Interim Condensed Consolidated Financial Statements

Consolidated Statements of Earnings

(unaudited) *(in thousands of Canadian dollars, except shares and per share amounts)*	THREE MONTHS ENDED SEPTEMBER 30 **2013**	 2012 RESTATED *(Note 2)*	NINE MONTHS ENDED SEPTEMBER 30 **2013**	 2012 RESTATED *(Note 2)*
Revenues				
Management fees	**$ 462,196**	$ 431,502	**$ 1,357,022**	$ 1,331,657
Administration fees	**90,370**	83,347	**263,814**	252,584
Distribution fees	**76,211**	75,160	**237,410**	240,873
Net investment income and other	**15,373**	23,903	**65,235**	63,071
Proportionate share of affiliate's earnings	**23,316**	20,219	**63,636**	56,406
	667,466	634,131	**1,987,117**	1,944,591
Expenses				
Commission	**219,711**	209,758	**656,739**	644,861
Non-commission	**173,071**	162,478	**533,606**	504,714
Interest	**23,199**	23,163	**68,911**	68,986
	415,981	395,399	**1,259,256**	1,218,561
Earnings before income taxes	**251,485**	238,732	**727,861**	726,030
Income taxes	**55,878**	50,266	**156,452**	162,581
Net earnings	**195,607**	188,466	**571,409**	563,449
Perpetual preferred share dividends	**2,213**	2,213	**6,638**	6,638
Net earnings available to common shareholders	**$ 193,394**	$ 186,253	**$ 564,771**	$ 556,811
Average number of common shares *(in thousands) (Note 14)*				
– Basic	**252,021**	254,516	**251,976**	255,636
– Diluted	**252,604**	254,905	**252,451**	256,202
Earnings per share *(in dollars) (Note 14)*				
– Basic	**$ 0.77**	$ 0.73	**$ 2.24**	$ 2.18
– Diluted	**$ 0.77**	$ 0.73	**$ 2.24**	$ 2.17

(See accompanying notes to interim condensed consolidated financial statements.)

Consolidated Statements of Comprehensive Income

(unaudited) *(in thousands of Canadian dollars)*	THREE MONTHS ENDED SEPTEMBER 30 **2013**	2012 RESTATED *(Note 2)*	NINE MONTHS ENDED SEPTEMBER 30 **2013**	2012 RESTATED *(Note 2)*
Net earnings	**$ 195,607**	$ 188,466	**$ 571,409**	$ 563,449
Other comprehensive income (loss), net of tax				
Items that will not be reclassified to Net earnings				
Employee benefits				
Net actuarial gains (losses), *net of tax of $(8,895), $4,732, $(11,536) and $8,287*	**24,050**	(12,799)	**31,191**	(22,397)
Investment in affiliate – employee benefits				
Other comprehensive income (loss), *net of tax of nil*	**4,296**	(2,112)	**7,057**	(8,473)
Items that may be reclassified subsequently to Net earnings				
Available for sale securities				
Net unrealized gains (losses), *net of tax of $(340), $(78), $(770) and $29*	**944**	215	**2,134**	142
Reclassification of realized (gains) losses to net earnings, *net of tax of $37, $2, $716 and $(54)*	**(106)**	(6)	**(1,985)**	(78)
	838	209	**149**	64
Investment in affiliate and other				
Other comprehensive income (loss), *net of tax of $520, $33, $(487) and $317*	**5,443**	2,422	**12,235**	(9,216)
	34,627	(12,280)	**50,632**	(40,022)
Comprehensive income	**$ 230,234**	$ 176,186	**$ 622,041**	$ 523,427

(See accompanying notes to interim condensed consolidated financial statements.)

Consolidated Balance Sheets

(unaudited) *(in thousands of Canadian dollars)*	SEPTEMBER 30 2013	DECEMBER 31 2012 RESTATED *(Note 2)*	JANUARY 1 2012 RESTATED *(Note 2)*
Assets			
Cash and cash equivalents	**$ 770,201**	$ 1,059,090	$ 1,052,423
Securities *(Note 3)*	**25,621**	268,338	292,432
Accounts and other receivables	**601,624**	307,907	281,982
Income taxes recoverable	**25,925**	42,280	27,796
Loans *(Note 4)*	**5,685,398**	4,922,169	4,085,929
Derivative financial instruments *(Note 12)*	**52,655**	63,299	88,092
Other assets	**51,348**	41,961	40,228
Investment in affiliate *(Note 6)*	**695,492**	600,386	598,465
Capital assets	**118,233**	122,703	109,953
Deferred selling commissions	**691,067**	696,229	750,763
Deferred income taxes	**62,993**	77,105	57,892
Intangible assets	**1,129,899**	1,121,601	1,117,858
Goodwill	**2,638,954**	2,638,954	2,640,523
	$12,549,410	$ 11,962,022	$ 11,144,336
Liabilities			
Accounts payable and accrued liabilities	**$ 530,097**	$ 293,219	$ 300,094
Income taxes payable	**33,255**	34,445	62,816
Repurchase agreements	**–**	225,445	227,280
Derivative financial instruments *(Note 12)*	**43,574**	70,783	111,424
Deposits and certificates	**185,191**	163,194	150,716
Other liabilities	**361,286**	399,529	353,118
Obligations to securitization entities *(Note 5)*	**5,119,319**	4,700,871	3,827,339
Deferred income taxes	**311,017**	309,543	308,564
Long-term debt	**1,325,000**	1,325,000	1,325,000
	7,908,739	7,522,029	6,666,351
Shareholders' Equity			
Share capital			
Perpetual preferred shares	**150,000**	150,000	150,000
Common shares	**1,607,951**	1,572,573	1,578,270
Contributed surplus	**34,684**	36,468	35,842
Retained earnings	**2,929,709**	2,813,257	2,784,217
Accumulated other comprehensive income (loss)	**(81,673)**	(132,305)	(70,344)
	4,640,671	4,439,993	4,477,985
	$12,549,410	$ 11,962,022	$ 11,144,336

These interim condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 7, 2013.

(See accompanying notes to interim condensed consolidated financial statements.)

