

# Ten Year Review

## CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31

(\$ thousands, except per share amounts)	IFRS					CAGR <sup>(1)</sup> 5 YEAR	CGAAP					CAGR <sup>(1)</sup> 10 YEAR
	2015	2014	2013	2012	2011	%	2010	2009	2008	2007	2006	%
	RESTATED											
Fee income	2,833,355	2,762,578	2,513,186	2,424,574	2,571,076	2.8	2,467,813	2,227,028	2,502,516	2,700,961	2,392,298	2.7
Net investment income and other	194,590	164,706	176,836	152,582	161,376	6.7	140,874	62,945	165,563	191,227	210,236	0.7
	3,027,945	2,927,284	2,690,022	2,577,156	2,732,452	3.0	2,608,687	2,289,973	2,668,079	2,892,188	2,602,534	2.6
Expenses	2,037,153	1,962,321	1,708,642	1,618,989	1,635,154	4.9	1,600,831	1,517,343	1,644,729	1,658,371	1,494,613	4.0
Income before undernoted	990,792	964,963	981,380	958,167	1,097,298	(0.3)	1,007,856	772,630	1,023,350	1,233,817	1,107,921	0.2
Income taxes	210,250	202,862	210,626	190,504	250,497	(4.8)	268,805	216,595	292,551	354,682	331,231	(3.2)
	780,542	762,101	770,754	767,663	846,801	1.1	739,051	556,035	730,799	879,135	776,690	1.4
Discontinued operations	–	–	–	–	62,644		1,753	3,057	–	–	–	
Net earnings	780,542	762,101	770,754	767,663	909,445	1.1	740,804	559,092	730,799	879,135	776,690	1.4
Perpetual preferred share dividends	8,850	8,850	8,850	8,850	8,850		10,105	–	–	–	–	
<b>Net earnings available to common shareholders</b>	<b>771,692</b>	<b>753,251</b>	<b>761,904</b>	<b>758,813</b>	<b>900,595</b>	<b>1.1</b>	<b>730,699</b>	<b>559,092</b>	<b>730,799</b>	<b>879,135</b>	<b>776,690</b>	<b>1.2</b>
<b>Operating earnings available to common shareholders<sup>(2)</sup></b>	<b>796,001</b>	<b>826,100</b>	<b>763,510</b>	<b>746,404</b>	<b>832,991</b>	<b>1.0</b>	<b>758,943</b>	<b>618,861</b>	<b>766,142</b>	<b>863,867</b>	<b>763,042</b>	<b>1.6</b>
<b>Diluted earnings per share (\$)</b>												
Net earnings	3.11	2.98	3.02	2.97	3.48	2.3	2.78	2.12	2.76	3.29	2.90	2.0
Operating earnings <sup>(2)</sup>	3.21	3.27	3.02	2.92	3.22	2.1	2.89	2.34	2.89	3.23	2.85	2.3
<b>Dividends per share (\$)</b>	<b>2.25</b>	<b>2.18</b>	<b>2.15</b>	<b>2.15</b>	<b>2.10</b>	<b>1.9</b>	<b>2.05</b>	<b>2.05</b>	<b>2.00</b>	<b>1.78</b>	<b>1.54</b>	<b>5.3</b>
<b>Return on average common equity (ROE) (%)</b>												
Net earnings	16.5	16.2	17.3	17.6	21.3		17.6	13.3	17.3	21.9	21.4	
Operating earnings <sup>(2)</sup>	17.0	17.8	17.3	17.3	19.7		18.2	14.7	18.2	21.5	21.1	
<b>Average shares outstanding (thousands)</b>												
- Basic	248,173	252,108	252,013	254,853	258,151		261,855	263,217	263,323	264,604	264,724	
- Diluted	248,299	252,778	252,474	255,277	259,075		262,867	264,324	264,808	267,303	267,395	
<b>Share price (closing \$)</b>	<b>35.34</b>	<b>46.31</b>	<b>56.09</b>	<b>41.60</b>	<b>44.23</b>	<b>(4.1)</b>	<b>43.46</b>	<b>42.41</b>	<b>35.45</b>	<b>50.03</b>	<b>49.10</b>	<b>(2.6)</b>

(1) Compound annual growth rate.

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

2015 - an after-tax charge of \$24.3 million, recorded in the fourth quarter, related to restructuring and other charges.

