

# A solid platform for growth

AGF MANAGEMENT LIMITED Annual Report 2007

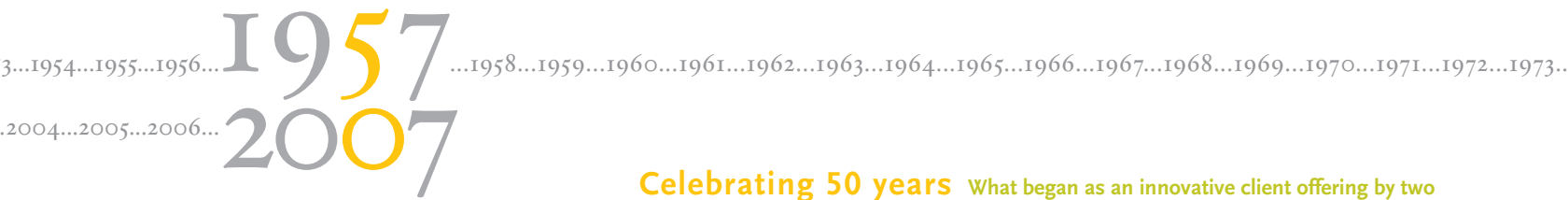


What are you doing after work?

AGF Management Limited is one of Canada's leading independent financial services firms, with strong investment management roots going back to 1957. Fiscal 2007 marked AGF's 50th anniversary and its most successful year from a financial results perspective. Through its offices across Canada and its subsidiaries around the world, AGF has a proud history of delivering top-quality, innovative products and services through a broad distribution network to more than one million investors.

With approximately \$54.0 billion in total assets under management and close to \$4 billion in loan assets, AGF strives to be the premier provider of investment management and financial solutions to retail, institutional and high-net-worth clients.

AGF's products and services include a diversified family of more than 50 mutual funds, the AGF Harmony tailored investment program, the evolutionary AGF Elements portfolios, AGF institutional account services, high-net-worth products, and AGF Trust GICs, investment loans and real estate secured loans. AGF trades on the Toronto Stock Exchange under the symbol *AGF.B*.



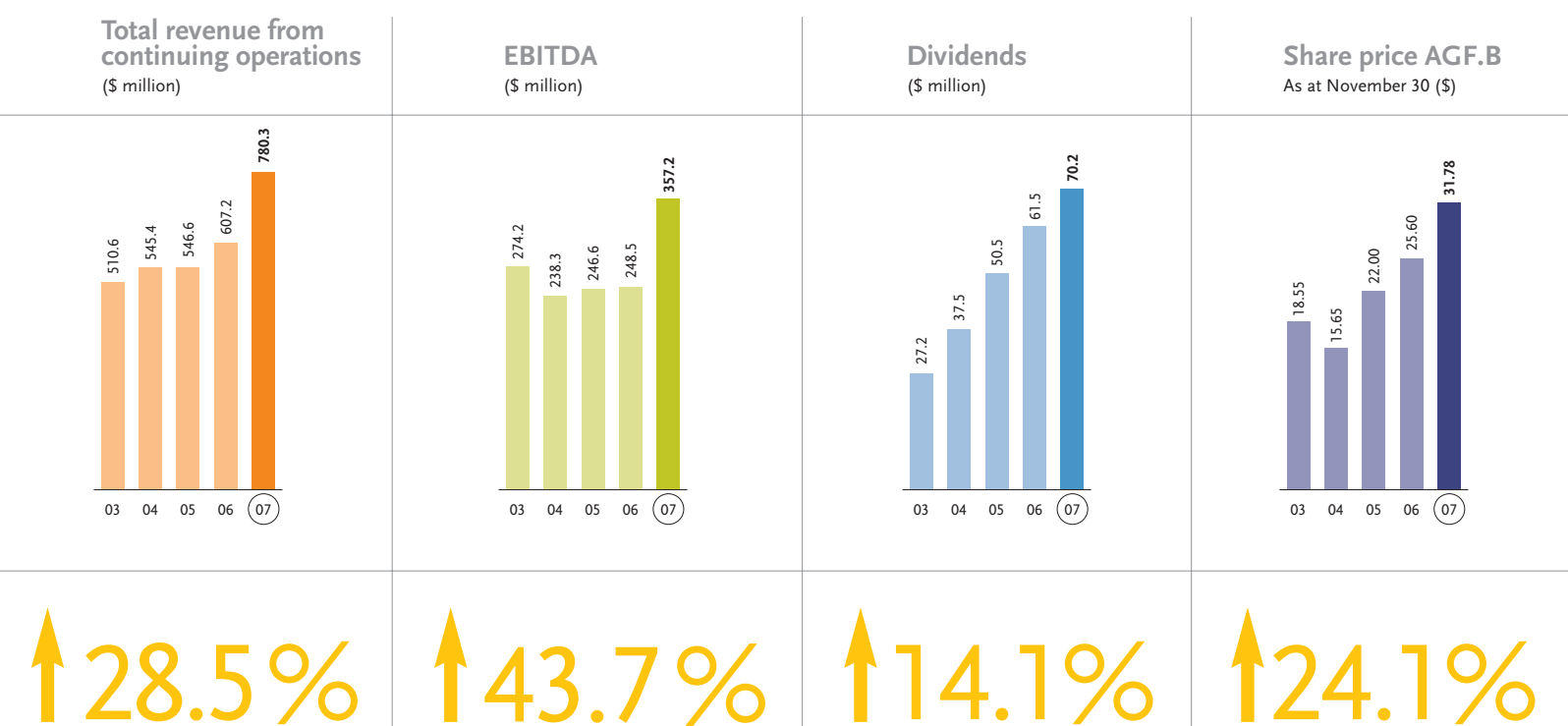
**Celebrating 50 years** What began as an innovative client offering by two portfolio managers in 1957 has become one of Canada's largest independent financial services companies with a global reach. Our goal has always been to deliver predictable excellence in investment management, a wide and relevant spectrum of financial products that meet our clients' needs and outstanding client service.

