



Fiera Capital Corporation

Management's Discussion and Analysis

For the Three and Nine-Month Periods Ended September 30, 2020

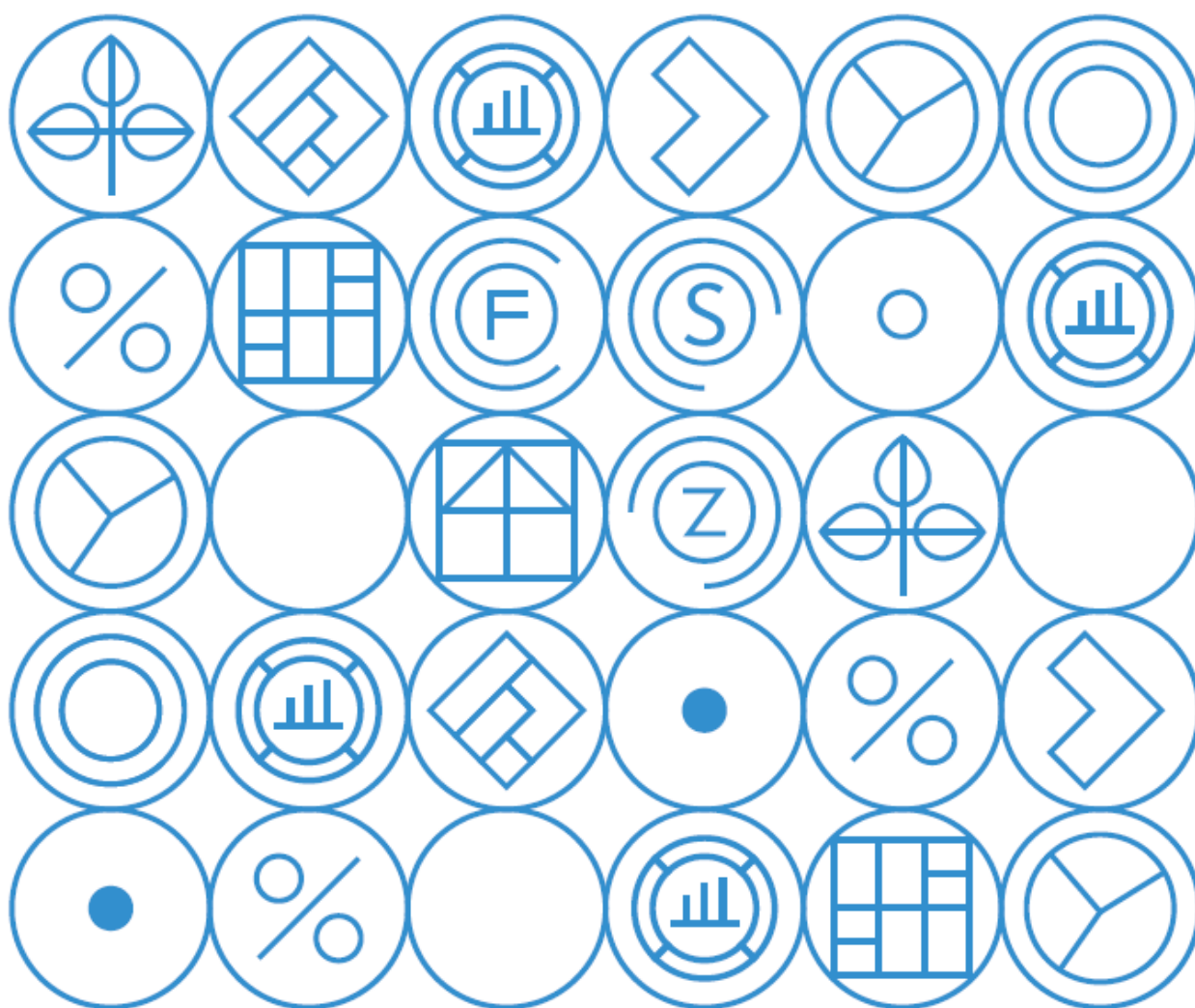


Table of Contents

Basis of Presentation and Forward-Looking Statements.....	1
Quarterly Financial Highlights	3
Overview	6
Market, Economic and Fund Performance Review	7
Outlook	13
Financial Results	14
Results from Operations and Overall Performance - AUM and Revenues	16
Results from Operations and Overall Performance - Expenses	23
Results from Operations and Overall Performance – Net Earnings (Loss).....	26
Non-IFRS Measures.....	27
Summary of Quarterly Results	32
Liquidity and Capital Resources.....	40
Subsequent Events.....	44
Controls and Procedures.....	44
Risk Factors.....	44

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BASIS OF PRESENTATION AND FORWARD-LOOKING STATEMENTS

Basis of Presentation

The following management's discussion and analysis ("MD&A") dated November 12, 2020, presents an analysis of the financial condition and results of the consolidated operations of Fiera Capital Corporation (the "Company" or "Fiera Capital") as at and for the three and nine-month periods ended September 30, 2020. The following MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements, including the notes thereto, for the three and nine-month periods ended September 30, 2020, the audited annual consolidated financial statements and the accompanying notes for the years ended December 31, 2019 and December 31, 2018 and the related annual MD&A included in the Company's 2019 Annual Report.

The Company prepares its interim condensed consolidated financial statements in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB") and accordingly, do not include all disclosures required under International Financial Reporting Standards ("IFRS") for annual consolidated financial statements. The accounting policies applied in these interim condensed consolidated financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2019, except for the impact of the adoption of the standards, interpretations and amendment described in Note 3.

Unless otherwise stated, figures are presented in Canadian dollars. Certain totals, subtotals and percentages may not reconcile due to rounding. Certain comparative figures have been reclassified to conform with the current period's presentation.

The Company presents earnings before interest, taxes, depreciation and amortization¹ ("EBITDA"), adjusted EBITDA¹, adjusted EBITDA per share¹, adjusted EBITDA margin¹, adjusted net earnings¹ and adjusted net earnings per share¹ as non-IFRS performance measures. These non-IFRS measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The definition of these non-IFRS measures and the reconciliation to the most comparable IFRS measures are presented in the "Non-IFRS Measures" section of this MD&A.

Forward-Looking Statements

This MD&A contains forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend", or other negatives of these terms, or other comparable terminology.

Forward-looking statements, by their very nature, involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will prove to be inaccurate. As a result, the Company does not guarantee that any forward-looking statement will materialize and readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors, many of which are beyond Fiera Capital's control, could cause actual events or results to differ materially from the estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: Fiera Capital's investment performance, Fiera Capital's ability to retain its existing clients and to attract new clients, Fiera Capital's reliance on major customers, Fiera Capital's ability to attract and retain key employees, Fiera Capital's ability to successfully integrate the businesses it acquires, industry competition, Fiera Capital's ability to manage conflicts of interest, adverse economic conditions in Canada or globally, including amongst other things, declines in financial markets, fluctuations in interest rates and currency values, regulatory sanctions or reputational harm due to employee errors or misconduct, regulatory and litigation risks, Fiera Capital's ability to manage risks, the failure of third parties to comply with their obligations to Fiera Capital and its affiliates, the impact of acts of

God or other force majeure events, legislative and regulatory developments in Canada and elsewhere, including changes in tax laws, the impact and consequences of Fiera Capital's indebtedness, potential share ownership dilution and other factors described under "Risk Factors" in this MD&A or discussed in the Annual Information Form for the fiscal year ended December 31, 2019 and other documents filed by the Company with applicable securities regulatory authorities from time to time.

These forward-looking statements are made as at the date of this MD&A and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required pursuant to securities laws.

¹ Please refer to the "Non-IFRS Measures" Section on page 27.

Quarterly Financial Highlights

QUARTERLY FINANCIAL HIGHLIGHTS

(in \$ billions)

	AUM and average quarterly AUM as at and for the periods ended			QoQ Change	YoY Change
	September 30, 2020	June 30, 2020	September 30, 2019		
AUM	177.7	171.0	164.7	6.7	13.0
Average quarterly AUM	177.0	169.7	161.2	7.3	15.8

	Summary Financial Results for the three-month periods ended			QoQ Change	YoY Change
	September 30, 2020	June 30, 2020	September 30, 2019		
(in \$ millions unless otherwise indicated)					
Revenues	170.7	166.9	160.0	3.8	10.7
Net earnings (loss)¹	4.7	(14.7)	(4.7)	19.4	9.4
Adjusted EBITDA²	53.4	51.9	46.6	1.5	6.8
Adjusted EBITDA margin²	31.3%	31.1%	29.1%	0.2%	2.2%
Adjusted net earnings^{1,2}	37.6	38.7	32.5	(1.1)	5.0
Basic per share					
Net earnings (loss) ^{1,2}	0.05	(0.14)	(0.05)	0.19	0.10
Adjusted EBITDA ²	0.51	0.50	0.46	0.01	0.05
Adjusted net earnings ²	0.36	0.38	0.32	(0.02)	0.04
Diluted per share					
Net earnings (loss) ^{1,2}	0.04	(0.14)	(0.05)	0.18	0.09
Adjusted EBITDA ²	0.49	0.50	0.46	(0.01)	0.03
Adjusted net earnings ²	0.35	0.38	0.32	(0.03)	0.03

¹ Attributable to the Company's shareholders

² Please refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 27

Assets Under Management

AUM at September 30, 2020 was \$177.7 billion compared to \$171.0 billion as at June 30, 2020, an increase of \$6.7 billion or 3.9%. The increase was primarily due to a favourable market impact of \$8.7 billion and gross new mandates of \$1.9 billion. The market impact in the current quarter was driven by the continued recovery in global equity markets following the economic downturn which took place at the onset of the COVID-19 pandemic. These increases in AUM were partially offset by lost mandates of \$1.6 billion, redemptions from existing clients of \$1.0 billion, and an unfavourable foreign exchange impact of \$1.3 billion due to the weakening of the U.S. dollar compared to the Canadian dollar.

Average AUM for the three-month period ended September 30, 2020 was \$177.0 billion compared to \$169.7 billion for the three-month period ended June 30, 2020, an increase of \$7.3 billion or 4.3%.

Compared to AUM of \$164.7 billion at September 30, 2019, September 30, 2020 AUM increased by \$13.0 billion or 7.9%. The increase was primarily due to market appreciation of \$14.1 billion, gross new mandates of \$12.5 billion and a favourable foreign exchange impact of \$0.8 billion, partially offset by lost mandates of \$9.7 billion and redemptions from existing clients of \$4.0 billion. AUM in the third quarter of 2019 included \$1.2 billion related to Fiera Investments LP's retail mutual funds which were sold in the second quarter of 2020.

Quarterly Financial Highlights

Revenues

Q3 2020 vs Q3 2019

Revenues for the third quarter of 2020 were \$170.7 million compared to \$160.0 million for the same period last year, an increase of \$10.7 million or 6.7%. The increase was primarily due to higher base management fees of \$9.4 million driven by higher average AUM, in part as a result of organic growth in the Institutional channel's U.S., Canadian and European markets, as well as a \$2.1 million share of earnings in joint ventures and associates generated by Fiera Real Estate UK.

Revenues in the third quarter of 2020 were impacted by a \$3.8 million decrease in base management fees due to the sale of Fiera Investments LP's retail mutual funds in the second quarter of 2020.

Q3 2020 vs Q2 2020

Compared to revenues of \$166.9 million in the second quarter of 2020, revenues in the third quarter of 2020 increased by \$3.8 million or 2.3%. The increase was primarily due to higher base management fees of \$3.8 million driven by higher average AUM and a \$1.3 million increase in other revenues from private alternative investment strategies. These increases were partially offset by a \$1.1 million decrease in performance fees, mainly in public market strategies.

Revenues in the third quarter of 2020 were impacted by a \$3.0 million decrease in base management fees due to the sale of Fiera Investments LP's retail mutual funds in the second quarter of 2020.

Net Earnings (Loss) attributable to the Company's shareholders

Q3 2020 vs Q3 2019

For the third quarter ended September 30, 2020, the Company reported net earnings attributable to the Company's shareholders of \$4.7 million, or \$0.05 per share (basic) and \$0.04 per share (diluted), compared to a net loss of \$4.7 million, or \$0.05 loss per share (basic and diluted), for the same quarter of last year. The \$9.4 million increase was primarily due to a \$10.7 million increase in revenues compared to the same period last year, \$3.1 million of lower accretion and change in fair value of purchase price obligations, and a \$2.8 million decrease in acquisition costs. The increase in net earnings was partially offset by a \$3.9 million unfavourable impact from income taxes and a \$3.8 million increase in selling, general and administrative ("SG&A") and external managers expense.

Q3 2020 vs Q2 2020

The Company reported net earnings attributable to the Company's shareholders of \$4.7 million, or \$0.05 per share (basic) and \$0.04 per share (diluted), during the third quarter of 2020, compared to a net loss attributable to the Company's shareholders of \$14.7 million, or \$0.14 loss per share (basic and diluted), in the second quarter of 2020. The \$19.4 million increase was primarily driven by a \$20.9 million restructuring charge recognized in the second quarter of 2020 related to the new global management structure announced on June 17, 2020. In addition, net earnings attributable to the Company's shareholders increased due to \$3.8 million in higher revenues and a \$1.8 million favourable impact on depreciation and interest on lease liabilities due to an adjustment related to an existing lease. These increases were partially offset by a \$7.5 million unfavourable impact from income taxes.

Quarterly Financial Highlights

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”⁽¹⁾)

Q3 2020 vs Q3 2019

Adjusted EBITDA for the third quarter of 2020 was \$53.4 million, or \$0.51 per share (basic) and \$0.49 per share (diluted) compared to \$46.6 million, or \$0.46 per share (basic and diluted), an increase of \$6.8 million, or 14.6% during the same period in 2019. The increase was primarily due to \$10.7 million of higher revenues, primarily driven by higher average AUM, in part as a result of organic growth in the Institutional channel’s U.S., Canadian and European markets. This was partially offset by a \$4.0 million increase in SG&A and external managers expense, excluding share-based compensation. The increase in SG&A and external manager expense, excluding share-based compensation, is primarily due to higher compensation expense, partially offset by a reduction in discretionary spending due to cost containment measures which were put in place in response to the market pressures from COVID-19.

Q3 2020 vs Q2 2020

Compared to the second quarter of 2020, Q3 2020 Adjusted EBITDA increased by \$1.5 million or 2.9% from \$51.9 million or \$0.50 per share (basic and diluted) to \$53.4 million or \$0.51 per share (basic) and \$0.49 per share (diluted). The increase in Adjusted EBITDA was due to \$3.8 million of higher revenues, partially offset by a \$2.3 million increase in SG&A and external managers expense, excluding share-based compensation, primarily due to the recognition of a \$2.9 million Canadian Emergency Wage Subsidy (“wage subsidy”) in the second quarter of 2020, which did not recur in the current period.

Adjusted Net Earnings Attributable to the Company’s Shareholders⁽¹⁾

Q3 2020 vs Q3 2019

Adjusted net earnings for the third quarter of 2020 was \$37.6 million or \$0.36 per share (basic) and \$0.35 per share (diluted), compared to \$32.5 million, or \$0.32 per share (basic and diluted) in the third quarter of 2019. The \$5.1 million increase was mainly due to a \$10.7 million increase in revenues. This was partially offset by a \$4.0 million increase in SG&A and external managers expense, excluding share-based compensation. The increase in SG&A and external manager expense, excluding share-based compensation, is primarily due to higher compensation expense, partially offset by a reduction in discretionary spending due to cost containment measures which were put in place in response to the market pressures from COVID-19. In addition, there was an increase in taxes on adjusted net earnings of \$2.6 million.

Q3 2020 vs Q2 2020

Adjusted net earnings for the third quarter of 2020 was \$37.6 million or \$0.36 per share (basic) and \$0.35 per share (diluted), compared to \$38.7 million, or \$0.38 per share (basic and diluted) in the second quarter of 2020. The \$1.1 million decrease was primarily driven by a \$2.3 million increase in SG&A and external managers expense, excluding share-based compensation, primarily due to the recognition of a wage subsidy in the amount of \$2.9 million in the second quarter of 2020, which did not recur in the current period. In addition, there was an increase in other financial charges driven by an increase in the loss on currency revaluation of items denominated in foreign currency of \$1.9 million and an increase in taxes on adjusted net earnings of \$1.8 million. This was partially offset by a \$3.8 million increase in revenues mainly due to higher base management fees resulting from higher average AUM and lower interest on lease liabilities of \$0.9 million.

