



IGM
Financial™

IGM FINANCIAL Q4, 2016 Results

February 10th, 2017

STRENGTH | FOCUS | GROWTH



IGM Financial – Conference Call Participants

Paul W. Hancock	Kevin E. Regan	Jeffrey R. Carney	Barry S. McInerney
Vice-President, Finance and Investor Relations, IGM Financial	Executive Vice- President & CFO, IGM Financial	President & CEO, IGM Financial and President & CEO, Investors Group	President & CEO, Mackenzie

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.

Non-IFRS Financial Measures and Additional IFRS Measures

- 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, 2015 excluded an after-tax charge of \$24.3 million related to restructuring and other charges. This amount primarily reflects severance and payments to third parties related to exiting certain investment management activities and third party back office relationships. The largest components of these activities relate to:
 - Mackenzie - closing the investment management office in Singapore as well as implementing other personnel changes, in order to redeploy resources towards other corporate priorities, which management believes will provide greater benefits to Mackenzie over time.
 - Investors Group - introducing a new in-house dealer platform for nominee accounts and exiting its current relationship with its third party carrying broker. This new platform will enhance the service experience to Consultants and clients and is intended to achieve efficiencies over the long term.
- “Operating Earnings” and “Operating Earnings Per Share” for the three months ended December 31, 2016 excluded \$34.0 million which consisted of a favourable change in income tax provision estimates related to certain tax filings.

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 Q4, 2016 results issued February 10, 2017:
 - IGM Financial Q4, 2016 financial results press release. This press release includes financial highlights as well as a summary earnings statement.
 - IGM Financial Q4, 2016 Consolidated Financial Statements and Notes.
 - IGM Financial Q4, 2016 Management's Discussion and Analysis ("MD&A").
 - IGM Financial Q4, 2016 Supplemental Information.
2. IGM Financial January, 2017 Mutual Fund Sales and Total Assets Under Management press release issued February 2, 2017.
3. IGM Financial January 5, 2017 management presentation and webcast on acquiring an interest in China Asset Management Co., Ltd.
4. IGM Financial December 29, 2016 and January 5, 2017 press releases announcing acquisition of a 10% and 3.9% interest in China Asset Management Co., Ltd.
5. IGM Financial 2015 Annual Report which was issued on March 17, 2016.
6. IGM Financial 2015 Corporate Responsibility Report issued July 21, 2016.

Each of these documents are available on the Company's website at www.igmfinc.com and/or at www.sedar.com.

Agenda for Today's Call

1. IGM Highlights
2. Investors Group
3. Mackenzie Investments

IGM Financial Highlights of Fourth Quarter Results

Financial Results

- Net earnings were \$233MM which included a \$34MM benefit reflecting a reduction in income tax estimates related to certain tax filings
- Operating earnings were \$199.0MM versus \$198.2MM last year and \$197.6MM during the prior quarter
- Operating earnings per share for the quarter were \$0.83 versus \$0.81 last year and \$0.82 during the prior quarter
- Quarterly dividend of \$0.5625, unchanged from prior quarter

Mutual Fund AUM & Flows

- Fourth quarter 2016 average mutual fund AUM was \$134.7B, compared to \$127.8B last year and \$132.2B for the prior quarter
- Gross sales up 16% yoy, versus approximately 3% for the industry
- Strong improvement in mutual fund net sales to \$263MM

Other Items

- Strategic investment in China AMC enhances growth opportunities and new product and distribution opportunities
- Additional FinTech investments in Personal Capital, WealthSimple and Portag3 Ventures, a partnership with Power Financial Corporation and Great-West Lifeco Inc., to invest in early stage innovative financial services companies
- Debt financing completed for China AMC acquisition

Operating Environment

Financial Markets

- The S&P TSX Composite Index rose 3.8% in the quarter and was up 21.1% on a total return basis for the year making it one of the best performers among developed equity markets in 2016
- U.S. and European equity indices also experienced strong returns
- Canadian dollar weakened in the quarter relative to the U.S. dollar

Industry Assets and Flows

- Industry long-term mutual fund assets increased 1.4% in the quarter
- Total industry mutual fund net sales were \$5.7B during the quarter, down from \$7.3B in the same period last year
- Balanced and income oriented categories captured the majority of net sales in the quarter

Industry Flows by Channel

- Advice channel mutual fund gross sales increased 1.0% in the quarter compared to the same period last year while net sales declined from \$3.4B to \$0.5B
- Deposit takers mutual fund gross sales increased by 5.5% compared to the same period last year and net sales increased from \$3.3B to \$4.6B

Strategic Investment in Leading Chinese Asset Manager



IGM Financial to acquire 13.9% strategic interest in China AMC¹

- CAD\$647MM investment
- IGM and Power Corp to collectively own 27.8% of China AMC
- AUM of RMB¥1,100B (CAD\$215B) at 6/30/2016, 41% CAGR since 2011
- Net earnings of RMB¥1,414MM (CAD\$289MM) at 12/31/15, 21% CAGR since 2011

Strategic Rationale

- 1 Diversifies IGM's business outside of Canada into a high growth market
- 2 China AMC is a leading asset manager in China²
- 3 Partnership opportunities with China AMC creates value for stakeholders
- 4 Long term earnings growth potential

Recent Regulatory Developments

CSA Consultation Paper 81-408

**Consultation on the
Option of Discontinuing
Embedded Commissions**
January 10, 2017

-
- Seeking comments on the potential impacts that a ban on embedded commissions could have on Canadian investors and market participants
 - An important consideration for any regulatory change in Canada is to preserve access to financial advice and products
 - No regulatory decisions or rule proposals have been made at this point
 - Investors Group, Mackenzie and IPC have flexible business models to adapt to regulatory changes and currently offer product options that do not have embedded commissions
-

