Integrated Asset Management Corp.

LEADERSHIP

IN ALTERNATIVE ASSET MANAGEMENT

FIRST QUARTER REPORT, DECEMBER 31, 2009

REPORT TO SHAREHOLDERS

Integrated Asset Management Corp. ("IAM" or the "Corporation") is pleased to present to shareholders the financial results of the Corporation for the first quarter of fiscal 2010.

Net income for the quarter ended December 31, 2009 was $1.6 million ($0.06 per share) versus net income of $0.4 million ($0.02 per share) in the quarter ended December 31, 2008.

EBITDA in the latest quarter was $3.2 million versus $0.2 million in the same quarter of the last fiscal year. The latest quarter includes net performance fees of approximately $3.2 million.

In the latest quarter, the Corporation realized performance fees of approximately $4.7 million comprising $4.3 million from Real Estate Asset Management and $0.4 million from Retail Alternative Investments. The performance fees in Real Estate Asset Management were determined as at December 31, 2009 using independent appraisals of the real estate in a segregated account.

The Corporation's profitability continues to be adversely affected by BluMont Capital's operating losses, before the impact of performance fees. Cost reduction initiatives over the last six months have reduced operating losses. In addition, assets and committed capital under management ("AUM") in Retail Alternative Investments decreased modestly during the quarter although there was an improvement in the sales of Exemplar Portfolios to investors. The Exemplar Portfolios products are performing well resulting in performance fees of $0.4 million and our sales team is expecting to increase sales levels over the remainder of fiscal 2010.

AUM of approximately $2.0 billion, as at December 31, 2009, did not change materially during the quarter. The Corporation expects to close a private corporate debt fund (IPD3) around the end of March 2010.

In December, we announced that we had entered into a binding agreement, subject to regulatory approval, to acquire Northern Rivers Capital Management Inc. ("Northern Rivers") of Toronto and that the purchase was expected to close in February, 2010. We expect to close in February as scheduled.

The acquisition of Northern Rivers brings us two exceptional portfolio managers: Hugh Cleland and Alex Ruus. Hugh specializes in small cap investing in the technology, healthcare and resource sectors and Alex has extensive expertise managing diversified portfolios and has specialized expertise in the energy sector. They will be welcome additions to the BluMont Capital roster of talented portfolio managers.

The management's discussion and analysis ("MD&A") of Integrated Asset Management Corp. ("IAM" or the "Corporation") that follows is based on financial information in accordance with Canadian generally accepted accounting principles ("GAAP"). This MD&A also shows certain earnings measures which do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers.

This MD&A covers the financial condition and results of operations of IAM for the three months ended December 31, 2009 compared with the three months ended December 31, 2008 and is as of January 31, 2010. This analysis is supplemental to, and should be read in conjunction with, the Unaudited Consolidated Financial Statements of the Corporation and its accompanying notes, and is intended to provide additional information on the Corporation's recent performance, its current financial situation and its future prospects. It does not form part of the Unaudited Consolidated Financial Statements of the Corporation.

This MD&A may contain forward-looking statements on the Corporation's business, strategies, opportunities and future financial results. These statements are not promises or guarantees and are based on assumptions and estimates which are subject to many different risks and uncertainties, any of which could cause actual results to be significantly different from those derived from the forward-looking statements. The reader should not place undue reliance on any such forward-looking statements, which are presented as of January 31, 2010.

This MD&A and additional information relating to IAM, including the Annual Information Form, are on SEDAR at www.sedar.com.

BUSINESS REVIEW

IAM is an alternative asset management company offering high quality alternative asset class management to institutional, pension and private clients. The Corporation provides investors with a broad range of asset classes such as real estate, private equity, private corporate debt and retail alternative investments. The Corporation had assets and committed capital under management ("AUM") of approximately $2.0 billion at December 31, 2009.

The Corporation's private corporate debt, real estate and private equity products are mostly pools of assets managed by the Corporation for investors and the life of each pool of assets can be up to twelve years. Typically, the Corporation develops and structures each investment product and then markets for commitments from interested investors. The pool is then closed and the pool makes acquisitions of assets to deploy the commitments over a number of years. For some types of pools, the Corporation receives fees only when the commitments are deployed and assets are being managed whereas on some pools the Corporation receives fees on the commitments. Generally, there is little or no liquidity for the investors during the term of a pool and the pool can be liquidated earlier than scheduled only in exceptional circumstances.

The Corporation's other financial products, including retail alternative investments ("Retail Alternative Investments"), are subject to agreements, in accordance with industry practices, whereby clients can withdraw their assets or terminate the contracts on short notice.

Retail Alternative Investments comprise financial products for Canadian retail investors through BluMont Capital Corporation ("BluMont Capital"), a wholly-owned subsidiary of the Corporation. BluMont Capital's sales force throughout Canada has an extensive financial advising distribution network through which virtually all sales of Retail Alternative Investments are made.