⁽¹⁾ Please refer to the “Non-IFRS Measures” Section and the related reconciliation table on page 27

Overview

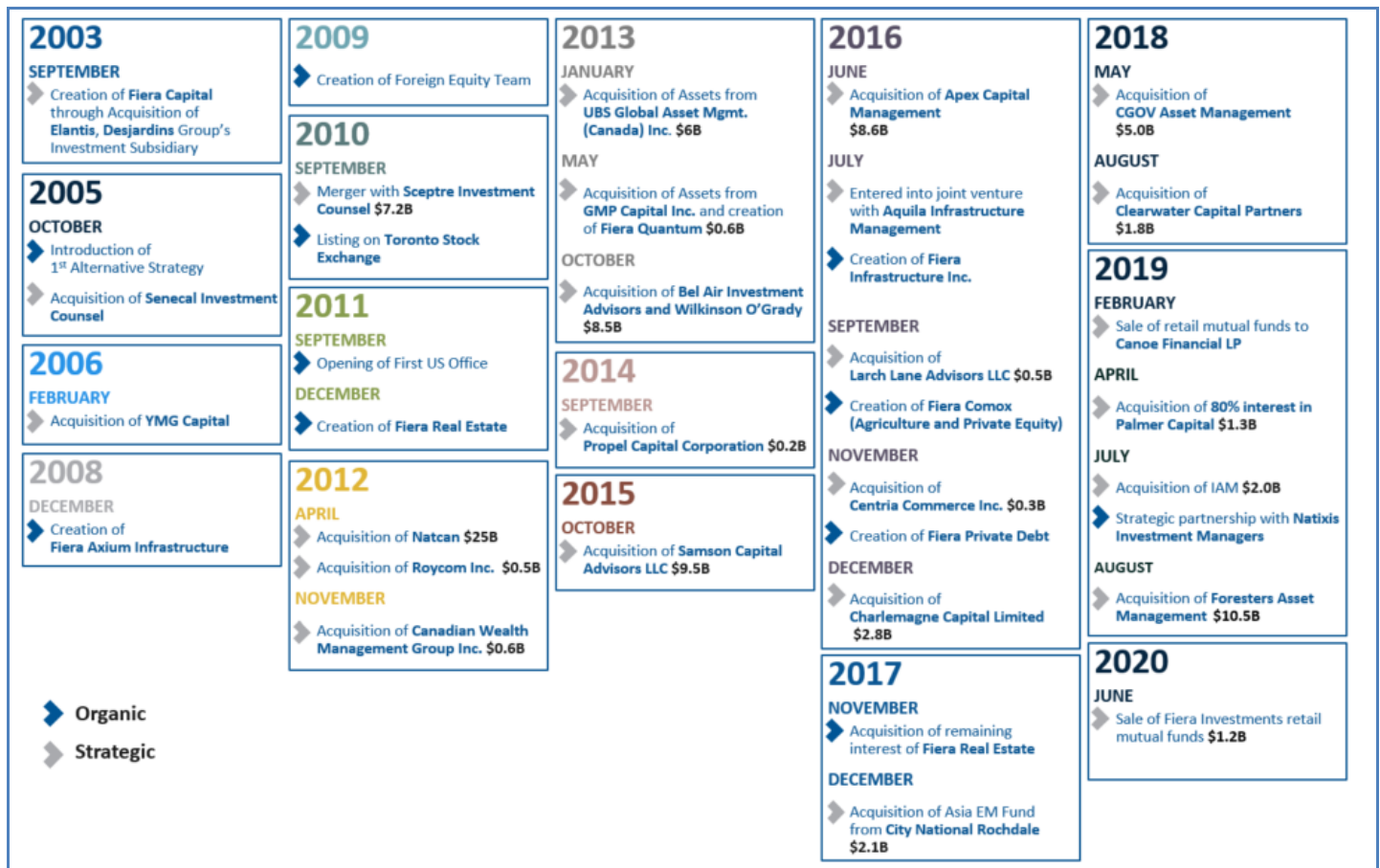
OVERVIEW

Company Overview

Fiera Capital is a global independent asset management firm with \$177.7 billion in AUM at September 30, 2020. The Company delivers customized multi-asset solutions across public and private asset classes to institutional, private wealth and retail clients across North America, Europe and key markets in Asia. Retail clients are serviced through our sub-advisory arrangements and financial intermediary relationships. The Company's approach to investing is rooted in its commitment to investment excellence and acting as a trusted advisor to our clients. Its integrated model offers its clients the scale, resources and reach of a global asset manager coupled with the client-centric approach of a multi-boutique firm.

Company Evolution

The following diagram shows key initiatives, including organic growth and business acquisitions since the Company was established in 2003.



MARKET, ECONOMIC AND FUND PERFORMANCE REVIEW

Economic and Market Review – Q3 2020

The global economy continued its recovery from the negative impact of the COVID-19 crisis, led by the resumption in activity and pent-up demand as major economies reopened, while the timely and aggressive monetary and fiscal response has also helped guide the global economy back to health. Central banks provided policy support which was instrumental in ensuring that the global pandemic did not result in a credit crisis, while governments have ramped up spending to alleviate the pain for both consumers and businesses.

While the continued spread of the virus and ongoing social distancing may restrain activity, it is not expected to derail the market recovery. The latest developments of the COVID-19 pandemic are seeing case counts surging higher across many major economies, however the second wave of this virus has not been accompanied by a sharp rise in fatalities. As such, governments have been reluctant to reimpose the strict lockdown measures which resulted in several global economies shutting down earlier this year.

Global research efforts towards development of a sustainable medical solution have increased significantly with the goal of deploying a vaccine in the short to medium term, which would further increase the speed of the economic recovery. Until then, monetary and fiscal policies from governments and central banks will remain a crucial source of support.

Global equity markets pushed generally higher during the third quarter. In July and August, equity markets rallied as the government policy stimulus and signs of a global economic rebound supported prices. However, equity markets lost momentum in September as investors weighed the impact of a resurgence in global COVID-19 cases, a stalemate in US fiscal negotiations and political uncertainty ahead of the US elections.

The outlook for global equity markets remains compelling given the new cycle of above-trend growth and ample policy support. The Federal Reserve's open-ended commitment to keeping rates low should see major equity indices achieve new highs. The ample liquidity backdrop should ultimately increase what investors are willing to pay for equities and justify a higher valuation multiple, while the expectation of a rapid economic recovery should reignite earnings expectations.

Fixed income markets also posted modest positive results during the third quarter of 2020. Yield curves steepened, with short-term bond yields falling as central banks pledged to keep interest rates low for an extended period of time. Longer-term bond yields edged higher as the global economy regained some notable momentum throughout the summer and reinforced inflation expectations. Meanwhile, credit spreads narrowed as central banks acted as an important backstop, which saw corporate exposures outperform their government counterparts over the last three months.

With bond yields at depressed levels, return prospects for the traditional core fixed income asset class appear less appealing going forward, as further declines in government bond yields are not expected. While policymakers have confirmed they will anchor rates in the short term, the expectation of an economic recovery and the corresponding rise in inflation expectations should place some upward pressure on the long end of the curve. The inclusion of non-traditional income strategies should be considered due to their solid income-generating capabilities, their ability to protect against inflation, and their low correlation to traditional asset classes.

From a geographic perspective, the Canadian economy remains on track for a robust recovery. Close to two-thirds of jobs lost during the lockdown have been recouped at the end of the third quarter, while retail sales, resale housing, factory sales and exports have all regained ground. The Canadian government and Bank of Canada have pledged their continued support in providing fiscal stimulus to rejuvenate the economy in the coming year.

Market, Economic and Fund Performance Review

The US economy continued to rebound in the third quarter, with retail sales, business investment, and the housing market rallying to pre-pandemic levels. Consumer spending remains a pivotal source of strength while the rebound in hiring has fueled income gains, which should cushion the blow from fading fiscal support.

The European economy has also emerged from the recession that marked the first half of 2020. Resilience in the factory sector has counteracted a lukewarm recovery in the services space that has been affected by the latest spike in COVID-19 cases and new restrictions being put in place, which risks dampening the recovery. The rising case count in the United Kingdom has resulted in newly imposed restrictions while expectations for job losses have increased as the withdrawal of fiscal support approaches. In addition, continued uncertainty around Brexit poses an overall risk to the UK economy which could result in a turbulent end to the year.

The Chinese economy continued to rebound assertively, with a return to growth in the third quarter due to the successful containment of COVID-19 and an abundance of monetary and fiscal support. While the factory sector has led the charge amid stimulus measures aimed at infrastructure spending, the revival has now widened out more broadly to the consumer, with retail sales moving back into positive terrain for the first time this year. Conversely, Japan has been slower to regain traction in its economic recovery following the impacts of COVID-19.

Fund Performance

The Company's strategies delivered good absolute and relative performance over the short, medium and long term. During the third quarter, the positive trend in relative performance continued.

Public Markets

Equity Strategies

Large Cap Equity

The Company's large cap equity investment teams continued to deliver strong outperformance during the third quarter of the year as markets continue to rebound and with International and US indices levels even higher than their pre-pandemic levels. During the third quarter, the strong performance in International and Canadian mandates was mostly due to strong security selection in industrials and no allocation to the energy sector. On a long-term basis, the majority of large cap equity results are in the first quartile as compared to their respective peer groups.

Small Cap, Emerging and Frontier Equity Strategies

The Company's Canadian small cap strategies also delivered outperformance year-to-date and teams delivered strong value added relative to their benchmarks, resulting in capital appreciation even during the uncertainty brought on by the COVID-19 pandemic. The value added from small cap strategies value was primarily driven by strong security selection in the information technology and real estate sectors and an under allocation to the energy sector. In addition, the Emerging Markets strategies outperformed relative to benchmarks in the quarter, primarily driven by strong security selection across sectors.

Fixed Income Strategies

Canadian Fixed Income Strategies

Active Universe Strategies

The Company's Canadian fixed income strategies also performed very well on a year-to-date basis with the majority delivering first quartile results within their peer group. The outperformance within the Active Universe strategy was driven primarily by curve positioning and tactical allocation to credit as credit spreads peaked, which delivered value as spreads began to decrease.

Credit Oriented and Other Strategies

The Company's other fixed income strategies, which include credit strategies, preferred shares and infrastructure bonds, outperformed their benchmark in Q3, and delivered value added relative to their respective benchmark on a long-term basis.

US Fixed Income Strategies

There was a continuation of the rally in the tax-exempt market for the majority of the third quarter. However, as the economic activity exceeded expectations and the prospect for federal aid to municipalities dimmed, municipal bonds gave up some of their outperformance as the quarter progressed. The Tax Efficient Core Intermediate strategy underperformed relative to its benchmark as the strategy has an overweight allocation to New York securities which were hardest hit by the diminished prospect of federal aid.

The High Grade Core Intermediate strategy outperformed its benchmark in the third quarter. The strategy's non-benchmark allocations to TIPS and taxable municipal bonds were additive.

Balanced Investment Strategies

The balanced investment strategies continue to outperform on a long-term basis driven primarily by strong value-added from underlying strategies. However, the Company's Tactical Asset Allocation strategy detracted value on a year-to-date basis driven by an under-allocation to bonds and over-allocation to equities and private alternative investment strategies.

Liquid Alternative Investment Strategies

The majority of the Company's hedge fund strategies have delivered positive returns over the last twelve months and over the long term. The positive performance of the Global Market Neutral strategy in 2020 was driven primarily by positive returns in the Canadian market, while the Emerging & Frontier Opportunities strategy has underperformed in emerging and frontier markets due to the pandemic.

Private Markets

Real Estate Strategies

The real estate strategies in Canada and the UK delivered strong income and total returns during the third quarter of 2020, consistent with their pre-pandemic levels, with rent collections above 95% in Canada and occupancy remaining high throughout. The resilience of the portfolios was demonstrated through positive property valuations, although the downturn experienced in the previous quarter, driven by COVID-19 uncertainty, has not yet been fully recaptured in Canada. The Company's strategies are heavily weighted to industrial and logistics properties, which continue to perform exceptionally well, while the allocation to more challenged sectors in real estate such as retail property are low and are seeing valuation stability.

Infrastructure Strategy

The infrastructure strategy continued to perform well and remain resilient through the COVID-19 pandemic and generated positive returns in the third quarter of 2020 and year-to-date. The assets within the portfolio are essential in nature and in the majority of instances, revenues are underpinned by long-term and fixed price contracts.

Private Debt Strategies

The Company's private debt strategies globally delivered attractive positive returns during the third quarter of 2020. Lending in residential and commercial real estate has been doing well overall as the sector proved its resiliency, in part helped by low interest rates from central banks and the significant support programs from governments. Business financing has seen some encouraging signs as well during the third quarter, but some sectors have faced a more challenging environment due to the restrictions and consequences of the COVID-19 pandemic. Nonetheless, the

allocation of the strategy to business loans has performed well due to the seniority of the loans, and the diversification of the portfolio across different sectors and well-managed businesses.

Global Agriculture Strategy

The Global Agriculture Strategy generated a positive return in the third quarter, continuing a string of successive positive return quarters through the COVID-19 crisis, which has had a minimal impact on the fund performance. The fund's positive performance serves to highlight the resiliency of the asset class and the positive operational performance of the global agriculture portfolio companies.

Private Equity Strategy

The strategy's primary investment criterion is downside protection and as such, the portfolio's performance has reflected this approach and withstood the initial economic shock of the COVID-19 crisis. The private equity fund's performance is strong and in line with target IRR since inception with further room for strong performance over the coming quarters. The strategy has avoided cyclical sectors such as consumer discretionary, materials, and natural resources and have focused the investment on the middle market, where entry valuations have been more modest. The private equity strategy team continues to be actively engaged in opportunities to build on the strong foundation of the fund.

Developments

The Company is committed to responsible investing and adheres to its duty to act professionally, responsibly and diligently in the best interests of its investors and stakeholders with a view to creating long-term, sustainable value. As such, additional efforts have been devoted to maintaining and improving on our environmental, social and governance ("ESG") framework within a boutique management approach. We launched a Global Impact Fund in the first quarter of 2020 that has delivered total performance of 8.2% since inception and outperformed traditional balanced mandates in the same period. Additionally, the Global Small Cap strategy, launched last year, has outperformed the MSCI World Small Cap Index by 30.8% since its inception. For more information on our commitment to responsible investing, as well as our focus on diversity and inclusion, the environment and community partnerships, please refer to our [2019 Responsible Investing and Corporate Social Responsibility Report](#).

