Gluskin Sheff + Associates Inc.
Interim Balance Sheets
(Unaudited)

($ in thousands)	As at March 31, 2008	As at June 30, 2007
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 53,807	$ 42,319
Accounts Receivable	9,686	111,453
Securities Owned at market (note 3)	2,989	-
Securities Owned at cost	-	2,441
Prepaid Expenses and Other Assets	420	541
	66,902	**156,754**
Property and Equipment	1,763	1,065
Total Assets	**$ 68,665**	**$ 157,819**
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	$ 1,681	$ 7,977
Securities Sold Short (note 3)	1,024	1,385
Income Taxes Payable (note 6)	2,340	43,503
Management and Staff Bonuses Payable	12,150	31,589
	$ 17,195	**$ 84,454**
SHAREHOLDERS' EQUITY		
Share Capital (note 5)	2,551	2,523
Contributed Surplus (notes 5 and 8)	6,087	3,496
Retained Earnings	42,832	67,346
	51,470	**73,365**
Total Liabilities and Shareholders' Equity	**$ 68,665**	**$ 157,819**

The accompanying notes are an integral part of these financial statements.

Gluskin Sheff + Associates Inc.
Interim Statements of Income, Comprehensive Income and Retained Earnings
(Unaudited)

($ in thousands, except per share amounts)	3 months Ending March 31, 2008	3 months Ending March 31, 2007	9 months Ending March 31, 2008	9 months Ending March 31, 2007
REVENUES				
Base Management Fees	$ 19,793	$ 16,545	$ 61,641	$ 45,018
Performance Fees	-	171	13,164	12,589
Investment and Other Income	481	248	2,292	800
	$ 20,274	**$ 16,964**	**$ 77,097**	**$ 58,407**
EXPENSES				
Salaries and Benefits (notes 7 and 8)	$ 6,034	$ 5,643	$ 20,645	$ 22,587
Business Development	601	402	1,686	1,600
General and Administrative	2,781	1,677	7,868	4,982
Occupancy	413	326	1,180	807
Amortization of Property and Equipment	51	21	153	63
	$ 9,880	**$ 8,069**	**$ 31,532**	**$ 30,039**
Income Before Income Taxes	**$ 10,394**	**$ 8,895**	**$ 45,565**	**$ 28,368**
Income Taxes (note 6)	3,883	3,851	17,344	12,326
Net Income and Comprehensive Income for the Period	**6,511**	**5,044**	**28,221**	**16,042**
Retained Earnings - Beginning of Period	39,533	10,006	67,346	2,585
	46,044	15,050	95,567	18,627
Transitional adjustment on adoption of new accounting policy (note 3)	-	-	187	-
Dividends	(3,212)	(2,701)	(52,922)	(6,278)
Retained Earnings - End of Period	**$ 42,832**	**$ 12,349**	**$ 42,832**	**$ 12,349**
Basic Earnings Per Share	**$ 0.23**	**$ 0.17**	**$ 0.98**	**$ 0.55**
Diluted Earnings Per Share	**$ 0.22**	**$ 0.17**	**$ 0.96**	**$ 0.55**

The accompanying notes are an integral part of these financial statements.

Gluskin Sheff + Associates Inc.
Interim Statements of Cash Flows
(Unaudited)

($ in thousands)	3 months Ending March 31, 2008	3 months Ending March 31, 2007	9 months Ending March 31, 2008	9 months Ending March 31, 2007
CASH PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Net Income for the Period	$ 6,511	$ 5,044	$ 28,221	$ 16,042
Adjustments for				
Amortization of Property and Equipment	51	21	153	63
Net investment gains	-	-	188	-
Stock based compensation	786	1,344	2,618	4,428
	7,348	6,409	31,180	20,533
Changes in Non-Cash Working Capital Items				
Accounts Receivable	13,167	436	101,767	18,562
Marketable Securities	-	(2,541)	-	(2,541)
Prepaid Expenses	(174)	134	121	33
Income Tax Recoverable	-	-	-	1,032
Accounts Payable and Accrued Liabilities	(1,318)	(1,316)	(6,296)	(2,161)
Income Tax Payable	(6,624)	3,851	(41,163)	11,294
Management and Staff Bonuses Payable	2,895	(2,148)	(19,439)	(21,229)
Subordinated Loan Payable	-	-	-	(10,000)
	15,294	**4,825**	**66,170**	**15,523**
INVESTING ACTIVITIES				
Sales (Repurchase) of Securities Sold Short	(684)	-	(361)	-
Sales (Purchase) of Securities Owned	352	-	(548)	-
Purchase of Property and Equipment	(64)	(54)	(851)	(83)
	(396)	**(54)**	**(1,760)**	**(83)**
FINANCING ACTIVITIES				
Share Capital	-	28	-	74
Dividends Paid	(3,212)	(2,701)	(52,922)	(6,278)
	(3,212)	**(2,673)**	**(52,922)**	**(6,204)**
Increase (Decrease) in Cash During the Period	**11,686**	**2,098**	**11,488**	**9,236**
Cash and Cash Equivalents - Beginning of Period	**42,121**	**24,991**	**42,319**	**17,853**
Cash and Cash Equivalents - End of Period	**$ 53,807**	**$ 27,089**	**$ 53,807**	**$ 27,089**
SUPPLEMENTARY INFORMATION				
Interest paid during the period	-	-	-	351
Income taxes paid during the period	10,000	-	58,000	-