Consolidated Statements of Changes in Shareholders' Equity

(unaudited) (in thousands of Canadian dollars)	NINE MONTHS ENDED SEPTEMBER 30 SHARE CAPITAL PERPETUAL PREFERRED SHARES (Note 7)	COMMON SHARES (Note 7)	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) (Note 10)	TOTAL SHAREHOLDERS' EQUITY
2013						
Balance, beginning of period						
As previously reported	**$ 150,000**	**$ 1,572,573**	**$ 36,468**	**$ 2,715,865**	**$ (17,296)**	**$ 4,457,610**
Change in accounting policy *(Note 2)*	**–**	**–**	**–**	**97,392**	**(115,009)**	**(17,617)**
As restated	**150,000**	**1,572,573**	**36,468**	**2,813,257**	**(132,305)**	**4,439,993**
Net earnings	**–**	**–**	**–**	**571,409**	**–**	**571,409**
Other comprehensive income (loss), net of tax	**–**	**–**	**–**	**–**	**50,632**	**50,632**
Total comprehensive income (loss)	**–**	**–**	**–**	**571,409**	**50,632**	**622,041**
Common shares						
Issued under stock option plan	**–**	**41,985**	**–**	**–**	**–**	**41,985**
Purchased for cancellation	**–**	**(6,607)**	**–**	**–**	**–**	**(6,607)**
Stock options						
Current period expense	**–**	**–**	**3,952**	**–**	**–**	**3,952**
Exercised	**–**	**–**	**(5,736)**	**–**	**–**	**(5,736)**
Perpetual preferred share dividends	**–**	**–**	**–**	**(6,638)**	**–**	**(6,638)**
Common share dividends	**–**	**–**	**–**	**(406,383)**	**–**	**(406,383)**
Common share cancellation excess and other *(Note 7)*	**–**	**–**	**–**	**(41,936)**	**–**	**(41,936)**
Balance, end of period	**$ 150,000**	**$ 1,607,951**	**$ 34,684**	**$ 2,929,709**	**$ (81,673)**	**$ 4,640,671**
2012 RESTATED *(Note 2)*						
Balance, beginning of period						
As previously reported	$ 150,000	$ 1,578,270	$ 35,842	$ 2,726,285	$ (1,922)	$ 4,488,475
Change in accounting policy *(Note 2)*	–	–	–	57,932	(68,422)	(10,490)
As restated	150,000	1,578,270	35,842	2,784,217	(70,344)	4,477,985
Net earnings	–	–	–	563,449	–	563,449
Other comprehensive income (loss), net of tax	–	–	–	–	(40,022)	(40,022)
Total comprehensive income (loss)	–	–	–	563,449	(40,022)	523,427
Common shares						
Issued under stock option plan	–	13,798	–	–	–	13,798
Purchased for cancellation	–	(23,397)	–	–	–	(23,397)
Stock options						
Current period expense	–	–	3,568	–	–	3,568
Exercised	–	–	(1,979)	–	–	(1,979)
Perpetual preferred share dividends	–	–	–	(6,638)	–	(6,638)
Common share dividends	–	–	–	(411,000)	–	(411,000)
Common share cancellation excess and other *(Note 7)*	–	–	–	(131,233)	–	(131,233)
Balance, end of period	$ 150,000	$ 1,568,671	$ 37,431	$ 2,798,795	$ (110,366)	$ 4,444,531

(See accompanying notes to interim condensed consolidated financial statements.)

Consolidated Statements of Cash Flows

(unaudited) *(in thousands of Canadian dollars)*	NINE MONTHS ENDED SEPTEMBER 30 2013	2012 RESTATED *(Note 2)*
Operating activities		
Earnings before income taxes	**$ 727,861**	$ 726,030
Income taxes paid	**(137,680)**	(206,432)
Adjustments to determine net cash from operating activities		
Deferred selling commission amortization	**185,388**	201,654
Amortization of capital and intangible assets	**24,179**	25,364
Changes in operating assets and liabilities and other	**(104,698)**	(100,686)
	695,050	645,930
Deferred selling commissions paid	**(180,226)**	(161,667)
	514,824	484,263
Financing activities		
Net increase in deposits and certificates	**21,997**	4,408
Net decrease in obligations related to assets sold under repurchase agreements	**(225,445)**	(168)
Net increase in obligations to securitization entities	**417,554**	604,059
Issue of common shares	**38,043**	12,673
Common shares purchased for cancellation	**(47,946)**	(153,357)
Perpetual preferred share dividends paid	**(6,638)**	(6,638)
Common share dividends paid	**(406,393)**	(412,742)
	(208,828)	48,235
Investing activities		
Purchase of securities	**(46,301)**	(23,675)
Proceeds from the sale of securities	**287,458**	25,555
Net increase in loans	**(760,305)**	(690,755)
Net additions to capital assets	**(7,176)**	(13,209)
Net cash used in dispositions (acquisitions) and additions to intangible assets	**(18,887)**	(2,195)
Investment in affiliate *(Note 6)*	**(49,674)**	–
	(594,885)	(704,279)
Decrease in cash and cash equivalents	**(288,889)**	(171,781)
Cash and cash equivalents, beginning of period	**1,059,090**	1,052,423
Cash and cash equivalents, end of period	**$ 770,201**	$ 880,642
Cash	**$ 49,024**	$ 47,476
Cash equivalents	**721,177**	833,166
	$ 770,201	$ 880,642
Supplemental disclosure of cash flow information related to operating activities		
Amount of interest and dividends received	**$ 155,853**	$ 150,341
Amount of interest paid during the period	**$ 134,267**	$ 131,704

(See accompanying notes to interim condensed consolidated financial statements.)

Notes to the Interim Condensed Consolidated Financial Statements

september 30, 2013 *(unaudited) (In thousands of Canadian dollars, except shares and per share amounts)*

1. CORPORATE INFORMATION

IGM Financial Inc. (the Company) is a publicly listed company (TSX: IGM), incorporated and domiciled in Canada. The registered address of the Company is 447 Portage Avenue, Winnipeg, Manitoba, Canada. The Company is controlled by Power Financial Corporation.

IGM Financial Inc. is a financial services company which serves the financial needs of Canadians through its principal subsidiaries, each operating distinctly within the advice segment of the financial services market. The Company's principal subsidiaries are Investors Group Inc. and Mackenzie Financial Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited Interim Condensed Consolidated Financial Statements of the Company (Interim Financial Statements) have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using the accounting policies as set out in this note and in Note 2 to the Consolidated Financial Statements for the year ended December 31, 2012. The Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements in the 2012 IGM Financial Inc. Annual Report.

