



EARNINGS RELEASE

For Immediate Release

GMP CAPITAL INC. REPORTS A 23% INCREASE IN REVENUE IN FIRST QUARTER 2010

Toronto, ON. (May 7, 2010) - GMP Capital Inc. ("GMP") (TSX: GMP) today reported revenue of \$82.6 million in first quarter 2010, representing an increase of 23% compared with the same period a year ago. A net loss of \$62.4 million (\$0.89 per basic share) was recorded in first quarter 2010 compared with net income of \$7.1 million in first quarter 2009. First quarter results were impacted by \$80.5 million (\$76.1 million after-tax) in non-cash impairment charges, described below, relating to goodwill and intangible assets in the EdgeStone reporting unit. Excluding these impairment charges, adjusted net income¹ was \$13.6 million and adjusted earnings per share¹ was \$0.19 in first quarter 2010.

Operating earnings¹ were \$21.9 million in first quarter 2010, up 162% compared with first quarter 2009, reflecting stronger revenue generation in Capital Markets and higher revenue recorded in the Corporate and Alternative Investments segments.

"We are very pleased with the performance of our Capital Markets businesses this quarter, with investment banking revenue up 69% compared with the same period a year ago. Our investment banking franchise benefitted from improved activity in the Canadian mid-market, particularly in the resource and industrials sectors. We are also pleased with the continued progress we are making in profitably expanding GMP Europe. In addition, we added new professionals to GMP Investment Management as we continue to develop new product offerings for high-net-worth and institutional investors," said Kevin Sullivan, CEO, GMP. "Our performance in first quarter 2010 was obviously negatively affected by the impairment charges recorded; however, these charges are non-cash in nature and do not affect GMP's liquidity, cash flow from operating activities or debt covenants."

Commenting further, Mr. Sullivan said, "These writedowns removed the uncertainty relating to the ongoing valuation of the outstanding goodwill and intangible assets relating to this business. GMP remains committed to growing its private equity business and we are encouraged by the continued positive momentum in the North American capital markets. Although recent concerns over sovereign debt issues within the European Union have resulted in increased short-term uncertainty in the global capital markets, we believe our competitive position remains strong and leaves GMP well-positioned to take advantage of opportunities that lie ahead."

FINANCIAL HIGHLIGHTS

First Quarter 2010 versus First Quarter 2009

- Revenue of \$82.6 million compared with revenue of \$67.4 million
- Investment banking revenue of \$47.7 million, an increase of 69%
- Net loss of \$62.4 million compared with net income of \$7.1 million
- Net loss per basic share of \$0.89 compared with earnings per basic unit of \$0.12
- Excluding impairment charges recorded in first quarter 2010, adjusted net income¹ was \$13.6 million (adjusted earnings per share \$0.19¹) and adjusted ROE was 16.5%¹

¹ Represents a non-GAAP measure. See "Non-GAAP Measures" at the end of this press release.

For further information about GMP, our results for first quarter 2010 and the meaning of certain references, this press release should be read in conjunction with our First Quarter 2010 Financial Statements and GMP's Management's Discussion and Analysis for the three months ended March 31, 2010, which can be accessed on our website at gmpcapital.com and on SEDAR at sedar.com.

COMMON SHARE DIVIDEND DECLARED

On May 6, 2010, the Board of Directors approved a cash dividend of \$0.05 per common share, representing payment for the first quarter ended March 31, 2010, payable on May 26, 2010, to shareholders of record on May 17, 2010.

