

GUARDIAN CAPITAL GROUP LIMITED
MANAGEMENT'S DISCUSSION AND ANALYSIS
THIRD QUARTER
September 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

In accordance with securities regulatory requirements, the discussion and analysis which follows for Guardian Capital Group Limited and its subsidiaries and other controlled entities ("Guardian") pertains to the three month period ended September 30, 2023 and the comparative periods in the year 2022, as well as to certain other prior quarterly periods. Readers are encouraged to refer to the discussions and analyses contained in the 2022 Annual Report. This discussion and analysis has been prepared as of November 9, 2023

Additional information relating to Guardian and its business, including Guardian's Annual Information Form, is available on "SEDAR" at www.sedarplus.ca.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain information included in this Management's Discussion and Analysis constitutes forward-looking information within the meaning of applicable Canadian securities laws. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Forward-looking information in this Management's Discussion and Analysis includes, but is not limited to, statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations. Such forward-looking information reflects management's beliefs and is based on information currently available. All forward-looking information in this Management's Discussion and Analysis is qualified by the following cautionary statements.

Although Guardian believes that the expectations reflected in such forward-looking information are reasonable, such information involves known and unknown risks and uncertainties which may cause Guardian's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially include but are not limited to: general economic and market conditions, including interest rates, business competition, changes in government regulations or in tax laws, the duration and severity of pandemics, such as COVID-19, military conflicts in various parts of the world, as well as those risk factors discussed or referred to in this Management's Discussion and Analysis and the other disclosure documents filed by Guardian with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. The reader is cautioned to consider these factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this Management's Discussion and Analysis is provided as of the date of this Management's Discussion and Analysis and should not be relied upon as representing Guardian's views as of any date subsequent to the date of this Management's Discussion and Analysis. Guardian undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

OVERVIEW OF GUARDIAN'S BUSINESS

Guardian is a financial services company, which provides extensive investment management services to institutional, retail and private high and ultra-high-net worth clients through its subsidiaries. At the end of the current quarter, Guardian had \$52.3 billion of assets under management ("AUM") and \$3.9 billion of assets under advisement ("AUA") (together the "Total Client Assets"). Guardian is headquartered in Canada and operates in Canada, the United Kingdom, the United States and the Caribbean. Investment Management business is operated through the Toronto, Ontario-based Guardian Capital LP ("GCLP"), Guardian Smart Infrastructure Management Inc. ("GSIM"), Guardian Capital Real Estate Inc. ("GCREInc"), Guardian Capital Advisors LP ("GCA") and Guardian Partners Inc. ("GPI"), the Waterloo, Ontario-based Rae & Lipskie Investment Counsel Inc. ("RaeLipskie"), Vancouver, British Columbia-based Modern Advisor Canada Inc. ("Modern Advisor"), the London, UK-based GuardCap Asset Management Limited ("GuardCap"), the Salt Lake City, Utah-based Alta Capital Management, LLC ("Alta"), the Richmond, Virginia-based Agincourt Capital Management LLC ("Agincourt") and the Caribbean-based Alexandria Bancorp Limited ("ABL"). Guardian also manages its proprietary investment portfolio which had a fair market value of \$1.3 billion at the end of the current quarter.

On March 1, 2023, Guardian sold its subsidiaries, Worldsource Financial Management Inc., Worldsource Securities Inc. and IDC Worldsource Insurance Network Inc. ("IDC WIN") for gross proceeds of \$750 million, subject to adjustments for net working capital and amounts due to minority shareholders of IDC WIN ("Proceeds"). In the following discussion and analysis, these businesses will be referred to as Worldsource Businesses.

USE OF NON-IFRS MEASURES

Guardian uses certain measures to evaluate and assess the performance of its business, some of which are not defined within International Financial Reporting Standards ("IFRS"). These measures are EBITDA, EBITDA attributable to shareholders, EBITDA attributable to shareholders per share, Adjusted cash flow from operations, Adjusted cash flow from operations attributable to shareholders, Adjusted cash flow from operations attributable to shareholder per share. As a result of the sale of the Worldsource businesses as discussed below, we have updated the definition of EBITDA to exclude Net earnings from discontinued operations and Adjusted cash flow from operations to exclude cash flow from discontinued operations. More detailed definition of EBITDA is provided on page 27 of the Management Discussions and Analysis. Other Non-IFRS measures are equity per share, and securities per share. Non-IFRS measures do not have standardized meanings prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. However, Guardian believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these measures in analyzing Guardian's results. In the Non-IFRS Measures section of this Management Discussion and Analysis a description of how these measures are defined by Guardian is provided, with reconciliations to their most comparable IFRS measures.

CONSOLIDATED FINANCIAL RESULTS

The comparative financial results of Guardian on a consolidated basis are summarized in the following table:

For the periods ended September 30, (\$ in thousands, except per share amounts)	Three months			Nine months		
	2023	2022 <i>restated</i>	% Inc (Dec)	2023	2022 <i>restated</i>	% Inc (Dec)
Net revenue	\$ 62,611	\$ 48,434	29.3%	\$ 178,937	\$ 150,314	19.0%
Expenses	44,137	38,015	16.1%	132,185	114,984	15.0%
Operating earnings	18,474	10,419	77.3%	46,752	35,330	32.3%
Net losses	(17,358)	(21,148)	17.9%	(2,960)	(122,442)	97.6%
Earnings (loss) before income taxes	1,116	(10,729)	110.4%	43,792	(87,112)	150.3%
Income tax expense (recovery)	3,386	853	297.0%	8,088	(2,291)	453.0%
Net earnings (loss) from continuing operations	(2,270)	(11,582)	80.4%	35,704	(84,821)	142.1%
Net earnings from discontinued operations	--	5,034	-100.0%	553,743	15,864	3,390.6%
Net earnings (loss)	\$ (2,270)	\$ (6,548)	65.3%	\$ 589,447	\$ (68,957)	954.8%
EBITDA	\$ 24,611	\$ 15,590	57.9%	\$ 65,181	\$ 49,356	32.1%
Adjusted cash flow from operations	21,568	17,034	26.6%	55,568	43,511	27.7%
Attributable to shareholders:						
Net earnings (loss) from continuing operations	\$ (2,506)	\$ (11,780)	78.7%	\$ 34,753	\$ (86,187)	140.3%
Net earnings (loss)	(2,506)	(7,608)	67.1%	496,242	(73,044)	779.4%
EBITDA	23,985	14,801	62.1%	62,683	46,362	35.2%
Adjusted cash flow from operations	20,971	16,203	29.4%	53,051	40,415	31.3%
Per share amounts (diluted):						
Net earnings (loss) from continuing operations	\$ (0.11)	\$ (0.49)	77.6%	\$ 1.40	\$ (3.53)	139.7%
Net earnings (loss)	(0.11)	(2.85)	96.1%	19.40	(2.68)	823.9%
EBITDA	1.02	0.61	67.2%	2.49	1.90	31.1%
Adjusted cash flow from operations	0.89	0.67	32.8%	2.12	1.65	28.5%
As at (\$ in millions, except per share amounts)						
	2023 September 30	2022 December 31	% Inc (Dec)	2022 September 30	% Inc (Dec)	
Shareholders' equity	\$ 1,201	\$ 768	56.5%	\$ 743	61.7%	
Securities	1,276	660	93.2%	651	96.0%	
Per share amounts (diluted):						
Shareholders' equity	\$ 47.54	\$ 29.43	61.5%	\$ 28.74	65.4%	
Securities	50.49	25.31	99.5%	25.16	100.7%	