CSA Notice and Request for Comment

**Modernization of
Investment Fund Product
Regulation – Alternative
Funds** *September 22nd, 2016*

-
- The Proposal introduces a framework for broadening investor access to “alternative funds” through a series of amendments to National Instrument 81-102 Investment Funds
 - IGM, through its operating companies is well positioned to lead in this area and support this proposed framework
-



Investors Group Fourth Quarter Review

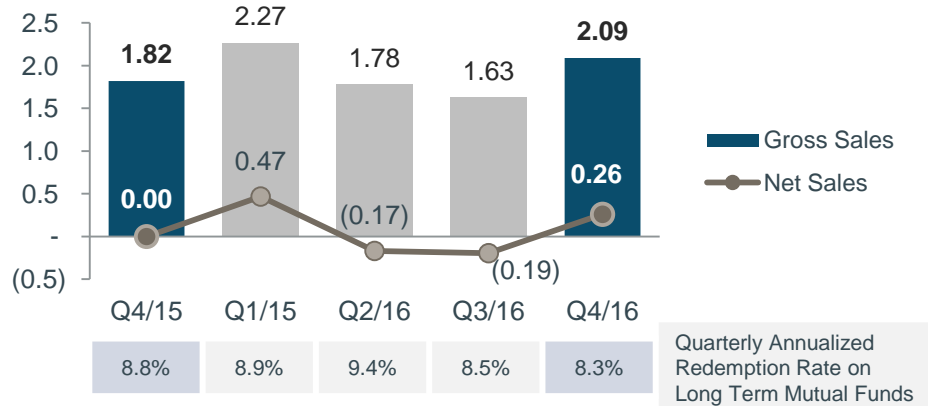
Company Highlights

- 1) Strong sales momentum
 - Q4 Mutual fund gross sales up 15% versus approximately 3% for industry
 - Best Q4 net sales since 2007, up \$261 million
 - Solid asset retention, with redemption rate of 8.3% down from 8.8% last year
- 2) New Consultant network enhancements focusing on quality
- 3) Successful initial rollout of new nominee dealer platform

Trend in Flows

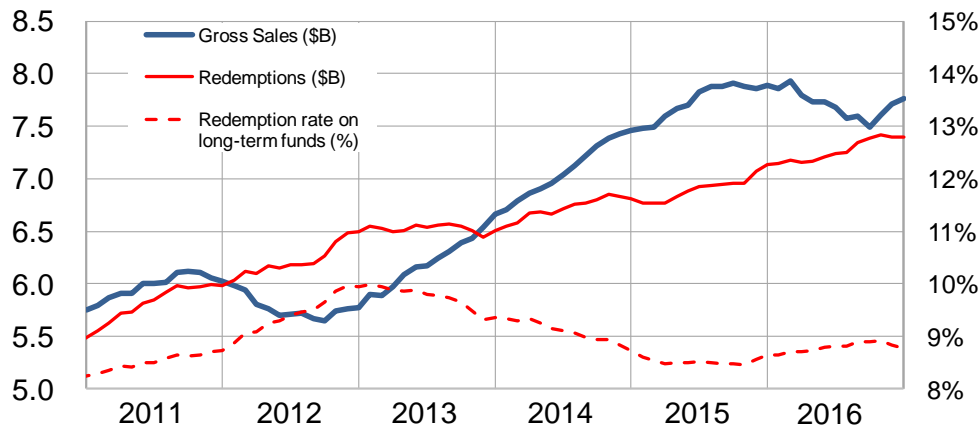
Quarterly Gross and Net Sales Trends

(\$ Billions)



Mutual Fund Gross Sales and Redemptions

(Last Twelve Month Trailing - \$ Billions)

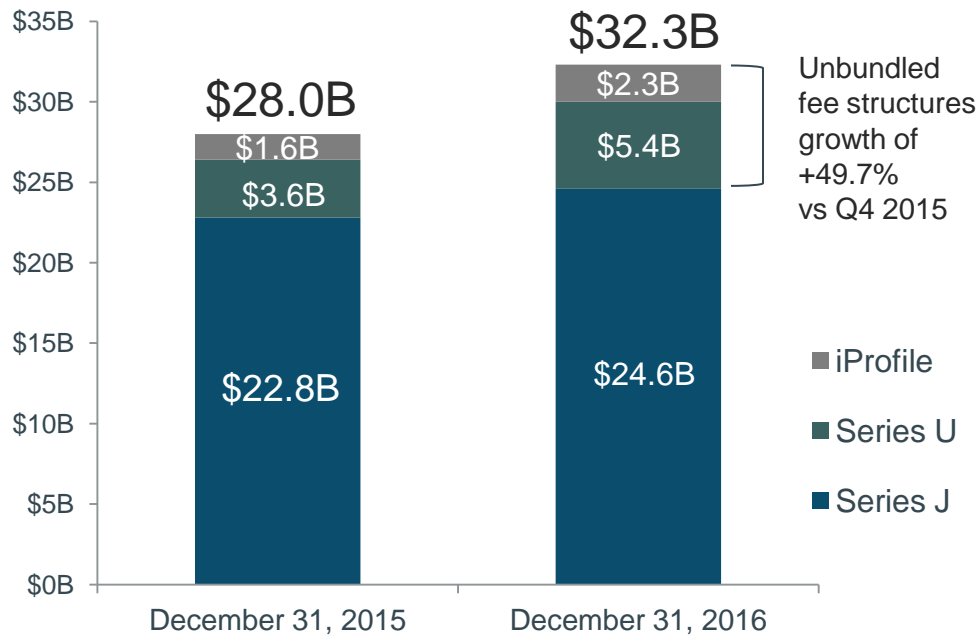


- Gross sales during the quarter of \$2.1B, up 15% compared to last year
- Net sales of \$261MM in the quarter
- Last twelve month trailing redemption rate for long term funds was 8.8% which declined from last quarter

