Condensed Interim Financial Statements of

C.A. BANCORP INC.

As at and for the three months ended March 31, 2013
(Unaudited)

Note: The accompanying interim financial statements have not been reviewed by an external auditor. The Company's external auditors will be auditing the Company's annual financial statements in accordance with Canadian generally accepted accounting standards.

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C.A. BANCORP INC.
Balance Sheets

As at March 31, 2013 (Unaudited) and December 31, 2012 (in $ thousands)

	Note		2013		2012
ASSETS					
Cash		**$**	**24,815**	$	25,126
Marketable securities			**1,259**		-
Accounts receivable and other assets			**478**		449
Investments in private entities	**3**		**14,716**		16,369
		$	**41,268**	$	41,944
LIABILITIES					
Accounts payable and accrued liabilities		**$**	**346**	$	310
Deferred revenue			**160**		214
Accrued liquidation costs	**4**		**-**		312
			506		836
SHAREHOLDERS' EQUITY					
Share capital	**6**		**35,333**		35,333
Contributed surplus			**16,108**		16,108
Deficit			**(10,679)**		(10,333)
			40,762		41,108
		$	**41,268**	$	41,944

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Robert Wolf
………………….…… Director

J. Roy Pottle
………………….…… Director

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

C.A. BANCORP INC.
Statements of Operations and Comprehensive Earnings

For the three months ended March 31 (Unaudited)	Note		2013		2012
REVENUE					
Interest and investment income		**$**	**388**	$	428
Fee income			**54**		-
			442		428
NET RESULTS OF INVESTMENTS					
Realized gain on sale of marketable securities			**24**		-
Change in unrealized gain on marketable securities			**72**		-
Change in unrealized gain on investments in private entities	**3**		**-**		49
			96		49
EXPENSES					
Audit, legal and other corporate			**34**		88
General and administration			**67**		88
Employee & consulting - management services			**87**		104
Directors fees			**130**		106
Costs of abandoned Realization Strategy and change of control	**4**		**566**		-
			884		386
EARNINGS BEFORE INCOME TAXES			**(346)**		91
PROVISION FOR INCOME TAXES					
Current tax provision	**7**		**-**		-
			-		-
NET EARNINGS (LOSS) AND COMPREHENSIVE EARNINGS (LOSS)		**$**	**(346)**	$	91
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (in thousands)					
Basic			**12,269**		12,269
Diluted			**12,269**		12,269
NET EARNINGS (LOSS) PER SHARE					
Basic		**$**	**(0.03)**	$	0.01
Diluted		**$**	**(0.03)**	$	0.01

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

C.A. BANCORP INC.

Statements of Changes in Equity

For the three months ended March 31 (Unaudited)	Note	2013	2012
Share Capital			
Balance at beginning of year		$ 35,333	$ 35,333
Changes during the year		-	-
Balance at end of year	6	35,333	35,333
Contributed Surplus			
Balance at beginning of year		16,108	16,108
Changes during the year		-	
Balance at end of year		16,108	16,108
Deficit			
Balance at beginning of year		(10,333)	(11,502)
Net income		(346)	1,169
Balance at end of year		(10,679)	(10,333)
Total Shareholders' Equity		$ 40,762	$ 41,108

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

C.A. BANCORP INC.

Statements of Cash Flows

For the three months ended March 31 (Unaudited)	*Note*		2013		2012
CASH FLOWS FROM OPERATING ACTIVITIES					
Net earnings (loss)		**$**	**(346)**	$	91
Adjustments to determine net cash flows from (used in) operating activities:					
Non-cash interest income on loans receivable			**-**		(7)
Non-cash interest income on investments in private entities	**3**		**(254)**		(203)
Change in unrealized gain on investments in private entities			-		(49)
Non-cash fee income			**(54)**		-
			(654)		(168)
(Increase) Decrease in accounts receivable			**(29)**		(99)
Decrease in prepaid expenses and other assets			-		6
Decrease in accounts payable, accrued liabilities and accrued liquidation costs			**(277)**		(154)
Cash flows used in operating activities			**(960)**		(415)
CASH FLOWS FROM INVESTING ACTIVITIES					
Loans repaid			-		519
Sale and maturity of investments in private entities	**3**		**1,908**		-
Cash flows from investing activities			**1,908**		519
NET INCREASE IN CASH AND CASH EQUIVALENTS			**948**		104
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD			**25,126**		13,234
CASH AND CASH EQUIVALENTS, END OF PERIOD		**$**	**26,074**	$	13,338
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:					
Income taxes paid		**$**	-	$	-
Interest paid		**$**	-	$	-

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

1. ORGANIZATION

C.A. Bancorp Inc. ("C.A. Bancorp" or the "Company") is a publicly traded Canadian merchant bank and alternative asset manager that provides investors with access to a range of a private equity and other alternative asset class investment opportunities.