In December 2008, the Corporation sold all of its ownership interest in Darton Property & Managers Inc. ("Darton") which represented all of the Corporation's real estate property management activities. The Consolidated Financial Statements of the Corporation show Darton as "discontinued operations" whereby the financial results of Darton are disclosed separately.

In December 2009, the Corporation announced it had entered into a binding agreement, subject to regulatory approval, to acquire Northern Rivers Capital Management Inc. ("Northern Rivers"). This acquisition is an addition to Retail Alternative Investments and is expected to close in February 2010. Northern Rivers had AUM of approximately $68 million, as at December 31, 2009, in five retail investment funds and a small venture capital fund. At the current level of AUM, the impact of this acquisition on IAM's financial results will not be material unless substantial performance fees are generated.

ASSETS AND COMMITTED CAPITAL UNDER MANAGEMENT ("AUM")

AUM decreased by approximately $25 million during the three months ended December 31, 2009. Since September 30, 2009, the AUM of Retail Alternative Investments declined approximately $11 million as a result of market depreciation and net redemptions. There has been little change in the AUM of the Corporation's other businesses.

($ millions)	December 31, 2009	September 30, 2009	December 31, 2008
AUM	$ 1,988	$ 2,013	$ 2,149

RESULTS OF OPERATIONS

EBITDA (defined on page 4) was $3.2 million in the quarter ended December 31, 2009 compared with $0.2 million for the three-month period ended December 31, 2008.

The EBITDA of $3.2 million in the quarter ended December 31, 2009 includes net performance fees of approximately $3.2 million. Performance fees totaling $4.7 million were recognized in the quarter comprising $4.3 million from Real Estate Asset Management and $0.4 million from Retail Alternative Investments.

The performance fee of approximately $4.3 million recognized in Real Estate Asset Management was determined as at December 31, 2009 using third party appraisals of the real estate in a segregated account. These third party appraisals were commissioned during fiscal 2009 and many were finalized after September 30, 2009. The amount of $4.3 million is less than the range of $4.5 million to $5.5 million of unrealized performance fees at September 30, 2009 estimated by management in the MD&A of the Corporation's 2009 Annual Report based on the information available at that time.

Excluding the impact of net performance fees, EBITDA in the current quarter is relatively unchanged from the prior year's quarter. The Corporation's profitability was adversely affected by BluMont Capital's operating losses, before the impact of performance fees. AUM in Retail Alternative Investments declined substantially in the fiscal year ended September 30, 2009 (from $549 million to $307 million) and decreased $11 million during the quarter ended December 31, 2009. As a result, revenues have declined with lower management fees; however, cost reduction initiatives have been implemented to reduce operating losses.

The sale in December 2008 of the Corporation's 100% ownership interest in Darton resulted in the Corporation recording a gain on sale of discontinued operations, net of tax of approximately $1.0 million in the first quarter's statement of operations for fiscal 2009.

Selected financial information

(in $000s, except per share amounts)	Three-Month Period Ended December 31, 2009	2008
Revenues before performance fees [1]	$ 3,561	$ 3,876
Performance fees	4,653	172
Total revenues	$ 8,214	$ 4,048
Net performance fees [2]	$ 3,155	$ 167
Reconciliation of EBITDA to Net Income and Comprehensive Income		
Earnings before interest, taxes, depreciation and amortization ("EBITDA") [1][3]	$ 3,191	$ 242
Depreciation and amortization	(287)	(814)
Interest expense	(6)	(4)
Stock-based compensation	42	(36)
Investment loss	(44)	(136)
Income (loss) from continuing operations before income taxes and non-controlling interest	2,896	(748)
Income taxes	(749)	235
Non-controlling interest share of income	(561)	(18)
Gain on sale of discontinued operations,net of tax	-	1,001
Net loss and comprehensive income from discontinued operations, net of tax	-	(34)
Net income and comprehensive income	$ 1,586	$ 436
Basic and diluted earnings per share	$ 0.06	$ 0.02

(1) Excludes discontinued operations (Darton) sold in fiscal 2009.

(2) Net performance fees is a non-GAAP financial measure used by the Corporation. This measure is calculated as performance fee revenue less investment adviser, service fees and expenses paid relating to performance fee revenue earned.

(3) EBITDA is a non-GAAP financial measure used by the Corporation. This measure is calculated as earnings before the deduction of non-controlling interest, interest expense, income taxes, depreciation and amortization, stock-based compensation and investment loss.

REVENUES

In aggregate, revenues increased from $4.0 million in the previous fiscal year's first quarter to $8.2 million in the quarter ended December 31, 2009 due to performance fees realized in the latest quarter.

Management fees, administration and redemption fees were $3.6 million in the latest quarter, down from $3.9 million in the comparable quarter of fiscal 2009. Management fees in Retail Alternative Investments declined as AUM have declined significantly over the last fiscal year. The comparable quarter of fiscal 2009 has no revenue from OreReserve which commenced operations as a resources asset manager in March 2009 and contributed revenues of approximately $0.3 million in the latest quarter.