Changes in accounting policies

IFRS 10 Consolidated Financial Statements

On January 1, 2013, the Company adopted IFRS 10 which introduces a single consolidation model for all entities which focuses on control, including the rights an investor has to variable returns resulting from its involvement with the investee and the investor's ability to affect those returns through its power over the investee. The standard does not have a significant impact on the Company's financial position or results of operations.

IFRS 12 Disclosures of Interests in Other Entities

On January 1, 2013, the Company adopted IFRS 12 which integrates all of the disclosure requirements for interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities into a single standard. The required disclosures provide information to evaluate the nature of, and risks associated with, an entity's interest in other entities, and the effects of those interests on the entity's financial statements. The standard is expected to result in additional disclosures in the Company's annual Consolidated Financial Statements.

IFRS 13 Fair Value Measurement

On January 1, 2013, the Company adopted IFRS 13 which consolidates the fair value measurement and disclosure guidance into one standard. Fair value is defined as the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. The standard does not have a significant impact on the Company's financial position or results of operations but does require additional disclosure related to fair value measurements (Note 13). The standard has been applied on a prospective basis.

IAS 1 Presentation of Financial Statements

On January 1, 2013, the Company adopted the amendments to IAS 1 with respect to the presentation of other comprehensive income (OCI). The most significant change resulting from the amendments is a requirement for entities to group items presented in OCI on the basis of whether or not they may be reclassified subsequently to net earnings. The amended standard relates only to presentation and does not have an impact on the Company's financial position or results of operations. The amendments have been applied retroactively.

IAS 19 Employee Benefits

On January 1, 2013, the Company adopted the revisions to IAS 19 that amend the measurement, presentation and disclosure requirements for defined benefit plans. The standard has been applied retroactively and the comparative periods in the Consolidated Balance Sheets, Statements of Earnings and Statements of Other Comprehensive Income have been restated. The transitional provisions included in IAS 19 do not have an impact on future periods. These amendments include:

- Changes in the recognition of past service costs. Past service costs resulting from plan amendments or curtailments are recognized in the period in which the plan amendments or curtailment occurs, without regard to vesting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Changes in accounting policies *(continued)*

IAS 19 Employee Benefits *(continued)*

- The elimination of the concept of an expected return on assets (EROA). Amended IAS 19 requires the use of the discount rate in the place of EROA in the determination of the net interest component of the pension expense. The elimination of the EROA reduces net earnings, which is offset by a decrease in actuarial losses recorded in OCI.
- The elimination of the deferral and amortization approach (corridor approach) for recognizing actuarial gains and losses in net earnings. Actuarial gains and losses are to be recognized immediately in OCI. Actuarial gains and losses recognized in OCI are not reclassified to net earnings in subsequent periods. The Company previously recorded actuarial losses in OCI and retained earnings. Actuarial gains and losses are no longer charged directly to retained earnings but recorded in Accumulated other comprehensive income. The Company has reclassified actuarial losses previously recorded in retained earnings to Accumulated other comprehensive income from January 1, 2010.

Impact of the change in accounting policy on Comprehensive income for the current and prior period:

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012	**2013**	2012
Non-commission expenses				
Expected return on plan assets	**$ 1,400**	$ 870	**$ 4,200**	$ 2,612
Past service costs	**147**	147	**441**	441
	1,547	1,017	**4,641**	3,053
Income taxes	**(418)**	(275)	**(1,254)**	(825)
Net earnings	**(1,129)**	(742)	**(3,387)**	(2,228)
Other comprehensive income				
Employee benefits, net of tax	**1,022**	634	**3,066**	1,906
Comprehensive income	**$ (107)**	$ (108)	**$ (321)**	$ (322)

Impact of the change in accounting policy on the Consolidated Balance Sheets:

	SEPTEMBER 30 **2013**	DECEMBER 31 2012	JANUARY 1 2012
Assets			
Deferred income taxes	**$ (1,341)**	$ (1,504)	$ (1,719)
Liabilities and Shareholders' Equity			
Other liabilities	**$ (3,812)**	$ (4,253)	$ (4,841)
Deferred income taxes	**(305)**	(348)	(403)
Retained earnings	**64,060**	95,572	55,761
Accumulated other comprehensive income (loss)	**(61,284)**	(92,475)	(52,236)
	$ (1,341)	$ (1,504)	$ (1,719)

On January 1, 2013, Great-West Lifeco Inc. (Lifeco) also adopted the revisions to IAS 19 (Note 6). The effect of applying this standard retroactively decreased the investment in affiliate by $20.7 million as at December 31, 2012 (January 1, 2012 – $14.0 million), decreased Accumulated other comprehensive income by $22.5 million (January 1, 2012 – $16.2 million), and increased retained earnings by $1.8 million (January 1, 2012 – $2.2 million). The effect on the Company's proportionate share of affiliate's earnings was not significant for the three and nine months ended September 30, 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Employee benefits

The Company maintains a number of employee benefit plans including defined benefit plans and defined contribution pension plans for eligible employees. These plans are related parties in accordance with IFRS. The Company's defined benefit plans include a funded defined benefit pension plan for eligible employees, unfunded supplementary executive retirement plans (SERP) for certain executive officers, and an unfunded post-employment health care, dental and life insurance plan for eligible retirees.

The defined benefit pension plan provides pensions based on length of service and final average earnings.

The cost of the defined benefit plans earned by employees is actuarially determined using the projected unit credit method prorated on service based upon management's assumptions about discount rates, compensation increases, retirement ages of employees, mortality and expected health care costs. Any changes in these assumptions will impact the carrying amount of pension obligations. The Company's accrued benefit liability in respect of defined benefit plans is calculated separately for each plan by discounting the amount of the benefit that employees have earned in return for their service in current and prior periods and deducting the fair value of any plan assets. The Company determines the net interest component of the pension expense for the period by applying the discount rate used to measure the accrued benefit liability at the beginning of the annual period to the net accrued benefit liability. The discount rate used to value liabilities is determined using a yield curve of AA corporate debt securities.

