



STRENGTH | FOCUS | GROWTH

## IGM FINANCIAL Q3, 2012 Results

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November 9, 2012

# IGM Financial – Conference Call Participants

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**Charles R. Sims**

President & CEO,  
Mackenzie

Co - President & CEO,  
IGM Financial

**Murray J. Taylor**

President & CEO,  
Investors Group

Co - President & CEO,  
IGM Financial

**Kevin E. Regan**

Executive Vice-President  
& CFO,  
IGM Financial

# Caution Concerning Forward Looking Statements

Certain statements in this report other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM Financial's current expectations. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

A variety of material factors, many of which are beyond the Company's, and its subsidiaries' control, affect the operations, performance and results of the Company, and its subsidiaries, and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, business competition, technological change, changes in government regulations and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, the Company's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company's success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Company's business is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at [www.sedar.com](http://www.sedar.com).

# Non-IFRS Financial Measures and Additional IFRS Measures

- Net earnings available to common shareholders, which is an additional measure in accordance with IFRS, may be subdivided 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.
- This report may also contain non-IFRS financial measures. Non-IFRS financial measures are used to provide management and investors with additional measures of performance. However, we caution that non-IFRS financial measures do not have standard meanings prescribed by IFRS 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” and “Earnings before Interest and Taxes” (EBIT).
- We refer you to the appropriate reconciliation in the Management’s Discussion and Analysis of these non-IFRS financial measures to measures prescribed by IFRS.
- “Operating Earnings” and “Operating Earnings Per Share” for the nine months ended September 30, 2012 exclude a non-cash income tax charge of \$6.4 million resulting from increases in Ontario corporate income tax rates and their effect on the deferred income tax liability related to indefinite life intangible assets arising from prior business acquisitions. There is no expectation that the deferred tax liability will become payable as the Company has no intention of disposing of these assets.
- “Operating Earnings” and “Operating Earnings Per Share” for the three and nine months ended September 30, 2011 exclude the net earnings for M.R.S. Trust Company and M.R.S. Inc. (MRS), which have been classified as discontinued operations. Net earnings for MRS, excluding a one-time tax adjustment, totaled \$2.3 million and \$4.3 million for the three and nine months ended September 30, 2011. 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 and \$33.0 million for the three and nine months ended September 30, 2011.

# Documents Incorporated by Reference

This summary document and webcast are meant to discuss, not to serve as a substitute for, information included in these documents. The reader is hereby cautioned to refer to the following documents relating to IGM Financial's results:

1. Documents related to IGM Financial's Q3, 2012 results issued November 8, 2012:
  - IGM Financial Q3, 2012 financial results press release. This press release includes financial highlights as well as a summary earnings statement.
  - IGM Financial Q3, 2012 Consolidated Financial Statements and notes.
  - IGM Financial Q3, 2012 Management's Discussion and Analysis ("MD&A").
  - IGM Financial Q3, 2012 Supplemental Information.
2. IGM Financial October, 2012 Assets Under Management press release issued November 2, 2012.
3. IGM Financial Automatic Securities Purchase Plan press release issued October 3, 2012.
4. IGM Financial 2011 Annual Report which was issued on March 22, 2012.

Each of these documents are available on the Company's website at [www.igmfinancial.com](http://www.igmfinancial.com) and also at [www.sedar.com](http://www.sedar.com).

- 1. Highlights**

2. Mackenzie

3. Investors Group

# IGM Financial Highlights – Earnings

- ♦ *IGM Financial's Operating Earnings Per Share were 73 cents for the third quarter of 2012 relative to 82 cents for the third quarter of 2011.*

	<u>Three months ended September 30</u>			<u>Nine months ended September 30</u>		
	<u>2011</u>	<u>2012</u>	<u>Change</u>	<u>2011</u>	<u>2012</u>	<u>Change</u>
Operating Earnings (millions) <sup>1</sup>	\$ 213.0	\$ 186.9	(12.3%)	\$ 637.0	\$ 565.6	(11.2%)
Operating Earnings per share (diluted) <sup>1</sup>	0.82	0.73	(11.0%)	2.46	2.21	(10.2%)
Net Earnings (millions)	244.0	186.9	(23.4%)	670.0	559.2	(16.5%)
Net Earnings per share (diluted)	0.94	0.73	(22.3%)	2.58	2.18	(15.5%)
Dividends per share	0.5375	0.5375	0.0%	1.5625	1.6125	3.2%

1. Please refer to slide 4 for a discussion of adjustments.

# IGM Financial Highlights – Gross Sales

- *IGM Financial had gross sales of \$3.1 billion during Q3, 2012 and \$10.6 billion year to date.*

## IGM Financial Investment Product Gross Sales (\$ Millions)

	Three Months Ended September 30, 2012				Nine Months Ended September 30, 2012			
	Investors Group	Mackenzie	Counsel	IGM Financial	Investors Group	Mackenzie	Counsel	IGM Financial
Long term mutual funds	1,087	986	60	<b>2,123</b>	3,856	3,351	255	<b>7,451</b>
Short term mutual funds	133	90	16	<b>239</b>	504	289	48	<b>841</b>
Total mutual funds	1,220	1,076	76	<b>2,362</b>	4,360	3,640	303	<b>8,292</b>
Institutional <sup>1</sup>		1,372		<b>760</b>		3,487		<b>2,338</b>
Total	<u>1,220</u>	<u>2,448</u>	<u>76</u>	<b><u>3,122</u></b>	<u>4,360</u>	<u>7,127</u>	<u>303</u>	<b><u>10,630</u></b>

1. Total gross sales exclude sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had gross sales of \$622 million during Q3, 2012 and \$1.16 billion year to date.



# IGM Financial Highlights – Net Sales

- *IGM Financial had net redemptions of \$1.8 billion during Q3, 2012 and \$4.3 billion year to date.*

## IGM Financial Investment Product Net Sales (\$ Millions)

	Three Months Ended September 30, 2012				Nine Months Ended September 30, 2012			
	Investors Group	Mackenzie	Counsel	IGM Financial	Investors Group	Mackenzie	Counsel	IGM Financial
Long term mutual funds	(276)	(443)	(27)	<b>(751)</b>	(434)	(1,356)	(42)	<b>(1,838)</b>
Short term mutual funds	(38)	(21)	13	<b>(46)</b>	(29)	(75)	34	<b>(70)</b>
Total mutual funds	(314)	(464)	(14)	<b>(797)</b>	(463)	(1,431)	(8)	<b>(1,908)</b>
Institutional <sup>1</sup>		(546)		<b>(991)</b>		(1,803)		<b>(2,395)</b>
Total	<u>(314)</u>	<u>(1,010)</u>	<u>(14)</u>	<b><u>(1,788)</u></b>	<u>(463)</u>	<u>(3,234)</u>	<u>(8)</u>	<b><u>(4,303)</u></b>

1. Total net sales exclude sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had net sales of \$450 million during Q3, 2012 and net sales of \$598 million year to date.

# IGM Financial Highlights – Assets Under Management

- IGM Financial's total assets under management increased by 2.2% during Q3, 2012 relative to Q3, 2011 and increased by 1.1% relative to Q2, 2012.

(\$ Billions)	Quarter					Q3, 2012 Change	
	Sep 30, 2011	Dec 31, 2011	Mar 31, 2012	Jun 30, 2012	Sep 30, 2012	Last Quarter	Last Year

## Ending Assets Under Management (as at end of period)

<b>IGM Financial</b>	<b>116.7</b>	<b>118.7</b>	<b>124.1</b>	<b>118.0</b>	<b>119.3</b>	<b>1.1%</b>	<b>2.2%</b>
Investors Group	56.5	57.7	60.6	58.1	59.6	2.5%	5.5%
Mackenzie <sup>1</sup>	60.9	61.7	64.4	60.7	61.0	0.6%	0.2%
Counsel	2.7	2.8	3.0	2.8	2.9	2.1%	8.8%

## Average Assets Under Management (for the period ended)

<b>IGM Financial</b>	<b>124.0</b>	<b>119.0</b>	<b>122.8</b>	<b>119.2</b>	<b>118.2</b>	<b>(0.9%)</b>	<b>(4.7%)</b>
Investors Group	59.4	57.5	59.8	58.5	58.7	0.4%	(1.1%)
Mackenzie <sup>1</sup>	65.4	62.2	63.8	61.6	60.4	(1.9%)	(7.7%)
Counsel	2.8	2.8	2.9	2.9	2.9	0.6%	4.3%

1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel. These mandates had assets under management of \$4.2 billion at September 30, 2012.

# Operating Environment – Industry Sales Mix

- *The industry experienced increases in both gross and net sales during Q3, 2012 relative to Q3, 2011.*

## Industry Mutual Fund Net Sales by Primary Distribution Emphasis Three months ended September 30 (\$ Billions)

	Long Term Funds			Total Funds		
	2011	2012	Change	2011	2012	Change
<b>Gross Sales</b>						
Advice	10.8	11.4	6.0%	11.5	12.0	4.3%
Deposit takers	15.9	19.4	22.4%	21.5	23.6	10.0%
Direct & other	2.1	1.3	(40.2%)	2.3	1.4	(39.5%)
Total	<u>28.8</u>	<u>32.2</u>	11.6%	<u>35.2</u>	<u>37.0</u>	4.9%
<b>Net Sales</b>						
Advice	(1.8)	(0.5)		(1.9)	(0.7)	
Deposit takers	1.8	4.8		0.8	3.9	
Direct & other	(0.1)	0.3		(0.2)	0.3	
Total	<u>(0.1)</u>	<u>4.6</u>		<u>(1.2)</u>	<u>3.5</u>	

Source: Investor Economics data and excludes exchange traded funds.

“Advice” reflects the aggregation of “Independents” and “Life Insurers” as presented by Investor Economics.

“Direct & other” reflects “Others” as presented by Investor Economics and includes direct sellers, unions & associations and others.

“Net Sales” reflects gross sales less redemptions and is presented by Investor Economics as “Net New Money”.