Market, Economic and Fund Performance Review

Table 1 – Public Markets Performance as at September 30, 2020

Public market strategies	Currency	Q3 2020			YTD			1 yr			3 yr			5 yrs or Since Inception (SI)* (SI if inception < 5 yrs)		
		Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile
Equity Investment Strategies																
Large Cap Equity																
US Equity	CAD	7.67	0.84	2	13.74	4.99	2	22.43	6.26	2	20.20	5.43	1	17.25	3.18	1
International Equity	CAD	8.91	6.13	1	10.30	14.60	1	19.50	18.11	1	13.49	10.64	1	13.29	8.11	1
Global Equity	CAD	9.69	3.84	1	10.98	6.21	1	18.84	7.45	1	16.76	6.63	1	15.85	5.45	1
Canadian Equity	CAD	8.35	3.62	1	2.87	5.96	1	4.25	4.27	1	8.79	4.54	1	10.38	3.22	1
Canadian Equity Core	CAD	6.02	1.29	2	-2.09	1.01	2	-0.42	-0.39	2	5.29	1.03	2	7.39	0.23	2
Small Cap, Emerging and Frontier																
U.S. Small & Mid Cap Growth	USD	14.40	5.02	1	17.79	6.21	2	31.53	8.17	2	15.82	2.48	3	14.22	0.04	3
Canadian Equity Small Cap Core	CAD	8.49	1.85	4	4.11	12.71	3	12.73	15.65	3	8.56	11.76	1	7.67	3.16	3
Canadian Equity Small Cap	CAD	11.57	4.93	3	3.62	12.21	3	9.43	12.35	3	2.47	5.66	3	5.10	0.59	4
Emerging Markets Select	USD	10.19	0.63	2	-0.31	0.85	2	9.13	-1.41	2	-0.33	-2.74	3	8.12	-0.85	2
Emerging Markets Core Growth	USD	13.39	3.83	1	-5.71	-4.55	4	2.88	-7.66	4	-0.49	-2.91	4	9.14	0.17	3
Frontier Markets	USD	8.01	-0.28	2	-20.21	-11.42	4	-17.44	-14.70	4	-6.26	-4.56	3	7.45	3.69	1
Canadian Fixed Income Strategies																
Active Universe Strategies																
Active Core	CAD	0.73	0.29	3	9.56	1.56	1	8.84	1.76	1	N/A	N/A	N/A	6.48*	0.59*	1
Strategic Core	CAD	1.11	0.67	1	9.81	1.81	1	8.96	1.88	1	N/A	N/A	N/A	6.83*	0.94*	1
Credit Oriented	CAD	0.84	0.40	2	8.55	0.55	2	7.86	0.78	2	6.61	0.51	1	4.87	0.61	1
Specialized Credit	CAD	1.49	1.05	4	8.89	0.89	1	8.43	1.35	2	7.40	1.31	1	5.48	1.22	2
Relative Value	CAD	0.94	0.83	4	10.30	1.84	1	9.71	2.55	1	N/A	N/A	N/A	6.91*	1.31*	1
Credit Oriented and Others																
Corporate Universe	CAD	1.58	0.24	3	7.02	0.20	3	7.23	0.35	3	6.25	0.32	2	5.12	0.40	3
Preferred Shares	CAD	12.73	1.33	1	-2.51	-1.44	4	2.48	-0.30	2	-2.15	-1.08	4	4.17	0.04	4
Infrastructure Bonds	CAD	0.59	0.59	4	10.64	0.10	1	9.27	0.66	1	10.35	0.50	1	7.81	0.65	1
Multi-Strategy Income	CAD	3.18	N/A	N/A	-1.64	N/A	N/A	0.51	N/A	N/A	1.65	N/A	N/A	4.32	N/A	N/A
US Fixed Income Strategies																
Tax Efficient Core Intermediate	USD	0.85	-0.23	N/A	3.46	0.24	N/A	4.31	0.20	N/A	3.36	-0.04	N/A	2.90	-0.02	N/A
High Grade Core Intermediate	USD	0.71	0.23	N/A	6.16	0.99	N/A	6.52	0.87	N/A	4.47	0.27	N/A	3.49	0.22	N/A
Balanced Investment Strategies																
Balanced Core	CAD	4.94	1.59	1	5.34	0.88	2	7.91	0.84	2	8.65	1.65	1	8.58	1.39	1
Balanced EFT ¹	CAD	4.66	1.43	1	4.95	1.81	2	8.12	1.99	2	8.24	1.93	1	8.29	1.49	1
Tactical Asset Allocation ²	CAD	3.30	0.50	N/A	0.83	-3.05	N/A	5.13	-1.74	N/A	5.57	-0.75	N/A	6.73	0.06	N/A
Liquid Alternative Investment Strategies																
Global Market Neutral	CAD	2.50	N/A	N/A	1.98	N/A	N/A	1.29	N/A	N/A	-	-	N/A	8.89*	N/A	N/A
OCCO Eastern European Fund	USD	-0.16	N/A	3	2.87	N/A	3	7.64	N/A	2	6.83	N/A	1	10.03	N/A	1
OAKS Emerging & Frontier Opportunities Fund	USD	6.73	N/A	2	-19.22	N/A	4	-17.67	N/A	4	-7.22	N/A	4	6.21	N/A	3

Important Disclosures:

Performance returns are annualized for periods of 1 year and up.

All returns are presented gross of management and custodial fees and withholding taxes but net of all trading expenses.

The performance returns above assume reinvestment of all dividends.

Each strategy listed above represents a single discretionary portfolio or group of discretionary portfolios that collectively represent a unique investment strategy or composite.

The since inception date represents the earliest date at which a discretionary portfolio was in operation within the strategy.

The above composites and pooled funds were selected from the Firm's major investment strategies

Quartile rankings are calculated using eVestment.

GIPS Composites are available upon request.

Notes:

¹ Balanced Fund for Endowments, Foundations and Trusts. Includes an allocation to Fiera Diversified Real Assets Fund

² Theoretical value added of tactical asset mix decisions over a fictitious traditional balanced portfolio. Includes theoretical allocation to private assets

Market, Economic and Fund Performance Review

Table 2 – Private Markets Performance as at September 30, 2020

Private market strategies	Currency	Inception date	Open-ended	Closed-ended	Performance - Since Inception		NAV (in \$M)	Total Undrawn Commitment (in \$M)
					Return ¹	Gross IRR ²		
Real Estate								
Fiera Real Estate CORE Fund L.P.	CAD	Apr-13	✓		7.80%	-	2,088	122
Fiera Real Estate Small Cap Industrial Fund L.P.	CAD	Feb-14	✓		12.68%	-	564	21
UK CORE INCOME FUND	GBP	Aug-09	✓		6.71%	-	192	-
Infrastructure								
EagleCrest Infrastructure ³	CAD	Jan-16	✓		-	9.59%	1,332	218
Private Debt								
Real Estate & Infrastructure								
Fiera Real Estate Core Mortgage Fund ⁶	CAD	Dec-17	✓		5.38%	-	78	53
Fiera Real Estate Financing Fund	CAD	Dec-06	✓		13.10%	-	531	-
Fiera Infrastructure Debt Fund LP	CAD	Feb-17		✓	6.10%	-	342	19
Clearwater Capital Partners Direct Lending Opportunities Fund, L.P.	USD	Feb-17	✓		-	11.97%	129	-
Corporate Debt								
Fiera Private Debt Fund VI	CAD	Feb-19		✓	6.18%	-	266	555
Fiera Comox Private Credit Opportunities Open-End Fund L.P. ⁴	USD	Apr-20	✓		-	9.9%	15	31
Fiera Business Financing Fund	CAD	May-13	✓		13.73%	-	120	-
Clearwater Capital Yield Fund, L.P.	USD	Nov-18		✓	-	14.99%	105	-
Funds of Funds								
Global Diversified Lending Master Fund, L.P. ⁵	USD	Jun-18	✓		8.94%	-	208	-
Fiera Diversified Lending Fund ^{6,6}	CAD	Apr-08	✓		6.45%	-	1,301	-
Global Agriculture								
Global Agriculture Open-End Fund L.P. ⁴	USD	Jul-17	✓		-	6.7%	392	156
Private Equity								
Glacier Global Private Equity Fund I L.P. ⁴	USD	Sep-18	✓		-	15.5%	81	14

Important Disclosures:

¹ Annualized time weighted returns, presented gross of management and performance fees and expenses, unless otherwise stated.

² Presented gross of management and performance fees and expenses, unless otherwise stated.

³ EagleCrest represents the combined performance of EagleCrest Infrastructure Canada LP and EagleCrest Infrastructure SCS. IRR shown gross of management fees, performance fees, fund operating expenses and adjusted for FX movements

⁴ Gross IRR shown net of fund operating expenses

⁵ Strategies with diversified allocation to various private debt LP, including some above mentioned

⁶ Returns presented net of management and performance fees and expenses

OUTLOOK

The health and safety of our employees remains our highest priority as we enter what is considered to be the second wave of COVID-19. We continue to engage with health authorities and are actively monitoring developments related to the ongoing pandemic. While global markets continued their recovery in the third quarter, the Company is continuing to review the potential impact from COVID-19 and the market risk to its capital position and profitability should the duration, spread or intensity of the pandemic further develop.

Fiera Capital continues to demonstrate its financial strength through the pandemic mainly as a result of the depth and diversity of investment strategies, the majority of which have outperformed their respective benchmarks year to date, as well as its prudent approach to capital allocation. We will continue to build on this positive momentum by maintaining our focus and executing against the following priorities in support of our 2022 Strategic Plan.

- **Investment Excellence** – Over the last few years, we have significantly added to our competitive suite of public and private market investment strategies through both organic initiatives and strategic acquisitions. By capitalizing on our robust investment platform, we are making great strides to deliver investment solutions as a trusted investment advisor to all our clients. In this difficult investment environment, many of our strategies have shown attractive downside protection. Moreover, with central banks moving interest rates close to zero or negative and stating their intention to maintain these policies for a few years, strategies that focus on delivering higher stable income, such as our suite of private market investment strategies, should see increasing interest.
- **New Global Operating Model** – On June 17, 2020, we announced a new global operating model effective July 1, 2020 that aims to better align the focus of the Company's Public Markets, Private Markets and Private Wealth Operations which were previously managed on a geographic basis. The new structure is designed to increase synergies between our investment and distribution teams thereby driving operating efficiencies. Talent continues to be the key to success for our firm. Fiera Capital remains committed to promoting continuous development opportunities to support our employees in reaching their full potential. Our new global model will also allow for increased opportunities for global talent development and retention.
- **Focus on Distribution** – In order to fully deploy our global investment capabilities, we continue to transition towards a solutions-based relationship approach. Our new client interaction model results in an integrated distribution team focused on offering holistic investment solutions across various asset classes, in order to better service our existing clients and better compete for new mandates going forward.
- **Capital Allocation** – Delivering value to our shareholders remains a key priority. We continue to invest in our investment management teams and distribution function, in order to further drive revenue growth opportunities. We are also strengthening and globalizing our technology and operations platforms to reduce operating costs. Our disciplined approach to managing our cost structure also helps ensure that we continue to focus on increasing our operating leverage with the intent of reducing our financial leverage. In addition to our dividends, the Company announced a normal course issuer bid during the third quarter of 2020 thereby providing another means by which to return capital to shareholders.

As we look ahead, we are confident in our ability to execute on the priorities outlined above to support and drive future long-term growth.

Financial Results

FINANCIAL RESULTS

Table 3 – Consolidated Statements of Earnings (Loss) and Assets under Management as at and for the three-month periods ended September 30, 2020 and 2019, and June 30, 2020

STATEMENTS OF EARNINGS (LOSS) (in \$ thousands except per share data)	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	SEPTEMBER 30, 2020	JUNE 30, 2020	SEPTEMBER 30, 2019	QUARTER OVER QUARTER FAV/(UNF) ⁽²⁾	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues					
Base management fees	159,670	155,902	150,316	3,768	9,354
Performance fees - Traditional Assets	478	1,963	1,354	(1,485)	(876)
Performance fees - Alternative Assets	462	28	210	434	252
Share of earnings in joint ventures and associates	2,145	2,216	-	(71)	2,145
Other revenues	7,982	6,756	8,076	1,226	(94)
	170,737	166,865	159,956	3,872	10,781
Expenses					
Selling, general and administrative expenses	121,576	120,976	116,905	(600)	(4,671)
External managers	992	1,495	1,849	503	857
Amortization of intangible assets	14,487	14,350	13,525	(137)	(962)
Depreciation of property and equipment	1,612	1,632	1,403	20	(209)
Depreciation of right-of-use assets	3,768	4,866	4,892	1,098	1,124
Restructuring, integration and other costs	2,980	24,964	3,577	21,984	597
Acquisition costs	119	275	2,306	156	2,187
Realized and unrealized (gain) loss on investments	(1,065)	(966)	140	99	1,205
Other losses (gains)	30	638	(313)	608	(343)
Interest on lease liabilities	574	1,474	1,393	900	819
Interest on long-term debt and other financial charges	9,658	7,807	8,865	(1,851)	(793)
Accretion and change in fair value of purchase price obligations	5,660	6,025	8,801	365	3,141
Accretion and change in fair value of puttable financial instrument liability	501	379	317	(122)	(184)
Total expenses	160,892	183,915	163,660	23,023	2,768
Earnings (loss) before income taxes	9,845	(17,050)	(3,704)	26,895	13,549
Income tax expense	4,817	(2,736)	889	(7,553)	(3,928)
Net earnings (loss)	5,028	(14,314)	(4,593)	19,342	9,621
Attributable to:					
Company's shareholders	4,726	(14,703)	(4,740)	19,429	9,466
Non-controlling interest	302	389	147	(87)	155
Net earnings (loss)	5,028	(14,314)	(4,593)	19,342	9,621
BASIC PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.51	0.50	0.46	0.01	0.05
Net earnings (loss)	0.05	(0.14)	(0.05)	0.19	0.19
Adjusted net earnings ⁽¹⁾	0.36	0.38	0.32	(0.02)	0.04
DILUTED PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.49	0.50	0.46	(0.01)	0.03
Net earnings (loss)	0.04	(0.14)	(0.05)	0.18	0.09
Adjusted net earnings ⁽¹⁾	0.35	0.38	0.32	(0.04)	0.03

⁽¹⁾ Please refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 27

⁽²⁾ FAV: Favourable - UNF: Unfavourable

Financial Results

Table 4 – Consolidated Statements of Earnings (Loss) for the nine-month periods ended September 30, 2020 and 2019

STATEMENTS OF EARNINGS (LOSS) (in \$ thousands except per share data)	FOR THE NINE-MONTH PERIODS ENDED		VARIANCE
	SEPTEMBER 30, 2020	SEPTEMBER 30, 2019	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues			
Base management fees	470,396	414,952	55,444
Performance fees - Traditional Assets	5,226	4,107	1,119
Performance fees - Alternative Assets	956	618	338
Share of earnings in joint ventures and associates	4,112	-	4,112
Other revenues	18,569	32,968	(14,399)
	499,259	452,645	46,614
Expenses			
Selling, general and administrative expenses	359,183	336,524	(22,659)
External managers	4,184	2,280	(1,904)
Amortization of intangible assets	42,554	38,562	(3,992)
Depreciation of property and equipment	4,806	3,703	(1,103)
Depreciation of right-of-use assets	13,676	14,510	834
Restructuring, integration and other costs	31,149	7,727	(23,422)
Acquisition costs	604	10,683	10,079
Realized (gain) loss on investments	(1,897)	(307)	1,590
Other losses (gains)	(332)	(13)	319
Interest on lease liabilities	3,500	3,965	465
Interest on long-term debt and other financial charges	33,287	22,972	(10,315)
Accretion and change in fair value of purchase price obligations	1,023	21,928	20,905
Accretion and change in fair value of puttable financial instrument liability	(919)	667	1,586
Revaluation of assets held-for-sale	-	(699)	(699)
Total expenses	490,818	462,502	(28,316)
Earnings (loss) before income taxes	8,441	(9,857)	18,298
Income tax expense	5,705	6,103	398
Net earnings (loss)	2,736	(15,960)	18,696
Attributable to:			
Company's shareholders	(2,396)	(16,806)	14,410
Non-controlling interest	5,132	846	4,286
Net earnings (loss)	2,736	(15,960)	18,696
BASIC PER SHARE			
Adjusted EBITDA ⁽¹⁾	1.43	1.32	0.11
Net earnings (loss)	(0.02)	(0.17)	0.15
Adjusted net earnings ⁽¹⁾	0.93	0.91	0.02
DILUTED PER SHARE			
Adjusted EBITDA ⁽¹⁾	1.43	1.32	0.11
Net earnings (loss)	(0.02)	(0.17)	0.15
Adjusted net earnings ⁽¹⁾	0.93	0.91	0.02

⁽¹⁾ Please refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 27

⁽²⁾ FAV: Favourable - UNF: Unfavourable

Results from Operations and Overall Performance - AUM and Revenues

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE - AUM AND REVENUES

Assets under Management

AUM are the main driver of Fiera Capital's revenues. Fiera Capital's revenues, for the most part, are calculated as a percentage of the Company's AUM. The change in the Company's AUM is determined by i) the amount of new mandates ("New"); ii) the amount of redemptions ("Lost"); iii) the amount of inflows and outflows from existing clients ("Net Contributions"); iv) the increase or decrease in the market value of the assets held in the portfolio of investments ("Market"); and v) business acquisitions ("Acquisitions") and/or disposals ("Disposals"). "Net variance" is the sum of the New mandates, Lost mandates and Net contributions, the change in Market value and the impact of foreign exchange rate changes. Average assets under management ("Average AUM") for a given period is the average of the ending value of AUM of each of the months during the period.

The following tables (Tables 5-7) provide a summary of changes in the Company's assets under management.