The actuarial valuation for funding purposes related to the Company's registered defined benefit pension plan, based on a measurement date of December 31, 2012, was completed in July 2013 with contributions of $32.9 million in 2013 (2012 – nil). Based on the actuarial valuation, the registered pension plan had a solvency deficit of $111.5 million compared to a solvency surplus in the previous actuarial valuation, which was based on a measurement date of December 31, 2009. The solvency deficit results primarily from lower interest rates and is required to be funded over 5 years. Based on the actuarial valuation as at December 31, 2012, the Company made contributions of $22.8 million during the third quarter and expects to make contributions of $10.1 million in the fourth quarter. Pension contribution decisions are subject to change, as contributions are affected by many factors including market performance, regulatory requirements, changes in assumptions and management's ability to change funding policy. Funding requirements beyond 2013 are subject to significant variability and will be determined based on future actuarial valuations. The next actuarial valuation will be completed based on a measurement date of December 31, 2013.

If the plan benefits are changed, or a plan is curtailed, any past service costs or curtailment gains or losses are recognized immediately in net earnings.

Current service costs, past service costs and curtailment gains or losses are included in Non-commission expenses.

Remeasurements arising from defined benefit plans represent actuarial gains and losses and the actual return on plan assets, less interest calculated at the discount rate. Remeasurements are recognized immediately through OCI and are not reclassified to net earnings.

The accrued benefit liability represents the plan deficit and is included in Other liabilities.

Payments to the defined contribution pension plans are expensed as incurred.

Future accounting changes

The Company continuously monitors the potential changes proposed by the International Accounting Standards Board (IASB) and analyzes the effect that changes in the standards may have on the Company's operations.

IFRS 9 Financial Instruments

The IASB is currently developing IFRS 9 which will replace IAS 39, the current standard for accounting for financial instruments. The standard is being completed in three separate phases:

- Classification and measurement: This phase requires that financial assets be classified at either amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.
- Impairment methodology: This phase is expected to replace the current incurred loss model for impairment of financial assets with an expected loss model.
- Hedge accounting: This phase is expected to replace the current rule-based hedge accounting requirements in IAS 39 with guidance that more closely aligns the accounting with an entity's risk management activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Future accounting changes *(continued)*

The impact of this new standard will be assessed as the phases of the project are completed. The current effective date of January 1, 2015 is expected to be deferred pending finalization of the impairment and classification and measurement phases of the project.

3. SECURITIES

	SEPTEMBER 30, 2013		DECEMBER 31, 2012	
	COST	FAIR VALUE	COST	FAIR VALUE
Available for sale:				
Proprietary investment funds	**$ 14,430**	**$ 16,039**	$ 35,351	$ 36,685
Fair value through profit or loss:				
Equity securities	**8,786**	**9,582**	6,057	6,163
Canada Mortgage Bonds	**–**	**–**	220,432	225,490
	8,786	**9,582**	226,489	231,653
	$ 23,216	**$ 25,621**	$ 261,840	$ 268,338

Fair value through profit or loss

Canada Mortgage Bonds

As part of the Company's interest rate risk management activities relating to its mortgage banking operations, Canada Mortgage Bonds were purchased and subsequently sold under repurchase agreements. These activities represent short-term funding transactions whereby the Company sells securities that it owns and commits to repurchase these securities at a specified price on a specified date in the future.

On September 26, 2013, the Company sold the Canada Mortgage Bonds for $217.8 million and settled the obligation to repurchase the securities of $218.6 million. As the transaction settled on October 1, 2013, these amounts are recognized in Accounts and other receivables and Accounts payable and accrued liabilities as at September 30, 2013.

4. LOANS

	CONTRACTUAL MATURITY				
	1 YEAR OR LESS	1 – 5 YEARS	OVER 5 YEARS	SEPTEMBER 30 2013 TOTAL	DECEMBER 31 2012 TOTAL
Loans and receivables					
Residential mortgages	**$ 847,331**	**$ 4,184,219**	**$ 3,134**	**$ 5,034,684**	$ 4,674,043
Less: Collective allowance				**749**	669
				5,033,935	4,673,374
Held for trading				**651,463**	248,795
				$ 5,685,398	$ 4,922,169

The change in the collective allowance for credit losses is as follows:		
Balance, beginning of period	**$ 669**	$ 793
Recoveries	**(2)**	(34)
Provision for credit losses	**82**	(90)
Balance, end of period	**$ 749**	$ 669

4. LOANS *(continued)*

Total impaired loans as at September 30, 2013 were $1,728 (December 31, 2012 – $963).

Total interest income on loans classified as loans and receivables was $113.1 million (2012 – $109.4 million). Total interest expense on obligations to securitization entities, related to securitized loans, was $80.5 million (2012 – $71.0 million). Gains realized on the sale of residential mortgages totalled $13.9 million (2012 – $14.7 million). Other gains and fair value adjustments related to mortgage banking operations totalled $19.1 million (2012 – $7.8 million). These amounts were included in Net investment income and other. Net investment income and other also includes other mortgage banking related amounts including interest income on mortgages held for trading, portfolio insurance, issue costs, and other items.

5. SECURITIZATIONS

The Company securitizes residential mortgages through the Canada Mortgage and Housing Corporation (CMHC) sponsored National Housing Act Mortgage-Backed Securities (NHA MBS) Program and Canada Mortgage Bond (CMB) Program and through Canadian bank-sponsored asset-backed commercial paper (ABCP) programs. These transactions do not meet the requirements for derecognition as the Company retains prepayment risk and certain elements of credit risk. Accordingly, the Company has retained these mortgages on its balance sheets and has recorded an offsetting liability for the net proceeds received as Obligations to securitization entities which is carried at amortized cost.

The Company earns interest on the mortgages and pays interest on the obligations to securitization entities. As part of the CMB transactions, the Company enters into a swap transaction whereby the Company pays coupons on CMBs and receives investment returns on the NHA MBS and the reinvestment of repaid mortgage principal. A component of this swap, related to the obligation to pay CMB coupons and receive investment returns on repaid mortgage principal, is recorded as a derivative and had a negative fair value of $18.5 million at September 30, 2013 (December 31, 2012 – $56.2 million).

Under the NHA MBS and CMB Program, the Company has an obligation to make timely payments to security holders regardless of whether amounts are received from mortgagors. All mortgages securitized under the NHA MBS and CMB Program are insured by CMHC or another approved insurer under the program. As part of the ABCP transactions, the Company has provided cash reserves for credit enhancement which are carried at cost. Credit risk is limited to these cash reserves and future net interest income as the ABCP Trusts have no recourse to the Company's other assets for failure to make payments when due. Credit risk is further limited to the extent these mortgages are insured.

SEPTEMBER 30, 2013	SECURITIZED MORTGAGES	OBLIGATIONS TO SECURITIZATION ENTITIES	NET
Carrying value			
NHA MBS and CMB Program	**$ 3,501,808**	**$ 3,571,662**	**$ (69,854)**
Bank sponsored ABCP	**1,495,456**	**1,547,657**	**(52,201)**
Total	**$ 4,997,264**	**$ 5,119,319**	**$ (122,055)**
Fair value	**$ 5,016,266**	**$ 5,204,191**	**$ (187,925)**

DECEMBER 31, 2012			
Carrying value			
NHA MBS and CMB Program	$ 3,284,932	$ 3,312,273	$ (27,341)
Bank sponsored ABCP	1,354,049	1,388,598	(34,549)
Total	$ 4,638,981	$ 4,700,871	$ (61,890)
Fair value	$ 4,685,492	$ 4,786,705	$ (101,213)

5. SECURITIZATIONS *(continued)*

The carrying value of Obligations to securitization entities, which is recorded net of issue costs, includes principal payments received on securitized mortgages that are not due to be settled until after the reporting period. Issue costs are amortized over the life of the obligation on an effective interest rate basis.

6. INVESTMENT IN AFFILIATE

Investment in affiliate represents the Company's investment in Lifeco. Lifeco is a publicly listed company that is incorporated and domiciled in Canada and is controlled by Power Financial Corporation. Lifeco is a financial services holding company with interests in the life insurance, health insurance, retirement savings, investment management and reinsurance businesses, primarily in Canada, the United States, Europe and Asia.

At September 30, 2013, the Company held 39,737,388 (December 31, 2012 – 37,787,388) shares of Lifeco, which represented an equity interest of 4.0% (December 31, 2012 – 4.0%). The Company uses the equity method to account for its investment in Lifeco as it exercises significant influence. Significant influence arises from several factors, including but not limited to, the following: common control of Lifeco by Power Financial Corporation, directors common to the boards of the Company and Lifeco, certain shared strategic alliances, significant intercompany transactions and service agreements that influence the financial and operating policies of both companies. The Company's proportionate share of Lifeco's earnings is recorded in the Consolidated Statements of Earnings.

	NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012
Balance, beginning of period		
As previously reported	**$ 621,100**	$ 612,480
Change in accounting policy *(Note 2)*	**(20,714)**	(14,015)
As restated	**600,386**	598,465
Additional shares acquired	**49,674**	–
Proportionate share of earnings	**63,636**	56,406
Dividends received	**(35,458)**	(34,859)
Proportionate share of other comprehensive income (loss) and other adjustments	**17,254**	(17,981)
Balance, end of period	**$ 695,492**	$ 602,031
Share of equity, end of period	**$ 563,030**	$ 469,294
Fair value, end of period	**$ 1,192,519**	$ 842,659

Lifeco directly owned 9,200,000 shares of the Company at September 30, 2013.

Lifeco's financial information as at September 30, 2013 can be obtained in its publicly available information.

On March 12, 2013, the Company purchased 1,950,000 subscription receipts of Lifeco which were recorded at cost. On July 18, 2013, the acquisition of Irish Life Group Limited was completed and the subscription receipts of Lifeco were exchanged for 1,950,000 Lifeco common shares at a cost of $49.7 million. As a result of this transaction, the Company maintains its current ownership position in Lifeco of 4.0%.

7. SHARE CAPITAL

Authorized

Unlimited number of:

First preferred shares, issuable in series
Second preferred shares, issuable in series
Class 1 non-voting shares
Common shares, no par value

Issued and outstanding

	SEPTEMBER 30, 2013		SEPTEMBER 30, 2012	
	SHARES	STATED VALUE	SHARES	STATED VALUE
Perpetual preferred shares				
First preferred shares, Series B	**6,000,000**	**$ 150,000**	6,000,000	$ 150,000
Common shares				
Balance, beginning of period	**252,098,907**	**$ 1,572,573**	256,658,488	$ 1,578,270
Issued under Stock Option Plan	**1,005,742**	**41,985**	401,940	13,798
Purchased for cancellation	**(1,050,000)**	**(6,607)**	(3,785,200)	(23,397)
Balance, end of period	**252,054,649**	**$ 1,607,951**	253,275,228	$ 1,568,671

Normal course issuer bid

In the third quarter of 2013, 307,700 (2012 – 1,872,900) shares were purchased at a cost of $14.8 million (2012 – $72.0 million). In the nine months ended September 30, 2013, 1,050,000 (2012 – 3,785,200) shares were purchased at a cost of $47.9 million (2012 – $153.4 million). The premium paid to purchase the shares in excess of the stated value was charged to Retained earnings.

The Company commenced a normal course issuer bid, effective for one year, on April 12, 2013. Pursuant to this bid, the Company may purchase up to 12.6 million or 5% of its common shares outstanding as at March 31, 2013. On April 12, 2012, the Company commenced a normal course issuer bid, effective for one year, authorizing it to purchase up to 12.8 million or 5% of its common shares outstanding as at March 31, 2012.

In connection with its normal course issuer bid, the Company established an automatic securities purchase plan for its common shares. The automatic securities purchase plan provides standard instructions regarding how IGM Financial's common shares are to be purchased under its normal course issuer bid during certain pre-determined trading blackout periods. Outside of these pre-determined trading blackout periods, purchases under the Company's normal course issuer bid will be completed based upon management's discretion.

8. CAPITAL MANAGEMENT

The capital management policies, procedures and activities of the Company are discussed in the Capital Resources section of the Company's Management's Discussion and Analysis contained in the Third Quarter 2013 Report to Shareholders and have not changed significantly since December 31, 2012.

