Interim consolidated financial statements of

FIERA SCEPTRE INC.

For the six months ended March 31, 2011 and 2010
(Unaudited)

The interim consolidated financial statements have not been reviewed by the Company's external auditors.

FIERA SCEPTRE INC.
Table of contents

FIERA SCEPTRE INC.
Consolidated statements of earnings
(unaudited)

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Revenue				
Base management fees	**18,164,248**	8,911,471	**35,079,390**	16,978,765
Performance fees	**1,015,151**	683,718	**2,893,891**	1,838,522
Discounts granted to a shareholder	**-**	(129,969)	-	(261,753)
	19,179,399	9,465,220	**37,973,281**	18,555,534
Selling, general and administration fees	**13,146,536**	7,854,785	**24,275,118**	14,992,863
External managers	**885,444**	185,193	**1,785,079**	433,397
Amortization of capital assets	**128,338**	142,287	**332,252**	277,774
Amortization of intangible assets	**811,003**	308,881	**1,532,610**	623,961
Interest on long-term debt	**-**	40,292	-	74,540
Gain on dilution of the joint venture	-	(106,398)	-	(106,398)
Strategic initiative	-	281,298	-	281,298
	14,971,321	8,706,338	**27,925,059**	16,577,435
Earnings before the following items	**4,208,078**	758,882	**10,048,222**	1,978,099
Restructuring and other costs (Note 3)	**1,622,263**	-	**3,012,764**	-
Earnings before income taxes	**2,585,815**	758,882	**7,035,458**	1,978,099
Current income taxes	**772,150**	-	**2,320,739**	-
Future income taxes	**(128,459)**	269,690	**(87,819)**	636,178
	643,691	269,690	**2,232,920**	636,178
Net earnings	**1,942,124**	489,192	**4,802,538**	1,341,921
Earnings per share (Note 8)				
Basic and diluted	**0.05**	0.03	**0.13**	0.10

The accompanying notes are an integral part of these consolidated financial statements.

FIERA SCEPTRE INC.
Consolidated statements of comprehensive income
(unaudited)

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Net earnings	**1,942,124**	489,192	**4,802,538**	1,341,921
Other comprehensive income				
Unrealized gain on available-for-sale financial assets (net of taxes)	**18,132**	-	**57,629**	-
Unrealized loss on available-for-sale financial assets (net of taxes) of the joint venture	**(15,501)**	-	**(15,501)**	-
	2,631	**-**	**42,128**	**-**
Comprehensive income	**1,944,755**	489,192	**4,844,666**	1,341,921

FIERA SCEPTRE INC.
Consolidated statements of changes in shareholders' equity
(unaudited)

	For the six months ended March 31st	
	2011	2010
	$	$
Share capital		
Balance, beginning of period	**134,495,560**	30,724,786
Stock options exercised	**733,629**	-
Balance, end of period	**135,229,189**	30,724,786
Contributed surplus		
Balance, beginning of period	**1,088,331**	-
Stock-based compensation expense	**442,430**	56,498
Stock options exercised	**(199,472)**	-
Balance, end of period	**1,331,289**	56,498
Retained earnings		
Balance, beginning of period	**2,304,458**	7,637,779
Net earnings	**4,802,538**	1,341,921
Dividends	**(5,110,197)**	-
Balance, end of period	**1,996,799**	8,979,700
Accumulated other comprehensive income		
Balance, beginning of period	**7,936**	-
Other comprehensive income	**42,128**	-
Balance, end of period	**50,064**	-

FIERA SCEPTRE INC.
Consolidated balance sheets
(unaudited)

	As at March 31st, 2011	As at September 30, 2010
	$	$
Assets		
Current assets		
Cash and cash equivalents	**2,016**	2,118,278
Restricted cash	**1,833,608**	1,797,719
Investments	**1,110,925**	4,514,231
Accounts receivable	**17,788,237**	15,896,754
Prepaid expenses	**748,342**	495,070
Future income taxes	**80,091**	55,809
	21,563,219	24,877,861
Long-term investment	**693,146**	369,303
Capital assets	**3,312,020**	2,706,158
Intangible assets	**47,814,308**	48,795,044
Goodwill	**90,470,456**	89,904,685
Deferred charges	**252,754**	199,237
	164,105,903	166,852,288
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**11,872,786**	14,506,573
Amount due to related companies	**-**	108,119
Client deposits	**1,833,608**	1,797,719
Deferred income	**73,293**	57,811
Prepaid management fees	**537,986**	307,293
Due to shareholders of the joint venture	**-**	573,199
	14,317,673	17,350,714
Deferred lease obligations	**309,056**	301,620
Lease inducements	**956,126**	978,180
Future income taxes	**8,810,890**	8,874,427
Other long-term liabilities	**1,104,817**	1,451,062
	25,498,562	28,956,003
Shareholders' equity		
Share capital (Note 7)	**135,229,189**	134,495,560
Contributed surplus	**1,331,289**	1,088,331
Retained earnings	**1,996,799**	2,304,458
Accumulated other comprehensive income	**50,064**	7,936
	2,046,863	2,312,394
	138,607,341	137,896,285
	164,105,903	166,852,288

