

Management's Discussion and Analysis FIERA CAPITAL CORPORATION

For the Three and Six-Month Periods Ended June 30, 2017



FIERACAPITAL

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Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

The following management's discussion and analysis ("MD&A") dated August 11, 2017, presents an analysis of the financial condition and results of the consolidated operations of Fiera Capital Corporation (the "Company" or "Fiera Capital" or "Firm") for the three and six-month periods ended June 30, 2017 and June 30, 2016. The following MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements including the notes thereto, as at and for the three and six-month periods ended June 30, 2017 and 2016.

The interim condensed consolidated financial statements include the accounts of Fiera Capital Corporation and its subsidiaries. Subsidiaries are those entities which the Company controls. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. All intercompany transactions and balances with and amongst the subsidiaries are eliminated on consolidation.

Non-controlling interest in the earnings and equity of subsidiaries are disclosed separately in the interim condensed consolidated statements of financial position, earnings, comprehensive income (loss), and changes in equity.

Where applicable, the subsidiaries' accounting policies are changed prior to the business acquisition by the Company to ensure consistency with the policies adopted by the Company.

Subsequent to the acquisition date, the Company's share of earnings of a joint venture is recognized in the interim condensed consolidated statements of earnings. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Where applicable, the joint venture's accounting policies are changed prior to the acquisition by the Company, to ensure consistency with the policies adopted by the Company.

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.

BASIS OF PRESENTATION

The Company prepares its interim condensed consolidated financial statements in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standard Board ("IASB") and accordingly, do not include all disclosures required under International Financial Reporting Standards ("IFRS") for annual consolidated financial statements. The accounting policies and methods of computation 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, 2016, except for the impact of the adoption of the standards, interpretations and amendment described in Note 3. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2016 and 2015.

The following MD&A should also be read in conjunction with the Company's 2016 annual audited consolidated financial statements, which contain a description of the accounting policies used in the preparation of these financial statements.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

The Company presents earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted EBITDA, adjusted EBITDA per share, adjusted EBITDA margin, adjusted net earnings, adjusted net earnings per share, cash earnings, cash earnings per share and non-cash items 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

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 ability to retain its existing clients and to attract new clients, Fiera Capital's investment performance, 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 among 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 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.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

COMPANY OVERVIEW

Fiera Capital Corporation was incorporated as Fry & Company (Investment Management) Limited in 1955 and is incorporated under the laws of the Province of Ontario. The Company is a global asset management firm which offers a wide range of traditional and alternative investment solutions, including depth and expertise in asset allocation. The Company provides investment advisory and related services to institutional investors, private wealth clients and retail investors. In the U.S., investment advisory services are provided by two of the Company's U.S. affiliates, Fiera Capital Inc. and Bel Air Management, LLC, that are registered as investment advisors with the U.S. Securities and Exchange Commission ("SEC"). The Company's affiliate Charlemagne Capital (UK) Limited is registered with the Financial Conduct Authority in the United Kingdom and as an investment advisor with the SEC and Charlemagne Capital (IOM) is registered with the Isle of Man Financial Services Authority and is also registered as an investment advisor with the SEC. The Company's head office is located at 1501 McGill College Avenue, Suite 800, Montréal, Quebec, Canada. The Company is listed on the Toronto Stock Exchange ("TSX") under the symbol "FSZ".

SIGNIFICANT EVENTS

- **Fiera Infrastructure Acquired Equity Interest in a Portfolio of Solar and Wind Projects** – April 10, 2017. Fiera Infrastructure acquired an indirect equity interest in a U.S. portfolio of eight solar and wind power generation projects owned by affiliates of D. E. Shaw Renewable Investments, L.L.C. and other investors, with three other projects anticipated to be added to the portfolio in 2017. This brings Fiera Infrastructure's AUM to more than \$800 million.
- **Departure of Global President and Chief Operating Officer** – April 13, 2017. The Board of Directors of Fiera Capital announced that it had accepted the resignation of Sylvain Brosseau as Global President and Chief Operating Officer. Mr. Brosseau continues to be a member of Fiera Capital's Board of Directors.
- **Fiera Capital Issued Previously Announced Holdback Shares To Samson Selling Partners** – May 1, 2017. Fiera Capital announced that pursuant to the sale and purchase agreement entered into for the acquisition of Samson Capital Advisors LLC, which closed on October 30, 2015. Fiera Capital has issued to the Samson selling partners an aggregate number of 353,928 Class A subordinate voting shares ("Class A Shares"), at a price per share of CA\$11.70 (or US\$8.90).
- **New Global Equity Focused Mutual Fund in the U.S. Market** – May 3, 2017. The Firm launched a new Fiera Capital Global Equity Focused Fund in the U.S. market. The Fund is invested in a concentrated portfolio of the Global Equity Team's highest conviction ideas from across global, developed, and select emerging markets and seeks to achieve capital appreciation.
- **New Appointments in Management Team** – May 31, 2017. Fiera Capital announced that Jean-Guy Desjardins, Chairman of the Board and Chief Executive Officer, now assumes the position of President of the Firm. John Valentini and François Bourdon were entrusted with increased responsibilities and expanded roles. John Valentini has been appointed Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division and François Bourdon has been appointed Global Chief Investment Officer.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

- **Jean-Philippe Lemay Promoted to President and COO of the Canadian Division** — June 9, 2017. Fiera Capital announced that Jean-Philippe Lemay has been promoted to President and Chief Operating Officer (COO) of Fiera Capital's Canadian Division, while maintaining his responsibilities as Chief Investment Officer.
- **Appointment of Monique F. Leroux** — June 14, 2017. Fiera Capital announced the appointment of Monique F. Leroux as Strategic Advisor and Member of the Strategic Development Committee. In this role, Ms. Leroux supports the senior management as well as its divisions' management teams in their development, positioning and strategic planning.
- **Canadian Equity Team's Disclosure of Historical Performance** — June 30, 2017. Fiera Capital Canadian Equity Team received third-party Global Investment Performance Standards (GIPS) verification and can now disclose the team's solid four-year performance track record while it was responsible for the management of \$3 billion in AUM in Canadian equity mandates at a large insurance company.
- **Launch of new Global Agriculture Fund** — June 30, 2017. Fiera Comox officially launched their Global Agriculture fund. Subsequent closings are expected in the coming months and quarters.
- **Global Information Security Policy** — The Board of Directors approved a Global Information Security Policy and its underlying Governance Framework. Information security threats have become one of the main risks faced by companies today. To that effect, each of our divisions has their respective online training program, complementing security controls that are continuously being updated by information technology departments across the company to safeguard business data and enable and maintain operations.

Subsequent Events

- **David Sadkin Appointed President of Bel Air Division** — August 7, 2017. David Sadkin was appointed President of Bel Air Investment Advisors LLC.

MARKET AND ECONOMIC OVERVIEW

Market Overview

Global equity markets remained resilient in what was a busy quarter on the central bank and political calendar. Instead, equity markets took global events in stride and continued to push higher, taking comfort in the increasingly synchronized global economic backdrop, ongoing support from central banks worldwide, and robust earnings growth.

Regionally, US equities shrugged off the Federal Reserve's fourth rate hike this cycle and breached new highs on several occasions, thanks to some strong corporate earnings results, hopes for some sort of fiscal stimulus from the Trump administration, and expectations that the Fed will take its time in normalizing monetary policy. In contrast, the Canadian equity market lagged its global counterparts after an impressive performance in 2016. Sentiment towards Canadian stocks deteriorated amid the collapse in oil prices, housing-related fears, and ongoing uncertainty pertaining to NAFTA renegotiations - which when taken together, negatively impacted the financials and resource sectors of the market. Looking abroad, international equities marched higher amid improving growth trends in Europe and Japan and as political headwinds receded following some favourable election results in Europe's core. Finally, emerging market equities led the global performance charge thanks to improving fundamental underpinnings in the emerging world and a slow and steady Federal Reserve path to normalization— both of which bolstered appetite for riskier assets in the developing world.

Meanwhile, North American fixed income markets also posted positive results during the second quarter of 2017. Yield curves flattened in both the US and Canada. On the one hand, the short-end increased following the Federal Reserve's second rate hike in 2017 and as the Bank of Canada prepared the market for a future rate hike. In contrast, the long-end in the US remained under considerable pressure, owing to some softer than expected US economic results, the slow-moving Republican growth agenda, and the collapse in crude prices – all of which sent inflation expectations tumbling lower. However, Canadian bond yields bucked the global trend and soared higher in late-June after the Bank of Canada adopted an increasingly constructive view on the Canadian economy, while European bond yields also backed-up in late June as the European Central Bank began to set the stage for an eventual taper in their Quantitative Easing (QE) program.

Economic Overview

Our base case for a synchronized global expansion remains largely intact at this time. Notably, the economic backdrop remains reasonably bright, with both developed and emerging economies contributing positively to the global expansion.

The Canadian economy is firing on all cylinders and leading the G7 growth charge this year – with growth drivers spreading more broadly across the entire economy. Domestic momentum remains resilient, with robust gains in household spending, residential investment, and business spending – while exports have rebounded on the back of stronger US demand and a competitive loonie - providing credence to the Bank of Canada's view that the worst of the oil shock is largely behind us.

After a disappointing start to 2017 in the United States, leading economic indicators are pointing towards a reacceleration in the second half – even as both the timing and size around the highly anticipated fiscal stimulus from the Trump administration remains uncertain at this time. While businesses are making a comeback after several years of restraint, the consumer also remains in healthy shape - supported by low gasoline prices, record-breaking stock market gains, and ongoing strength in labour market conditions.

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Surprisingly, the euro-area economy has been the bright spot this year, with the recovery broadening out across both sectors and individual countries – while political headwinds proved elusive after voters rejected the populist movement in Europe's core. Meanwhile, the UK outlook remains highly uncertain as Brexit negotiations get underway, while rising inflation is taking a bite out of consumer spending power. Finally, the Japanese economy remains well-supported by a recovery in private demand, strengthening exports and a weaker yen.

Moving to the emerging world, growth remains poised to outpace its developed counterparts in the coming year. While Brazil and Russia are showing some renewed signs of life, China's economy remains in healthy shape – even as policymakers push to reign-in excessive credit growth. The Chinese economy continues to undergo the transition to more sustainable, consumption-driven growth drivers, which implies a slower pace of growth as demand shifts away from debt-fuelled investment towards the services-oriented sector. Fortunately, the services sector continues to expand, which has outweighed some moderation on the manufacturing side of the economy.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

SUMMARY OF PORTFOLIO PERFORMANCE

Annualized Rates of Return

Strategies	AUM (\$Billion)	1 yr			5 yrs or Since Inception (SI)* (SI if inception < 5 yrs)			Inception date	Benchmark name	Notes
		Strategy return	Added value	Quartile	Strategy return	Added value	Quartile			
Fixed Income Investment Strategies	63.9									
Active Fixed Income Universe		0.12	0.10	Q4	3.19	-0.10	Q4	01/01/1997	FTSE TMX Universe	
Tactical Fixed Income Universe		0.12	0.10	Q4	3.19	-0.10	Q4	01/01/2000	FTSE TMX Universe	
Integrated Fixed Income Universe		1.34	1.32	Q1	3.87	0.58	Q1	01/01/1993	FTSE TMX Universe	
Active Fixed Income Long-Term		0.61	0.21	Q2	4.77	-0.11	Q4	01/07/1998	FTSE TMX Long Term	
High Yield Bonds		13.13	0.50	Q1	6.80	-0.35	Q2	01/02/2002	High Yield Blended	1
Preferred Shares Relative Value		22.30	2.49	N/A	3.13	1.91	N/A	01/02/2004	S&P/TSX Preferred Share	
Infrastructure Bonds		2.96	2.57	N/A	6.17	1.12	N/A	01/08/2011	FTSE TMX Provincial Long Term	
Tax Efficient Core Intermediate (Primary Benchmark)		0.04	-0.12	N/A	2.02	-0.24	N/A	31/03/2007	Bloomberg Barclays 1-10 Year Municipal Index	
Tax Efficient Core Intermediate (Secondary Benchmark)		0.04	-0.06	N/A	2.02	0.22	N/A	31/03/2007	Bloomberg Barclays 1-10 Year AA+ Municipal Index	
Tax Efficient Core Plus		-0.13	-0.29	N/A	2.55	0.43	N/A	31/12/2012	Bloomberg Barclays 1-10 Year Municipal Index	
High Grade Core Intermediate (Primary Benchmark)		-0.42	-0.26	N/A	1.85	-0.03	N/A	31/12/2004	Bloomberg Barclays Intermediate Aggregate Index	
High Grade Core Intermediate (Secondary Benchmark)		-0.42	0.10	N/A	1.85	0.18	N/A	01/01/2005	Bloomberg Barclays Intermediate Aggregate Ex CMBS/ABS/BBB Index	
Balanced Investment Strategies	5.0									
Balanced Core		10.67	2.08	Q1	10.55	1.66	Q1	01/09/1984	Balanced Core Blended	2
Balanced Integrated		11.31	2.46	Q1	9.92	1.95	Q1	01/04/2013	Balanced Integrated Blended	3
Equity Investment Strategies	50.4									
Canadian Equity		14.93	3.89	Q1	12.26	4.55	Q1	01/01/2013	S&P/TSX Composite	
Canadian Equity Core		14.16	3.11	Q1	10.46	1.71	Q3	01/01/1992	S&P/TSX Composite	
Canadian Equity Opportunities		17.42	6.37	Q1	11.11	2.36	Q2	01/11/2002	S&P/TSX Composite	
High Income Equity		13.78	0.14	Q3	10.39	2.31	Q3	01/10/2009	S&P/TSX Composite High Dividend	
Canadian Equity Small Cap Core		-0.55	-4.30	Q4	12.67	7.54	Q2	01/01/1989	S&P/TSX Small Cap	
Canadian Equity Small Cap		3.15	-0.60	Q4	13.83	8.70	Q2	01/01/1989	S&P/TSX Small Cap	
US Equity		17.97	0.08	Q3	22.73	2.41	Q1	01/04/2009	S&P 500 CAD	
International Equity		19.47	-0.80	Q3	16.49	2.41	Q1	01/01/2010	MSCI EAFE Net CAD	
Global Equity		19.96	1.77	Q2	20.18	3.27	Q1	01/10/2009	MSCI World Net CAD	
Apex Large Cap Growth		23.08	2.65	Q2	14.95	-0.36	Q2	01/04/2007	Russell 1000 Growth	
Apex Mid Cap Growth		27.30	10.25	Q2	15.54	1.34	Q1	01/05/2008	Russell MidCap Growth	
Apex Smid Growth		19.75	-1.68	Q3	14.01	-0.31	Q2	01/01/1990	Russell 2500 Growth	
Apex Small Cap Growth		9.30	-15.11	Q4	11.41	-2.58	Q4	01/01/2006	Russell 2000 Growth	
Emerging Markets Core Growth		25.84	2.10	Q2	7.40	3.45	Q1	01/07/2003	MSCI Emerging Markets Index	
Emerging Markets Growth & Income		20.18	-3.57	Q3	5.52	1.57	Q3	01/07/2010	MSCI Emerging Markets Index	
Frontier Markets		41.48	22.26	Q1	17.78	9.19	Q1	01/07/2010	MSCI Frontier Markets Index	
Alternative Investment Strategies	6.4									
North American Market Neutral Fund		-3.90	-3.90	N/A	5.52	5.52	N/A	01/10/2007	No Benchmark	
Long / Short Equity Fund		-5.36	-5.36	N/A	14.69	14.69	N/A	01/08/2010	No Benchmark	
Diversified Lending Fund		6.05	6.05	N/A	6.60	6.60	N/A	01/04/2008	No Benchmark	
Multi-Strategy Income Fund		8.71	8.71	N/A	5.08	5.08	N/A	01/11/2009	FTSE TMX Short Term	
Infrastructure Fund		4.25	4.25	N/A	6.18	6.18	N/A	01/03/2010	No Benchmark	
Real Estate Fund		8.95	8.95	N/A	5.72	5.72	N/A	01/07/2013	No Benchmark	
Fiera Private Lending Construction Financing Fund		6.42	6.42	N/A	6.44	6.44	N/A	22/11/2006	No Benchmark	
Fiera Private Lending Mezzanine Financing Fund		11.05	11.05	N/A	11.36	11.36	N/A	21/07/2015	No Benchmark	
Fiera Private Lending Business Financing Fund		10.06	10.06	N/A	14.77	14.77	N/A	06/11/2013	No Benchmark	
Charlemagne OCCC Easter European Fund		11.42	11.42	N/A	6.16	6.16	N/A	01/01/2002	No Benchmark	
Total	125.7									

