

Management's Discussion and Analysis
FIERA CAPITAL CORPORATION
For the Three and Six-Month Periods Ended June 30, 2016



FIERACAPITAL

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Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

The following management's discussion and analysis ("MD&A") dated August 5, 2016, 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, 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, 2016.

The unaudited interim condensed consolidated financial statements include the accounts of Fiera Capital Corporation and its wholly owned subsidiaries: Fiera Capital Funds Inc. ("FCFI") which is registered with various provincial securities commissions as a mutual fund dealer and maintains its membership with the Mutual Fund Dealer Association (MFDA), and Fiera US Holding Inc. (which owns Bel Air Investment Advisors LLC, Bel Air Management LLC, Bel Air Securities LLC, Fiera Capital Inc., formally Wilkinson O'Grady & Co. Inc. and Apex Capital Management "Apex"). Other subsidiaries including Fiera Infrastructure Inc. ("Fiera Infrastructure") and Fiera Properties Limited ("Fiera Properties") are also consolidated. All intercompany transactions and balances have been eliminated on consolidation.

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 Standard ("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, 2015, except for the impact of the adoption of the standards, interpretations and amendment described in Note 3. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2015.

The following MD&A should also be read in conjunction with the Company's 2015 annual audited consolidated financial statements, which contain a description of the accounting policies used in the preparation of these financial statements.

The Company presents adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), adjusted net earnings and cash earnings as key non-IFRS performance measures. These non-IFRS measures are defined on page 45.

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.

COMPANY OVERVIEW

Fiera Capital Corporation was incorporated as Fry Investment Management Limited in 1955 and is incorporated under the laws of the Province of Ontario. The Company is a North American 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 US, investment advisory services are provided by the Company's US affiliates, which are investment advisors registered with the US Securities and Exchange Commission. Its head office is located at 1501 Avenue McGill College, office 800, Montreal, Quebec, Canada. The Company is listed on the Toronto Stock Exchange ("TSX") under the symbol "FSZ".

SIGNIFICANT EVENTS

At the half-year mark, the Firm's results reflect solid contributions from all business segments, in Canada and the US, as well as its proven ability to win new mandates.

Fiera Capital Solidifies Position in Fiera Properties

On April 4, 2016, changes to the ownership structure of Fiera Properties were given effect by amendments to the Shareholders' Agreement providing Fiera Capital with effective control. Accordingly, the operational results and financial position of Fiera Properties are now consolidated in the Firm's financial statements.

Samson Capital Advisors and Wilkinson O'Grady Now Operate Under Fiera Capital

Fiera Capital announced on April 4, 2016 that Samson Capital Advisors ("Samson") and Wilkinson O'Grady Inc. & Co ("Wilkinson O'Grady") would operate under the Fiera Capital brand. Samson and Wilkinson O'Grady were acquired by the Firm in 2015 and 2013, respectively, and together they now form the backbone of Fiera Capital's US division, Fiera Capital Inc.

Expanded Distribution Reach through Partnership with Bedrock

The Firm expanded its distribution reach in the United Kingdom and select European markets on April 6, 2016. Under the new exclusive agreement, Fiera Capital and Bedrock launched a long-only global equity fund, the 20 UGS (UCITS) Funds Fiera Global Equity, with Fiera Capital acting as investment manager. This fund is now available to Bedrock clients through a Luxemburg-based collective investment fund initially expected to be distributed in Europe.

Fiera Infrastructure Purchases Infrastructure Assets

On April 20, 2016, Fiera Infrastructure entered into a definitive agreement with Forum Equity Partners to purchase five quality Public Private Partnership assets from their portfolio. The assets are diversified across sub-sectors and geographies and provide critical services to the Canadian public. This was Fiera Infrastructure's first major acquisition and adds stable and recurring cash flows to the newly launched platform.

Fiera Capital Closes Acquisition of Apex Capital Management

Fiera Capital announced on June 1, 2016, that its wholly-owned subsidiary, Fiera US Holding Inc., had completed its previously announced acquisition of Apex Capital Management Inc. ("Apex"), a prominent US growth equity manager

with approximately US\$6.6 billion in assets under management ("AUM") as at June 30, 2016. With the acquisition, Apex becomes part of Fiera Capital's US division. The transaction doubles Fiera Capital's presence in the US institutional and sub-advisory retail markets.

Issuance of Previously Announced Shares to Bel Air and Natcan

Fiera Capital announced on June 30, 2016, that pursuant to the sale and purchase agreement entered into for the acquisition of Los Angeles, California-based Bel Air Investment Advisors LLC as well as its affiliate Bel Air Securities LLC (collectively "Bel Air"), which closed on October 31, 2013, it issued to the Bel Air selling partners an aggregate number of 277,578 Class A subordinate voting shares ("Class A Shares"), at a price per share of C\$12.24 (or US\$11.72), being the market price of the Class A Shares at the time of the signature of the sale and purchase agreement. As a result of such issuance, Fiera Capital also issued to Natcan Investment Management Inc., a wholly-owned subsidiary of National Bank of Canada, 149,469 Class A Shares at the same price per share as the Class A Shares issued to the Bel Air selling partners. National Bank of Canada owns approximately 21% of the issued and outstanding Class A Shares and Class B special voting shares of Fiera Capital.

Subsequent Events

Fiera Capital Divested its Stake in Fiera Quantum Limited Partnership

As expected, the transaction closed on July 18, 2016. Revaluation of the assets held-for-sale of the Fiera Quantum Limited Partnership ("Fiera Quantum") is a two-step transaction, the first of which occurred in the first quarter of 2016 when Fiera Capital revalued the non-current assets to the lower of its carrying amount and its fair value less costs to sell and a revaluation of \$7.9 million was recognized. The second portion of the transaction occurred on July 18, 2016, when the firm recognized the contribution of the minority interest.

Closing of Joint Venture Agreement with Aquila Infrastructure Management

On July 22, 2016, the Firm closed the transaction with Toronto-based Aquila Infrastructure Management Inc. ("Aquila"), and officially welcomed a team of professionals with significant experience and in-depth knowledge of the infrastructure sector. The joint venture with Aquila has approximately \$500 million in invested and committed capital and benefits from a strong pipeline of investment opportunities. Aquila's portfolio also brings a new set of diversified international assets, including hydroelectric projects and regulated utilities. This transaction brings Fiera Capital's total infrastructure asset portfolio to \$1.2 billion which includes Fiera Infrastructure's \$500 million of invested and committed capital and \$720 million of infrastructure debt (as at March 31, 2016).

Larch Lane Advisors to Join Fiera Capital

On July 27, 2016, Fiera Capital's US Division, Fiera Capital Inc., has entered into an agreement that will bring the entire team of Larch Lane Advisors LLC ("Larch Lane"), an alternative investment advisory firm, and its current strategies to Fiera Capital. The team is expected to join Fiera Capital on September 1, 2016. The new team will complement Fiera Capital's existing capabilities in alternative investing in Canada and add high-caliber expertise in alternative investment management, risk management, fund accounting and firm operations to the US division.

MARKET AND ECONOMIC OVERVIEW

Market Overview

Fixed income markets posted positive results during the second quarter of 2016, as investors contemplated both the consequences surrounding the United Kingdom's vote to leave the European Union as well as the path of monetary policy in the US, particularly as the Federal Reserve revised its path for future interest rates lower. North American interest rates have been in a perpetual downtrend, despite the decent fundamental backdrop in the US and Canada. However, interest rates have been driven lower by several global (rather than domestic) factors, specifically the risks associated with "Brexit" implications as well as ultra-stimulative monetary policies from central banks abroad. In turn, the environment of extremely depressed interest rates abroad has stoked appetite for higher-yielding North American fixed income as yield-starved investors seek out an attractive alternative to more than two thirds of worldwide sovereign debt that's carrying a negative interest rate, which has fuelled massive fund flows into the North American fixed income market and placed a cap on bond yields.

Global equity markets produced some mixed results during the second quarter of 2016. Once again, the theme of Canadian equity dominance prevailed, with the S&P/TSX significantly outperforming its global peers. Canadian equities pushed through the 14,000 mark to hit their highest level since last August, as ongoing momentum in the commodity space bolstered the resource-levered market. However, in late June, uncertainty following the Brexit vote cooled down equity markets. Meanwhile, the US equity market also posted positive, albeit more modest results for the quarter, particularly as the Federal Reserve adopted a cautious approach to monetary policy, reassuring investors that officials would not derail the recovery with a premature rate hike. Moreover, while the US equity market collapsed in the aftermath of the Brexit vote, confidence was restored late in the month and accordingly, the US market recouped its late-month losses. In contrast, international equity markets posted some negative results during the second quarter even despite ongoing reflationary efforts from both the European Central Bank and the Bank of Japan. Not surprisingly, European equities suffered the brunt of the equity downturn associated with the UK referendum in June, as investors questioned the fortunes of the European economy following a UK exit. Meanwhile, Japanese stocks have been plagued by persistent strength in the yen, which has acted as a drag on expected domestic earnings and accordingly, equity performance.

Finally, emerging market bourses posted marginally positive results during the second quarter, as growth prospects continued to show encouraging signs of stabilization in the environment of stimulative monetary and fiscal policy. The US growth outlook continues to be driven by the robust consumer backdrop, which is helping to offset some softness in net exports and business investment. Household fundamentals remain in healthy shape, driven by an improving labour market, rising home values, and the accumulated savings from cheaper gasoline prices, all of which should provide a boost to confidence and spending. Meanwhile, after several months in contraction-mode, the manufacturing sector finally appears to be finding a bottom, particularly as headwinds from a stronger US dollar have faded. As the Federal Reserve's dual mandate of full employment and a stabilizing inflationary backdrop have largely been reached, interest rates are likely to resume higher later this year. However, the Federal Reserve has committed to a gradual and cautious approach to rate normalization, reflecting the potential downside risks from global financial market volatility, so as not to threaten the economic recovery in the US.

Economic Overview

After a solid start to the year, the Canadian economy sputtered in the second quarter and is set to report an outright contraction, a result of the loss of over a quarter of the nation's oil production stemming from the wildfires in Alberta. However, economic momentum is expected to resurface in the third quarter, thanks to strengthening exports and reconstruction efforts in northern Alberta, while the economic adjustment to the environment of low oil prices continues to unfold. As such, the Bank of Canada remains comfortably on the sidelines at this time, striking a balance between the positive economic impacts from the resurgence in US demand, a competitive Canadian dollar, and imminent fiscal stimulus against transitory weakness during the second quarter.

The US economy has made some decent strides throughout the second quarter after a tepid start to the year. The consumer has made an impressive comeback and continues to drive the expansion, with rising wages and higher disposable incomes fuelling a resurgence in confidence and accordingly, consumer spending and residential investment. Even the manufacturing sector appears to be finding a bottom after last year's slump, as headwinds owing to previous strength in the greenback and weak global demand have receded somewhat. While the Federal Reserve has indeed acknowledged this healthy domestic backdrop, policymakers also remain wary of global developments and are likely to err on the side of caution.

In the Eurozone, while inflationary pressures had resurfaced and economic data continued to surprise to the upside leading up to the UK referendum, heightened uncertainty and downside risks associated with the political and economic ramifications of Britain's exit from the European Union have increased the likelihood of ongoing support from the European Central Bank (ECB). Meanwhile, despite the ultra-stimulative monetary policies already in place in Japan, the stubbornly slow pace of growth and the deflationary impact from persistent strength in the Japanese yen has bolstered the case for further action from both the Bank of Japan and the Japanese government.

The Chinese economy continues to demonstrate signs of stabilization, suggesting that policymakers have been successful in underpinning the near-term outlook with both monetary and fiscal support. While the manufacturing sector remains in the doldrums, the rest of the economy appears to be faring much better, underscoring the two-speed pace of growth in the world's second-largest economy as policymakers undergo the structural rebalance towards more sustainable, consumer-driven sources of growth and away from investment and trade. Meanwhile, India remains the bright spot among major emerging economies, powered by robust domestic demand. Furthermore, the recovery in commodity prices and the prospect of a more stable greenback should revive some optimism and help to stem capital outflows from the emerging markets.

