

## Press Release

### Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2017 Operating Results

Toronto, Ontario, February 22, 2018

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

For the years ended December 31		
(\$ in thousands, except per share amounts)	2017	2016
Net revenue	\$ 151,238	\$ 142,686
Operating earnings	48,169	44,667
Net gains	62,534	38,617
Net earnings available to shareholders	93,692	69,475
<hr/>		
EBITDA <sup>(1)</sup>	\$ 52,754	\$ 49,549
Adjusted cash flow from operations <sup>(1)</sup>	41,313	38,659
<hr/>		
Per share:		
Net earnings available to shareholders	\$ 3.19	\$ 2.32
EBITDA <sup>(1)</sup>	1.80	1.66
Adjusted cash flow from operations <sup>(1)</sup>	1.41	1.30
<hr/>		
As at December 31		
(\$ in millions, except per share amounts)	2017	2016
Assets under management	\$ 27,250	\$ 27,280
Assets under administration	17,795	16,489
Shareholders' equity	634	580
Securities	652	620
<hr/>		
Per share:		
Shareholders' equity <sup>(1)</sup>	\$ 21.88	\$ 19.62
Securities <sup>(1)</sup>	22.49	20.97

The Company's operating earnings in the current year were \$48.2 million, compared to \$44.7 million in 2016. The operating earnings grew 8%, while continuing to invest for future growth in the business.

Net gains for the current year were \$62.5 million, compared to \$38.6 million in the prior year. The significant increase in net gains was due largely to increases in fair value of securities held within the investment funds consolidated in the financial statements of the Company.

Net earnings available to shareholders in 2017 were \$93.7 million, compared to \$69.5 million in the prior year. This 35% increase was due largely to the increased net gains and operating earnings as described above.

With the strong increase in net earnings, the Board of Directors is pleased to announce a quarterly eligible dividend of \$0.125 per share, an increase of 25%, payable on April 18, 2018, to shareholders of record on April 11, 2018.

The Company's assets under management ("AUM") were \$27.3 billion as at December 31, 2017, unchanged from the prior year. The positive effects of the broad equity market performance was offset by net sales outflows across various client segments, primarily across Canadian equity strategies. The Company's assets under administration ("AUA") were \$17.8 billion as at December 31, 2017, an 8% increase compared to \$16.5 billion at the end of the prior year. The increase in AUA was due to successful efforts in advisor recruitment, net new sales and the positive market performance during the current year.

EBITDA<sup>(1)</sup> for the year was \$52.8 million, or \$1.80 per share, compared to \$49.5 million, or \$1.66 per share for 2016. Adjusted cash flow from operations<sup>(1)</sup> for the year was \$41.3 million, or \$1.41 per share, compared to \$38.7 million, or \$1.30 per share for 2016. The improvement in each of these measures reflect the growth in operating earnings for the

year. These two non-IFRS financial measures used by the Company are defined in our quarterly and annual Management's Discussion and Analysis.

The Company's shareholders' equity as at December 31, 2017 was \$634 million, or \$21.88 per share, compared to \$580 million, or \$19.62 per share, as at December 31, 2016. The fair value of the Company's Securities as at December 31, 2017 was \$652 million, or \$22.49 per share, up from \$620 million, or \$20.97 per share, as at December 31, 2016.

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

Three months ended (\$ in thousands)	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016
Net revenue	\$ 39,097	\$ 36,315	\$ 37,208	\$ 38,618	\$ 38,240	\$ 35,185	\$ 34,191	\$ 35,070
Operating earnings	13,046	10,505	12,160	12,458	12,371	10,646	10,300	11,350
Net gains	23,175	10,987	10,783	17,589	10,754	10,057	1,028	16,778
Net earnings	31,799	18,232	19,638	25,518	19,859	17,475	9,169	24,072
Net earnings available to shareholders	31,315	17,987	19,387	25,003	19,417	17,353	8,887	23,818
Shareholders' equity	634,416	608,013	603,428	605,039	580,177	545,339	513,939	497,656
Per Class A and Common share (in \$)								
Net earnings available to shareholders								
Basic	\$ 1.13	\$ 0.65	\$ 0.70	\$ 0.91	\$ 0.69	\$ 0.61	\$ 0.31	\$ 0.83
Diluted	1.07	0.61	0.67	0.86	0.65	0.58	0.30	0.79
Shareholders' equity <sup>(1)</sup>								
Basic	\$ 23.20	\$ 21.87	\$ 21.75	\$ 21.81	\$ 20.75	\$ 19.11	\$ 18.08	\$ 17.51
Diluted	21.88	20.67	20.54	20.58	19.62	18.07	17.10	16.63
Dividends paid	\$ 0.100	\$ 0.100	\$ 0.100	\$ 0.085	\$ 0.085	\$ 0.085	\$ 0.085	\$ 0.075

Guardian Capital Group Limited is a diversified financial services company founded in 1962 and celebrated its 55<sup>th</sup> anniversary in 2017. The Company provides institutional and high net worth investment management services to clients; 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.

For further information, contact:

Donald Yi  
Chief Financial Officer  
(416) 350-3136

George Mavroudis  
President and Chief Executive Officer  
(416) 364-8341

<sup>(1)</sup> 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 meanings under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be 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 interests. 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 was \$95,187 for the year ended December 31, 2017 (2016 - \$70,575), and Net cash from operating activities, which was \$44,638 for the year ended December 31, 2017 (2016 - \$42,515). The per share amounts for EBITDA, Adjusted cash flow from operations, Shareholders' equity and Securities are calculated by dividing the amounts by diluted shares, which is calculated in a manner similar to the calculation of Net earnings available to shareholders per share. More detailed descriptions of these non-IFRS measures are provided in the Company's quarterly and annual Management's Discussions and Analysis, including a reconciliation of these measures to their most comparable IFRS measures.