Notes:

1. The High Yield Blended Index is composed of 85% Merrill Lynch US High Yield Cash Pay BB-B Hedged in CAD, 15% Merrill Lynch US High Yield Cash Pay C Hedged in CAD.
2. Balanced Core Blended Benchmark is composed of 5% FTSE TMX T-Bill 91 Day / 35% FTSE TMX Universe / 32.5% S&P TSX Composite / 27.5% MSCI World Ex-Canada Net.
3. Balanced Integrated Blended Benchmark is composed of 2% FTSE TMX T-Bill 91 Day / 36% FTSE TMX Universe / 35% S&P/TSX Composite / 27% MSCI ACWI Net.
4. US Dollar returns

Important Disclosures:

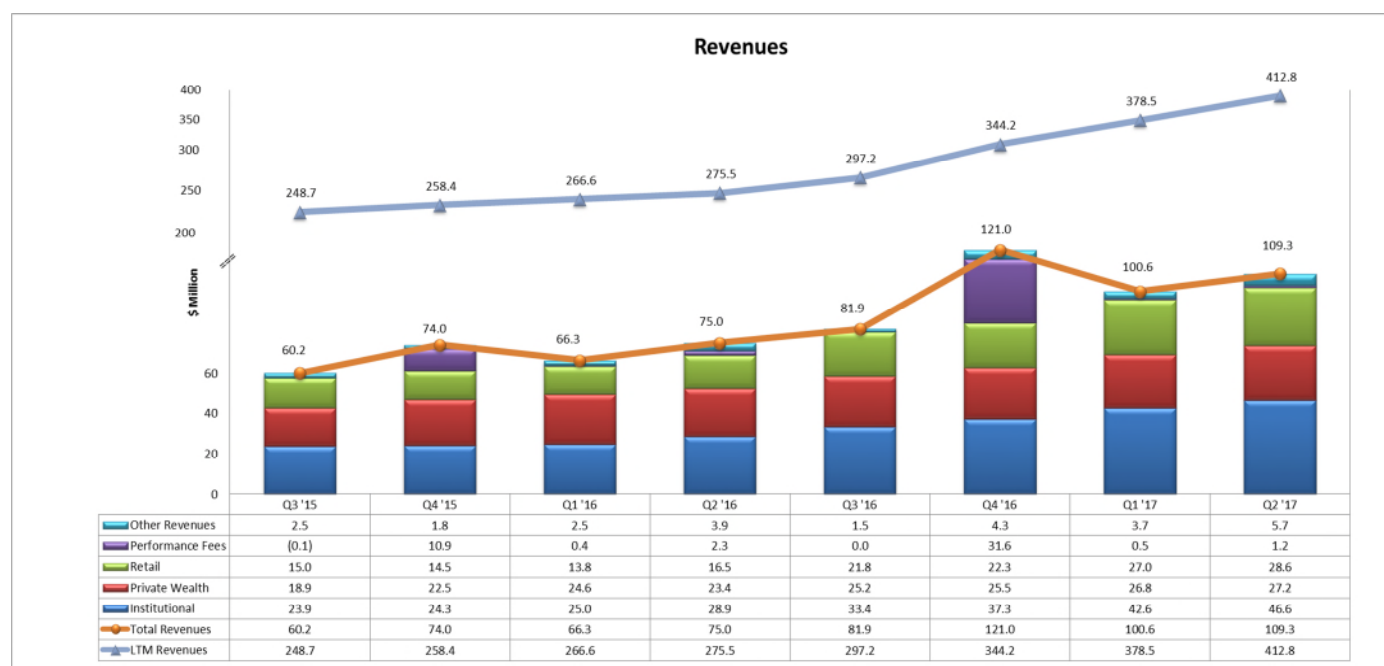
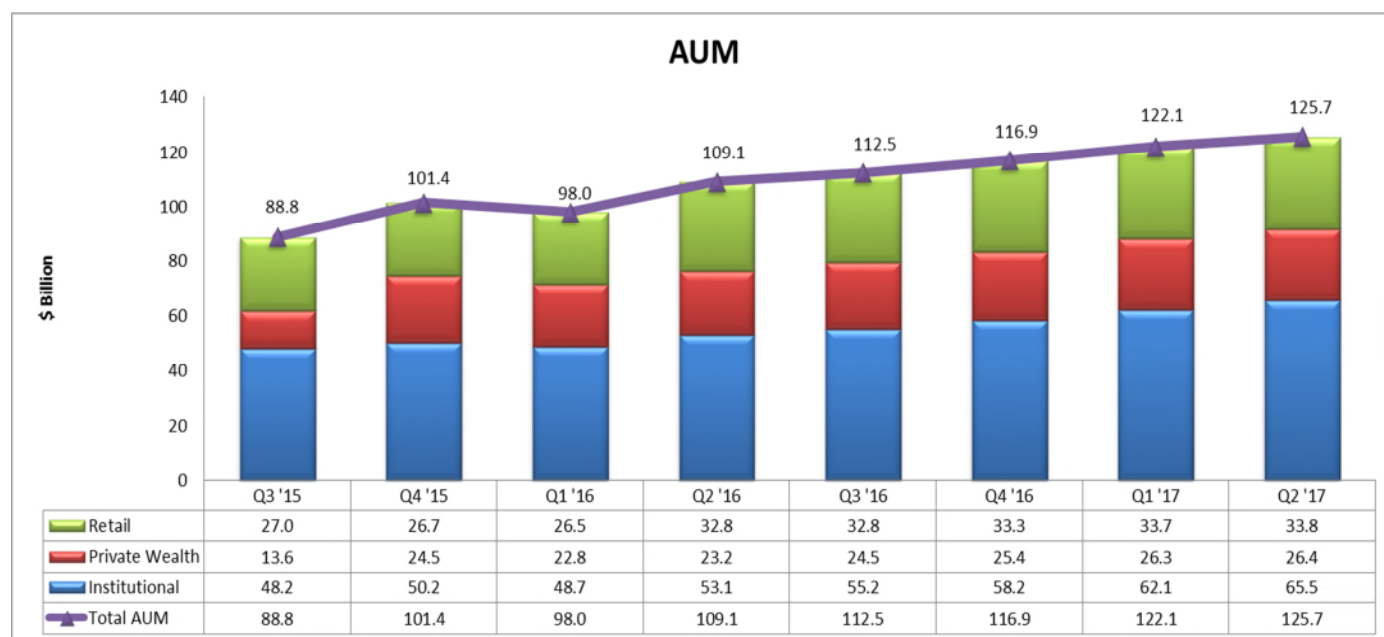
- All returns are expressed in Canadian dollars, unless indicated otherwise.
- All performance returns presented above are annualized.
- All returns, except alternative strategies and Balanced Fund are presented gross of management and custodial fees and withholding taxes but net of all trading expenses.
- Alternative Investment Strategies and Balanced Fund are presented net of management fees, custodial fees, performance fees and withholding taxes.
- The performance returns above assume reinvestment of all dividends.
- Besides for the alternative strategies, the returns presented for any one line above represent the returns of a composite of discretionary portfolios.
- 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 while the AUM represent the total amounts managed by asset class.
- Quartile rankings are provided by eVestment.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

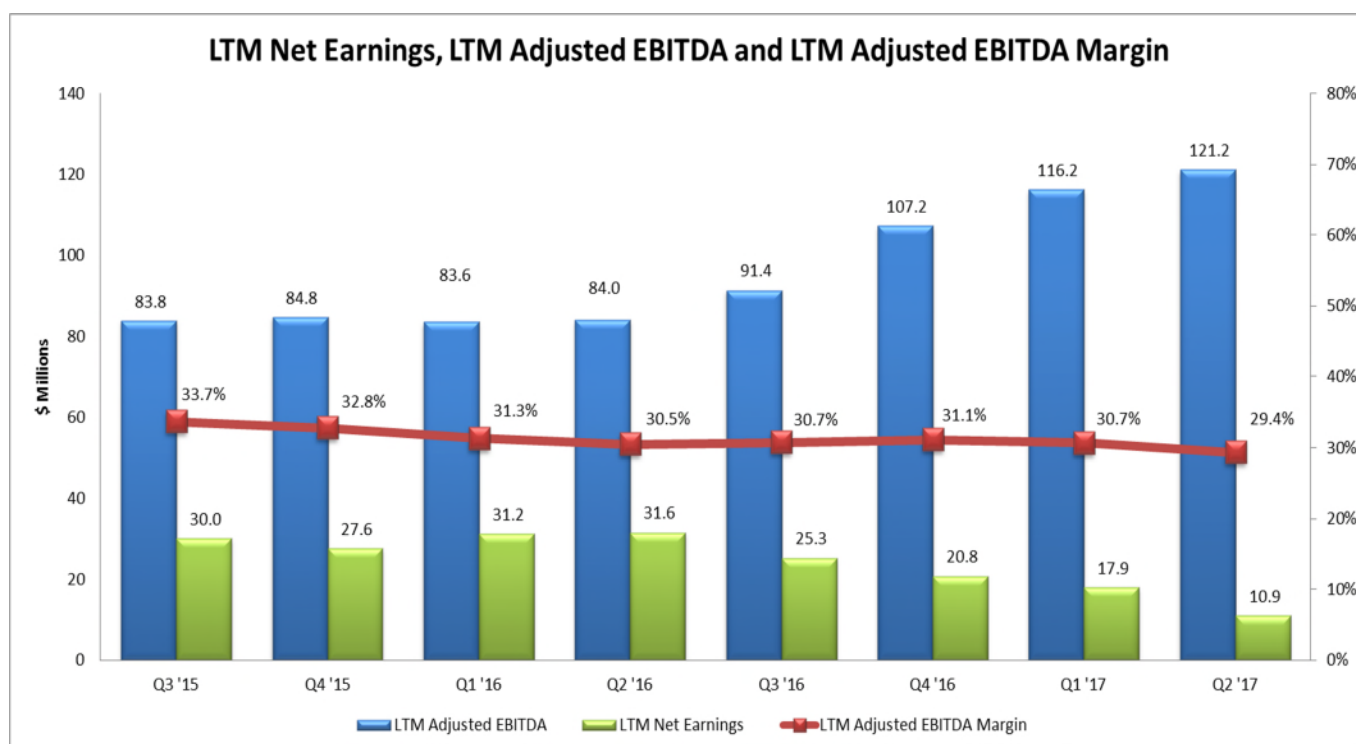
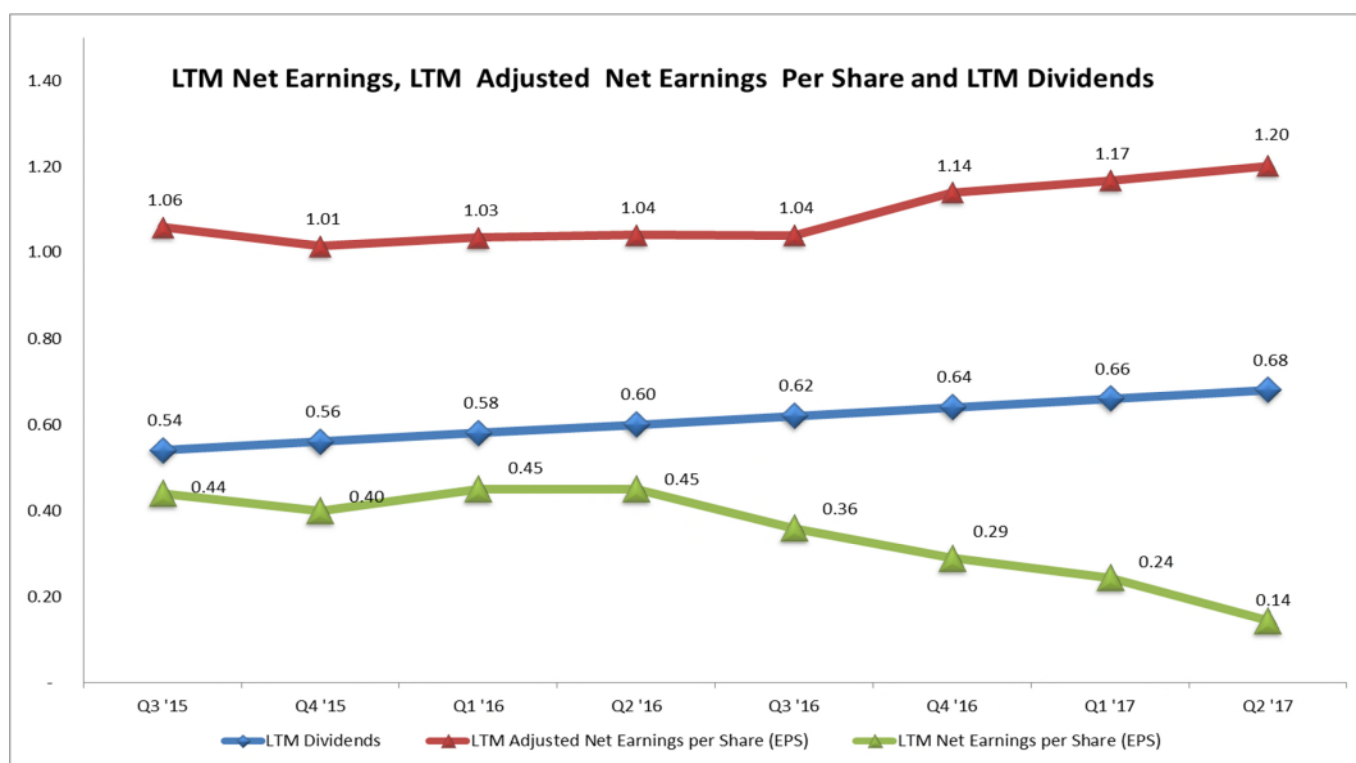
AUM AND REVENUE TREND HIGHLIGHTS

