
Investors Group Income Pool

Annual Management Report of Fund Performance

FOR THE PERIOD ENDED MARCH 31, 2018

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. 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 the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

CAUTION REGARDING FUTURE PERFORMANCE

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Fund's offering documents before investing. The indicated rates of return are the historical annual compounded total returns including changes in security value and reinvestment of all distributions (except for fee rebates) and do not take into account sales, redemption, distribution or optional charges, advisory fees payable directly by securityholders in certain series, or income taxes payable by any investor that would have reduced returns. Mutual funds are not guaranteed. Their values change frequently and past performance may not be repeated.

This annual Management Report of Fund Performance contains financial highlights, but does not contain the complete audited annual financial statements of the investment fund. If the audited annual financial statements of your investment fund did not accompany the mailing of this report, you may receive a copy of them, at your request, and at no cost, by calling 1-888-746-6344 (1-800-661-4578 if you live in Québec) or by writing to us at 447 Portage Avenue, Winnipeg, Manitoba, R3B 3H5 (2001, boulevard Robert-Bourassa, bureau 2000, Montréal (Québec), H3A 2A6 if you live in Québec), or by visiting our website at www.investorsgroup.com or SEDAR at www.sedar.com.

Securityholders may also use one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Every effort has been made to ensure that the information contained in this Report is accurate as of March 31, 2018 (except when stated otherwise), however, the Fund cannot guarantee the accuracy or the completeness of this material. Please refer to the Fund's Prospectus and audited annual financial statements for more information.

References to “Consultant” or “Consultants” mean “Representative” or “Representatives” in Québec.

For current net asset values per security for the Fund and for more recent information on general market events, please visit our website at www.investorsgroup.com.

Management Discussion of Fund Performance

This management discussion of Fund performance presents views of the portfolio management team about the significant factors and developments during the past year that have affected the Fund's performance and outlook.

Please read the *Caution Regarding Forward-looking Statements* located on the first page of this document.

Investment Objective and Strategies

The Fund aims to earn income and provide potential capital growth primarily by investing in, or gaining exposure to, fixed income securities.

To achieve its investment objective, the Fund will primarily invest in, or gain exposure to, a portfolio of fixed income securities with no geographic restrictions. The Fund may also invest directly in other investment funds, including exchange traded funds.

Based on its assessment of economic and market conditions, including the interest rate and credit environments, the portfolio management team may actively shift the allocation of the Fund's assets across fixed income markets with respect to geography, credit, duration and/or currency. The Fund may also hold a significant portion of its assets in cash or cash-equivalent instruments at any time.

The Fund may invest up to 100% of its assets in foreign securities. The portfolio management team may limit foreign currency risk by hedging foreign currency exposure back to Canadian dollars.

Derivatives may be used in conjunction with the Fund's other investment strategies in a manner considered most appropriate to achieving the Fund's overall investment objectives and enhancing the Fund's returns as permitted by the Rules.

Risk

The overall level of risk of investing in the Fund remains as discussed in the Prospectus, and is not expected to have significantly increased or decreased as a result of operations during the period. Accordingly, the Fund also remains suitable for the same investors as discussed in the Prospectus.

Results of Operations

CHANGES IN NET ASSETS

The Fund's net assets increased by over 460% during the period to \$1.0 billion. This change was comprised primarily of gains from operations of \$17.9 million and an increase of \$804.4 million due to net securityholder activity. This level of securityholder activity relative to net assets is significant, and is primarily due to subscription activity by other funds that invest into this Fund. The Manager does not believe that net securityholder activity had a material impact on the Fund's performance.

FEES AND EXPENSES

The management expense ratio (MER) for the Fund is lower than the MER for the 12-month period ended March 31, 2017. Total expenses paid vary period to period mainly as a result of changes in average assets in each series. Average net assets of the Fund for the period were \$409.1 million, an increase of over 490% compared to the period ended March 31, 2017.

INVESTMENT PERFORMANCE

In accordance with National Instrument 81-106, the following comparison to broad-based indices has been included to help you understand the Fund's performance relative to the general performance of the markets. However, the portfolio management team cautions that the Fund's mandate may be different from the indices shown. For a description of the indices, see *Annual Compound Returns*. Also, it is important to note that investors cannot invest in an index. Indirect investments in an index are available; however, there are fees and transaction costs and other variables that will impact returns when investing in these products. Index returns included in the comparison below do not reflect these costs and variables.

For longer-term performance of the Fund, see the *Past Performance* section of this report.

For the year ended March 31, 2018, the Series P securities returned 1.9% (after deducting fees and expenses paid by the Fund). In comparison, the FTSE TMX Canada Universe Bond Index Total Return returned 1.4% and the FTSE World Broad Investment-Grade Bond Index (WorldBIG®) Total Return \$ CAD returned 3.9%.

Over the period, the Fund slightly outperformed the FTSE TMX Canada Universe Bond Index Total Return due to exposure to global bonds and underperformed the FTSE World Broad Investment-Grade Bond Index (WorldBIG®) Total Return \$ CAD due to the Fund's exposure to Canadian bonds.

iShares S&P International Bond Index Fund, representing about 6% of net assets at period end, was the largest contributor to positive performance. iShares Core U.S. Aggregate Bond ETF, representing about 4% of net assets at period end, detracted the most from performance.

