

AGF MANAGEMENT LIMITED

EARNINGS CONFERENCE CALL

FOURTH QUARTER 2015
JANUARY 27TH, 2016



What are you doing after work?*

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The forward looking information is provided as of January 27th, 2016. 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 material 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 and cost efficiency in our investment management 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.

CONFERENCE CALL PARTICIPANTS

- **Blake C. Goldring, CFA**
Chairman & Chief Executive Officer
- **Kevin McCreadie, CFA**
President & Chief Investment Officer
- **Robert J. Bogart**
Executive Vice-President & Chief Financial Officer

TODAY'S DISCUSSION

- Highlights of the 4th Quarter and Fiscal 2015
- Business Updates
 - Retail Business
 - Investment Management
 - Institutional Business
 - Alternatives
- Financial Results
- Capital & Liquidity
- Focus & Priorities

FISCAL 2015 HIGHLIGHTS

Continued progress toward stated objectives

- Highlights:
 - AUM above median: 1 year 58%, 3 years 50%
 - 20% improvement in retail fund flows
 - Institutional – strong demand for global products
 - Focus on low volatility and low cost capability
 - Development of alternatives business
- Board confirmed \$0.08 dividend for Q4 2015

RETAIL BUSINESS REVIEW

Continued improvement in investment performance bodes well for future sales

- Continued improvement in retail net redemptions despite market volatility
- Solution-oriented products key to addressing current market
 - Risk managed products
 - AGF Elements
- Strategic partnerships will drive better gross sales

INVESTMENT PLATFORM OVERVIEW

Diversified asset management platform is positioned to meet client demands



Fundamental AUM: \$23.1 billion¹	Quantitative AUM: \$5.1 billion¹	Real Assets AUM: \$268 million¹	Private Client AUM: \$4.2 billion¹
<p>Fundamental Active Managers</p> <p>Centres of excellence with a global focus. Asset Allocation Committee provides perspective on global markets.</p>	<p>ETFs and Innovative Solutions</p> <p>Empirically based research and the combination of quantitative and fundamental investing.</p>	<p>Alternatives Joint Venture</p> <p>Focused on mid-market alternative real assets. Investments include midstream energy and essential infrastructure.</p>	<p>Local Presence in Key Markets</p> <p>Customized solutions serving high net worth individuals, endowments, and foundations.</p>

(1) As at December 31, 2015. Expressed in Canadian dollars.

INVESTMENT TEAMS & PERFORMANCE

Strong investment performance driven by talent review along with risk and process work

- Investment team restructuring complete
- AUM above median: 1 year 58%, 3 years 50%
- Strong performance relative to peers
- Fewer teams with better resources will continue to drive improvement

INSTITUTIONAL BUSINESS REVIEW & PIPELINE

		(\$ millions)
Q3 Pipeline	Gross Sales Commitments	176
	Redemption Notifications	(136)
	Q3 Net Pipeline	40
Q4 Activity	Gross Sales from Q3 Pipeline	71
	Redemptions from Q3 Pipeline	(136)
	Additional Q4 Net Redemptions	(213)
	Total Q4 Net Redemptions	(278)
Q4 Pipeline	New Gross Sales Commitments	263
	Gross Sales from Q3 Pipeline	105
	New Redemption Notifications	(359)
	Q4 Net Pipeline	9

- Q4 net redemptions are primarily due to an unanticipated Emerging Markets redemption
- Q4 pipeline is positive - Global Core strategy is driving flows
- Global investment performance remains strong as does client demand

SUMMARY OF FINANCIAL RESULTS

(\$ millions, except per share amounts)	Sequential Quarter			Year over Year		
	Q4'15 ¹	Q3'15 ²	Fav / (Unfav)	2015 ³	2014	Fav / (Unfav)
Revenue	105.0	115.8	(9.3%)	449.6	464.5	(3.2%)
SG&A	47.3	50.1	5.6%	188.7	175.0	(7.8%)
EBITDA	25.5	31.8	(19.8%)	127.2	154.9	(17.9%)
EBITDA Margin	24.3%	27.5%	(11.6%)	28.3%	33.3%	(15.0%)
EBITDA (adjusted)	28.3	30.5	(7.2%)	128.7	154.9	(16.9%)
EBITDA Margin (adjusted)	27.0%	27.7%	(2.5%)	29.0%	33.3%	(12.9%)
Free Cash Flow	18.6	17.0	9.4%	67.8	82.0	(17.3%)
Net Income	8.1	11.9	(31.9%)	48.3	59.1	(18.3%)
Net Income (adjusted)	10.2	10.2	0.0%	48.7	59.1	(17.6%)
Consolidated EPS	0.11	0.14	(21.4%)	0.58	0.70	(17.1%)

(1) Q4 2015: Unadjusted figures include restructuring costs of \$2.8m.

(2) Q3 2015: Unadjusted figures include a \$5.7m special distribution from Stream and restructuring costs of \$4.4m.

