



## IGM FINANCIAL Q3, 2015 Results

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November 6, 2015

STRENGTH | FOCUS | GROWTH



# IGM Financial – Conference Call Participants



**Paul W. Hancock**

Vice-President,  
Finance and Investor  
Relations

**Jeffrey R. Carney**

President & CEO,  
Mackenzie

Co - President & CEO,  
IGM Financial

**Murray J. Taylor**

President & CEO,  
Investors Group

Co - President & CEO,  
IGM Financial

**Kevin E. Regan**

Executive Vice-  
President & CFO,  
IGM Financial

# Caution Concerning Forward Looking Statements

Certain statements in this report other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM Financial's current expectations. Forward-looking statements are provided to assist the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Company's, and its subsidiaries' control, affect the operations, performance and results of the Company, and its subsidiaries, and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, business competition, technological change, changes in government regulations and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, the Company's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company's and its subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements.

Other than as specifically required by applicable Canadian law, the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Company's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at [www.sedar.com](http://www.sedar.com).

- Net earnings available to common shareholders, which is an additional measure in accordance with IFRS, may be subdivided into two components consisting of:
  - Operating earnings available to common shareholders; and
  - Other items, which include the after-tax impact of any item that management considers to be of a non-recurring nature or that could make the period-over-period comparison of results from operations less meaningful.
- This report may also contain non-IFRS financial measures. Non-IFRS financial measures are used to provide management and investors with additional measures of performance. However, we caution that non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Specific instances of such measures that may be referred to within this document include “Operating Earnings”, “Operating Earnings per Share” and “Earnings before Interest and Taxes” (EBIT).
- We refer you to the appropriate reconciliation in the Management’s Discussion and Analysis of these non-IFRS financial measures to measures prescribed by IFRS.
- “Operating Earnings” and “Operating Earnings Per Share” for the three months ended December 31, 2014 exclude an after-tax charge of \$59.2 million related to distributions to clients, as well as other costs. This amount consists primarily of distributions to clients with household investments in Investors Group funds in excess of \$500,000, who did not transfer to lower fee investment solutions when eligible.

# Documents Incorporated by Reference

This summary document and webcast are meant to discuss, not to serve as a substitute for, information included in these documents. The reader is hereby cautioned to refer to the following documents relating to IGM Financial's results:

1. Documents related to IGM Financial's Q3, 2015 results issued November 5, 2015:
  - IGM Financial Q3, 2015 financial results press release. This press release includes financial highlights as well as a summary earnings statement.
  - IGM Financial Q3, 2015 Consolidated Financial Statements and Notes.
  - IGM Financial Q3, 2015 Management's Discussion and Analysis ("MD&A").
  - IGM Financial Q3, 2015 Supplemental Information.
2. IGM Financial October, 2015 Mutual Fund Sales and Total Assets Under Management press release issued November 3, 2015.
3. IGM Financial 2014 Annual Report which was issued on March 19, 2015.
4. IGM Financial 2014 Corporate Responsibility Report issued June 19, 2015.

Each of these documents are available on the Company's website at [www.igmfinancial.com](http://www.igmfinancial.com) and/or at [www.sedar.com](http://www.sedar.com).

**1. Highlights**

2. Mackenzie Investments

3. Investors Group

- ♦ *IGM Financial's Operating Earnings were \$199.0 million during Q3, 2015, and Operating Earnings Per Share were 81 cents.*

	<u>Q3,</u> <u>2014</u>	<u>Q2,</u> <u>2015</u>	<u>Q3,</u> <u>2015</u>	<u>Change</u>	
				<u>Last</u> <u>Year</u>	<u>Last</u> <u>Quarter</u>
Operating Earnings (\$ millions)	219.7	198.5	199.0	(9.4%)	0.3%
Operating Earnings per share (diluted)	0.87	0.80	0.81	(6.9%)	1.3%
Dividends per share	0.5375	0.5625	0.5625	4.7%	-

- ◆ *IGM Financial had mutual fund gross sales of \$3.5 billion during Q3, 2015 and \$11.9 billion year to date.*

## IGM Financial Investment Product Gross Sales (\$ Millions)

	Three Months Ended September 30, 2015				Nine Months Ended September 30, 2015			
	Investors Group	Mackenzie	Counsel	IGM Financial <sup>1</sup>	Investors Group	Mackenzie	Counsel	IGM Financial <sup>1</sup>
Long term mutual funds <sup>2</sup>	1,536	1,401	170	3,099	5,261	5,016	489	10,747
Short term mutual funds	274	84	15	373	808	297	49	1,154
<b>Total mutual funds <sup>2</sup></b>	<b>1,810</b>	<b>1,485</b>	<b>185</b>	<b>3,472</b>	<b>6,069</b>	<b>5,313</b>	<b>538</b>	<b>11,901</b>
Institutional		1,138		319		4,032		1,837
<b>Total</b>	<b>1,810</b>	<b>2,623</b>	<b>185</b>	<b>3,791</b>	<b>6,069</b>	<b>9,345</b>	<b>538</b>	<b>13,738</b>

1. Total gross sales exclude sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had gross sales of \$827 million during Q3, 2015 and \$2.2 billion year to date.

2. Mackenzie's Q2, 2015 mutual fund flows include \$141 million of gross sales, \$597 million of redemptions and \$456 million of net redemptions related to fund allocation changes by certain third party programs which include Mackenzie mutual funds.



- ◆ *IGM Financial had mutual fund net sales of \$9 million during Q3, 2015 and net sales of \$49 million year to date.*

## IGM Financial Investment Product Net Sales (\$ Millions)

	Three Months Ended September 30, 2015				Nine Months Ended September 30, 2015			
	Investors Group	Mackenzie	Counsel	IGM Financial <sup>1</sup>	Investors Group	Mackenzie	Counsel	IGM Financial <sup>1</sup>
Long term mutual funds <sup>2</sup>	26	(195)	43	(130)	473	(897)	97	(336)
Short term mutual funds	113	15	11	139	281	66	38	385
<b>Total mutual funds<sup>2</sup></b>	<b>139</b>	<b>(180)</b>	<b>54</b>	<b>9</b>	<b>754</b>	<b>(831)</b>	<b>135</b>	<b>49</b>
Institutional <sup>3</sup>		54		(101)		(9,398)		(9,979)
<b>Total</b>	<b>139</b>	<b>(126)</b>	<b>54</b>	<b>(92)</b>	<b>754</b>	<b>(10,229)</b>	<b>135</b>	<b>(9,930)</b>

1. Total net sales exclude sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had net sales of \$159 million during Q3, 2015 and \$590 million year to date.
2. Mackenzie's Q2, 2015 mutual fund flows include \$141 million of gross sales, \$597 million of redemptions and \$456 million of net redemptions related to fund allocation changes by certain third party programs which include Mackenzie mutual funds.
3. During the second quarter of 2015, MD Financial Management re-assigned sub-advisory responsibilities on four fixed income mandates (totaling \$10.3 billion) advised by Mackenzie.

# IGM Financial Assets Under Management



- ◆ *IGM Financial's mutual fund assets under management declined by 0.2% during the last year to \$124.9 billion.*

## IGM Financial Ending Assets Under Management (\$ Billions)

	Sep 30, 2014	Dec 31, 2014	Mar 31, 2015	Jun 30, 2015	Sep 30, 2015	Change	
						Last Year	Last Quarter
<b>IGM Financial - Mutual Funds</b>	<b>125.2</b>	<b>126.0</b>	<b>131.5</b>	<b>129.7</b>	<b>124.9</b>	<b>(0.2%)</b>	<b>(3.7%)</b>
IGM Financial - Total AUM <sup>1</sup>	140.6	141.9	148.4	136.0	130.9	(6.9%)	(3.7%)
Investors Group	72.7	73.5	76.5	75.8	73.5	1.2%	(3.0%)
Mackenzie - Mutual Funds	48.8	48.8	50.9	49.9	47.4	(2.8%)	(4.9%)
Mackenzie - Total <sup>1,2</sup>	70.0	70.9	74.6	63.0	60.3	(13.8%)	(4.3%)
Counsel	3.8	3.9	4.1	4.1	4.0	6.3%	(1.2%)

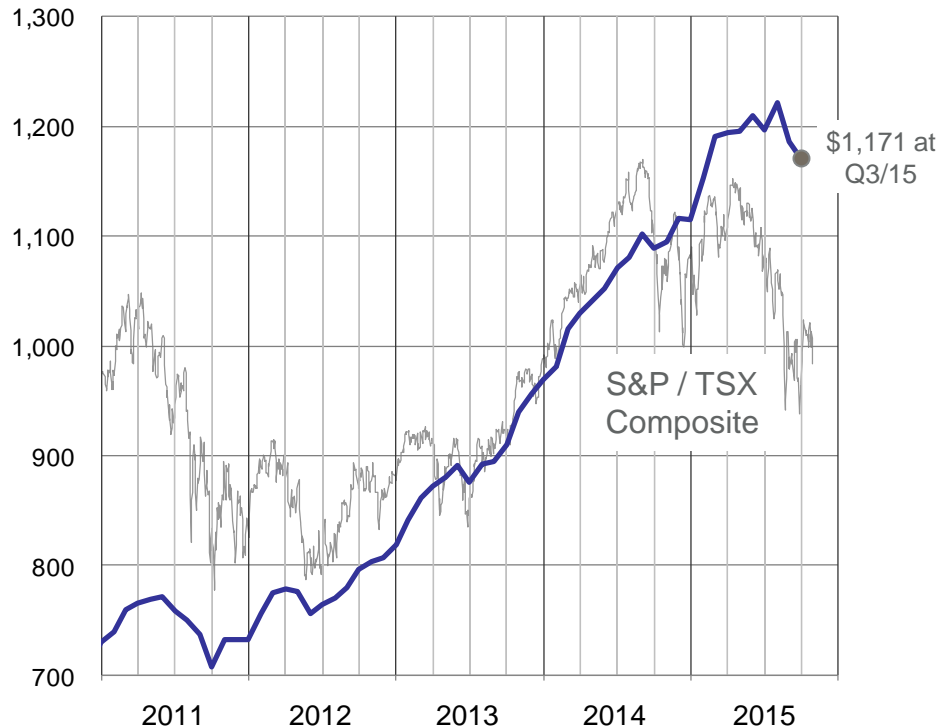
1. During the second quarter of 2015, MD Financial Management re-assigned sub-advisory responsibilities on four fixed income mandates (totaling \$10.3 billion) advised by Mackenzie.

2. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had assets under management of \$6.9 billion at September 30, 2015.

# Industry Long Term Mutual Fund Assets

- During Q3, 2015, industry long term mutual fund assets decreased by 2.1%.

## Canadian Mutual Fund Industry Long Term Mutual Fund Assets Under Management (\$ Billions)



	Q3, 2015	Q4, 2015 at Oct 31	
<b>Mutual Fund Long Term Assets</b>	(2.1%)		
<b>Equity Markets:</b>			
Canada (S&P / TSX Composite)	(8.6%)	1.7%	
U.S. (S&P 500)	(6.9%)	8.3%	
Europe (MSCI Europe)	(9.2%)	8.2%	
Asia (MSCI AC Asia Pacific)	(15.4%)	8.6%	
World (MSCI World)	(8.9%)	7.8%	
<b>Fixed Income (FTSE TMX Canada Universe TR)</b>	0.1%	(0.3%)	
<b>Currency:</b>			
USD relative to CAD	6.6%	(1.8%)	
Euro relative to CAD	6.8%	(3.2%)	
<b>S&amp;P / TSX Composite Compound Annual Total Return (at October 31, 2015)</b>			
1 year	3 year	5 year	10 year
(4.6%)	6.0%	4.3%	5.6%

Mutual fund industry reflects Investor Economics' "Funds Administration View" data and excludes exchange traded funds.  
All index returns are local market returns.

