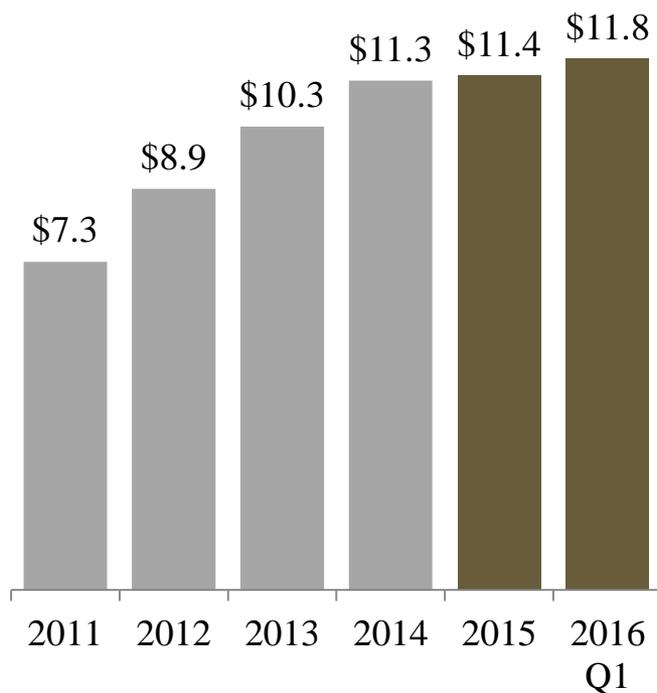
Distribution Channels and Target Clients



Institutional Clients

Assets Under Management

As at period end (\$ billions)



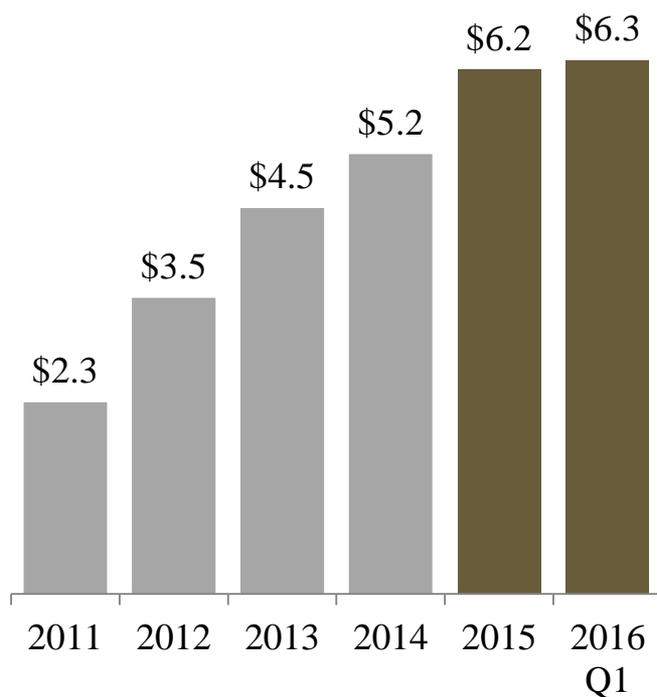
- AUM increased 1% in 2015
- Future growth opportunities remain strong
- Continued success in developing leads through key consultants
- High conviction global and emerging markets equity strategies
- Liability-driven investing
- Direct real estate
- Extended sales effort significantly beyond Canada

Retail Intermediary Clients

Broker/Dealer Wrap Programs

Assets Under Management

As at period end (\$ billions)

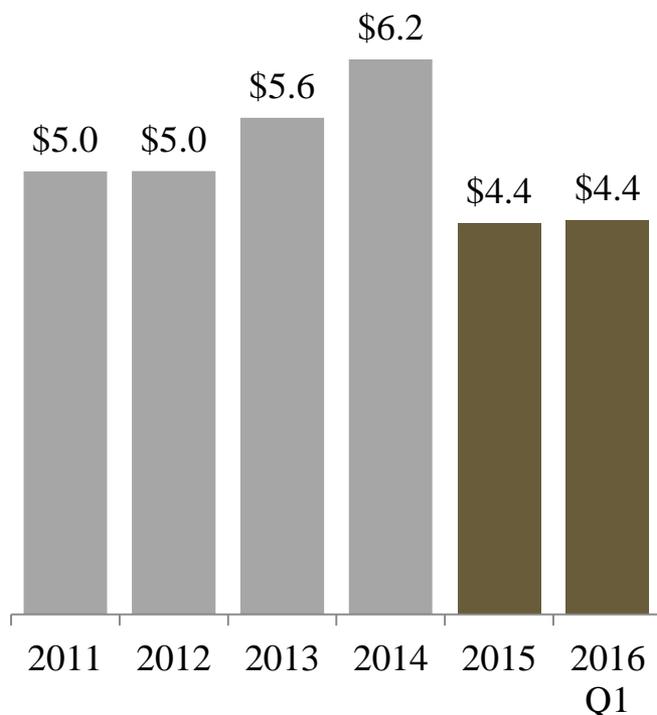


- AUM increased 19% in 2015
- +170% growth since 2011
- A leading money manager of separately-managed wraps
- Significant representation on the 5 major Canadian banks' wrap platforms
- Developing relationship with major broker/dealer in USA
- Growing relationships on a solid foundation
- First class Guardian investment products and client service