Record Fourth Quarter Gross Sales

HNW Segment – Key Growth Focus

HNW Mutual Fund Series Assets¹

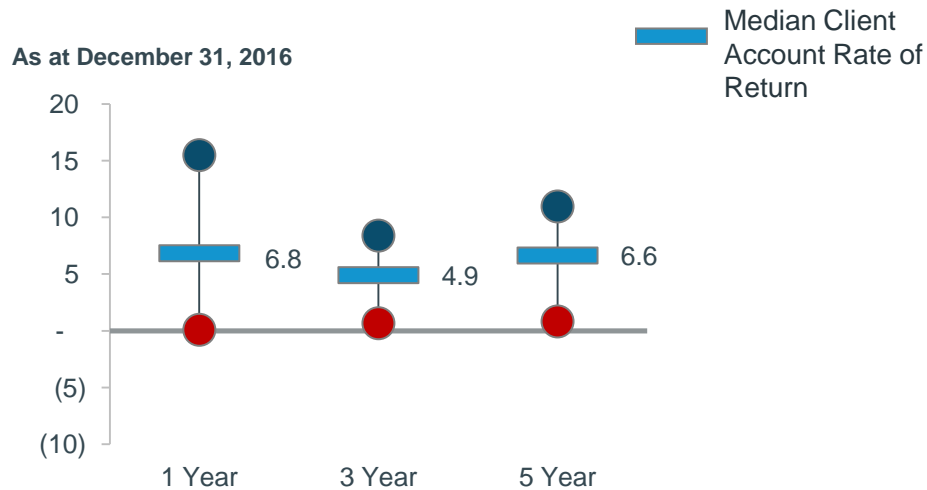
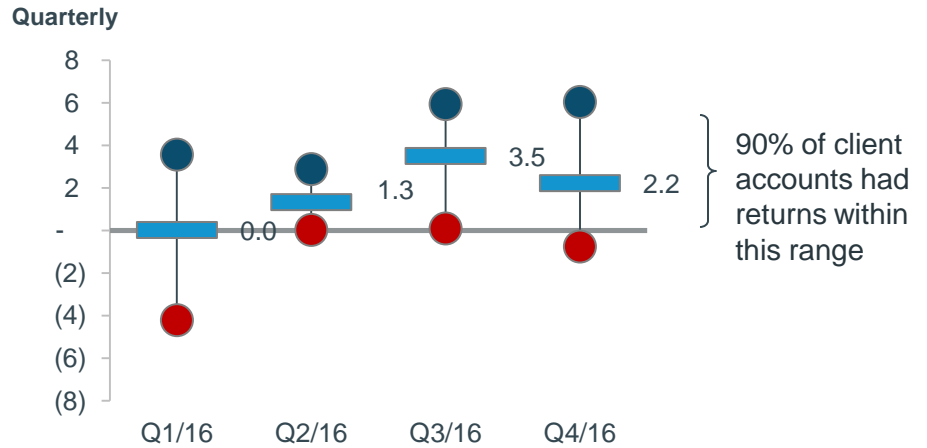


- \$32.3B in HNW series assets accounting for 39.8% of total AUM
- \$2.2B in gross sales in 2016, a 20% increase relative to the prior year
- 45% of HNW gross sales in the quarter in unbundled fee structures²
- \$7.7B of AUM in unbundled fee structures, up 49.7% compared to Q4 2015²

Growth in High Net Worth Fund Offering

Investment Performance

Client Account Rate of Return Experience (%)

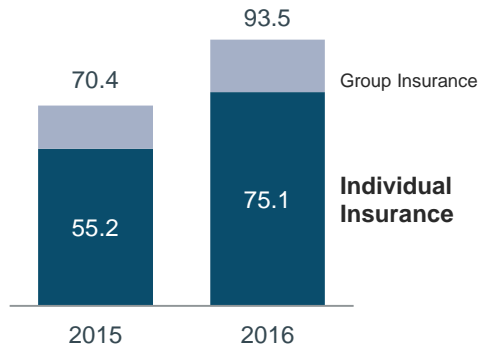


- Median client account rate of return was 2.2% during the fourth quarter and 6.8% over the last 12 months

Insurance & Mortgage Business

New Annualized Insurance Premiums

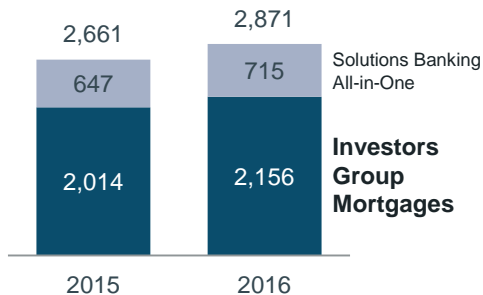
(Twelve months ended December 31 - \$ Millions)



- New individual insurance product sales increased 36.1% in 2016
- New mortgage business in 2016 was \$2.9B, up 7.9% compared to 2015
- Mortgages outstanding at December 31, 2016 increased 7.9% to \$12.8B relative to the prior year

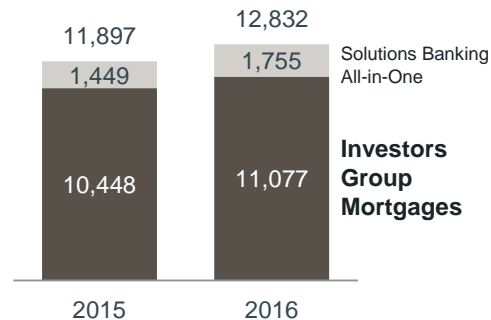
Mortgage New Business

(Twelve months ended December 31 - \$ Millions)



Mortgages Outstanding

(As at December 31 - \$ Millions)