The following illustrates the Company's trends regarding AUM, quarterly and last twelve months ("LTM") revenues, LTM Adjusted EBITDA⁽¹⁾, LTM Adjusted EBITDA Margin⁽¹⁾, LTM Net Earnings per share, LTM Adjusted Earnings per share⁽¹⁾, as well as the LTM dividend payout.



⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017



Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

HIGHLIGHTS FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2017

Current Quarter Compared to Prior-Year Quarter

- › Total AUM were \$125.7 billion as at June 30, 2017, representing an increase of \$16.6 billion, or 15%, compared to AUM of \$109.1 billion as at June 30, 2016.
- › Base management fees and other revenues for the second quarter ended June 30, 2017, were \$108.1 million, representing an increase of \$35.4 million, or 49%, compared to \$72.7 million for the same period last year.
- › Performance fees were \$1.2 million for the second quarter ended June 30, 2017, compared to \$2.3 million for the same period last year.
- › Selling, general and administrative ("SG&A") expenses and external managers' expenses were \$87.8 million for the second quarter ended June 30, 2017, representing an increase of \$33.8 million, or 63%, compared to \$54.0 million for the same period last year.
- › Adjusted EBITDA⁽¹⁾ was \$28.5 million for the second quarter ended June 30, 2017, representing an increase of \$5.0 million, or 21%, compared to \$23.5 million for the same period last year. Adjusted EBITDA per share was \$0.35 (basic)⁽¹⁾ and \$0.34 (diluted)⁽¹⁾ for the second quarter of 2017, compared to \$0.32 per share (basic and diluted) for the same period last year.
- › For the second quarter ended June 30, 2017, the Firm recorded net earnings attributable to the Company's shareholders of \$0.9 million, or \$0.01 per share (basic and diluted), a decrease of \$7.0 million, or 89%, compared to the second quarter ended June 30, 2016, during which the Firm recorded net earnings attributable to the Company's shareholders of \$7.9 million, or \$0.11 per share (basic and diluted).
- › Adjusted net earnings⁽¹⁾ attributable to the Company's shareholders for the second quarter ended June 30, 2017, amounted to \$24.5 million, or \$0.30 per share (basic)⁽¹⁾ and \$0.29 (diluted)⁽¹⁾, compared to \$19.6 million, or \$0.27 per share (basic) and \$0.26 (diluted), for the second quarter ended June 30, 2016.

Current Quarter Compared to Previous Quarter

- › Total AUM were \$125.7 billion as at June 30, 2017, representing an increase of \$3.6 billion, or 3%, compared to \$122.1 billion as at March 31, 2017.
- › Base management fees and other revenues for the second quarter ended June 30, 2017, were \$108.1 million, representing an increase of \$8.1 million, or 8%, compared to \$100.0 million for the previous quarter ended March 31, 2017.
- › Performance fees were \$1.2 million for the second quarter ended June 30, 2017, compared to \$0.5 million for the previous quarter ended March 31, 2017, and are generally recognized in June and December of each year.

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

- › SG&A expenses and external managers' expenses were \$87.8 million for the second quarter ended June 30, 2017, representing an increase of \$9.7 million, or 12%, compared to \$78.1 million for the previous quarter ended March 31, 2017.
- › Adjusted EBITDA⁽¹⁾ was \$28.5 million for the second quarter ended June 30, 2017, representing an increase of \$3.3 million, or 13%, compared to \$25.2 million for the previous quarter ended March 31, 2017. Adjusted EBITDA per share⁽¹⁾ was \$0.35 (basic) and \$0.34 (diluted) for the second quarter ended June 30, 2017, compared to \$0.31 (basic) and \$0.30 (diluted) for the previous quarter ended March 31, 2017.
- › For the second quarter ended June 30, 2017, the Firm recorded net earnings attributable to the Company's shareholders of \$0.9 million, or \$0.01 per share (basic and diluted), a decrease of \$3.5 million, or 80%, compared to the previous quarter ended March 31, 2017, during which the Firm recorded net earnings attributable to the Company's shareholders of \$4.4 million, or \$0.05 per share (basic and diluted).
- › Adjusted net earnings⁽¹⁾ attributable to the Company's shareholders for the second quarter ended June 30, 2017, amounted to \$24.5 million, or \$0.30 per share (basic) and \$0.29 (diluted), compared to \$20.7 million, or \$0.25 per share (basic and diluted), for the previous quarter ended March 31, 2017.

Year-to-Date June 30, 2017, Compared to Year-to-Date June 30, 2016

- › Base management fees and other revenues for the six-month period ended June 30, 2017, were \$208.2 million, representing an increase of \$69.6 million, or 50%, compared to \$138.6 million for the same period last year.
- › Performance fees were \$1.7 million for the six-month period ended June 30, 2017, compared to \$2.7 million for the same period last year.
- › SG&A expenses and external managers' expenses were \$165.8 million for the six-month period ended June 30, 2017, representing an increase of \$58.1 million, or 54%, compared to \$107.7 million for the six-month period ended June 30, 2016.
- › Adjusted EBITDA were \$53.7 million for the six-month period ended June 30, 2017, representing an increase of \$14.0 million, or 35%, compared to \$39.7 million for the same period last year. Adjusted EBITDA per share was \$0.66 (basic) and \$0.64 (diluted) for the six-month period ended June 30, 2017, compared to \$0.54 per share (basic and diluted) for the same period last year.
- › For the six-month period ended June 30, 2017, the Firm recorded net earnings attributable to the Company's shareholders of \$5.3 million, or \$0.7 per share (basic) and \$0.06 (diluted), a decrease of \$9.9 million, or 65%, compared to the same period last year, during which the Firm recorded net earnings attributable to the Company's shareholders of \$15.2 million, or \$0.21 per share (basic and diluted).
- › Adjusted net earnings attributable to the Company's shareholders for the six-month period ended June 30, 2017, were \$45.2 million, or \$0.55 per share (basic) and \$0.54 (diluted), compared to \$36.6 million, or \$0.50 per share (basic and diluted), for the same period last year.

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

FINANCIAL RESULTS

Table 1 – Consolidated Statements of Earnings and Assets under Management

ASSETS UNDER MANAGEMENT (in \$ millions)	AS AT			VARIANCE	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	QUARTER OVER QUARTER FAV/(UNF) ⁽²⁾	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Assets under Management	125,658	122,063	109,136	3,595	16,522

STATEMENTS OF EARNINGS (in \$ thousands except per share data)	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	QUARTER OVER QUARTER FAV/(UNF) ⁽²⁾	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues					
Base management fees	102,401	96,308	68,804	6,093	33,597
Performance fees - Traditional Assets	1,209	527	646	682	563
Performance fees - Alternative Assets	(7)	5	1,672	(12)	(1,679)
Other revenues	5,746	3,734	3,861	2,012	1,885
	109,349	100,574	74,983	8,775	34,366
Expenses					
Selling, general and administrative expenses	87,346	77,152	53,289	(10,194)	(34,057)
External managers	451	896	743	445	292
Depreciation of property and equipment	956	931	824	(25)	(132)
Amortization of intangible assets	10,900	10,935	8,464	35	(2,436)
Interest on long-term debt and other financial charges	1,388	2,549	2,536	1,161	1,148
Accretion and change in fair value of purchase price obligations	1,289	1,308	694	19	(595)
Restructuring, integration and other costs	4,851	1,076	3,894	(3,775)	(957)
Acquisition costs	1,659	1,718	2,054	59	395
Net changes in fair value of derivative financial instruments	439	(372)	(265)	(811)	(704)
Loss on disposal of intangible assets	371	-	-	(371)	(371)
Gain on acquisition of control of investment in joint venture	-	-	(5,827)	-	(5,827)
Other (income) expenses ⁽³⁾	(8)	(4)	(2)	4	6
	109,642	96,189	66,404	(13,453)	(43,238)
Earnings before income taxes	(293)	4,385	8,579	(4,678)	(8,872)
Income taxes	(797)	32	276	829	1,073
Net earnings	504	4,353	8,303	(3,849)	(7,799)
Attributable to:					
Company's shareholders	877	4,428	7,901	(3,551)	(7,024)
Non-controlling interest	(373)	(75)	402	(298)	(775)
Net earnings	504	4,353	8,303	(3,849)	(7,799)
BASIC PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.35	0.31	0.32	0.04	0.03
Net earnings	0.01	0.05	0.11	(0.04)	(0.10)
Adjusted net earnings ⁽¹⁾	0.30	0.25	0.27	0.05	0.03
DILUTED PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.34	0.30	0.32	0.04	0.02
Net earnings	0.01	0.05	0.11	(0.04)	(0.10)
Adjusted net earnings ⁽¹⁾	0.29	0.25	0.26	0.04	0.03

⁽¹⁾ Please refer to "Non-IFRS Measures" Section and the related reconciliation table on page 41.

⁽²⁾ FAV: Favourable - UNF: Unfavourable

⁽³⁾ Other expenses (income) include "Realized loss (gain) on investments", "Share of earnings of joint ventures" and "Gain on dilution of investment in joint ventures". Certain totals, subtotals and percentages may not reconcile due to rounding.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Table 1 – Consolidated Statements of Earnings and Assets under Management (Continued)

STATEMENTS OF EARNINGS (in \$ thousands except per share data)	FOR THE SIX-MONTH PERIODS ENDED		VARIANCE
	JUNE 30, 2017	JUNE 30, 2016	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues			
Base management fees	198,709	132,219	66,490
Performance fees - Traditional Assets	1,736	935	801
Performance fees - Alternative Assets	(2)	1,755	(1,757)
Other revenues	9,480	6,358	3,122
	209,923	141,267	68,656
Expenses			
Selling, general and administrative expenses	164,498	106,083	(58,415)
External managers	1,347	1,626	279
Depreciation of property and equipment	1,887	1,655	(232)
Amortization of intangible assets	21,835	16,009	(5,826)
Interest on long-term debt and other financial charges	3,937	4,926	989
Accretion and change in fair value of purchase price obligations	2,597	1,398	(1,199)
Restructuring, integration and other costs	5,927	4,412	(1,515)
Acquisition costs	3,377	5,762	2,385
Net changes in fair value of derivative financial instruments	67	(619)	(686)
Gain on disposal of investment in joint ventures	-	(15,013)	(15,013)
Gain on acquisition of control of investment in joint venture	-	(5,827)	(5,827)
Revaluation of assets held-for-sale	-	7,921	7,921
Loss on disposal of intangible assets	371	-	(371)
Other (income) expenses ⁽³⁾	(12)	(63)	(51)
	205,831	128,270	(77,561)
Earnings before income taxes	4,092	12,997	(8,905)
Income taxes	(765)	782	1,547
Net earnings	4,857	12,215	(7,358)
Attributable to:			
Company's shareholders	5,305	15,181	(9,876)
Non-controlling interest	(448)	(2,966)	2,518
Net earnings	4,857	12,215	(7,358)
BASIC PER SHARE			
Adjusted EBITDA ⁽¹⁾	0.66	0.54	0.12
Net earnings	0.07	0.21	(0.14)
Adjusted net earnings ⁽¹⁾	0.55	0.50	0.05
DILUTED PER SHARE			
Adjusted EBITDA ⁽¹⁾	0.64	0.54	0.10
Net earnings	0.06	0.21	(0.15)
Adjusted net earnings ⁽¹⁾	0.54	0.50	0.04

⁽¹⁾ Please refer to "Non-IFRS Measures" Section and the related reconciliation table on page 41.

⁽²⁾ FAV: Favourable - UNF: Unfavourable

⁽³⁾ Other expenses (income) include "Realized loss (gain) on investments", "Share of earnings of joint ventures" and "Gain on dilution of investment in joint ventures".

