

AGF MANAGEMENT LIMITED

FOCUSED ON RESULTS

CIBC World Markets Frontenac
Institutional Investor Conference

FRIDAY, SEPTEMBER 23, 2005

What are you doing after work?®



FORWARD-LOOKING INFORMATION

This presentation contains certain forward-looking statements that are made based on management's judgment and expectations but are inherently subject to risks and uncertainties beyond the Corporation's control. These risks and uncertainties include economic conditions, market fluctuations, interest rate and foreign exchange movements, political events, regulatory change and competitive developments. Actual results may differ materially from those anticipated in the forward-looking statements.



AGF: FOCUSED ON RESULTS

Established in 1957

Market capitalization: \$1.6 billion

Total assets under management: \$33.3 billion

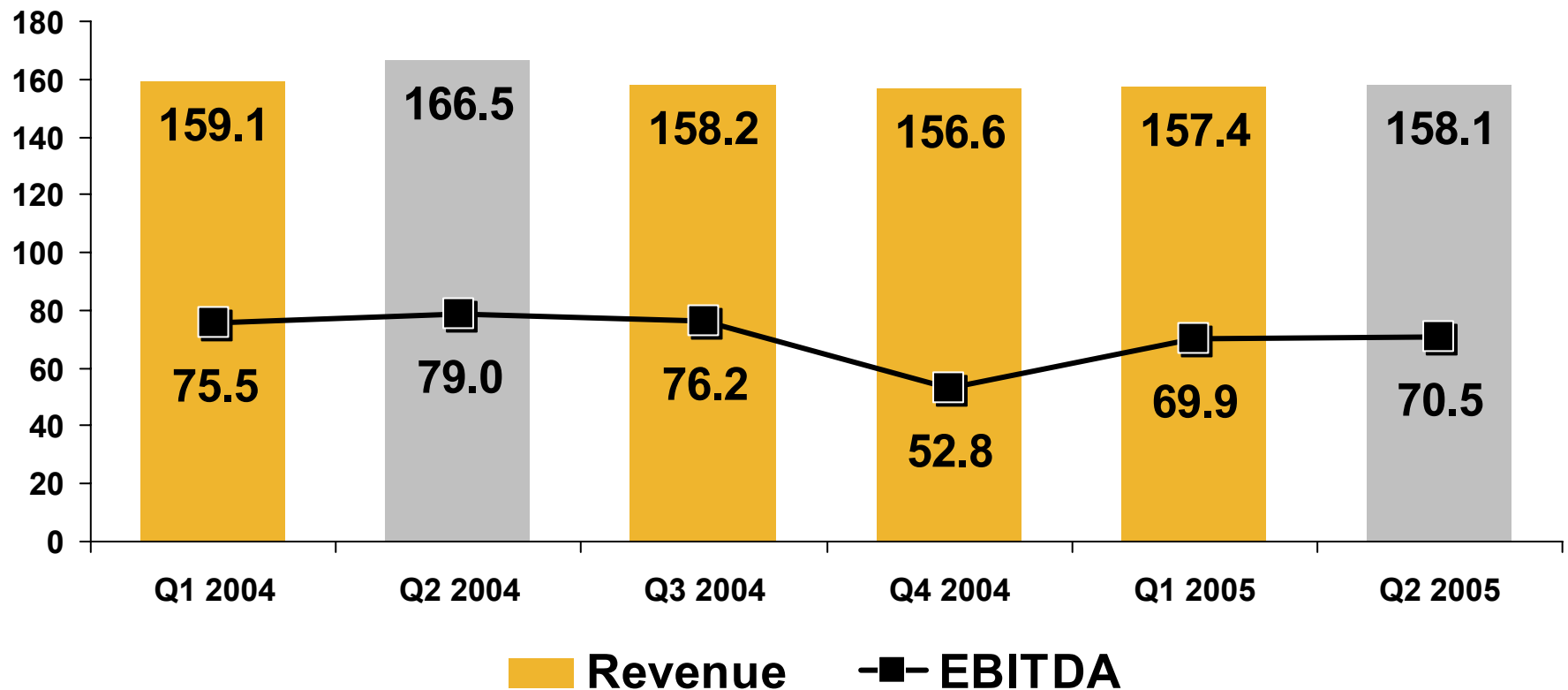
Current Dividend yield: 3.4%

August 31, 2005



AGF: FOCUSED ON RESULTS

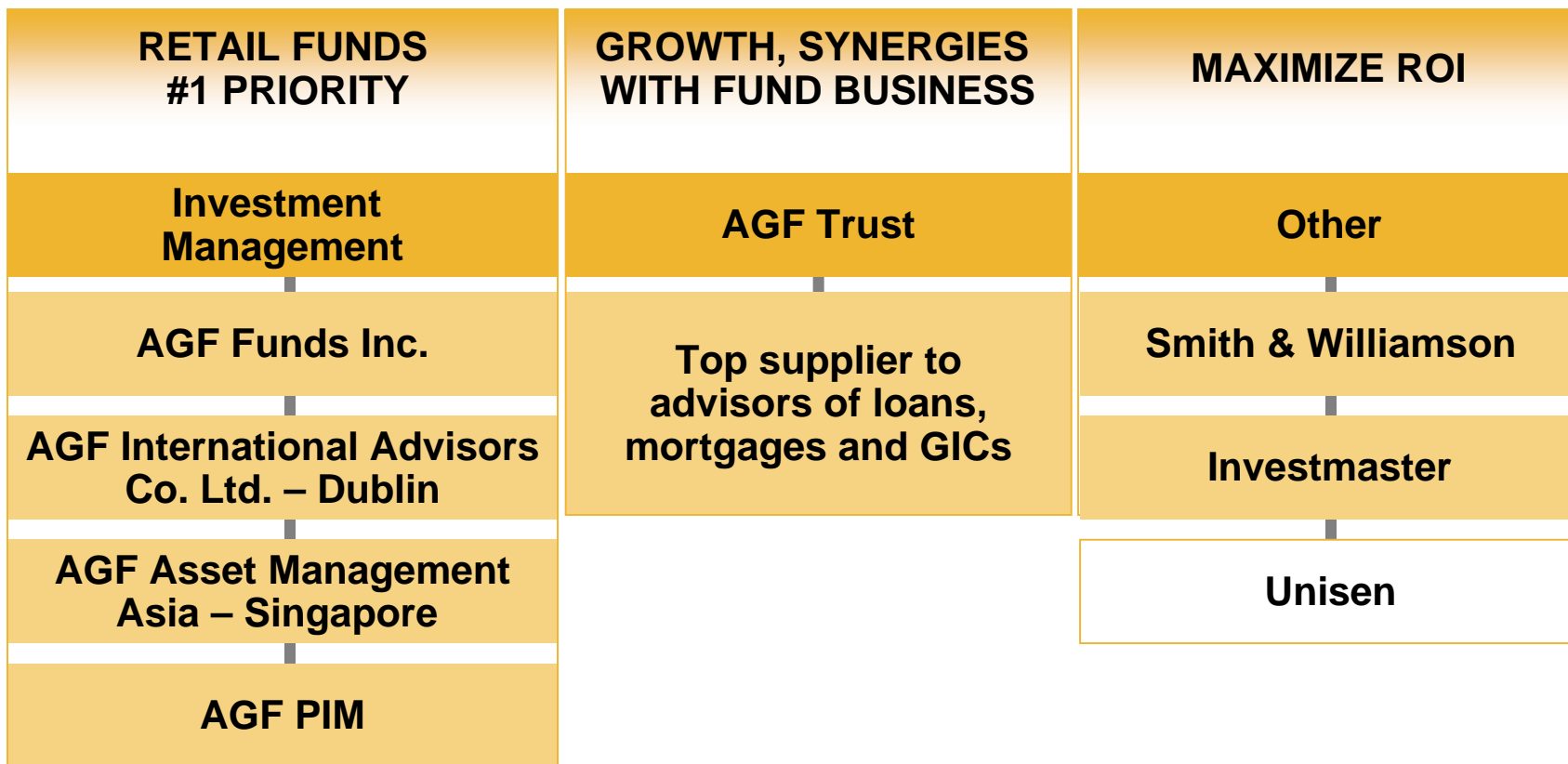
REVENUE AND EBITDA



Not including \$31.0 million charge in Q4 2004



CORPORATE PROFILE — BUSINESS SEGMENTS FOCUSED ON INVESTMENT MANAGEMENT



The sale of Unisen is expected to close in October 2005.



KEY SUCCESS FACTOR

INVESTMENT MANAGEMENT EXCELLENCE

- Impressive internal managers and external sub advisors
- Internal managers: poised to benefit from elimination of foreign content restriction
 - AGF American Growth Class - Manager changed in January 2005. Now 1st and 2nd quartile over 3 and 6 months.
 - AGF World Companies Fund - Internalized 3 years ago. Now 1st quartile over 1 and 2 years.
 - AGF Global Government Bond Fund - 1st quartile for all periods 1 to 10 years.
 - AGF European Equity Class - 1st quartile in almost every measurable period from 3 months to 10 years.
 - AGF International Stock Class – 8 year track record. 1st quartile in almost every measurable period from 3 months to 8 years.



AGF — DELIVERING ON COMMITMENTS

LEADERSHIP

Initiative from last year:

- Integrate new leadership required to execute renewed sales and marketing plan
- Succession planning for key positions in Finance and Investment Management

Action taken...

New leadership in place

- Greg Henderson, Senior Vice-President and CFO
- Randy Ambrosie, Executive Vice-President, Sales and Marketing
- Martin Hubbes, Senior Vice-President and CIO



AGF — DELIVERING ON COMMITMENTS

RELATIONSHIP MANAGEMENT

Initiative from last year:

- AGF had an opportunity to reconnect with our most vital constituents, our clients

Action taken...

Advisor resources and activity

- Wholesaling force increased 25%
- We have almost tripled the amount of activity with advisors
- Effectiveness of activity enhanced by CRM software

Action taken...

Institutions resources and activity

- Renewed Institutional Client Services initiative
- New National Accounts team



AGF — DELIVERING ON COMMITMENTS PRODUCTS

Initiative from last year:

- Absent from strongest selling categories

Action taken...

- Yield continuum
- Revolutionary fund of funds

Initiative from last year:

- Need for innovative products

Action taken...

- AGF U.S. Risk Managed Class
- AGF Dividend Income

Initiative from last year:

- Two funds with consistently poor performance

Action taken...

Manager changes

- AGF American Growth
- AGF Asian Growth



AGF — DELIVERING ON COMMITMENTS

MARKETING

Initiative from last year:

- Our research showed that advisors do not cherish consumer brand advertising
- Our advertising focused solely on brand advertising

Action taken...

- AGF Marketing Collateral Program
- Focus shifted to channel advertising
- Practical themes rather than artistic



AGF — DELIVERING ON COMMITMENTS

STRATEGIC PRIORITIES FOR 2005/2006

1. Continue to enhance client-centric model in core fund business
 - Investment excellence
 - Service excellence
2. Promote international investment management competency across multiple channels
 - Retail funds
 - Institutional
 - SMA platforms
3. Leverage synergies between businesses to generate sales in core fund business
4. Opportunistic acquisitions



AGF MANAGEMENT LIMITED

GREG HENDERSON

SENIOR VICE-PRESIDENT AND
CHIEF FINANCIAL OFFICER

What are you doing after work?®



AGF — DELIVERING ON COMMITMENTS

CAPITAL STEWARDSHIP

Initiative from last year:

- Look at opportunities to be efficient with capital

Action taken...