Strong Growth in Mortgages & Insurance

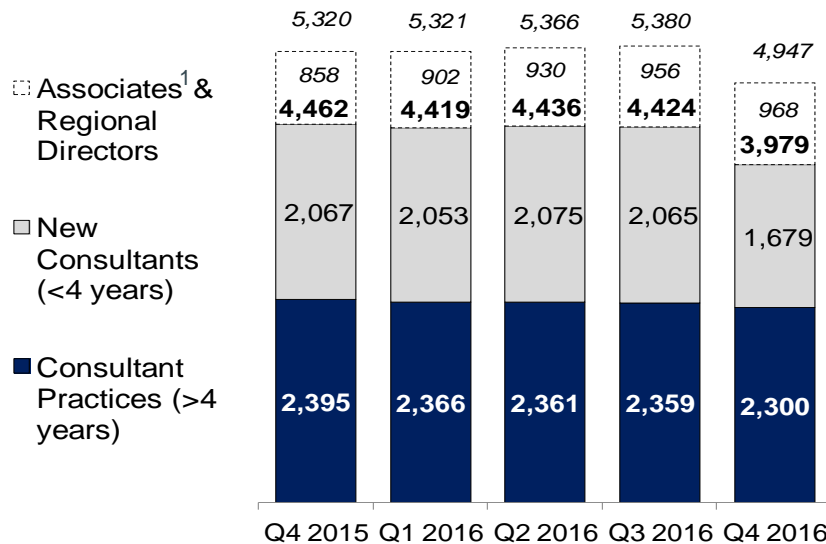


Note: Q4, 2016 extraordinary insurance sales primarily a result of tax changes in 2017 associated with whole life insurance

Consultant Network Enhancements Focusing on Quality

- Consultant Practices, which are teams led by Consultants with greater than 4 years experience, is a key measurement of our business
- Tightening recruitment standards to focus on individuals with a greater likelihood of success to drive productivity while enhancing culture and the client experience
- During the fourth quarter, Investors Group accelerated the departure of ~400 Consultants who were not expected to develop a successful practice

Investors Group Consultant Network



- Tightening recruiting standards
- Automatic enrollment in CFP/F.PI. program

- 95% of AUM
- Average assets of \$34 million
- 55% have CFP and 24% enrolled; goal is to have all Consultant Practices obtain CFP

Consultant Network Enhancements Focusing on Quality

- Investors Group has more Certified Financial Planners than any other company in Canada¹

Rank of Top Ten Firms by Number of Holders of CFP Designation²

1. Investors Group



2. RBC
3. CIBC
4. TD
5. Scotiabank
6. BMO
7. Sun Life
8. Manulife
9. London Life
10. Assante

Leading Professional Accreditation

- 1,553 Consultants with CFP/F.PI. and 1,193 enrolled in program
- ~97% have their insurance license³

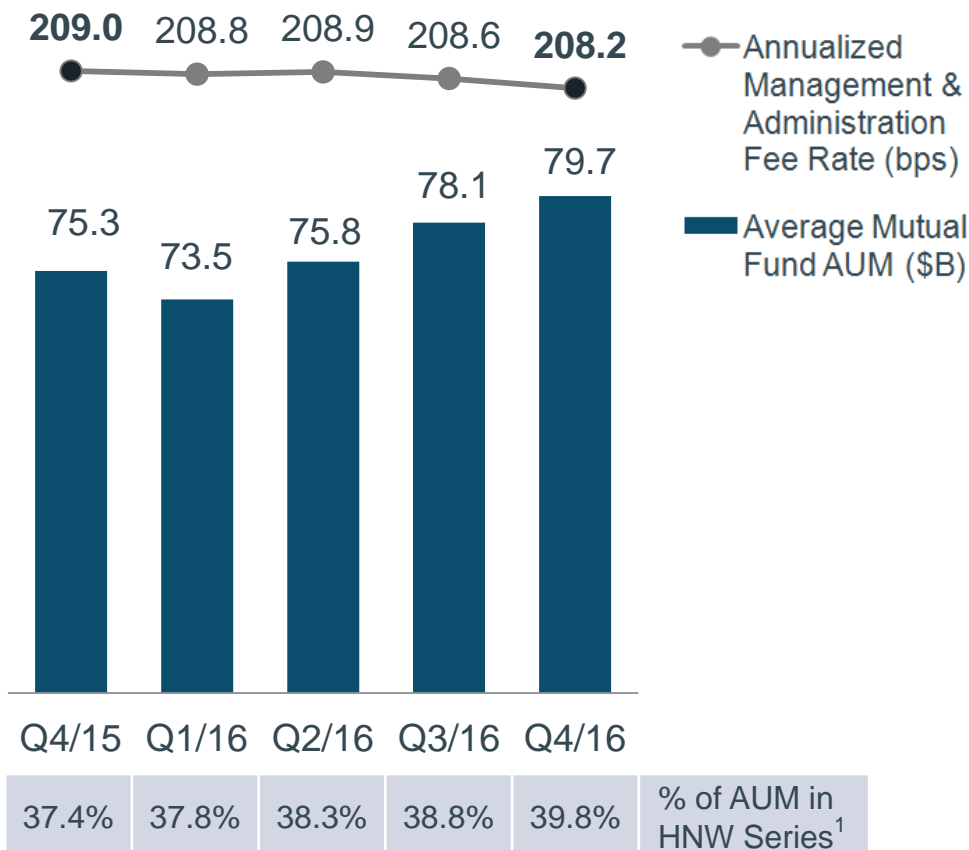


¹ At December 31, 2016, 1,553 individuals in IGM Financial's Consultant network held the CFP designation or the F.PI. designation

² During November, 2016, the Financial Planning Standards Council ("FPSC") published its first ever ranking of financial institutions by the number of Certified Financial Planners and FPSC Level 1 Certificants.

³ Includes all Consultants with >1 year tenure

Average Mutual Fund AUM & Fee Rates



- Q4 2016 average mutual fund AUM increased 2.1% compared to Q3 2016
- Proportion of mutual fund AUM in HNW series increased to 39.8% in Q4 2016¹
- Management & administration fee rate relatively stable compared to the prior quarter and reflective of growth in HNW series

Relatively Stable Management and Admin Fee Rate

¹ Reflects quarter ending proportion of mutual fund AUM held in iProfile and Series J & U.