Retail Intermediary Clients

Sub-advisory Assets Under Management

As at period end (\$ billions)

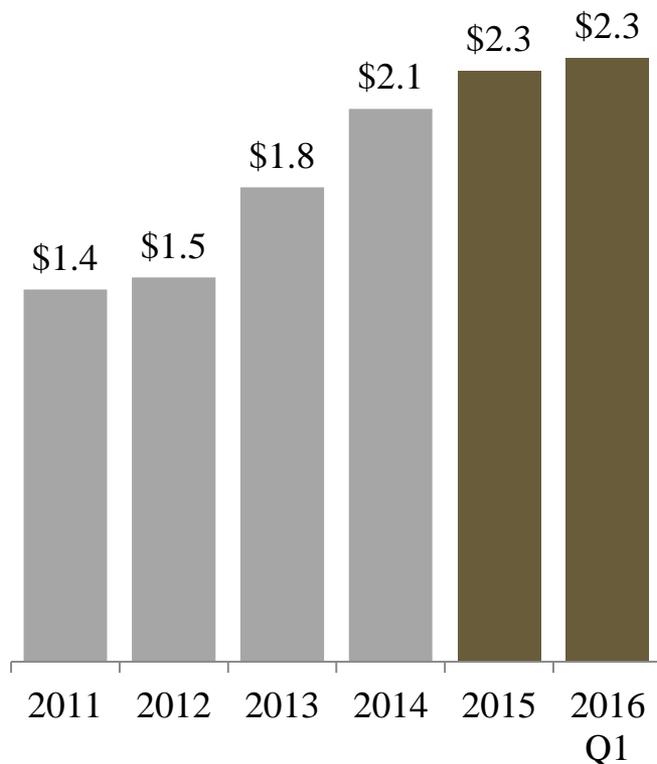


- AUM decreased 29% in 2015
- Decline mainly due to a combination of redemptions in underlying funds and internalization by partners
- 9 relationships in 2015 compared to only 3 in 2008
- Tends to be lower-margin business

Private Wealth Management Clients

Assets Under Management

As at period end (\$ billions)



- AUM increased 7% in 2015
- 12% CAGR growth since 2011
- Experienced client-focused investment professionals offering bespoke services in the major Canadian markets of Toronto, Vancouver and Calgary
- Over 1,300 family relationships
- Average relationship size \$1.6 million

Financial Advisory



- \$15.0 billion in AUA*
- National distribution platforms
- Leading platform for Canada's independent investment advisors



Mutual Fund & Securities Dealerships

\$10.9 billion in AUA*



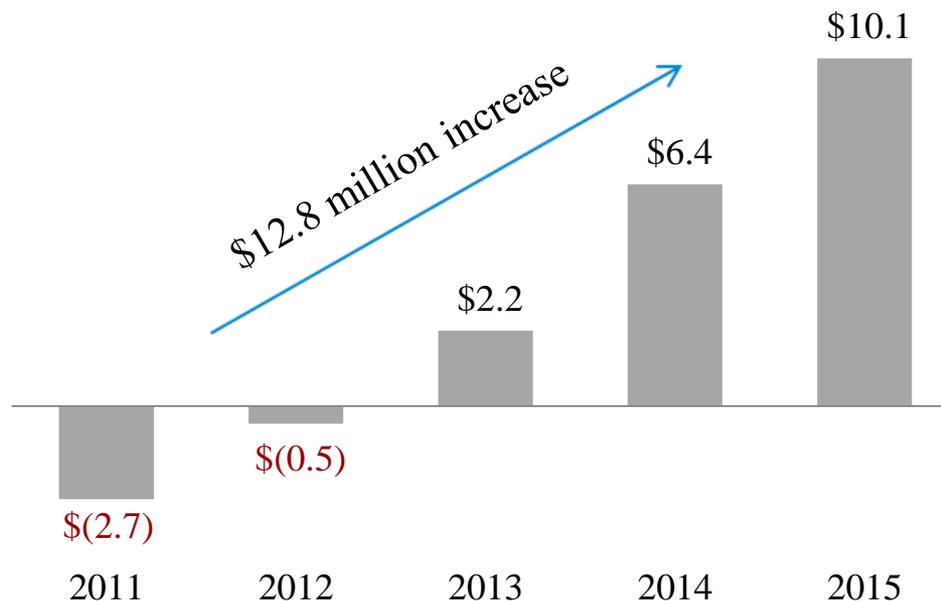
Life Insurance MGA

\$4.1 billion in AUA*

* As at March 31, 2016

Financial Advisory - Operating Earnings

Financial Advisory Operating Earnings
(\$ millions)