Aggressive moves

- Unisen divestiture
- Share buy backs
- Dividend increases
- Debt Reduction
- ING funds acquisition



CAPITAL MANAGEMENT

DIVESTITURES

Sale of Unisen

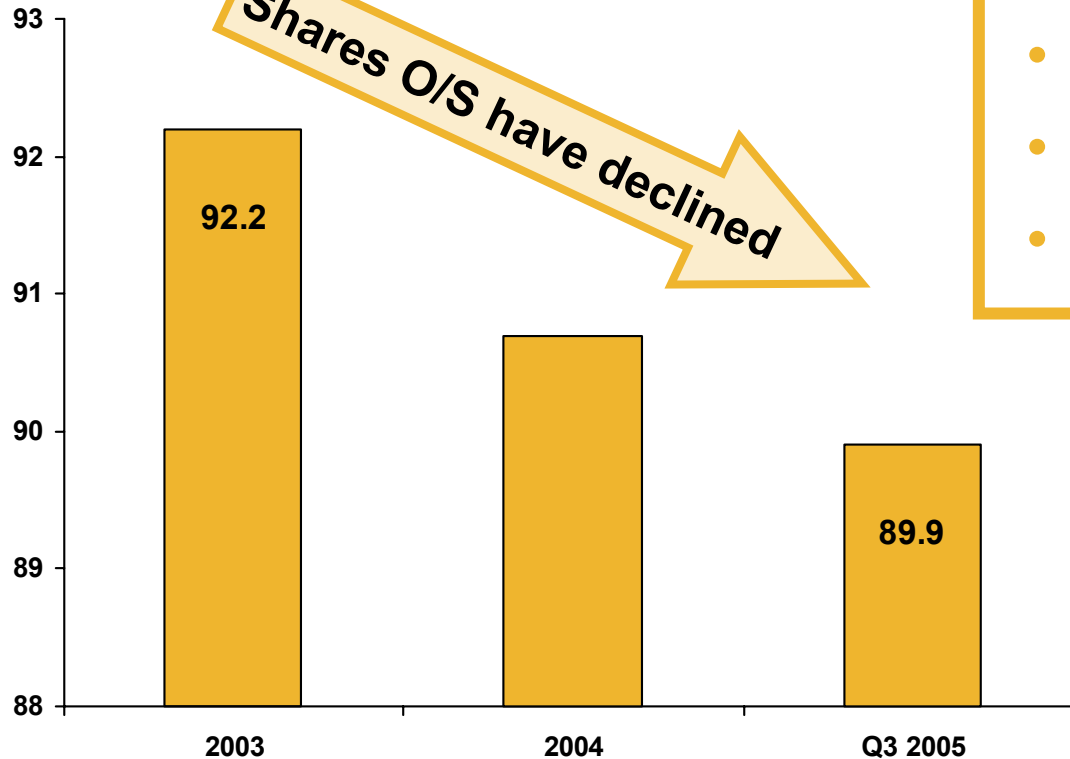
- Unisen has a promising business model, but AGF was not the natural owner to grow the business further
- Potential benefit to AGF ERs
- \$120 million of capital for redeployment
- Accounting gain estimated at over 30%
- Double-digit internal rate of return
- Reduces EBITDA by approximately \$4 million per quarter and EPS by \$0.01 per quarter



CAPITAL MANAGEMENT

SHARE BUY BACKS

Millions



Share Buy Backs:

- To Q3 2005 2.2 million
- 2004 2.1 million
- 2003 0.5 million

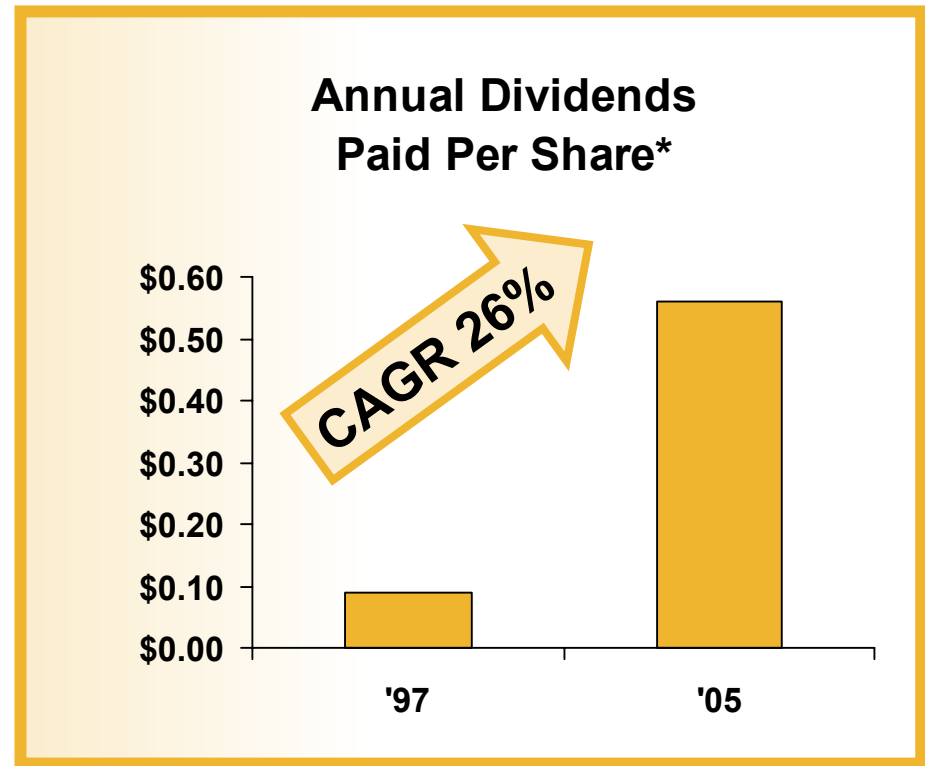
To Q3 2005



CAPITAL MANAGEMENT

DIVIDENDS

- Dividends increased 36.4% in Q2 2005 to an annual rate of \$0.60 per share
- 8 consecutive years of dividend increases



* '05 estimate based on one \$0.11 dividend and three \$0.15 dividends



CAPITAL MANAGEMENT

DEBT ELIMINATION?

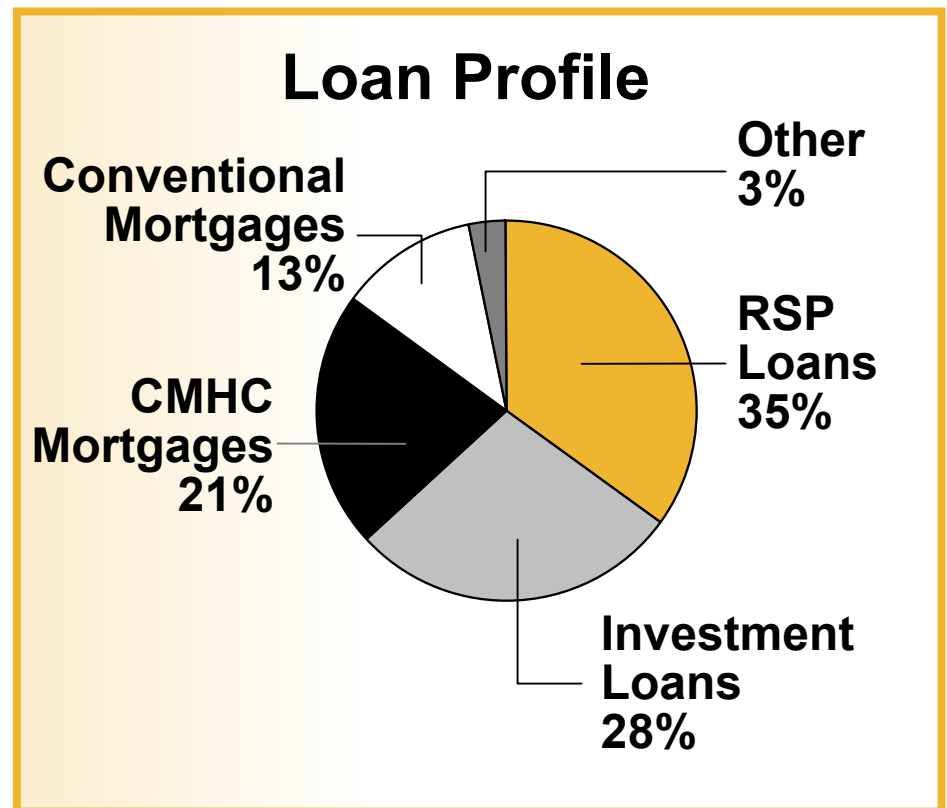
- Debt elimination would occur only if opportunities to acquire or invest do not materialize
- AGF does believe in financial leverage
- AGF generates approximately \$150-160 million in free cash flow annually
- Long-term debt of \$85.3 million as at May 31, 2005