INVESTORS GROUP EBIT

(\$ Millions, unless otherwise indicated)

	Q4/15	Q3/16	Q4/16	Change Relative to:	
				Prior Year	Prior Quarter
Average mutual fund AUM (\$ Billions)	75.3	78.1	79.7	6.0%	2.1%
Revenues					
Management fees	318.9	331.7	337.8	5.9%	1.8%
Administration fees	76.4	79.2	80.6	5.5%	1.8%
	<u>395.3</u>	<u>410.9</u>	<u>418.4</u>	<u>5.8%</u>	<u>1.8%</u>
Distribution fees	52.8	54.7	71.1	34.7%	30.0%
	<u>448.1</u>	<u>465.6</u>	<u>489.5</u>	<u>9.2%</u>	<u>5.1%</u>
Net investment income & other	17.6	19.1	20.1	14.2%	5.2%
Total	<u>465.7</u>	<u>484.7</u>	<u>509.6</u>	<u>9.4%</u>	<u>5.1%</u>
Expenses					
Commission amortization	43.4	44.5	44.8	3.2%	0.7%
Other mutual fund commission	86.9	90.1	91.0	4.7%	1.0%
Other non-mutual fund commission	18.7	20.8	34.0	81.8%	63.5%
Commission	<u>149.0</u>	<u>155.4</u>	<u>169.9</u>	<u>14.0%</u>	<u>9.3%</u>
Non-commission	<u>127.2</u>	<u>130.9</u>	<u>139.1</u>	<u>9.4%</u>	<u>6.3%</u>
Total	<u>276.2</u>	<u>286.3</u>	<u>309.0</u>	<u>11.9%</u>	<u>7.9%</u>
Earnings before Interest and Taxes (EBIT)	189.5	198.4	200.6	5.9%	1.1%

- Management and administration fees increased 1.8% compared to Q3 2016 reflecting higher average mutual fund AUM
- Strong insurance revenue in the quarter primarily due to 2017 whole life tax changes
- Non-commission expenses increased 9.4% versus the prior year



MACKENZIE |

Investments

CONFIDENCE

IN A CHANGING WORLD

Mackenzie Fourth Quarter Review

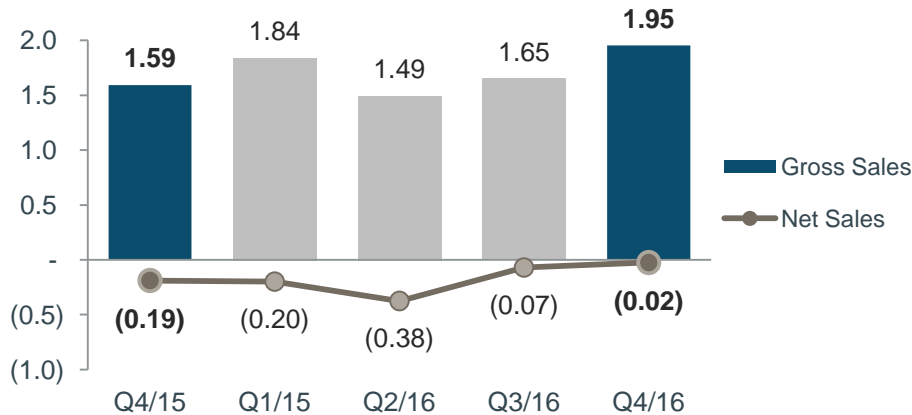
Company Highlights

1. Strong sales momentum¹
 - Best Q4 mutual fund gross and net sales since 2006
 - Significant sales capture, with mutual fund gross sales up 22.5% versus industry advice channel peers up 1.0%
 - Record high mutual fund AUM
2. Accelerated momentum in balanced funds, a key emphasis area given under-penetration
 - Significant net sales improvement, widespread across multiple mandates
3. Solid improvement in investment performance
 - 41% of assets in Morningstar-rated 4/5 star, up from 35% at September
4. Continued growth in ETF business
 - \$113 million in assets at Dec/16 and \$177 million at Jan/17
 - Net creations of \$43 million in the quarter

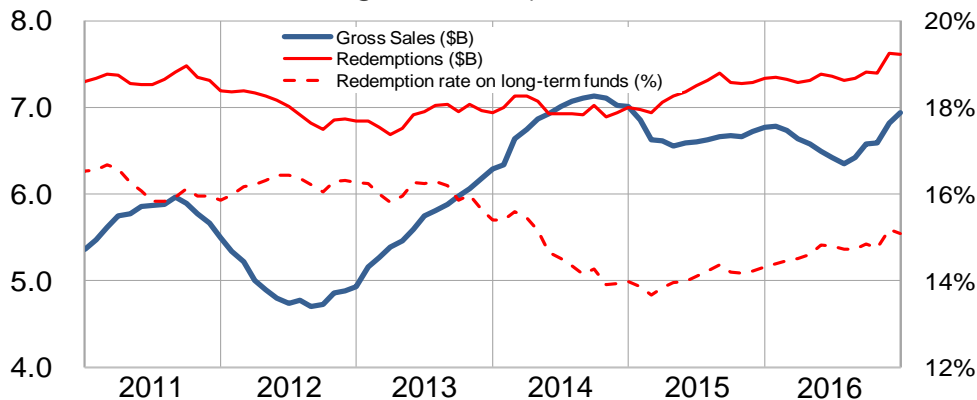


Mutual Fund Flows

Quarterly Mutual Fund Flows¹
(\$ Billions)



Mutual Fund Gross Sales and Redemptions¹
(Last Twelve Month Trailing - \$ Billions)



- Mutual fund gross sales up 22.5% relative to Q4 2015 versus industry peers up 1%
- \$164MM improvement in mutual fund net sales compared to Q4 2015
- Adjusted last twelve months trailing redemption rate for long-term funds was 15.0%¹ which is below the peer average²

¹ Excludes:

- During the fourth quarter of 2015, certain third party programs which include Mackenzie mutual funds made fund allocation changes which resulted in gross sales of \$58 million, redemptions of \$297 million and net redemptions of \$239 million.
- The impact of significant fund allocation changes in historical periods.

