

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

IGM FINANCIAL INC. REPORTS FOURTH QUARTER AND 2019 EARNINGS

Winnipeg – February 14, 2020: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the fourth quarter of 2019 and for the year ended December 31, 2019.

IGM HIGHLIGHTS

- Annual net earnings of \$746.7 million or \$3.12 per share compared to \$767.3 million or \$3.18 per share in 2018.
- Annual adjusted net earnings, excluding other items,¹ of \$763.9 million or \$3.19 per share compared to \$791.8 million or \$3.29 per share in 2018.
- Fourth quarter net earnings of \$191.6 million or 80 cents per share compared to \$179.9 million or 75 cents per share in the fourth quarter of 2018.
- Fourth quarter adjusted net earnings, excluding other items,¹ of \$200.8 million or 84 cents per share compared to \$179.9 million or 75 cents per share in the fourth quarter of 2018. Adjusted earnings per share of 84 cents represented the highest fourth quarter result in the Company's history.
- A quarterly common share dividend of \$0.5625 per share was declared in the fourth quarter of 2019, maintained from the prior quarter.
- Record high assets under management at December 31, 2019 were \$166.8 billion, an increase of 11.9% from the prior year driven by favourable investment returns. Assets under administration of \$190.2 billion increased by 11.8% from the prior year.
- Investment fund net redemptions were \$141 million, compared to net redemptions of \$225 million in the fourth quarter of 2018.

“IGM ended the year with record high assets under management of \$166.8 billion driven by strong investment returns for our clients, continued high net worth client acquisition by IG Wealth Management and Mackenzie's retail sales strength,” said Jeffrey R. Carney, President and Chief Executive Officer of IGM Financial Inc. “We made significant progress in 2019 on our transformation efforts, resulting in enhancements to our client and advisor experience combined with operational efficiencies.”

IG WEALTH MANAGEMENT

Assets under management at an all-time high - Investment fund assets under management at December 31, 2019 were \$93.2 billion, an increase of 12.1% from \$83.1 billion at December 31, 2018.

Investment fund sales - Investment fund sales for the fourth quarter of 2019 were \$2.3 billion, up 6.3% from 2018 fourth quarter sales of \$2.1 billion. Investment fund sales for the year were \$8.7 billion, a decrease of 3.9% from \$9.1 billion in the prior year.

High net worth solutions continued momentum – Sales of high net worth solutions, included in investment fund sales, totalled \$1.3 billion for the fourth quarter, an increase of 27.5% over 2018, and \$4.6 billion for the year representing an increase of 11.0% from 2018. Assets under management for high net worth solutions were \$50.0 billion, an increase of 20.5% from 2018.

Investment fund net sales - Investment fund net redemptions for the fourth quarter were \$247 million compared to net redemptions of \$125 million a year ago. Investment fund net redemptions for the twelve month period were \$1.1 billion compared to net sales of \$485 million a year ago.

MACKENZIE INVESTMENTS

Investment fund assets under management at an all-time high - Mutual fund assets under management were \$60.8 billion and ETF assets were \$4.7 billion at December 31, 2019, resulting in consolidated investment fund assets under management of \$64.0 billion, an increase of 15.3% from \$55.5 billion at December 31, 2018. Mackenzie's total assets under management at December 31, 2019 were \$70.2 billion, an increase from \$62.7 billion at December 31, 2018.

Mutual fund sales highest fourth quarter - Mutual fund sales for the fourth quarter were \$2.6 billion, compared to \$2.3 billion in 2018. Mutual fund net sales for the fourth quarter were \$18 million compared to net redemptions of \$146 million² in 2018.

Investment fund net sales - Net sales for the twelve month period were \$1.4 billion, an increase of 2.5% from 2018.² Net sales for the fourth quarter were \$265 million compared to net redemptions of \$91 million a year ago.

ETF business - ETF net creations were \$646 million in the fourth quarter and assets under management totalled \$4.7 billion at December 31, 2019, up from \$2.9 billion at December 31, 2018.

DIVIDENDS

The Board of Directors has declared a dividend of 56.25 cents per share on the Company's common shares which is payable on April 30, 2020 to shareholders of record on March 31, 2020.

