

In 2015, IGM Financial Inc. continued to focus on fulfilling our mission of delivering long-term growth and value to our clients and shareholders, through our principal businesses, Investors Group Inc. and Mackenzie Financial Corporation. We achieved this by investing energy and resources in key areas, exhibiting strength in product innovation, distribution expansion, effective resource management and investment management enhancements.

Investors Group continued to build client relationships and sales through the strong growth of its exclusive Consultant network, and enhanced its comprehensive financial planning capabilities to strengthen its competitive advantage.

Mackenzie Investments continued to make progress in transforming its business to position the company as a leader amongst its peers and to gain market share with a primary focus on delivering competitive risk adjusted performance through its investment boutiques, product innovation and distribution excellence.

The Company is well diversified through its multiple distribution channels, product types, investment management units and fund brands. Assets under management are diversified by country of investment, industry sector, security type and management style.

We believe the vast majority of Canadians are best served through the support of a financial advisor who can help them to plan for and achieve their financial

goals. The importance of financial advice and the need for global diversification continued to be evident with the sharp decline in the price of crude oil, which impacted the energy-reliant Canadian market.

The scope of our business and our association with other members of the Power Financial Corporation group of companies have placed the Company in a position of leadership and strength in the financial services industry. Together, these elements enable IGM Financial to create long-term value for its shareholders, clients, consultants, advisors and employees.

FINANCIAL HIGHLIGHTS

Operating earnings available to common shareholders,¹ excluding other items, for the year ended December 31, 2015 were \$796.0 million or \$3.21 per share compared to \$826.1 million or \$3.27 per share in 2014.

Net earnings available to common shareholders for the year ended December 31, 2015 were \$771.7 million or \$3.11 per share compared to \$753.3 million or \$2.98 per share in 2014.

Total assets under management at December 31, 2015 were \$133.6 billion compared to \$141.9 billion at December 31, 2014. Mutual fund assets under management at December 31, 2015 were \$127.5 billion, compared to \$126.0 billion at December 31, 2014.

Dividends were \$2.25 per share for the year, up 3.4% from 2014.

¹ Please refer to the reconciliation of non-IFRS financial measures to measures prescribed by IFRS in Management's Discussion and Analysis (MD&A) on page 17 of this Annual Report.



INDUSTRY PERSPECTIVE

Most Canadians who invest know, and appreciate, the benefits of working with a financial advisor. In repeated surveys since 2006, the Investment Funds Institute of Canada (IFIC) has found that approximately 85% of mutual fund investors prefer to invest through an advisor and they highly rate their advisor's support.

Research continues to show that Canadians who rely on advice to guide their financial decisions are wealthier, more confident and better prepared for the financial implications of marriage, a new child, their children's education, retirement and other life events.

OPERATING HIGHLIGHTS

Investors Group continued to expand the number of its region offices in 2015 to a total of 114 across Canada. Throughout 2015, its Consultant network grew by 175 for a total of 5,320 by year-end, the highest level in the history of the company.

Investors Group continued to respond to the complex financial needs of its clients by delivering a diverse range of products and services in the context of long-term financial planning and personalized financial advice.

Investors Group mutual fund assets under management were \$74.9 billion at the end of 2015, compared to \$73.5 billion at December 31, 2014. Mutual fund sales were \$7.9 billion, up 5.7% from 2014 sales of \$7.5 billion. The redemption rate on long-term mutual funds was 8.7% during 2015, unchanged from December 31, 2014. Net sales of mutual funds in 2015 were \$754 million.

Mackenzie Investments maintained its focus on delivering consistent long-term investment performance by attracting key investment management talent, building new leadership and executing on initiatives to achieve its strategic priorities as it continued to support advisors and its institutional clients in all aspects of their business.