# Operating Environment – Industry Sales Mix

- ◆ *Income-oriented and balanced funds continued to experience positive net sales during the third quarter of 2012.*

## Industry Mutual Fund Net Sales (\$ Billions)

	Q3, 2010	Q4, 2010	Q1, 2011	Q2, 2011	Q3, 2011	Q4, 2011	Q1, 2012	Q2, 2012	Q3, 2012
Income-oriented	6.0	8.7	6.5	3.3	0.6	<b>4.6</b>	<b>12.5</b>	<b>4.0</b>	<b>5.0</b>
Balanced	0.2	2.4	5.1	2.9	(0.1)	0.0	2.4	0.3	1.3
Canadian equity	(2.0)	(2.7)	(0.5)	(0.6)	(0.8)	(2.2)	(2.1)	(0.9)	(1.9)
Foreign equity	(1.6)	(1.1)	2.4	(0.1)	0.2	(2.4)	(0.4)	1.1	(1.4)
Sector / other	0.1	0.5	0.9	0.3	0.0	1.8	0.5	0.3	1.6
Long term	2.8	7.9	14.4	5.8	(0.1)	1.7	12.9	4.8	4.6
Money market	(2.5)	(3.4)	(1.4)	(1.0)	(1.1)	(1.2)	(1.4)	(0.9)	(1.0)
Total	0.2	4.5	12.9	4.8	(1.2)	0.5	11.5	3.9	3.5

Source: Investor Economics data and excludes exchange traded funds.

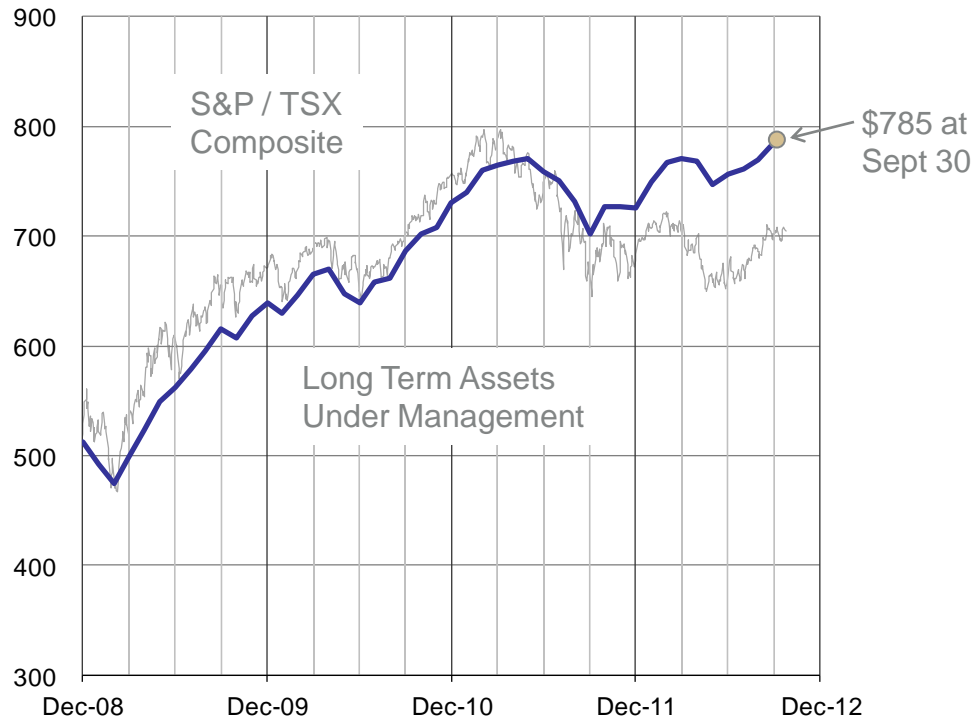
“Net Sales” reflects gross sales less redemptions and is presented by Investor Economics as “Net New Money”.

***Operating Environment***

# Operating Environment – Financial Markets

- During Q3, 2012, industry long term mutual fund assets increased by 3.8% primarily as a result of increases in global equity markets.

## Canadian Mutual Fund Industry Long Term Mutual Fund Assets Under Management (\$ Billions)



	Q3, 2012	Q4, 2012 at November 2
Mutual Fund Long Term Assets	3.8%	
S&P / TSX Composite	6.2%	0.5%
S&P 500	5.8%	(1.1%)
Dow Jones Industrial	4.3%	(2.6%)
Nasdaq Composite	6.2%	(4.3%)
FTSE 100	3.1%	2.2%
DAX	12.5%	2.0%
Nikkei 225	(1.5%)	2.0%
US dollar relative to CAD	(3.3%)	1.3%
Euro relative to CAD	(1.8%)	1.0%

### S&P / TSX Composite Compound Annual Total Return at November 2, 2012

1 year	3 year	5 year	10 year
4.2%	7.3%	(0.0%)	9.6%

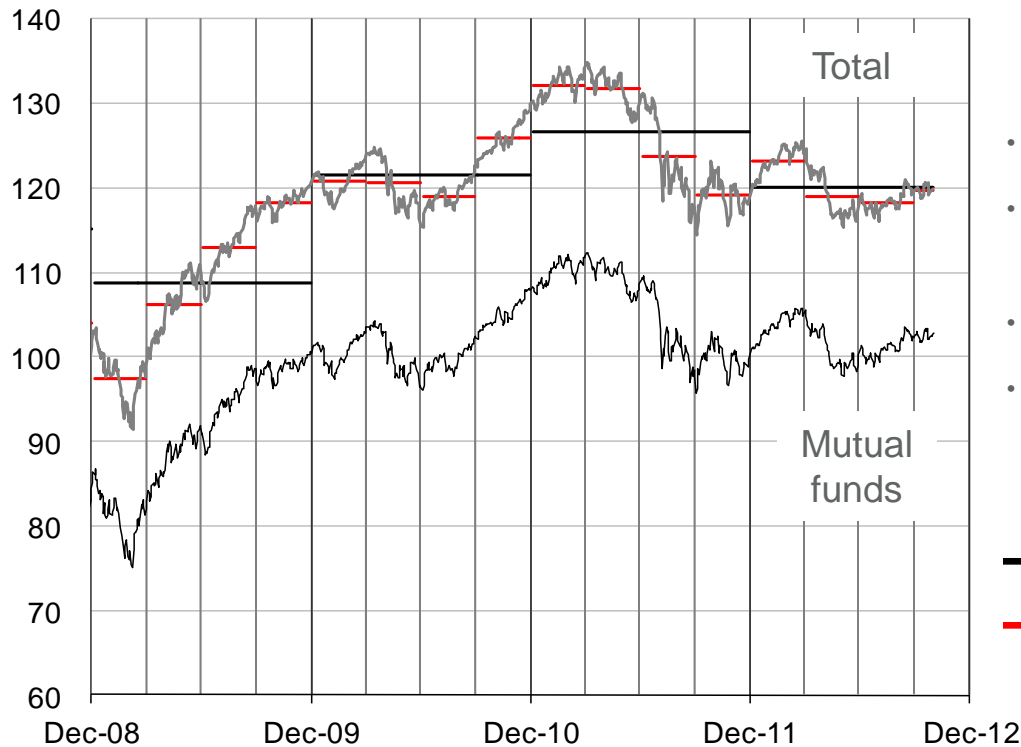
Mutual fund industry reflects Investor Economics data and excludes exchange traded funds.

All index returns are local market returns.

# IGM Financial Highlights – Assets Under Management

- ♦ *Average mutual fund assets under management increased by 0.2% during Q3, 2012 relative to Q2, 2012 and average total assets declined by 0.9%.*

**Assets Under Management  
(\$ Billions)**



**Average Assets Under Management (\$ Billions)**

- \$119.3 at Sept 30
- \$119.9 at Oct 31
- \$102.2 at Sept 30
- \$102.8 at Oct 31

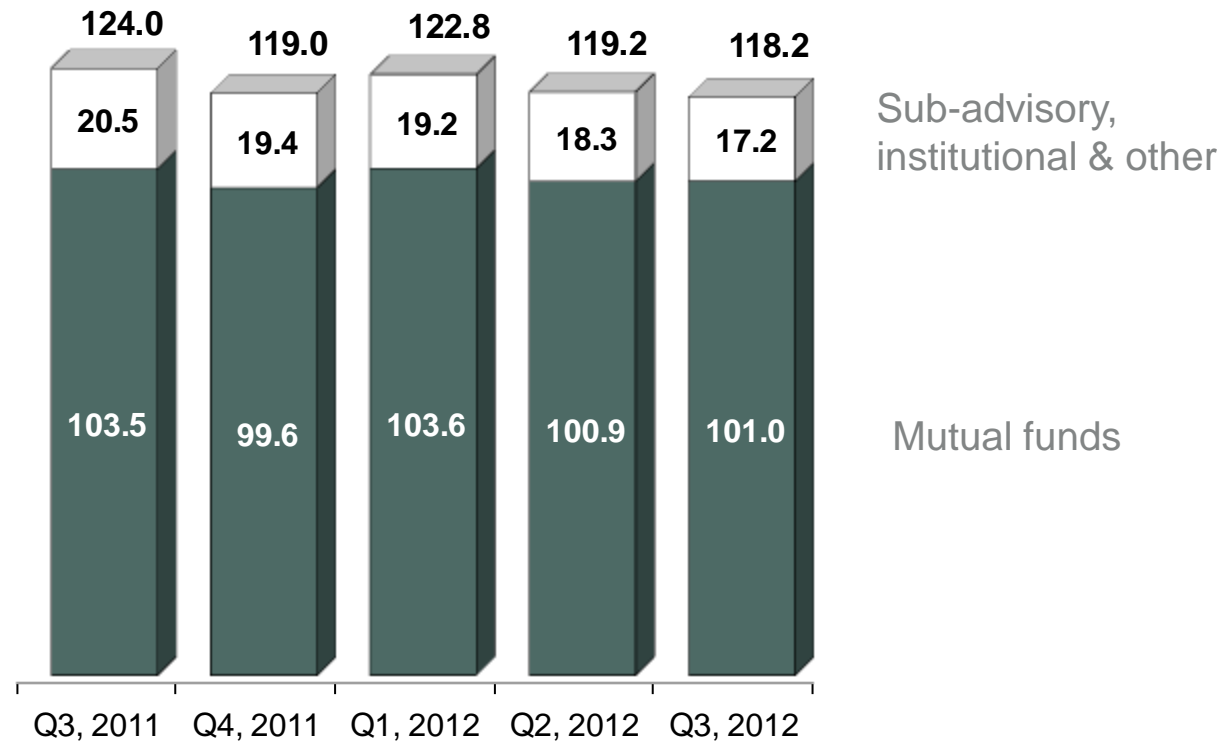
	Total	Mutual funds
Q3, 2012	118.2	101.0
Q3, 2012 versus Q2, 2012	(0.9%)	0.2%
Q3, 2012 versus Q3, 2011	(4.7%)	(2.4%)
Q2, 2012	119.2	100.9
Q3, 2011	124.0	103.5

