

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

<i>(unaudited)</i> <i>(in thousands of dollars, except</i> <i>shares and per share amounts)</i>	Three months ended December 31		Twelve months ended December 31	
	2006	2005	2006	2005
Fee and net investment income				
Management	\$ 493,194	\$ 427,109	\$ 1,857,889	\$ 1,644,737
Administration	79,586	78,029	313,245	307,391
Distribution	55,402	55,846	221,164	212,344
Net investment income and other	50,380	47,341	212,300	183,108
Total fee and net investment income	678,562	608,325	2,604,598	2,347,580
Operating expenses				
Commission expense	218,983	189,499	832,794	726,471
Non-commission expense	147,973	141,202	573,399	555,326
Interest expense	22,222	22,749	88,420	90,425
Total operating expenses	389,178	353,450	1,494,613	1,372,222
Income before income taxes and non-controlling interest	289,384	254,875	1,109,985	975,358
Income taxes	89,126	77,467	331,231	291,500
Income before non-controlling interest	200,258	177,408	778,754	683,858
Non-controlling interest	666	162	2,064	1,431
Net income	\$ 199,592	\$ 177,246	\$ 776,690	\$ 682,427
Average number of common shares (in thousands)				
- Basic	264,804	264,508	264,724	264,573
- Diluted	267,552	266,844	267,395	266,609
Earnings per share (in dollars)				
- Basic	\$ 0.75	\$ 0.67	\$ 2.93	\$ 2.58
- Diluted	\$ 0.75	\$ 0.66	\$ 2.90	\$ 2.56

Financial Highlights

<i>(unaudited)</i>	Three months ended December 31			Twelve months ended December 31		
	2006	2005	Change	2006	2005	Change
Net income <i>(\$ millions)</i>						
Excluding a non-cash income tax benefit ⁽¹⁾	\$ 199.6	\$ 177.2	12.6 %	\$ 763.0	\$ 682.4	11.8 %
GAAP	199.6	177.2	12.6	776.7	682.4	13.8
Diluted earnings per share						
Excluding a non-cash income tax benefit ⁽¹⁾	0.75	0.66	13.6	2.85	2.56	11.3
GAAP	0.75	0.66	13.6	2.90	2.56	13.3
Return on equity						
Excluding a non-cash income tax benefit ⁽¹⁾				20.3%	20.0%	
GAAP				20.7%	20.0%	
Dividends per share	0.3975	0.3450	15.2	1.535	1.335	15.0

(\$ millions)

Assets under management

Investors Group						
Mutual funds				\$ 58,216	\$ 50,701	14.8 %
Mackenzie						
<i>Mutual funds</i>				46,600	41,592	
<i>Sub-advisory accounts</i>				12,508	7,553	
<i>Institutional and other accounts</i>				2,433	708	
Total				61,541	49,853	23.4
Counsel Group of Funds						
Mutual funds				2,206	1,858	18.7
Total assets under management ⁽²⁾				119,364	100,233	19.1

⁽¹⁾ *Non-GAAP Financial Measures:*

Results for the year ended December 31, 2006 exclude a non-cash income tax benefit recorded in the second quarter resulting from decreases in federal corporate income tax rates and their effect on the future income tax liability related to indefinite life intangible assets arising from the acquisition of Mackenzie Financial Corporation in 2001.

⁽²⁾ *Total assets under management excludes \$2.6 billion of assets sub-advised by Mackenzie on behalf of Investors Group (\$2.1 billion at December 31, 2005) and is adjusted for \$35 million in inter-segment assets (\$35 million at December 31, 2005).*