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

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Table 2 - Selected Consolidated Statements of Financial Position Information (in \$ thousands)

	JUNE 30, 2017	DECEMBER 31, 2016
Cash and cash equivalents, restricted cash, investments	38,183	49,742
Accounts receivable	96,212	116,401
Other current assets	13,941	6,547
Total current assets	148,336	172,690
Goodwill	517,193	541,030
Intangible assets	427,260	458,760
Other non-current assets	21,797	20,675
Total assets	1,114,586	1,193,155
Accounts payable and accrued liabilities	62,760	89,160
Other current liabilities	20,517	25,575
Total current liabilities	83,277	114,735
Long-term debt	431,606	429,140
Purchase price obligations	21,570	21,498
Deferred income taxes	9,494	15,394
Other non-current liabilities	16,420	15,743
Total liabilities	562,367	596,510
Equity		
Attributable to Company's shareholders	546,584	566,236
Attributable to Non-controlling interest	5,635	30,409
	552,219	596,645
Total liabilities and equity	1,114,586	1,193,155

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

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE

Assets under Management

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 Firm's AUM. The change in the Firm's AUM is determined by i) the level of new mandates ("New"); ii) the level of redemptions ("Lost"); iii) the level of inflows and outflows from existing customers ("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 business disposal ("Disposal"). For simplicity, the "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. Also, the average assets under management ("Average AUM") for a given period is the average of the ending value of AUM of the months for this period. As a complement of information, Note 4 of the audited consolidated financial statements for the year ended December 2016 presents the details and history of the Firm's business combinations of the prior year, and is to be read in conjunction with the following discussions.

The following tables (Tables 3, 4 and 5) provide a summary of changes in the Firm's assets under management.

Table 3 – Assets under Management ⁽¹⁾ (in \$ millions)

	FOR THE THREE-MONTH PERIODS ENDED		
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016
AUM - beginning of period	122,063	116,925	97,988
Net variance	3,595	5,138	2,915
Acquisitions (Disposal)/Adjustment	-	-	8,233
AUM - end of period	125,658	122,063	109,136
Average AUM	125,886	119,726	102,112

⁽¹⁾ AUM include foreign exchange impact.

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

Table 4 – Assets under Management by Clientele Type – Quarterly Activity Continuity Schedule (in \$ millions)

	MARCH 31, 2017	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSAL) /ADJUSTMENT	JUNE 30, 2017
Institutional	62,106	2,468	(797)	414	1,767	(525)	-	65,451
Private Wealth	26,264	902	(156)	(287)	290	(605)	-	26,408
Retail	33,693	460	(342)	(382)	579	(209)	-	33,799
AUM - end of period	122,063	3,848	(1,295)	(255)	2,636	(1,339)	-	125,658

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

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Quarterly Activities

Total AUM were \$125.7 billion as at June 30, 2017, representing an increase of \$3.6 billion, or 3%, compared to \$122.1 billion as at March 31, 2017. The increase is due primarily to new mandates of \$3.8 billion and market appreciation of \$2.6 billion. These increases in AUM were partially offset by lost mandates of \$1.3 billion, negative net contributions of \$0.3 billion and the negative impact of foreign exchange variation on the US dollar of \$1.3 billion during the quarter.

The Institutional AUM were \$65.5 billion as at June 30, 2017, representing an increase of \$3.3 billion or 5.4%, compared to \$62.1 billion from the previous quarter ended March 31, 2017. The increase was driven by a combination of new mandates and positive net contributions totaling \$2.9 billion generally across the Firm's Global and International Equity strategies, Liability-Driven Investments as well as clients within Fiera's newly offered Multi-Asset investment capabilities. Market appreciation also contributed approximately \$1.8 billion. These increases were partially offset by \$0.8 billion in client losses which were primarily driven by clients adopting de-risking strategies as well as consolidation of investment management providers. Lastly, the US dollar exchange rate fluctuation negatively impacted AUM during the quarter by approximately \$0.5 billion.

The AUM related to the Private Wealth clientele were \$26.4 billion as at June 30, 2017, representing an increase of \$0.1 billion, or 0.5%, compared to \$26.3 billion from the previous quarter ended March 31, 2017. The increase is primarily driven by net new inflows of \$0.5 billion mainly in the US in fixed income strategies, combined with a market appreciation of \$0.3 billion, partially offset by the negative impact of the US dollar exchange rate fluctuation of \$0.6 billion during the period.

The AUM related to the Retail clientele were \$33.8 billion as at June 30, 2017, representing an increase of \$0.1 billion, or 0.3%, compared to \$33.7 billion from the previous quarter ended March 31, 2017. The increase is mainly due to a market appreciation of \$0.6 billion, combined with new mandates of \$0.5 billion, mainly from Europe, partially offset by lost mandates and negative net contributions of \$0.4 billion and \$0.3 billion, respectively. Lastly, the US dollar exchange rate fluctuation negatively impacted AUM during the quarter by approximately \$0.2 billion.

Table 5 – Assets under Management by Clientele Type – Year-to-Date Activity Continuity Schedule
(in \$ millions)

	DECEMBER 31, 2016	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSAL) /ADJUSTMENT	JUNE 30, 2017
Institutional	58,264	4,074	(1,806)	1,628	3,813	(522)	-	65,451
Private Wealth	25,383	1,278	(221)	(365)	1,037	(704)	-	26,408
Retail	33,278	907	(1,242)	(531)	1,635	(248)	-	33,799
AUM - end of period	116,925	6,259	(3,269)	732	6,485	(1,474)	-	125,658

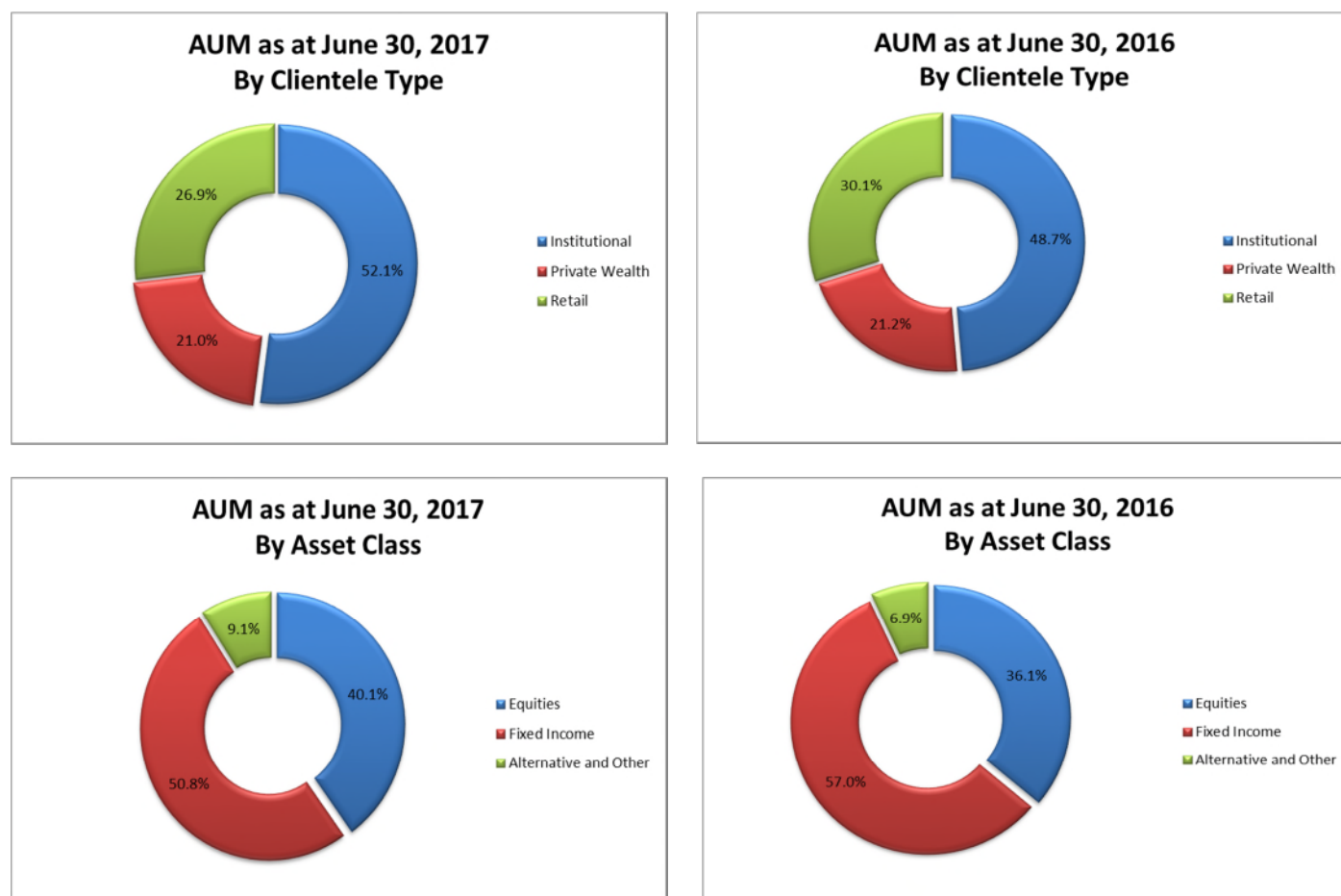
Certain totals, subtotals and percentages may not reconcile due to rounding.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Year-to-Date Activity

Total AUM were \$125.7 billion as at June 30, 2017, representing an increase of \$8.8 billion, or 7.5%, compared to \$116.9 billion as at December 31, 2016. The increase is due primarily to new mandates of \$6.3 billion, mostly from the Institutional and Private Wealth clientele, combined with a market appreciation of \$6.5 billion and positive net contributions of \$0.7 billion, partially offset by lost mandates of \$3.2 billion. Finally, the US dollar exchange rate fluctuation negatively impacted AUM during the six-month period ended June 30, 2017, by approximately \$1.5 billion.

The following graphs illustrate the breakdown of the Firm's AUM by clientele type and by asset class as at June 30, 2017, and June 30, 2016, respectively.



Revenues

The Firm's revenues consist of (i) management fees, (ii) performance fees, and (iii) other revenues. Management fees are AUM-based and, for each clientele 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 Firm is also entitled to performance fees. The Firm categorizes performance fees in two groups: those associated with traditional asset classes or strategies and those associated with alternative asset classes or strategies. Other revenues are comprised mainly of brokerage and consulting fees which are not AUM-driven.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Table 6 – Revenues: Quarterly Activity (in \$ thousands)

	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	QUARTER OVER QUARTER	YEAR OVER YEAR
Institutional	46,615	42,529	28,842	4,086	17,773
Private Wealth	27,189	26,774	23,431	415	3,758
Retail	28,597	27,005	16,531	1,592	12,066
Total management fees	102,401	96,308	68,804	6,093	33,597
Performance fees – Traditional asset class	1,209	527	646	682	563
Performance fees – Alternative asset class	(7)	5	1,672	(12)	(1,679)
Total performance fees	1,202	532	2,318	670	(1,116)
Other revenues	5,746	3,734	3,861	2,012	1,885
Total revenues	109,349	100,574	74,983	8,775	34,366

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

Current Quarter versus Prior-Year Quarter

Revenues for the second quarter ended June 30, 2017, were \$109.3 million, representing an increase of \$34.3 million, or 46%, compared to \$75.0 million for the same period last year. The year-over-year increase in revenues is due mainly to the acquisition of Apex (a full quarter of revenues from Apex in the second quarter of 2017 compared to one month of revenue in the same period last year) and Charlemagne, as well as the inclusion of the Alternative division, combined with organic growth, mostly from the institutional and private wealth clientele.

Management Fees

Management fees were \$102.4 million for the second quarter ended June 30, 2017, representing an increase of \$33.6 million, or 49%, compared to \$68.8 million for the same period last year. The overall increase in management fees and the increase by clientele type are as follows:

- › Management fees from the Institutional clientele were \$46.6 million for the second quarter ended June 30, 2017, representing an increase of \$17.8 million, or 62%, compared to \$28.8 million for the same quarter last year. The increase in base management fees is primarily due to the inclusion of the following acquisitions in mid and late 2016: Apex, Fiera Private Lending, Fiera Properties, Fiera Infrastructure and Charlemagne. Additional revenues resulting from the higher net AUM coming from new mandates namely from the US and Canada as well as market appreciation during the last twelve months contributed to the increase in revenues.
- › Management fees from the Private Wealth clientele were \$27.2 million for the second quarter ended June 30, 2017, representing an increase of \$3.8 million, or 16%, compared to \$23.4 million for the same period last year. The increase is primarily due to higher revenues from the Bel Air division in the US and private wealth in Canada, resulting from a higher AUM base mostly from new mandates.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

- Management fees from the Retail clientele were \$28.6 million for the second quarter ended June 30, 2017, representing an increase of \$12.1 million, or 73%, compared to \$16.5 million for the same quarter last year. The increase is mainly attributable to the inclusion of revenues from the acquisitions of Apex and Charlemagne.

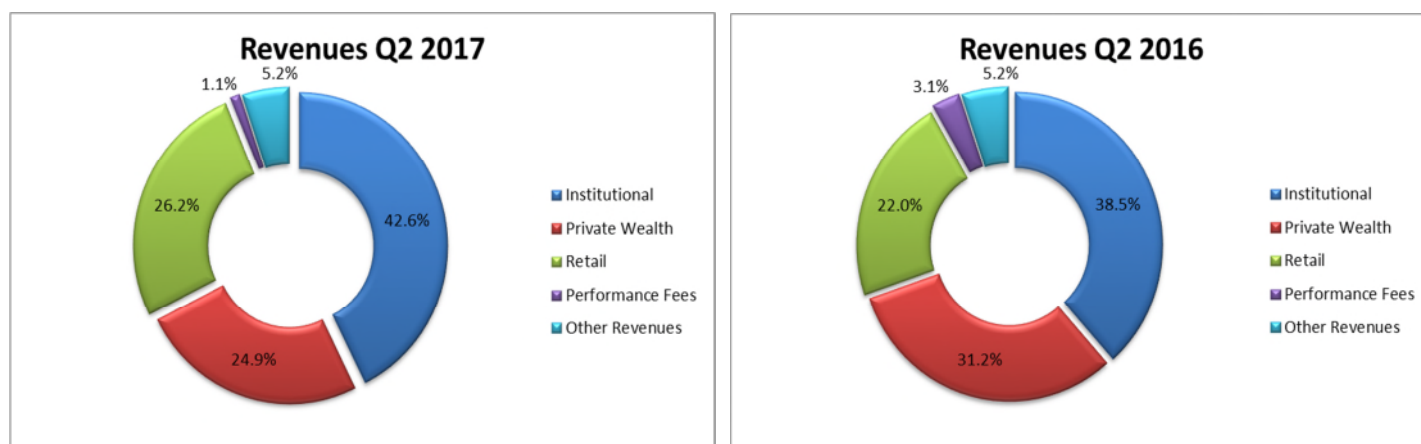
Performance Fees

Performance fees were \$1.2 million for the second quarter ended June 30, 2017, compared to \$2.3 million for the same period last year. The decrease in performance fees is mainly due to lower performance fees from the alternative asset class.

