Leadership in

Alternative Asset Management

FIRST QUARTER FINANCIAL STATEMENTS, DECEMBER 31, 2012

Integrated Asset Management Corp.
Consolidated Balance Sheets - Unaudited

	Notes		December 31, 2012		September 30, 2012
Assets					
Current					
Cash and cash equivalents		$	4,987,938	$	7,244,488
Receivables			1,498,396		1,176,566
Income taxes recoverable			81,193		-
Prepaids			217,384		363,708
Investments in funds managed by the Corporation	(Note 3)		3,840,923		4,687,394
Other assets			-		33,268
Total current assets			10,625,834		13,505,425
Property and equipment			206,869		226,084
Intangible assets			5,617,300		5,900,777
Investments in funds managed by the Corporation	(Note 3)		700,540		771,411
Other assets			2,357,299		2,326,781
Deferred income taxes	(Note 9)		685,170		257,508
		$	20,193,012	$	22,987,983
Liabilities					
Current					
Payables and accruals		$	2,018,038	$	3,527,006
Deferred revenue			43,111		46,898
Income taxes payable			138,378		515,796
Non-controlling interest	(Note 3)		-		1,070,164
			2,199,527		5,159,864
Post retirement obligations	(Note 7)		78,000		-
Deferred income taxes	(Note 9)		996,049		1,063,005
Total liabilities			3,273,576		6,222,869
Shareholders' Equity					
Capital stock	(Note 4)		20,109,870		20,109,870
Contributed surplus	(Note 4)		1,031,739		1,020,098
Retained earnings deficit			(4,636,496)		(4,776,067)
Non-controlling interest			414,323		411,213
Total shareholders' equity			16,919,436		16,765,114
		$	20,193,012	$	22,987,983

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See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Consolidated Statements of Income (Loss) and Comprehensive Income (loss) – Unaudited

For the three-month period ended December 31	Notes		**2012**		2011
Revenues					
Management fees, administration and redemption fees		**$**	**3,280,074**	$	3,841,593
Performance fees			**218,102**		19,928
Investment gain	(Note 6)		**153,763**		282,000
Interest and other income			**43,636**		58,807
			3,695,575		4,202,328
Expenses					
Selling, general and administration	(Note 8)		**3,113,977**		3,558,438
Stock-based compensation	(Note 4)		**11,641**		9,097
Investment advisor fees			**35,017**		79,058
Service fees paid to dealers			**318,924**		373,151
Investment advisor, service fees and expenses paid relating to performance fees revenue earned			**72,561**		1,331
Amortization of property and equipment			**29,339**		30,481
Amortization of intangible assets			**313,107**		299,885
Interest expense			**6,271**		6,728
			3,900,837		4,358,169
Non-controlling interest share of income	(Note 6)		**1,413**		161,911
Total expenses			**3,902,250**		4,520,080
Loss before income taxes			**(206,675)**		(317,752)
Income taxes (recovery)					
Current			**145,733**		85,538
Deferred			**(494,618)**		(1,108)
			(348,885)		84,430
Net income (loss) and comprehensive income (loss)		**$**	**142,210**	$	(402,182)
Net income (loss) attributed to:					
Common shareholders of the Corporation		**$**	**139,571**	$	(390,659)
Non-controlling interest			**2,639**		(11,523)
		$	**142,210**	$	(402,182)
Basic and diluted earnings per share		**$**	**0.00**	$	(0.01)

See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Consolidated Statement of Changes in Shareholder's Equity – Unaudited

