



News Release

Readers are referred to the disclaimer regarding Forward-Looking Statements and Additional IFRS Measures at the end of this Release.

IGM FINANCIAL INC. REPORTS FIRST QUARTER EARNINGS

Winnipeg – May 6, 2016: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the first quarter of 2016.

Net earnings available to common shareholders for the three months ended March 31, 2016 were \$167.0 million or 69 cents per share compared to net earnings available to common shareholders of \$200.3 million or 80 cents per share for the comparative period in 2015.

Revenues for the three months ended March 31, 2016 were \$722.8 million compared to \$760.9 million a year ago. Expenses were \$512.3 million for the first quarter of 2016 compared to \$503.2 million a year ago.

Total assets under management at March 31, 2016 were \$132.9 billion compared to \$148.4 billion at March 31, 2015. Mutual fund assets under management at March 31, 2016 were \$127.1 billion compared to \$131.5 billion at March 31, 2015.

Shareholders' equity at March 31, 2016 was \$4.8 billion, unchanged from March 31, 2015. Return on average common equity for the three months ended March 31, 2016 was 14.3% compared to 17.1% for the comparative period in 2015.

INVESTORS GROUP OPERATIONS

“The continued success of our new Maestro Portfolios, which incorporate dynamic asset allocation, contributed to our overall first quarter sales result. Assets in the Maestro Portfolios were at \$1.6 billion at March 31, more than double the \$720 million level at December 31, 2015,” said Murray J. Taylor, President and Chief Executive Officer of Investors Group Inc. “As I finish my twelve year tenure as Investors Group’s CEO, I am pleased to reflect on our strengthened Consultant network through continual development of our financial planning focus and a 66% increase in size to a new record high of 5,321.”

Mutual fund sales for the first quarter of 2016 were \$2.3 billion, a decrease of 4.1% compared to \$2.4 billion in the prior year. Mutual funds net sales for the first quarter of 2016 were \$467 million compared to net sales of \$588 million a year ago.

The twelve month trailing redemption rate (excluding money market funds) was 8.7% at March 31, 2016, unchanged from December 31, 2015.

Mutual fund assets under management at March 31, 2016 were \$75.2 billion compared to \$76.5 billion at March 31, 2015.



MACKENZIE OPERATIONS

Mutual fund sales for the first quarter of 2016 were \$1.8 billion compared to \$2.0 billion in the prior year. Mutual fund net redemptions for the first quarter were \$198 million compared to net redemptions of \$106 million a year ago.

Total net redemptions for the first quarter of 2016 were \$387 million compared to total net sales of \$569 million a year ago.

“Investment performance strength in the quarter led to three of our funds, including our largest fund, Mackenzie Ivy Foreign Equity, being upgraded to a five star Morningstar¹ rating,” said Jeffrey R. Carney, President and Chief Executive Officer of Mackenzie Financial Corporation. “Sales were led in the quarter by the global equity category, which was up 10% compared to last year.”

Mackenzie’s total assets under management at March 31, 2016 were \$60.7 billion compared to \$74.6 billion at March 31, 2015.² Mutual fund assets under management at March 31, 2016 were \$47.6 billion compared to \$50.9 billion a year ago.

DIVIDENDS

The Board of Directors has declared a dividend of 56.25 cents per share on the Company’s common shares and has declared a dividend of \$0.36875 per share on the Company’s 5.90% Non-Cumulative First Preferred Shares, Series “B”. The common share dividend is payable on July 29, 2016 to shareholders of record on June 30, 2016. The preferred share dividend is payable on August 2, 2016 to shareholders of record on June 30, 2016.

FORWARD-LOOKING STATEMENTS

Certain statements in this Release, 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.

¹ Morningstar and the Morningstar Ratings are trademarks of Morningstar Inc.

² During the second quarter of 2015, MD Financial Management (“MD”) reassigned sub-advisory responsibilities on four fixed income mandates (totalling \$10.3 billion) advised by Mackenzie. The impact on Mackenzie’s pre-tax earnings from these mandate changes is not meaningful. Following the changes, Mackenzie continues to advise MD on a number of fixed income, balanced and equity mandates.

