

Ten Year Review

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

For the years ended December 31

(\$ thousands, except per share amounts)	2009	2008	2007	2006	2005	CAGR ⁽¹⁾		2004	2003	2002	2001	2000	CAGR ⁽¹⁾	
						5 YEAR	%						10 YEAR	%
Fee income	2,250,083	2,502,516	2,700,961	2,392,298	2,164,472	2.8		1,955,740	1,714,373	1,813,205	1,626,934	1,075,504		9.1
Net investment income	62,207	165,563	191,227	210,236	181,677	(17.4)		162,180	159,808	126,510	133,515	121,604		(3.3)
	2,312,290	2,668,079	2,892,188	2,602,534	2,346,149	1.8		2,117,920	1,874,181	1,939,715	1,760,449	1,197,108		8.5
Operating expenses	1,532,568	1,644,729	1,658,371	1,494,613	1,372,222	4.1		1,256,555	1,050,722	1,133,066	1,176,427	690,398		9.6
	779,722	1,023,350	1,233,817	1,107,921	973,927	(2.0)		861,365	823,459	806,649	584,022	506,710		6.5
Dilution gain	–	–	–	–	–	–		–	14,820	–	–	–		–
Income before undernoted	779,722	1,023,350	1,233,817	1,107,921	973,927	(2.0)		861,365	838,279	806,649	584,022	506,710		6.5
Income taxes	220,630	292,551	354,682	331,231	291,500	(3.6)		264,969	299,198	317,401	252,474	222,418		2.1
	559,092	730,799	879,135	776,690	682,427	(1.3)		596,396	539,081	489,248	331,548	284,292		9.0
Goodwill amortization, net of tax	–	–	–	–	–	–		–	–	–	71,969	267		–
	559,092	730,799	879,135	776,690	682,427	(1.3)		596,396	539,081	489,248	259,579	284,025		9.0
Discontinued operations	–	–	–	–	–	–		–	–	1,811	116	–		–
Net income – GAAP	559,092	730,799	879,135	776,690	682,427	(1.3)		596,396	539,081	491,059	259,695	284,025		9.0
Adjusted net income⁽²⁾	621,918	766,142	863,867	763,042	682,427	0.2		615,577	533,563	491,059	392,637	284,292		10.2
Diluted earnings per share (\$)														
GAAP	2.12	2.76	3.29	2.90	2.56	(1.1)		2.24	2.03	1.85	1.05	1.35		6.6
Adjusted ⁽²⁾	2.35	2.89	3.23	2.85	2.56	0.3		2.31	2.01	1.85	1.58	1.35		7.7
Dividends per share (¢)	205	200	178	154	134	12.3		115	99	86	73	61		15.4
Return on average														
common equity (ROE) (%)														
GAAP	13.3	17.3	21.9	21.4	20.0	–		19.1	19.1	19.2	16.7	28.1		–
Adjusted ⁽²⁾	14.8	18.2	21.5	21.1	20.0	–		19.8	18.9	19.2	19.6	28.1		–
Average shares outstanding (thousands)														
– Basic	263,217	263,323	264,604	264,724	264,573	–		264,431	263,915	263,487	247,093	210,012		–
– Diluted	264,324	264,808	267,303	267,395	266,609	–		266,010	265,174	264,873	247,932	210,870		–
Share price (closing \$)	42.41	35.45	50.03	49.10	46.12	3.0		36.64	31.05	26.75	25.50	25.95		7.5

Includes Mackenzie from date of acquisition (April 20, 2001).

Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

(1) Compound annual growth rate.

(2) Non-GAAP Financial Measures – Items denoted as being excluded refer to:

2009 – A non-cash charge on available for sale equity securities, net of tax, a non-cash income tax benefit and the premium paid on the redemption of Series A preferred shares as discussed on page 18 of the Management's Discussion and Analysis (MD&A).

2008 – Proportionate share of Great-West Lifeco Inc.'s after-tax impairment charge and proportionate share of Great-West Lifeco Inc.'s after-tax gain on the sale of its healthcare business, Great-West Healthcare as discussed on page 18 of the MD&A.

2007 – Non-cash income tax benefit as discussed on page 18 of the MD&A.

2006 – Non-cash income tax benefit.

2004 – Unitbolder compensation.

2003 – Dilution gain, restructuring reversal and non-cash income tax charge.

2001 and 2000 – Goodwill amortization and Mackenzie restructuring costs.

Ten Year Review

STATISTICAL INFORMATION

For the years ended December 31

(\$ millions)	2009	2008	2007	2006	2005	CAGR ⁽¹⁾		2004	2003	2002	2001	2000	CAGR ⁽¹⁾	
						5 YEAR	%						10 YEAR	%
Mutual funds														
Investors Group														
Sales	5,042	5,946	7,229	6,190	5,488	1.3		4,722	4,021	4,916	6,027	7,053		(1.6)
Redemption rates (%)														
– total	9.0	9.4	8.4	9.0	10.0	–		10.6	12.8	12.6	11.6	14.0		–
– long-term funds	7.4	7.9	7.3	7.9	8.7	–		9.1	10.7	10.2	9.6	11.7		–
Net sales (redemptions)	404	625	2,158	1,345	778	13.1		218	(839)	(109)	1,031	976		(11.5)
Assets under management	57,655	47,491	60,194	58,216	50,701	5.3		44,510	40,904	37,588	41,644	44,498		3.6
Mackenzie⁽²⁾														
Sales	4,905	7,949	8,453	8,424	8,075	(6.3)		6,786	5,282	5,998	3,454	–		–
Redemption rates (%)														
– total	17.5	22.4	17.8	17.8	17.6	–		16.9	17.3	17.6	16.7	–		–
– long-term funds	14.6	18.7	14.1	15.2	14.8	–		13.8	13.0	11.9	11.6	–		–
Net sales (redemptions)	(1,566)	(1,553)	(89)	658	1,175	N/M		795	(69)	288	24	–		–
Assets under management	40,624	35,814	46,563	46,600	41,592	1.7		37,298	33,770	30,860	33,400	–		–
Investment Planning Counsel														
Sales	343	244	364	352	407	–		259	–	–	–	–		–
Redemption rates (%)														
– total	12.7	15.8	9.8	9.8	10.2	–		10.5	–	–	–	–		–
– long-term funds	11.6	14.8	9.4	9.4	9.7	–		9.5	–	–	–	–		–
Net sales (redemptions)	106	(80)	139	155	237	–		161	–	–	–	–		–
Assets under management	2,140	1,740	2,268	2,206	1,858	7.4		1,497	–	–	–	–		–
Combined mutual fund assets under management⁽³⁾														
	100,419	85,025	108,994	106,987	94,116	3.8		83,273	74,674	68,448	75,044	44,498		9.5
Total assets under management	120,545	101,742	122,982	119,364	100,233	6.8		86,621	76,737	69,969	76,951	44,498		11.5
Corporate assets	8,646	8,263	7,859	7,333	6,807	6.0		6,473	6,292	5,987	6,122	1,985		16.9
Consultants – Investors Group	4,633	4,479	4,331	3,917	3,668	5.8		3,496	3,223	3,324	3,409	3,483		2.5

Includes Mackenzie from date of acquisition (April 20, 2001).

Includes Investment Planning Counsel from date of acquisition (May 10, 2004).

(1) Compound annual growth rate.

(2) For Canadian mutual fund operations only.

(3) Adjusted for inter-segment assets.