EXPENSES

The Corporation reported consolidated expenses of $5.3 million for the quarter ended December 31, 2009 (quarter ended December 31, 2008: $4.8 million). Included in the current year's quarter are $1.5 million of expenses relating to performance fees revenue earned compared to $nil in the prior year's quarter. Excluding these expenses, the current year's quarter had consolidated expenses of $3.8 million compared to $4.8 million of consolidated expenses in the prior year's quarter. The decrease is due to lower amortization (discussed below) and to cost reduction initiatives in Retail Alternative Investments.

Selling, general and administration ("SG&A") decreased from $3.5 million to $3.2 million in the latest quarter primarily as a result of cost reduction initiatives in Retail Alternative Investments.

Amortization of deferred sales commissions and fund management contracts decreased by approximately $0.5 million to $0.3 million in the latest quarter (quarter ended December 31, 2008: $0.8 million). The current quarter reflects no amortization of deferred sales commissions as this amount was fully amortized as at September 30, 2009. In addition, the current quarter reflects no amortization of fund management contracts relating to Retail Alternative Investments as the net book value of these contracts was fully written off in fiscal 2009.

The non-controlling interest share of income of approximately $0.6 million in the latest quarter reflects the portion of performance fees realized by Real Estate Asset Management which is payable to its former non-controlling shareholder.

CONSOLIDATED FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2009, the Corporation's net liquid assets (excluding future income taxes) were $10.1 million up from $8.0 million at September 30, 2009.

The increase of approximately $2.1 million in the Corporation's net liquid assets in the quarter is represented primarily by the cash flow from operations of $2.2 million.

Cash flow from operations (which is a non-GAAP measure) was $0.08 per share for the latest quarter and $0.00 per share in the comparable quarter of fiscal 2009.

(in $000s, except per share amounts)	Three-Month Period Ended December 31, 2009	2008
Net cash used in operating activities [1]	$ (467)	$ (2,454)
Net change in non-cash balances relating to operations [1]	2,654	2,561
Cash flow from operations [1]	$ 2,187	$ 107
Cash flow from operations per share [2]	$ 0.08	$ 0.00

[1] These amounts are shown in the Consolidated Statements of Cash Flows in the Unaudited Consolidated Financial Statements. The amounts for the quarter ended December 31, 2008 exclude discontinued operations.

[2] Calculated by dividing cash flow from operations by the weighted average number of shares outstanding in the quarter.

Cash and cash equivalents were $5.8 million as at December 31, 2009. The Corporation's receivables of $5.9 million include performance fees of $4.7 million, all of which are expected to be received in the quarter ending March 31, 2010.

The acquisition of Northern Rivers scheduled in February 2010 will be completed by a cash payment on closing. The consideration payable is approximately $2.0 million, subject to closing adjustments.

The future income tax liability of approximately $1.7 million (including the current portion of $0.3 million) is not a cash liability of the Corporation but is an accounting item resulting primarily from the accounting for the acquisition made by the Corporation in the prior fiscal year. The future income tax liability is derived from the setting up of fund management contracts as an asset on the balance sheet.

The Corporation has a single real estate investment acquired by the Corporation in fiscal 2003. The investment is not part of the Corporation's business activities and is included under Other Assets with a book value of approximately $0.9 million. Certain steps were taken during fiscal 2009 to enhance the value of the property and this delayed the expected sale of the property. The Corporation expects to market the property in fiscal 2010 and, based on management's assessment of current market conditions, realize a material gain on the disposition of the property which will increase the Corporation's cash resources.

The board of directors of the Corporation previously decided to suspend the semi-annual dividend which would have otherwise been payable in June 2009. The declaration and payment of dividends are at the sole discretion of the Corporation's board of directors and the reinstatement of dividends will be dependent on the Corporation's earnings, financial resources and capital requirements.

In addition to the anticipated closing of the acquisition of Northern Rivers, the Corporation considers that the current economic uncertainties may present other acquisition and merger opportunities for IAM in both the retail and institutional sectors of the asset management industry in Canada. These opportunities may require cash investment by the Corporation. In addition, the earnings outlook for the Corporation is constrained given the decline in AUM in Retail Alternative Investments and the associated operating losses in those operations.

OUTSTANDING SHARE DATA (as at January 31, 2010)

Common shares

Issued and outstanding	28,310,150
Stock options	1,002,857 [1]

[1] Stock options to acquire 1,002,857 common shares at prices ranging from $1.40 to $2.00 per common share.

RISK FACTORS

Over the past quarter, the financial outlook and the risks and uncertainties faced by the Corporation are similar to those described in the 2009 Annual Report.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet financial arrangements and no material contractual obligations other than those described in the 2009 Annual Report.

RELATED PARTY TRANSACTIONS

There were no changes in the types of related party transactions entered into by the Corporation in the quarter ended December 31, 2009. The 2009 Annual Report provides further information.

CRITICAL ACCOUNTING ESTIMATES

Revenue Recognition

Management fees are calculated as a percentage of AUM and this revenue is recognized when it is earned.