Mackenzie Investments total assets under management were \$61.7 billion at the end of 2015, compared to \$70.9 billion at December 31, 2014. Mutual fund assets under management were \$48.4 billion, compared to \$48.8 billion at December 31, 2014. Mutual fund gross sales were \$7.0 billion, down 1.5% from the 2014 total of \$7.1 billion. Mutual fund net redemptions in 2015 were \$1.3 billion.

IGM Financial's inaugural Investor Day was held on November 20, 2015. Senior leadership from IGM Financial and its operating companies offered investors and analysts insight into long-term strategies and priorities in the context of the evolving competitive and regulatory environment.

IGM Financial continues to build its business through its extensive network of distribution opportunities, delivering high-quality advice and innovative, flexible solutions for investors. Our investment in technology and operations continues to help us manage our resources effectively and develop long-term growth in our business.

CORPORATE RESPONSIBILITY

At IGM Financial, our core business is helping Canadians to plan for and achieve their financial goals. Because of this trust placed in us, we have a long-standing commitment to act responsibly in everything we do.

We believe that considering the environmental, social and governance impacts of our business contributes to long-term profitability and value creation. In 2015, IGM Financial continued to address these impacts through the advancement of its corporate responsibility strategy, highlighted by the following examples:

- IGM Financial released its 2014 update to the corporate responsibility report, providing information tailored to our stakeholders. The report is available at igmfinancial.com.

- Investors Group and Mackenzie Investments continued to demonstrate their commitment to responsible investing as signatories to the Principles for Responsible Investment.
- In March 2015, Canada's newest stock-exchange, Aequitas, was launched to provide an innovative and cost-efficient marketplace that puts the needs of investors, capital-raising companies and their dealers first. IGM Financial is a founding member of Aequitas.
- IGM Financial was recognized by global environmental, social and governance research firm Sustainalytics, as one of the top five performing Canadian diversified financial services companies and was named to the Jantzi Social Index (JSI).
- The IGM Financial companies maintained our commitment to support the communities where we live and work. Investors Group and Mackenzie Investments continued to be recognized as Imagine Canada Caring Companies.
- IGM Financial scored one of the top five scores in the Canadian financial industry on the CDP survey for the second year in a row, demonstrating our commitment to transparency and accountability on climate issues.
- IGM Financial announced a new sustainability initiative to heat the Investors Group's head office in Winnipeg and Mackenzie Investments' Simcoe Street office in Toronto with renewable energy. This is a significant step towards reducing our carbon footprint.

We are proud of our achievements, our commitments and our people. In the years ahead we look forward to building on the foundation of responsible management we have created.

BOARD OF DIRECTORS

A few changes to the Board of Directors were announced in 2015.

Claude Généreux and Sharon Hodgson were elected to the Board. Mr. Généreux is Executive Vice-President of Power Corporation of Canada and Power Financial Corporation. Ms. Hodgson is General Manager of IBM Global Business Services Canada.

Retiring from the Board were Roy Piper and Michel Plessis-Bélair.

Mr. Piper served on the Board since 1987. He had been a member of the Audit, Community Affairs, Compensation, Related Party and Conduct Review, and Governance and Nominating Committees during his term.

Mr. Plessis-Bélair had been a Board member since 1990. He was a member of the Executive Committee from 1998 to 2008, the Audit Committee from 1990 to 2005 and the Investment Committee from 1991 to 2008.

We thank our departing directors for their years of service and their valuable contributions to the Board.

LOOKING AHEAD

As Canadians look forward to their future financial goals, they will increasingly be focused on making informed decisions to provide for their long-term financial planning needs.

IGM Financial continues to focus on providing quality investment advice and financial products, service innovations, effective management of the Company and long-term value for our clients and shareholders.

On behalf of the Board of Directors,

Murray J. Taylor

*Co-President and
Chief Executive Officer
IGM Financial Inc.*

Jeffrey R. Carney

*Co-President and
Chief Executive Officer
IGM Financial Inc.*

R. Jeffrey Orr

*Chairman of the Board
IGM Financial Inc.*

February 12, 2016