The accompanying notes are an integral part of these financial statements.

($ in thousands)

1 Nature of business and organization

Gluskin Sheff + Associates Inc. (the “Company”) provides discretionary investment management services to high net worth private clients and institutional investors. The Company was incorporated in 1984 under the Business Corporations Act (Ontario).

On May 19, 2006, the Company filed an initial public and secondary offering of subordinate voting shares. The Company’s shares were listed on the Toronto Stock Exchange effective May 26, 2006 and trade under the symbol “GS”.

These financial statements are for the three and nine month periods ended March 31, 2008 and March 31, 2007 with the Balance Sheets being as at March 31, 2008 and June 30, 2007.

2 Basis of presentation

These interim financial statements are prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and do not include all disclosures required for annual financial statements.

These financial statements should be read in conjunction with the June 30, 2007 Audited Financial Statements of Gluskin Sheff + Associates Inc. included in the 2007 Annual Report. These financial statements reflect the same significant accounting policies as those described in the notes to the Audited Financial Statements of Gluskin Sheff + Associates Inc. for the period ending June 30, 2007, except as discussed in Note 3.

Certain comparative figures have been reclassified to conform with the current period’s presentation.

3 Changes in accounting policies

On July 1, 2007, the Company adopted two new accounting standards that were issued by the Canadian Institute of Chartered Accountants (“CICA”): Handbook Section 1530, “Comprehensive Income” and Handbook Section 3855, “Financial Instruments – Recognition and Measurement”.

Comprehensive Income

Comprehensive income consists of net income and changes in unrealized gains or losses on short-term investments classified as available-for-sale under the new Financial Instruments section of the CICA Handbook. The Company has no short-term investments classified as available-for-sale.

($ in thousands)

Financial Instruments – Recognition and Measurement

Section 3855 of the CICA Handbook establishes standards for recognizing and measuring financial assets, liabilities and non-financial derivatives. All financial instruments are measured at fair value upon initial recognition, with the exception of certain related party transactions. In subsequent periods, measurement will depend on the classification of the financial instruments. Held-for-trading securities are measured at fair value at the balance sheet date, with both realized and unrealized gains and losses being reflected in net income. Financial instruments classified as held-to-maturity, loans and receivables, and other liabilities are reported at their amortized cost using the effective interest rate method. Available-for-sale financial instruments are reported at their fair value and any realized gains or losses are reported in other comprehensive income until they are realized, at which point they are included in net income.

The Company has classified its securities owned and its securities sold short as held-for-trading and, accordingly, a transitional adjustment reflecting the unrealized appreciation on securities owned at July 1, 2007 amounting to $187 is recognized in Retained Earnings. The proceeds for the securities sold short as at March 31, 2008 is $1,107.

4 Related party transactions

Included in the Company's Base Management Fee income for the three month period ending March 31, 2008 is $11,179 (2007 - $8,600) and for the nine month period ending March 31, 2008 is $34,179 (2007 - $22,100) earned from the management of the Company's Pooled Fund vehicles, where the Company generally acts as the trustee, manager, transfer agent and principal distributor. In the case of those funds that are limited partnerships, an affiliate of the Company is the general partner. Certain officers of the Company may own units, directly or indirectly, in the private pooled fund vehicles. All related party transactions are recorded at the exchange amount. Included in the Company's accounts receivable as at March 31, 2008 is $5,178 (2007 - $4,270) owing from the Company's Pooled Funds.

5 Share capital and Contributed Surplus

The company is authorized to issue an unlimited number of subordinate voting shares and multiple voting shares. As at March 31, 2008, there were 9,889,130 subordinate voting shares and 19,313,000 multiple voting shares (2007 – 7,598,200 subordinate voting shares and 21,600,000 multiple voting shares) and no preference shares outstanding. Multiple voting shares rank equally in all respects with the subordinate voting shares, except that each multiple voting share is entitled to 15 votes at any shareholders' meeting for all matters other than the election of Directors.

