



News Release

Readers are referred to the disclaimer regarding Forward-Looking Statements at the end of this Release.

IGM FINANCIAL INC. REPORTS SECOND QUARTER EARNINGS INCREASES DIVIDEND

Winnipeg – August 4, 2011: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the second quarter of 2011.

Net earnings available to common shareholders for the three months ended June 30, 2011 were \$216.9 million or 84 cents per share compared to \$178.3 million or 68 cents per share in 2010. This represents an increase of 23.5% on a per share basis.

Net earnings available to common shareholders for the six months ended June 30, 2011 were \$428.7 million or \$1.65 per share compared to \$370.0 million or \$1.40 per share in 2010. This represents an increase of 17.9% on a per share basis.

Revenues for the three months ended June 30, 2011 were \$710.2 million compared to \$636.7 million a year ago. Revenues for the six months ended June 30, 2011 were \$1.43 billion compared to \$1.30 billion a year ago. Expenses were \$427.0 million for the second quarter of 2011 compared to \$398.6 million a year ago and \$860.1 million for the six month period compared to \$798.6 million in 2010.

Total assets under management at June 30, 2011 were \$130.2 billion. This compared with total assets under management of \$115.7 billion at June 30, 2010, an increase of 12.5%.

Shareholders' equity at June 30, 2011 was \$4.4 billion compared to \$4.3 billion at June 30, 2010. Return on average common equity for the six months ended June 30, 2011 was 20.4% compared to 17.8% for the comparative period in 2010.

INVESTORS GROUP OPERATIONS

At June 30, 2011 there were 2,659 Consultants with 4 years or more of Investors Group experience, up from 2,655 at March 31, 2011. The number of Investors Group Consultants was 4,592 at June 30, 2011, up from 4,586 at March 31, 2011.

“Sales increased over 2010 by 8% for mutual funds, 14% for insurance and 7% for mortgage originations as our Consultants served the diverse financial planning needs of our clients,” said Murray J. Taylor, President and Chief Executive Officer of Investors Group Inc. “Our total number of Consultants reflects continued strong retention of experienced Consultants and refinements to our recruiting process introduced earlier this year.”

Mutual fund sales for the second quarter were \$1.41 billion compared to \$1.32 billion in the prior year, and mutual fund net redemptions for the second quarter were \$145 million compared to net redemptions of \$103 million a year ago.



- 2 -

Mutual fund sales for the six months ended June 30, 2011 were \$3.45 billion compared to \$3.20 billion in the prior year and mutual fund net sales were \$359 million compared to \$458 million a year ago.

The twelve month trailing redemption rate (excluding money market funds) was 8.5% at June 30, 2011, compared to 8.4 % at March 31, 2011 and 8.3% at December 31, 2010.

Mutual fund assets under management at June 30, 2011 were \$62.2 billion compared to \$55.5 billion at June 30, 2010, an increase of 12.1%.

MACKENZIE OPERATIONS

Total sales for the second quarter of 2011 were \$2.68 billion compared to \$3.34 billion in the prior year. Total net redemptions for the second quarter were \$173 million compared to total net redemptions of \$516 million a year ago.

Total sales for the six months ended June 30, 2011 were \$6.17 billion compared to \$6.57 billion in the prior year. Total net redemptions were \$52 million compared to total net redemptions of \$415 million a year ago.

“Investment performance of our mutual fund family remained strong, with 73% of our fund assets ranked in the first or second quartile of their respective asset categories over the last three years,” said Charles R. Sims, F.C.A., President and Chief Executive Officer of Mackenzie Financial Corporation.

Mackenzie’s total assets under management at June 30, 2011 were \$68.8 billion compared with total assets under management of \$60.9 billion at June 30, 2010, an increase of 13.0%. Mutual fund assets under management at June 30, 2011 were \$43.6 billion compared to \$38.9 billion a year ago, an increase of 12.2%.

DIVIDENDS

The Board of Directors has declared an increase of 2.50 cents per share in the quarterly dividend from 51.25 cents to 53.75 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 is payable on October 31, 2011 to shareholders of record on September 30, 2011 and the preferred share dividend is payable on October 31, 2011 to shareholders of record on September 30, 2011.

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 for the purposes of assisting 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 and 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.

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 (including adoption of International Financial Reporting Standards), 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 success in anticipating and managing the foregoing factors.

