



AGF MANAGEMENT LIMITED

EARNINGS CONFERENCE CALL

FOURTH QUARTER 2016
JANUARY 24TH, 2017



What are you doing after work?*

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The forward looking information is provided as of January 24th, 2017. 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
- **Adrian Basaraba, CPA, CA, CFA**
Senior Vice-President & Chief Financial Officer

TODAY'S DISCUSSION

- Highlights of the 4th Quarter and Fiscal 2016
- Business Updates
 - Retail Business
 - Investment Management
 - Institutional Business
 - Alternatives
- Financial Results
- Capital & Liquidity
- Focus & Priorities

FISCAL 2016 HIGHLIGHTS

Continued progress toward stated objectives

- Highlights:
 - 30% improvement in mutual fund flows compared to 2015
 - Strong fundraising progress for the Essential Infrastructure Fund
 - Demand for Global products remains intact
 - QuantShares ETF launch on January 30th
 - Adjusted earnings per share of \$0.13 for Q4 2016
 - Board confirmed \$0.08 dividend for Q4 2016

RETAIL BUSINESS REVIEW

Continued improvement in mutual fund flows

- Mutual fund net redemptions improved by 30% despite industry weakness
- Good performance in key categories will drive continued improvement
- Product innovation utilizing capabilities around risk and low volatility

INVESTMENT TEAMS & PERFORMANCE

Performance improvement on track to meet long term target

- AUM above median: 1 year 39%, 3 years 37%
- Consistent long-term performance in key funds
- Portfolios positioned to meet client concerns around risk and volatility

INSTITUTIONAL BUSINESS REVIEW & PIPELINE

| | | (\$ millions) |
|----------------|-------------------------------|---------------|
| Q3 Pipeline | Gross Sales Commitments | 60 |
| | Redemption Notifications | - |
| | Q3 Net Pipeline | 60 |
| Q4 Activity | Gross Sales from Q3 Pipeline | 60 |
| | Redemptions from Q3 Pipeline | - |
| | Additional Q4 Net Redemptions | (44) |
| | Total Q4 Net Sales | 16 |
| Q4 Pipeline | Gross Sales | 35 |
| | Redemption Notifications | (217) |
| | Q4 Net Pipeline | (182) |

- Net sales include strategic win from a prominent Asian investor
- Global performance remains strong, as does client demand
- Final close of the Essential Infrastructure Fund expected in March 2017
 - \$522 million raised to date

SUMMARY OF FINANCIAL RESULTS

| | (\$ millions, except per share amounts) | Sequential Quarter | | | Year Over Year | | |
|-----------------------------|---|--------------------|-------------|---------------|----------------|----------------|----------------|
| | | Q4 '16 | Q3 '16 | Fav / (Unfav) | 2016 | 2015 | Fav / (Unfav) |
| Continuing Operations | Revenue | 104.8 | 109.4 | (4.2%) | 428.7 | 449.6 | (4.6%) |
| | SG&A | 43.2 | 52.4 | 17.6% | 194.9 | 188.7 | (3.3%) |
| | EBITDA | 30.7 | 25.3 | 21.3% | 109.5 | 127.2 | (13.9%) |
| | <i>EBITDA Margin</i> | 29.3% | 23.1% | 26.8% | 25.5% | 28.3% | (9.9%) |
| | EBITDA (adjusted) | 25.5 | 27.4 | (6.9%) | 107.9 | 128.7 | (16.2%) |
| | <i>EBITDA Margin (adjusted)</i> | 24.3% | 24.6% | (1.2%) | 25.0% | 29.0% | (13.8%) |
| | Free Cash Flow | 21.2 | 12.9 | 64.3% | 61.5 | 67.8 | (9.3%) |
| | Net Income | 14.6 | 8.2 | 78.0% | 42.5 | 48.3 | (12.0%) |
| | Net Income (adjusted) | 10.6 | 10.3 | 2.9% | 41.7 | 48.7 | (14.4%) |
| | Diluted EPS | 0.18 | 0.10 | 80.0% | 0.53 | 0.58 | (8.6%) |
| Adjusted diluted EPS | 0.13 | 0.13 | 0.0% | 0.52 | 0.58 | (10.3%) | |