FIRST QUARTER 2010

BUSINESS SEGMENT HIGHLIGHTS

CAPITAL MARKETS

- Revenue increased \$18.7 million or 37% compared with first quarter 2009 primarily due to an increase in investment banking revenue and higher returns from principal activities. These increases were partly offset by lower commission revenue and a decrease in other income
- Expenses increased \$6.9 million or 19% in first quarter 2010 compared with first quarter 2009 largely due to a \$7.9 million increase in employee compensation and benefits expense which included an \$8.1 million increase in variable compensation expense, commensurate with increased revenue generation
- Operating earnings² increased \$11.9 million or 84% in first quarter 2010 compared with first quarter 2009, largely driven by higher revenue generation arising from the strong results in investment banking
- Investment banking revenue increased \$19.5 million or 69% in first quarter 2010 compared with first quarter 2009 due to higher M&A and advisory revenue of \$12.5 million and an increase in underwriting revenue of \$7.0 million
- Sales and trading commissions decreased \$3.1 million or 18% in first quarter 2010 compared with first quarter 2009. Gross commissions increased in first quarter 2010 compared with first quarter 2009 benefiting from a modest increase in the trading volumes executed by GMP Securities on behalf of its clients. Partly offsetting the increase in gross commission revenue was higher client facilitation trading losses in first quarter 2010 compared with client facilitation trading gains recorded in first quarter 2009
- Gains of \$6.2 million were recorded in principal activities in first quarter 2010 compared gains of \$2.4 million in first quarter 2009. First quarter 2010 revenue included \$4.0 million in unrealized net gains on security positions held
- GMP Securities ranked first among Canadian investment dealers in the dollar value of common equity underwriting transactions for which we were lead or co-lead³
- GMP Securities participated in 32 underwriting transactions completed in Canada helping raise approximately \$3.5 billion on behalf of clients, leading or co-leading 19 of these transactions
- GMP Securities ranked second in Canada for equity block trading volume on the TSX, achieving a 10.6% market share⁴

² Represents a non-GAAP measure. See "Non-GAAP Measures" at the end of this press release.

³ Source: FPInformat as at April 1, 2010.

⁴ Source: CanadaEquity.com.

WEALTH MANAGEMENT

- Wealth Management reported an operating loss of \$1.9 million in first quarter 2010 compared with an operating loss of \$1.8 million in first quarter 2009. First quarter 2010 results reflect GMP's share of Richardson GMP's operating results for first quarter 2010, which were negatively impacted by a provision for doubtful accounts and post-merger integration-related costs recorded in the quarter

Richardson GMP (in which GMP has a non-controlling ownership interest) remains focused on delivering the highest level of support to its investment advisors and their clients. Richardson GMP highlights:

- generated revenue of \$33.3 million during its first full quarter of operations;
- assets under administration of \$12.6 billion as at March 31, 2010, an increase of \$0.4 billion compared with December 31, 2009;⁵
- 114 investment advisory teams, unchanged from December 31, 2009; and
- remains focused on the integration of its client-facing operations, ongoing training and support to its investment advisors and the rationalization of its staffing and operating systems, which are now largely complete.

Subsequent to quarter end, Richardson GMP announced that James Werry and Sue Dabarno have stepped down from their roles as President and Chief Executive Officer and Executive Chairman, respectively. Andrew Marsh, former Managing Director, National Sales, has been appointed Chief Executive Officer and President of Richardson GMP.

ALTERNATIVE INVESTMENTS

- Revenue increased \$0.5 million or 6% to \$8.8 million in first quarter 2010 compared with first quarter 2009, largely due to unrealized gains recorded in principal activities, partly offset by lower investment management and fee income
- Expenses increased \$0.4 million in first quarter 2010 compared with first quarter 2009 primarily due to higher employee compensation and benefits
- Operating earnings⁵ were \$3.8 million for first quarter 2010 compared with \$3.6 million in first quarter 2009
- Principal activities revenue in first quarter 2010 included \$0.7 million in unrealized gains arising from GMP's investment in the GMP Diversified Alpha Domestic Fund compared with unrealized gains of \$1.3 million in first quarter 2009. EdgeStone recorded a \$1.8 million positive valuation adjustment in first quarter 2010 relating to a portfolio company investment of the EdgeStone Capital Energy Fund-I, L.P. (the "Energy-I Fund")
- Investment management and fee income decreased \$0.6 million in first quarter 2010 compared with first quarter 2009 reflecting a decrease in management fee revenue recorded by EdgeStone, partly offset by higher fee income generated by GMP Investment Management due to higher AUM levels compared with first quarter 2009

During first quarter 2010, EdgeStone:

- earned management fees or received general partner distributions on total capital of \$1.0 billion as at March 31, 2010.

⁵ Represents a non-GAAP measure. See "Non-GAAP Measures" at the end of this press release.

During first quarter 2010, GMP Investment Management:

- increased assets under management (“AUM”) in the GMP Diversified Alpha Master Fund, Ltd. (the “Alpha Master Fund”) by \$43.8 million, ending first quarter 2010 with AUM of \$300.6 million;⁶
- generated a return of 2.97% for the three months ended March 31, 2010 for the Alpha Domestic Fund (Class F) net of management fees and other expenses; and
- formally launched the Genesis Partners Fund, L.P. (the “Genesis Fund”) which had AUM⁶ of \$11.2 million as at March 31, 2010.