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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	62.2									
Active Fixed Income Universe		5.16	-0.06	Q3	5.35	0.17	Q2	01/01/1997	FTSE TMX Universe	
Tactical Fixed Income Universe		5.18	-0.03	Q3	5.39	0.21	Q2	01/01/2000	FTSE TMX Universe	
Integrated Fixed Income Universe		4.95	-0.26	Q3	5.45	0.27	Q2	01/01/1993	FTSE TMX Universe	
Active Fixed Income Long-Term		9.58	-0.32	Q3	8.47	-0.01	Q2	01/07/1998	FTSE TMX Long Term	
High Yield Bonds		-0.23	-1.29	Q4	5.66	-0.32	Q4	01/02/2002	High Yield Blended	1
Preferred Shares Relative Value		-7.10	2.57	N/A	0.08	1.69	N/A	01/02/2004	S&P/TSX Preferred Share	
Infrastructure Bonds		10.48	0.90	N/A	8.92*	1.15*	N/A	01/08/2011	FTSE TMX Provincial Long Term	
Balanced Investment Strategies	4.0									
Balanced Core		2.70	0.15	Q3	8.67	1.45	Q1	01/09/1984	Balanced Core Blended	2
Balanced Integrated		2.36	0.10	Q3	9.49*	1.8*	Q2	01/04/2013	Balanced Integrated Blended	3
Balanced Fund		3.77	1.27	Q2	8.31	1.24	Q2	01/03/1973	Balanced Blended Benchmark	4
Equity Investment Strategies	39.4									
Canadian Equity Value		0.22	0.42	Q3	4.66	0.45	Q4	01/01/2002	S&P/TSX Composite	
Canadian Equity Growth		-1.34	-1.14	Q3	5.78	1.57	Q2	01/01/2007	S&P/TSX Composite Capped	
Canadian Equity Core		-2.65	-2.44	Q4	5.25	1.05	Q4	01/01/1992	S&P/TSX Composite	
High Income Equity		2.55	1.83	Q2	7.17	2.32	Q2	01/10/2009	S&P/TSX Composite High Dividend	
Canadian Equity Small Cap Core		2.96	-6.83	Q2	9.93	10.02	Q2	01/01/1989	S&P/TSX Small Cap	
Canadian Equity Small Cap		2.54	-7.25	Q2	9.25	9.34	Q2	01/01/1989	S&P/TSX Small Cap	
US Equity		9.25	1.07	Q1	20.98	2.03	Q1	01/04/2009	S&P 500 CAD	
International Equity		1.66	8.20	Q1	12.43	4.53	Q1	01/01/2010	MSCI EAFE Net CAD	
Global Equity		6.37	5.24	Q1	17.24	4.09	Q1	01/10/2009	MSCI World Net CAD	
Alternative Investment Strategies	3.5									
North American Market Neutral Fund		2.78	2.29	N/A	4.38	3.54	N/A	01/10/2007	FTSE TMX T-Bill 91 day	
Long / Short Equity Fund		7.83	7.35	N/A	14.61	13.75	N/A	01/08/2010	FTSE TMX T-Bill 91 day	
Diversified Lending Fund		6.51	6.02	N/A	7.20	6.34	N/A	01/04/2008	FTSE TMX T-Bill 91 day	
Multi-Strategy Income Fund		4.51	2.95	N/A	4.37	1.70	N/A	01/11/2009	FTSE TMX Short Term	
Infrastructure Fund		4.60	N/A	N/A	6.14	N/A	N/A	01/03/2010	No Benchmark	
Real Estate Fund		4.73	N/A	N/A	4.66*	N/A	N/A	01/07/2013	No Benchmark	
Total	109.1									

Notes:

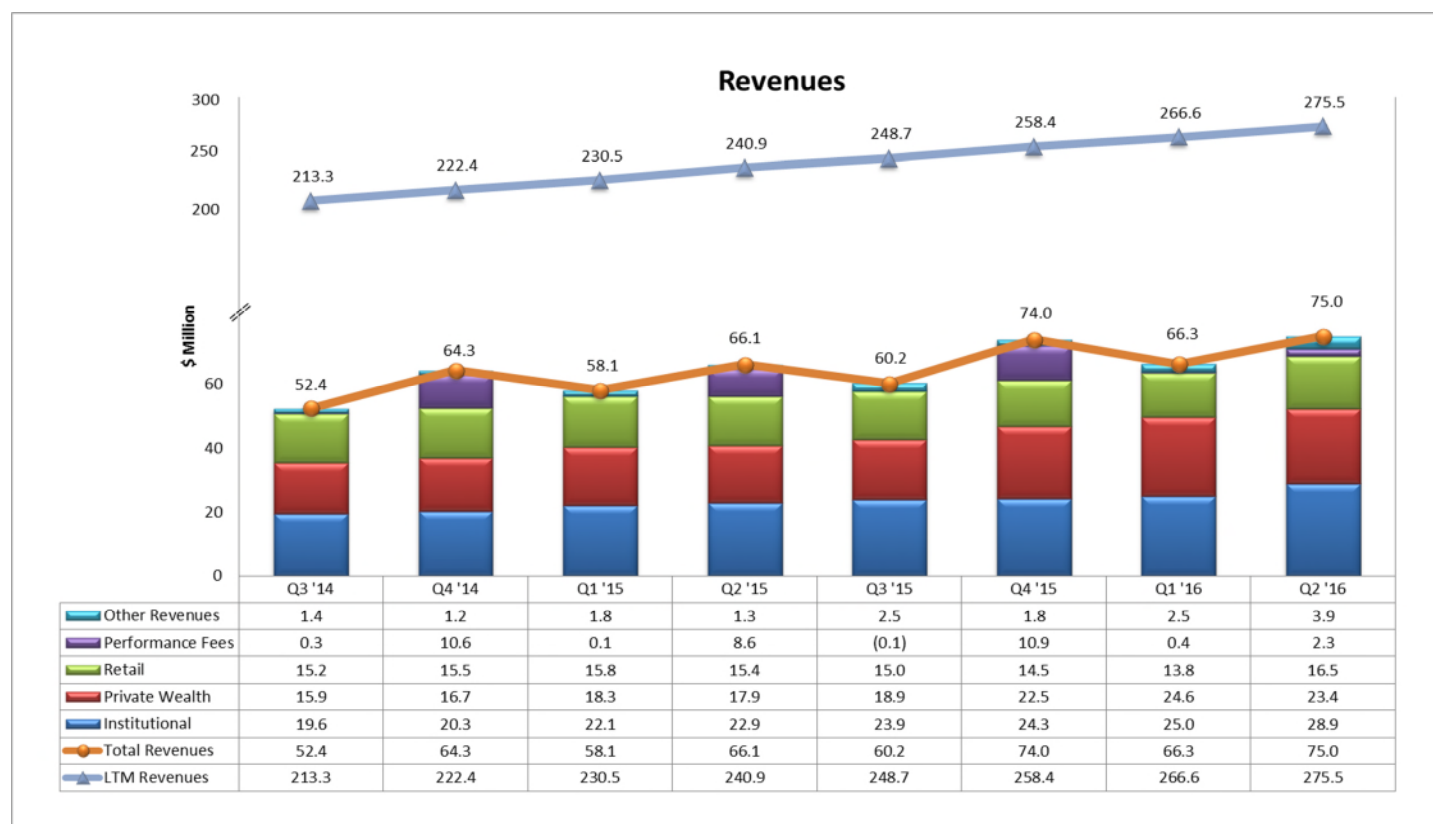
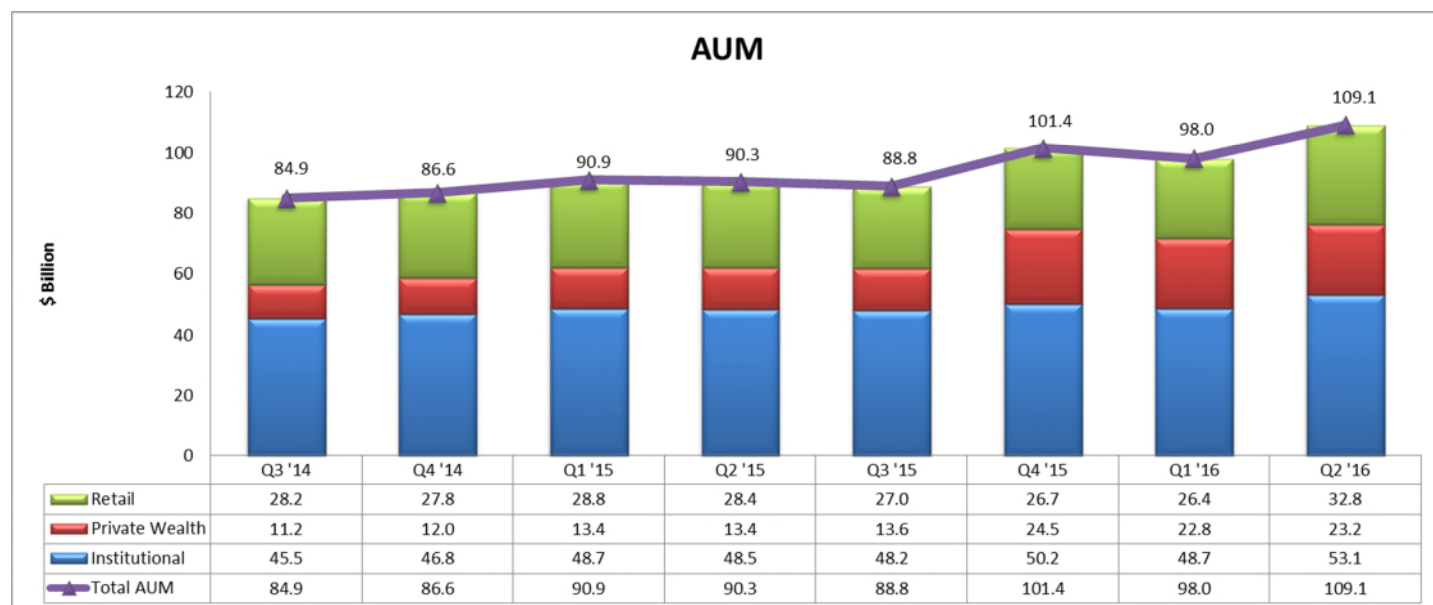
1. The High Yield Blended Index is composed of 85% Merrill Lynch US High Yield Cash Pay BB-B Hedged in CAD, 15% Merrill Lynch US High Yield Cash Pay C Hedged in CAD.
2. Balanced Core Blended Benchmark is composed of 5% FTSE TMX T-Bill 91 Day / 35% FTSE TMX Universe / 32.5% S&P TSX Composite / 27.5% MSCI 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. Balanced 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 NET CAD.
5. All returns, including those of the High Yield Bonds, US Equities, International Equities, and Global Equities, are expressed in Canadian dollars.
6. All performance returns presented above are annualized.
7. All returns, except alternative strategies and Balanced Fund are presented gross of management and custodial fees and without taxes but net of all trading expenses.
8. Alternative Investment Strategies and Balanced Fund are presented net of management fees, custodial fees, performance fees and withholding taxes.
9. The performance returns above assume reinvestment of all dividends.
10. Besides for the alternative strategies, the returns presented for any one line above represent the returns of a composite of discretionary portfolios.
11. Each strategy listed above represents a single discretionary portfolio or group of discretionary portfolios that collectively represent a unique investment strategy or composite.
12. The since inception date represents the earliest date at which a discretionary portfolio was in operation within the strategy.
13. 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.
14. Quartile rankings are provided by eVestment.

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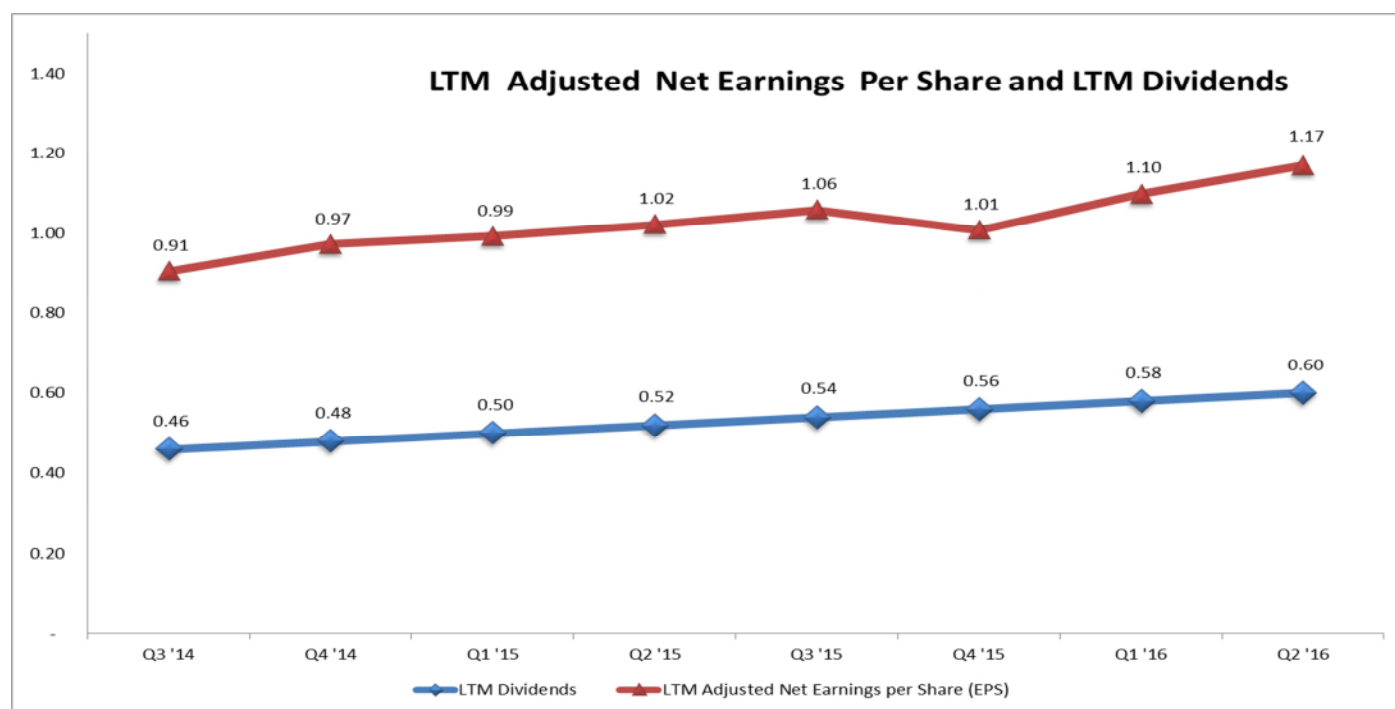
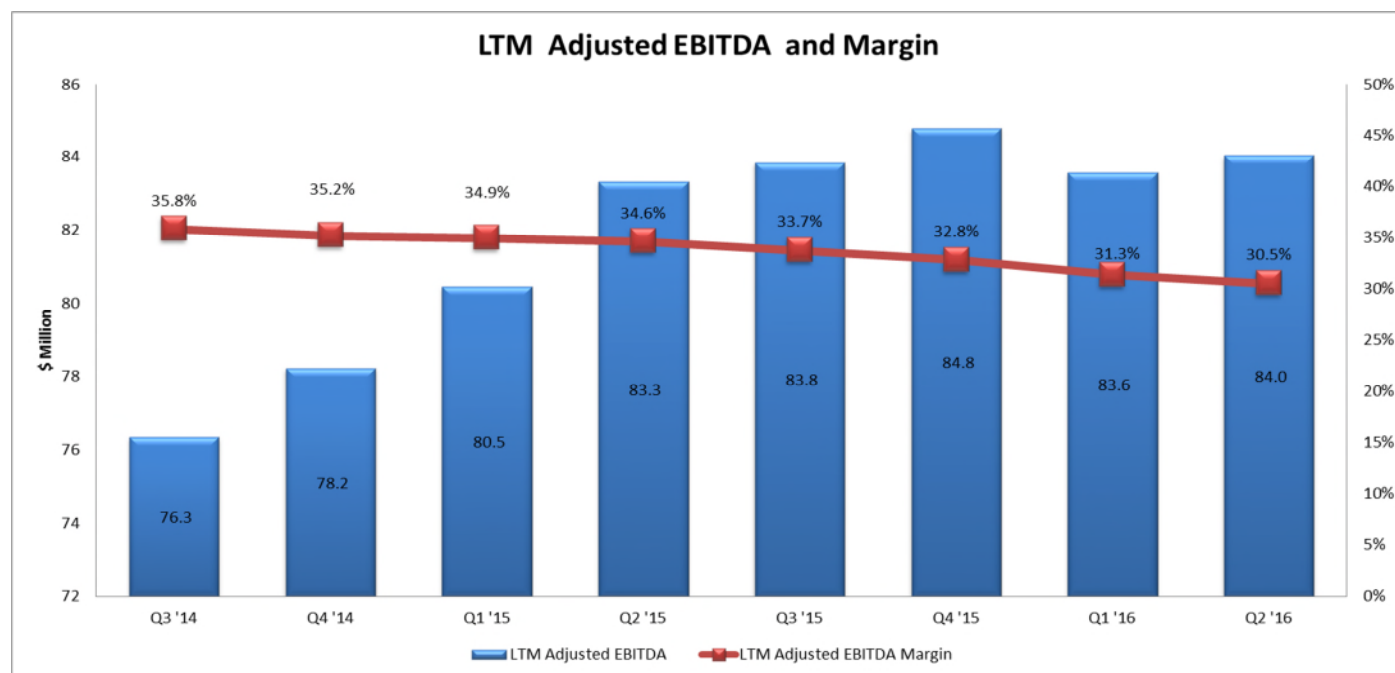
TREND HIGHLIGHTS

The following illustrates the Company's trends regarding AUM, quarterly and last twelve months ("LTM") revenues, LTM Adjusted EBITDA, LTM Adjusted EBITDA Margin, LTM Adjusted Earnings per share, as well as the LTM dividend payout. The trend analysis is presented in the "Results and Trend Analysis" section on page 31.



