

Investors Group Inc.

Q3, 2003 Results

Jeff Orr
President and CEO
Investors Group Inc.

Jim Hunter
President and CEO
Mackenzie Financial

Greg Tretiak
Chief Financial Officer
Investors Group Inc.



October 30, 2003
2:00 PM ET



1. Highlights

2. Consolidated Results

3. Investors Group

4. Mackenzie Financial

5. Q & A

Highlights - Third Quarter

- ◆ **Earnings per share were up 12.8% in the quarter ended September 30, 2003 relative to the prior year.**

All numbers in millions of dollars, except per share amounts

	<u>2003</u>	<u>2002</u>	<u>%</u>
EPS (excluding dilution gain) ¹	\$ 0.53	\$ 0.47	12.8%
EPS	\$ 0.59	\$ 0.47	25.5%
Dividends per Share	\$ 0.255	\$ 0.225	13.3%
Average Canadian Mutual Fund AUM	69,992	69,348	0.9%
Canadian Mutual Fund Net Sales of Long Term Funds			
IG Consultant Network	(276)	(220)	N/M
Mackenzie ²	17	(83)	N/M

1. The impact of the dilution gain on the investment in GWL during Q3, 2003 was 5.6 cents. 2. Includes Mackenzie hedge funds.

Highlights - Nine Months Ended September 30

- ◆ **Earnings per share increased by 5.0% in the nine months ended September 30, 2003 relative to the prior year.**

All numbers in millions of dollars, except per share amounts

	<u>2003</u>	<u>2002</u>	<u>%</u>
EPS (excluding dilution gain) ¹	\$ 1.47	\$ 1.40	5.0%
EPS	\$ 1.53	\$ 1.40	9.3%
Dividends per Share	\$ 0.735	\$ 0.635	15.7%
Average Canadian Mutual Fund AUM	67,692	73,518	(7.9%)
Canadian Mutual Fund Net Sales of Long Term Funds			
IG Consultant Network	(719)	239	N/M
Mackenzie ²	17	696	N/M

1. The impact of the dilution gain on the investment in GWL during the nine months ended September 30, 2002 was 5.6 cents. 2. Includes Mackenzie hedge funds.

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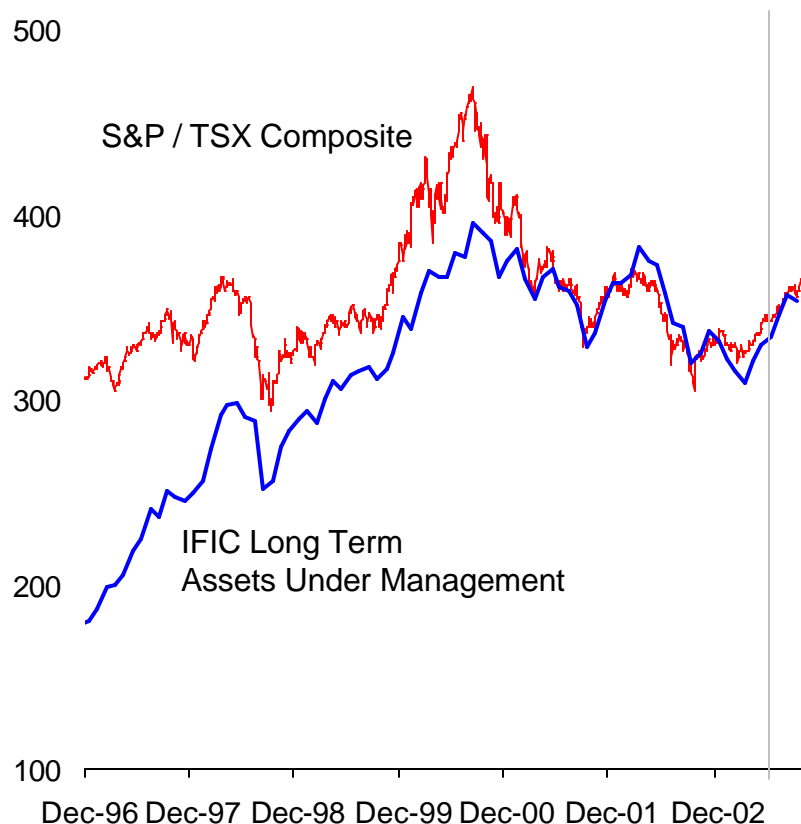
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Operating Environment

- ◆ ***During Q3, 2003, industry long term mutual fund assets under management increased by 5.8%, driven primarily by equity market improvements.***

Industry Long Term Mutual Fund Assets Under Management (\$ Billions)



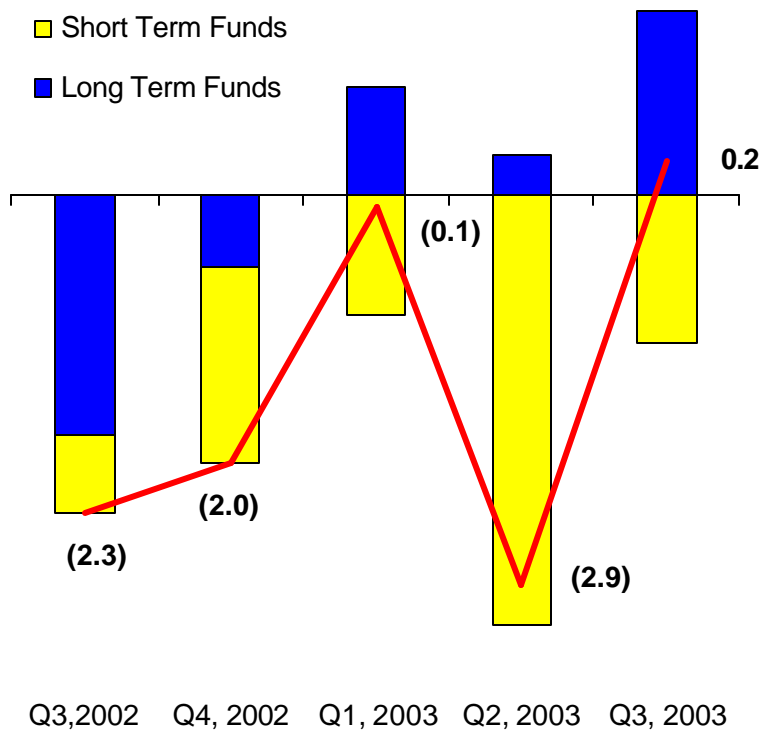
	Quarter Ended Sept 30, 2003	Oct 29, 2003 Month to Date
IFIC Long Term Assets	5.8%	
S&P / TSX Composite	6.3%	3.9%
S&P 500	2.2%	4.9%
Dow Jones Industrial	3.2%	4.9%
Nasdaq Composite	10.1%	7.7%
FTSE 100	1.5%	4.1%
DAX	1.1%	10.4%
Nikkei 225	12.5%	5.1%
US dollar relative to CAD	0.4%	(3.1%)
Euro relative to CAD	1.7%	(2.7%)

Source: IFIC

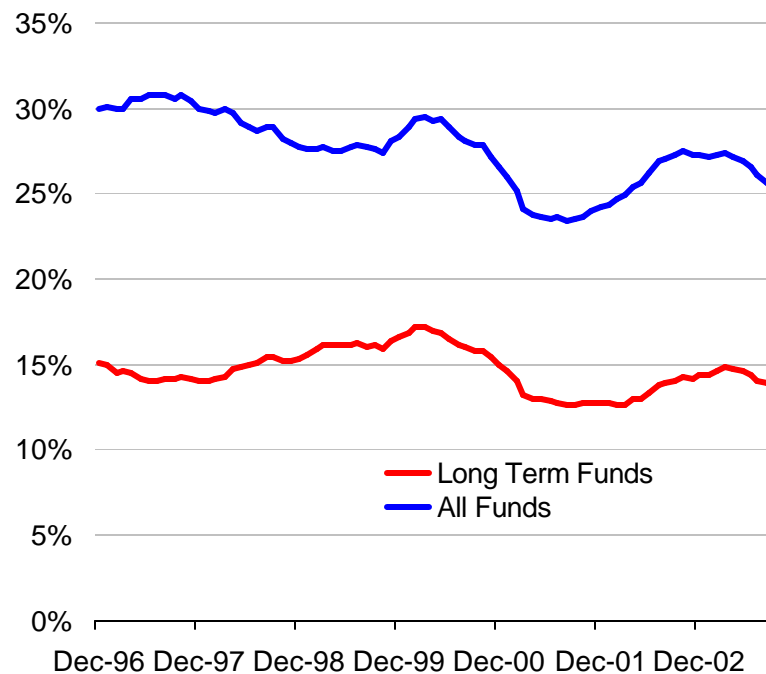
Operating Environment

- ◆ *The Canadian mutual fund industry experienced a return to net sales during Q3, 2003.*

Canadian Mutual Fund Industry Net Sales (\$ Billions)



