



# IGM FINANCIAL

## Supplemental Information

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Fourth Quarter 2011  
(unaudited)

STRENGTH | FOCUS | GROWTH



# Notes to Users

## Cautionary Note on Financial Information

- The financial information in this document is not audited and should be read in conjunction with both the Consolidated Financial Statements for the year ended December 31, 2011 and Management's Discussion and Analysis (MD&A) for the three and twelve months ended December 31, 2011 as well as the IGM Financial 2010 Annual Report, all of which are available on the Company's website at [www.igmfincial.com](http://www.igmfincial.com).

## Transition to International Financial Reporting Standards (IFRS)

- The Interim Financial Statements for the three months ended March 31, 2011 represent the Company's initial presentation of its results and financial position in accordance with IFRS.
- Additional information on the Company's transition to IFRS is available in the notes to the audited Consolidated Financial Statements and in the Management's Discussion and Analysis (MD&A) for the three and twelve month periods ended December 31, 2011.

## Presentation of Financial Information

- Financial information for the three and twelve months ended December 31, 2011 is presented in accordance with IFRS.
- Comparative financial information for the four quarters of 2010 is presented in accordance with IFRS.

# Notes to Users

## Reclassification of Financial Information

- Effective January 1, 2010, the following items were reclassified to reflect changes in the Company's internal financial reporting. During prior periods these items were included within the Net investment income line item of the Investors Group segment.
  - The Company's proportionate share of earnings of Great-West Lifeco Inc. and realized gains and losses on the sale of equity securities were reclassified to the Corporate and Other segment.
  - Interest expense on the \$225 million of long-term debt incurred to finance the Company's investment in Lifeco is no longer allocated to a specific segment and is reflected in Interest expense.
- As part of the adoption of IFRS, effective Jan 1, 2010, Investors Group mortgage issue costs have been reclassified to Net investment income and other from Commission and Non-commission expense.
  - Please see the document "IGM Financial Adoption of International Financial Reporting Standards, April 21, 2011" available at [www.igmfinancial.com](http://www.igmfinancial.com) for a presentation of quarterly and annual previous Canadian GAAP results for 2010 after giving effect to this re-classification.
  - The impact of this re-classification on 2010 previous Canadian GAAP results was to decrease Net investment income and other by \$8.123 million, decrease Commission expense by \$1.333 million and decrease Non-commission expense by \$6.790 million.

# Notes to Users

## Non-IFRS and Non-GAAP Financial Measures

- Net earnings available to common shareholders, which is a financial measure in accordance with both IFRS and previous Canadian GAAP, may be divided into two components consisting of:
  - Operating earnings available to common shareholders; and
  - Other items, which include the after-tax impact of any item that management considers to be of a non-recurring nature or that could make the period-over-period comparison of results from operations less meaningful.
- Non-IFRS and non-GAAP financial measures are used to provide management and investors with additional measures of performance. However, we caution that these financial measures do not have standard meanings prescribed by IFRS and previous Canadian GAAP and are not directly comparable to similar measures used by other companies. Specific instances of such measures that may be referred to within this document include “Operating Earnings”, “Operating Earnings per Share”, “Earnings before Interest and Taxes” (EBIT) and “Earnings before Interest, Taxes, Depreciation and Amortization” (EBITDA).
- We refer you to the MD&A for reconciliation of these non-IFRS and non-GAAP financial measures to measures prescribed by IFRS and previous Canadian GAAP.

# Other Items

- Other items for the three month period ending December, 2011 include an after-tax benefit of \$5.0 million representing the Company's proportionate share of net changes in Great-West Lifeco Inc.'s litigation provisions.
  
- On September 2, 2011, the Company announced it had entered into an agreement to sell 100% of the common shares of M.R.S. Trust Company and M.R.S. Inc. (MRS). The operating results and cash flows of MRS during 2010 and 2011, which were previously included in the Mackenzie reportable segment, have been classified as discontinued operations. On November 16, 2011, Mackenzie completed the sale of MRS.
  - Other items for the three month period ending December 30, 2011 include the net loss for MRS of (\$0.7) million, excluding the gain on sale of MRS of \$30.3 million. Net earnings from discontinued operations, including the after-tax gain on sale, were \$29.6 million for the three months ended December 31, 2011.
  
  - Other items for the three month period ending September 30, 2011 include the net earnings for MRS of \$2.3 million, excluding a one-time tax adjustment. During the third quarter of 2011, a reduction in income taxes of \$28.7 million was recorded to reflect a change in estimate related to tax filing positions. As a result, net earnings from discontinued operations were \$31.0 million for the three months ended September 30, 2011.
  
- Other items for the three month period ending December 31, 2010 include non-recurring items related to the transition to IFRS totaling \$29.3 million (\$21.8 million after-tax) related to certain employee benefits which became fully vested as well as restructuring and transaction costs related to Investment Planning Counsel's acquisition of Partners in Planning Financial Group Ltd. in the fourth quarter of 2010.
  
- Other items for the three month period ending September 30, 2010 consisted of an after-tax charge of \$8.2 million representing the Company's proportionate share of Great-West Lifeco Inc.'s incremental litigation provision.