- Annual Average
- Quarterly Average

# IGM Financial Highlights – Assets Under Management

- ♦ *Average mutual fund assets under management decreased by 2.4% during Q3, 2012 relative to Q3, 2011 and average total assets declined by 4.7%.*

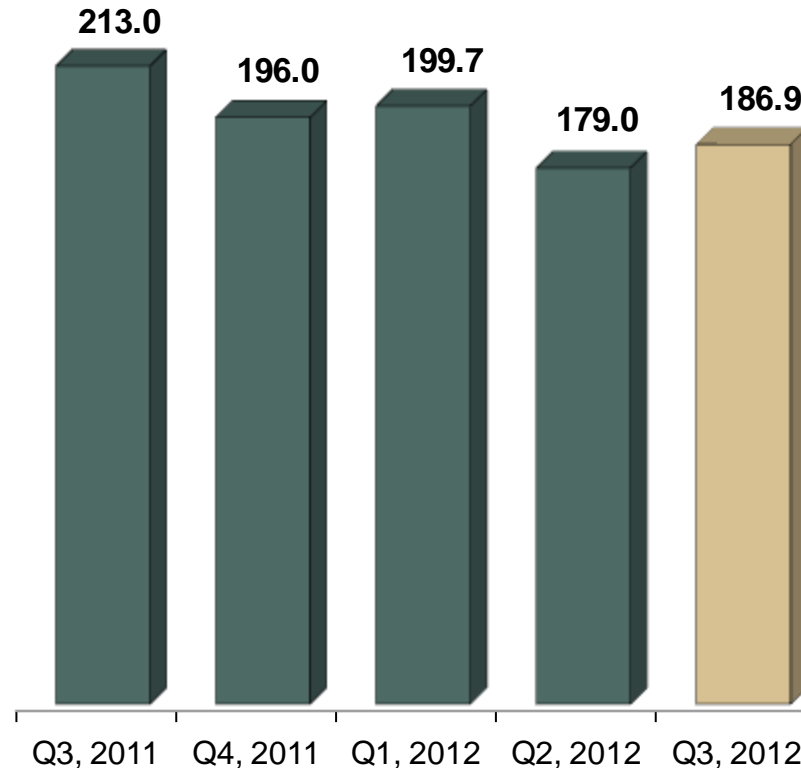
Average Assets Under Management  
(\$ Billions)



# IGM Financial Highlights – Operating Earnings

- ◆ *IGM Financial's Operating Earnings increased by 4.4% during Q3, 2012 relative to Q2, 2012 and decreased by 12.3% relative to the prior year.*

Operating Earnings <sup>1</sup>  
(\$ Millions)



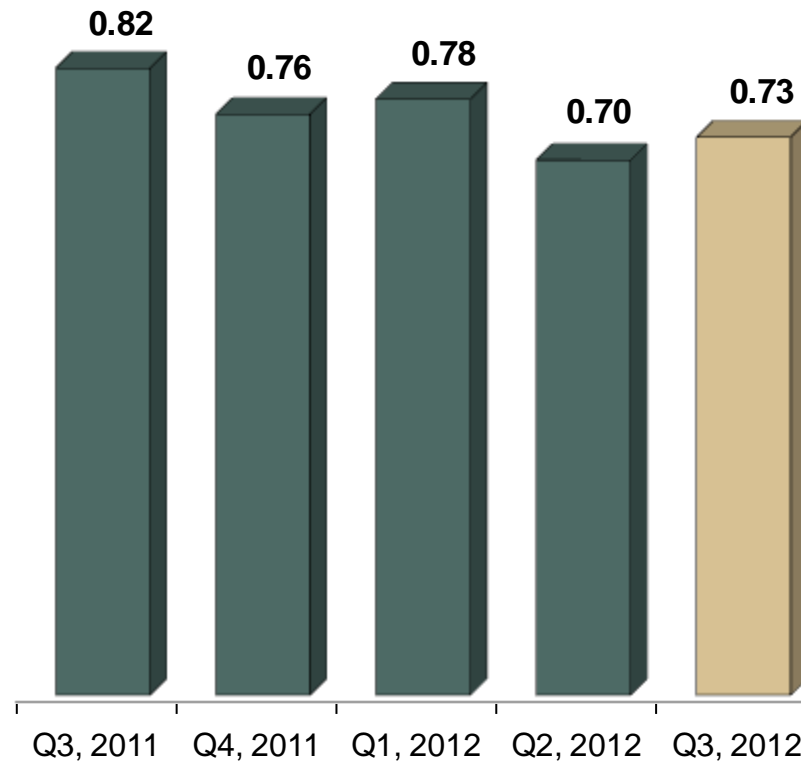
1. Please refer to slide 4 for a discussion of adjustments.



# IGM Financial Highlights – Operating Earnings Per Share

- ◆ *IGM Financial's Operating Earnings Per Share increased by 4.3% during Q3, 2012 relative to Q2, 2012 and decreased by 11.0% relative to the prior year.*

Operating Earnings per Share <sup>1</sup>  
(\$ Diluted)



1. Please refer to slide 4 for a discussion of adjustments.

1. Highlights

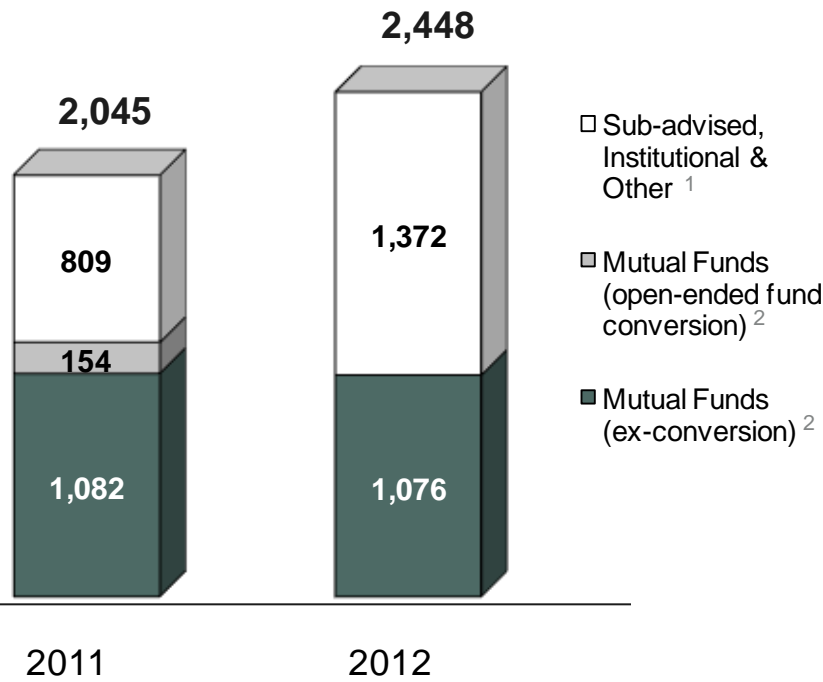
**2. Mackenzie**

3. Investors Group

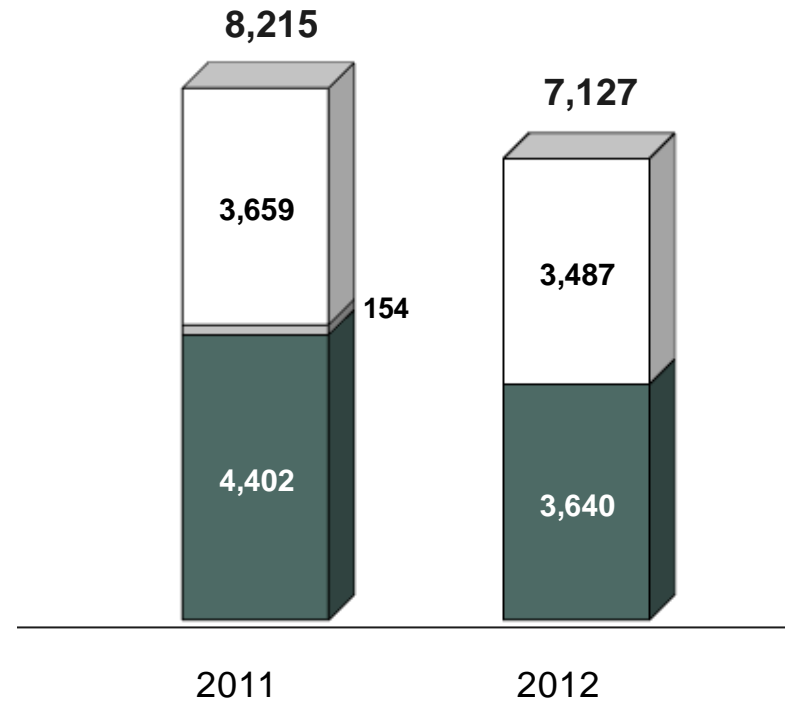
# Mackenzie Gross Sales

- *Mackenzie had gross sales of investment products of \$2.4 billion during the third quarter of 2012 and \$7.1 billion year to date.*

Mackenzie Gross Sales of Investment Products  
Three months ended September 30  
(\$ Millions)



Mackenzie Gross Sales of Investment Products  
Nine months ended September 30  
(\$ Millions)