The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "BKP".

The Company's Board of Directors (the "Board") announced in June, 2010 that it had determined that it was in the best interests of the Company for shareholders to have the opportunity to choose between two options, specifically: (i) acceptance of a take-over bid; or (ii) maintenance of their interests in the Company with the implementation of a realization strategy under which the Company would seek to monetize its existing assets, distribute any realized cash to shareholders and ultimately dissolving the Company (the "Realization Strategy"). The take-over bid expired in August 2010, and the Company began to implement the Realization Strategy.

The Company disposed of a number of its assets and as it advanced its Realization Strategy with respect to its last remaining equity investee during the fourth quarter of 2010, the Company began applying Accounting Guideline 18 – Investment Companies ("AcG-18") effective October 1, 2010. In accordance with AcG-18, the Company accounted for all of its investments at fair value.

In connection with the advancement of the Company's Realization Strategy, the Company adopted the liquidation basis of accounting effective October 1, 2010. The liquidation basis of accounting was considered appropriate as, among other things, liquidation of the Company was considered probable. Under the liquidation basis of accounting an accrual was made for the costs to be incurred during liquidation to arrive at the net realizable value of the Company's assets and liabilities.

Commencing March 8, 2013 and upon a change of control of the Company, the Realization Strategy was abandoned and it began seeking new investment opportunities. The Company discontinued the liquidation basis of accounting on such date and continues applying AcG-18.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENATION

These unaudited condensed interim financial statements ("Interim Financial Statements") have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") as adopted by the Canadian Institute of Chartered Accountants ("CICA") under Part V of the CICA Handbook, and by applying AcG-18. The liquidation basis of accounting was discontinued on March 8, 2013.

The disclosures in these Interim Financial Statements do not include all of the requirements under GAAP for annual financial statements. These Interim Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2012.

In accordance with AcG-18, the Company accounts for all of its investments at fair value. The use of liquidation accounting (until March 7, 2013) required significant estimates and judgements to record the Company's financial position at its estimated net realizable value and its liabilities at estimated settlement amounts. These estimates were subject to change based on the timing of the potential realization of assets and changes to valuations of assets.

Canadian GAAP for publicly accountable enterprises is being replaced with International Financial Reporting Standards ("IFRS"). For companies applying AcG-18, the Canadian Accounting Standards Board ("ASB") announced a two year deferral for the implementation of IFRS. As the Company is an investment company applying AcG-18, the Company sought and received exemptive relief from the securities regulators which permits the Company to defer the adoption of IFRS until January 1, 2014.

The preparation of these Interim Financial Statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the balance sheet and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are used in the valuation of loans, investments in private entities, the impairment of assets, loan provisions, calculation of taxes, earnings per share and other estimates. Actual results may differ from these estimates.

These Interim Financial Statements are based on accounting principles consistent with those used and described in the audited annual financial statements for the year ended December 31, 2012, except for the following accounting policies which were adopted effective March 8, 2013:

(a) Financial Instruments

Financial assets are classified based on management's intentions as available-for-sale, held-to-maturity, held-for-trading or as loans and receivables. All financial assets are required to be carried at fair value on the balance sheets, except for loans and receivables and held-to-maturity investments which are carried at amortized cost using the effective interest rate method and except for equity instruments whose fair value cannot be reliably measured which is measured at cost. The Company does not have any equity instruments whose fair value cannot be reliably measured.

Held-for-trading financial assets include financial assets purchased for sale in the near term and financial assets designated as held-for-trading under the fair value option and are reported at fair value. Realized and unrealized gains and losses on financial assets are recorded as net results of investments. Dividend and interest income accruing on financial assets is recorded in interest and investment income.

Available-for-sale financial assets are measured at fair value with the difference in fair value and its amortized cost recognized in other comprehensive income. Purchase premiums and discounts are amortized over the life of the available-for-sale financial asset and are recognized in interest and investment income using the effective interest method. At each reporting date, and more frequently when conditions warrant, the Company evaluates its available-for-sale financial assets with unrealized losses to determine whether these are other than-temporary. This determination is based on consideration of several factors including: i) the length of time and extent to which the fair value has been less than its amortized cost; ii) the severity of the impairment; iii) the cause of the impairment and the financial condition and near-term prospects of the issuer; and iv) our intent and ability to hold the financial asset until its fair value recovers. If the Company's assessment indicates that the impairment in value is other-than-temporary, or the Company does not have the intent and ability to hold the financial asset until its fair value recovers, the financial asset is written down to its current fair value, and a loss is recognized on the statement of operations.

