
IG FI Canadian Equity Class
Interim Financial Statements
For the six-month period ended September 30, 2009

The accompanying interim financial statements have not been reviewed by the external auditors of the Fund. The external auditors will be auditing the annual financial statements of the Fund in accordance with Canadian generally accepted auditing standards.

STATEMENTS OF NET ASSETS

at September 30, 2009 (unaudited) with comparative figures at March 31, 2009
(in \$ thousands except per share amounts)

	September 30 2009	March 31 2009
Assets:		
Investments	121,272	79,817
Cash and cash equivalents	2,153	3,503
Accrued interest and dividends receivable	257	306
Taxes recoverable (payable)	333	315
Accounts receivable for securities sold	76	10
Due from brokers	1,876	622
Due from manager	-	10
Net receivable for variation on futures contracts	-	-
Unrealized gains on forward contracts and other derivatives	-	-
Other assets	-	-
	4,695	4,766
Total assets	125,967	84,583
Liabilities:		
Bank overdraft	-	-
Due to brokers	283	695
Accounts payable for securities redeemed	68	1
Accrued expenses	2	2
Liability for options written	-	-
Unrealized losses on forward contracts and other derivatives	-	-
Other liabilities	-	-
Total liabilities	353	698
Net assets	125,614	83,885

Net assets per series, end of period

Series A	116,104	78,178
Series B	9,510	5,707

Net assets per share, end of period

Series A	19.29	14.52
Series B	19.12	14.40

STATEMENTS OF OPERATIONS

for the six-month periods ended September 30 (unaudited)
(in \$ thousands except per share amounts)

	2009	2008
Income:		
Dividends	1,272	684
Trust income	100	351
Interest and other income	1	52
Income (loss) from derivatives	-	-
Securities lending	10	17
Foreign withholding taxes	(4)	-
	1,379	1,104
Expenses:		
Management fees	1,090	1,017
Service fees	169	158
Administration fees	154	123
Goods and services tax	62	57
Capital tax	9	3
Other	1	2
	1,485	1,360
Net income (loss)	(106)	(256)
Realized gain (loss)	2,494	(194)
Unrealized gain (loss)	26,928	(12,874)
Commissions and other portfolio transaction costs	(134)	(158)
Net realized and unrealized gain (loss) from investments and foreign exchange	29,288	(13,226)
Net increase (decrease) in net assets from operations	29,182	(13,482)

**Net increase (decrease) in net assets
from operations per series**

Series A	27,112	(12,559)
Series B	2,070	(923)

**Net increase (decrease) in net assets
from operations per share**

Series A	4.77	(2.43)
Series B	4.72	(2.43)

STATEMENTS OF CHANGES IN NET ASSETS

for the six-month periods ended September 30 (unaudited) (in \$ thousands except when stated)

	2009	2008
Series A		
Net assets, beginning of period	78,178	78,309
Increase (decrease) in net assets resulting from:		
Operations	27,112	(12,559)
Dividends:		
Ordinary	-	-
Capital gains	-	-
Total dividends	-	-
Share transactions:		
Proceeds from sale of shares	19,382	29,899
Reinvested from dividends	-	-
Payment on redemption of shares	(8,568)	(7,913)
Total share transactions	10,814	21,986
Increase (decrease) in net assets	37,926	9,427
Net assets, end of period	116,104	87,736

Series B		
Net assets, beginning of period	5,707	5,358
Increase (decrease) in net assets resulting from:		
Operations	2,070	(923)
Dividends:		
Ordinary	-	-
Capital gains	-	-
Total dividends	-	-
Share transactions:		
Proceeds from sale of shares	2,837	3,198
Reinvested from dividends	-	-
Payment on redemption of shares	(1,104)	(1,185)
Total share transactions	1,733	2,013
Increase (decrease) in net assets	3,803	1,090
Net assets, end of period	9,510	6,448