(3) 2015: Unadjusted figures include a \$5.7m special distribution from Stream and restructuring costs of \$7.2m.

FINANCIAL RESULTS – BPS DETAIL

Q4 EBITDA bps are comparable to TTM

(bps of average AUM)	Q4-15	TTM
Average AUM (\$B)¹	32.6	34.6
Average Retail	18.0	18.9
Average Institutional and HNW	14.6	15.7
Revenue (bps) ²	123	122
Less:		
Trailer Fees (bps)	38	37
SG&A (bps) ³	56	55
EBITDA (bps)	29	30

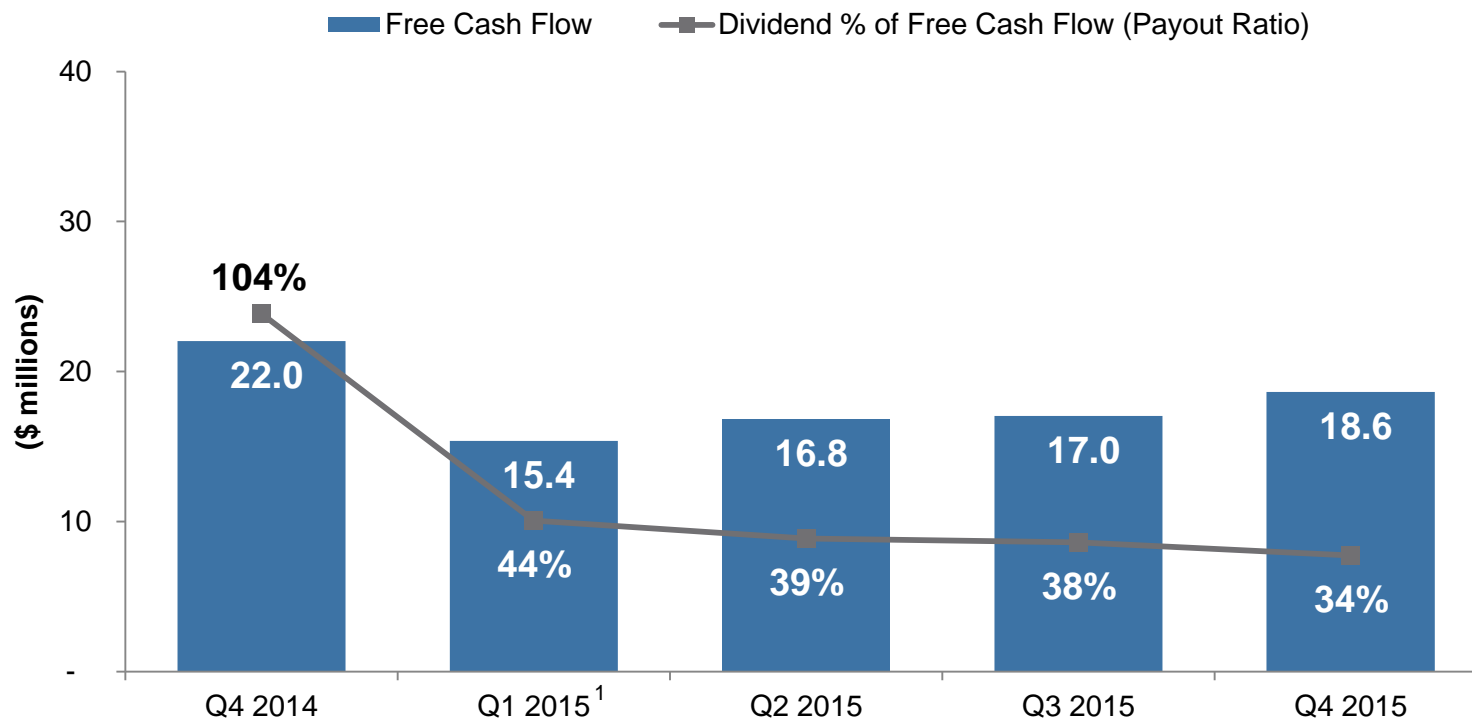
(1) Average AUM excludes Alternatives platform and is adjusted for the acquisition of a majority interest in FFCM LLC in November 2015.

(2) Represents management and advisory fees and deferred sales charge revenue only.

(3) Includes investment advisory fees. SG&A and EBITDA adjusted to exclude restructuring costs of \$2.8m and \$7.2m in Q4 2015 and TTM, respectively.

FREE CASH FLOW

Dividend payout ratio remains steady at 34%



(1) Q1 2015 payout ratio adjusted for Q1 2015 dividend payment of \$0.08 per share.

2016 FOCUS & PRIORITIES

Build on improved investment performance

- **Key Execution Points**
 - Sustain investment performance improvement
 - Drive gross sales through retail product development and strategic partnerships
 - Integrate FFCM and leverage new product capability
 - Continue the development of the Infrastructure Platform



QUESTIONS



What are you doing after work?*