	Number of Shares Outstanding	Capital Stock $	Contributed Surplus $	Retained Earnings (Deficit) $	Non-Controlling Interest $	**Total Equity** $
At September 30, 2012	**28,310,150**	**20,109,870**	**1,020,098**	**(4,776,067)**	**411,213**	**16,765,114**
Stock-based compensation	-	-	11,641	-	-	**11,641**
Net income and comprehensive income	-	-	-	139,571	2,639	**142,210**
Other	-	-	-		471	**471**
Balance, December 31, 2012	**28,310,150**	**20,109,870**	**1,031,739**	**(4,636,496)**	**414,323**	**16,919,436**
At September 30, 2011	**28,310,150**	**20,109,870**	**952,349**	**(1,618,296)**	**540,190**	**19,984,113**
Stock-based compensation	-	-	9,097	-	-	**9,097**
Net loss and comprehensive loss	-	-	-	(390,659)	(11,523)	**(402,182)**
Distributions paid to non-controlling interest	-	-	-	-	(76,217)	**(76,217)**
Balance, December 31, 2011	**28,310,150**	**20,109,870**	**961,446**	**(2,008,955)**	**452,649**	**19,515,010**

See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Consolidated Statements of Cash Flows - Unaudited
For the three-month period ended December 31

	Notes	2012	2011
Operating activities			
Net income (loss)		$ **142,210**	$ (402,182)
Add (subtract) non-cash items:			
Stock-based compensation	(Note 4)	**11,641**	9,097
Amortization of property and equipment		**29,339**	30,481
Amortization of intangible assets		**313,107**	299,885
Deferred income taxes recovery		**(494,618)**	(1,108)
Investment gain		**(153,763)**	(282,000)
Non-controlling interest share of income		**1,413**	161,911
Other		**-**	(9,642)
Cash used in operating activities before changes in operating assets and liabilities		**(150,671)**	(193,558)
Net change in non-cash balances relating to operations		**(1,382,457)**	(2,851,799)
Interest paid		**(6,271)**	(6,728)
Income taxes paid		**(530,000)**	(1,580,000)
Cash used in operating activities		**(2,069,399)**	(4,632,085)
Investing activities			
Cash included in assets of division sold		**(150,140)**	-
Purchase of property and equipment		**(13,131)**	(16,992)
Deferred sales commissions paid		**(26,630)**	(11,451)
Cash used in investing activities		**(189,901)**	(28,443)
Financing activities			
Distributions paid to non-controlling interest		**-**	(76,217)
Repayment of management loans		**2,750**	**-**
Cash provided by (used in) financing activities		**2,750**	(76,217)
Decrease in cash and cash equivalents		**(2,256,550)**	(4,736,745)
Cash and cash equivalents, beginning of period		**7,244,488**	8,158,037
Cash and cash equivalents, end of period		$ **4,987,938**	$ 3,421,292

See accompanying notes to the consolidated financial statements.

1. ORGANIZATION

Integrated Asset Management Corp. (the "Corporation" or "IAM") is incorporated under the laws of Ontario and its common shares are listed on the TSX. Its registered office is located at 70 University Avenue, Suite 1200, Toronto, Ontario. The Corporation's principal business is alternative asset management and it operates in one geographic segment (Canada).

The Corporation manages assets across a variety of alternative asset classes for institutional, retail and high net worth customers. All of the Corporation's revenues and cash flows are derived from managing and administering this business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance
These interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") and with International Financial Reporting Standards ("IFRS"). These interim financial statements should be read in conjunction with the Corporation's annual financial statements for the year ended September 30, 2012.

These interim financial statements were authorized for issuance by the Board of Directors of IAM on February 8, 2013.

Basis of presentation
The interim financial statements of IAM have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value. The accounting policies and methods of computation used in the interim financial statements are the same as those used in the annual financial statements for the year ended September 30, 2012.

Principles of consolidation
The consolidated financial statements include the accounts of the Corporation and the following material subsidiaries:

GPM Investment Management ("GPM") (a partnership)	100%	(1)
Integrated Private Debt Corp. ("IPD")	100%	
BluMont Capital Inc. ("BluMont Capital")	100%	
Integrated Managed Futures Corp. ("IMFC")	77.5%	
Integrated Partners Holding GP One Limited ("IPHGPOL")	57.8%	

(1) In fiscal 2009, the Corporation acquired the remaining 25.025% of GPM that it did not already own. The vendor retained his 25.025% pro-rata economic interest in performance fees that may be realized by GPM from specific funds in the future, of which two funds remained as at December 31, 2012.

