Integrated Asset Management Corp.

Leadership in

Alternative Asset Management

SECOND QUARTER REPORT, MARCH 31, 2011

REPORT TO SHAREHOLDERS

Integrated Asset Management Corp. ("IAM" or the Corporation") is pleased to present shareholders the financial results of the Corporation for the second quarter of fiscal 2011.

Net loss for the quarter ended March 31, 2011 was $0.3 million ($0.01 per share) versus net loss of $0.5 million ($0.02 per share) in the quarter ended March 31, 2010.

EBITDA in the latest quarter was $0.2 million versus negative $0.1 million in the same quarter of the last fiscal year. There were no material performance fees realized in either quarter.

Total revenues in the six months ended March 31, 2011 were $11.6 million (March 31, 2010 - $11.9 million) and included performance fees of $3.0 million (March 31, 2010 - $4.7 million). Net income for this six-month period was $1.2 million or $0.04 per share (March 31, 2010 - $1.1 million or $0.04 per share)

Assets and committed capital under management ("AUM") of approximately $2.3 billion, as at March 31, 2011 increased $0.3 billion from $2.0 billion as at September 30, 2010. In October 2010, Private Corporate Debt closed a new fund (IPD 3) with total commitments of $275 million.

Subsequent to the March 31, 2011 quarter end, Real Estate Asset Management had three significant developments. In May, the Corporation announced the closing of a new real estate fund (GPM 12) which raised $174 million of commitments. The divestiture process of substantially all of the properties in the GPM8 fund was completed in May and the fund has been monetized with the proceeds distributed to investors; the Corporation realized a performance fee of approximately $5 million, before associated expenses and taxes. In addition, the Corporation sold a single real estate investment that was acquired by the Corporation in fiscal 2003. This investment was not part of the Corporation's core business activities and the after-tax gain on the sale is estimated at $2 million or $0.07 per share. Both the performance fee realized from GPM8 and the gain on the sale of the property will be recognized in the financial statements for the quarter ending June 30, 2011.

BluMont Capital's Exemplar Portfolio funds marked their 3rd anniversary in May 2011. The two initial funds (Exemplar Canadian Focus and Exemplar Global Opportunities) have outperformed their benchmarks by a wide margin. In total, BluMont Capital manages 11 funds available to retail investors and accredited investors.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

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 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 March 31, 2011 compared with the three months ended March 31, 2010 and is as of April 30, 2011. 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 April 30, 2011, except when otherwise stated.

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 $2.3 billion at March 31, 2011.

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.

ASSETS AND COMMITTED CAPITAL UNDER MANAGEMENT ("AUM")

AUM increased by approximately $293 million during the first six months of fiscal 2011.

($ millions)	March 31, 2011	September 30, 2010	March 31, 2010
AUM	$ 2,309	$ 2,016	$ 2,045

AUM increased $293 million in the six months ended March 31, 2011 due primarily to Private Corporate Debt closing a new fund (IPD 3) in October 2010 with total commitments of $275 million.

The AUM of $2.3 billion as at March 31, 2011 do not include the final closing of a new real estate fund (GPM12) with commitments of $174 million and the divestiture of properties in a mature fund (GPM8), both of which occurred in May 2011.

RESULTS OF OPERATIONS

EBITDA (defined on page 4) was $0.2 million in the quarter ended March 31, 2011 compared with negative $0.1 million for the three-month period ended March 31, 2010. No material performance fees were realized in these quarters.

Selected financial information	Three-Month Period Ended March 31,		Six-Month Period Ended March 31,	
(in $000s, except per share amounts)	2011	2010	2011	2010
Revenues before performance fees	$ 4,051	$ 3,599	$ 8,564	$ 7,160
Performance fees	2	88	2,992	4,741
Total revenues	$ 4,053	$ 3,687	$ 11,556	$ 11,901
Net performance fees [1]	$ 2	$ 88	$ 1,735	$ 3,244
Reconciliation of EBITDA to Net Income and Comprehensive Income				
Earnings (loss) before interest, taxes, depreciation and amortization ("EBITDA") [2]	$ 170	$ (68)	$ 1,906	$ 3,123
Depreciation and amortization	(343)	(306)	(688)	(593)
Interest expense	(7)	(5)	(16)	(11)
Stock-based compensation	(24)	(5)	(48)	37
Investment gain (loss)	24	(27)	216	(71)
Income (loss) before income taxes and non-controlling interest	(180)	(411)	1,370	2,485
Income taxes	(82)	(65)	(210)	(813)
Non-controlling interest share of loss (income)	(17)	(17)	2	(579)
Net income (loss) and comprehensive income	$ (279)	$ (493)	$ 1,162	$ 1,093
Basic and diluted earnings (loss) per share	$ (0.01)	$ (0.02)	$ 0.04	$ 0.04

