

Positioned for the  
future

**AGF MANAGEMENT LIMITED**  
**FISCAL 2009**  
**Financial & Operating Results**  
**January 27, 2010**



# CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The forward looking information is provided as of January 27, 2010. Certain information presented in these remarks and in this presentation that is not historical factual information may constitute forward-looking information within the meaning of securities laws. Actual results could differ materially from a conclusion, forecast or projection contained in such forward-looking information. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements about AGF Management Limited ("AGF") or the investment funds it manages (the "Funds"), including business operations, strategy and expected financial performance and condition. 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", "intends", "plans", "believes", or negative versions thereof and similar expressions or future or conditional verbs such as "may", "will", "should", "would", or "could". In addition, any statement that may be made concerning future financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future action on our part, is also a forward-looking statement.

Forward-looking statements are based on certain factors and assumptions, including expected growth, results of operations, business prospects, business performance and opportunities. While we consider these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about our operations, economic factors and the financial services industry generally. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by us due to, but not limited to, important risk factors such as level of assets under our management, volume of sales and redemptions of our investment products, performance of our investment funds and of our investment managers and advisors, competitive fee levels for investment management products and administration, and competitive dealer compensation levels, size and default experience on our loan portfolio and cost efficiency in our loan operations, as well as interest and foreign exchange rates, taxation, changes in government regulations, unexpected judicial or regulatory proceedings, and our ability to complete strategic transactions and integrate acquisitions. We caution that the foregoing list is not exhaustive. The reader is cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements. Other than specifically required by applicable laws, we are under no obligation (and expressly disclaim any such obligation) to update or alter the forward-looking statements, whether as a result of new information, future events or otherwise. For a more complete discussion of the risk factors that may impact actual results, please refer to AGF's most recent financial statements and MD&A and, for the Funds, to each Fund's most recent prospectus and MRFP, as applicable, all available on [www.sedar.com](http://www.sedar.com).

# CONFERENCE CALL PARTICIPANTS

## Speaking:

- Blake Goldring, M.S.M., CFA, Chairman & Chief Executive Officer
- Greg Henderson, CA, Senior Vice-President & Chief Financial Officer\*

## In Attendance:

- Mario Causarano, CA, President & Chief Operating Officer, AGF Trust Company
- Martin Hubbes, CFA, Executive Vice-President & Chief Investment Officer
- Bob Bogart, CPA\*\*

\* Greg Henderson will be departing in March 2010.

\*\* Bob Bogart is transitioning into the role of future Chief Financial Officer.



# OVERVIEW OF 2009

- **Global market recovery and the addition of new institutional mandates increased AUM by 25.5% to \$44.6 billion year-over-year**
  - Mutual fund AUM up 15.1% to \$22.7 billion
  - Institutional and strategic accounts AUM up 47.8% to \$18.9 billion
- **Revenue declined 19.2% year-over-year driven by a 21.6% decline in Investment Management Operations revenue**
- **SG&A expenses declined 7.5% to \$193.7 million year-over-year**
- **EBITDA declined 30.0% to \$219.5 million from \$313.7 million in 2008**
- **AGF Trust loan assets declined 18.9% to \$3.6 billion year-over-year**
  - Provision for loan losses was \$37.6 million compared with \$30.4 million in 2008
  - Assets-to-capital multiple improved to 12.0 from 15.0 at November 30, 2008
- **Earnings per Share (EPS) diluted were \$1.09 compared to \$1.41 in 2008**
  - Adjusted EPS diluted were \$0.98 compared to \$1.61 in 2008
- **Cash flow from operations in 2009 was \$206.1 million compared with \$278.7 million in 2008**
- **Dividend on Class A voting common and Class B non-voting shares increased by 5.3% in fiscal 2009**
  - Dividend increase of 3.0% expected in fiscal 2010

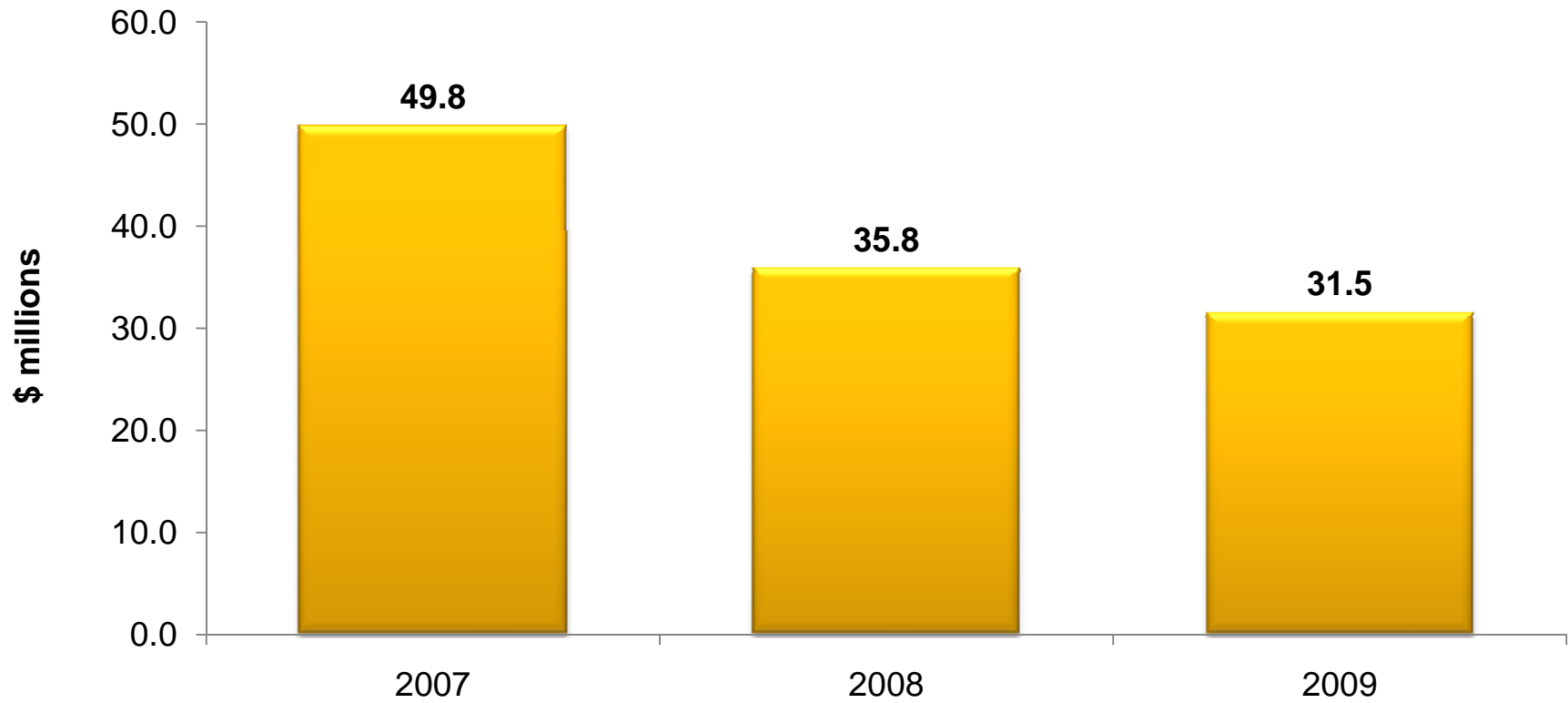
## INDUSTRY COMPARABLES: ASSETS UNDER MANAGEMENT

	AUM 2009* (\$millions)	AUM 2008* (\$millions)	Growth
AGF.B	45,010	35,790	25.8%
CIX	66,662	54,570	22.2%
DW	34,028	23,936	42.2%
IGM	120,540	101,740	18.5%

\*As of December 31  
Source: Company Reports



# TRUST COMPANY OPERATIONS: EBITDA



# INDUSTRY ANALYSIS:

## 2009 WAS A CHALLENGING YEAR FOR MUTUAL FUND COMPANIES

Peer Group Firm	Assets (\$ billions)	Long Term Net Flows Fiscal 2009 (\$ millions)	Mutual Fund Net Flows Wrapped by Seg Funds (\$ millions)	Net Flows Without Seg Wrap Effect (\$ millions)	% of Assets
Dynamic	23.9	2,368	328	2,040	8.5%
IA Clarington	7.2	491	126	364	5.0%
Fidelity	42.5	1,938	1,089	849	2.0%
CI Investments	61.4	1,278	1,163	116	.19%
AGF Investments	22.7	-727	13	-740	-3.2%
Mackenzie	39.8	-1,200	195	-1,396	-3.5%
Acuity	2.6	-110	10	-121	-4.6%
AIC*	3.6	-326	-9	-317	-8.8%
Franklin Templeton	20.4	-1,915	206	-2,120	-10.3%
Invesco Trimark	29.1	-3,605	-80	-3,525	-12.1%
Brandes	3.7	-562	0	-563	-15.2%
<b>Grand total</b>	<b>\$256.9</b>	<b>-\$2,370</b>	<b>\$3,041</b>	<b>-\$5,413</b>	

**Source:** Investor Economics , IFIC and CI: Sales data is for the 12 months ending Nov 30, 2009. Assets are as of Nov 2009 with the exception of AIC which are as of Aug 2009.