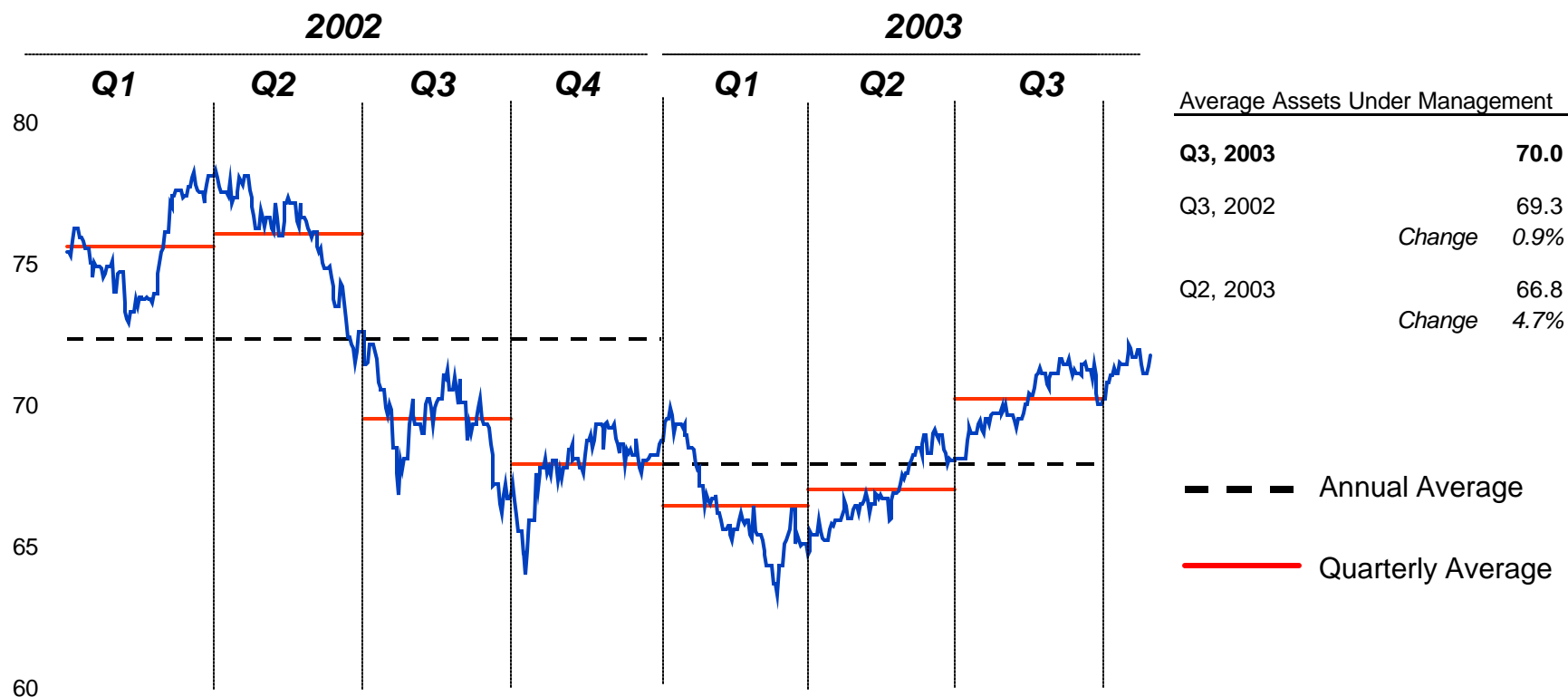
Industry Mutual Fund Redemption Rates (Last twelve month trailing % of average Assets)



IGI Mutual Fund Assets Under Management

- ◆ *The average balance of mutual fund assets under management during Q3, 2003 was 0.9% higher than the balance that prevailed during Q3, 2002 and 4.7% higher than Q2, 2003.*

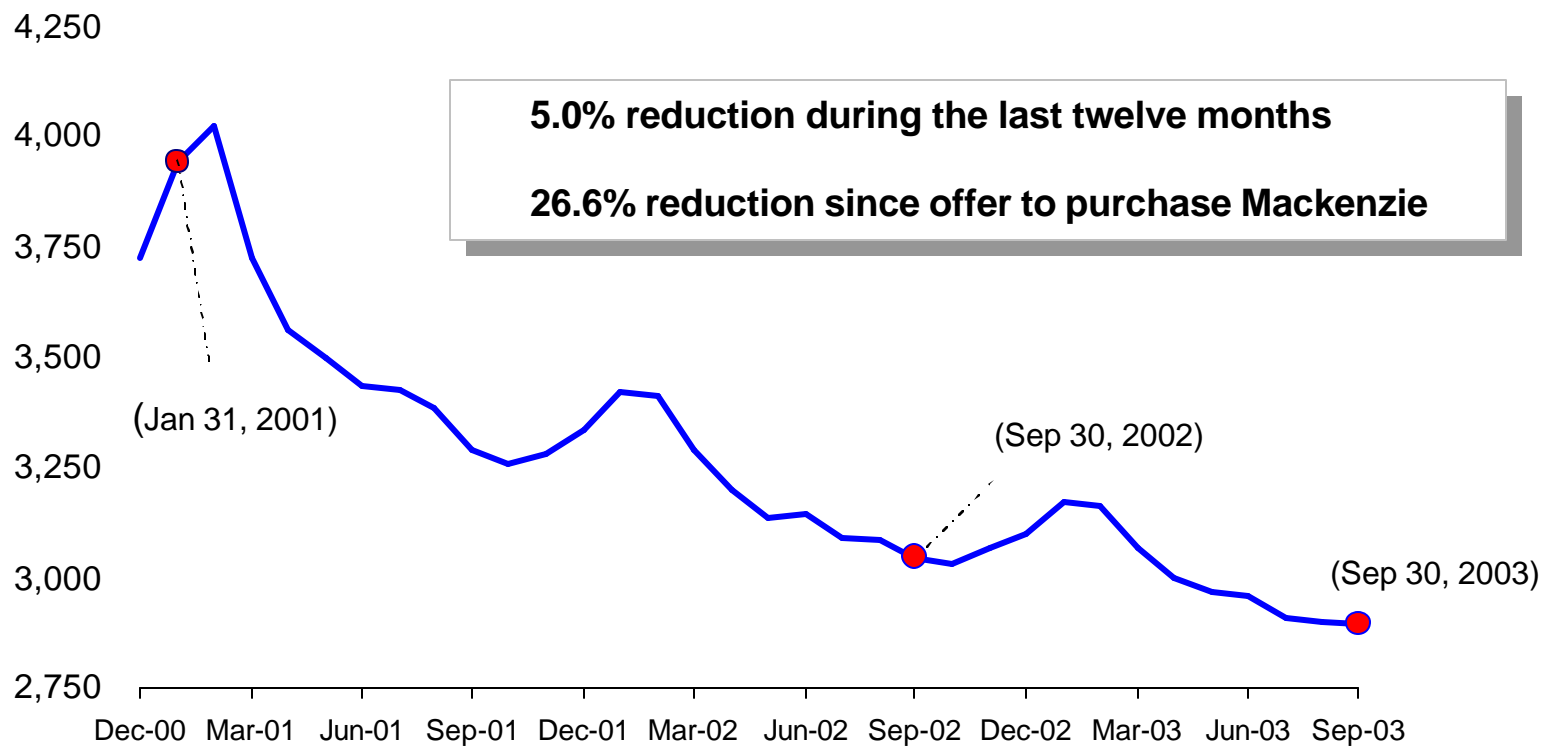
Investors Group and Mackenzie Canadian Mutual Fund
Assets Under Management (\$ Billions)



Expense Control

- ◆ *Investors Group and Mackenzie have continued to focus on expense management measures beyond the cost reduction opportunities created by the transition activities.*