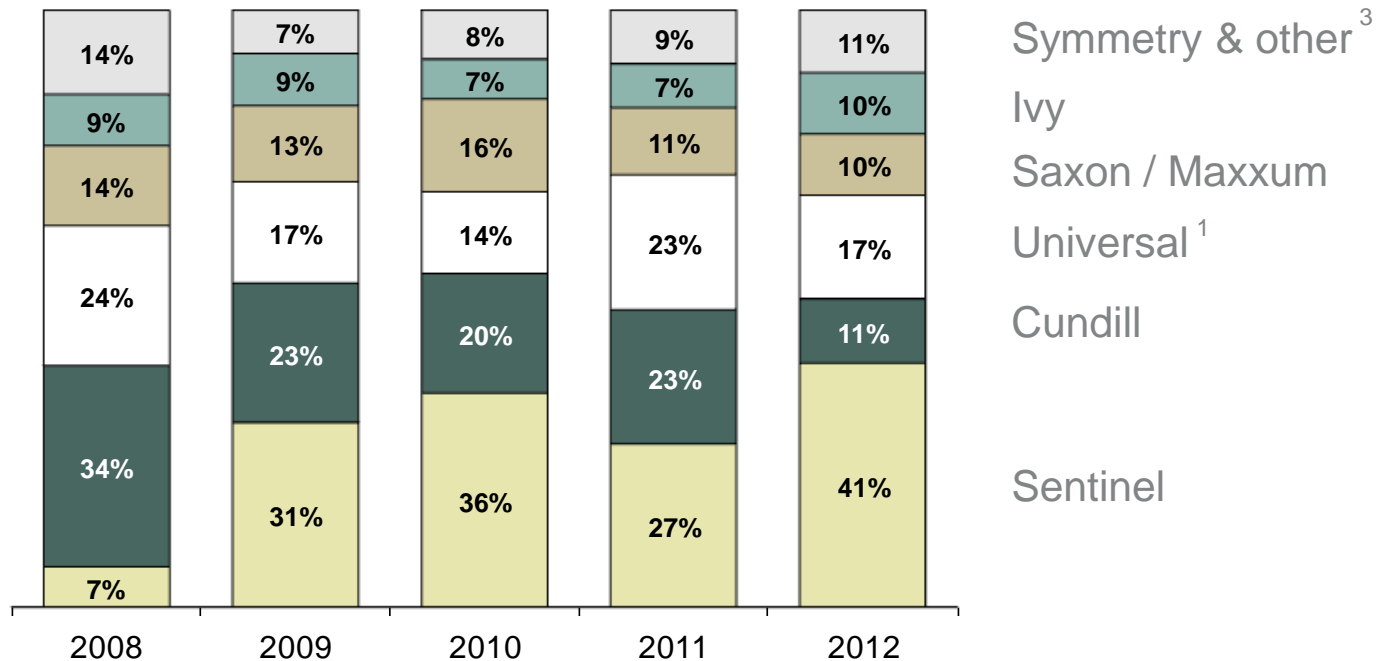


1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.
2. Q3, 2011 includes \$154 million in mutual fund gross sales related to the conversion of the Canadian Shield Fund to an open-ended mutual fund.

# Mackenzie Mutual Fund Gross Sales

- ◆ *Mackenzie's income-oriented Sentinel sub-brand continued to experience strong flows during the third quarter of 2012.*

Gross Sales Mix of Long Term Mutual Funds by Mackenzie Sub-Brand <sup>1,2</sup>  
Three month periods ended September 30

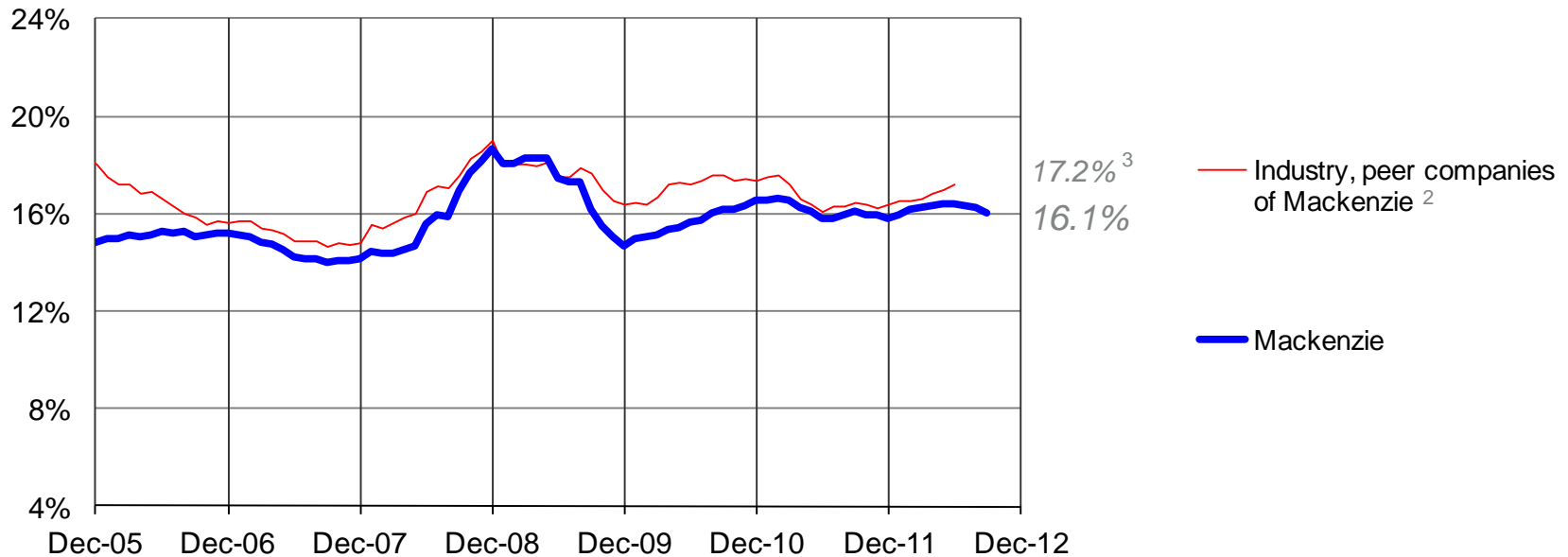


1. Q3, 2011 excludes \$154 million in gross sales related to the conversion of the Universal Canadian Shield Fund to an open-ended mutual fund
2. Excludes Quadrus funds.
3. Includes Symmetry, Founders Funds and other funds.

# Mackenzie Mutual Fund Redemption Rate

- ◆ *Mackenzie's twelve month trailing redemption rate on long term mutual funds was 16.1% at September 30, 2012.*

**Redemption Rate on Long Term Mutual Funds <sup>1</sup>**  
 (Last Twelve Month Trailing % of Average Assets Under Management)

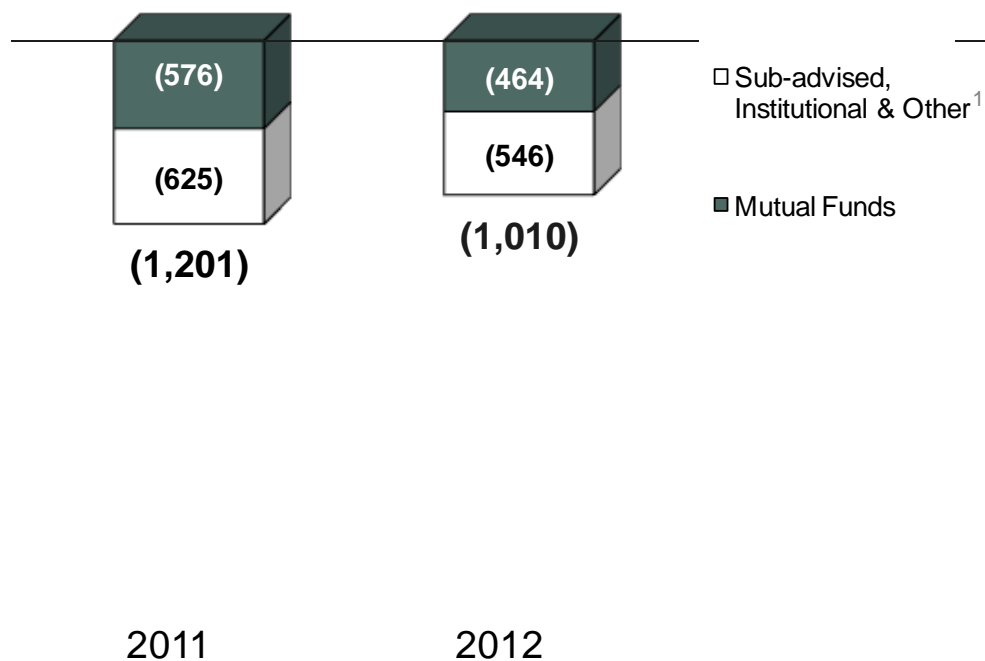


1. All numbers have been restated to exclude CI Investments and Invesco at the time that they discontinued reporting to IFIC. CI discontinued reporting to IFIC during December, 2008 and Invesco discontinued reporting to IFIC October, 2010.
2. Excludes Mackenzie, Investors Group, deposit takers and direct distributors.
3. Twelve month trailing redemption rate as of June 30, 2012.