(1) 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 incurred relating to performance fee revenue earned.

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

REVENUES

In aggregate, revenues increased to $4.1 million in the quarter ended March 31, 2011 from $3.7 million in the prior year's quarter.

Management fees, administration and redemption fees were $4.0 million in the latest quarter, up from $3.6 million in the comparable quarter of fiscal 2010. Management fees in Retail Alternative Investments increased as a result of the impact of the acquisition of Northern Rivers in February 2010 and increased AUM in the Exemplar Portfolio funds. There was an increase in management fees in Real Estate Asset Management but these were offset by lower than anticipated commitment fees in Private Corporate Debt.

EXPENSES

The Corporation reported consolidated expenses of $4.2 million for the quarter ended March 31, 2011 (quarter ended March 31, 2010: $4.1 million). The increase is due to higher service fees paid to dealers as the AUM of Exemplar Portfolio funds have increased and also due to higher amortization of fund management contracts.

CONSOLIDATED FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2011, the Corporation’s net liquid assets (excluding future income taxes) were $7.7 million up from $6.7 million at September 30, 2010.

The increase of approximately $1.0 million in the Corporation's net liquid assets in the six months ended March 31, 2011 is represented primarily by the cash flow from operations of $1.5 million.

Cash flow from operations (which is a non-GAAP measure) was $0.00 per share for the latest quarter and $(0.01) per share in the comparable quarter of fiscal 2010

(in $000s, except per share amounts)	Three-Month Period Ended March 31 , 2011	2010	Six-Month Period Ended March 31, 2011	2010
Net cash provided by (used in) operating activities [1]	$ 1,989	$ (688)	$ (2,518)	$ (1,509)
Net change in non-cash balances relating to operations [1]	(1,986)	487	4,038	3,495
Cash flow from operations [1]	$ 3	$ (201)	$ 1,520	$ 1,986
Cash flow from operations per share [2]	$ 0.00	$ (0.01)	$ 0.05	$ 0.07

[1] These amounts are shown in the Consolidated Statements of Cash Flows in the Unaudited Consolidated Financial Statements.

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

Cash and cash equivalents were $6.0 million as at March 31, 2011 and the Corporation also had investments of approximately $2.9 million in funds managed by the Corporation which could be monetized in a short period of time .

The future income tax liability of approximately $1.6 million (including the current portion of $0.6 million) is not a cash liability of the Corporation but is an accounting item resulting primarily from the accounting for the acquisitions made by the Corporation in prior fiscal years. The future income tax liability is derived from the setting up of fund management contracts as an asset on the balance sheet.

In May 2011, the Corporation sold a single real estate investment which had been acquired by the Corporation in fiscal 2003. The investment was not part of the Corporation's business activities and is included under Other Assets with a book value of approximately $0.9 million on the balance sheet of the Corporation as at March 31, 2011. As a result of the disposition the Corporation will realize an after-tax gain of approximately $2 million or $0.07 per share subject to closing adjustments in the financial statements for the quarter ending June 30, 2011.

Also in May 2011, the Corporation completed the previously announced proposed divestiture of substantially all of the properties in a real estate fund (GPM8) and realized a performance fee of approximately $5 million, before associated expenses and taxes. These fees and expenses will be reflected in the results for the quarter ending June 30, 2011.

In September 2010, the Corporation announced the reinstatement of a cash dividend of approximately $1.1 million ($0.04 per common share) which was paid in October 2010.

While Retail Alternative Investments still face challenges in building AUM back to the levels of fiscal 2007 and 2008, the Corporation is making progress in both its retail and institutional businesses.