THIRD QUARTER HIGHLIGHTS

On September 26, 2023, Guardian launched the Guardian Smart Infrastructure Partners LP ("GSIP"), managed by its smart infrastructure investment management subsidiary, GSIM. Utilizing its substantial balance sheet to accelerate the launch of the fund, Guardian, along with the management team of GSIM, provided GSIP with a \$100 million USD in capital commitment. With its initial capital call, GSIP, through a jointly controlled entity, Juniper Holdco ASA ("Juniper"), acquired a 62.8% equity interest in Q-Free ASA ("Q-Free"), an intelligent transportation systems company listed on the Oslo Stock Exchange. Juniper is 70% owned by GSIP and 30% by a Norwegian private family office.

Guardian has recognized GSIP's investment in Q-Free on its balance sheet at September 30, 2023. The investment was recognized in two parts, Securities of \$73 million and Securities backing third party liabilities of \$4 million. As the purchase of Q-Free shares had not settled until after the quarter end, Guardian also recognized Cash of \$77 million, which was the amount used to initially capitalize Juniper, and offsetting liabilities, divided between Accounts payable & accrued liabilities and Third party investor liabilities. The seeding of GSIP by Guardian was initially funded mainly by borrowing in US dollars. Subsequent to quarter end, a portion of the Securities portfolio was sold to pay down the portion of debt denominated in Canadian dollars.

In addition, subsequent to the quarter end, Juniper made an offer to acquire the remaining shares of Q-Free at the same price per share it paid to acquire the initial 62.8% interest. GSIP's obligation to fund Juniper to acquire the remaining shares is estimated to be \$44 million, subject to current exchange rates.

On October 3, 2023, Guardian exercised its right and acquired the remaining 6% of Alta that it did not already own for cash purchase price of \$5 million.

As described in the prior quarter's Management's Discussion & Analysis, the following discussion and analysis and in Guardian's Consolidated Financial Statements, the Worldsource Businesses, up to the date of sale, have been classified as discontinued operations with prior period results reflecting this reclassification. In the Statement of Operations and Comprehensive Income, the current and comparative period results, including the Net gains realized on the sale of the Worldsource Businesses, have been presented on a single line called Net earnings from discontinued operations.

Subsequent to the sale of the Worldsource Businesses, Guardian streamlined its businesses into two Segments, Investment Management Segment and Corporate Activities and Investments Segment. The businesses which were previously included in the Wealth Management Segment have now been consolidated into the Investment Management Segment. Prior periods have been restated to reflect the new business Segments.

ASSETS UNDER MANAGEMENT AND ADVISEMENT

The following is a summary of the assets under management and advisement:

As at (\$ in millions)	2023 September 30	2022 December 31	% Inc (Dec)	2022 September 30 <i>Restated</i>	% Inc (Dec)
Assets under management					
Institutional					
Global equities	\$ 24,525	\$ 23,050	6.4%	\$ 21,532	13.9%
Canadian equities	4,729	5,199	-9.0%	5,100	-7.3%
Fixed income	17,773	16,124	10.2%	16,225	9.5%
Institutional assets under management	47,027	44,373	6.0%	42,857	9.7%
Private wealth and outsourced chief investment officer	5,283	5,214	1.3%	4,957	6.6%
Total assets under management	52,310	49,587	5.5%	47,814	9.4%
Assets under advisement	3,905	3,716	5.1%	3,787	3.1%
Total client assets	\$ 56,215	\$ 53,303	5.5%	\$ 51,601	8.9%

Guardian is reporting Total Client Assets of \$56.2 billion as at September 30, 2023, compared to \$53.3 billion, as at December 31, 2022 and \$51.6 billion, as at September 30, 2022. The change since December 31 was due largely to the positive market performance and to a lesser extent net inflow of net new assets. The year-over-year change was largely the result of the positive returns in the global equities market, partially offset by a modest net outflow of assets. With continued changes to the market conditions we have seen some of our clients changing their investment and asset allocation approaches. Guardian is experiencing some of these changes where some assets are being lost as clients allocate assets away from the strategies we managed for them and some have allocated more assets to the strategies we manage. During the current quarter, we experienced a net outflow of approximately \$1.1 billion in equity strategy client assets but also experienced a net inflow of \$1.7 billion in fixed income strategy mandate from an existing client. As this unsettled environment continues, net flows in and out of the strategies we manage could linger for some time. The diversity of our investment products and strategies should allow us to be more resilient in these times. The flows mentioned above occurred near the end of the quarter, and as a result, the full quarter's impact on net revenues were not reflected in the current quarter's results. The impact of these large flows is expected to result in lower revenues in the fourth quarter as the loss of higher fee earning equity assets are expected to exceed the revenue earned on the new fixed income assets.