Current Quarter versus Prior-Year Quarter

Table 5 – Assets under Management by Client Type – Yearly Activity Continuity Schedule
(in \$ millions)

	SEPTEMBER 30, 2019	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSITION) /ADJUSTMENT	SEPTEMBER 30, 2020
Institutional	92,826	8,009	(5,198)	(970)	7,658	329	1,153	103,807
Private Wealth	33,446	2,441	(1,343)	(2,181)	2,294	275	-	34,932
Retail	38,392	2,056	(3,136)	(871)	4,055	229	(1,771)	38,954
AUM - end of period	164,664	12,506	(9,678)	(4,022)	14,077	833	(618)	177,693

AUM at September 30, 2020 was \$177.7 billion compared to \$164.7 billion as at September 30, 2019, an increase of \$13.0 billion or 7.9%. The higher AUM was primarily due to market appreciation of \$14.1 billion, gross new mandates won of \$12.5 billion driven by Institutional clients in Canada of \$2.7 billion, in the U.S. of \$3.0 billion and in Europe of \$1.6 billion as well as new mandates in Private Wealth of \$2.4 billion and Retail of \$2.1 billion. In addition, there was a favourable foreign exchange impact of \$0.8 billion due to the strengthening of the U.S. dollar versus the Canadian dollar. These increases were partially offset by redemptions from Institutional clients in Canada of \$4.4 billion, Retail clients of \$4.0 billion and Private Wealth of \$3.5 billion. Additionally, AUM decreased by \$1.2 billion compared to the same quarter last year due to the sale of Fiera Investments' retail mutual funds to Canoe Financial on June 26, 2020. Redemptions from Institutional clients included \$1.8 billion of anticipated attrition in relation to historical acquisitions.

Results from Operations and Overall Performance - AUM and Revenues

Current Quarter versus Previous Quarter

Table 6 – Assets under Management by Client Type – Quarterly Activity Continuity Schedule
(in \$ millions)

	JUNE 30, 2020	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSITION) /ADJUSTMENT	SEPTEMBER 30, 2020
Institutional	98,258	1,411	(561)	409	4,863	(573)	-	103,807
Private Wealth	35,948	402	(353)	(1,867)	1,337	(535)	-	34,932
Retail	36,781	102	(656)	450	2,456	(179)	-	38,954
AUM - end of period	170,987	1,915	(1,570)	(1,008)	8,656	(1,287)	-	177,693

AUM at September 30, 2020 was \$177.7 billion compared to \$171.0 billion as at June 30, 2020, an increase of \$6.7 billion or 3.9%. The higher AUM was due primarily to market appreciation of \$8.7 billion driven by the continued recovery in global equity markets in the third quarter following the economic downturn as a result of the COVID-19 pandemic. Gross new mandates of \$1.9 billion were won in the current quarter primarily driven by Institutional clients added in Canada contributing \$1.2 billion and new Private Wealth clients of \$0.4 billion. These increases in AUM were partially offset by lost mandates of \$1.6 billion and redemptions from existing clients of \$1.0 billion driven primarily by decreases in AUM for Private Wealth clients in the United States of \$2.1 billion and an unfavourable foreign exchange impact of \$1.3 billion due to the weakening of the U.S. dollar versus the Canadian dollar.

Year-to-Date Activity

Table 7 – Assets under Management by Client Type – Year-to-Date Activity Continuity Schedule
(in \$ millions)

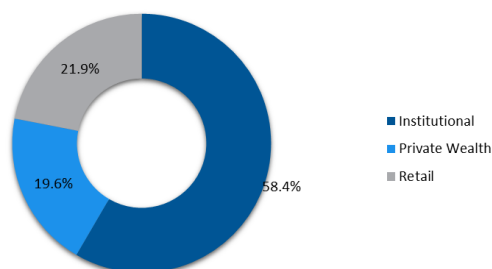
	DECEMBER 31, 2019	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSITION) /ADJUSTMENT	SEPTEMBER 30, 2020
Institutional	96,298	4,379	(3,187)	(945)	5,777	924	561	103,807
Private Wealth	33,838	1,890	(1,029)	(1,932)	1,346	819	-	34,932
Retail	39,535	1,518	(2,813)	(677)	2,114	457	(1,180)	38,954
AUM - end of period	169,671	7,787	(7,030)	(3,554)	9,237	2,200	(619)	177,693

Total AUM was \$177.7 billion as at September 30, 2020, representing an increase of \$8.0 billion, or 4.7%, compared to \$169.7 billion as at December 31, 2019. The increase in AUM was primarily due to market appreciation of \$9.2 billion driven primarily by the Institutional portfolio in Canada, gross new mandates of \$7.8 billion, driven by \$4.4 billion of new Institutional clients in Canada and the U.S., \$1.6 billion of new Private Wealth clients in the U.S. and \$1.5 billion of new Retail clients across all regions and a favourable foreign exchange impact of \$2.2 billion driven by the strengthening of the U.S. dollar compared to the Canadian dollar. These increases were partially offset by redemptions of \$10.6 billion driven primarily by a \$3.6 billion decrease related to Institutional clients in Canada and the US, a \$3.5 billion decrease in Private Wealth and a \$3.5 billion decrease in Retail in Canada and Europe. Additionally, AUM decreased by \$1.2 billion following the sale of Fiera Investments' retail mutual funds to Canoe Financial which occurred in the second quarter of 2020. Redemptions from Institutional clients included \$1.5 billion of anticipated attrition in relation to historical acquisitions.

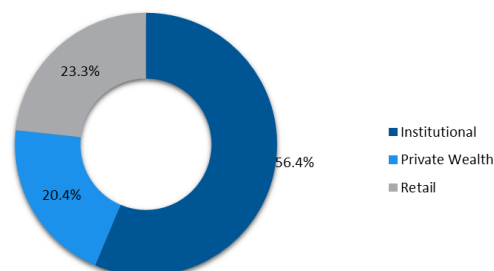
Results from Operations and Overall Performance - AUM and Revenues

The following graphs illustrate the breakdown of the Company's AUM by client type and by asset class as at September 30, 2020, and September 30, 2019, respectively.

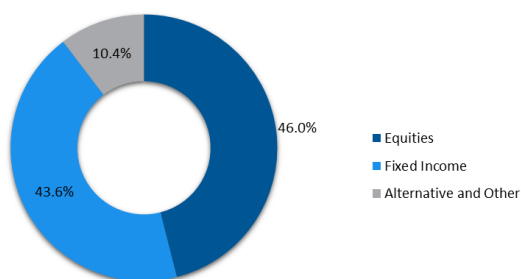
**AUM as at September 30, 2020
By Clientele Type**



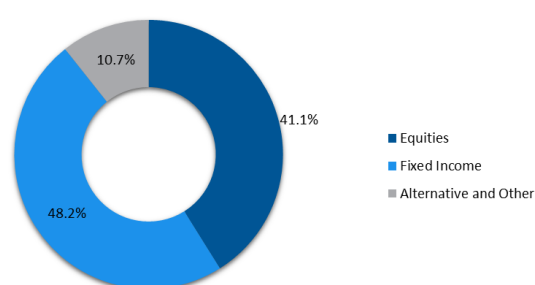
**AUM as at September 30, 2019
By Clientele Type**



**AUM as at September 30, 2020
By Asset Class**



**AUM as at September 30, 2019
By Asset Class**



Revenues

The Company's revenues consist of (i) management fees, (ii) performance fees, (iii) share of earnings in joint ventures and associates, and (iv) other revenues. Management fees are AUM-based and for each client type, revenues are primarily earned on the AUM average closing value at the end of each day, month or calendar quarter in accordance with contractual agreements. For certain mandates, the Company is also entitled to performance fees. The Company categorizes performance fees in two groups: those associated with traditional asset classes or strategies and those associated with alternative asset classes or strategies. Revenues also comprise share of earnings in joint ventures and associates in which the Company has ownership interests. Other revenues are primarily comprised of brokerage and consulting fees which are not AUM-driven, commitment and transaction fees from the Private Alternative strategies, as well as gains or losses on foreign exchange forward contracts.

Results from Operations and Overall Performance - AUM and Revenues

Table 8 – Revenues: Quarterly Activity (in \$ thousands)

	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	SEPTEMBER 30, 2020	JUNE 30, 2020	SEPTEMBER 30, 2019	QUARTER OVER QUARTER	YEAR OVER YEAR
Institutional	88,555	84,379	76,394	4,176	12,161
Private Wealth	38,384	37,766	36,167	618	2,217
Retail	32,731	33,757	37,755	(1,026)	(5,024)
Total management fees	159,670	155,902	150,316	3,768	9,354
Performance fees – Traditional asset class	478	1,963	1,354	(1,485)	(876)
Performance fees – Alternative asset class	462	28	210	434	252
Total performance fees	940	1,991	1,564	(1,051)	(624)
Share of earnings in joint ventures and associates	2,145	2,216	-	(71)	2,145
Other revenues	7,982	6,756	8,076	1,226	(94)
Total revenues	170,737	166,865	159,956	3,872	10,781

Current Quarter versus Prior-Year Quarter

Revenues for the third quarter ended September 30, 2020, were \$170.7 million compared to \$160.0 million for the same period last year, an increase of \$10.7 million or 6.7%. The increase was due to the following:

Management Fees

Management fees were \$159.7 million for the third quarter ended September 30, 2020 compared to \$150.3 million for the same period last year, an increase of \$9.4 million, or 6.3%. The increase in management fees by client type is as follows:

- › Institutional revenues were \$88.6 million for the third quarter ended September 30, 2020, representing an increase of \$12.2 million, or 16.0%, compared to \$76.4 million for the same quarter last year. The increase in base management fees was primarily due to higher average AUM, in part as a result of organic growth in the Institutional channel's U.S., Canadian and European markets.
- › Private Wealth revenues were \$38.4 million for the third quarter ended September 30, 2020, representing an increase of \$2.2 million, or 6.1%, compared to \$36.2 million for the same period last year. The increase was primarily driven by higher average AUM due to growth in the US and in Canada.
- › Retail revenues were \$32.7 million for the third quarter ended September 30, 2020, representing a decrease of \$5.1 million, or 13.5%, compared to \$37.8 million for the same quarter last year. The decrease was primarily due to lower management fees from the European business, partially offset by higher management fees from Canada. Revenues in the third quarter of 2020 were impacted by a \$4.4 million decrease in retail base management fees due to the sale of Fiera Investments LP's retail mutual funds in the second quarter of 2020.

Performance Fees

Performance fees were \$0.9 million for the third quarter ended September 30, 2020, compared to \$1.6 million for the same period last year, a decrease of \$0.7 million or 43.8%. The decrease in performance fees was mainly driven by activities in the traditional asset class.

Results from Operations and Overall Performance - AUM and Revenues

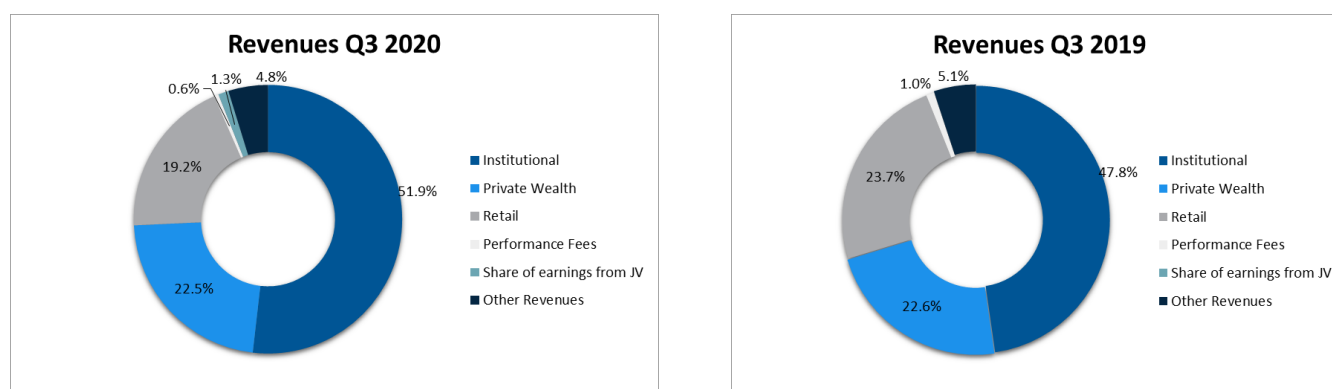
Share of Earnings from Joint Ventures and Associates

The Company has ownership interests in a number of individually insignificant joint ventures and associates that are accounted for using the equity method. Share of earnings from joint ventures and associates can vary significantly from quarter to quarter as a result of the long-term nature of the underlying projects. The Company recorded a \$2.1 million share of earnings in joint ventures and associates for the third quarter of 2020, primarily due to revenue generated from joint venture projects in Fiera Real Estate UK.

Other Revenues

Other revenues were \$8.0 million for the third quarter ended September 30, 2020, in line with \$8.1 million for the same period last year.

The following graphs illustrate the breakdown of the Company's revenues for the three-month periods ended September 30, 2020 and September 30, 2019, respectively.



Current Quarter versus Previous Quarter

Revenues for the third quarter ended September 30, 2020, were \$170.7 million compared to \$166.9 million for the previous quarter ended June 30, 2020, representing an increase of \$3.8 million, or 2.3%. The increase was due to the following:

Management Fees

Management fees were \$159.7 million for the third quarter ended September 30, 2020 compared to \$155.9 million for the previous quarter ended June 30, 2020, an increase of \$3.8 million, or 2.4%. The following is the breakdown of the management fees by client type:

- › Institutional revenues were \$88.6 million for the third quarter ended September 30, 2020 compared to \$84.4 million for the previous quarter ended June 30, 2020, an increase of \$4.2 million, or 5.0%. The increase was primarily due to a higher average AUM base in Canada and the US.
- › Private Wealth revenues were \$38.4 million for the third quarter ended September 30, 2020 compared to \$37.8 million for the previous quarter ended June 30, 2020, an increase of \$0.6 million, or 1.6%. The increase was mainly due to higher revenues from US and Canadian activities.

Results from Operations and Overall Performance - AUM and Revenues

- › Retail revenues were \$32.7 million for the third quarter ended September 30, 2020 compared to \$33.8 million for the previous quarter ended June 30, 2020, a decrease of \$1.1 million, or 3.3%. Revenues in the third quarter of 2020 were impacted by a \$3.7 million decrease in retail base management fees due to the sale of Fiera Investments LP's retail mutual funds in the second quarter of 2020. This was partially offset by \$2.9 million of higher revenues from U.S. and Canadian markets.

Performance Fees

Performance fees were \$0.9 million for the third quarter ended September 30, 2020, compared to \$2.0 million for the previous quarter ended June 30, 2020, a decrease of \$1.1 million or 55.0%. The decrease in performance fees was mainly driven by activities in the traditional asset class.

Share of Earnings from Joint Ventures and Associates

The Company recorded a \$2.1 million share of earnings in joint ventures and associates for the third quarter ended September 30, 2020, in line with \$2.2 million in the previous quarter ended June 30, 2020.

Higher revenues generated in the third quarter of 2020 from joint venture projects within Fiera Real Estate UK were offset by the reversal of a provision associated with a profit-sharing arrangement recorded in the second quarter of 2020.

Other Revenues

Other revenues were \$8.0 million for the third quarter ended September 30, 2020 compared to \$6.8 million for the previous quarter ended June 30, 2020, an increase of \$1.2 million, or 17.6%. The increase was mainly driven by \$1.5 million of revenue received in the third quarter of 2020 related to profits on certain real estate transactions in Fiera Real Estate UK.

Table 9 – Revenues: Year-to-Date Activity (in \$ thousands)

	FOR THE NINE-MONTH PERIODS ENDED		VARIANCE
	SEPTEMBER 30, 2020	SEPTEMBER 30, 2019	YEAR OVER YEAR
Institutional	253,486	206,958	46,528
Private Wealth	112,525	105,715	6,810
Retail	104,385	102,279	2,106
Total management fees	470,396	414,952	55,444
Performance fees – Traditional asset class	5,226	4,107	1,119
Performance fees – Alternative asset class	956	618	338
Total performance fees	6,182	4,725	1,457
Share of earnings in joint ventures and associates	4,112	-	4,112
Other revenues	18,569	32,968	(14,399)
Total revenues	499,259	452,645	46,614

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Revenues for the nine-month period ended September 30, 2020, were \$499.3 million compared to \$452.6 million for the same period last year, an increase of \$46.7 million, or 10.3%. The year-over-year increase in revenues was mainly due to additional revenues from the acquisitions of IAM and Foresters which were completed in the second half of 2019, combined with organic growth resulting from enhanced distribution capabilities, mostly from the institutional and private wealth sectors as well as growth in Fiera Private Alternative Investments, partially offset by lower other

Results from Operations and Overall Performance - AUM and Revenues

revenues due to a loss on foreign exchange forward contracts recorded in the nine-month period ended September 30, 2020, compared to a gain recorded in the comparable period in 2019.