The accompanying notes are an integral part of these consolidated financial statements.

Approved by the Board

Jean-Guy Desjardins, Director

Sylvain Brosseau, Director

FIERA SCEPTRE INC.
Consolidated statements of cash flows
(unaudited)

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Operating activities				
Net earnings	**1,942,124**	489,192	**4,802,538**	1,341,921
Adjustments for:				
Amortization of capital assets	**128,338**	142,287	**332,252**	277,774
Amortization of intangible assets	**811,003**	308,881	**1,532,610**	623,961
Amortization of deferred charges	**29,045**	14,740	**59,819**	29,480
Amortization of financing charges	**-**	11,242	**-**	22,485
Lease inducements	**(48,107)**	(31,240)	**(92,781)**	(62,481)
Deferred lease obligations	**(4,594)**	12,467	**7,436**	24,933
Stock-based compensation	**238,984**	28,249	**442,430**	56,498
Future income taxes	**(128,459)**	269,690	**(87,819)**	636,178
Gain on dilution	**-**	(106,398)	-	(106,398)
Prepaid management fees	**(518)**	(812,374)	**(189,758)**	(1,826,541)
	2,967,816	326,736	**6,806,727**	1,017,810
Changes in non-cash operating working capital items	**(1,027,386)**	(1,142,012)	**(5,583,796)**	(2,386,921)
	1,940,430	(815,276)	**1,222,931**	(1,369,111)
Investing activities				
Business combination adjustment (Note 3)	**14,778**	-	**(361,983)**	-
Investments	**2,472,755**	(1,022,853)	**3,454,220**	(1,789,118)
Purchase of capital assets	**(568,674)**	(83,365)	**(938,114)**	(142,520)
Purchase of intangible assets	**(453,854)**	(77,522)	**(551,874)**	(94,400)
Long-term investment	**544,707**	-	**(332,629)**	-
Deferred charges	**-**	-	**(103,500)**	-
Lease Inducement	**70,727**	-	**70,727**	-
Effect on cash and cash equivalents upon dilution of its investment in Fiera Axium Infrastructure.	**-**	115,135	**-**	115,135
	2,080,439	(1,068,605)	**1,236,847**	(1,910,903)
Financing activities				
Reimbursement of long-term debt	**-**	(1,250,000)	**-**	(2,250,000)
Payment of dividends	**(2,921,359)**	-	**(5,110,197)**	-
Issuance of share capital	**233,649**	-	**534,157**	-
Business partner deposit	-	1,465,060	-	1,794,761
	(2,687,710)	215,060	**(4,576,040)**	(455,239)
Net increase (decrease) in cash and cash equivalents	**1,333,159**	(1,668,821)	**(2,116,262)**	(3,735,253)
Cash and cash equivalents, beginning of period	**(1,331,143)**	3,715,576	**2,118,278**	5,782,008
Cash and cash equivalents, end of period	**2,016**	2,046,755	**2,016**	2,046,755
Interest paid	**-**	40,292	**-**	74,540
Income taxes recovered	**-**	-	**1,813,854**	-
Income taxes paid	**3,086,596**	-	**3,086,596**	-

Cash and cash equivalents include bank overdraft.

The accompanying notes are an integral part of these consolidated financial statements.

1. Description of business

Fiera Sceptre ("Fiera Sceptre" or "the Company") is incorporated under the laws of the Province of Ontario. The Company is a full-service, multi-product investment firm, providing investment advisory and related services to institutional investors, private wealth clients and retail investors.

On September 1, 2010, Fiera Sceptre announced that it had completed the previously announced statutory plan of arrangement (the "Arrangement") pursuant to which the businesses of Sceptre Investment Counsel Limited ("Sceptre") and Fiera Capital Inc. ("Fiera Capital") were combined to create a leading-edge and publicly traded independent investment manager.