OPERATING RESULTS

The Operating earnings of Guardian's business segments are summarized in the following table:

For the periods ended September 30, (\$ in thousands)	Three months			Nine months		
	2023	2022 <i>restated</i>	% Inc (Dec)	2023	2022 <i>restated</i>	% Inc (Dec)
Investment management	\$ 11,099	\$ 9,330	19.0%	\$ 31,182	\$ 31,655	-1.5%
Corporate activities and investments	7,375	1,089	577.2%	15,570	3,675	323.7%
	\$ 18,474	\$ 10,419	77.3%	\$ 46,752	\$ 35,330	32.3%

Guardian's consolidated Operating earnings for the current quarter ended September 30, 2023, were \$18.5 million and \$46.8 million year to date, increases of 77% and 32%, respectively from \$10.4 million and \$35.3 million for the same respective periods in the prior year. The EBITDA for the current quarter was \$24.6 million and year to date of \$65.2 million, increases of 58% and 32%, respectively, from \$15.6 million and \$49.4 million for the same respective periods in the prior year.

Net revenues grew to \$62.6 million in the current quarter and \$178.9 million year to date, increases of 29% and 19%, respectively, from \$48.4 million and \$150.3 million in the same respective periods in the prior year. The increase included the interest income earned on the Proceeds, which were not available in the comparative periods, and increase in net management fee revenue, including the full quarter contribution from RaeLipskie, which was acquired on September 1, 2022. Total expenses in the current quarter were \$44.1 million and \$132.2 million year to date, increases of 16% and 15%, respectively, from \$38.0 million and \$115.0 million in the same respective periods in the prior year. The increased expenses were driven by our continued, multi-year, strategic investments in our additional future growth sources, including increased investments in human capital and technology, and marketing and travel expenses. In addition, the increases in interest rates over the period and the addition of expenses associated with RaeLipskie, increased travel and marketing expenditures, and the effects of bearing certain costs which were allocated to Worldsource Businesses in prior periods contributed to the increase in expenses. As part of our strategic investments, we plan on further increasing our investments in technology, which will further add to the growth in expenses in the near term.

Net losses in the current quarter were \$17.4 million, compared to \$21.1 million in the same quarter in the prior year. Current year to date Net losses were \$3.0 million, compared to \$122.4 million in the same period in the prior year. These losses largely reflect the changes in fair values of Guardian's substantial Securities portfolio, which are driven by the volatility in the global financial markets over those periods.

Net loss attributable to shareholders in the current quarter was \$2.5 million and the year to date Net earnings attributable to shareholders were \$496.2 million, compared to Net loss attributable to shareholders of \$7.6 million and \$73.0 million in the same respective periods in the prior year. The improvements in the current quarter compared to the same period in the prior year was due to the increase in Operating earnings and lower Net losses on Securities portfolio recorded in the current quarter. The most significant driver of the year to date increase in Net earnings attributable to shareholders was the Net earnings from discontinued operations recorded in the first quarter of 2023 when the Worldsource Businesses was sold.

Adjusted cash flow from operations for the quarter was \$21.6 million and year to date of \$55.6 million, compared to \$17.0 million and \$43.5 million in the same respective periods in 2022. The increases were driven by improved Operating earnings in the current quarter and year to date periods.

The discussion on Guardian's operating results by Segments are provided below. The discussion should be read in conjunction with Note 13 (a), Business Segments, contained in Guardian's Third Quarter 2023 Consolidated Financial Statements.

Investment Management Segment

Operating earnings from the Investment Management Segment were \$11.1 million in the current quarter and \$31.2 million year to date, compared to \$9.3 million and \$31.7 million in the same respective periods in the prior year. EBITDA in the current quarter was \$ 14.5 million and \$40.3 million year to date, compared to \$12.6 million and \$41.2 million in the same respective periods in the prior year. The Net revenue in the current quarter was \$49.5 million and \$145.0 million year to date, compared to \$43.5 million and \$135.6 million in the same respective periods in the prior year. The increases in Net revenue were driven by the increases in AUM, largely the result of the positive global equities market performances over the same periods, offset by a slight net outflow of AUM as stated above, under the heading Assets Under Management and Advisement. The total expenses in the Segment were \$38.4 million in the current quarter and \$113.9 million year to date, compared to \$34.2 million and \$103.9 million in the same respective periods in the prior year. Increased expenses were largely the result of the addition of expenses associated with RaeLipskie, which was acquired on September 1, 2022, the continued strategic investments into our additional future growth sources, including the Canadian Retail Asset Management ("CRAM") team, the Guardian Smart Infrastructure Management ("GSIM") team, Guardian Partners Inc., and Modern Advisor. The Operating losses in these businesses were \$3.1 million in the current quarter and \$9.2 million year to date, compared to \$2.3 million and \$7.4 million in the same respective periods in the prior year. In addition, we continued to invest further in technology to support these strategic initiatives. These investments are expected to continue in the near term while we continue to build these future sources of growth. As mentioned in the Third Quarter Highlights section, Guardian leveraged its significant balance sheet to provide the GSIM team with the initial capital commitment needed to support a launch of its smart infrastructure fund to accelerate attracting third party investment commitments for this business.

Corporate Activities and Investments Segment

The Corporate Activities and Investments Segment's Operating earnings were \$7.4 million for the current quarter and \$15.6 million year to date, compared to \$1.1 million and \$3.7 million in the same respective periods in the prior year. EBITDA in the current quarter was \$10.1 million and \$24.9 million year to date, compared to \$3.1 million and \$8.1 million in the same respective periods in the prior year. The Net revenue increased to \$13.4 million for the quarter and \$34.8 million year to date, from \$5.3 million and \$15.8 million in the same respective periods in 2022. The most significant contributor to the growth was the interest income earned on the Proceeds received on the disposal of the Worldsource Businesses on March 1, 2023. Also included in the total revenues were \$0.4 million in the current quarter and \$1.1 million year to date of fees charged to Worldsource Businesses for transitional services. The increase in Net revenue was partially offset by higher expenses in the current quarter of \$6.0 million and year to date of \$19.2, compared to \$4.2 million and \$12.1 million in the same respective periods in the prior year. The increase is mainly due to increase in interest expense, resulting from increased borrowing rates over the period, addition of employees to support our strategic investments in the operating segments, absorption of certain costs which were recovered from Worldsource Businesses in prior periods no longer being recovered in the current period, increase in technology costs and growth in travel expenditures. To support our strategic investments in various initiatives, we plan to increase our technology investments in the near term which will further dampen our earnings in the near term.