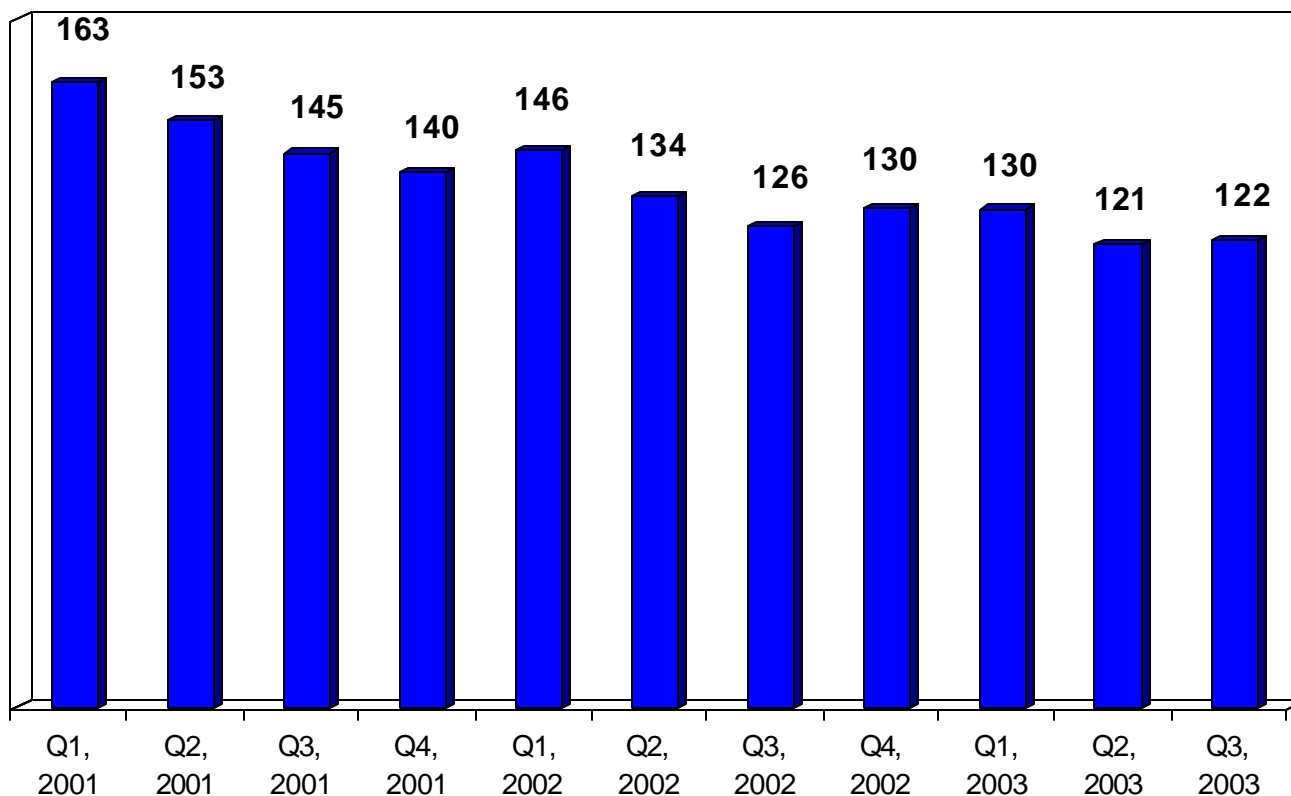
Investors Group and Mackenzie Consolidated Number of Employees
(Full time equivalents, excluding Investors Group Consultant Network)



Expense Control

- ◆ *Investors Group and Mackenzie's consolidated non-commission expenses were reduced by 2.9% during the quarter ended September 30, 2003 relative to the prior year.*

Non-Commission Expense (\$ Millions)

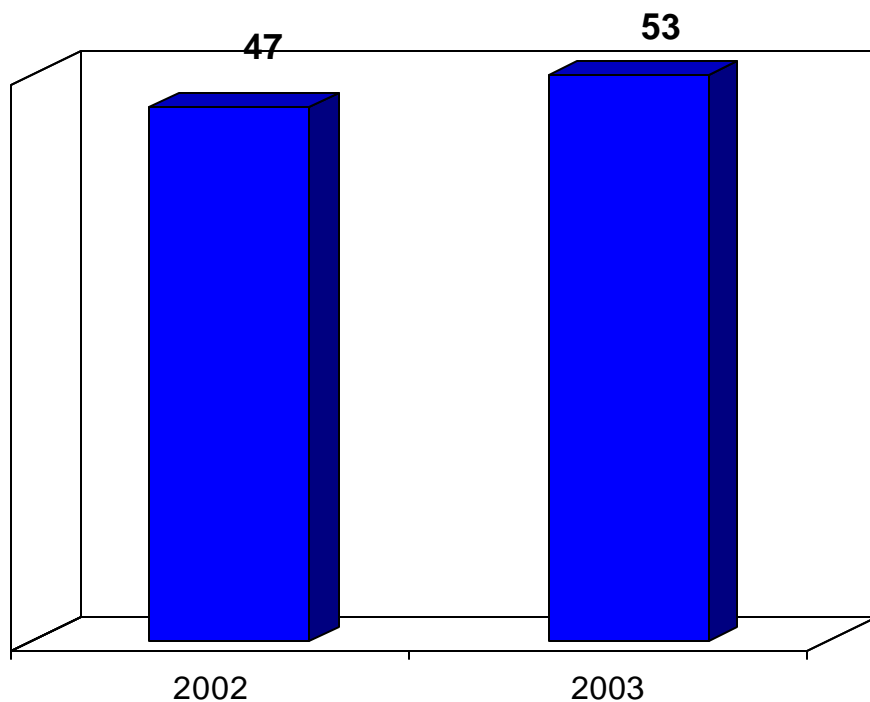


All periods exclude non-commission expenses from discontinued operations (Mackenzie Investment Management Inc.)

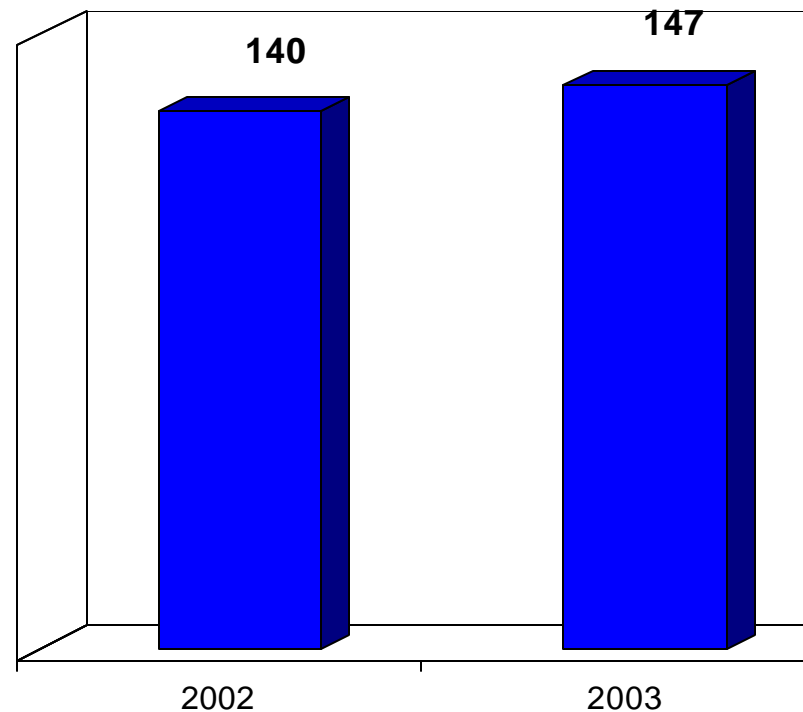
Earnings Per Share (excluding dilution gain)

- ◆ *EPS increased 12.8% in Q3, 2003 relative to the prior year. EPS increased by 5.0% during the nine months ended September 30, relative to 2002.*

Quarters Ended September 30 (¢)



Nine Months Ended September 30 (¢)

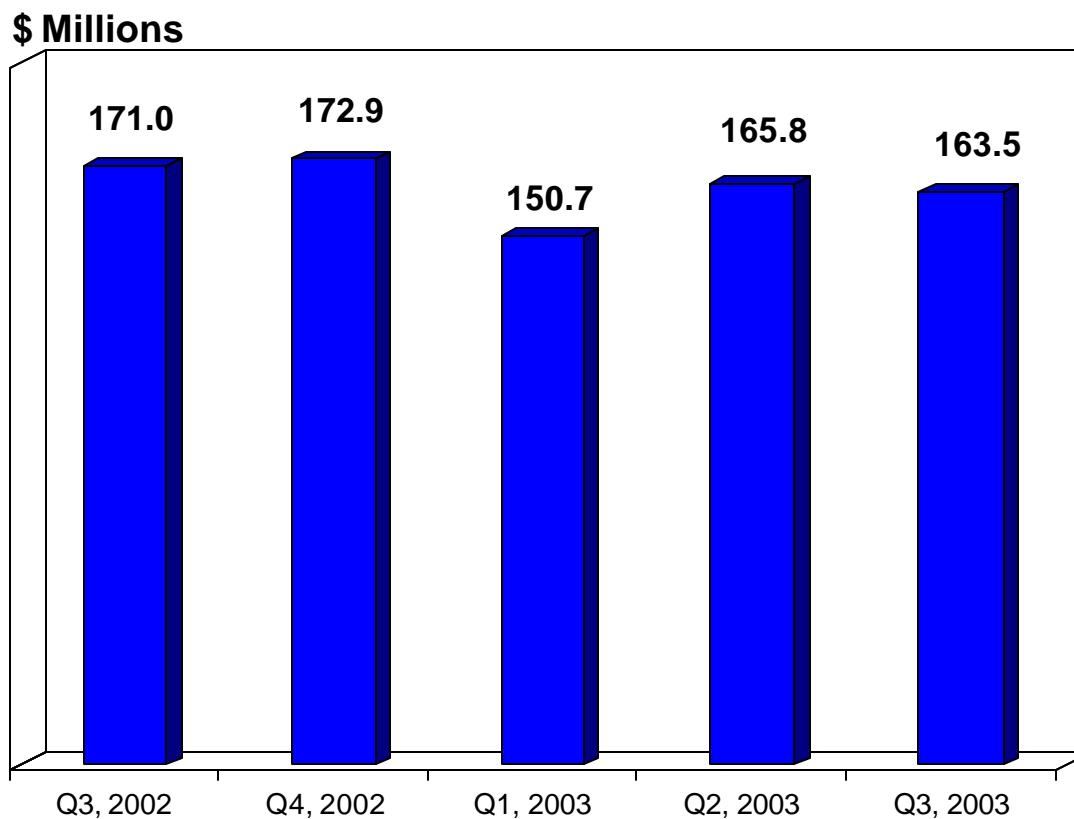


*The three month and nine month periods ended September 30, 2003 exclude the impact of the dilution gain on the investment in GWL of 5.6 cents.

