



AGF MANAGEMENT LIMITED

EARNINGS CONFERENCE CALL
SECOND QUARTER 2014
JUNE 24, 2014



What are you doing after work?®

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The forward looking information is provided as of June 24, 2014. 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
- **Robert J. Bogart**, Executive Vice-President & Chief Financial Officer
- **Kevin McCreadie**, CFA, President & Chief Investment Officer

TODAY'S DISCUSSION

- Highlights of the 2nd Quarter
- Business Updates
 - Investment Management
 - Retail Business
 - Institutional Business
- Financial Results
- Capital & Liquidity
- Focus & Priorities

Q2 HIGHLIGHTS

Continued progress toward stated objectives

- CIO search completed
- Improving investment performance
- AUM of \$35.9 billion
- Retail net redemption improvement continues
- Board reconfirmed \$0.27 dividend

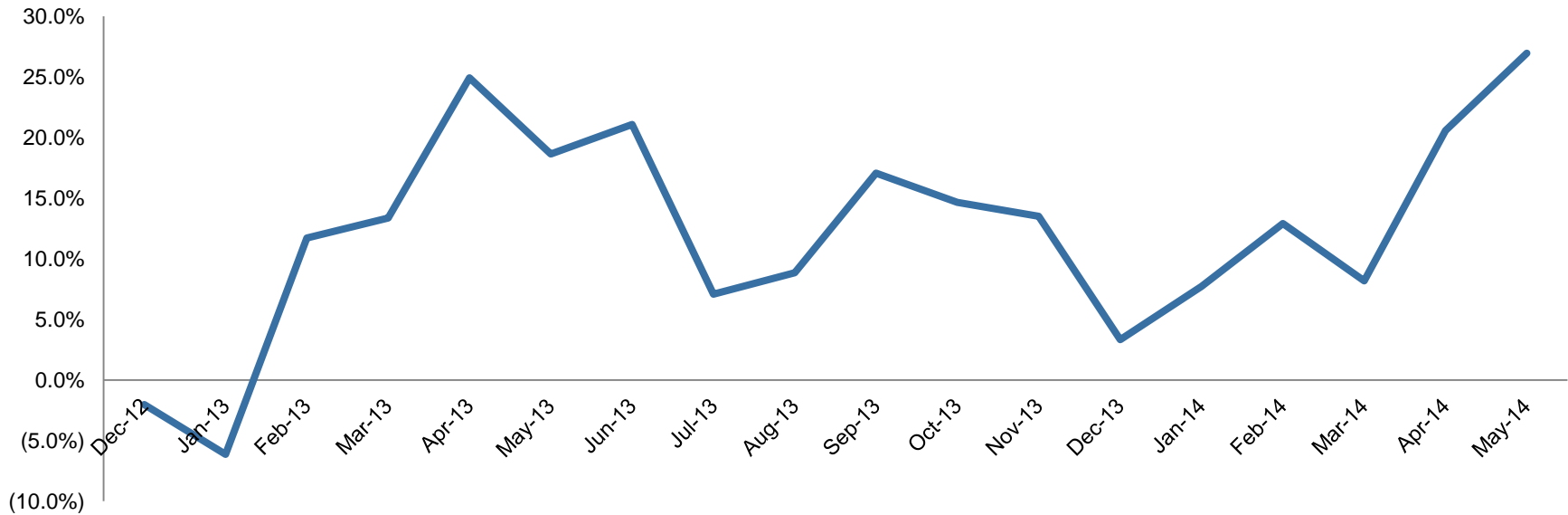
INVESTMENT TEAMS & PERFORMANCE

Investment process improvement has shown results

- New leadership appointed
- Improving on our key metric – assets above median
- North American team analyst additions
- Alternatives capability

RETAIL NET REDEMPTIONS TREND

Redemption levels have improved significantly - further improvement in fund performance is key to momentum



Percentage improvement in monthly net outflows vs. prior year

Note: Excludes seed capital and strategic partnership flows (\$5M and higher).

INSTITUTIONAL BUSINESS REVIEW & PIPELINE

		(\$ millions)
Q1 Pipeline	Gross Sales Commitments	156
	Redemption Notifications	(313)
	Q1 Net Pipeline	(157)
Q2 Activity	Gross Sales from Q1 Pipeline	156
	Redemptions from Q1 Pipeline	(313)
	Additional Q2 Net Redemptions	(146)
	Total Q2 Net Sales	(303)
Q2 Pipeline	New Gross Sales Commitments	100
	Redemption Notifications	(63)
	Q2 Net Pipeline	37

- Emerging Markets performance has stabilized
- New Global Core mandate awarded
- Consultant profile progress
- YTD net flows of \$457 million

SUMMARY OF FINANCIAL RESULTS

	(\$ millions, except per share amounts)	Sequential Quarter			Quarter Over Quarter		
		Q2-14	Q1 -14	Change	Q2-14	Q2-13	Change
Continuing Operations	Revenue	119.1	116.9	1.9%	119.1	126.9	(6.1%)
	EBITDA	38.1	43.9	(13.2%)	38.1	46.1	(17.4%)
	EBITDA Margin	32.0%	37.6%	(14.9%)	32.0%	36.3%	(11.8%)
	EBITDA (adjusted)⁽¹⁾	38.1	43.9	(13.2%)	38.1	42.4	(10.1%)
	EBITDA Margin (adjusted)⁽¹⁾	32.0%	37.6%	(14.9%)	32.0%	34.4%	(7.0%)
	Free Cash Flow	16.0	19.4	(17.5%)	16.0	27.7	(42.2%)
	Net Income	14.5	17.1	(15.2%)	14.5	(10.4)	239.4%
	Net Income (adjusted)⁽²⁾	14.5	17.1	(15.2%)	14.5	11.9	21.8%
	EPS Diluted	0.17	0.20	(15.0%)	0.17	(0.12)	241.7%
	EPS Diluted (adjusted)⁽²⁾	0.17	0.20	(15.0%)	0.17	0.13	30.8%
Consolidated EPS Diluted	0.17	0.23	(26.1%)	0.17	(0.12)	241.7%	

(1) EBITDA adjusted for one time items: Q2-13: \$3.7m other income.

(2) Net Income / EPS adjusted for one time items: Q2-13: \$22.3m (\$25m CRA provision, (\$3.7m) other income and \$1.0m tax impact).

FINANCIAL RESULTS – BPS DETAIL

SG&A increase was driven by performance compensation

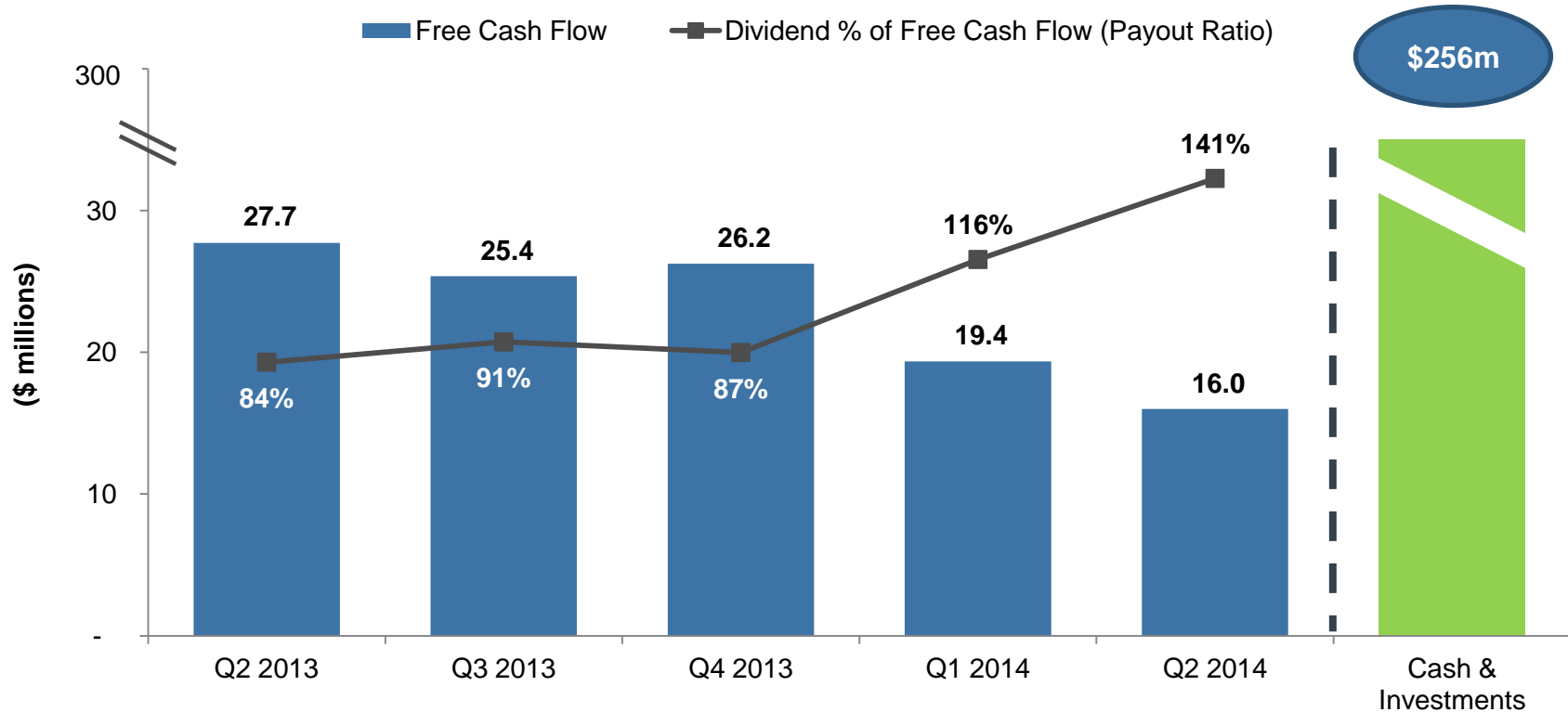
(bps of average AUM)	Q2-14	Q2-13	TTM
Average AUM (\$B)	36.0	38.3	36.1
Average Retail	19.9	19.7	19.5
Average Institutional and HNW	16.1	18.6	16.6
Revenue (bps) ⁽¹⁾	125	122	125
Less:			
Trailer Fees (bps)	36	33	35
SG&A (bps) ⁽²⁾	53	51	52
EBITDA (bps)	36	38	38

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

(2) Includes investment advisory fees.

FREE CASH FLOW

Strong cash position supports dividend and growth initiatives



FOCUS & PRIORITIES 2014

Focus on supporting investment management leadership to achieve performance goals

- Key Execution Points
 - Maintain investment performance trajectory
 - Retail flows improvement
 - Deliver institutional flows into global mandates
 - Launch core infrastructure fund
 - Deliver against cost guidance



QUESTIONS



What are you doing after work?*