# Consolidated Statements of Earnings

All figures 000's, unless otherwise noted

	Year Quarter	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Consolidated statements of earnings</b>									
Revenues									
Management fees		449,754	455,490	452,561	479,079	492,115	491,787	464,649	444,177
Administration fees		83,004	83,685	82,579	85,480	87,500	87,924	85,116	84,347
Distribution fees		72,497	71,584	68,775	83,325	89,361	83,556	80,759	79,785
Net investment income and other		33,495	(3,477)	19,851	28,366	25,433	16,293	22,370	17,791
Proportionate share of affiliate's earnings		17,358	17,904	16,927	18,610	16,980	18,111	20,862	18,576
		<u>656,108</u>	<u>625,186</u>	<u>640,693</u>	<u>694,860</u>	<u>711,389</u>	<u>697,671</u>	<u>673,756</u>	<u>644,676</u>
Expenses									
Commission		213,880	212,184	207,458	221,587	233,650	228,679	218,504	214,027
Non-commission		150,710	150,645	150,245	153,478	161,964	164,133	156,032	155,358
		<u>364,590</u>	<u>362,829</u>	<u>357,703</u>	<u>375,065</u>	<u>395,614</u>	<u>392,812</u>	<u>374,536</u>	<u>369,385</u>
Operating earnings before interest and taxes		<u>291,518</u>	<u>262,357</u>	<u>282,990</u>	<u>319,795</u>	<u>315,775</u>	<u>304,859</u>	<u>299,220</u>	<u>275,291</u>
Interest		27,302	27,571	27,870	28,631	30,271	26,139	23,198	23,199
Operating earnings before income taxes		<u>264,216</u>	<u>234,786</u>	<u>255,120</u>	<u>291,164</u>	<u>285,504</u>	<u>278,720</u>	<u>276,022</u>	<u>252,092</u>
Income taxes		69,305	56,422	71,833	78,678	72,127	63,693	60,775	53,902
Operating earnings		<u>194,911</u>	<u>178,364</u>	<u>183,287</u>	<u>212,486</u>	<u>213,377</u>	<u>215,027</u>	<u>215,247</u>	<u>198,190</u>
Perpetual preferred share dividends		(3,467)	(2,213)	(2,212)	(2,213)	(2,213)	(2,212)	(2,213)	(2,212)
Operating earnings available to common shareholders		<u>191,444</u>	<u>176,151</u>	<u>181,075</u>	<u>210,273</u>	<u>211,164</u>	<u>212,815</u>	<u>213,034</u>	<u>195,978</u>
Other items <sup>(1)</sup>									
Net earnings - Discontinued operations		125	(309)	472	1,465	968	1,055	30,995	29,626
Other		-	-	(8,160)	(21,837)	-	-	-	4,960
Net earnings available to common shareholders		<u>191,569</u>	<u>175,842</u>	<u>173,387</u>	<u>189,901</u>	<u>212,132</u>	<u>213,870</u>	<u>244,029</u>	<u>230,564</u>
Average number of common shares									
Basic		262,632	262,339	261,714	260,756	259,289	258,296	257,807	257,232
Diluted		264,069	263,567	262,770	261,848	260,332	259,559	258,730	257,981
Operating earnings per share (in cents)									
Basic		73	67	69	81	81	82	83	76
Diluted		73	67	69	80	81	82	82	76
Net earnings per share (in cents)									
Basic		73	67	66	73	82	83	95	90
Diluted		73	67	66	73	81	82	94	89
Dividends per share (in cents)									
		51.25	51.25	51.25	51.25	51.25	51.25	53.75	53.75

# Consolidated EBIT and EBITDA

All figures 000's

	Year Quarter	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Operating earnings before interest and taxes (EBIT)</b>									
Investors Group		195,812	165,308	194,227	214,550	214,736	200,105	198,286	182,033
Mackenzie		67,250	72,765	72,288	82,926	77,503	79,107	75,109	68,863
Corporate and other		28,456	24,284	16,475	22,319	23,536	25,647	25,825	24,395
		<u>291,518</u>	<u>262,357</u>	<u>282,990</u>	<u>319,795</u>	<u>315,775</u>	<u>304,859</u>	<u>299,220</u>	<u>275,291</u>
<b>Operating earnings before interest, taxes, depreciation and amortization (EBITDA)</b>									
Operating earnings before income taxes		264,216	234,786	255,120	291,164	285,504	278,720	276,022	252,092
Interest expense									
Long-term debt		27,302	27,571	27,870	28,631	30,271	26,139	23,198	23,199
Commission amortization		74,654	73,612	71,976	71,513	72,469	70,668	69,398	69,005
Amortization of capital and intangible assets and other		8,122	8,139	8,267	8,813	8,041	11,579	8,708	10,263
Operating earnings before interest, taxes, depreciation and amortization		<u>374,294</u>	<u>344,108</u>	<u>363,233</u>	<u>400,121</u>	<u>396,285</u>	<u>387,106</u>	<u>377,326</u>	<u>354,559</u>