For accounting purposes, Fiera Capital was deemed to be the acquirer in the business combination of Fiera Capital and Sceptre. As a result, current and future financial reporting is based on Fiera Capital's historical data up to and including September 1, 2010 and the combined results after the closing date. The March 31, 2011 earnings are the results of the combined entity, while the comparative figures of the period ended March 31, 2010 are the earnings of the acquiring firm, Fiera Capital.

2. Significant accounting policies

a) Basis of presentation

The interim consolidated financial statements for the six months ended March 31, 2011 and 2010 are unaudited and include all adjustments that management of the Company considers necessary for a fair presentation of the financial position, results of operations and cash flows.

The disclosures provided in these interim consolidated financial statements do not conform in all respect with the requirements of Canadian generally accepted accounting principles ("GAAP") for annual consolidated financial statements; therefore, the interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended September 30, 2010. These interim consolidated financial statements have been prepared using the same accounting policies and methods of their application as the annual consolidated financial statements for the year ended September 30, 2010.

2. Significant accounting policies (Continued)

The interim consolidated financial statements include the accounts of Fiera Sceptre and its wholly owned subsidiaries, Fiera Sceptre Funds Inc., ("FSFI") and Sceptre Fund Management Inc. ("SFMI"). All intercompany transactions and balances have been eliminated on consolidation. The interim consolidated financial statements also include the interest of 35.35% that the Company holds in the joint venture Fiera Axium Infrastructure Inc. ("Fiera Axium"), which is accounted for under the proportionate consolidation method.

b) Future accounting policies

International Financial Reporting Standards

The Canadian Accounting Standards Board confirmed, in February 2008, that it will require all public accountability companies to adopt IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. In the year of adoption, companies will be required to provide comparative information as if IFRS had been used in the preceding fiscal year. The transition from Canadian GAAP to IFRS will be applicable to the Company as at October 1, 2010. For the year ending September 30, 2012, the Company will prepare both its fiscal 2012 and fiscal 2011 comparative financial information using IFRS. The Company expects the transition to IFRS to impact financial reporting, business processes, internal controls and information systems. The Company is currently assessing the impact of the transition to IFRS on these areas and will continue to invest in training and resources throughout the transition period to facilitate a timely conversion.

Business combinations, consolidated financial statements and non-controlling interests
In January 2009, the CICA issued three new accounting standards: Section 1582, "Business combinations," Section 1601, "Consolidated financial statements," and Section 1602, "Non-controlling interests." These new standards will be effective for interim and annual reporting periods beginning on or after January 1, 2011.

Section 1582 replaces Section 1581 of the same name and establishes standards for the accounting of business combinations. It applies prospectively to business combinations with acquisition dates on or after January 1, 2011. Early adoption of these Sections is permitted as long as they are adopted simultaneously. These new accounting standards are intended to harmonize Canadian accounting standards with IFRS. The Company will adopt these Sections in the fiscal year beginning October 1, 2011. Therefore, this Section would have an impact on the Company's consolidated financial statements if a business combination occurs after its adoption.

Sections 1601 and 1602 together replace Section 1600 "Consolidated financial statements." Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The Company is currently evaluating the impact of the adoption of these new Sections on its consolidated financial statements.

3. Restructuring costs and final purchase price allocation

In connection with the business combination which occurred on September 1, 2010, management has prepared plans to restructure and integrate the two businesses.

During the six months ended March 31, 2011, as part of the restructuring and integration plan, the Company recorded restructuring costs for a total of $3,012,764, including special bonuses and termination of certain Fiera Capital employees for an amount of 1,662,337 and integration expenses amounting to $1,350,427.

With respect to the final purchase price allocation, the Company recorded restructuring provisions related to leases for premises occupied by Sceptre which the Company plans to vacate as well as costs related to the termination of certain employees of the acquired business performing functions already available through its existing structure. The change in the restructuring provision is as follows:

	Severance $	Consolidation of facilities $	Total $
Balance, September 30, 2010	2,189,000	1,384,000	3,573,000
Additions (reversal) during the period	313,000	(89,000)	224,000
Paid during the period	(1,169,000)	-	(1,169,000)
Balance, March 31, 2011	1,333,000	1,295,000	2,628,000

Of the total balance, $2,049,000 is included in accounts payable and accrued liabilities and $579,000 is included in other long-term liabilities.

During the period, an amount of $872,486 was transferred from long term liabilities to accrued liabilities.