9. SHARE-BASED PAYMENTS

Stock option plan

	SEPTEMBER 30 2013	DECEMBER 31 2012
Common share options		
– Outstanding	**8,011,157**	8,115,461
– Exercisable	**3,484,264**	3,570,846

In the third quarter of 2013, the Company did not grant options to employees (2012 – nil). In the nine months ended September 30, 2013, the Company granted 1,385,195 options to employees (2012 – 1,120,855). The weighted average fair value of options granted during the nine months ended September 30, 2013 has been estimated at $5.06 per option (2012 – $5.23) using the Black-Scholes option pricing model. The weighted average closing share price at the grant dates was $45.56. The assumptions used in these valuation models include:

NINE MONTHS ENDED SEPTEMBER 30	2013	2012
Exercise price	**$ 45.51**	$ 45.63
Risk-free interest rate	**1.75%**	1.80%
Expected option life	**6 years**	6 years
Expected volatility	**22.00%**	22.00%
Expected dividend yield	**4.73%**	4.71%

Expected volatility has been estimated based on the historic volatility of the Company's share price over six years which is reflective of the expected option life. Options vest over a period of up to 7.5 years from the grant date and are exercisable no later than 10 years after the grant date. A portion of the outstanding options can only be exercised once certain performance targets are met.

10. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

SEPTEMBER 30, 2013	EMPLOYEE BENEFITS	AVAILABLE FOR SALE SECURITIES	INVESTMENT IN AFFILIATE AND OTHER	TOTAL
Balance, beginning of period				
As previously reported	**$ –**	**$ 963**	**$ (18,259)**	**$ (17,296)**
Change in accounting policy *(Note 2)*	**(92,475)**	**–**	**(22,534)**	**(115,009)**
As restated	**(92,475)**	**963**	**(40,793)**	**(132,305)**
Other comprehensive income (loss)	**31,191**	**149**	**19,292**	**50,632**
Balance, end of period	**$ (61,284)**	**$ 1,112**	**$ (21,501)**	**$ (81,673)**

SEPTEMBER 30, 2012	EMPLOYEE BENEFITS	AVAILABLE FOR SALE SECURITIES	INVESTMENT IN AFFILIATE AND OTHER	TOTAL
Balance, beginning of period				
As previously reported	$ –	$ 324	$ (2,246)	$ (1,922)
Change in accounting policy *(Note 2)*	(52,236)	–	(16,186)	(68,422)
As restated	(52,236)	324	(18,432)	(70,344)
Other comprehensive income (loss)	(22,397)	64	(17,689)	(40,022)
Balance, end of period	$ (74,633)	$ 388	$ (36,121)	$ (110,366)

Amounts are recorded net of tax.

11. RISK MANAGEMENT

The risk management policies and procedures of the Company are discussed in the Financial Instruments Risk section of the Company's Management's Discussion and Analysis contained in the Third Quarter 2013 Report to Shareholders and have not changed significantly since December 31, 2012.

12. DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivative contracts which are either exchange-traded or negotiated in the over-the-counter market on a diversified basis with Schedule I chartered banks or Canadian bank-sponsored securitization trusts that are counterparties to the Company's securitization transactions. In all cases, the derivative contracts are used for non-trading purposes. Interest rate swaps are contractual agreements between two parties to exchange the related interest payments based on a specified notional amount and reference rate for a specified period. Total return swaps are contractual agreements to exchange payments based on a specified notional amount and the underlying security for a specific period. Forward contracts are contractual agreements to buy or sell a financial instrument on a future date at a specified price.

Certain of the Company's derivative financial instruments are subject to master netting arrangements and are presented on a gross basis. The amount subject to credit risk is limited to the current fair value of the instruments which are in a gain position and recorded as assets on the Balance Sheets. The total estimated fair value represents the total amount that the Company would receive or pay to terminate all agreements. However, this would not result in a gain or loss to the Company as the derivative instruments which correlate to certain assets and liabilities provide offsetting gains or losses.

The following table summarizes the Company's derivative financial instruments:

	NOTIONAL AMOUNT				FAIR VALUE	
SEPTEMBER 30, 2013	1 YEAR OR LESS	1 – 5 YEARS	OVER 5 YEARS	TOTAL	ASSET	LIABILITY
Swaps	**$ 1,364,808**	**$ 1,823,778**	**$ 221,100**	**$ 3,409,686**	**$ 50,194**	**$ 43,574**
Forward contracts	**10,937**	**16,753**	**–**	**27,690**	**2,461**	**–**
	$ 1,375,745	**$ 1,840,531**	**$ 221,100**	**$ 3,437,376**	**$ 52,655**	**$ 43,574**
DECEMBER 31, 2012						
Swaps	$ 813,007	$ 1,931,990	$ 400,177	$ 3,145,174	$ 63,299	$ 69,291
Forward contracts	2,702	18,669	–	21,371	–	1,492
	$ 815,709	$ 1,950,659	$ 400,177	$ 3,166,545	$ 63,299	$ 70,783

The credit risk related to the Company's derivative financial instruments after giving effect to any netting agreements or collateral arrangements was $12.0 million (December 31, 2012 – nil).

The credit risk related to the Company's derivative financial instruments after giving effect to any netting agreements or collateral arrangements, and including rights to future net interest income, was $0.1 million (December 31, 2012 – nil). Rights to future net interest income are related to the Company's securitization activities and are not reflected on the Balance Sheets.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents the fair value of financial instruments using the valuation methods and assumptions described below. Fair values are management's estimates and are generally calculated using market conditions at a specific point in time and may not reflect future fair values. The calculations are subjective in nature, involve uncertainties and are matters of significant judgment.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

	SEPTEMBER 30, 2013		DECEMBER 31, 2012	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
Assets				
Cash and cash equivalents	**$ 770,201**	**$ 770,201**	$ 1,059,090	$ 1,059,090
Securities	**25,621**	**25,621**	268,338	268,338
Accounts and other receivables	**601,624**	**601,624**	307,907	307,907
Loans	**5,685,398**	**5,704,707**	4,922,169	4,969,188
Derivative financial instruments	**52,655**	**52,655**	63,299	63,299
Other financial assets	**15,622**	**15,622**	12,146	12,146
Total financial assets	**$ 7,151,121**	**$ 7,170,430**	$ 6,632,949	$ 6,679,968
Liabilities				
Accounts payable and accrued liabilities	**$ 530,097**	**$ 530,097**	$ 293,219	$ 293,219
Repurchase agreements	**–**	**–**	225,445	225,445
Derivative financial instruments	**43,574**	**43,574**	70,783	70,783
Deposits and certificates	**185,191**	**186,479**	163,194	164,811
Other financial liabilities	**206,101**	**206,101**	198,945	198,945
Obligations to securitization entities	**5,119,319**	**5,204,191**	4,700,871	4,786,705
Long-term debt	**1,325,000**	**1,591,753**	1,325,000	1,628,894
Total financial liabilities	**$ 7,409,282**	**$ 7,762,195**	$ 6,977,457	$ 7,368,802

Fair value is determined using the following methods and assumptions:

The fair value of short-term financial instruments approximate carrying value. These include cash and cash equivalents, accounts and other receivables, certain other financial assets, accounts payable and accrued liabilities, repurchase agreements, and certain other financial liabilities.