The interim financial statements include all the assets, liabilities and operations of certain funds managed by the Corporation for the period in which the Corporation controlled those funds. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are de-consolidated from the date that control ceases. Intercompany transactions, balances, income, expenses and profit and losses are eliminated. Non-controlling interest represent equity interests in subsidiaries and certain funds owned by outside parties; the share of net assets which is attributable to non-controlling interest is presented as a component of equity and/or liabilities depending on their characteristics. The non-controlling interest's share of net income and comprehensive income is recognized directly in equity, if characterized as equity, and included in the statement of income, if characterized as liabilities. Changes in IAM's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

The Corporation applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of (i) the assets transferred, (ii) the liabilities incurred to the former owners of the acquiree and (iii) the equity interest issued by the Corporation. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Corporation recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets.

Post retirement obligations
In October 2012, the Corporation agreed to make post retirement payments to one executive, or his estate, to take effect on the earlier of September 30, 2017 or date of retirement.

The Corporation accounts for this liability by estimating the present value of the estimated payments to be made using a discount rate of 7%. The Corporation accrues amounts quarterly, calculated on a straight line basis, which will accumulate over a five year period, beginning in fiscal 2013, to provide for the liability for future payments (see note 7).

Significant accounting judgements and estimates
The process of applying the Corporation's accounting policies requires management to make significant judgements involving assumptions and estimates.

IAM's annual financial statements for the year ended September 30, 2012 describe the key assumptions and estimates which could have a material impact on the carrying amounts of the assets and liabilities of the Corporation.

The post retirement obligations, described above, require management to make estimates, including discount rates and net profits in future fiscal years, in order to estimate the future payments and the related annual accrual (see note 7).

3. INVESTMENTS IN FUNDS MANAGED BY THE CORPORATION

	December 31, 2012	September 30, 2012
Held for trading securities, positions held long	$ 3,840,923	$ 4,758,736
Unlisted securities, positions held long	700,540	700,069
	$ 4,541,463	$ 5,458,805
Less amount included in current assets	(3,840,923)	(4,687,394)
	$ 700,540	$ 771,411

As at September 30, 2012, the Corporation owned in excess of a 50% interest in one fund and, in accordance with IFRS, included all of the assets, liabilities and results of operations of that fund in the Corporation's consolidated financial statements for the period in which the Corporation owned more than a 50% interest in that fund. The fair value of the units of the funds that were not owned by the Corporation was $1,070,164 as at September 30, 2012 and this amount is included as an asset under "Investment in Funds Managed by the Corporation" and also as an offsetting liability under "Non-controlling Interest". During the quarter ended December 31, 2012 the Corporation's ownership interest in the fund declined below 50% and, accordingly, no amount has been reflected as an asset and a liability on the Corporation's balance sheet as at December 31, 2012 for units of funds that were not owned by the Corporation.

4. SHAREHOLDERS' EQUITY

a) Capital Stock

The Corporation is authorized to issue an unlimited number of common shares.

Issued:	Number of Common Shares	Stated Value
As at September 30, 2012; and December 31, 2012	28,310,150	$ 20,109,870

b) Contributed surplus

As at September 30, 2012	$ 1,020,098
Stock-based compensation	11,641
As at December 31, 2012	$ 1,031,739

c) Stock option plan

The Corporation has an incentive stock option plan for the executives, key employees, directors and consultants to the Corporation. The Corporation does not issue equity or cash in return for the cancellation of options.

