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Interim Consolidated Financial Statements of FIERA CAPITAL CORPORATION

For the three month period ended March 31, 2013 and 2012 (unaudited)

The Interim Consolidated Financial Statements have not been reviewed by the Company's external auditors

FIERA CAPITAL

Fiera Capital Corporation
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Fiera Capital Corporation
Interim Consolidated Statements of earnings
(Unaudited)
(In thousand of Canadian dollars, except per share data)

	For the three month ended	
	March 31, 2013	March 31, 2012
	$	$
Revenue		
Base management fees	**29,968**	15,473
Performance fees	**97**	43
Other revenue	**151**	16
	30,216	15,532
Expenses		
Selling, general and administrative expenses	**18,564**	12,005
External managers	**708**	125
Depreciation of property and equipment	**320**	217
Amortization of intangible assets	**4,084**	870
Loss on disposal of assets	**-**	(8)
Interest on long term debt and other financing charges	**1,386**	-
Accretion on purchase price obligation	**622**	-
Changes in fair value of derivative financial instrument	**207**	-
	25,891	13,209
Earnings before share of loss of joint venture, acquisition costs, restructuring provisions and other costs and income taxes	**4,325**	2,323
Share of loss of joint venture	**331**	105
Acquisition costs	**935**	2,600
Restructuring provisions and other costs (Note 7)	**419**	-
Earnings before income taxes	**2,640**	(382)
Income taxes	**1,054**	52
Net earnings (loss) for the period	**1,586**	(434)
Earnings per share (Note 12)		
Basic	**0.03**	(0.01)
Diluted	**0.03**	(0.01)

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

Fiera Capital Corporation

Interim Consolidated Statements of Comprehensive Income

(Unaudited)

(In thousand of Canadian dollars)

	For the three month ended	
	March 31, 2013	March 31, 2012
	$	$
Net earnings (loss) for the period	**1,586**	(434)
Other comprehensive income:		
Items that may be reclassified subsequently to earnings:		
Unrealized gain on available-for-sale financial assets (net of income taxes)	**63**	24
Share of other comprehensive income of joint ventures	**44**	25
Other comprehensive income for the period	**107**	49
Comprehensive income for the period	**1,693**	(385)

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

Fiera Capital Corporation
Interim Consolidated Balance Sheets
(Unaudited)
(In thousand of Canadian dollars)

	As at **March 31, 2013**	As at December 31, 2012	As at March 31, 2012
	$	$	$
Assets			
Current assets			
Cash	**3,186**	6,016	-
Funds held for clients	**154**	297	425
Investments	**6,621**	6,532	1,026
Accounts receivable	**34,561**	29,888	15,890
Advance to a joint venture	**342**	342	467
Prepaid expenses	**1,556**	874	1,064
	46,420	43,949	18,872
Non-current assets			
Deferred charges	**490**	402	196
Deferred income taxes	**1,182**	1,364	69
Advance to a related company of a shareholder	**2,000**	-	-
Investment in joint ventures	**6,608**	6,879	1,289
Property and equipment	**5,022**	5,200	3,602
Intangible assets (Note 9)	**228,146**	180,230	49,031
Goodwill (Note 9)	**278,750**	278,750	90,470
	568,618	516,774	163,529
Liabilities			
Current liabilities			
Bank overdraft	**-**	-	4,692
Bank loan (Note 10)	**4,000**	9,800	-
Accounts payable and accrued liabilities	**12,014**	16,501	7,570
Dividend payable	**5,092**	-	2,929
Restructuring provision	**1,448**	1,764	734
Amount due to related companies	**2,163**	2,003	124
Client deposits	**154**	297	425
Prepaid management fees	**833**	928	8
	25,704	31,293	16,482
Non-current liabilities			
Deferred lease obligation	**606**	599	420
Lease inducements	**1,015**	1,052	1,117
Deferred income taxes	**19,457**	20,264	9,322
Long term restructuring provisions	**268**	312	-
Long term debt (Note 11)	**168,087**	107,521	-
Purchase price obligations (Note 5)	**57,125**	56,503	-
Derivative financial instrument (Note 8 & 11)	**1,698**	1,491	-
Other long-term liabilities	**-**	-	233
	273,960	219,035	27,574
Equity			
Share capital	**307,759**	307,759	135,912
Contributed surplus	**2,971**	2,668	1,888
(Deficit)	**(16,244)**	(12,753)	(1,930)
Accumulated other comprehensive income	**172**	65	85
	294,658	297,739	135,955
	568,618	516,774	163,529