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Income before Interest and Taxes

- ◆ *During the quarter ended September 30, 2003, Investors Group's Income before Interest and Taxes declined by 4.4% relative to the prior year.*

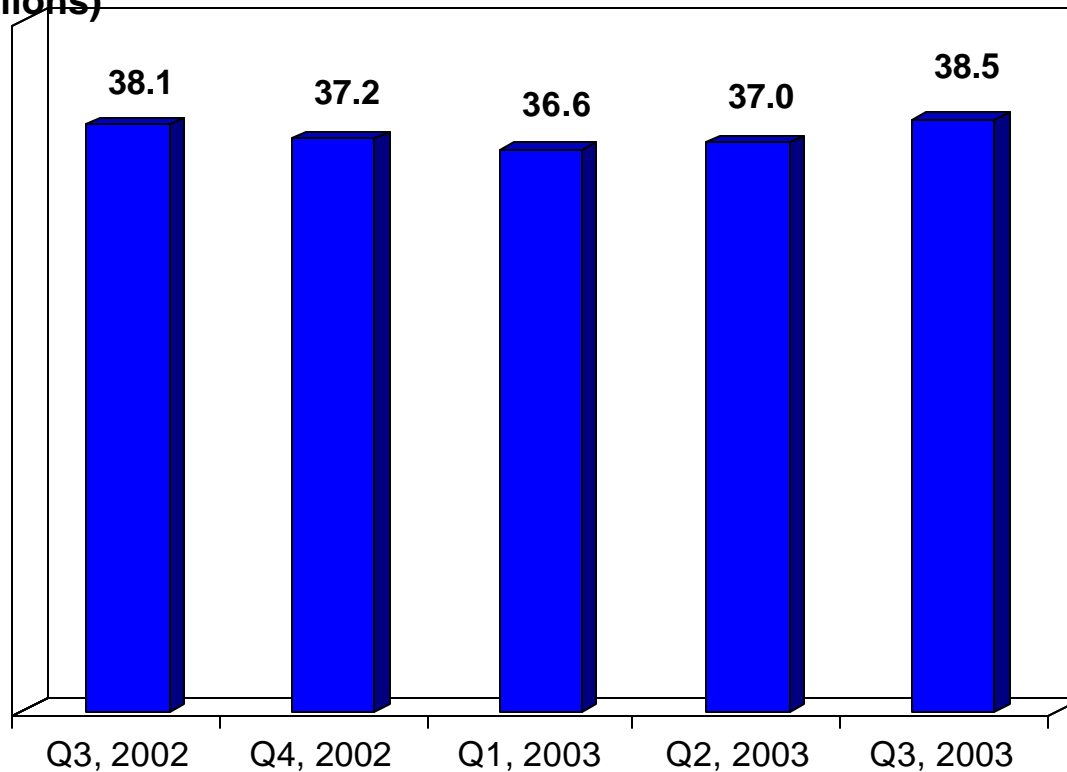


Q3, 2003 excludes the impact of the dilution gain on the investment in GWL of 14.8 million.

Consultant Network Assets Under Administration

- ◆ *The average balance of mutual fund assets under management was 1.0% higher in Q3, 2003 compared with Q3, 2002, and increased by 4.1% relative to Q2, 2003.*

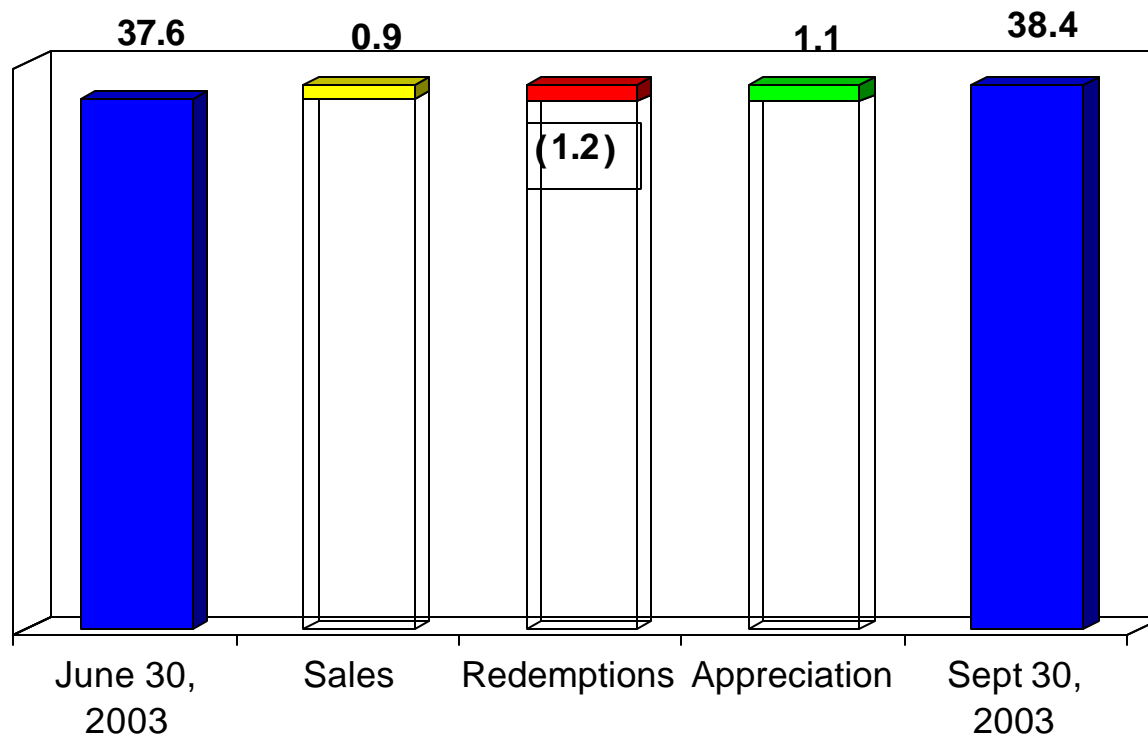
Average Consultant Network Mutual Fund Assets Under Management
(\$ Billions)



Consultant Network Assets Under Management

- ◆ *Consultant Network mutual fund assets increased by 2.3% during the third quarter due to appreciation.*

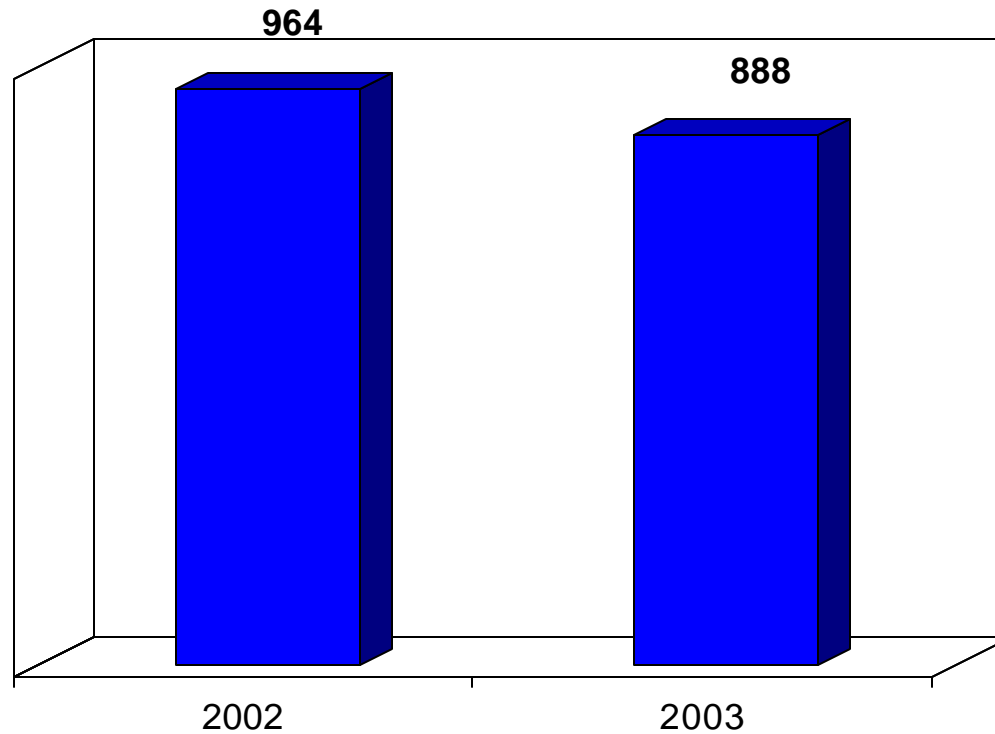
Change in Mutual Fund Assets Under Management
Distributed through the IG Consultant Network (\$ Billions)



