

## CONSOLIDATED STATEMENTS OF INCOME

For the years ended December 31 (in thousands of dollars, except shares and per share amounts)

2002

2001

### Fee and net investment income

Management	\$ 1,379,923	\$ 1,255,258
Administration	295,321	246,466
Distribution	137,961	125,210
Net investment income and other	126,831	133,674

### Total fee and net investment income

<b>1,940,036</b>	<b>1,760,608</b>
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### Operating expenses

Commission expense	497,480	490,713
Non-commission expenses	535,372	503,610
Interest expense	79,514	73,195
Restructuring costs (Note 23)	–	95,610

### Total operating expenses

<b>1,112,366</b>	<b>1,163,128</b>
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Income before income taxes, non-controlling interest,  
goodwill amortization and discontinued operations

827,670	597,480
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Income taxes (Note 12)

317,401	252,474
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<b>510,269</b>	<b>345,006</b>
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Non-controlling interest

321	159
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### Income before goodwill amortization and discontinued operations

509,948	344,847
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Goodwill amortization, net of tax

–	71,969
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### Income before discontinued operations

509,948	272,878
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Discontinued operations (Note 24)

1,811	116
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### Net income

511,759	272,994
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Preferred dividends

20,700	13,299
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### Net income available to common shareholders

<b>\$ 491,059</b>	<b>\$ 259,695</b>
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Weighted-average number of common shares (in thousands) (Note 18)

– Basic	263,487	247,093
– Diluted	264,873	247,932

Earnings per share (in dollars) (Note 18)

Excluding discontinued operations

– Basic	\$ 1.857	\$ 1.051
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– Diluted	\$ 1.847	\$ 1.047
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Including discontinued operations

– Basic	\$ 1.864	\$ 1.051
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– Diluted	\$ 1.854	\$ 1.047
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(See accompanying notes to consolidated financial statements.)