LIQUIDITY AND CAPITAL RESOURCES

The strength of Guardian's balance sheet has enabled Guardian to attract Associates; provide clients with a high level of confidence and comfort; maintain appropriate levels of working capital in each of its areas of operation; make the necessary capital expenditures and investments to develop its businesses; and make appropriate use of borrowings, including financing the expansion of its businesses. We are confident that the strength of Guardian's balance sheet will continue to provide benefits in the future.

Guardian's balance sheet is supported by our substantial securities portfolio, as presented below:

As at (\$ in millions)	2023 September 30	2022 December 31	% Inc (Dec)	2022 September 30	% Inc (Dec)
Securities, carried at fair value					
Proprietary investment strategies					
Short-term and fixed-income securities	\$ 80,839	\$ 18,495	337.1%	\$ 17,278	367.9%
Canadian equities	12,245	13,200	-7.2%	13,547	-9.6%
Global equities	333,357	269,631	23.6%	261,874	27.3%
Canadian real estate	43,483	43,182	0.7%	41,944	3.7%
	469,924	344,508	36.4%	334,643	40.4%
Bank of Montreal common shares	255,447	273,064	-6.5%	269,763	-5.3%
Short-term securities	510,157	9,341	5,361.5%	9,365	5,347.5%
Fixed-income securities	4,840	--	100.0%	--	100.0%
Equities	35,669	33,500	6.5%	33,738	5.7%
Securities	\$ 1,276,037	\$ 660,413	93.2%	\$ 647,509	97.1%
Securities per share amount, diluted	\$ 50.49	\$ 25.31	99.5%	\$ 25.16	100.7%

Guardian's Securities as at September 30, 2023 had a fair value of \$1,276 million, or \$50.49 per share, diluted, compared with \$660 million, or \$25.31 per share, diluted, at the end of 2022. Shareholders' equity as at September 30, 2023 amounted to \$1,201 million, or \$47.54 per share, diluted, compared to \$768 million, or \$29.43 per share, diluted, at the end of 2022. The increases in Securities and Shareholders' equity were due largely to the addition of Guardian's portion of the proceeds, net of amounts held in escrow, and net gains realized on the disposition of the Worldsource Businesses, respectively. The proceeds are invested in fixed income investments with varying maturity, all less than one year.

In addition to its strong balance sheet, Guardian has, under various borrowing arrangements, total borrowing capacity of \$175.0 million. As at September 30, 2023, the total borrowings amounted to \$149.3 million, compared to \$131.6 million at the end of 2022. Guardian's Adjusted cash flow from operations attributable to shareholders for the current quarter was \$21.0 million and \$53.1 million year to date, compared to \$16.2 million and \$40.4 million in the same respective periods in 2022. The increases in 2023, compared to the same periods one year earlier, were due largely to interest income earned on the Proceeds in the current year, combined with lower tax payments made in the current periods.

All these resources available to Guardian were used to finance various activities during the current quarter: provided initial seeding and commitment to the recently launched GSIP, a smart infrastructure fund managed by GSIM, as described in the Third Quarter Highlights section; \$8.5 million in dividends were paid using Adjusted cash flow from operations; debt associated with the purchase price paid to acquire an incremental 24% interest in Alta its minority shareholders were funded from a combination of Proceeds and Adjusted cash flow from operations; approximately \$44 million was redeployed from the Proceeds into existing and new proprietary products to provide them with initial scale; and \$8.3 million of the Proceeds were used to fund share buy-backs during the quarter.

CONTRACTUAL OBLIGATIONS

Guardian has contractual commitments for the payment of certain obligations over a period of time. A summary of those commitments, including a summary of the periods during which they are payable, is shown in the following table:

As at September 30, 2023 (\$ in thousands)	Total	Payments due by period			
		Within one year	2 - 3 years	4 - 5 years	After five years
Bank loans and borrowings	\$ 149,344	\$ 149,344	\$ --	\$ --	\$ --
Third party investor liabilities	48,709	48,709	--	--	--
Client deposits	66,483	66,483	--	--	--
Accounts and income taxes payable	236,320	236,320	--	--	--
Obligations to non-controlling interests and other	18,969	6,680	7,154	5,135	--
Investment commitments	9,603	9,603	--	--	--
Scheduled lease payments, undiscounted	29,940	2,991	5,468	4,849	16,632
Total contractual obligations	\$ 559,368	\$ 520,130	\$ 12,622	\$ 9,984	\$ 16,632

Guardian's contractual commitments are supported by its strong financial position, including its Securities, referred to above under the heading "Liquidity and Capital Resources". Client deposits in the offshore banking subsidiary are supported by the Interest-bearing deposits with banks. Third party investor liabilities are supported by Securities backing third party investor liabilities. Guardian has a commitment to invest \$9.6 million in a private equity funds. Guardian will decide on the appropriate strategy for funding these commitments when called upon by the funds.

Not included in the above schedule of contractual obligations is the Company's commitment to fund its affiliate Juniper's tender offer to acquire all remaining outstanding shares of Q-Free. The Company's portion of the commitment, which was made on October 26, 2023, is for approximately \$44 million if all the shares are tendered. The tender offer closes on November 24, 2023.