Total		
Net assets, beginning of period	83,885	83,667
Increase (decrease) in net assets resulting from:		
Operations	29,182	(13,482)
Dividends:		
Ordinary	-	-
Capital gains	-	-
Total dividends	-	-
Share transactions:		
Proceeds from sale of shares	22,219	33,097
Reinvested from dividends	-	-
Payment on redemption of shares	(9,672)	(9,098)
Total share transactions	12,547	23,999
Increase (decrease) in net assets	41,729	10,517
Net assets, end of period	125,614	94,184

	2009	2008
Increase (decrease) in shares (in thousands):		
Series A		
Shares outstanding, beginning of period	5,384	3,628
Add (deduct):		
Shares sold	1,122	1,317
Reinvested from dividends	-	-
Shares redeemed	(486)	(364)
Shares outstanding, end of period	6,020	4,581
Series B		
Shares outstanding, beginning of period	396	250
Add (deduct):		
Shares sold	165	143
Reinvested from dividends	-	-
Shares redeemed	(64)	(54)
Shares outstanding, end of period	497	339

STATEMENT OF INVESTMENTS

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES					
Agnico-Eagle Mines Ltd.	Canada	Materials	11,010	673	797
Agrium Inc.	Canada	Materials	22,900	1,081	1,222
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	39,400	539	736
BCE Inc.	Canada	Telecommunication Services	110,400	3,449	2,913
BFI Canada Ltd.	Canada	Industrials	25,100	275	347
Barrick Gold Corp.	Canada	Materials	91,990	3,654	3,729
Baytex Energy Trust	Canada	Energy	87,135	1,486	2,056
Brookfield Properties Corp.	Canada	Financials	119,500	1,078	1,438
CAE Inc.	Canada	Industrials	63,500	536	574
CGI Group Inc. Class A Sub. voting	Canada	Information Technology	12,500	129	157
CI Financial Corp.	Canada	Financials	65,200	1,128	1,342
CME Group Inc.	United States	Financials	2,400	792	790
CSX Corp.	United States	Industrials	26,690	1,052	1,194
Cameco Corp.	Canada	Energy	17,800	548	529
Canadian Imperial Bank of Commerce	Canada	Financials	107,810	6,201	7,039
Canadian National Railway Co.	Canada	Industrials	73,100	3,435	3,832
Canadian Natural Resources Ltd.	Canada	Energy	58,800	3,079	4,228
Capital Power Corp.	Canada	Utilities	31,700	709	626
Cervus LP	Canada	Industrials	157	2	2
Cogeco Cable Inc. Sub. voting	Canada	Consumer Discretionary	19,000	592	576
Cominar Real Estate Investment Trust	Canada	Financials	42,600	738	826
Connacher Oil and Gas Ltd.	Canada	Energy	659,600	617	719
Consolidated Thompson Iron Mines Ltd.	Canada	Materials	74,900	257	406
Crescent Point Energy Corp.	Canada	Energy	90,800	2,679	3,287
Eldorado Gold Corp.	Canada	Materials	78,900	845	959
Enbridge Inc.	Canada	Energy	45,700	1,764	1,900
FNX Mining Co. Inc.	Canada	Materials	20,700	187	193
¹ FNX Mining Co. Inc. Warrants	Canada	Materials	10,350	13	22
First Quantum Minerals Ltd.	Canada	Materials	16,100	571	1,126
Flint Energy Services Ltd.	Canada	Energy	14,600	179	181
Fortis Inc.	Canada	Utilities	45,000	1,071	1,124
The Forzani Group Ltd. Class A	Canada	Consumer Discretionary	30,300	397	407
Franco-Nevada Corp.	Canada	Materials	29,800	814	837
Gildan Activewear Inc.	Canada	Consumer Discretionary	35,580	953	751
Gold Wheaton Gold Corp.	Canada	Materials	501,500	126	130
¹ Gold Wheaton Gold Corp. Purchase Warrants	Canada	Materials	223,250	-	-
Goldcorp Inc.	Canada	Materials	87,390	3,349	3,755
Gran Tierra Energy Inc.	United States	Energy	265,370	1,037	1,184
Great Canadian Gaming Corp.	Canada	Consumer Discretionary	81,100	564	657
Inmet Mining Corp.	Canada	Materials	11,700	519	702
Intact Financial Corp.	Canada	Financials	30,000	896	1,016
Kinross Gold Corp.	Canada	Materials	90,300	1,772	2,097
Livingston International Income Fund	Canada	Industrials	28,400	124	189
Magna International Inc. Class A Sub. voting	Canada	Consumer Discretionary	6,600	262	300
Manulife Financial Corp.	Canada	Financials	221,750	6,300	4,983
New Gold Inc.	Canada	Materials	116,000	440	469
Occidental Petroleum Corp.	United States	Energy	8,170	577	685
Pacific Rubiales Energy Corp.	Canada	Energy	58,000	470	763
Petrobank Energy and Resources Ltd.	Canada	Energy	73,100	1,905	3,226
Pfizer Inc.	United States	Health Care	23,690	468	419
Potash Corp. of Saskatchewan Inc.	Canada	Materials	25,330	2,214	2,447
² Power Corp. of Canada Sub. voting	Canada	Financials	127,690	3,528	3,739
Progress Energy Resources Corp.	Canada	Energy	64,500	720	887
Quebecor Inc. Class B Sub. voting	Canada	Consumer Discretionary	25,400	600	621
Research In Motion Ltd.	Canada	Information Technology	57,040	4,522	4,124
Rogers Communications Inc. Class B non-voting	Canada	Telecommunication Services	71,000	2,543	2,146
Royal Bank of Canada	Canada	Financials	198,590	9,327	11,419
ShawCor Ltd. Class A Sub. voting	Canada	Energy	16,600	345	480
Shoppers Drug Mart Corp.	Canada	Consumer Staples	27,800	1,299	1,219
Silver Wheaton Corp.	Canada	Materials	82,050	839	1,108
Suncor Energy Inc.	Canada	Energy	203,457	7,015	7,534
Talisman Energy Inc.	Canada	Energy	131,900	2,139	2,443
Teck Resources Ltd. Class B Sub. voting	Canada	Materials	67,400	847	1,988
Thomson Reuters Corp.	Canada	Consumer Discretionary	30,000	930	1,076
Tim Hortons Inc.	Canada	Consumer Discretionary	24,760	759	750

