

Ten Year Review

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31 (\$ thousands, except per share amounts)	5 YEAR											10 YEAR
	2003	2002	2001	2000	1999	CAGR ⁽¹⁾	1998	1997	1996	1995	1994	CAGR ⁽¹⁾
Fee income	1,714,373	1,813,205	1,626,934	1,075,504	939,656	14.7	864,445	730,819	544,375	434,447	407,710	17.7
Net investment income	159,808	126,510	133,515	121,604	86,782	16.7	73,730	71,031	69,101	54,014	39,571	12.8
	1,874,181	1,939,715	1,760,449	1,197,108	1,026,438	14.8	938,175	801,850	613,476	488,461	447,281	17.2
Operating expenses	1,030,022	1,112,366	1,163,128	690,398	612,300	10.9	614,004	552,454	434,643	339,705	327,100	13.5
	844,159	827,349	597,321	506,710	414,138	21.1	324,171	249,396	178,833	148,756	120,181	24.5
Dilution gain	14,820	-	-	-	-	-	-	-	-	-	-	-
Income before undernoted	858,979	827,349	597,321	506,710	414,138	21.5	324,171	249,396	178,833	148,756	120,181	28.4
Income taxes	299,198	317,401	252,474	222,418	178,525	17.1	135,827	101,884	61,331	51,049	35,578	28.6
	559,781	509,948	344,847	284,292	235,613	24.3	188,344	147,512	117,502	97,707	84,603	23.1
Goodwill amortization, net of tax	-	-	71,969	267	-	-	-	-	-	-	-	-
	559,781	509,948	272,878	284,025	235,613	24.3	188,344	147,512	117,502	97,707	84,603	23.1
Discontinued operations	-	1,811	116	-	-	-	-	-	-	-	-	-
Net income	559,781	511,759	272,994	284,025	235,613	24.3	188,344	147,512	117,502	97,707	84,603	23.1
Preferred dividends	20,700	20,700	13,299	-	-	-	-	-	-	-	-	-
Net income available to common shareholders												
In accordance with GAAP	539,081	491,059	259,695	284,025	235,613	23.4	188,344	147,512	117,502	97,707	84,603	22.6
Excluding dilution gain, restructuring reversal related to Mackenzie and income tax charge ⁽²⁾	533,563	-	-	-	-	-	-	-	-	-	-	-
Excluding goodwill amortization and Mackenzie restructuring costs ⁽²⁾	-	-	392,637	284,292	-	-	-	-	-	-	-	-
Diluted earnings per share (\$)												
In accordance with GAAP	2.03	1.85	1.05	1.35	1.12	17.9	0.89	0.70	0.56	0.46	0.40	19.8
Excluding dilution gain, restructuring reversal related to Mackenzie and income tax charge ⁽²⁾	2.01	-	-	-	-	-	-	-	-	-	-	-
Excluding goodwill amortization and Mackenzie restructuring costs ⁽²⁾	-	-	1.58	1.35	-	-	-	-	-	-	-	-
Dividends per share (¢)	99	86	73	61	49	21.1	38	30	25	19	16	23.0
Return on average common equity (ROE) (%)												
In accordance with GAAP	19.1	19.2	16.7	28.1	26.4	-	23.8	21.1	18.8	17.3	16.6	-
Excluding dilution gain, restructuring reversal related to Mackenzie and income tax charge ⁽²⁾	18.9	-	-	-	-	-	-	-	-	-	-	-
Excluding goodwill amortization and Mackenzie restructuring costs ⁽²⁾	-	-	19.6	28.1	-	-	-	-	-	-	-	-
Average shares outstanding (thousands)												
- Basic	263,915	263,487	247,093	210,012	210,854	-	211,396	211,383	211,370	211,370	211,370	-
- Diluted	265,174	264,873	247,932	210,870	210,854	-	211,396	211,383	211,370	211,370	211,370	-
Share price (closing \$)	31.05	26.75	25.50	25.95	20.60	3.3	26.40	22.60	13.50	8.31	8.69	10.6

Includes Mackenzie from date of acquisition (April 20, 2001).

⁽¹⁾Compound annual growth rate. ⁽²⁾Refer to page 23 of the MD&A for an explanation of the Company's use of non-GAAP financial measures.

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STATISTICAL INFORMATION

FOR THE YEARS ENDED DECEMBER 31 (\$ millions)	5 YEAR %											10 YEAR %
	2003	2002	2001	2000	1999	CAGR ⁽¹⁾	1998	1997	1996	1995	1994	CAGR ⁽¹⁾
Mutual funds												
Investors Group												
Sales	4,021	4,916	6,027	7,053	5,915	(8.6)	6,296	6,513	5,031	3,472	4,240	0.2
Redemption rates (%)												
– total	12.8	12.6	11.6	14.0	11.9	–	10.0	9.9	11.6	15.4	13.7	–
– long-term funds	10.7	10.2	9.6	11.7	9.8	–	8.3	8.2	9.5	13.2	11.6	–
Net sales (redemptions)	(839)	(109)	1,031	976	1,370	N/M	2,887	3,522	2,361	543	1,900	N/M
Assets under management	40,904	37,588	41,644	44,498	40,650	2.6	36,064	32,248	25,912	20,262	17,571	10.0
Mackenzie⁽²⁾												
Sales	5,282	5,998	3,454	–	–	–	–	–	–	–	–	–
Redemption rates (%)												
– total	17.3	17.6	16.7	–	–	–	–	–	–	–	–	–
– long-term funds	13.0	11.9	11.6	–	–	–	–	–	–	–	–	–
Net sales (redemptions)	(69)	288	24	–	–	–	–	–	–	–	–	–
Assets under management	33,770	30,860	33,400	–	–	–	–	–	–	–	–	–
Combined assets under management												
	74,674	68,448	75,044	44,498	40,650	15.7	36,064	32,248	25,912	20,262	17,571	16.8
Insurance in force (face amount)	31,307	27,546	24,374	20,876	18,086	16.6	14,548	12,279	10,327	9,256	8,158	15.2
Securities operations assets under administration												
	5,785	4,938	4,104	2,646	1,471	57.9	590	316	128	–	–	–
Mortgages serviced	6,425	6,938	7,659	7,147	7,569	(4.6)	8,144	4,157	4,145	3,935	3,541	7.5
Deposits and certificates	729	709	671	219	307	14.4	372	488	986	1,032	1,085	(5.2)
Corporate assets	6,292	5,987	6,122	1,985	1,812	28.5	1,799	1,765	1,959	1,904	1,866	12.4
Consultants	3,223	3,324	3,409	3,483	3,626	(3.1)	3,774	3,507	3,187	3,032	3,395	0.7

Includes Mackenzie from date of acquisition (April 20, 2001).

(1)Compound annual growth rate. (2)For Canadian mutual fund operations only.