SUMMARY OF QUARTERLY RESULTS

The following chart summarizes Guardian's financial results for the past eight quarters:

	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
				Restated	Restated	Restated	Restated	Restated
<i>As at (\$ in millions)</i>								
Assets under management	\$ 52,310	\$ 52,754	\$ 52,261	\$ 49,587	\$ 47,814	\$ 46,931	\$ 53,123	\$ 56,341
Assets under advisement	3,905	3,773	4,065	3,716	3,788	3,944	4,272	4,338
Total client assets	56,215	56,527	56,326	53,303	51,602	50,875	57,395	60,679
<i>For the three months ended (\$ in thousands)</i>								
Net revenue	\$ 62,611	\$ 61,833	\$ 54,493	\$ 50,681	\$ 48,434	\$ 50,056	\$ 51,824	\$ 52,961
Operating earnings	18,474	17,038	11,240	8,790	10,419	11,404	13,507	14,086
Net gains (losses)	(17,358)	(3,736)	18,134	18,225	(21,148)	(91,545)	(9,749)	51,408
Net earnings (losses) from continuing operations	(2,270)	11,532	26,442	25,249	(11,582)	(73,463)	224	57,909
Net earnings from discontinued operations	--	--	553,743	6,386	5,034	5,239	5,591	6,542
Net earnings (losses)	(2,270)	11,532	580,185	31,635	(6,548)	(68,224)	5,815	64,451
Net earnings (loss) from continuing operations attributable to shareholders	(2,506)	11,145	26,114	24,679	(11,780)	(74,053)	(353)	56,999
Net earnings (loss) attributable to shareholders	(2,506)	11,145	487,603	29,961	(7,608)	(69,698)	4,262	62,422
<i>Per share amounts (in \$)</i>								
Net earnings (loss) from continuing operations attributable to shareholders								
Basic	\$ (0.11)	\$ 0.47	\$ 1.09	\$ 1.02	\$ (0.49)	\$ (3.03)	\$ (0.01)	\$ 2.30
Diluted	(0.11)	0.45	1.02	0.96	(0.49)	(3.03)	(0.01)	2.15
Net earnings (loss) attributable to shareholders:								
Basic	\$ (0.11)	\$ 0.47	\$ 20.27	\$ 1.24	\$ (0.31)	\$ (2.85)	\$ 0.17	\$ 2.52
Diluted	(0.11)	0.45	18.79	1.16	(0.31)	(2.85)	0.16	2.35
Dividends paid	\$ 0.34	\$ 0.34	\$ 0.24	\$ 0.24	\$ 0.24	\$ 0.24	\$ 0.18	\$ 0.18
<i>As at</i>								
Shareholders' equity (\$ in millions)	\$ 1,201	\$ 1,213	\$ 1,242	\$ 768	\$ 743	\$ 743	\$ 828	\$ 839
<i>Per share amounts (in \$)</i>								
Basic	\$ 50.90	\$ 51.11	\$ 52.42	\$ 31.84	\$ 30.82	\$ 30.68	\$ 33.67	\$ 33.89
Diluted	47.54	47.63	48.73	29.43	28.88	28.74	31.27	31.53
Total Class A and Common shares outstanding (shares in thousands)	25,408	25,609	26,113	26,246	26,246	26,342	26,892	26,954

Over the past eight quarters presented above, Guardian's Net revenue, largely comprised of net management and advisory fees, has generally trended in the same direction as the changes in Total Client Assets. These fluctuations can also influence Operating earnings and are driven largely by the factors described below.

Net management and advisory fees are highly correlated to the changes in Total Client Assets, which are affected by the volatility of the global financial markets and additions and withdrawals of assets by clients. Partially offsetting this volatility is the income from Securities earned in the Corporate Activities and Investments Segment, which are less directly correlated to the volatility in the global financial markets. The timing of consolidation or deconsolidation of certain investment funds or disposal of securities can also have an impact on the level of dividend and interest income recorded in the period.

The Net revenue for each of the quarters above generally trended with the levels of Total Client Assets. Starting in the second quarter of 2023, the Net revenue increased greater than expected from the change in Total Client Assets. This was due to the interest income earned on the proceeds of disposition of Worldsource Businesses. Net gains (losses) reflect changes in fair values of the securities during each period, driven by the volatility of the global financial markets in which Guardian's securities trade. The volatility of Net gains (losses) also directly affects Net earnings (losses) attributable to shareholders.

The Net earnings from discontinued operations from the fourth quarter of 2021 to the first quarter of 2023, includes the Net earnings from Worldsource Businesses, which was reclassified into this line as a result of its sale. Included in the first quarter of 2023 is \$553,743 of net gains realized on the disposition of the Worldsource Businesses and its operating earnings, net of taxes for the period to closing.

The quarterly fluctuations in shareholders' equity shown above are caused largely by Guardian's Net earnings (losses), attributable to shareholders, less dividends paid and shares repurchased.

RISK FACTORS

A key component of a successful business is its ability to manage its risk. The following sections discuss the most significant risks and Guardian's management processes to mitigate them. Readers are encouraged to refer to Note 15 to Guardian's Third Quarter 2023 Consolidated Financial Statements for additional information on financial risk management.

Market Risk

Markets can have a significant effect on the value of both clients' portfolios and our earnings, since investment management and advisory fees, which make up a significant part of our revenues, are generally based on market values. The market fluctuations can be driven by political, economic or other changes in various regions of the world. We manage the risks associated with market fluctuations by having a diversified client base with different investment needs, and by having a variety of products and services, which may be attractive in different market environments and which have different correlations to equity and other financial markets and to each other.

Guardian's securities holdings are managed independently of clients' assets, except for those of our assets that are invested in Guardian's investment funds.

Portfolio Value and Concentration Risks

Guardian's securities are subject to price fluctuations risk. The potential impact of market fluctuations on the value of Guardian's securities is quantified in Note 15 of Guardian's Third Quarter 2023 Consolidated Financial Statements. Guardian manages this risk through professional in-house investment management expertise, which takes a disciplined approach to investment management. All securities are held by independent custodians chosen by Guardian. As at September 30, 2023, Guardian held \$255 million of BMO shares (December 31, 2022 – \$273 million), which represents 20% of Guardian's securities (December 31, 2022 – 41%). Guardian has accepted this concentration risk, as the bank is a diversified company with a history of steady and growing dividend payments. However, Guardian has been reducing its concentrated exposure over several years, having sold 2.7 million shares since the second quarter of 2013. In the first quarter, the Proceeds from the sale from the Worldsource Businesses were received and immediately invested in government or high-quality corporate short-term securities with varying maturities of less than one year. As a result, Guardian's securities increased its holdings in fixed-income securities, which now comprise 47% of the portfolio. The remainder of Guardian's securities portfolio is more diversified, from both an asset class and a geographical perspective.