¹ This security is not actively traded.

² The issuer of this security is related to the Manager of the Fund.

See accompanying notes to financial statements.

STATEMENT OF INVESTMENTS (continued)

at September 30, 2009 (unaudited)

	Country	Sector	No. of Units, Shares, or Par Value	Average Cost (\$ 000)	Fair Value (\$ 000)
EQUITIES (continued)					
The Toronto-Dominion Bank	Canada	Financials	100,500	5,508	6,960
TransCanada Corp.	Canada	Energy	25,380	844	843
TransForce Inc.	Canada	Industrials	63,100	407	529
Trinidad Drilling Ltd.	Canada	Energy	51,100	246	341
Tristar Oil & Gas Ltd.	Canada	Energy	73,700	1,066	1,150
Uranium One Inc.	Canada	Energy	46,300	148	119
Viterra Inc.	Canada	Consumer Staples	122,000	1,134	1,303
Yamana Gold Inc.	Canada	Materials	52,920	556	606
				107,868	121,272
				(136)	-
COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS					
TOTAL INVESTMENTS				<u>107,732</u>	<u>121,272</u>
Net Assets:					
Total investments					121,272
Cash and cash equivalents					2,153
Other net assets (liabilities)					2,189
					<u>125,614</u>

1. Organization of the Corporation, the Fund, fiscal periods and general information

(a) Organization of the Corporation, the Fund and fiscal periods

Investors Group Corporate Class Inc. (the "Corporation") is a mutual fund corporation incorporated under the laws of Canada on July 17, 2002. The Fund is a class of shares of the Corporation. The Corporation is authorized to issue an unlimited number of common shares and mutual fund shares. Series Z shares are only available for purchase by other Investors Group Funds or other accredited institutional investors. All series generally share in the operations of the Fund, including net income, realized gain (loss) and unrealized gain (loss), on a pro rata basis except for items that can be specifically attributed to one or more series. Dividends for each series may vary, partly due to the differences in expenses between the series.