Consultant Network Mutual Fund Sales

- ◆ *Sales of mutual funds distributed through the Investors Group Consultant Network decreased by 7.9% during Q3, 2003 relative to Q3, 2002.*

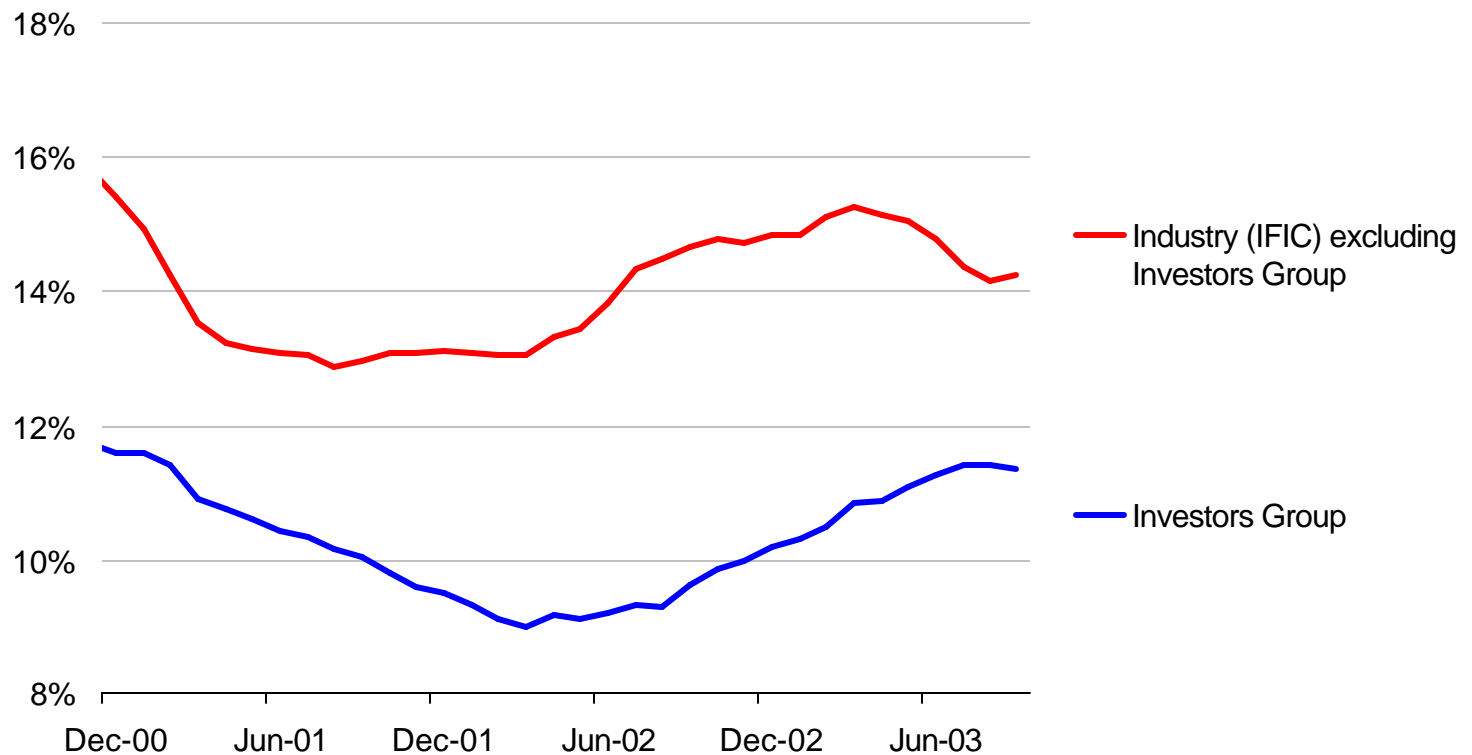
Quarters Ended September 30 (\$ Millions)



Consultant Network Mutual Fund Redemption Rate

- ◆ *Investors Group's redemption rate is below the industry rate.*

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

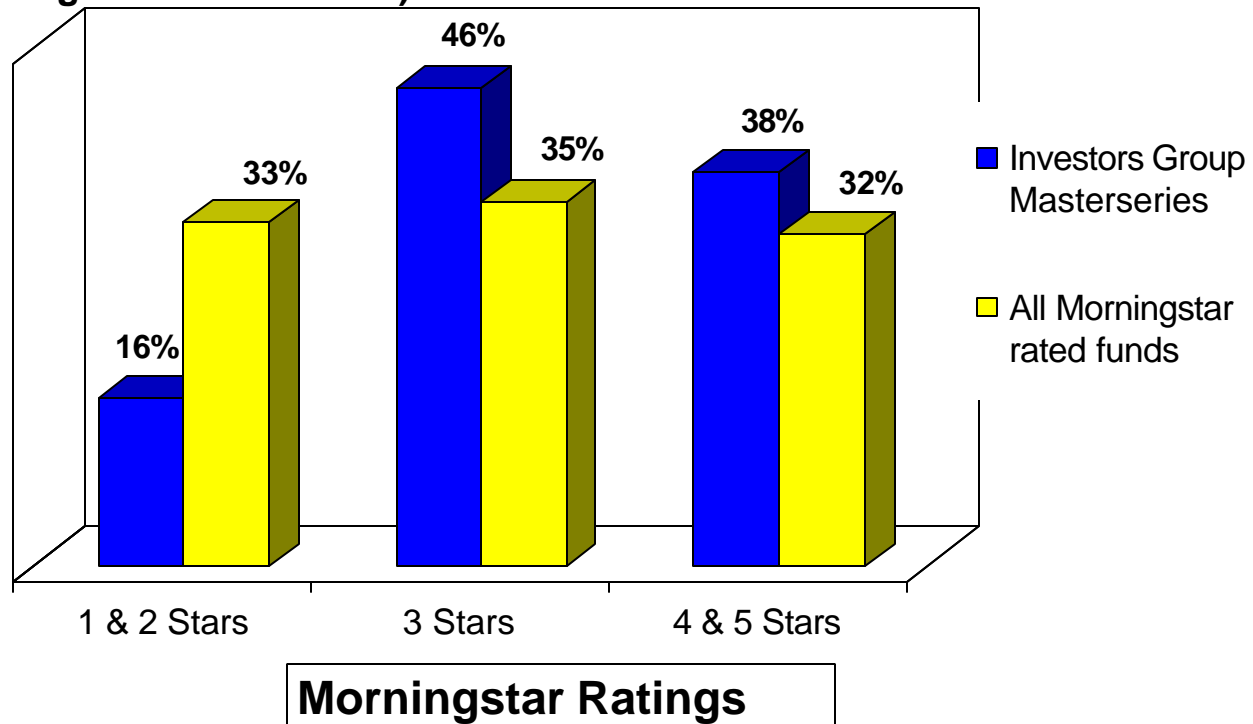


Numbers have been retroactively restated to exclude Maxxum redemptions (Maxxum operations were transferred to Mackenzie October 5, 2001)

Consultant Network Mutual Fund Product Offering

- ◆ **84%* of Investors Group Masterseries mutual funds enjoy a three-star Morningstar rating or higher. 38% of Masterseries funds have a four or five-star rating.**

Distribution of Morningstar Ratings at September, 2003
(Percentage of Mutual Funds)



* of IG Masterseries funds rated by Morningstar.

Source - Bell Charts, Morningstar

Investors Group Product Developments

- ◆ ***Investors Group has re-branded its 1World portfolios as Allegro, and added the Alto Portfolios to its portfolio solutions offerings.***
 - The Alto and Allegro portfolios are fund-of-fund programs offering:
 - ongoing re-balancing mechanism
 - broad and diversified portfolios, regardless of the size of initial investment

allegro[™]
PORTFOLIOS

- Seven portfolios built with 28 underlying funds advised on by ten leading investment management firms
 - AGF, Bluewater, Cundill, Fidelity, Goldman Sachs, Henderson, Investors Group, Mackenzie, Sceptre and Waddell & Reed

ALTO[™]
PORTFOLIOS

- Seven portfolios built with 21 underlying funds advised on by six leading investment management firms
 - Bluewater, Cundill, Henderson, Investors Group, Mackenzie and Waddell & Reed

Investors Group Product Developments

- ◆ *Investors Group has launched Symphony, Investors Group's new strategic investment planning approach.*