# AGF MANAGEMENT LIMITED: RETAIL SALES STRATEGY

## **FOCUS FUNDS**

Aggressively promoting funds with the greatest opportunity for short-term net sales (Elements, AGF Emerging Markets, AGF Fixed Income)

## **REDEMPTION FOCUS**

Rebuilding investor confidence through ongoing communication and marketing of asset classes currently out of favour (Global/International/Domestic)

## **STRATEGIC ACCOUNTS**

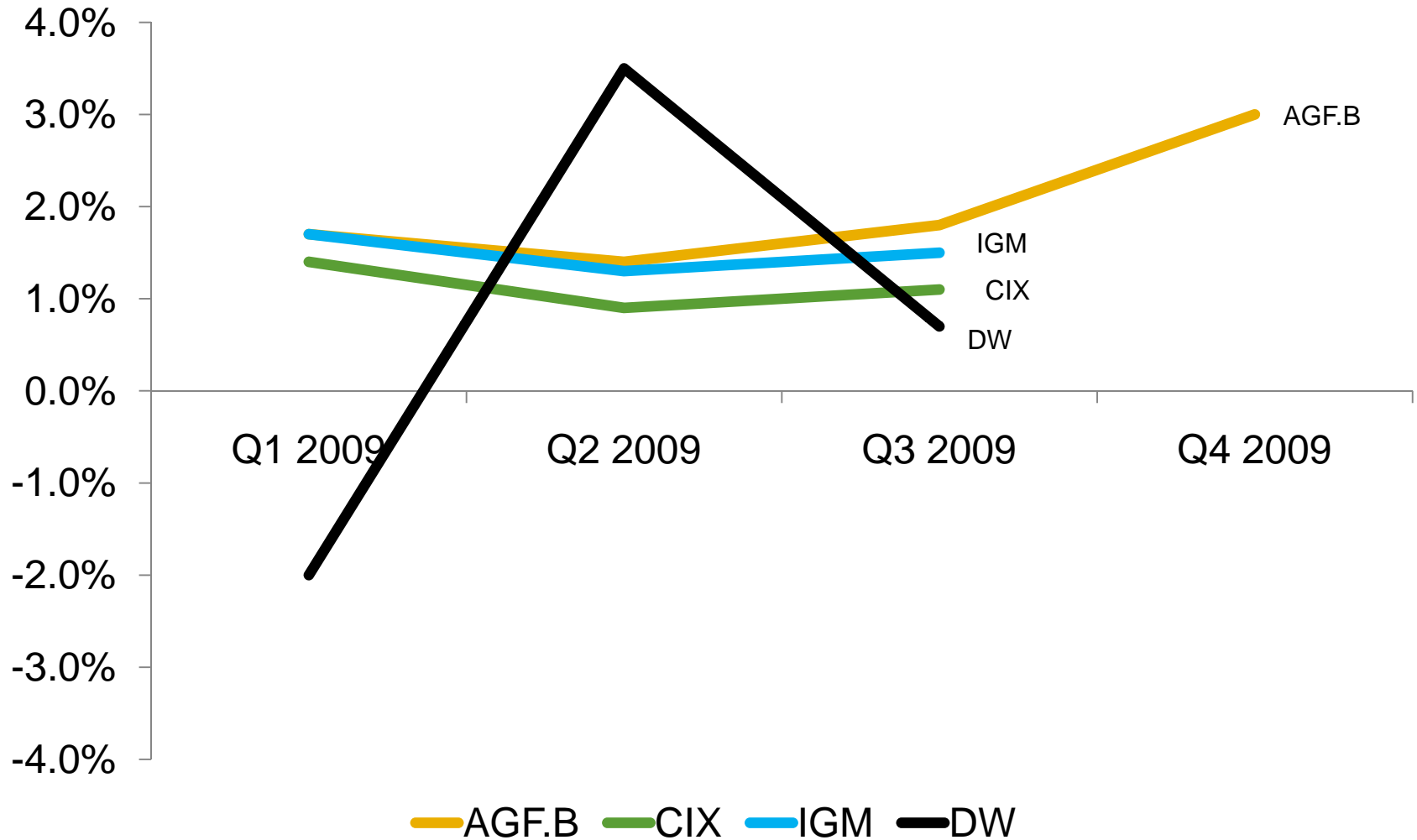
Aggressively targeting mandates on both Segregated Fund/GMWB and FOF platforms as well as recommended lists

## **ADVISOR SALES**

Consistent and high quality advisor meetings, phone calls, manager visits, events, etc. on all AGF products and services