The financial statements of the Fund are presented as at and for six-month periods ended September 30, 2009 and 2008, except for the comparative information presented in the Statement of Net Assets which is as of March 31, 2009. If applicable, financial results for the Fund or series established during the periods are presented from the date operations commenced to September 30, as applicable, of that fiscal period.

Effective after the close of business on September 30, 2008, the Fund changed its financial year-end from September 30 to March 31.

(b) General information

I.G. Investment Management, Ltd. is the Manager of the Fund. The Fund is distributed by Investors Group Financial Services Inc. and Investors Group Securities Inc. (collectively, the "Distributors"). These companies are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

IGM Financial Inc. is a subsidiary of Power Financial Corp. and Power Corporation of Canada. Power Financial Corp. also owns a majority of Great-West Lifeco Inc. and its related companies and, therefore, those companies are considered affiliates of the Manager and Distributors. The Fund may invest in certain securities within the Power Group of Companies, subject to certain governance criteria, and these holdings, as of September 30, 2009, have been identified on the Statement of Investments for the Fund. Any transactions during the period were executed through market intermediaries and under prevailing market terms and conditions.

The Fund, from time to time, may enter into security trades with other Funds which have the same Manager. These trades are executed through market intermediaries and under prevailing market terms and conditions.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). GAAP requires Management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results may differ from such estimates. The notes to these interim financial statements may be presented in a condensed or summarized format and, therefore, should be read in conjunction with the Fund's March 31, 2009 annual financial statements. These interim financial statements follow the same accounting policies and methods of their application as those used in preparing the annual financial statements. The significant accounting policies of the Fund are as follows:

(a) Valuation of investments

Investments are deemed to be held for trading in accordance with CICA Section 3855, Financial Instruments – Recognition and Measurement ("Section 3855") and therefore are recorded at fair value. Investment purchase and sale transactions are recorded as of the trade date. Realized and unrealized gains and losses on investments are calculated based on average cost of investments, excluding brokerage commissions and other trading costs. Brokers' commissions and other transaction charges are immediately charged to net income in the period incurred. Cost of securities presented in the Statement of Investments represents the amount paid for each security, including brokerage commissions and other trading costs, and is determined on an average cost basis.

(i) Equity securities, bonds and other mutual funds

Investments in securities listed on a public securities exchange or traded on an over-the-counter market are valued at the closing bid price. Securities with no available closing bid prices are valued at the last trade or closing price. Investments in securities of another mutual fund are valued on a business day at the net asset value per security calculated in accordance with the offering documents of such mutual fund. Unlisted or non-exchange traded securities, or securities for which a bid price, last sale or closing price are unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the estimated fair value of a security may be determined using valuation techniques that are not supported by observable market data.

(ii) Futures contracts

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. The value of a contract is the gain or loss that would be realized upon closure. Margin paid or deposited in respect of futures contracts is included in net receivable for variation on futures contracts in the Statements of Net Assets. Any change in the variation margin requirement is settled daily.

(iii) Forward currency contracts

Forward currency contracts are valued at the gain or loss that would arise as a result of closing the position at the reporting date.

(iv) Options contracts

Premiums received from writing options are included in the Statements of Net Assets as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

(b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on deposit and short-term debt instruments with terms to maturity of less than one year at acquisition. Cash and cash equivalents are deemed to be held for trading and therefore carried at fair value.

(c) Currency

All amounts are expressed in Canadian dollars. The par value of securities in the Statement of Investments is expressed in the currency of origin unless otherwise noted. For securities of Austria, Belgium, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain, par values are expressed in euro currency, unless otherwise noted. Foreign currency amounts have been expressed in Canadian dollars on the following bases:

(i) Fair value of investments and other assets and liabilities at the rate of exchange at the end of the period.

(ii) Income, expenses, purchases and sales of investments at the rate of exchange on the dates of such transactions.