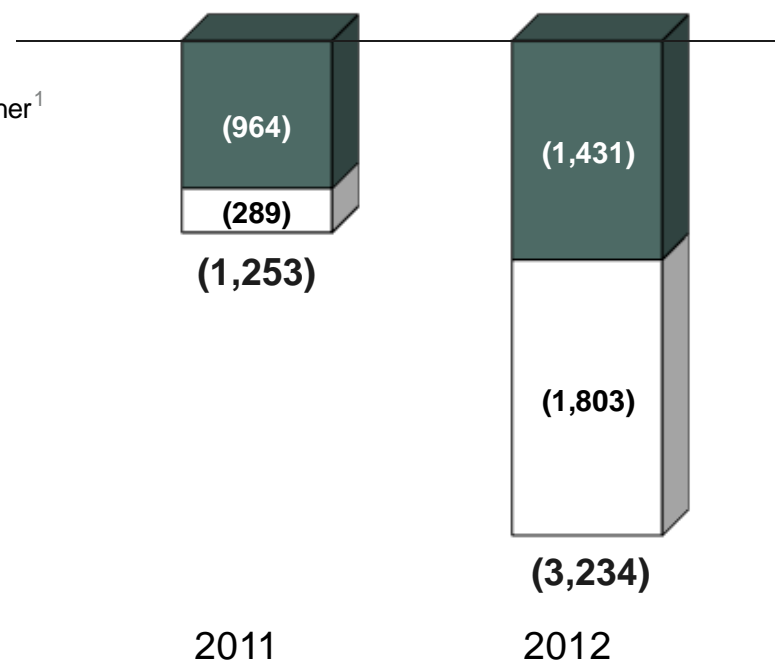
# Mackenzie Net Sales

- *Mackenzie had net redemptions of \$1.0 billion during the third quarter of 2012 and \$3.2 billion year to date.*

Mackenzie Net Sales of Investment Products  
Three months ended September 30  
(\$ Millions)



Mackenzie Net Sales of Investment Products  
Nine months ended September 30  
(\$ Millions)

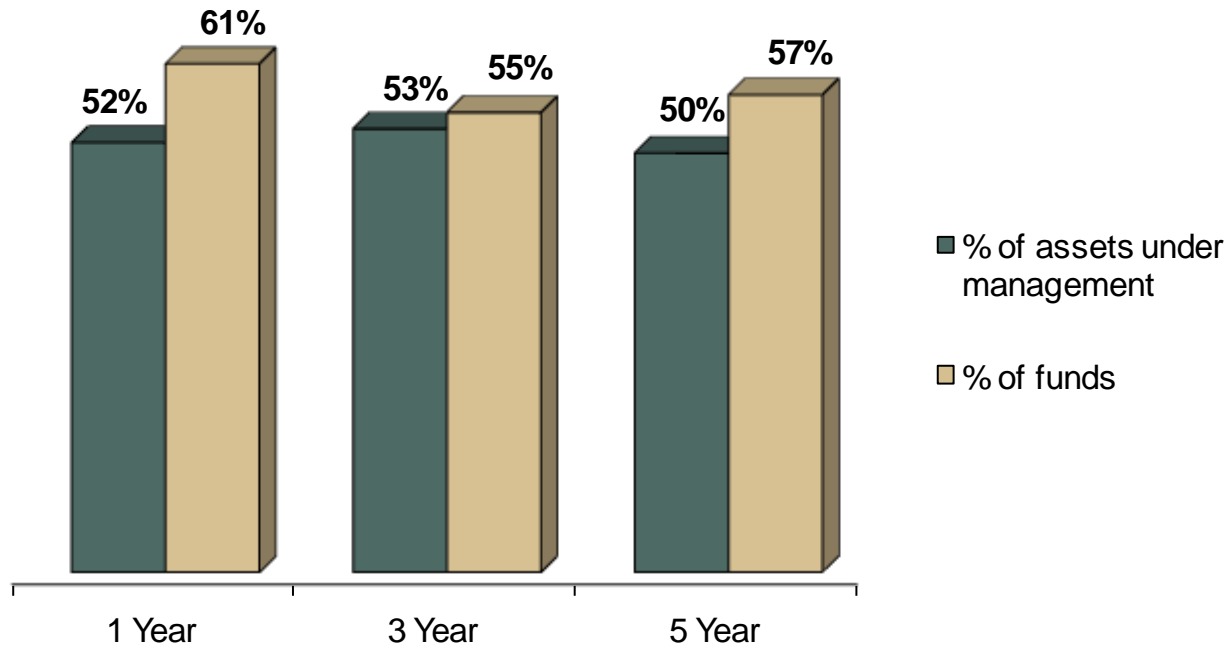


1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.

# Mackenzie Investment Performance

- ◆ *Mackenzie has delivered consistent investment performance with more than 50% of assets and funds residing within funds which have had first or second quartile performance over the last one, three and five years.*

Mackenzie Mutual Funds in First or Second Quartile <sup>1</sup>  
As at September 30, 2012

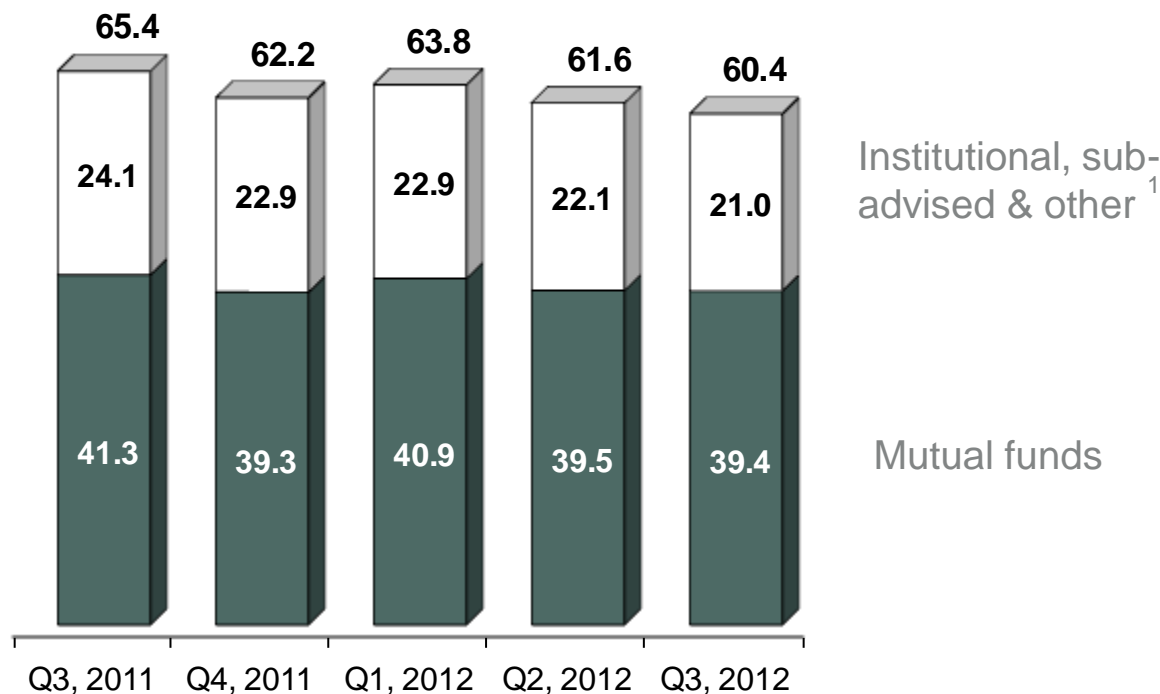


Source: Morningstar  
1. Excludes Quadrus funds.

# Mackenzie Assets Under Management

- ♦ *The average balance of mutual fund assets under management decreased by 4.6% during Q3, 2012 relative to Q3, 2011, and average total assets declined by 7.7%.*

Average Assets Under Management  
(\$ Billions)



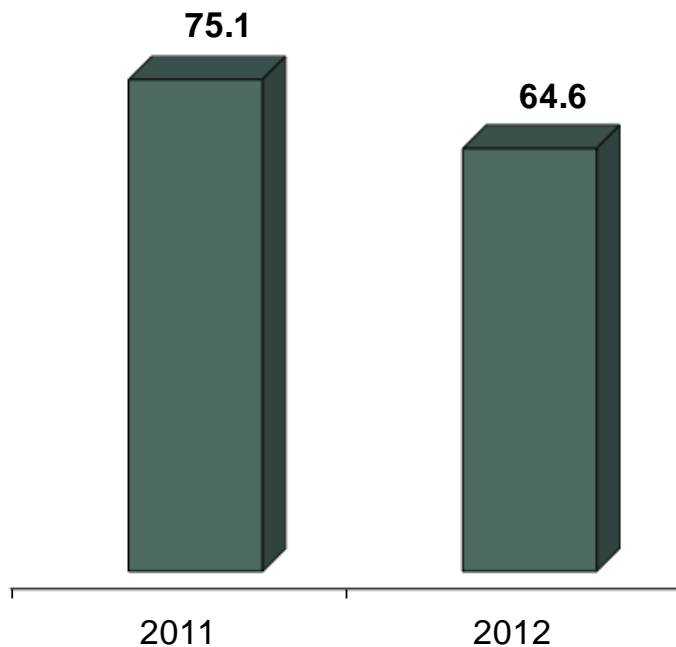
1. Includes sub-advisory mandates of Mackenzie to mutual funds managed by Investors Group and Counsel.



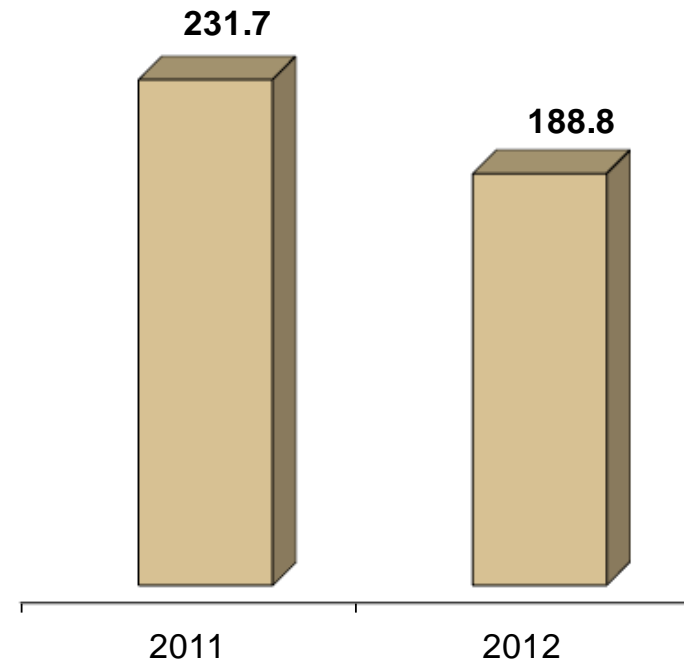
# Mackenzie Operating Segment – EBIT

- ◆ *Mackenzie's Earnings before Interest and Taxes decreased by 14.0% during Q3, 2012 relative to Q3, 2011.*

Earnings before Interest & Taxes <sup>1</sup>  
Three months ended September 30  
(\$ Millions)



Earnings before Interest & Taxes <sup>1</sup>  
Nine months ended September 30  
(\$ Millions)



1. Please refer to slide 4. Mackenzie operating segment results in 2011 exclude MRS discontinued operations.

# Mackenzie Operating Segment – EBIT

- ◆ *Mackenzie's Operating Earnings before Interest and Taxes were \$64.6 million during the third quarter of 2012.*