¹ Other items for the twelve months ended December 31, 2019 included:

- A one-time charge of \$9.2 million recorded in the fourth quarter which represented the Company's proportionate share in Great-West Lifeco Inc.'s after-tax adjustments related to the revaluation of a deferred tax asset, restructuring costs and the net gain on the Scottish Friendly transaction.
- A one-time charge of \$8.0 million recorded in the second quarter which represented the Company's proportionate share in Great-West Lifeco Inc.'s after-tax loss on the sale of its United States individual life insurance and annuity business.

Other items for the twelve months ended December 31, 2018 included:

- Restructuring and other charges of \$16.7 million after-tax (\$22.7 million pre-tax) resulting from the re-engineering of North American equity offerings and associated personnel changes, as well as other initiatives to improve the Company's offerings and operational effectiveness.
- A premium of \$7.8 million after-tax (\$10.7 million pre-tax) paid on the early redemption of the 7.35% debentures on August 10, 2018.

² During the twelve months ended December 31, 2018, institutional clients, which include Mackenzie mutual funds within their investment offerings, made fund allocation changes which resulted in sales of \$409 million and net redemptions of \$398 million.

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.

NON-IFRS FINANCIAL MEASURES AND ADDITIONAL IFRS MEASURES

This release contains non-IFRS financial measures and additional IFRS measures. Net earnings available to common shareholders, which is an additional measure in accordance with International Financial Reporting Standards (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.*

Terms by which non-IFRS financial measures are identified include but are not limited to “adjusted net earnings available to common shareholders”, “adjusted earnings per share”, “adjusted return on average common equity” and other similar expressions used to provide management and investors with additional measures to assess earnings performance. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Please refer to the attached Financial Highlights for the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

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.

FOURTH QUARTER WEBCAST AND CONFERENCE CALL

IGM Financial Inc.’s Fourth Quarter 2019 results conference call and webcast will be held on Friday February 14, 2020 at 3:00 p.m. ET. The webcast and conference call can be accessed respectively through www.igmfinancial.com or by phone at **1-800-273-9672** or **416-340-2216**.

The most recent 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.

ABOUT IGM FINANCIAL INC.

IGM Financial Inc. is one of Canada's leading diversified wealth and asset management companies with approximately \$169 billion in total assets under management at January 31, 2020. The company provides a broad range of financial and investment planning services to help more than two million Canadians meet their financial goals. Its activities are carried out principally through IG Wealth Management, Mackenzie Investments and Investment Planning Counsel.

A MEMBER OF THE POWER FINANCIAL CORPORATION GROUP OF COMPANIES.

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

<i>(unaudited)</i> <i>(in thousands of Canadian dollars,</i> <i>except per share amounts)</i>	Three months ended December 31		Twelve months ended December 31	
	2019	2018	2019	2018
Revenues				
Management fees	\$ 581,231	\$ 545,975	\$ 2,267,960	\$ 2,239,182
Administration fees	104,197	103,382	414,457	427,093
Distribution fees	93,452	94,345	368,036	370,906
Net investment income and other	21,256	13,168	76,928	61,928
Proportionate share of associates' earnings	23,409	34,602	105,225	149,962
	823,545	791,472	3,232,606	3,249,071
Expenses				
Commission	278,279	272,308	1,101,165	1,098,643
Non-commission	266,043	269,034	1,054,389	1,043,482
Interest	27,758	24,122	108,386	120,859
	572,080	565,464	2,263,940	2,262,984
Earnings before income taxes	251,465	226,008	968,666	986,087
Income taxes	59,835	43,874	219,719	209,919
Net earnings	191,630	182,134	748,947	776,168
Perpetual preferred share dividends	-	2,212	2,213	8,850
Net earnings available to common shareholders	\$ 191,630	\$ 179,922	\$ 746,734	\$ 767,318
Earnings per share (in dollars)				
- Basic	\$ 0.80	\$ 0.75	\$ 3.12	\$ 3.19
- Diluted	\$ 0.80	\$ 0.75	\$ 3.12	\$ 3.18