OUTSTANDING SHARE DATA (as at April 30, 2011)

Common shares

Issued and outstanding	28,310,150
Stock options	2,450,000 [1]

[1] Stock options to acquire 2,450,000 common shares at prices ranging from $0.70 to $1.50 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 2010 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 2010 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 March 31, 2011. The 2010 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 on 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. Investments in funds managed by the Corporation are classified as either held for 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.

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 disclosures. 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. Based on its review of the current requirements of IFRS and on the current operations of the Corporation, management does not expect that there will be any material effect on its financial results, although this could change as the requirements of IFRS evolve.

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)	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
Revenues before performance fees	$ 4,051	$ 4,513	$ 5,599	$ 4,032
Performance fees	2	2,991	13	15
Total revenues	$ 4,053	$ 7,504	$ 5,612	$ 4,047
Net performance fees	$ 2	$ 1,733	$ 13	$ 8
EBITDA	$ 170	$ 1,737	$ 812	$ 424
Income (loss) before income taxes and non-controlling interest	$ (180)	$ 1,553	$ 498	$ (66)
Net income (loss) and comprehensive income	$ (279)	$ 1,444	$ 220	$ (277)
Earnings (loss) per share	$ (0.01)	$ 0.05	$ 0.01	$ (0.01)

(in $000s, except per share amounts)	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Revenues before performance fees	$ 3,599	$ 3,560	$ 3,825	$ 4,188
Performance fees	88	4,653	139	4
Total revenues	$ 3,687	$ 8,213	$ 3,964	$ 4,192
Net performance fees	$ 88	$ 3,155	$ 114	$ 4
EBITDA	$ (68)	$ 3,192	$ (147)	$ 195
Income (loss) before income taxes and non-controlling interest	$ (411)	$ 2,897	$ (352)	$ (144)
Net income (loss) and comprehensive income	$ (493)	$ 1,587	$ (455)	$ (125)
Earnings (loss) per share	$ (0.02)	$ 0.06	$ (0.02)	$ 0.00

Integrated Asset Management Corp.
Consolidated Balance Sheets - Unaudited

	March 31 2011	September 30 2010
Assets		
Current		
Cash and cash equivalents	$ **6,000,387**	$ 9,715,604
Receivables	**1,990,623**	2,277,584
Income taxes recoverable	**153,363**	223,922
Prepaids	**187,504**	349,225
Investments in funds managed by the Corporation (Note 5)	**2,860,260**	2,694,580
Other assets (Note 6)	**26,000**	26,000
Future income taxes	**184,369**	42,369
	11,402,506	15,329,284
Property and equipment	**521,573**	556,341
Fund management contracts (Note 4)	**5,771,478**	6,375,340
Goodwill (Note 4)	**1,578,471**	1,578,471
Investments in funds managed by the Corporation (Note 5)	**1,204,510**	1,155,514
Other assets (Note 6)	**3,197,621**	2,712,594
Future income taxes	**134,281**	185,477
	$ **23,810,440**	$ 27,893,021
Liabilities		
Current		
Payables and accruals	$ **2,921,746**	$ 5,319,732
Deferred revenue	**382,276**	210,105
Dividends payable	**-**	1,132,406
Preferred shares of subsidiary	**100,000**	100,000
Income taxes payable	**85,277**	1,857,874
Future income taxes (Note 4)	**575,977**	349,485
	4,065,276	8,969,602
Tenant inducements and deferred revenue	**337,494**	339,744
Future income taxes (Note 4)	**1,049,273**	1,435,269
	5,452,043	10,744,615
Non-controlling interest	**687,523**	689,686
Shareholders' Equity		
Capital stock (Note 7)	**20,109,870**	20,109,870
Contributed surplus (Note 7)	**949,992**	902,342
Deficit	**(3,388,988)**	(4,553,492)
	17,670,874	16,458,720
	$ **23,810,440**	$ 27,893,021

See accompanying notes to the consolidated financial statements.

