



News Release

Readers are referred to the disclaimer regarding Forward-Looking Statements and Additional IFRS Measures at the end of this Release.

IGM FINANCIAL INC. REPORTS FIRST QUARTER EARNINGS

Winnipeg – May 9, 2014: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the first quarter of 2014.

Net earnings available to common shareholders for the three months ended March 31, 2014 were \$194.4 million or 77 cents per share compared to net earnings available to common shareholders of \$180.5 million or 72 cents per share for the comparative period in 2013.

Revenues for the three months ended March 31, 2014 were \$714.8 million compared to \$652.7 million for the comparative period in 2013. Expenses were \$461.7 million for the first quarter of 2014 compared to \$418.7 million a year ago.

Total assets under management at March 31, 2014 were \$137.3 billion compared to \$125.8 billion at March 31, 2013. Mutual fund assets under management at March 31, 2014 were \$122.5 billion compared to \$108.5 billion at March 31, 2013.

Shareholders' equity at March 31, 2014 was \$4.8 billion, compared to \$4.5 billion at March 31, 2013. Return on average common equity for the three months ended March 31, 2014 was 16.9% compared to 16.8% for the comparative period in 2013.

INVESTORS GROUP OPERATIONS

“Assets under management, which reached record highs during the quarter, were \$70.9 billion at March 31, 2014,” said Murray J. Taylor, President and Chief Executive Officer of Investors Group Inc. “Our Consultant Network increased for the fourth consecutive quarter from 4,673 at the end of 2013 to 4,731 on March 31, 2014 – an all time high in the history of Investors Group.”

Mutual fund sales for the first quarter of 2014 were \$2.23 billion compared to \$2.03 billion in the prior year, and mutual fund net sales for the first quarter were \$410 million compared to net sales of \$376 million a year ago.

The twelve month trailing redemption rate (excluding money market funds) was 9.3% at March 31, 2014, compared to 9.4% at December 31, 2013.

Mutual fund assets under management at March 31, 2014 were \$70.9 billion compared to \$63.0 billion at March 31, 2013.

MACKENZIE OPERATIONS

Mutual fund sales for the first quarter of 2014 were \$2.37 billion, an increase of 23.2% compared to \$1.93 billion in the prior year. Mutual fund net sales for the first quarter were \$354 million compared to net sales of \$99 million a year ago.



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Total sales for the first quarter of 2014 were \$3.87 billion compared to \$3.28 billion in the prior year. Total net sales for the first quarter were \$782 million compared to total net sales of \$254 million a year ago.

“This is our highest level of first quarter mutual fund net sales since 2006,” said Jeffrey R. Carney, President and Chief Executive Officer of Mackenzie Financial Corporation. “Solid investment performance and demand for global equities, managed solutions and flexible income products have created strong sales momentum.”

Mackenzie’s total assets under management at March 31, 2014 were \$68.4 billion compared to \$64.3 billion at March 31, 2013. Mutual fund assets under management at March 31, 2014 were \$48.1 billion compared to \$42.4 billion a year ago.

DIVIDENDS

The Board of Directors has declared a dividend of 53.75 cents per share on the Company’s common shares and has declared a dividend of \$0.36875 per share on the Company’s 5.90% Non-Cumulative First Preferred Shares, Series “B”. The common share dividend and the preferred share dividend are payable on July 31, 2014 to shareholders of record on June 30, 2014.

FORWARD-LOOKING STATEMENTS

Certain statements in this Release, 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.

ADDITIONAL IFRS MEASURES

This release contains additional IFRS measures. Terms by which additional IFRS measures are identified include "earnings before income taxes" and "net earnings available to common shareholders". Additional IFRS measures are used to provide management and investors with additional measures to assess earnings performance. These measures are considered additional IFRS measures as they are in addition to the minimum line items required by IFRS and are relevant to an understanding of the entity's financial performance.

The Consolidated Financial Statements and Management's Discussion and Analysis (MD&A) of operating results are available on IGM Financial Inc.'s website at www.igmfinancial.com.

IGM Financial Inc. is one of Canada's premier personal financial services companies, and one of the country's largest managers and distributors of mutual funds and other managed asset products, with over \$138 billion in total assets under management as of April 30, 2014. Its activities are carried out principally through Investors Group, Mackenzie Financial Corporation and Investment Planning Counsel. IGM Financial Inc. is a member of the Power Financial Corporation group of companies.

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Media Note: A live webcast of IGM's Analyst conference call for the First Quarter 2014 will be held Friday May 9, 2014 at 3:00 P.M. (ET) at www.igmfinancial.com. Media and interested parties may alternatively choose to listen to the live analyst teleconference call by dialing **1-866-226-1793** or **416-340-2218**.

IGM FINANCIAL INC.**Consolidated Statements of Earnings**

<i>(unaudited)</i> <i>(in thousands of Canadian dollars, except shares and per share amounts)</i>	Three months ended March 31	
	2014	2013
Revenues		
Management fees	\$ 485,766	\$ 442,870
Administration fees	95,223	85,585
Distribution fees	92,411	81,445
Net investment income and other	22,002	23,465
Proportionate share of affiliate's earnings	19,444	19,333
	<u>714,846</u>	<u>652,698</u>
Expenses		
Commission	243,169	218,029
Non-commission	195,777	177,898
Interest	22,749	22,749
	<u>461,695</u>	<u>418,676</u>
Earnings before income taxes	253,151	234,022
Income taxes	56,490	51,298
Net earnings	196,661	182,724
Perpetual preferred share dividends	2,213	2,213
Net earnings available to common shareholders	<u>\$ 194,448</u>	<u>\$ 180,511</u>
Average number of common shares (in thousands)		
- Basic	252,368	251,971
- Diluted	253,413	252,455
Earnings per share (in dollars)		
- Basic	\$ 0.77	\$ 0.72
- Diluted	\$ 0.77	\$ 0.72

IGM FINANCIAL INC.**Financial Highlights**As at and for the three months ended March 31
(unaudited)

	2014	2013	Change
Net earnings available to common shareholders (\$ millions)	\$ 194.4	\$ 180.5	7.7 %
Diluted earnings per share	0.77	0.72	6.9
Return on equity	16.9%	16.8%	
Dividends per share	0.5375	0.5375	-

Total assets under management ⁽¹⁾ (\$ millions)	\$ 137,315	\$ 125,796	9.2 %
Investors Group			
Mutual funds	70,877	62,999	12.5
Mackenzie			
<i>Mutual funds</i>	48,059	42,410	
<i>Sub-advisory, institutional and other accounts</i>	20,308	21,855	
Total	68,367	64,265	6.4
Counsel			
Mutual funds	3,587	3,080	16.5

For the three months ended March 31, 2014	Investors Group	Mackenzie		Counsel	Total ⁽²⁾
		Mutual Funds	Total		
Mutual Funds and Institutional Sales (\$ millions)					
Gross sales	\$ 2,229	\$ 2,374	\$ 3,866	\$ 157	\$ 5,718
Net sales	410	354	782	40	1,102

⁽¹⁾ Total assets under management excluded \$5.5 billion of assets sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel (\$4.5 billion at March 31, 2013).

⁽²⁾ Total Gross Sales and Net Sales for the three months ended March 31, 2014 excluded \$534 million and \$130 million respectively in accounts sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel.