

Ten Year Review

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31

(\$ thousands, except per share amounts)	IFRS		CGAAP			CAGR ⁽¹⁾ 5 YEAR %	CGAAP					CAGR ⁽¹⁾ 10 YEAR %
	2011	2010	2009	2008	2007		2006	2005	2004	2003	2002	
Fee income	2,571,076	2,467,813	2,227,028	2,502,516	2,700,961	1.5	2,392,298	2,164,472	1,955,740	1,714,373	1,813,205	4.7
Net investment income and other	161,376	140,874	62,945	165,563	191,227	(5.2)	210,236	181,677	162,180	159,808	126,510	1.9
	2,732,452	2,608,687	2,289,973	2,668,079	2,892,188	1.0	2,602,534	2,346,149	2,117,920	1,874,181	1,939,715	4.5
Expenses	1,635,154	1,600,831	1,517,343	1,644,729	1,658,371	1.8	1,494,613	1,372,222	1,256,555	1,050,722	1,133,066	3.3
	1,097,298	1,007,856	772,630	1,023,350	1,233,817	(0.2)	1,107,921	973,927	861,365	823,459	806,649	6.5
Dilution gain	-	-	-	-	-	-	-	-	-	14,820	-	-
Income before undernoted	1,097,298	1,007,856	772,630	1,023,350	1,233,817	(0.2)	1,107,921	973,927	861,365	838,279	806,649	6.5
Income taxes	250,497	268,805	216,595	292,551	354,682	(5.4)	331,231	291,500	264,969	299,198	317,401	(0.1)
	846,801	739,051	556,035	730,799	879,135	1.7	776,690	682,427	596,396	539,081	489,248	9.8
Discontinued operations	62,644	1,753	3,057	-	-	-	-	-	-	-	1,811	-
Net earnings	909,445	740,804	559,092	730,799	879,135	3.2	776,690	682,427	596,396	539,081	491,059	13.4
Perpetual preferred share dividends	8,850	10,105	-	-	-	-	-	-	-	-	-	-
Net earnings available to common shareholders	900,595	730,699	559,092	730,799	879,135	3.0	776,690	682,427	596,396	539,081	491,059	13.2
Operating earnings available to common shareholders⁽²⁾	832,991	758,943	618,861	766,142	863,867	1.8	763,042	682,427	615,577	533,563	491,059	7.8
Diluted earnings per share (\$)												
Net earnings	3.48	2.78	2.12	2.76	3.29	3.7	2.90	2.56	2.24	2.03	1.85	12.7
Operating earnings ⁽²⁾	3.22	2.89	2.34	2.89	3.23	2.5	2.85	2.56	2.31	2.01	1.85	7.4
Dividends per share (\$)	2.10	2.05	2.05	2.00	1.78	6.5	1.54	1.34	1.15	0.99	0.86	11.1
Return on average common equity (ROE) (%)												
Net earnings	21.3	17.6	13.3	17.3	21.9		21.4	20.0	19.1	19.1	19.2	
Operating earnings ⁽²⁾	19.7	18.2	14.7	18.2	21.5		21.1	20.0	19.8	18.9	19.2	
Average shares outstanding (thousands)												
- Basic	258,151	261,855	263,217	263,323	264,604		264,724	264,573	264,431	263,915	263,487	
- Diluted	259,075	262,867	264,324	264,808	267,303		267,395	266,609	266,010	265,174	264,873	
Share price (closing \$)	44.23	43.46	42.41	35.45	50.03	(2.1)	49.10	46.12	36.64	31.05	26.75	5.7

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

(1) Compound annual growth rate.

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

2011 - Net earnings from discontinued operations of \$62.6 million and an after-tax benefit of \$5.0 million representing the Company's proportionate share of net changes in Great-West Lifeco Inc.'s (Lifeco) litigation provisions recorded in the fourth quarter.

2010 - Net earnings from discontinued operations of \$1.8 million, a non-recurring after-tax charge of \$21.8 million related to the transition to IFRS recorded in the fourth quarter, and an after-tax charge of \$8.2 million recorded in the third quarter representing the Company's proportionate share of Lifeco's incremental litigation provision.

2009 - Net earnings from discontinued operations, 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.

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.

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.

Ten Year Review

STATISTICAL INFORMATION

For the years ended December 31

(\$ millions)	2011	2010	2009	2008	2007	CAGR ⁽¹⁾		2006	2005	2004	2003	2002	CAGR ⁽¹⁾	
						5 YEAR	%						10 YEAR	%
Mutual funds														
Investors Group														
Sales	6,021	5,748	5,042	5,946	7,229	(0.6)		6,190	5,488	4,722	4,021	4,916		-
Redemption rates (%)														
– total	9.8	9.4	9.0	9.4	8.4			9.0	10.0	10.6	12.8	12.6		
– long-term funds	8.8	8.3	7.4	7.9	7.3			7.9	8.7	9.1	10.7	10.2		
Net sales (redemptions)	39	253	404	625	2,158	(50.7)		1,345	778	218	(839)	(109)		(27.9)
Assets under management	57,735	61,785	57,655	47,491	60,194	(0.2)		58,216	50,701	44,510	40,904	37,588		3.3
Mackenzie⁽²⁾														
Sales	5,645	5,848	4,905	7,949	8,453	(7.7)		8,424	8,075	6,786	5,282	5,998		N/A
Redemption rates (%)														
– total	16.9	18.1	17.5	22.4	17.8			17.8	17.6	16.9	17.3	17.6		
– long-term funds	15.8	16.5	14.6	18.7	14.1			15.2	14.8	13.8	13.0	11.9		
Net sales (redemptions)	(1,548)	(1,519)	(1,566)	(1,553)	(89)	N/M		658	1,175	795	(69)	288		N/A
Assets under management	39,141	43,452	40,624	35,814	46,563	(3.4)		46,600	41,592	37,298	33,770	30,860		1.6
Investment Planning Counsel														
Sales	543	499	343	244	364	9.1		352	407	259				N/A
Redemption rates (%)														
– total	11.1	12.7	12.7	15.8	9.8			9.8	10.2	10.5				
– long-term funds	10.9	12.0	11.6	14.8	9.4			9.4	9.7	9.5				
Net sales (redemptions)	225	204	106	(80)	139	7.7		155	237	161				N/A
Assets under management	2,811	2,688	2,140	1,740	2,268	5.0		2,206	1,858	1,497				N/A
Combined mutual fund assets under management⁽³⁾														
	99,685	107,925	100,419	85,025	108,994	(1.4)		106,987	94,116	83,273	74,674	68,448		2.9
Total assets under management⁽³⁾														
	118,713	129,484	120,545	101,742	122,982	(0.1)		119,364	100,233	86,621	76,737	69,969		4.4
Corporate assets⁽⁴⁾														
	11,132	12,237	8,662	8,263	7,859	N/M		7,333	6,807	6,473	6,292	5,987		N/M
Consultants – Investors Group														
	4,608	4,686	4,633	4,479	4,331	3.3		3,917	3,668	3,496	3,223	3,324		3.1

(1) Compound annual growth rate.

(2) For Canadian mutual fund operations only.

(3) Adjusted for inter-segment assets.

(4) 2010 and 2011 reflect corporate assets under IFRS. 2002 to 2009 reflect corporate assets under CGAAP.

N/A Mackenzie was acquired April 20, 2001 and Investment Planning Counsel was acquired May 10, 2004.