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

For the period ended March 31	3 Months 2011	3 Months 2010	6 Months 2011	6 Months 2010
Revenues				
Management fees, administration and redemption fees	$ **3,999,351**	$ 3,610,119	$ **8,144,465**	$ 7,169,296
Performance fees	**1,839**	88,468	**2,992,495**	4,741,208
Interest and other income	**26,871**	15,374	**202,566**	61,139
Investment gain (loss)	**24,473**	(27,310)	**216,164**	(71,069)
	4,052,534	3,686,651	**11,555,690**	11,900,574
Expenses				
Selling, general and administration	**3,376,154**	3,421,978	**7,317,641**	6,670,584
Stock-based compensation (Note 3)	**23,825**	5,198	**47,650**	(36,688)
Investment adviser fees	**114,724**	128,303	**206,077**	242,456
Service fees paid to dealers	**367,133**	232,018	**651,711**	438,284
Investment adviser, service fees and expenses paid relating to performance fees revenue earned	**278**	-	**1,257,682**	1,497,643
Depreciation of property and equipment	**41,129**	44,172	**82,900**	88,500
Amortization of fund management contracts	**301,932**	262,315	**603,863**	504,822
Interest expense	**7,494**	4,921	**15,684**	10,595
	4,232,669	4,098,905	**10,183,208**	9,416,196
Income (loss) before income taxes and non-controlling interest	**(180,135)**	(412,254)	**1,372,482**	2,484,378
Income taxes (recovery)				
Current	**159,167**	127,623	**370,449**	1,125,325
Future	**(77,383)**	(62,869)	**(160,308)**	(311,834)
	81,784	64,754	**210,141**	813,491
Income (loss) before non-controlling interest	**(261,919)**	(477,008)	**1,162,341**	1,670,887
Non-controlling interest share of loss (income)	**(16,878)**	(17,070)	**2,163**	(578,538)
Net income (loss) and comprehensive income	**(278,797)**	(494,078)	**1,164,504**	1,092,349
Basic and diluted earnings per share	$ **(0.01)**	$ (0.02)	$ **0.04**	$ 0.04
Weighted average number of shares outstanding basic and diluted	**28,310,150**	28,310,150	**28,310,150**	28,310,150
Retained earnings (deficit), beginning of period	$ **(3,110,191)**	$ (2,869,386)	$ **(4,553,492)**	$ (4,455,813)
Net income (loss)	**(278,797)**	(494,078)	**1,164,504**	1,092,349
Deficit, end of period	$ **(3,388,988)**	$ (3,363,464)	$ **(3,388,988)**	$ (3,363,464)

See accompanying notes to the consolidated financial statements.

Integrated Asset Management Corp.
Consolidated Statements of Cash Flows - Unaudited

For the period ended March 31	3 Months 2011	3 Months 2010	6 Months 2011	6 Months 2010
Increase (decrease) in cash and cash equivalents				
Operating activities				
Net income (loss)	$ (278,797)	$ (494,078)	$ 1,164,504	$ 1,092,349
Add non-cash items	-	-	-	-
Stock-based compensation (Note 3)	23,825	5,198	47,650	(36,688)
Depreciation of property and equipment	41,129	44,172	82,900	88,500
Amortization of fund management contracts	301,932	262,315	603,863	504,822
Future income tax expense (recovery)	(77,383)	(62,869)	(160,308)	(311,834)
Non-controlling interest share of income (loss)	16,878	17,070	(2,163)	578,538
Investment loss (income)	(24,473)	27,310	(216,164)	71,069
	3,111	(200,882)	1,520,282	1,986,756
Net change in non-cash balances relating to operations	1,985,610	(486,735)	(4,038,111)	(3,495,651)
Cash provided by (used in) operating activities	1,988,721	(687,617)	(2,517,829)	(1,508,895)
Financing activities				
Repayment of management loans	1,000	-	11,500	-
Dividends paid to shareholders	-	-	(1,132,406)	-
Cash provided by (used in) financing activities	1,000	-	(1,120,906)	-
Investing activities				
Investment in funds managed by the Corporation	-	-	-	(62,698)
Proceeds from funds managed by the Corporation	-	-	-	60,498
Purchase of property and equipment	(33,143)	(30,970)	(43,555)	(34,852)
Purchase of Northern Rivers, net of cash acquired	-	(1,640,281)	-	(1,640,281)
Purchase of other assets	-	-	(32,927)	-
Cash used in investing activities	(33,143)	(1,671,251)	(76,482)	(1,677,333)
Increase (decrease) in cash and cash equivalents	1,956,578	(2,358,868)	(3,715,217)	(3,186,228)
Cash and cash equivalents, beginning of period	4,043,809	5,812,553	9,715,604	6,639,913
Cash and cash equivalents, end of period	$ 6,000,387	$ 3,453,685	$ 6,000,387	$ 3,453,685
Supplemental disclosure				
Interest paid	$ 7,495	$ 4,921	$ 15,685	$ 10,595
Income taxes paid	$ -	$ -	$ 2,317,000	$ 1,093,246