Management Fees

Management fees for the nine-month period ended September 30, 2020, were \$470.4 million compared to \$415.0 million for the same period last year, an increase of \$55.4 million, or 13.3%. The overall increase in management fees by client type are as follows:

- › Institutional revenues for the nine-month period ended September 30, 2020, were \$253.5 million, representing an increase of \$46.5 million, or 22.5%, compared to \$207.0 million for the same period last year. The increase in base management fees was mainly due to the acquisitions of Foresters and IAM completed in the second half of 2019, combined with higher average AUM, in part as a result of organic growth in the Institutional channel's U.S., Canadian and European markets.
- › Private Wealth revenues for the nine-month period ended September 30, 2020, were \$112.5 million compared to \$105.7 million for the same period last year, an increase of \$6.8 million, or 6.4%. The increase was primarily due to higher revenues from US and Canadian activities.
- › Retail revenues for the nine-month period ended September 30, 2020, were \$104.4 million, compared to \$102.3 million for the same period last year, an increase of \$2.1 million or 2.1%. The increase was mainly due to higher revenues from US and Canadian activities. This was partially offset by lower management fees from the European business.

Performance Fees

Total performance fees were \$6.2 million for the nine-month period ended September 30, 2020 compared to \$4.7 million for the same period last year, an increase of \$1.5 million. The increase in performance fees was attributable to the traditional asset class during the first nine months of 2020 compared to the same period last year.

Share of Earnings in Joint Ventures and Associates

The Company recorded a \$4.1 million share of earnings from joint ventures and associates for the nine-month period ended September 30, 2020, compared to nil in the comparable period last year, due to the acquisition and subsequent ramp-up of Fiera Real Estate UK which occurred in the second quarter of 2019.

Other Revenues

Other revenues were \$18.6 million for the nine-month period ended September 30, 2020 compared to \$33.0 million for the same period last year, a decrease of \$14.4 million, or 43.6%. The decrease was primarily due to a \$6.2 million increase in loss on foreign exchange forward contracts in the current fiscal year compared to the same period in 2019. In addition, other revenue during the nine months ended September 30, 2019 included \$6.0 million of revenue from specific contracts which did not recur in the current period.

Results from Operations and Overall Performance - Expenses

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE - EXPENSES

Selling, General and Administrative (“SG&A”) and External Managers Expense

Current Quarter versus Prior-Year Quarter

SG&A and external managers’ expenses were \$122.6 million for the three-month period ended September 30, 2020 compared to \$118.8 million for the same period last year, an increase of \$3.8 million, or 3.2%. The increase was primarily driven by higher compensation expense of approximately \$7.0 million and an increase in fund-related expenses of \$1.0 million. These increases were partially offset by a \$2.7 million reduction in SG&A due to cost containment measures in response to market pressures from the effects of COVID-19 and \$1.7 million of lower revenue-related expenses primarily due to the sale of Fiera Investments LP’s retail mutual funds in the second quarter of 2020.

The new global management structure announced by the Company in the second quarter of 2020 generated approximately \$3.0 million of savings which were redeployed to certain key functions in order to help accelerate future growth.

Current Quarter versus Previous Quarter

SG&A and external managers’ expenses were \$122.6 million for the three-month period ended September 30, 2020 in line with \$122.5 million for the previous quarter ended June 30, 2020, representing an increase of \$0.1 million, or 0.1%. The increase was driven by \$2.9 million of wage subsidies recognized in the second quarter of 2020 which did not recur in the current period, higher compensation expense of approximately \$1.1 million and an increase in fund-related expenses of \$1.0 million. These increases were partially offset by \$3.2 million of accelerated vesting from employee terminations recognized in the second quarter of 2020 which did not recur in the current period and \$1.6 million of lower revenue-related expenses primarily due to the sale of Fiera Investments LP’s retail mutual funds in the second quarter of 2020.

The Company redeployed approximately \$3.0 million of savings generated from the new global management structure, announced in the second quarter of 2020, to certain key functions in order to help accelerate future growth.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

SG&A and external managers’ expenses were \$363.4 million for the nine-month period ended September 30, 2020 compared to \$338.8 million for the same period last year, an increase of \$24.6 million, or 7.3%. The increase in costs was primarily due to the full year impact of the increase in cost structure from the acquisitions completed in 2019 and an increase in variable compensation expense. The increases were partially offset by reduced travel as a result of COVID-19 and benefits received from wage subsidies.

Depreciation and Amortization

Current Quarter versus Prior-Year Quarter

Depreciation and amortization expense was \$19.9 million for the third quarter of 2020, in line with \$19.8 million in the third quarter of 2019, representing an increase of \$0.1 million or 0.5%.

Current Quarter versus Previous Quarter

Depreciation and amortization expense was \$19.9 million for the third quarter of 2020, compared to \$20.8 million in the second quarter of 2020, representing a decrease of \$0.9 million or 4.3%. The decrease was primarily driven by a

Results from Operations and Overall Performance - Expenses

decrease in depreciation on right-of-use assets due to an adjustment related to an existing lease, offset by a new lease which commenced in the current quarter.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Depreciation and amortization expense was \$61.0 million for the nine-month period ended September 30, 2020, compared to \$56.8 million for the comparable period in 2019, representing a \$4.2 million increase or 7.4%. The increase was primarily driven by the full-year impact of amortization on intangible assets related to three acquisitions completed in 2019 and additional capitalized IT costs as the Company continues to invest in technology capabilities across the business.

Interest on Long-Term Debt and Other Financial Charges

Current Quarter versus Prior-Year Quarter

Interest on long-term debt and other financial charges was \$9.7 million for the third quarter ended September 30, 2020 compared to \$8.9 million for the same quarter last year, an increase of \$0.8 million or 9.0%. The increase was primarily due to an increase in the loss on currency revaluation of items denominated in foreign currency.

Current Quarter versus Previous Quarter

Interest on long-term debt and other financial charges was \$9.7 million for the third quarter ended September 30, 2020 compared to \$7.8 million for the previous quarter ended June 30, 2020, an increase of \$1.9 million, or 24.4%. The increase was primarily due to an increase in the loss on currency revaluation of items denominated in foreign currency.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Interest on long-term debt and other financial charges was \$33.3 million for the nine-month period ended September 30, 2020 compared to \$23.0 million for the same period last year, an increase of \$10.3 million, or 44.8%. The increase was mainly due to a \$3.6 million unfavourable change in the fair value of interest rate swaps, a \$4.7 million increase in the loss on currency revaluation of items denominated in foreign currency and \$3.0 million of incremental interest from the issuance of hybrid debentures in the second half of the third quarter of 2019.

Interest on Lease Liabilities

Current Quarter versus Prior-Year Quarter

Interest on lease liabilities was \$0.6 million for the third quarter ended September 30, 2020 compared to \$1.4 million for the same quarter last year. The decrease of \$0.8 million was primarily driven by a favourable adjustment related to an existing lease, partially offset by a new lease which commenced in the current quarter.

Current Quarter versus Previous Quarter

Interest on lease liabilities was \$0.6 million for the third quarter ended September 30, 2020 compared to \$1.5 million for the previous quarter ended June 30, 2020. The decrease of \$0.9 million was primarily driven by a favourable adjustment related to an existing lease, partially offset by a new lease which commenced in the current quarter.

Results from Operations and Overall Performance - Expenses

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Interest on lease liabilities was \$3.5 million for the nine-month period ended September 30, 2020 compared to \$4.0 million for the same period last year. The decrease of \$0.5 million was primarily driven by a favourable adjustment related to an existing lease, partially offset by a new lease which commenced in the current quarter.

Accretion and Change in Fair Value of Purchase Price Obligations

Current Quarter versus Prior-Year Quarter

The accretion and change in fair value of purchase price obligations represented an expense of \$5.7 million for the third quarter ended September 30, 2020 compared to an expense of \$8.8 million for the same quarter last year. The decrease was due to lower accretion expense as a result of settlements and revaluations of purchase price obligations.

Current Quarter versus Previous Quarter

The accretion and change in fair value of purchase price obligations represented an expense of \$5.7 million for the third quarter ended September 30, 2020, in line with an expense of \$6.0 million recorded for the previous quarter ended June 30, 2020.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

The accretion and change in fair value of purchase price obligations represented an expense of \$1.0 million for the nine-month period ended September 30, 2020, compared to an expense of \$21.9 million for the same period last year. The \$20.9 million variance was primarily due to fair value adjustments on purchase price obligations related to the City National Rochdale (CNR) and Clearwater acquisitions of \$17.7 million recorded in the first quarter of 2020.

Acquisition and Restructuring, Integration and Other Costs

Current Quarter versus Prior-Year Quarter

Acquisition and restructuring, integration and other costs were \$3.1 million for the third quarter ended September 30, 2020, compared to \$5.9 million for the same period last year, representing a decrease of \$2.8 million. The decrease was primarily due to lower acquisition costs recognized in the current quarter, as a result of three acquisitions completed in 2019 compared to nil in 2020.

Current Quarter versus Previous Quarter

Acquisition and restructuring, integration and other costs were \$3.1 million for the third quarter ended September 30, 2020 compared to \$25.2 million for the previous quarter ended June 30, 2020, a decrease of \$22.1 million. The decrease was primarily due to a \$20.9 million restructuring charge recognized in the previous quarter, as a result of the new global management structure.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Acquisition and restructuring, integration and other costs were \$31.8 million for the nine-month period ended September 30, 2020 compared to \$18.4 million for the same period last year, an increase of \$13.4 million. The increase was primarily due to a \$20.9 million restructuring charge recognized in the second quarter of 2020 as a result of the new global management structure, partially offset by a \$10.0 million decrease in acquisition costs recognized in the current quarter, due to three acquisitions completed in 2019 compared to nil in 2020.

Results from Operations and Overall Performance – Net Earnings (Loss)

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE – NET EARNINGS (LOSS)

Current Quarter versus Prior-Year Quarter

For the third quarter ended September 30, 2020, the Company reported net earnings attributable to the Company's shareholders of \$4.7 million, or \$0.05 per share (basic) and \$0.04 per share (diluted), compared to a net loss of \$4.7 million, or \$0.05 loss per share (basic and diluted), for the same quarter of last year. The \$9.4 million increase was primarily due to a \$10.7 million increase in revenues compared to the same period last year, \$3.1 million lower accretion and change in fair value of purchase price obligations, and a \$2.8 million reduction in acquisition, restructuring, integration and other costs. The increase in net earnings was partially offset by a \$3.9 million unfavourable impact from income taxes and a \$3.8 million increase in SG&A, primarily due to an increase in compensation expenses.

Current Quarter versus Previous Quarter

The Company reported net earnings attributable to the Company's shareholders of \$4.7 million, or \$0.05 per share (basic) and \$0.04 per share (diluted), during the third quarter of 2020, compared to a net loss attributable to the Company's shareholders of \$14.7 million, or \$0.14 per share (basic and diluted), in the second quarter of 2020. The \$19.4 million increase was driven primarily by a \$22.1 million reduction in acquisition, restructuring, integration and other costs as the second quarter of fiscal 2020 included \$20.9 million of restructuring costs attributable to the new global management structure. Q3 2020 net earnings attributable to the Company's shareholders also benefited from \$3.8 million in higher revenues and a \$1.8 million favourable impact on depreciation and interest on lease liabilities due to an adjustment related to an existing lease. The increase in net earnings was partially offset by a \$7.5 million unfavourable impact from income taxes and a \$1.9 million increase in other financial charges driven by an increase in the loss on currency revaluation of items denominated in foreign currency.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

For the nine-month period ended September 30, 2020, the Company recorded a net loss attributable to the Company's shareholders of \$2.4 million, or \$0.02 loss per share (basic and diluted), compared to a net loss of \$16.8 million, or \$0.17 loss per share (basic and diluted) for the same period last year. The \$14.4 million decrease in net loss attributable to the Company's shareholders was mainly due to \$46.7 million of higher revenues due to enhanced distribution capabilities, market appreciation and acquisitions, combined with a \$20.9 million decrease in accretion and change in fair value of purchase price obligations primarily driven by fair value adjustments on the purchase price obligations related to the CNR and Clearwater acquisitions of \$17.7 million recorded in the first quarter of 2020, and \$10.0 million of lower acquisition costs. This was partially offset by a \$24.6 million increase in SG&A due to the full year impact of the increase in cost structure from the acquisitions completed in 2019, a \$20.9 million restructuring charge as a result of the new global management structure recorded in the second quarter of 2020, a \$10.3 million increase in interest on long-term debt and other financial charges and a \$4.2 million increase in depreciation and amortization driven by increased amortization of intangible assets.

NON-IFRS MEASURES

We have included non-IFRS measures to provide investors with supplemental measures of our operating and financial performance. We believe non-IFRS measures are important supplemental metrics of operating and financial performance because they highlight trends in our core business that may not otherwise be apparent when one relies solely on IFRS measures. Securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers, many of which present non-IFRS measures when reporting their results. Management also uses non-IFRS measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets and to assess our ability to meet our future debt service, capital expenditure and working capital requirements.

Non-IFRS measures are not recognized measures under IFRS. Non-IFRS measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. For example, some or all of the non-IFRS measures do not reflect: (a) our cash expenditures, or future requirements for capital expenditures or contractual commitments; (b) changes in, or cash requirements for, our working capital needs; (c) interest expense, or the cash requirements necessary to service interest or principal payments on our debt; and (d) income tax payments that represent a reduction in cash available to us. These non-IFRS measures have important limitations as analytical tools, and the reader should not consider them in isolation, or as substitutes in the analysis of our results as reported under IFRS. Because of these limitations, we rely primarily on our results as reported in accordance with IFRS and use non-IFRS measures only as a supplement.

We define **EBITDA** as net earnings (loss) before interest, income taxes, depreciation and amortization (EBITDA). **Adjusted EBITDA** is calculated as EBITDA, adjusted for acquisition, restructuring, integration and other costs, accretion and change in fair value of purchase price obligations, realized and unrealized loss (gain) on investments, other losses (gains), accretion and change in fair value of puttable financial instrument liability, revaluation of assets held-for-sale, and share-based compensation expenses.

Adjusted EBITDA per share (basic) is calculated as adjusted EBITDA divided by the basic weighted average number of shares outstanding during the period. **Adjusted EBITDA per share (diluted)** is calculated as adjusted EBITDA divided by the diluted weighted average number of shares outstanding during the period.

We believe that EBITDA, adjusted EBITDA and adjusted EBITDA per share (basic and diluted) are meaningful measures as they allow for the evaluation of our core operating performance from one period to the next without the variations caused by the impact of the items described above. The Company considers its core operating activities to be asset management, investment advisory and related services. Costs related to strategic initiatives such as business acquisitions, integration of newly acquired businesses and restructuring are considered non-core. The Company excludes these items because they affect the comparability of its financial results amongst periods and could potentially distort the analysis of trends in its core business performance. Excluding these items does not imply they are necessarily non-recurring.

We define **adjusted EBITDA margin** as the ratio of adjusted EBITDA to revenues. It is an important measure of overall operating performance because it measures Company profitability from operations.

Adjusted net earnings is net earnings (loss) attributable to the Company's shareholders, adjusted for depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets and share-based compensation, as well as after-tax acquisition, restructuring, integration and other costs, accretion and change in fair value of purchase price obligations, accretion of effective interest on convertible debt, and after-tax revaluation of

Non-IFRS Measures

assets held-for-sale, after-tax accretion and change in fair value of puttable financial instrument liability, and after-tax other losses (gains).

Adjusted net earnings per share (basic) is calculated as adjusted net earnings divided by the basic weighted average number of shares outstanding during the period. **Adjusted net earnings per share (diluted)** is calculated as adjusted net earnings divided by the diluted weighted average number of shares outstanding during the period.

We believe that adjusted net earnings and adjusted net earnings per share (basic and diluted) are meaningful measures as they allow for the evaluation of the Company's overall performance from one period to the next without the variation caused by the impacts of the items described above. The Company excludes these items because they affect the comparability of its financial results between periods and could potentially distort the analysis of trends in its business performance. Excluding these items does not imply they are necessarily non-recurring.

Tables 10 and 11 provide a reconciliation of the non-IFRS measures to the most comparable IFRS earnings measures.

Adjusted EBITDA

The following table presents the Company's adjusted EBITDA and adjusted EBITDA per share for the three and nine-month periods ended September 30, 2020, and 2019, as well as for the three-month period ended June 30, 2020.