*See inside back cover*

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- 2007 represented our fifth consecutive year of revenue growth, with total revenue for the fiscal year increasing by 28.5% over 2006
- Earnings before interest, taxes, depreciation and amortization (EBITDA) for fiscal 2007 increased by 43.7% over 2006, and related margins increased to 45.8% in 2007 compared with 40.9% in 2006
- Total dividends paid out in 2007 of \$70.2 million increased by 14.1% over the 2006 payout of \$61.5 million
- During the 2007 fiscal year, AGF Class B Shares, listed on the Toronto Stock Exchange, increased 24.1% over 2006



**Building on a solid platform** AGF's growth potential is based on demonstrated excellence in investment management, increasingly diversified revenue streams and strong advisor relationships, supported by a skilled management team and a respected brand with a 50-year history. We will build on this platform by adding new products and services – through organic growth and acquisitions – that meet the needs of our clients and provide returns to our shareholders.

**Our business.** AGF Management Limited is one of Canada's leading independent investment managers. Throughout its 50-year history, AGF has been committed to a client-centric approach of providing excellence in investment management.

AGF has three strong platforms for growth that generate significant opportunities for strategic synergies. This distinguishes AGF from its competitors in Canada. In addition, AGF has made strategic investments in operations such as Smith & Williams.

Through its focus on products and relationship and investment management, AGF has built sustainable momentum.

### Products and services for our retail customers

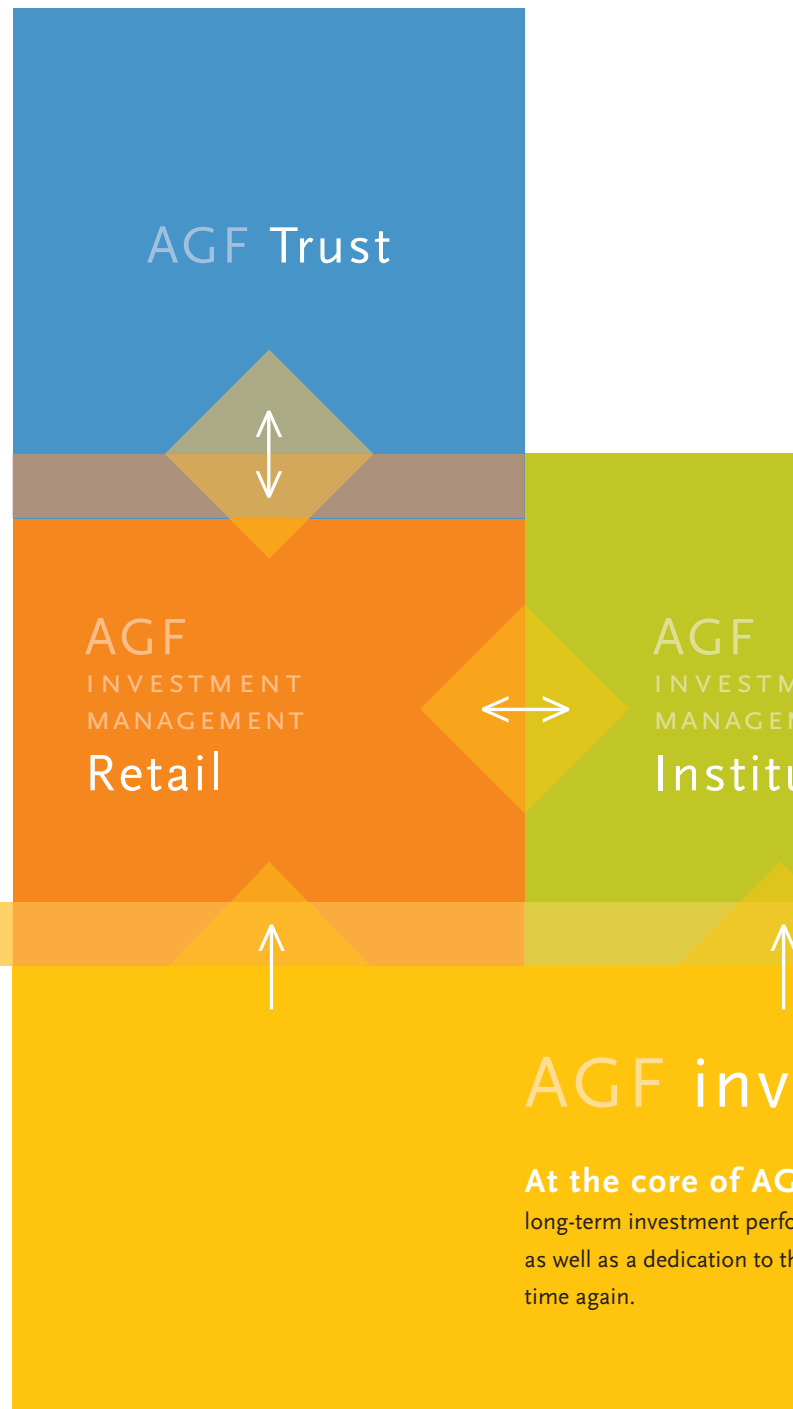
AGF Trust provides financial products and services for the debt side of individual investors' balance sheets through mortgages, investment loans and other services. This capability distinguishes AGF from other investment management firms and enhances our overall value proposition to advisors, insurance agents and mortgage brokers who can now meet a greater proportion of their clients' financial services needs through a single, non-bank source.