The reader is cautioned that the foregoing list of factors 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 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 is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at www.sedar.com.

The unaudited interim 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 over \$128 billion in total assets under management as of July 31, 2011. Its activities are carried out principally through Investors Group, Mackenzie Financial Corporation and Investment Planning Counsel. IGM Financial Inc. is a member of the Power Financial Corporation group of companies.

For more information contact:

Ron Arnst
Media Relations
IGM Financial Inc.
Tel: (204) 956-3364
ron.arnst@igmfinancial.com

Media Note: A live webcast of IGM's Analyst conference call for the Second Quarter 2011 will be held Thursday August 4, 2011 at 1:30 P.M. (ET) at www.igmfinancial.com. Media and interested parties may alternatively choose to listen to the live analyst teleconference call by dialing **1-866-226-1792** or **416-340-2216**.

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

<i>(unaudited)</i>	Three months ended		Six months ended	
<i>(in thousands of Canadian dollars, except shares and per share amounts)</i>	2011	2010	2011	2010
Revenues				
Management fees	\$ 491,734	\$ 455,458	\$ 983,796	\$ 905,192
Administration fees	92,982	89,168	185,775	177,682
Distribution fees	83,997	71,946	173,688	144,795
Net investment income and other	41,496	20,094	87,356	74,306
	710,209	636,666	1,430,615	1,301,975
Expenses				
Commission	228,866	212,005	462,495	425,701
Non-commission	171,980	159,016	341,163	318,043
Interest	26,139	27,571	56,410	54,873
	426,985	398,592	860,068	798,617
Earnings before income taxes	283,224	238,074	570,547	503,358
Income taxes	64,116	57,589	137,396	127,640
Net earnings	219,108	180,485	433,151	375,718
Perpetual preferred share dividends	2,212	2,213	4,425	5,680
Net earnings available to common shareholders	\$ 216,896	\$ 178,272	\$ 428,726	\$ 370,038
Average number of common shares (in thousands)				
- Basic	258,296	262,339	258,792	262,485
- Diluted	259,559	263,567	259,892	263,790
Earnings per share (in dollars)				
- Basic	\$ 0.84	\$ 0.68	\$ 1.66	\$ 1.41
- Diluted	\$ 0.84	\$ 0.68	\$ 1.65	\$ 1.40

Financial Highlights

<i>(unaudited)</i>	Three months ended June 30			Six months ended June 30		
	2011	2010	% Change	2011	2010	% Change
Net earnings available to common shareholders <i>(\$ millions)</i>	\$ 216.9	\$ 178.3	21.7 %	\$ 428.7	\$ 370.0	15.9 %
Diluted earnings per share	0.84	0.68	23.5	1.65	1.40	17.9
Return on equity				20.4%	17.8%	
Dividends per share	0.5125	0.5125	-	1.025	1.025	-

Total assets under management ⁽¹⁾ <i>(\$ millions)</i>	\$ 130,159	\$ 115,694	12.5 %
Investors Group			
Mutual funds	62,158	55,468	12.1
Mackenzie			
<i>Mutual funds</i>	43,601	38,867	
<i>Sub-advisory, institutional and other accounts</i>	25,206	22,020	
Total	68,807	60,887	13.0
Counsel			
Mutual funds	2,845	2,171	31.0

Mutual Funds and Institutional Sales <i>(\$ millions)</i>	Investors Group	Mackenzie	Counsel	Total ⁽²⁾
For the three months ended June 30, 2011				
Gross sales	\$ 1,405	\$ 2,684	\$ 134	\$ 3,961
Net sales (redemptions)	(145)	(173)	52	(486)
For the six months ended June 30, 2011				
Gross sales	\$ 3,451	\$ 6,170	\$ 302	\$ 9,537
Net sales (redemptions)	359	(52)	125	133

⁽¹⁾ Total assets under management excluded \$3.7 billion of assets sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel (\$2.8 billion at June 30, 2010).

⁽²⁾ Total Gross Sales and Net Sales for the three months ended June 30, 2011 excluded \$262 million and \$220 million respectively in accounts sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel. Total Gross Sales and Net Sales for the six months ended June 30, 2011 excluded \$386 million and \$299 million respectively in accounts sub-advised by Mackenzie on behalf of Investors Group and Investment Planning Counsel.