Other Revenues

Other revenues were \$5.8 million for the second quarter ended June 30, 2017, representing an increase of \$1.9 million, or 49%, compared to \$3.9 million for the same period last year. The increase is mainly due to additional revenue from Fiera Private Lending as well as a contingent fee earned in the current quarter.

The following graphs illustrate the breakdown of the Firm's revenues for the three-month periods ended June 30, 2017, and June 30, 2016, respectively.



Current Quarter versus Previous Quarter

Revenues for the second quarter ended June 30, 2017, were \$109.3 million, representing an increase of \$8.7 million, or 8.7%, compared to \$100.6 million for the previous quarter ended March 31, 2017. The increase in revenues is mainly attributable to higher base management fees, namely in the institutional and retail clientele type, combined with higher other revenues and higher performance fees.

Management Fees

Management fees were \$102.4 million for the second quarter ended June 30, 2017, representing an increase of \$6.1 million, or 6%, compared to \$96.3 million for the previous quarter ended March 31, 2017. The following is the breakdown of the management fees by clientele types:

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

- › Management fees from the Institutional clientele were \$46.6 million for the second quarter ended June 30, 2017, representing an increase of \$4.1 million, or 9.6%, compared to \$42.5 million for the previous quarter ended March 31, 2017. The sequential increase is primarily due to higher base management fees during the period from the US and Canada as a result of higher base AUM due to new mandates, combined with higher revenues from the Alternative division, namely Private Lending, Fiera Infrastructure and Fiera Properties.
- › Management fees from the Private Wealth clientele were \$27.2 million for the second quarter ended June 30, 2017, representing an increase of \$0.4 million, or 1.6%, compared to \$26.8 million for the previous quarter ended March 31, 2017. The increase is mainly due to higher revenues from US activities resulting from higher base AUM.
- › Management fees from the Retail clientele were \$28.6 million for the second quarter ended June 30, 2017, representing an increase of \$1.6 million, or 6%, compared to \$27.0 million for the previous quarter ended March 31, 2017. The increase is mainly due to the inclusion of a full quarter of revenues from the acquired Charlemagne.

Performance Fees

Total performance fees, which are generally recorded in June and December of each year, were \$1.2 million for the second quarter ended June 30, 2017, compared to \$0.5 million for the previous quarter ended March 31, 2017.

Other Revenues

Other revenues were \$5.7 million for the second quarter ended June 30, 2017, representing an increase of \$2.0 million, or 54%, compared to \$3.7 million for the previous quarter ended March 31, 2017. The increase is mainly due to a contingent fee earned in the current quarter.

Table 7 – Revenues: Year-to-Date Activity (in \$ thousands)

	FOR THE SIX-MONTH PERIODS ENDED		VARIANCE
	JUNE 30, 2017	JUNE 30, 2016	YEAR OVER YEAR
Institutional	89,144	53,835	35,309
Private Wealth	53,963	48,047	5,916
Retail	55,602	30,337	25,265
Total management fees	198,709	132,219	66,490
Performance fees – Traditional asset class	1,736	935	801
Performance fees – Alternative asset class	(2)	1,755	(1,757)
Total performance fees	1,734	2,690	(956)
Other revenues	9,480	6,358	3,122
Total revenues	209,923	141,267	68,656

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

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

Revenues for the six-month period ended June 30, 2017, were \$209.9 million, representing an increase of \$68.6 million, or 48%, compared to \$141.3 million for the same period last year. The increase in revenues is due mainly to the acquisition of Apex and Charlemagne, as well as the inclusion of the Alternative division, combined with organic growth, mostly from the institutional and private wealth clientele.

Management Fees

Management fees for the six-month period ended June 30, 2017, were \$198.7 million, representing an increase of \$66.5 million, or 50%, compared to \$132.2 million for the same period last year. The overall increase in management fees and the increase by clientele type are as follows:

- › Revenues from the Institutional clientele for the six-month period ended June 30, 2017, were \$89.1 million, representing an increase of \$35.3 million, or 66%, compared to \$53.8 million for the same period last year. The increase in base management fees is primarily due to the inclusion of the following acquisitions in mid and late 2016: Apex, Fiera Private Lending, Fiera Properties, Fiera Infrastructure and Charlemagne. Additional revenues resulting from the higher net AUM coming from new mandates namely from the US and Canada as well as market appreciation during the last twelve months contributed to the increase in revenues.
- › Revenues from the Private Wealth clientele for the six-month period ended June 30, 2017, were \$54.0 million, representing an increase of \$6.0 million, or 12%, compared to \$48.0 million for the same period last year. The increase is primarily due to higher revenues from the Bel Air division in the US and private wealth in Canada, resulting from a higher AUM base mostly from new mandates.
- › Revenues from the Retail clientele for the six-month period ended June 30, 2017, were \$55.6 million, representing an increase of \$25.3 million, or 83%, compared to \$30.3 million for the same period last year. The increase is mainly attributable to the inclusion of revenues from the acquisitions of Apex and Charlemagne.

Performance Fees

Total performance fees were \$1.7 million for the six-month period ended June 30, 2017, compared to \$2.7 million for the same period last year. The decrease in performance fees resulted from lower performance fees from the alternative asset class, partially offset by higher revenues in the traditional asset class during the first six months of 2017 compared to the same period last year.

Other Revenues

Other revenues were \$9.5 million for the six-month period ended June 30, 2017, representing an increase of \$3.1 million, or 48%, compared to \$6.4 million for the same period last year. The increase is mainly due to additional revenue from Fiera Private Lending during the first six months of 2017 compared to the same period last year.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Selling, General and Administrative Expenses

Current Quarter versus Prior-Year Quarter

SG&A expenses were \$87.4 million for the three-month period ended June 30, 2017, representing an increase of \$34.1 million, or 64%, compared to \$53.3 million for the same period last year. The increase in costs is mainly due to the inclusion of newly acquired entities, (Apex, Fiera Infrastructure, Fiera Private Lending, Fiera Properties and Charlemagne), higher other operating expenses and an increase in variable compensation related to long term cash and share-based compensation agreements with key investment professionals which aim to secure and contribute to the continued growth in revenues and in investment strategies. In the short term, the net effect of the increase in SG&A expenses is estimated to impact adjusted EBITDA margin⁽¹⁾ and earnings before income taxes margin⁽²⁾ by approximately 2%.

Current Quarter versus Previous Quarter

SG&A expenses were \$87.4 million for the three-month period ended June 30, 2017, representing an increase of \$10.2 million, or 13%, compared to \$77.2 million for the previous quarter ended March 31, 2017. The increase is mainly attributable to higher variable compensation expenses related to long term cash and share-based compensation agreements with key investment professionals which aim to secure and contribute to the continued growth in revenues and in investment strategies as well as higher operating expenses to support the Firm's growth, namely in the US. In the short term, the net effect of the increase in SG&A expenses is estimated to impact adjusted EBITDA margin⁽¹⁾ and earnings before income taxes margin⁽²⁾ by approximately 2%.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

SG&A expenses were \$164.5 million for the six-month period ended June 30, 2017, representing an increase of \$58.4 million, or 55%, compared to \$106.1 million for the same period last year. The increase in costs is attributable to the inclusion of newly acquired entities (Apex, Fiera Private Lending, Fiera Properties, Fiera Infrastructure and Charlemagne) and additional expenses to support the Firm's expansion.

External Managers

Current Quarter versus Prior-Year Quarter

External managers' expenses were \$0.5 million for the second quarter ended June 30, 2017, representing a decrease of \$0.2 million, or 40%, compared to \$0.7 million for the same quarter last year.

Current Quarter versus Previous Quarter

External managers' expenses for the second quarter ended June 30, 2017, were \$0.5 million, representing a decrease of \$0.4 million, or 50%, compared to \$0.9 million from the previous quarter ended March 31, 2017.

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

⁽²⁾ We define earnings before income taxes margin as the ratio of earnings before income taxes over revenues.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

External managers' expenses were \$1.3 million for the six-month period ended June 30, 2017, representing a decrease of \$0.3 million, or 17%, compared to \$1.6 million for the same period last year.

Depreciation and Amortization

Current Quarter versus Prior-Year Quarter

Depreciation of property and equipment was \$1.0 million for the second quarter ended June 30, 2017, representing a slight increase of \$0.14 million, or 16%, compared to \$0.82 million for the corresponding quarter last year.

Amortization of intangible assets was \$10.9 million for the second quarter ended June 30, 2017, representing an increase of \$2.4 million, or 29%, compared to \$8.5 million for the same period last year, mainly due to customer relationships and other intangible assets recognized as a result of the acquisitions of Apex, Fiera Properties, Fiera Infrastructure, Fiera Private Lending and Charlemagne.

Current Quarter versus Previous Quarter

Depreciation of property and equipment remained stable at \$1.0 million for the second quarter ended June 30, 2017, compared to \$0.9 million for the previous quarter ended March 31, 2017.

Amortization of intangible assets remained stable at \$10.9 million for the second quarter ended June 30, 2017, compared to \$10.9 million from the previous quarter ended March 31, 2017.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

Depreciation of property and equipment were \$1.9 million for the six-month period ended June 30, 2017, representing an increase of \$0.2 million, or 14%, compared to \$1.7 million for the same period last year.

Amortization of intangible assets were \$21.8 million for the six-month period ended June 30, 2017, representing an increase of \$5.8 million, or 36%, compared to \$16.0 million for the same period last year, mainly due to customer relationships and other intangible assets recognized as a result of the acquisitions of Apex, Fiera Properties, Fiera Infrastructure, Fiera Private Lending and Charlemagne.

Interest on Long-Term Debt and Other Financial Charges

Current Quarter versus Prior-Year Quarter

The interest on long-term debt and other financial charges was \$1.4 million for the second quarter ended June 30, 2017, representing a decrease of \$1.1 million, or 45%, compared to \$2.5 million for the same quarter last year. The decrease is mainly due to a gain on foreign exchange related to long-term debt denominated in US dollars recorded during the second quarter of 2017.

Current Quarter versus Previous Quarter

The interest on long-term debt and other financial charges was \$1.4 million for the second quarter ended June 30, 2017, representing a decrease of \$1.1 million, or 45%, compared to \$2.5 million for the previous quarter ended March 31, 2017. The decrease in long-term debt and other financial charges is primarily attributable to a gain in the foreign

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

exchange of \$2.9 million in the second quarter of 2017, compared to a gain of \$1.4 million recorded in the previous quarter ended March 31, 2017.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

The interest on long-term debt and other financial charges were \$3.9 million for the six-month period ended June 30, 2017, representing a decrease of \$1.0 million, or 20%, compared to \$4.9 million for the same period last year. The decrease in long-term debt and other financial charges is primarily attributable to a gain in the foreign exchange of \$4.2 million in the six-month period ended June 30, 2017, compared to almost nil for the same period last year, partially offset by higher debt interest to finance various acquisitions.

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 a charge of \$1.3 million for the second quarter ended June 30, 2017, compared to a charge of \$0.7 million for the same quarter last year.

Current Quarter versus Previous Quarter

The accretion and change in fair value of purchase price obligations were a charge of \$1.3 million for the second quarter ended June 30, 2017, compared to a charge of \$1.3 million for the previous quarter ended March 31, 2017.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

The accretion of purchase price obligations was \$2.6 million for the six-month period ended June 30, 2017, representing an increase of \$1.2 million, or 86%, compared to a charge of \$1.4 million for the same period last year.

Acquisition and Restructuring, Integration and Other Costs

Current Quarter versus Prior-Year Quarter

Acquisition and restructuring, integration and other costs were \$6.5 million for the second quarter ended June 30, 2017, representing an increase of \$0.6 million, or 9%, compared to \$5.9 million for the same period last year. The increase in acquisition and restructuring, integration and other costs is mainly due to the accrual of a one-time cost recorded in the second quarter of 2017, partially offset by higher acquisition costs related to Apex recorded in the second quarter of 2016.

Current Quarter versus Previous Quarter

Acquisition and restructuring, integration and other costs were \$6.5 million for the second quarter ended June 30, 2017, representing an increase of \$3.7 million, or over 100%, compared to \$2.8 million for the previous quarter ended March 31, 2017. The increase is mainly due to the accrual of a one-time cost recorded in the second quarter of 2017.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

Acquisition and restructuring, integration and other costs were \$9.3 million for the six-month period ended June 30, 2017, representing a decrease of \$0.9 million, or 9%, compared to \$10.2 million for the same period last year. The

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

decrease in acquisition and restructuring, integration and other costs is mainly due to the acquisition of Apex recorded during the first six months of 2016, partially offset by a the accrual of a one-time cost recorded in the first six-months of 2017.

Net Change in Fair Value of Derivative Financial Instruments

The Company recorded a charge of \$0.4 million related to net change in the fair value of derivative financial instruments for the second quarter ended June 30, 2017, compared to a gain of \$0.4 million for the previous quarter ended March 31, 2017, and compared to a gain of \$0.3 million for the second quarter ended June 30, 2016.

Gain on Acquisition of Control of Investment in Joint Venture

On April 4, 2016, the Company amended the shareholders' agreement of Fiera Properties Limited ("Fiera Properties"), which resulted in the Company obtaining effective control. This change in control of the previously held equity interest was an economic event that triggered the remeasurement of the investment to fair value. Previously, the Company accounted for the investment in the joint venture using the equity method of accounting. At the acquisition date, the carrying amount of the investment in the joint venture was \$6.4 million. The fair value of the retained interest amounted to \$12.2 million. The remeasurement of Fiera Capital's investment to fair value resulted in a gain of \$5.8 million. The gain was recorded in the interim condensed consolidated statement of earnings during the second quarter of 2016.