Recent Developments

(BASED ON INFORMATION AS AT APRIL 20, 2018)

Global bonds retreated over the period as yields rose. However, interest income offset capital losses resulting in positive total returns. Canadian dollar weakness versus most major non-U.S. currencies added to Canadian investors' gains. U.S. and European yields soared in the second half of the period amid speculation that U.S. Federal Reserve monetary policy would be tightened at a faster pace, and that the European Central Bank was contemplating the withdrawal of quantitative easing. In Asia, bond yields moved higher on concerns about tightening credit conditions in China. Among major markets, only Japan saw little movement as monetary policy there remained on a stimulative path. In Canada, short-term and mid-term government bond prices fell and yields increased as the Bank of Canada raised its benchmark overnight interest rate three times, taking it to 1.25% from 0.5%. Slowing economic growth in late 2017 caused the Bank of Canada to remain cautious about further rate moves, which kept long-term rates in check while short-term rates rose sharply. As a result, long-term government bonds advanced, outperforming short-term and mid-term bonds. Corporate bonds outperformed government bonds due to narrow credit spreads and higher interest income, resulting in positive total returns across all bond maturities.

Related Party Transactions

I.G. Investment Management, Ltd. is the Manager, Trustee and Portfolio Advisor of the Fund. The Fund is only available for purchase by other Investors Group Funds and is not available for purchase by retail investors. The Manager, Portfolio Advisor and Trustee are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

Effective November 1, 2017, the following sub-advisor has been retained to provide investment services to the Fund:

- Mackenzie Financial Corporation

Mackenzie Financial Corporation is, indirectly, a wholly owned subsidiary of IGM Financial Inc.

As at March 31, 2018, the Fund held investments in ETFs managed by Mackenzie Financial Corporation. Please see *Summary of Investment Portfolio*. These investments are in accordance with standing instructions approved by the Investors Group Funds Independent Review Committee. During the period, the Fund received \$264 in income distributions from these investments to offset fees paid within the ETFs. There is no assurance that these distributions will continue in the future.

Certain other investment funds, distributed by Investors Group, and other qualified investors may invest in Series P of this Fund. As at March 31, 2018, this series comprised 100.0% of the Fund's net assets. All such transactions in the Fund are executed in accordance with standing instructions approved by the Investors Group Funds Independent Review Committee and based on the net asset value per security determined in accordance with the stated policies of the Fund on each transaction day. No commissions or other transaction fees were paid by the Fund in relation to these transactions.

Management Fees

The Fund is only available for purchase by other Investors Group Funds and is not available for purchase by retail investors. In order to avoid duplication of fees in the other Investors Group Funds, the Fund does not pay a management fee.

Summary of Investment Portfolio

AT MARCH 31, 2018

The largest positions of the Fund (up to 25) at the end of the period, and the major asset classes in which the Fund was invested, are indicated below. This summary of investment portfolio may change due to ongoing portfolio transactions. The Fund's summary of investment portfolio will be updated as at the end of the next quarter. Please see the front page for information about how it can be obtained.

Summary of Top 25 Long Positions

	% of net assets
BMO Aggregate Bond Index ETF	40.9
Vanguard Canadian Aggregate Bond Index ETF	30.1
iShares TIPS Bond ETF	8.9
iShares S&P International Bond Index Fund	5.6
iShares Canadian Universe Bond Index ETF	5.2
iShares Core U.S. Aggregate Bond ETF	4.1
SPDR Bloomberg Barclays International Treasury Bond ETF	3.1
¹ Mackenzie Canadian Aggregate Bond Index ETF	1.0
iShares Canadian Corporate Bond Index ETF	0.9
	99.8

¹ This fund is managed by the subadvisor.

Summary of Top 25 Short Positions

	% of net assets
n/a	-

Summary of Composition of the Portfolio

	% of net assets
PORTFOLIO ALLOCATION	
Canadian Bond ETFs	78.1
United States Bond ETFs	13.0
International Bond ETFs	8.7
Cash and cash equivalents	-
Other net assets (liabilities)	0.2
Total	100.0

Series Information

AT MARCH 31, 2018

Series	Inception date	Management fee (%)	Service fee (%)	Administration fee (%)	Trustee fee (%)
Series P	07/13/2015	-	-	-	-

The fee rates in the table above are rounded to two decimals.

Inception dates of the Fund are shown if within 10 years.

Past Performance

It is important to remember that past performance doesn't necessarily indicate future performance. The returns presented below:

- assume that all distributions, except for fee rebates, are reinvested into the Fund;
- do not include sales charges, income taxes, optional expenses or advisory fees payable directly by securityholders in certain series, that reduce returns;
- show performance based on Canadian dollar returns; and
- show performance for each of the past 10 financial years, or since the series started.