## INDUSTRY COMPARABLES: EPS AS A % OF SHARE PRICE



Share prices are as of fiscal quarter end  
Source: Company Reports, Thomson One



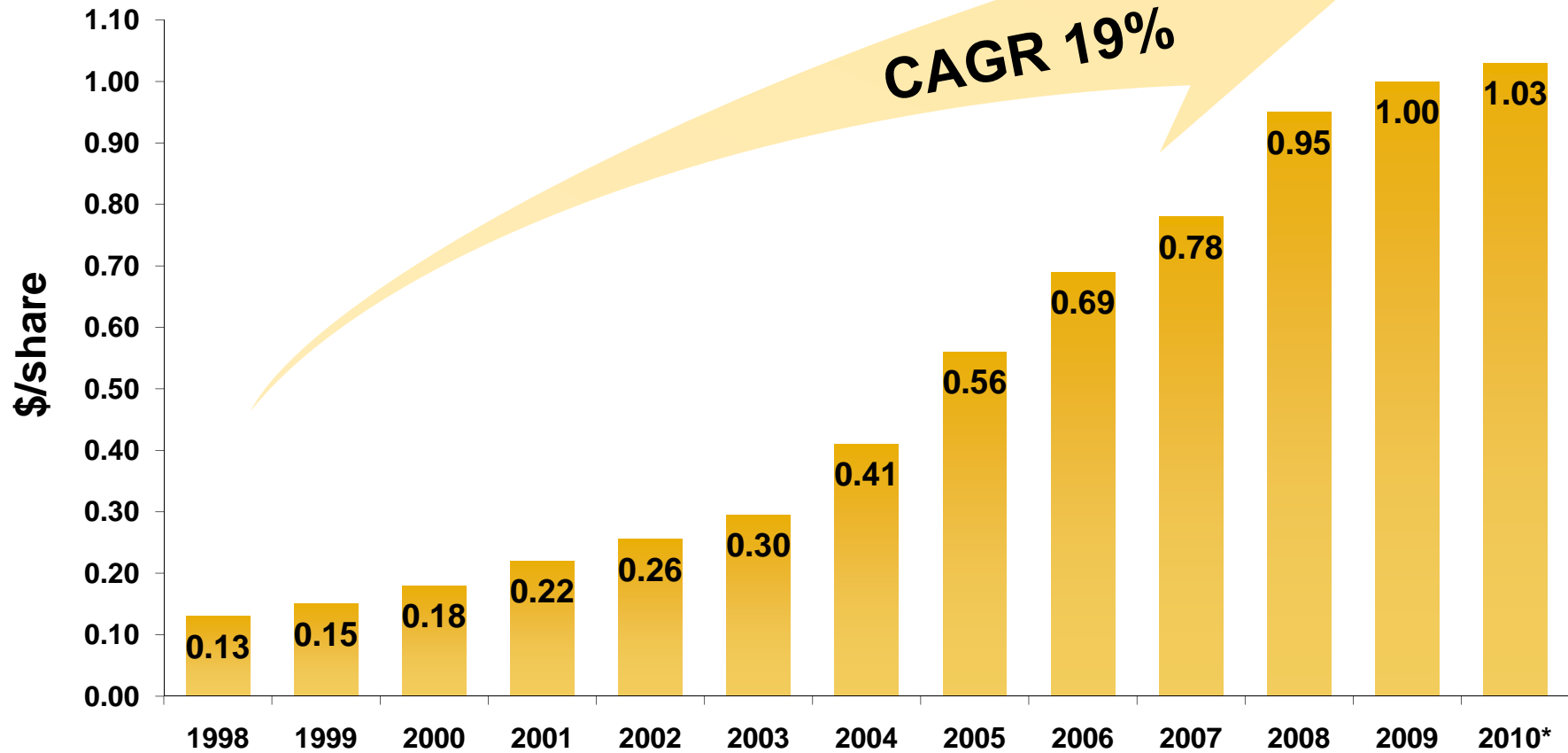
## INDUSTRY COMPARABLES: DIVIDEND YIELD

AGF.B	5.9%
CIX	3.3%
DW	1.0%
IGM	4.8%

As of December 31, 2009  
Source: Thomson ONE



## CAPITAL STEWARDSHIP: DIVIDENDS PAID



\*Annual dividend expected to be paid in fiscal 2010



# PERFORMANCE: LONG-TERM VALUE TO SHAREHOLDERS

## TOTAL RETURN ANNUALIZED SINCE INCEPTION (AUG. 1968)

<b>AGF.B</b>	<b>13.51%</b>
TSX Composite	9.62%

## TOTAL RETURN ANNUALIZED OVER 10 YEARS

<b>AGF.B</b>	<b>6.67%</b>
TSX Composite	6.50%

## TOTAL RETURN OVER 1 YEAR

<b>AGF.B</b>	<b>120.76%</b>
TSX Composite	27.75%

# AGF MANAGEMENT LIMITED:

## FISCAL 2009 and FOURTH QUARTER FINANCIAL OVERVIEW

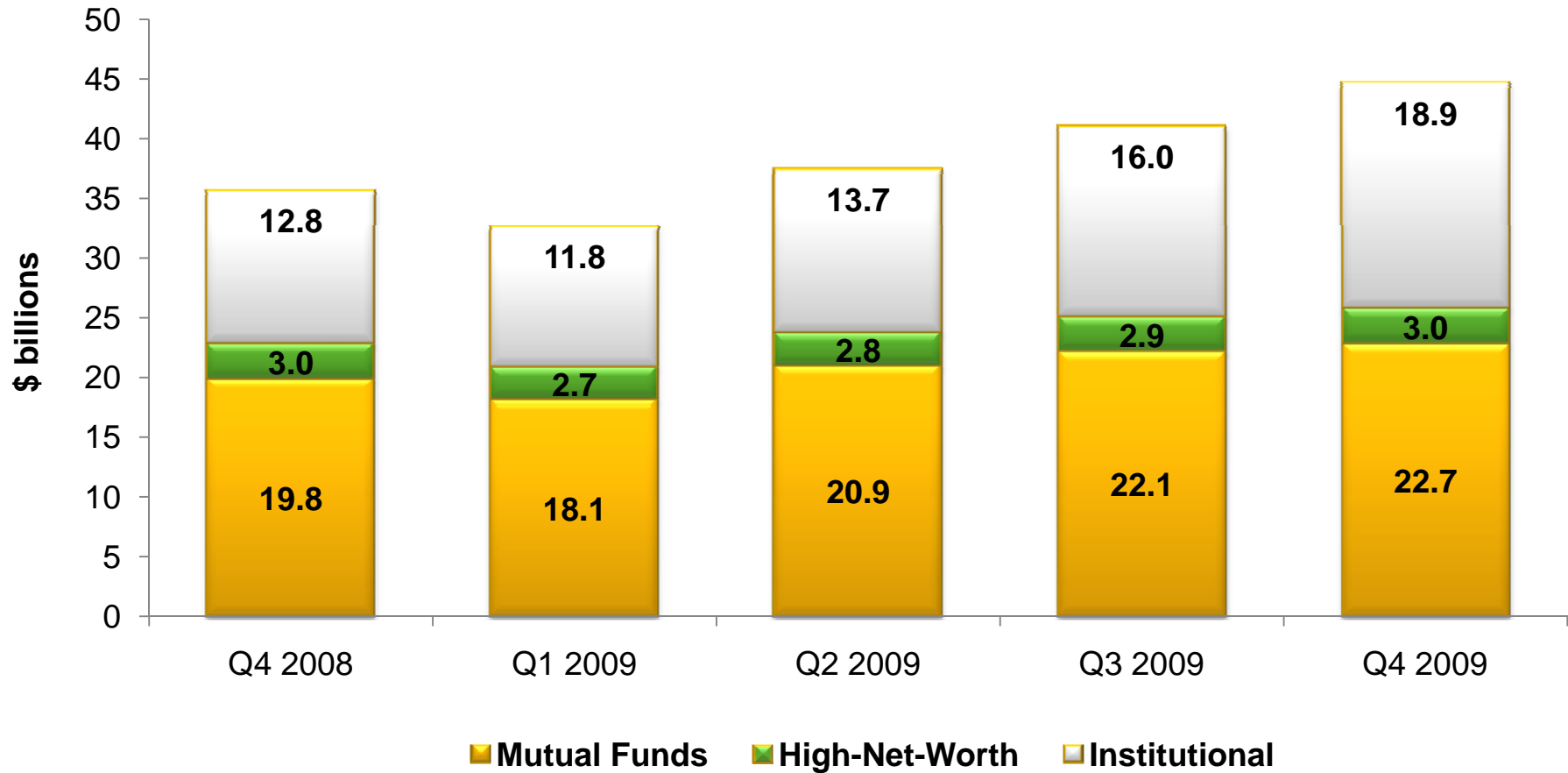
### FINANCIAL RESULTS COMPARED TO FISCAL 2008

<b>AUM increased</b>	25.5%
<b>Revenue decreased</b>	19.2%
<b>EBITDA decreased</b>	30.0%