Three months ended September 30  
(\$ Millions, unless otherwise indicated)

	<u>2011</u>	<u>2012</u>	<u>Change</u>
Average assets under management (\$ billions)			
Total	65.4	60.4	(7.7%)
Mutual funds	41.3	39.4	(4.6%)
Revenues			
Management fees	170.4	156.3	(8.3%)
Administration fees	26.9	25.9	(3.7%)
Distribution fees	4.6	4.1	(10.9%)
	<u>201.9</u>	<u>186.3</u>	(7.7%)
Net investment income and other	1.3	2.1	61.5%
Total	<u>203.2</u>	<u>188.4</u>	(7.3%)
Expenses			
Commission amortization	22.8	19.5	(14.5%)
Trailing commission	46.7	43.9	(6.0%)
Commission	69.5	63.4	(8.8%)
Non-commission	58.6	60.4	3.1%
Total	<u>128.1</u>	<u>123.8</u>	(3.4%)
Earnings before Interest and Taxes	<u><b>75.1</b></u>	<u><b>64.6</b></u>	(14.0%)

1. Please refer to slide 4. Mackenzie operating segment results in 2011 exclude MRS discontinued operations.

# Mackenzie Developments

## 1. Investment Management

- 79% of Mackenzie mutual fund assets rated three stars or better by Morningstar at September 30, 2012, compared to 79% for the industry.
- An investment management company in Singapore has been incorporated and will commence operations once it has obtained registration with the Monetary Authority of Singapore.
- Mackenzie Ivy Funds are celebrating their 20<sup>th</sup> anniversary of building and protecting wealth using their renowned investment discipline and low volatility strategy.

## 2. Product Shelf

- Launched the Mackenzie Global Tactical Fund, sub-advised by Waddell & Reed, a global tactical investment fund with the ability to invest anywhere, in any asset class, at any time.
- Launched the Mackenzie Global Large Cap Quality Growth Pooled Fund, an institutional pool managed by the Ivy investment team, for pension fund, endowment and foundation clients.
- Enhanced the Symmetry Managed Asset Program including a new Conservative Income portfolio and enhanced underlying investment components.

## 3. Distribution

- Opened a Mackenzie Institutional office in the United States to distribute investment services to institutions.

1. Highlights

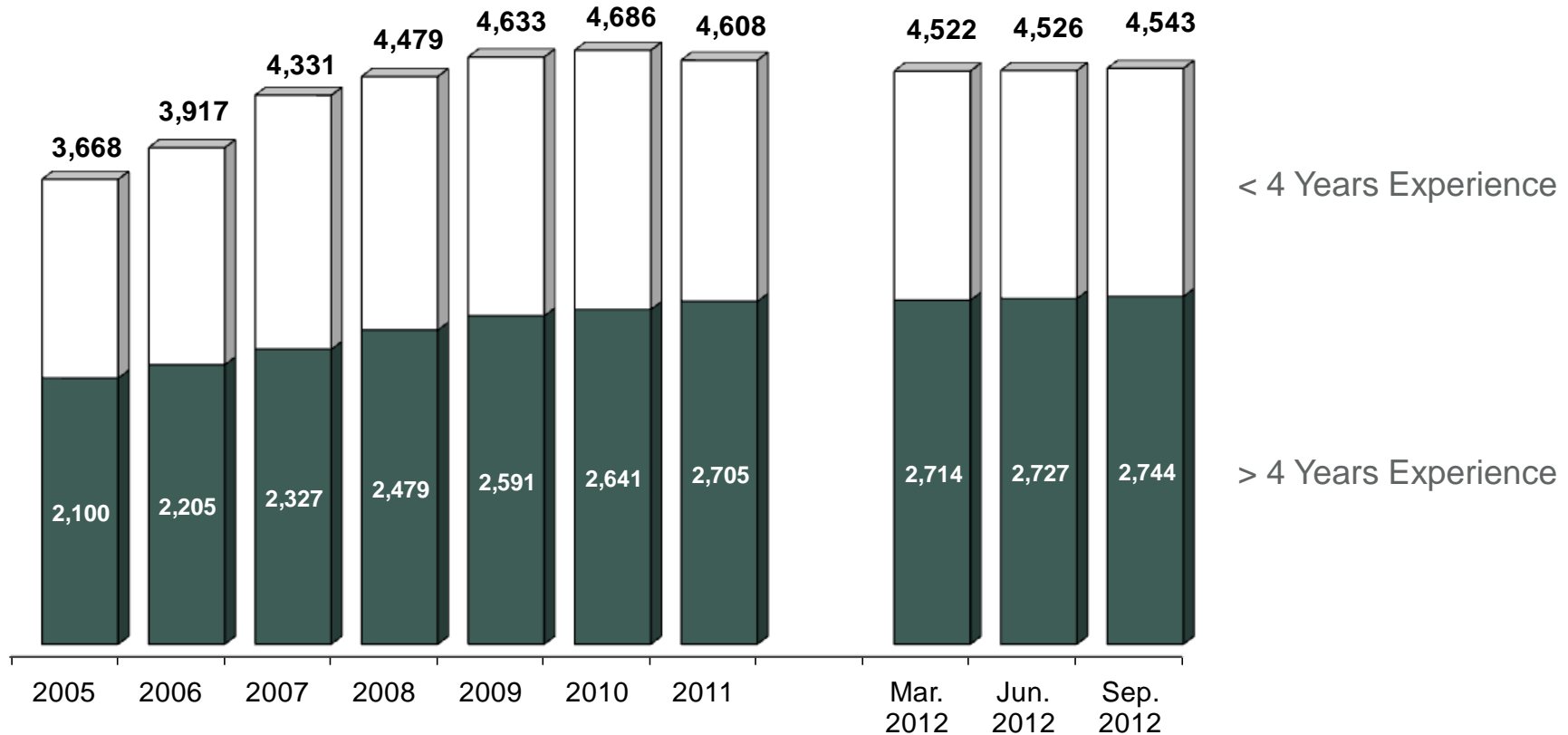
2. Mackenzie

**3. Investors Group**

# Investors Group Consultant Network

- *The Consultant Network increased to 4,543 during Q3, 2012, the number of Consultants with greater than four years Investors Group experience increased to 2,744.*

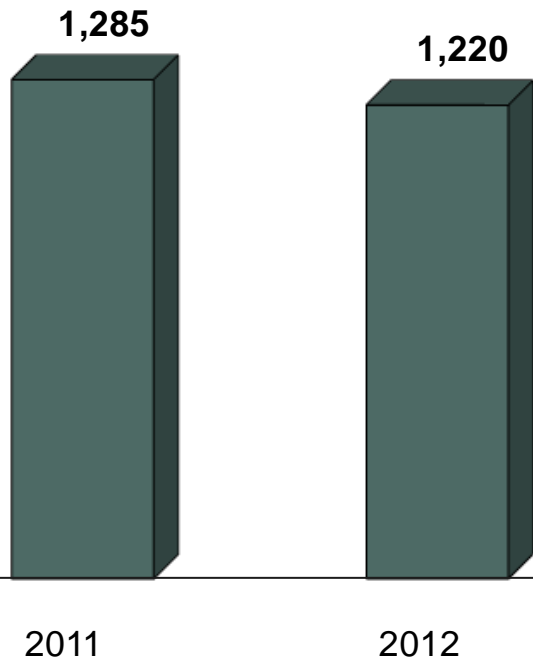
Number of Investors Group Consultants  
As at December 31 (unless otherwise indicated)



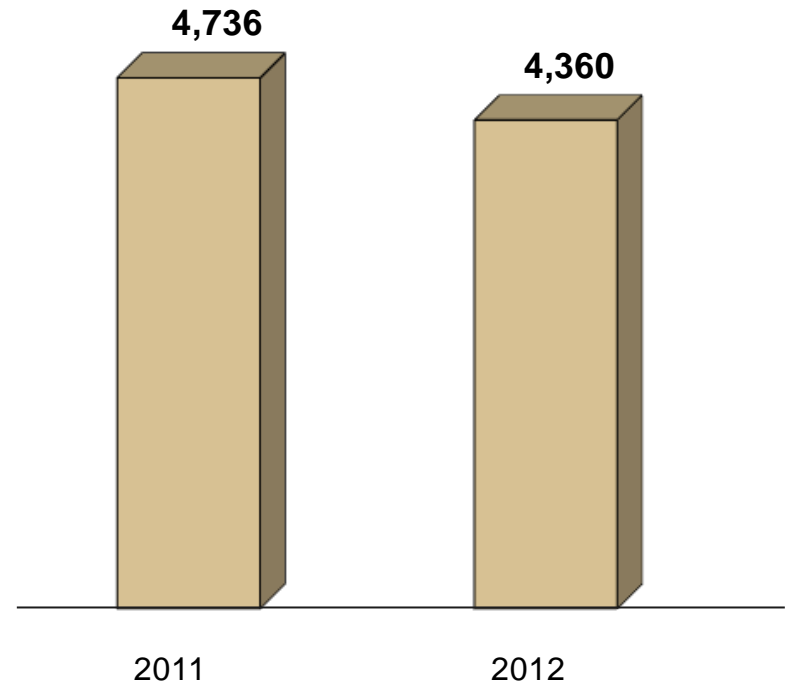
# Investors Group Mutual Fund Gross Sales

- ◆ *Investors Group had gross sales of \$1.2 billion during Q3, 2012, down 5.1% relative to Q3, 2011.*

Three months ended September 30  
(\$ Millions)