Adjusted EBITDA⁽¹⁾

The following table presents the Firm's adjusted EBITDA⁽¹⁾ and adjusted EBITDA per share⁽¹⁾ for the three and six-month periods ended June 30, 2017, and 2016, respectively.

Table 6 - Adjusted EBITDA⁽¹⁾ (in \$ thousands except per share data)

	FOR THE THREE-MONTH PERIODS ENDED			FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	JUNE 30, 2017	JUNE 30, 2016
Net earnings	504	4,353	8,303	4,857	12,215
EBITDA ⁽¹⁾	12,952	18,800	20,403	31,752	35,587
Adjusted EBITDA ⁽¹⁾	28,480	25,199	23,510	53,679	39,667
Per share basic ⁽¹⁾	0.35	0.31	0.32	0.66	0.54
Per share diluted ⁽¹⁾	0.34	0.30	0.32	0.64	0.54

⁽¹⁾ Please refer to "Non-IFRS Measures" Section and the related reconciliation table on page 41.

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

Current Quarter versus Prior-Year Quarter

For the second quarter ended June 30, 2017, adjusted EBITDA was \$28.5 million or \$0.35 per share (basic) and \$0.34 (diluted), representing an increase of \$5.0 million, or 21%, compared to \$23.5 million, or \$0.32 per share (basic and diluted), for the same period last year.

Adjusted EBITDA for the second quarter ended June 30, 2017, was characterized by an increase in revenues compared to the same period last year, mainly due to additional base management fees following the acquisitions of Apex, Fiera

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Properties, Fiera Infrastructure, Fiera Private Lending and Charlemagne. However, this was partially offset by an increase in overall operating expenses to support the Firm's growth and expansion.

Current Quarter versus Previous Quarter

For the second quarter ended June 30, 2017, adjusted EBITDA was \$28.5 million or \$0.35 per share (basic) and \$0.34 (diluted), representing an increase of \$3.3 million, or 13%, compared to \$25.2 million or \$0.31 per share (basic) and \$0.30 (diluted), from the previous quarter ended March 31, 2017. The increase is mainly due to higher base management fees resulting from organic growth, partially offset by higher operating expenses to support business growth.

Net Earnings

The following table presents the Firm's net earnings and adjusted net earnings for the three and six-month periods ended June 30, 2017, and 2016, respectively.

Table 7 - Net Earnings and Adjusted Net Earnings ⁽¹⁾ (in \$ thousands except per share data)

	FOR THE THREE-MONTH PERIODS ENDED			FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	JUNE 30, 2017	JUNE 30, 2016
Net earnings attributable to the Company's shareholders	877	4,428	7,901	5,305	15,181
Depreciation of property and equipment	956	931	824	1,887	1,655
Amortization of intangible assets	10,900	10,935	8,464	21,835	16,009
Share-based compensation	6,928	2,673	2,559	9,601	6,109
Changes in fair value of derivative financial instruments ^(*)	439	(372)	(265)	67	(619)
Non-cash items ⁽¹⁾	19,223	14,167	11,582	33,390	23,154
Restructuring, integration and other costs ^(*)	4,851	1,076	3,894	5,927	4,412
Acquisition costs ^(*)	1,659	1,718	2,054	3,377	5,762
(Gain) on disposal of investment in joint-venture ^(*)	-	-	-	-	(15,013)
Revaluation of assets held-for-sale ^(*)	-	-	-	-	7,921
(Gain) on acquisition of control of investment in joint-venture ^(*)	-	-	(5,827)	-	(5,827)
Income taxes on above-mentioned items ^(*)	2,085	727	(43)	2,811	(1,009)
Adjusted net earnings attributable to the Company's shareholders	24,525	20,662	19,647	45,188	36,599
Per share – basic					
Net earnings	0.01	0.05	0.11	0.07	0.21
Adjusted net earnings ⁽¹⁾	0.30	0.25	0.27	0.55	0.50
Per share – diluted					
Net earnings	0.01	0.05	0.11	0.06	0.21
Adjusted net earnings ⁽¹⁾	0.29	0.25	0.26	0.54	0.50

⁽¹⁾ Please refer to "Non-IFRS Measures" Section and the related reconciliation table on page 41.

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

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Current Quarter versus Prior-Year Quarter

For the second quarter ended June 30, 2017, the Firm reported net earnings attributable to the Company's shareholders of \$0.9 million, or \$0.01 per share (basic and diluted), compared to \$7.9 million, or \$0.11 per share (basic and diluted), for the same quarter last year. The decrease in net earnings is mainly attributable to a non-recurring gain on acquisition of control of an investment in a joint venture related to Fiera Properties recorded in the second quarter of 2016 vs nil in the current quarter ended June 30, 2017 combined with higher overall expenses.

Current Quarter versus Previous Quarter

For the second quarter ended June 30, 2017, the Firm reported net earnings attributable to the Company's shareholders of \$0.9 million, or \$0.01 per share (basic and diluted), compared to \$4.4 million, or \$0.05 per share (basic and diluted), for the previous quarter ended March 31, 2017. The decrease in net earnings is mainly attributable to higher overall operating expenses, namely compensation related expenses, combined with a one-time cost recorded in the second quarter of 2017, partially offset by higher base management fees resulting from the organic growth.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

For the six-month period ended June 30, 2017, the Firm recorded net earnings attributable to the Company's shareholders of \$5.3 million, or \$0.07 per share (basic) and \$0.06 (diluted), compared to \$15.2 million, or \$0.21 per share (basic and diluted) for the same period last year. The decrease in net earnings is mainly attributable to the fact that net earnings for the six-month period ended June 30, 2016, included a gain of \$5.8 million related to the acquisition of control of an investment in a joint venture, a gain of \$15.0 million on the disposal of Axium, partially offset by the revaluation of assets-held-for-sale related to Fiera Quantum of \$7.9 million.

Adjusted Net Earnings⁽¹⁾

The Firm selects adjusted net earnings as one of the key non-IFRS performance measures as it is a good indicator of the Firm's ability to generate cash flows. Please refer to the "Non-IFRS Measures" Section for the definition of adjusted net earnings.

Current Quarter versus Prior-Year Quarter

During the second quarter ended June 30, 2017, \$19.1 million of non-cash items⁽¹⁾, net of income taxes on changes in fair value of derivative financial instruments (\$19.2 million before taxes), or \$0.23 per share (basic and diluted), as well as \$4.6 million, or \$0.06 per share (basic) and \$0.05 (diluted), of acquisition and restructuring, integration and other costs, net of income taxes (\$6.5 million before taxes) had an unfavourable impact on the net earnings attributable to the Company's shareholders. Excluding these items, adjusted net earnings attributable to the Company's shareholders amounted to \$24.5 million, or \$0.30 per share (basic) and \$0.29 (diluted) for the second quarter ended June 30, 2017.

During the second quarter ended June 30, 2016, \$11.7 million of non-cash items⁽¹⁾, net of income taxes on the changes in fair value of derivative financial instruments (\$11.6 million before taxes), or \$0.16 per share (basic) and \$0.15 (diluted), as well as \$0.1 million, or nil per share (basic and diluted), of acquisition and restructuring, integration and other costs and gain on acquisition of control of an investment in a joint venture, net of income taxes (\$0.085 million before taxes) had an unfavourable impact on the net earnings attributable to the Company's shareholders. Excluding these items, adjusted net earnings attributable to the Company's shareholders amounted to \$19.6 million, or \$0.27 per share (basic) and \$0.26 (diluted) for the second quarter ended June 30, 2016.

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Current Quarter versus Previous Quarter

During the first quarter ended March 31, 2017, \$14.3 million of non-cash items⁽¹⁾, net of income taxes on changes in fair value of derivative financial instruments (\$14.2 million before taxes), or \$0.18 per share (basic and diluted), as well as \$2.0 million, or \$0.02 per share (basic and diluted), of acquisition and restructuring, integration and other costs, net of income taxes (\$2.8 million before taxes) had an unfavourable impact on the net earnings attributable to the Company's shareholders. Excluding these items, adjusted net earnings attributable to the Company's shareholders amounted to \$20.7 million, or \$0.25 per share (basic and diluted) for the first quarter ended March 31, 2017, compared to adjusted net earnings attributable to the Company's shareholders of \$24.5 million or \$0.30 per share (basic) and \$0.29 (diluted) for the second quarter ended June 30, 2017.

Year-to-Date June 30, 2017, versus Year-to-Date June 30, 2016

For the six-month period ended June 30, 2017, \$33.4 million of non-cash items⁽¹⁾, net of income taxes on the changes in fair value of derivative financial instruments (\$33.4 million before taxes), or \$0.40 per share (basic and diluted), as well as \$6.5 million, or \$0.08 per share (basic and diluted), of acquisition and restructuring, integration and other costs, net of income taxes (\$9.3 million before taxes) had an unfavourable impact on the net earnings attributable to the Company's shareholders. Excluding these items, adjusted net earnings attributable to the Company's shareholders amounted to \$45.2 million, or \$0.55 per share (basic) and \$0.54 (diluted) for the six-month period ended June 30, 2017, compared to \$36.6 million or \$0.50 per share (basic and diluted) for the same period last year.

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

SUMMARY OF QUARTERLY RESULTS

The Firm's AUM, total revenues, adjusted EBITDA ⁽¹⁾, adjusted EBITDA margin ⁽¹⁾ and net earnings, on a consolidated basis including per share amounts, for each of the Firm's most recently completed eight quarterly periods and the last twelve months are as follows:

Table 8 – Quarterly Results (in \$ thousands except AUM in \$ millions and per share data)

	Last Twelve Months ⁽²⁾	Q2 Jun. 30 2017	Q1 Mar. 31 2017	Q4 Dec. 31 2016	Q3 Sep. 30 2016	Q2 Jun. 30 2016	Q1 Mar. 31 2016	Q4 Dec. 31 2015	Q3 Sep. 30 2015
AUM	119,278	125,658	122,063	116,925	112,465	109,136	97,988	101,431	88,759
Total revenues	412,800	109,349	100,574	120,968	81,909	74,983	66,284	73,999	60,214
Adjusted EBITDA ⁽¹⁾	121,209	28,480	25,199	41,599	25,931	23,510	16,157	25,757	18,608
Adjusted EBITDA margin ⁽¹⁾	29.4%	26.0%	25.1%	34.4%	31.7%	31.4%	24.4%	34.8%	30.9%
Net earnings attributable to Company's shareholders	10,901	877	4,428	5,203	393	7,901	7,280	9,678	6,700
PER SHARE – BASIC									
Adjusted EBITDA ⁽¹⁾	1.51	0.35	0.31	0.52	0.33	0.32	0.22	0.36	0.27
Net earnings attributable to the Company's shareholders	0.14	0.01	0.05	0.07	0.01	0.11	0.10	0.14	0.10
Adjusted net earnings attributable to the Company's shareholders ⁽¹⁾	1.20	0.30	0.25	0.40	0.25	0.27	0.23	0.30	0.25
PER SHARE – DILUTED									
Adjusted EBITDA ⁽¹⁾	1.48	0.34	0.30	0.51	0.33	0.32	0.22	0.36	0.27
Net earnings attributable to the Company's shareholders	0.13	0.01	0.05	0.06	0.01	0.11	0.10	0.13	0.10
Adjusted net earnings attributable to the Company's shareholders ⁽¹⁾	1.17	0.29	0.25	0.38	0.25	0.26	0.23	0.29	0.25

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

⁽²⁾ AUM Last Twelve Months ("LTM") represents the average of the last four quarters.

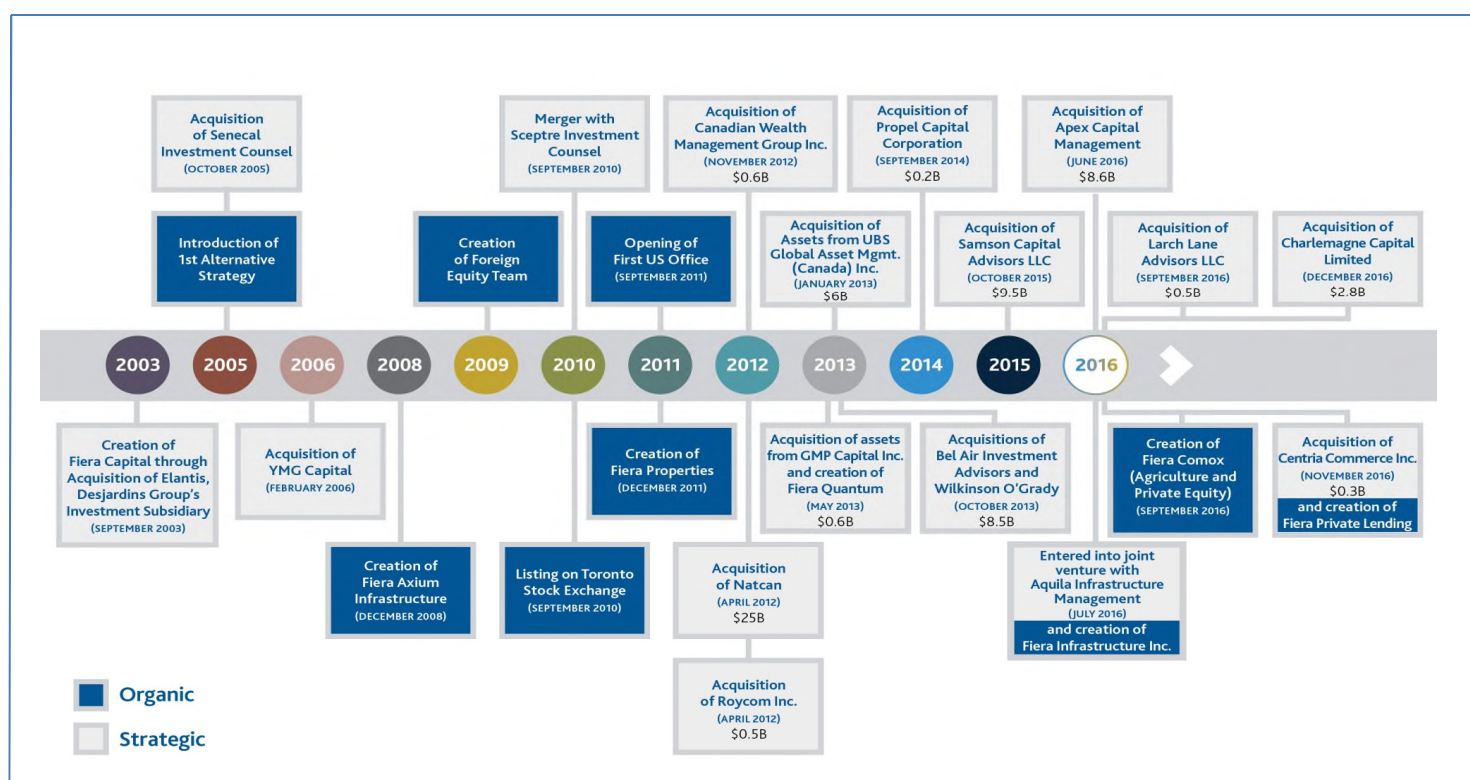
Certain totals, subtotals and percentages may not reconcile due to rounding.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

Company Evolution

The following diagram shows key initiatives, including organic growth and business acquisitions in the evolution of the Company since its creation.



LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The ability to consistently generate cash flows from operations in excess of dividend payments, share repurchases, capital expenditures, and ongoing operating expenses remains one of the Company's fundamental financial goals. The Firm's principal uses of cash, other than for operating expenses, include (but are not limited to) dividend payments, debt repayments, capital expenditures, business acquisitions and stock buy-backs.

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

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For the Three and Six-Month Periods Ended June 30, 2017

Table 9 – Summary of Consolidated Statements of Cash Flows (in \$ thousands)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	JUNE 30, 2016
Cash generated by operating activities	26,077	13,964
Cash (used in) investing activities	(4,082)	(94,041)
Cash generated by (used in) financing activities	(28,898)	70,747
Net (decrease) in cash	(6,903)	(9,330)
Effect of exchange rate changes on cash denominated in foreign currencies	(995)	(1,298)
Cash and cash equivalents, beginning of period	40,110	25,725
Cash and cash equivalents, end of period	32,212	15,097

Year-to-Date Activities

Cash generated by operating activities amounted to \$26.1 million for the six-month period ended June 30, 2017. This amount resulted from \$33.1 million cash generated from net earnings adjusted for depreciation and amortization, share-based compensation, accretion of purchase price obligations, interest on long-term debt and other financial charges, income tax expenses and income tax paid, as well as changes in fair value of derivative financial instruments, combined with a positive change in other non-current liabilities of \$0.9 million. These elements were offset by \$7.0 million in negative change in non-cash operating working capital during the quarter.

Cash used in investing activities was \$4.1 million for the six-month period ended June 30, 2017, resulting mainly from \$3.4 million cash used for payment of purchase price adjustments and obligations, \$2.8 million cash used for the settlement of a put option, \$1.3 million cash used for purchase of property and equipment and \$1.0 million cash used for purchase of intangible assets during the period, partially offset by \$4.9 million of cash generated from investments.

Cash used in financing activities was \$28.9 million for the six-month period ended June 30, 2017, resulting mainly from \$28.1 million of dividend payments, \$8.1 million cash used in long-term debt interest payments and financing charges and \$6.5 million cash used for purchase of non-controlling interest, partially offset by \$13.2 million of increase in long-term debt and \$1.4 million of share issuance during the period.

Finally, the negative impact of exchange rate changes on cash denominated in foreign currencies was \$1.0 million during the six-month period ended June 30, 2017.

Year-to-Date June 30, 2017 versus Year-to-Date June 30, 2016

Cash generated by operating activities amounted to \$26.1 million for the six-month period ended June 30, 2017, compared to \$14.0 million cash generated by operating activities for the same period last year. The positive variation in cash generated by operating activities is mainly attributable to higher adjusted EBITDA of \$14.0 million as described in the "Adjusted EBITDA" section, partially offset by higher income tax expenses and income tax paid of \$1.3 million for the six-month period ended June 30, 2017, compared to the same period last year.

Cash used in investing activities amounted to \$4.1 million for the six-month period ended June 30, 2017, compared to \$94.0 million cash used in investing activities for the same period last year. The variation in cash used in investing activities is mainly attributable to \$112.3 million of cash used in the Apex acquisition, partially offset by \$20 million in

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

proceeds from the disposal of an investment in a joint venture recorded during the six-month period ended June 30, 2016.

Cash used in financing activities was \$28.9 million for the six-month period ended June 30, 2017, compared to \$70.7 million cash generated by financing activities for the same period last year. The year-over-year variation is mainly attributable to lower long-term debt of \$88.7 million, combined with higher dividend payments of \$4.7 million, higher interest paid on long-term debt of \$4.0 million during the six-month period ended June 30, 2017, compared to the same period of 2016.

Finally, the exchange rate changes on cash denominated in foreign currencies negatively impacted the cash flow of the Firm by \$1.0 million during the six-month period ended June 30, 2017, compared to a \$1.3 million negative impact for the same period last year.

Cash Earnings ⁽¹⁾

The following table provides details of the Firm's cash earnings and cash earnings per share for the six-month periods ended June 30, 2017, and 2016, respectively.

Table 10 – Cash Earnings ⁽¹⁾ (in \$ thousands except per share data)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	JUNE 30, 2016
Net earnings attributable to the Company's shareholders	5,305	15,181
Adjusted for the following items:		
Depreciation of property and equipment	1,887	1,655
Amortization of intangible assets	21,835	16,009
Share-based compensation	9,601	6,109
Changes in fair value of derivative financial instruments	67	(619)
Cash earnings attributable to the Company's shareholders ⁽¹⁾	38,695	38,335
Cash earnings per share (basic) ⁽¹⁾	0.47	0.53
Cash earnings per share (diluted) ⁽¹⁾	0.46	0.52

⁽¹⁾ Please refer to "Non-IFRS Measures" Section on page 41.

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

For the six-month period ended June 30, 2017, \$23.7 million in depreciation of property and equipment, and amortization of intangible assets, as well as \$9.6 million share-based compensation, and \$0.066 million change in fair value of derivative financial instruments had an unfavourable impact on the net earnings attributable to the Company, compared to \$17.7 million, \$6.1 million and \$(0.6) million for the same period last year, respectively. Excluding these items, cash earnings attributable to the Company's shareholders amounted to \$38.7 million, or \$0.47 per share (basic) and \$0.46 (diluted) for the six-month period ended June 30, 2017, compared to \$38.3 million or \$0.53 per share (basic) and \$0.52 (diluted) for the same period last year.

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Long-Term Debt

Table 11 – Credit Facility (in \$ thousands)

	JUNE 30, 2017	DECEMBER 31, 2016
Credit Facility		
Term facility	162,212	167,838
Revolving facility	270,278	262,323
Other facility	1,150	2,039
Deferred financing charges	(1,509)	(1,777)
	432,131	430,423
Less current portion	(525)	(1,283)
Non- current portion	431,606	429,140

Credit Facility

On May 31, 2016, the Company entered into the Fourth Amended and Restated Credit Agreement ("Credit Agreement") which includes a term facility and a revolving facility (together, the "Credit Facility").

Term Facility

The Credit Agreement includes a US\$125 million term (non-revolving) facility for which there are no minimum repayments until May 31, 2019, the date at which the full amount drawn on the term facility is repayable.

The total amount drawn on the term facility as at June 30, 2017 is US\$125 million (CA\$162.212 million) (US\$125 million (CA\$167.838 million) as at December 31, 2016).

Revolving Facility

The Credit Facility includes a CA\$300 million senior unsecured revolving facility that can be drawn on in Canadian or US dollars at the discretion of the Company. Under the terms of the Credit Agreement, there are no minimum repayments on the revolving facility, until March 25, 2020, the date at which the full amount drawn on the revolving facility is repayable in full.

As at June 30, 2017, the total amount drawn on the revolving facility was comprised of CA\$30.341 million and US\$184.894 million (CA\$239.937 million) (CA\$174 million and US\$65.781 million (CA\$88.323 million) as at December 31, 2016).

Under the terms of the Credit Agreement, the Company must satisfy certain restrictive covenants on the Credit Facility including minimum financial ratios. These restrictions include maintaining a maximum ratio of Funded Debt to EBITDA and a minimum interest coverage ratio. EBITDA, a non IFRS financial measure, is defined in the Credit Agreement as consolidated earnings before interest, income taxes, depreciation, amortization, non-recurring and one-time expenses related to acquisitions and other non-cash items. As at June 30, 2017 and December 31, 2016, all restrictive covenants under the Credit Agreement were met.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Other Facilities

As at June 30, 2017, one of the Company's subsidiaries has an outstanding bank loan in the amount of \$1.019 million of which quarterly payments of CA\$0.131 million are required (respectively \$1.281 million and CA\$0.131 million as at December 31, 2016). The loan bears interest at prime plus 0.25% to 0.50% which is based on the ratio of senior debt to EBITDA (a non-IFRS financial measure defined in the loan agreement), and matures on June 30, 2019. All debt covenant requirements were met as at June 30, 2017 and December 31, 2016.

During the three-month period ended June 30, 2017, this subsidiary amended its credit agreement to include a leasing facility. As at June 30, 2017, an amount of CA\$0.131 million was drawn on a lease-back loan with the bank.

This subsidiary also has a line of credit with a dollar limit of CA\$0.75 million. It bears interest at prime plus up to 0.25% which is also based on the ratio of senior debt EBITDA and has no fixed maturity date. As at June 30, 2017, the amount drawn by the subsidiary on the line of credit is nil (nil as at December 31, 2016).

Another subsidiary of the Company has a line of credit with a dollar limit of CA\$0.8 million. It bears interest at prime plus 2.75% and has no fixed maturity date. As at June 30, 2017, the amount drawn by the subsidiary on the line of credit is nil (\$0.758 million as at December 31, 2016).

Contractual Obligations and Contingent Liabilities

Contractual Obligations

As at June 30, 2017, the Company had no material contractual obligation other than those described in the Company's 2016 Annual MD&A in the section entitled "Contractual Obligations".

Contingent Liabilities

In the normal course of business, the Company and its subsidiaries may be party to business and employee-related claims. The potential outcomes related to existing matters faced by the Company are not determinable at this time. 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.

Off-Balance Sheet Arrangements

At June 30, 2017, Fiera Capital was not party to any off-balance sheet arrangements, including guarantees, derivatives, except variable-interest entities. We do not expect to enter into such agreements.

Share Capital

As at June 30, 2017, the Company had 62,440,214 Class A shares and 19,790,625 Class B special voting shares for a total of 82,230,839 outstanding shares compared to 57,859,415 Class A subordinate voting shares and 19,847,577 Class B special voting shares for a total of 77,706,992 outstanding shares as at June 30, 2016.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Share-Based Payments

Stock Option Plan

The following table presents transactions that occurred during the six-month periods ended June 30, 2017, and 2016, under the terms of the Company's stock option plans:

Table 12 – Options Transactions

	JUNE 30, 2017		JUNE 30, 2016	
	Number of Class A Share Options	Weighted-Average Exercise Price (\$)	Number of Class A Share Options	Weighted-Average Exercise Price (\$)
Outstanding – beginning of period	2,799,345	10.25	3,040,225	9.58
Granted	347,000	13.64	41,259	13.33
Exercised	(180,121)	7.96	(265,403)	4.73
Forfeited	(20,645)	13.44	-	-
Outstanding – end of period	2,945,579	10.76	2,816,081	10.09
Options exercisable – end of period	989,901	7.73	1,103,440	7.74

Deferred Share Unit Plan ("DSU")

The Company recorded an expense of \$0.006 million and \$0.021 million during the three and six-month periods ended June 30, 2017 for the DSU Plan (\$0.006 million) and \$0.025 million for the three and six-month periods ended June 30, 2016). As at June 30, 2017, the Company had a liability of \$0.213 million related to this plan (\$0.192 million as at December 31, 2016).

Restricted Share Unit ("RSU") Plan

The Company recorded an expense of \$3.873 million and \$4.633 million during the three and six-month periods ended June 30, 2017 for the RSU Plan (\$0.648 million and \$1.971 million for the three and six-month periods ended June 30, 2016). As at June 30, 2017, the Company had a liability totalling \$3.464 million related to this plan (\$3.081 million as at December 31, 2016). As at June 30, 2017 there were 395,618 RSUs outstanding (456,303 as at December 31, 2016).

Restricted Share Unit Plan – Cash ("RSU Cash")

The Company recorded an expense of \$0.49 million and \$0.934 million during the three and six-month periods ended June 30, 2017 for this plan (nil for the three and six-month periods ended June 30, 2016). As at June 30, 2017, the Company had a liability totalling \$1.479 million related this plan (\$0.549 million as at December 31, 2016).

Restricted Share Plan ("RSP")

The Company recorded an expense of \$0.184 million and \$0.362 million during the three and six-month periods ended June 30, 2017 for the restricted share plan (\$0.381 million and \$0.734 million for the three and six-month periods ended June 30, 2016).

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Performance Share Unit Plan ("PSU")

PSU plan applicable to business units ("PSU plan applicable to BU")

The Company recorded an expense of \$1.782 million and \$2.605 million during the three and six-month periods ended June 30, 2017 for the PSU plan applicable to BU (\$1.038 million and \$2.124 million for the three and six-month periods ended June 30, 2016). For the three and six-month periods ended June 30, 2017, the expense is entirely attributable to equity-settled grants. For the three and six-month periods ended June 30, 2016, the expense attributable to equity-settled grants is \$1.038 million and \$2.139 million, respectively and cash-settled grants is nil and (\$0.015 million), respectively.

