



Q1, 2018 Results

IGM FINANCIAL

MAY 4, 2018



CONFERENCE CALL PARTICIPANTS



Jeffrey R. Carney

President & CEO,
IGM Financial and

President & CEO,
Investors Group



Barry S. McInerney

President & CEO,
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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 to assist 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. 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. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

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 or unanticipated 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 and its subsidiaries' 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 applicable Canadian 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 and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at www.sedar.com.

NON-IFRS FINANCIAL MEASURES & 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:

- Adjusted net 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 "Adjusted Net Earnings", "Adjusted Earnings per Share", "Earnings before Interest and Taxes" (EBIT), "earnings before interest, taxes, depreciation and amortization before sales commissions" (EBITDA before sales commissions) and "earnings before interest, taxes, depreciation and amortization after sales commissions" (EBITDA after sales commissions).

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.

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 Q1, 2018 results issued May 4, 2018:
 - IGM Financial Q1, 2018 financial results press release. This press release includes financial highlights as well as a summary earnings statement.
 - IGM Financial Q1, 2018 Interim Condensed Consolidated Financial Statements and Notes.
 - IGM Financial Q1, 2018 Management's Discussion and Analysis ("MD&A").
 - IGM Financial Q1, 2018 Supplemental Information.
2. IGM Financial Implementation of IFRS 15 press release issued May 3, 2018.
3. IGM Financial April 2018 Investment Fund Sales and Total Assets Under Management press release issued May 2, 2018.
4. IGM Financial 2017 Annual Report issued on March 15, 2018.
5. IGM Financial 2017 Investor Day Presentation issued on November 28, 2017.
6. IGM Financial 2016 Corporate Responsibility Report issued July 21, 2017.

Each of these documents are available on the Company's website at www.igmfinc.com and/or at www.sedar.com.



IGM FINANCIAL

IGM FINANCIAL Q1, 2018 HIGHLIGHTS

1

Record high Q1 net sales of \$1.4B

- Continued market share improvement at Investors Group and Mackenzie
- Industry mutual fund net sales down approximately 30% versus Q1/17

2

Total ending AUM of \$155.8B; down 0.5% year-to-date

- Negative investment returns offset by positive net sales

3

Continued expense management

- Non-commission expense up 2.5% vs. Q1/17
- Continue to guide to 2018 non-commission expense growth of 5%

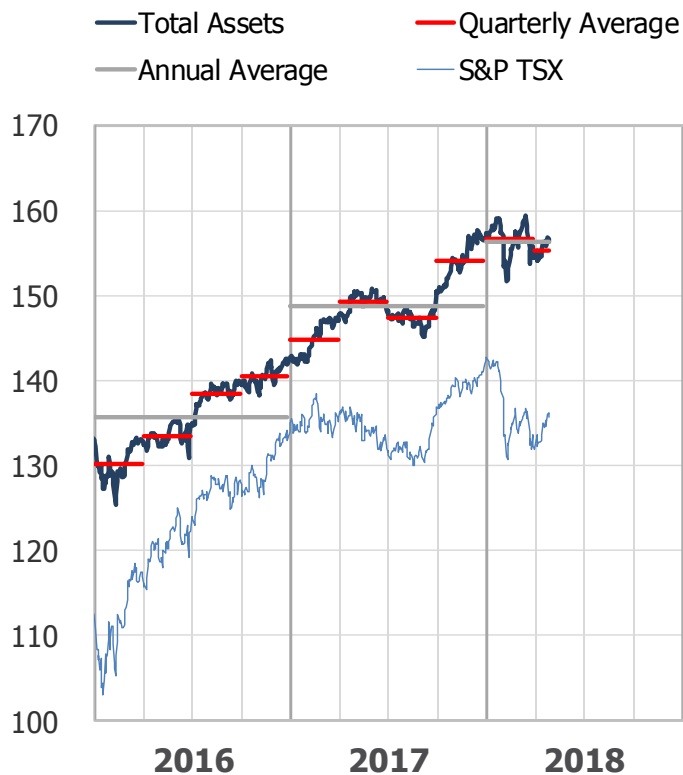
4

Implementation of IFRS 15

- Increase earnings per share by 2 cents for Q1 and expect further impact for full year

INDUSTRY OPERATING ENVIRONMENT

IGM Assets Under Management (\$B)



IGM Investment Return Rate

Equity Markets:

Canada	(S&P / TSX Composite)	(5.2%)	1.6%
U.S.	(S&P 500)	(1.2%)	0.3%
Europe	(MSCI Europe)	(4.9%)	4.0%
Asia	(MSCI AC Asia Pacific)	(0.6%)	0.8%
World	(MSCI World)	(1.7%)	1.0%

Fixed Income (FTSE TMX Canada Universe TR) 0.1%

Currency:

USD relative to CAD	2.6%	(0.4%)
Euro relative to CAD	5.3%	(2.4%)

All index returns are local market returns.

Industry Mutual Fund Net Sales by Primary Distribution Emphasis (\$MM)

	Q1/17	Q1/18	\$ Change	% Change
Advice channel	2,822	2,472	(350)	(12.4%)
Deposit takers	12,161	7,965	(4,197)	(34.5%)
Other	923	819	(104)	(11.2%)
Total industry	15,906	11,256	(4,651)	(29.2%)

Source: Simfund data reflecting the "Funds Administration View" and excluding exchange traded funds.

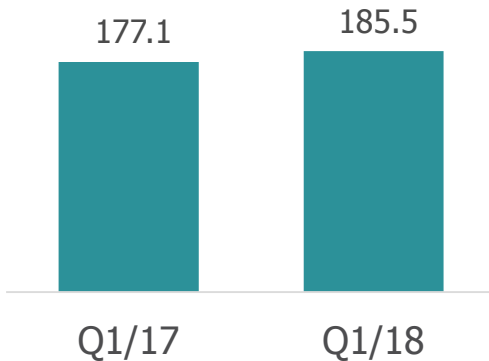
"Advice" includes "Independents", "Life Insurers" and other select companies.

"Other" includes direct sellers, unions & associations and others.

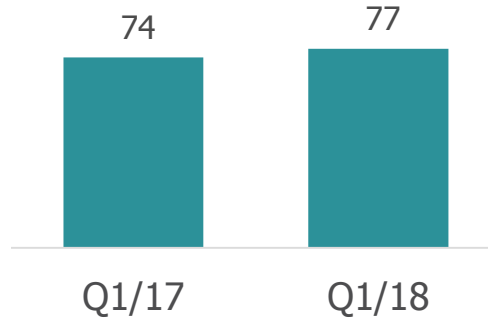
"Net Sales" reflects gross sales less redemptions and is presented by Simfund as "Net New Money".

IGM FINANCIAL Q1, 2018 RESULTS

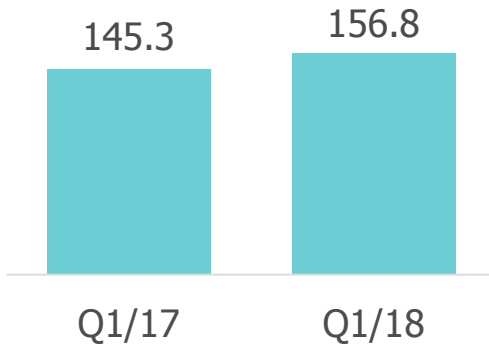
**Net Earnings
(\$MM)**



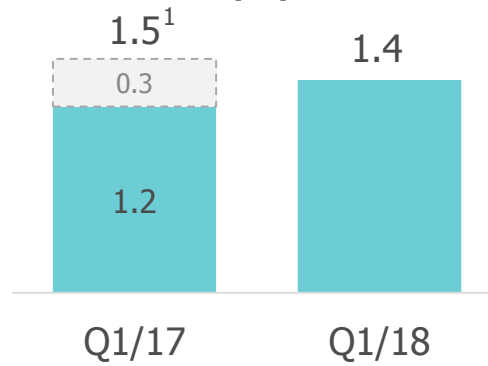
**Net Earnings Per Share
(¢)**



**Average AUM
(\$B)**



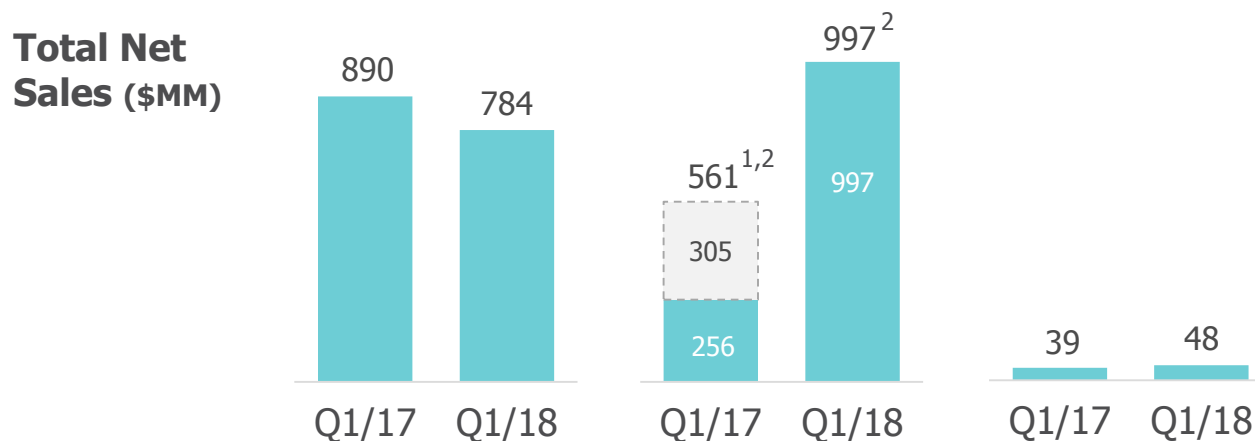
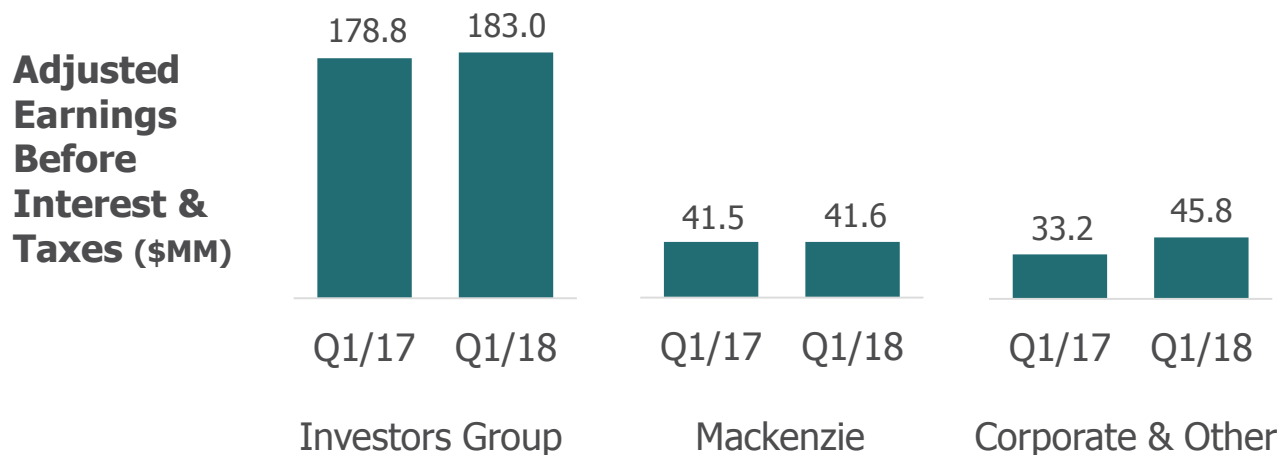
**Total Net Sales
(\$B)**