# Consolidated Operating Metrics

All figures millions

	Year Quarter	2009 1	2009 2	2009 3	2009 4	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Consolidated operating metrics</b>													
Total assets under management													
Mutual funds		81,904	91,585	98,444	100,419	102,809	96,507	102,327	107,926	111,706	108,604	97,702	99,685
Institutional		16,751	18,062	19,460	20,126	20,559	19,187	20,341	21,558	22,375	21,555	19,041	19,028
		98,655	109,647	117,904	120,545	123,368	115,694	122,667	129,484	134,081	130,159	116,743	118,713
Average total assets under management													
Mutual funds		81,120	88,211	94,390	98,641	100,448	100,523	99,420	104,981	109,982	109,854	103,470	99,602
Institutional		16,536	17,684	18,680	19,723	20,206	20,095	19,732	20,964	21,922	22,176	20,555	19,379
		97,655	105,895	113,070	118,364	120,655	120,619	119,152	125,945	131,904	132,030	124,025	118,981
Gross sales													
Mutual funds		2,758	2,405	2,218	2,908	3,599	3,141	2,331	3,024	4,177	2,896	2,634	2,500
Institutional		1,443	2,095	1,386	1,448	1,520	1,558	1,364	1,571	1,400	1,065	796	937
		4,201	4,500	3,604	4,356	5,119	4,699	3,695	4,595	5,577	3,961	3,430	3,437
Net sales													
Mutual funds		(19)	(446)	(371)	(200)	273	(235)	(660)	(440)	534	(439)	(695)	(687)
Institutional		(33)	(195)	355	(136)	386	(385)	(249)	186	85	(47)	(589)	(686)
		(52)	(641)	(16)	(336)	659	(620)	(909)	(254)	619	(486)	(1,284)	(1,373)
Client assets under administration													
Assets under management		98,655	109,647	117,904	120,545	123,368	115,694	122,667	129,484	134,081	130,159	116,743	118,713
Third party and other assets at Investors Group and IPC		8,930	9,856	10,699	10,936	11,085	10,415	11,060	14,977	15,271	14,847	13,881	14,137
		107,585	119,504	128,603	131,481	134,453	126,109	133,727	144,460	149,352	145,005	130,624	132,850



# Consolidated Balance Sheets

All figures 000's

	Year Quarter	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Consolidated balance sheets</b>									
<b>Assets</b>									
Cash and cash equivalents		1,177,108	1,114,330	1,400,333	1,573,626	1,481,688	896,817	715,745	1,052,423
Securities									
Available for sale									
Common shares		50,681	18,139	16,576	7,698	7,720	7,666	5,358	4,876
Proprietary investment funds		77,390	32,763	38,820	37,794	31,538	28,887	19,650	31,173
Fixed income		282,929	261,562	222,848	243,748	213,922	197,696	-	-
Held for trading		411,000	312,464	278,244	289,240	253,180	234,249	25,008	36,049
Canada Mortgage Bonds		624,911	634,255	647,182	637,850	633,259	213,362	224,870	227,206
Fixed income		27,681	27,674	27,654	27,601	28,547	28,922	28,799	29,177
Total securities		652,592	661,929	674,836	665,451	661,806	242,284	253,669	256,383
Accounts and other receivables		1,063,592	974,393	953,080	954,691	914,986	476,533	278,677	292,432
Derivative instruments									281,982
Capital assets									88,092
Other assets		416,777	405,996	398,507	405,579	402,519	389,280	412,569	109,953
Loans									40,228
Held for trading (warehouse)		242,056	404,603	255,953	224,398	321,173	472,193	397,850	292,109
Loans and receivables under securitizations		3,248,336	3,277,351	3,407,788	3,473,744	3,455,267	3,431,641	3,499,545	3,763,345
Other		438,101	420,972	409,718	396,510	393,502	378,137	32,199	30,475
Investment in affiliate		3,928,493	4,102,926	4,073,459	4,094,652	4,169,942	4,281,971	3,929,594	4,085,929
Carrying value		574,585	563,573	570,395	580,478	569,296	572,100	579,033	612,480
Fair value		1,101,124	909,165	959,800	996,076	1,015,725	961,311	778,420	768,973
Assets held for sale		-	-	-	-	-	-	898,384	-
Deferred selling commissions									
Investors Group		568,596	562,044	549,614	543,018	559,154	551,540	540,463	528,052
Mackenzie		268,971	257,302	244,374	234,245	232,983	225,354	214,891	204,633
Corporate and other		16,138	16,064	16,070	17,292	18,159	18,311	18,138	18,078
Deferred income taxes		853,705	835,410	810,058	794,555	810,296	795,205	773,492	750,763
Intangible assets		61,057	64,895	64,372	67,618	42,641	50,979	64,503	59,612
Goodwill		1,124,250	1,122,119	1,120,431	1,123,006	1,121,586	1,119,508	1,117,088	1,117,858
		2,619,440	2,619,439	2,619,439	2,643,123	2,643,123	2,643,124	2,643,124	2,640,523
		11,819,007	11,803,081	12,010,074	12,237,328	12,156,077	11,225,517	11,412,209	11,132,275
<b>Liabilities</b>									
Accounts payable and accrued liabilities									300,094
Taxes payable									35,020
Derivative instruments									111,424
Other liabilities		710,241	721,452	778,437	838,619	734,880	712,774	771,712	357,959
Repurchase agreements		629,641	624,232	645,439	635,302	641,350	214,300	224,963	227,280
Deposits and certificates		901,551	862,637	877,140	834,801	818,193	777,501	148,616	150,716
Liabilities held for sale		-	-	-	-	-	-	659,200	-
Deferred income taxes		362,796	351,241	340,239	330,869	340,192	327,078	319,753	308,968
Obligations to securitization entities		3,324,564	3,364,151	3,460,096	3,505,451	3,527,689	3,506,877	3,553,790	3,827,339
Long-term debt		1,575,000	1,575,000	1,575,000	1,775,000	1,775,000	1,325,000	1,325,000	1,325,000
		7,503,793	7,498,713	7,676,351	7,920,042	7,837,304	6,863,530	7,003,024	6,643,800
<b>Shareholders' equity</b>									
Perpetual preferred shares		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Common shares		1,570,645	1,568,588	1,571,727	1,567,725	1,577,686	1,580,977	1,579,879	1,578,270
Contributed surplus		35,413	36,302	36,912	37,785	36,454	36,955	38,171	35,842
Retained earnings		2,554,403	2,564,799	2,578,922	2,559,238	2,569,179	2,611,236	2,664,238	2,726,285
Accumulated other comprehensive loss		4,753	(15,321)	(3,708)	2,538	(14,546)	(17,181)	(23,103)	(1,922)
		4,315,214	4,304,368	4,333,723	4,317,286	4,318,773	4,361,987	4,409,185	4,488,475
		11,819,007	11,803,081	12,010,074	12,237,328	12,156,077	11,225,517	11,412,209	11,132,275