(d) Income recognition

Income from investments is recognized on an accrual basis. Dividend income is recognized at the time a security trades on an ex-dividend basis. Interest income is based on the number of days the investment is held during the period.

2. Summary of significant accounting policies (continued)

(e) Securities lending and repurchase transactions

The Fund may be permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is recognized on the accrual basis and included in the Statements of Operations. All the counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. The value of securities loaned and collateral received from securities lending as of the end of the periods, if applicable, is disclosed in Note 10. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(f) Per share information

- (i) Net assets per share is computed by dividing the net assets attributable to a series, determined in accordance with GAAP, by the total number of shares of the series outstanding.
- (ii) Net increase/(decrease) in net assets from operations per share, represents the net increase/(decrease) in net assets of the series from operations for the period divided by the weighted average shares outstanding for the series during the period.

(g) Other assets and liabilities

For the purposes of categorization in accordance with Section 3855, accrued interest and dividends receivable for securities issued, amounts due from brokers, the Manager, and other net assets are designated as loans and receivables and recorded at cost or amortized cost. Similarly, amounts due to brokers, accounts payable for securities redeemed, accrued expenses and other liabilities are designated as other financial liabilities and reported at cost or amortized cost. Cost or amortized cost approximates fair value for these assets and liabilities.

(h) Comparative figures

Certain prior period comparative amounts have been restated to conform to the current period's presentation.

(i) Changes in accounting policies

On October 1, 2007, the Fund adopted CICA Section 3862, Financial Instruments – Disclosures (“Section 3862”) and CICA Section 3863, Financial Instruments – Presentation (“Section 3863”), replacing Section 3861. Section 3862 requires enhanced disclosure of the nature and extent of the risks arising from financial instruments and how the Fund manages those risks. Section 3863 carries forward unchanged the presentation requirements of Section 3861 with respect to financial instruments.

Effective October 1, 2008, the Fund adopted EIC-173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities. EIC-173 clarifies that credit risk and counterparty risk should be considered in determining the fair value of financial instruments. The adoption of EIC-173 did not have an impact on the Fund's financial statements.

(j) Future accounting changes

The CICA has issued amendments to CICA 3862, Financial Instruments – Disclosures to align with IFRS 7, Financial Instruments – Disclosures. The amendments require all financial instruments measured at fair value to be classified into one of three levels that distinguish fair value measurements by the inputs used for valuation. The amendments are effective for annual financial statements relating to fiscal years ending after September 30, 2009. The Fund will include these disclosures in its annual financial statements for the year ending March 31, 2010.

The Canadian Accounting Standards Board (AcSB) has confirmed its plan to adopt all International Financial Reporting Standards (IFRS), as published by the International Accounting Standards Board, on or by January 1, 2011. Accordingly, the Fund intends to adopt IFRS in accordance with the AcSB's plan. The Fund will issue its initial financial statements under IFRS for the interim period ended September 30, 2011.

The Manager has commenced planning for the changeover to IFRS. Elements of that plan include identifying key differences between Canadian GAAP and IFRS and evaluating the likely impacts on all aspects of related business activities.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the impact of the changeover to IFRS is expected to be limited to additional note disclosure and potentially different overall presentation of financial statements with no significant impact to the net asset value per security. However, this current assessment is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

3. Management fees and other expenses

- (a) Each series of the Fund will incur expenses that can be specifically attributed to that series. Common expenses of the Fund are allocated across the series of the Fund on a pro rata basis. Common expenses of the Corporation are allocated across the Funds on a pro rata basis.
- (b) The Manager provides or arranges for the provision of investment and advisory services for a management fee. See Note 10 for the annual rate paid (as a percent of average assets) by the Fund.
- (c) The Fund pays the Manager an administrative services fee and in return the Manager will bear the operating expenses of the Fund, other than certain specified Fund costs. See Note 10 for the annual rates paid, including applicable implementation period adjustments (as a percent of average assets) by the Fund.
Other Fund costs include taxes (including but not limited to GST, income tax and capital tax), transaction costs related to the purchase and sale of investments and derivatives, interest and borrowing costs, and Independent Review Committee (“IRC”) costs.
- (d) The Fund may pay the Distributors a service fee to compensate them for providing or arranging for the provision of services to the Fund. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.
- (e) GST paid by the Fund on its expenses is not recoverable.
- (f) Other expenses are comprised of interest and borrowing charges, IRC costs and other miscellaneous expenses.
- (g) The Manager may, at its discretion, pay certain expenses of the Fund so the Fund's performance remains competitive; however, there is no assurance that this will occur in the future. Any expenses absorbed by the Manager during the period have been identified in the Statements of Operations.