² Peer average last twelve month redemption rate on long-term funds was 15.5% at December 31, 2016, which reflects industry excluding Mackenzie, Investors Group, deposit takers and direct distributors.

Flows – Mutual Fund Gross Sales by Asset Class

Total Mutual Fund Gross Sales

(Three months ended December 31 - \$ Millions)

	2015	2016	\$ Change	% Change
Money market	95	122	27	28.4%
Income-oriented	233	249	16	6.9%
Balanced				
<i>Symmetry</i>	295	369	74	25.1%
<i>Other</i>	336	520	184	54.8%
Total Balanced	631	889	258	40.9%
Canadian equity	81	83	2	2.5%
Foreign equity	482	509	27	5.6%
Sector / other	72	101	29	40.3%
Total¹	1,594	1,953	359	22.5%

- 54.8% improvement in core balanced fund gross sales led by strong flows into the Global Monthly Income Fund
- Foreign equity gross sales remain strong at \$509MM

Balanced and Foreign Equity Funds Key Drivers of Gross Sales

Flows – Total Investment Product Net Sales

Total Investment Product Net Sales

(Three months ended December 31 - \$ Millions)

	2015	2016	\$ Change
Money market	28	54	26
Income-oriented	(153)	(70)	83
Balanced			
<i>Symmetry</i>	127	142	15
<i>Other</i>	(75)	53	128
Total Balanced	52	195	143
Canadian equity	(95)	(90)	5
Foreign equity	(40)	(134)	(94)
Sector / other	20	21	1
Adjusted Mutual Funds ¹	(188)	(24)	164
<i>Reported Mutual Funds</i>	(427)	(24)	403
Exchange Traded Funds	0	43	43
Adjusted Institutional ^{2,3}	61	(26)	(87)
<i>Reported Institutional</i>	61	(1,473)	(1,534)
Adjusted Total ^{1,2,3}	(127)	(7)	120
<i>Reported Total</i>	(366)	(1,497)	(1,131)

- Improvement in mutual fund net sales primarily from \$128MM increase in core balance funds
- ETF net creations of \$43MM in the quarter and \$113MM for the full year 2016
- Total net redemptions of \$7MM in the quarter^{1,2,3}, a \$120MM improvement from 2015

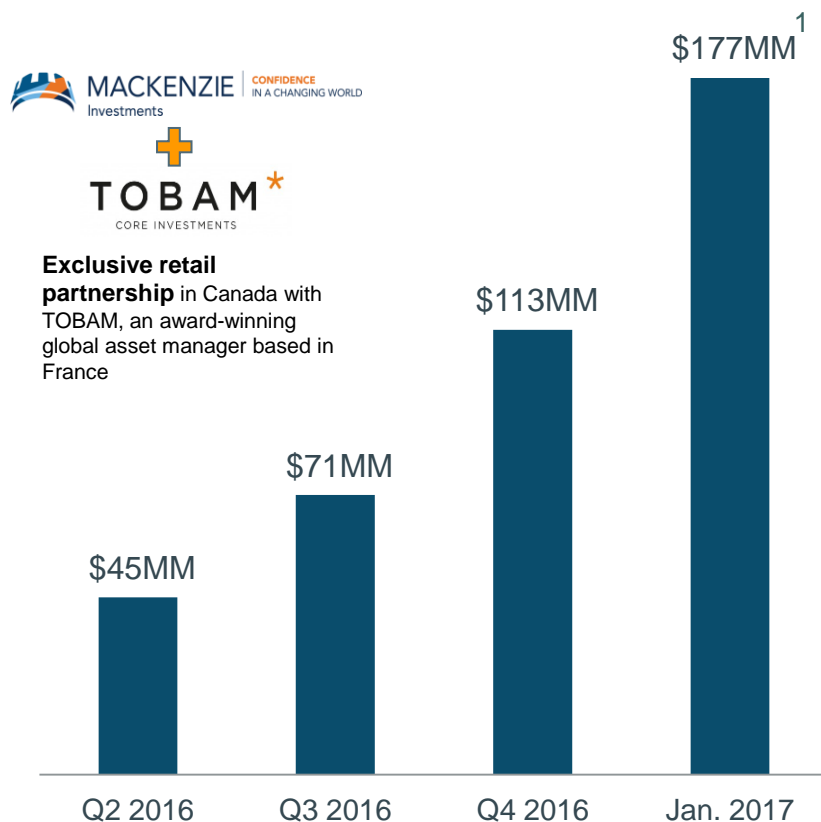
¹ Excludes: During the fourth quarter of 2015, certain third party programs which include Mackenzie mutual funds made fund allocation changes which resulted in gross sales of \$58 million, redemptions of \$297 million and net redemptions of \$239 million.

² Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.

³ Excludes: MD Financial Management reassigned sub-advisory responsibilities during the fourth quarter of 2016 on a \$1.5 billion fixed income mandate advised by Mackenzie.