FINANCIAL RESULTS – BPS DETAIL

EBITDA yield increase reflects lower expenses

| (bps of average AUM) | Q4 '16 | TTM |
|--------------------------------------|-------------|-------------|
| Average AUM (\$B)¹ | 33.6 | 32.9 |
| Average Retail | 17.8 | 17.5 |
| Average Institutional and HNW | 15.8 | 15.4 |
| Revenue (bps) ² | 121 | 123 |
| Less: | | |
| Trailer Fees (bps) | 37 | 37 |
| SG&A (bps) ³ | 58 | 61 |
| EBITDA (bps) ³ | 26 | 25 |

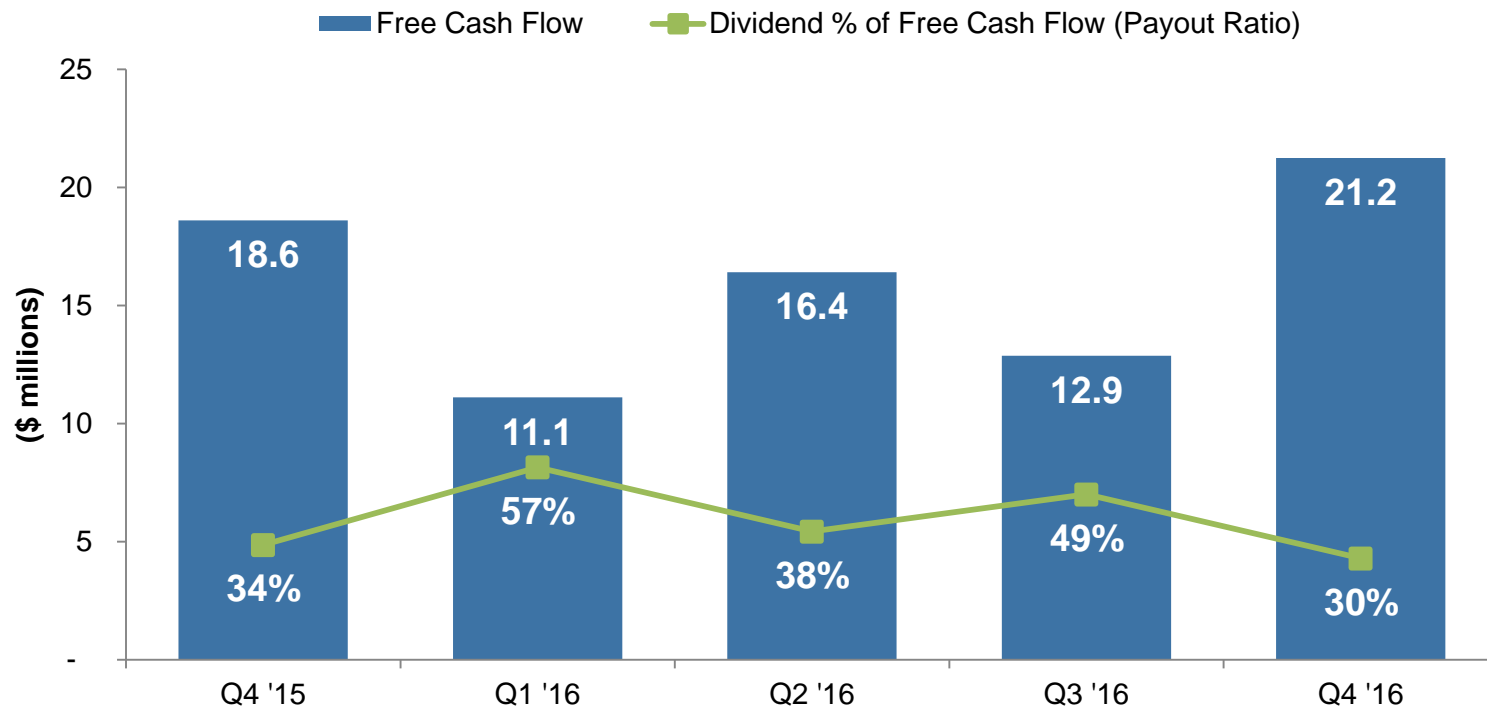
(1) Average AUM excludes Alternatives platform.

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

(3) Includes investment advisory fees. SG&A and EBITDA adjusted to exclude one-time items of \$5.2M in Q4 '16 and \$3.7M in TTM.

FREE CASH FLOW

Dividend payout ratio remains within an acceptable range



2017 FOCUS & PRIORITIES

Continue work on improved investment performance

- **Key Execution Points**
 - Continue to drive investment performance
 - Improve sales in retail and institutional
 - Leverage the AGFiQ platform



QUESTIONS



What are you doing after work?*