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

Approved by the Board

Jean-Guy Desjardins, Director

Sylvain Brosseau, Director

Fiera Capital Corporation

Interim Consolidated Statements of changes in Equity

(Unaudited)

(In thousand of Canadian dollars)

	Share Capital	Contributed surplus	(Deficit) Retained earnings	Accumulated other comprehensive income	Total
	$	$	$	$	$
As at September 30, 2011	135,587	1,703	3,530	17	140,837
Stock based compensation expense	-	180	-	-	180
Net earnings	-	-	829	-	829
Dividends	-	-	(2,926)	-	(2,926)
Change in other comprehensive income	-	-	-	19	19
As at December 31, 2011	135,587	1,883	1,433	36	138,939
Stock based compensation expense	-	113	-	-	113
Stock options exercised	325	(108)	-	-	217
Net earnings (loss)	-	-	(434)	-	(434)
Dividends	-	-	(2,929)	-	(2,929)
Change in other comprehensive income	-	-	-	49	49
As at March 31, 2012	135,912	1,888	(1,930)	85	135,955
Stock based compensation expense	-	883	-	-	883
Stock options exercised	642	(103)	-	-	539
Share issued as part of the business combination	170,487	-	-	-	170,487
Share issued as part of the employee share purchase plan	718	-	-	-	718
Net earnings	-	-	2,631	-	2,631
Gain on dilution	-	-	112	-	112
Dividends	-	-	(13,566)	-	(13,566)
Change in other comprehensive income	-	-	-	(20)	(20)
As at December 31, 2012	307,759	2,668	(12,753)	65	297,739
Stock based compensation expense	**-**	**303**	**-**	**-**	**303**
Net earnings	**-**	**-**	**1,586**	**-**	**1,586**
Gain on dilution	**-**	**-**	**15**	**-**	**15**
Dividends	**-**	**-**	**(5,092)**	**-**	**(5,092)**
Change in other comprehensive income	**-**	**-**	**-**	**107**	**107**
As at March 31, 2013	**307,759**	**2,971**	**(16,244)**	**172**	**294,658**

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

Fiera Capital Corporation
Interim Consolidated Statements of Cash Flows
(Unaudited)
(In thousand of Canadian dollars)

	For the three month ended	
	March 31, 2013	March 31, 2012
Cash flows generated by (used in)	**$**	$
Operating activities		
Net earnings (loss)	**1,586**	(434)
Adjustments for:		
Depreciation of property and equipment	**320**	217
Amortization of intangible assets	**4,084**	870
Amortization of deferred charges	**66**	14
Amortization of financing charges	**28**	-
Accretion of purchase price obligation	**622**	-
Lease inducements	**(37)**	(33)
Deferred lease obligations	**7**	51
Share-based compensation	**303**	113
Interest expense	**1,386**	-
Change in fair value of financial instrument	**207**	-
Income tax expense	**1,054**	52
Income tax paid	**(800)**	(900)
Share of loss from joint ventures	**331**	105
Prepaid management fees	**(95)**	-
Other	**(27)**	(3)
Changes in non-cash operating working capital items	**(10,921)**	(3,096)
Net cash used from operating activities	**(1,886)**	(3,044)
Investing activities		
Advance to a related company of a shareholder	**(2,000)**	-
Advance to a joint venture	**-**	(467)
Purchase of property and equipment	**(142)**	(78)
Purchase of intangible assets (Note 6)	**(52,000)**	(28)
Lease inducements	**-**	88
Deferred charges	**(154)**	-
Net cash used in investing activities	**(54,296)**	(485)
Financing activities		
Bank loan	**(5,800)**	-
Issuance of share capital	**-**	217
Long term debt	**61,250**	-
Interest paid on long term debt	**(1,386)**	-
Financing charges	**(712)**	-
Net cash generated in financing activities	**53,352**	217
Net decrease in cash and cash equivalents	**(2,830)**	(3,312)
Cash and cash equivalents – beginning of period	**6,016**	(1,380)
Cash and cash equivalents – end of period	**3,186**	(4,692)

Cash and cash equivalent include bank overdraft
The accompanying notes are an integral part of these consolidated financial statements.