The concentration risks by type as a percentage of total securities is summarized in the following table:

As at (as a percentage of securities)	September 30 2023	December 31 2022	% Inc (Dec)
Bank of Montreal common shares	20%	41%	-51%
Other Canadian equity securities and real estate	4%	9%	-56%
Canadian equities and real estate	24%	50%	-52%
Non-Canadian equities	29%	46%	-37%
Short-term and Fixed income securities	47%	4%	1075%
	100%	100%	0%

Foreign Currency Risk

As a result of expansion outside of Canada, Guardian's revenues, expenses and operating results from foreign operations may fluctuate with the changes in the foreign currency exchange rates compared to the Canadian dollar. The most significant foreign currency exposure is to the US dollars as most of the non-Canadian assets under management are US dollar denominated portfolios. Every 10% change in the value of the Canadian dollar against the US dollar would result in a change to Net revenues of approximately \$3.0 million and \$8.5 million for three and six month periods, respectively to September 30, 2023.

Guardian's investments in its foreign subsidiaries are subject to the risk of foreign currency exchange rate fluctuations. The effects of changes in foreign currency exchange rates on the values of these investments are not included in Net earnings (losses), but are recorded in the Net change in foreign currency translation on foreign subsidiaries in Guardian's Consolidated Statements of Operations and Comprehensive Income, and the cumulative effect is included in Accumulated Other Comprehensive Income in the Shareholders' Equity section of the Consolidated Balance Sheets.

From time to time, Guardian may recognize US dollar obligations to non-controlling interests on its balance sheet associated with the subsidiaries in the United States. As these are expected future transactions between equity interest holders, the changes in the value of these obligations, including changes resulting from foreign exchange rate fluctuations, are recorded directly in the Consolidated Statements of Equity. This currency risk is managed in a manner similar to the investments in other foreign subsidiaries, in that they are not actively managed, due to the long-term nature of the investments, but are closely monitored by management. Guardian may also record certain foreign exchange gains (losses) in Net earnings, such as US Dollar borrowings or on Canadian dollar cash balances held by foreign subsidiaries. This risk is mitigated by offsetting amounts being recognized on the

investment in these foreign subsidiaries as Net change in foreign currency translation on foreign subsidiaries, as discussed above. Readers are encouraged to refer to Note 15 in Guardian's Third Quarter 2023 Consolidated Financial Statements for further discussion and sensitivity analyses.

Credit Risk

Guardian's credit risk is generally considered to be low. Because of the nature of Guardian's business, its receivables are mainly from large institutions, which are considered to pose a relatively low credit risk. Guardian periodically reviews the financial strength of all of its counterparties, and if the circumstances warrants, Guardian takes appropriate action to reduce its exposure to certain counterparties. The credit risk associated with Guardian's investment in fixed-income mutual funds is managed by the monitoring of the activities of the portfolio manager who, through diversification and credit quality reviews of the funds' investments, manages the funds' credit risk. Increased exposure to fixed-income securities resulting from the proceeds from the sale of the Worldsource Businesses being invested in these securities is managed through diversification and selection of securities issued by high-quality issuers.

Interest Rate Risk

Guardian's most significant exposure to interest rate risk is through its investment in short-term and fixed-income securities, partially offset by the bank loans and borrowings. The securities and the borrowings are both short-term, and act as a partial hedge to mitigate against interest rate fluctuations. Guardian is also exposed to interest rate risk on client deposits in its international banking operations. This risk is largely managed through matching the interest rates and maturity dates of Client deposit liabilities with Interest-bearing deposits with banks. The interest rate risk associated with Guardian's investment in fixed-income mutual funds is managed by monitoring the activities of the portfolio manager, who manages this risk by positioning the portfolio for various interest rate environments.

Liquidity Risk

Guardian manages liquidity risk through the monitoring and managing of cash flows from operations, by establishing sufficient cash borrowing facilities with major Canadian banks, which currently total \$175 million through three credit facilities, and leveraging the support of its significant security portfolio. The maturities of Guardian's contractual commitments are outlined under "Contractual Commitments" in this Management Discussion and Analysis. The combination of the cash flows from operations, the securities holdings and the borrowing facilities provides reasonable resources to manage its liquidity risk.

Certain financial market events may cause disruptions and cause a tightening of liquidity in the market, making it difficult or more expensive for Guardian to borrow under its facilities. Guardian's large portfolio of liquid securities can offset some of the risk of tightening of market liquidity.

Product Performance Risk

Product performance risk is the risk that we will not perform as well as the market, our peers, or in line with our clients' expectations. The nature of this risk is both relative and absolute. We manage this risk by having a disciplined approach to investment management, and by ensuring that our compliance capabilities are strong. With respect to clients' expectations, we also seek to ensure that we are aware of those expectations, and that we properly communicate with our clients to develop, report on and comply with client mandates on a continuous basis.

Competition Risk

Guardian operates in a highly competitive environment, with competition based on a variety of factors including investment performance, the type and quality of products and services offered, business reputation and financial strength. Loss of client assets to competition will result in losses of revenue and earnings to Guardian. Guardian attempts to mitigate this risk by developing and maintaining a competitive product line and competitive relative performance of its products, through the recruitment and retention of high-quality investment professionals and a high-quality management team. Our ability to compete is also enhanced by our large capital base, which provides Guardian with the financial strength to invest in the development or acquisition of businesses. It also provides existing and future clients with comfort, which allows Guardian to better compete in winning and retaining these clients.

Regulatory and Legal Risk

Guardian and its subsidiaries operate in an environment subject to various laws and regulations. Given the nature of Guardian's and certain of its subsidiaries' operations, it may from time to time, be subject to changes in regulations, claims or complaints from investment clients and sanctions from governing bodies. These risks are mitigated by maintaining relevant in-house competence in laws and regulations, compliance and product review oversight, where appropriate, utilizing assistance from external advisors and insurance coverage.

Key Personnel Risk

The success of Guardian is highly dependent on key personnel, including its senior management and investment professionals. The loss of any of these individuals, or an inability to retain these individuals and attract the best of the brightest talent, could have a negative impact on Guardian. To mitigate this risk, Guardian monitors the industry to competitively compensate these individuals, invests into the business to create an environment where both Guardian and these individuals can succeed, and evaluates, on an ongoing basis, the succession plans in place for these key individuals. Guardian's financial strength provides resources necessary to competitively compensate these individuals and to allow us to invest in the business.