4. Net asset value per share

Net asset value (“pricing NAV”) per share is computed by dividing the net asset value attributable to a series, determined for the purchase and redemption of shares in accordance with the Fund's prospectus and annual information form, by the total number of shares of the series outstanding. This amount may be different from the net asset per share calculation, which is presented on the Statement of Net Assets. Generally, any difference is due to valuing actively traded securities at bid price for GAAP purposes while pricing NAV typically utilizes closing price to determine fair value for the purchase and redemption of shares. See Note 10 for the net asset values per share as of September 30, 2009 and March 31, 2009, for the Fund.

5. Income taxes

The Corporation qualifies as a mutual fund corporation under the Income Tax Act (Canada). As a mutual fund corporation, the Corporation computes its net income (loss) and net capital gains (losses) for income tax purposes as a single entity, not on a fund-by-fund basis. Therefore, net losses of one Corporate Class Fund may be used to offset net gains of another Corporate Class Fund to reduce the total net income or net gain of the Corporation as a whole. The taxation year-end for the Corporation is December 31.

The general income tax rules associated with a public corporation also apply to a mutual fund corporation with the exception that income taxes payable on capital gains are refundable on a formula basis when issued shares of the Corporation are redeemed or capital gain dividends are paid. The Corporation is subject to a refundable tax of one-third of dividends received from certain taxable Canadian corporations. This tax is refundable at the rate of \$1 for every \$3 of ordinary dividends paid. To the extent there is net income from other sources (such as interest and foreign income), it is taxed at the full general corporate rate before the general rate reductions. In the event that there is an overall loss for the Corporation, this loss can be carried back three years or forward to a subsequent year and used to reduce taxes payable for those years.

5. Income taxes (continued)

As of the end of the last taxation year, the Corporation had \$47,905,000 of capital losses available to offset future capital gains (March 31, 2009 – \$47,905,000).

The Corporation, and each Fund, follows the asset and liability method of accounting for income taxes whereby future income tax assets and liabilities reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Future income tax assets and liabilities are measured based on the enacted or substantively enacted tax rates which are expected to be in effect when the underlying items of income or expense are expected to be realized.

Temporary differences between the carrying value of assets and liabilities for accounting and tax purposes give rise to future income tax assets and liabilities. Where the fair value of the portfolio investments exceeds their cost, a future tax liability arises. This future tax liability for refundable taxes payable is offset with the refund expected upon payment of capital gains dividends. Where the cost of the portfolio investments exceeds their fair value, a future tax asset is generated. A full valuation allowance is taken to offset this asset given the uncertainty that such future assets will ultimately be realized by the Fund.

6. Soft dollars

The total commissions paid by the Fund to brokers in connection with portfolio transactions for the periods ended September 30, 2009 and 2008, together with other transaction charges, is disclosed in the Statement of Operations. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, preference may be given to brokerage firms which provide (or pay for) certain services (arrangements referred to as “soft dollars”), which may include investment research, analysis and reports, and data bases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

7. Contingent liability

Agreements between the individual members of the Fund's IRC and the Manager, on behalf of the Fund, provides for the indemnification of each IRC member by the Fund from and against liabilities and costs in respect of any action or suit against the member by reason of being or having been a member of the IRC, provided that the member acted honestly and in good faith with a view to the best interest of the Fund, or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that they had reasonable grounds for believing that his/her conduct was lawful. No claims with respect to such occurrences have been made and, as such, no amount has been recorded in these financial statements with respect to these indemnifications.

