

**Quarterly Report for period ending:
March 31, 2004**

Financial Highlights

- Net Asset Value Per Share as at March 31, 2004 was **\$2.46 per share (basic)** and **\$2.20 (diluted)**.
- The results are based upon the Fair Value method of accounting for its investments.
- Realized Gains on disposal of investments for the first quarter of 2004 were \$297,890.
- Unrealized Gains on our investment portfolio resulting from write-ups to market value and reversal of unrealized losses on disposal of investments totaled \$2,482,384 for Q1.
- Net Investment Gains for the first quarter of fiscal 2004 were \$2,780,274.
- Net Income for the first quarter of fiscal 2004 was \$2,450,063 or \$0.28 per share (basic and diluted).

Investment Highlights

- Realized Gains On Disposal of Investments in the first quarter arose primarily from the disposition of the Company's holdings in Enghouse Systems Limited and Northgate Explorations Ltd. as well as smaller gains on sale of marketable securities.
- Unrealized Gains on our investment in the first quarter of 2004 was comprised primarily of an increase in the market value of the Company's investment in Enghouse Systems Limited and Solomon Technologies, Inc. of \$1,628,253 and \$576,928, respectively.
- The fair value of the Company's investment portfolio stood at \$28,999,465 at March 31, 2004 of which 65% is available for sale, versus \$25,941,577 at the end of fiscal year 2003, of which 66% was available for sale. Accordingly, the Company had total cash and marketable securities of \$19,121,277 as at March 31, 2004 compared to \$17,074,579 as at December 31, 2003.
- The cost base of the Company's portfolio was \$15,826,584 as at March 31, 2004 (December 31, 2003 - \$15,521,081). As such, the excess of fair value over cost stood at \$13,172,881 as at December 31, 2003 versus an excess of cost over fair value of \$10,690,496 as at December 31, 2003.

Financial Summary

For a complete financial report, visit www.pinetreecapital.com

Operating Results (unaudited)	Three months ended March 31,	
	2004	2003
Realized gains (losses) on disposal of investments, net	\$ 297,890	\$ (42,857)
Unrealized losses (gains), net	2,482,384	(463,007)
Net income (loss) after taxes	4,450,063	(417,048)
Earnings (loss) per common share – basic and diluted	0.28	(0.05)

Balance Sheet Highlights (unaudited)	March 31, 2004	December 31, 2003
Investments, at fair value	\$ 28,999,465	\$ 25,941,577
Investments, at cost	15,251,081	15,251,081
Cash and cash equivalents	48,837	48,837
Total assets	26,310,972	26,310,972
Total liabilities	7,492,650	7,492,650
Share capital and contributed surplus	18,168,033	18,168,033
Retained earnings (deficit)	650,289	650,289
Net asset value per share – Basic	2.46	2.15
Net asset value per share – Diluted	2.20	1.93

Investments consist of the following (unaudited):	March 31, 2004	December 31, 2003
Marketable securities available for sale*	\$ 18,984,889	\$ 17,025,742
Other public investments	5,949,955	5,612,409
Private investments	4,064,621	3,303,426
Total investments, at fair value	\$ 28,999,465	\$ 25,941,577

*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 Mar 31, 2004)	8,583,669 common shares
52 week trading range (ending Mar 31, 2004)	\$0.70 - \$1.61
Fiscal Year End	December
Financial Information	For detailed financial information, visit <u>Investor Relations: Financial Information</u> at <u>www.pinetreecapital.com</u> or <u>www.sedar.com</u>
Auditors	Ernst & Young, LLP, Toronto, Ontario, Canada
Legal Counsel	Goodman & Carr, Toronto, Ontario, Canada
Registrar and Transfer Agent	Equity Transfer Services Inc., Toronto, Canada
Investor Relations	Larry Goldberg, C.A. Executive Vice President & Chief Financial Officer email: <u>ir@pinetreecapital.com</u>
Head Office	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: <u>info@pinetreecapital.com</u> Website: <u>www.pinetreecapital.com</u>
Board of Directors	
Sheldon Inwentash, C.A.	Chief Executive Officer, Pinetree Capital Corp., Toronto, Canada
Steven Saviuk, C.A.	Chief Executive Officer, Manitex Capital Inc., Montreal, Canada
Ronald Perry, C.A.	Principal, Briolijor Corporation, Montreal, Canada
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	Prinicpal, Technoventure Inc., Toronto, Canada