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.

ADDITIONAL IFRS MEASURES

This release contains additional IFRS measures. Terms by which additional IFRS measures are identified include "earnings before income taxes" and "net earnings available to common shareholders". Additional IFRS measures are used to provide management and investors with additional measures to assess earnings performance. These measures are considered additional IFRS measures as they are in addition to the minimum line items required by IFRS and are relevant to an understanding of the entity's financial performance.

The Consolidated Financial Statements and Management's Discussion and Analysis (MD&A) of operating results are available on IGM Financial Inc.'s website at www.igmfinancial.com.

IGM Financial Inc. is one of Canada's premier personal financial services companies, and one of the country's largest managers and distributors of mutual funds and other managed asset products, with approximately \$132 billion in total assets under management as of April 30, 2016. Its activities are carried out principally through Investors Group, Mackenzie Financial Corporation and Investment Planning Counsel. IGM Financial Inc. is a member of the Power Financial Corporation group of companies.



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Media Note: A live webcast of IGM's Analyst conference call for the First Quarter 2016 will be held on Friday May 6, 2016 at 3:30 P.M. (ET) at www.igmfinancial.com. Media and interested parties may alternatively choose to listen to the live analyst teleconference call by dialing **1-866-223-7781** or **416-340-2216**.

IGM FINANCIAL INC.**Consolidated Statements of Earnings**

<i>(unaudited)</i> <i>(in thousands of Canadian dollars, except shares and per share amounts)</i>	Three months ended March 31	
	2016	2015
Revenues		
Management fees	\$ 483,836	\$ 509,111
Administration fees	100,350	102,236
Distribution fees	94,968	94,533
Net investment income and other	15,877	29,081
Proportionate share of affiliate's earnings	27,808	25,902
	<u>722,839</u>	<u>760,863</u>
Expenses		
Commission	261,515	266,867
Non-commission	227,867	213,622
Interest	22,913	22,750
	<u>512,295</u>	<u>503,239</u>
Earnings before income taxes	210,544	257,624
Income taxes	41,368	55,065
Net earnings	169,176	202,559
Perpetual preferred share dividends	2,213	2,213
Net earnings available to common shareholders	<u>\$ 166,963</u>	<u>\$ 200,346</u>
Average number of common shares (in thousands)		
- Basic	243,127	251,211
- Diluted	243,211	251,421
Earnings per share (in dollars)		
- Basic	\$ 0.69	\$ 0.80
- Diluted	\$ 0.69	\$ 0.80

IGM FINANCIAL INC.**Financial Highlights**As at and for the three months ended March 31
(unaudited)

	2016	2015	Change
Net earnings available to common shareholders (\$ millions)	\$ 167.0	\$ 200.3	(16.6) %
Diluted earnings per share	0.69	0.80	(13.8)
Return on equity	14.3%	17.1%	
Dividends per share	0.5625	0.5625	-
Total assets under management ⁽¹⁾ (\$ millions)	\$ 132,913	\$ 148,388	(10.4) %
Investors Group			
Mutual funds	75,223	76,497	(1.7)
Mackenzie			
<i>Mutual funds</i>	47,627	50,944	
<i>Sub-advisory, institutional and other accounts</i>	13,063	23,660	
Total	60,690	74,604	(18.7)
Counsel			
Mutual funds	4,229	4,126	2.5

For the three months ended March 31, 2016	Investors Group	Mackenzie		Counsel	Total ⁽²⁾
		Mutual Funds	Total		
Mutual Funds and Institutional Sales (\$ millions)					
Gross sales	\$ 2,267	\$ 1,841	\$ 2,683	\$ 262	\$ 4,672
Net sales (redemptions)	467	(198)	(387)	79	66

⁽¹⁾ Total assets under management excluded \$7.2 billion of assets sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel (\$6.8 billion at March 31, 2015).

⁽²⁾ Total Gross Sales and Net Sales for the three months ended March 31, 2016 excluded \$540 million and \$93 million, respectively, in accounts sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel.