

Investors Group Inc.

Q1, 2002 Results

Analyst Presentation

April 26, 2002

2:30 PM CDT



1. Highlights

2. Consolidated Results
3. Investors Group
4. Mackenzie Financial
5. Transition Plans
6. Q & A

Highlights

- ◆ **Earnings per share increased by 44.7% in the quarter ended March 31, 2002 relative to the prior year.**

All numbers in millions of dollars, except per share amounts

First Quarter

		2002	2001	%
EPS ¹		\$0.440	\$0.304	44.7%
EPS (excluding goodwill amortization) ²		\$0.440	\$0.310	41.9%
Dividends per Share		\$0.205	\$0.175	17.1%
Canadian Mutual Fund AUM		77,787	42,816	81.7%
Canadian Mutual Fund Net Sales	Investors Group ^{3,4}	570	582	(2.1%)
	Mackenzie	241	N/A	N/A
Total Client Assets Under Administration		86,219	44,511	93.7%

1. The impact of the change in commission estimate on the EPS for the quarter ended March 31, 2002 was 7.5 cents.

2. 2001 EPS has been adjusted to exclude amortization of goodwill. Effective January 1, 2002, indefinite life intangibles and goodwill are not subject to amortization.

3. Excludes Mackenzie net sales made prior to May 1, 2001. During Q1, 2001 Maxxum net sales are included in Investors Group, whereas during Q1, 2002 they are included in Mackenzie.

4. Includes Mackenzie hedge funds.

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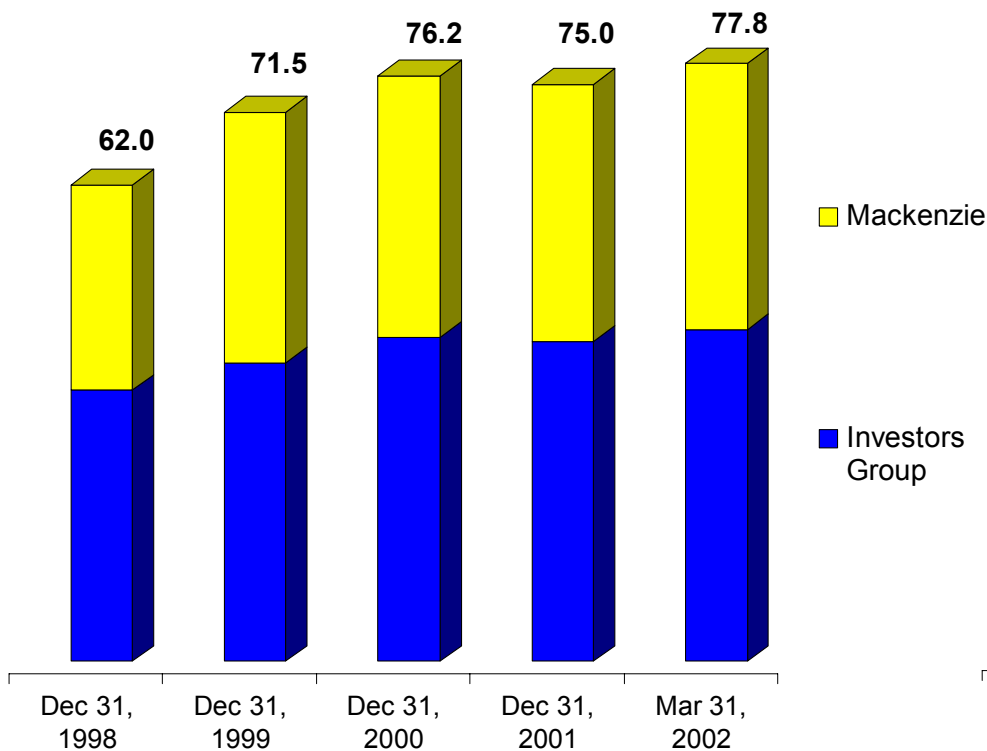
5. Transition Plans

6. Q & A

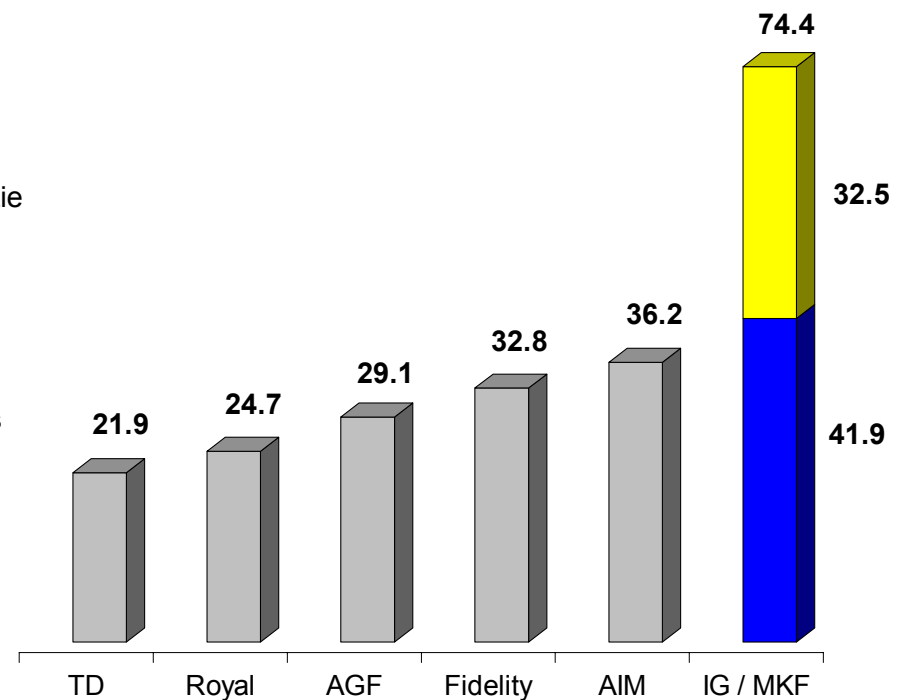
Mutual Fund Assets Under Management

- ◆ **Investors Group is the largest mutual fund manager in Canada, with over 2x the long term mutual fund AUM of its closest competitor and 19.5% market share.**

Canadian Mutual Fund Assets Under Management (\$billions)



Long Term Canadian Mutual Fund Assets Under Management at March 31, 2001 (\$billions)



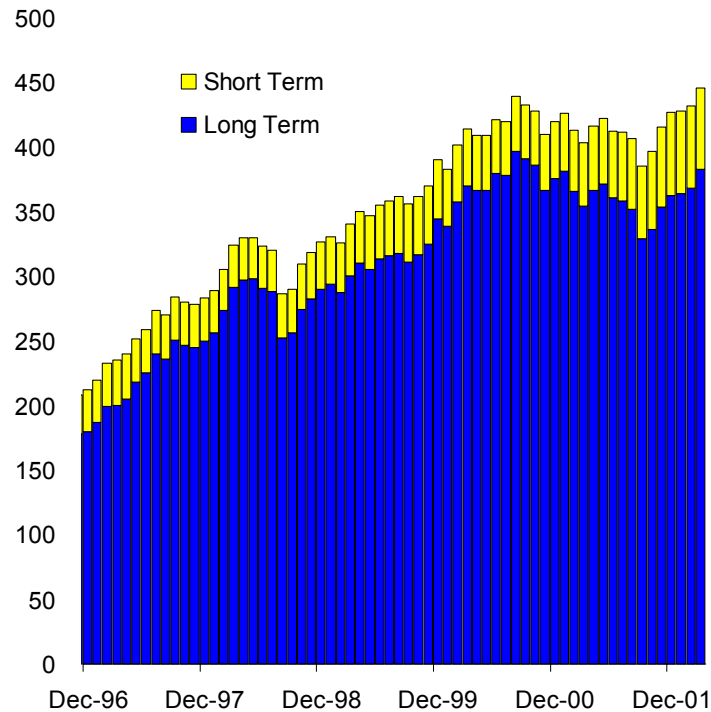
Source: IFIC

Note: Mackenzie numbers have been retroactively restated to include Maxxum assets (Mackenzie acquired Maxxum from Investors Group October 5, 2001). Hedge funds have been excluded from Long Term Canadian Mutual Fund Assets Under Management for comparability (these funds do not report with IFIC).

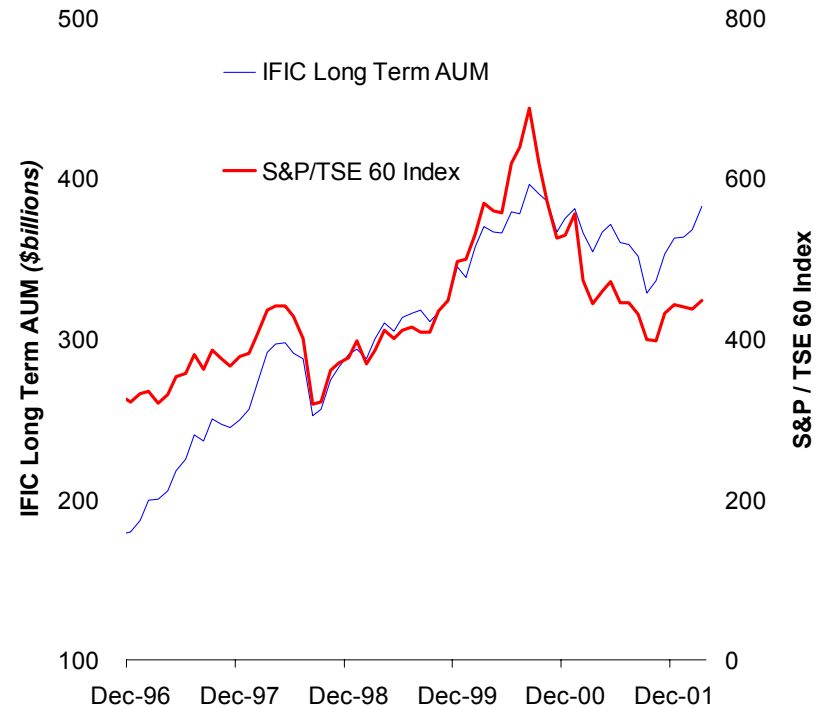
Current Environment

- ◆ **During the quarter, industry assets increased by 4.4% to a record high of \$445 billion. Of this increase, 1.7% resulted from appreciation as equity markets increased slightly during the quarter.**

IFIC Assets Under Management
(\$ billions)



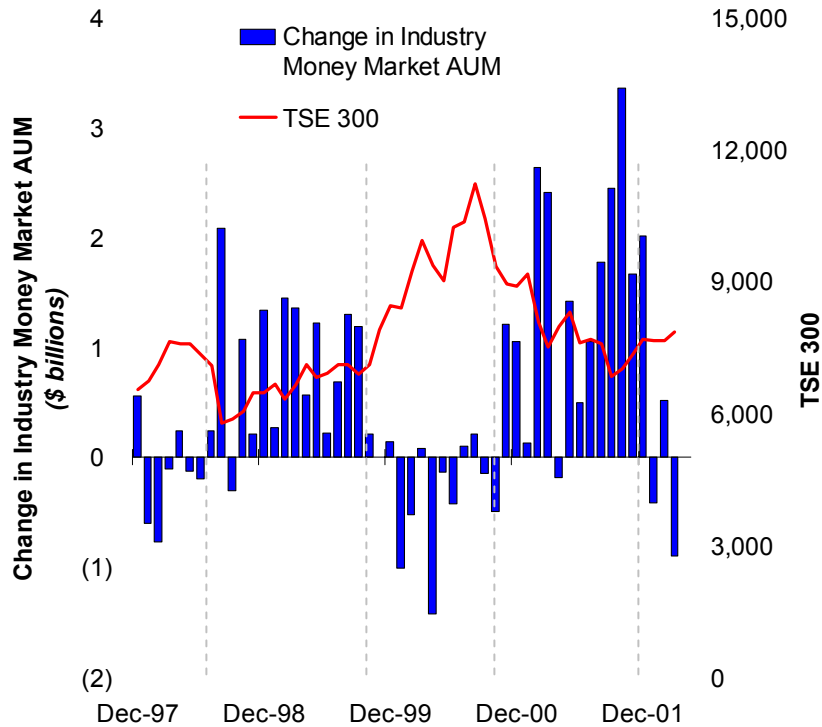
Equity Market Performance
S&P / TSE 60 relative to IFIC Long Term AUM



Current Environment

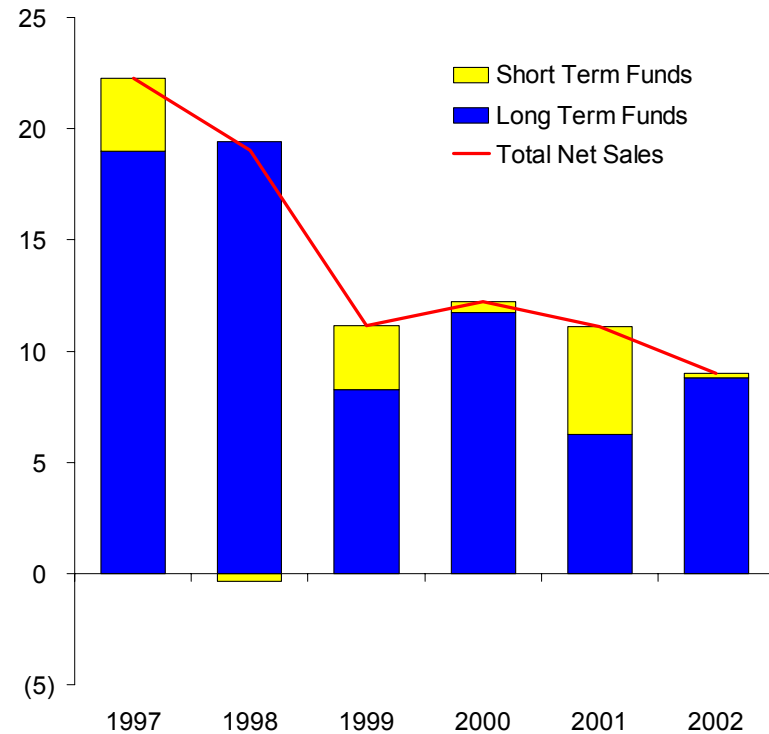
- ◆ ***During the first quarter, the build-up of money market funds which had occurred during the prior 18 months began to shift towards long term assets. Almost all net sales during the quarter went into long term funds.***

Change in Industry Money Market Assets



IFIC Net Sales

Quarters ended March 31 (\$ billions)

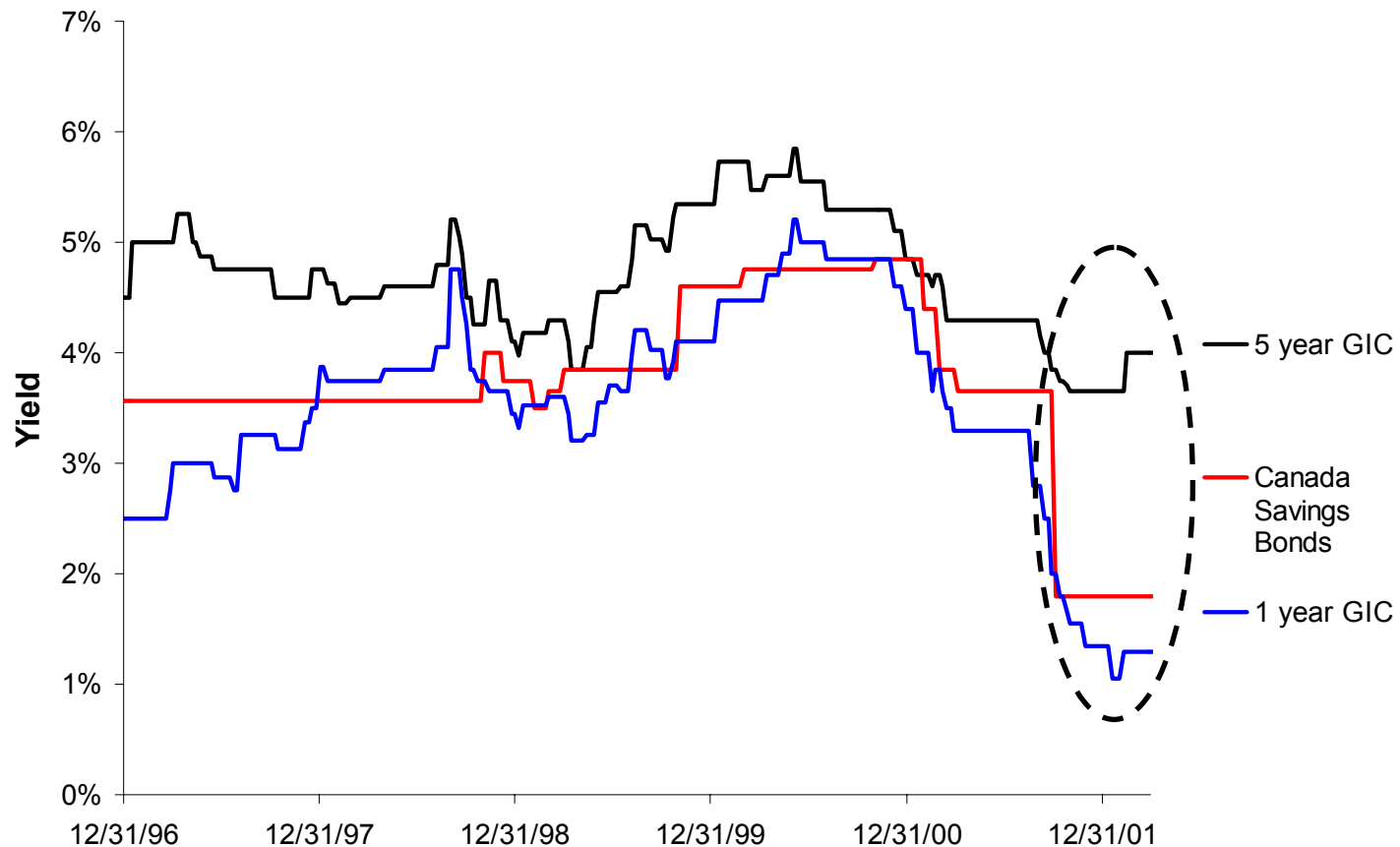


Source: IFIC

Current Environment

- ◆ *One factor that continues to promote demand for mutual funds is the low yields on competing savings products.*

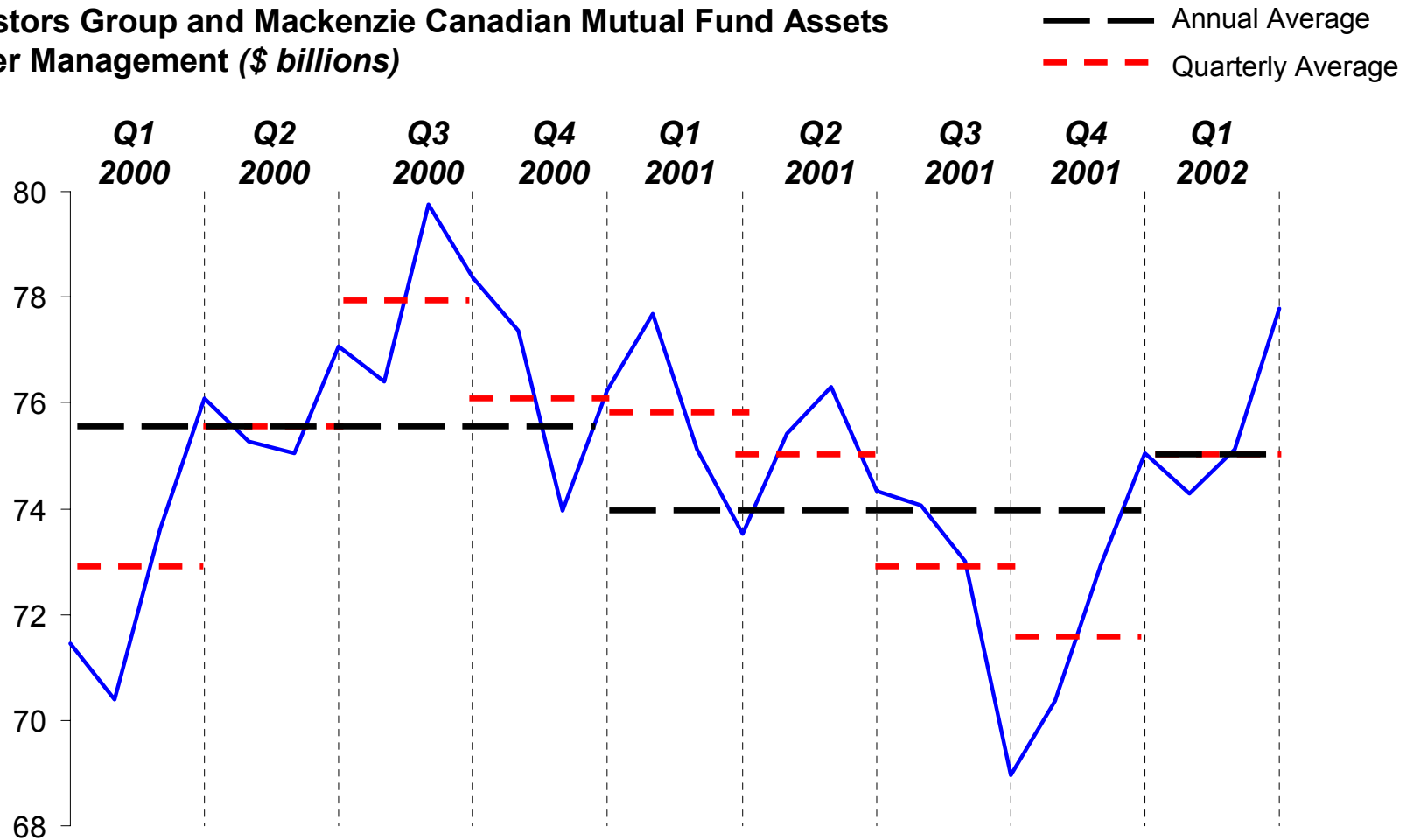
Yields on GIC's and Canada Savings Bonds



Mutual Fund Assets Under Management

- ◆ Consolidated average mutual fund assets under management increased by 4.9% during Q1, 2002 relative to the prior quarter.

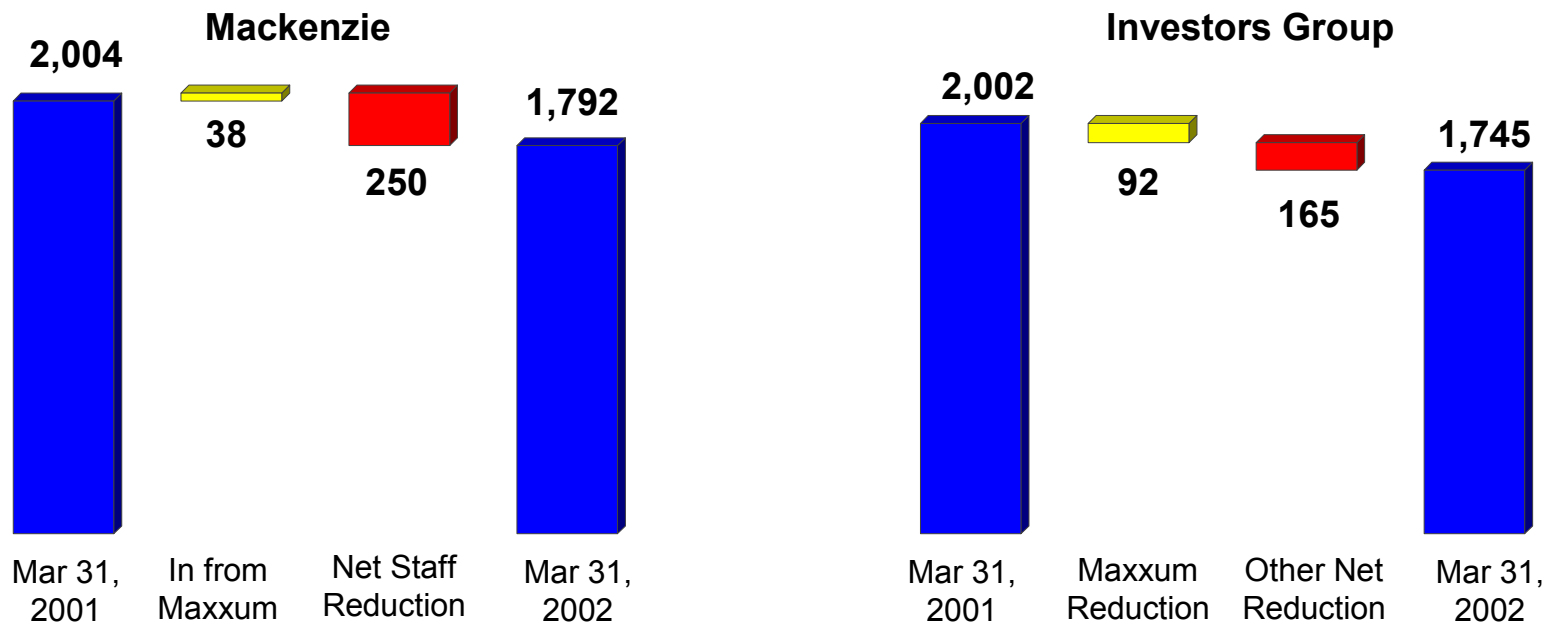
Investors Group and Mackenzie Canadian Mutual Fund Assets Under Management (\$ billions)



Expense Control

- ◆ ***In response to the changing economic conditions, Investors Group has initiated expense management measures beyond the cost reduction opportunities between the integration of Investors Group and Mackenzie.***
 - ◆ Discretionary spending has been eliminated where possible, with many non-essential activities suspended or curtailed.
 - ◆ Throughout the last year, Investors Group and Mackenzie have managed expenses in response to lower transaction activity.

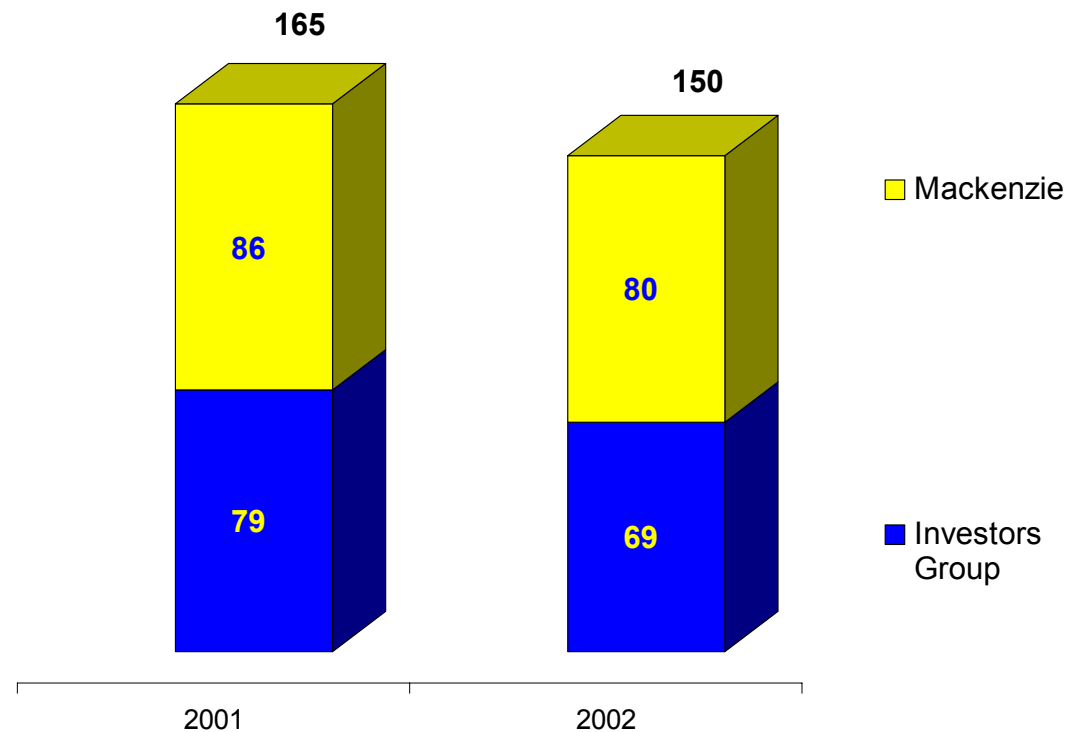
Employees (*Full Time Equivalents*)



Expense Control

- ◆ **Investors Group and Mackenzie's consolidated expenses were reduced by 9.5% during the quarter ended March 31, 2002 relative to the prior year.**

Non-Commission Expenses
Quarters ended March 31 (\$ millions)

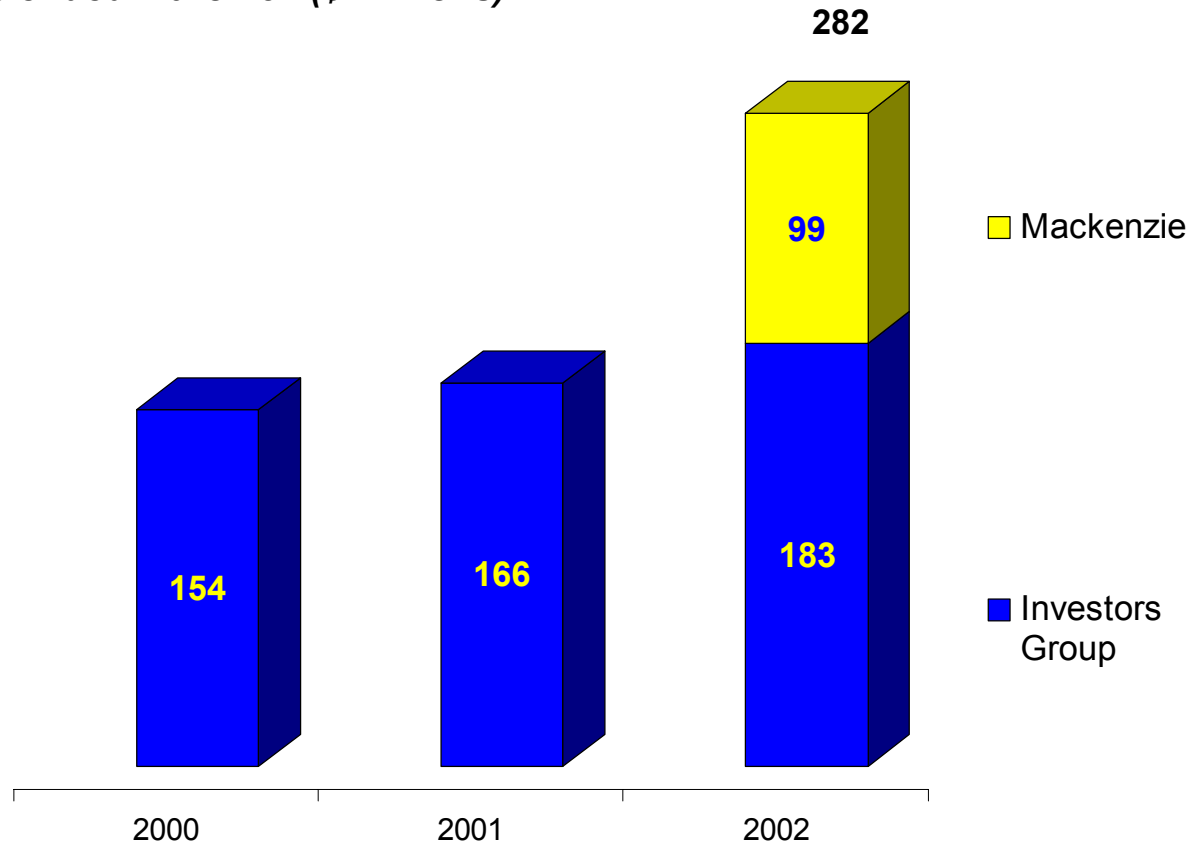


Mackenzie expenses have been adjusted to exclude change in control expenses incurred during Q1, 2001.

Operating EBITDA

- ◆ **Including Mackenzie Financial, EBITDA increased by 70.2% in Q1, 2002 relative to Q1, 2001. Excluding the results of Mackenzie Financial the increase was 10.2%.**

Earnings before Interest, Taxes, Depreciation and Amortization
Quarters ended March 31 (\$ millions)

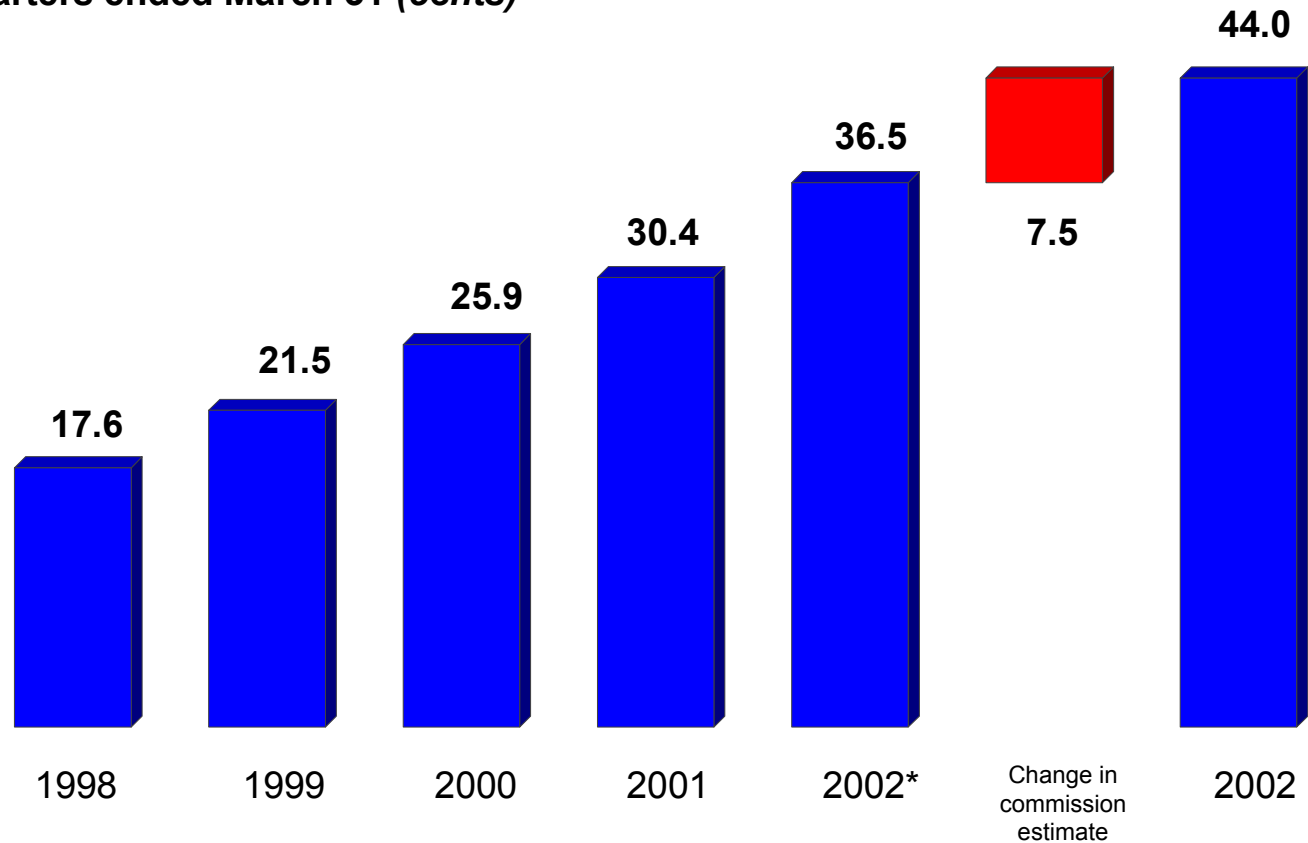


Excludes non-operating items

Earnings Per Share

- ◆ *EPS increased by 44.7% in Q1, 2002 relative to the prior year. Excluding the effect of the change in commission estimate, the increase was 20.1%.*

Quarters ended March 31 (cents)



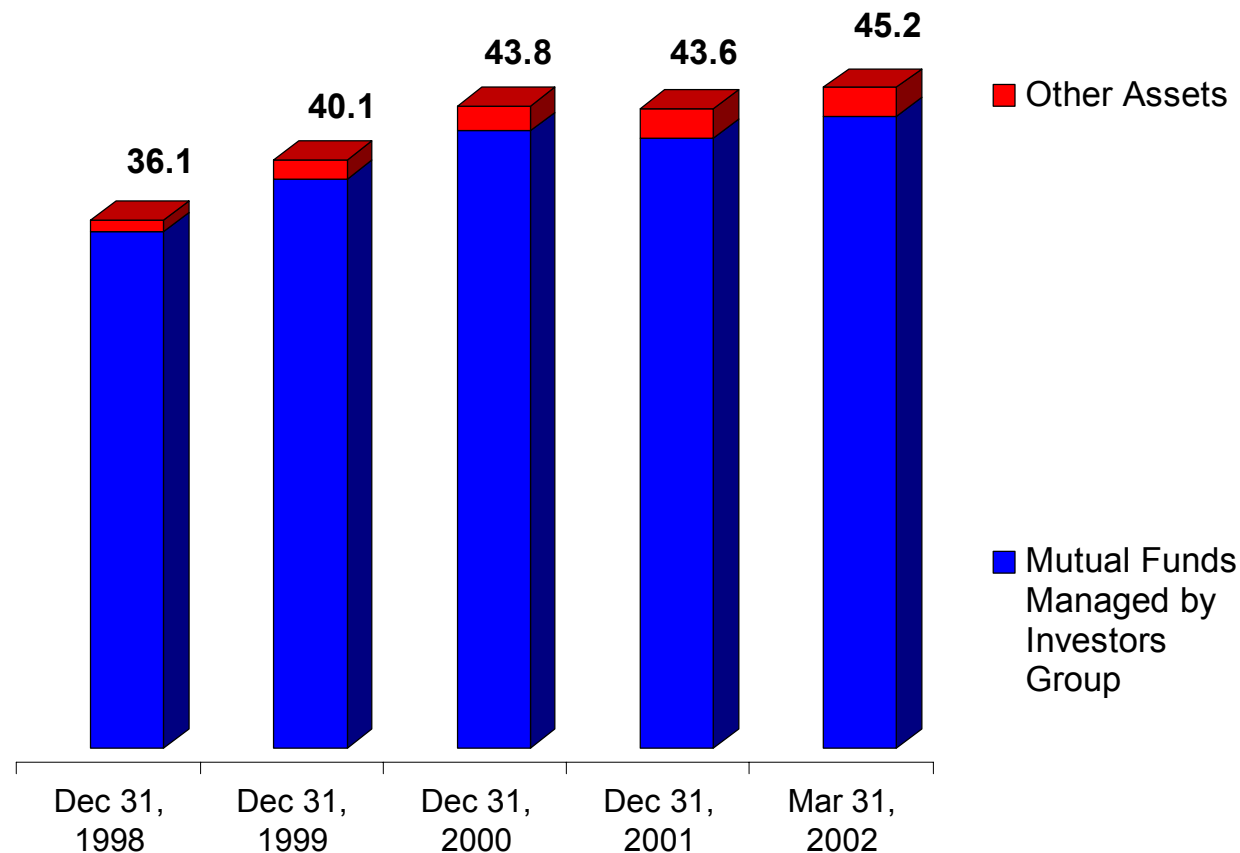
* Excluding change in commission estimate

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Consultant Network Assets Under Administration

- ◆ *Assets under administration distributed through the Investors Group Consultant Network increased by 3.6% during the first quarter of 2002.*

Consultant Network Assets Under Administration
(\$ billions)



Change in Consultant Network AUA

- ♦ *The contribution to growth in Consultant Network assets under administration was split roughly evenly between net asset gathering and market appreciation.*

