

Ten Year Review

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31

(\$ thousands, except per share amounts)	2010	2009	2008	2007	2006	CAGR ⁽¹⁾ 5 YEAR					CAGR ⁽¹⁾ 10 YEAR	
						%	2005	2004	2003	2002	2001	%
Fee income	2,490,599	2,250,083	2,502,516	2,700,961	2,392,298	2.8	2,164,472	1,955,740	1,714,373	1,813,205	1,626,934	8.8
Net investment income	131,929	77,649	165,563	191,227	210,236	(6.2)	181,677	162,180	159,808	126,510	133,515	0.8
	2,622,528	2,327,732	2,668,079	2,892,188	2,602,534	2.3	2,346,149	2,117,920	1,874,181	1,939,715	1,760,449	8.2
Expenses	1,616,061	1,548,010	1,644,729	1,658,371	1,494,613	3.3	1,372,222	1,256,555	1,050,722	1,133,066	1,176,427	8.9
	1,006,467	779,722	1,023,350	1,233,817	1,107,921	0.7	973,927	861,365	823,459	806,649	584,022	7.1
Dilution gain	–	–	–	–	–	–	–	–	14,820	–	–	–
Income before undernoted	1,006,467	779,722	1,023,350	1,233,817	1,107,921	0.7	973,927	861,365	838,279	806,649	584,022	7.1
Income taxes	270,882	220,630	292,551	354,682	331,231	(1.5)	291,500	264,969	299,198	317,401	252,474	2.0
	735,585	559,092	730,799	879,135	776,690	1.5	682,427	596,396	539,081	489,248	331,548	10.0
Goodwill amortization, net of tax	–	–	–	–	–	–	–	–	–	–	71,969	–
	735,585	559,092	730,799	879,135	776,690	1.5	682,427	596,396	539,081	489,248	259,579	10.0
Discontinued operations	–	–	–	–	–	–	–	–	–	1,811	116	–
	735,585	559,092	730,799	879,135	776,690	1.5	682,427	596,396	539,081	491,059	259,695	10.0
Perpetual preferred share dividends	10,105	–	–	–	–	–	–	–	–	–	–	–
Net earnings available to common shareholders – GAAP	725,480	559,092	730,799	879,135	776,690	1.2	682,427	596,396	539,081	491,059	259,695	9.8
Operating earnings available to common shareholders⁽²⁾	733,640	621,918	766,142	863,867	763,042	1.5	682,427	615,577	533,563	491,059	392,637	9.9
Diluted earnings per share (\$)												
Net earnings	2.76	2.12	2.76	3.29	2.90	1.5	2.56	2.24	2.03	1.85	1.05	7.4
Operating earnings ⁽²⁾	2.79	2.35	2.89	3.23	2.85	1.7	2.56	2.31	2.01	1.85	1.58	7.5
Dividends per share (¢)	205	205	200	178	154	9.0	134	115	99	86	73	12.9
Return on average common equity (ROE) (%)												
Net earnings	16.8	13.3	17.3	21.9	21.4	–	20.0	19.1	19.1	19.2	16.7	–
Operating earnings ⁽²⁾	17.0	14.8	18.2	21.5	21.1	–	20.0	19.8	18.9	19.2	19.6	–
Average shares outstanding (thousands)												
– Basic	261,855	263,217	263,323	264,604	264,724	–	264,573	264,431	263,915	263,487	247,093	–
– Diluted	262,848	264,324	264,808	267,303	267,395	–	266,609	266,010	265,174	264,873	247,932	–
Share price (closing \$)	43.46	42.41	35.45	50.03	49.10	(1.2)	46.12	36.64	31.05	26.75	25.50	5.3

Includes Mackenzie from date of acquisition (April 20, 2001).

Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

(1) Compound annual growth rate.

(2) Non-GAAP Financial Measures - Excludes other items as follows:

2010 – Proportionate share of Great-West Lifeco Inc.'s (Lifeco) incremental litigation provision, net of tax, as discussed on page 17 of the Management's Discussion and Analysis (MD&A).