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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, 2016

HIGHLIGHTS FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2016

Current Quarter Compared to Prior-Year Quarter

- › Total AUM were \$109.1 billion as at June 30, 2016, representing an increase of \$18.8 billion, or 21%, compared to AUM of \$90.3 billion as at June 30, 2015.
- › Base management fees and other revenues for the second quarter ended June 30, 2016, were \$72.7 million, representing an increase of \$15.2 million, or 26%, compared to \$57.5 million for the same period last year.
- › Performance fees were \$2.3 million for the second quarter ended June 30, 2016, compared to \$8.6 million for the same period last year.
- › Selling, general and administrative ("SG&A") expenses and external managers' expenses were \$54.0 million for the second quarter ended June 30, 2016, representing an increase of \$7.5 million, or 16%, compared to \$46.5 million for the same period last year.
- › Adjusted EBITDA was \$23.5 million for the second quarter ended June 30, 2016, representing an increase of \$0.4 million, or 2%, compared to \$23.1 million for the same period last year. Adjusted EBITDA per share was \$0.32 (basic and diluted) for the second quarter of 2016, compared to \$0.33 per share (basic and diluted) for the same period last year.
- › For the second quarter ended June 30, 2016, the Firm recorded net earnings attributable to the Company's shareholders of \$7.9 million, or \$0.11 per share (basic and diluted), an increase of \$0.4 million, or 5%, compared to the second quarter ended June 30, 2015, during which the Firm recorded net earnings attributable to the Company's shareholders of \$7.5 million, or \$0.11 per share (basic and diluted).

Adjusted net earnings attributable to the Company's shareholders for the second quarter ended June 30, 2016, amounted to \$23.7 million, or \$0.32 per share (basic and diluted), compared to \$18.1 million, or \$0.26 per share (basic and diluted), for the second quarter ended June 30, 2015.

Current Quarter Compared to Previous Quarter

- › Total AUM were \$109.1 billion as at June 30, 2016, representing an increase of \$11.1 billion, or 11%, compared to \$98.0 billion as at March 31, 2016.
- › Base management fees and other revenues for the second quarter ended June 30, 2016, were \$72.7 million, representing an increase of \$6.8 million, or 10%, compared to \$65.9 million for the previous quarter ended March 31, 2016.
- › Performance fees were \$2.3 million for the second quarter ended June 30, 2016, compared to \$0.4 million for the previous quarter ended March 31, 2016, and are generally recognized in June and December of each year.
- › SG&A expenses and external managers' expenses were \$54.0 million for the second quarter ended June 30, 2016, representing an increase of \$0.3 million, or 0.6%, compared to \$53.7 million for the previous quarter ended March 31, 2016.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

- › Adjusted EBITDA was \$23.5 million for the second quarter ended June 30, 2016, representing an increase of \$7.3 million, or 45%, compared to \$16.2 million for the previous quarter ended March 31, 2016. Adjusted EBITDA per share was \$0.32 (basic and diluted) for the second quarter ended June 30, 2016, compared to \$0.22 per share (basic and diluted) for the previous quarter ended March 31, 2016.
- › For the second quarter ended June 30, 2016, the Firm recorded net earnings attributable to the Company's shareholders of \$7.9 million, or \$0.11 per share (basic and diluted), an increase of \$0.6 million, or 8%, compared to the previous quarter ended March 31, 2016, during which the Firm recorded net earnings attributable to the Company's shareholders of \$7.3 million, or \$0.10 per share (basic and diluted).
- › Adjusted net earnings attributable to the Company's shareholders for the second quarter ended June 30, 2016, amounted to \$23.7 million, or \$0.32 per share (basic and diluted), compared to \$21.9 million, or \$0.30 per share (basic and diluted), for the previous quarter ended March 31, 2016.

Year-to-Date June 30, 2016, Compared to Year-to-Date June 30, 2015

- › Base management fees and other revenues for the six-month period ended June 30, 2016, were \$138.6 million, representing an increase of \$23.1 million, or 20%, compared to \$115.5 million for the same period last year.
- › Performance fees were \$2.7 million for the six-month period ended June 30, 2016, compared to \$8.8 million for the same period last year.
- › SG&A expenses and external managers' expenses were \$107.7 million for the six-month period ended June 30, 2016, representing an increase of \$19.0 million, or 21%, compared to \$88.7 million for the six-month period ended June 30, 2015.
- › Adjusted EBITDA were \$39.7 million for the six-month period ended June 30, 2016, representing a decrease of \$0.7 million, or 2%, compared to \$40.4 million for the same period last year. Adjusted EBITDA per share was \$0.54 (basic and diluted) for the six-month period ended June 30, 2016, compared to \$0.58 per share (basic and diluted) for the same period last year.
- › For the six-month period ended June 30, 2016, the Firm recorded net earnings attributable to the Company's shareholders of \$15.2 million, or \$0.21 per share (basic and diluted), an increase of \$3.9 million, or 35%, compared to the same period last year, during which the Firm recorded net earnings attributable to the Company's shareholders of \$11.3 million, or \$0.16 per share (basic and diluted).
- › Adjusted net earnings attributable to the Company's shareholders for the six-month period ended June 30, 2016, were \$45.6 million, or \$0.63 per share (basic) and \$0.62 (diluted), compared to \$30.9 million, or \$0.44 per share (basic and diluted), for the same period last year.

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SUMMARY OF QUARTERLY RESULTS

Table 1 – Statements of Earnings and Assets under Management

ASSETS UNDER MANAGEMENT (in \$ millions)	AS AT			VARIANCE	
	JUNE 30, 2016	MARCH 31, 2016	JUNE 30, 2015	QUARTER OVER QUARTER FAV/(UNF) ⁽²⁾	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Assets under Management	109,136	97,988	90,291	11,148	18,845

STATEMENTS OF EARNINGS (in \$ thousands except per share data)	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	JUNE 30, 2016	MARCH 31, 2016	JUNE 30, 2015	QUARTER OVER QUARTER FAV/(UNF) ⁽²⁾	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues					
Base management fees	68,804	63,415	56,135	5,389	12,669
Performance fees - Traditional Assets	646	289	424	357	222
Performance fees - Alternative Assets	1,672	83	8,219	1,589	(6,547)
Other revenues	3,861	2,497	1,365	1,364	2,496
Total revenues	74,983	66,284	66,143	8,699	8,840
Expenses					
Selling, general and administrative expenses	53,289	52,794	45,373	(495)	(7,916)
External managers	743	883	1,138	140	395
Depreciation of property and equipment	824	831	455	7	(369)
Amortization of intangible assets	8,464	7,545	6,619	(919)	(1,845)
Interest on long-term debt and other financial charges	2,536	2,390	2,595	(146)	59
Accretion of purchase price obligations	694	704	636	10	(58)
Restructuring and other integration costs	3,894	518	118	(3,376)	(3,776)
Acquisition costs	2,054	3,708	187	1,654	(1,867)
Changes in fair value of derivative financial instruments	(265)	(354)	(276)	(89)	(11)
Gain on disposal of investment in joint venture	-	(15,013)	-	(15,013)	-
Gain on acquisition of control of investment in joint venture	(5,827)	-	-	5,827	5,827
Revaluation of assets held-for-sale	-	7,921	-	7,921	-
Other (income) expenses ⁽³⁾	(2)	(61)	(415)	(59)	(413)
Total expenses	66,404	61,866	56,430	(4,538)	(9,974)
Earnings before income taxes	8,579	4,418	9,713	4,161	(1,134)
Income taxes	276	506	2,664	230	2,388
Net earnings	8,303	3,912	7,049	4,391	1,254
Attributable to:					
Company's shareholders	7,901	7,280	7,541	621	360
Non-controlling interest	402	(3,368)	(492)	3,770	894
Net earnings	8,303	3,912	7,049	4,391	1,254
BASIC PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.32	0.22	0.33	0.10	(0.01)
Net earnings	0.11	0.10	0.11	0.01	-
Adjusted net earnings ⁽¹⁾	0.32	0.30	0.26	0.02	0.06
DILUTED PER SHARE					
Adjusted EBITDA ⁽¹⁾	0.32	0.22	0.33	0.10	(0.01)
Net earnings	0.11	0.10	0.11	0.01	-
Adjusted net earnings ⁽¹⁾	0.32	0.30	0.26	0.02	0.06

⁽¹⁾ Adjusted EBITDA and Adjusted net earnings are non-IFRS measures. Please refer to "Non-IFRS Measures" on page 45.

⁽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, 2016

Table 1 – 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, 2016	JUNE 30, 2015	YEAR OVER YEAR FAV/(UNF) ⁽²⁾
Revenues			
Base management fees	132,219	112,316	19,903
Performance fees - Traditional Assets	935	478	457
Performance fees - Alternative Assets	1,755	8,273	(6,518)
Other revenues	6,358	3,137	3,221
Total revenues	141,267	124,204	17,063
Expenses			
Selling, general and administrative expenses	106,083	85,929	(20,154)
External managers	1,626	2,723	1,097
Depreciation of property and equipment	1,655	897	(758)
Amortization of intangible assets	16,009	13,241	(2,768)
Interest on long-term debt and other financial charges	4,926	4,739	(187)
Accretion of purchase price obligations	1,398	1,271	(127)
Restructuring and other integration costs	4,412	1,120	(3,292)
Acquisition costs	5,762	1,247	(4,515)
Changes in fair value of derivative financial instruments	(619)	876	1,495
Gain on disposal of investment in joint venture	(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)
Other (income) expenses ⁽³⁾	(63)	(735)	(672)
Total expenses	128,270	111,308	(16,962)
Earnings before income taxes	12,997	12,896	101
Income taxes	782	2,924	2,142
Net earnings	12,215	9,972	2,243
Attributable to:			
Company's shareholders	15,181	11,253	3,928
Non-controlling interest	(2,966)	(1,281)	(1,685)
Net earnings	12,215	9,972	2,243
BASIC PER SHARE			
Adjusted EBITDA ⁽¹⁾	0.54	0.58	(0.04)
Net earnings	0.21	0.16	0.05
Adjusted net earnings ⁽¹⁾	0.63	0.44	0.19
DILUTED PER SHARE			
Adjusted EBITDA (1)	0.54	0.58	(0.04)
Net earnings	0.21	0.16	0.05
Adjusted net earnings ⁽¹⁾	0.62	0.44	0.18

⁽¹⁾ Adjusted EBITDA and Adjusted net earnings are non-IFRS measures. Please refer to "Non-IFRS Measures" on page 45.

⁽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, 2016

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

	JUNE 30, 2016	DECEMBER 31, 2015
Cash, restricted cash, investments	21,149	33,322
Accounts receivable	69,719	65,435
Other current assets	5,253	13,366
Total current assets	96,121	112,123
Intangible assets	466,280	322,975
Goodwill	422,206	391,347
Investment in joint ventures	-	6,460
Other non-current assets	20,389	23,752
Total assets	1,004,996	856,657
Accounts payable and accrued liabilities	41,606	50,784
Other current liabilities	10,889	15,139
Total current liabilities	52,495	65,923
Deferred income taxes	9,639	12,566
Long-term debt	357,632	264,226
Purchase price obligations	31,783	30,674
Derivative financial instruments	771	1,390
Other non-current liabilities	14,469	11,850
Total liabilities	466,789	386,629
Equity		
Attributable to Company's shareholders	537,379	474,938
Attributable to Non-controlling interest	828	(4,910)
	538,207	470,028
Total liabilities and equity	1,004,996	856,657

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE

Assets under Management

Assets under management levels are critical to Fiera Capital's business. 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. In this MD&A, the Firm analyzes its results based on its clientele type.

