

Quarterly Review

CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31
(\$ thousands, except per share amounts)

	2012				2011			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues								
Management	\$ 434,691	\$ 431,502	\$ 443,537	\$ 456,618	\$ 444,177	\$ 464,649	\$ 491,787	\$ 492,115
Administration	84,571	83,347	83,973	85,264	84,347	85,116	87,924	87,500
Distribution	80,198	75,160	80,534	85,179	79,785	80,759	83,556	89,361
Net investment income and other	17,540	23,903	12,837	26,331	17,791	22,370	16,293	25,433
Proportionate share of affiliate's earnings	15,749	20,150	16,726	19,697	23,536	20,862	18,111	16,980
	632,749	634,062	637,607	673,089	649,636	673,756	697,671	711,389
Expenses								
Commission	213,387	209,758	213,719	221,384	214,027	218,504	228,679	233,650
Non-commission	162,822	161,461	170,109	170,091	155,358	156,032	164,133	161,964
Interest	23,202	23,163	22,912	22,911	23,199	23,198	26,139	30,271
	399,411	394,382	406,740	414,386	392,584	397,734	418,951	425,885
Earnings before income taxes and discontinued operations	233,338	239,680	230,867	258,703	257,052	276,022	278,720	285,504
Income taxes	28,198	50,540	56,027	56,839	53,902	60,775	63,693	72,127
Net earnings from continuing operations	205,140	189,140	174,840	201,864	203,150	215,247	215,027	213,377
Net earnings from discontinued operations	–	–	–	–	29,626	30,995	1,055	968
Net earnings	205,140	189,140	174,840	201,864	232,776	246,242	216,082	214,345
Perpetual preferred share dividends	2,212	2,213	2,212	2,213	2,212	2,213	2,212	2,213
Net earnings available to common shareholders	\$ 202,928	\$ 186,927	\$ 172,628	\$ 199,651	\$ 230,564	\$ 244,029	\$ 213,870	\$ 212,132
Reconciliation of Non-IFRS Financial Measures⁽¹⁾								
Operating earnings available to common shareholders – non IFRS measure	\$ 184,083	\$ 186,927	\$ 179,064	\$ 199,651	\$ 195,978	\$ 213,034	\$ 212,815	\$ 211,164
Reduction in income tax estimates related to certain tax filings	24,405	–	–	–	–	–	–	–
Proportionate share of affiliate's provision	(5,560)	–	–	–	4,960	–	–	–
Non-cash income tax charge	–	–	(6,436)	–	–	–	–	–
Net earnings from discontinued operations	–	–	–	–	29,626	30,995	1,055	968
Net earnings available to common shareholders – IFRS	\$ 202,928	\$ 186,927	\$ 172,628	\$ 199,651	\$ 230,564	\$ 244,029	\$ 213,870	\$ 212,132
Diluted earnings per share^(e)								
Net earnings	80	73	67	78	89	94	82	81
Operating earnings ⁽¹⁾	73	73	70	78	76	82	82	81
Dividends per share^(e)	53.75	53.75	53.75	53.75	53.75	53.75	51.25	51.25

STATISTICAL DATA (\$ millions)

Mutual funds

Investors Group									
Sales	\$ 1,418	\$ 1,220	\$ 1,306	\$ 1,834	\$ 1,285	\$ 1,285	\$ 1,405	\$ 2,046	
Redemption rate (%) – total	11.0	10.7	10.4	10.1	9.8	9.7	9.6	9.6	
– long-term funds	10.0	9.7	9.4	9.1	8.8	8.7	8.5	8.4	
Net sales (redemptions)	(261)	(314)	(324)	175	(158)	(162)	(145)	504	
Assets under management	60,595	59,592	58,118	60,628	57,735	56,502	62,158	64,049	
Mackenzie									
Sales	1,850	1,076	1,092	1,472	1,089	1,236	1,358	1,962	
Redemption rate (%) – total	18.7	16.9	17.3	17.2	16.9	17.4	17.1	17.9	
– long-term funds	17.9	16.1	16.4	16.2	15.8	16.2	15.9	16.5	
Net sales (redemptions)	(543)	(464)	(458)	(509)	(584)	(576)	(345)	(43)	
Assets under management	40,394	39,728	39,217	41,535	39,141	38,527	43,601	44,824	
Investment Planning Counsel									
Sales	98	76	87	140	128	113	134	168	
Redemption rate (%) – total	14.7	13.4	12.8	11.7	11.5	11.9	12.1	12.8	
– long-term funds	14.3	12.9	12.2	11.2	10.9	11.3	11.5	12.2	
Net sales (redemptions)	(16)	(14)	(25)	31	56	44	52	73	
Assets under management	2,950	2,909	2,849	2,957	2,811	2,674	2,845	2,834	
Combined mutual fund assets under management⁽²⁾	103,915	102,215	100,180	105,116	99,685	97,702	108,603	111,706	
Total assets under management⁽²⁾	120,694	119,279	117,961	124,146	118,713	116,743	130,159	134,081	
Corporate assets	11,973	11,709	11,639	11,312	11,160	11,412	11,226	12,156	
Consultants – Investors Group	4,518	4,543	4,526	4,522	4,608	4,595	4,592	4,586	

(1) Refer to page 17 of the MD&A for an explanation of the Company's use of non-IFRS financial measures.

(2) Adjusted for inter-segment assets.