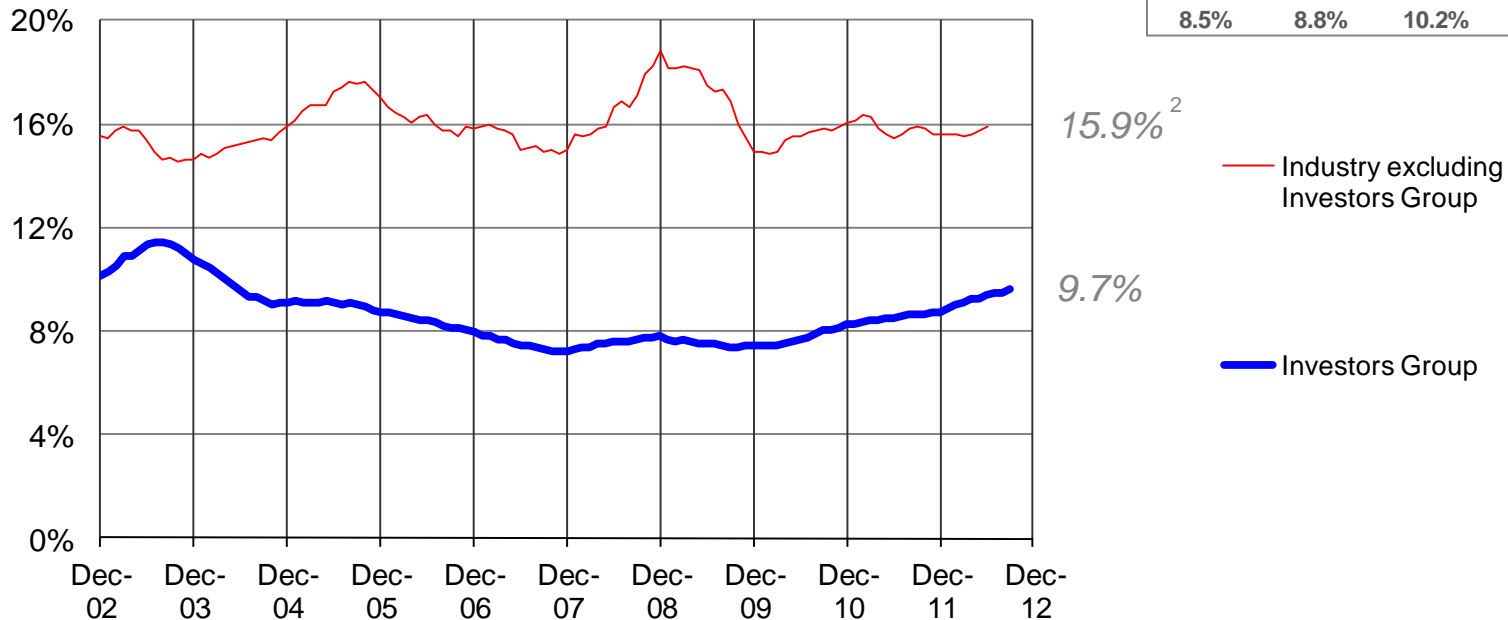
Nine months ended September 30  
(\$ Millions)



# Investors Group Mutual Fund Redemption Rate

- Investors Group's twelve month trailing redemption rate on long term mutual funds was 9.7% at September 30, 2012, well below the industry average.

Redemption Rate on Long Term Mutual Funds <sup>1</sup>  
(Last Twelve Month Trailing % of Average Assets Under Management)

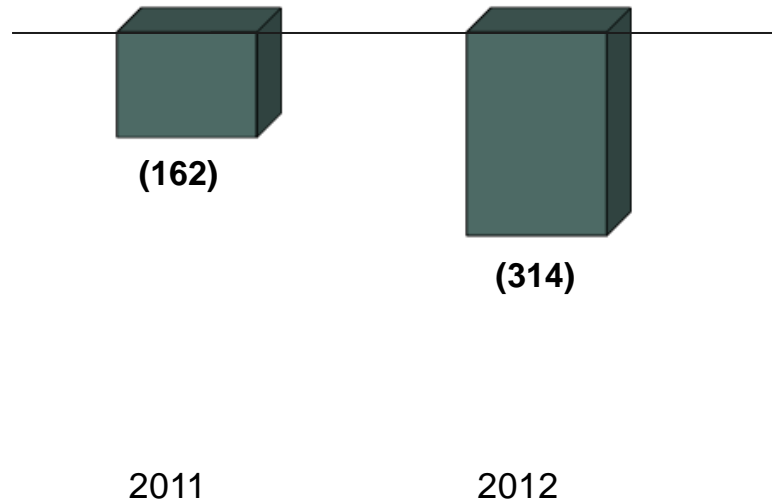


- All numbers exclude CI Investments and Invesco from the date that they discontinued reporting to IFIC. CI discontinued reporting to IFIC during December, 2008 and Invesco discontinued reporting to IFIC during October, 2010.
- Twelve month trailing redemption rate as of June 30, 2012.

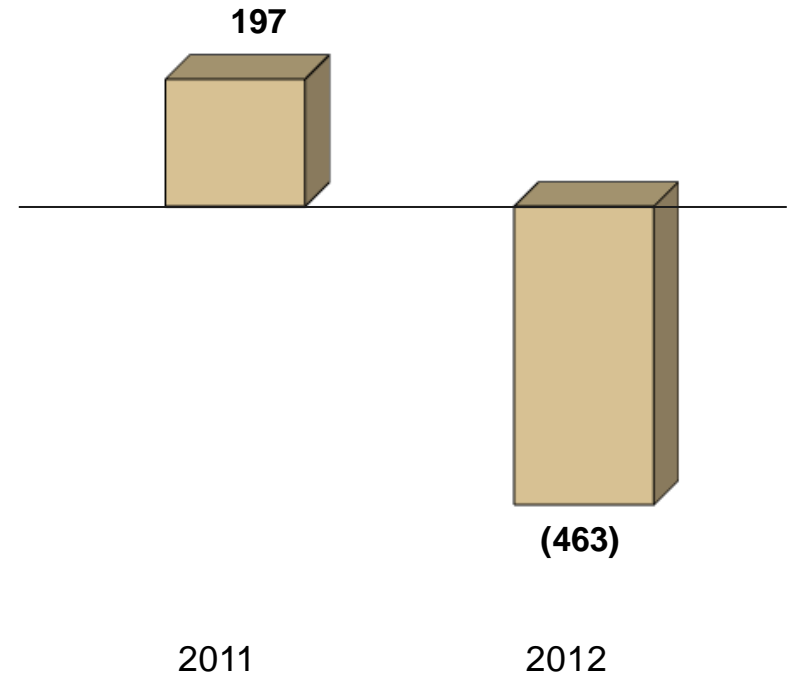
# Investors Group Mutual Fund Net Sales

- ◆ *Investors Group had net redemptions of \$314 million during Q3, 2012, compared to net redemptions of \$162 million during the prior year.*

Three months ended September 30  
(\$ Millions)



Nine months ended September 30  
(\$ Millions)

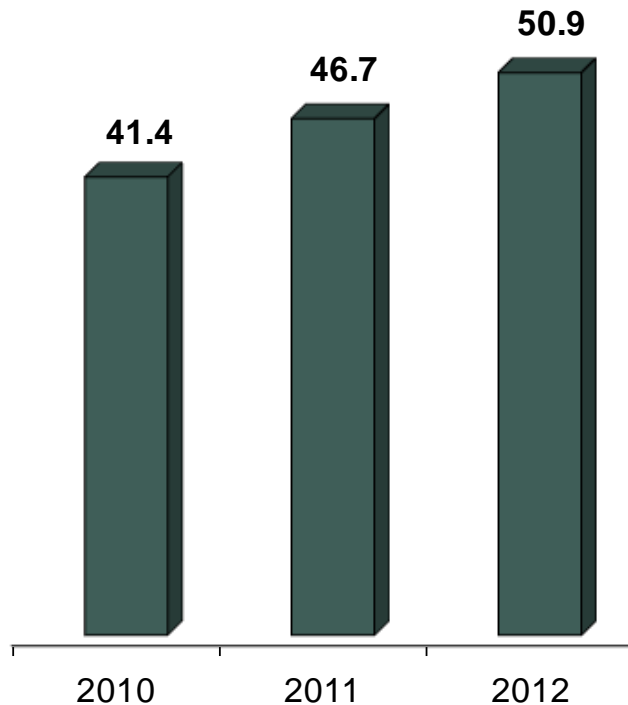




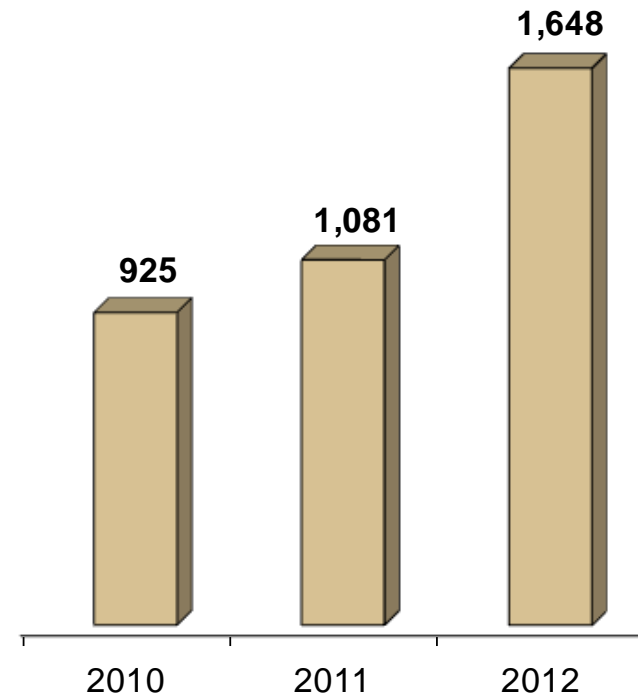
# Insurance and Mortgage Distribution

- ◆ *Investors Group insurance product sales have increased by 9% year to date during 2012 and mortgage originations are up 52%.*

New Annualized Insurance Premiums  
Nine months ended September 30  
(\$ Millions)