### An established solid network

By focusing on relationship management, investment management and product management, AGF has built a culture of predictable excellence in its retail business. The result is that our client advisors and their customers are well-positioned in both challenging and buoyant market conditions and have access to a range of investment products that meet their individual goals, styles and preferences. This strong foundation has resulted in excellent returns, with tremendous potential to leverage this dynamic base of business.



### A solid platform



ment management companies, with offices across Canada and subsidiaries around the world.  
ce in money management to meet and exceed the needs of its retail, institutional and high-net-worth clients.

This unique business model and seamless integration across platforms positions AGF well among its peers and  
Williamson Holdings Limited, which allows AGF to partner with a strong owner-management team abroad.

momentum across each business unit and is poised to continue delivering solid returns to its shareholders.

## Established and broad-based U.K. business

Including AGF's Dublin operations, AGF has a strong presence in Europe through its investment in Smith & Williamson, a company with 10 U.K. offices and 1,400 staff. Smith & Williamson is an independent provider of investment management, accountancy, tax, and corporate and financial advisory services to private clients, corporations, professional practices and non-profit organizations. As at November 30, 2007, Smith & Williamson managed investments of £8.8 billion for their clients.

### A new initiative: leverage from our core expertise

We have restructured our institutional business to mirror the success of our retail operations and leverage our world class investment management team. With strong institutional portfolio managers and a wide and growing array of investment products and services, we have a unique market offering. We are putting in place a robust institutional sales engine to leverage this competitive advantage and increase our assets under management.

Smith & Williamson

Investment  
Management  
Institutional

## Investment management expertise

AGF's business – and fundamental to maximizing growth – is our commitment to maintaining consistent, performance and continuity in the management of our funds. That means having the right people and the right products, to the highest standards of investment management. Investors know what to expect from AGF, and we deliver time and

# A Platform for Growth

We will continue to focus on the three fundamentals that have brought AGF – and its shareholders – half a century of success: the right investment products and performance, a commitment to customer service and delivery, and excellence in money management.

We enter 2008 with a strong balance sheet and the highest cash flow and assets under management in our history. We will continue to build – conservatively – to leverage our unique business platform and capture the many opportunities for growth for which AGF is uniquely positioned.

**Blake C. Goldring, CFA**  
*Chairman and Chief Executive Officer*



It is fitting that our **50th year** in business represents one of the most successful years in the history of AGF Management Limited and each of our business lines. Revenues increased 28.5% to \$780.3 million, while earnings before interest, taxes, depreciation and amortization (EBITDA) from continuing operations were \$357.2 million, 43.7% ahead of the 2006 level. Net income from continuing operations reached \$175.9 million, or \$1.93 per fully diluted share, representing year-over-year increases of 72.3% and 69.3%, respectively.

Cash flow from continuing operations increased 46.2% to \$313.4 million, with free cash flow from operations for 2007 at \$159.1 million. This strong cash generation facilitated another increase in our dividend, announced in January 2008, to \$1.00 per share per annum. This represents an increase of 25% over the previous rate of \$0.80 per share per annum. For 2007, AGF declared dividends totalling \$70.2 million, or \$0.78 per share. The current 25.0% increase in per share dividends represents the eleventh consecutive annual increase. This dividend return, combined with the capital appreciation in AGF's shares, resulted in a total return to shareholders of 27% for the twelve months ended November 30, 2007. This compares favourably with 10% for the S&P/TSX Financials Sector Total Return Index for the same period.

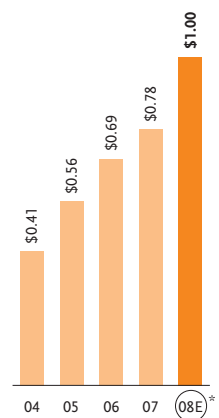
For the first seven months of the year, the external market environment was positive and provided opportunities for our financial success. Markets were stable, and Canadians were investing more internationally. Economic prospects were generally positive and mutual funds were enjoying renewed attention, following a period when alternatives attracted investor interest. However, the latter part of the year was characterized by a liquidity crisis that profoundly affected financial markets and investor confidence.

More critical to our success than the external environment and our ability to thrive during periods of financial turmoil is paying attention to the fundamentals of our business. That means focusing on three core components: quality products that meet client needs, a commitment to superior customer service and building relationships, and excellence in investment management. In 2007, we benefited from three years of renewed focus on these fundamentals and continued to make progress across all these fronts.

**As I reflect upon AGF in its 50th year, I see two things. First, I see a company that has never in its history been stronger. Our balance sheet is strong, we have a record level of cash flow and our assets under management – \$54 billion at year-end – are at the highest level ever.**

Second, I see a company that is well-positioned for growth because of the potential that exists to leverage our unique business platform. This platform includes enhancing the strong relationships we have with our clients by always looking for ways to add value and building on our core investment management expertise and world-class team that we have in place.

**Dividends per share**  
(S)



\* Annualized based on January 30, 2008 announcement of dividend increase.

For example, our focus on customer service has resulted in strong, trusting relationships with financial advisors who can count on AGF for excellence in money management, relevant products and value-added services that they need and want. They know that AGF will deliver what we promise, in terms of both products and services. We are now leveraging these relationships to offer products and services that better enable financial advisors to help their clients meet their financial objectives and achieve their goals and dreams. This expands beyond new mutual fund introductions, although in 2007 we did introduce the AGF Global Dividend Fund and announced a lineup of quantitative funds to be managed by Highstreet in early 2008.

AGF Trust is working hand-in-hand with our core retail funds business to deliver a broad suite of products to the financial advisor community, including investment loans and home equity lines of credit. This strong and rapidly growing business is enabling us to dramatically increase the depth and diversity of new products we can offer to financial advisors, making us a more attractive business partner. We are still in the early days of this initiative, one which we expect will drive consistent revenue growth in our business.

Introducing new products is nothing new to AGF, which has always had a culture of innovation. One of the hallmarks of this company has been our long list of firsts: the first money market fund, the first asset allocation product or service, the first China fund, the first Global Government Bond fund, the first American fund. Going forward, we will continually strive to innovate in order to address the needs of our clients.

Our enhanced institutional strategy represents another example of how we have been able to leverage our strong business platform to generate growth. As we recently announced, this strategy is designed to capitalize on our proven, successful investment management capability and our ability to develop and market new, innovative products. We have a unique opportunity to take our institutional business – which currently has assets under management totalling \$20 billion – and build it into a much larger, Canada-based, international money management business. Three years ago, the institutional business was a relatively minor portion of our activities. In a very short period of time, we have been able to use our investment management expertise in the institutional marketplace, resulting in mandates that enhance our overall profitability.

We expect that international markets will continue to play an important role in helping us to achieve our business objectives. AGF has always been a leader in Canada when it comes to investing offshore, and we have a solid foundation with strong leadership already in place in Dublin, London and Asia. In the short run, the strong Canadian dollar is a complicating factor, but we are building our business

**“Our focus on customer service has resulted in strong, trusting relationships with financial advisors who can count on AGF for excellence in money management, relevant products and value-added services that they need and want...We are now leveraging these relationships to offer products and services that better enable financial advisors to help their clients meet their financial objectives and achieve their goals and dreams.” This means expanding our offerings beyond mutual funds to include a broad suite of new products such as investment loans and home equity lines of credit.**

for the long run and see tremendous potential to build on our established strength in international markets. As we expand our offerings in the international markets, both our retail and institutional businesses are expected to benefit.

AGF is celebrating its 50th anniversary this year. On the inside back cover of this annual report, you will find information related to this corporate milestone. I have been asked many times what these 50 years mean to me personally. It's a particularly meaningful question, coming, as it does, in a year of satisfaction and accomplishment. Looking back, I recognize all the hard work that's been done, the core values that set us apart and demonstrate who we are and what we stand for, all the lessons learned and all the organizational wisdom accumulated. Our management team today has benefited from this history, but we are also focused on taking advantage of the many opportunities presented by our strong platform to springboard our company into the next 50 years.

Looking to 2008, we expect the early part of the year to be characterized by continued volatility in the financial markets, particularly in the United States, followed by a gradual return to market stability. We've worked through difficult markets before and understand that these are the times when our clients most require our help, our expertise and our focus on the long-term.

**We will continue to focus on the fundamentals of our business – quality products tailored to our clients' needs, a continued commitment to value-added customer service and investment management excellence. While we will clearly be affected by short-term market considerations, like others in the industry, we will continue to build our business for the long term, leveraging our strong, unique platform to take advantage of expanded market opportunities.**

In closing, I'd like to thank everyone who helped make 2007 another great year for AGF Management Limited – our clients, unitholders, employees and advisor-partners. I also wish to acknowledge the contribution of our Board of Directors, whose strong counsel and oversight are critical to our corporate success. Finally, I'd like to thank you, our shareholders, for your continuing support.

Yours sincerely,



**Blake C. Goldring, CFA**  
*Chairman and Chief Executive Officer*

# A commitment to strong governance

Ultimately, any company's most vital asset is its reputation for trustworthiness – and this is doubly true for a company that deals in products and services that enhance clients' financial health and security.