Strong Momentum in Mackenzie's ETF Business

Mackenzie ETF AUM



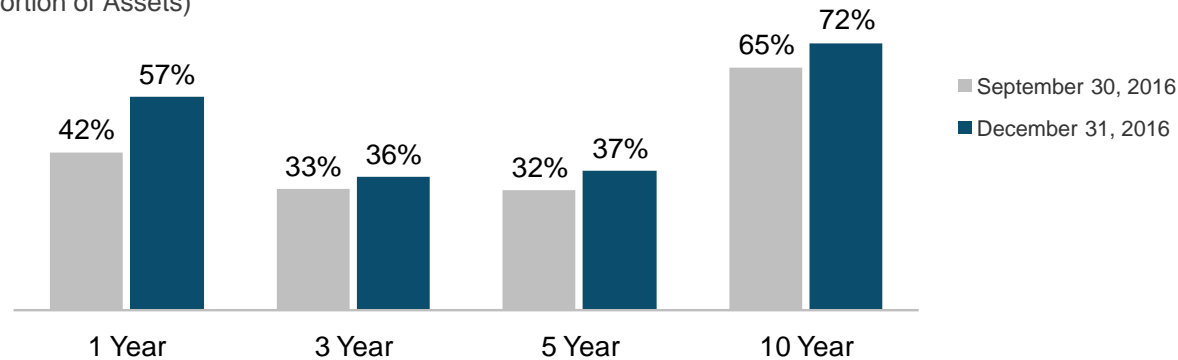
- Ten Mackenzie ETFs launched in last 12 months complementing Mackenzie's broad and innovative fund lineup
- Suite includes Fixed Income ETFs managed by Mackenzie and Mackenzie Maximum Diversification ETFs managed by TOBAM

\$113 Million in ETF AUM in 2016

Investment Performance – Mutual Funds

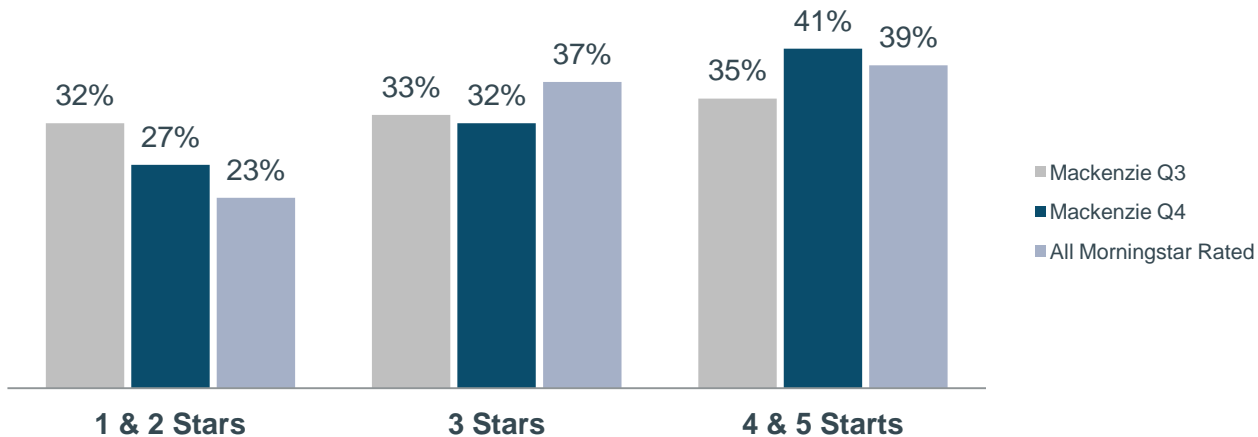
Mackenzie Mutual Funds in First or Second Quartile¹

(Proportion of Assets)



Morningstar Ratings – Proportion of Morningstar-Rated Assets¹

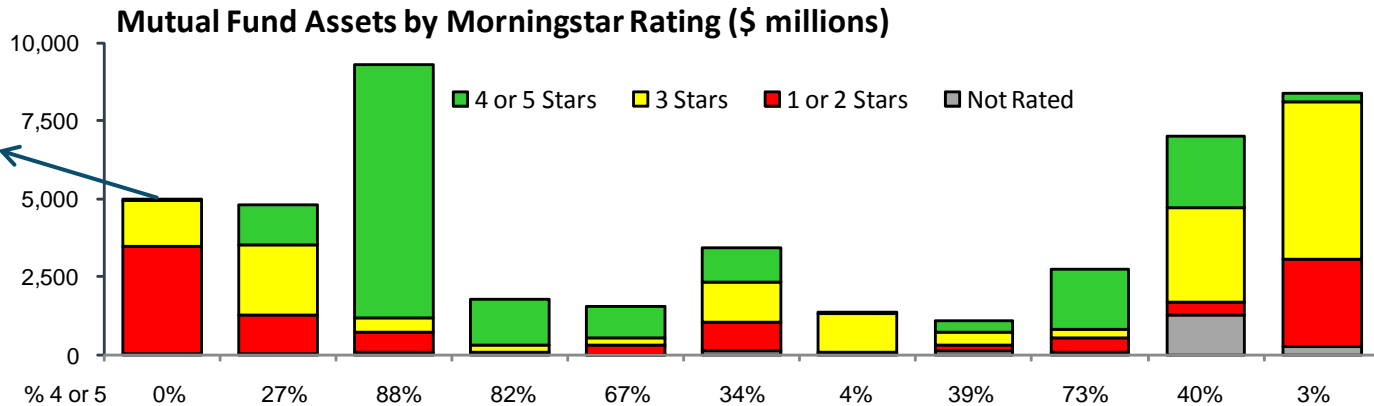
(As at December 31, 2016)



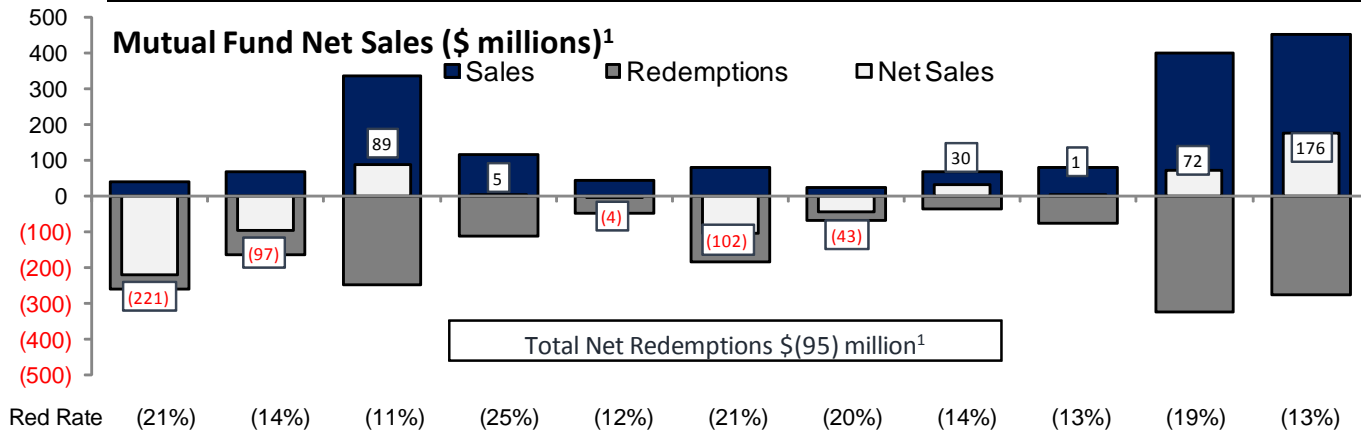
41% of Assets in Four and Five Star Funds¹