1. Description of Business

Fiera Capital Corporation ("Fiera Capital Corporation" or the "Company") was incorporated as Fry Investment Management Limited in 1955 and 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. Its head office is located at 1501 Avenue McGill College, office 800, Montreal, Quebec, Canada.

Fiera Capital Corporation is registered in the categories of exempt market dealer and portfolio manager in all Provinces and Territories of Canada and as an investment adviser with the *US Securities and Exchange Commission*. Fiera Capital Corporation is also registered in the category of investment fund manager in the provinces of Ontario and Quebec. In addition, as Fiera Capital Corporation manages derivatives portfolios, it is registered as a commodity trading manager pursuant to the *Commodity Futures Act* (Ontario), as an adviser under the *Commodity Futures Act* (Manitoba) and, in Quebec, as derivatives portfolio manager pursuant to the *Derivatives Act* (Quebec).

2. Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). In particular, these interim consolidated financial statements were prepared in accordance with IAS 34, *Interim Financial Reporting*, and accordingly, they are interim consolidated financial statements because they do not include all disclosures required under IFRS for annual consolidated financial statements. These interim consolidated financial statements should be read in conjunction with the Company 2012 annual consolidated financial statements, which contain a description of the accounting policies used in the preparation of these financial statements.

These interim consolidated financial statements were approved for issue by the Board of Directors on May 13, 2013.

These interim consolidated financial statements were prepared by Fiera Capital Corporation management and were not examined by the Company's Auditors.

These interim consolidated financial statements are presented in Canadian dollars, which is the Company's financial currency.

3. Change in accounting policies

The Company adopted the following Accounting Standards of the IFRS. The Company determined that the standards had no significant impact on the interim consolidated financial statements.

IFRS 7 (Revised) – Financial Instruments: Disclosures and IAS32 Financial instruments: presentation

On December 16, 2011 the International Accounting Standard Board (''IASB'') issued common disclosure requirements that are intended to help investors and other users to better asses the effects or potential effect of offsetting arrangements on a company's balance sheet. The new requirements are set out in *Disclosures-Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7).*

IFRS 10 – Interim Consolidated Financial Statements

In May 2011, the IASB issued IFRS 10, *Interim Consolidated Financial Statements;* IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under previous IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, *Consolidation-Special Purpose Entities*, and part of IAS 27, *Interim Consolidated and Separate Financial Statements.*

IFRS 11 – Joint Arrangements

IFRS 11, Joint Arrangements requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint venture is accounted for using the equity method of accounting, whereas for a joint operation, the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under previous IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 replaces IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturer.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12, Disclosure of Interests in Other Entities establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and interim unconsolidated structured entities. The standard carries forward previous disclosures and also introduces significant additional disclosures that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 – Fair Value Measurement

IFRS 13, Fair Value Measurement is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under previous IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

4. Accounting policies

The significant accounting policies used in the preparation of these interim consolidated financial statements are described below.

Basis of measurement

The interim consolidated financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities held at fair value through profit or loss and available-for-sale investments which have been measured at fair value as discussed under "Financial Instruments".

Accounting standards issued but not yet applied

Unless otherwise noted, the following revised standards, which is relevant but have not yet been adopted by the Company, is effective for annual periods beginning on or after January 1, 2015. The Company is currently evaluating the impact of this standard on its interim consolidated financial statement but no significant impact is expected.

IFRS 9 – Financial Instruments

IFRS 9 *Financial instruments* was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 *Financial Instruments Recognition and measurement* for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward previous requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income.

(In thousands of Canadian dollars)

5. Business combinations

Canadian Wealth Management Group Inc.

On November 30, 2012, Fiera Capital Corporation acquired 100 % of the shares of Canadian Wealth Management Group Inc. ("CWM") from Société Générale Private Banking, a Calgary-based subsidiary of Société Générale Private Banking. The amount of the transaction is $ 7,150 in cash payment at closing and a contingent payment of $ 2,000 in December 2013 if a certain level of assets under management is achieved.

On December 31, 2012, the Company proceeded to the winding-up of CWM and its subsidiary in the Company.

The purchase price allocation shown below is preliminary and based on management's best estimates. The final purchase price allocation is expected to be completed as soon as management has gathered all significant information available in order to finalize this allocation.