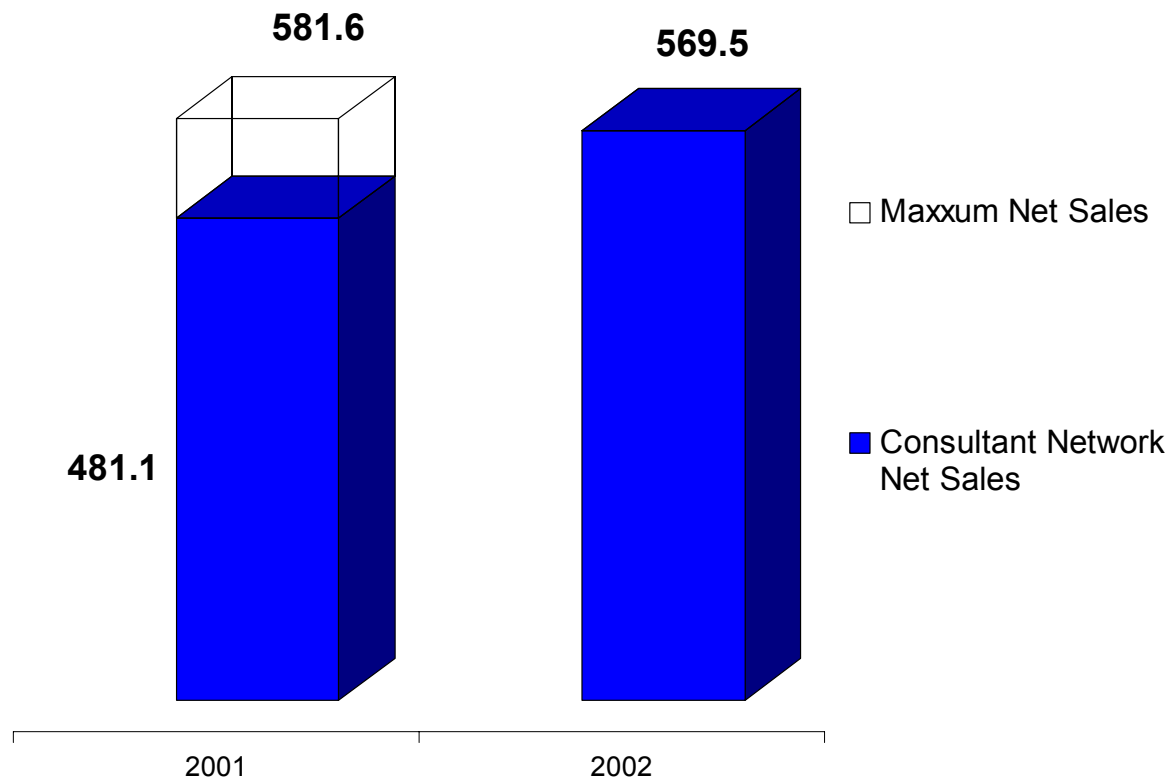
Change in Assets Under Administration Distributed through the IG Consultant Network
(\$ billions)



Consultant Network Mutual Fund Net Sales

- ◆ *Net sales of mutual funds distributed through the Investors Group Consultant Network increased by 18.4% during the quarter ended March 31, 2002 relative to the prior year.*

Quarters ended March 31 (\$ millions)

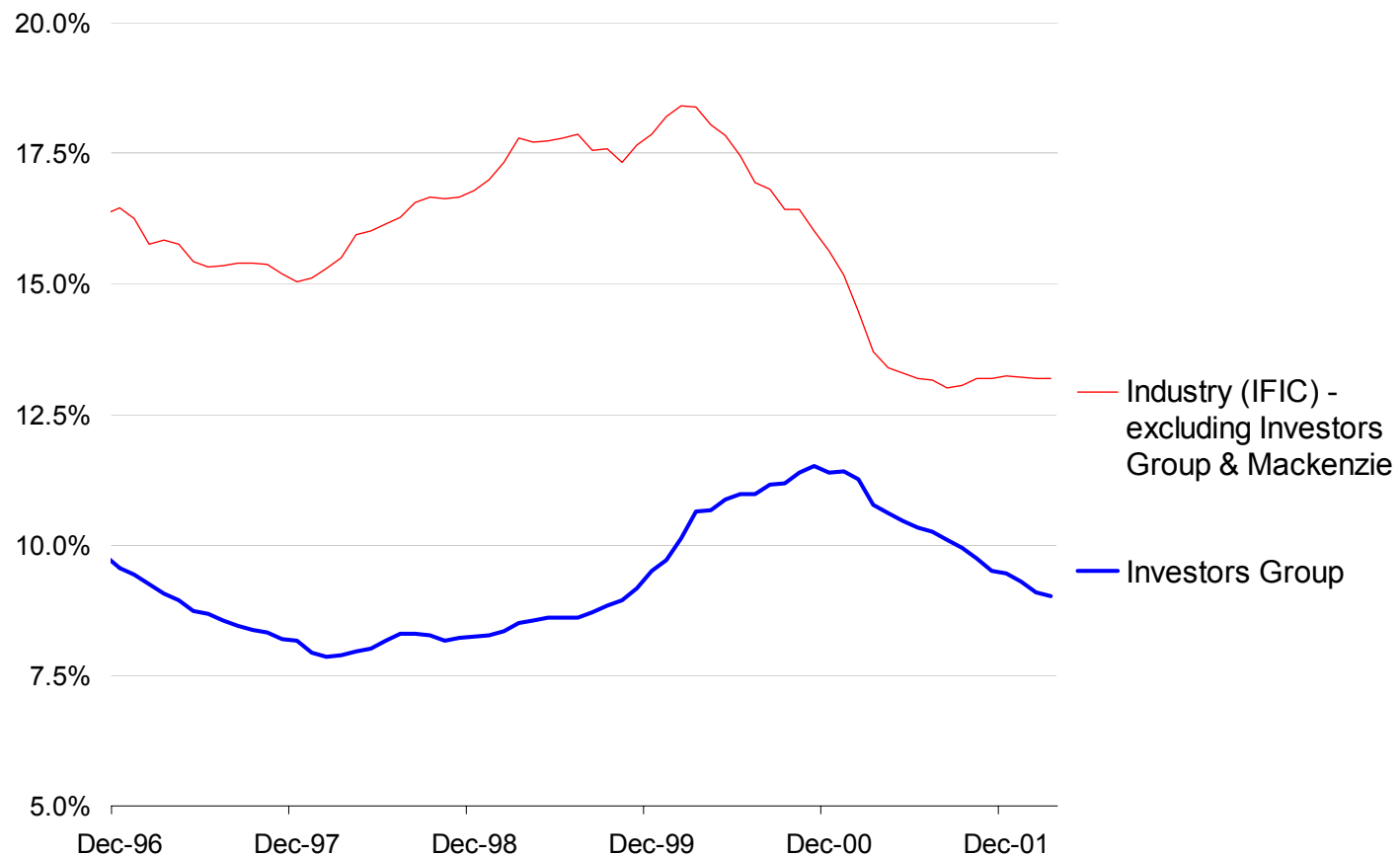


Maxxum net sales made subsequent to September 30, 2001 are reported in Mackenzie Financial's results.

Consultant Network Mutual Fund Redemption Rate

- ◆ *Investors Group's redemption rate continues to improve.*

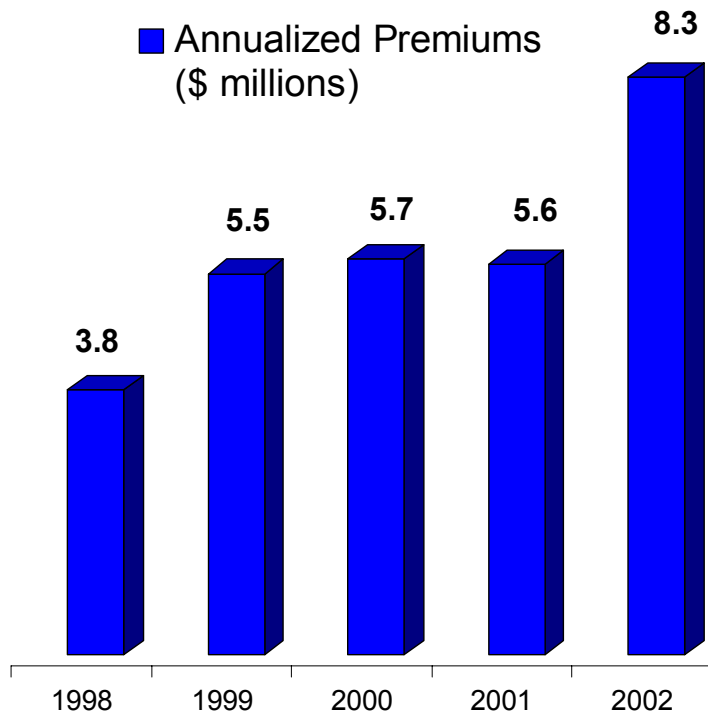
Redemption Rate on Long Term Mutual Funds
(Last Twelve Month % of Average Assets Under Management)



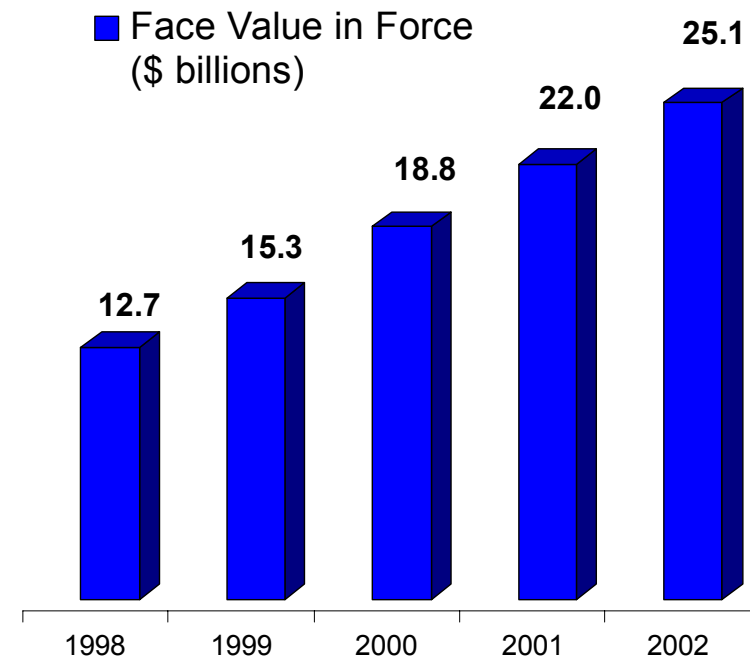
Insurance

- ◆ *Insurance sales increased significantly during the first quarter of 2002 relative to the prior year.*