Financial years are as follows:

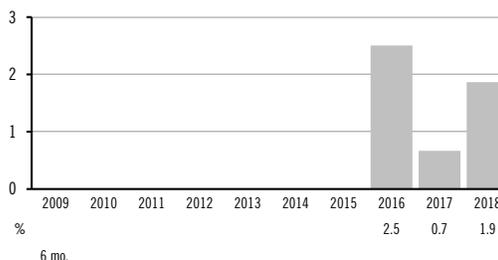
- 2009 – six months ended March 31
- 2010 to 2018 – 12 months ended March 31

Inception dates of the series within these periods are shown in *Series Information*.

Year-by-Year Returns

These bar charts show how much an investment in securities made on the first day of each financial year would have increased or decreased by the end of the respective period. For the first year of a series, the percentage shown will be the actual return of the series from its inception date. The charts illustrate how the Fund's performance has changed over time.

SERIES P



Annual Compound Returns

The following table compares the historical annual compound returns for each series with the index (or indices) shown below, for the periods shown ending March 31, 2018.

For a discussion of the Fund's recent performance relative to the index (or indices), see *Results of Operations*.

(%)	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Series P	1.9	n/a	n/a	n/a	1.9
FTSE TMX Canada Universe Bond Index Total Return	1.4	n/a	n/a	n/a	2.0 ¹
FTSE World Broad Investment-Grade Bond Index (WorldBIG®) Total Return \$ CAD	3.9	n/a	n/a	n/a	4.6 ¹

¹ The annual compound return for the index presented in the table corresponds to the inception dates for Series P.

The FTSE TMX Canada Universe Bond Index Total Return is designed to be a broad measure of the Canadian investment-grade fixed-income market weighted by market cap.

The FTSE World Broad Investment-Grade Bond Index (WorldBIG®) Total Return \$ CAD is a multi-asset, multi-currency benchmark which provides a broad-based measure of the global fixed-income markets and includes government, government-sponsored/supranational, collateralized, and corporate debt.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five financial years.

Footnotes are presented after *Ratios and Supplemental Data*.

Net Assets per Security¹

SERIES P (in \$)	2018	2017	2016	2015	2014
Net assets, beginning of period	10.08	10.19	10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.25	0.27	0.19	n/a	n/a
² Total expenses	(0.01)	(0.03)	(0.04)	n/a	n/a
Realized gains (losses) for the period	(0.01)	0.07	(0.03)	n/a	n/a
Unrealized gains (losses) for the period	(0.03)	(0.21)	0.13	n/a	n/a
³ Total increase (decrease) from operations	0.20	0.10	0.25	n/a	n/a
Distributions:					
From net investment income (excluding dividends)	(0.14)	(0.13)	(0.06)	n/a	n/a
From dividends	-	-	-	n/a	n/a
From capital gains	-	(0.04)	-	n/a	n/a
Return of capital	-	-	-	n/a	n/a
⁴ Total annual distributions	(0.14)	(0.17)	(0.06)	n/a	n/a
Net assets at period end	10.13	10.08	10.19	n/a	n/a

Ratios and Supplemental Data

SERIES P	2018	2017	2016	2015	2014
Total net asset value (\$000's)	1,000,219	177,868	39,167	n/a	n/a
Number of securities outstanding (000's)	98,692	17,638	3,844	n/a	n/a
⁵ Management expense ratio (%)	0.17	0.26	0.38	n/a	n/a
Management expense ratio before waivers or absorptions (%)	0.17	0.26	0.38	n/a	n/a
⁶ Trading expense ratio (%)	0.11	0.24	0.45	n/a	n/a
⁷ Portfolio turnover rate (%)	8.28	29.81	11.29	n/a	n/a

¹ These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements presented in accordance with IFRS. Net asset values presented are consistent with the net asset values calculated in accordance with securities regulations for the purchase and redemption of the Fund's securities (pricing net asset values) and as such, pricing net asset values are not separately disclosed.

² Commissions and other portfolio transaction costs are included in total expenses.

³ Net asset value and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the financial period. In the period a series is established, the financial information is provided from the date of inception to the end of the period.

⁴ Distributions were paid in cash, reinvested in additional securities of the Fund, or both.

⁵ Management expense ratio (MER) is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes, and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. In the period a series is established, the MER is annualized from the date of inception to the end of the period. Where a Fund directly or indirectly via derivative contract invests in securities of an Underlying Fund, the MERs presented for the Fund include the portion of MERs of the Underlying Fund(s) attributable to this investment. Correspondingly, the MERs presented for the Fund exclude any management or other fees that are waived as a result of its investment in the Underlying Fund(s). Certain expenses that are non-recurring and/or otherwise uncertain as to their future timing and amount have not been annualized.

⁶ The trading expense ratio (TER) represents total commissions and other portfolio transaction costs incurred as an annualized percentage of daily average net assets during the period. Where a Fund invests in securities of an Underlying Fund, the TERs presented for the Fund include the portion of TERs of the Underlying Fund(s) attributable to this investment.

⁷ The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. Generally, the higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by it in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund. Transactions incurred to realign the Fund's portfolio after a fund merger, if any, are excluded from the portfolio turnover rate.