As at the acquisition date, the estimated fair value of the identifiable assets acquired and liabilities is as follows:

	$
Cash	310
Other current assets	1,219
Property and equipment	1,337
Intangible assets	7,452
Goodwill	1,762
Accounts payable and accrued liabilities	(1,318)
Amount due to seller	(660)
Deferred income taxes	(952)
	9,150

Purchase consideration	$
Cash consideration	7,150
Purchase price obligation	2,000
	9,150

Natcan Investment management Inc.

On April 2, 2012 Fiera Capital Corporation and National Bank of Canada ("National Bank" or the "Bank") announced the closing of the transaction under which Fiera Capital Corporation acquired substantially all of the assets of Natcan Investment Management Inc. ("Natcan") from the Bank at the following condition:

The Bank, through Natcan, received 19,732,299 Class A subordinate voting shares of Fiera Capital Corporation with an assigned value of $170,487 (the "Class A shares") a cash payment of $85,553 and future instalment amounting of $74,500 payable over the time after the closing unless certain minimum assets under management thresholds are not satisfied by National Bank or its affiliates.

At the transaction date, the share purchase consideration was accounted for using a value of $8.64 per share.

(In thousands of Canadian dollars)

5. Business combinations (continued)

The 19,732,299 Class A Shares over which the Bank exercises control and direction represent approximately 56.11% of the issued and outstanding Class A Shares and 35% of the total number of Class A Shares and Class B special voting shares in the capital of Fiera Capital Corporation issued and outstanding at the time of the transaction. The Bank also received an option to acquire additional Class A Shares of Fiera Capital Corporation at a market price determined on the day of exercise, equal to 2.5% of total shares outstanding at the end of September in each of 2013 and 2014. If the options are fully exercised, the Bank will own 40% of the outstanding shares of Fiera. The Bank will also be entitled to protect its ownership in Fiera pursuant to anti-dilution rights.

The transaction was accounted for as a business combination using the acquisition method; accordingly the assets and liabilities are recorded at their estimated fair values at the acquisition date as follows.

	$
Current assets	332
Property and equipment	193
Deferred charges	365
Intangible assets	132,302
Goodwill	186,518
Accounts payable and accrued liabilities	(332)
Deferred income taxes	(10,698)
	308,680

Purchase consideration	$
Cash consideration	85,553
Purchase price obligation	52,640
Share capital issued	170,487
	308,680

Goodwill is attributable to the significant synergies expected as result of the acquisition of Natcan. A small portion of the goodwill will be tax deductible.

Management of Fiera Capital Corporation has identified certain intangible assets acquired from Natcan, which have been accounted for separately from goodwill. These intangibles include asset management contracts with National Bank of Canada and its affiliates (which have a seven-year life and a three-year renewal period) valued at $84,800 and customer relationships valued at $47,500.

6. Intangible Acquisitions

In December 2012, Fiera Capital announced that it had reached an agreement with UBS Global Asset Management (Canada) Inc. (UBS) to purchase the latter's Canadian Fixed Income, Canadian Equity and Domestic Balance account business for maximum cash consideration of $52,000. At closing, which occurred on January 31, 2013, an amount of $40,200 was paid to UBS and an amount of $11,800 was placed in escrow. The escrow amount will be paid in 6 months after closing and is subject to certain adjustments.

The Company financed its acquisition by extending its long term debt for an amount of $61,250 which represents the amount paid for the UBS acquisitions and the CWM business combinations.

7. Restructuring provision and other costs

With respect to the current and past business combinations, the Company recorded restructuring provisions related to leases for premises which the Company vacated and costs related to the termination of certain employees in view to integrate the different businesses.

During the three months ended March 31, 2013 integration costs of the business combinations and special bonuses totalling $419 ($0 for the three months ended March 31, 2012) were recorded.

8. Financial instruments

The Company, through its financial assets and financial liabilities, has exposure to the following risks from its use of financial instruments: credit risk, interest rate risk, currency risk and liquidity risk. The following analysis provides a measurement risk as at March 31, 2013.

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 sheet includes 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 own portfolio of investments.

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

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 of recognition of gains and losses on equity and mutual fund and pool fund securities in the Company's portfolio and causes 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 available-for-sale financial assets held.