See accompanying notes to the consolidated financial statements.

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

March 31, 2011

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. 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, 2010 as set out in the Corporation's 2010 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, 2010.

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

March 31, 2011

3. 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 March 31, 2011 there were 2,450,000 common shares (September 30, 2010 - 2,707,857 common shares) reserved for issuance on exercise of stock options.

These options expire in fiscal years 2013 through 2017 and may be exercised at prices ranging from $0.70 to $1.50 per common share with a total exercisable value of $2,357,000 (September 30, 2010 - $2,674,000).

Number of Options	Number of Options Vested	Exercise Price	Expiry Date
1,645,000	-	$ 0.70	2017
40,000	26,667	$ 1.45	2014
765,000	510,000	$ 1.50	2013
2,450,000	536,667		

The changes in the stock options in the quarter ended March 31, 2011 are as follows:

	Number Of Options	Weighted Average Exercise Price
Balance, September 30, 2010	2,707,857	$ 0.99
Cancelled	(150,000)	0.91
Balance, December 31, 2010	2,557,857	$ 0.99
Expired	(57,857)	$ 1.81
Cancelled	(50,000)	$ 1.50
Balance, March 31, 2011	2,450,000	$ 0.96

4. Fund Management Contracts and Goodwill

Fund management contracts of $5,771,478 ($6,375,340 as at September 30, 2010) 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 ($1,259,381 as at March 31, 2011) are being amortized over 7 years.

Goodwill of $1,578,471 ($1,578,471 as at September 30, 2010) 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.

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

March 31, 2011

5. Investments in Funds Managed by the Corporation

	March 31 2011	September 30 2010
Held for trading securities, positions held long	$ 3,212,849	$ 2,997,702
Available for sale securities, positions held long	851,921	852,392
	4,064,770	3,850,094
Less amount included in current assets	(2,860,260)	(2,694,580)
	$ 1,204,510	$ 1,155,514

6. Other Assets

	March 31 2011	September 30 2010
Management loans (a)	$ 73,167	$ 84,667
Receivable from fund managed by the Corporation (b)	2,210,864	1,742,268
Other (c)	939,590	911,659
	3,223,621	2,738,594
Less amount of management loans included in current assets	(26,000)	(26,000)
	$ 3,197,621	$ 2,712,594

(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 $919,090 in real estate held in a company in which the Corporation and other related parties to the Corporation are shareholders (see Note 9).

7. 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, 2010	28,310,150	$	20,109,870	$	902,342
Stock-based compensation (Note 3)	-		-		47,650
Balance, March 31, 2011	28,310,150	$	20,109,870	$	949,992

The amount of $47,650 credited to Contributed Surplus represents the stock-based compensation expense for stock options previously granted by the Corporation as shown on the Consolidated Statement of Operations.

The Corporation had no net Other Comprehensive Income for the quarter ended March 31, 2011 and the Corporation does not have any Accumulated Other Comprehensive Income as at March 31, 2011.