# Consolidated Cash Flows

All figures 000's

Year	2010	2010	2010	2010	2011	2011	2011	2011
Quarter	1	2	3	4	1	2	3	4
<b>Consolidated statements of cash flows</b>								
Operating activities								
Earnings before income taxes and discontinued operations	264,216	234,786	246,960	261,894	285,504	278,720	276,022	257,052
Income taxes paid	(76,443)	(66,867)	(66,484)	(51,031)	(92,268)	(90,150)	(69,964)	(54,947)
Adjustments to determine net cash from operating activities								
Commission amortization	74,656	73,610	71,976	71,509	72,469	70,668	69,398	69,005
Amortization of capital and intangible assets	7,999	7,880	8,154	8,309	8,052	8,269	8,538	8,262
Changes in operating assets and liabilities and other	(35,788)	(14,403)	37,021	4,658	(34,917)	(42,490)	6,721	(19,602)
	234,640	235,006	297,627	295,339	238,840	225,017	290,715	259,770
Commissions paid	(80,942)	(55,324)	(46,629)	(55,984)	(88,215)	(55,581)	(47,676)	(46,276)
	153,698	179,682	250,998	239,355	150,625	169,436	243,039	213,494
Financing activities								
Net increase (decrease) in deposits and certificates	(3,122)	(33)	1,845	(2,214)	(3,863)	(1,189)	(640)	2,099
Change in obligations related to assets sold under repurchase agreements	-	(5,585)	21,207	(10,136)	6,048	(427,050)	10,663	2,317
Increase (decrease) in obligations to securitization entities	13,993	39,019	95,271	44,656	21,491	(21,601)	46,071	272,658
Net increase (decrease) in debentures	-	-	-	200,000	-	(450,000)	-	-
Issue of common shares	13,782	2,792	6,654	9,952	20,704	6,828	3,535	4,031
Preferred dividends paid	-	(3,467)	(2,213)	(2,212)	(2,213)	(2,212)	(2,213)	(2,212)
Common dividends paid	(134,609)	(134,492)	(134,320)	(134,136)	(133,105)	(132,426)	(132,219)	(138,404)
Common shares purchased for cancellation	(21,934)	(29,904)	(22,956)	(82,125)	(86,244)	(35,235)	(25,430)	(38,917)
	(131,890)	(131,670)	(34,512)	23,785	(177,182)	(1,062,885)	(100,233)	101,572
Investing activities								
Purchase of securities	(164)	(600)	(5,383)	(626)	(5,357)	(188)	(166)	(11,403)
Proceeds from the sale of securities	197,150	71,576	2,196	16,399	11,465	427,959	7,208	290
Net (increase) / decrease in loans	10,435	(193,445)	22,959	(1,151)	(77,654)	(82,412)	(57,026)	(153,268)
Net cash used in acquisitions and additions to intangible assets	(6,550)	(1,602)	(2,165)	(33,811)	(1,970)	(1,654)	(1,450)	(4,457)
Net additions to capital assets	(1,755)	(1,959)	(5,494)	(5,921)	(3,851)	(3,893)	(3,857)	(8,243)
Proceeds from disposal of business	-	-	-	-	-	-	-	198,693
	199,116	(126,030)	12,113	(25,110)	(77,367)	339,812	(55,291)	21,612
(Decrease) Increase in cash and cash equivalents from continuing operations	220,924	(78,018)	228,599	238,030	(103,924)	(553,637)	87,515	336,678
(Decrease) Increase in cash and cash equivalents from discontinued operations	11,103	15,240	57,402	(64,735)	11,986	(31,234)	26,474	(295,061)
Cash and cash equivalents, beginning of period	945,081	1,177,108	1,114,330	1,400,331	1,573,626	1,481,688	896,817	1,010,806
Change	232,027	(62,778)	286,001	173,295	(91,938)	(584,871)	113,989	41,617
Cash and cash equivalents, end of period	1,177,108	1,114,330	1,400,331	1,573,626	1,481,688	896,817	1,010,806	1,052,423