- Net Earnings of \$185.5MM is up 4.8% compared to Q1/17
- EPS of 77 cents up 4.1% relative to Q1/17; excluding the impact of transition to IFRS 15 EPS would have been 75 cents
- Total average AUM increased 7.9%
- Total net sales of \$1.4B, an all-time record high first quarter

1. Excludes gross sales of \$313 million, redemptions of \$618 million and net redemptions of \$305 million during Q1, 2017 related to certain fund allocation changes by third party programs which include Mackenzie mutual funds.

OPERATING SEGMENTS Q1, 2018 RESULTS



1. Excludes gross sales of \$313 million, redemptions of \$618 million and net redemptions of \$305 million during Q1, 2017 related to certain fund allocation changes by third party programs which include Mackenzie mutual funds.

2. Includes advisory mandates to other segments with net sales of \$472 million during Q1, 2018 and net redemptions of \$2 million during Q1, 2017.



INVESTORS GROUP

INVESTORS GROUP Q1, 2018 HIGHLIGHTS

1

Continued strong net sales in the context of market volatility and declining industry net sales

- Emphasis on High Net Worth segments and managed solutions continues to drive market share gains

2

AUM of \$87.1 billion; down 1.0% year-to-date

- Negative investment returns offset by positive net sales

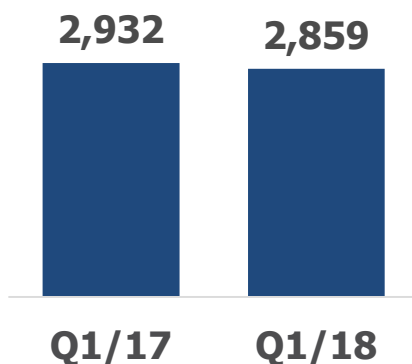
3

Solid asset retention: 8.4% twelve month trailing long-term fund redemption rate improved from 8.8% in Q1/17

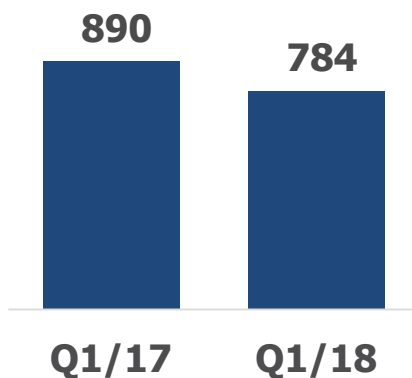
- Remains approximately half of industry average

INVESTORS GROUP Q1, 2018 OPERATING RESULTS

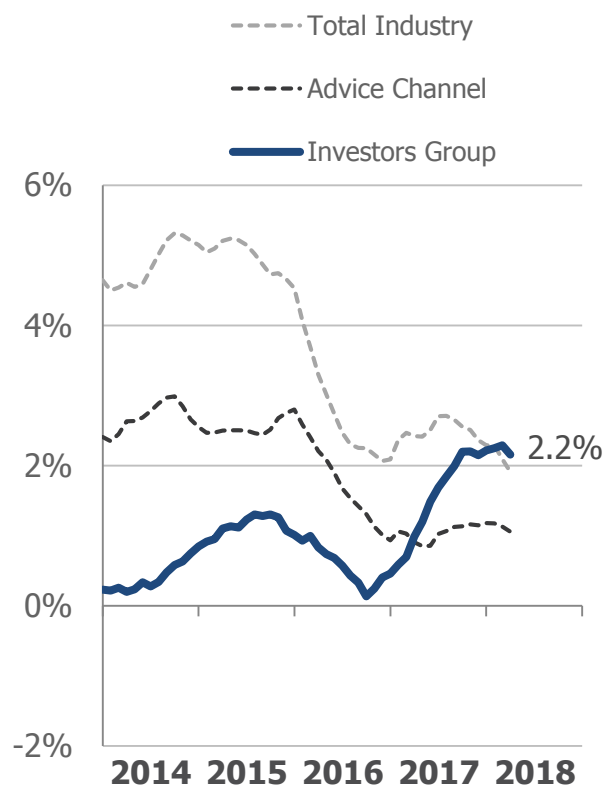
**Mutual Fund Gross Sales
(\$MM)**



**Mutual Fund Net Sales
(\$MM)**



**Long Term Mutual Fund Net Sales Rate¹
(LTM, % of Average AUM)**



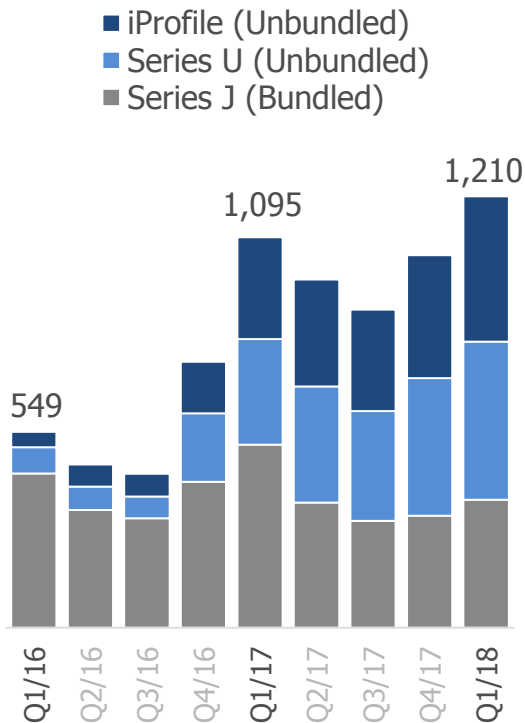
Source: Simfund

- Q1 gross sales were \$2.9B, second highest on record
- Net Sales of \$784MM
- Capturing market share: Net sales rate of 2.2%, above advice channel and overall industry which have declined

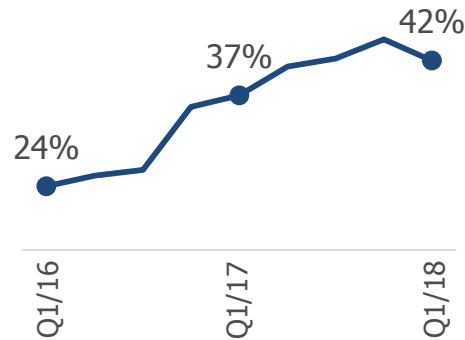
1. Investors Group reflects total net sales and average AUM.