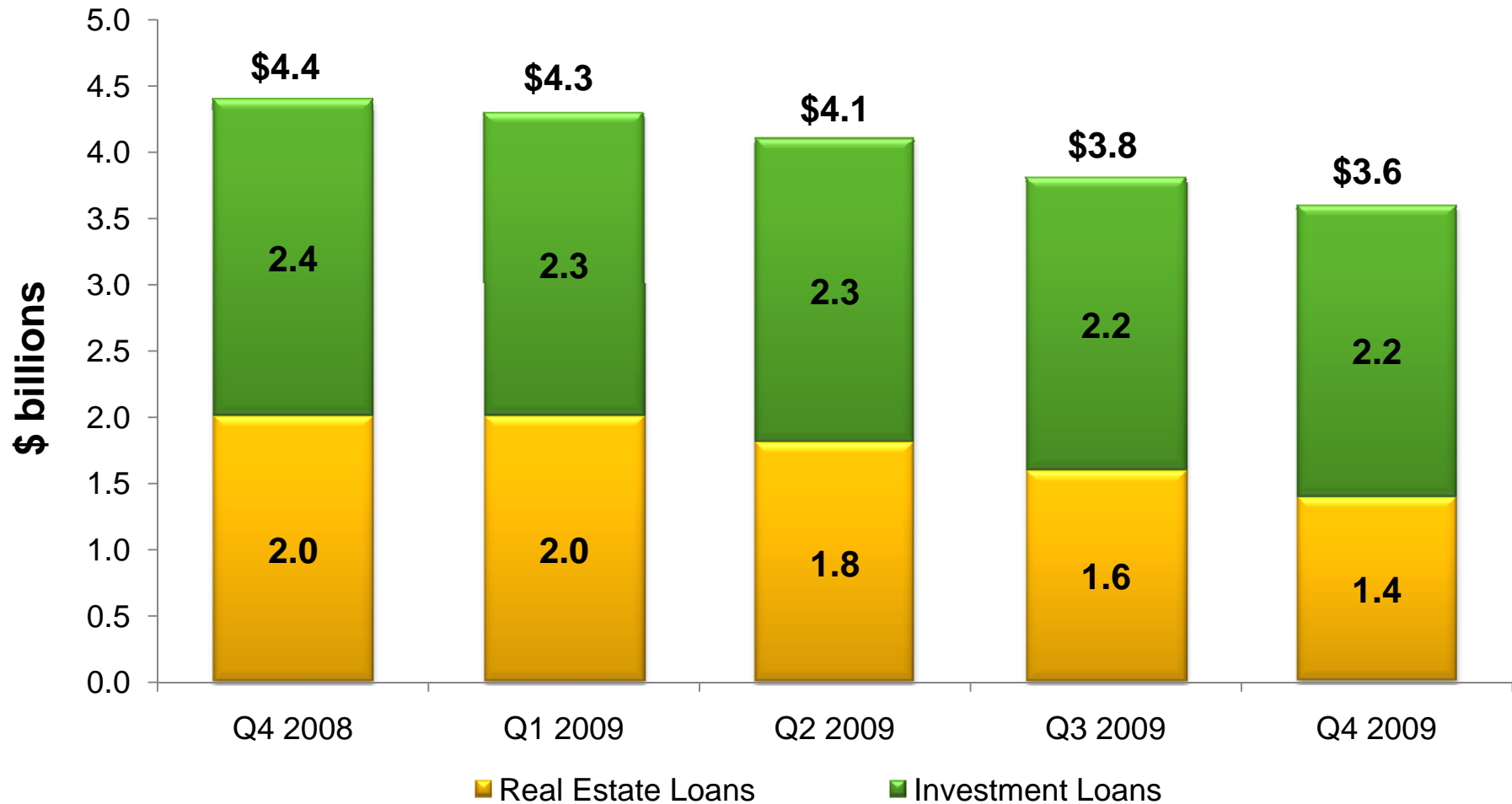
### FINANCIAL RESULTS COMPARED TO Q4 2008

<b>AUM increased</b>	25.5%
<b>Revenue increased</b>	3.6%
<b>EBITDA increased</b>	32.6%

# ASSETS UNDER MANAGEMENT



# TRUST COMPANY OPERATIONS: LOAN ASSETS



## AGF MANAGEMENT LIMITED: SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A Expenses – AGF Management Limited (\$ millions)	Year ended November 30,		Increase/ (Decrease)
	2009	2008	
Investment Management Operations	158.4	166.6	(8.2)
Trust Company Operations	35.2	42.7	(7.5)
Consolidated	193.6	209.3	(15.7)

SG&A Expenses – Investment Management Operations (\$ millions)	For the Year ended November 30, 2009
Increase in severance and restructuring expenses	1.7
Decrease in compensation-related expenses	(7.0)
Decrease in other expenses	(5.2)
Increase in fund absorption expenses	2.3
Total	(8.2)

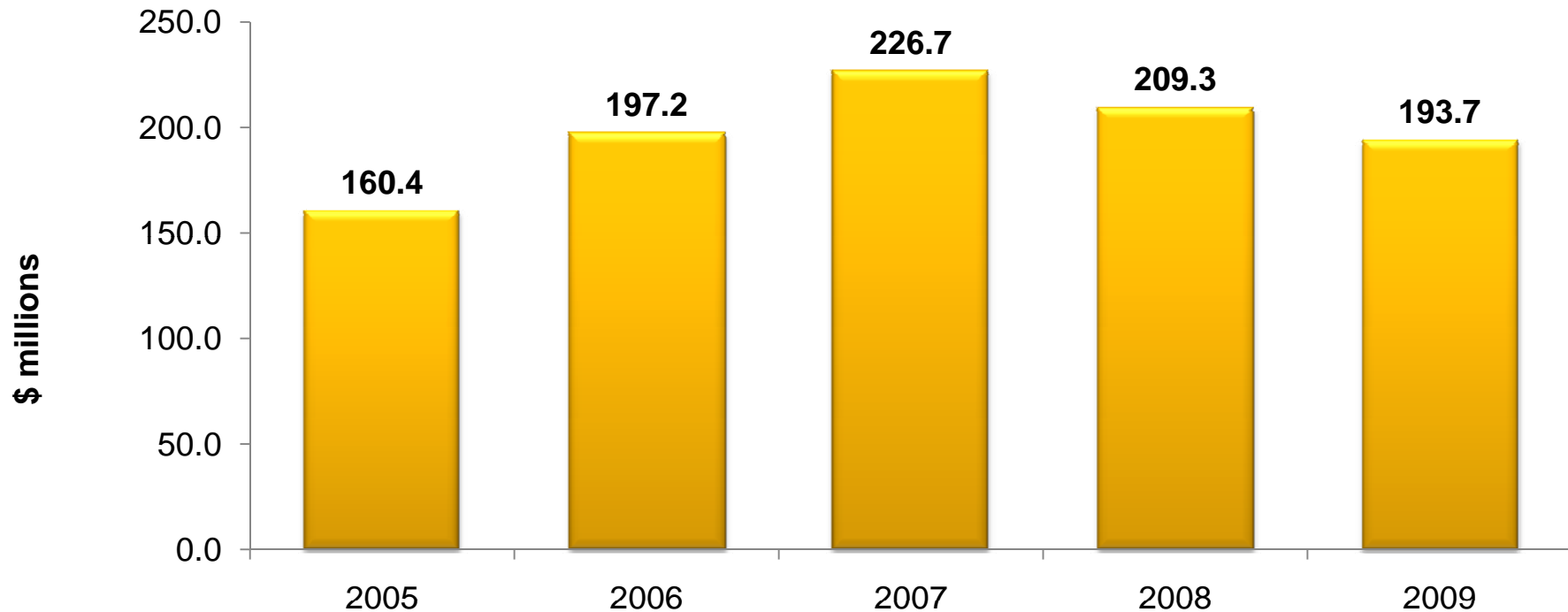


## AGF MANAGEMENT LIMITED: SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A Expenses – AGF Management Limited (\$ millions)	Quarter ended November 30,		Increase/ (Decrease)
	2009	2008	
Investment Management Operations	35.7	31.3	4.4
Trust Company Operations	9.2	9.9	(0.7)
Consolidated	44.9	41.2	3.7