# Industry Sales by Distribution Emphasis

- ♦ *The advice channel experienced strong gross and net sales during the third quarter and year to date.*

## Industry Mutual Fund Sales by Primary Distribution Emphasis

### Total Funds

(\$ Billions)

	<u>Three Months Ended September 30</u>			<u>Nine Months Ended September 30</u>		
	<u>2014</u>	<u>2015</u>	<u>% Change</u>	<u>2014</u>	<u>2015</u>	<u>% Change</u>
<b>Gross Sales</b>						
<b>Advice</b>	<b>17.9</b>	<b>20.5</b>	<b>14.7%</b>	<b>62.0</b>	<b>68.9</b>	<b>11.2%</b>
Deposit takers	29.6	28.5	(3.7%)	95.7	102.7	7.3%
Other	5.0	1.7	(65.4%)	11.7	8.9	(23.9%)
<b>Total</b>	<b>52.5</b>	<b>50.7</b>	<b>(3.3%)</b>	<b>169.4</b>	<b>180.5</b>	<b>6.5%</b>
			<u>\$ Change</u>			<u>\$ Change</u>
<b>Net Sales</b>						
<b>Advice</b>	<b>2.7</b>	<b>3.1</b>	<b>0.5</b>	<b>12.4</b>	<b>13.6</b>	<b>1.2</b>
Deposit takers	8.5	4.7	(3.8)	31.4	31.5	0.0
Other	0.7	0.6	(0.1)	3.0	3.3	0.3
<b>Total</b>	<b>11.8</b>	<b>8.4</b>	<b>(3.4)</b>	<b>46.8</b>	<b>48.3</b>	<b>1.5</b>

Source: Investor Economics data reflecting the “Funds Administration View” and excluding exchange traded funds.

“Advice” includes “Independents”, “Life Insurers” and other select companies.

“Other” includes direct sellers, unions & associations and others.

“Net Sales” reflects gross sales less redemptions and is presented by Investor Economics as “Net New Money”.

# Industry Net Sales by Asset Class – Advice Channel

- ◆ *The advice channel has experienced improved foreign equity net sales.*

## Advice Channel Mutual Fund Net Sales (\$ Billions)

	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015
Income-Oriented	(0.8)	(0.5)	0.5	0.8	0.7	0.1	0.5	0.7	0.1
Balanced	1.1	2.0	3.4	2.6	2.2	1.3	3.8	2.9	1.8
Canadian equity	(0.4)	(0.1)	(0.3)	(0.5)	(0.7)	(0.8)	(1.0)	(0.8)	(1.0)
Foreign equity	0.9	1.4	1.8	0.3	<b>0.1</b>	0.4	1.6	0.7	<b>1.2</b>
Sector / other	(0.1)	(0.3)	0.2	0.2	(0.0)	0.2	0.7	0.3	0.3
Long term	0.7	2.6	5.6	3.4	<b>2.3</b>	1.1	5.6	3.8	<b>2.4</b>
Money market	0.2	0.3	0.5	0.2	0.3	0.4	0.4	0.6	0.7
Total	0.9	2.9	6.1	3.7	2.7	1.5	6.1	4.4	3.1

Source: Investor Economics data reflecting the “Funds Administration View” and excluding exchange traded funds.

“Net Sales” reflects gross sales less redemptions and is presented by Investor Economics as “Net New Money”.



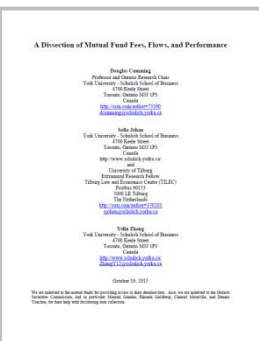
## CSA / Brondesbury Group Report (published Jun. 11, 2015)

- Important Clarification: “In our view, no empirical studies have been done to document whether investors have greater after-fee investment returns with fee-based compensation instead of commission-based compensation.” – page 20



## OSC / IIROC / MFDA Mystery Shopping for Investment Advice (published Sep. 17, 2015)

- Key Take-away: Finds the majority of the mystery shopping experiences were positive and in keeping with the rules established by regulators



## CSA / Professor Doug Cumming from York University Report (published Oct. 22, 2015)

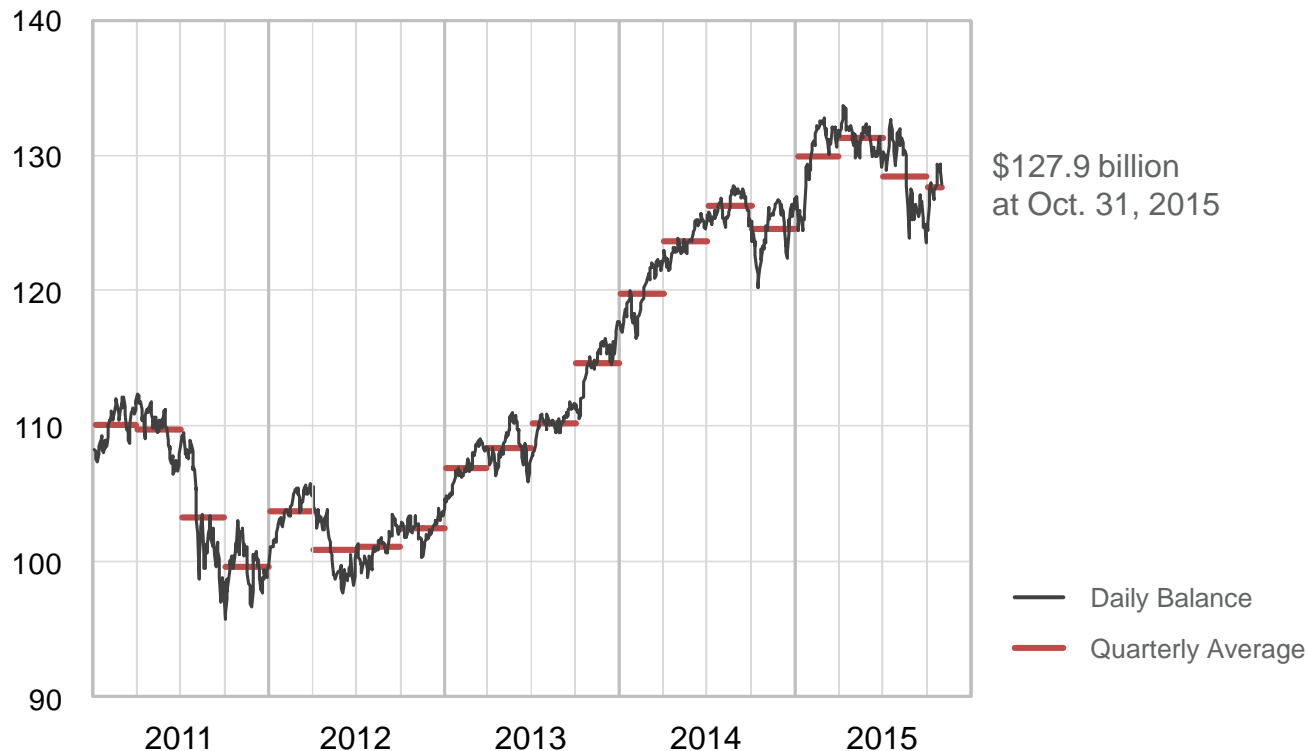
- Key Take-away: Analysis focuses on individual funds which may differ from client experience, which is of primary importance

# IGM Financial Mutual Fund Assets Under Management



- ◆ *Mutual fund assets under management declined during the third quarter and were \$127.9 billion at October 31, 2015.*

**IGM Financial Mutual Fund Assets Under Management (\$ Billions)**

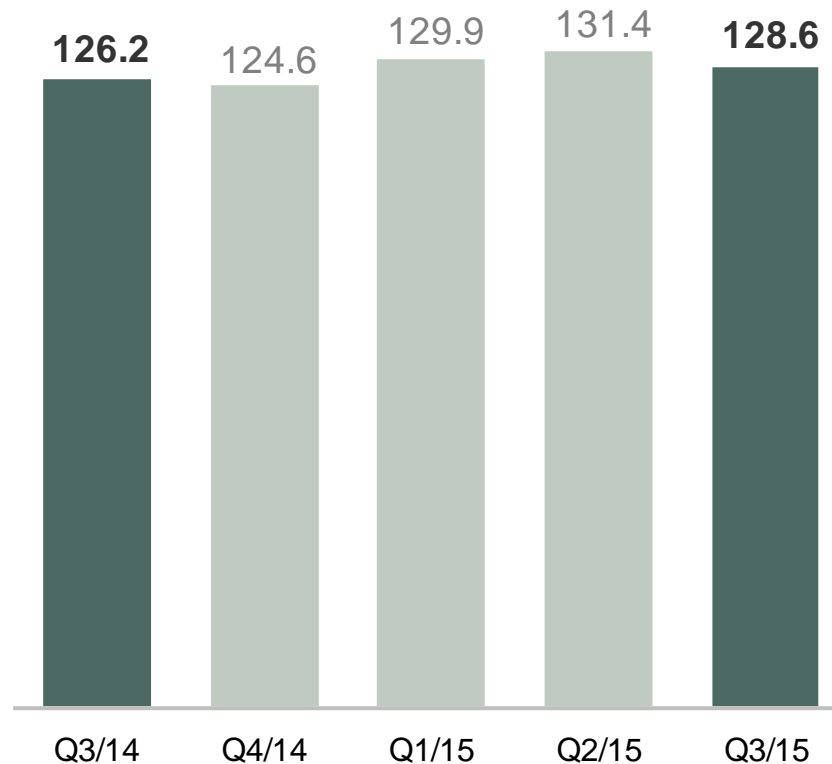


**Average Mutual Fund Assets Under Management (\$ Billions)**

Q3, 2015	128.6
Q3, 2015 versus Q2, 2015	(2.1%)
Q3, 2015 versus Q3, 2014	1.9%
Q2, 2015	131.4
Q3, 2014	126.2

- ♦ *Average mutual fund assets under management were 1.9% higher during Q3, 2015 relative to Q3, 2014.*

**Average Mutual Fund Assets Under Management  
(\$ Billions)**

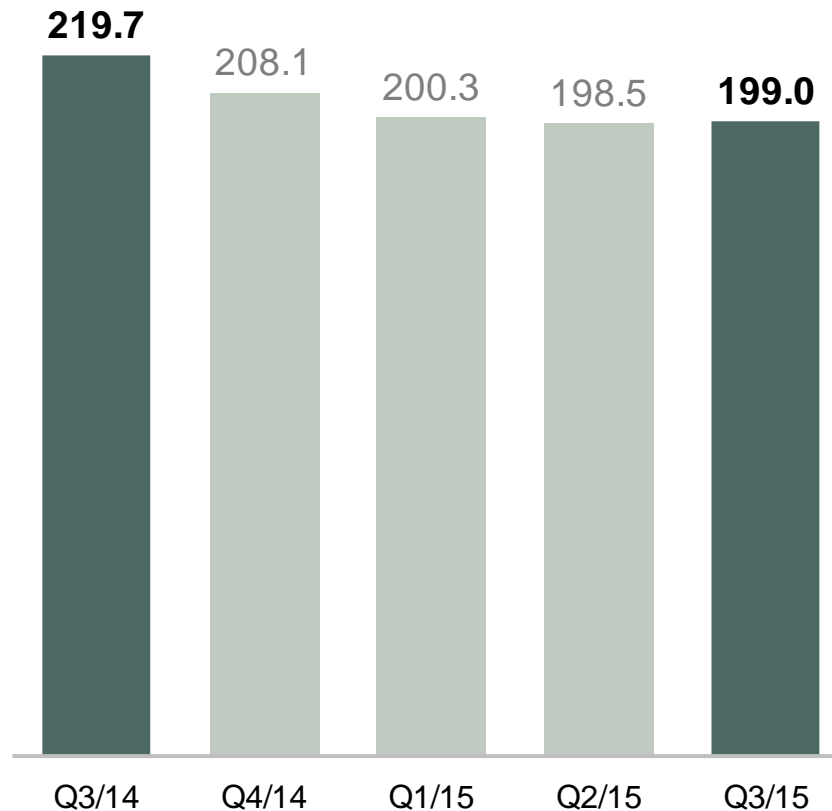




# IGM Financial Operating Earnings

- ◆ *IGM Financial's Operating Earnings were \$199.0 million during the quarter.*