2014 - an after-tax charge of \$59.2 million, recorded in the fourth quarter, related to distributions to clients, as well as other costs and an after-tax charge of \$13.6 million, recorded in the second quarter, related to restructuring and other charges.

2013 - an after-tax charge of \$10.6 million related to restructuring and other charges and an after-tax benefit of \$9.0 million representing the Company's proportionate share of net changes in Great-West Lifeco Inc.'s (Lifeco) litigation provision.

2012 - A favourable change in income tax provision estimates of \$24.4 million related to certain tax filings, an after-tax charge of \$5.6 million representing the Company's proportionate share of net changes in Lifeco's litigation provisions, and a non-cash income tax charge of \$6.4 million resulting from increases in Ontario corporate income tax rates and their effect on the deferred income tax liability related to indefinite life intangible assets arising from prior business acquisitions.

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 Lifeco's litigation provisions.

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, and an after-tax charge of \$8.2 million 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.

# Ten Year Review

## STATISTICAL INFORMATION

For the years ended December 31

(\$ millions)	2015	2014	2013	2012	2011	CAGR <sup>(1)</sup>					CAGR <sup>(1)</sup>	
						5 YEAR					10 YEAR	
						%	2010	2009	2008	2007	2006	%
<b>Mutual funds</b>												
<b>Investors Group</b>												
Sales	7,890	7,461	6,668	5,778	6,021	6.5	5,748	5,042	5,946	7,229	6,190	3.7
Redemption rates (%)												
– total	9.4	9.5	10.2	11.0	9.8		9.4	9.0	9.4	8.4	9.0	
– long-term funds	8.7	8.7	9.4	10.0	8.8		8.3	7.4	7.9	7.3	7.9	
Net sales (redemptions)	754	651	159	(724)	39	24.4	253	404	625	2,158	1,345	(0.3)
Assets under management	74,897	73,459	68,255	60,595	57,735	3.9	61,785	57,655	47,491	60,194	58,216	4.0
<b>Mackenzie<sup>(2)</sup></b>												
Sales	6,965	7,070	6,700	5,490	5,645	3.6	5,848	4,905	7,949	8,453	8,424	(1.5)
Redemption rates (%)												
– total	16.6	15.1	16.7	18.7	16.9		18.1	17.5	22.4	17.8	17.8	
– long-term funds	16.2	14.6	16.0	17.9	15.8		16.5	14.6	18.7	14.1	15.2	
Net sales (redemptions)	(1,258)	(209)	(487)	(1,974)	(1,548)	3.7	(1,519)	(1,566)	(1,553)	(89)	658	N/M
Assets under management	48,445	48,782	46,024	40,394	39,141	2.2	43,452	40,624	35,814	46,563	46,600	1.5
<b>Investment Planning Counsel</b>												
Sales	741	682	485	401	543	8.2	499	343	244	364	352	6.2
Redemption rates (%)												
– total	13.8	12.9	13.8	14.7	11.1		12.7	12.7	15.8	9.8	9.8	
– long-term funds	13.6	12.6	13.2	14.3	10.9		12.0	11.6	14.8	9.4	9.4	
Net sales (redemptions)	177	207	52	(24)	225	(2.8)	204	106	(80)	139	155	(2.9)
Assets under management	4,178	3,850	3,406	2,950	2,811	9.2	2,688	2,140	1,740	2,268	2,206	8.4
<b>Combined mutual fund assets under management<sup>(3)</sup></b>												
	127,517	126,039	117,649	103,915	99,685	3.4	107,925	100,419	85,025	108,994	106,987	3.1
<b>Total assets under management<sup>(3)</sup></b>												
	133,648	141,919	131,777	120,694	118,713	0.6	129,484	120,545	101,742	122,982	119,364	2.9
<b>Corporate assets<sup>(4)</sup></b>												
	14,831	14,417	12,880	11,962	11,144	3.9	12,237	8,662	8,263	7,859	7,333	N/M
<b>Consultants – Investors Group</b>												
	5,320	5,145	4,673	4,518	4,608	2.6	4,686	4,633	4,479	4,331	3,917	3.8

(1) Compound annual growth rate.

(2) For Canadian mutual fund operations only.

(3) Adjusted for inter-segment assets.

(4) 2010 to 2015 reflect corporate assets under IFRS. 2006 to 2009 reflect corporate assets under CGAAP. 2011 and 2012 corporate assets have been restated.