Performance fees are calculated by applying an agreed upon formula as a percentage of the fund investment returns. Performance fees are recognized as revenue only when they are realized. Depending on the terms of the funds, performance fees in Retail Alternative Investments are calculated and recognized periodically, typically June 30 and December 31.

Investments in Funds Managed by the Corporation

The Corporation accounts for its investments in funds managed by the Corporation in accordance with CICA Handbook Section 3855, *Financial Instruments — Recognition and Measurement* as further explained in the 2009 Annual Report. Investments in funds managed by the Corporation are classified as either trading securities or available for sale securities that do not have a quoted market price in an active market.

Business Acquisitions

The allocation of the purchase price by the Corporation to the assets purchased and liabilities assumed required management to make certain estimates of value. The excess of the purchase price over the amounts assigned to the assets acquired and liabilities assumed is referred to as goodwill.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets are subject to impairment tests whereby significant judgement is required in the selection of methodology to estimate fair value, including the determination of the appropriate underlying assumptions. These subjective judgements will affect the estimates of the fair value of goodwill and other intangible assets and any associated impairment charges or write-downs that result from those estimates.

CHANGE IN ACCOUNTING POLICIES

Effective December 1, 2008, the Corporation adopted CICA Handbook Section 3064, *Goodwill and Intangible Assets*. The standard clarifies that costs can be deferred only when they relate to an item that meets the definition of an asset, and as a result, start-up costs must be expensed as incurred. This standard did not affect the Corporation's consolidated financial position or results of operations.

Effective October 1, 2007, the Corporation adopted CICA Handbook Section 1506, *Accounting Changes*, CICA Handbook Section 1535, *Capital Disclosures*, CICA Handbook Section 3862, *Financial Instruments - Disclosures* and CICA Handbook Section 3863, *Financial Instruments - Presentation*.

Accounting Changes prescribes the criteria for changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors. This standard did not affect the Corporation's consolidated financial position or results of operations.

Capital Disclosures requires that the Corporation disclose information that enables users of its financial statements to evaluate the Corporation's objectives, policies and processes for managing capital, including disclosures of any externally imposed capital requirements and the consequences of non-compliance.

CICA Handbook Sections 3862 and 3863 replace CICA Handbook Section 3861, *Financial Instruments - Disclosure and Presentation*, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the Corporation manages those risks.

FUTURE ACCOUNTING CHANGES

The CICA Accounting Standards Board requires all Canadian publicly accountable enterprises to adopt International Financial Reporting Standards ("IFRS") for years beginning on or after January 1, 2011. The Corporation will adopt IFRS for the fiscal year 2012 starting October 1, 2011. The fiscal 2012 Consolidated Financial Statements will include comparative 2011 financial results under IFRS.

Although much of Canadian GAAP is similar to IFRS, there are some GAAP differences that may significantly impact the Corporation's processes and financial results. The Corporation is currently in the planning phase of the conversion. This includes identifying the differences between existing Canadian GAAP and IFRS, identifying potential business impacts, developing the project plan, assessing resource requirements and training staff. Currently, management has not fully determined the impact to the financial statements and any potential business impacts.

CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the disclosure controls and procedures (as defined in applicable Canadian securities laws) of the Corporation as of the end of the period covered by this management’s discussion and analysis, have concluded that the Corporation's disclosure controls and procedures are effective to ensure that all information required to be disclosed by the Corporation in reports that it files or furnishes under applicable Canadian securities laws is (i) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Canadian securities regulatory authorities and (ii) accumulated and communicated to the Corporation's management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There was no change in the Corporation's internal control over financial reporting that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

SELECTED QUARTERLY INFORMATION

(in $000s, except per share amounts)	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009
Revenues before performance fees [1]	$ 3,561	$ 3,825	$ 4,188	$ 3,743
Performance fees	4,653	139	4	-
Total revenues [1]	$ 8,214	$ 3,964	$ 4,192	$ 3,743
Net performance fees	$ 3,155	$ 114	$ 4	$ -
EBITDA [1]	$ 3,191	$ (147)	$ 195	$ (184)
Income (loss) from continuing operations before income taxes and non-controlling interest [1]	$ 2,896	$ (352)	$ (144)	$ (8,607)
Net income (loss) and comprehensive income	$ 1,586	$ (455)	$ (125)	$ (6,398)
Earnings (loss) per share	$ 0.06	$ (0.02)	$ 0.00	$ (0.23)

(in $000s, except per share amounts)	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Revenues before performance fees [1]	$ 3,876	$ 4,491	$ 4,572	$ 5,264
Performance fees	172	1	5,676	-
Total revenues [1]	$ 4,048	$ 4,492	$ 10,248	$ 5,264
Net performance fees	$ 167	$ -	$ 3,773	$ -
EBITDA [1]	$ 243	$ 766	$ 3,908	$ 1,024
Income (loss) from continuing operations before income taxes and non-controlling interest [1]	$ (748)	$ (317)	$ 3,703	$ 332
Net income (loss) and comprehensive income	$ 436	$ (514)	$ 1,785	$ 66
Earnings (loss) per share	$ 0.02	$ (0.01)	$ 0.06	$ 0.00

[1] Excludes discontinued operations (Darton).