8. 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, President, 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 March 31, 2011	**Available for Sale**	**Held for Trading**	**Loans and Receivables or Other Financial Liabilities**
Cash and cash equivalents	$ -	$ 6,000,387	$ -
Receivables	-	-	1,990,623
Investments in funds managed by the Corporation	851,921	3,212,849	-
Other assets	-	-	2,337,458
Total financial assets	$ 851,921	$ 9,213,236	$ 4,328,081
Payables and accruals	$ -	$ -	$ 2,921,746
Preferred shares of subsidiary	-	-	100,000
Total financial liabilities	$ -	$ -	$ 3,021,746

As at September 30, 2010	**Available for Sale**	**Held for Trading**	**Loans and Receivables or Other Financial Liabilities**
Cash and cash equivalents	$ -	$ 9,715,604	$ -
Receivables	-	-	2,277,584
Investments in funds managed by the Corporation	852,392	2,997,702	-
Other assets	-	-	1,852,431
Total financial assets	$ 852,392	$ 12,713,306	$ 4,130,015
Payables and accruals	$ -	$ -	$ 5,319,732
Preferred shares of subsidiary	-	-	100,000
Total financial liabilities	$ -	$ -	$ 5,419,732

8. 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 March 31, 2011, the effect of a 10% increase or decline in the value of investments would result in approximately a $0.3 million ($0.3 million as at September 30, 2010) 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 $0.1 million in cash and cash equivalents as at March 31, 2011. Accordingly, the Corporation would not be materially impacted if the US dollar strengthened or weakened against the Canadian dollar.

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 10% of the Corporation's receivables at March 31, 2011 are due within thirty days. Approximately $2.2 million of receivables have been classified as long term, of which $1.7 million are over one year old.

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

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

March 31, 2011

8. Financial Instruments (continued)

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 for both short and longer terms. To manage cash flow requirements, the Corporation maintains a sizable cash balance held at Schedule 1 banks. The Corporation has no outstanding borrowings at March 31, 2011 and all payables, preferred shares of subsidiary and accrued liabilities are due within one year.

Fair Value Hierarchy

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is reclassified as Level 3. There were no transfers between levels during the year.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

The following tables illustrate the classification of the Corporation's financial instruments within the fair value hierarchy as at March 31, 2011:

	Level 1	Level 2	Level 3	Total
Marketable securities	$ 3,122,339	$ 90,510	-	$ 3,212,849
Total	$ 3,122,339	$ 90,510	-	$ 3,212,849

Marketable Securities

The Corporation's marketable securities are classified as Level 1 when they are actively traded and reliable quotes are available. Markertable securities consist of investments in funds managed by the Corporation (held for trading securities) and common shares of a publicly - listed Canadian company. Investments in funds managed by the Corporation (available for sale securities) are carried at cost with no fair value adjustments and therefore are not included in the table above.

Integrated Asset Management Corp.
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9. Subsequent Events

(a) In May 2011, the Corporation sold a single real estate investment included in "Other Assets" in Note 6. As a result of the disposition the Corporation will realize an after-tax gain of approximately $2 million.

(b) In May 2011, the Corporation completed the divestiture of substantially all of the real estate properties in a fund managed by the Corporation and the Corporation realized a performance fee of approximately $5 million before associated expenses and taxes.

10. Independent Review

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

Integrated Asset Management Corp.
Board of Directors

March 31, 2011

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

David Atkins [1] [2]
Chairman, Nightingale Informatix Corporation

Joseph Benarrosh
Directeur, Quebec
Integrated Asset Management Corp.

Brent Chapman
President and Chief Executive Officer, GPM

Bruce Day [1] [2]
Corporate Director

Veronika Hirsch
Chief Investment Officer, BluMont Capital Corporation

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 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

March 31, 2011

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

Paul Patterson
Vice President Private Investment

Tom Felkai
Corporate Controller

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

Rick Zagrodny
Senior Vice President Asset Management

GPM
David Becket
Vice President Asset Management

Frank Bartello
Vice President Acquisitions

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

Dennis McCluskey
Chief Risk Officer

Philip Robson
Managing Director

Douglas Zinkiewich
Managing Director

Integrated Managed Futures Corp.
Stephen Johnson
Chairman

Roland Austrup
President and Chief Executive Officer

David Mather
Vice President

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

River Plate House Capital Management Inc.
Michael Hyman
President, Chief Executive Officer and Chief Investment Officer

Julian Smith
Executive Vice President and Chief Operating Officer

Integrated Asset Management Corp.
Corporate Information

March 31, 2011

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PricewaterhouseCoopers LLP

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Equity Transfer & Trust Company

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