CONTINUED EMPHASIS ON HIGH NET WORTH SOLUTIONS AND MANAGED SOLUTIONS

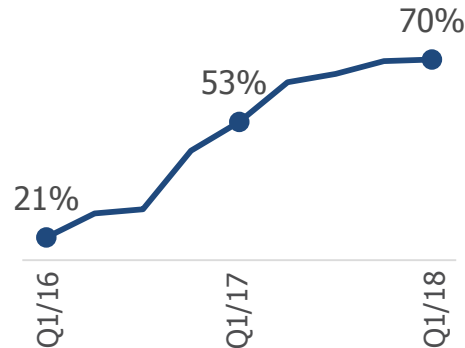
**Gross Sales of
HNW Solutions
(\$MM)**



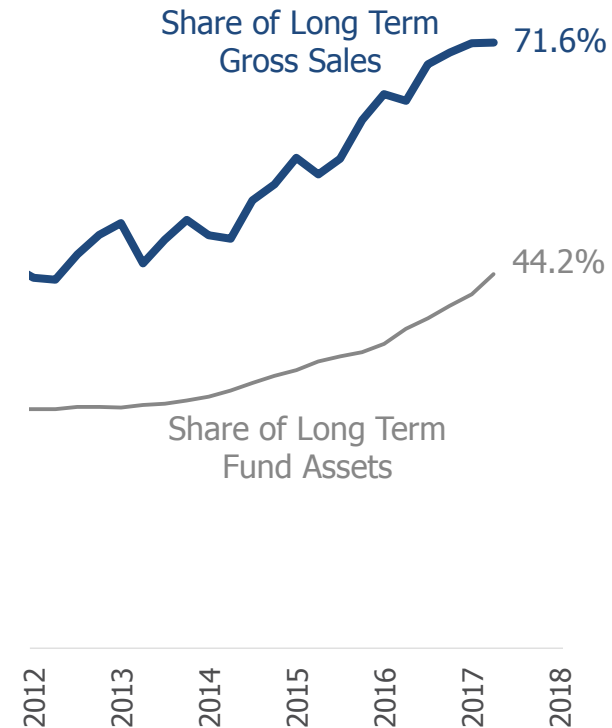
HNW % of Total Sales



**Unbundled % OF HNW
Sales**



**Managed Solutions Share
of Long Term Funds**



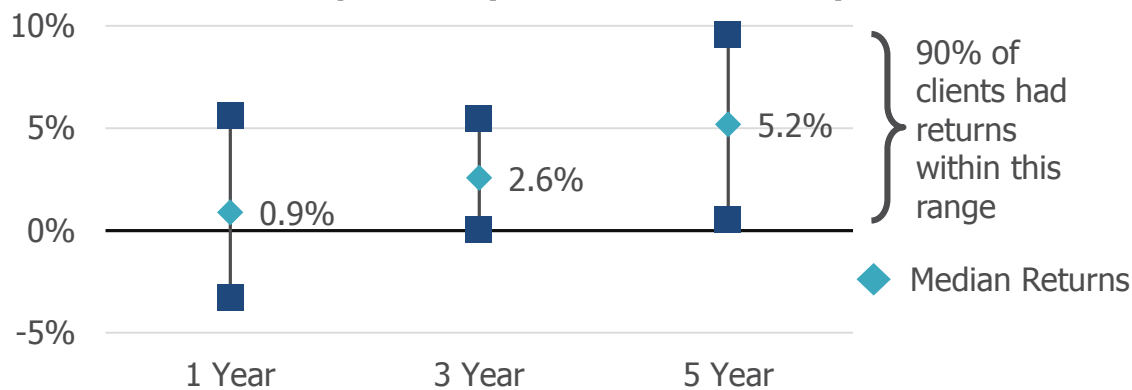
HNW solutions include Series J & U and iProfile.

- Series J provides a bundled pricing structure for households with investment assets in excess of \$500,000.
- Series U provides an unbundled pricing structure for households with investment assets in excess of \$500,000.
- iProfile provide an unbundled pricing structure for households with investment assets in excess of \$250,000.

Managed solutions include Maestro Portfolios Allegro Portfolios, Alto Portfolios, Cornerstone, Investors Group Portfolios, and iProfile.

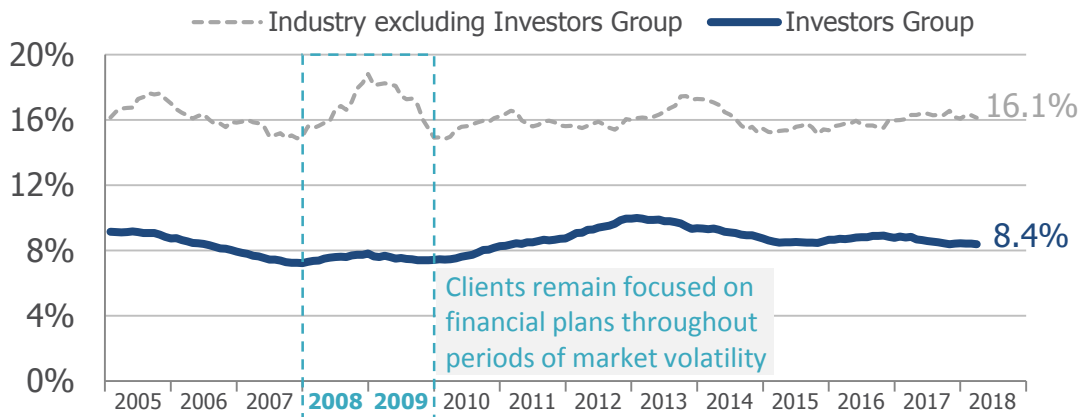
INVESTORS GROUP CLIENT RATE OF RETURN EXPERIENCE AND HISTORICAL REDEMPTION RATE

Investors Group Client Account Rate of Return Experience (as at March 31, 2018)



- Short-term client return experience impacted by market volatility, while long-term returns remain above 5%
- Reminder, Investors Group's long-term redemption rate is approximately 1/2 that of peers and stable through periods of market volatility

**Redemption Rate on Long Term Mutual Funds¹
(Last Twelve Month Trailing % of Average Assets Under Management)**



1) 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.



MACKENZIE INVESTMENTS

MACKENZIE Q1, 2018 HIGHLIGHTS

1

All-time quarter end high investment fund AUM of \$57.0B

- Total AUM of \$65.2B; increase of 1.0% year-to-date

2

Strong net sales momentum across mutual funds, ETFs and institutional

- Retail net sales improved despite softer industry sales
- #2 in Active & Strategic Beta ETF net creations and #3 overall
- Best investment fund net flows since 1999, with continued strength in balanced funds

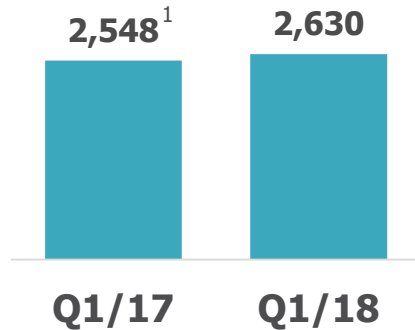
3

Continued product innovation

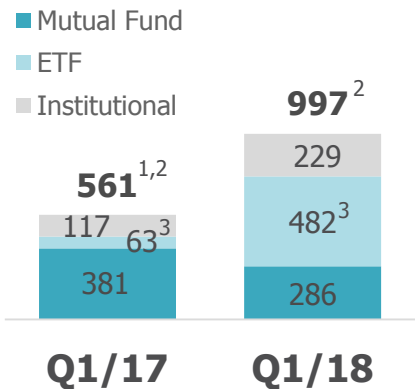
- Announced the launch of Mackenzie Multi-Strategy Absolute Return Fund
- New simplified retail pricing structures for investors

MACKENZIE Q1, 2018 OPERATING RESULTS

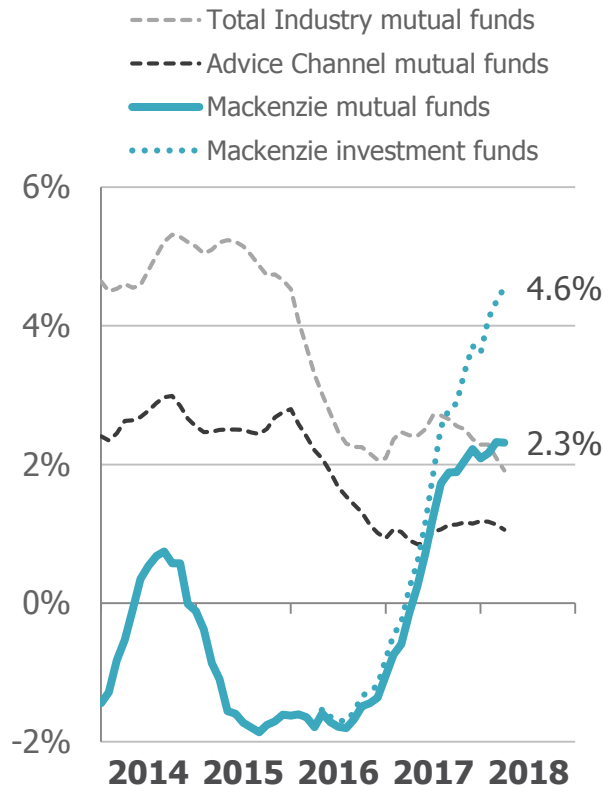
Mutual Fund Gross Sales (\$MM)



Net Sales (\$MM)



Long-term Fund Net Sales Rate (LTM, % of Average AUM)



Source: Simfund

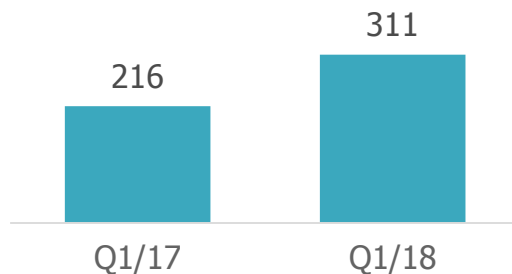
- Q1 total mutual fund gross sales up 3.2%¹
- Strong total net sales of \$997MM
- Capturing market share: long-term mutual fund net sales rate of 2.3% above advice channel and overall industry
- 4.6% long-term investment fund net sales rate

1. Excludes gross sales of \$313 million, redemptions of \$618 million and net redemptions of \$305 million during Q1, 2017 related to certain fund allocation changes by third party programs which include Mackenzie mutual funds.
 2. Includes advisory mandates to other segments with net sales of \$472 million during Q1, 2018 and net redemptions of \$2 million during Q1, 2017.
 3. Excludes Mackenzie mutual fund investment in ETFs of \$233 million for Q1 2018 and \$51 million for Q1 2017.