($ in thousands)

	For the three month period ended				For the nine month period ended			
	March 31, 2008	Stated Value	March 31, 2007	Stated Value	March 31, 2008	Stated Value	March 31, 2007	Stated Value
Beginning of the Period								
Multiple Voting shares	19,598,000		21,600,000		20,762,000		21,600,000	
Subordinate Voting shares	9,604,130		7,599,700		8,436,200		7,600,000	
	29,202,130	$2,551	29,199,700	$47	29,198,200	$2,523	29,200,000	$1
Activity during the Period								
Convert from Multiple Voting shares	(285,000)		-		(1,449,000)		-	
Forfeited Employee Trust shares	-		(1,500)	28			(1,800)	74
Exercise of Stock Options	-		-		3,930	28	-	
Convert to Subordinate Voting shares	285,000		-		1,449,000		-	
	-	$0	(1,500)	$28	3,930	$28	(1,800)	$74
End of the Period								
Multiple Voting shares	19,313,000		21,600,000		19,313,000		21,600,000	
Subordinate Voting shares	9,889,130		7,598,200		9,889,130		7,598,200	
	29,202,130	**$2,551**	**29,198,200**	**$75**	**29,202,130**	**$2,551**	**29,198,200**	**$75**

Contributed Surplus

The following summarizes the Contributed Surplus balance as of March 31

	For the three month period ended		For the nine month period ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
Change in Contributed Surplus				
Balance at Start of the Period	**$5,300**	**$3,084**	**$3,496**	**$0**
Deferred Share Units	(233)	-	(210)	-
Amortization of Stock Options	514	325	1,312	788
Amortization of Employee Trust	506	1,047	1,517	3,668
Forfeited Employee Trust shares	-	(28)	-	(28)
Exercise of Stock Options	-	-	(28)	-
Balance at End of the Period	**$6,087**	**$4,428**	**$6,087**	**$4,428**

6 Income taxes

The Company's effective income tax rate is approximately 38.0% and is impacted primarily by the non-deductibility for tax purposes of the expenses associated with the Stock Options, Deferred Share Units and Employee Trust.

Statutory income tax rate	36.1%
Non-deductible expenses	1.9%
Effective income tax rate	38.0%

As of June 30, 2007, the Company has capital loss carry-forwards available of $42 (June 30, 2006 - $277) that have not been recognized in the financial statements.

($ in thousands)

7 Salaries and benefits

The Company has accrued for an Employee Bonus Pool payable to its employees on the basis of 20% of the Company's Base Operating Income along with a further amount of 20% of Performance Fees earned. Base Operating Income is defined as all income excluding Performance Fees less Base Operating Expenses, which is defined as Salaries and Benefits (excluding discretionary bonuses), Occupancy, General and Administrative Expenses and Business Development but excluding any non-cash expenses, including those relating to salaries, bonuses, stock options, deferred share units, share grants and other benefits and amortization.

Included in the Salaries and Benefits expense for the three month period ended March 31, 2008 is an allocation to the bonus pool of $2,895 (2007 - $2,549) and for the nine month period ending March 31, 2008 is $12,050 (2007 - $13,121).

8 Stock based Compensation

Share Option Plan

The total compensation expense related to stock options outstanding that has been included in the salaries and benefits expense during the three month period ended March 31, 2008 amounted to $514 (2007 - $324) and for the nine month period ended March 31, 2008 was $1,312 (2007 - $787) using the graded investing methodology in accordance with CICA Handbook Section 3870.

Employee Trust

There were no changes in the total number of shares in the Employee Trust for the three month period ending March 31, 2008. The Employee Trust expense included in the Salaries and Benefits expense for the three month period ending March 31, 2008 was $506 (2007 - $1,047) and for the nine month period ending March 31, 2008 was $1,517 (2007 - $3,714)

Deferred Share Unit Plan

The Company established a new DSU Plan effective January 1, 2008 and terminated the DSU Plan which was in effect prior to December 31, 2007. Included in the compensation expense for the termination of the DSU Plan was $212.

For the three and nine month periods ending March 31, 2008, the Company issued 2,846 awards under the new DSU plan. The DSU plan expense included in the Salaries and Benefits expense for the three month period ended March 31, 2008 was $270 (2007 - $57) and for the nine month period ended March 31, 2008 was $293 (2007 - $164).

($ in thousands)

9 Earnings Per Share

The treasury stock method is used in the calculation of per share amounts. Basic earnings per share amounts are determined by dividing Net Income by the number of shares outstanding during the period excluding shares in the Employee Trust which are not included in shares outstanding for accounting purposes.

10 Auditors

The interim financial statements have been prepared by Management and have not been reviewed or audited by the Company's independent auditors.