Held-to-maturity investments are debt securities where the Company has the intention and the ability to hold the investment until its maturity date. These investments are carried at amortized cost using the effective interest method. Interest income and amortization of premiums and discounts are recorded in interest and investment income. Held-to-maturity investments and loans and receivables are assessed for impairment.

All financial liabilities must be classified as either held-for-trading or other financial liabilities. Financial liabilities that are held-for-trading are required to be carried at fair value, whereas all other financial liabilities are carried at amortized cost using the effective interest rate method.

(b) Loans and other receivables

Loans and receivables are recorded at amortized cost using the effective interest method. Management has determined that the amortized cost approximates the fair value. Loans are subject to periodic impairment review and are classified as impaired when there is no longer reasonable assurance of full and timely collection of principal and interest.

(c) Publicly traded investments

Publicly traded investments, which includes marketable securities, are designated as held-for-trading and are carried at fair value. The closing bid prices are used in determining the fair value of individual investments held. The Company records security purchases and sales on a trade date basis. Purchases or sales that have not settled at period end are recorded as “Due from/to broker”.

(d) Investments in private entities

The Company is an investment company, as defined in the CICA Accounting Guideline 18 - “Investment Companies”. In accordance with this Accounting Guideline, investments are measured at their fair value. Management considers adjustments to this assessment of fair value when circumstances justify a different valuation.

Investments in securities where no quoted market values are available are generally valued at the cost of acquisition on the basis that such cost is a reasonable estimate of fair value. Such investments are subsequently revalued using accepted industry valuation techniques such as a substantial arm’s length transaction, earnings multiples of comparable publicly traded companies and discounted cash flow analysis. Any sale, size or other liquidity restrictions on the investment is considered by Management in its determination of fair value. In all cases, Management reserves the right to adjust downward the estimated fair values which may be otherwise indicated by an arm’s length transaction where, in Management’s opinion, the transaction may have been executed at a value which Management would be unable to realize at that time. Due to the inherent uncertainty of valuation, Management’s estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

(e) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities, and notes payable are classified as other liabilities, all of which are carried at amortized cost. Management has determined that the amortized cost approximates fair value.

(in thousands of dollars except per share amounts or unless otherwise stated)

3. INVESTMENTS IN PRIVATE ENTITIES

			March 31, 2013			December 31, 2012		
	Financial Instrument	Maturity Date	**Face / Contractual Value**	**Cost**	**Fair Value**	Face / Contractual Value	Cost	Fair Value
Blue Ant Media Inc.								
	Common Shares	n/a	**-**	**-**	**-**	-	1,907	1,907
			-	**-**	**-**	-	1,907	1,907
Salbro Bottle Group								
	Debenture	Aug-19	**2,300**	**2,300**	**2,300**	2,300	2,300	2,300
	PIK Interest on Debenture	Aug-19	**173**	**173**	**173**	101	101	101
	Common Share Warrants	n/a	**-**	**580**	**10**	-	580	10
			2,473	**3,053**	**2,483**	2,401	2,981	2,411
Digital Payment Technologies Corp.								
	Promissory Note	Dec-13	**250**	**250**	**250**	250	250	250
	Debenture	Dec-13	**6,000**	**6,000**	**6,000**	6,000	6,000	6,000
	PIK Interest on Debenture	Dec-13	**2,213**	**2,213**	**2,213**	2,032	2,032	2,032
	Preferred Share Warrants	n/a	**-**	**969**	**969**	-	969	969
	Common Share Warrants	n/a	**-**	**195**	**2,801**	-	195	2,800
			8,463	**9,627**	**12,233**	8,282	9,446	12,051
Total			**$ 10,936**	**$ 12,680**	**$ 14,716**	$ 10,683	$ 14,334	$ 16,369

3. INVESTMENTS IN PRIVATE ENTITIES (continued)

a) High Fidelity HDTV Inc. ("High Fidelity")

High Fidelity creates specialty television channels in digital high-definition format and distributes its programming through major cable and satellite companies.

In July, 2007, the Company invested $2,750 in High Fidelity alongside $1,250 from the Sentry Select Total Strategy Fund ("Total Strategy Fund"). For its $2,750 the Company was issued a debenture, common shares, common share warrants, and an option to purchase more common shares from High Fidelity. In March, 2009, the Company purchased Total Strategy Fund's $1,250 investment in High Fidelity at cost plus accrued interest owing. At the time, the additional $1,250 brought the Company's total cash investment in High Fidelity to $4,000.