Table 10 - Adjusted EBITDA (in \$ thousands except per share data)

	FOR THE THREE-MONTH PERIODS			FOR THE NINE-MONTH PERIODS	
	ENDED			ENDED	
	SEPTEMBER 30, 2020	JUNE 30, 2020	SEPTEMBER 30, 2019	SEPTEMBER 30, 2020	SEPTEMBER 30, 2019
Net earnings (Loss)	5,028	(14,314)	(4,593)	2,736	(15,960)
Income tax expense (recovery)	4,817	(2,736)	889	5,705	6,103
Depreciation of property and equipment	1,612	1,632	1,403	4,806	3,703
Amortization of intangible assets	14,487	14,350	13,525	42,554	38,562
Depreciation of right-of-use assets	3,768	4,866	4,892	13,676	14,510
Interest on lease liabilities	574	1,474	1,393	3,500	3,965
Interest on long-term debt and other financial charges	9,658	7,807	8,865	33,287	22,972
EBITDA	39,944	13,079	26,374	106,264	73,855
Restructuring, integration and other costs	2,980	24,964	3,577	31,149	7,727
Acquisition costs	119	275	2,306	604	10,683
Accretion and change in fair value of purchase price obligations	5,660	6,025	8,801	1,023	21,928
Realized and unrealized loss (gain) on investments	(1,065)	(966)	140	(1,897)	(307)
Other losses (gains)	30	638	(313)	(332)	(13)
Accretion and change in fair value of puttable financial instrument liability	501	379	317	(919)	667
Revaluation of assets-held-for-sale	-	-	-	-	(699)
Share-based compensation	5,255	7,499	5,376	12,876	17,358
Adjusted EBITDA	53,424	51,893	46,578	148,768	131,199
Per share (basic)	0.51	0.50	0.46	1.43	1.32
Per share (diluted)	0.49	0.50	0.46	1.43	1.32
Weighted average shares outstanding – basic (thousands)	104,871	103,004	100,707	103,926	99,039
Weighted average shares outstanding – diluted (thousands)	108,918	103,004	100,707	103,926	99,039

Non-IFRS Measures

Current Quarter versus Prior-Year Quarter

Adjusted EBITDA for the third quarter of 2020 was \$53.4 million, or \$0.51 per share (basic) and \$0.49 per share (diluted) compared to \$46.6 million, or \$0.46 per share (basic and diluted), an increase of \$6.8 million, or 14.6%, during the same period in 2019. The increase was primarily due to \$10.7 million higher revenues, primarily driven by higher average AUM, in part as a result of organic growth in the Institutional channel's U.S., Canadian and European markets. This was partially offset by a \$4.0 million increase in SG&A and external managers expense, excluding share-based compensation. The increase in SG&A and external manager expense, excluding share-based compensation, is primarily due to higher compensation expense, partially offset by a reduction in discretionary spending due to cost containment measures which were put in place in response to the market pressures from COVID-19.

Current Quarter versus Previous Quarter

Compared to the second quarter of 2020, Q3 2020 Adjusted EBITDA increased by \$1.5 million, or 2.9%, from \$51.9 million or \$0.50 per share (basic and diluted) to \$53.4 million or \$0.51 per share (basic) and \$0.49 per share (diluted). The increase in Adjusted EBITDA was primarily due to \$3.8 million of higher revenues. This was partially offset by \$2.3 million higher SG&A and external managers expense, excluding share-based compensation, primarily due to the recognition of a wage subsidy in the amount of \$2.9 million in the second quarter of 2020, which did not recur in the current period.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

For the nine-month period ended September 30, 2020, adjusted EBITDA was \$148.8 million, or \$1.43 per share (basic and diluted), compared to \$131.2 million, or \$1.32 per share (basic and diluted), for the same period last year, an increase of \$17.6 million, or 13.4%. The increase in adjusted EBITDA for the nine-month period ended September 30, 2020, was primarily due to an AUM-driven increase in revenues resulting from the full-year impact of three acquisitions completed during 2019, as well as organic and market growth, partially offset by higher operating costs.

Non-IFRS Measures

Adjusted Net Earnings

The following table presents the Company's net earnings (loss) and adjusted net earnings for the three and nine-month periods ended September 30, 2020, and 2019, as well as for the three-month period ended June 30, 2020.

Table 11 - Net Earnings (Loss) and Adjusted Net Earnings (in \$ thousands except per share data)

	FOR THE THREE-MONTH PERIODS			FOR THE NINE-MONTH PERIODS	
	ENDED SEPTEMBER 30, 2020	JUNE 30, 2020	SEPTEMBER 30, 2019	ENDED SEPTEMBER 30, 2020	SEPTEMBER 30, 2019
Net earnings (loss) attributable to the Company's shareholders	4,726	(14,703)	(4,740)	(2,396)	(16,806)
Depreciation of property and equipment	1,612	1,632	1,403	4,806	3,703
Amortization of intangible assets	14,487	14,350	13,525	42,554	38,562
Depreciation of right-of-use assets	3,768	4,866	4,892	13,676	14,510
Share-based compensation	5,255	7,499	5,376	12,876	17,358
Restructuring, integration and other costs	2,980	24,964	3,577	31,149	7,727
Acquisition costs	119	275	2,306	604	10,683
Accretion and change in fair value of purchase price obligations and effective interest on convertible bonds	6,280	6,624	9,297	2,852	23,096
Accretion and change in fair value of puttable financial instrument liability	501	379	317	(919)	667
Other losses (gains)	30	638	(114)	(332)	-
Revaluation of assets-held-for-sale	-	-	-	-	(699)
Income tax expense (recovery) on above-mentioned items	2,170	7,820	3,373	8,008	8,867
Adjusted net earnings attributable to the Company's shareholders	37,588	38,704	32,466	96,863	89,934
Per share – basic					
Net earnings (loss)	0.05	(0.14)	(0.05)	(0.02)	(0.17)
Adjusted net earnings	0.36	0.38	0.32	0.93	0.91
Per share – diluted					
Net earnings (loss)	0.04	(0.14)	(0.05)	(0.02)	(0.17)
Adjusted net earnings	0.35	0.38	0.32	0.93	0.91
Weighted average shares outstanding – basic (thousands)	104,871	103,004	100,707	103,926	99,039
Weighted average shares outstanding – diluted (thousands)	108,918	103,004	100,707	103,926	99,039

Current Quarter versus Prior-Year Quarter

Adjusted net earnings for the third quarter of 2020 was \$37.6 million or \$0.36 per share (basic) and \$0.35 per share (diluted), compared to \$32.5 million, or \$0.32 per share (basic and diluted) in the third quarter of 2019. The \$5.1 million increase was mainly due to a \$10.7 million increase in revenues, primarily driven by higher average AUM, in part as a result of organic growth in the Institutional channel's U.S., Canadian and European markets. This was partially offset by a \$4.0 million increase in SG&A and external managers expense, excluding share-based compensation. The increase in SG&A and external manager expense, excluding share-based compensation, is primarily due to higher compensation expense, partially offset by a reduction in discretionary spending due to cost containment measures which were put in place in response to the market pressures from COVID-19. In addition, there was an increase in taxes on adjusted net earnings of \$2.6 million.

Non-IFRS Measures

Current Quarter versus Previous Quarter

Adjusted net earnings for the third quarter of 2020 was \$37.6 million or \$0.36 per share (basic) and \$0.35 per share (diluted), compared to \$38.7 million, or \$0.38 per share (basic and diluted) in the second quarter of 2020. The \$1.1 million decrease was primarily due to \$2.3 million higher SG&A and external managers expense, excluding share-based compensation, primarily due to the recognition of a wage subsidy in the amount of \$2.9 million in the second quarter of 2020, which did not recur in the current period. In addition, there was a \$1.9 million increase in interest on long-term debt and other financial charges driven by an increase in the loss on currency revaluation of items denominated in foreign currency and an increase in taxes on adjusted net earnings of \$1.8 million. This was partially offset by a \$3.8 million increase in revenues mainly due to higher base management fees resulting from higher average AUM and lower interest on lease liabilities of \$0.9 million.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

For the nine-month period ended September 30, 2020, adjusted net earnings attributable to the Company's shareholders was \$96.9 million, or \$0.93 per share (basic and diluted), compared to adjusted net earnings attributable to the Company's shareholders of \$89.9 million, or \$0.91 per share (basic and diluted) for the same period last year. The \$7.0 million increase was primarily due to an AUM-driven increase of \$46.7 million in revenues resulting from the full-year impact of three acquisitions completed during 2019 as well as organic and market growth, partially offset by higher operating costs of \$29.0 million and an increase in interest on long-term debt and other financial charges of \$10.3 million.

Summary of Quarterly Results

SUMMARY OF QUARTERLY RESULTS

The Company's AUM, total revenues, adjusted EBITDA¹, adjusted EBITDA margin¹, net earnings (loss) and adjusted net earnings^{1,2}, on a consolidated basis, including per share amounts, for each of the Company's most recently completed eight quarterly periods, as well as for the last-twelve-month period ended September 30, 2020, are as follows:

Table 12 – Quarterly Results (in \$ thousands except AUM in \$ millions and per share data)

	Last Twelve Months ³	Q3 Sep. 30 2020	Q2 Jun. 30 2020	Q1 Mar. 31 2020	Q4 Dec. 31 2019	Q3 Sep. 30 2019	Q2 Jun. 30 2019	Q1 Mar. 31 2019	Q4 Dec. 31 2018
AUM	169,118	177,693	170,986	158,121	169,671	164,664	149,531	144,861	136,675
Total revenues	703,785	170,737	166,865	161,657	204,526	159,956	149,904	142,785	156,963
Adjusted EBITDA¹	210,520	53,424	51,893	43,451	61,752	46,578	45,804	38,817	39,322
Adjusted EBITDA margin¹	29.9%	31.3%	31.1%	26.9%	30.2%	29.1%	30.6%	27.2%	25.1%
Net earnings (loss) attributable to the Company's shareholders	991	4,726	(14,703)	7,581	3,387	(4,740)	(5,513)	(6,553)	(1,709)
Adjusted net earnings attributable to the Company's shareholders	139,424	37,588	38,704	20,471	42,661	32,466	32,481	24,873	28,251
PER SHARE – BASIC									
Adjusted EBITDA¹	2.04	0.51	0.50	0.42	0.61	0.46	0.47	0.40	0.41
Net earnings (loss) attributable to the Company's shareholders	0.01	0.05	(0.14)	0.07	0.03	(0.05)	(0.06)	(0.07)	(0.02)
Adjusted net earnings^{1,2} attributable to the Company's shareholders	1.36	0.36	0.38	0.20	0.42	0.32	0.33	0.26	0.29
PER SHARE – DILUTED									
Adjusted EBITDA^{1,2}	2.00	0.49	0.50	0.41	0.60	0.46	0.47	0.40	0.41
Net earnings (loss) attributable to the Company's shareholders	-	0.04	(0.14)	0.07	0.03	(0.05)	(0.06)	(0.07)	(0.02)
Adjusted net earnings^{1,2} attributable to the Company's shareholders	1.33	0.35	0.38	0.19	0.41	0.32	0.33	0.26	0.29

Certain totals, subtotals and percentages may not reconcile due to rounding.

¹ The Company adopted IFRS 16, *Leases*, on January 1, 2019 using the modified retrospective approach where comparative information presented for 2018 has not been restated and is presented as previously reported and, therefore, may not be comparable. Prior to the adoption of IFRS 16 on January 1, 2019, as a lessee, the Company classified leases as an operating lease or finance lease under IAS 17, based on its assessment of whether the lease transferred substantially of the risks and rewards of ownership. Rent expenses related to operating leases were previously recognized in selling, general and administrative expenses. For the three-month periods ended March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018, the Company recognized rent expense of \$3.0 million, \$3.3 million, \$3.4 million and \$3.4 million, respectively. For the twelve-month period ended December 31, 2018, the Company recognized rent expense of \$13.1 million in selling, general and administrative expenses. Following the adoption of IFRS 16, lease payments are presented as cash generated (used in) financing activities whereas prior to the adoption of IFRS 16, on January 1, 2019, they were presented as cash generated (used in) operating activities in the statement of cash flows. Refer to Note 2 of the audited consolidated financial statements for the year ended December 31, 2019 for further details on the transition to IFRS 16. The Company's lease portfolio in 2019 was impacted by the four acquisitions completed over the course of the year, in addition to new leases entered into in 2019 related to the Company's new headquarters in Montreal, Canada and new office premises in London, United Kingdom. Our lease payments presented in the statement of cash flows for the twelve-month period ended December 31, 2019 were also impacted by lease inducements and rent-free periods related to these new leases in 2019.

² Effective March 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion and change in fair value of purchase price obligations. Also, effective December 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion of effective interest on convertible debt. Accretion expenses and the gains or losses recognized on the change in fair value of purchase price obligations arise from contingent consideration arrangements, generally in business combinations which are considered non-core operations. The fair value of contingent consideration is remeasured at each reporting date and it is determined using valuation techniques which make use of forecasted net cash flows discounted to present value. Accretion expense (i.e. non-cash interest expense) brings the present value of the purchase price obligation up to its future value over time. Adjusting accretion expense and change in fair value of purchase price obligations from adjusted net earnings provides for better comparability of the financial results between periods where valuation assumptions

Summary of Quarterly Results

used by management may introduce volatility in earnings. Comparative figures prior to December 31, 2018, for adjusted net earnings and adjusted net earnings per share (basic and diluted) have been restated to be consistent with the current presentation.

³ AUM Last Twelve Months ("LTM") represents the average of the ending AUM of the last four quarters.

Summary of Quarterly Results

The following table provides a reconciliation between EBITDA¹, adjusted EBITDA¹, adjusted EBITDA margin¹ and adjusted EBITDA per share¹ to the most comparable IFRS earnings measures for each of the Company's last eight quarters:

Table 13 – EBITDA¹ and Adjusted EBITDA¹ Reconciliation (in \$ thousands except per share data)

	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Net earnings (loss)	5,028	(14,314)	12,022	5,254	(4,593)	(4,783)	(6,584)	(1,573)
Income tax expense (recovery)	4,817	(2,736)	3,624	3,589	889	3,370	1,844	(3,056)
Depreciation of property and equipment	1,612	1,632	1,562	1,504	1,403	1,216	1,084	1,179
Amortization of intangible assets	14,487	14,350	13,717	14,412	13,525	12,622	12,415	12,468
Depreciation of right-of-use assets	3,768	4,866	5,042	5,412	4,892	4,561	5,057	-
Interest on lease liabilities	574	1,474	1,452	1,425	1,393	1,288	1,284	-
Interest on long-term debt and other financial charges	9,658	7,807	15,822	8,870	8,865	6,709	7,398	10,147
EBITDA¹	39,944	13,079	53,241	40,466	26,374	24,983	22,498	19,165
Restructuring, integration and other costs	2,980	24,964	3,205	6,812	3,577	1,022	3,128	3,399
Acquisition costs	119	275	210	(391)	2,306	6,670	1,707	2,966
Accretion and change in fair value of purchase price obligations	5,660	6,025	(10,662)	8,052	8,801	6,636	6,491	8,332
Realized and unrealized (gain) loss on investments	(1,065)	(966)	134	(550)	140	(452)	5	(171)
Other losses (gains)	30	638	(1,000)	121	(313)	-	300	81
Accretion and change in fair value of puttable financial instrument liability	501	379	(1,799)	336	317	350	-	-
Revaluation of assets-held-for-sale	-	-	-	-	-	(153)	(546)	191
Share-based compensation	5,255	7,499	122	6,906	5,376	6,748	5,234	5,359
Adjusted EBITDA¹	53,424	51,893	43,451	61,752	46,578	45,804	38,817	39,322
REVENUES	170,737	166,865	161,657	204,526	159,956	149,904	142,785	156,963
Adjusted EBITDA Margin¹	31.3%	31.1%	26.9%	30.2%	29.1%	30.6%	27.2%	25.1%
Adjusted EBITDA Per Share¹								
Basic	0.51	0.50	0.42	0.61	0.46	0.47	0.40	0.41
Diluted	0.49	0.50	0.41	0.60	0.46	0.47	0.40	0.41

Certain totals, subtotals and percentages may not reconcile due to rounding

¹ The Company adopted IFRS 16, *Leases*, on January 1, 2019 using the modified retrospective approach where comparative information presented for 2018 has not been restated and is presented as previously reported and, therefore, may not be comparable. Prior to the adoption of IFRS 16 on January 1, 2019, as a lessee, the Company classified leases as an operating lease or finance lease under IAS 17, based on its assessment of whether the lease transferred substantially of the risks and rewards of ownership. Rent expenses related to operating leases were previously recognized in selling, general and administrative expenses. For the three-month periods ended March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018, the Company recognized rent expense of \$3.0 million, \$3.3 million, \$3.4 million and \$3.4 million, respectively. For the twelve-month period ended December 31, 2018, the Company recognized rent expense of \$13.1 million in selling, general and administrative expenses. Following the adoption of IFRS 16, lease payments are presented as cash generated (used in) financing activities whereas prior to the adoption of IFRS 16, on January 1, 2019, they were presented as cash generated (used in) operating activities in the statement of cash flows. Refer to Note 2 of the audited consolidated financial statements for the year ended December 31, 2019 for further details on the transition to IFRS 16. The Company's lease portfolio in 2019 was impacted by the four acquisitions completed over the course of the year, in addition to new leases entered into in 2019 related to the Company's new headquarters in Montreal, Canada and new office premises in London, United Kingdom. Our lease payments presented in the statement of cash flows for the twelve-month period ended December 31, 2019 were also impacted by lease inducements and rent-free periods related to these new leases in 2019.

