

Press Release

Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2015 Operating Results

Toronto, Ontario, February 24, 2016

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

For the years ended December 31		
<i>(\$ in thousands, except per share amounts)</i>	2015	2014
Net revenue	\$ 132,911	\$ 119,275
Operating earnings	42,998	38,141
Net gains ⁽¹⁾	11,040	6,700
Net earnings before net gains on securities held for sale ⁽¹⁾	44,977	37,227
Net gains on securities held for sale ⁽¹⁾	--	386
Net earnings available to shareholders	44,105	37,017
EBITDA ⁽²⁾	\$ 47,826	\$ 42,892
Adjusted cash flow from operations ⁽²⁾	38,347	36,225
Per Share		
Net earnings available to shareholders	\$ 1.44	\$ 1.19
EBITDA ⁽²⁾	1.56	1.38
Adjusted cash flow from operations ⁽²⁾	1.25	1.16
As at December 31		
<i>(\$ in millions, except per share amounts)</i>	2015	2014
Assets under management	\$ 24,278	\$ 24,968
Assets under administration	14,943	13,126
Shareholders' equity	504	489
Value of corporate holdings of securities	540	525
Per Share		
Shareholders' equity	\$ 16.55	\$ 15.62
Value of corporate holdings of securities	17.72	16.78

Amidst ongoing equity market volatility, the Company completed the year with solid financial results in 2015. The assets under management were \$24.3 billion as at December 31, 2015, a decrease of 3% from \$25.0 billion as at December 31, 2014. Assets under administration were \$14.9 billion, a historic high, as at December 31, 2015, an increase of 14% from \$13.1 billion as at December 31, 2014.

The Company's operating earnings for the year reached a historic high of \$43.0 million, a 13% increase from \$38.1 million in 2014. The growth in operating earnings was the result of continued improved operating earnings from the financial advisory segment and higher investment income from our corporate holdings of securities, slightly offset by lower operating earnings from our investment management segment.

Net gains for the year were \$11.0 million, an increase of \$4.3 million from \$6.7 million in 2014. The current year's gains include a gain on the sale of 204,000 Bank of Montreal shares during the fourth quarter.

Net earnings available to shareholders for the year were \$44.1 million (\$1.44 per share), a 19% growth compared to \$37.0 million (\$1.19 per share) in 2014. The increase in net earnings available to shareholders in 2015 was due to the combination the growth in operating earnings and the increase in net gains.

EBITDA for the year was \$47.8 million, or \$1.56 per share, compared to \$42.9 million, or \$1.38 per share, for 2014. Adjusted cash flow from operations for the year was \$38.3 million, or \$1.25 per share, compared to \$36.2 million, or \$1.16 per share for 2014. The increases in each of these measures reflect the strong growth in operating earnings for the year. These two non-IFRS financial measures used by the Company are defined in its quarterly and annual Management's Discussion and Analysis.

The Company's shareholders' equity as at December 31, 2015 was \$504 million, or \$16.55 per share, compared to \$489 million, or \$15.62 per share, at December 31, 2014. The fair value of the Company's holdings of securities as at December 31, 2015 was \$540 million, or \$17.72 per share, compared to \$525 million, or \$16.78 per share, as at December 31, 2014.

The Board of Directors has declared a quarterly eligible dividend of \$0.085 per share, an increase of 13% from the prior quarter, payable on April 18, 2016, to shareholders of record on April 11, 2016.

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

Quarters ended (\$ in thousands)	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014
Net revenue	\$ 34,353	\$ 33,188	\$ 33,066	\$ 32,304	\$ 31,490	\$ 30,806	\$ 29,257	\$ 27,722
Operating earnings	10,256	10,876	11,390	10,476	10,335	10,051	9,199	8,556
Net gains (losses) ⁽¹⁾	9,658	(2,407)	602	3,187	288	(194)	2,959	3,647
Net earnings before net gains on securities held for sale ⁽¹⁾	17,362	6,278	9,786	11,551	8,438	7,877	10,288	10,624
Net gains on securities held for sale ⁽¹⁾	--	--	--	--	--	--	--	386
Net earnings available to shareholders	17,138	6,053	9,604	11,310	8,223	7,715	10,163	10,916
Shareholders' equity	504,255	470,533	473,944	477,901	488,835	482,242	463,306	438,363
(in \$)								
Per average Class A and Common Share								
Net earnings available to shareholders:								
- Basic	\$ 0.59	\$ 0.21	\$ 0.33	\$ 0.38	\$ 0.27	\$ 0.26	\$ 0.34	\$ 0.36
- Diluted	0.56	0.20	0.31	0.37	0.27	0.25	0.33	0.35
Shareholders' equity								
- Basic	\$ 17.37	\$ 15.96	\$ 16.08	\$ 16.15	\$ 16.33	\$ 16.08	\$ 15.34	\$ 14.49
- Diluted	16.55	15.23	15.32	15.42	15.62	15.39	14.72	13.93

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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(1) During the year, certain of the Company's investments in mutual funds were reclassified from the held for sale category to the held for trading category on a retrospective basis. The reclassification had the effect of re-presenting net gains, income tax expenses, net earnings before net gains on securities held for sale, and net gains on securities held for sale in prior periods but did not impact operating earnings or net earnings available to shareholders. The above tables reflect the effects of the retrospective application of the reclassification.

(2) The Company's management uses EBITDA and Adjusted cash flow from operations to evaluate and assess the performance of its business. These two measures do not have standardized measures under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be strictly comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these measures in analyzing the Company's results. The Company defines EBITDA as net earnings before interest, income taxes, amortization, stock-based compensation, net gains or losses and net gains or losses on securities held for sale, less amounts attributable to non-controlling interest. The Company defines Adjusted cash flow from operations as Net cash from operating activities, net of changes in non-cash working capital items and net of non-controlling interests. The most comparable IFRS measures are Net earnings, which were \$44,977 (2014 - \$37,613) and Net cash from operating activities, which was \$33,777 (2014 - \$38,083). More detailed descriptions of these two non-IFRS measures are provided in the Management's Discussions and Analysis, in the Company's 2015 Annual Report, including a reconciliation of these measures to their most comparable IFRS measures.