# Other Information

All figures 000's, unless otherwise noted

	Year	2010	2010	2010	2010	2011	2011	2011	2011
	Quarter	1	2	3	4	1	2	3	4
<b>Common shares outstanding</b>									
Open		262,633	262,428	261,697	261,342	259,718	258,393	257,932	257,455
Issued under Stock Option Plan		334	119	245	343	675	250	109	93
Purchased for cancellation		(540)	(850)	(600)	(1,967)	(2,000)	(711)	(585)	(889)
End		262,428	261,697	261,342	259,718	258,393	257,932	257,455	256,659
<b>Stock options</b>									
Outstanding		9,748	9,786	9,504	8,958	9,065	8,715	8,520	8,414
Weighted average strike price (\$)		36.56	36.72	37.01	37.59	39.09	39.41	39.58	39.64
<b>Deposit operations - consolidated balance sheet</b>									
<b>Assets</b>									
Cash and cash equivalents		325,000	337,100	402,900	326,200	342,500	305,700	10,100	18,100
Securities		282,900	261,600	222,900	243,700	213,900	197,700	-	-
Accounts & other receivables								123,300	121,300
Loans		441,500	424,700	412,300	422,500	416,100	444,300	27,700	23,900
		1,049,400	1,023,400	1,038,100	992,400	972,500	947,700	161,100	163,300
Deposits		(901,500)	(862,600)	(877,100)	(834,800)	(818,200)	(777,500)	(148,600)	(150,700)
Other liabilities (net)		(30,800)	(43,300)	(42,800)	(39,600)	(36,100)	(49,200)	(300)	-
Net assets		117,100	117,500	118,200	118,000	118,200	121,000	12,200	12,600
Subordinated debt		20,000	20,000	20,000	20,000	20,000	20,000	-	-
Shareholders' equity		97,100	97,500	98,200	98,000	98,200	101,000	12,200	12,600
Capital		117,100	117,500	118,200	118,000	118,200	121,000	12,200	12,600
<b>Net Earnings from Discontinued Operations</b>									
<b>Revenues</b>									
Management fees		(20)	(32)	(39)	(51)	(53)	(53)	(54)	(27)
Administration fees		5,510	5,483	5,216	5,315	5,293	5,058	4,818	2,605
Distribution fees		352	362	296	394	330	441	448	220
		5,842	5,813	5,473	5,658	5,570	5,446	5,212	2,798
Net investment income & other		3,162	2,709	3,488	4,276	3,549	3,671	5,249	1,021
		9,004	8,522	8,961	9,934	9,119	9,117	10,461	3,819
<b>Expenses</b>									
Commission		(184)	(179)	(178)	(170)	(221)	(208)	(198)	(92)
Non-commission		8,317	8,371	7,615	7,202	7,219	7,847	7,404	5,027
		8,133	8,192	7,437	7,032	6,998	7,639	7,206	4,935
Earnings before income taxes		871	330	1,524	2,902	2,121	1,478	3,255	(1,116)
<b>Income taxes</b>									
Operations		252	125	526	904	615	423	960	(419)
Change in estimate		494	514	526	533	538	-	(28,700)	-
		746	639	1,052	1,437	1,153	423	(27,740)	(419)
Gain on Sale									
Pre-tax									32,246
Income taxes									(1,923)
After-tax									30,323
Net Earnings from Discontinued Operations		125	(309)	472	1,465	968	1,055	30,995	29,626

# Investors Group Operating Segment

All figures 000's

	Year Quarter	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Investors Group operating segment results</b>									
<b>Earnings before interest and taxes</b>									
Revenues									
Management fees		271,683	275,719	274,438	290,199	297,679	298,660	282,966	273,075
Administration fees		54,469	54,615	53,323	55,976	57,890	58,297	55,561	54,232
Distribution fees									
Redemption fees		11,880	12,423	11,522	11,621	13,668	12,603	11,625	11,317
Other mutual fund		4,984	5,161	5,251	5,540	5,674	5,772	5,477	5,379
Non-mutual fund		24,931	27,311	26,469	30,164	28,343	28,940	29,654	29,721
		41,796	44,895	43,242	47,325	47,685	47,315	46,755	46,417
Net investment income and other		25,119	(7,327)	19,053	25,282	21,300	12,423	20,223	16,244
		393,067	367,902	390,056	418,782	424,554	416,695	405,505	389,968
Expenses									
Commissions									
Amortization		44,073	45,062	44,672	44,332	45,199	45,290	44,958	44,889
Asset retention bonus and premium		51,109	51,759	51,029	53,476	56,168	56,840	53,895	52,324
Other - mutual fund		8,787	9,507	8,887	9,173	9,107	9,115	8,883	8,916
Other - non-mutual fund		11,856	12,628	12,335	13,359	13,587	13,251	13,203	13,948
		115,825	118,956	116,923	120,341	124,061	124,496	120,939	120,077
Non-commission									
Amortization		3,251	3,377	3,427	3,336	3,241	3,363	3,413	2,939
Other		78,179	80,261	75,479	80,555	82,516	88,731	82,867	84,919
		81,430	83,638	78,906	83,891	85,757	92,094	86,280	87,858
		197,255	202,594	195,829	204,232	209,818	216,590	207,219	207,935
Earnings before interest and taxes		195,812	165,308	194,227	214,550	214,736	200,105	198,286	182,033