Operating Earnings<sup>1</sup>  
(\$ Millions)

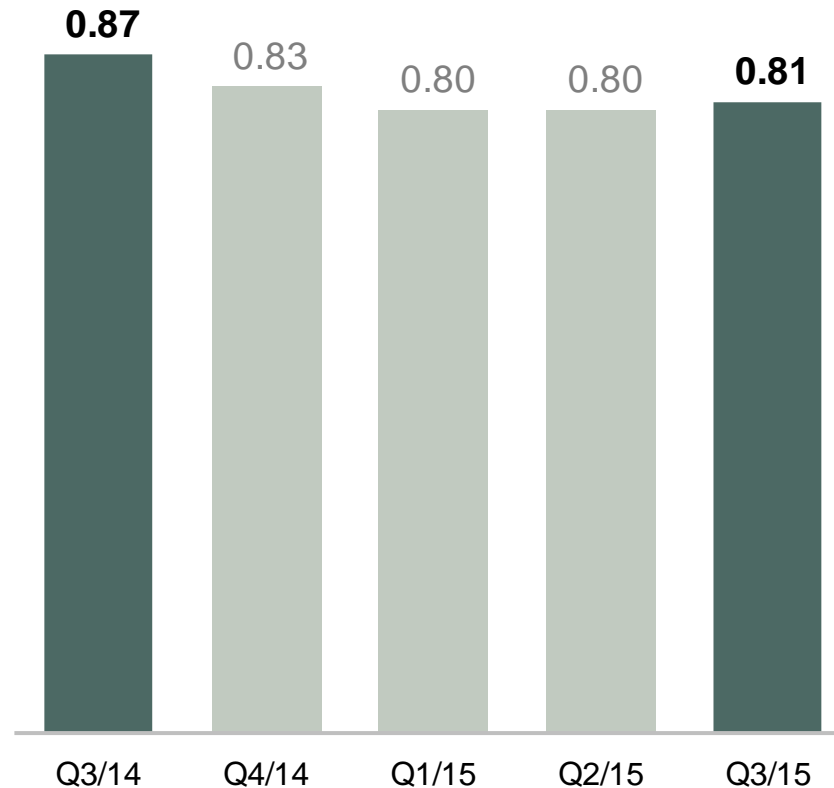


1. Please refer to slide 4 for a discussion of adjustments.

# IGM Financial Operating Earnings Per Share

- ◆ *IGM Financial's Operating Earnings Per Share were 81 cents during Q3, 2015.*

Operating Earnings per Share<sup>1</sup>  
(\$ Diluted)



1. Please refer to slide 4 for a discussion of adjustments.

1. Highlights

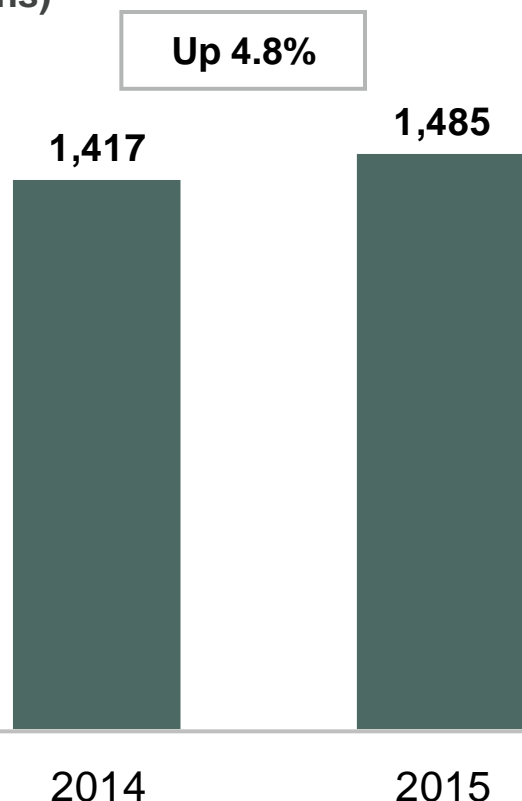
**2. Mackenzie Investments**

3. Investors Group

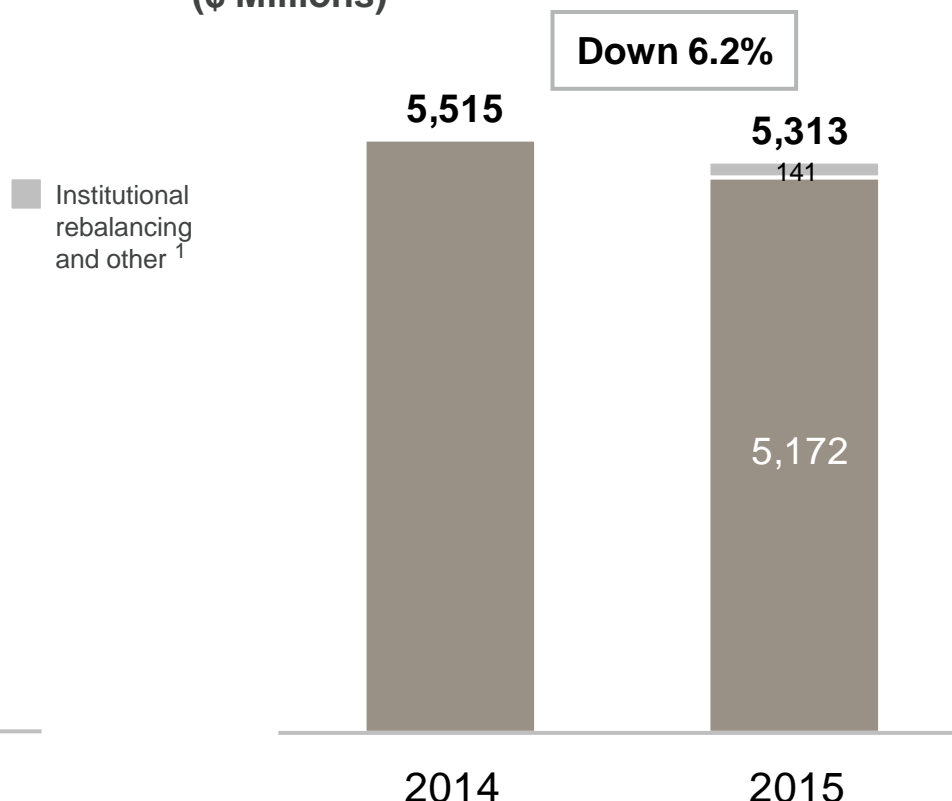
# Mackenzie Mutual Fund Gross Sales

- ◆ *Mackenzie had mutual fund gross sales of \$1.5 billion during the quarter, up 4.8% relative to Q3, 2014.*

Three months ended September 30  
(\$ Millions)



Nine months ended September 30  
(\$ Millions)



1. Q2, 2015 mutual fund flows include \$141 million of gross sales, \$597 million of redemptions and \$456 million of net redemptions related to fund allocation changes by certain third party programs which include Mackenzie mutual funds.

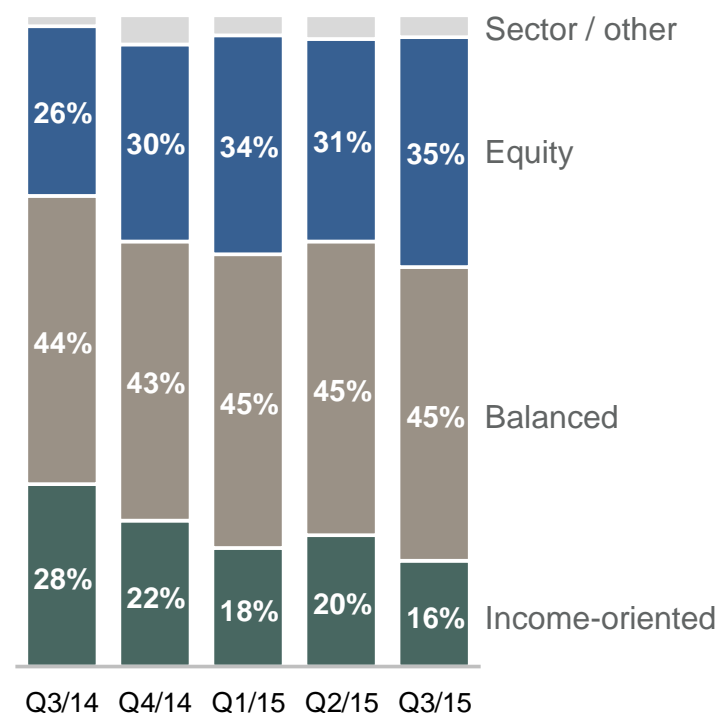
# Mackenzie Mutual Fund Gross Sales by Asset Class

- ◆ *Mackenzie experienced strong growth in foreign equity fund sales during Q3, 2015.*

**Mutual Fund Gross Sales by Asset Class**  
Three months ended September 30  
(\$ Millions)

	2014	2015	\$ Change	% Change
Income-oriented	374	228	(146)	(39.0%)
Balanced	586	631	45	7.7%
Canadian equity	54	75	21	38.9%
Foreign equity	293	417	124	42.3%
Sector / other	25	50	25	100.0%
<b>Long term</b>	<b>1,332</b>	<b>1,401</b>	<b>69</b>	<b>5.2%</b>
Money market	85	84	(1)	(1.2%)
<b>Total</b>	<b>1,417</b>	<b>1,485</b>	<b>68</b>	<b>4.8%</b>

**Gross Sales Mix of Long Term Mutual Funds <sup>1</sup>**  
by Asset Class

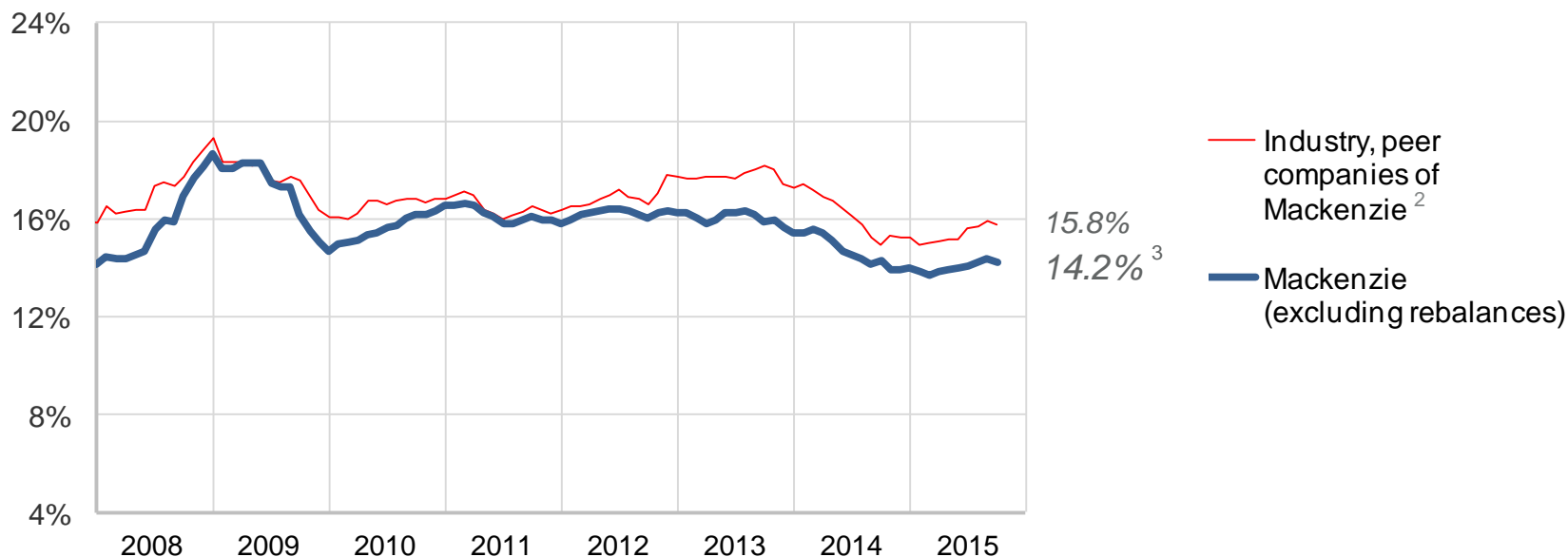


1. Prior periods have been adjusted to remove the impact of significant rebalancing activity.

# Mackenzie Mutual Fund Redemption Rate

- ◆ ***Mackenzie's twelve month trailing redemption rate on long term mutual funds was 14.2% at September 30, 2015.***

