

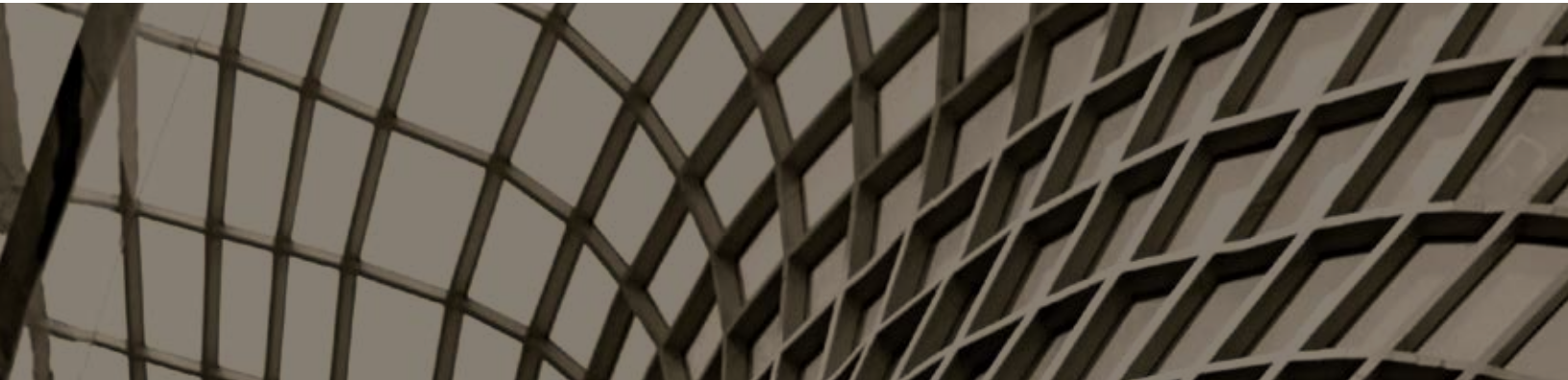
Jeffrey R. Carney
President and Chief Executive Officer
Mackenzie Financial Corporation



Mackenzie Investments provides investment management and related services through diversified investment solutions using proprietary investment research and experienced investment professionals to deliver our various product offerings. We distribute our investment services through industry channels to both retail and institutional investors.

HIGHLIGHTS

- Mutual fund assets under management were \$48.8 billion at December 31, 2014, an increase of 6.0% from the previous year.
- Mutual fund gross sales were \$7.1 billion, up 5.5% from the prior year's level of \$6.7 billion and reflect our best result in the last six years.
- Mutual fund net redemptions were \$209 million, an improvement of \$278 million over 2013.
- Total assets under management were \$70.9 billion as at December 31, 2014, up 8.5% from the previous year and a record year-end high for the company.



REPORT ON OPERATIONS

In 2014, Mackenzie Investments continued to invest in a number of key initiatives to execute on our new investor-focused vision and core strategies introduced in 2013. Last year our product offering was revitalized to create a streamlined lineup of funds, more relevant to the needs of Canadian investors, and in the third quarter of 2014 we announced changes to the retail pricing of our mutual funds, designed to simplify and enhance our approach.

INVESTMENT MANAGEMENT

The quality and depth of investment research and the talent of Mackenzie Investments portfolio managers and sub-advisors, have all contributed to our ability to provide clients with consistent long-term investment performance results. At December 31, 2014, 74.4% of our mutual funds were rated three stars or better by Morningstar[†] and 60.6% were in the first or second quartile relative to their peers over the most recent 10-year period.

At the 2014 Lipper[®] Fund Awards, Mackenzie Investments was recognized for outstanding fund performance. Honouring the top funds in each

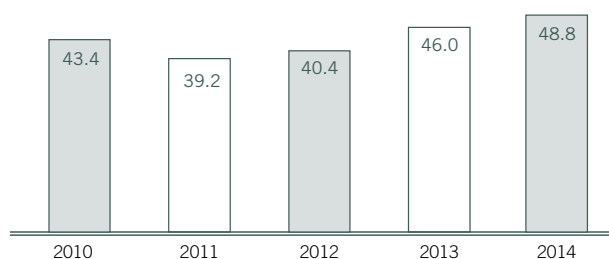
category that have delivered stronger and more consistent performance than their peers, the Mackenzie Precious Metals Class was selected as the best fund in the Precious Metals Equity category over a three-year period.

The investment management team continued to grow in depth and breadth with a number of portfolio manager changes and the addition of several key investment professionals.