In August, 2009, the Company invested an additional $1,500 in High Fidelity by way of a convertible debenture. High Fidelity used the proceeds to repay $1,500 of the existing debenture. Concurrent with these transactions, the equity option was eliminated and the Company's equity interest in High Fidelity increased from 10% to 13% by way of common share warrants. The convertible debenture was convertible into 6% of High Fidelity's common shares.

In April 2010, High Fidelity fully repaid the principal amount outstanding together with all interest owed under the original debenture issued to the Company in 2007.

In December, 2011, the Company, along with the other shareholders of High Fidelity, agreed to sell all of the shares in High Fidelity to Blue Ant Media Inc. ("Blue Ant") (the "Share Purchase Agreement").

Blue Ant purchased 29.9% of the shares of High Fidelity in December, 2011 (the "First Closing") and agreed to acquire the remaining 70.1% of the shares of High Fidelity in August 2012 (the "Second Closing").

Immediately prior to the First Closing, the Company (i) converted its debenture into common shares of High Fidelity; and (ii) exercised its warrants for common shares of High Fidelity. At the First Closing, the Company received $4,848 in cash and recognized a realized gain of $4,239 in 2011.

In August, 2012, the Second Closing was completed and the Company received $9,459 in cash, $1,907 in Blue Ant common shares and recognized a realized gain of $9,939 in 2012.

In aggregate, for the sale of its common share interests in High Fidelity, the Company received $14,307 in cash and $1,907 in Blue Ant common shares.

b) Investment in Blue Ant

Blue Ant is a privately held Canadian media company that creates and distributes content in lifestyle, travel, documentary, music and entertainment categories.

At the Second Closing, the Company received $1,907 in Blue Ant common shares as partial consideration for the sale of its common shares of High Fidelity to Blue Ant. On March 28, 2013 the Company completed the sale to a third party of its interest in Blue Ant common shares for $1,907 cash consideration.

c) Salbro Bottle Group ("Salbro")

Salbro Bottle Group ("Salbro") is a manufacturer and distributor of packaging components, specializing in glass and plastic bottles.

In February, 2008, the Company invested $3,600 in Salbro. The Company was issued (a) a debenture from Salbro paying 12% cash interest and (b) common share warrants providing the Company with a 12.5% equity interest on a fully diluted basis.

In March 2009, the Company purchased an additional $400 investment from Total Strategy Fund at par plus accrued interest. The Company's total invested capital in Salbro increased to $4,000.

In August, 2012, Salbro completed a refinancing resulting in a principal repayment to the Company of $1,700. $2,300 in principal remains owing by Salbro to the Company. As part of the refinancing, the Company agreed to certain amendments to the Salbro debenture, including an extension of the maturity date and modifications of certain of the terms of Salbro's obligations to the Company.

The Company has performed an analysis that is focused on Salbro's ability to repay and repurchase (either as a going concern refinancing or on a liquidation basis) the Company's investment (the debentures and the common share warrants). Different assumptions were used to derive a range of valuations used to arrive at an estimate. As a result of the Company's application of AcG-18, the debentures are reflected at fair value.

d) Digital Payment Technologies Corp. ("DPT")

DPT develops, sells and supports electronic parking solutions for the collection of parking revenues and management of parking operations for both the on-street and off-street markets.

In 2008 & 2009 the Company invested in a $6,000 debenture paying 12% interest, preferred share warrants and common share warrants representing a 35% equity interest in DPT on a fully diluted basis.

In September, 2011, the Company completed a follow-on investment in DPT. A promissory note was issued to the Company in the principal amount of $650. The promissory note was secured and matured in September, 2012. In connection with the financing, C.A. Bancorp extended the maturity date of the debenture from October 2011 to September 2012 to mature concurrently with the promissory note. Certain other amendments to the terms of the debenture were also made including but not limited to the interest payment terms.

In October, 2012, DPT completed a refinancing resulting in a payment to the Company of approximately $591 in principal and interest owing under the promissory note. Subsequent to the refinancing, $250 remained outstanding under the promissory note. As a condition of the refinancing, the Company agreed to extend the maturity date of the promissory note and debenture to December 31, 2013.

The Company estimates the enterprise value of DPT by (i) performing an analysis of discounted cash flows; and (ii) applying an enterprise value/revenue multiple and an enterprise value/EBITDA multiple to an average of trailing and forecasted revenue and EBITDA figures, respectively. Where the Company uses publicly available comparables or precedent transactions to derive an appropriate range of multiples it will use to apply, the multiples chosen are typically below the average comparables surveyed to recognize the Company's minority equity position and the fact that DPT is a private company. As a result of the Company's application of AcG-18, the debenture is reflected at fair value.