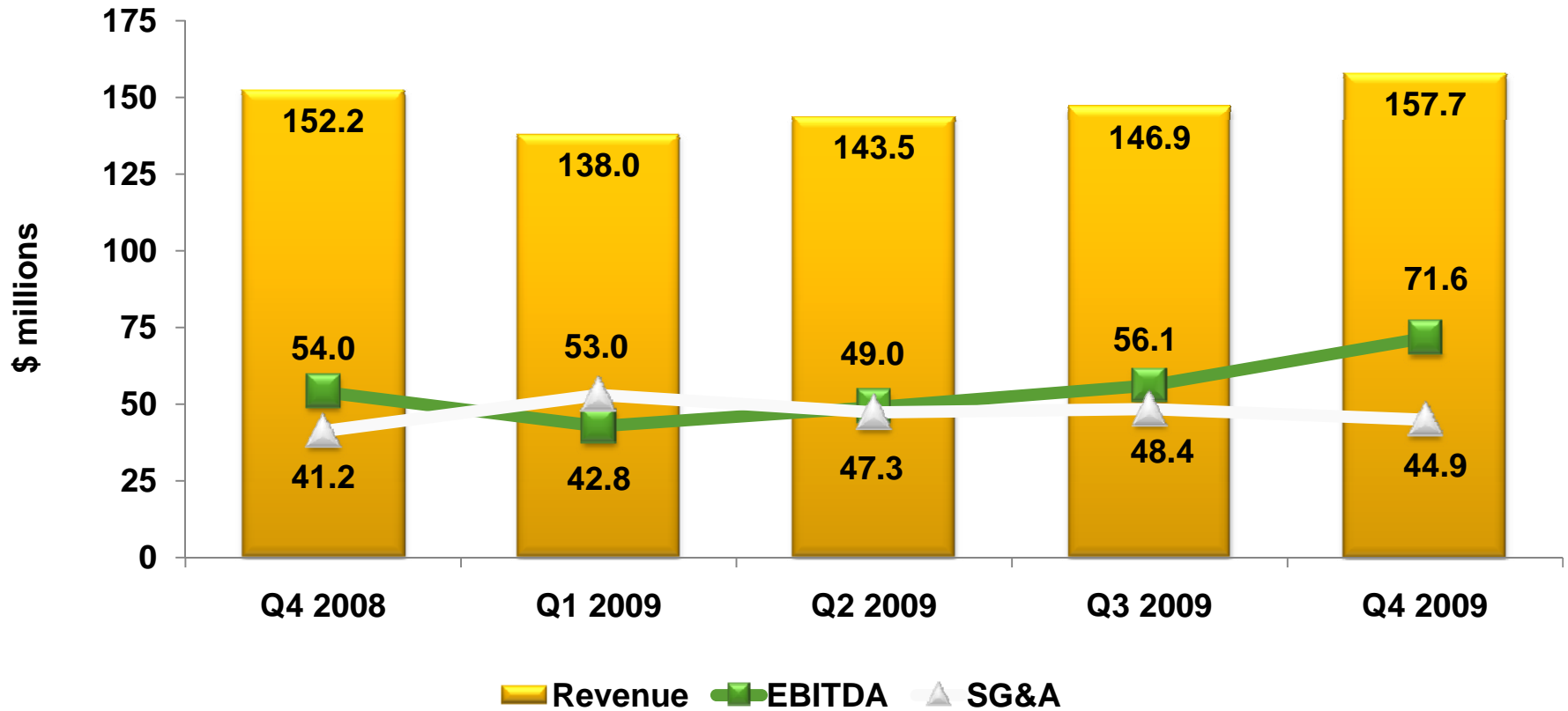
SG&A Expenses – Investment Management Operations (\$ millions)	For the three months ended November 30, 2009
Decrease in severance and restructuring expenses	(2.4)
Increase in compensation-related expenses	7.5
Decrease in other expenses	(1.2)
Increase in fund absorption expenses	0.5
Total	4.4

# AGF MANAGEMENT LIMITED: SELLING, GENERAL AND ADMINISTRATIVE EXPENSES



<b>AUM (\$billions)</b>	<b>\$34.1</b>	<b>\$42.8</b>	<b>\$53.7</b>	<b>\$35.6</b>	<b>\$44.6</b>
<b>Loan Assets (\$billions)</b>	<b>\$1.4</b>	<b>\$2.3</b>	<b>\$3.7</b>	<b>\$4.4</b>	<b>\$3.6</b>