Summary of Quarterly Results

The following table provides a reconciliation between adjusted net earnings^{1,2} and adjusted net earnings per share^{1,2} to the most comparable IFRS earnings measures for each of the Company's last eight quarters:

Table 14 – Adjusted Net Earnings^{1,2} Reconciliation (in \$ thousands except per share data)

	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Net earnings (loss) attributable to the Company's shareholders	4,726	(14,703)	7,581	3,387	(4,740)	(5,513)	(6,553)	(1,709)
Depreciation of property and equipment	1,612	1,632	1,562	1,504	1,403	1,216	1,084	1,179
Amortization of intangible assets	14,487	14,350	13,717	14,412	13,525	12,622	12,415	12,468
Depreciation of right-of-use assets	3,768	4,866	5,042	5,412	4,892	4,561	5,057	-
Share-based compensation	5,255	7,499	122	6,906	5,376	6,748	5,234	5,359
Restructuring, integration and other costs	2,980	24,964	3,205	6,812	3,577	1,022	3,128	3,399
Acquisition costs	119	275	210	(391)	2,306	6,670	1,707	2,966
Accretion and change in fair value of purchase price obligations and effective interest on convertible debt	6,280	6,624	(10,051)	8,676	9,297	6,992	6,807	8,692
Revaluation of assets-held-for-sale	-	-	-	-	-	(153)	(546)	191
Accretion and change in fair value of puttable financial instrument liability	501	379	(1,799)	336	317	350	-	-
Other losses (gains)	30	638	(1,100)	-	(114)	-	-	-
Income tax expense (recovery) on above-mentioned items	2,170	7,820	(1,982)	4,393	3,373	2,034	3,460	4,294
Adjusted net earnings attributable to the Company's shareholders	37,588	38,704	20,471	42,661	32,466	32,481	24,873	28,251
Per share – basic								
Net earnings (loss) attributable to the Company's shareholders	0.05	(0.14)	0.07	0.03	(0.05)	(0.06)	(0.07)	(0.02)
Adjusted net earnings attributable to the Company's shareholders	0.36	0.38	0.20	0.42	0.32	0.33	0.26	0.29
Per share – diluted								
Net earnings (loss) attributable to the Company's shareholders	0.04	(0.14)	0.07	0.03	(0.05)	(0.06)	(0.07)	(0.02)
Adjusted net earnings attributable to the Company's shareholders	0.35	0.38	0.19	0.41	0.32	0.33	0.26	0.29

Certain totals, subtotals and percentages may not reconcile due to rounding.

¹ The Company adopted IFRS 16, *Leases*, on January 1, 2019 using the modified retrospective approach where comparative information presented for 2018 has not been restated and is presented as previously reported and, therefore, may not be comparable. Prior to the adoption of IFRS 16 on January 1, 2019, as a lessee, the Company classified leases as an operating lease or finance lease under IAS 17, based on its assessment of whether the lease transferred substantially of the risks and rewards of ownership. Rent expenses related to operating leases were previously recognized in selling, general and administrative expenses. For the three-month periods ended March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018, the Company recognized rent expense of \$3.0 million, \$3.3 million, \$3.4 million and \$3.4 million, respectively. For the twelve-month period ended December 31, 2018, the Company recognized rent expense of \$13.1 million in selling, general and administrative expenses. Following the adoption of IFRS 16, lease payments are presented as cash generated (used in) financing activities whereas prior to the adoption of IFRS 16, on January 1, 2019, they were presented as cash generated (used in) operating activities in the statement of cash flows. Refer to Note 2 of the audited consolidated financial statements for the year ended December 31, 2019 for further details on the transition to IFRS 16. The Company's lease portfolio in 2019 was impacted by the four acquisitions completed over the course of the year, in addition to new leases entered into in 2019 related to the Company's new headquarters in Montreal, Canada and new office premises in London, United Kingdom. Our lease payments presented in the statement of cash flows for the twelve-month period ended December 31, 2019 were also impacted by lease inducements and rent-free periods related to these new leases in 2019.

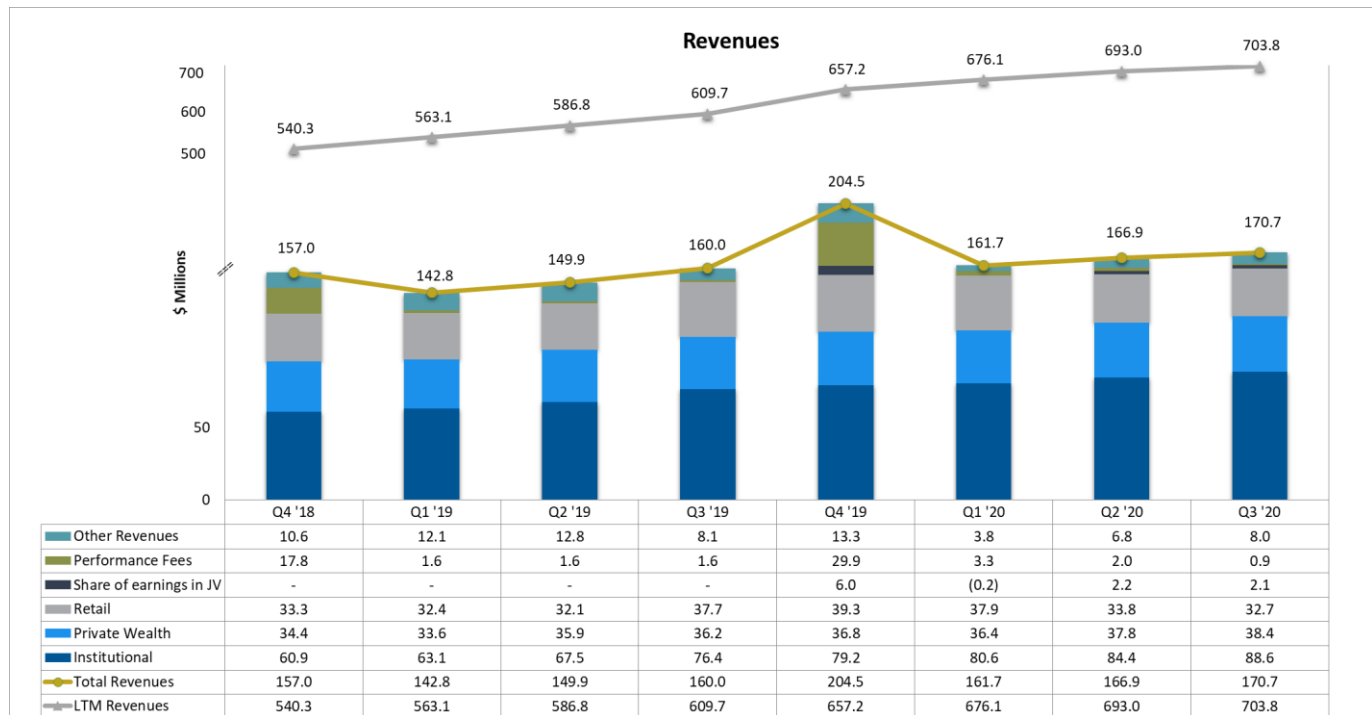
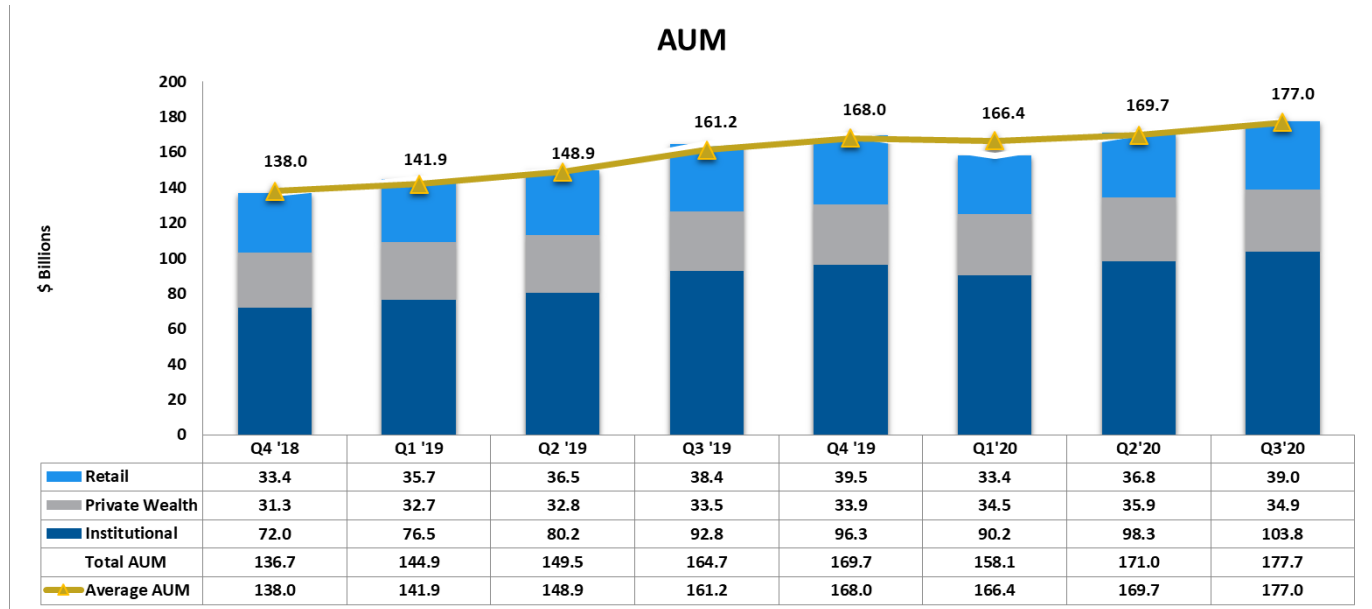
Summary of Quarterly Results

² Effective March 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion and change in fair value of purchase price obligations. Also, effective December 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion of effective interest on convertible debt. Accretion expenses and the gains or losses recognized on the change in fair value of purchase price obligations arise from contingent consideration arrangements, generally in business combinations which are considered non-core operations. The fair value of contingent consideration is remeasured at each reporting date and it is determined using valuation techniques which make use of forecasted net cash flows discounted to present value. Accretion expense (i.e. non-cash interest expense) brings the present value of the purchase price obligation up to its future value over time. Adjusting accretion expense and change in fair value of purchase price obligations from adjusted net earnings provides for better comparability of the financial results between periods where valuation assumptions used by management may introduce volatility in earnings. Comparative figures prior to December 31, 2018, for adjusted net earnings and adjusted net earnings per share (basic and diluted) have been restated to be consistent with the current presentation.

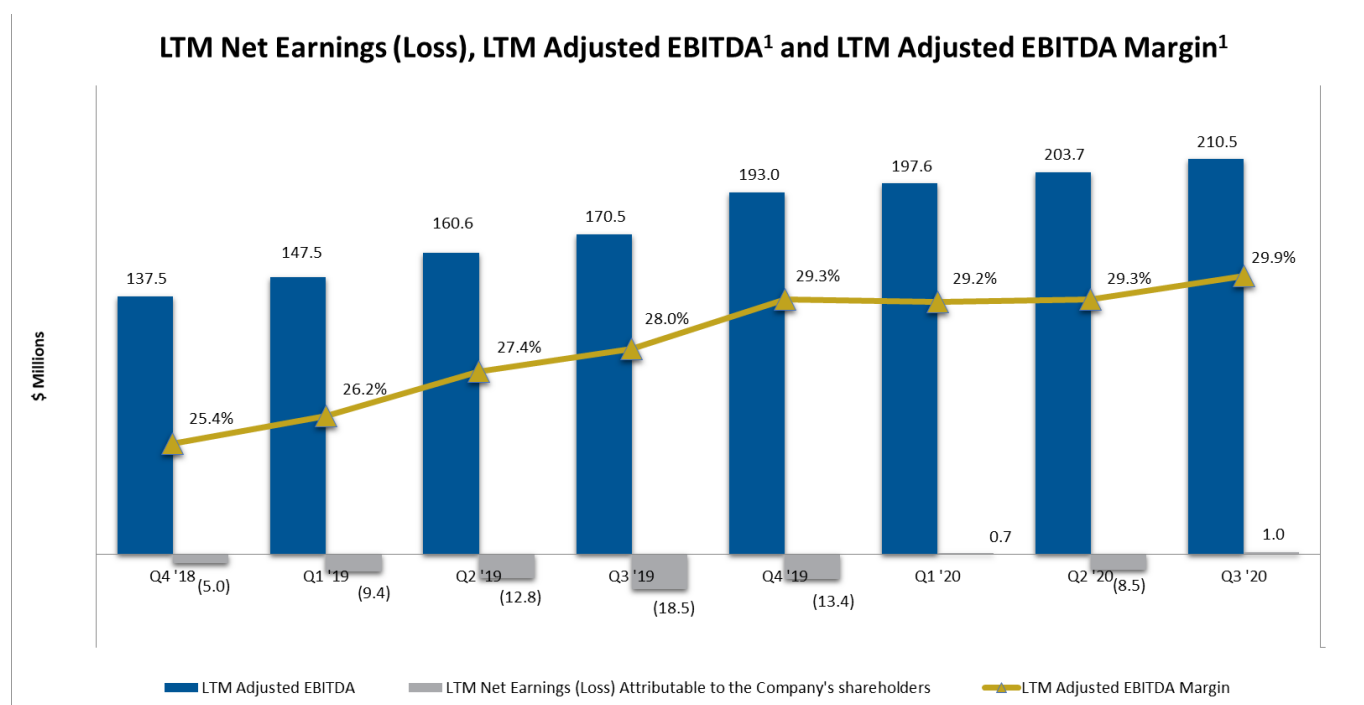
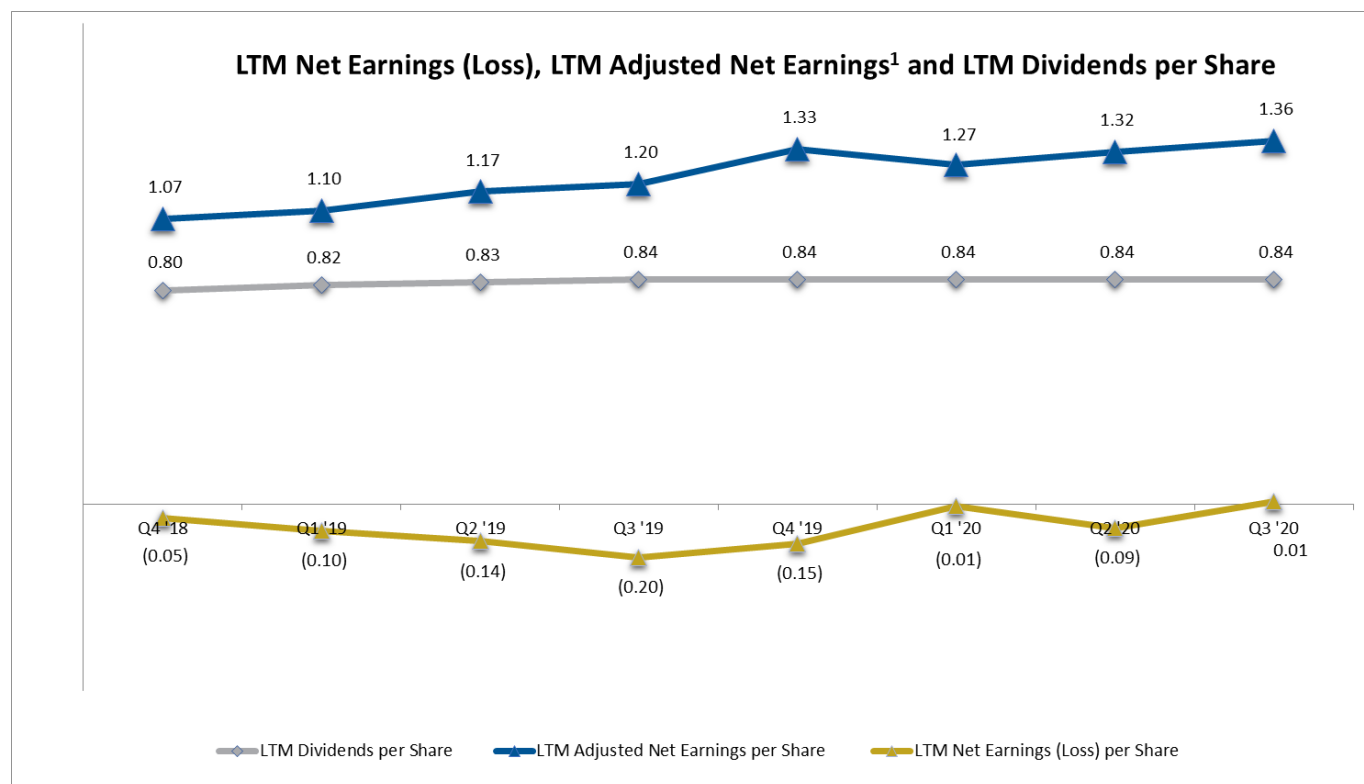
Summary of Quarterly Results

AUM and Revenue Trend

The following illustrates the Company's trends regarding Assets under Management ("AUM"), quarterly and last twelve months ("LTM") revenues, LTM Adjusted EBITDA¹, LTM Adjusted EBITDA Margin¹, LTM Net Earnings (loss) per share, LTM Adjusted Earnings per share^{1,2}, as well as the LTM dividend payout.