# Investors Group Operating Segment

	Year Quarter	2009 1	2009 2	2009 3	2009 4	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Investors Group segment results</b>													
<b>Operating metrics</b>													
Number of Investors Group Consultants													
Less than four years experience		1,971	1,993	2,069	2,042	2,033	2,055	2,058	2,045	1,931	1,933	1,921	1,903
More than four years experience		2,515	2,518	2,547	2,591	2,604	2,612	2,625	2,641	2,655	2,659	2,674	2,705
		4,486	4,511	4,616	4,633	4,637	4,667	4,683	4,686	4,586	4,592	4,595	4,608
Number of Region Offices		92	92	94	95	95	95	95	101	101	101	102	106
Mutual fund assets under management (\$ millions)													
Opening assets		47,491	46,574	52,498	56,560	57,655	59,224	55,468	58,838	61,785	64,049	62,158	56,502
Gross sales		1,427	1,105	1,134	1,376	1,880	1,316	1,165	1,387	2,046	1,405	1,285	1,285
Redemptions		1,118	1,200	1,098	1,222	1,320	1,418	1,331	1,425	1,542	1,550	1,447	1,443
Net sales		309	(95)	36	154	560	(102)	(166)	(38)	504	(145)	(162)	(158)
Investment returns		(1,226)	6,019	4,026	941	1,009	(3,653)	3,535	2,986	1,759	(1,745)	(5,494)	1,390
Ending assets		46,574	52,498	56,560	57,655	59,224	55,468	58,838	61,785	64,049	62,158	56,502	57,735
Average assets		45,698	50,433	54,223	56,550	57,743	57,863	57,166	60,236	63,006	62,848	59,384	57,526
Redemption rate (last twelve month trailing)													
Long term funds		7.7%	7.5%	7.3%	7.4%	7.5%	7.7%	8.1%	8.3%	8.4%	8.5%	8.7%	8.8%
Total		9.4%	9.2%	9.1%	9.0%	8.9%	9.0%	9.3%	9.4%	9.6%	9.6%	9.7%	9.8%
Assets under administration (\$ millions)													
Investors Group mutual fund assets		46,574	52,498	56,560	57,655	59,224	55,468	58,838	61,785	64,049	62,158	56,502	57,735
Third party and other		1,756	1,944	2,059	2,053	2,068	1,961	2,085	2,159	2,220	2,158	2,009	2,117
		48,331	54,442	58,619	59,708	61,292	57,430	60,923	63,945	66,269	64,316	58,511	59,852
Other products (\$ millions)													
Insurance - new annualized premiums		9.5	12.9	11.6	15.2	13.1	14.2	14.1	16.0	14.9	16.1	15.7	16.9
Segregated fund assets		357	443	519	567	633	662	774	880	958	980	961	1,056
Mortgages under administration													
Mortgage originations		5,036	5,153	5,268	5,366	5,433	5,608	5,683	5,741	5,808	5,982	6,135	6,269
		254	377	278	244	285	402	238	253	330	404	347	328

# Mackenzie Operating Segment

All figures 000's

	Year	2010	2010	2010	2010	2011	2011	2011	2011
	Quarter	1	2	3	4	1	2	3	4
<b>Mackenzie operating segment results</b>									
<b>Earnings before interest and taxes</b>									
Revenues									
Management fees		169,348	170,714	168,801	178,352	183,303	181,678	170,409	159,878
Administration fees									
Unitholder admin fees		24,476	24,680	24,928	24,783	24,941	24,989	25,097	25,580
Other		1,953	2,291	2,230	2,506	2,063	2,010	1,804	1,860
		<u>26,429</u>	<u>26,971</u>	<u>27,158</u>	<u>27,289</u>	<u>27,004</u>	<u>26,999</u>	<u>26,901</u>	<u>27,440</u>
Distribution fees									
Redemption fees		6,066	5,680	5,001	6,195	5,900	4,829	4,529	4,908
Net investment income and other		62	166	(314)	368	783	167	1,289	216
		<u>201,905</u>	<u>203,531</u>	<u>200,646</u>	<u>212,204</u>	<u>216,990</u>	<u>213,673</u>	<u>203,128</u>	<u>192,442</u>
Expenses									
Commissions									
Amortization		29,053	26,999	25,759	25,581	25,689	23,662	22,745	22,445
Trailers		45,592	45,736	44,618	47,455	50,310	50,390	46,664	43,989
		<u>74,645</u>	<u>72,735</u>	<u>70,377</u>	<u>73,036</u>	<u>75,999</u>	<u>74,052</u>	<u>69,409</u>	<u>66,434</u>
Non-commission									
Amortization		2,818	2,853	2,927	3,018	2,837	2,933	3,128	2,332
Other		57,192	55,178	55,054	53,224	60,651	57,581	55,482	54,813
		<u>60,010</u>	<u>58,031</u>	<u>57,981</u>	<u>56,242</u>	<u>63,488</u>	<u>60,514</u>	<u>58,610</u>	<u>57,145</u>
		<u>134,655</u>	<u>130,766</u>	<u>128,358</u>	<u>129,278</u>	<u>139,487</u>	<u>134,566</u>	<u>128,019</u>	<u>123,579</u>
Earnings before interest and taxes		<u>67,250</u>	<u>72,765</u>	<u>72,288</u>	<u>82,926</u>	<u>77,503</u>	<u>79,107</u>	<u>75,109</u>	<u>68,863</u>