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, 2016	MARCH 31, 2016	JUNE 30, 2015
AUM - beginning of period	97,988	101,431	90,927
Net variance	2,915	(2,077)	(636)
Acquisitions/Adjustment	8,233	(1,366)	-
AUM - end of period	109,136	97,988	90,291

⁽¹⁾ AUM include the 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, 2016	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSAL) /ADJUSTMENT	JUNE 30, 2016
Institutional	48,731	445	(373)	232	1,583	46	2,446 ⁽¹⁾	53,110
Private Wealth	22,810	243	(113)	(190)	333	81	-	23,164
Retail	26,447	68	(70)	(194)	824	-	5,787 ⁽²⁾	32,862
AUM - end of period	97,988	756	(556)	(152)	2,740	127	8,233	109,136

⁽¹⁾ \$2.8 billion of Apex; (\$0.4) billion of adjustment presentation of Fiera Properties

⁽²⁾ \$5.8 billion of Apex

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, 2016

Quarterly Activities

Total AUM were \$109.1 billion as at June 30, 2016, representing an increase of \$11.1 billion, or 11%, compared to \$98.0 billion as at March 31, 2016. The increase is due primarily to the acquisition of Apex, totaling \$8.6 billion in AUM, combined with market appreciation of \$2.7 billion and new mandates of \$0.8 billion during the period. These increases in AUM were partially offset by lost mandates of \$0.6 billion and negative net contribution of \$0.2 billion during the quarter. Lastly, the US dollar exchange rate fluctuations positively impacted AUM during the second quarter by approximately \$0.1 billion.

The Institutional AUM were \$53.1 billion as at June 30, 2016, representing an increase of \$4.4 billion or 9%, compared to \$48.7 billion from the previous quarter ended March 31, 2016. The increase was primarily driven by the inclusion of assets of Apex for \$2.8 billion, combined with market appreciation of \$1.6 billion and new mandates of \$0.4 billion, mostly in Global and International Equity as well as Balanced mandates. These increases were partially offset by \$0.2 billion in client losses which were driven primarily by clients that either merged their activities with another pension plan or that decided to annuitize their pension liabilities.

The AUM related to the Private Wealth clientele were \$23.2 billion as at June 30, 2016, representing an increase of \$0.4 billion, or 2%, compared to \$22.8 billion from the previous quarter ended March 31, 2016. The increase is mainly due to market appreciation of \$0.3 billion, combined with new mandates of \$0.2 billion, partially offset by lost mandates of \$0.1 billion and negative net contribution of \$0.2 billion during the period.

The AUM related to the Retail clientele were \$32.9 billion as at June 30, 2016, representing an increase of \$6.5 billion, or 25%, compared to \$26.4 billion from the previous quarter ended March 31, 2016. The increase is mainly due to the acquisition of Apex, totaling \$5.8 billion in AUM, combined with market appreciation of \$0.8 billion, partially offset by negative net contribution of \$0.2 billion during the period.

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

	DECEMBER 31, 2015	NEW	LOST	NET CONTRIBUTIONS	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSAL) /ADJUSTMENT	JUNE 30, 2016
Institutional	50,177	1,355	(1,509)	(210)	2,212	(245)	1,330 ⁽¹⁾	53,110
Private Wealth	24,538	545	(379)	(266)	238	(1,370)	(142) ⁽²⁾	23,164
Retail	26,716	129	(80)	(449)	868	-	5,678 ⁽³⁾	32,862
AUM - end of period	101,431	2,029	(1,968)	(925)	3,318	(1,615)	6,866	109,136

⁽¹⁾ \$2.8 billion of Apex; (\$1.2) billion of disposal of Axiom; (\$0.4) billion of adjustment presentation of Fiera Properties and \$0.1 billion reclassification from Private Wealth

⁽²⁾ (\$0.1) billion reclassification to Institutional

⁽³⁾ \$5.8 billion of Apex; (\$0.1) billion to adjust the valuation of a specific mandate

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

Year-to-Date Activity

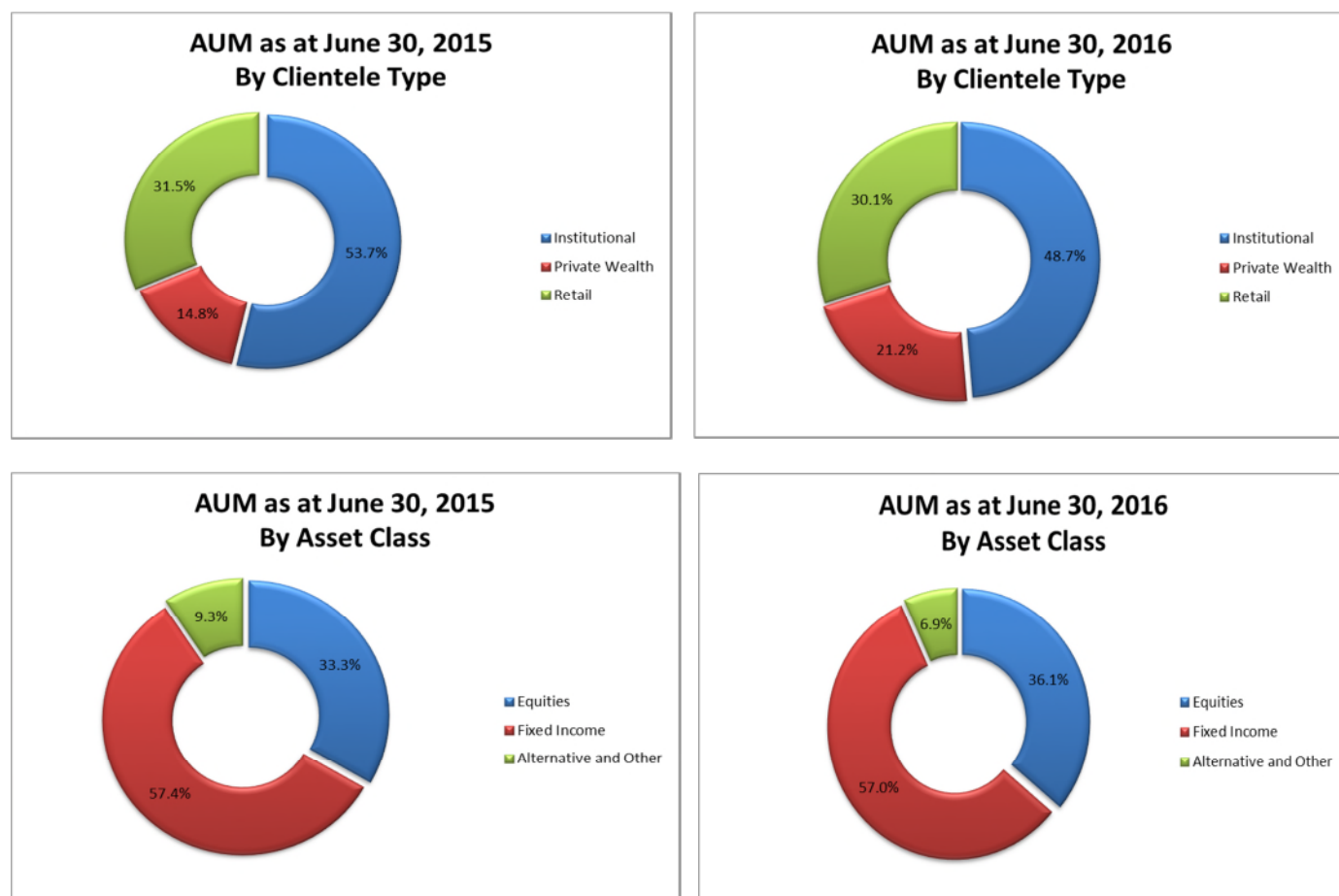
Total AUM were \$109.1 billion as at June 30, 2016, representing an increase of \$7.7 billion, or 8%, compared to \$101.4 billion as at December 31, 2015. The increase is due primarily to the inclusion of \$8.6 billion from the acquisition of Apex, combined with market appreciation of \$3.3 billion and new mandates of \$2.0 billion, mostly from the

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

Institutional and Private Wealth clientele during the period, partially offset by lost mandates of \$2.0 billion, the disposal of assets of Axiom of \$1.2 billion and negative net contribution of \$0.9 billion. Finally, the US dollar exchange rate fluctuation negatively impacted AUM during the six-month period ended June 30, 2016, by approximately \$1.6 billion.

The following graphs illustrate the breakdown of the Firm's AUM by clientele type and by asset class as at June 30, 2015, 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 include brokerage and consulting fees and non-recurring revenues which are not AUM-driven.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

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

	FOR THE THREE-MONTH PERIODS ENDED			VARIANCE	
	JUNE 30, 2016	MARCH 31, 2016	JUNE 30, 2015	QUARTER OVER QUARTER	YEAR OVER YEAR
Institutional	28,842	24,993	22,881	3,849	5,961
Private Wealth	23,431	24,616	17,883	(1,185)	5,548
Retail	16,531	13,806	15,371	2,725	1,160
Total management fees	68,804	63,415	56,135	5,389	12,669
Performance fees – Traditional asset class	646	289	424	357	222
Performance fees – Alternative asset class	1,672	83	8,219	1,589	(6,547)
Total performance fees	2,318	372	8,643	1,946	(6,325)
Other revenues	3,861	2,497	1,365	1,364	2,496
Total revenues	74,983	66,284	66,143	8,699	8,840

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, 2016, were \$75.0 million, representing an increase of \$8.9 million, or 13%, compared to \$66.1 million for the same period last year. The increase in revenues is due mainly to the inclusion of Samson, the recently acquired Apex and from Fiera Properties following the acquisition of control of investment in a joint venture, partially offset by lower performance fees, mainly from the alternative asset class.

Management Fees

Management fees were \$68.8 million for the second quarter ended June 30, 2016, representing an increase of \$12.7 million, or 23%, compared to \$56.1 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 \$28.8 million for the second quarter ended June 30, 2016, representing an increase of \$5.9 million, or 26%, compared to \$22.9 million for the same quarter last year. The increase in base management fees is primarily due to the inclusion of Apex and Fiera Properties, combined with the increase in net AUM, resulting from new mandates namely from the US, market appreciation and the positive impact of the US dollar exchange rate fluctuations, compared to the same period last year.
- › Management fees from the Private Wealth clientele were \$23.4 million for the second quarter ended June 30, 2016, representing an increase of \$5.5 million, or 31%, compared to \$17.9 million for the same period last year. The increase is primarily due to the inclusion of a full quarter of revenues from Samson, higher revenue resulting from new mandates, combined with the positive impact of changes in the US dollar exchange rate.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

- Management fees from the Retail clientele were \$16.5 million for the second quarter ended June 30, 2016, representing an increase of \$1.1 million, or 7%, compared to \$15.4 million for the same quarter last year. The increase is mainly attributable to the inclusion of revenue from Apex during the quarter ended June 30, 2016.

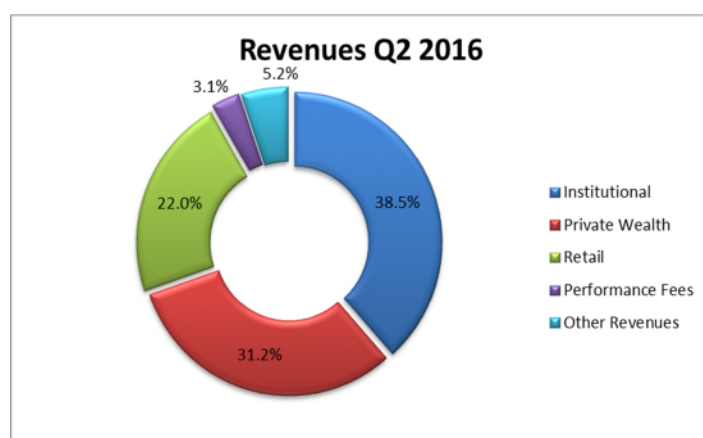
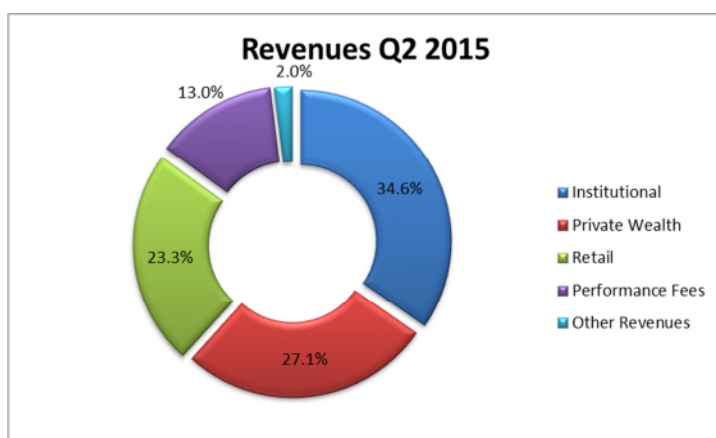
Performance Fees

Performance fees were \$2.3 million for the second quarter ended June 30, 2016, compared to \$8.6 million for the same period last year. The fluctuation is mainly due to lower performance fees from the alternative asset class, while performance fees from the traditional asset class remained stable year over year.

Other Revenues

Other revenues were \$3.9 million for the second quarter ended June 30, 2016, representing an increase of \$2.5 million, or more than 100%, compared to \$1.4 million for the same period last year. The increase is mainly due to the inclusion of revenues related to changes in the fair value of the foreign exchange forward contracts in order for the Firm to manage the currency fluctuation rate with its revenues denominated in US dollars, combined with higher consulting and brokerage fees from Bel Air operations and a one-time non-recurring revenue recorded in the second quarter of 2016.

The following graphs illustrate the breakdown of the Firm's revenues for the three-month periods ended June 30, 2015, and June 30, 2016, respectively.