BROAD DEMAND FOR MACKENZIE'S MUTUAL FUND OFFERING ACROSS ASSET CLASSES

\$MM	Gross Sales ¹			Net Sales ¹		
	Q1/17	Q1/18	%Change	Q1/17	Q1/18	\$ Change
Income-oriented	273	302	10.6%	18	23	5
Balanced						
<i>Symmetry</i>	504	451	(10.5%)	220	141	(79)
<i>Other</i>	627	737	17.5%	192	221	29
Total Balanced	1,131	1,188	5.0%	412	362	(50)
Canadian equity	220	233	5.9%	(76)	(53)	23
Foreign equity	688	676	(1.7%)	(47)	(100)	(53)
Sector / other	127	114	(10.2%)	48	32	(16)
Long-term Mutual Funds	2,439	2,513	3.0%	355	264	(91)
Money market	109	117	7.3%	26	22	(4)
Total Mutual Funds	2,548	2,630	3.2%	381	286	(95)

**Retail Mutual Fund Net Sales
(Excludes ETFs, \$MM)**

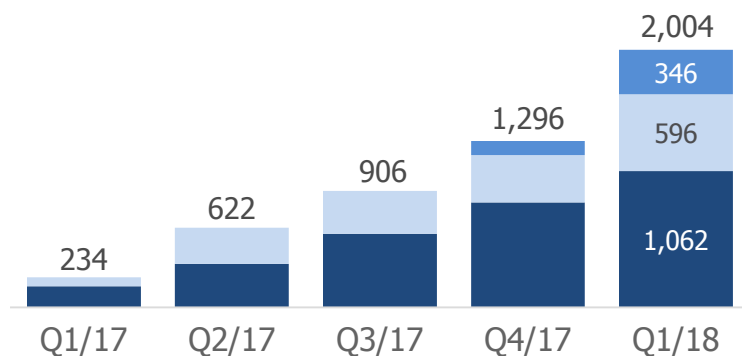


- Mutual fund net sales of positive \$286MM; down slightly from Q1/17¹
- In the context of lower industry flows, Mackenzie's retail net sales increased \$95MM

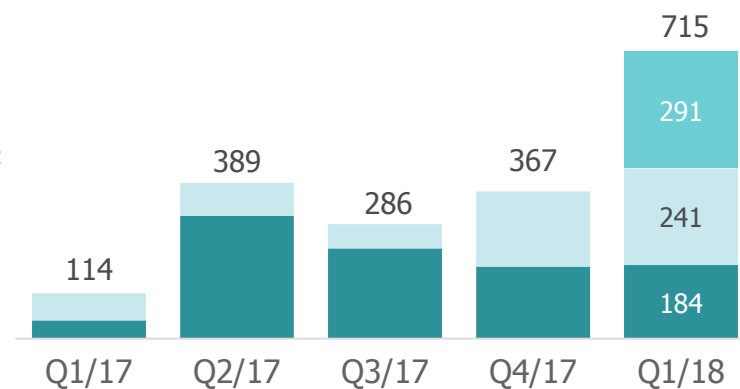
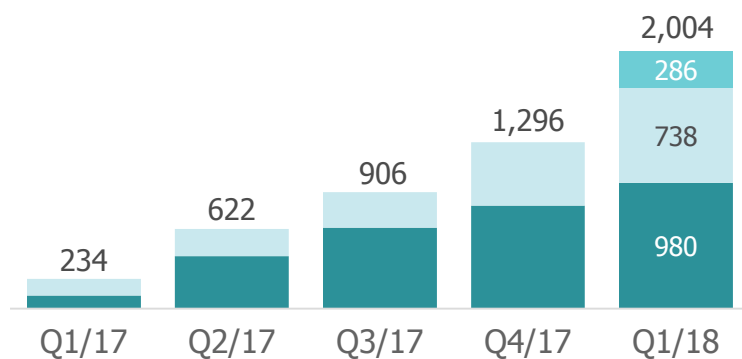
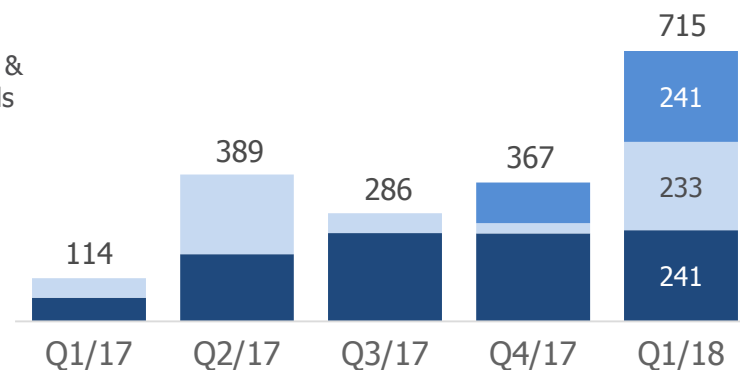
1. Excludes gross sales of \$313 million, redemptions of \$618 million and net redemptions of \$305 million during Q1, 2017 related to certain fund allocation changes by third party programs which include Mackenzie mutual funds.

MACKENZIE'S RAPID ETF GROWTH IS BROAD-BASED ACROSS CHANNELS & INVESTMENT STRATEGIES

ETF AUM by Quarter
(\$MM)



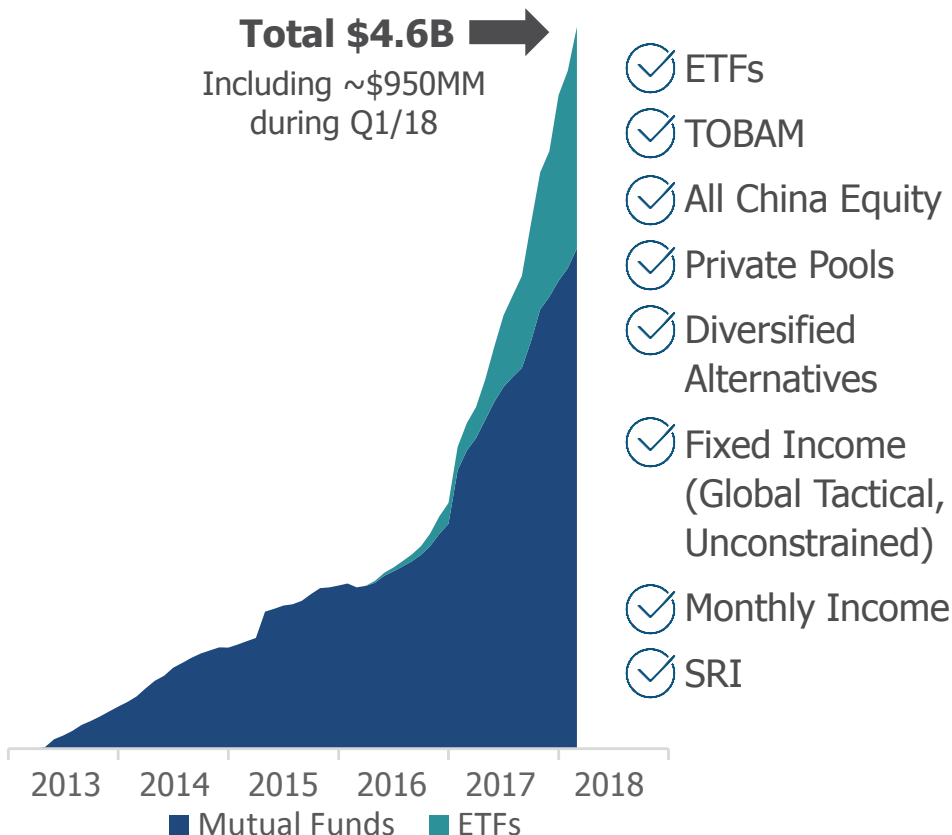
ETF Net Creations by Quarter
(\$MM)



PRODUCT INNOVATION A KEY CATALYST FOR NET SALES & AUM GROWTH

Innovative product launches have delivered \$4.6B in net sales over the past 5 years

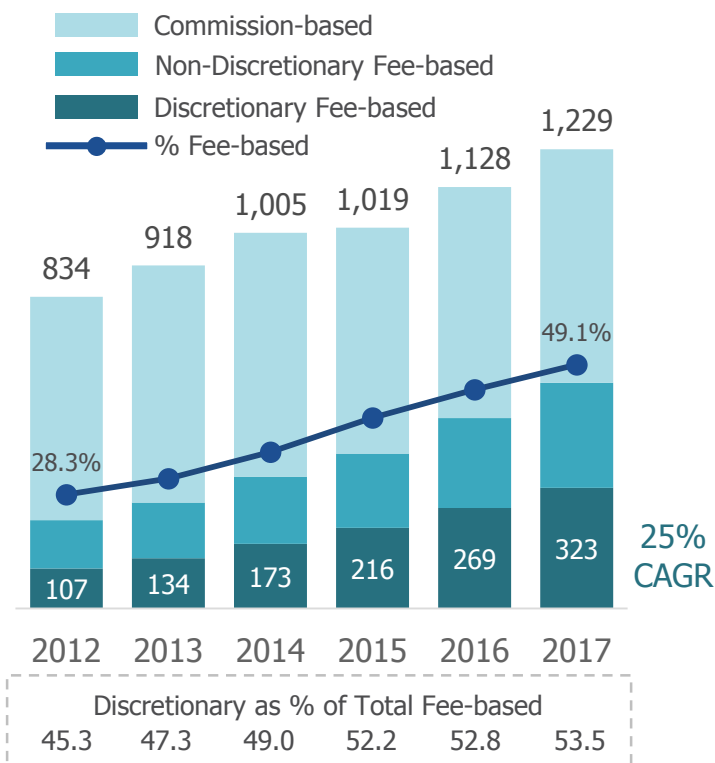
Total \$4.6B →
Including ~\$950MM
during Q1/18



- Launch of Mackenzie Multi-Strategy Absolute Return Fund
 - Mackenzie is the first to bring an Absolute Return product to Canadian retail investors, based on the regulator's alternative framework proposal for conventional mutual funds
 - Offers a one-stop, uncorrelated solution for retail investors to increase portfolio stability by adding a component to their portfolio
 - Combines the talent of Mackenzie's Asset Allocation, Fixed Income and Systematic Strategies teams

SIMPLIFIED RETAIL PRICING STRUCTURES

Full Service Broker AUA (\$B, as at Dec 31)



Source: Investor Economics Retail Brokerage and Distribution Report

- Simplified fee-based pricing for advisors and investors
 - Move to one fee-based series with one fund code
 - Flat fee from first dollar
- Simplified Private Wealth bundled offering, aligned with pricing on fee-based series
- Impact of ~2 bps decrease to the fee rate on Mackenzie's total mutual fund assets of \$55.6B, or ~\$12MM annualized, starting June 1, 2018