- Significant growth in operating earnings through acquisitions, organic growth and management of costs
- Represents approximately 25% of Guardian's operating earnings in 2015

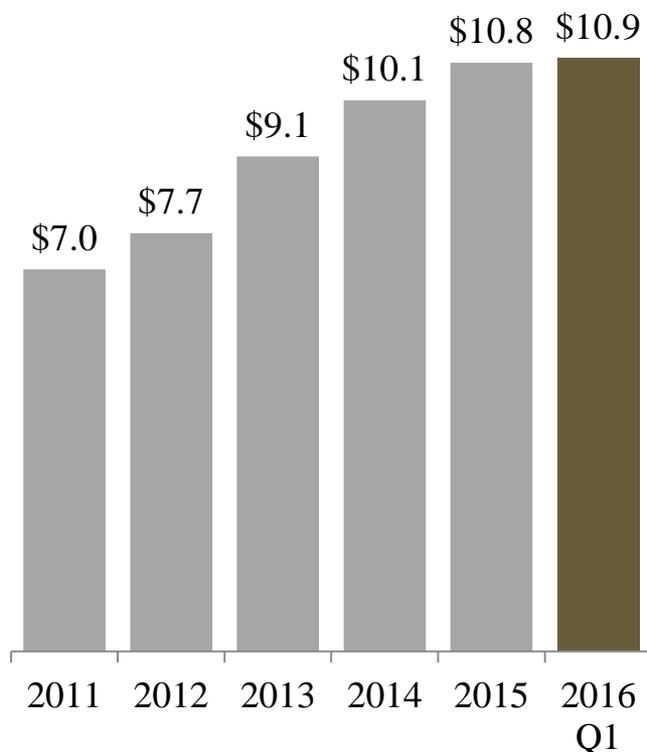
Mutual Fund and Securities Dealers

- A dealership of choice for independent advisors across the country
 - MFDA and IIROC advisors
- Market-competitive product offering
 - access to Guardian investment solutions
- Solutions-based environment with processes supported by specialized teams, resources and tools
 - practice simplification and enhanced back-office operations
 - compliance and regulatory support
 - advisor support

Mutual Fund and Securities Dealers

Assets Under Management

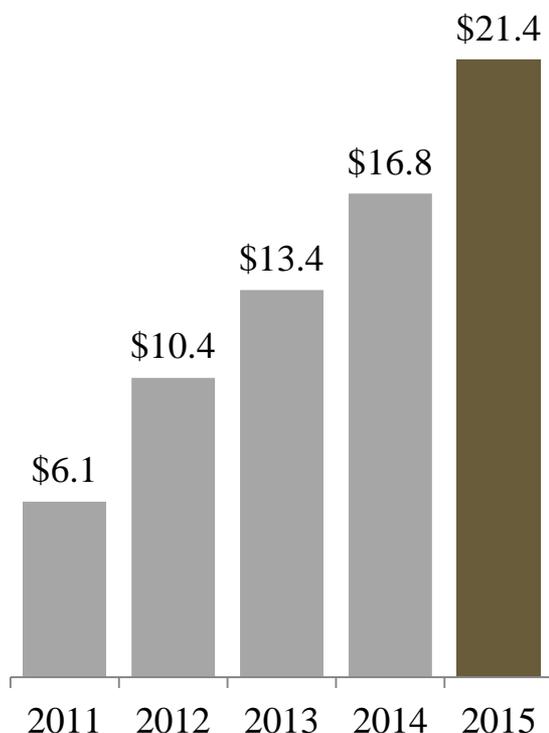
As at period end (\$ billions)



- AUA grew by 14% across our platforms in 2015
- The pipeline for recruiting new advisors remains strong
- \$20.4 million in net revenues in 2015, a 12% increase over 2014
- A source of AUM for Guardian's Investment Management business
 - \$398 million as at December 31, 2014
 - \$453 million as at December 31, 2015
- Significantly improved operating efficiencies and earnings

Life Insurance Managing General Agency

Net Insurance Commission Revenue For the years ended December 31 (\$ millions)