EDGESTONE UPDATE

During first quarter 2010, GMP previously announced that it had finalized the terms of employment arrangements with certain senior officers of EdgeStone (the “Principals”). In addition, in response to the finalization of these new employment arrangements, the limited partners of EdgeStone Capital Equity Fund III (Canada), L.P. (“Equity Fund III”), EdgeStone, the Principals and GMP initiated discussions which are expected to result in a reduction in the annual general partner distributions (i.e. management fees) to be received by EdgeStone during the remaining commitment period of Equity Fund III and other restrictions. The new arrangements with the Principals, combined with the proposed amendments to the partnership agreements for Equity Fund III expected to be approved by the limited partners shortly and the ongoing difficult fund raising environment, are indicators that the goodwill and intangibles assets related to the EdgeStone business have been impaired. In response to these indicators, GMP performed an interim analysis of the carrying value of its goodwill and intangible assets related to the EdgeStone business. The results of this assessment have indicated that the fair value of the EdgeStone reporting unit was now less than its carrying value. Accordingly, impairment charges were recorded in first quarter 2010 relating to goodwill and intangible assets of \$65.4 million and \$15.0 million, respectively. In addition, a future income tax recovery of \$4.4 million was recognized in first quarter 2010 as a result of the impairment charge recorded on the intangible assets.

CONFERENCE CALL

Management will host a conference call and live audio webcast today at 9:00 a.m. (ET) to discuss GMP’s first quarter ended March 31, 2010. The call may be accessed by dialing 416-644-3414 or 1-800-814-4859 (toll free). The link to the live audio webcast will be accessible at gmpcapital.com. A replay of the conference call can be accessed by telephone until Friday, May 14, 2010, by calling 416-640-1917 or 1-877-289-8525 (toll free) and entering access code 4272136#.

ABOUT GMP CAPITAL INC.

GMP Capital Inc. carries on business through the following principal entities: GMP Securities L.P., Griffiths McBurney Corp., GMP Securities Europe LLP, EdgeStone Capital Partners, L.P. and GMP Investment Management L.P. GMP Capital Inc. also has a significant ownership interest in Richardson GMP Limited. The GMP Capital Inc. website is gmpcapital.com. GMP Capital Inc. has offices in Toronto, Calgary, Montreal and London, England. GMP Securities L.P. is a leading independent Canadian investment dealer focused on investment banking and institutional equities for corporate clients and institutional investors. GMP Securities L.P. can be found on the web at gmpsecurities.com. Griffiths McBurney Corp. services institutional clients in the United States while GMP Securities Europe LLP provides investment banking and institutional equity services to clients located in Europe. EdgeStone Capital Partners, L.P. is one of Canada’s leading private equity firms, providing capital, strategic direction and business and financial advice to help promising mid-market and early stage companies achieve their full potential. EdgeStone Capital Partners, L.P. can be found on the web at edgestone.com. GMP Investment Management L.P., through its private funds, seeks to generate superior risk-adjusted investment returns over the long term by executing selected investment strategies. GMP

⁶ Represents a non-GAAP measure. See “Non-GAAP Measures” at the end of this press release.

Investment Management L.P.'s offerings are aimed at both high-net-worth individuals and institutional investors. Richardson GMP Limited is a full-service investment firm, combining tradition and innovation to offer successful Canadian families and entrepreneurs access to exclusive and innovative wealth management and investment services delivered by some of Canada's finest independent investment professionals. Richardson GMP Limited can be found on the web at richardsongmp.com.