# Mackenzie Operating Segment

All figures millions, unless otherwise noted

	Year Quarter	2009 1	2009 2	2009 3	2009 4	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Mackenzie segment results</b>													
<b>Operating metrics</b>													
Total assets under management													
Opening		54,660	52,602	57,799	62,030	63,579	64,857	60,887	64,533	68,346	70,679	68,807	60,916
Gross sales		2,859	3,393	2,440	2,951	3,227	3,343	2,459	3,133	3,486	2,684	2,045	2,088
Redemptions		3,159	3,928	2,502	3,460	3,126	3,859	3,230	3,400	3,365	2,857	3,246	3,334
Net sales		(299)	(535)	(62)	(509)	101	(516)	(771)	(267)	121	(173)	(1,201)	(1,246)
Investment returns		(1,760)	5,732	4,294	2,058	1,177	(3,454)	4,417	4,080	2,212	(1,698)	(6,690)	1,982
Ending assets		52,602	57,799	62,030	63,579	64,857	60,887	64,533	68,346	70,679	68,807	60,916	61,652
Average assets		52,405	56,027	59,524	62,491	63,600	63,406	62,656	66,355	69,547	69,934	65,416	62,161
Mutual fund assets under management													
Opening		35,814	33,659	37,249	39,854	40,624	41,331	38,867	41,112	43,452	44,824	43,601	38,527
Gross sales		1,264	1,231	997	1,414	1,586	1,711	1,056	1,494	1,962	1,358	1,236	1,089
Redemptions		1,620	1,593	1,436	1,822	1,934	1,877	1,598	1,957	2,005	1,703	1,812	1,673
Net sales		(356)	(362)	(439)	(408)	(348)	(166)	(542)	(463)	(43)	(345)	(576)	(584)
Investment returns		(1,799)	3,952	3,044	1,178	1,055	(2,298)	2,786	2,804	1,415	(878)	(4,498)	1,197
Ending assets		33,659	37,249	39,854	40,624	41,331	38,867	41,112	43,452	44,824	43,601	38,527	39,141
Average assets		33,759	35,998	38,245	40,023	40,533	40,432	39,980	42,198	44,219	44,176	41,326	39,317
Redemption rate (last twelve month trailing)													
Long term funds		18.3%	17.3%	16.0%	14.6%	15.1%	15.7%	16.2%	16.5%	16.5%	15.9%	16.2%	15.8%
Total		22.2%	21.2%	19.6%	17.5%	17.7%	17.9%	18.1%	18.1%	17.9%	17.1%	17.4%	16.9%
Institutional assets under management													
Opening		18,847	18,943	20,550	22,176	22,955	23,526	22,020	23,421	24,894	25,855	25,206	22,389
Gross sales		1,595	2,161	1,443	1,537	1,641	1,632	1,403	1,639	1,524	1,326	809	999
Redemptions		1,539	2,334	1,066	1,638	1,192	1,982	1,632	1,443	1,360	1,154	1,434	1,661
Net sales		57	(173)	377	(101)	449	(350)	(229)	196	164	172	(625)	(662)
Investment returns		39	1,780	1,250	880	122	(1,156)	1,631	1,277	797	(821)	(2,192)	784
Ending assets		18,943	20,550	22,176	22,955	23,526	22,020	23,421	24,894	25,855	25,206	22,389	22,511
Average assets		18,646	20,029	21,279	22,468	23,067	22,975	22,676	24,158	25,328	25,758	24,089	22,843

# Corporate & Other Segment

All figures 000's

	Year Quarter	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Corporate and other segment results</b>									
<b>Earnings before interest and taxes</b>									
Revenues									
Management fees		8,723	9,057	9,322	10,528	11,133	11,449	11,274	11,224
Administration fees		2,106	2,099	2,098	2,215	2,606	2,628	2,654	2,675
Distribution fees									
Redemption fees		346	320	243	254	261	289	257	303
Other		24,289	20,689	20,289	29,551	35,515	31,123	29,218	28,157
		24,635	21,009	20,532	29,805	35,776	31,412	29,475	28,460
Net investment income and other									
Share of GWL earnings		17,357	17,904	16,927	18,610	16,980	18,111	20,862	18,576
Other		8,315	3,684	1,112	2,716	3,350	3,703	858	1,331
		25,672	21,588	18,039	21,326	20,330	21,814	21,720	19,907
		61,136	53,753	49,991	63,874	69,845	67,303	65,123	62,266
Expenses									
Commissions									
Amortization		1,528	1,551	1,545	1,600	1,581	1,716	1,695	1,671
Other		21,882	18,942	18,613	26,610	32,009	28,415	26,461	25,845
		23,410	20,493	20,158	28,210	33,590	30,131	28,156	27,516
Non-commission									
Amortization		1,930	1,650	1,800	1,955	1,974	1,973	1,418	2,991
Other		7,340	7,326	11,558	11,390	10,745	9,552	9,724	7,364
		9,270	8,976	13,358	13,345	12,719	11,525	11,142	10,355
		32,680	29,469	33,516	41,555	46,309	41,656	39,298	37,871
Earnings before interest and taxes		28,456	24,284	16,475	22,319	23,536	25,647	25,825	24,395



# Corporate & Other Segment

All figures millions, unless otherwise noted

	Year Quarter	2009 1	2009 2	2009 3	2009 4	2010 1	2010 2	2010 3	2010 4	2011 1	2011 2	2011 3	2011 4
<b>Corporate and other segment results</b>													
<b>Operating metrics</b>													
Investment Planning Counsel assets under administration													
Counsel		1,670	1,838	2,030	2,140	2,254	2,171	2,377	2,688	2,834	2,845	2,674	2,811
Third party and other		8,357	9,191	9,980	10,216	10,374	9,700	10,284	14,696	14,969	14,511	13,481	13,685
Total		10,028	11,029	12,010	12,355	12,628	11,871	12,661	17,384	17,803	17,356	16,155	16,497
Counsel mutual fund assets under management													
Opening		1,740	1,670	1,838	2,030	2,140	2,254	2,171	2,377	2,688	2,834	2,845	2,674
Gross sales		67	69	87	120	133	114	110	142	169	134	113	128
Redemptions		58	58	55	66	72	81	62	80	95	82	69	72
Net sales		9	11	32	54	61	33	48	62	73	52	44	56
Acquisitions		-	-	-	-	-	-	-	128	-	-	-	-
Investment returns		(79)	157	160	56	54	(116)	158	121	72	(40)	(215)	81
Ending assets		1,670	1,838	2,030	2,140	2,254	2,171	2,377	2,688	2,834	2,845	2,674	2,811
Average assets		1,663	1,780	1,923	2,068	2,172	2,229	2,274	2,548	2,757	2,830	2,760	2,761
Redemption rate (last twelve month trailing)													
Long term funds		14.6%	13.6%	12.4%	11.6%	11.6%	12.3%	12.1%	12.0%	12.2%	11.5%	11.3%	10.9%
Total		15.6%	14.8%	13.8%	12.7%	12.6%	13.2%	12.8%	12.7%	12.7%	12.1%	11.9%	11.4%