# AGF MANAGEMENT LIMITED: REVENUE, EBITDA AND SG&A



EBITDA Margin

35.5%

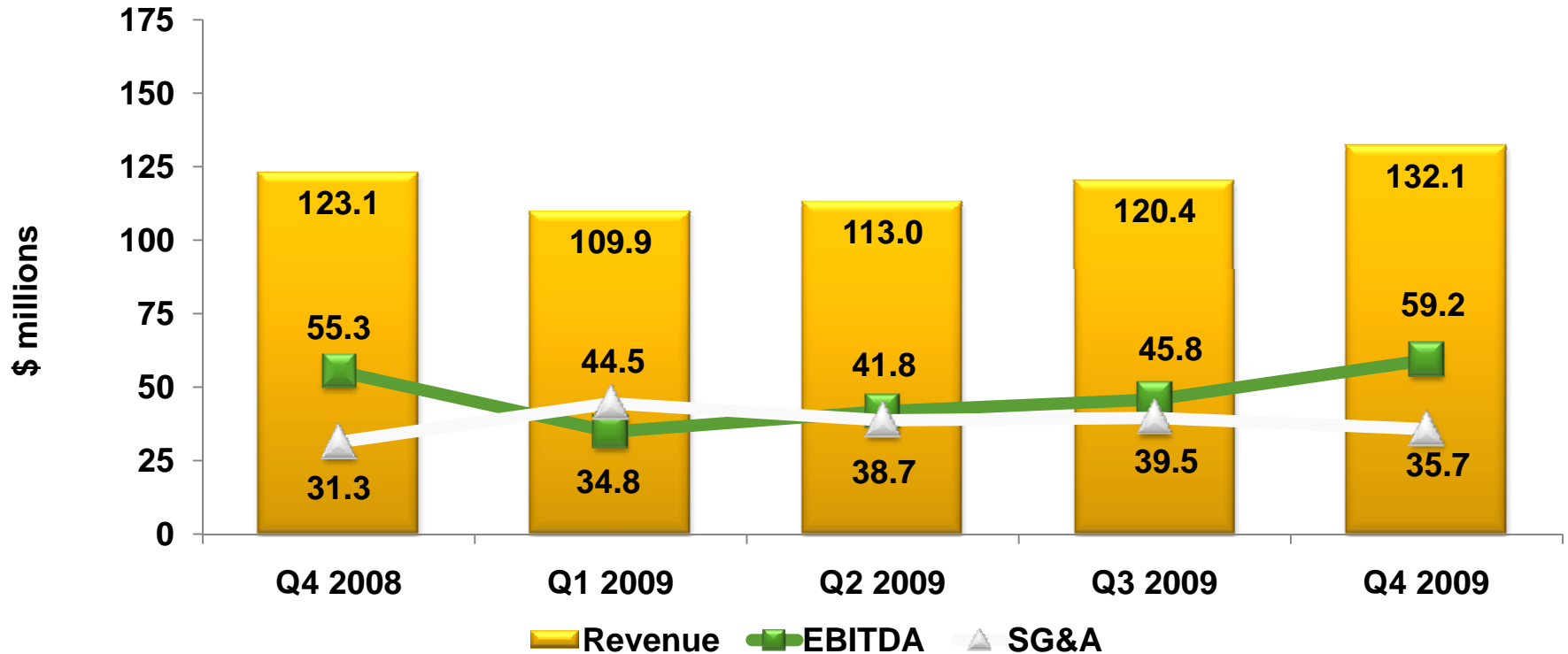
31.0%

34.1%

38.2%

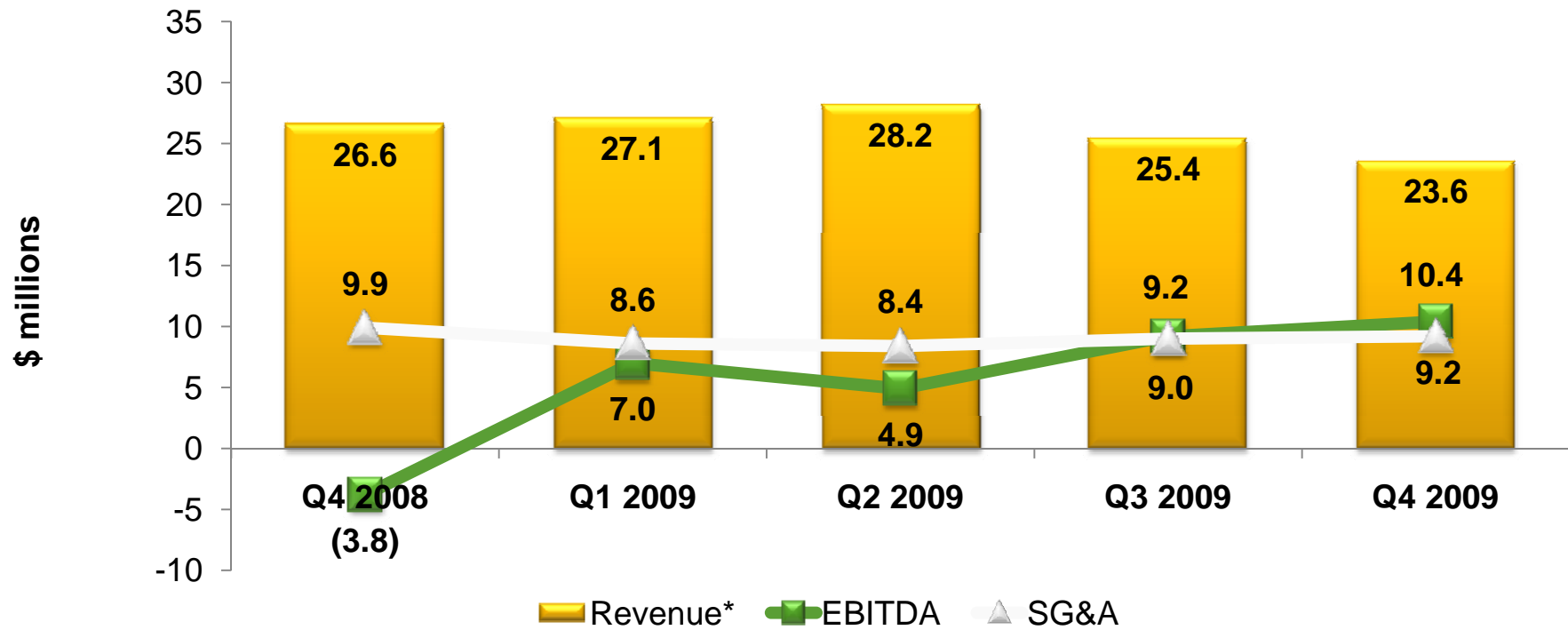
45.4%

# INVESTMENT MANAGEMENT OPERATIONS: REVENUE, EBITDA AND SG&A



EBITDA Margin	44.9%	31.7%	37.0%	38.0%	44.8%
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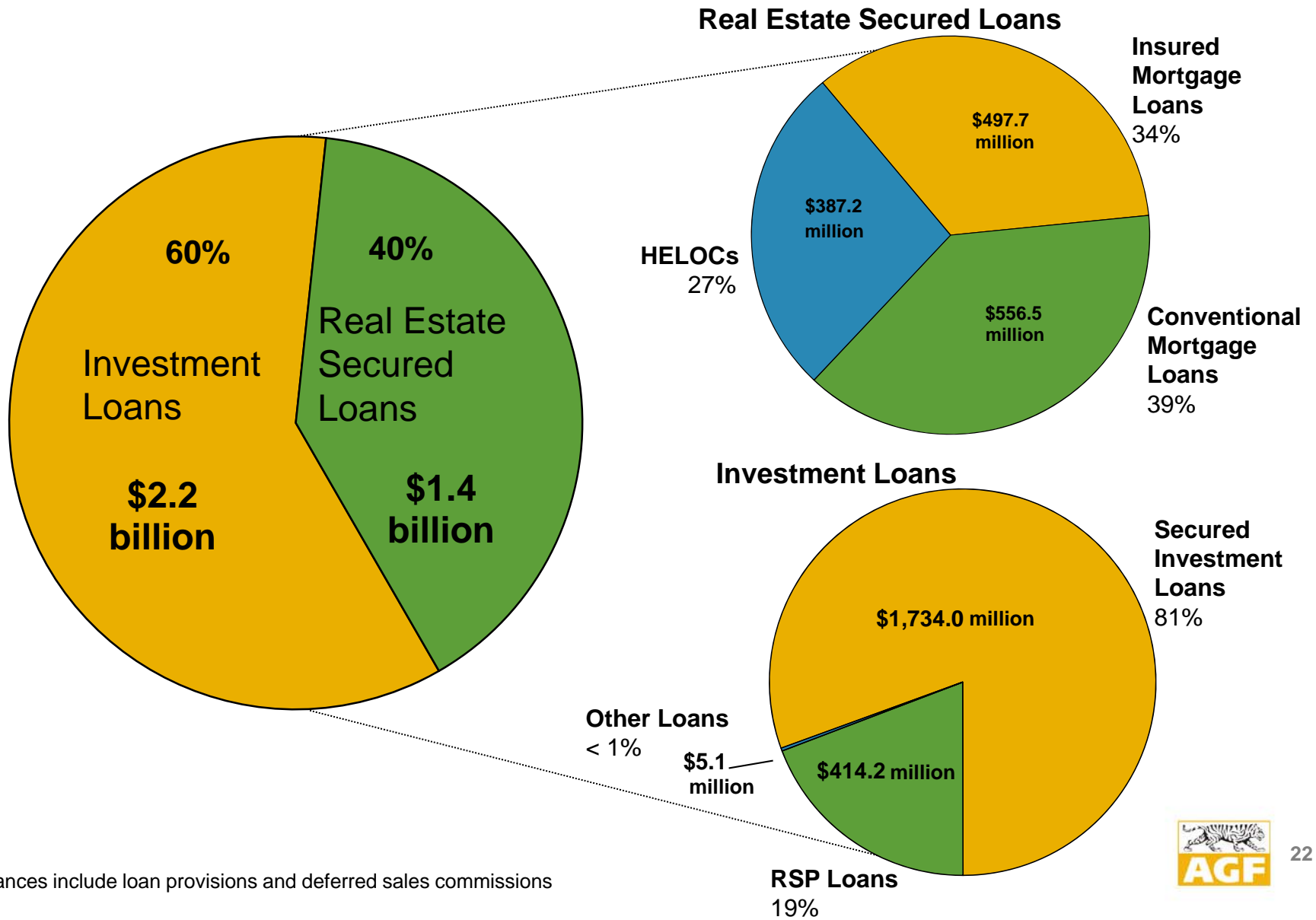
# TRUST COMPANY OPERATIONS: REVENUE, EBITDA AND SG&A



EBITDA Margin	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
	NM	25.8%	17.4%	36.2%	44.1%

\* Net interest income, other revenue and securitization income (loss), net of impairment.