Our reputation for trustworthiness is an asset we safeguard with an unwavering commitment to the principles and practices of good corporate governance.

Good governance relies on directors having the experience, the financial literacy and the independence of mind and thought, as well as the commitment of time and energy, to actively engage in the company's affairs on behalf of all shareholders. Our approach to governance substantially exceeds the formally mandated minimum, and that has been a hallmark of our business for 50 years. Beyond ensuring mere compliance, our approach to the practice of corporate governance actively builds a stronger, more valuable company.

In particular, our board's mandate includes these practices:

- review and approval of the Company's long-range and annual strategic and business plans
- assessment of the Company's affairs based on comprehensive and regular reports from management, our auditors and other independent advisors
- approval of all material communications to shareholders to ensure clear, fair and accurate disclosure
- assessment of the effectiveness of management and the various committees of the board, including individual board members

The effectiveness of our board was enhanced in 2007 with the addition of John Schucht, who brings more than four decades of experience in the financial services industry to our company. John was Chief Operating Officer of the CT Financial Group of Companies until 1997, and he has served on the board of Highstreet Asset Management Inc. and as Chair of EllisDon Inc. since 1999. John has also been active in the public sector as a Vice-Chair of the Robarts Research Institute and in fundraising campaigns for London-area hospitals. John has also joined the board of AGF Trust Company.

Judy G. Goldring, LL.B., Senior Vice-President and General Counsel of AGF Management Limited, also joined our board in 2007. Judy has a strong background in administrative law, having appeared before numerous tribunals. Prior to her work at AGF, Judy practiced law at Gardiner, Roberts and Bennett Jones in Toronto. She also serves on the boards of AGF Trust Company and AGF Funds Inc. Judy is a member of the Governing Council of the University of Toronto and the Board of Directors of the Investment Funds Institute of Canada (IFIC). Her involvement with IFIC includes participating in various committees and appearing at conferences to discuss legal issues as they pertain to the investment management industry, which is particularly valuable expertise for our board.

I also acknowledge the long service and many contributions of David A. King, who joined our board in 1988 and retired in June 2007. For two decades his extensive experience and wise counsel have been an invaluable source of advice and expertise to me and others in the senior leadership of this company.

Looking ahead, I am pleased and proud to report to shareholders that they can maintain complete confidence in the direction of the Company. AGF is a sound business, fully equipped with the resources to continue to grow and to deliver on its full potential.

**Blake C. Goldring, CFA**  
*Chairman and Chief Executive Officer*

**Corporate Governance Practices**

AGF Management Limited (AGF) is committed to ensuring its corporate governance practices evolve with best practices. Moreover, AGF ensures these practices do more than simply meet published guidelines. Each of its directors is actively engaged in his or her duties as a steward of the corporation, tasked with the protection and promotion of shareholder interests. To help galvanize the alignment of interests, AGF’s board has established a policy that each board member own at least three times his or her annual retainer in AGF Class B Non-Voting shares.

AGF’s governance practices are in compliance with National Policy 58-201. These corporate governance practices are reviewed on an ongoing basis in light of changing developments in this area. AGF is engaged in highly regulated businesses and must comply with all the legislative and regulatory requirements for such businesses, including those of securities commissions and regulators of financial institutions.

**Best Practices in Corporate Governance in Place at AGF Management Limited**

The board must assume stewardship of the corporation.	The board is responsible for the stewardship of AGF, including overseeing the conduct of the business and affairs of AGF.
Board committees should be comprised of independent directors.	All three of the board’s committees meet independence guidelines.
The corporation must disclose the identity of the financial expert on the Audit Committee.	All members of the Audit Committee are financially literate.
Non-management directors must meet at regularly scheduled executive sessions without management.	At each meeting of the board and board committees, time is specifically reserved for independent discussion without management present.
An education program should be provided for new directors.	An orientation and education program is in place for all new directors and there is a continuing education program for all directors.
The corporation must have a written code of ethics and conduct applicable to all directors, officers and employees.	All directors, officers and employees of AGF must acknowledge their adherence annually to AGF’s code of business conduct and ethics.
Directors’ interests should be aligned with those of shareholders.	All directors own at least three times their annual retainer in AGF Class B Non-Voting shares. New directors have 24 months upon appointment to obtain such ownership.

**The Board of Directors**

**Mandate of the Board**

AGF’s board has responsibility for the stewardship of the corporation, including overseeing the conduct of the business and affairs of the corporation. The board has a written charter that is reviewed annually. All material relating to the strategic plan, which takes into account the risks and opportunities of the business, is reviewed at least annually by the board and discussed with management. Any transaction having a significant impact on the strategic plan and other significant decisions that affect AGF are approved by the board. The board assesses the effectiveness of the board committees’ compliance with the board charters based on reports from the committees. The board appoints the Chief Executive Officer and other senior management.

The board meets with senior executives on a regular basis in order to receive and consider reports on the affairs of the corporation. The board expects these reports to be comprehensive, accurate and timely. All material communications to shareholders are approved by the board. Additionally, the board receives and approves annual and interim reports to shareholders, including financial statements and management’s discussion and analysis.