Integrated Asset Management Corp.
Consolidated Balance Sheets - Unaudited

	December 31 2009	September 30 2009
Assets		
Current		
Cash and cash equivalents	$ 5,812,553	$ 6,285,244
Receivables	5,894,521	3,293,667
Income taxes recoverable	596,640	596,640
Prepaids	264,963	349,010
Investments in funds managed by the Corporation (Note 7)	1,807,821	1,853,765
Other assets (Note 8)	87,167	87,167
Future income taxes	261,976	15,483
	14,725,641	12,480,976
Property and equipment	612,212	652,658
Fund management contracts (Note 6)	5,577,664	5,820,171
Goodwill (Note 6)	1,578,471	1,578,471
Investments in funds managed by the Corporation (Note 7)	1,021,453	1,017,068
Other assets (Note 8)	2,180,912	2,180,912
Future income taxes	78,904	179,252
	$ 25,775,257	$ 23,909,508
Liabilities		
Current		
Payables and accruals	$ 3,338,781	$ 3,138,499
Deferred revenue	120,348	323,652
Income taxes payable	871,980	971,415
Future income taxes (Note 6)	325,661	335,919
	4,656,770	4,769,485
Tenant inducements and deferred revenue	410,831	445,813
Future income taxes (Note 6)	1,361,201	1,453,763
	6,428,802	6,669,061
Non-controlling interest	1,253,103	691,636
Shareholders' Equity		
Capital stock (Note 9)	20,109,870	20,109,870
Contributed surplus (Note 9)	852,868	894,754
Deficit	(2,869,386)	(4,455,813)
	18,093,352	16,548,811
	$ 25,775,257	$ 23,909,508

See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Consolidated Statements of Operations, Comprehensive Income and Retained Earnings (Deficit) - Unaudited

For the three-month period ended December 31	2009	2008
Revenues		
Management fees, administration and redemption fees	$ 3,559,177	$ 3,884,575
Performance fees	4,652,740	171,574
Interest and other income	45,765	127,956
Investment loss	(43,759)	(135,977)
	8,213,923	4,048,128
Expenses		
Selling, general and administration	3,248,606	3,471,112
Stock-based compensation (Notes 5 and 9)	(41,886)	35,836
Investment adviser fees	114,153	236,301
Service fees paid to dealers	206,266	230,044
Investment adviser, service fees and expenses paid relating to performance fees revenue earned	1,497,643	4,212
Depreciation of property and equipment	44,328	49,013
Amortization of deferred sales commissions and fund management contracts	242,507	765,053
Interest expense	5,674	4,537
	5,317,291	4,796,108
Income (loss) from continuing operations before income taxes and non-controlling interest	2,896,632	(747,980)
Income taxes (recovery)		
Current	997,702	132,328
Future	(248,965)	(367,575)
	748,737	(235,247)
Income (loss) from continuing operations before non-controlling interest	2,147,895	(512,733)
Non-controlling interest share of income	(561,468)	(18,108)
Net income (loss) and comprehensive income from continuing operations	1,586,427	(530,841)
Gain on sale of discontinued operations, net of tax (Note 4)	-	1,001,574
Net loss from discontinued operations, net of tax (Note 4)	-	(34,402)
Net income and comprehensive income	$ 1,586,427	$ 436,331
Basic and diluted earnings (loss) per share from continuing operations	$ 0.06	$ (0.02)
Basic and diluted earnings per share	$ 0.06	$ 0.02
Weighted average number of shares outstanding, basic and diluted	28,310,150	28,563,556
Retained earnings (deficit), beginning of period	$ (4,455,813)	$ 3,221,666
Net income	1,586,427	436,331
Dividends declared	-	(1,133,834)
Retained earnings (deficit), end of period	$ (2,869,386)	$ 2,524,163

