



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 5, 2017: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the first quarter of 2017.

Net earnings available to common shareholders for the three months ended March 31, 2017 were \$177.1 million or 74 cents per share compared to net earnings available to common shareholders of \$167.0 million or 69 cents per share for the comparative period in 2016.

Revenues for the three months ended March 31, 2017 were \$789.7 million compared to \$722.8 million a year ago. Expenses were \$563.0 million for the first quarter of 2017 compared to \$512.3 million a year ago.

Total assets under management at March 31, 2017 were \$147.1 billion compared to \$133.4 billion at March 31, 2016. Investment fund assets under management at March 31, 2017 were \$141.7 billion compared to \$127.1 billion at March 31, 2016.

Shareholders' equity at March 31, 2017 was \$4.8 billion, compared to \$4.6 billion as at March 31, 2016. Return on average common equity based on operating earnings for the three months ended March 31, 2017 was 15.3% compared to 14.7% for the comparative period in 2016.

IGM FINANCIAL INC.

“Total IGM Financial investment fund assets under management were \$141.7 billion at March 31, 2017, a record quarter end high in the history of the Company,” said Jeffrey R. Carney, President and Chief Executive Officer of IGM Financial Inc. “This was driven by strong investment returns in the quarter as well as net sales of \$1.0 billion, among the Company’s highest net sales results.”

INVESTORS GROUP OPERATIONS

“Mutual fund gross sales of \$2.9 billion is Investors Group’s highest level of quarterly gross sales, up 29% from the same period last year,” said Jeffrey R. Carney, President and Chief Executive Officer of Investors Group Inc. “This record level of gross sales coupled with robust investment returns led to mutual fund assets under management reaching a quarter end high of \$83.9 billion.”

Mutual fund sales for the first quarter of 2017 were \$2.9 billion, an increase of 29.3% compared to \$2.3 billion in the prior year and mutual fund net sales for the first quarter of 2017 were \$890 million compared to \$467 million a year ago.

The twelve month trailing redemption rate (excluding money market funds) was 8.8% at March 31, 2017, unchanged from December 31, 2016.



Mutual fund assets under management at March 31, 2017 were \$83.9 billion compared to \$75.2 billion at March 31, 2016. Total assets under management, which include sub-advisory, institutional and other accounts, were \$84.4 billion compared to \$75.7 billion at March 31, 2016.

MACKENZIE OPERATIONS

“Continued momentum in sales activity in the quarter resulted in mutual fund gross sales activity reaching an all time quarterly high of \$2.9 billion, in addition to ETF net creations of \$114 million,” said Barry McInerney, President and Chief Executive Officer of Mackenzie Investments. “Investment fund assets under management at March 31, 2017 were \$53.1 billion, the highest quarter end level in the history of the company.”

Investment fund sales for the first quarter of 2017 were \$2.9 billion compared to \$1.8 billion in the prior year. Investment fund net sales for the first quarter were \$139 million compared to net redemptions of \$198 million a year ago.¹

Total net sales for the first quarter of 2017 were \$428 million compared to total net redemptions of \$387 million a year ago. Excluding rebalance activities,¹ total net sales for the first quarter of 2017 were \$733 million compared to net redemptions of \$387 million a year ago.

Mackenzie’s total assets under management at March 31, 2017 were \$66.3 billion compared to \$60.7 billion at March 31, 2016. Investment fund assets under management at March 31, 2017 were \$53.1 billion compared to \$47.6 billion a year ago.

DIVIDENDS

The Board of Directors has declared a dividend of 56.25 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, 2017 to shareholders of record on June 30, 2017.

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.

¹ During the first quarter of 2017, certain third party programs which include Mackenzie mutual funds made fund allocation changes which resulted in net redemptions of \$305 million.

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 approximately \$150 billion in total assets under management as of April 30, 2017. Its activities are carried out principally through Investors Group, Mackenzie Investments and Investment Planning Counsel.

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 2017 will be held on Friday May 5, 2017 at 3:30 P.M. (ET) at www.igmfinancial.com. Media and interested parties may alternatively choose to listen to the live analyst teleconference call by dialing **1-866-223-7781** or **416-340-2216**.

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

<i>(unaudited)</i>	Three months ended March 31	
<i>(in thousands of Canadian dollars, except shares and per share amounts)</i>	2017	2016
Revenues		
Management fees	\$ 527,701	\$ 483,836
Administration fees	108,964	100,350
Distribution fees	105,260	94,968
Net investment income and other	19,757	15,877
Proportionate share of affiliate's earnings	28,019	27,808
	789,701	722,839
Expenses		
Commission	289,307	261,515
Non-commission	246,901	227,867
Interest	26,787	22,913
	562,995	512,295
Earnings before income taxes	226,706	210,544
Income taxes	47,374	41,368
Net earnings	179,332	169,176
Perpetual preferred share dividends	2,213	2,213
Net earnings available to common shareholders	\$ 177,119	\$ 166,963
Average number of common shares (in thousands)		
- Basic	240,542	243,127
- Diluted	240,817	243,211
Earnings per share (in dollars)		
- Basic	\$ 0.74	\$ 0.69
- Diluted	\$ 0.74	\$ 0.69

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

	2017	2016	Change
Net earnings available to common shareholders (\$ millions)	\$ 177.1	\$ 167.0	6.0 %
Diluted earnings per share	0.74	0.69	7.2
Return on equity	15.3%	14.7%	
Dividends per share	0.5625	0.5625	-
Total assets under management ⁽¹⁾ (\$ millions)	\$ 147,060	\$ 133,354	10.3 %
Investment funds assets under management ⁽²⁾	141,652	127,076	11.5
Investors Group			
Mutual funds	83,900	75,223	
Sub-advisory, institutional and other accounts	543	441	
Total	84,443	75,664	11.6
Mackenzie			
Mutual funds	52,937	47,627	
ETFs	234	-	
Investment funds ⁽²⁾	53,102	47,627	
Sub-advisory, institutional and other accounts	13,208	13,063	
Total	66,310	60,690	9.3
Counsel			
Mutual funds	4,653	4,229	10.0

For the three months ended March 31, 2017
(\$ millions)

	Investors Group	Mackenzie	Counsel	Total ⁽³⁾
Net Sales				
Mutual funds	\$ 890	\$ 76	\$ 17	\$ 983
ETFs	-	114	-	114
Investment funds ⁽⁴⁾	890	139	17	1,046
Sub-advisory, institutional and other accounts	-	289	-	119
Total	890	428	17	1,165

⁽¹⁾ Total assets under management excluded \$8.3 billion of assets sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel (\$7.2 billion at March 31, 2016).⁽²⁾ Investment funds consist of mutual funds and ETFs, excluding Mackenzie mutual fund investments in ETFs of \$69 million at March 31, 2017.⁽³⁾ Total net sales excluded \$170 million in accounts sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel.⁽⁴⁾ Mackenzie investment fund net sales and total investment fund net sales excluded \$51 million in Mackenzie mutual fund investments in ETFs.