Insurance Sales
Quarters ended March 31



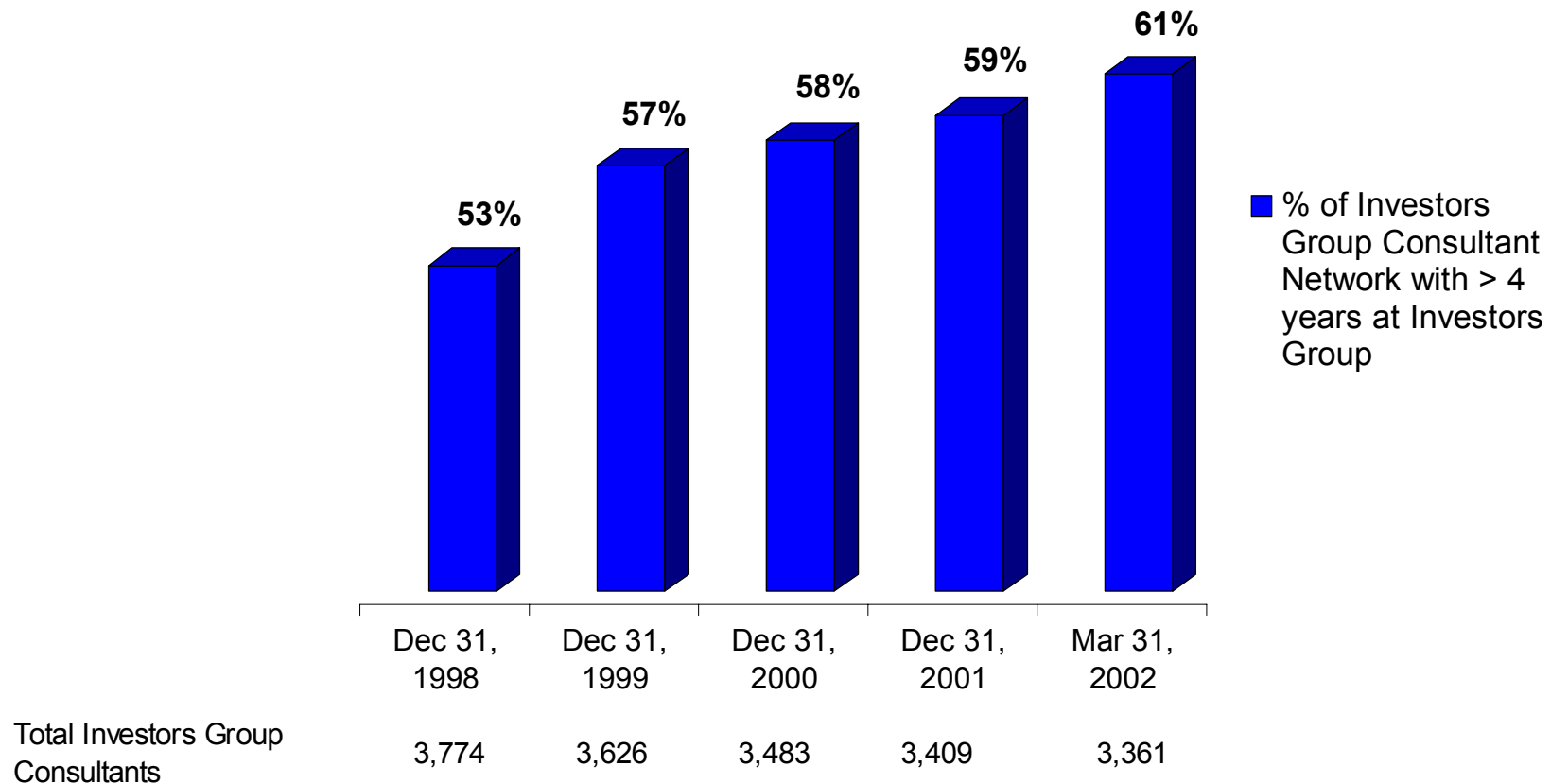
Insurance Face Value in Force
at March 31



Consultant Network

- ◆ *The size of the Consultant Network declined during the first quarter of 2002, however the average experience of the Consultant Network improved.*

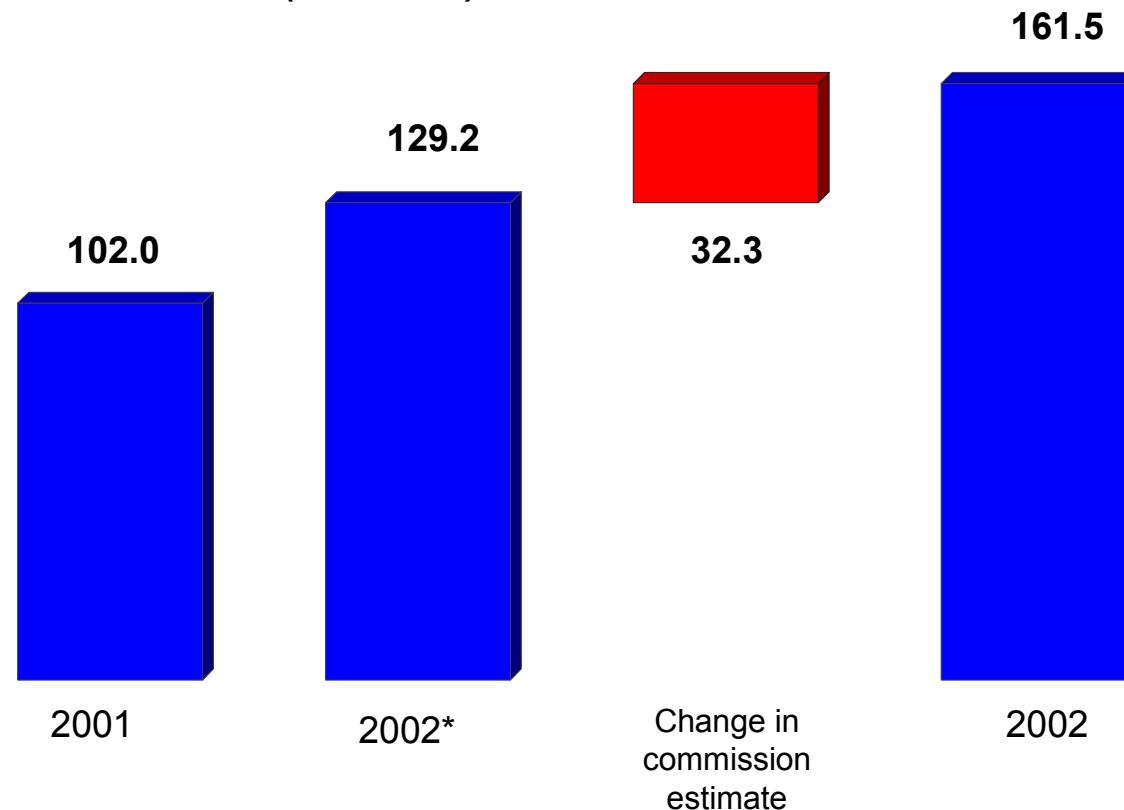
Investors Group Consultant Network



Investors Group Net Operating Income before Interest and Taxes

- ◆ **Investors Group's Net Operating Income before Interest and Taxes increased by 58.3% in the quarter ended March 31, 2002 relative to the prior year. Excluding the change in commission estimate the increase was 26.7%.**

Quarters ended March 31 (\$ millions)



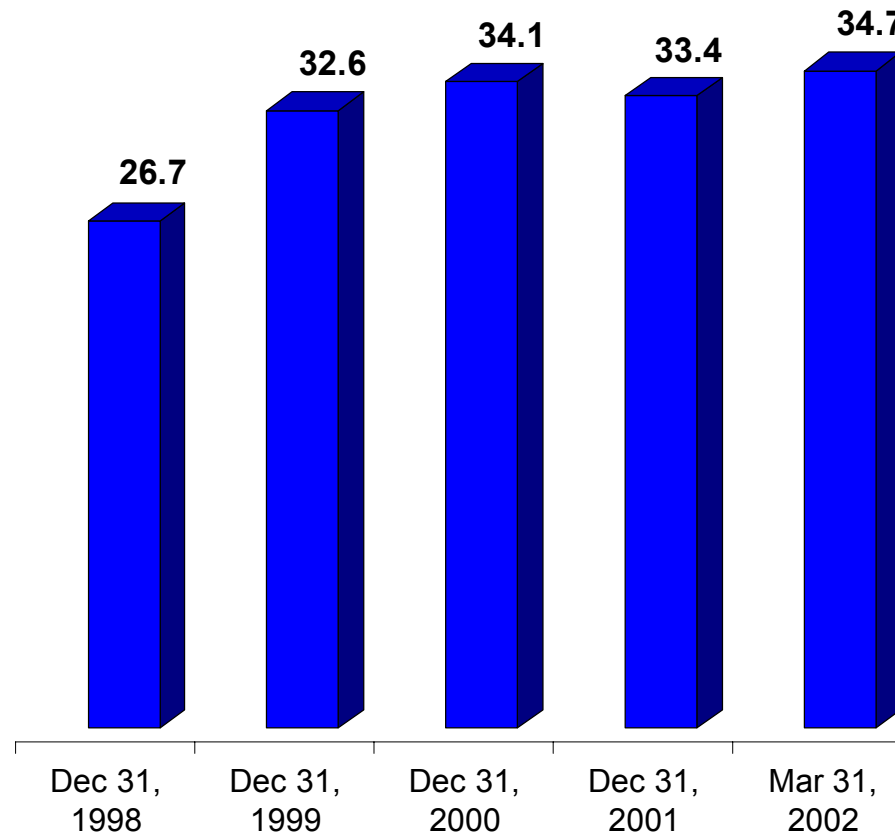
* Excluding change in commission estimate

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Asset Management Operations

- ◆ ***Mackenzie Financial's assets under management increased by 3.9% during the quarter ended March 31, 2002.***

Mackenzie Financial Canadian Mutual Fund Assets Under Management (\$ billions)



Note: numbers have been retroactively restated to include Maxxum assets (Mackenzie acquired Maxxum from Investors Group on October 5, 2001). Hedge funds are included in Mutual Fund Assets Under Management.