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	2009	2008
Increase (decrease) in cash and cash equivalents		
Operating activities		
Net income	$ **1,586,427**	$ 436,331
Loss from discontinued operations, net of tax	-	34,402
Gain on sale of discontinued operations, net of tax	-	(1,001,574)
Add (subtract) non-cash items:		
Stock-based compensation (Notes 5 and 9)	**(41,886)**	35,836
Depreciation of property and equipment	**44,328**	49,013
Amortization of deferred sales commissions and fund management contracts	**242,507**	765,053
Future income taxes recovery	**(248,965)**	(367,575)
Non-controlling interest share of income	**561,468**	18,108
Investment loss	**43,759**	135,977
Other	-	1,269
	2,187,638	106,840
Net change in non-cash balances relating to operations	**(2,654,247)**	(2,561,263)
Net cash used in continuing operating activities	**(466,609)**	(2,454,423)
Net cash used in discontinued operating activities	-	(396,699)
Cash used in operating activities	**(466,609)**	(2,851,122)
Financing activities		
Repayment of management loans	-	120,889
Dividends paid to non-controlling interests	-	(691,688)
Cash used in financing activities	-	(570,799)
Investing activities		
Investment in funds managed by the Corporation	**(62,698)**	-
Proceeds from funds managed by the Corporation	**60,498**	2,030,170
Acquisition of non-controlling shareholders' interest in subsidiary	-	(6,101,837)
Proceeds on sale of discontinued operations of $3.0 million less subsidiary cash	-	2,084,894
Purchase of property and equipment	**(3,882)**	(20,813)
Payment of sales commissions	-	(53)
Cash used in continuing investing activities	**(6,082)**	(2,007,639)
Cash used in discontinued investing activities	-	(5,165)
Cash used in investing activities	**(6,082)**	(2,012,804)
Decrease in cash and cash equivalents	**(472,691)**	(5,434,725)
Cash and cash equivalents, beginning of period	**6,285,244**	12,573,427
Cash and cash equivalents, end of period	$ **5,812,553**	$ 7,138,702
Cash and cash equivalents relating to:		
Continuing operations	$ **5,812,553**	$ 7,138,702
Supplemental disclosure from non-cash investment and financing activities		
Capital stock cancelled on repayment of management loan	$ -	$ 184,535
Interest paid	$ **5,674**	$ 4,537
Income taxes paid	$ **1,097,137**	$ 1,535,648

See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Notes to the Consolidated Financial Statements - Unaudited

December 31, 2009

1. Organization

Integrated Asset Management Corp. (the "Corporation" or "IAM") was incorporated under the laws of Ontario and its common shares are listed on the TSX. The Corporation's principal business is alternative asset management and operates in one geographic segment (Canada).

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

2. Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with the requirements of the Canadian Institute of Chartered Accountants (‘‘CICA’’) Handbook Section 1751, *Interim Financial Statements*. Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP") have been omitted or condensed. These unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements as at and for the year ended September 30, 2009 as set out in the Corporation’s 2009 Annual Report.

In the opinion of management, the unaudited interim consolidated financial statements include all adjustments (consisting of normal recurring accruals) considered necessary by management to present a fair statement of the results of operations, financial position and cash flows. The consolidated financial statements were prepared using the same accounting policies and methods as those used in the Corporation’s financial statements for the year ended September 30, 2009.

3. Changes in Accounting Policy

Goodwill, Intangible Assets and Financial Statement Concepts

Effective December 1, 2008, the CICA's new accounting standard "Handbook Section 3064, Goodwill and Intangible Assets" was adopted. The standard clarifies that costs can be deferred only when they relate to an item that meets the definition of an asset, and as a result, start-up costs must be expensed as incurred. "Section 1000, Financial Statements Concepts" was also amended to provide consistency with Section 3064. These standards did not have any impact on the financial position or earnings of the Corporation.

Integrated Asset Management Corp.
Notes to the Consolidated Financial Statements - Unaudited
December 31, 2009

4. Discontinued Operations

On December 1, 2008, the Corporation sold its entire ownership in Darton Property Advisors & Managers Inc. ("Darton") for $3.0 million cash and additional contingent consideration. The contingent consideration will be payable to the Corporation in 2009 through 2013 if certain revenue targets are reached by Darton. No contingent consideration has been earned to date.

For the three-month period ended December 31	**2009**	2008
Revenue	**$ -**	$ 766,798
Net earnings from discontinued operations, net of tax [(1)]	**$ -**	$ 967,172
Basic and diluted earnings per share [(1)]	**$ 0.00**	$ 0.03

[(1)] The three-month period ended December 31, 2008 includes gain on sale of discontinued operations, net of tax of $1,001,574.

At December 31, 2009 and 2008, the carrying values of the assets and liabilities of the discontinued operations were $nil.

Details of the gain on sale of discontinued operations are as follows:

Proceeds on sale	**$ 3,000,000**
Expenses related to transaction	**(1,654,445)**
Gain on sale before income taxes	**1,345,555**
Income taxes	**(343,981)**
	$ 1,001,574

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5. Stock-Based Compensation

The Corporation has established an incentive stock option plan for the executives, key employees, directors and consultants to the Corporation. As at December 31, 2009 there were 1,609,514 common shares (September 30, 2009 - 2,226,469 common shares) reserved for issuance on exercise of stock options.

These options expire in fiscal years 2010 through 2014 and may be exercised at prices ranging from $1.00 to $2.00 per common share with a total exercisable value of $2,139,300 (September 30, 2009 - $3,178,124).

Number of Options	Number of Options Vested	Exercise Price	Expiry Date
588,800	588,800	$ 1.00	2010
17,857	17,857	$ 1.40	2011
40,000	-	$ 1.45	2014
905,000	301,667	$ 1.50	2013
17,857	17,857	$ 1.68	2010
40,000	40,000	$ 2.00	2011
1,609,514	966,181		

The changes in the stock options in the quarter ended December 31, 2009 are as follows:

	Number Of Options	Weighted Average Exercise Price
Balance, September 30, 2009	2,226,469	$ 1.43
Cancelled	(616,955)	1.68
Balance, December 31, 2009	1,609,514	$ 1.33

6. Fund Management Contracts and Goodwill

Fund management contracts of $5,577,664 ($5,820,171 as at September 30, 2009) are contracts between the Corporation and the funds acquired by the Corporation which set out the management services to be provided by the Corporation to those funds and the fees payable to the Corporation for those services.