4. LIQUIDATION COSTS

Under the liquidation basis of accounting, the Company was required to make significant estimates and exercise judgment in determining accrued liquidation costs. The Company reviewed contractual commitments such as lease and employee termination costs, and professional fees to determine the estimated costs to be directly incurred as a result of the liquidation. The Company had not accrued the ongoing operating costs that were anticipated to be incurred through the liquidation period such as payroll and related expenses, and other general and administration costs.

(in thousands of dollars except per share amounts or unless otherwise stated)

With the abandonment of the Realization Strategy on March 7, 2013 the unexpended accrued liquidation costs were reversed and brought back into income. As a result, liquidation costs and costs attributable to the March 7, 2013 change of control and abandonment of the Realization Strategy in the amount of $566 have been charged to income in the three months ended March 31, 2013.

5. FINANCIAL INSTRUMENTS

a) Financial instruments – carrying values and fair values:

As at March 31, 2013 and March 31, 2012, the carrying value of all of the Company's investments, cash and cash equivalents and marketable securities was at fair value.

b) Fair value measurement:

The Company uses a fair value hierarchy to categorize the inputs used in its valuation of assets and liabilities carried at fair value. The extent of the Company's use of unadjusted quoted market prices (Level 1), models using observable market information as inputs (Level 2) and models using unobservable market information (Level 3) in its valuation of assets and liabilities carried at fair value are as follows:

	As at March 31, 2013			
	Fair value measurements using:			
Asset	**Level 1**	**Level 2**	**Level 3**	**Assets at fair value**
Cash and cash equivalents	**$ 24,815**	**$ -**	**$ -**	**$ 24,815**
Marketable securities	**1,259**	**-**	**-**	**1,259**
Investments in private entities	**-**	**-**	**14,716**	**14,716**

	As at December 31, 2012			
	Fair value measurements using:			
Asset	Level 1	Level 2	Level 3	Assets at fair value
Cash and cash equivalents	$ 25,126	$ -	$ -	$ 25,126
Investments in private entities	-	-	16,369	16,369

There were no transfers between levels during the year ended December 31, 2012 or the three months ended March 31, 2013.

(in thousands of dollars except per share amounts or unless otherwise stated)

c) Changes in fair value measurement for instruments categorized in Level 3

The following table presents the changes in fair value measurements for instruments included in Level 3 of the fair value hierarchy.

	March 31, 2013					
Asset	**Fair value December 31, 2012**	**Total unrealized gains included in earnings**	**Investments in Private Entities and Loans Receivable**	**Settlement of investments in Private Entities and Loans Receivable**	**Fair value March 31, 2012**	**Changes in unrealized gains included in earnings for assets for the period ended March,31, 2013 for positions still held**
Investments in private entities	**$ 16,369**	**$ 254**	**$ -**	**$ (1,908)**	**$ 14,716**	**$ 254**

(in thousands of dollars except per share amounts or unless otherwise stated)

5. FINANCIAL INSTRUMENTS (continued)

c) Changes in fair value measurement for instruments categorized in Level 3 (continued)

March 31, 2012						
Asset	Fair value December 31, 2011	Total unrealized gains included in earnings	Investments in Private Entities, NorRock and Loans Receivable	Settlement of investments in Private Entities, NorRock and Loans Receivable	Fair value March 31, 2012	Changes in unrealized gains included in earnings for assets for the period ended March 31, 2012 for positions still held
Investments in private entities	$ 27,822	$ 49	$ 210	$ (519)	$ 27,562	$ 49

The change in unrealized gains on investments in private entities is included in net results of investments on the statements of operations and comprehensive income. Management has assessed and determined that using possible alternative assumptions will not result in significantly different fair values.

6. SHARE CAPITAL

a) Authorized:

The authorized share capital of the Company consists of an unlimited number of common shares and an unlimited number of Class A, Class B and Class C preference shares, issuable in series without nominal or par value.

b) Issued and Outstanding:

At March 31, 2013 12,269 common shares were issued and outstanding (2012 – 12,269).

7. INCOME TAXES

As at March 31, 2013, the Company had non-capital losses available to be carried forward to offset income in future years of $18,507. A valuation allowance against all of the benefit of these losses has been recognized in these Financial Statements. These losses are available to offset future taxable income up to the date of expiry. The losses expire as follows:

Year		
2026	$	1,313
2028		1,552
2029		6,750
2030		5,916
2031		2,831
2032		145
	$	18,507

8. COMPARATIVE NUMBERS:

Certain of the comparative numbers have been reclassified to conform to the current period's presentation.