# Investors Group – Mutual Fund Assets

All figures millions

	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<b>Investors Group</b>													
Mutual fund assets under management													
Opening assets	59,946	61,785	62,601	64,069	64,049	63,723	63,630	62,158	60,862	59,383	56,502	58,535	57,964
Gross sales	453	539	826	681	446	516	443	430	454	402	407	459	419
Redemptions	508	496	482	564	506	552	492	495	505	447	449	497	497
Net sales	(55)	43	345	116	(60)	(36)	(49)	(66)	(51)	(45)	(42)	(38)	(77)
Investment returns	1,894	773	1,123	(137)	(266)	(56)	(1,424)	(1,230)	(1,428)	(2,836)	2,075	(533)	(151)
Ending assets	61,785	62,601	64,069	64,049	63,723	63,630	62,158	60,862	59,383	56,502	58,535	57,964	57,735

## Investors Group

Long Term Mutual fund assets under management

Opening assets	58,815	60,666	61,536	63,018	62,999	62,694	62,621	61,140	59,662	58,122	55,210	57,240	56,654
Gross sales	391	480	754	599	398	461	387	378	387	348	347	407	356
Redemptions	443	433	428	499	444	493	430	442	439	381	386	434	435
Net sales	(52)	48	326	100	(45)	(31)	(43)	(64)	(51)	(33)	(39)	(27)	(79)
Net transfers from / (to) short term funds	(8)	(51)	(32)	(17)	(7)	(16)	6	(70)	(36)	(30)	4	(7)	5
Investment returns	1,911	874	1,188	(102)	(252)	(26)	(1,444)	(1,344)	(1,453)	(2,849)	2,065	(552)	(146)
Ending assets	60,666	61,536	63,018	62,999	62,694	62,621	61,140	59,662	58,122	55,210	57,240	56,654	56,434

# Mackenzie – Mutual Fund Assets

All figures millions

	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<b>Mackenzie</b>													
Mutual fund assets under management													
Opening assets	41,826	43,452	43,882	44,789	44,824	45,008	44,751	43,601	43,029	41,190	38,527	40,222	39,743
Gross sales	549	533	691	738	483	475	401	500	416	320	332	381	375
Redemptions	690	654	680	671	565	566	572	543	605	664	504	591	577
Net sales	(140)	(121)	11	67	(82)	(91)	(171)	(43)	(189)	(344)	(172)	(210)	(202)
Investment returns	1,766	551	896	(31)	266	(166)	(979)	(529)	(1,650)	(2,319)	1,867	(269)	(400)
Ending assets	43,452	43,882	44,789	44,824	45,008	44,751	43,601	43,029	41,190	38,527	40,222	39,743	39,141

## Mackenzie

Long Term Mutual fund assets under management

Opening assets	40,767	42,412	42,900	43,842	43,878	44,084	43,863	42,716	42,129	40,254	37,598	39,301	38,818
Gross sales	491	495	644	667	430	430	363	469	381	294	303	345	330
Redemptions	623	577	623	613	503	503	526	502	561	620	460	554	535
Net sales	(132)	(82)	21	54	(73)	(73)	(163)	(33)	(180)	(326)	(157)	(209)	(205)
Net transfers from / (to) short term funds	10	19	28	42	13	78	(5)	(24)	(45)	(10)	(8)	(5)	(8)
Investment returns	1,767	552	894	(60)	265	(226)	(979)	(530)	(1,650)	(2,321)	1,867	(270)	(400)
Ending assets	42,412	42,900	43,842	43,878	44,084	43,863	42,716	42,129	40,254	37,598	39,301	38,818	38,204

# Counsel – Mutual Fund Assets

All figures millions

	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<b>Counsel</b>													
Mutual fund assets under management													
Opening assets	2,585	2,688	2,726	2,810	2,834	2,861	2,880	2,845	2,831	2,758	2,674	2,782	2,805
Gross sales	51	45	67	57	43	47	44	37	39	37	41	48	38
Redemptions	27	30	32	34	28	27	27	24	24	22	20	25	27
Net sales	24	15	35	23	15	20	17	13	15	15	21	24	11
Investment returns	79	23	49	1	12	(1)	(52)	(27)	(89)	(98)	88	(1)	(4)
Ending assets	2,688	2,726	2,810	2,834	2,861	2,880	2,845	2,831	2,758	2,674	2,782	2,805	2,811

<b>Counsel</b>													
Long Term Mutual fund assets under management													
Opening assets	2,550	2,655	2,694	2,777	2,799	2,829	2,850	2,815	2,801	2,727	2,642	2,750	2,771
Gross sales	44	40	60	49	38	42	39	32	35	31	35	39	33
Redemptions	25	28	31	32	26	24	27	22	21	21	19	23	25
Net sales	19	12	29	17	12	18	12	9	13	10	16	16	8
Net transfers from / (to) short term funds	7	4	6	5	4	6	4	4	2	3	4	7	(1)
Investment returns	79	23	49	1	13	(2)	(52)	(27)	(89)	(98)	88	(1)	(4)
Ending assets	2,655	2,694	2,777	2,799	2,829	2,850	2,815	2,801	2,727	2,642	2,750	2,771	2,774