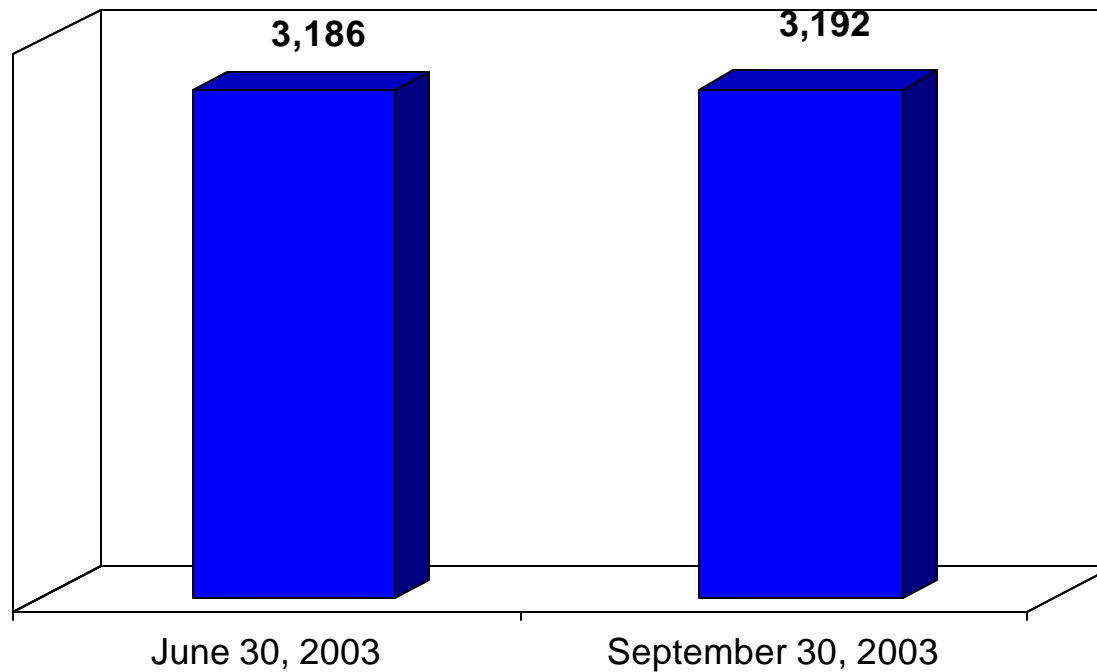


- The Symphony approach includes software that supports Investors Group Consultants in portfolio construction and asset allocation
- Enhances Investors Group Consultants' effectiveness and productivity
- Client benefits include improved risk-adjusted portfolio performance and enhanced reporting

Consultant Network

- ◆ *Strengthening the Consultant Network is a priority for Investors Group's management team.*

Number of Investors Group Consultants



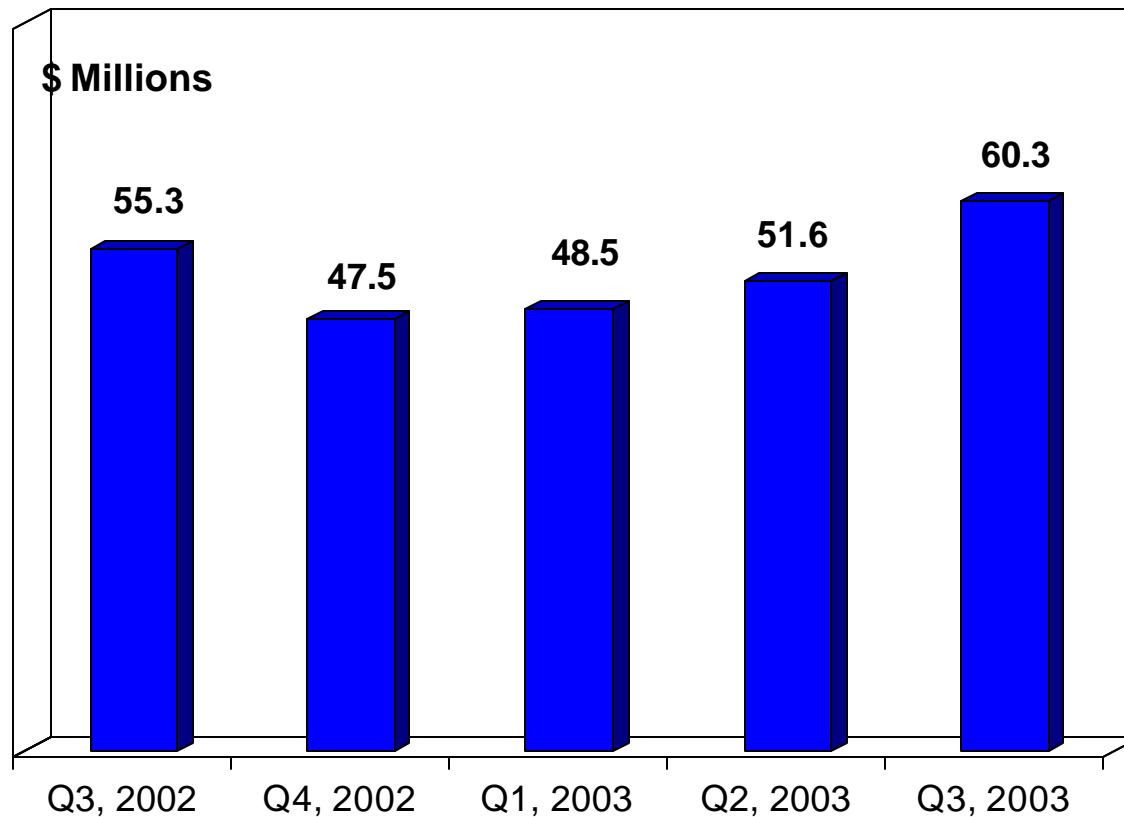
At September 30, 2003, 61% of Investors Group Consultants had been with Investors Group for over four years.

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Income before Interest and Taxes

- ◆ *During the Q3, 2003, Mackenzie's Income before Interest and Taxes increased by 9.2% relative to Q3, 2002.*

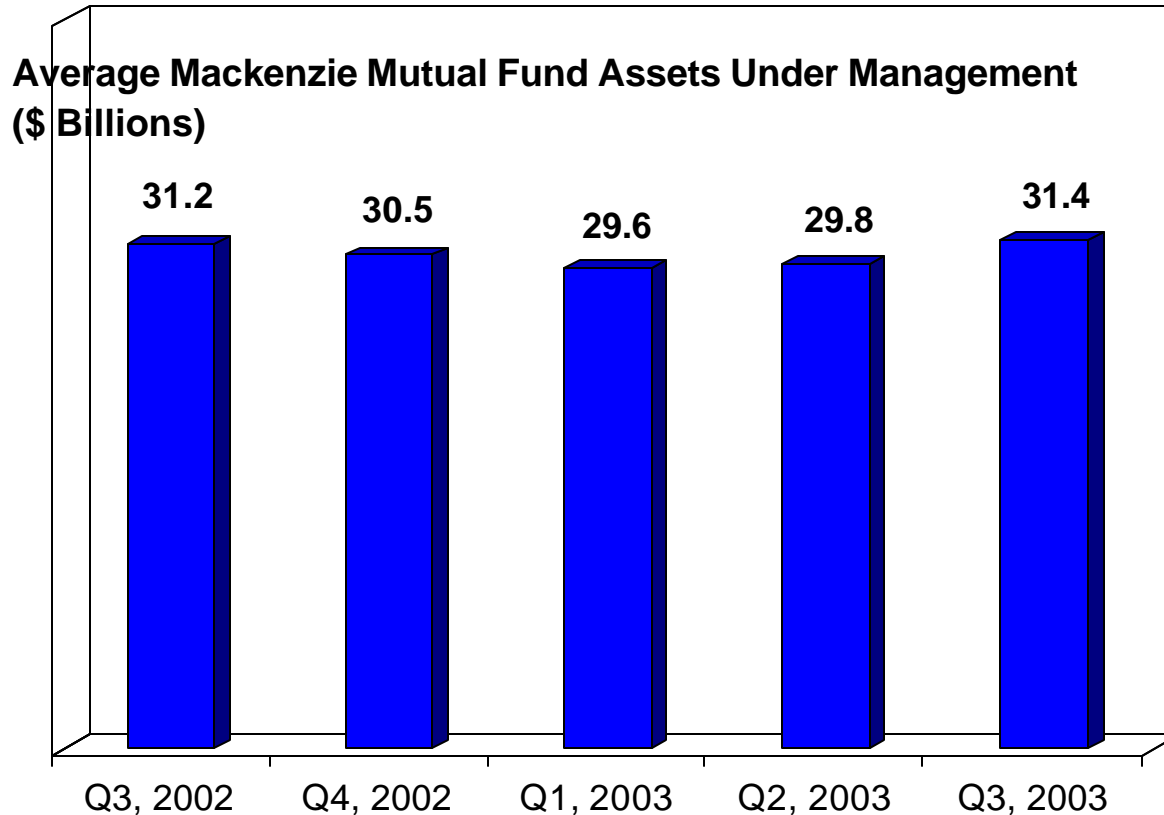


All periods exclude discontinued operations (Mackenzie Investment Management Inc.)