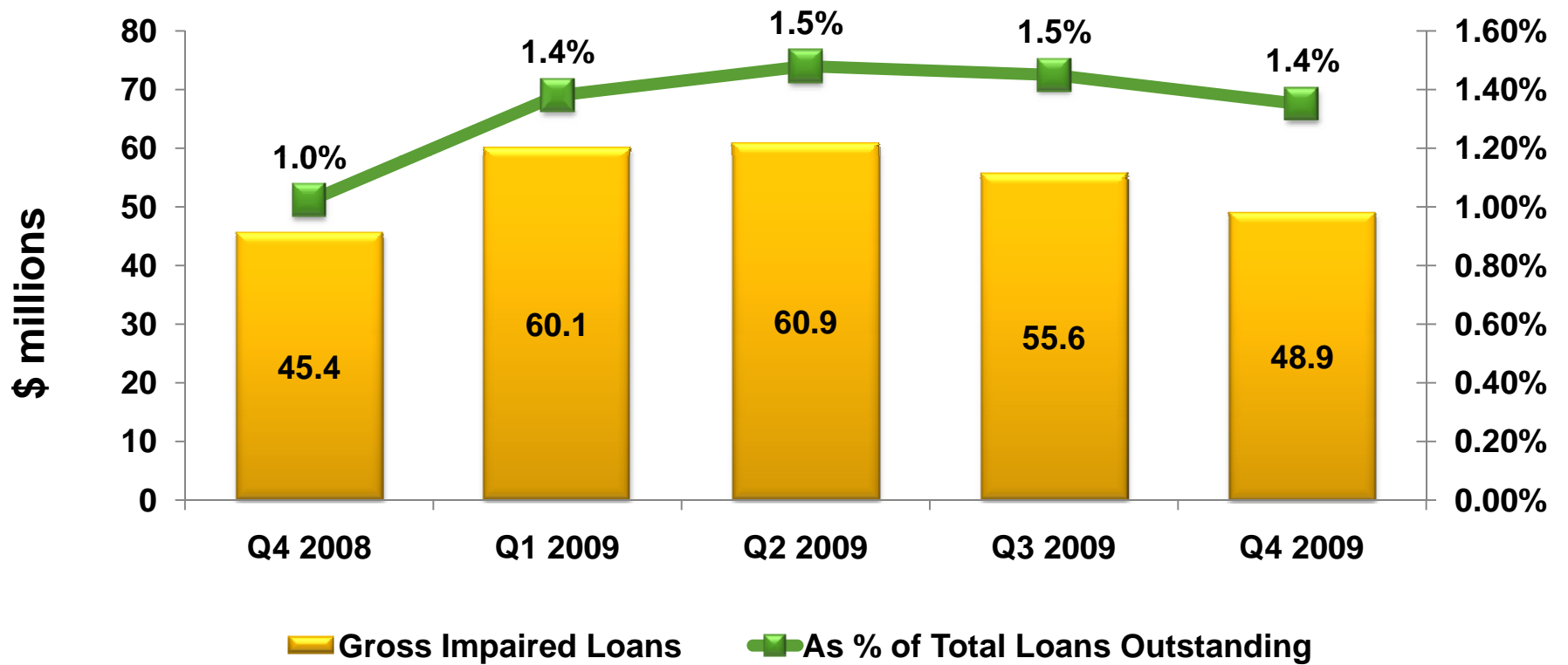
# TRUST COMPANY OPERATIONS: LOAN PORTFOLIO AS AT NOVEMBER 30, 2009



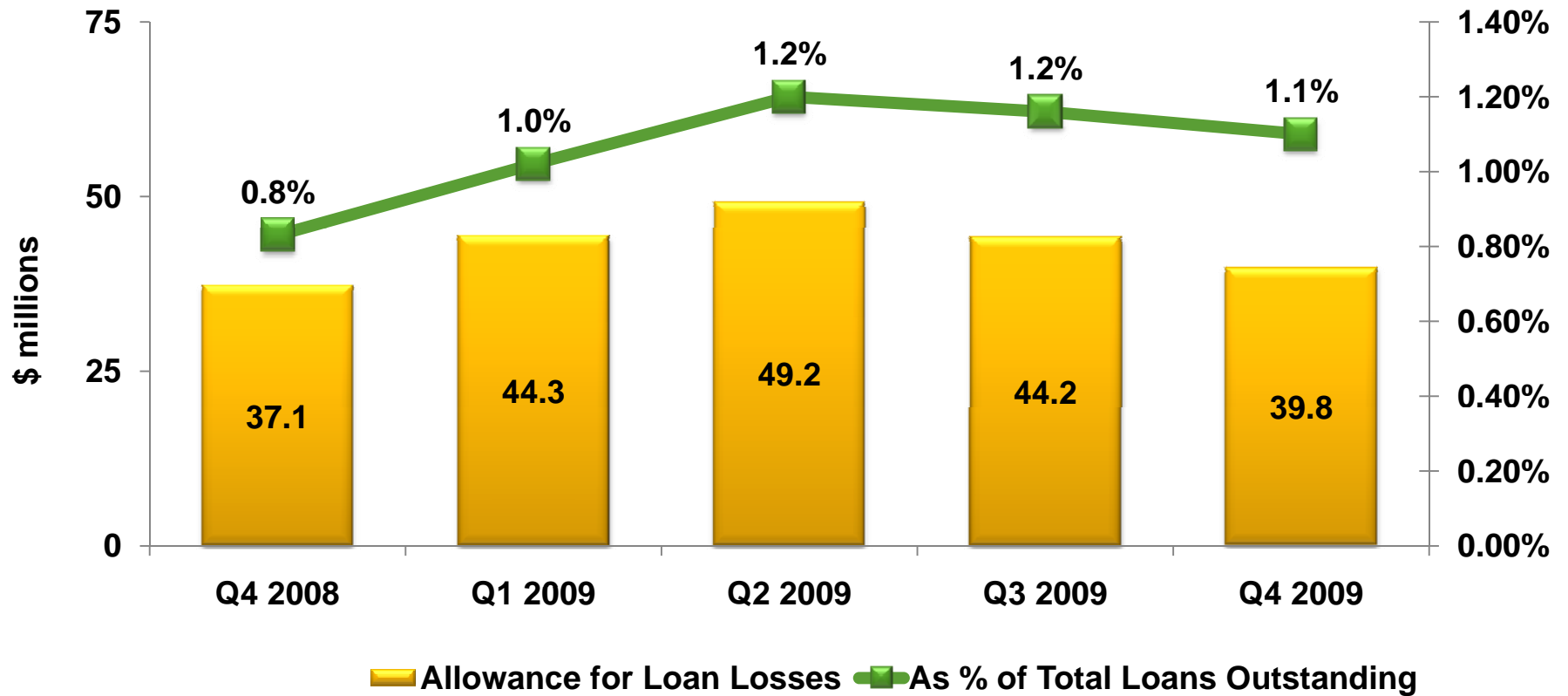
Loan balances include loan provisions and deferred sales commissions