AGF TRUST PROFILE

AGF TRUST

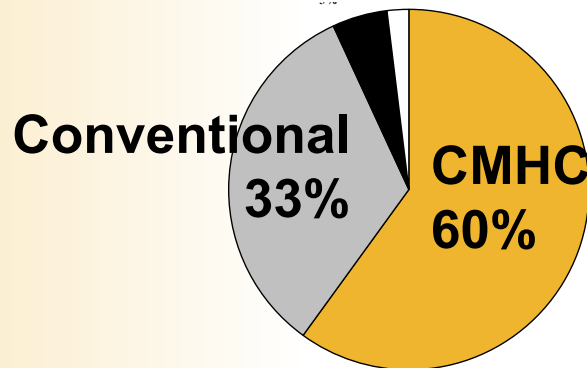
- ROI above 15%
- Increasing contribution to EBITDA
- High growth lender in two segments:
 - Investment & RSP loans
 - Mortgages
- Total assets of \$1.1 billion



AGF TRUST PROFILE

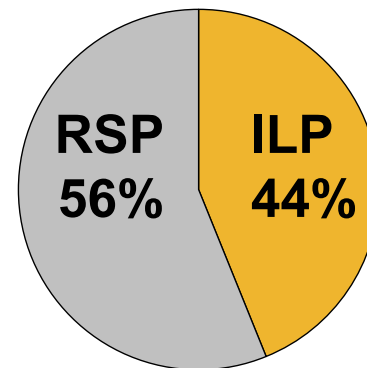
Mortgages

- Assets: \$383.1 million
- Distributed 90% via brokers
- Average LTV 65% (max 75%)
- Net interest margin 240 bps



Consumer Loans

- Assets: \$658.4 million
- Strict underwriting standards
- Loans secured by asset
- Net interest margin 320 bps



AGF TRUST PROFITABILITY

- The value embedded in our loan portfolio is not apparent in accounting earnings, because of:
 - Smaller scale relative to publicly traded competitors
 - Conservative provisioning: conventional mortgages and RSP loans
 - Capital structure: no securitizations to date
 - Low risk portfolio: 60% of mortgages are CMHC insured



AGF TRUST GROWTH SUSTAINABILITY

- AGF Trust loan assets are growing at an annual rate of 50%+
- Strong growth is sustainable and operational risks are well controlled:
 - Scalable IT systems and processes
 - Risk modelling and risk management
 - Geographic diversification
 - Product diversification



AGF TRUST

EXTERNAL FACTOR SENSITIVITY

Mortgage Loans

- What happens if interest rates rise?
 - We utilize swaps to achieve interest rate neutrality
 - Gradual rate increase: mild demand and credit effect
 - Our competitive advantage: Investment Loan Program

Consumer Loans

- What happens if the stock market falls?
 - Strict underwriting standards
 - Advance loans only to very high credit clients
 - Loan is secured by asset
 - Virtually no losses in history of the program



AGF MANAGEMENT LIMITED — THE OPPORTUNITY

- Substantial change, managed seamlessly
 - Enhanced leadership, more disciplined management
- Prudent capital management
 - Active share buy back, increased dividends
- Demonstrated ability to realize value from existing assets
 - Proceeds from Unisen sale exceeded street expectations
 - We believe substantial value exists in Smith & Williamson and Investmaster
- Increased activity in fund business will serve to increase profitability
 - Early indicators show that advisor behavior is changing