Current Quarter versus Previous Quarter

Revenues for the second quarter ended June 30, 2016, were \$75.0 million, representing an increase of \$8.7 million, or 13%, compared to \$66.3 million for the previous quarter ended March 31, 2016. The increase in revenues is mainly attributable to the inclusion of one month of revenue from Apex, and a full quarter of revenue from Fiera Properties following the acquisition of control on investment in a joint venture, combined with higher performance fees, which are generally recognized in December and June of each year.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

Management Fees

Management fees were \$68.8 million for the second quarter ended June 30, 2016, representing an increase of \$5.4 million, or 8.5%, compared to \$63.4 million for the previous quarter ended March 31, 2016. The following is the breakdown of the management fees by clientele type:

- › Management fees from the Institutional clientele were \$28.8 million for the second quarter ended June 30, 2016, representing an increase of \$3.8 million, or 15%, compared to \$25.0 million for the previous quarter ended March 31, 2016, mainly due to the inclusion of Apex and Fiera Properties revenues during the quarter.
- › Management fees from the Private Wealth clientele were \$23.4 million for the second quarter ended June 30, 2016, representing a decrease of \$1.2 million, or 5%, compared to \$24.6 million for the previous quarter ended March 31, 2016. The decrease in management fees is mainly attributable to unfavourable changes in the foreign exchange rates.
- › Management fees from the Retail clientele were \$16.5 million for the second quarter ended June 30, 2016, representing an increase of \$2.7 million, or 20%, compared to \$13.8 million for the previous quarter ended March 31, 2016, mainly due to the inclusion of Apex revenue during the quarter ended June 30, 2016.

Performance Fees

Total performance fees, which are generally recorded in June and December of each year, were \$2.3 million for the second quarter ended June 30, 2016, compared to \$0.4 million for the previous quarter ended March 31, 2016.

Other Revenues

Other revenues were \$3.9 million for the second quarter ended June 30, 2016, representing an increase of \$1.4 million, or 56%, compared to \$2.5 million for the previous quarter ended March 31, 2016. The increase in other revenues is mainly due to revenues related to changes in the fair value of the foreign exchange forward contracts, combined with one-time non-recurring revenue recorded in the second quarter of 2016.

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

	FOR THE SIX-MONTH PERIODS ENDED		VARIANCE
	JUNE 30, 2016	JUNE 30, 2015	YEAR OVER YEAR
Institutional	53,835	44,971	8,864
Private Wealth	48,047	36,206	11,841
Retail	30,337	31,139	(802)
Total management fees	132,219	112,316	19,903
Performance fees – Traditional asset class	935	478	457
Performance fees – Alternative asset class	1,755	8,273	(6,518)
Total performance fees	2,690	8,751	(6,061)
Other revenues	6,358	3,137	3,221
Total revenues	141,267	124,204	17,063

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, 2016

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

Revenues for the six-month period ended June 30, 2016, were \$141.3 million, representing an increase of \$17.1 million, or 14%, compared to \$124.2 million for the same period last year. The increase in revenues is mainly due to the acquisition of Samson and Apex, combined with the recognition of revenue from Fiera Properties following the acquisition of control of investment in a joint venture, partially offset by lower performance fees during the second quarter of 2016 compared to the same period last year.

Management Fees

Management fees for the six-month period ended June 30, 2016, were \$132.2 million, representing an increase of \$19.9 million, or 18% , compared to \$112.3 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, 2016, were \$53.8 million, representing an increase of \$8.8 million, or 20%, compared to \$45.0 million for the same period last year. The improvement is mainly due to the inclusion of the Apex acquisition and the recognition of revenue from Fiera Properties following the acquisition of control of investment in a joint venture, combined with additional net AUM, mostly from new mandates in the US.
- › Revenues from the Private Wealth clientele for the six-month period ended June 30, 2016, were \$48.0 million, representing an increase of \$11.8 million, or 33%, compared to \$36.2 million for the same period last year. The increase is primarily due to the inclusion of a full quarter of revenues from Samson, higher revenue resulting from new mandates, combined with the positive impact of changes in the US dollar exchange rates.
- › Revenues from the Retail clientele for the six-month period ended June 30, 2016, were \$30.3 million, representing a decrease of \$0.8 million, or 2.6%, compared to \$31.1 million for the same period last year. The decrease is mainly due to lower base AUM as at June 30, 2016, compared to those from the comparable period last year, partially offset by additional revenue resulting from the acquisition of Apex.

Performance Fees

Total performance fees were \$2.7 million for the six-month period ended June 30, 2016, compared to \$8.8 million for the same period last year. The decrease in performance fees result 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 2016 compared to the same period last year.

Other Revenues

Other revenues were \$6.4 million for the six-month period ended June 30, 2016, representing an increase of \$3.3 million, or more than 100%, compared to \$3.1 million for the same period last year. The increase in other revenues is mainly due to revenues related to changes in the fair value of the foreign exchange forward contracts, combined with one-time non-recurring revenue recorded in the second quarter of 2016.

Selling, General and Administrative Expenses

Current Quarter versus Prior-Year Quarter

SG&A expenses were \$53.3 million for the three-month period ended June 30, 2016, representing an increase of \$7.9 million, or 17%, compared to \$45.4 million for the same period last year. The increase is mainly due to the inclusion of costs related to the Samson and Apex acquisitions, and Fiera Properties following the acquisition of control of investment in a joint venture, and higher volume on various expenses to support the Firm's expansion, combined with the negative impact of the US dollar exchange rate fluctuations on US operations.

Current Quarter versus Previous Quarter

SG&A expenses were \$53.3 million for the three-month period ended June 30, 2016, representing an increase of \$0.5 million, or 0.9%, compared to \$52.8 million for the previous quarter ended March 31, 2016. The increase is attributable to the inclusion of costs related to Apex, and Fiera Properties following the acquisition of control of investment in a joint venture, and additional expenses to support the Firm's expansion, partially offset by the impact of the US dollar exchange rate fluctuations on US operations.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

SG&A expenses were \$106.1 million for the six-month period ended June 30, 2016, representing an increase of \$20.2 million, or 24%, compared to \$85.9 million for the same period last year. The increase is attributable to the inclusion of costs related to Apex, Samson and Fiera Properties following the acquisition of control of investment in a joint venture, and additional expenses to support the Firm's expansion, combined with the impact of foreign exchange rate changes on US operations.

External Managers

Current Quarter versus Prior-Year Quarter

External managers' expenses were \$0.7 million for the second quarter ended June 30, 2016, representing a decrease of \$0.4 million, or 36%, compared to \$1.1 million for the same quarter last year. The decrease in external managers' expenses is mainly due to lower external managers' expenses from Bel Air, resulting from the change in revenue presentation.

Current Quarter versus Previous Quarter

External managers' expenses for the second quarter ended June 30, 2016, remained stable at \$0.7 million compared to \$0.8 million from the previous quarter ended March 31, 2016.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

External managers' expenses were \$1.6 million for the six-month period ended June 30, 2016, representing a decrease of \$1.1 million, or 41%, compared to \$2.7 million for the same period last year. The decrease in external managers' expenses is mainly due to lower external managers' expenses from Bel Air, resulting from the change in revenue presentation.

Depreciation and Amortization

Current Quarter versus Prior-Year Quarter

Depreciation of property and equipment was \$0.8 million for the second quarter ended June 30, 2016, representing an increase of \$0.3 million, compared to \$0.5 million for the corresponding quarter last year.

Amortization of intangible assets was \$8.5 million for the second quarter ended June 30, 2016, representing an increase of \$1.9 million, or 29%, compared to \$6.6 million for the same period last year, resulting from the acquisition of intangible assets from Samson and Apex.

Current Quarter versus Previous Quarter

Depreciation of property and equipment remained unchanged at \$0.8 million for the second quarter ended June 30, 2016, compared to the previous quarter ended March 31, 2016.

Amortization of intangible assets was \$8.5 million for the second quarter ended June 30, 2016, representing an increase of \$1.0 million, or 12%, compared to \$7.5 million from the previous quarter ended March 31, 2016, resulting from the acquisition of intangible assets from Apex.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

Depreciation of property and equipment were \$1.7 million for the six-month period ended June 30, 2016, representing an increase of \$0.8 million, or 89%, compared to \$0.9 million for the same period last year.

Amortization of intangible assets were \$16.0 million for the six-month period ended June 30, 2016, representing an increase of \$2.8 million, or 21%, compared to \$13.2 million for the same period last year, resulting from the acquisition of intangible assets from Samson and Apex.

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 remained at the same level of \$2.5 million for the second quarter ended June 30, 2016, compared to \$2.6 million for the same quarter last year, during which the Firm recorded \$0.8 million of one-time refinancing costs under the new credit facility.

Current Quarter versus Previous Quarter

The interest on long-term debt and other financial charges remained at the same level of \$2.5 million for the second quarter ended June 30, 2016, compared to \$2.4 million for the previous quarter ended March 31, 2016.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

The interest on long-term debt and other financial charges were \$4.9 million for the six-month period ended June 30, 2016, representing an increase of \$0.2 million, or 4%, compared to \$4.7 million for the same period last year, during which the Firm recorded \$0.8 million of one-time refinancing costs under the new credit facility.

Accretion of Purchase Price Obligations

Current Quarter versus Prior-Year Quarter

The accretion of purchase price obligations remained stable at \$0.7 million for the second quarter ended June 30, 2016, compared to \$0.6 million for the same quarter last year.

Current Quarter versus Previous Quarter

The accretion of purchase price obligations remained stable at \$0.7 million for the second quarter ended June 30, 2016, compared to the previous quarter ended March 31, 2016.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

The accretion of purchase price obligations was \$1.4 million for the six-month period ended June 30, 2016, representing an increase of \$0.1 million, or 8%, compared to a charge of \$1.3 million for the same period last year.

Acquisition and Restructuring and Other Integration Costs

Current Quarter versus Prior-Year Quarter

Acquisition and restructuring and other integration costs were \$5.9 million for the second quarter ended June 30, 2016, representing an increase of \$5.6 million, or more than 100%, compared to \$0.3 million for the same period last year. The increase in acquisition and restructuring and other integration costs is mainly due to the acquisition of Samson and Apex, as well as abandoned software development costs, combined with numerous activities to set up the US platform during the second quarter ended June 30, 2016, compared to the same period last year.

Current Quarter versus Previous Quarter

Acquisition and restructuring and other integration costs were \$5.9 million for the second quarter ended June 30, 2016, representing an increase of \$1.7 million, or 41%, compared to \$4.2 million for the previous quarter ended March 31, 2016. The increase is mainly due to the acquisition of Apex, as well as abandoned software development costs, combined with various new initiatives during the second quarter of 2016.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

Acquisition and restructuring and other integration costs were \$10.2 million for the six-month period ended June 30, 2016, representing an increase of \$7.8 million, or over 100%, compared to \$2.4 million for the same period last year. The increase in acquisition and restructuring and other integration costs is mainly due to the acquisition of Samson and Apex, as well as abandoned software development costs, combined with numerous activities to set up the US platform during the first six months of 2016, compared to the same period last year.

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Changes in Fair Value of Derivative Financial Instruments

The Company recorded a gain of \$0.3 million related to changes in the fair value of derivative financial instruments for the second quarter ended June 30, 2016, compared to a gain of \$0.4 million for the previous quarter ended March 31, 2016, and compared to a charge of \$0.3 million for the second quarter ended June 30, 2015.

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

Adjusted EBITDA is calculated as the difference between total revenues and SG&A expenses (excluding non-cash compensation) and external managers' expenses. We believe that adjusted EBITDA is a meaningful measure as it allows for the evaluation of our operating performance before the impact of non-operating items.

Table 8 - Adjusted EBITDA⁽¹⁾ (in \$ thousands except per share data)

	FOR THE THREE-MONTH PERIODS ENDED			FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2016	MARCH 31, 2016	JUNE 30, 2015	JUNE 30, 2016	JUNE 30, 2015
Revenues					
Base management fees	68,804	63,415	56,135	132,219	112,316
Performance fees	2,318	372	8,643	2,690	8,751
Other revenues	3,861	2,497	1,365	6,358	3,137
Total revenues	74,983	66,284	66,143	141,267	124,204
Expenses					
Selling, general and administrative	53,289	52,794	45,373	106,083	85,929
External managers	743	883	1,138	1,626	2,723
Total expenses	54,032	53,677	46,511	107,709	88,652
EBITDA	20,951	12,607	19,632	33,558	35,552
Add back: Non-cash compensation	2,559	3,550	3,418	6,109	4,864
Adjusted EBITDA	23,510	16,157	23,050	39,667	40,416
Per share basic ⁽²⁾	0.32	0.22	0.33	0.54	0.58
Per share diluted ⁽²⁾	0.32	0.22	0.33	0.54	0.58

⁽¹⁾ Adjusted EBITDA is a non-IFRS measure. Please refer to "Non-IFRS Measures" on page 45.

⁽²⁾ Adjusted EBITDA include EBITDA attributable to the Company's shareholders and non-controlling interest.

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

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Current Quarter versus Prior-Year Quarter

For the second quarter ended June 30, 2016, adjusted EBITDA was \$23.5 million or \$0.32 per share (basic and diluted), representing an increase of \$0.4 million, or 2%, compared to \$23.1 million, or \$0.33 per share (basic and diluted), for the same period last year.

Adjusted EBITDA for the second quarter ended June 30, 2016, was affected by an increase in revenues compared to the same period last year, mainly due to additional base management fees. However, this was partially offset by an increase in overall operating expenses to support growth in the US operations, including costs related to acquisitions of Samson and Apex, and a decrease in performance fees from the alternative asset class.

Current Quarter versus Previous Quarter

For the second quarter ended June 30, 2016, adjusted EBITDA was \$23.5 million or \$0.32 per share (basic and diluted), representing an increase of \$7.4 million, or 45%, compared to \$16.2 million, or \$0.22 per share (basic and diluted), from the previous quarter ended March 31, 2016. The increase is mainly due to higher base management fees following the inclusion of Apex and Fiera Properties, combined with higher performance fees, which are generally recorded in June and December of each year.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

For the six-month period ended June 30, 2016, adjusted EBITDA were \$39.7 million, representing a decrease of \$0.7 million, or 2%, or \$0.54 per share (basic and diluted), compared to \$40.4 million, or \$0.58 per share (basic and diluted), for the same period last year.

The decrease in adjusted EBITDA for the six-month period ended June 30, 2016, is mainly attributable to lower performance fees from the alternative asset class and an overall rise in operating expenses, including SG&A and external managers' expenses, mainly due to the negative impact of the change in foreign exchange rates and the inclusion of the acquired Samson and Apex operation, which are partially offset by higher base management fees.