Change in Canadian AUM

- ♦ **Strong relative investment management performance combined with net sales lead to an increase in Mackenzie's Canadian mutual fund assets during the quarter ended March 31, 2002.**

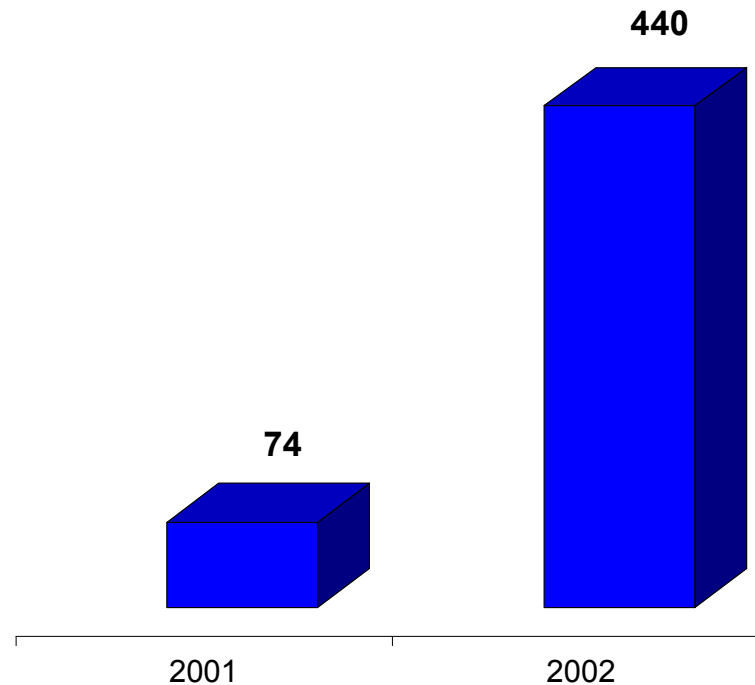
Mackenzie Canadian Mutual Fund Assets Under Management (\$ billions)



Canadian Mutual Fund Net Sales

- ◆ ***Mackenzie's net sales of long term funds increased considerably during the quarter ended March 31, 2002 relative to the prior year.***

**Mackenzie Canadian Net Sales of Long Term Funds
Quarters ended March 31 (\$ millions)**

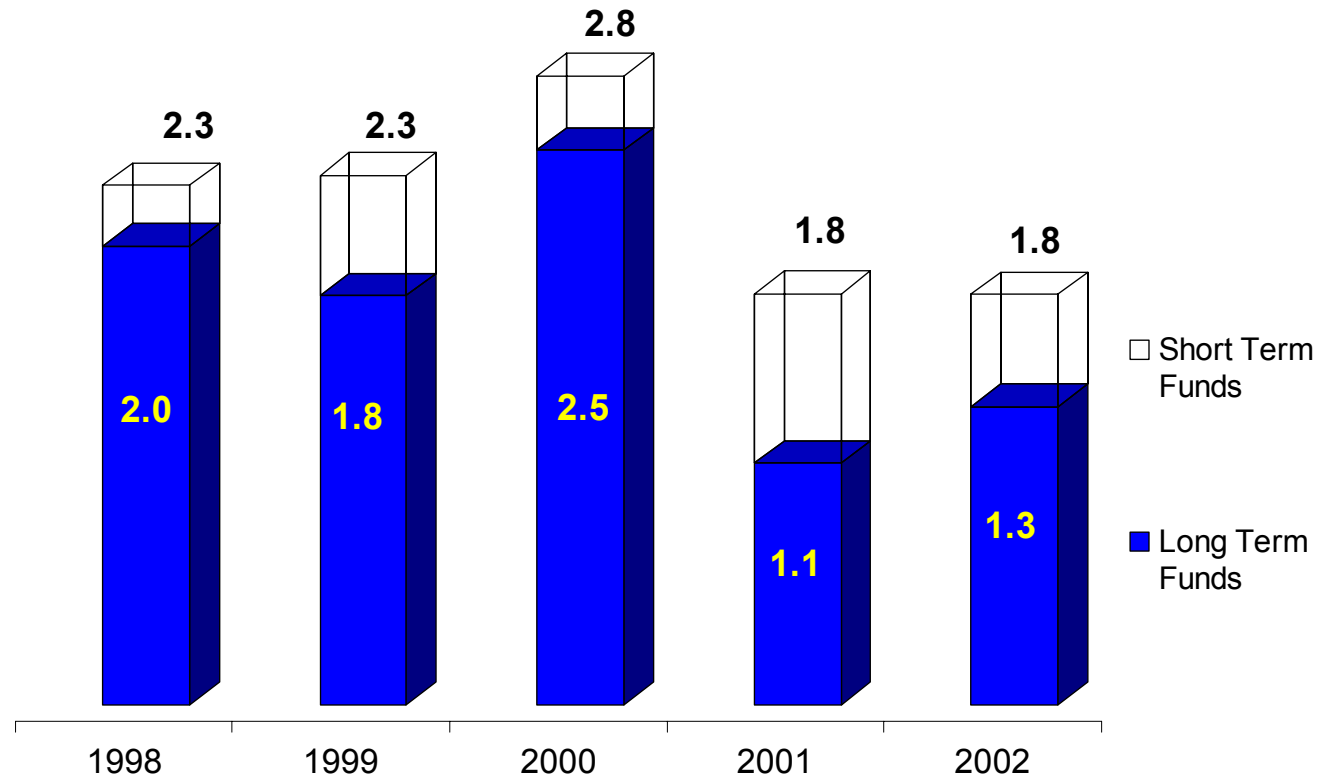


Note: numbers have been retroactively restated to include Maxxum net sales (Mackenzie acquired Maxxum from Investors Group on October 5, 2001)
Hedge funds are included

Canadian Mutual Fund Sales

- ◆ *Although sales during the 2002 RSP season were comparable to 2001, sales into long term funds increased by 21.9%.*

Mackenzie Canadian Mutual Fund Sales
Quarters ended March 31 (\$ billions)

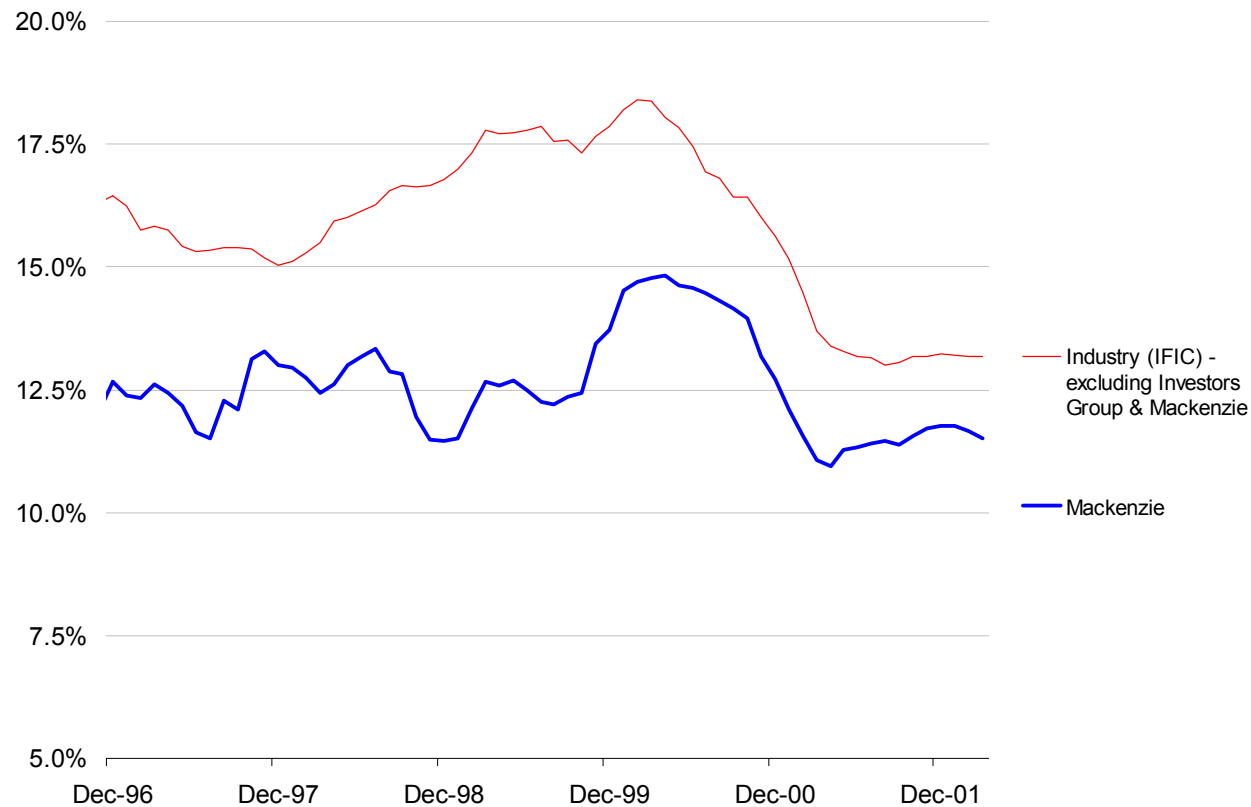


Note: numbers have been retroactively restated to include Maxxum sales (Mackenzie acquired Maxxum from Investors Group on October 5, 2001)
Hedge funds are included

Canadian Mutual Fund Redemption Rate

- ◆ **Mackenzie's redemption rate on long term assets declined during the quarter ended March 31, 2002, and remains below the industry.**