**Committees of the Board**

The board has established three committees: the Nominating and Corporate Governance Committee, the Audit Committee and the Compensation Committee. The mandate of each committee is described below. Each committee chairman, an independent director, is responsible for directing the meetings of the committee and for ensuring that the roles and responsibilities of the committee have been met. The chairman of the committee is also responsible for reporting to the board on those matters that the committee has dealt with since the last regular meeting of the board. Each committee regularly examines its effectiveness in fulfilling its roles and responsibilities and reports its findings to the board. Whenever the committees feel it is necessary, they may convene meetings without management present. Each chairman also acts as a liaison between management and the board.

Committee	Members	Key Responsibilities
<b>Nominating and Corporate Governance Committee</b>	Donald G. Lang (Chair) William Morneau	<p>Review at least annually, committee charter as well as the charters of the board and board committees and recommend to the board the adoption of or amendment to such charters.</p> <p>Review and make recommendations to the board to facilitate effective decision-making.</p> <p>Identify, review and make recommendations to the board regarding new director nominees.</p> <p>Evaluate the contribution of each individual director.</p>
<b>Audit Committee</b>	Douglas L. Derry (Chair) Winthrop H. Smith, Jr. John F. Schucht	<p>Oversee the integrity of financial reporting.</p> <p>Oversee internal controls and disclosure controls.</p> <p>Oversee the performance of the internal audit function, including the resolution of disagreements between management and the internal auditor regarding internal controls.</p> <p>Oversee adequacy of compliance policies and review reports from regulators.</p> <p>Be directly responsible for the selection, compensation, retention and oversight of the work of the external auditors, including the resolution of disagreements between management and the external auditors; the external auditors report directly to the committee.</p>
<b>Compensation Committee</b>	William Morneau (Chair) Winthrop H. Smith, Jr. Donald G. Lang	<p>Review, assess and oversee the executive compensation policies and programs and monitor the overall effectiveness of AGF's general compensation programs in achieving its strategic objectives.</p> <p>Set performance objectives for the CEO that encourage AGF's long-term financial success and regularly measure the CEO's performance against these objectives.</p> <p>Review management plans for management succession of the corporation.</p> <p>Review the compensation and performance objectives of all executive officers.</p>

### Shareholder Communication

AGF believes that shareholder communication and feedback are essential. This belief is based on the stake that shareholders have in the corporation's business and the importance to shareholders of ensuring that the trading process and trading volumes of AGF Class B Non-Voting shares are not adversely affected by a lack of information in the marketplace. The Chief Executive Officer or another senior officer of AGF promptly responds to shareholder inquiries.

### Code of Business Conduct and Ethics

All directors, officers and employees of AGF are subject to a code of business conduct and ethics (the Code) that outlines the standards by which they must conduct themselves in their business dealings. Compliance with the Code is a matter of utmost importance, and a breach of any of its provisions is grounds for warning, revision of responsibilities, suspension or dismissal, with or without notice, depending on the particular circumstances. All directors, officers and employees of AGF are required to acknowledge their understanding of and agreement to comply with the Code annually.

*Full disclosure on corporate governance practices, including board and committee charters, is included in the Annual Information Form.*

## Independence from Management

AGF Management Limited's board has nine directors, the majority of whom are independent from management. The independent directors are: Douglas L. Derry, Donald G. Lang, Winthrop Smith, Jr. (lead director), William Morneau and John F. Schucht. Walter Keyser is an outside director. Representatives from management on the board are Blake C. Goldring, W. Robert Farquharson and Judy G. Goldring. Mr. Blake C. Goldring and Ms. Judy G. Goldring are trustees of a family trust that beneficially owns 80% of the voting shares of the corporation. Mr. Farquharson holds 20% of the voting shares of the corporation.

### Douglas L. Derry (2000)

*Corporate Director*

Douglas Derry is a former Partner at PricewaterhouseCoopers, LLP, where he worked for 29 years until 1997. Mr. Derry sits on the boards of several public and private corporations. Mr. Derry holds an Honours BA in Business Administration from the Richard Ivey School of Business at the University of Western Ontario and is a Fellow of the Institute of Chartered Accountants of Ontario.

### W. Robert Farquharson (1977)

*Vice-Chairman, AGF Management Limited*

W. Robert (Bob) Farquharson serves as Vice-Chairman at AGF. He joined AGF in 1963 as an analyst and today remains as a portfolio manager. Mr. Farquharson earned a Bachelor of Commerce degree from the University of Toronto and holds the Chartered Financial Analyst designation. He is also Chairman of AGF Asset Management Asia Ltd. and AGF International Advisors Company Limited.

### Blake C. Goldring (2000)

*Chairman and CEO, AGF Management Limited*

Blake Goldring joined AGF in 1987 and held a series of senior positions before being appointed President and COO in 1997, CEO in 2000, and Chairman in 2006. Prior to that, he worked in corporate banking for a major Canadian bank. Mr. Goldring holds a degree in economics from the University of Toronto and an MBA from INSEAD in France. He holds the Chartered Financial Analyst designation and is a member of the Toronto Society of Financial Analysts and a Fellow of the Institute of Canadian Bankers. He is also Chairman and CEO of AGF Trust Company.