During the six months ended March 31, 2011, the purchase price allocation related to the business combination has been finalized and has been adjusted to include additional amounts relating to namely certain employee benefits obligations for $293,057 (refer to Note 6), restructuring for $224,000 and professional fees of $49,362.

4. Joint venture

The consolidated financial statements include the interest of 35.35% (41.18% until March 2010) that the Company holds in the joint venture Fiera Axium, which is accounted for under the proportionate consolidation method.

The consolidated financial statements include the proportionate share of assets, liabilities, revenue, expenses and cash flows of the joint venture. The amounts included in these consolidated financial statements are as follows:

	March 31, 2011	September 30, 2010
	$	$
Balance sheets		
Current assets	**1,773,842**	1,018,837
Long-term assets	**800,274**	477,834
Current liabilities	**1,115,385**	1,388,964
Long-term liabilities	**31,621**	33,556

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Statements of earnings				
Revenue	**1,375,796**	495,521	**1,612,722**	495,620
Expenses	**544,635**	658,127	**939,488**	1,117,678
Income taxes expense (recovery)	**233,631**	(48,641)	**186,488**	(202,496)
Net earning (loss)	**597,530**	(113,965)	**486,746**	(419,562)
Cash flows				
Operating activities	**1,070,247**	72,714	**765,315**	(138,984)
Investing activities	**528,528**	(1,541,189)	**(340,295)**	(1,589,700)
Financing activities	**-**	1,535,995	**301,801**	1,976,923
	1,598,775	67,520	**726,821**	248,239

5. Restricted cash – Client deposits

The restricted cash consists of client deposits received following the settlement of a class action in favour of certain clients for whom the Company acted as agent. The source and use of funds related to these deposits are not considered as operating activities

6. Employee future benefits

As part of the business combination referred in Note 1, the Company assumed the role of sponsor of individual pension plans ("IPP") which had been established by Sceptre for certain key employees. Under pension legislation, while the IPPs are ongoing, the Company has no legal requirement to make contributions towards any solvency deficiencies under the IPPs. However, the Company has a legal requirement regarding the funding of ongoing deficit. These IPPs are on a triennial reporting cycle.

Currently, a plan of a former employee of Sceptre has an ongoing funding deficit of $293,057 and could require a yearly contribution of $59,696. The funding requirements, if any, will be officialised with the filing of the January 2012 report as January 1, 2009 was the official triennial filed report for this particular plan. Consequently, and in the mean time, the Company has recorded a provision for the future contributions required under this specific IPP and, as such, has adjusted the purchase price allocation.

7. Share capital and stock options

a) Share capital

A summary of the changes that occurred during the six months ended March 31, 2011 in the Company's share capital is presented below:

	2011	
	Number	$
Class A subordinate voting shares		
Outstanding, September 30, 2010	**15,078,721**	**100,510,156**
Transfer from class B special voting shares	**149,372**	**237,692**
Stock options exercised	**97,573**	**733,629**
Outstanding, March 31, 2011	**15,325,666**	**101,481,477**
Class B special voting shares		
Outstanding, September 30, 2010	**21,357,336**	**33,985,404**
Transfer to class A subordinate voting shares	**(149,372)**	**(237,692)**
Outstanding, March 31, 2011	**21,207,964**	**33,747,712**
Total share capital, March 31, 2011	**36,533,630**	**135,229,189**

b) Stock options

A summary of the changes that occurred during the six months ended March 31, 2011 in the Company's stock option plans is presented below:

	Number of Class A subordinate Voting shares	Weighted-average exercise price
		$
Outstanding options,		
Beginning, September 30, 2010	**1,135,878**	**4.25**
Granted	**709,028**	**8.39**
Exercised	**(97,573)**	**5.47**
Expired	**(2,000)**	**5.86**
Forfeited	**(13,500)**	**5.81**
Outstanding, March 31, 2011	**1,731,833**	**5.86**
Options exercisable, end of period	**368,075**	**4.80**

7. Share capital and stock options (continued)

The following table presents the weighted average assumptions used during the six months ended March 31, 2011 to determine the stock-based compensation expense using the Black-Schole option pricing model:

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Stock-based compensation expense ($)	**238,984**	28,249	**442,430**	56,498
Dividend yield (%)	**3.85%**	3.75%	**3.85%**	3.75%
Risk-free interest rate (%)	**2.25%**	2.25%	**2.25%**	2.25%
Expected life (years)	**5**	7	**5**	7
Expected volatility for the share price (%)	**50%**	30%	**50%**	30%
Weighted average fair values ($)	**2.75**	0.29	**2.75**	0.29

