

TEN YEAR REVIEW

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	FOR THE YEARS ENDED DECEMBER 31					5 YEAR		10 YEAR				
	(\$ thousands, except per share amounts)					%		%				
	2004	2003	2002	2001	2000	CAGR ⁽¹⁾	1999	1998	1997	1996	1995	CAGR ⁽¹⁾
Fee income	1,955,740	1,714,373	1,813,205	1,626,934	1,075,504	15.8	939,656	864,445	730,819	544,375	434,447	17.0
Net investment income	163,331	159,808	126,510	133,515	121,604	13.5	86,782	73,730	71,031	69,101	54,014	15.2
	2,119,071	1,874,181	1,939,715	1,760,449	1,197,108	15.6	1,026,438	938,175	801,850	613,476	488,461	16.8
Operating expenses	1,235,855	1,030,022	1,112,366	1,163,128	690,398	15.1	612,300	614,004	552,454	434,643	339,705	14.2
	883,216	844,159	827,349	597,321	506,710	16.4	414,138	324,171	249,396	178,833	148,756	22.1
Dilution gain	-	14,820	-	-	-	-	-	-	-	-	-	-
Income before undernoted	883,216	858,979	827,349	597,321	506,710	16.4	414,138	324,171	249,396	178,833	148,756	22.1
Income taxes	264,969	299,198	317,401	252,474	222,418	8.2	178,525	135,827	101,884	61,331	51,049	22.2
	618,247	559,781	509,948	344,847	284,292	21.3	235,613	188,344	147,512	117,502	97,707	22.0
Goodwill amortization, net of tax	-	-	-	71,969	267	-	-	-	-	-	-	-
	618,247	559,781	509,948	272,878	284,025	21.3	235,613	188,344	147,512	117,502	97,707	22.0
Discontinued operations	-	-	1,811	116	-	-	-	-	-	-	-	-
	618,247	559,781	511,759	272,994	284,025	21.3	235,613	188,344	147,512	117,502	97,707	22.0
Non-controlling interest	1,151	-	-	-	-	-	-	-	-	-	-	-
Net income	617,096	559,781	511,759	272,994	284,025	21.2	235,613	188,344	147,512	117,502	97,707	22.0
Preferred dividends	20,700	20,700	20,700	13,299	-	-	-	-	-	-	-	-
Net income available to common shareholders												
In accordance with GAAP	596,396	539,081	491,059	259,695	284,025	20.4	235,613	188,344	147,512	117,502	97,707	21.6
Excluding items noted below ⁽²⁾	615,577	533,563	491,059	392,637	284,292	21.2	235,613	188,344	147,512	117,502	97,707	22.0
Diluted earnings per share (\$)												
In accordance with GAAP	2.24	2.03	1.85	1.05	1.35	14.9	1.12	0.89	0.70	0.56	0.46	18.8
Excluding items noted below ⁽²⁾	2.31	2.01	1.85	1.58	1.35	15.6	1.12	0.89	0.70	0.56	0.46	19.1
Dividends per share (¢)	115	99	86	73	61	18.6	49	38	30	25	19	22.2
Return on average common equity (ROE) (%)												
In accordance with GAAP	19.1	19.1	19.2	16.7	28.1	-	26.4	23.8	21.1	18.8	17.3	-
Excluding items noted below ⁽²⁾	19.8	18.9	19.2	19.6	28.1	-	26.4	23.8	21.1	18.8	17.3	-
Average shares outstanding (thousands)												
- Basic	264,431	263,915	263,487	247,093	210,012	-	210,854	211,396	211,383	211,370	211,370	-
- Diluted	266,010	265,174	264,873	247,932	210,870	-	210,854	211,396	211,383	211,370	211,370	-
Share price (closing \$)	36.64	31.05	26.75	25.50	25.95	12.2	20.60	26.40	22.60	13.50	8.31	15.5

Includes Mackenzie from date of acquisition (April 20, 2001). Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

⁽¹⁾ Compound annual growth rate.

⁽²⁾ Non-GAAP Financial Measures – Items denoted as being excluded refer to:

2004 – Unitholder compensation as discussed on page 53 of the Management's Discussion and Analysis (MD&A)

2003 – Dilution gain, restructuring reversal and non-cash income tax charge as discussed on page 23 of the MD&A

2001 and 2000 – Goodwill amortization and Mackenzie restructuring costs

TEN YEAR REVIEW

STATISTICAL INFORMATION

FOR THE YEARS ENDED DECEMBER 31
(\$ millions)

	2004	2003	2002	2001	2000	5 YEAR % CAGR ⁽¹⁾	1999	1998	1997	1996	1995	10 YEAR % CAGR ⁽¹⁾
Mutual Funds												
Investors Group												
Sales	4,722	4,021	4,916	6,027	7,053	(4.4)	5,915	6,296	6,513	5,031	3,472	1.1
Redemption rates (%)												
– total	10.6	12.8	12.6	11.6	14.0	–	11.9	10.0	9.9	11.6	15.4	–
– long-term funds	9.1	10.7	10.2	9.6	11.7	–	9.8	8.3	8.2	9.5	13.2	–
Net sales (redemptions)	218	(839)	(109)	1,031	976	N/M	1,370	2,887	3,522	2,361	543	N/M
Assets under management	44,510	40,904	37,588	41,644	44,498	1.8	40,650	36,064	32,248	25,912	20,262	9.7
Mackenzie⁽²⁾												
Sales	6,786	5,282	5,998	3,454	–	–	–	–	–	–	–	–
Redemption rates (%)												
– total	16.9	17.3	17.6	16.7	–	–	–	–	–	–	–	–
– long-term funds	13.8	13.0	11.9	11.6	–	–	–	–	–	–	–	–
Net sales (redemptions)	795	(69)	288	24	–	–	–	–	–	–	–	–
Assets under management	37,298	33,770	30,860	33,400	–	–	–	–	–	–	–	–
Investment												
Planning Counsel												
Sales	259	–	–	–	–	–	–	–	–	–	–	–
Redemption rates (%)												
– total	10.5	–	–	–	–	–	–	–	–	–	–	–
– long-term funds	9.5	–	–	–	–	–	–	–	–	–	–	–
Net sales (redemptions)	161	–	–	–	–	–	–	–	–	–	–	–
Assets under management	1,497	–	–	–	–	–	–	–	–	–	–	–
Combined mutual fund assets under management⁽³⁾												
	83,273	74,674	68,448	75,044	44,498	15.4	40,650	36,064	32,248	25,912	20,262	16.8
Insurance in force (face amount)	35,897	31,307	27,546	24,374	20,876	14.7	18,086	14,548	12,279	10,327	9,256	16.0
Securities operations assets under administration												
	7,107	5,785	4,938	4,104	2,646	37.0	1,471	590	316	128	–	–
Mortgages serviced	6,010	6,425	6,938	7,659	7,147	(4.5)	7,569	8,144	4,157	4,145	3,935	5.4
Deposits and certificates	711	729	709	671	219	18.3	307	372	488	986	1,032	(4.1)
Corporate Assets	6,473	6,292	5,987	6,122	1,985	29.1	1,812	1,799	1,765	1,959	1,904	13.3
Consultants – Investors Group	3,496	3,223	3,324	3,409	3,483	(0.7)	3,626	3,774	3,507	3,187	3,032	0.3

Includes Mackenzie from date of acquisition (April 20, 2001). Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

⁽¹⁾ Compound annual growth rate.⁽²⁾ For Canadian mutual fund operations only.⁽³⁾ Adjusted for inter-segment assets.