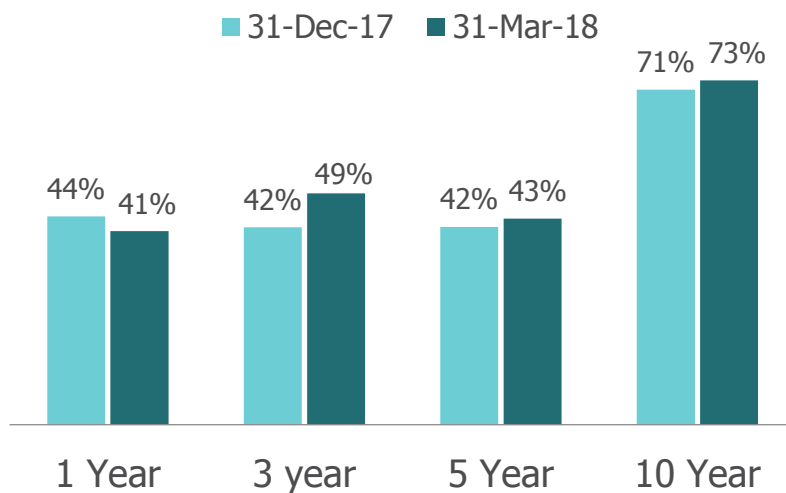
Fee-based Series Pricing – Global Equity Mandate Example



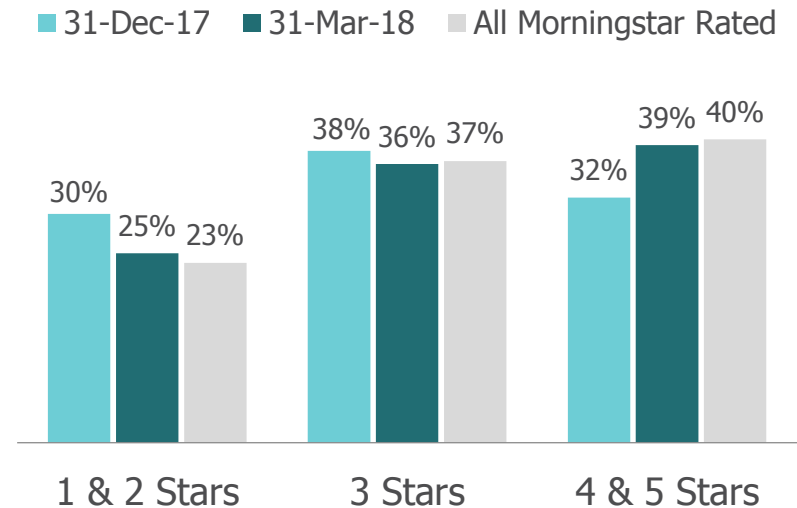
INVESTMENT PERFORMANCE HIGHLIGHTS

Four of Mackenzie's five largest Core Balanced funds² are rated 5 stars for series F

Mackenzie Mutual Funds in 1st or 2nd Quartile¹ (Proportion of Assets)



Morningstar Star Ratings¹ (Proportion of Assets)

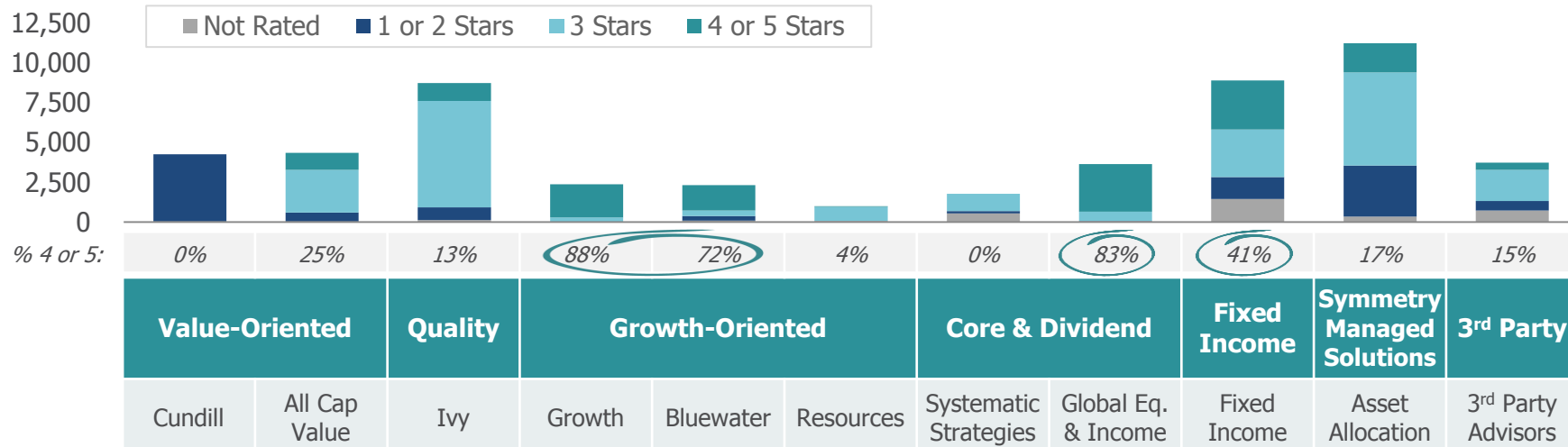


1. Based on Morningstar data as at March 31, 2018 unless otherwise stated and excludes Quadrus funds.

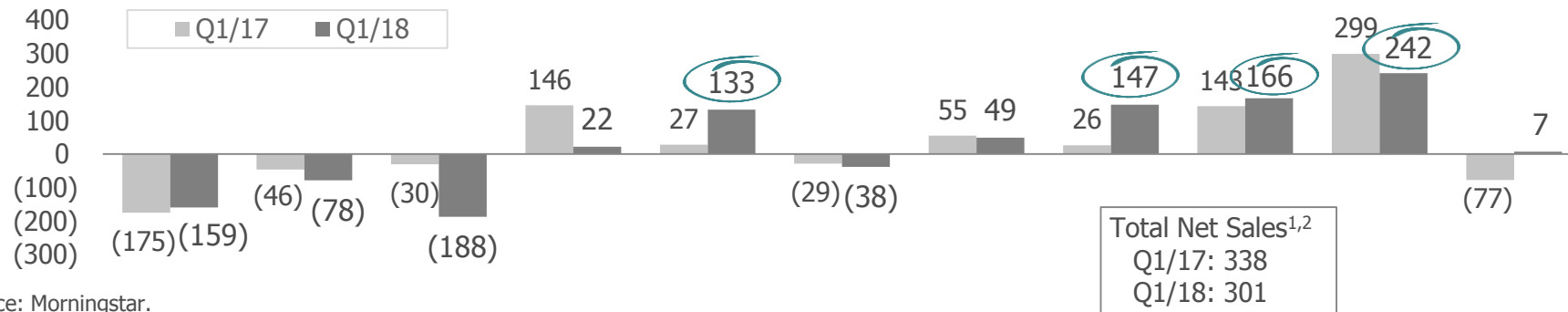
2. Excludes Symmetry managed solutions.

INVESTMENT BOUTIQUE MUTUAL FUND PERFORMANCE & NET SALES

Mutual Fund AUM by Morningstar Ratings (\$MM)¹



Mackenzie Mutual Fund Net Sales (\$MM)^{1,2}



Source: Morningstar.

1. Excludes Quadrus funds net inflow of \$43MM in Q1 2017 and (\$15MM) in Q1 2018.

2. Excludes gross sales of \$313MM, redemptions of \$618MM and net redemptions of \$305MM during Q1, 2017 related to certain fund allocation changes by third party programs which include Mackenzie mutual funds.



FINANCIAL RESULTS

OVERVIEW OF IFRS 15 - REVENUE FROM CONTRACTS WITH CUSTOMERS

IFRS 15 Overview:

- IFRS 15 specifies the accounting for the incremental costs of obtaining a contract with a customer
- Commissions paid on sale of mutual fund units and other client acquisition costs are subject to the standard

Previous standard used by IGM for investment product sales commissions:

IAS 38 Intangible Assets

Standard

Sales commissions to acquire mutual fund units considered an **intangible asset and amortized over useful life** (for most units, IGM amortizes over a period not exceeding seven years)

New standard:

IFRS 15 Revenue from Contracts with Customers (effective Jan 1, 2018)

Standard

An entity shall recognise as an asset **the incremental costs of obtaining a contract with a customer** if the entity expects to recover those costs

Application Guidance around "who is the customer?"

a) Investment fund

If the **Investment fund** is best characterized as the **"customer"**, a sales commission to acquire an end client is deemed to be a **cost of fulfilling an existing contract** and **expensed as incurred**

b) End client

If the **end client** is best characterized as the **"customer"**, a sales commission to acquire the client is an **asset that is amortized over useful life**

IGM Conclusions

Commissions paid on **bundled¹ products** will be **expensed as incurred**

Commissions paid on **unbundled² products** will be **capitalized and amortized** over useful life
(where the dealer compensation is charged directly to the end client)

1. "Bundled" or "Embedded Compensation" product arrangements are where dealer compensation is included within the product management fees, which are paid to the fund manager under the fund manager contract.
2. "Unbundled" or "Fee-Based" arrangements are where dealer compensation is charged directly to the end client through advisory or other fees. This reflects Series U and iProfile at Investors Group.