Information Technology and Cybersecurity Risk

Guardian uses information technology and the internet to streamline business operations and to improve client experience. However, the use of information technology can also introduce operational risk related to its use by employees, which may result in errors and lead to financial loss to Guardian. In addition, through the use of mobile devices or remote connections to internal data centres, Guardian is exposed to information security and other technology disruption risks that could potentially have an adverse impact on its business. Guardian actively monitors these risks and continues to develop controls to protect against such threats that are becoming more sophisticated and pervasive.

As remote working by Guardian employees have increased, remote access to Guardian's data centre by its employees have increased cyber security risk. Guardian has heightened its monitoring of the internal network traffic and the monitoring of developments in the latest known cyber threats to enhance security controls, where appropriate.

Climate Change Risk

Guardian and its subsidiaries have mostly indirect exposure to climate risk; climate change may have an impact on financial market performance, which may, in turn, have an impact on level of income earned by Guardian; with the heightened awareness of climate change, asset managers may find retaining or attracting clients more challenging if they are viewed as not having a credible approach to climate change; and increasing regulatory

requirements create onerous compliance obligations and increased costs which could impact business operations. Guardian has established a Responsible Investing Oversight Committee comprised of senior executives across its asset management subsidiaries, which is responsible for assessing and managing business risks related to the environment, social issues and corporate governance. Guardian also has a dedicated responsible investing team which is responsible for incorporating industry best practices in its asset management approach and aligning those activities across all of Guardian's asset management businesses. Guardian plans to leverage these existing structures in its plans to implement the proposed disclosure requirements of National Instrument 51-107.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements in conformity with IFRS requires management to use its judgement to make estimates and assumptions, which affect the reported amounts of assets, liabilities, contingencies, revenues and expenses. The items where management must use estimates and judgment are listed in note 2 (c) to Guardian's December 31, 2022, Consolidated Financial Statements. The most significant of these are related to the impairment assessment of goodwill, the determination of fair value of securities, which are classified as level 3 within the fair value hierarchy and accounting for certain investments. The valuation approach to level 3 securities which are valued by the Company is most sensitive to the level of EBITDA associated with the issuer of the security. The valuation approach to level 3 securities, primarily private equity funds, which are not valued by the Company are to use the reported fair value as provided by the fund's manager. The Company obtains comfort over the fair value reported by the managers by reviewing and discussing with the managers on an annual basis the valuation process and by comparing the reported fair value against each fund's audited financial statements. Guardian reviews goodwill and intangible assets for indications of impairment at the end of each reporting period, and if indications of impairment exist, the goodwill is then assessed for impairment in that period. The valuation approach to Investment Management Segment goodwill is most sensitive to the levels of AUM within the Segment. The goodwill in all units are tested annually for impairment. Management assess all significant investments to determine whether Guardian can exercise control over its investment, in which case it must consolidate the investment, or whether another method of accounting is more appropriate.

NON-IFRS MEASURES

EBITDA, EBITDA attributable to shareholders, and EBITDA per share

Guardian defines EBITDA as net earnings before interest, income tax, amortization, and stock-based compensation expenses, net gains or losses and net earnings from discontinued operations. EBITDA attributable to shareholders is defined as EBITDA less amounts attributable to non-controlling interests. EBITDA per share is calculated on EBITDA attributable to shareholders using the same average shares outstanding and other adjustments that are used in calculating net earnings attributable shareholders per share. Guardian believes these are important measures, as they allow management to assess the operating profitability of our business and to compare it with other investment management companies, without the distortions caused by the impact of non-core business items, different financing methods, levels of income taxes, the amounts of net earnings available to non-controlling interests and the level of capital expenditures. The most comparable IFRS measures are "Net earnings" and "Net earnings from discontinued operations", which are disclosed in Guardian's Consolidated Statements of Operations.

The following is a reconciliation of the IFRS measure to the non-IFRS measures:

For the periods ended September 30, (\$ in thousands)	Three months			Nine months		
	2023	2022 <i>restated</i>	% Inc (Dec)	2023	2022 <i>restated</i>	% Inc (Dec)
Net earnings (loss)	\$ (2,270)	\$ (6,548)	65.3%	\$ 589,447	\$ (68,957)	954.8%
Add (deduct):						
Net earnings from discontinued operations	--	(5,034)	100.0%	(553,743)	(15,864)	-3,390.6%
Income tax expense (recovery)	3,386	853	297.0%	8,088	(2,291)	453.0%
Net (gains) losses	17,358	21,148	-17.9%	2,960	122,442	-97.6%
Stock-based compensation	875	1,007	-13.1%	2,712	2,695	0.6%
Interest expense	1,918	1,212	58.3%	5,900	2,517	134.4%
Amortization	3,344	2,952	13.3%	9,817	8,814	11.4%
EBITDA	24,611	15,590	57.9%	65,181	49,356	32.1%
Less attributable to non-controlling interests in continuing operations	(626)	(789)	20.7%	(2,498)	(2,994)	16.6%
EBITDA attributable to shareholders	\$ 23,985	\$ 14,801	62.1%	\$ 62,683	\$ 46,362	35.2%

Adjusted cash flow from operations, Adjusted cash flow from operations attributable to shareholders and Adjusted cash flow from operations attributable to shareholders per share

Guardian defines Adjusted cash flow from operations as net cash from operating activities, net of changes in non-cash working capital items and cash flows of discontinued operations. Adjusted cash flow from operations attributable to shareholders as Adjusted cash flow from operations less non-controlling interests. Adjusted cash flow from operations attributable to shareholders per share is calculated using the same method, which is used to determine net earnings attributable to shareholders per share, including any adjustment to the average number of shares outstanding, or to income, to calculate the dilutive effect. Adjusted cash flow from operations attributable to shareholders and the per share amount are used by management to measure the amount of cash, either provided by or used, in Guardian's operating activities available to shareholders, without the distortions caused by fluctuations in its working capital. The most comparable IFRS measure is "Net cash from operating activities", which is disclosed in Guardian's Consolidated Statements of Cash Flow.

