



News Release

IGM FINANCIAL INC. ANNOUNCES INITIATIVES TO ENHANCE OPERATIONAL EFFECTIVENESS

Winnipeg, November 14, 2017: IGM Financial Inc. (TSX: IGM) today announced that it has implemented a number of initiatives to assist in its operational effectiveness. During the fourth quarter, the company will record a one-time charge associated with these efforts of approximately \$118 million after-tax, or \$160 million pre-tax, which equates to \$0.49 per share after-tax.

“As a leading financial services organization, we continue to make the necessary decisions to stay at the forefront of our industry across all of our companies,” said Jeff Carney, President and Chief Executive Officer, IGM Financial Inc. “These efforts will drive operational effectiveness and savings that we will reinvest into technology enhancements and the digitization of our business.”

Among the initiatives is a decision to discontinue development of a new investment fund accounting system. After a thorough review, the company instead will upgrade its current solution, resulting in meaningful ongoing savings among other benefits. As a result of this, and other associated technology decisions, the company will record a non-cash charge of approximately \$74 million after-tax reflecting capitalized system development expenditures.

“With rapid advancements in technology, we are shifting our technological environment from customized, internally developed solutions to more modern, externally sourced, best-of-breed industry solutions,” said Mike Dibden, Chief Operating Officer, IGM Financial Inc. “Our change in direction reflects recent developments that have allowed us to pursue new and more cost-effective solutions suitable for today and over the longer term.”

A number of other initiatives were announced to support the company’s efforts:

- Expanding the IGM shared services model, beyond the previously announced joining of Investors Group and Mackenzie’s investment management functions to further include areas from marketing, human resources, customer service and other operational teams;
- Optimizing Investors Group’s product and financial specialists to re-invest in the training and development of our advisor network;
- Offering a one-time voluntary retirement program; and
- Simplifying the company’s reporting structure to speed decisions and increase the empowerment of our people.

Restructuring and other charges of approximately \$44 million after-tax are anticipated in support of these activities, reflecting severance and other costs.

Post implementation of these initiatives, the company anticipates 2018 non-commission expense increases of 5% relative to 2017. As the company reinvests in digitization over the coming years, it anticipates future efficiencies and benefits for clients, advisors, employees and shareholders will be identified.

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.

About IGM Financial Inc.

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 CAD\$154 billion in total assets under management at October 31, 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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