The Company manages its investment portfolio with a medium risk mandate. Its 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, 2013, comprises mutual fund and pool fund investments under its management with a fair value of $6,621 as at March 31, 2013, $6,532 as at December 31, 2012 and $1,026 as at March 31, 2012. Mutual fund investments comprise a well-diversified portfolio of Canadian investments. Mutual fund and pool fund units have no specific maturities.

A 10% change in the fair value of the Company's equity and equity-related holdings as at March 31, 2013 has an impact of increasing or decreasing other comprehensive income by $662, $653 and $103 respectively.

8. Financial instruments (continued)

Credit risk

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

The credit risk on cash and cash equivalents, funds held for clients and investments is limited because the counterparties are chartered banks with high-credit ratings assigned by national credit-rating agencies.

The Company's principal financial assets which are subject to credit risk are cash, funds held for client's, investments and accounts receivable. The carrying amounts of financial assets on the interim consolidated balance sheets represent the Company's maximum credit exposure at the interim consolidated balance sheet dates.

The Company's credit risk is attributable primarily to its trade receivables. The amounts disclosed in the interim consolidated balance sheets are net of allowance for doubtful accounts, estimated by the Company's management based on previous experience and its assessment of the current economic environment. In order to reduce its risk, management has adopted credit policies that include regular review of credit limits. With the exception of National Bank and related companies which represent 25% as at March 31, 2013 (21% as at December 31, 2012 and 0% as at March 31, 2012) as at March 31, 2013, no customer represents 10% of the Company's accounts receivable.

Interest rate risk

The Company's interest rate risk arises from long-term debt and the bank loan. Long-term debt and the bank loan issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash held at variable rates.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting debt from floating rates to fixed rates. The Company obtained its long-term debt at a floating rate and swapped it into fixed rates that are lower than those available if the Company borrowed at fixed rates directly. Under the interest rate swap, the Company agrees with the counterparty to exchange, at specified intervals, the difference between the fixed contract rate and floating-rate interest amounts calculated by reference to the agreed notional amounts.

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 through its bank loan to finance its activities and to respect its obligations as they become due.

(In thousands of Canadian dollars)

8. Financial instruments (continued)

Fair value

Determination of fair value of financial instruments

The fair value of the financial instruments represents the amount of the consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act

The fair value of cash, funds held for clients, accounts receivable, bank loan, accounts payable and accrued liabilities, dividend payable, amount due to related companies and client deposits is approximately equal to their carrying values due to their short-term maturities.

The cost of mutual fund investments and pool funds is $ 6,606 as at March 31, 2013, $6,580 as at December 31, 2012 and $986 as at march 31, 2012, while the fair value is $6,621 as at march 31, 2013, $6,532 as at December 31, 2012 and $1,026 as at March 31, 2012. The unrealized gain (loss) of $15 as at March 31, 2013 ($48) as at December 31, 2012 and $40 as at March 31, 2012 are reflected in other comprehensive income.

The fair value of long-term debt approximates its carrying amount, given that it is subject to terms and conditions, including variable interest rates, similar to those available to the Company for instruments with comparable terms.

Derivative financial instruments consist primarily of interest rate swap contracts. The Company determines the fair value of its derivative financial instruments using the bid or ask price, as appropriate, in the most advantageous active market to which the Company has immediate access. When there is no active market for a derivative financial instrument, the Company determines the fair value by applying valuation techniques, using available information on market transactions involving other instruments that are substantially the same, discounted cash flows analysis or other techniques, where appropriate. The Company ensures, to the extent practicable, that its valuation technique incorporates all factors that market participants would consider in setting a price and that is consistent with accepted economic methods for pricing financial instruments.

The carrying amount of derivative financial instruments is as follows:

	Liabilities		
	March 31, 2013	December 31, 2012	March 31, 2012
	$	$	$
Derivative financial instruments classified as fair value through profit or loss			
Interest rate swap agreement	**1,698**	1,491	-

(In thousands of Canadian dollars)