**Redemption Rate on Long Term Mutual Funds<sup>1</sup>**  
**(Last Twelve Month Trailing % of Average Assets Under Management)**



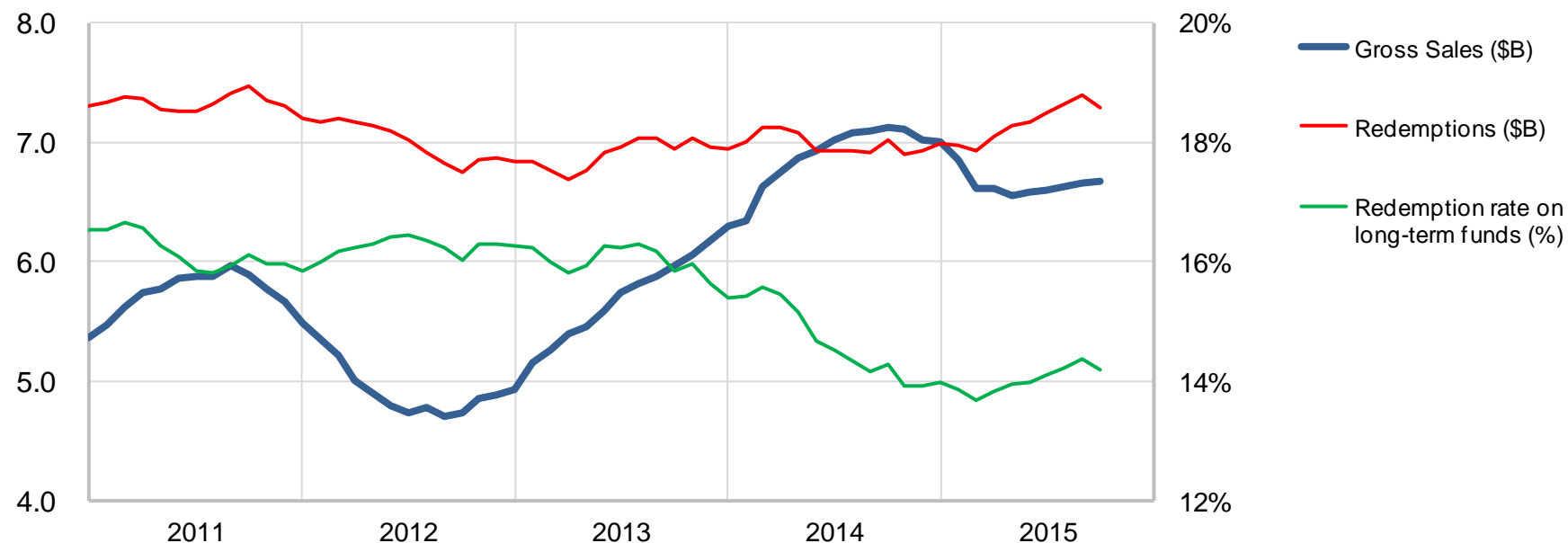
1. All numbers have been restated to exclude CI Investments and Invesco at the time that they discontinued reporting to IFIC. CI discontinued reporting to IFIC during December, 2008 and Invesco discontinued reporting to IFIC October, 2010.
2. Excludes Mackenzie, Investors Group, deposit takers and direct distributors.
3. Redemption rate excludes \$597 million and \$284 million of redemptions during Q2, 2015 and Q4, 2014, respectively, related to fund allocation changes by certain third party programs which include Mackenzie mutual funds. Prior periods have been adjusted to remove the impact of significant rebalancing activity.

# Mackenzie LTM Mutual Fund Sales

- ◆ *Mackenzie's mutual fund gross sales have improved slightly over the past five months.*

**Mutual Fund Gross Sales and Redemptions<sup>1</sup>**  
(Last Twelve Month Trailing - \$ Billions)

**Redemption Rate<sup>1</sup>**

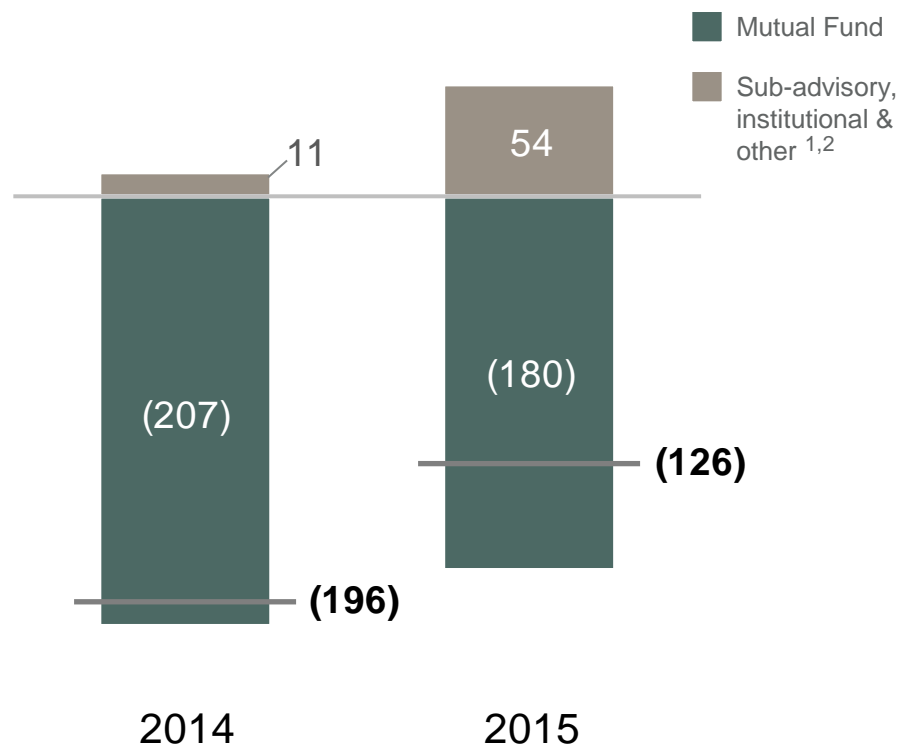


1. Q2, 2015 mutual fund flows include \$141 million of gross sales, \$597 million of redemptions and \$456 million of net redemptions related to fund allocation changes by certain third party programs which include Mackenzie mutual funds. Q4, 2014 mutual fund flows excludes \$62 million of gross sales, \$284 million of redemptions and \$222 million of net redemptions related to fund allocation changes by a third party investment program which includes Mackenzie mutual funds. Prior periods have been adjusted to remove the impact of significant rebalancing activity.

# Mackenzie Total Investment Product Net Sales

- ◆ *Mackenzie had total investment product net redemptions of \$126 million during Q3, 2015.*

**Total Investment Product Net Sales**  
Three months ended September 30  
(\$ Millions)



**Mutual Fund Net Sales by Asset Class**  
Three months ended September 30  
(\$ Millions)

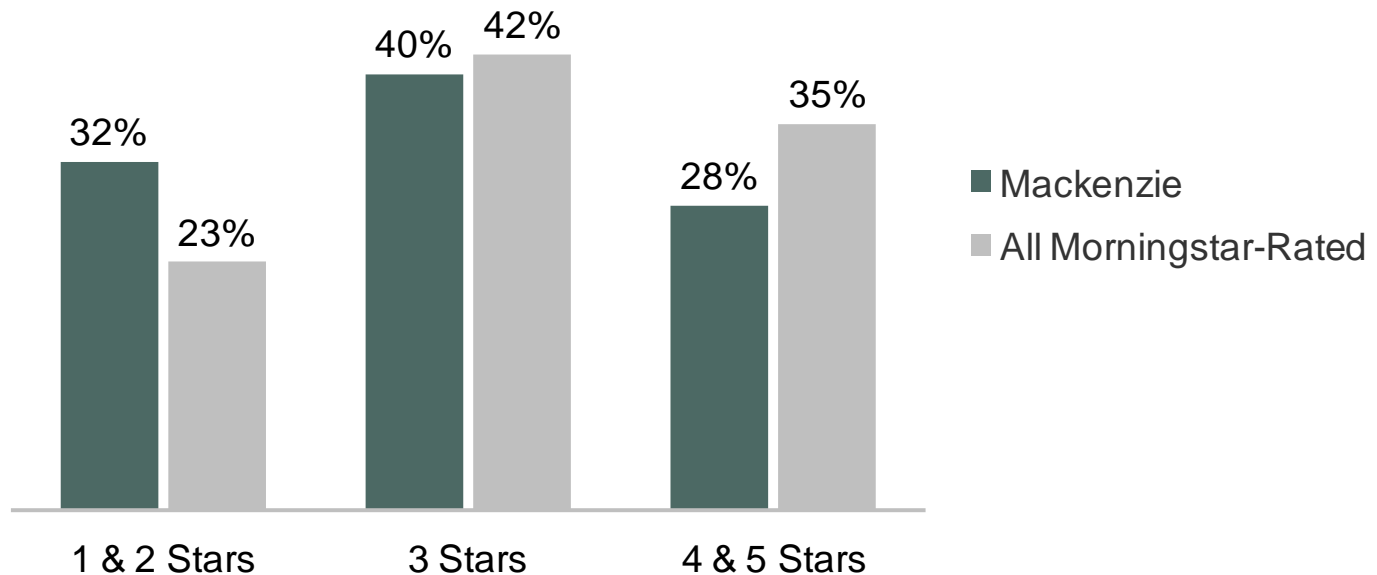
	2014	2015	\$ Change
Income-oriented	71	(138)	(209)
Balanced	127	119	(8)
Canadian equity	(124)	(90)	34
Foreign equity	(257)	(93)	164
Sector / other	(42)	7	49
<b>Long term</b>	<b>(224)</b>	<b>(195)</b>	<b>29</b>
Money market	17	15	(2)
<b>Total</b>	<b>(207)</b>	<b>(180)</b>	<b>27</b>

1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.  
2. Excludes net redemptions of \$905 million related to tactical rebalances by an institutional client during Q3, 2014.