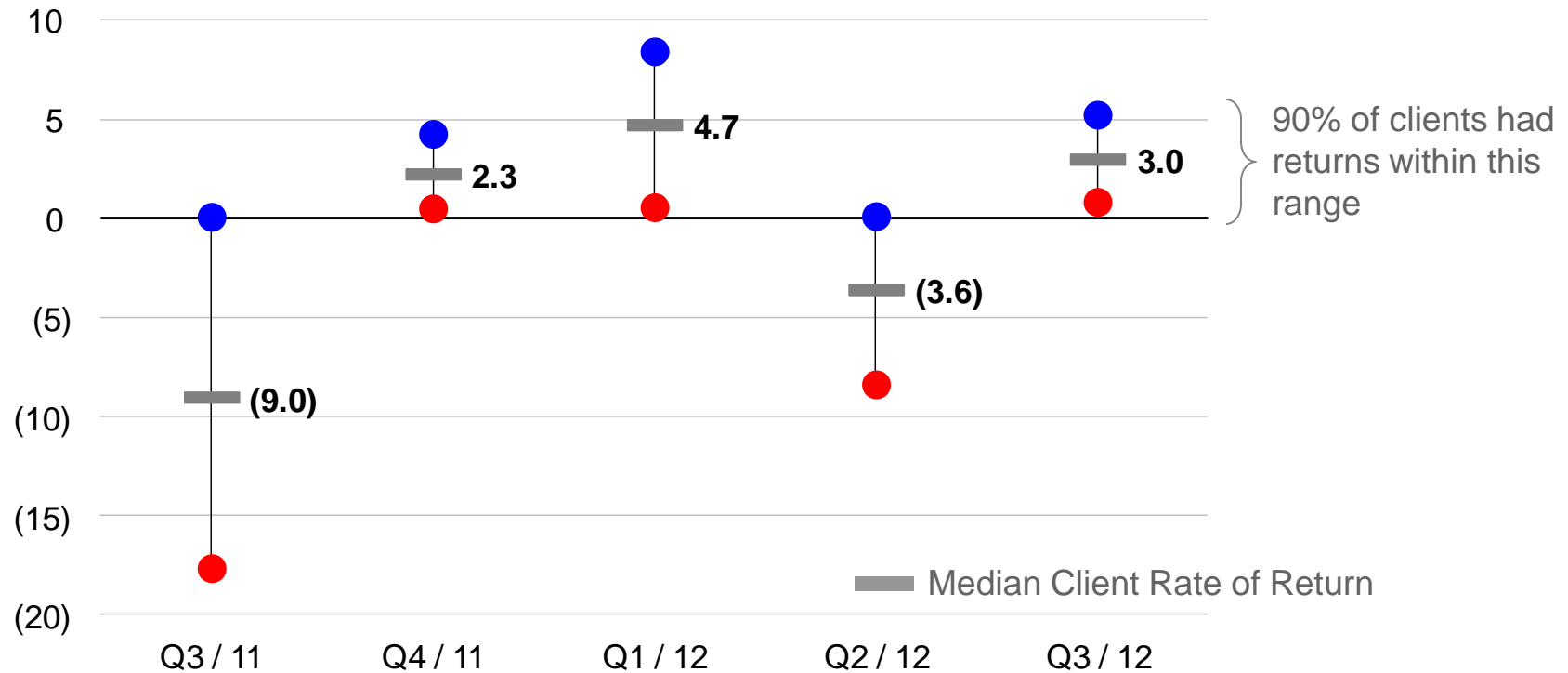
Mortgage Originations  
Nine months ended September 30  
(\$ Millions)



# Investors Group Client Experience

- ◆ *The median client return was approximately 3.0% during the third quarter of 2012 and positive 3.8% year to date.*

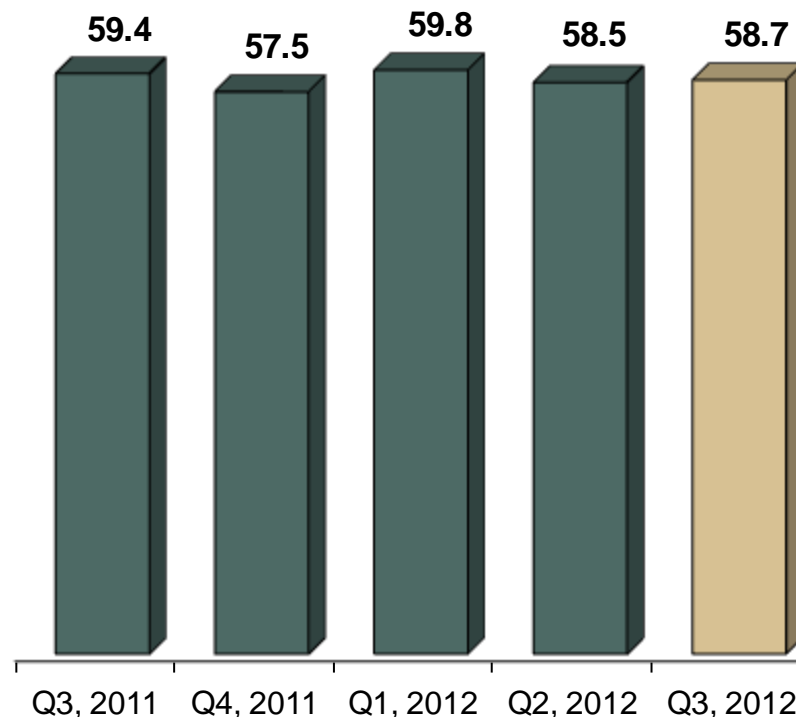
Investors Group Client Rate of Return (%)



# Investors Group Mutual Fund Assets Under Management

- ◆ *The average balance of mutual fund assets under management declined by 1.1% during Q3, 2012 relative to Q3, 2011.*

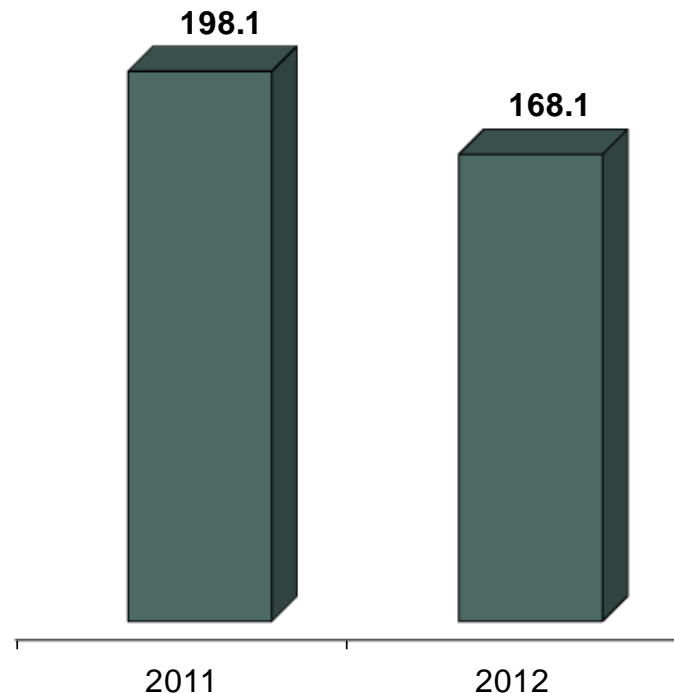
Average Assets Under Management  
(\$ Billions)



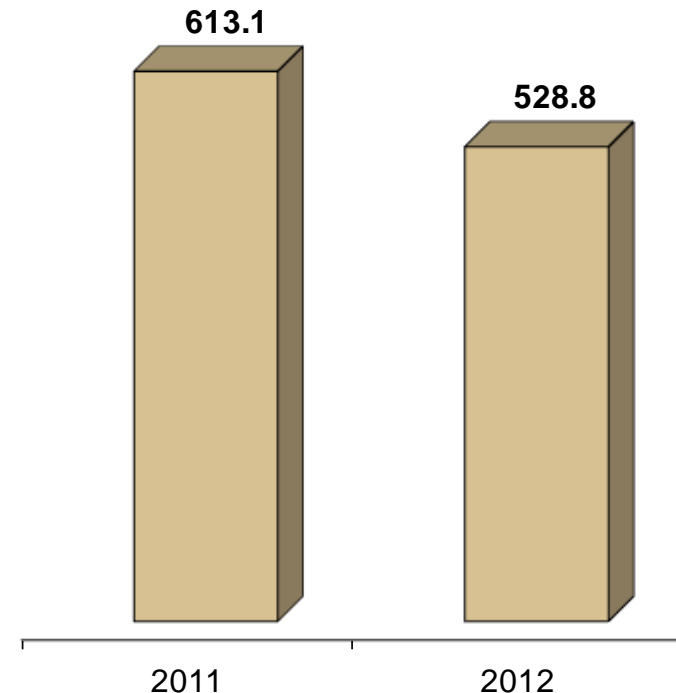
# Investors Group Operating Segment – EBIT

- ◆ *Investors Group's Earnings before Interest & Taxes declined by 15.1% during Q3, 2012 relative to Q3, 2011.*

Earnings before Interest & Taxes  
Three months ended September 30  
(\$ Millions)



Earnings before Interest & Taxes  
Nine months ended September 30  
(\$ Millions)



# Investors Group Operating Segment – EBIT

- ◆ *Investors Group's Operating Earnings before Interest & Taxes were \$168.1 million during the third quarter of 2012.*

Three months ended September 30  
(\$ Millions, unless otherwise indicated)

	2011	2012	Change
Average mutual fund assets under management (\$ billions)	59.4	58.7	(1.1%)
Revenues			
Management fees	283.0	263.7	(6.8%)
Administration fees	55.5	54.5	(1.8%)
	338.5	318.2	(6.0%)
Distribution fees	46.8	43.7	(6.6%)
	385.3	361.9	(6.1%)
Net investment income and other	20.0	16.2	(19.0%)
Total	405.3	378.1	(6.7%)
Expenses			
Commission amortization	45.0	43.7	(2.8%)
Other commission	76.0	75.9	(0.2%)
Commission	121.0	119.6	(1.2%)
Non-commission	86.2	90.4	4.9%
Total	207.2	210.0	1.4%
Earnings before Interest and Taxes	<b>198.1</b>	<b>168.1</b>	(15.1%)

# Investors Group Developments

## 1. Consultant Network

- The Consultant Network grew by 17 Consultants during the third quarter to 4,543.
- The number of Consultants with more than four years Investors Group experience continued to increase to 2,744.
- One new region office in Calgary was opened in July, 2012 and one new region office in Ancaster, Ontario was recently announced which will expand the network to 108 region offices across Canada.

## 2. Product Enhancements

- Added a new balanced fund, IG Mackenzie Sentinel Strategic Income Fund, which will invest primarily in fixed income investments and/or securities that pay equity income.