- In August, Alain Bergeron, Senior Vice-President and Asset Allocation Team Lead, assumed responsibility for asset allocation in eight Mackenzie Investments' balanced funds.
- In September, we announced the formation of the Mackenzie Global Emerging Markets Team, based in Singapore, to be led by Jan Cornelis de Bruijn, Senior Vice-President, Investment Management.
- And in November, Todd Mattina, Ph.D., was appointed Chief Economist and Strategist, Asset Allocation Team, to support our asset allocation solutions by building proprietary valuation models and assessing macroeconomic conditions and their impact on global markets.

Mutual Fund Assets under Management

As at December 31 (\$ billions)



PRODUCT FOCUS

In 2014, through a number of fund enhancements and launches, Mackenzie Investments continued to revitalize our product lineup to meet the evolving needs of investors and their advisors.

We expanded our product offering to include a new low-load purchase option. This option provides additional flexibility for investors at the time of purchase.

In April, we launched five new funds designed to manage volatility and satisfy investors' growing demand for income – Mackenzie US Low Volatility Fund, Mackenzie Investment Grade Floating Rate Fund, Mackenzie Global Tactical Bond Fund, Mackenzie US Dividend Fund and Mackenzie US Dividend Registered Fund.

To complement these new income-oriented funds, Mackenzie Investments changed the investment objectives of Mackenzie Global Diversified Income Fund and renamed the fund Mackenzie Global Strategic Income Fund.

LIVE IT provides a straightforward and engaging way for advisors to lead constructive conversations with clients about retirement and investing – conversations that will lead to more relevant solutions in support of the financial goals of investors.

In December, we announced the launch of three innovative investment products – Mackenzie Unconstrained Fixed Income Fund, Mackenzie Monthly Income Conservative Portfolio and Mackenzie Monthly Income Balanced Portfolio. These products are designed to address investors' needs to manage longevity, income, volatility and inflation.

DISTRIBUTION

Mackenzie Investments distributes its retail investment products through third party financial advisors and their firms across Canada. We have specialty teams focused on strategic alliances with third party investment programs offered by banks, insurance companies and other investment companies and institutional investment management services for pension plans, foundations and other institutions. Through these long-standing relationships, we have one of the broadest retail distribution platforms in Canada and are positioned to serve the needs of a wide range of clients.

On October 27, 2014, we launched a new leading-edge website that provides advisors with a more personalized digital experience and more robust content that is easily shared with clients. The website's mobile-friendly interface works seamlessly across any device and will redefine the online experience at a time when advisors and investors are increasingly moving online to satisfy their demands for financial information.

In November, we introduced LIVE IT™ (talkliveit.com), a new needs-based framework for investment conversations based on the six concerns that matter most to investors – Longevity, Income, Volatility, Estate, Inflation and Taxes. LIVE IT provides a straightforward and engaging way for advisors to lead constructive conversations with clients about retirement and investing – conversations that will lead to more relevant solutions in support of the financial goals of investors.

CORPORATE RESPONSIBILITY

In 2014, Mackenzie Investments continued its commitment to corporate responsibility with a focus on economic development while improving quality of life for our employees and communities.

As part of IGM Financial, we believe that considering the environmental, social and governance impacts of our business contributes to long-term profitability and value creation. We continue to address these impacts through the advancement of the IGM Financial corporate responsibility strategy.

In 2014, we, along with Investors Group, became a signatory to the Principles for Responsible Investment.

The PRI Initiative is a global network of investors who commit to incorporate environmental, social and governance (ESG) factors into their investment decision-making processes. The PRI's goal is to contribute to the development of a stronger global financial system.

We continued to support charities across the country through the Mackenzie Investments Charitable Foundation, our corporate giving and employee volunteer programs. We also focus on financial literacy.

In February, Mackenzie Investments and StudentAwards selected Abirami Kirubarajan of Mississauga, Ontario, as the winner of the sixth annual Canada's Top Teen Philanthropist contest. Launched in 2008, this coast-to-coast competition invites entrants to submit an essay on their volunteering and fundraising activities. By engaging youth, this contest reflects our broader commitment to philanthropy in communities.

In September 2014, we launched two major sponsorships: a four-year sponsorship of Snow Sports Canada, providing support to seven premier national snow sport organizations; and a five-year partnership with Alpine Ontario, the provincial sport organization and promoter of competitive alpine ski racing in Ontario.

Mackenzie Investments remains dedicated to providing high-quality, innovative investment solutions designed to help all investors achieve financial success on their terms. We focus on solutions that respond to evolving investor needs and strive to maintain strong long-term investment performance across our multiple product offerings. We are proud of our track record, our people and our business.