- ◆ *68% of mutual fund assets managed by Mackenzie reside in funds with a 3, 4 or 5 star Morningstar rating.*

**Morningstar Ratings – Proportion of Morningstar-Rated Assets<sup>1</sup>**  
As at September 30, 2015

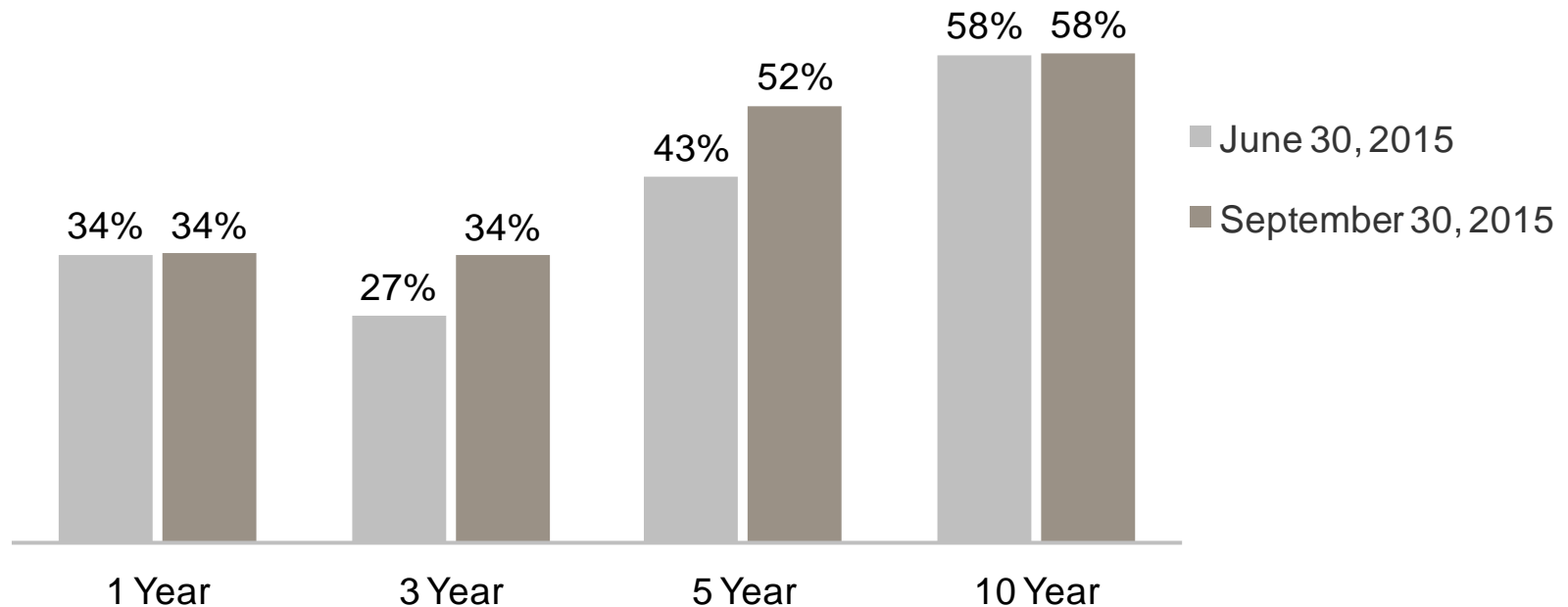


Source: Morningstar

1. Excludes Quadrus funds.

- ◆ *Over 50% of mutual fund assets managed by Mackenzie reside in funds with first or second quartile rankings over the five and ten year periods.*

**Mackenzie Mutual Funds in First or Second Quartile<sup>1</sup>  
Proportion of Assets**



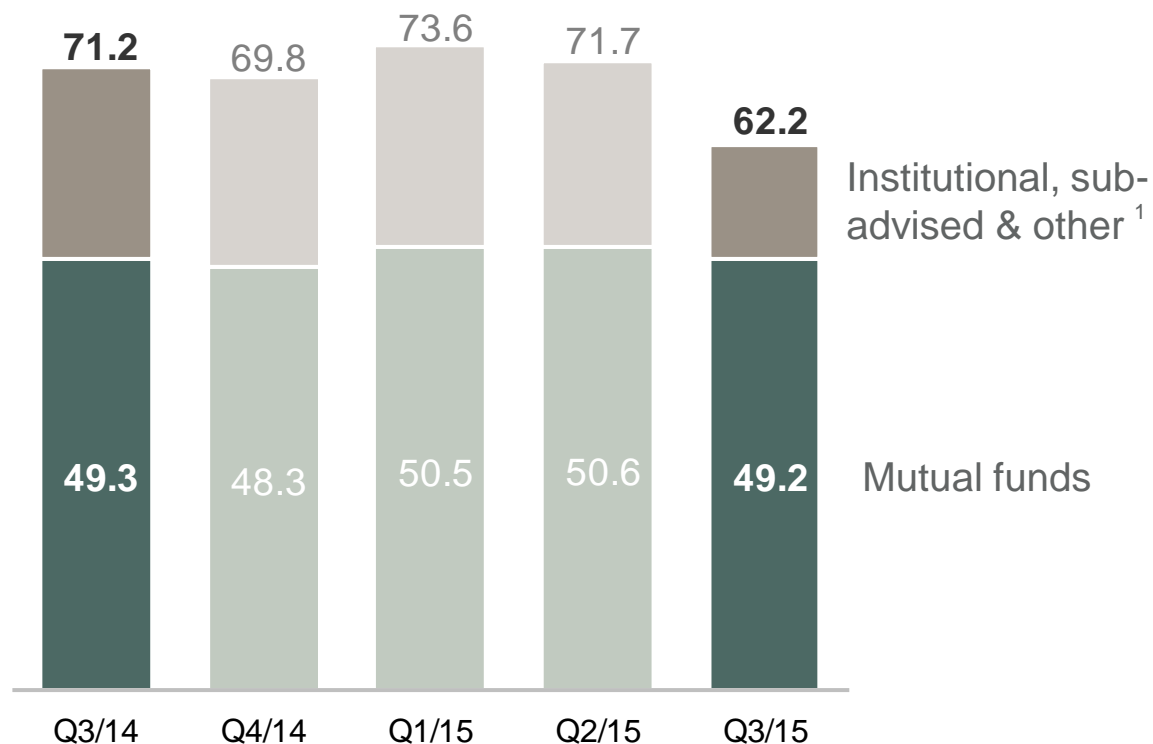
Source: Morningstar

1. Excludes Quadrus funds.

# Mackenzie Assets Under Management

- ♦ *The average balance of mutual fund assets under management was 0.2% lower during Q3, 2015 relative to Q3, 2014.*

Average Assets Under Management  
(\$ Billions)

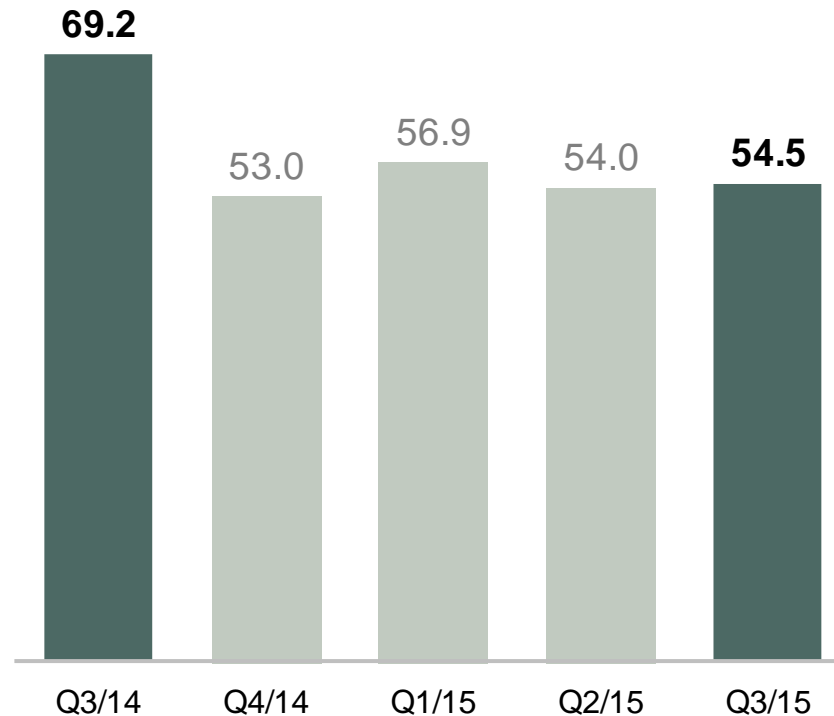


1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.

# Mackenzie Operating Segment – EBIT

- ◆ *Mackenzie's Earnings before Interest and Taxes were \$54.5 million during Q3, 2015.*

Earnings before Interest & Taxes  
(\$ Millions)



# Mackenzie Operating Segment – EBIT

- ◆ *Mackenzie's Earnings before Interest and Taxes were \$54.5 million during Q3, 2015.*

Three months ended September 30  
(\$ Millions, unless otherwise indicated)

	2014	2015	Change
Average assets under management (\$ billions)			
Total	71.2	62.2	(12.6%)
Mutual funds	49.3	49.2	(0.2%)
Revenues			
Management fees	181.3	173.8	(4.1%)
Administration fees	26.7	24.3	(9.0%)
Distribution fees	2.7	2.5	(7.4%)
	<u>210.7</u>	<u>200.6</u>	(4.8%)
Net investment income and other	1.4	0.7	(50.0%)
Total	<u>212.1</u>	<u>201.3</u>	(5.1%)
Expenses			
Commission amortization	15.4	14.1	(8.4%)
Trailing commission	60.0	61.2	2.0%
Commission	<u>75.4</u>	<u>75.3</u>	(0.1%)
Non-commission	67.5	71.5	5.9%
Total	<u>142.9</u>	<u>146.8</u>	2.7%
Earnings before Interest and Taxes	<u><b>69.2</b></u>	<u><b>54.5</b></u>	(21.2%)

## 1. Brand & Advertising

- During October, launched a new brand identity that reflects the company's values, goals and strengths, including its unique heritage as a firm committed to innovation and thought leadership.



**MACKENZIE** | **CONFIDENCE**  
Investments IN A CHANGING WORLD

## 2. Investment Management

- During August, the **Mackenzie Systematic Strategies Team** was formed. This new Team will look to combine all of Mackenzie's research insights with a rigorous and disciplined portfolio construction process in the mandates it oversees.