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Net Earnings

Table 9 - 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, 2016	MARCH 31, 2016	JUNE 30, 2015	JUNE 30, 2016	JUNE 30, 2015
Net earnings attributable to the Company's shareholders	7,901	7,280	7,541	15,181	11,253
Depreciation of property and equipment	824	831	455	1,655	897
Amortization of intangible assets	8,464	7,545	6,619	16,009	13,241
Non-cash compensation items	2,559	3,550	3,418	6,109	4,864
Changes in fair value of derivative financial instruments ⁽²⁾	(265)	(354)	(276)	(619)	876
Non-cash items	11,582	11,572	10,216	23,154	19,878
Restructuring and other integration costs ⁽²⁾	3,894	518	118	4,412	1,120
Acquisition costs ⁽²⁾	2,054	3,708	187	5,762	1,247
Acquisition and restructuring and other integration costs	5,948	4,226	305	10,174	2,367
Adjusted net earnings before income taxes on above-mentioned items ⁽²⁾	25,431	23,078	18,062	48,509	33,498
Income taxes on above-mentioned items ⁽²⁾	1,705	1,162	9	2,867	2,590
Adjusted net earnings attributable to the Company's shareholders ⁽³⁾	23,726	21,916	18,053	45,642	30,908
Per share – basic					
Net earnings	0.11	0.10	0.11	0.21	0.16
Adjusted net earnings	0.32	0.30	0.26	0.63	0.44
Per share – diluted					
Net earnings	0.11	0.10	0.11	0.21	0.16
Adjusted net earnings	0.32	0.30	0.26	0.62	0.44

⁽¹⁾ Adjusted net earnings are a non-IFRS measure. Please refer to "Non-IFRS Measures" on page 45.

⁽²⁾ Income tax on changes in fair value of derivative financial instruments, acquisition and restructuring and other integration costs is estimated by using a tax rate of 30%.

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

Current Quarter versus Prior-Year Quarter

For the second quarter ended June 30, 2016, the Firm reported net earnings attributable to the Company's shareholders of \$7.9 million, or \$0.11 per share (basic and diluted), compared to \$7.5 million, or \$0.11 per share (basic and diluted) for the same quarter last year. The increase in net earnings is mainly attributable to higher base management fees resulting from higher AUM base following the acquisition of Samson and Apex and organic growth, partially offset by the rise in overall operating expenses to support business growth and lower performance fees from the alternative asset class. Also, net earnings for the quarter ended June 30, 2016, included a gain of \$5.8 million related to the acquisition of control of investment in joint venture.

Current Quarter versus Previous Quarter

For the second quarter ended June 30, 2016, the Firm reported net earnings attributable to the Company's shareholders of \$7.9 million, or \$0.11 per share (basic and diluted), compared to \$7.3 million, or \$0.10 per share (basic and diluted), for the previous quarter ended March 31, 2016. The increase in net earnings is mainly attributable to higher base management fees resulting from higher AUM base following the acquisition of Apex, and higher performance fees which

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are generally recorded in June and December of each year, partially offset by the rise in overall operating expenses to support business growth, and higher restructuring and integration and acquisition costs compared to the previous quarter. Also, net earnings for the quarter ended June 30, 2016, included a gain of \$5.8 million related to the acquisition of control of investment in a joint venture.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

For the six-month period ended June 30, 2016, the Firm recorded net earnings attributable to the Company's shareholders of \$15.2 million, or \$0.21 per share (basic and diluted), compared to \$11.3 million, or \$0.16 per share (basic and diluted) for the same period last year. The increase in net earnings is mainly attributable to higher base management fees resulting from higher AUM base following the acquisition of Samson and Apex and organic growth, partially offset by the rise in overall operating expenses to support business growth and lower performance fees from the alternative asset class.

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 investment in a joint venture, a gain of \$15.0 million on the disposal of Axiom, offset by the revaluation of assets-held-for-sale related to Fiera Quantum of \$7.9 million.

Adjusted Net Earnings

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. Adjusted net earnings are calculated as the sum of net earnings (loss) attributable to the Company's shareholders, non-cash items, including depreciation of property and equipment, amortization of intangible assets, after-tax changes in fair value of derivative financial instruments, after-tax acquisition and restructuring and other integration costs and non-cash compensation items.

Current Quarter versus Prior-Year Quarter

During the second quarter ended June 30, 2016, \$11.7 million of non-cash items, 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 diluted), as well as \$4.2 million, or \$0.05 per share (basic and diluted), of acquisition and restructuring and other integration costs, net of income taxes (\$5.9 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 \$23.7 million, or \$0.32 per share (basic and diluted) for the second quarter ended June 30, 2016.

During the second quarter ended June 30, 2015, \$10.3 million in non-cash items, net of income taxes on the changes in fair value of derivative financial instruments (\$10.2 million before taxes), or \$0.15 per share (basic and diluted), as well as \$0.2 million, or nil per share (basic and diluted), of acquisition and restructuring and other integration costs, net of income taxes (\$0.3 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 \$18.1 million, or \$0.26 per share (basic and diluted) for the second quarter ended June 30, 2015.

Current Quarter versus Previous Quarter

During the first quarter ended March 31, 2016, \$11.7 million in non-cash items, 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 diluted), as well as \$3.0 million, or \$0.04 per share (basic and diluted), of acquisition and restructuring and other integration costs, net of income taxes (\$4.2 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

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amounted to \$21.9 million, or \$0.30 per share (basic and diluted) for the first quarter ended March 31, 2016, compared to adjusted net earnings attributable to the Company's shareholders of \$23.7 million or \$0.32 per share (basic and diluted) for the second quarter ended June 30, 2016.

Year-to-Date June 30, 2016, versus Year-to-Date June 30, 2015

For the six-month period ended June 30, 2016, \$23.3 million of non-cash items, net of income taxes on the changes in fair value of derivative financial instruments (\$23.2 million before taxes), or \$0.32 per share (basic and diluted), as well as \$7.1 million, or \$0.10 per share (basic) and \$0.09 (diluted), of acquisition and restructuring and other integration costs, net of income taxes (\$10.2 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 \$45.6 million, or \$0.63 per share (basic) and \$0.62 (diluted) for the six-month period ended June 30, 2016, compared to \$30.9 million or \$0.44 per share (basic and diluted) for the same period last year.

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SUMMARY OF QUARTERLY RESULTS

The Firm's AUM, total revenues, adjusted EBITDA and net earnings, on a consolidated basis and 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 10 – Quarterly Results (in \$ thousands except AUM in \$ millions and per share data)

	Last Twelve Months ⁽³⁾	Q2 Jun. 30 2016	Q1 Mar. 31 2016	Q4 Dec. 31 2015	Q3 Sep. 30 2015	Q2 Jun. 30 2015	Q1 Mar. 31 2015	Q4 Dec. 31 2014	Q3 Sep. 30 2014
AUM	99,328	109,136	97,988	101,431	88,759	90,291	90,927	86,612	84,875
Total revenues	275,480	74,983	66,284	73,999	60,214	66,143	58,061	64,304	52,371
Adjusted EBITDA ⁽¹⁾	84,032	23,510	16,157	25,757	18,608	23,050	17,366	24,820	18,085
Adjusted EBITDA margin	30.5%	31.4%	24.4%	34.8%	30.9%	34.8%	29.9%	38.6%	34.5%
Net earnings attributable to Company's shareholders	31,559	7,901	7,280	9,678	6,700	7,541	3,712	12,090	5,053
PER SHARE – BASIC									
Adjusted EBITDA ⁽¹⁾	1.17	0.32	0.22	0.36	0.27	0.33	0.25	0.36	0.26
Net earnings attributable to the Company's shareholders	0.45	0.11	0.10	0.14	0.10	0.11	0.05	0.18	0.07
Adjusted net earnings attributable to the Company's shareholders ⁽¹⁾	1.17	0.32	0.30	0.30	0.25	0.26	0.21	0.34	0.21
PER SHARE – DILUTED									
Adjusted EBITDA ⁽¹⁾	1.17	0.32	0.22	0.36	0.27	0.33	0.25	0.35	0.26
Net earnings attributable to the Company's shareholders	0.44	0.11	0.10	0.13	0.10	0.11	0.05	0.18	0.07
Adjusted net earnings attributable to the Company's shareholders ⁽¹⁾	1.16	0.32	0.30	0.29	0.25	0.26	0.21	0.34	0.21
PER SHARE – DILUTED (Including non-cash compensation and options granted) ⁽²⁾									
Adjusted EBITDA ⁽¹⁾	1.07	0.29	0.21	0.33	0.25	0.30	0.23	0.33	0.24
Net earnings attributable to the Company's shareholders	0.40	0.10	0.09	0.12	0.09	0.10	0.05	0.16	0.07
Adjusted net earnings attributable to the Company's shareholders ⁽¹⁾	1.07	0.30	0.28	0.27	0.23	0.24	0.19	0.31	0.20

⁽¹⁾ Adjusted EBITDA and Adjusted net earnings are non-IFRS measures. Please refer to "Non-IFRS Measures" on page 45.

⁽²⁾ This analysis assumes that all outstanding stock-based awards will vest and will be settled with shares of the Company (including 2,816,081 share options; 2,215,782 PSUs and 700,033 RSUs as at June 30, 2016).

⁽³⁾ Last Twelve Months ("LTM") represents the sum of the last four quarters, except for AUM, which are an average of the last four quarters.

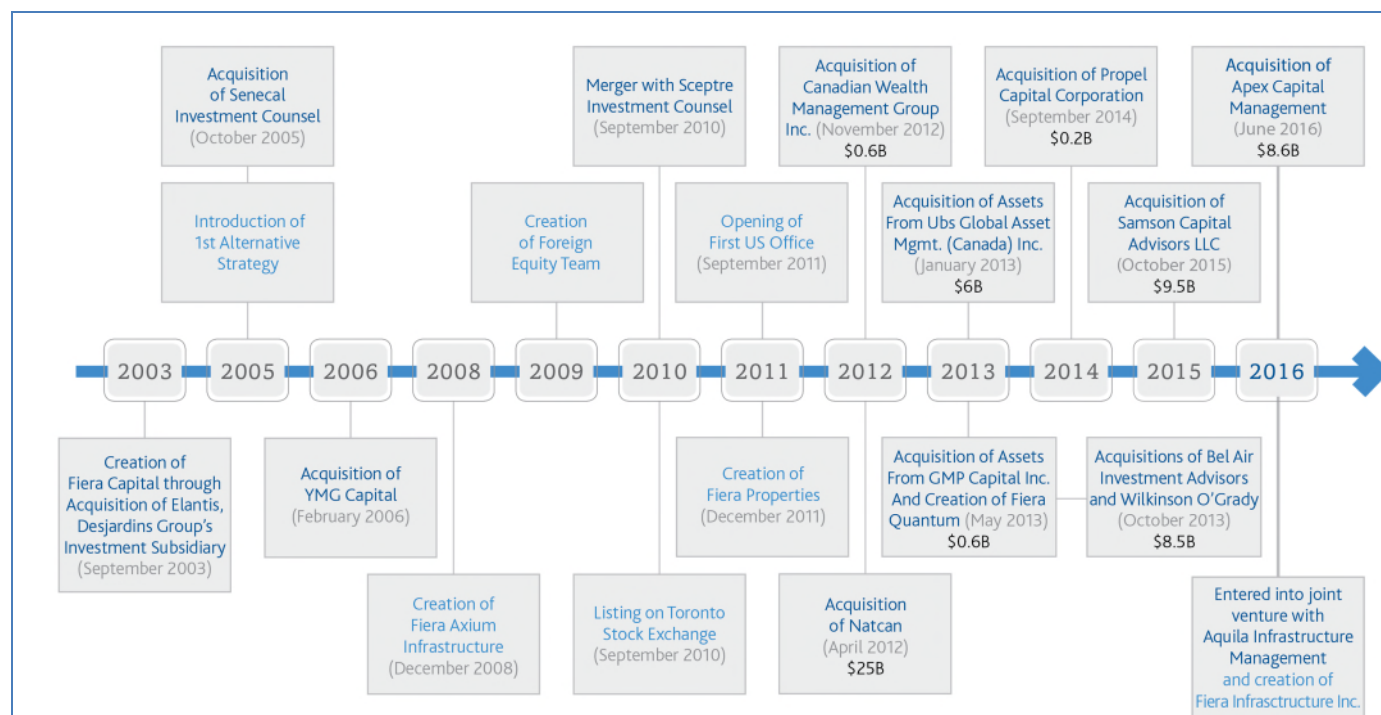
Certain totals, subtotals and percentages may not reconcile due to rounding.

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Results and Trend Analysis

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



AUM

The current quarter showed an increase in AUM compared to the previous quarter mainly due to the inclusion of Apex, combined with market appreciation during the period. The previous quarter showed a decrease in AUM compared to the quarter ended December 31, 2015, mainly due to the divestiture of Axium, combined with the negative impact of the US dollar exchange rate, negative net contribution and lost mandates. These decreases in AUM were partially offset by new mandates, namely from the Institutional and Private Wealth clientele and the market appreciation during the period.

The quarter ended December 31, 2015, showed an increase in AUM compared to the quarter ended September 30, 2015, mainly due to the acquisition of Samson and new mandates won during the quarter, namely in the US institutional sector, combined with market appreciation and the positive impact of the US dollar exchange rate, partially offset by lost mandates and negative net contribution during the period.

The quarter ended September 30, 2015, showed a decrease in AUM compared to the quarter ended June 30, 2015, mainly due to market depreciation and lost mandates, despite an increase in net inflows during the period, and favourable US dollar exchange rate impact. The quarter ended June 30, 2015, showed a decrease in AUM compared to the quarter ended March 31, 2015, mainly due to market depreciation combined with lost mandates, partially offset by new mandates won during the quarter. The quarter ended March 31, 2015, showed an increase in AUM compared to the quarter ended December 31, 2014, mainly due to market appreciation and to the favourable impact of the US dollar

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exchange rate. The quarter ended December 31, 2014, showed an increase in AUM mainly due to new mandates obtained in the institutional clientele, notably in the US, combined with market appreciation and the positive impact of the US dollar exchange rate. Finally, the quarter ended September 30, 2014, showed a significant increase in AUM compared to the quarter ended June 30, 2014, mainly due to important mandates won in the institutional clientele namely in the US, combined with market appreciation and additional assets obtained following the acquisition of Propel.