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Forward-Looking Statements

This press release contains "forward-looking statements" as defined under applicable Canadian securities laws concerning the payment of a dividend on GMP's common shares in respect of the first quarter ended March 31, 2010 and the continued execution of Richardson GMP's restructuring plan during fiscal 2010, and may also include additional forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent management's beliefs, expectations, estimates and projections regarding future events, many of which, by their nature, are inherently uncertain and beyond our control. These statements include, but are not limited to, statements made with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in this press release. GMP's primary business activities are both competitive and subject to various risks. These risks include market, credit, liquidity, operational and legal and regulatory risks and other risk factors including, without limitation, variations in the market value of securities, the volatility and liquidity of equity trading markets, the volume of new financings and mergers and acquisitions, competition in the marketplace for suitable investments, sustainability of fees, nature and type of portfolio company investments, ability to realize carried interest entitlements and dependence on key personnel. Other factors, such as general economic conditions, including exchange rate fluctuations, may also have an effect on GMP's results of operations. Many of these risks and uncertainties can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. For a description of risks that could cause our actual results to materially differ from our current expectations, please see the "Risk Management" section in GMP's 2009 Annual MD&A and "Risk Factors" in GMP's annual information form dated March 1, 2010. Material factors or assumptions that were applied to drawing a conclusion or making an estimate set out in the forward-looking information include: continued positive economic indicators of an improved pace of economic and business activity in North America in connection with the level of public offerings, M&A activities and securities trading, improving liquidity conditions, a low interest rate environment, continued strong demand for Canadian resources from emerging markets, recent capital market uncertainty arising from growing concerns over sovereign debt issues within the European Union and a strengthening Canadian dollar relative to the United States dollar. For other factors or assumptions applied see the "Business Environment and Market Outlook - Market Outlook" section included in GMP Management's Discussion and Analysis for the three months ended March 31, 2010. Although forward-looking information contained in this press release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this press release may be considered "financial outlook" for purposes of applicable Canadian securities laws, and as such the financial outlook may not be appropriate for purposes other than this press release. The forward-looking statements contained in this press release are made as of the date of this press release, and should not be relied upon as representing GMP's views as of any date subsequent to the date of this press release.

NON-GAAP MEASURES

Consistent with GMP's management framework, management uses certain non-GAAP measures to assess GMP's financial performance. These measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-GAAP earnings measures should not be considered as alternatives to net income or comparable metrics determined in accordance with GAAP as indicators of GMP's performance, liquidity, cash flows and profitability. GMP uses "Operating earnings" as a supplement to net income (loss) to assess the operating performance of its business segments and its corporate segment and also to assess GMP's overall performance. Operating earnings represents "(Loss) Income before income taxes and non-controlling interest" excluding "impairment charges" as set out in the unaudited interim consolidated statements of operations for the three months ended March 31, 2010.

GMP prepares its unaudited interim consolidated financial statements in accordance with GAAP. GMP also uses non-GAAP financial measures consistent with our management framework to arrive at adjusted results to assess overall performance. Management believes that excluding the goodwill and intangible asset impairment charges from these measures is more reflective of ongoing operating results and will provide readers with a better understanding of how management views GMP's performance. These adjusted measures should also improve the comparability of GMP's financial results for first quarter 2010 with the corresponding prior period. Adjusted measures are non-GAAP measures which do not have any standardized meaning under GAAP and, therefore, may not be comparable to similar measures presented by other issuers.

The following table provides a reconciliation of GMP's adjusted measures:

(\$000, except per share and percentage amounts)	For the three months ended March 31, 2010		
	As reported	Impairment charges	Adjusted
(Loss) Income before income taxes and non-controlling interest	(58,584)	80,464	21,880
Income taxes	2,386	4,399	6,785
Net (loss) income before non-controlling interest	(60,970)	76,065	15,095
Non-controlling interest expense	(1,465)	-	(1,465)
Net (loss) income available to common shareholders	(62,435)	76,065	13,630
Weighted average number of common shares	70,386		70,386
Basic (loss) earnings per common share	\$(0.89)	\$1.08	\$0.19
Weighted average number of diluted common shares	76,335		76,335
Diluted (loss) earnings per common share ¹	\$ (0.89)	\$1.00	\$0.18
Average common equity	293,034		331,066
Return on equity	(85.2)%		16.5%

¹ In case of a net loss, the effect of common share options and warrants potentially exercisable and the impact of shares pledged on share purchase loans on diluted net loss per common share will be anti-dilutive; therefore, basic and diluted net loss per common share will be the same.

GMP also evaluates the performance of its consolidated operations using an annualized return on common equity ("ROE"). Our ROE calculations are based on net income available to common shareholders divided by total average common shareholder equity for the period. Assets under administration ("AUA") is a non-GAAP measure of client assets that is used by management to assess the performance of GMP's Wealth Management segment. AUA is the market value of client assets administered by Richardson GMP in respect of which Richardson GMP earns commissions or fees. Assets under management ("AUM") is a non-GAAP measure of client assets that is used by management to assess the performance of EdgeStone and GMP Investment Management. AUM for EdgeStone represents the amount of committed and/or invested capital managed through the EdgeStone Funds in respect of which EdgeStone earns management fee income or receives general partner distributions. AUM for GMP Investment Management represents the net asset value of the funds managed by GMP Investment Management in respect of which GMP Investment Management earns management fees and may also earn performance fees.