## 3. Product Enhancements

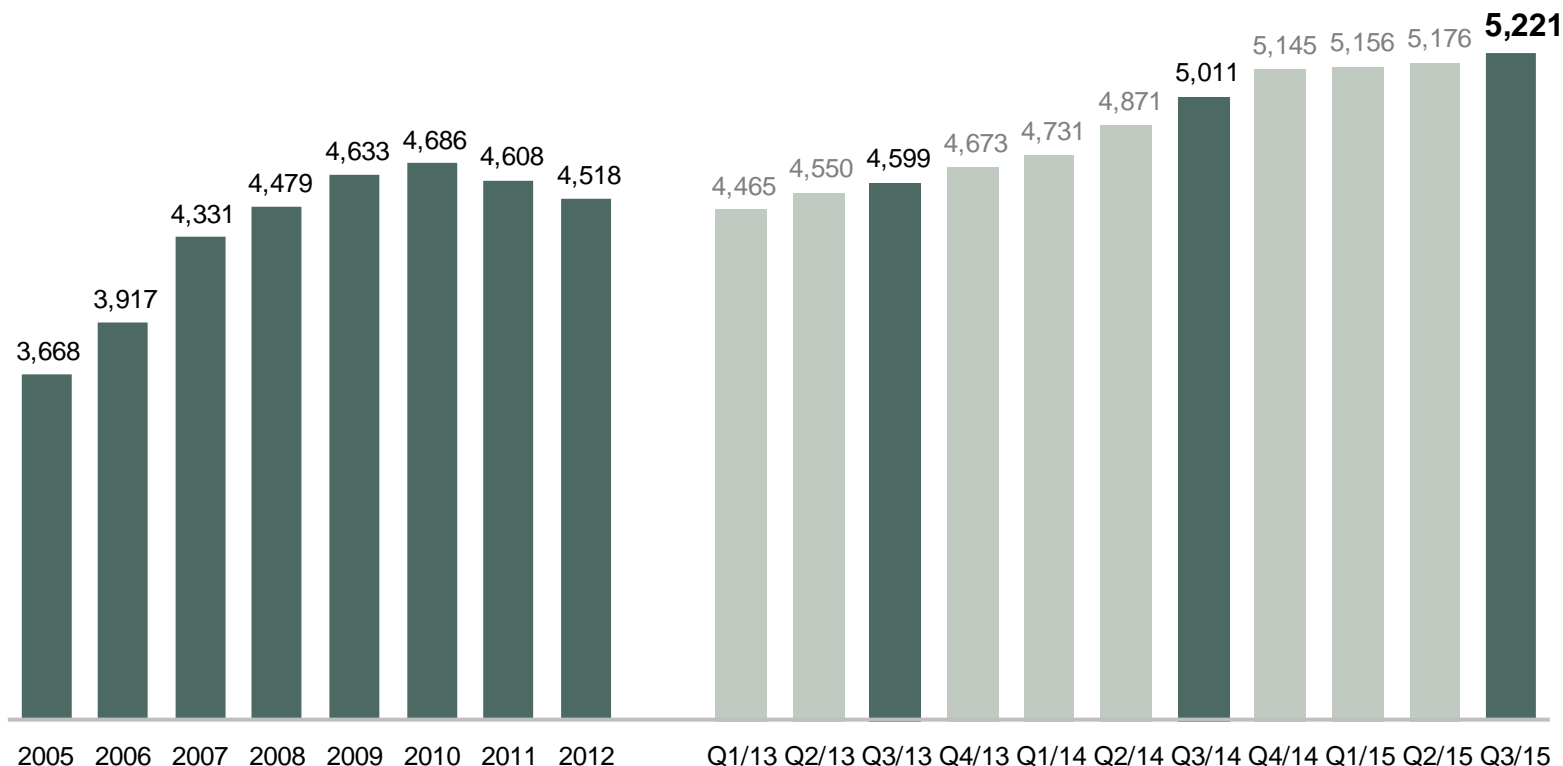
- Launched the **Mackenzie Diversified Alternatives Fund**, which offers a one-stop, broadly diversified portfolio of alternative asset classes such as real estate, infrastructure, emerging market debt, micro cap equities, high yield, foreign currencies, preferred shares and commodities. The fund is managed by the Mackenzie Systematic Strategies Team.

1. Highlights
2. Mackenzie Investments
- 3. Investors Group**

# Investors Group Consultant Network

- ◆ *Investors Group had a Consultant network of 5,221 at September 30, 2015. This represents the highest level in the history of the company.*

Number of Investors Group Consultants  
As at December 31 (unless otherwise indicated)

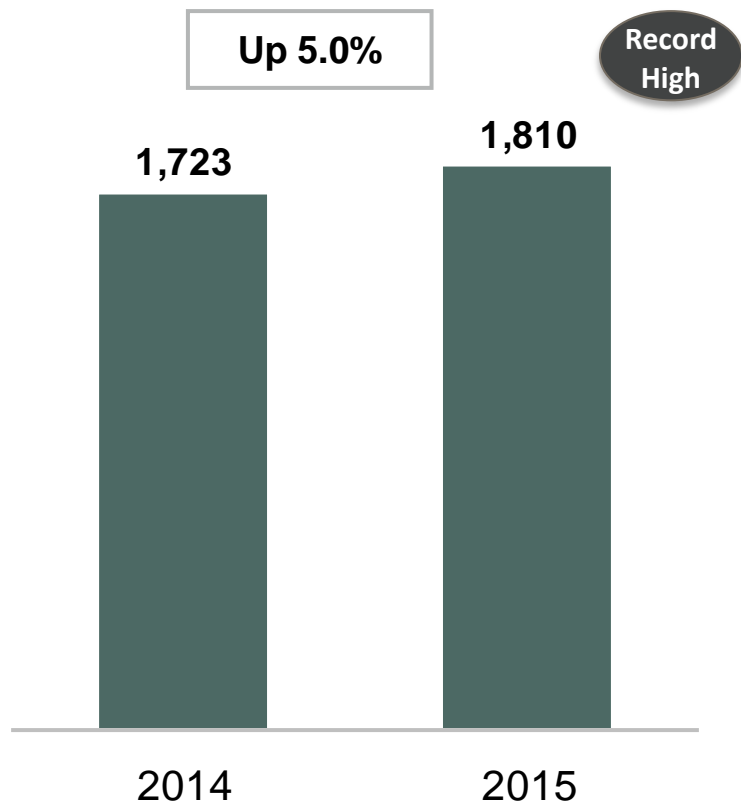




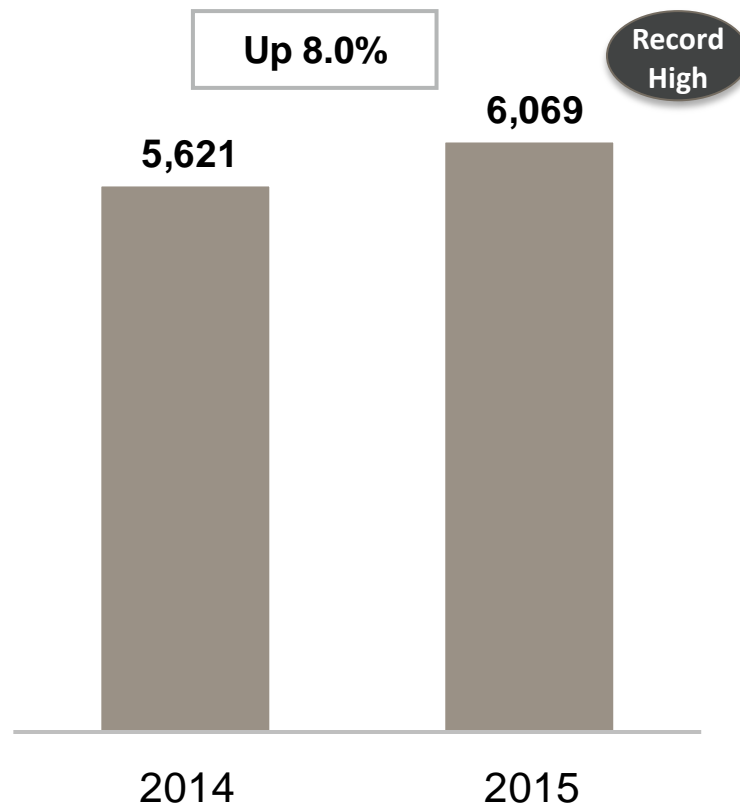
# Investors Group Mutual Fund Gross Sales

- Investors Group had gross sales of \$1.8 billion during Q3, 2015 and \$6.1 billion year to date.

Three months ended September 30  
(\$ Millions)



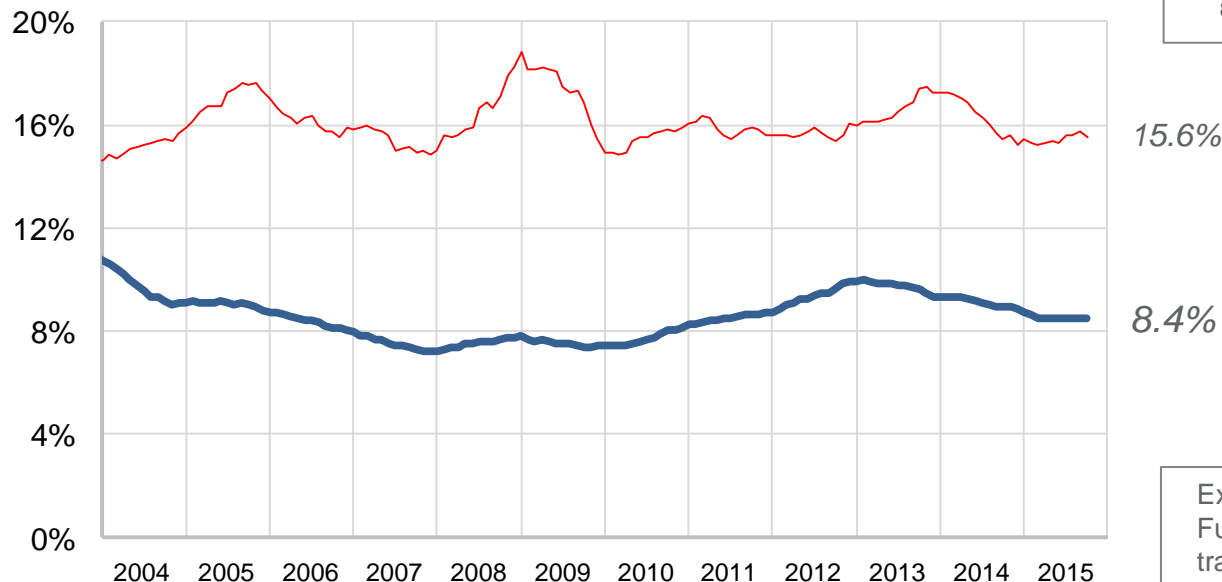
Nine months ended September 30  
(\$ Millions)



# Investors Group Mutual Fund Redemption Rate

- Investors Group's twelve month trailing redemption rate on long term mutual funds was 8.4% at September 30, 2015, well below the industry average.

**Redemption Rate on Long Term Mutual Funds<sup>1</sup>**  
 (Last Twelve Month Trailing % of Average Assets Under Management)



**Quarterly Annualized Redemption Rate on Long Term Mutual Funds**

Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015
8.3%	8.1%	8.8%	8.9%	8.1%

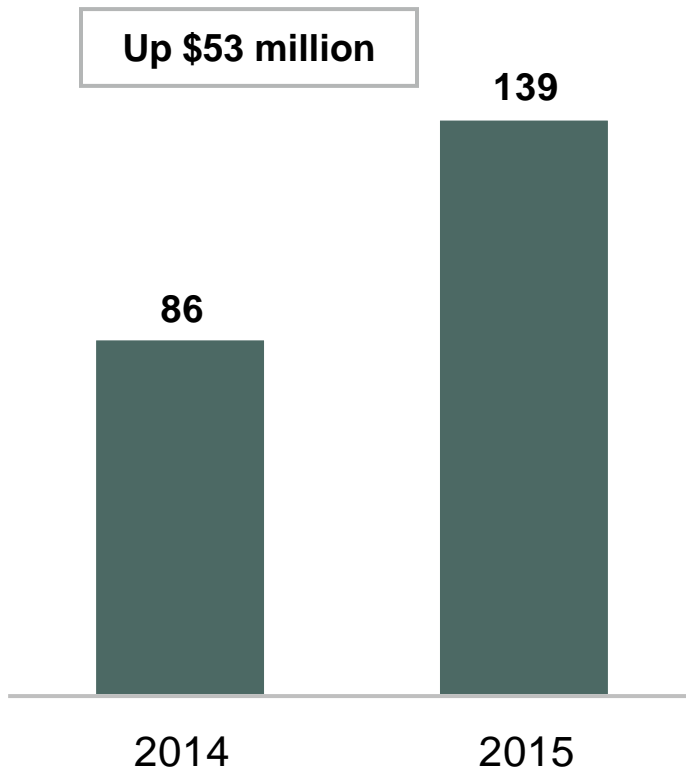
Excluding redemption activity in Cornerstone Funds (money market substitutes) and transfers to Guaranteed Investment Funds (GIFs), the last twelve month trailing redemption rate on long term mutual funds at September 30, 2015 would have been 8.2%.