Revenues

Since the acquisition of Bel Air and Wilkinson O'Grady in late 2013, the Firm's revenue stream is balanced between the institutional, retail and private wealth clientele and has been constantly progressing. Also, revenue from the US Institutional segment is increasing, fuelled by new mandates.

The current quarter showed an increase in revenues mainly due to higher base management fees following the acquisition of Apex and the acquisition of control of Fiera Properties, combined with higher performance fees which are generally recorded in June and December of each year.

The previous quarter showed a decrease in revenues mainly due to lower performance fees which are generally recorded in June and December of each year, partially offset by higher base management fees resulting from the inclusion of a full quarter of revenues from Samson during the first quarter of 2016, compared to two months of revenues from Samson during the previous quarter.

The quarter ended December 31, 2015, showed an increase in revenues mainly due to higher performance fees recorded at the end of the year, combined with the inclusion of two months of revenues from the Samson acquisition. The quarter ended September 30, 2015, showed an increase in base management fees compared to the quarter ended June 30, 2015, mainly as a result of new mandates from the US funded toward the end of the second quarter of 2015, for which revenues are recognized during the third quarter of 2015, while performance fees were lower due to the fact that they are generally recorded in June and December of each year.

The quarter ended June 30, 2015, showed an increase in performance fees from the alternative asset class, which are generally recorded in June and December of each year. The quarter ended March 31, 2015, showed an increase in base management fees compared to the fourth quarter of 2014 as a result of a higher AUM base. The previous quarter ended December 31, 2014, showed a significant increase in revenues mainly due to the inclusion of performance fees from both traditional and alternative asset classes. Also, revenues from base management fees in the fourth quarter of 2014 were higher than those in the third quarter of 2014. This was mainly attributable to a higher AUM base resulting from new mandates won during the period.

Finally, the third quarter ended September 30, 2014, showed an increase in base management fees compared to the quarter ended June 30, 2014. Also, performance fees were lower in the third quarter of 2014 compared to the second quarter of 2014.

Adjusted EBITDA

Adjusted EBITDA increased in the current quarter ended June 30, 2016, compared to the previous quarter, mainly due to higher base management fees following the acquisition of Apex, combined with higher performance fees, partially offset by and higher overall operating expenses.

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Adjusted EBITDA decreased in the previous quarter ended March 31, 2016, compared to the quarter ended December 31, 2015, mainly due to lower performance fees and higher overall operating expenses, particularly related to variable compensation, which is generally higher in the first quarter of the fiscal year and increased costs related to recent acquisitions and investments in the US, partially offset by higher base management fees.

Adjusted EBITDA increased in the quarter ended December 31, 2015, compared to the quarter ended September 30, 2015, mainly due to higher performance fees and base management fees, partially offset by higher overall operating expenses. Adjusted EBITDA decreased in the third quarter of 2015 compared to the second quarter of 2015, mainly due to lower performance fees in the alternative asset class, which are generally recorded in June and December of each year.

Adjusted EBITDA increased in the second quarter of 2015, compared to the first quarter of 2015, mainly due to higher performance fees from the alternative asset class, partially offset by higher SG&A expenses namely related to variable compensation. Adjusted EBITDA decreased in the first quarter of 2015, compared to the fourth quarter of 2014, mainly due to lower performance fees, despite the fact that base management fees were higher and SG&A expenses stayed at the same level compared to those from the fourth quarter of 2014. Adjusted EBITDA increased in the fourth quarter of 2014, compared to those in the third quarter of 2014, mainly due to higher performance fees, combined with higher base management fee revenues, partially offset by higher SG&A expenses.

Finally, adjusted EBITDA decreased in the third quarter of 2014, compared to the second quarter of 2014, mainly due to lower performance fees in the alternative asset class, which are generally recorded in June and December of each year.

Adjusted EBITDA Margin

Adjusted EBITDA margin relates adjusted EBITDA to revenues. It is an important measure of overall operating performance because it measures Company profitability from operations.

Adjusted EBITDA margin has fluctuated from a low of 24.4% to a high of 38.6% during the most recent eight quarters. The first quarter of each year generally absorbs a higher percentage of compensation expenses. Also, adjusted EBITDA margin tends to be higher in the second and the fourth quarter of each year due to the fact that performance fees are generally recorded in June and December of each year.

The current quarter ended June 30, 2016, showed an adjusted EBITDA margin of 31.4%, which is higher than the previous quarter, mainly due to higher base management fees following the acquisition of Apex and higher performance fees recorded during the quarter, partially offset by higher operating expenses. Also, the upfront set-up costs of the US platform initiative and other costs associated with building scale will generate benefits in the upcoming quarters.

The previous quarter showed an adjusted EBITDA margin of 24.4%, which is lower than the quarter ended December 31, 2015, mainly due to lower performance fees, combined with higher operating expenses, particularly related to higher variable compensation in the first quarter and higher SG&A expenses to support business growth.

The quarter ended December 31, 2015, showed an adjusted EBITDA margin of 34.8%, which is higher than the quarter ended September 30, 2015, mainly due to higher performance fees and higher base management fees. The quarter ended September 30, 2015, showed an adjusted EBITDA margin of 30.9% mainly due to lower performance fees compared to the quarter ended June 30, 2015, despite higher base management fees recorded in the quarter ended September 30, 2015, compared to the quarter ended June 30, 2015. The previous quarter ended June 30, 2015, showed an adjusted EBITDA margin of 34.8% mainly due to higher performance fees from the alternative asset class compared to the first quarter of 2015. The quarter ended March 31, 2015, showed an adjusted EBITDA margin of 29.9% mainly

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due to lower performance fees compared to the fourth quarter of 2014. The quarter ended December 31, 2014, had an adjusted EBITDA margin of 38.6%, a higher level compared to the previous quarter, mainly attributable to higher performance fees which are generally recorded in December of each year, combined with higher base management fees as a result of higher base AUM. Finally, the third quarter ended September 30, 2014, had an adjusted EBITDA margin of 34.5%, a lower level compared to the previous quarter, mainly due to lower performance fees in the alternative asset class, which are generally recorded in June and December of each year.

On a twelve-month basis, the current LTM adjusted EBITDA margin was at 30.5%, which compares to the LTM adjusted EBITDA margin of 31.3% and 34.6% reported as at March 31, 2016, and June 30, 2015, respectively. The LTM adjusted EBITDA margin neutralizes the impact of the timing of performance fees which are generally recorded in the second and the fourth quarter of each year, as well as the rise in SG&A expenses in recent quarters resulting from various acquisitions and provides a better measure of the Firm's overall performance.

Net Earnings Attributable to the Company's Shareholders

Net earnings attributable to the Company's shareholders have fluctuated from a low of \$3.7 million to a high of \$12.1 million over the last eight quarters. Net earnings attributable to the Company's shareholders were impacted by various initiatives resulting in higher SG&A expenses, acquisitions and restructuring and other integration costs. Also, performance fees generally recorded in the second quarter and the fourth quarter of each year contributed to the fluctuation of the net earnings attributable to the Company's shareholders.

The current quarter's net earnings attributable to the Company's shareholders were higher than those of the previous quarter ended March 31, 2016, mainly due to higher base management fees following the acquisition of Apex and higher performance fees from the traditional and alternative asset classes.

Adjusted Net Earnings per Share Attributable to the Company's Shareholders

Adjusted net earnings attributable to the Company's shareholders per share are a good performance indicator of the Company's ability to generate cash flows. Adjusted net earnings attributable to the Company's shareholders have fluctuated from a low of \$0.21 per share (basic and diluted) to a high of \$0.34 per share (basic and diluted) over the last eight quarters.

The current quarter showed adjusted net earnings attributable to the Company's shareholders of \$0.32 per share (basic and diluted), which are higher than those of the previous quarter, mainly due to higher base management fees following the acquisition of Apex and higher performance fees from the traditional and alternative asset classes.

The previous quarter ended March 31, 2016, closed with adjusted net earnings attributable to the Company's shareholders of \$0.30 per share (basic and diluted), mainly due to a gain related to the disposal of Axium, offset by the revaluation of assets held-for-sale related to Fiera Quantum, combined with higher base management fees reflecting a full quarter of operation of Samson, compared to two months from the previous quarter, partially offset by lower performance fees and higher SG&A expenses to support business growth, compared to the quarter ended December 31, 2015. The gain related to the disposal of the investment in Axium and the revaluation of asset held-for-sale had a net positive impact of \$0.10 per share (basic and diluted) on the Firm's adjusted net earnings for the quarter ended March 31, 2016.

The quarter ended December 31, 2015, showed adjusted net earnings attributable to the Company's shareholders of \$0.30 per share (basic) and \$0.29 (diluted), mainly due to higher performance fees from both the traditional and alternative asset classes, combined with higher base management fees as a result of higher average AUM and the

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inclusion of Samson. For the quarter ended September 30, 2015, adjusted net earnings attributable to the Company's shareholders were \$0.25 per share (basic and diluted), representing a slight decrease from the previous quarter resulting mainly from lower performance fees from the alternative asset class, compared to \$0.26 per share (basic and diluted) recorded for the second quarter ended June 30, 2015.

The quarter ended June 30, 2015, closed with adjusted net earnings attributable to the Company's shareholders of \$0.26 per share (basic and diluted), a higher level compared to the first quarter of 2015, mainly due to higher performance fees from the alternative asset class than the previous quarter. For the first quarter of 2015, the Firm recorded adjusted net earnings attributable to the Company's shareholders of \$0.21 per share (basic and diluted), a level lower than that of the fourth quarter of 2014, mainly due to lower performance fees, partially offset by higher base management fees recorded during the quarter.

The fourth quarter of 2014 showed a high level of adjusted net earnings attributable to the Company's shareholders of \$0.34 per share (basic and diluted), mainly due to higher performance fees recorded during the quarter. Finally, the previous quarter ended September 30, 2014, closed with adjusted net earnings attributable to the Company's shareholders of \$0.21 per share (basic and diluted), as a result of higher base management fees, partially offset by lower performance fees compared to the quarter ended June 30, 2014.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The ability to consistently generate free 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.

Table 11 – Summary of Consolidated Statements of Cash Flows (in \$ thousands)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2016	JUNE 30, 2015
Cash generated by operating activities	13,964	16,714
Cash used in investing activities	94,041	(202)
Cash generated by (used in) financing activities	70,747	(22,149)
Net decrease in cash	(9,330)	(5,637)
Effect of exchange rate changes on cash denominated in foreign currencies	(1,298)	979
Cash, beginning of period	25,725	16,880
Cash, end of period	15,097	12,222

Year-to-Date Activities

Cash generated by operating activities amounted to \$14.0 million for the six-month period ended June 30, 2016. This amount resulted from \$37.5 million cash generated from net earnings adjusted for depreciation and amortization, non-cash compensation, accretion of purchase price obligations, interest on long-term debt and other financial charges,

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income tax expenses, as well as changes in fair value of derivative financial instruments, which was offset by a gain of \$15.0 million on the disposal of Axiom, offset by the revaluation of assets-held-for-sale related to Fiera Quantum GP Inc. of \$7.9 million, the gain on acquisition of control of investment in joint venture of \$5.8 million, and \$10.9 million in negative change in non-cash operating working capital.

Cash used in investing activities was \$94.0 million for the six-month period ended June 30, 2016, resulting from \$112.4 million cash used in the Apex acquisition, partially offset by the proceeds of \$20.0 million from the disposal of Axiom.

Cash generated by financing activities was \$70.7 million for the six-month period ended June 30, 2016, resulting from \$102.0 million increase in long-term debt, combined with \$2.9 million of share issuance, partially offset by \$23.4 million cash used for dividend payments, \$4.1 million for long-term debt interest payments and financing charges, and \$1.7 million cash used to purchase shares for cancellation during the period.

Finally, the negative impact of exchange rate changes on cash denominated in foreign currencies was \$1.3 million during the six-month period ended June 30, 2016.

Year-to-Date June 30, 2016 versus Year-to-Date June 30, 2015

Cash generated by operating activities amounted to \$14.0 million for the six-month period ended June 30, 2016, compared to \$16.7 million cash generated by operating activities for the same period last year. The variation of \$2.7 million is mainly attributable to the decrease of \$2.0 million in adjusted EBITDA as described in the "Adjusted EBITDA" section, combined with an increase of \$2.5 million in income tax paid, partially offset by a positive change in non-cash operating working capital of \$3.1 million in the six-month period ended June 30, 2016, compared to the same period last year.

Cash used in investing activities amounted to \$94.0 million for the six-month period ended June 30, 2016, compared to \$0.2 million cash used in investing activities for the same period last year. The variation in cash used in investing activities is mainly attributable to \$112.4 million cash used related to the Apex acquisition, partially offset by the proceeds related to the disposal of investment in a joint venture of \$20.0 million.

Cash generated by financing activities was \$70.7 million for the six-month period ended June 30, 2016, compared to \$22.1 million cash used in financing activities for the same period last year. The year-over-year variation is mainly attributable to higher long-term debt of \$100.9 million, partially offset by a higher dividend payment of \$5.2 million during the six-month period ended June 30, 2016, compared to the same period of 2015.

Finally, the exchange rate changes on cash denominated in foreign currencies negatively impacted the cash flow of the Firm by \$1.3 million during the six-month period ended June 30, 2016, compared to \$1.0 million positive impact for the same period last year.

Cash Earnings

The Company defines 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 non-cash compensation items. Cash earnings are an indicator of our ability to pay out dividends, to continue operations, and to invest in new businesses. We believe that cash earnings are an important measure to assess our core operating performance.