IGM FINANCIAL INC.
Financial Highlights

(unaudited)	For the three months ended December 31			As at and for the twelve months ended December 31		
	2019	2018	Change	2019	2018	Change
Net earnings available to common shareholders (\$ millions)						
Net Earnings	\$ 191.6	\$ 179.9	6.5 %	\$ 746.7	\$ 767.3	(2.7) %
Adjusted Net Earnings ⁽¹⁾	200.8	179.9	11.6	763.9	791.8	(3.5)
Diluted earnings per share						
Net Earnings	0.80	0.75	6.7	3.12	3.18	(1.9)
Adjusted Net Earnings ⁽¹⁾	0.84	0.75	12.0	3.19	3.29	(3.0)
Return on equity						
Net Earnings				16.9%	17.7%	
Adjusted Net Earnings ⁽¹⁾				17.2%	18.2%	
Dividends per share	0.5625	0.5625	-	2.25	2.25	-
Total assets under management ⁽²⁾ (\$ millions)				\$ 166,808	\$ 149,066	11.9 %
Investment funds assets under management ⁽³⁾				\$ 161,763	\$ 143,282	12.9 %
IG Wealth Management						
Investment funds ⁽⁴⁾				93,161	83,137	12.1
Mackenzie						
Mutual funds				60,838	53,407	
ETFs				4,749	2,949	
Inter-product eliminations				(1,596)	(848)	
Investment funds ⁽³⁾				63,991	55,508	
Sub-advisory, institutional and other accounts				6,214	7,220	
Total				70,205	62,728	11.9
Investment Planning Counsel						
Investment funds ⁽⁴⁾				5,391	5,125	5.2
Net Sales						
(\$ millions)						
	IG Wealth Management	Mackenzie	Investment Planning Counsel	Intercompany Eliminations	Total ⁽²⁾	
For the three months ended December 31, 2019						
Mutual funds ⁽⁴⁾	\$ (247)	\$ 18	\$ (114)	\$ -	\$ (343)	
ETFs	-	646	-	-	646	
Inter-product eliminations	-	(399)	-	(45)	(444)	
Investment funds ⁽³⁾	(247)	265	(114)	(45)	(141)	
Sub-advisory, institutional and other accounts	-	(86)	-	14	(72)	
Total	(247)	179	(114)	(31)	(213)	
For the twelve months ended December 31, 2019						
Mutual funds ⁽⁴⁾	\$ (1,089)	\$ 512	\$ (272)	\$ -	\$ (849)	
ETFs	-	1,559	-	-	1,559	
Inter-product eliminations	-	(655)	-	(197)	(852)	
Investment funds ⁽³⁾	(1,089)	1,416	(272)	(197)	(142)	
Sub-advisory, institutional and other accounts	-	(1,894)	-	403	(1,491)	
Total	(1,089)	(478)	(272)	206	(1,633)	

(1) Non-IFRS Financial Measures:
2019 annual adjusted net earnings excluded:

- A one-time charge of \$9.2 million, recorded in the fourth quarter, representing the Company's proportionate share in Great-West Lifeco Inc.'s after-tax adjustments related to the revaluation of a deferred tax asset, restructuring costs and the net gain on the Scottish Friendly transaction.
- A one-time charge of \$8.0 million, recorded in the second quarter, representing the Company's proportionate share in Great-West Lifeco Inc.'s after-tax loss on the sale of substantially all of its U.S. individual life insurance and annuity business.

2018 annual adjusted net earnings excluded:

- An after-tax charge to non-commission expenses of \$16.7 million related to restructuring and other.
- An after-tax charge of \$7.8 million representing a premium paid on the early redemption of the \$375 million debentures.

⁽²⁾ Total assets under management (AUM) and net sales eliminate double counting related to Mackenzie advisory mandates to other segments. AUM elimination was \$1.9 billion at December 31, 2019 (2018 - \$1.9 billion) and net sales elimination was \$31 million for the quarter and net redemptions of \$206 million for the twelve month period.

⁽³⁾ Investment funds consists of mutual funds and ETFs. Investment fund AUM and net sales eliminate double counting related to Mackenzie mutual fund investments in ETFs. AUM elimination was \$1.6 billion at December 31, 2019 (2018 - \$848 million) and net sales elimination was \$399 million for the quarter and \$655 million for the twelve month period.

⁽⁴⁾ Includes separately managed accounts.