**Redemption Rate on Canadian Long Term Mutual Funds
(Last Twelve Month % of Average AUM)**

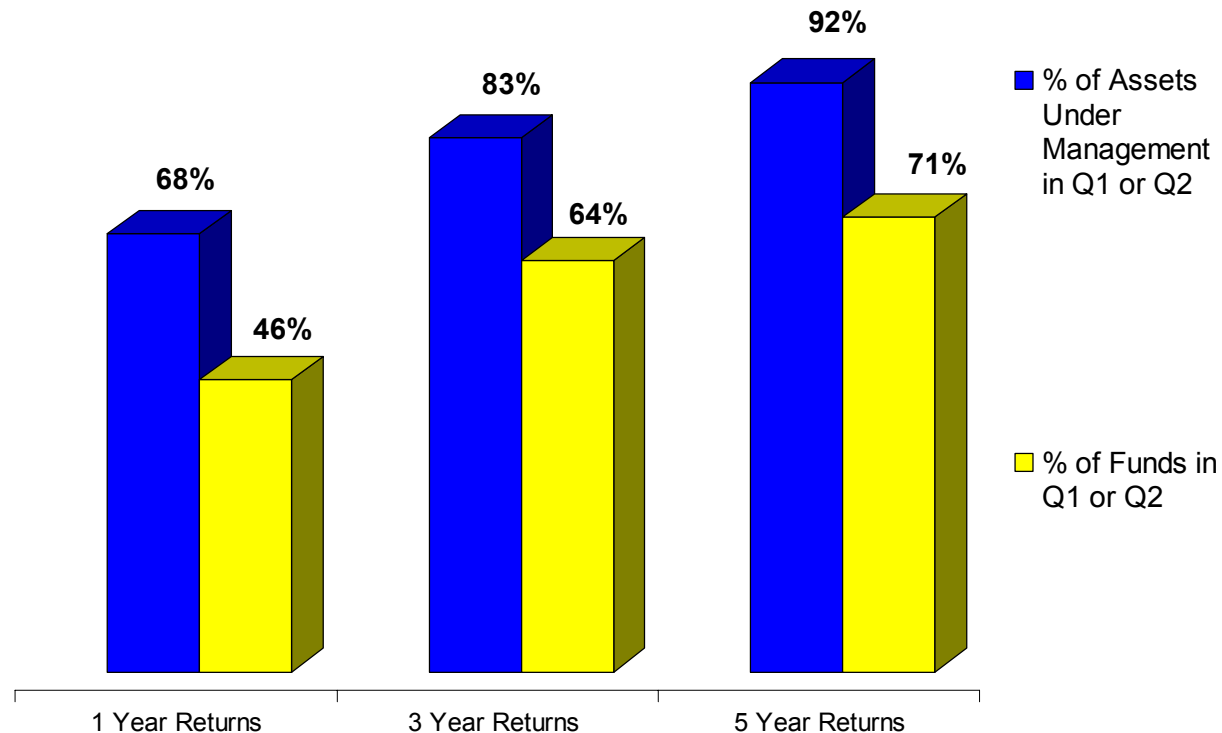


Note: numbers have been retroactively restated to include Maxxum redemptions (Mackenzie acquired Maxxum from Investors Group on October 5, 2001)
Hedge funds have been excluded from Mackenzie numbers for comparability (these funds do not report with IFIC).

Mackenzie Fund Performance

- ◆ ***Mackenzie's relative investment performance has been exceptional, with over 70% of its funds delivering first or second quartile performance in terms of five year returns.***

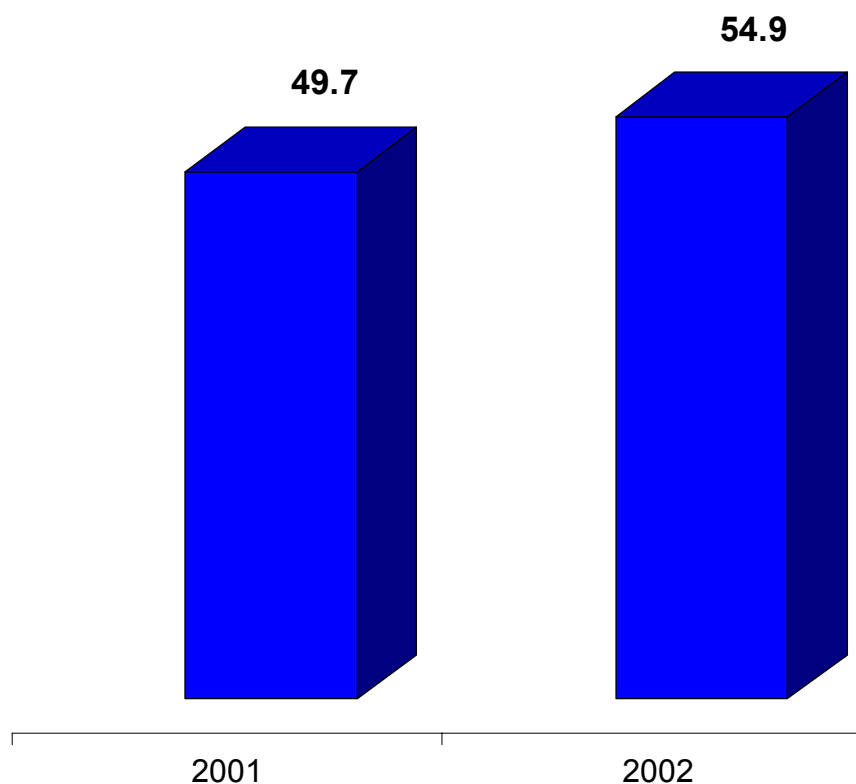
Mackenzie Canadian Funds in First or Second Quartile at March 31, 2002



Mackenzie Net Operating Income before Interest and Taxes

- ◆ ***Mackenzie Financial's Net Operating Income before Interest and Taxes increased by 10.4% during the quarter ended March 31, 2002 relative to the prior year.***

Net Operating Income before Interest and Taxes
Quarters ended March 31 (\$ millions)



2001 has been adjusted to exclude goodwill amortization. Effective January 1, 2002, indefinite life intangibles are not subject to amortization.

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Transition Philosophy and Approach

- ◆ The acquisition of Mackenzie provides the group with a premier vehicle to access different distribution channels, namely, serving the independent financial planner and full service broker markets.
- ◆ Accordingly, Mackenzie will operate separately, with its own brand, distribution and investment management operations.
- ◆ There are numerous opportunities being actively pursued to achieve operating efficiencies and product enhancements which will benefit clients, financial consultants and advisors and shareholders.

Project Team Scope

- ♦ ***Investors Group and Mackenzie Financial are working together to ensure that transition issues are managed to maximize benefits to clients, advisors and shareholders.***

Maxxum / Mackenzie Integration

- All Maxxum activities were integrated with Mackenzie, enhancing the overall marketing strengths of Mackenzie's distribution capabilities. Expansion of the Maxxum brand within Mackenzie will create expansion opportunities. Changes have been well received by all constituents.

Shared Services Opportunities

- Key systems architecture decisions have been made and several key system integration projects are underway. Rationalization/realignment of client services and transfer agency functions will occur over time. Improved cost positions have begun to emerge for both Investors Group and Mackenzie Financial.

Corporate Operations

- Negotiation of better common third party vendor relationships is occurring consistently as existing contracts come up for renewal. During 2002 various corporate functions will be reviewed to eliminate redundancies.

Special Projects

- Product shelf development continues aggressively in both Investors Group and Mackenzie. Several sub-advisory investment management contracts are being reviewed. Clone fund cost reductions have been achieved for the benefit of unitholders.

Strategic Review

- Review of opportunities relating to trust company operations, brokerage operations and dealer support operations. Enhanced opportunities for all distribution channels will be targeted using an effective combination of products and services from our affiliates and alliances.

Goals and Benefits

- ♦ ***Annual synergies of \$100 million per year (pre-tax) continue to be achievable.***
 - Our initial estimate of \$75 million per year in synergies to Investors Group shareholders and an additional \$25 million per year in synergies to fund unitholders continues to be achievable
 - These synergy targets are expected to be fully achieved by the second quarter of 2003 (two years from acquisition closing). Significant run-rate synergies have been achieved to date.
 - In addition, we anticipate additional business growth based on:
 - Increased Mackenzie/Maxxum marketing strength
 - Additional products and services anticipated for the separate distribution channels served by Investors Group and Mackenzie
 - Reduced anxiety in the independent financial planning community over the purchase of Mackenzie by Investors Group fueled by strong strategic commitment to the independent channel
 - Innovative product introductions anticipated during 2002 and 2003

Transition Progress - Synergies

- ♦ ***Annual synergies of \$61 million per year (pre-tax) were achieved as of March 31, 2002.***
 - Actions taken in 2001 and early 2002 have achieved shareholder annualized synergies of \$44 million (including an avoidance of \$12 million in annual costs).
 - In addition, unitholder annualized synergies of \$17 million have been achieved.
 - These achievements have resulted from:
 - Integration of MAXXUM into the operations of Mackenzie
 - Renegotiated vendor relationships including sub-advisory investment arrangements, printing contracts, telephony services, etc.
 - Consolidation of a number of systems management activities such as web-hosting support and data telecommunications services
 - Lower administration costs for both Investors Group and Mackenzie Financial unitholders through a review of “best demonstrated practices”

Transition Progress - Important Decisions

- ◆ ***Key decisions have recently been taken in the following areas:***
 - MRS strategic development
 - Mackenzie will develop the trust company and expand its scope in support of the IFP channel
 - MRS will develop Winfund as a premier dealer software provider in Canada
 - MRS will develop and expand the Keystone fund product line
 - MRS will continue to look for ongoing operational efficiencies and effective use of capital together with affiliated companies
 - MRS will work with affiliated companies to enhance banking and brokerage services alliances for independent advisors
 - Termination of sub-advisory relationship with Scudder
 - Prompted in part by the change of control through the recent acquisition of Scudder by Deutsche Bank AG
 - Involves eleven Mackenzie and four Investors Group funds
 - Management of many of the existing funds will be handled through the appointment of Mackenzie investment managers, selected mergers with existing Mackenzie funds, and through selection of other sub-advisors.

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Investors Group Inc.

2001 Results

Analyst Presentation

February 1, 2002

9:00 AM CST