Securities are valued using quoted prices from active markets, when available. When a quoted market price is not readily available, valuation techniques are used that require assumptions related to discount rates and the timing and amount of future cash flows. Wherever possible, observable market inputs are used in the valuation techniques.

Loans are valued by discounting the expected future cash flows at market interest rates for loans with similar credit risk and maturity.

Obligations to securitization entities are valued by discounting the expected future cash flows by prevailing market yields for securities issued by these securitization entities having similar terms and characteristics.

Deposits and certificates are valued by discounting the contractual cash flows using market interest rates currently offered for deposits with similar terms and credit risks.

Long-term debt is valued using quoted prices for each debenture available in the market.

Derivative financial instruments are valued based on quoted market prices, where available, prevailing market rates for instruments with similar characteristics and maturities, or discounted cash flow analysis.

All financial instruments measured at fair value are classified into one of three levels that distinguish fair value measurements by the significance of the inputs used for valuation.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in the most advantageous market, utilizing a hierarchy of three different valuation techniques, based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Observable inputs other than Level 1 quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs other than quoted prices that are observable or corroborated by observable market data; and

Level 3 – Unobservable inputs that are supported by little or no market activity. Valuation techniques are primarily model-based.

Markets are considered inactive when transactions are not occurring with sufficient regularity. Inactive markets may be characterized by a significant decline in the volume and level of observed trading activity or through large or erratic bid/offer spreads. In those instances where traded markets are not considered sufficiently active, fair value is measured using valuation models which may utilize predominantly observable market inputs (Level 2) or may utilize predominantly non-observable market inputs (Level 3). Management considers all reasonably available information including indicative broker quotations, any available pricing for similar instruments, recent arms length market transactions, any relevant observable market inputs, and internal model-based estimates. Management exercises judgment in determining the most appropriate inputs and the weighting ascribed to each input as well as in the selection of valuation methodologies.

Level 1 assets include liquid, exchange-traded equity securities, liquid open-end investment fund units, and investments in Canada Mortgage Bonds in instances where there are quoted prices available from active markets.

Level 2 assets and liabilities include mortgages classified as fair value through profit or loss and derivative financial instruments. Mortgages classified as fair value through profit or loss are valued by discounting the expected future cash flows at observable market rates for loans with similar credit risk and maturity. The fair value of derivative financial instruments and other financial assets, which include interest rate swaps, total return swaps and forward contracts, are determined using valuation models, discounted cash flow methodologies, or similar techniques using primarily observable market inputs.

Level 3 assets and liabilities include securities with little or no trading activity valued using broker-dealer quotes and derivative financial instruments. Derivative financial instruments consist of principal reinvestment account swaps which represent the component of a swap entered into under the CMB Program whereby the Company pays coupons on Canada Mortgage Bonds and receives investment returns on the reinvestment of repaid mortgage principal. Fair value is determined by discounting the projected cashflows of the swaps. The notional value of the swaps are determined using an average unobservable prepayment rate of 15% which is based on historical prepayment patterns. An increase (decrease) in the assumed mortgage prepayment rate increases (decreases) the notional value of the swap.

The Company records substantially all of its financial instruments at fair value or amounts that approximate fair value. The following table presents the balances of assets and liabilities measured at fair value on a recurring basis.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

SEPTEMBER 30, 2013	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Securities				
– Available for sale	**$ 16,039**	**$ –**	**$ –**	**$ 16,039**
– Held for trading	**7,816**	**1,066**	**700**	**9,582**
Loans				
– Held for trading	**–**	**651,463**	**–**	**651,463**
Derivative financial instruments	**–**	**42,035**	**10,620**	**52,655**
	$ 23,855	**$ 694,564**	**$ 11,320**	**$ 729,739**
Liabilities				
Derivative financial instruments	**$ –**	**$ 14,430**	**$ 29,144**	**$ 43,574**

There were no significant transfers between Level 1 and Level 2 in 2013.

The following table provides a summary of changes in Level 3 assets and liabilities measured at fair value on a recurring basis.

SEPTEMBER 30, 2013	BALANCE JANUARY 1	GAINS/ (LOSSES) INCLUDED IN NET EARNINGS(1)	PURCHASES AND ISSUANCES	SETTLEMENTS	TRANSFERS IN/OUT	BALANCE SEPTEMBER 30
Assets						
Securities						
– Held for trading	**$ 840**	**$ 35**	**$ 100**	**$ –**	**$ (275)**	**$ 700**
Liabilities						
Derivative financial instruments, net	**56,245**	**20,781**	**(3,286)**	**13,654**	**–**	**18,524**

(1) Included in Net investment income and other in the Consolidated Statements of Earnings.

14. EARNINGS PER COMMON SHARE

	THREE MONTHS ENDED SEPTEMBER 30 2013	2012	NINE MONTHS ENDED SEPTEMBER 30 2013	2012
Earnings				
Net earnings	**$ 195,607**	$ 188,466	**$ 571,409**	$ 563,449
Perpetual preferred share dividends	**2,213**	2,213	**6,638**	6,638
Net earnings available to common shareholders	**$ 193,394**	$ 186,253	**$ 564,771**	$ 556,811
Number of common shares *(in thousands)*				
Average number of common shares outstanding				
Add:	**252,021**	254,516	**251,976**	255,636
– Potential exercise of outstanding stock options	**583**	389	**475**	566
Average number of common shares outstanding – diluted basis	**252,604**	254,905	**252,451**	256,202
Earnings per common share *(in dollars)*				
– Basic	**$ 0.77**	$ 0.73	**$ 2.24**	$ 2.18
– Diluted	**$ 0.77**	$ 0.73	**$ 2.24**	$ 2.17

15. RELATED PARTY TRANSACTIONS

The Company entered into tax loss consolidation transactions with its parent company, Power Financial Corporation, after obtaining advance tax rulings:

- On February 23, 2011, the Company acquired $1.0 billion of 6.01% preferred shares of a wholly-owned subsidiary of Power Financial Corporation. As sole consideration for the preferred shares, the Company issued $1.0 billion of 6.00% secured demand debentures to Power Financial Corporation.
- On January 10, 2012, the Company acquired an additional $250 million of 6.01% preferred shares of a wholly-owned subsidiary of Power Financial Corporation. As sole consideration for the preferred shares, the Company issued $250 million of 6.00% secured demand debentures to Power Financial Corporation.

