

May 4, 2017



## Press Release

### Integrated Asset Management Corp. Announces Results for the Second Quarter of Fiscal 2017

**For Immediate Release**

Toronto, Ontario

Integrated Asset Management Corp. ("IAM") (TSX:IAM) today announced unaudited financial results for the quarter ended March 31, 2017.

HIGHLIGHTS	3 Months Ended March 31, 2017 (thousands except per share amounts)	3 Months Ended March 31, 2016 (thousands except per share amounts)	6 Months Ended March 31, 2017 (thousands except per share amounts)	6 Months Ended March 31, 2016 (thousands except per share amounts)
Invested Capital	\$1,780,000	\$1,542,000	\$1,780,000	\$1,542,000
Committed Capital to be Invested	\$734,000	\$777,000	\$734,000	\$777,000
Total Assets Under Management ("AUM")	\$2,514,000	\$2,319,000	\$2,514,000	\$2,319,000
Revenues before the undernoted	\$4,059	\$2,604	\$6,825	\$5,100
Investment loss	\$(62)	\$(84)	\$(538)	\$(21)
Total revenues	\$3,997	\$2,520	\$6,287	\$5,079
EBITDA <sup>(1)</sup>	\$891	\$(171)	\$972	\$(799)
Net income (loss) from continuing operations	\$498	\$(57)	\$476	\$(648)
Gain from sale of discontinued operations, net of income taxes	\$699	\$ -	\$699	\$401
Net income (loss) from discontinued operations, net of income taxes	\$(61)	\$(91)	\$(69)	\$264
Net income (loss) attributed to common shareholders of the Corporation	\$1,146	\$(155)	\$1,120	\$(3)
<b>Earnings per share</b>				
Continuing operations	\$0.02	\$(0.00)	\$0.02	\$(0.02)
Discontinued operations	\$0.02	\$(0.01)	\$0.02	\$0.02
Total	\$0.04	\$(0.01)	\$0.04	\$(0.00)

<sup>(1)</sup> Earnings Before Interest, Taxes, Depreciation and Amortization, and stock-based compensation ("EBITDA") are non-IFRS earnings measures used by IAM.



AUM was approximately \$2.5 billion at March 31, 2017, versus \$2.3 billion for the quarter ended March 31, 2016.

Net earnings for the quarter ended March 31, 2017 from continuing operations were \$0.5 million or \$0.02 per share versus net loss from continuing operations of \$0.0 million or \$(0.00) per share in the quarter ended March 31, 2016. Management fees and other income were higher, at \$4.0 million versus \$2.6 million in the same quarter in 2016.

Earnings before interest, taxes, depreciation and amortization, and stock based-compensation ("EBITDA") improved to \$0.9 million from negative \$0.2 million in the same quarter of the previous fiscal year. Investment losses of \$0.1 million, which are not reflected in the calculation of EBITDA, contributed negatively to net income in the quarter.

Cash flow from operations for the six months ended March 31, 2017 was \$0.9 million this year compared to negative \$0.9 million in the same six months of the previous fiscal year. The Corporation reported consolidated expenses for the quarter of \$3.1 million, up \$0.4 million from \$2.7 million in the second quarter of fiscal 2016.

AUM remained at \$2.5 billion as compared to December 31, 2016. Of that, approximately \$734 million is committed but not yet invested capital from real estate, private debt and infrastructure debt operations.

John Robertson, President and CEO, said *"We first announced in 2014 our strategy of focusing on our two core businesses, private debt and real estate, and becoming a pure-play institutional manager. The closing of the sale on March 31, 2017 of our managed futures business completed the divestiture of non-core businesses. Private debt and real estate have been growing and are performing well."*

*We earn our management fees on invested capital, not committed capital. The debt and real estate teams combined in the quarter to invest \$151 million. This earned a total of \$1.5 million in acquisition and commitment fees, as well as making a meaningful increase in recurring, long-term management fee revenue, compared to the same quarter of fiscal 2016, in which we earned \$0.3 million in acquisition and commitment fees. We are pleased with these results, and gratified by the success of our strategy. Next quarter will reflect exclusively the results of our core operations. We believe IAM is well-positioned to continue to build on the strength reflected in these results.*

*During the second quarter we made good progress in deploying committed but uninvested capital. We are generating steady growth in recurring, long-term management fees which will continue for the balance of the year as additional investments are made. As a result, we expect to see further improvement in earnings as we experienced in the second quarter and more stable earnings as recurring, long-term management fees grow."*

Shortly after quarter end, it was announced that Rick Zagrodny, President of the IAM Real Estate Group, will be retiring effective September 30, 2017 after 33 years of service. As planned, David Pappin, who joined a year ago as Chief Operating Officer of the Real Estate Group, will succeed Rick as President of the IAM Real Estate Group. John Robertson said *"We would like to acknowledge Rick's significant contributions over the years, thank him for his long and loyal service and wish him a long and rewarding retirement."*

Also during the quarter, Don Bangay, most recently Vice Chair of the IAM Private Debt Group, and long-serving Chief Investment Officer, retired in February of this year. Don was instrumental in the establishment of the highly successful Private Debt Funds. He will continue to chair the Investment Committee of the Private Debt Group.

John Robertson said *"I have worked closely with Don for the last 16 years and appreciate his major contribution to IAM and his advice and support for me over those years."*

The Corporation's Normal Course Issuer Bid ("NCIB"), pursuant to which IAM may purchase its common shares for cancellation, expires on May 23, 2017. The Corporation intends to seek the approval of the Toronto Stock Exchange to renew the NCIB for another 12 month period. From October 1, 2016 to March 31, 2017 the Corporation purchased nil common shares under the NCIB.

For detailed financial statements for the quarter, including Management's Discussion and Analysis, please refer to IAM's website at [www.iamgroup.ca](http://www.iamgroup.ca) or SEDAR at [www.sedar.com](http://www.sedar.com) after May 8, 2017.

IAM is one of Canada's leading alternative asset management companies with approximately \$2.5 billion in assets and committed capital under management in real estate and private debt as of May 4, 2017.

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