Investment Boutiques – Performance & Flows

Cundill Percentiles		
3m	6m	12m
96.0	93.9	72.5

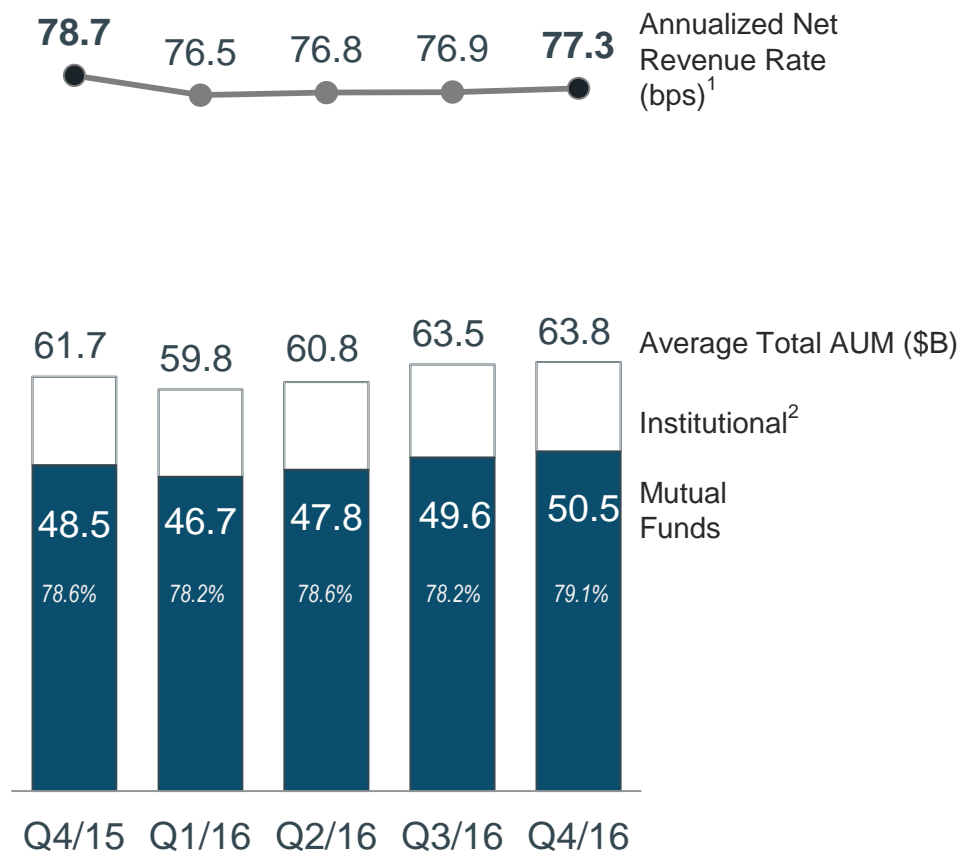


Value-Oriented		Quality	Growth-Oriented				Core & Dividend		Fixed Income	Managed Products
Cundill	All Cap Value	Ivy	Growth	Canadian Growth	3rd Party	Resources	Systematic Strategies	Global Equity & Income	Fixed Income	Asset Allocation



Strong Investment Performance Across Multiple Investment Boutiques

Average Total AUM & Fee Rates



- Q4 2016 change in average AUM versus Q3 2016:
 - Mutual funds up 1.8%
 - Institutional down 3.6%
 - Proportion of average AUM in mutual funds increased slightly
- Net revenue rate¹ remained stable over the quarter

Stable Net Revenue Rate in 2016



MACKENZIE EBIT

(\$ Millions, unless otherwise indicated)

	Q4/15	Q3/16	Q4/16	Change Relative to:	
				Prior Year	Prior Quarter
Average AUM (\$ Billions):					
Total	61.7	63.5	63.8	3.5%	0.6%
Mutual funds	48.5	49.6	50.5	4.2%	1.8%
Net revenue:					
Management fees	169.8	170.4	172.3	1.5%	1.1%
Administration fees	23.8	24.0	23.8	0.0%	(0.8%)
Distribution fees	2.4	2.2	2.1	(12.5%)	(4.5%)
	196.0	196.6	198.2	1.1%	0.8%
Commission amortization	(13.8)	(12.9)	(12.4)	(10.1%)	(3.9%)
Trailing commission	(60.1)	(60.7)	(61.4)	2.2%	1.2%
Commission	(73.9)	(73.6)	(73.8)	(0.2%)	0.3%
Total Net Revenue	122.1	123.0	124.4	1.9%	1.1%
Net investment income & other	1.1	1.8	0.7	(36.4%)	(61.1%)
Non-commission expenses	(72.3)	(78.8)	(76.3)	5.5%	(3.2%)
Earnings before Interest and Taxes (EBIT)	50.9	46.0	48.8	(4.1%)	6.1%

- Net revenue up 1.1% compared to Q3 2016 due to slightly higher average AUM levels
- Non-commission expenses increased 5.5% compared to Q4 2015

Q&A