For accounting purposes, at the time the fund management contracts were set up as an asset on the balance sheet, an associated future income tax liability was also recorded. Both the fund management contracts asset and the related future income tax liability ($1,505,969 as at December 31, 2009) are being amortized over 7 years.

Goodwill of $1,578,471 ($1,578,471 as at September 30, 2009) is comprised of the excess of the purchase price over the amounts assigned to the assets acquired and liabilities assumed at the time of purchase of the Real Estate Asset Management and Private Corporate Debt operations.

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7. Investments in Funds Managed by the Corporation

	December 31 2009	September 30 2009
Held for trading securities, positions held long	$ 1,976,882	$ 2,018,441
Available for sale securities, positions held long	852,392	852,392
	2,829,274	2,870,833
Less amount included in current assets	(1,807,821)	(1,853,765)
	$ 1,021,453	$ 1,017,068

8. Other Assets

	December 31 2009	September 30 2009
Management loans (a)	$ 87,167	$ 87,167
Receivable from fund managed by the Corporation (b)	1,274,249	1,274,249
Other (c)	906,663	906,663
	2,268,079	2,268,079
Less amount of management loans included in current assets	(87,167)	(87,167)
	$ 2,180,912	$ 2,180,912

(a) Each of the management loans is secured against the shares of the Corporation acquired by the employee under the loan agreement and other security posted by the employee. The loans are repayable over the next year.

(b) The receivable is in respect of management fees charged by the Corporation to a fund managed by the Corporation. The amount receivable will be received when the fund's investments are monetized.

(c) Included in Other is an investment of approximately $886,163 in real estate held in a company in which the Corporation and other related parties to the Corporation are shareholders.

9. Capital Stock

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

Issued:

	Share Capital				
	Number of Common Shares		Amount		Contributed Surplus
Balance, September 30, 2009	28,310,150	$	20,109,870	$	894,754
Stock-based compensation (Note 5)	-		-		(41,886)
Balance, December 31, 2009	28,310,150	$	20,109,870	$	852,868

The amount of $41,886 debited to Contributed Surplus represents the stock-based compensation recovery for stock options previously granted by the Corporation that were cancelled during the current quarter and had not yet fully vested. The stock-based compensation recovery is shown on the Consolidated Statement of Operations.

The Corporation had no net Other Comprehensive Income for the quarter ended December 31, 2009 and the Corporation does not have any Accumulated Other Comprehensive Income as at December 31, 2009.

10. Financial Instruments

The Corporation's business is alternative asset management. The key performance driver of the Corporation's future results is expected to be the level of assets and committed capital under management ("AUM"). The level of AUM is directly correlated to investment returns, the successful launch of new investment initiatives, retention and hiring of key personnel and the Corporation's ability to retain existing AUM.

Risk management is the responsibility of the Executives of the Corporation which includes the Chief Executive Officer, Chief Financial Officer, Executive Vice-President and each investment team's President. Oversight of reputational, regulatory, legal and financial risk is within the mandate of the Executives. The Chief Executive Officer reports to the Board of Directors for all of the Corporation's risk-taking activities.

Financial instruments are classified based on categories according to CICA Handbook Section 3855 Financial Instruments - Recognition and Measurement as follows:

As at December 31, 2009	Available for Sale	Held for Trading	Loans and Receivables or Other Financial Liabilities
Cash and cash equivalents	$ -	$ 5,812,553	$ -
Receivables	-	-	5,894,521
Investments in funds managed by the Corporation	852,392	1,976,882	-
Other assets	-	-	1,381,916
Total financial assets	$ 852,392	$ 7,789,435	$ 7,276,437
Payables and accruals	$ -	$ -	$ 3,338,781
Total financial liabilities	$ -	$ -	$ 3,338,781

As at September 30, 2009	Available for Sale	Held for Trading	Loans and Receivables or Other Financial Liabilities
Cash and cash equivalents	$ -	$ 6,285,244	$ -
Receivables	-	-	3,293,667
Investments in funds managed by the Corporation	852,392	2,018,441	-
Other assets	-	-	1,381,916
Total financial assets	$ 852,392	$ 8,303,685	$ 4,675,583
Payables and accruals	$ -	$ -	$ 3,138,499
Total financial liabilities	$ -	$ -	$ 3,138,499

10. Financial Instruments (continued)

Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded.

The Corporation's only financial instruments affected by market risk are its investments in funds managed by the Corporation, which consist of capital the Corporation invests in new products to facilitate their successful introduction into the marketplace.

