

**Quarterly Report for period ending:  
December 31, 2003****Financial Highlights**

- Net Asset Value Per Share as at December 31, 2003 was **\$2.15 per share (basic)** and **\$1.93 (diluted)**.
- The results are based upon the Fair Value method of accounting for its investments.
- Realized Losses on disposal of investments for the fourth quarter of 2003 were \$1,481,045 while Realized Losses on disposal of investments for the 12 months ended December 31, 2003 totaled \$2,499,530.
- Unrealized Gains on our investment portfolio resulting from write-ups to market value totaled \$4,484,646 for Q4. Unrealized Gains on our investments from write-ups to market value totaled \$9,399,426 for the 12 months ended December 31, 2003.
- Reversal of previously recognized unrealized losses on disposal of investments were \$1,601,053 in Q4. For the 12 months ended December 31, 2003, reversal of previously recognized unrealized losses totaled \$2,827,619.
- Net Investment Gains for the fourth quarter of fiscal 2003 were \$4,604,654 while Net Investment Gains for the 12 months ended December 31, 2003 totaled \$9,727,515.
- Net Income for the fourth quarter of fiscal 2003 was \$4,487,160 or \$0.52 per share (basic and diluted). Net Income for the 12 months ended December 31, 2003 totaled \$9,425,430 or \$1.06 per share (basic and diluted).

**Investment Highlights**

- Realized Losses On Disposal of Investments in the fourth quarter arose primarily from the disposition of the Company's holdings in Quick Link Communications and deemed disposition of the Company's holdings in iJoin Systems Inc. offset by gains on sale of marketable securities.
- Unrealized Gains on our investment in the fourth quarter of 2003 was comprised primarily of an increase in the market value of the Company's investment in marketable securities of \$2,430,820, and the Company's investment in Genevest Inc. and Enghouse Systems Limited of \$1,590,182 and \$750,000, respectively.
- The fair value of the Company's investment portfolio stood at \$25,941,577 at December 31, 2003 of which 66% is available for sale, versus \$18,206,529 at the end of fiscal year 2002, of which 64% was available for sale. Accordingly, the Company had total cash and marketable securities of \$17,074,579 as at December 31, 2003 compared to \$11,902,101 as at December 31, 2002.
- The cost base of the Company's portfolio was \$15,521,081 as at December 31, 2003 (2002 - \$19,243,077). As such, the excess of fair value over cost stood at \$10,690,496 as at December 31, 2003 versus an excess of cost over fair value of \$1,536,548 as at December 31, 2002.

### Financial Summary

For a complete financial report, visit [www.pinetreecapital.com](http://www.pinetreecapital.com)

Operating Results (unaudited)	Three months ended December 31,		12 months ended December 31,	
	2003	2002	2003	2002
Realized gains (losses) on disposal of investments, net	\$ (1,481,045)	\$ (514,027)	\$ (2,499,530)	\$ 668,032
Reversal of previously recognized unrealized losses (gains), net	1,601,053	788,188	2,827,619	(1,349,372)
Unrealized gains (losses) on investments, net	4,484,646	670,737	9,399,426	(6,492,525)
Net income (loss) after taxes	4,487,160	483,048	9,425,430	(8,757,859)
<b>Earnings (loss) per common share – basic and diluted</b>	0.52	0.05	1.06	(0.94)

Balance Sheet Highlights (unaudited)	December 31, 2003	December 31, 2002
Investments, at fair value	\$ 25,941,577	\$ 18,206,529
Investments, at cost	15,251,081	19,743,077
Cash and cash equivalents	48,837	236,106
Total assets	26,310,972	18,917,019
Total liabilities	7,492,650	9,247,371
Share capital and contributed surplus	18,168,033	18,444,789
Retained earnings (deficit)	650,289	8,775,141
<b>Net asset value per share – Basic</b>	<b>2.15</b>	<b>1.05</b>
<b>Net asset value per share – Diluted</b>	<b>1.93</b>	<b>0.94</b>

Investments consist of the following (unaudited):	December 31, 2003	December 31, 2002
Marketable securities available for sale*	\$ 17,025,742	\$ 11,665,995
Other public investments	5,612,409	2,503,860
Private investments	3,303,426	4,036,674
<b>Total investments, at fair value</b>	<b>\$ 25,941,577</b>	<b>\$ 18,206,529</b>

\*Marketable Securities Available For Sale are investments which we can sell without any restrictions.

**Pinetree's common shares trade on the Toronto Stock Exchange (TSX)  
under the symbol "PNP".**

Outstanding Shares (as at Dec 31, 2003)	<b>8,758,669 common shares</b>
52 week trading range (ending Dec 31, 2003)	<b>\$0.25 - \$1.25</b>
Fiscal Year End	<b>December</b>
Financial Information	<b>For detailed financial information, visit <u>Investor Relations: Financial Information</u> at <a href="http://www.pinetreecapital.com">www.pinetreecapital.com</a> or <a href="http://www.sedar.com">www.sedar.com</a></b>
Auditors	<b>Ernst &amp; Young, LLP, Toronto, Ontario, Canada</b>
Legal Counsel	<b>Aird &amp; Berlis, Toronto, Ontario, Canada</b>
Registrar and Transfer Agent	<b>Equity Transfer Services Inc., Toronto, Canada</b>
Investor Relations	<b>Larry Goldberg, C.A. Executive Vice President &amp; Chief Financial Officer email: <a href="mailto:ir@pinetreecapital.com">ir@pinetreecapital.com</a></b>
Head Office	<b>The Exchange Tower 130 King Street West Suite 2810, P.O. Box 47 Toronto, Canada M5X 1A9 Telephone: 416.941.9600 Facsimile: 416.941.1090 E-mail: <a href="mailto:info@pinetreecapital.com">info@pinetreecapital.com</a> Website: <a href="http://www.pinetreecapital.com">www.pinetreecapital.com</a></b>
<b>Board of Directors</b>	
Sheldon Inwentash, C.A.	<b>Chief Executive Officer, Pinetree Capital Corp., Toronto, Canada</b>
Steven Saviuk, C.A.	<b>Chief Executive Officer, Manitex Capital Inc., Montreal, Canada</b>
Ronald Perry, C.A.	<b>Principal, Briolijor Corporation, Montreal, Canada</b>
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	<b>Prinicpal, Technoventure Inc., Toronto, Canada</b>