1. All numbers exclude CI Investments and Invesco from the date that they discontinued reporting to IFIC. CI discontinued reporting to IFIC during December, 2008 and Invesco discontinued reporting to IFIC during October, 2010.

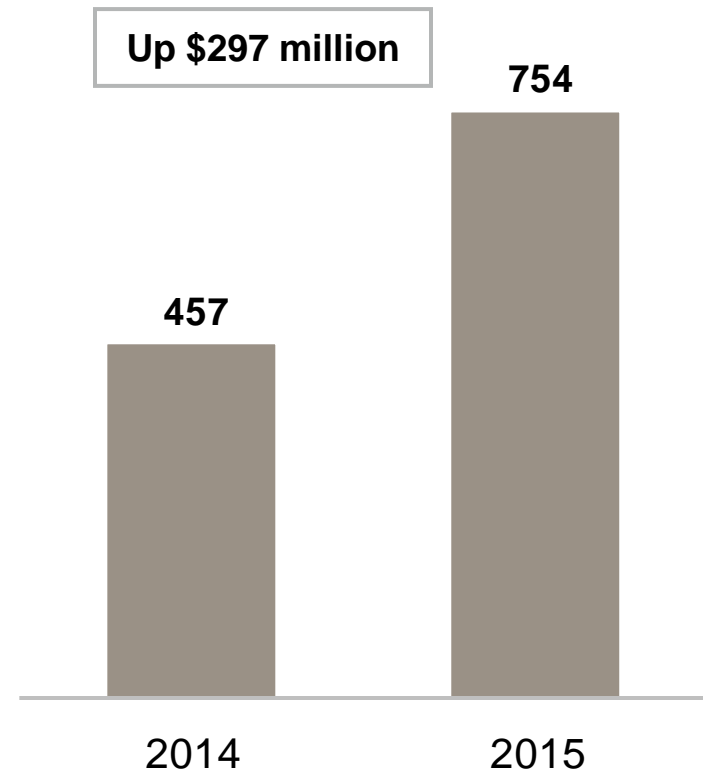
# Investors Group Mutual Fund Net Sales

- ◆ *Investors Group had net sales of \$139 million during the third quarter and \$754 million year to date.*

Three months ended September 30  
(\$ Millions)



Nine months ended September 30  
(\$ Millions)

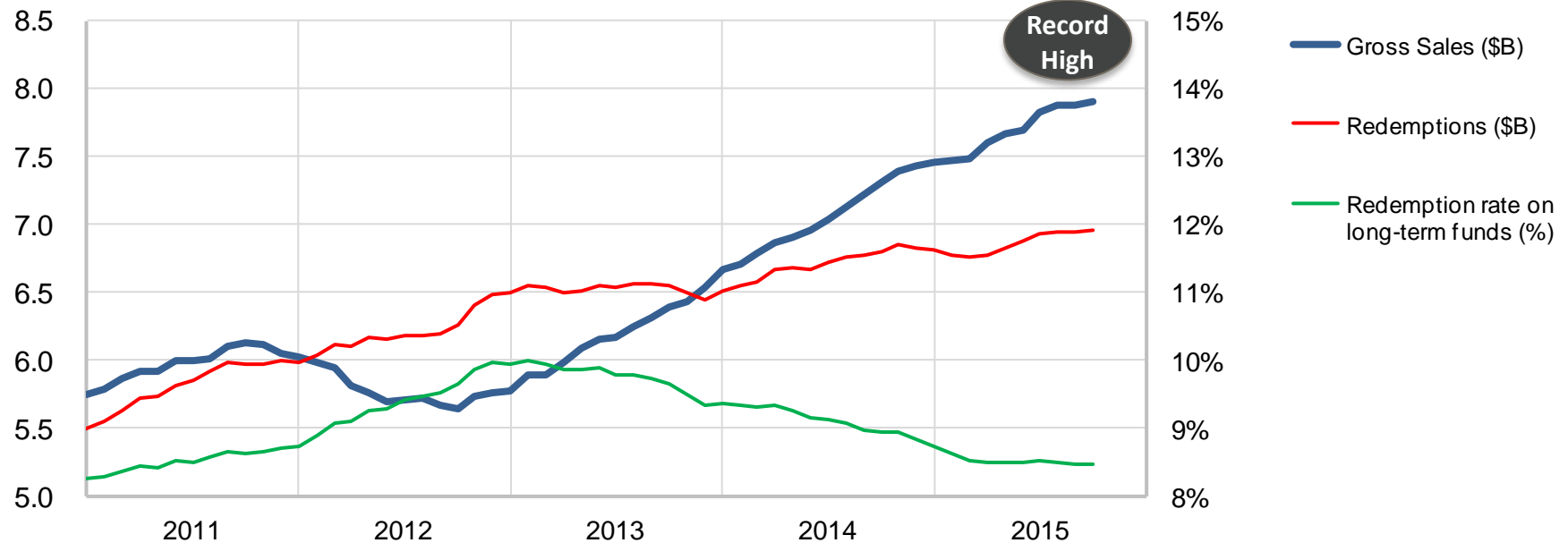


# Investors Group LTM Mutual Fund Sales

- ◆ *Investors Group has experienced continuing sales momentum.*

**Mutual Fund Gross Sales and Redemptions**  
(Last Twelve Month Trailing - \$ Billions)

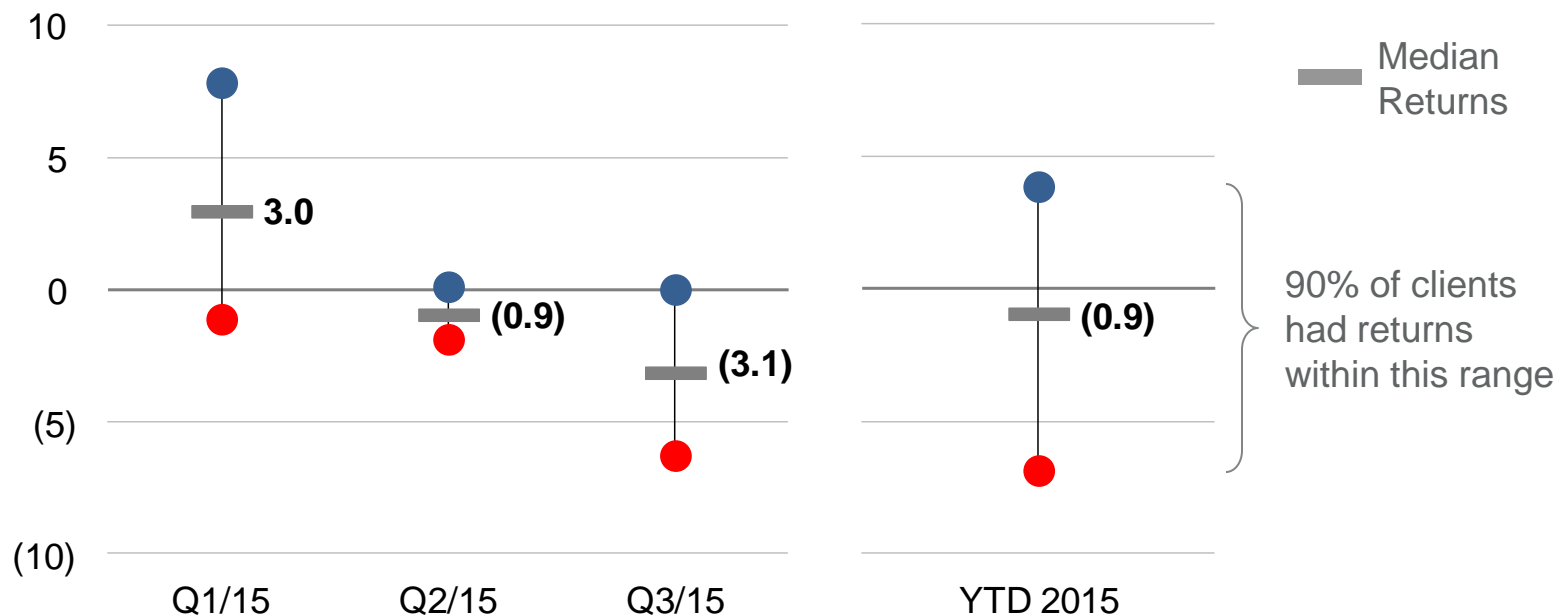
**Redemption Rate**



# Investors Group Client Experience

- ◆ *The median Investors Group client return was approximately negative 0.9% year to date.*
- ◆ *Investors Group added multi-period account rate of return reporting to most client statements for June 30, 2015, two full years ahead of its CRM2 deadline.*

Investors Group Client Account Rate of Return Experience (%)

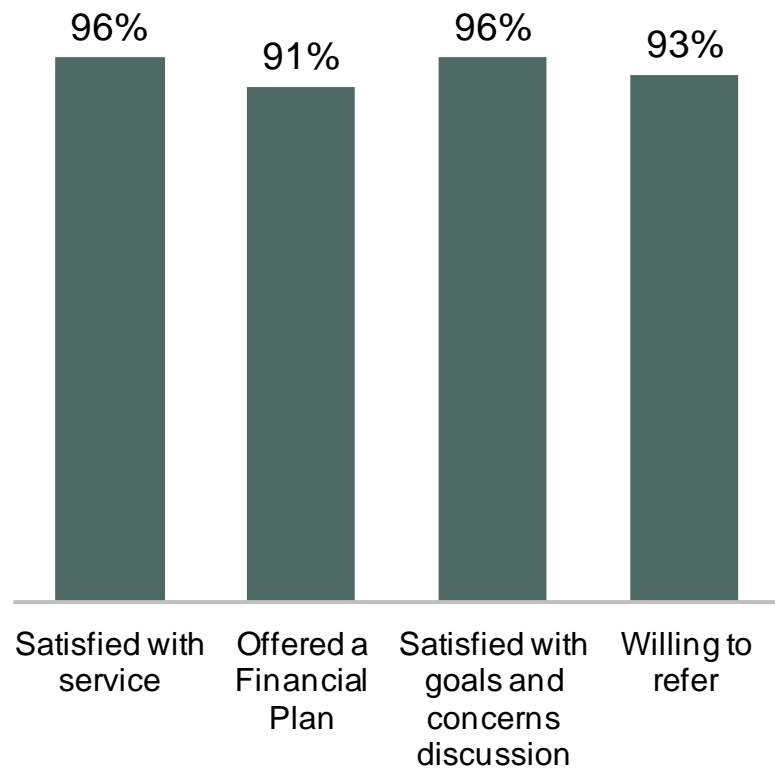


# Investors Group Client Experience Survey

- ◆ *Ongoing surveys of our clients indicate a strong appreciation of the value of advice and service provided by our Consultants.*