Products currently consist of funds in the retail alternative investments market, including a portion for which the underlying securities are non-Canadian, an allocation to a managed futures fund managed by the Corporation and common shares of a publicly–listed Canadian company. Consequently, the Corporation is impacted by both the changing value of the securities in the market, as well as changes in the relative value of foreign currencies. There may be some liquidity risk depending on the underlying securities in the funds, however, this is mitigated through the diversification of the funds' portfolios, regulatory restrictions on investing in illiquid securities and ensuring securities acquired are sufficiently liquid in nature. The Corporation believes that it is not practical or cost effective to hedge these risks; rather, it seeks to minimize risk by limiting the amount of capital allocated to new product introduction to amounts which should not adversely impact the financial strength and capacity of the Corporation and also to limit the time that the capital is at risk.

Based on the carrying value of the investments in funds managed by the Corporation at December 31, 2009, the effect of a 10% increase or decline in the value of investments would result in approximately a $0.2 million ($0.2 million as at September 30, 2009) unrealized gain or loss on the Corporation's Consolidated Statement of Operations.

The investment in the private equity fund is excluded from this analysis as it is classified as an available for sale security that does not have a quoted market price in an active market. This security is difficult to value due to the inherent difficulty in valuing private companies and as a result is measured at cost, net of any impairment in value.

The Corporation holds approximately US $0.3 million in cash and cash equivalents as at December 31, 2009. Accordingly, the Corporation would not be materially impacted if the US dollar strengthened or weakened against the Canadian dollar.

Integrated Asset Management Corp.
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10. Financial Instruments (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Corporation is exposed to credit risk principally on its receivables which have normal thirty day terms. No allowance for bad debts has been recorded.

Approximately 20% of the Corporation's receivables at December 31, 2009 are due within thirty days. Approximately $1.3 million of receivables have been classified as long term, of which $0.8 million are over one year old.

Cash and cash equivalents of the Corporation are held at Schedule 1 banks.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The Corporation has contractual obligations and financial liabilities and therefore is exposed to liquidity risk. The purpose of liquidity management is to ensure that there is sufficient cash to meet all financial commitments and obligations as they fall due. The Corporation monitors its current and expected cash flow requirements to ensure it has sufficient cash and cash equivalents to meet its liquidity requirements short and longer terms. To manage cash flow requirements, the Corporation maintains a sizable cash balance held at Schedule 1 banks. The Corporation does not hold any asset-backed commercial paper. The Corporation has no outstanding borrowings at December 31, 2009 and all payables and accrued liabilities are due within one year.

11. Commitment

In December 2009, the Corporation announced that it had entered into a binding agreement, subject to regulatory approval, to acquire Northern Rivers Capital Management Inc. ("Northern Rivers"). The purchase is expected to close in February 2010. The consideration payable on closing is cash of approximately $2.0 million, subject to closing adjustments.

Integrated Asset Management Corp.
Board of Directors

December 31, 2009

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

David Atkins [1] [2]
Chairman, Swiss Reinsurance Group Companies of Canada

Brent Chapman
President and Chief Executive Officer, GPM

Bruce Day [1] [2]
Corporate Director

Veronika Hirsch
Chief Investment Officer, BluMont Capital

Stephen Johnson [3]
Chief Financial Officer,
Integrated Asset Management Corp.

Donald Lowe [1] [2]
Corporate Director

David Mather
Executive Vice President,
Integrated Asset Management Corp.

John Robertson
President and Chief Executive Officer,
Integrated Private Debt 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, 2009

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

Stephen Johnson
Chief Financial Officer

David Mather
Executive Vice President

Paul Patterson
Vice President
Private Investment

Michael Staresinic
Vice President, Finance

Quebec Representative
Joseph Benarrosh
Directeur, Quebec

Integrated Partners
Victor Koloshuk
Chairman

Stephen Johnson
Senior Vice President

GPM
Brent Chapman
President and Chief Executive Officer

Robert Burns
Chief Financial Officer

David Warkentin
Senior Vice President
Investments

GPM
Rick Zagrodny
Senior Vice President
Asset Management

Frank Bartello
Vice President
Acquisitions

David Becket
Vice President
Asset Management

GPH
Robert Hamilton
President

Integrated Private Debt Corp.
John Robertson
President and Chief Executive Officer

Donald Bangay
Chief Investment Officer

Frank Duffy
Managing Director

Michael LeClair
Managing Director

Philip Robson
Managing Director

Douglas Zinkiewich
Managing Director

Integrated Managed Futures Corp.
Stephen Johnson
Chairman

Integrated Managed Futures Corp.
Roland Austrup
President and Chief Executive Officer

David Mather
Vice President

BluMont Capital
Victor Koloshuk
Chairman

Veronika Hirsch
Chief Investment Officer

Stephen Johnson
Chief Financial Officer

James Wanstall
Executive Vice President
Business Development

Richard Goode
Senior Vice President
National Sales

Selva Rajaratnam
Vice President
Fund Operations and Compliance

OreReserve Asset Management Inc
David Mason
President and Chief Executive Officer

Peter Chodos
Executive Vice President and Chief Operating Officer

Manish Kshatriya
Chief Financial Officer

Integrated Asset Management Corp.
Corporate Information

December 31, 2009

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