8. Earnings per share

Earnings per share as well as the reconciliation of the number of shares used to calculate basic and diluted earnings per share for the periods ended March 31, 2011 and 2010 are as follows:

	For the three months ended March 31st		For the six months ended March 31st	
	2011	2010	**2011**	2010
	$	$	**$**	$
Net earnings	**1,942,124**	489,192	**4,802,538**	1,341,921
Weighted-average shares outstanding - basic	**36,522,722**	14,013,021	**36,498,428**	14,013,021
Effect of dilutive stock options	**88,124**	-	**250,806**	-
Weighted-average shares outstanding - diluted	**36,610,846**	14,013,021	**36,749,234**	14,013,021
Basic and diluted earnings per share	**0.05**	0.03	**0.13**	0.10

For the period ended March 31, 2011, the hypothetical conversion does not include 709,028 options (1,000,800 options in March 31, 2010) with an anti-dilutive effect.

9. Financial instruments and risk management

The Company, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: market risk, equity market fluctuation risk, credit risk, interest rate risk and liquidity risk. The following analysis provides a measurement risk as at March 31, 2011.

9. Financial instruments and risk management (continued)

The Company's business is the management of investment assets. The key performance driver of the Company's ongoing results is the level of assets under management. The level of assets under management is directly tied to investment returns and the Company's ability to retain existing assets and attract new assets.

The Company's interim consolidated balance sheets include a portfolio of investments. The value of these investments is subject to a number of risk factors. While a number of these risks also affect the value of client assets under management, the following discussion relates only to the Company's portfolio of investments.

The Company's exposure to potential loss from its financial instrument investments is primarily due to market risk, including interest rate and equity market fluctuation risks.

Market risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of the Company's primary market risk exposures and how these exposures are currently managed.

Equity market fluctuation risk

Fluctuations in the value of equity securities affect the level and timing or recognition of gains and losses on equity and mutual fund securities in the Company's portfolio and cause changes in realized and unrealized gains and losses. General economic conditions, political conditions and many other factors can also adversely affect the stock and bond markets and, consequently, the value of the equity, mutual fund and fixed income which are available-for-sale financial assets held.

The Company's investment portfolio is managed by the Company with a medium-risk mandate. The Company's particular expertise is investment management and, as part of its daily operations, it has resources to assess and manage the risks of a portfolio. The Company's portfolio of equity and equity-related securities as at March 31, 2011, comprises mutual fund investments under the management of the Company with a fair value of $562,286. Mutual fund investments comprise a well-diversified portfolio of Canadian investments. Preferred shares and mutual funds units have no specific maturities.

A 10% change in the Company's equity and equity-related holding as at March 31, 2011 has an impact of increasing or decreasing the OCI by $56,229.

Credit risk

The credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party.

9. Financial instruments and risk management (continued)

The credit risk on cash, restricted cash and temporary investments is limited because the counterparties are chartered banks with high credit ratings assigned by national credit rating agencies.

Interest rate risk

The Company is subject to interest rate risk due to interest rate fluctuations on the bank loan.

Liquidity risk

The Company's objective is to have sufficient liquidity to meet its liabilities when due. The Company monitors its cash balance and cash flows generated from operations to meet its requirements.

The Company generates enough cash from its operating activities and has sufficient available financing via its authorized line of credit to finance its activities and to respect its obligations as they become due.

To manage short-term cash flow requirements, the Company maintains a portion of invested assets in liquid short-term notes. As at March 31, 2011, the Company holds $548,639 in short-term notes. The short-term notes have maturities of up to six months and are issued by the Government of Canada. The Company does not hold any non-bank, asset-backed commercial paper.

10. Capital management

The Company's capital comprises share capital and retained earnings, less cash and cash equivalents and short-term investments. The Company manages its capital to ensure there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance and to maintain compliance with regulatory requirements.

In order to maintain its capital structure, the Company may issue new shares or proceed to the issuance or repayment of debt and acquire or sell assets to improve its financial performance and flexibility.

In order to be in compliance with Canadian securities administration regulations, the Company is required to maintain a minimum working capital of $200,000 as defined under Regulation 31-103 respecting Registration Requirements and Exemptions.

11. Segmented information

Management of the Company has determined that the Company's segment is investment management services in Canada and all assets are located in Canada.

12. Comparative figures

Certain comparative figures have been reclassified to conform to the current period presentation.