The changes in the stock options are as follows:

	Total number of Options	Weighted Average Exercise Price
As at September 30, 2012	2,245,000	$0.95
Granted	-	-
Cancelled and expired	-	-
As at December 31, 2012	2,245,000	$0.95

Incentive stock options vest one-third on each of the second, third and fourth anniversary of the date of grant. The expenses relating to the cancelled options are not reversed due to an estimated forfeiture rate being included in the option grant's fair value calculation.

The following table summarizes information about the Corporation's stock option plan at December 31, 2012:

Number of Options Outstanding	Number of Options Vested and Exercisable	Exercise Price	Expiry Date
40,000	-	$0.55	2019
140,000	-	$0.90	2018
1,375,000	458,333	$0.70	2017
40,000	40,000	$1.45	2014
650,000	650,000	$1.50	2013
2,245,000	1,148,333		

d) Basic and diluted earnings per share

The following table presents the calculation of basic and diluted earnings per common share.

	2012	**2011**
Numerator Net income (loss) attributed to common shareholders of the Corporation – basic and diluted	$ 139,571	$ (390,659)
Denominator Weighted average number of common shares, basic and diluted	28,310,510	28,310,510
Earnings per common share, basic and diluted	$ 0.00	$ (0.01)

e) Maximum share dilution

The following table presents the maximum number of common shares that would be outstanding if all options were exercised:

Shares outstanding at February 8, 2013	28,310,510
Options to purchase shares	2,245,000
	30,555,510

5. DIVIDENDS

No dividends were declared or paid during the three months ended December 31, 2012 and December 31, 2011.

6. INVESTMENT GAIN

	2012	**2011**
Held for trading securities and available for sale securities	$ 153,763	$ 282,000

The Corporation invests in funds managed by the Corporation and recognizes the change in fair value of held for trading securities and available for sale securities on the consolidated statements of income (loss) and comprehensive income (loss).

Included in these amounts is an investment gain of $1,413 (December 31, 2011 – gain of $161,911) in respect of a fund consolidated in these financial statements that is attributed to the non-controlling interest.

7. POST RETIREMENT OBLIGATIONS

In October 2012, the Corporation agreed to make post retirement payments to one executive, or his estate, to take effect on the earlier of September 30, 2017 or date of retirement. These retirement payments will be applicable for a period of up to 5 years (after the date of cessation of employment) and each annual payment will be a defined percentage of up to 5% of the Corporation's net after-tax profits in each of those years, subject to a maximum of $500,000 annually.

Depending on the Corporation's net after-tax profits in the applicable fiscal years (fiscal years 2018 to 2022 or earlier if cessation of employment is earlier than September 30, 2017), the Corporation would be obligated to make payments in aggregate ranging from Nil to a maximum of $2,500,000.

The Corporation accounts for this liability by estimating the present value of the estimated payments to be made using a discount rate of 7%. The Corporation accrues amounts quarterly, calculated on a straight line basis, which will accumulate over a five year period, beginning in fiscal 2013, to provide for the estimated liability for future payments.

The Corporation expects that an amount of $312,000 will be expensed in fiscal 2013 and $78,000 has been accrued in the quarter ended December 31, 2012.

8. SELLING, GENERAL AND ADMINISTRATION EXPENSES

The following table presents the breakdown of selling, general and administrative expenses by nature;

	2012	2011
Salaries and benefits	**$ 2,274,746**	$ 2,534,019
Advertising and marketing	**86,302**	46,643
Sales expenses	**51,974**	127,756
Travel and entertainment	**66,408**	101,167
Consulting fees	**51,531**	86,043
Occupancy	**183,197**	186,075
Office expenses	**186,034**	214,896
Professional fees	**113,491**	159,809
Fees and licences	**29,856**	24,156
Other	**70,438**	77,874
	$ 3,113,977	$ 3,558,438

9. INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The movement in significant components of the Corporation's income tax liabilities and assets for the quarter ended December 31, 2012 is as follows:

	September 30, 2012	Recognized in income	December 31, 2012
Deferred income tax liabilities			
Fund management contracts	$ 1,036,275	$ (80,125)	$ 956,150
Other	26,730	13,169	39,899
Total deferred income tax liabilities	**$ 1,063,005**	**$ (66,956)**	**$ 996,049**
Deferred income tax assets			
Unused non-capital tax losses	113,253	423,662	536,915
Unused capital tax losses	90,862	-	90,862
Tax impact on present value adjustments	14,600	(14,600)	-
Other	38,793	18,600	57,393
Total deferred income tax assets	**$ 257,508**	**$ 427,662**	**$ 685,170**
Net deferred income tax liabilities	**$ 805,497**	**$ (494,618)**	**$ 310,879**

In the quarter ended December 31, 2012, the Corporation recognized a deferred income tax asset of approximately $420,000 in respect of certain unused income tax losses for which management now considers it to be probable that they will be used in the future to offset taxable income.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's financial statements presentation.

11. INDEPENDENT REVIEW

The quarterly consolidated financial statements have not been reviewed by the Corporation's external auditors.

Integrated Asset Management Corp.

Board of Directors

December 31, 2012

Victor Koloshuk
Chairman and Chief Executive Officer,
Integrated Asset Management Corp.

David Atkins (1) (2)
Corporate director

Joseph Benarrosh
Directeur, Quebec
Integrated Asset Management Corp.

John Crocker (1)(2)
Corporate Director

Bruce Day (1) (2)
Corporate Director

Veronika Hirsch
Chief Investment Officer, BluMont Capital Corporation

Stephen Johnson (3)
Chief Financial Officer,
Integrated Asset Management Corp.

David Mather
Executive Vice President,
Integrated Asset Management Corp.

John Robertson
President and Chief Operating Officer,
Integrated Asset Management Corp.

(1) Member of the Audit Committee
(2) Member of the Compensation and Governance Committee
(3) Secretary of the Corporation

Integrated Asset Management Corp.

Principal Officers
December 31, 2012

Integrated Asset Management Corp
Victor Koloshuk
Chairman and Chief Executive Officer

John Robertson
President and Chief Operating Officer

Stephen Johnson
Chief Financial Officer

David Mather
Executive Vice President

Tom Felkai
Vice President of Finance

Paul Patterson
Vice President Private Investment

Quebec Representative
Joseph Benarrosh
Directeur, Quebec

Integrated Partners
Victor Koloshuk
Chairman

Stephen Johnson
Senior Vice President

GPM
Rick Zagrodny
President

David Warkentin
Senior Vice President
Investments

Robert Burns
Chief Financial Officer

GPM
Frank Bartello
Vice President
Acquisitions

David Becket
Vice President
Asset Management

GPH
Robert Hamilton
President

Integrated Private Debt Corp.
John Robertson
Chairman

Philip Robson
President

Donald Bangay
Chief Investment Officer

Dennis McCluskey
Chief Risk Officer

Greg Dimmer
Managing Director

Frank Duffy
Managing Director

Michael LeClair
Managing Director

Douglas Zinkiewich
Managing Director

Integrated Managed Futures Corp.
Stephen Johnson
Chairman

Roland Austrup
Chief Executive Officer and Chief
Investment Officer

David Mather
President and Chief Operating Officer

Robert Koloshuk
Senior Strategist and Director of Trading

Paul Patterson
Director of Business Development

BluMont Capital Corporation
Victor Koloshuk
Chairman

James Wanstall
Chief Executive Officer

Veronika Hirsch
Chief Investment Officer

Hugh Cleland
Executive Vice President
and Portfolio Manager

Alex Ruus
Executive Vice President
and Portfolio Manager

Stephen Johnson
Chief Financial Officer

Richard Goode
Senior Vice President
National Sales

Lisa Christie
Vice President
Fund Operations

Auditors:
PricewaterhouseCoopers LLP

Transfer Agent:
Equity Transfer & Trust Company

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