REMINDER: INVESTORS GROUP CONSULTANT COMPENSATION

FORECAST IS FOR ILLUSTRATIVE PURPOSES ONLY; ASSUMES MODEST SALES AND AUM GROWTH

1 Asset-based compensation is rising as a result of:

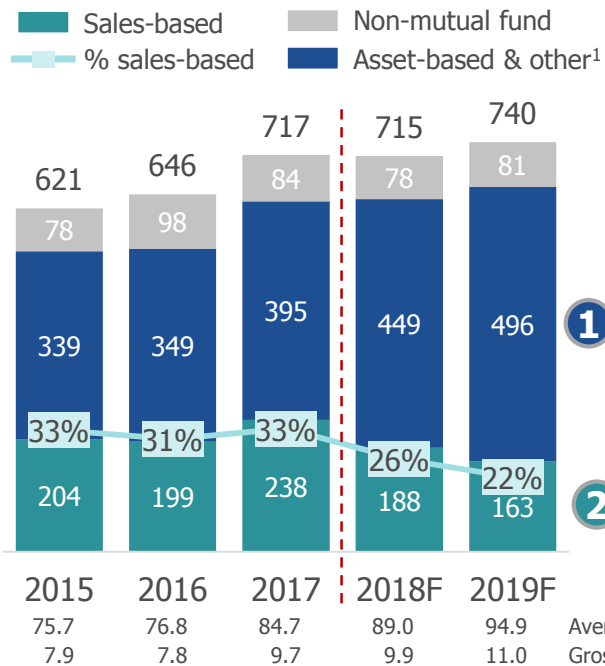
- a) Elimination of DSC (which pays lower asset-based comp in first seven years); and
- b) Changes to asset-based compensation rates announced on Q4/17 call

2 Reducing sales-based compensation in 2018, 2019 and thereafter to manage transition to higher asset-based compensation

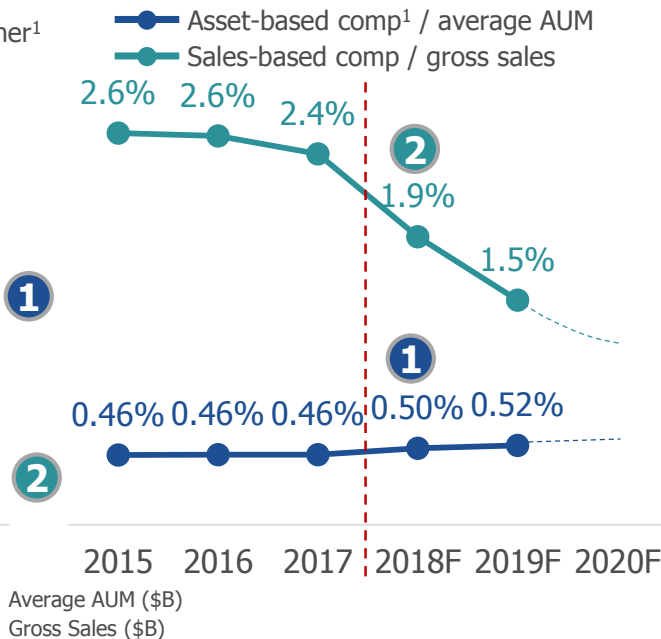
3 We are migrating our business to “unbundled” arrangements (Series U) where the client pays our dealer directly for advice through an advisory fee

- Unbundled currently available to high net worth, and is 70% of sales. Launching for all new clients in second half of 2018 and all business expected to be migrated in coming years.

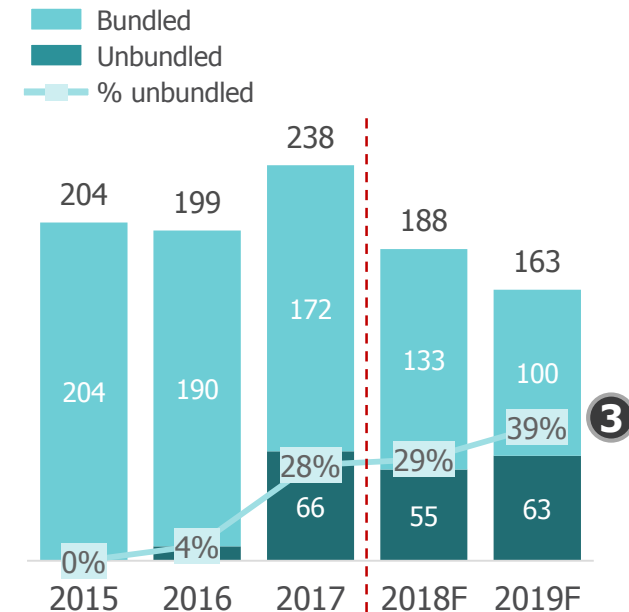
Compensation Paid (\$MM)



Compensation Rates



Sales-based Commissions Paid by Product Structure (\$MM)

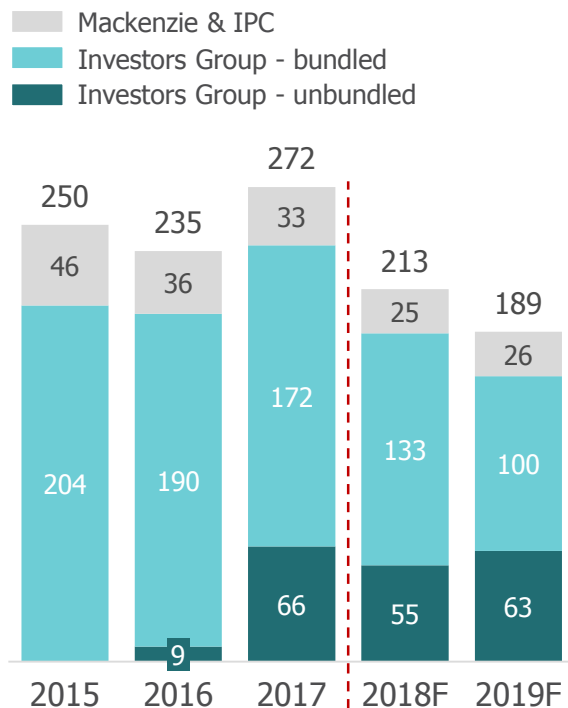


1. Asset-based & other includes asset-based compensation and other investment management product compensation.

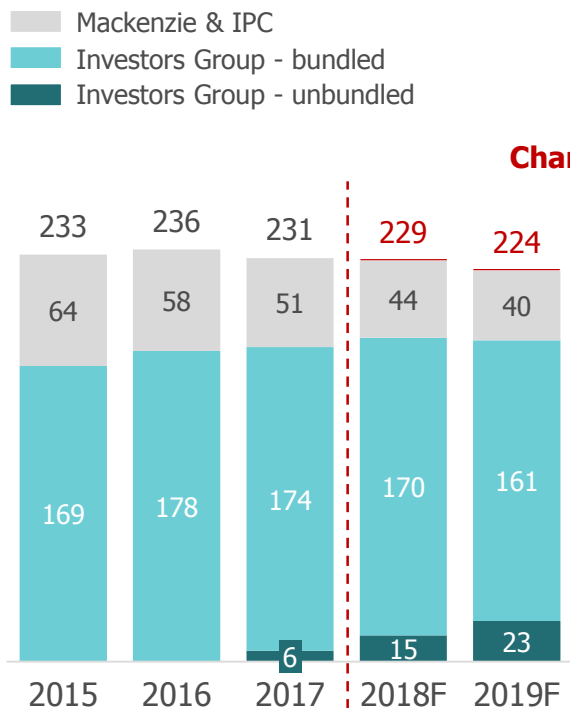
IFRS 15 IMPACT ON 2018 & 2019

FORECAST IS FOR ILLUSTRATIVE PURPOSES ONLY; ASSUMES MODEST SALES AND AUM GROWTH

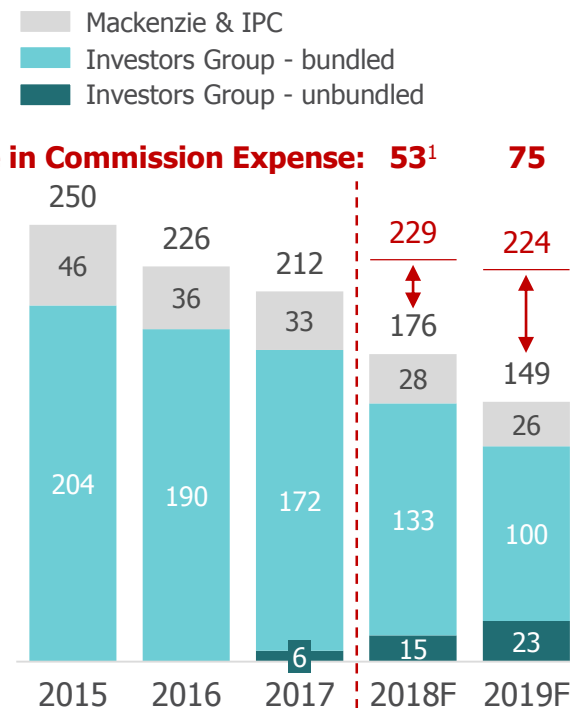
Sales-based Commissions Paid (\$MM)



Sales-based Commission Expense Under Previous Approach – all commissions amortized over ~84 months (\$MM)



Sales-based Commission Expense Under IFRS 15 – bundled commissions expenses as incurred, unbundled amortized over 84 months (\$MM)



1. This is after giving effect to a \$25MM increase to Investors Group commission expenses, as disclosed in Q4/17.

Q1, 2018 FINANCIAL RESULTS – IMPACT OF IFRS 15

\$MM	Q1/18 - Previous (IAS 38)	IFRS 15 Adjust- ments	Q1/18 Actual (IFRS 15)
Statement of Earnings			
Total Revenue	810		810
Expenses:			
Commission			
Amortization of capitalized sales commissions	58	(55)	3
Sales-based commissions - expensed as paid	0	46	46
Total mutual fund sales commission expense	58	(9)	49
Other commission expense	237		237
	295	(9)	286
Non-commission	253		253
Adjusted earnings before interest and taxes	261	9	270
Interest, income taxes & preferred share dividends	82	2	85
Adjusted net earnings available to common shareholders	179	7	186
Adjusted net earnings per share (cents)	75	2	77
EBITDA			
EBITDA before Sales Commissions	333		333
Sales-based commissions paid	(62)		(62)
EBITDA after Sales Commissions	271		271
Add: sales commissions paid subject to amortization	62	(46)	16
Less: amortization of capitalized sales commissions	(58)	55	(3)
Net deferral	4	9	13
Less: Amortization of capital assets, intangible assets & other	(14)		(14)
Adjusted earnings before interest and taxes	261	9	270