During the three and six-month periods ended June 30, 2017, the total award value granted to eligible employees under the Company's PSU plans applicable to business units was nil and \$6.566 million (nil for the three and six-month periods ended June 30, 2016). During the three and six-month periods ended June 30, 2017, no PSU applicable to business units vested. A total of 253,242 and 730,285 Class A Shares were issued during the three and six-month periods ended June 30, 2017 relating to PSUs vested in 2016.

During the three and six-month periods ended June 30, 2016, nil and 244,878 PSUs vested and were settled. The Company settled the vested PSUs by paying \$4.237 million in cash in lieu of issuing Class A Shares. The Company treated the transaction as a repurchase of an equity interest and recorded a deduction in the amount of \$4.237 million in contributed surplus. The settling of these PSUs in cash was due to exceptional circumstances. The Company's management has the intention to settle the remaining tranches by issuing shares.

PSU Plan

The Company recorded an expense of \$0.324 million and \$0.732 million during the three and six-month periods ended June 30, 2017 for this PSU plan (\$0.135 million and \$0.583 million for the three and six-month periods ended June 30, 2016). For the three and six-month periods ended June 30, 2017, the expense is entirely attributable to cash-settled. For the three and six-month periods ended June 30, 2016, the expense is attributable to equity-settled grants for an amount of nil and (\$0.023 million), respectively and to cash-settled grants for an amount of \$0.135 million and \$0.606 million, respectively. A total of 37,705 and 73,030 Class A Shares were issued during the three and six-month periods ended June 30, 2017 relating to PSUs vested in 2016 and \$0.475 million was paid in cash (9,542 Class A Shares issued during the three and six-month periods ended June 30, 2016).

Stock Option Plans in the Company's Subsidiaries

Two of the Company's subsidiaries have a stock option plan which is based on the shares of the respective subsidiary entity. These plans are accounted for as cash-settled plans. The Company's subsidiaries stock option expense in the statements of consolidated net earnings for the three and six-month periods ended June 30, 2017 was \$0.406 million and \$0.575 million, respectively (nil for the three and six-month periods ended June 30, 2016). The cash settled share-based liability is \$1.759 million in the statements of financial position as at June 30, 2017 (\$1.297 million as at December 31, 2016).

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Related Party Transactions

In the normal course of business, the Company carries out transactions with related parties which include two related shareholders or with entities under the same common control as these related shareholders.

One of the related shareholders has significant influence over the Company since it is entitled to appoint two of the four directors of the Company that the holders of Class A Shares are entitled to elect, as long as it holds, directly or indirectly, at least 20% of the outstanding Class A Shares and Class B Shares, together, on a non-diluted basis. At June 30, 2017, this shareholder held 20.7% of the Company's issued and outstanding shares (20.0% as at June 30, 2016). This related shareholder is the lead arranger to the Company's Credit Facility and is the counterparty to the derivative financial instruments presented as being with a related entity in the table below.

At June 30, 2017, the other related shareholder has significant influence over the Company since it indirectly owns Class B Special Voting Shares representing approximately 8.8% of the Company's issued and outstanding shares (9.3% as at June 30, 2016) and pursuant to the terms of a shareholders' agreement between this related shareholder and an entity related to the Company, the related shareholder is entitled to appoint two of the eight directors of the Company that the holders of Class B Shares are entitled to elect. In order to maintain the rights described above, the related shareholder is required to maintain a minimum ownership level in the Company and a specified minimum level of assets under management.

The following table presents transactions either directly with the two related shareholders or with entities under the same common control as these related shareholders:

Table 13 – Related Party Transactions (in \$ thousands)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	JUNE 30, 2016
Base management, performance fees and other revenues	25,602	24,855
Selling, general & administrative expenses		
Reference fees	819	756
Other	215	1,209
Interest on long-term debt	7,624	4,654
Acquisition costs	252	-
Net changes in fair value of derivative financial instruments	67	(619)

The transactions were made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Fees are at prevailing market prices and are settled on normal trade terms.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

CONTROL AND PROCEDURES

The Chairman of the Board, President & Chief Executive Officer ("CEO") and the Executive Vice President, Global Chief Financial Officer & President of the Private Alternative Investment division ("CFO"), together with Management, are responsible for establishing and maintaining adequate disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in National Instrument 52-109.

Fiera Capital Corporation's ("Corporation") internal control framework is based on the criteria published in the *Internal Control-Integrated Framework (COSO framework 2013)* report issued by the *Committee of Sponsoring Organizations of the Treadway Commission (COSO)* and is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The CEO and CFO, supported by Management, evaluated the design of the Corporation's DC&P and ICFR as at June 30, 2017, and have concluded that they were effective. Furthermore, no significant changes to the internal controls over financial reporting occurred during the quarter ended June 30, 2017.

Limitation on Scope of Design

The Regulation 52-109 permits an issuer to limit the scope of its design of DC&P and ICFR for a business that the issuer acquired not more than 365 days before the end of the financial period to which the certificate relates. Therefore the Corporation excluded the following acquisitions until the fourth quarter of 2017:

- On November 10 2016, the Corporation acquired 100% of the issued and outstanding shares of Centria ("Fiera Private Lending Inc.")
- On December 14 2016, the Corporation acquired 100% of the issued and outstanding shares of Charlemagne Capital Limited ("Fiera Europe").

Management is in the process of completing its review of the design of DC&P and ICFR for these acquisitions. At June 30, 2017, risks were, however, mitigated as management was fully apprised of any material events affecting these acquisitions. In addition, all the assets and liabilities acquired were valued and recorded as part of the purchase price allocation process and the results of operations of these acquisitions were also included in the Corporation's interim condensed consolidated financial statements as follow:

% of Interim Condensed Consolidated Financial Statements	Fiera Europe	Fiera Private Lending Inc.
Revenue	8.77%	3.47%
Net earnings	(8.26%)	45.12%
Current assets	2.92%	17.38%
Total assets	4.08%	6.33%

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

FINANCIAL INSTRUMENTS

The Company, through its financial assets and financial liabilities, has exposure to the following risks from its use of financial instruments: market risk, equity market fluctuation risk, credit risk, interest rate risk, currency risk and liquidity risk. These risks and the management of these risks are described in the Company's 2016 Annual MD&A in the section entitled "*Financial Instruments*". The Company has not identified any material changes to the risk factors affecting its business or in the management of these risks.

CAPITAL MANAGEMENT

The Company's capital comprises share capital including hold back shares, (deficit) retained earnings and long-term debt, less cash and cash equivalents. The Company manages its capital to ensure adequate capital resources while maximizing return to shareholders through the optimization of the debt and equity balance and to maintain compliance with regulatory requirements and certain restrictive debt covenants required by the lender of the debt. As at June 30, 2017, the Company and one of its subsidiaries have complied with their respective calculations of excess working capital as required by National Instrument 31-103 *Registration Requirements and Exemptions*, which is calculated on a non-consolidated basis. The Company and its subsidiaries 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 or proceed to the issuance or repayment of debt.

SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATION UNCERTAINTIES

This MD&A is prepared with reference to the interim condensed consolidated financial statements for the three and six-month periods ended June 30, 2017 and June 30, 2016. A summary of the Company's significant accounting judgments and estimation uncertainties are presented in Note 3 to the Company's audited consolidated financial statements for the year ended December 31, 2016. Some of the Company's accounting policies, as required under IFRS, require the Management to make subjective, complex judgments and estimates to matters that are inherent to uncertainties.

NEW ACCOUNTING POLICIES

Adoption of New IFRS

The following revised standards are effective for annual periods beginning on January 1, 2017 and their adoption has not had any impact on the amounts reported or disclosures made in these financial statements.

Amendments to IAS 7 – Statement of cash flows

In January 2016, the IASB published amendments to IAS 7 – *Statement of cash flows*. The amendments are intended to improve information provided to users of financial statements about an entity's financing activities. The adoption of these amendments will result in additional disclosures in the annual consolidated financial statements.

Amendments to IAS 12 – Income taxes

In January 2016, the IASB published amendments to IAS 12 – *Income taxes*. The amendments are intended to clarify the recognition of deferred tax assets where an asset is measured at fair value and that fair value is below the asset's tax base.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Annual improvements to IFRS (2014-2016) cycle

In December 2016, the IASB published annual improvements on the 2014-2016 cycle. The pronouncement contained amendments to clarify the scope of IFRS 12 – *Disclosure on interests in other entities*.

IFRS Issued but Not Yet Adopted

The Company has not applied the following new and revised IFRS that have been issued but are not yet effective:

IFRS 9 – Financial Instruments

In July 2014, the IASB finalized IFRS 9 – *Financial Instruments*, bringing together the financial asset and financial liability classification and measurement, impairment of financial assets and hedge accounting phases of the IASB project. IFRS 9 provides a single model for financial asset classification and measurement that is based on contractual cash flow characteristics and on the business model for holding financial assets. IFRS 9 also introduces a new impairment model for financial assets not measured at fair value through profit or loss. This version adds a new expected loss impairment model and limited amendments to classification and measurement of financial assets and liabilities. IFRS 9 replaces IAS 39 – *Financial Instruments: Recognition and Measurement* and is mandatorily effective for annual periods beginning on or after January 1, 2018, and is to be applied retrospectively. Early adoption permitted. The Company is evaluating the impact of this standard on its consolidated financial statements.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 – *Revenue from Contracts with Customers*. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments.

In April 2016, the IASB issued clarifications to IFRS 15 which provide clarity on revenue recognition related to identifying performance obligations, application guidance on principal versus agent and licenses of intellectual property and provide some transition relief for modified contracts and completed contracts. Adoption of IFRS 15 is mandatory for annual periods beginning on or after January 1, 2018. Entities have the choice of full retrospective application, or prospective application with additional disclosures. Early adoption is permitted. The Company is evaluating the impact of this standard on its consolidated financial statements.

IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16 – *Leases*. It supersedes the IASB's current lease standard, IAS 17, which required lessees and lessors to classify their leases as either finance leases or operating leases and to account for those two types of leases differently. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. It introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months and for which the underlying asset is not of low value. This new standard will come into effect for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted only for entities also applying IFRS 15 – *Revenue from Contracts with Customers*. The Company is evaluating the impact of this standard on its consolidated financial statements.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

Amendments to IFRS 2 – Share-Based Payments

In June 2016, the IASB published amendments to IFRS 2 – *Share-based payments*. The amendments clarify the classification and measurement of share-based payment transactions. The amendments will come into effect for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Company is evaluating the impact of this standard on its consolidated financial statements.

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) the significant 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 before interest, income taxes, depreciation and amortization (EBITDA). **Adjusted EBITDA** is calculated as EBITDA, adjusted for acquisitions, restructuring, integration and other costs, accretion and change in fair value of purchase price obligations, changes in fair value of derivative financial instruments, realized loss (gain) on investments, loss on disposal of investment in subsidiaries, gain on disposal of investment in joint-venture, revaluation of assets held-for-sale, share of (earnings) loss of joint ventures and share-based compensation expenses. We believe that EBITDA and adjusted EBITDA 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 among 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 the **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.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2017

The following table provides a reconciliation between EBITDA, adjusted EBITDA and adjusted EBITDA margin to the most comparable IFRS measures earnings.

	FOR THE THREE-MONTH PERIODS ENDED			FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2017	MARCH 31, 2017	JUNE 30, 2016	JUNE 30, 2017	JUNE 30, 2016
Net earnings	504	4,353	8,303	4,857	12,215
Income taxes	(797)	32	276	(765)	782
Depreciation of property and equipment	956	931	824	1,887	1,655
Amortization of intangible assets	10,900	10,935	8,464	21,835	16,009
Interest on long-term debt and other financial charges	1,388	2,549	2,536	3,937	4,926
EBITDA	12,951	18,800	20,403	31,751	35,587
Restructuring, integration and other costs	4,851	1,076	3,894	5,927	4,412
Acquisition costs	1,659	1,718	2,054	3,377	5,762
Accretion and change in fair value of purchase price obligation	1,289	1,308	694	2,597	1,398
Change in fair value of derivative financial instruments	439	(372)	(265)	67	(619)
Realized loss (gain) on investments	(8)	(4)	(2)	(12)	14
Loss on disposal of intangible assets	371	-	-	371	-
Gain on disposition of investment in joint-venture	-	-	-	-	(15,013)
Gain on acquisition of control of investment in joint venture	-	-	(5,827)	-	(5,827)
Revaluation of assets held-for-sale	-	-	-	-	7,921
Share of (earnings) loss of joint ventures	-	-	-	-	(77)
Share-based compensation	6,928	2,673	2,559	9,601	6,109
Adjusted EBITDA	28,480	25,199	23,510	53,679	39,667
REVENUES	109,349	100,574	74,983	209,923	141,267
Adjusted EBITDA Margin	26.0%	25.1%	31.4%	25.6%	28.1%

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

We define **Adjusted net earnings** as the sum of net earnings (loss) attributable to the Company's shareholders, depreciation of property and equipment, amortization of intangible assets, after-tax changes in fair value of derivative financial instruments, after-tax acquisition, restructuring, integration and other costs, after-tax gain on disposal of investment in joint-venture and after-tax revaluation of assets held-for-sale, after-tax gain on acquisition of control of investment in joint-venture and share-based compensation. We believe that adjusted net earnings is a meaningful measure as it allows for the evaluation of the Firm'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 among periods and could potentially distort the analysis of trends in its business performance. Excluding these items does not imply they are necessarily non-recurring. The reconciliation of adjusted net earnings to the most comparable IFRS measures is included in Table 7.

We define **Cash earnings** as net earnings attributable to the Company's shareholders, adjusted for depreciation and amortization, changes in fair value of derivative financial instruments and share-based compensation. Cash earnings are an indicator of the Firm's ability to pay out dividends, to continue operations, and to invest in new businesses. We believe that cash earnings¹ are an important measure to assess our core operating performance.

We define **Non-Cash Items** as the sum of depreciation of property and equipment, amortization of intangible assets, changes in fair value of derivative financial instruments and share-based compensation.

Management's Discussion and Analysis For the Three and Six-Month Periods Ended June 30, 2017

RISKS OF THE BUSINESS

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 2016 Annual MD&A in the section entitled "*Risks of the Business*". The Company has not identified any material changes to the risk factors affecting its business or in the management of these risks.

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