The Company has legally enforceable rights to settle these financial instruments on a net basis and the Company intends to exercise these rights. Accordingly, the preferred shares and debentures and related dividend income and interest expense are offset in the Consolidated Financial Statements of the Company. Tax savings arise due to the tax deductibility of the interest expense.

16. SEGMENTED INFORMATION

The Company's reportable segments are:

- Investors Group
- Mackenzie
- Corporate and Other

These segments reflect the current organizational structure and internal financial reporting. Management measures and evaluates the performance of these segments based on earnings before interest and taxes.

Investors Group earns fee-based revenues in the conduct of its core business activities which are primarily related to the distribution, management and administration of its mutual funds. It also earns fee revenues from the provision of brokerage services and the distribution of insurance and banking products. In addition, Investors Group earns intermediary revenues primarily from mortgage banking and servicing activities and from the assets funded by deposit and certificate products.

Mackenzie earns fee-based revenues from services it provides as fund manager to its mutual funds and as investment advisor to sub-advisory and institutional accounts.

Corporate and Other includes Investment Planning Counsel, equity income from its investment in Lifeco (Note 6), net investment income on unallocated investments, other income, and also includes consolidation elimination entries.

16. SEGMENTED INFORMATION *(continued)*

2013 Three months ended September 30	INVESTORS GROUP	MACKENZIE	CORPORATE AND OTHER	TOTAL
Revenues				
Management fees	**$ 283,126**	**$ 167,192**	**$ 11,878**	**$ 462,196**
Administration fees	**61,210**	**26,371**	**2,789**	**90,370**
Distribution fees	**43,771**	**3,090**	**29,350**	**76,211**
Net investment income and other	**12,479**	**768**	**25,442**	**38,689**
	400,586	**197,421**	**69,459**	**667,466**
Expenses				
Commission	**122,981**	**67,866**	**28,864**	**219,711**
Non-commission	**95,962**	**65,176**	**11,933**	**173,071**
	218,943	**133,042**	**40,797**	**392,782**
Earnings before undernoted	**$ 181,643**	**$ 64,379**	**$ 28,662**	**274,684**
Interest expense				**23,199**
Earnings before income taxes				**251,485**
Income taxes				**55,878**
Net earnings				**195,607**
Perpetual preferred share dividends				**2,213**
Net earnings available to common shareholders				**$ 193,394**

2012 Three months ended September 30	INVESTORS GROUP	MACKENZIE	CORPORATE AND OTHER	TOTAL
Revenues				
Management fees	$ 263,706	$ 156,256	$ 11,540	$ 431,502
Administration fees	54,553	25,912	2,882	83,347
Distribution fees	43,676	4,079	27,405	75,160
Net investment income and other	16,197	2,147	25,778	44,122
	378,132	188,394	67,605	634,131
Expenses				
Commission	119,540	63,452	26,766	209,758
Non-commission	91,531	60,304	10,643	162,478
	211,071	123,756	37,409	372,236
Earnings before undernoted	$ 167,061	$ 64,638	$ 30,196	261,895
Interest expense				23,163
Earnings before income taxes				238,732
Income taxes				50,266
Net earnings				188,466
Perpetual preferred share dividends				2,213
Net earnings available to common shareholders				$ 186,253

16. SEGMENTED INFORMATION *(continued)*

				2013
Nine months ended September 30	INVESTORS GROUP	MACKENZIE	CORPORATE AND OTHER	TOTAL
Revenues				
Management fees	$ 828,645	$ 493,395	$ 34,982	$ 1,357,022
Administration fees	177,923	77,652	8,239	263,814
Distribution fees	137,600	10,329	89,481	237,410
Net investment income and other	50,556	3,474	74,841	128,871
	1,194,724	584,850	207,543	1,987,117
Expenses				
Commission	367,602	201,332	87,805	656,739
Non-commission	298,197	199,725	35,684	533,606
	665,799	401,057	123,489	1,190,345
Earnings before undernoted	$ 528,925	$ 183,793	$ 84,054	796,772
Interest expense				68,911
Earnings before income taxes				727,861
Income taxes				156,452
Net earnings				571,409
Perpetual preferred share dividends				6,638
Net earnings available to common shareholders				$ 564,771
Identifiable assets	$ 6,968,313	$ 1,305,115	$ 1,637,028	$ 9,910,456
Goodwill	1,347,781	1,168,580	122,593	2,638,954
Total assets	$ 8,316,094	$ 2,473,695	$ 1,759,621	$12,549,410

16. SEGMENTED INFORMATION *(continued)*

Nine months ended September 30	Investors Group	Mackenzie	Corporate and Other	Total
				2012
Revenues				
Management fees	$ 819,500	$ 477,616	$ 34,541	$ 1,331,657
Administration fees	164,408	79,729	8,447	252,584
Distribution fees	141,734	13,319	85,820	240,873
Net investment income and other	48,055	2,093	69,329	119,477
	1,173,697	572,757	198,137	1,944,591
Expenses				
Commission	365,264	196,402	83,195	644,861
Non-commission	282,758	187,490	34,466	504,714
	648,022	383,892	117,661	1,149,575
Earnings before undernoted	$ 525,675	$ 188,865	$ 80,476	795,016
Interest expense				68,986
Earnings before income taxes				726,030
Income taxes				162,581
Net earnings				563,449
Perpetual preferred share dividends				6,638
Net earnings available to common shareholders				$ 556,811
Identifiable assets	$ 6,079,737	$ 1,316,209	$ 1,649,642	$ 9,045,588
Goodwill	1,347,781	1,168,580	122,593	2,638,954
Total assets	$ 7,427,518	$ 2,484,789	$ 1,772,235	$ 11,684,542