# TRUST COMPANY OPERATIONS: GROSS IMPAIRED LOANS

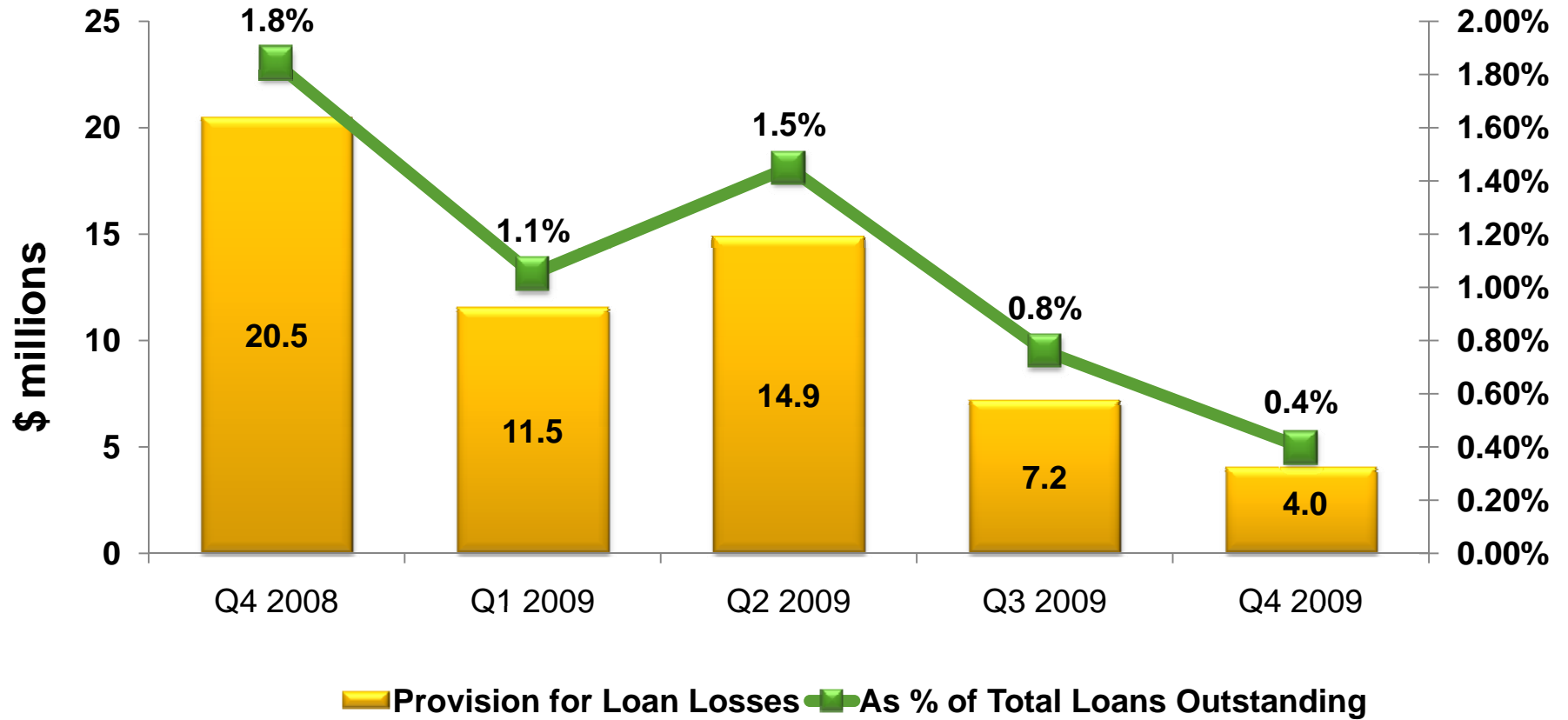


# TRUST COMPANY OPERATIONS: ALLOWANCE FOR LOAN LOSSES

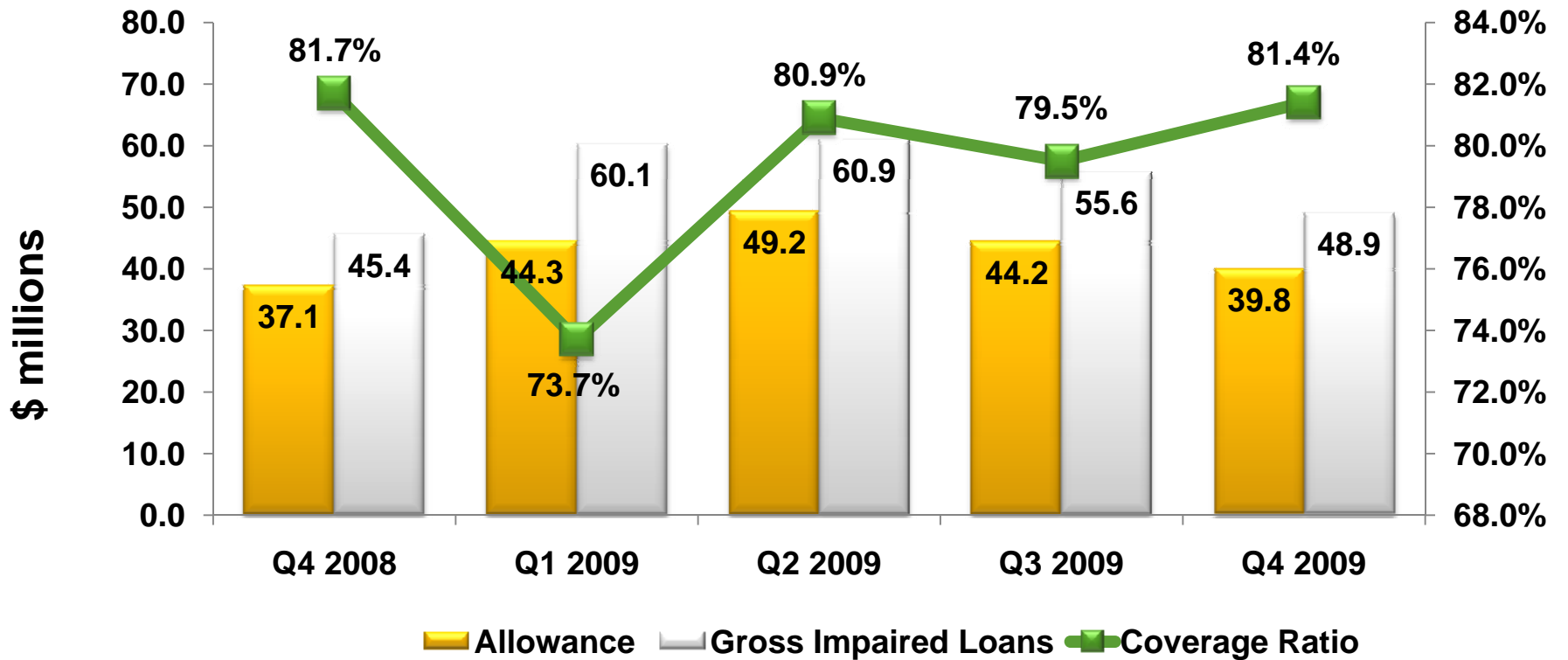




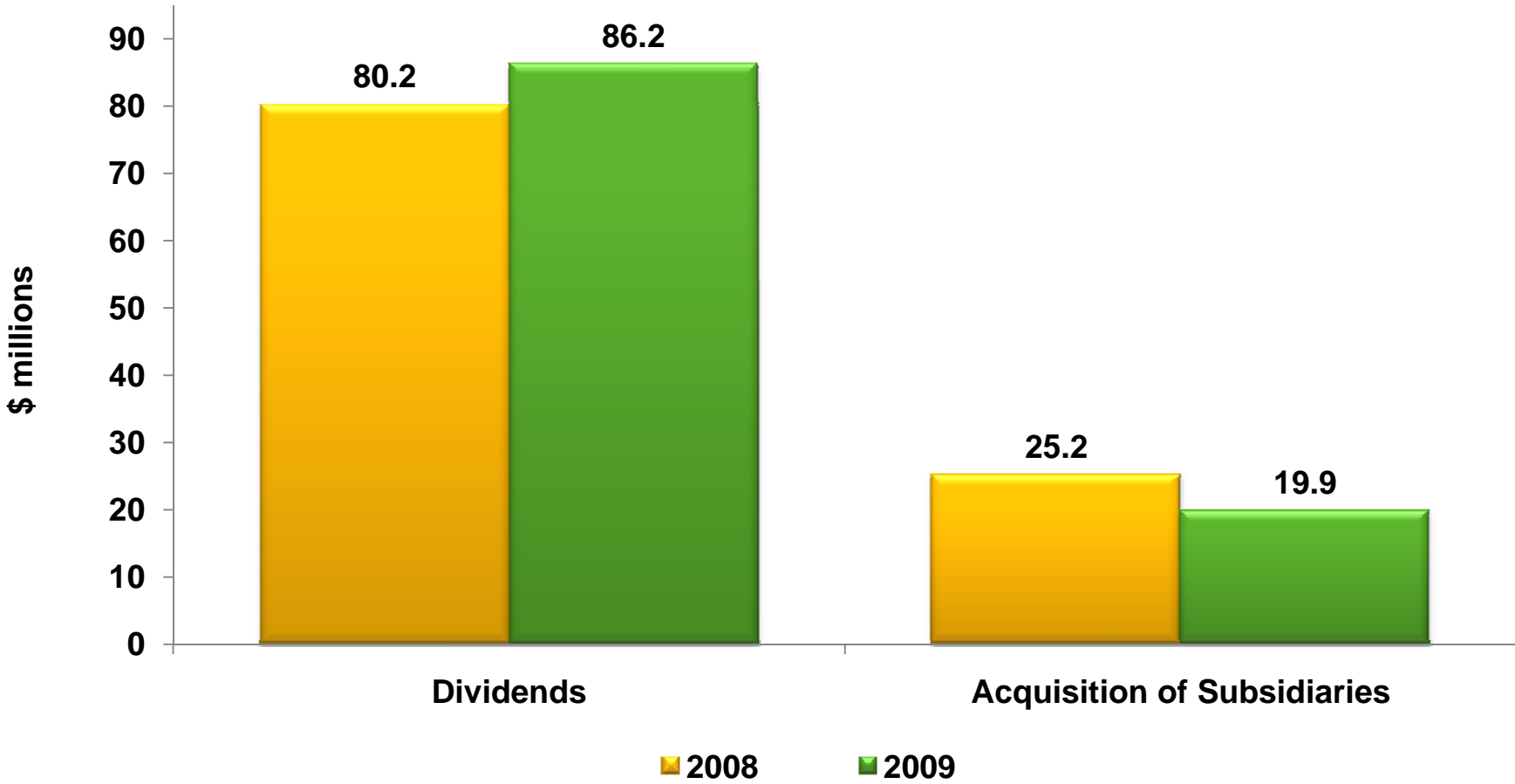
# TRUST COMPANY OPERATIONS: PROVISION FOR LOAN LOSSES



# TRUST COMPANY OPERATIONS: COVERAGE RATIO



# UTILIZATION OF FREE CASH FLOW



# AGF MANAGEMENT LIMITED

- AGF is growing
  - Successful institutional net sales results
  - Higher percentage of AUM in equities as compared to peers which will drive future value
  - Strong financial results at Trust with significant regulatory capital to allow for future growth
- AGF shares represent value
  - Higher dividend yield
  - EPS as a percentage of share price better than publicly traded peers

# Positioned for the future

QUESTIONS