Mackenzie Mutual Fund Assets Under Management

- ♦ *The average balance of mutual fund assets under management was 0.8% higher during Q3, 2003 than in Q3, 2002, and increased by 5.5% relative to Q2, 2003.*



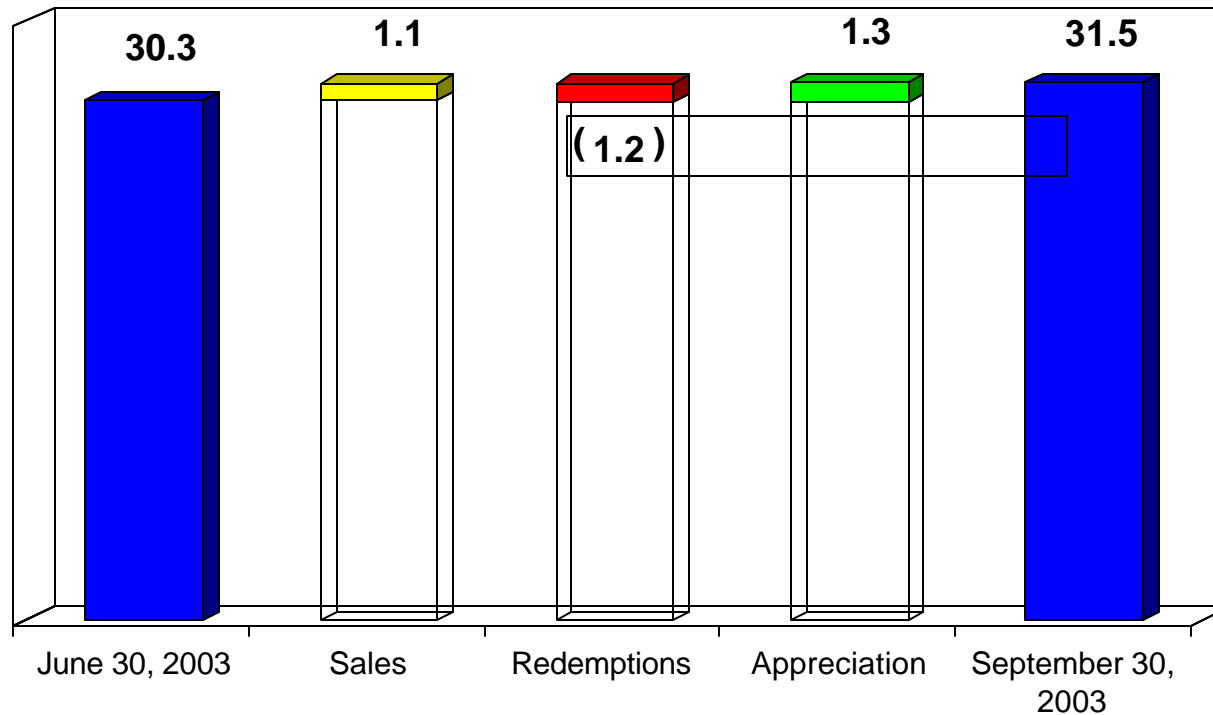
Hedge funds are included in Mutual Fund Assets Under Management (hedge funds are not reported within IFIC data).



Mackenzie Mutual Fund Assets Under Management

- ◆ *Mackenzie's mutual fund assets under management increased by 4.1% during Q3, 2003 due to appreciation.*

Mackenzie Mutual Fund Assets Under Management (\$ Billions)



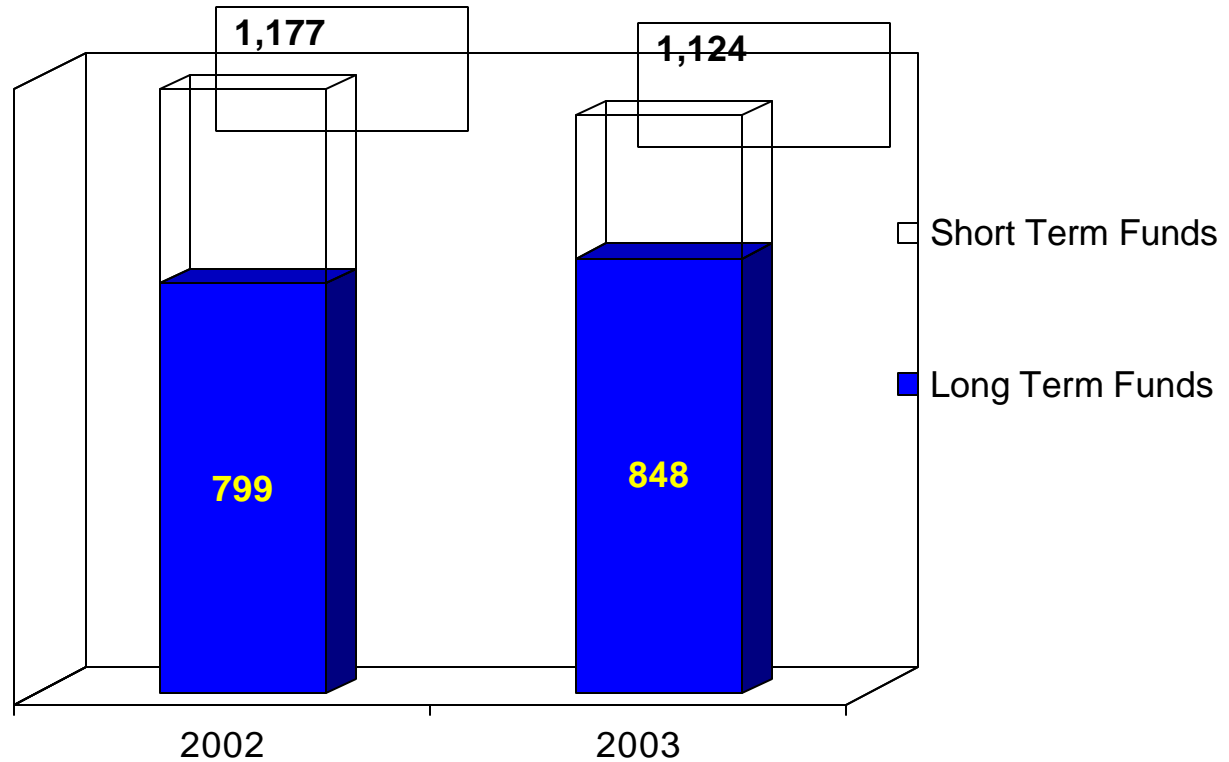
Hedge funds are included in Mutual Fund Assets Under Management (hedge funds are not reported within IFIC data).



Mackenzie Mutual Fund Sales

- ◆ *Mackenzie's sales of long term funds increased 6.1% relative to last year.*

Mackenzie Canadian Mutual Fund Sales
Quarters ended September 30 (\$ Millions)



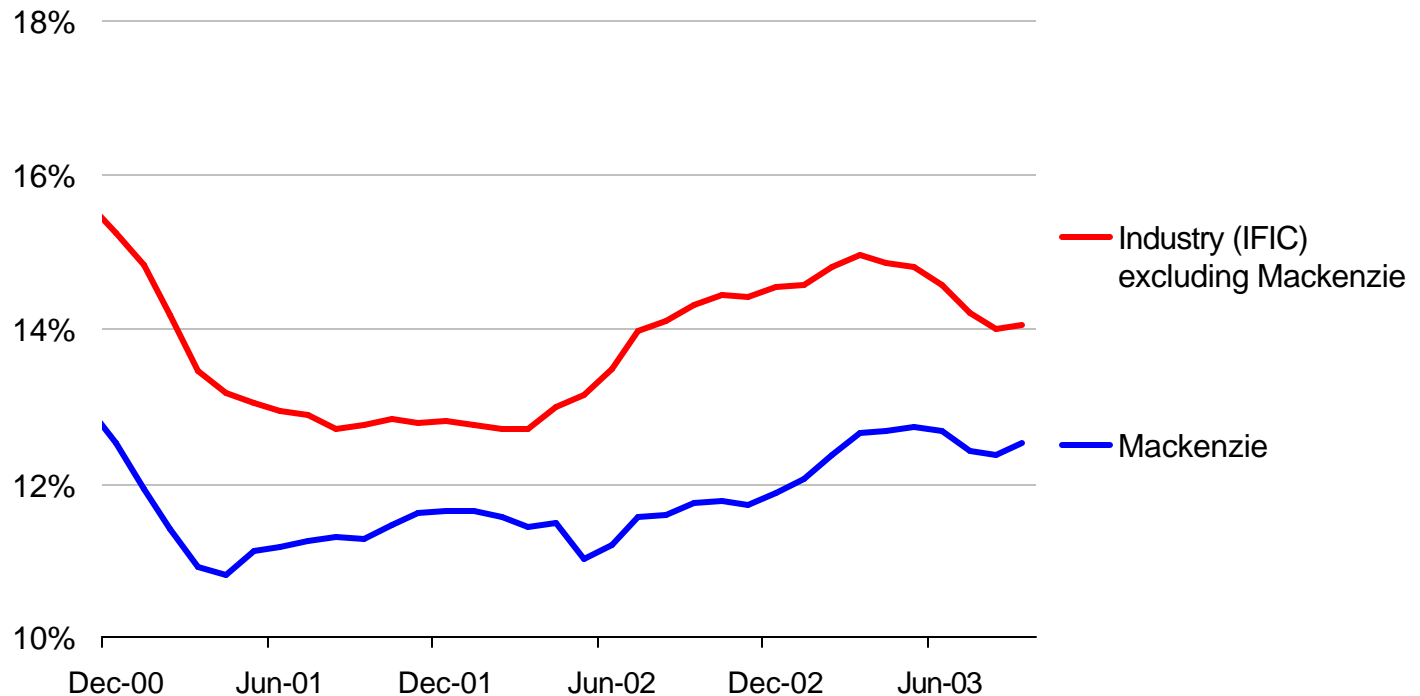
Hedge funds are included in Mutual Fund Sales (hedge funds are not reported within IFIC data).