9. Goodwill and Intangible Assets

	Goodwill	Indefinite life: Asset management contracts	Finite life: Asset management contracts	Finite life: Customer relationship	Finite life: Other	Total
	$	$	$	$	$	$
At September 30, 2011						
Cost	90,470	6,170	-	45,280	5,021	56,471
Accumulated amortization	-	-	-	(3,658)	(2,064)	(5,722)
Net book value	90,470	6,170	-	41,622	2,957	50,749
Three month Period ended December 31, 2011						
Opening	90,470	6,170	-	41,622	2,957	50,749
Additions	-	-	-	-	8	8
Amortizations	-	-	-	(566)	(318)	(884)
Closing	90,470	6,170	-	41,056	2,647	49,873
As at December 31, 2011						
Cost	90,470	6,170	-	45,280	5,029	56,479
Accumulated amortization	-	-	-	(4,224)	(2,382)	(6,606)
Net Book	90,470	6,170	-	41,056	2,647	49,873
Three month Period ended March 31, 2012						
Opening	90,470	6,170	-	41,056	2,647	49,873
Additions	-	-	-	-	28	28
Amortizations	-	-	-	(566)	(304)	(870)
Closing	90,470	6,170	-	40,490	2,371	49,031
As at March 31, 2012						
Cost	90,470	6,170	-	45,280	5,057	56,507
Accumulated amortization	-	-	-	(4,790)	(2,686)	(7,476)
Net Book	90,470	6,170	-	40,490	2,371	49,031
Nine month Period ended December 31, 2012						
Opening	90,470	6,170	-	40,490	2,371	49,031
Additions	-	-	-	-	2,300	2,300
Business acquisition	188,280	-	84,800	54,905	49	139,754
Amortizations	-	-	(6,360)	(3,538)	(957)	(10,855)
Closing	278,750	6,170	78,440	91,857	3,763	180,230
At December 31, 2012						
Cost	278,750	6,170	84,800	100,185	6,711	197,866
Accumulated amortization	-	-	(6,360)	(8,328)	(2,948)	(17,636)
Net book value	278,750	6,170	78,440	91,857	3,763	180,230
Three month Period ended March 31, 2013						
Opening net book value	**278,750**	**6,170**	**78,440**	**91,857**	**3,763**	**180,230**
Additions	**-**	**-**	**-**	**52,000**	**-**	**52,000**
Amortization for the period	**-**	**-**	**(2,120)**	**(1,658)**	**(306)**	**(4,084)**
Closing net book value	**278,750**	**6,170**	**76,320**	**142,199**	**3,457**	**228,146**
At March 31, 2013						
Cost	**278,750**	**6,170**	**84,800**	**152,185**	**6,711**	**249,866**
Accumulated amortization	**-**	**-**	**(8,480)**	**(9,986)**	**(3,254)**	**(21,720)**
Net book value	**278,750**	**6,170**	**76,320**	**142,199**	**3,457**	**228,146**

[1] During the 15 month ended December 31, 2012, the Company disposed of software which had an accounting cost of $695 and accumulated amortization of $695.

(In thousands of Canadian dollars)

10. Bank loan

The Company has an unsecured authorized revolving facility of $20,000 bearing interest at prime rate plus a premium varying from 0% to 1 % or at banker acceptance rate plus a premium rate varying from 1% to 2%, maturing in March 2017. The covenant is the same as the long term debt.

11. Long Term debt

	March 31, 2013	December 31, 2012	March 31, 2012
	$	$	$
Unsecured loan bearing interest at prime rate plus a premium varying from 0% to 1% or at banker's acceptances rate plus a premium varying from 1.00 % to 2.00 % (1.75 % as at March 31, 2013) maturing on March 31, 2017, repayable in quarterly instalments of $ 3,375 starting in June 2015 up to March 2017	**169,250**	108,000	-
Deferred financing charges	**(1,163)**	(479)	-
	168,087	107,521	-

Under the terms of the loan agreement, the Company must satisfy certain restrictive covenants as to minimum financial ratios. These restrictions are composed of ratio funded debt to EBITDA as described below and interest coverage ratios.

EBITDA, a non IFRS measure is defined in the loan agreement on a consolidated basis, as earnings of the Borrower before interest, taxes, depreciation, amortization, non-recurring and one-time expenses related to acquisitions and other non-cash items and shall include various items.

As at March 31, 2013, all debt covenant requirement and exemptions have been respected.