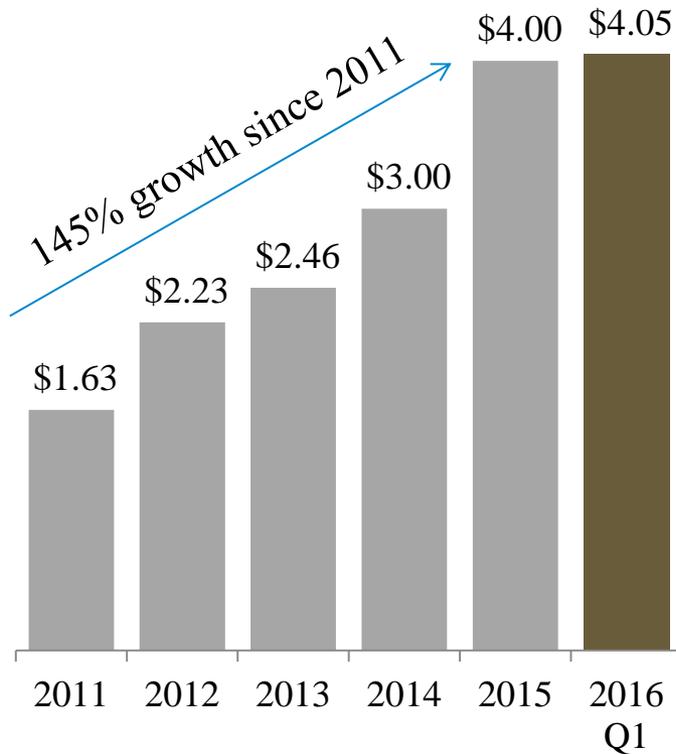


- One of Canada's largest life insurance managing general agencies
- Provides advisors with access to a suite of insurance and investment products
 - life insurance
 - disability and critical illness insurance
 - segregated funds, term deposits, annuities
 - group life and health
 - group RSP
- Strategically located offices across the country
- Attractive value proposition
 - contracts with all major life insurance companies
 - practice management
 - succession planning

Life Insurance Managing General Agency

Assets Under Administration

As at period end (\$ billions)

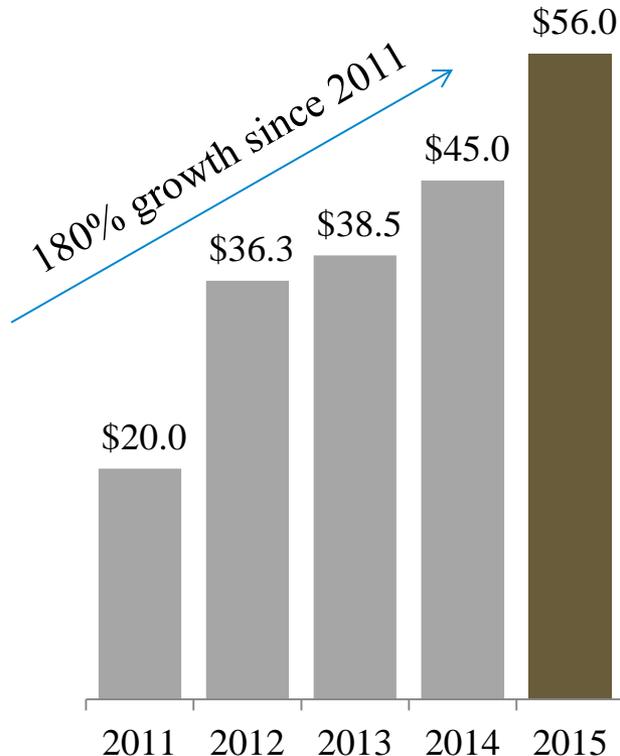


- AUA grew by 33% in 2015, largely benefiting from the acquisition of First Prairie Financial
- AUA grew by over 145% since 2011 due to organic growth, successful recruitment of advisors and acquisitions

Life Insurance Managing General Agency

Premiums: Life Insurance Policies Sold

For the years ended December 31 (\$ millions)



- New policy sales generate
 - first year commissions in the current year
 - continuing service fees in the following years, which have a high persistency
- \$56 million in premiums represents approximately \$1.5 million in new annual service fees going forward with an average term of 20 years in life insurance policies

Summary

- Key financial operating metrics set historical highs in 2015
 - Net revenue
 - Operating earnings
 - EBITDA
 - Shareholders' equity
 - AUA
 - Premiums on Life Insurance Policies Sold
- Solid investment performance
- Improving sustainable growth in operating earnings provides opportunity to fund returns for our shareholders



Explore the world of Guardian Capital

guardiancapital.com