8. Financial instrument risk

The Fund's investment activities expose it to a variety of financial risks. The Statement of Investments presents the securities held by the Fund as at the end of the period.

(a) Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable units. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e. investments that are traded in an active market and can be readily sold). In addition, the Fund retains sufficient cash and cash-equivalent positions to maintain adequate liquidity.

The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. The Statement of Investments identifies any securities that are not actively traded.

(b) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including the underlying principal amount of forward currency contracts as at period end in Canadian dollar terms. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for securities sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

(c) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments such as bonds. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk. Note 10 summarizes the Fund's exposure, if significant, to interest rate risk.

(d) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Manager moderates this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategy. Except for options written and futures contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on options written and futures contracts is equal to their notional values. However, options written are used within the overall investment management process to manage the risk from the underlying securities and do not typically increase the overall risk of loss to the Fund. Note 10 summarizes the Fund's exposure, if significant, to other price risk.

(e) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 10 summarizes the Fund's exposure, if significant, to credit risk arising from debt securities such as bonds.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

The carrying amount of investments represents the maximum credit risk exposure. The carrying amount of other assets also represents the maximum credit risk exposure, as they will be settled in the short term.

The Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned.

9. Further information available

A copy of the Fund's current simplified prospectus, annual information form and/or Interim Management Report of Fund Performance, will be provided, without charge, by writing to: Investors Group Financial Services Inc., 447 Portage Avenue, Winnipeg, Manitoba, R3C 3B6 or, in Quebec, 2001, rue University, Bureau 2000, Montreal, Quebec, H3A 2A6, or by calling toll-free 1-888-746-6344 (in Quebec 1-800-661-4578).

10. Fund specific information

(a) Fund and series information

Series	Date operations commenced ¹	Deferred sales charge	Management fee	Service fee	Administration fee ²	Net asset value per share (\$)	
						as of September 30 2009	as of March 31 2009
Series A	n/a	up to 5.50%	2.00%	0.30%	0.26%	19.33	14.59
Series B	n/a	- %	2.00%	0.45%	0.26%	19.16	14.47

¹ If within the two financial periods ended September 30, 2009.

² The Administration fee presented in the table corresponds to the period ended September 30, 2009. Comparative figures for the period ended September 30, 2008 were: Series A: 0.24%; Series B: 0.24%.

(b) Soft dollars generated (\$ 000)

For the six-month periods ended September 30

2009	2008
-	-

(c) Securities lending (\$ 000)

September 30, 2009		March 31, 2009	
Value of securities loaned	Value of collateral received	Value of securities loaned	Value of collateral received
8,893	9,458	9,955	10,825

(d) Financial instrument risk

(i) Risk management

The Manager seeks to minimize potential adverse effects of financial instrument risks on the Fund's performance by employing professional, experienced portfolio advisors, daily monitoring of the Fund's positions and market events, diversifying the investment portfolio within the constraints of the investment objective, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

The investment portfolio is comprised primarily of common shares of Canadian companies traded on the Toronto Stock Exchange. The Fund generally will invest in the same sectors and in the same proportion as the S&P/TSX Capped Composite Index, but not necessarily the same securities. The Fund may invest up to 50% of its assets in foreign securities.

(ii) Currency risk

As of September 30, 2009, and March 31, 2009, the Fund did not have a significant exposure to currency risk.

(iii) Interest rate risk

As of September 30, 2009, and March 31, 2009, the Fund did not have a significant exposure to interest rate risk.

(iv) Other price risk

For this Fund, the most significant exposure to other price risk arises from its investment in equity securities. As of September 30, 2009, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$12,127,000 or 9.7% of total net assets (March 31, 2009 – approximately \$7,982,000 or 9.5% of total net assets). In practice, the actual trading results may differ and the difference could be material.

(v) Credit risk

As of September 30, 2009, and March 31, 2009, the Fund did not have a significant exposure to credit risk.