The following is a reconciliation of the IFRS measure to the non-IFRS measures:

For the periods ended September 30, (\$ in thousands)	Three months			Nine months		
	2023	2022 <i>restated</i>	% Inc (Dec)	2023	2022 <i>restated</i>	% Inc (Dec)
Net cash from operating activities	\$ 29,072	\$ 25,954	12.0%	\$ 54,141	\$ 52,935	2.3%
Add (deduct):						
Net cash from operating activities, discontinued operations	--	(12,192)	100.0%	(10,087)	(13,055)	22.7%
Net change in non-cash working capital items	(7,504)	(8,211)	8.6%	1,801	3,242	-44.4%
Net change in non-cash working capital items, discontinued operations	--	11,483	-100.0%	9,713	389	2,396.9%
Adjusted cash flow from operations	21,568	17,034	26.6%	55,568	43,511	27.7%
Less attributable to non-controlling interests, continuing operations	(597)	(831)	28.1%	(2,517)	(3,096)	18.7%
Adjusted cash flow from operations attributable to shareholders	\$ 20,971	\$ 16,203	29.4%	\$ 53,051	\$ 40,415	31.3%

Shareholders' equity per share

Shareholders' equity per share, diluted, is used by management to indicate the retained value per share available to shareholders which has been created by Guardian's operations. The most comparable IFRS measure is Shareholders equity, which is disclosed in Guardian's Consolidated Balance Sheet. Shareholders' equity per share is calculated by dividing shareholders' equity by the number of shares and dilutive shares outstanding as at period end.

Securities per share

Securities per share is used by management to indicate the value available to shareholders created by Guardian's investment in securities, without the netting of debt or deferred income taxes associated with the unrealized gains. The most comparable IFRS measure is Securities, which is disclosed in Guardian's Consolidated Balance Sheet. Securities per share is calculated by dividing Securities by the number of shares and dilutive shares outstanding as at period end.

OUTLOOK

One of the more notable things about the post-pandemic period has been the persistent looming sense that things will turn for the worse. Despite ongoing indications that conditions for consumers and businesses are generally fine in the here and now, sentiment across the broad swath of the world comprising the Organization for Economic Co-operation and Development is highly depressed due to fears of what's to come. To this point, however, these dour expectations have largely gone unmet. Indeed, the last few months have seen continued, and fairly broad-based, economic resiliency in the dataflow as shown by the gauges of "economic surprises" in both Developed Markets and Emerging Markets, once again turning for the better. Economic forecasters have, therefore, once again been forced to increase their near-term growth expectations higher while kicking the expected slump another quarter down the road.

The sustained view that momentum will slow materially underpins the consensus call for a recession in the coming year. Conviction has been faltering from the near-certainty among the forecasting community at this time a year ago, but it points to the odds favouring an imminent downturn across the US and Europe.

For sure, a recession is all but inevitable at some point in the future, since all economic cycles end at some point. The question is whether the consensus will finally prove correct in assuming a downturn, with all of its negative implications for markets, will materialize sooner rather than later. Several key risks are causing the still downbeat assessment of the prospects for economic growth in the months ahead, chief among them being the impact of monetary policy. Almost every recession in the post-World War II era has the fingerprints of central bankers all over it. The long and variable lags between central bank decisions and their impact on the real economy make calibrating the broad-reaching policy difficult and often result in policymakers going too far, too quickly, and ultimately choking off growth. As a result of the central bank actions, commercial bank surveys in the US, Europe and Canada all point to a notable degree of tightening in standards. Credit is the fuel for the engine of the global economy, so a reduction in its availability is a less-than-positive omen. Fiscal policy also looks likely to act as a drag on growth going forward, as higher interest rates put pressure on governments worldwide to rein in their massive structural deficits and pare the significant and increasingly onerous debt loads.

The main counterpoint to downbeat expectations, is that growth momentum is unlikely to truly falter near-term because consumers, the most important cog in the global economic machine and accounting for the bulk of activity, remain on solid footing. Despite the turmoil in financial markets and softening in real estate, consumer net worth remains at, or near, all-time highs. Further, the wealth gains have been spread among the population rather than just richer households seeing their lot improve, the gains having been most pronounced (on a percentage basis) among the bottom half of the wealth spectrum. Unlike the post-financial crisis period a decade ago, the less well-off have participated in the wealth gains. Adding to this base of support for households has been the ongoing strength of job markets worldwide. Strong consumers have supported business activity and kept firms struggling to find bodies to fill shifts, even in the face of weak sentiment and persistent uncertainty over the outlook: predictably, the result is lower unemployment, and increasing wages. Strong fundamentals for lower income households who have a higher marginal propensity to consume (i.e., they spend more of the additional funds earned by increases in wealth or income), has undoubtedly been a reason why spending, in general, has proven so resilient.

Looking forward, real estate, the largest asset on most household balance sheets, is highly sensitive to interest rates, but recent indications that housing activity is stabilizing, and home prices are showing signs of finding a floor across much of the world is a welcome sign, and should not act as a constraint to strong consumer spending. Financial markets are likely to remain volatile as the future effects of monetary and potential fiscal tightening play themselves into the economy and markets, but the strength of household balance sheets forms a formidable counterpoint to negative expectations.

In the meantime, Guardian's strong balance sheet offers the support of making long-term plans that are not necessarily reliant on the co-operation of events outside our control, even at the expense of short-term profitability. The sale of Worldsource has made this even more true. We have been engaged in a strategic planning process since the sale of Worldsource to account for the new realities of substantially greater liquidity. Our strategic discussions to date concluded that, in the near term, our plan to grow the business should not be a radical departure from what has led us to the success we have enjoyed over past decades, but take into account the increased flexibility and capacity conferred on us by the substantial increase in our net cash and investments. We

plan to continue upon our long-held path of innovating new product lines from our existing teams while identifying and recruiting new capabilities. We have greater capacity to allocate our capital to support these new growth initiatives, similar to the recent capital commitment provided to the Guardian Smart Infrastructure Partners LP fund which has been made in part to form a catalyst to the number of third-party investors who are considering a commitment into this strategy. We also plan to complement our organic growth initiatives with allocation of capital towards strategic acquisition opportunities that can expand our current offerings and further stimulate our growth. As we invest to grow, Guardian remains committed to the efficient return of capital to shareholders by allocating a meaningful use of balance sheet capital towards the purchase and cancellation of our stock, especially if we believe the public market continues to materially discount the intrinsic value of our stock. Returning capital to shareholders will also likely extend to a greater percentage of the adjusted cash flow from operations being used for dividend growth.