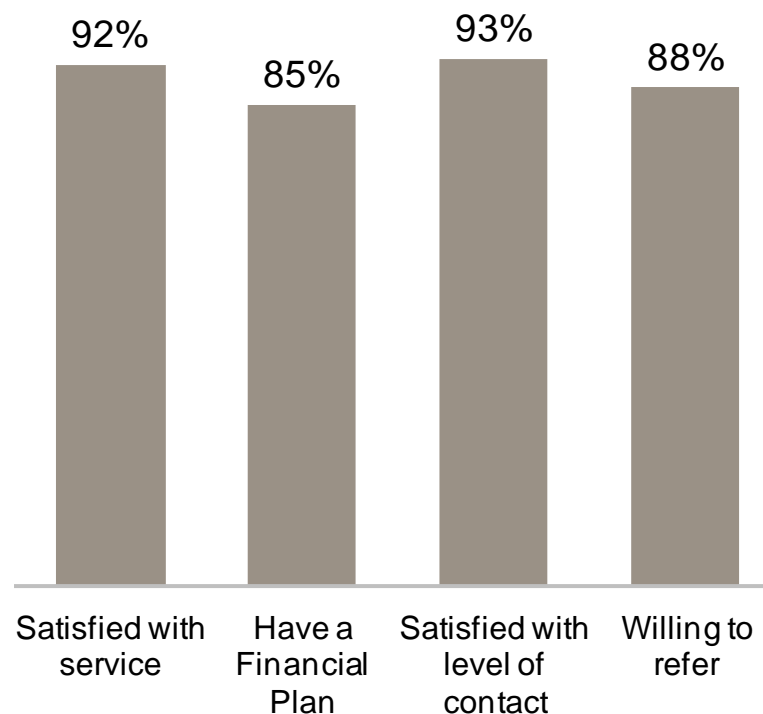
## New Clients

Twelve months ended September 30, 2015



## Existing Clients

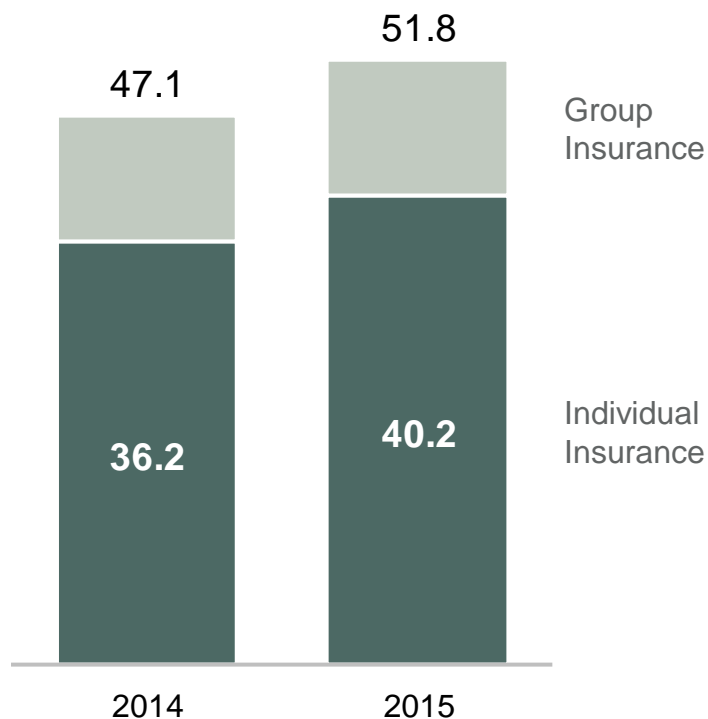
Twelve months ended September 30, 2015



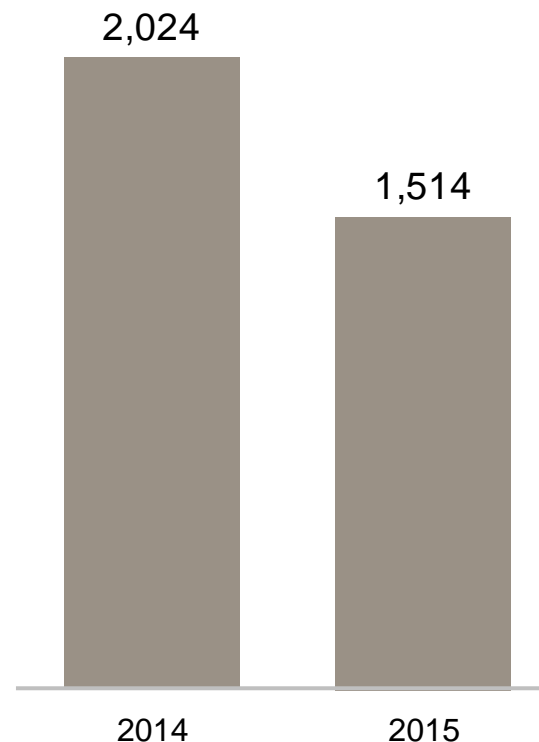
# Investors Group Insurance and Mortgage Distribution

- ◆ *Investors Group individual insurance product sales increased by 10.9% year to date 2015 and mortgage fundings declined in part due to a complementary offering in Solutions Banking.*

**New Annualized Insurance Premiums**  
Nine months ended September 30  
(\$ Millions)

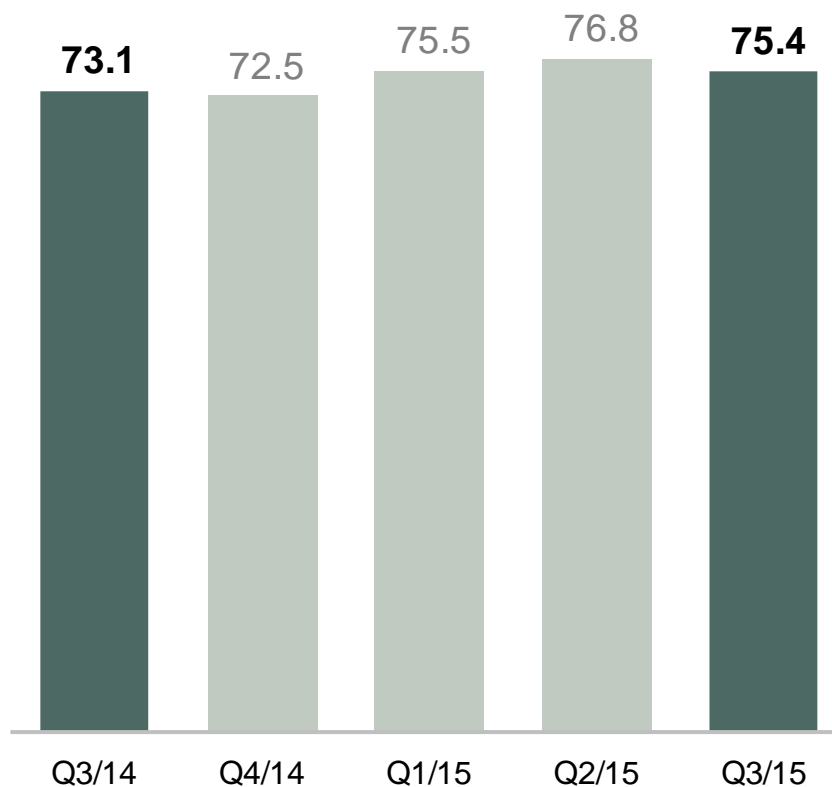


**Mortgage Fundings**  
Nine months ended September 30  
(\$ Millions)



- ♦ *The average balance of mutual fund assets under management was 3.0% higher during Q3, 2015 relative to Q3, 2014.*

Average Assets Under Management  
(\$ Billions)

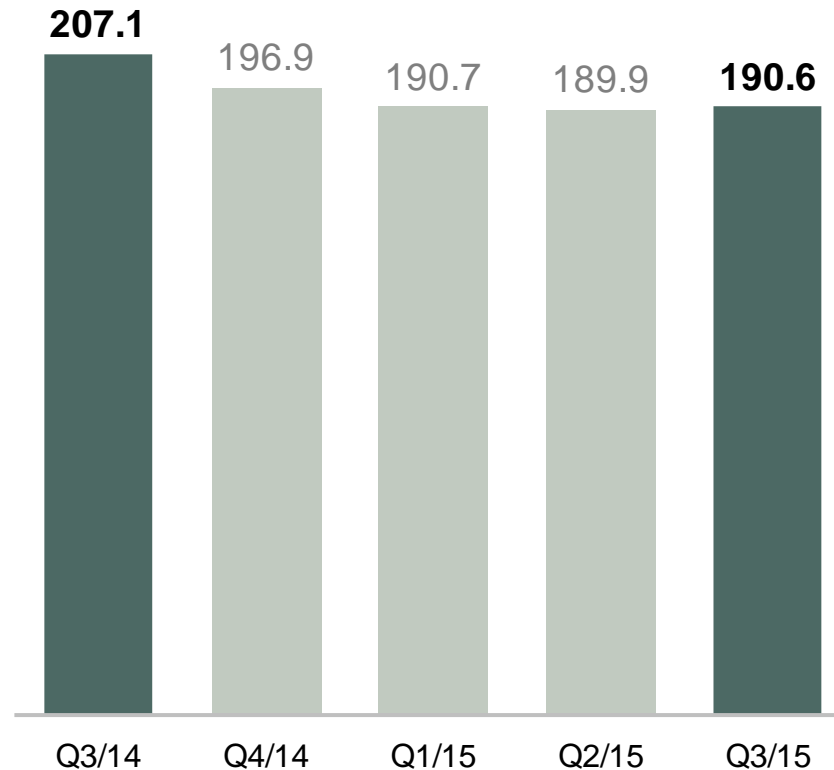




# Investors Group Operating Segment – EBIT

- ◆ *Investors Group's Earnings before Interest & Taxes decreased by 8.0% during Q3, 2015 relative to Q3, 2014.*

Earnings before Interest & Taxes<sup>1</sup>  
(\$ Millions)



1. Please refer to slide 4 for a discussion of adjustments.

# Investors Group Operating Segment – EBIT

- ◆ *Investors Group's Earnings before Interest & Taxes were \$190.6 million during Q3, 2015.*

Three months ended September 30  
(\$ Millions, unless otherwise indicated)

	<u>2014</u>	<u>2015</u>	<u>Change</u>
Average mutual fund assets under management (\$ billions)	73.1	75.4	3.0%
Revenues			
Management fees	321.2	319.3	(0.6%)
Administration fees	<u>71.9</u>	<u>76.1</u>	5.8%
	393.1	395.4	0.6%
Distribution fees	<u>41.5</u>	<u>47.0</u>	13.3%
	434.6	442.4	1.8%
Net investment income and other	<u>16.5</u>	<u>16.8</u>	1.8%
Total	<u>451.1</u>	<u>459.2</u>	1.8%
Expenses			
Commission amortization	40.4	42.3	4.7%
Other commission	<u>93.7</u>	<u>102.6</u>	9.5%
Commission	<u>134.1</u>	<u>144.9</u>	8.1%
Non-commission	<u>109.9</u>	<u>123.7</u>	12.6%
Total	<u>244.0</u>	<u>268.6</u>	10.1%
Earnings before Interest and Taxes (EBIT)	<u>207.1</u>	<u>190.6</u>	(8.0%)

- Pension expense up \$2.4 million versus Q3/14 due to lower interest rates
- Excluding the increased pension expense, non-commission expenses were up 10.4%

## 1. Brand & Advertising

- Enhancing brand through newly launched Investors Group national advertising campaign focused on memorable events, with the tagline: “Invest in Life”.
- Refreshed Investors Group website highlights the six elements of our financial plans (Investments, Tax Planning, Retirement, Estate Planning, Insurance, Mortgages) in engaging ways.

## 2. Consultant Network Growth

- The Consultant network grew to an all time record high of 5,221.

## 3. Product Enhancements

- Successful launch of Maestro Portfolios, with assets growing to \$225 million at the end of the quarter. These portfolios combine a long-term investment management outlook with dynamic asset allocation strategies.
- All-in-one banking product, now available through Solutions Banking, combines a client’s mortgage and line of credit into one product. This provides diversification in mortgage funding sources and is an attractive offering for the high net worth segment.

## 4. Unbundled Fee Structures & High Net Worth Series

- Client assets in mutual fund series with differentiated HNW pricing and/or unbundled fee structures combined represent 36.9% of Investors Group’s mutual fund assets at September 30, 2015.
- Client assets in unbundled fee structures (Series U and iProfile) were \$4.7 billion at September 30, 2015, up 119% during the last twelve months. This represents 6.4% of Investors Group’s mutual fund assets.



## INVESTOR DAY 2015

### **Upcoming Event: IGM Financial's inaugural Investor Day**

- November 20, 2015 in Toronto, Canada – registration & continental breakfast begins 7:30am local time
- Opportunity to hear from IGM Financial and operating company leadership on short-term and long-term strategies and priorities