### Judy G. Goldring (2007)

*General Counsel and Senior Vice-President, Law and Corporate Affairs AGF Management Ltd.*

Judy G. Goldring joined AGF as Vice-President and General Counsel in 1998 and became General Counsel and Senior Vice-President, Business Operations, in 2001 before moving into her current role in 2004. Before joining AGF, Ms. Goldring specialized in regulatory and administrative law. She earned her LL.B from Queen's University and was called to the Bar in Ontario. She serves as a member of the Governing Council of the University of Toronto and sits on the boards of AGF Trust Company and the Investment Funds Institute of Canada. She is also a member of the Law Society of Upper Canada and the Canadian Bar Association.

### Walter A. Keyser (1973)

*President, W.A. Keyser & Associates Ltd.*

Walter Keyser is President of W.A. Keyser & Associates Ltd., a firm he founded in 1978. Prior to that, he spent more than 20 years working in financial services. His career includes the position of Chairman and CEO of Heitman Financial Services Canada Ltd., a Chicago-based multinational real estate investment management firm, as well as 14 years as an investment dealer. Mr. Keyser holds an Honours BA from The Ivey School of Business at the University of Western Ontario. Mr. Keyser serves on a number of public and private boards.

### Donald G. Lang (2006)

*Vice Chairman and CEO, CCL Industries Inc.*

Donald G. Lang has spent 24 years in progressive positions with CCL Industries, an international consumer products packaging company, working with corporate teams in North America and Europe. Mr. Lang previously served as an Advisory Board Member for The Richard Ivey School of Business at the University of Western Ontario, from which he holds an Honours degree. Mr. Lang serves on a number of public and private boards.

### William Morneau (2000)

*Chairman and CEO of Morneau Sobeco*

William (Bill) Morneau joined pension and benefits consulting firm Morneau Sobeco in 1987 and held a series of progressively senior positions. He became President in 1992, President and CEO in 1998, and Chairman and CEO in 2008. Mr. Morneau holds a BA from the University of Western Ontario, an MSc in economics from the London School of Economics and an MBA from INSEAD in France.

### John F. Schucht (2007)

*President, Waywell Development Inc.*

John Schucht is a retired, past senior executive of Canada Trust and CT Financial and now heads up his own development company, Waywell Development Inc. He is based in Victoria, British Columbia where he is active in business development for EllisDon, serving as the Chairman of the Board. Mr. Schucht serves on a number of public and private boards.

### Winthrop H. Smith, Jr. (2002) – Lead Director

*Chairman, WHS Holdings LLC*

Winthrop H. Smith spent 27 years at Merrill Lynch, where he was most recently Executive Vice-President, Merrill Lynch & Co., and President, International Private Client Group, and Chairman, Merrill Lynch International, USA. Mr. Smith holds an undergraduate degree from Amherst College and an MBA from the Wharton School of Business, University of Pennsylvania. Mr. Smith is a majority partner in a resort operation and serves on a number of public and private boards.

*The date next to each name indicates the year in which that person first became a director.*

**AGF Management Limited  
and AGF Trust Company**

Douglas L. Derry, FCA<sup>4</sup>  
 W. Robert Farquharson, CFA  
 Blake C. Goldring, CFA<sup>1,2</sup>  
 Judy G. Goldring, LL.B.  
 Walter A. Keyser  
 Donald G. Lang<sup>6,7</sup>  
 William Morneau, MBA<sup>8</sup>  
 John F. Schucht  
 Winthrop H. Smith, Jr., MBA<sup>9</sup>

**Mutual Fund Corporations  
and Trusts**

Philippe Casgrain, Q.C., Ad.E.  
 W. Robert Farquharson, CFA  
 David Hale  
 Paul Hogan  
 Martin Hubbes, CFA  
 H. Ian Macdonald  
 Joseph E. Martin  
 Louise Morwick, MBA, FSA, CFA  
 John B. Newman<sup>3,4,5</sup>

**AGF Asset Management  
Asia Ltd.**

W. Robert Farquharson, CFA<sup>3</sup>  
 Blake C. Goldring, CFA  
 Dr. Soo Ann Lee  
 Yong Siang Lee  
 Eng Hock Ong, CFA

**AGF International Advisors  
Company Limited**

John L. Arnold  
 Joseph D. Casey  
 Viscount Cobham  
 W. Robert Farquharson, CFA<sup>3</sup>  
 Blake C. Goldring, CFA  
 Kenneth John Peare  
 Ian S. Steers