The principal repayments required over the next five years are as follows:

Years	
	$
2015	10,125
2016	13,500
2017	145,625

(In thousands of Canadian dollars)

12. 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 are as follows:

	For the three month ended	
	March 31, 2013	March 31, 2012
	$	$
Net earnings (loss) for the periods	**1,586**	(434)
Weighted average shares outstanding – basic	**56,576,078**	36,601,015
Effect of dilutive stock options	**387,249**	444,132
Weighted average shares outstanding – diluted	**56,963,327**	37,045,147
Basic and diluted earnings (loss) per share	**0.03**	(0.01)

For the three month ended March 31, 2013, the calculation of hypothetical conversions does not include 162,152 options (1,445,145 for the three month ended March 31, 2012) with an anti-dilutive effect.

13. Share-based payment

The following table presents the three month-period ended March 31, 2013 Company's share based plan.

	March 31, 2013	
	Number of class A shares	Weighted-average exercise price
		$
Outstanding – December 31, 2012	2,290,393	6.92
Outstanding – March 31, 2013	2,290,393	6.92
Options exercisable – March 31, 2013	829,751	5.88

(In thousands of Canadian dollars)

13. Share-based payment (continued)

The following table presents the weighted average assumptions used during the three month ended March 31, to determine the share-based compensation expense using the Black-Scholes option pricing model:

	For the three month ended	
	March 31, 2013	March 31, 2012
Dividend yield (%)	-	3,79
Risk-free interest rate (%)	-	1,91
Expected life (years)	-	7,5
Expected volatility for the share price (%)	-	47
Weighted-average fair values ($)	-	2,88
Share-based compensation expense ($)	**303**	113

The expected volatility is based on the historical volatility of the Company's share price. The risk-free interest used is equal to the yield available on government of Canada bonds at the date of grant with a term equal to the expected life of options.

14. Capital management

The Company's capital comprises share capital, retained earnings and long-term debt, including the current portion, less cash and cash equivalents. 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 and certain restrictive covenants required by the lender of the debt.

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 capital of $100,000 as defined in Regulation 31-103, respecting Registration Requirements and Exemptions.

(In thousands of Canadian dollars)

15. Related party transactions

The Company has carried out the following transactions with shareholders and their related companies.

	For the three month ended March 31	
	2013	2012
	$	$
Management fees	**9,275**	1,837
Selling, general & administrative expense		
Salaries and employee benefits	**243**	153
Reference fee	**326**	-
Other	**138**	15
Interest on long-term debt	**1,343**	-
Accretion on purchase price obligation	**622**	-
Changes in fair value of Derivative financial instrument	**207**	-
Integration cost	**59**	-

These transactions were made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Bank loan, long term debt and derivative financial instruments are amounts due to shareholders and their related companies as at March 31, 2013 and December 31, 2012.

16. Subsequent Events

On April 30, 2013 the Company announced the closing of the transaction with GMP Capital Inc. (GMP), to acquire selected alternative asset management funds of GMP Investment Management including flagship funds pertaining to the GMP Diversified Alpha Fund and the Canadian ABCP Fund, both representing in aggregate $570M in AUM. The transaction enables Fiera Capital Corporation to expand its alternative strategies, an investment area that has been experiencing significant momentum over the past few years in the North American marketplace and that will continue to grow in the future. The acquisition provides clients of the Company with enhanced product innovation and offerings, with customized investment solutions that meet their objectives. Under the terms of the agreement, key members of GMP Investment Management's team joined a newly created Fiera Capital subsidiary, Fiera Quantum L.P. in which management owns a 45% interest. The purchase price includes a $10,750 cash consideration payable at closing plus an amount payable at the end of each of the next three years equal to 25 per cent of the performance fees generated based on the acquired assets, subject to certain minimum AUM thresholds.

On the last business day of the 36 months following the closing of the purchase of the GMP assets by Fiera Capital subsidiary, the key members of the GMP investment management's team have the option to sell all and not less than all of their interest in Fiera Capital subsidiary. The consideration shall be paid in cash or by Fiera Capital Corporation Class A shares.

(In thousands of Canadian dollars)

16. Subsequent Events (suite)

The transaction will be accounted for as a business combination using the acquisition method and accordingly the assets and liabilities will be recorded at their estimated fair vale at the acquisition as follows:

	$
Intangible assets	16,275
Goodwill	192
Deferred income taxes	(780)
Minority interest	(2,312)
	13,375

Purchase consideration	$
Cash consideration	**10,750**
Purchase price obligation	**2,625**
	13,375

On May 13, 2013 the Board of directors declared a quarterly dividend $0.09 per share to shareholders of record as of May 24, 2013 and payable on June 21, 2013.