Summary of Quarterly Results



¹ The Company adopted IFRS 16, *Leases*, on January 1, 2019 using the modified retrospective approach where comparative information presented for 2018 has not been restated and is presented as previously reported and, therefore, may not be comparable. Prior to the adoption of IFRS 16 on January 1, 2019, as a lessee, the Company classified leases as an operating lease or finance lease under IAS 17, based on its assessment of whether the lease transferred substantially of the risks and rewards of ownership. Rent expenses related to operating leases were previously recognized in selling, general and administrative expenses. For the three-month periods ended March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018, the Company recognized rent expense of \$3.0 million, \$3.3 million, \$3.4 million and \$3.4 million, respectively. For the twelve-month period ended December 31, 2018, the Company recognized rent expense of \$13.1 million in selling,

Summary of Quarterly Results

general and administrative expenses. Following the adoption of IFRS 16, lease payments are presented as cash generated (used in) financing activities whereas prior to the adoption of IFRS 16, on January 1, 2019, they were presented as cash generated (used in) operating activities in the statement of cash flows. Refer to Note 2 of the audited consolidated financial statements for the year ended December 31, 2019 for further details on the transition to IFRS 16. The Company's lease portfolio in 2019 was impacted by the four acquisitions completed over the course of the year, in addition to new leases entered into in 2019 related to the Company's new headquarters in Montreal, Canada and new office premises in London, United Kingdom. Our lease payments presented in the statement of cash flows for the twelve-month period ended December 31, 2019 were also impacted by lease inducements and rent-free periods related to these new leases in 2019.

² Effective March 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion and change in fair value of purchase price obligations. Also, effective December 31, 2018, the Company amended the definition of adjusted net earnings to adjust for the accretion of effective interest on convertible debt. Accretion expenses and the gains or losses recognized on the change in fair value of purchase price obligations arise from contingent consideration arrangements, generally in business combinations which are considered non-core operations. The fair value of contingent consideration is remeasured at each reporting date and it is determined using valuation techniques which make use of forecasted net cash flows discounted to present value. Accretion expense (i.e. non-cash interest expense) brings the present value of the purchase price obligation up to its future value over time. Adjusting accretion expense and change in fair value of purchase price obligations from adjusted net earnings provides for better comparability of the financial results between periods where valuation assumptions used by management may introduce volatility in earnings. Comparative figures prior to December 31, 2018, for adjusted net earnings and adjusted net earnings per share (basic and diluted) have been restated to be consistent with the current presentation.

Liquidity and Capital Resources

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The Company's principal uses of cash, other than for SG&A expenses, include (but are not limited to) dividend payments, share repurchase, debt servicing, capital expenditures and business acquisitions.

The following table provides additional cash flow information for Fiera Capital.

Table 15 – Summary of Consolidated Statements of Cash Flows (in \$ thousands)

	FOR THE THREE-MONTH PERIODS ENDED			FOR THE NINE-MONTH PERIODS ENDED		
	SEPTEMBER 30, 2020	SEPTEMBER 30, 2019	VARIANCE	SEPTEMBER 30, 2020	SEPTEMBER 30, 2019	VARIANCE
Net cash generated by (used in) operating activities	25,785	45,621	(19,836)	51,482	74,346	(22,864)
Net cash generated by (used in) investing activities	(4,287)	(68,352)	64,065	(6,780)	(85,662)	78,882
Net cash generated by (used in) financing activities	(32,043)	58,058	(90,101)	(96,899)	50,967	(147,866)
Net (decrease) increase in cash and cash equivalent	(10,545)	35,327	(45,872)	(52,197)	39,651	(91,848)
Effect of exchange rate changes on cash denominated in foreign currencies	44	(772)	816	1,785	(4,317)	6,102
Cash and cash equivalents, beginning of period	56,308	53,245	3,063	96,219	52,466	43,753
Cash and cash equivalents, end of period	45,807	87,800	(41,993)	45,807	87,800	(14,993)

Current Quarter versus Prior-Year Quarter

Cash generated by Operating Activities

Cash generated by operating activities was \$25.8 million for the three-month period ended September 30, 2020 compared to \$45.6 million in the same period last year, a decrease of \$19.8 million or 43.4%. The decrease was primarily due to an increase in cash used in working capital of \$22.4 million.

Cash used in Investing Activities

Cash used in investing activities was \$4.3 million for the three-month period ended September 30, 2020. The decrease in cash flows used in investing activities of \$64.1 million compared to \$68.4 million cash used in investing activities for the same period last year was mainly attributable to a decrease in cash used for business combinations and asset acquisitions of \$49.6 million, a decrease in cash used for the purchase of property and equipment and intangible assets of \$9.9 million and an increase of \$5.3 million in net cash from investments in and distributions received from joint ventures and associates.

Cash used in Financing Activities

Cash used in financing activities was \$32.0 million for the three-month period ended September 30, 2020. Compared to \$58.1 million cash generated by financing activities for the same period last year, the decrease of \$90.1 million was primarily due to cash generated from the issuance of hybrid debentures of \$105.0 million in the prior year which did not recur in the third quarter of 2020 and an increase in lease payments of \$4.1 million. This was partially offset by a

Liquidity and Capital Resources

\$20.9 million net increase in long-term debt issuances and settlements and no cash used in the settlement of share-based compensation compared to \$1.0 million for the same period last year.

Effect of exchange rate changes on cash denominated in foreign currencies

Exchange rate fluctuations on cash denominated in foreign currencies had a nil impact during the three-month period ended September 30, 2020, compared to an unfavourable impact of \$0.8 million for the same period last year. The effect of exchange rate changes on cash was primarily due to the revaluation of cash denominated in U.S. dollars and the impact of currency fluctuations between the Canadian dollar and U.S. dollar.

Year-to-Date September 30, 2020, versus Year-to-Date September 30, 2019

Cash generated by Operating Activities

Cash generated by operating activities was \$51.5 million for the nine-month period ended September 30, 2020 compared to \$74.3 million in the same period last year, a decrease of \$22.8 million or 30.7%. The decrease was primarily due to an increase in cash used in working capital of \$30.4 million. This was partially offset by an increase in cash generated from operating activities excluding working capital of \$7.6 million.

Cash used in Investing Activities

Cash used in investing activities was \$6.8 million for the nine-month period ended September 30, 2020. The decrease in cash used in investing activities of \$78.9 million compared to \$85.7 million cash used in investing activities for the same period last year was mainly attributable to a decrease in cash used for business combinations and asset acquisitions of \$64.9 million, a decrease in cash used for the purchase of property and equipment and intangible assets of \$20.0 million, a decrease in restricted cash of \$8.2 million and net cash generated from investments in and distributions received from joint ventures and associates of \$7.1 million. This was partially offset by a decrease in cash proceeds from the disposal of assets of \$14.8 million and increase in cash used for the settlement of purchase price obligations of \$6.7 million.

Cash used in Financing Activities

Cash used in financing activities was \$96.9 million for the nine-month period ended September 30, 2020. Compared to \$51.0 million of cash generated from financing activities for the same period last year, the increase in cash used in financing activities of \$147.9 million was primarily due to lower net cash generated from the issuance of Hybrid debentures of \$105.0 million and long-term debt of \$38.7 million, an increase in cash used for the settlement of share-based compensation of \$13.7 million, an increase in lease payments of \$7.4 million, an increase in interest paid on long-term debt of \$6.6 million, and an increase in dividends paid of \$5.0 million. During the nine months ended September 30, 2019, \$29.1 million of cash was used towards share repurchases and cancellations in connection with the strategic partnership entered into with Natixis Investment Managers, compared to \$0.8 million in the current period.

Following the Company's acquisition of all issued and outstanding shares of Charlemagne Capital Limited ("CCL") on December 14, 2016, the Company granted performance share units applicable to a business unit ("PSU BU") on November 17, 2017 to an executive of CCL in connection with their previous equity arrangement which existed prior to the acquisition by the Company. Included in the increase in cash used for the settlement of share-based compensation was a \$16.4 million payment for the settlement of the PSU BUs which occurred in the nine-month period ended September 30, 2020.

Liquidity and Capital Resources

Effect of exchange rate changes on cash denominated in foreign currencies

Exchange rate fluctuations on cash denominated in foreign currencies had a favourable impact of \$1.8 million during the nine-month period ended September 30, 2020, compared to an unfavourable impact of \$4.3 million for the same period last year. The effect of exchange rate changes on cash was primarily due to the revaluation of cash denominated in U.S. dollars and the impact of currency fluctuations between the Canadian dollar and U.S. dollar.

Components of Total Debt

Credit Facility

The Company has a \$600 million senior unsecured revolving facility ("Facility") which can be drawn in Canadian or U.S. dollars at the discretion of the Company. As at September 30, 2020, the total amount drawn on the Facility was \$43.1 million (December 31, 2019 - \$29.8 million) and US\$334.0 million (\$446.2 million) (December 31, 2019 – US\$323.7 million (\$419.7 million)).

Other Facilities

One of the Company's subsidiaries has a line of credit with a dollar limit of \$0.92 million. As at September 30, 2020 the subsidiary had not drawn on the line of credit (nil as at December 31, 2019).

Convertible Debentures

On December 21, 2017, the Company issued \$86.25 million unsecured convertible debentures at 5.00% maturing on June 23, 2023 (the "Convertible debentures").

Hybrid Debentures

On July 4, 2019, the Company issued \$100 million senior subordinated unsecured hybrid debentures due July 31, 2024, and on July 9, 2019, the Company issued \$10 million senior subordinated unsecured hybrid debentures related to the overallotment option, due July 31, 2024 (together, the "Hybrid debentures"). The Hybrid debentures bear interest at a rate of 5.60% per annum.

Share Capital

As at September 30, 2020, the Company had 84,388,375 Class A Shares and 19,412,401 Class B Special Voting Shares for a total of 103,800,776 outstanding shares compared to 81,342,363 Class A Shares and 19,412,401 Class B Special Voting Shares for a total of 100,754,764 outstanding shares as at September 30, 2019.

Share repurchase and cancellation

On July 13, 2020, the Company announced its intention to make a normal course issuer bid for its shares through the facilities of the TSX from July 15, 2020 to no later than July 14, 2021. Under its normal course issuer bid, the Company may purchase for cancellation up to a maximum of 2,000,000 Class A Shares, representing approximately 2.4% of its 84,124,711 issued and outstanding Class A Shares as at July 8, 2020 (date of approval by the TSX).

During the three and nine-month period ended September 30, 2020, the Company paid \$0.8 million to purchase and cancel 81,200 Class A Shares.

Liquidity and Capital Resources

Capital Management

The Company's capital comprises share capital, retained earnings (deficit), long-term debt, convertible debentures and hybrid debentures, 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. The Company is subject to calculations of excess working capital as required by National Instrument 31-103 *Registration Requirements and Exemptions*, calculated on a non-consolidated basis. As at September 30, 2020 and December 31, 2019, it has complied with its calculations. The Company and its subsidiaries have also complied with their restrictive debt covenants under the various credit facilities.

In order to maintain or adjust its capital structure, the Company may issue shares, proceed with the issuance or repayment of debt or redeem convertible and hybrid debentures (as applicable under the terms of the respective final short-term prospectuses for these convertible debt).

Contractual Obligations

As at September 30, 2020, the Company had no material contractual obligation other than those described in the Company's 2019 Annual MD&A in the section entitled "*Contractual Obligations*".

Contingent Liabilities

In the ordinary course of business, the Company may be involved in and potentially subject to claims, proceedings, and investigations, including, legal, regulatory and tax. There are a number of uncertainties involved in such matters, individually or in aggregate, and as such, it is not currently possible to predict the final outcome with certainty. The Company intends to defend these actions and management believes that the resolution of these matters will not have a material adverse effect on the Company's financial condition. Management regularly assesses its position on the adequacy of accruals or provisions related to such matters.

Subsequent Events, Controls and Procedures, Risk Factors

SUBSEQUENT EVENTS

Dividends declared

On November 12, 2020, the Board declared a quarterly dividend of \$0.21 per Class A Share and Class B Special Voting Share, payable on December 21, 2020 to shareholders of record at the close of business on November 25, 2020.

CONTROLS AND PROCEDURES

The Chairman of the Board and Chief Executive Officer (“CEO”) and the Executive Vice President, Global Chief Financial Officer (“CFO”), together with Management, are responsible for establishing and maintaining adequate disclosure controls and procedures and internal controls over financial reporting, as defined in *National Instrument 52-109*.

The CEO and CFO, have designed or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that material information is collected and communicated to Management in a timely manner so that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by the Company under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation.

Internal Controls over Financial Reporting

There have been no changes to the Company’s internal controls over financial reporting that occurred during the three-month period beginning on July 1, 2020 and ended on September 30, 2020, that have materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

RISK FACTORS

Fiera Capital’s business is subject to a number of risk factors that may impact the Company’s operating and financial performance. These risks and the management of these risks are detailed in the Company’s 2019 Annual MD&A in the section entitled “Risk Factors” and disclosed in the Company’s Annual Information Form for the fiscal year ended December 31, 2019. The Company has not identified any material changes to the risk factors affecting its business or in the management of these risks disclosed in the foregoing documents. However, the following update regarding COVID-19 should be read in conjunction with these risk factors.

COVID-19

The Company is continuing to review the financial impact of the COVID-19 pandemic and market risk to its capital position and profitability should the duration, spread or intensity of the pandemic further develop. It is not possible to forecast with certainty the duration and full scope of the economic impact of COVID-19 both in the short and long term. The Company maintains sufficient liquidity to satisfy all of its financial obligations for the foreseeable future. Despite this liquidity, the Company may see an impact to the cost of capital in the future as a result of disrupted credit markets or potential credit rating actions in relation to the Company’s debt if the timing and pace of economic recovery is slow. Furthermore, a sustained period of significant market volatility could result in a write-down of the Company’s goodwill and intangible assets in subsequent quarters. The valuation of the Company’s purchase price obligations could also be impacted if expected results from operations change significantly from current assumptions.

Additional information about Fiera Capital Corporation, including the Company’s most recent audited annual financial statements and annual information form, is available on SEDAR at www.sedar.com.

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