Mackenzie Mutual Fund Redemption Rate

- ◆ *Mackenzie's redemption rate on long term assets is below the industry rate.*

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



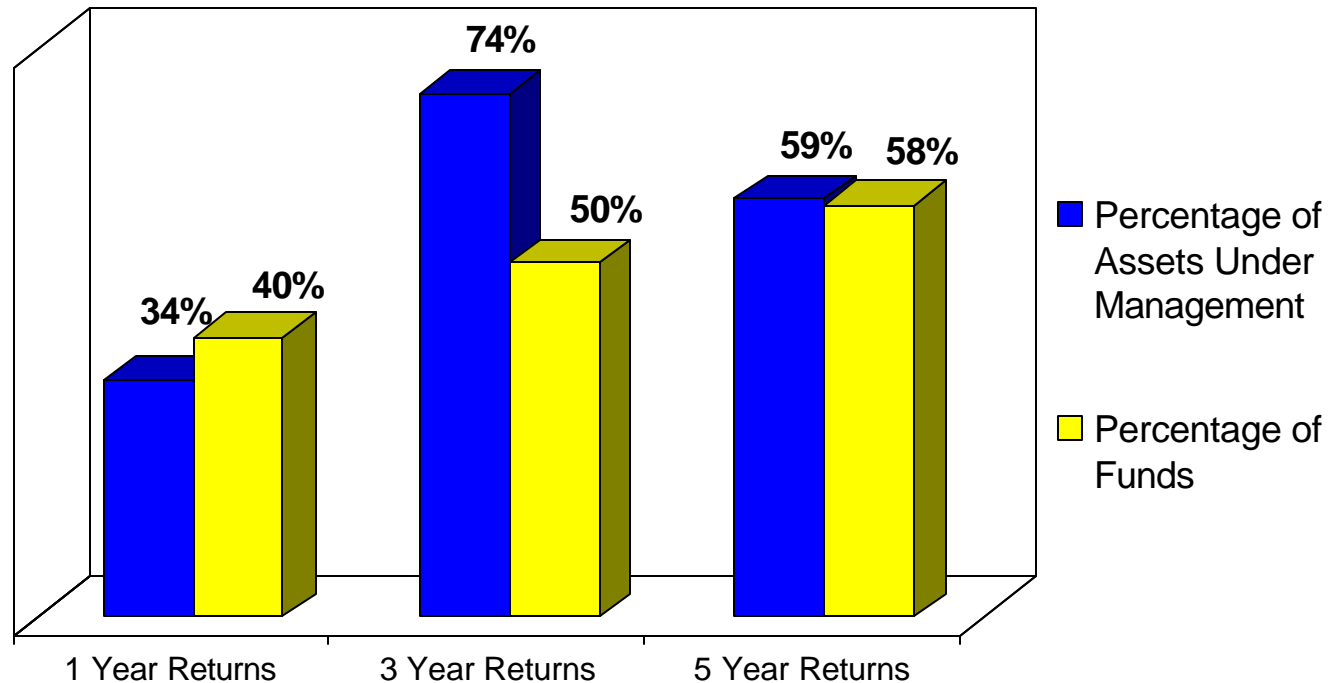
Numbers have been retroactively restated to include Maxxum redemptions (Maxxum operations were transferred to Mackenzie October 5, 2001). Hedge funds have been excluded from Mackenzie numbers for comparability (Hedge funds are not reported within IFIC data).



Mackenzie Investment Performance

- ◆ *Mackenzie's disciplined approach to investment management has produced strong results, with 59% of its assets delivering first or second quartile performance in terms of five year returns.*

Funds in First or Second Quartile at September 30, 2003



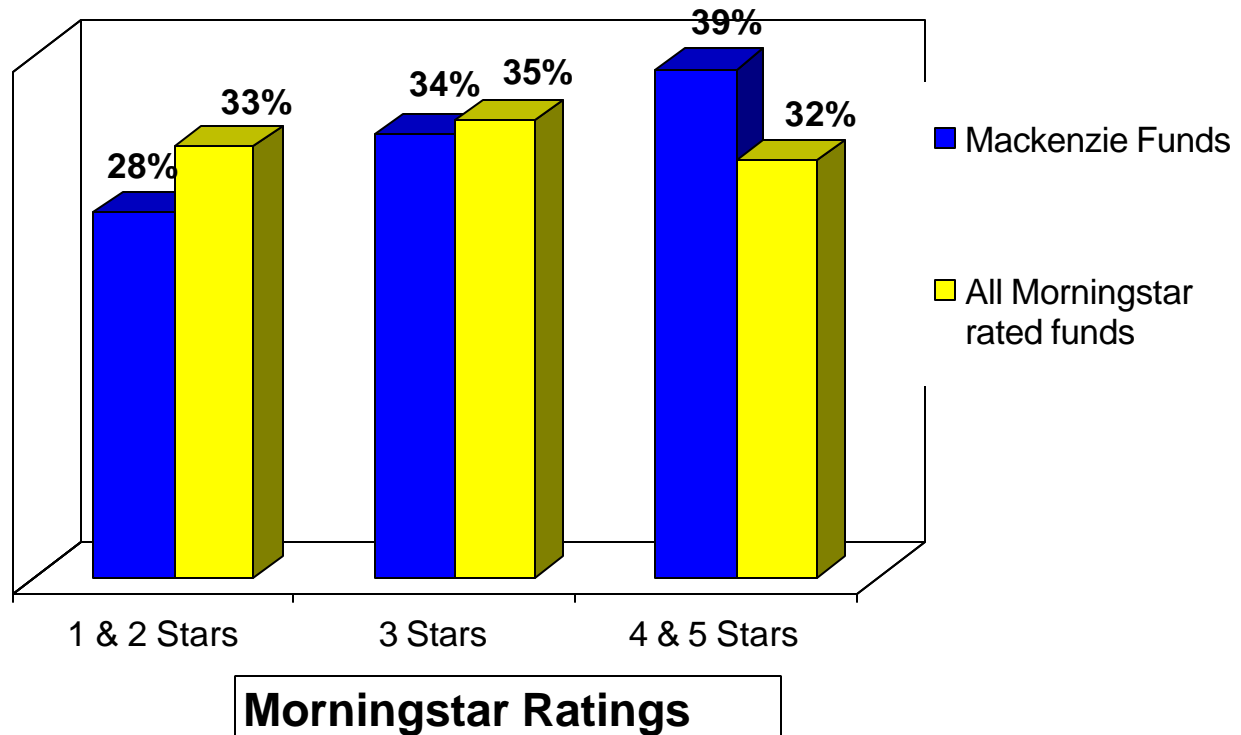
Source - Bell Charts, Morningstar



Mackenzie Investment Performance

- ◆ *Mackenzie has more five-star Morningstar-rated funds than any other fund manager in Canada.*

Distribution of Morningstar Ratings at September 30, 2003
(Percentage of Funds)



Source - Bell Charts, Morningstar



Mackenzie & MRS Product Developments

- ◆ *Mackenzie and MRS introduced a number of new products and enhancements.*

Internalization of RRSP-eligible Foreign Fund derivatives

- During the quarter we added new **RRSP-eligibility features to our tax efficient Capital Class Funds**
 - Broadens appeal to both taxable and registered plan investors.
 - In the longer term this initiative will reduce the number of Mackenzie funds required to address the differing needs of taxable and registered plan investors.
 - Substantially all of the fees paid to external institutions for RRSP eligible deposits and derivatives have now been internalized.

Strategic and tactical asset allocation services

- In conjunction with Mercers and our Asset Allocation team, the MRS Group filed a prospectus to offer the **Keystone Asset Allocation Program in an efficient Fund of Funds format** for the first time.



Mackenzie & MRS Product Developments

- ◆ *Mackenzie and MRS introduced a number of new products and enhancements.*

Structured Products

- During the quarter Mackenzie and MRS participated in the launch of a **CIBC FULPaY™ Guaranteed Note structure**.
 - Note includes three popular Mackenzie Funds and was sold through both IDA and MFDA registrants.
 - MRS played a role in marketing and clearing this structured product for MFDA registrants.
- **Capital Class Fund Corporation now RRSP-eligible.**
 - Includes new tax-efficiency features
 - Makes Capital Class Funds an ideal vehicle to participate in the increasingly popular arena of tax-efficient structured income products.

Software Services

- **Winfund launches net version of its popular mutual fund dealer system.**
 - Launched in September at its annual dealer conference.



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