**Blake C. Goldring**, CFA  
 Chairman & Chief Executive Officer

**W. Robert Farquharson**, CFA  
 Vice-Chairman

**Randy G. Ambrosie**  
 President, AGF Funds Inc.

**Robert Badun**, MBA  
 President, AGF Asset Management  
 Group Limited

**Mario Causarano**, CA  
 President & Chief Operating  
 Officer, AGF Trust Company

**Judy G. Goldring**, LL.B.  
 Senior Vice-President &  
 General Counsel

**Greg J. Henderson**, CA  
 Senior Vice-President &  
 Chief Financial Officer

**Martin Hubbes**, CFA  
 Executive Vice-President &  
 Chief Investment Officer, AGF Funds Inc.

**W. Robert Farquharson**, CFA  
 Vice-Chairman

**Martin Hubbes**, CFA  
 Executive Vice-President &  
 Chief Investment Officer

**Jean L. Charbonneau**, MBA  
 Senior Vice-President

**Anthony Genua**, CFA  
 Senior Vice-President

**M. Christine Hughes**, CFA  
 Senior Vice-President

**Stephen W. Way**, CFA  
 Senior Vice-President

**A. Patricia Perez-Coutts**, CFA  
 Senior Vice-President

**Tristan M. Sones**, CFA  
 Vice-President

**Caterina Prato**, MBA, CFA  
 Portfolio Manager

**Coulter Wright**, MBA, CFA  
 Portfolio Manager

1 Chairman of the Board of AGF Management Limited

2 Chairman of the Board of AGF Trust Company

3 Chairman of the Board

4 Chairman of the Audit Committee

5 Chair of the Audit Advisory Committee

6 Chairman of the Nominating and Corporate Governance Committee of AGF Management Limited

7 Chairman of the Conduct Review Committee of AGF Trust Company

8 Chairman of the Compensation Committee of AGF Management Limited

9 Lead Director

**AGF Management Limited**

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**AGF Trust Company**

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**AGF Asset Management  
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 Management Limited  
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**AGF Asset Management  
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 Singapore 048624

SHAREHOLDER INFORMATION

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**PricewaterhouseCoopers LLP**

**Registrar and Transfer Agents**

Computershare Trust  
 Company of Canada  
 1 800 564-6253

**Stock Exchange Listing**

Toronto Stock Exchange  
 AGF.B

This marks the 50th anniversary of AGF

1957  
2007

...1954...1955...1956...

...1958...1959...1960...1961...1962...1963...1964...1965...1966...1967...1968...1969...1970...

...2004...2005...2006...

Celebrate

AGF's history has been as exciting as it has been successful. The Company began as a solitary bright idea – that an American growth fund would be sure to prosper. It has since grown into a multifaceted international wealth management organization with over \$50 billion in assets under management. Along the way, it experienced all the vicissitudes and triumphs of a company dependent on financial markets and world events. Throughout one of the most remarkable half centuries on record, AGF has demonstrated modern thinking and classic performance. It has innovated consistently but always preferred long-term performance to short-term gain.



AGF CELEBRATES 50 YEARS

MODERN THINKING  
CLASSIC PERFORMANCE™

# Five decades of firsts

This year marks the 50th anniversary of AGF American Growth Fund.

Celebrate

In 1957, C. Warren Goldring and Allan Manford had a unique and revolutionary vision to pool the funds of Canadian investors giving them greater access to the U.S. market through the New York Stock Exchange.

Using the initials from the name of the first fund, American Growth Fund, our co-founders set out to build a company that was innovative, focused on clients and driven by superior investment management. These are characteristics that continue to drive AGF five decades later.

Today, AGF is one of the largest independent Canadian investment management firms with approximately \$54 billion in total assets under management. We are in the business to deliver



firsts

1957

1964

1969

1976

1986

Launch of American Growth Fund

Launch of AGF Canadian Growth Equity Fund

The industry's first Japanese equity fund is launched

AGF launches AGF Money Market Fund

AGF launches the first global government bond fund for Canadians

## Five principles anchor AGF's multi-style approach to investing.

**1. Rigorous Fundamental Analysis**  
This is the cornerstone of all investment decisions. Our research uses multiple valuation techniques and draws heavily on our proprietary research database.

**2. Global Perspective**  
The globetrotting of our investment specialists is reinforced by a network of global contacts and the world view from our Toronto, Dublin and Singapore offices.

**3. Focus On Longer-Term Trends**  
We invest in durable businesses with a strategic grasp of the future, that can generate reliable and growing long-term investment returns.

**4. Innovative Thinking**  
Our corporate culture encourages every investment professional to excel on his or her own terms – individuality in a supportive collegial environment.

**5. Risk Controls**  
An independent team of risk-control analysts monitors performance and compliance with investment objectives and policies.

predictable excellence in money management, a wide spectrum of products and outstanding client service.

AGF remains independent and proudly Canadian. This independence is a business strength that has allowed AGF to survive a consolidating industry, grow stronger, build partnerships with leading financial institutions and achieve success.

The theme of AGF's 50th anniversary – modern thinking, classic performance – captures what the company is all about. Innovative thinking has carried AGF through five decades and will continue to carry it well into the future.



1990

AGF launches its Canadian Asset Allocation Service

1994

AGF launches the first Chinese equity fund in Canada

1997

AGF launches Harmony, the first fee based wrap program to come from a fund company in Canada

2005

AGF launches Elements, an evolutionary fund-of-fund product

2007

AGF celebrates the 50th anniversary of American Growth Fund

AGF CELEBRATES **50** YEARS

MODERN THINKING  
CLASSIC PERFORMANCE™

**What's past is prelude...** Now, one of Canada's largest independent financial services and investment management firms. AGF is beginning the next chapter in its history with exciting growth opportunities. Like before, a commitment to realizing our potential will ensure our success by applying proven investment principles in a growing range of products and services with a global perspective.



**What are you doing after work?**

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