\$MM	31-Dec-17	IFRS 15 Adjust- ments	1-Jan-18
Balance Sheet			
Capitalized sales commissions	767	(704)	63
Other assets	15,732		15,731
Assets	16,499	(704)	15,794
Deferred income tax liability	464	(189)	275
Other liabilities	11,211		11,211
Liabilities	11,674	(189)	11,485
Retained earnings	3,101	(515)	2,586
Other shareholders' equity	1,724		1,724
Shareholders' equity	4,825	(515)	4,310
Liabilities & equity	16,499	(704)	15,795

1 EBIT increased \$9MM in Q1/18 from IFRS 15 (full year expected impact of ~\$53MM)

- This is in relation to a \$7MM decline in EBIT that would have occurred under IAS 38 due to shift from sales-based comp to asset-based, as disclosed in Q4/17

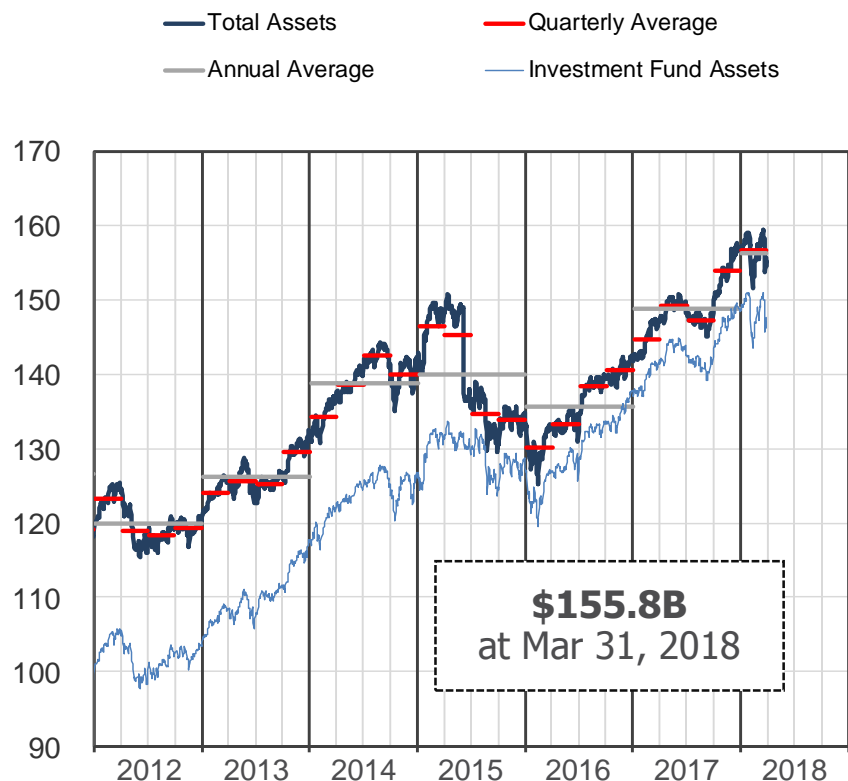
2 We have supplemented our EBITDA disclosure to present EBITDA:

- Excluding all sales commissions (consistent with past approach)
- Including all sales commissions (not just those expensed as incurred)

3 \$704MM (\$515MM after-tax) unamortized commission balance derecognized from balance sheet (applied to retained earnings).

ASSETS UNDER MANAGEMENT

IGM Assets Under Management (\$B)



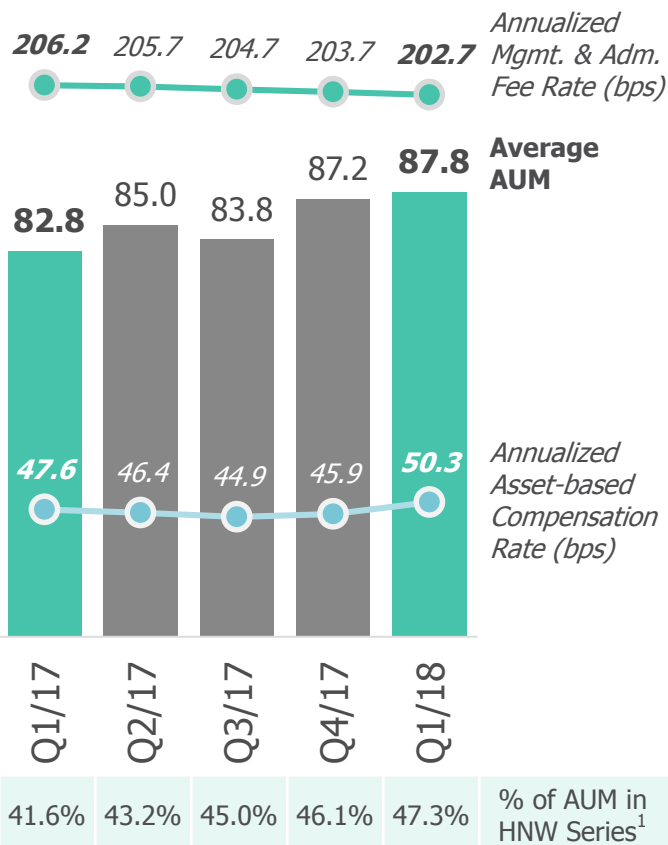
Change in IGM Assets Under Management (\$B)

	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	LTM
Opening	142.7	147.5	148.6	150.0	156.5	147.5
Net Sales - Investment Funds	1.1	1.0	0.8	0.7	1.4	4.0
Net Sales - Institutional & Other	0.1	(0.1)	0.0	1.1	(0.0)	1.0
Total Net Sales	1.2	1.0	0.8	1.8	1.4	5.0
Investment Returns	3.6	0.1	0.5	4.7	(2.1)	3.3
Ending	147.5	148.6	150.0	156.5	155.8	155.8
Change	3.4%	0.8%	0.9%	4.3%	-0.5%	5.6%
Average Total Assets	145.3	149.7	147.8	154.2	156.8	152.1
Annualized Net Sales Rate:						
Investment Funds	3.1%	2.9%	2.3%	1.9%	3.7%	2.7%
Total Net Sales	3.3%	2.6%	2.2%	4.7%	3.5%	3.3%
Investment Returns Rate	2.5%	0.1%	0.4%	3.0%	-1.3%	2.2%
S&P / TSX Total Return	2.4%	-1.6%	3.7%	4.5%	-4.5%	1.7%
S&P 500 Total Return (in \$USD)	6.1%	3.1%	4.5%	6.6%	-0.8%	14.0%
USD vs. CAD	-1.0%	-2.7%	-3.8%	0.8%	2.6%	-3.1%

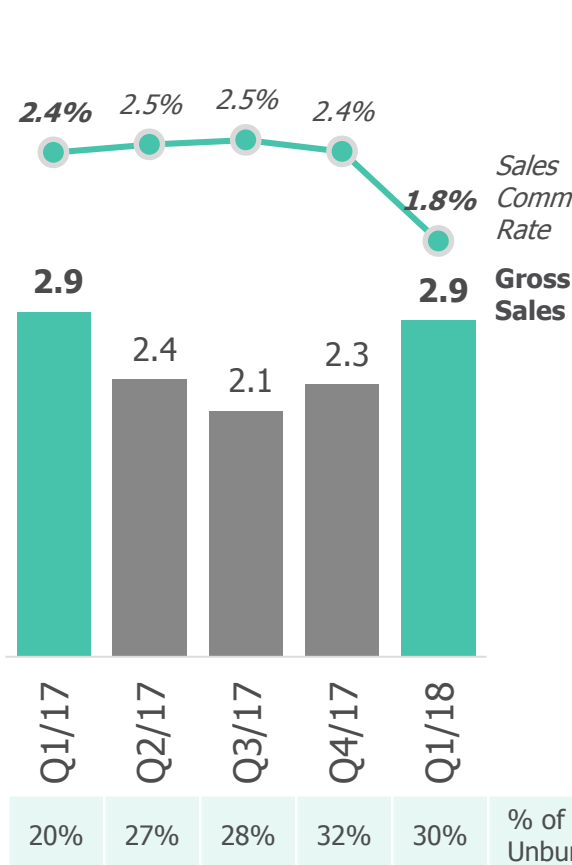
\$1.4B Investment Fund Net Sales in Q1 2018

INVESTORS GROUP KEY PROFITABILITY DRIVERS

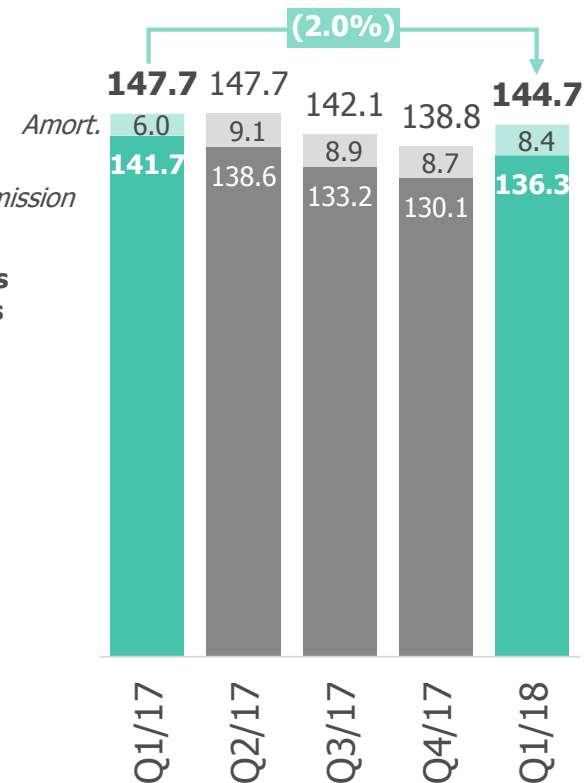
Average AUM & Rates of AUM
(\$B, unless otherwise stated)



Gross Sales & Rates of Sales
(\$B, unless otherwise stated)



Non-commission Expenses
(\$MM)



1. Reflects quarter ending proportion of mutual fund AUM held in iProfile and Series J & U.

2. "Unbundled" or "Fee-Based" arrangements are where dealer compensation is charged directly to the end client through advisory or other fees. This reflects Series U and iProfile.