2009 – A non-cash charge on available for sale equity securities, net of tax; a non-cash income tax benefit; and, the premium paid on the redemption of Series A preferred shares as discussed on page 17 of the MD&A.

2008 – Proportionate share of Lifeco's after-tax impairment charge and proportionate share of Lifeco's after-tax gain on the sale of its healthcare business, Great-West Healthcare as reflected on page 18 of the MD&A.

2007 – Non-cash income tax benefit.

2006 – Non-cash income tax benefit.

2004 – Unitholder compensation.

2003 – Dilution gain, restructuring reversal and non-cash income tax charge.

2001 – Goodwill amortization and Mackenzie restructuring costs.

Ten Year Review

STATISTICAL INFORMATION

For the years ended December 31

(\$ millions)	2010	2009	2008	2007	2006	CAGR ⁽¹⁾		2005	2004	2003	2002	2001	CAGR ⁽¹⁾	
						5 YEAR	%						10 YEAR	%
Mutual funds														
Investors Group														
Sales	5,748	5,042	5,946	7,229	6,190	0.9		5,488	4,722	4,021	4,916	6,027		(2.0)
Redemption rates (%)														
– total	9.4	9.0	9.4	8.4	9.0	–		10.0	10.6	12.8	12.6	11.6		–
– long-term funds	8.3	7.4	7.9	7.3	7.9	–		8.7	9.1	10.7	10.2	9.6		–
Net sales (redemptions)	253	404	625	2,158	1,345	(20.1)		778	218	(839)	(109)	1,031		(12.6)
Assets under management	61,785	57,655	47,491	60,194	58,216	4.0		50,701	44,510	40,904	37,588	41,644		3.3
Mackenzie⁽²⁾														
Sales	5,848	4,905	7,949	8,453	8,424	(6.2)		8,075	6,786	5,282	5,998	3,454		–
Redemption rates (%)														
– total	18.1	17.5	22.4	17.8	17.8	–		17.6	16.9	17.3	17.6	16.7		–
– long-term funds	16.5	14.6	18.7	14.1	15.2	–		14.8	13.8	13.0	11.9	11.6		–
Net sales (redemptions)	(1,519)	(1,566)	(1,553)	(89)	658	N/M		1,175	795	(69)	288	24		–
Assets under management	43,452	40,624	35,814	46,563	46,600	0.9		41,592	37,298	33,770	30,860	33,400		–
Investment Planning Counsel														
Sales	499	343	244	364	352	4.2		407	259	–	–	–		–
Redemption rates (%)														
– total	12.7	12.7	15.8	9.8	9.8	–		10.2	10.5	–	–	–		–
– long-term funds	12.0	11.6	14.8	9.4	9.4	–		9.7	9.5	–	–	–		–
Net sales (redemptions)	204	106	(80)	139	155	(3.0)		237	161	–	–	–		–
Assets under management	2,688	2,140	1,740	2,268	2,206	7.7		1,858	1,497	–	–	–		–
Combined mutual fund assets under management⁽³⁾														
	107,925	100,419	85,025	108,994	106,987	2.8		94,116	83,273	74,674	68,448	75,044		9.3
Total assets under management⁽³⁾														
	129,484	120,545	101,742	122,982	119,364	5.3		100,233	86,621	76,737	69,969	76,951		11.3
Corporate assets														
	8,893	8,646	8,263	7,859	7,333	5.5		6,807	6,473	6,292	5,987	6,122		16.2
Consultants – Investors Group														
	4,686	4,633	4,479	4,331	3,917	5.0		3,668	3,496	3,223	3,324	3,409		3.0

Includes Mackenzie from date of acquisition (April 20, 2001).

Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

(1) Compound annual growth rate.

(2) For Canadian mutual fund operations only.

(3) Adjusted for inter-segment assets.