

# Ten Year Review

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME

For the years ended December 31

(\$ thousands, except per share amounts)	2007	2006	2005	2004	2003	CAGR <sup>(1)</sup>		2002	2001	2000	1999	1998	CAGR <sup>(1)</sup>	
						5 YEAR	%						10 YEAR	%
Fee income	2,700,961	2,392,298	2,164,472	1,955,740	1,714,373	8.3		1,813,205	1,626,934	1,075,504	939,656	864,445	14.0	
Net investment income	194,146	212,300	183,108	163,331	159,808	8.9		126,510	133,515	121,604	86,782	73,730	10.6	
	2,895,107	2,604,598	2,347,580	2,119,071	1,874,181	8.3		1,939,715	1,760,449	1,197,108	1,026,438	938,175	13.7	
Operating expenses	1,658,371	1,494,613	1,372,222	1,256,555	1,050,722	7.9		1,133,066	1,176,427	690,398	612,300	614,004	11.6	
	1,236,736	1,109,985	975,358	862,516	823,459	8.9		806,649	584,022	506,710	414,138	324,171	17.4	
Dilution gain	-	-	-	-	14,820	-		-	-	-	-	-	-	-
Income before undernoted	1,236,736	1,109,985	975,358	862,516	838,279	8.9		806,649	584,022	506,710	414,138	324,171	17.4	
Income taxes	354,682	331,231	291,500	264,969	299,198	2.2		317,401	252,474	222,418	178,525	135,827	13.3	
	882,054	778,754	683,858	597,547	539,081	12.5		489,248	331,548	284,292	235,613	188,344	19.6	
Goodwill amortization, net of tax	-	-	-	-	-	-		-	71,969	267	-	-	-	-
	882,054	778,754	683,858	597,547	539,081	12.5		489,248	259,579	284,025	235,613	188,344	19.6	
Discontinued operations	-	-	-	-	-	-		1,811	116	-	-	-	-	-
	882,054	778,754	683,858	597,547	539,081	12.4		491,059	259,695	284,025	235,613	188,344	19.6	
Non-controlling interest	2,919	2,064	1,431	1,151	-	-		-	-	-	-	-	-	-
<b>Net income</b>														
In accordance with GAAP	879,135	776,690	682,427	596,396	539,081	12.4		491,059	259,695	284,025	235,613	188,344	19.5	
Adjusted net income <sup>(2)</sup>	863,867	763,042	682,427	615,577	533,563	12.0		491,059	392,637	284,292	235,613	188,344	19.3	
<b>Diluted earnings per share</b> (\$)														
In accordance with GAAP	3.29	2.90	2.56	2.24	2.03	12.2		1.85	1.05	1.35	1.12	0.89	16.7	
Adjusted earnings per share <sup>(2)</sup>	3.23	2.85	2.56	2.31	2.01	11.8		1.85	1.58	1.35	1.12	0.89	16.5	
<b>Dividends per share</b> (¢)	178	154	134	115	99	15.6		86	73	61	49	38	19.5	
<b>Return on average common equity (ROE)</b> (%)														
In accordance with GAAP	21.9	21.4	20.0	19.1	19.1	-		19.2	16.7	28.1	26.4	23.8	-	
Adjusted ROE <sup>(2)</sup>	21.5	21.1	20.0	19.8	18.9	-		19.2	19.6	28.1	26.4	23.8	-	
<b>Average shares outstanding</b> (thousands)														
- Basic	264,604	264,724	264,573	264,431	263,915	-		263,487	247,093	210,012	210,854	211,396	-	
- Diluted	267,303	267,395	266,609	266,010	265,174	-		264,873	247,932	210,870	210,854	211,396	-	
<b>Share price</b> (closing \$)	50.03	49.10	46.12	36.64	31.05	13.3		26.75	25.50	25.95	20.60	26.40	8.3	

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

2007 and 2006 – Non-cash income tax benefit as discussed on page 18 of the Management's Discussion and Analysis (MD&A).

2004 – Unitbolder compensation.

2003 – Dilution gain, restructuring reversal and non-cash income tax charge.

2001 and 2000 – Goodwill amortization and Mackenzie restructuring costs.

# Ten Year Review

## STATISTICAL INFORMATION

For the years ended December 31

(\$ millions)	2007	2006	2005	2004	2003	CAGR <sup>(1)</sup> 5 YEAR %	2002	2001	2000	1999	1998	CAGR <sup>(1)</sup> 10 YEAR %
<b>Mutual funds</b>												
<b>Investors Group</b>												
Sales	7,229	6,190	5,488	4,722	4,021	8.0	4,916	6,027	7,053	5,915	6,296	1.0
Redemption rates (%)												
– total	8.4	9.0	10.0	10.6	12.8	–	12.6	11.6	14.0	11.9	10.0	–
– long-term funds	7.3	7.9	8.7	9.1	10.7	–	10.2	9.6	11.7	9.8	8.3	–
Net sales (redemptions)	2,158	1,345	778	218	(839)	N/M	(109)	1,031	976	1,370	2,887	(4.8)
Assets under management	60,194	58,216	50,701	44,510	40,904	9.9	37,588	41,644	44,498	40,650	36,064	6.4
<b>Mackenzie<sup>(2)</sup></b>												
Sales	8,453	8,424	8,075	6,786	5,282	7.1	5,998	3,454	–	–	–	–
Redemption rates (%)												
– total	17.8	17.8	17.6	16.9	17.3	–	17.6	16.7	–	–	–	–
– long-term funds	14.1	15.2	14.8	13.8	13.0	–	11.9	11.6	–	–	–	–
Net sales (redemptions)	(89)	658	1,175	795	(69)	N/M	288	24	–	–	–	–
Assets under management	46,563	46,600	41,592	37,298	33,770	8.6	30,860	33,400	–	–	–	–
<b>Investment Planning Counsel</b>												
Sales	364	352	407	259	–	–	–	–	–	–	–	–
Redemption rates (%)												
– total	9.8	9.8	10.2	10.5	–	–	–	–	–	–	–	–
– long-term funds	9.4	9.4	9.7	9.5	–	–	–	–	–	–	–	–
Net sales (redemptions)	139	155	237	161	–	–	–	–	–	–	–	–
Assets under management	2,268	2,206	1,858	1,497	–	–	–	–	–	–	–	–
<b>Combined mutual fund assets under management<sup>(3)</sup></b>												
	108,994	106,987	94,116	83,273	74,674	9.8	68,448	75,044	44,498	40,650	36,064	13.0
<b>Total assets under management</b>	<b>122,982</b>	<b>119,364</b>	<b>100,233</b>	<b>86,621</b>	<b>76,737</b>	<b>11.9</b>	<b>69,969</b>	<b>76,951</b>	<b>44,498</b>	<b>40,650</b>	<b>36,064</b>	<b>14.3</b>
<b>Corporate Assets</b>	<b>7,859</b>	<b>7,333</b>	<b>6,807</b>	<b>6,473</b>	<b>6,292</b>	<b>5.6</b>	<b>5,987</b>	<b>6,122</b>	<b>1,985</b>	<b>1,812</b>	<b>1,799</b>	<b>16.1</b>
<b>Consultants – Investors Group</b>	<b>4,331</b>	<b>3,917</b>	<b>3,668</b>	<b>3,496</b>	<b>3,223</b>	<b>5.4</b>	<b>3,324</b>	<b>3,409</b>	<b>3,483</b>	<b>3,626</b>	<b>3,774</b>	<b>2.1</b>

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.