The following table provides details of the Firm's cash earnings and cash earnings per share for the six-month periods ended June 30, 2016, and 2015, respectively.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

Table 12 – Cash Earnings ⁽¹⁾ (in \$ thousands except per share data)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2016	JUNE 30, 2015
Net earnings attributable to the Company's shareholders	15,181	11,253
Adjusted for the following items:		
Depreciation of property and equipment	1,655	897
Amortization of intangible assets	16,009	13,241
Non-cash compensation	6,109	4,864
Changes in fair value of derivative financial instruments	(619)	876
Cash earnings attributable to the Company's shareholders	38,335	31,131
Cash earnings per share (basic)	0.53	0.44
Cash earnings per share (diluted)	0.52	0.44

⁽¹⁾ Cash earnings and cash earnings per share are non-IFRS measures. Please refer to "Non-IFRS Measures" on page 45.

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

For the six-month period ended June 30, 2016, \$17.7 million depreciation of property and equipment, and amortization of intangible assets, as well as \$5.5 million non-cash compensation and change in fair value of derivative financial instruments had an unfavourable impact on the net earnings attributable to the Company, compared to \$14.1 million and \$5.7 million for the same period last year, respectively. Excluding these items, cash earnings attributable to the Company's shareholders amounted to \$38.3 million, or \$0.53 per share (basic) and \$0.52 (diluted) for the six-month period ended June 30, 2016, compared to \$31.1 million or \$0.44 per share (basic and diluted) for the same period last year.

Long-Term Debt

Table 13 – Credit Facility (in \$ thousands)

	JUNE 30, 2016	DECEMBER 31, 2015
Revolving facility	195,204	265,270
Term facilities	164,156	-
Deferred financing charges	(1,728)	(1,044)
	357,632	264,226

On May 31, 2016, the Company amended the terms of its credit facility to include, amongst others, the following change:

A new US\$125 million term facility maturing in May 2019;

The Company used the additional amounts available under the term facility to finance the cash portion of the Apex acquisition and to reimburse existing borrowings under the revolving facility.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

As at June 30, 2016, the total amount of the revolving facility was comprised of CA\$108 million and US\$67.034 million (CA\$87.204 million) (CA\$128.258 million and US\$98.997 million (CA\$137.012 million) was outstanding as at December 31, 2015) and the total amount of the term facility was comprised of US\$125 million (CA\$162.613 million).

In addition, the Company's subsidiary Fiera Properties Limited has an outstanding term facility in the amount of \$1.543 million of which quarterly instalments of \$0.131 million are required.

Under the terms of the loan agreement, the Company must satisfy certain restrictive covenants including minimum financial ratios. These restrictions include maintaining a maximum ratio of funded debt to EBITDA and a minimal interest coverage ratio. EBITDA, a non IFRS measure, is defined in the credit facility on a consolidated basis, as earnings of the Borrower before interest, taxes, depreciation, amortization, non-recurring and one-time expenses related to acquisitions and other non-cash items. As at June 30, 2016, all debt covenant requirements were met.

On May 1, 2012, the Company entered into an interest rate swap agreement for a notional amount of \$108 million, to exchange its monthly variable interest rate payments for fixed interest payments at the rate of 1.835% until March 2017, payable in monthly instalments.

Contractual Obligations and Contingent Liabilities

Contractual Obligations

As at June 30, 2016, the Company had no material contractual obligation other than those described in the Company's 2015 Annual MD&A in the section entitled "*Contractual Obligations*".

Contingent Liabilities

In the normal course of business, the Company is 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, 2016, Fiera Capital was not party to any off-balance sheet arrangements, including guarantees, derivatives, except for the above-mentioned floating-to-fixed interest rate swap agreement, and variable-interest entities. We do not expect to enter into such agreements.

Share Capital

As at June 30, 2016, the Company had 57,859,415 Class A shares and 19,847,577 Class B special voting shares for a total of 77,706,992 outstanding shares compared to 49,408,166 Class A subordinate voting shares and 19,991,247 Class B special voting shares for a total of 69,399,593 outstanding shares as at June 30, 2015.

Management's Discussion and Analysis

For the Three and Six-Month Periods Ended June 30, 2016

Share-Based Payments

Stock Option Plan

The following table presents transactions that occurred during the three-month periods ended June 30, 2016, and 2015, under the terms of the Company's stock option plan:

Table 14 – Options Transactions

	JUNE 30, 2016		JUNE 30, 2015	
	Number of Class A Share Options	Weighted-Average Exercise Price (\$)	Number of Class A Share Options	Weighted-Average Exercise Price (\$)
Outstanding – beginning of period	3,040,225	9.58	3,346,037	9.32
Granted	41,259	13.33	25,000	13.83
Exercised	(265,403)	4.73	(216,923)	6.12
Forfeited	-	-	(149,638)	12.72
Outstanding – end of period	2,816,081	10.09	3,004,476	9.42
Options exercisable – June 30, 2016 and 2015	1,103,440	7.74	1,182,649	6.96

Performance Share Unit Plan ("PSU")

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

The following table presents transactions that occurred during the three-month periods ended June 30, 2016, in the Company's PSU plans applicable to BU.

Table 15 – PSU Transactions

	JUNE 30, 2016	
	Number of PSUs Outstanding	Weighted-Average Value of PSU(\$)
Outstanding – March 31, 2016	2,542,711	12.88
Settled	(244,878)	12.23
Transferred to PSU plan	(82,051)	13.66
Outstanding – June 30, 2016	2,215,782	12.99

During the six-month period ended June 30, 2016, 244,878 PSUs vested and were settled. The Company settled the vested PSUs by paying \$4.2 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 \$4.2 million in contributed surplus. The settling of these PSUs in cash was due to exceptional circumstances. The Company still has the intention to settle the remaining tranches by issuing shares.

The Company recorded an expense of \$1.0 million and \$2.1 million during the three and six-month periods ended June 30, 2016, respectively for the PSU plan applicable to business units (\$2.2 million and \$2.7 million for the three and six-month periods ended June 30, 2015, respectively). For the three and six-month periods ended June 30, 2016, the expense is attributable to equity-settled grants for an amount of \$1.0 million and \$2.1 million, respectively and cash-settled grants for an amount of nil and (\$0.015 million), respectively (for the three and six-month periods ended June

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For the Three and Six-Month Periods Ended June 30, 2016

30, 2015, the expense is attributable to equity-settled grants for an amount of \$2.3 million and \$2.7 million respectively and cash-settled grants for an amount of (\$0.076 million) and (\$0.043 million), respectively).

PSU plan

The Company recorded an expense of \$0.135 million and \$0.583 million during the three and six-month periods ended June 30, 2016, respectively for the PSU Plan (\$0.534 million for the three and six-month periods ended June 30, 2015, respectively). 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 (for the three and six-month periods ended June 30, 2015 the expense is attributable to equity-settled grants for an amount of \$0.135 million and cash-settled grants for an amount of \$0.399 million). During the six-month period ended June 30, 2016, the Company settled vested PSUs by issuing 9,542 Class A Shares.

Restricted Share Unit ("RSU") Plan

The Company recorded an expense of \$0.648 million and \$1.971 million during the three and six-month periods ended June 30, 2016, respectively for the RSU Plan (\$0.365 million and \$1.140 million during the three and six-month periods ended June 30, 2015, respectively). As at June 30, 2016, the Company had a liability totalling \$4.856 million related this plan (\$2.905 million as at December 31, 2015). During the six-month period ended June 30, 2016, 1,991 RSUs were forfeited. As at June 30, 2016 there were 700,033 RSUs outstanding (686,244 December 31, 2015).

Restricted Share Plan ("RSP")

The Company recorded an expense of \$0.381 million and \$0.734 million during the three and six-month periods ended June 30, 2016, for the restricted share plan (nil for the three and six-month periods ended June 30, 2015).

Related Party Transactions

The Company entered into the following significant transactions with its shareholders and their related companies:

Table 16 – Related Party Transactions (in \$ thousands)

	FOR THE SIX-MONTH PERIODS ENDED	
	JUNE 30, 2016	JUNE 30, 2015
Base management, performance fees and other revenues	24,855	23,692
Interest on long-term debt	4,654	3,721

These transactions were made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Fees are at prevailing market prices and are settled on normal trade terms. The amounts due under the Company's credit facility, presented as long-term debt are amounts due to a syndicate of lenders which includes two related parties of the Company. The derivative financial instruments are entered into with a related company.

CONTROL AND PROCEDURES

The Chairman of the Board & Chief Executive Officer ("CEO") and the Executive Vice President & Chief Financial Officer ("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, 2016, 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, 2016, except as described below:

On October 30, 2015, the Corporation acquired 100% of the issued and outstanding shares of Samson Capital Advisors LLC ("Samson"). On June 1, 2016, the Firm acquired 100% of the issued and outstanding shares of Apex Capital Management ("Apex"). Management is in the process of completing its review of the design and operating effectiveness of ICFR for these acquisitions. At June 30, 2016, 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 in the consolidated financial statements as part of the purchase price allocation process and the results of operations of Samson and Apex were also included in the Corporation's consolidated results. Samson constitutes 7.2% of revenue, (14.5%) of the net earnings of the year, 4.3% of the total assets, 2.7% of the current assets, 4.5% of the non-current assets, 2.8% of the current liabilities and 0.08% of the non-current liabilities of the interim condensed consolidated financial statements for the six-month period ended June 30, 2016. Apex constitutes 2.2% of revenue, 7.7% of the net earnings of the year, 19% of the total assets, 6.8% of the current assets, 20.3% of the non-current assets, 1.5% of the current liabilities and none of the non-current liabilities of the interim condensed consolidated financial statements for the six-month period ended June 30, 2016. In the coming months, management will complete its review of the design of ICFR for Samson and Apex, and assess its effectiveness.

Following the above mentioned acquisition, Management had to adjust the consolidation process to incorporate the new US subsidiary. New controls were implemented in order to present fairly the financial position of the Company as at June 30, 2016, and its financial performance and its cash flows for the quarter ended June 30, 2016.

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 2015 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. The Company manages its capital to ensure there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance and to maintain compliance with regulatory requirements and certain restrictive covenants required by the lender of the debt.

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In order to maintain its capital structure, the Company may issue new shares or proceed to the issuance or repayment of debt and acquire or sell assets to improve its financial performance and flexibility. During the three-month period ended at June 30, 2016, all regulatory requirements and exemptions were met.

SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATION UNCERTAINTIES

This MD&A is prepared with reference to the unaudited interim condensed consolidated financial statements for the three and six-month periods ended 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, 2015. 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. Accounting policies that require Management's judgment and estimates are described in the "*Significant Accounting Judgment and Estimation Uncertainties*" section of the Company's annual MD&A for the year ended December 31, 2015.

NEW ACCOUNTING POLICIES

Adoption of New IFRS

The following revised standards are effective for annual periods beginning on January 1, 2016, and their adoption has not had any impact on the amounts reported or disclosures made in these financial statements but may affect the accounting for future transactions, arrangements, or disclosures in the Company's 2016 annual financial statements.

Amendments to IFRS 11 – Joint Arrangements

In May 2014, the IASB issued an amendment to this standard requiring business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business.

Amendments to IAS 38 – Intangible Assets and IAS 16 – Property, Plant and Equipment

In May 2014, the IASB issued amendments to these standards to introduce a rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate.

Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures

In September 2014, the IASB issued amendments to these standards to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture. The extent of gains and losses arising on the sale or contribution of assets depends on whether the assets sold or contributed constitute a business. In August 2015, the IASB published an exposure draft proposing an indefinite deferral of the effective date for these amendments.

Amendments to IAS 1 – Presentation of Financial Statements

In December 2014, the IASB published amendments to this standard to clarify materiality, aggregation and disaggregation of items presented on the statement of financial position, statement of earnings, and statement of comprehensive income as well as the order of notes to the financial statements.

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, 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 is permitted.

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 July 2015, the IASB affirmed its proposal to defer the effective date by one year. Application of IFRS 15 is mandatory for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively. Early adoption is permitted.

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 application is permitted.

Annual Improvements to IFRS (2012-2014) Cycle

In September 2014, the IASB published annual improvements on the 2012-2014 cycle which included narrow-scope amendments to a total of four standards. Modifications of standards that may be relevant to the Company include amendments made to provide: (1) specific guidance for cases when an entity reclassifies an asset from held-for-sale to held-for-distribution and vice versa in IFRS 5 – *Non-current assets held-for-sale*, (2) additional guidance on whether a servicing contract is continuing involvement in a transferred asset and clarification on offsetting disclosures in condensed interim financial statements in IFRS 7 – *Financial Instruments: Disclosures*, (3) clarification that the high quality bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits paid under IAS 9 – *Employee Benefits*, (4) clarification of the term "elsewhere in the interim report" in IAS 34 – *Interim Financial Reporting*. Most of the amendments are effective for annual periods beginning on or after July 1, 2016. Early adoption is permitted. The Company is still evaluating the impact of these standards on its consolidated 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 amendments will come into effect for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

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 for unrealized losses related to debt instruments measured at fair value. The amendments will come into effect for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

The Company is still evaluating the impact of these standards on its consolidated financial statements.

NON-IFRS MEASURES

Adjusted EBITDA is calculated as the difference between total revenues and SG&A expenses (excluding non-cash compensation) and external managers' expenses.

Adjusted net earnings are calculated as the sum of net earnings (loss) attributable to the Company's shareholders, non-cash items, including depreciation of property and equipment, amortization of intangible assets, after-tax changes in fair value of derivative financial instruments, after-tax impairment of non-financial assets, after-tax acquisition and restructuring and other integration costs and non-cash compensation items.

Cash earnings are calculated as the sum of net earnings (loss) attributable to the Company's shareholders, non-cash items, including depreciation of property and equipment, amortization of intangible assets, changes in fair value of derivative financial instruments, impairment of non-financial assets and non-cash compensation items.

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 eliminate items that have less bearing on our operating and financial performance and thus highlight trends in our core business that may not otherwise be apparent when one relies solely on IFRS measures. We also believe that 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. 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. Although we consider the items excluded from the calculation of non-IFRS measures to be non-recurring and less relevant to evaluate our performance, some of these items may be recurring and, accordingly, may reduce available cash. We believe that the presentation of the non-IFRS measures described above is appropriate. However, 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. In addition, because other companies may calculate non-IFRS measures differently than we do, these measures may not be comparable to similarly titled measures reported by other companies.

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 2015 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.