INVESTORS GROUP PROFITABILITY

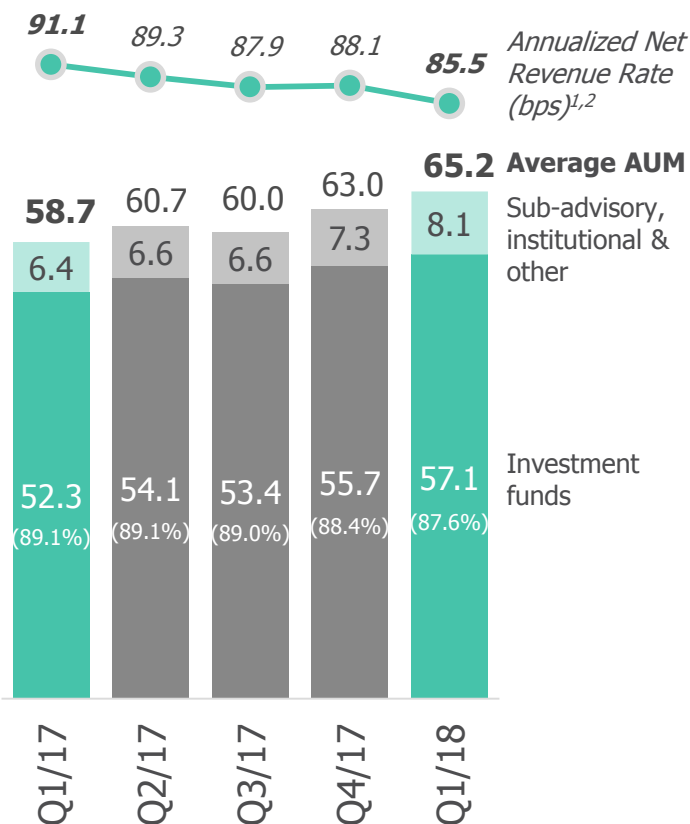
(\$MM, unless otherwise indicated)

	Q1/17	Q4/17	Q1/18	Change QoQ		Change YoY	
				\$	%	\$	%
Days in the period	90	92	90		(2.2%)		0.0%
Average mutual fund AUM (\$ Billions)	82.8	87.2	87.8	0.6	0.7%	5.0	6.0%
Management fees	341.1	366.9	360.8	(6.1)	(1.7%)	19.7	5.8%
Administration fees	79.9	80.9	78.0	(2.9)	(3.6%)	(1.9)	(2.4%)
	421.0	447.8	438.8	(9.0)	(2.0%)	17.8	4.2%
Distribution fees	57.1	45.4	43.3	(2.1)	(4.6%)	(13.8)	(24.2%)
Net investment income & other	18.0	(3.7)	10.3	14.0	n/m	(7.7)	(42.8%)
Total Revenue	496.1	489.4	492.5	3.1	0.6%	(3.6)	(0.7%)
Commission expenses							
Mutual Fund	142.4	146.5	147.7	1.2	0.8%	5.3	3.7%
Other	27.2	19.2	17.0	(2.2)	(11.5%)	(10.2)	(37.5%)
	169.6	165.7	164.8	(0.9)	(0.5%)	(4.8)	(2.8%)
Non-commission expenses	147.7	138.8	144.7	5.9	4.3%	(3.0)	(2.0%)
Total Expenses	317.3	304.5	309.5	5.0	1.6%	(7.8)	(2.5%)
Earnings before Interest and Taxes (EBIT)	178.8	184.9	183.0	(1.9)	(1.0%)	4.2	2.3%

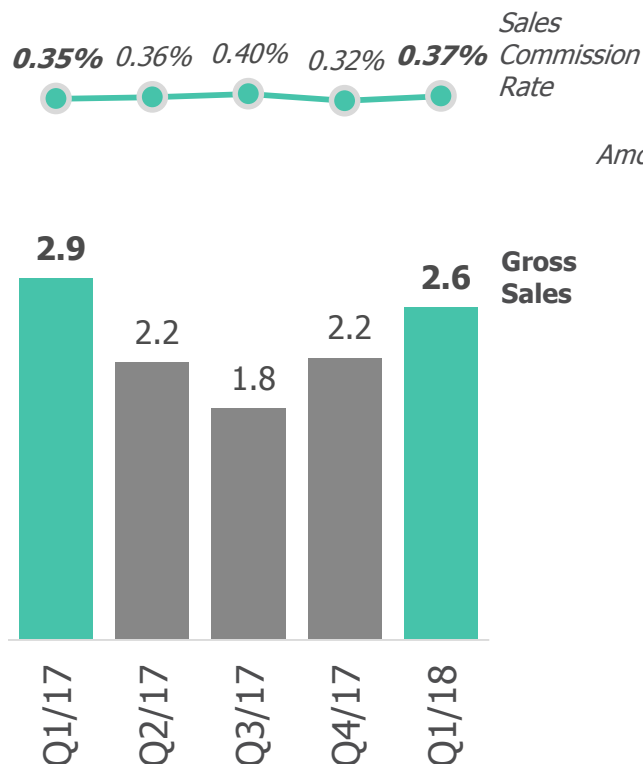
- 1 Management and administration fees declined 2.0% quarter-over-quarter, primarily due to fewer days in the period
- 2 Lower distribution revenues offset by lower non-mutual fund commission expense
- 3 Q1/18 non-commission expenses down 2.0% year-over-year; reiterating 5% guidance for full year 2018

MACKENZIE KEY PROFITABILITY DRIVERS

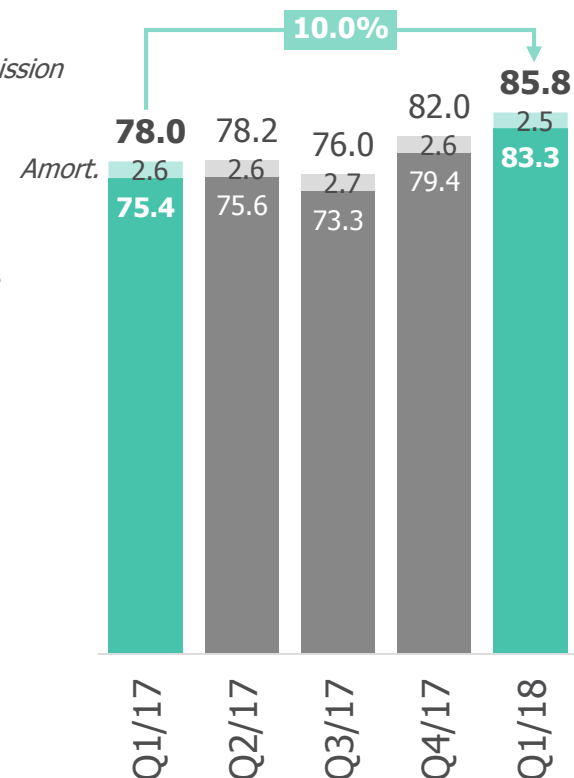
Average AUM & Rates of AUM (\$B, unless otherwise stated)



Mutual Fund Gross Sales & Rates of Sales (\$B, unless otherwise stated)



Non-commission Expenses² (\$MM)



1. Net revenue rate reflects management, administration and distribution fees less trailing commission expense divided by average total AUM. Prior periods adjusted to remove Investors Group advisory fees and related average AUM.
2. Effective October 1, 2017, Mackenzie segment has been redefined to exclude advisory mandates to Investors Group funds from its assets under management, management fees, and non-commission expense. These changes have been restated to reclassify the sub-advisory fees out of management fees and into non-commission expenses (Q1/17 - \$4.5MM, Q2/17 - \$5.0MM, Q3/17 - \$5.6MM).

MACKENZIE PROFITABILITY

(\$MM, unless otherwise indicated)

	Q1/17	Q4/17	Q1/18	Change QoQ		Change YoY	
				\$	%	\$	%
Days in the period	90	92	90		(2.2%)		0.0%
Average AUM (\$ Billions):							
Total	58.7	63.0	65.2	2.2	3.5%	6.5	11.1%
Investment funds	52.3	55.7	57.1	1.4	2.5%	4.8	9.2%
Fee Revenue							
Management fees ¹	167.2	177.4	175.9	(1.5)	(0.8%)	8.7	5.2%
Administration fees	24.4	25.3	24.9	(0.4)	(1.6%)	0.5	2.0%
Distribution fees	2.3	1.8	2.1	0.3	16.7%	(0.2)	(8.7%)
Total Fee Revenue	193.9	204.5	202.9	(1.6)	(0.8%)	9.0	4.6%
Trailing commission	(62.0)	(64.6)	(65.4)	(0.8)	1.2%	(3.4)	5.5%
Total Net Revenue	131.9	139.9	137.5	(2.4)	(1.7%)	5.6	4.2%
Sales-based commission expenses	(12.6)	(11.1)	(9.9)	1.2	(10.8%)	2.7	(21.4%)
Non-commission expenses ¹	(78.0)	(82.0)	(85.8)	(3.8)	4.6%	(7.8)	10.0%
Net investment income & other	0.1	3.3	(0.2)	(3.5)	n/m	(0.3)	n/m
Earnings before Interest and Taxes (EBIT)	41.5	50.1	41.6	(8.5)	(17.0%)	0.1	0.2%

- 1 Quarter-over-quarter decline in net revenues due to fewer days in the period
- 2 Change in total sales-based commission expenses includes impact of IFRS 15 adoption
- 3 Q1/18 Non-commission expenses up 10% from last year; reiterating 5% guidance for full year 2018

1. Effective October 1, 2017, Mackenzie segment has been redefined to exclude advisory mandates to Investors Group funds from its assets under management, management fees, and non-commission expense. These changes have been restated to reclassify the sub-advisory fees out of management fees and into non-commission expenses (Q1/17 - \$4.5MM).



Q&A

IGM FINANCIAL

May 4, 2018

