

---

# Alto Conservative Portfolio

## Interim Management Report of Fund Performance

For the six-month period ended September 30, 2009

This interim Management Report of Fund Performance contains financial highlights, but does not contain the complete interim or annual financial statements of the investment fund. If the interim financial statements of your investment fund did not accompany the mailing of this report, you may receive a copy of them or the annual financial statements, or annual Management Report of Fund Performance, at your request, and at no cost, by calling 1-888-746-6344 (1-800-661-4578 if you live in Quebec) or by writing to us at 447 Portage Avenue, Winnipeg, Manitoba, R3C 3B6 (2001 University Street, Suite 2000, Montreal, Quebec, H3A 1T9 if you live in Quebec), or by visiting our website at [www.investorsgroup.com](http://www.investorsgroup.com) or SEDAR at [www.sedar.com](http://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 September 30, 2009 (October 23, 2009 for the discussion under Recent Developments), however, the Portfolio Fund cannot guarantee the accuracy or the completeness of this material. Please refer to the Portfolio Fund's Prospectus and audited annual financial statements for more information.

**For current net asset values per unit for the Portfolio Fund and for more recent information on general market events, please visit our website at [www.investorsgroup.com](http://www.investorsgroup.com).**

---

### Caution regarding forward-looking statements

This report may contain forward-looking statements about the Portfolio 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 Portfolio 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 Portfolio 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 Portfolio 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 Portfolio 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.

## Management Discussion of Fund Performance

This management discussion of Portfolio Fund performance presents views of the portfolio management team about the significant factors and developments during the past six months that have affected the Portfolio Fund's performance and outlook since March 31, 2009, the Portfolio Fund's most recent fiscal year-end. This report should be read in conjunction with the annual Management Report of Fund Performance for the year ended March 31, 2009.

The commentary in this section is general information about the Portfolio Fund's recent performance. For more information on the Portfolio Fund's longer-term performance, please refer to the section under Past Performance later in this report.

Please read the caution regarding forward-looking statements located on the first page of this document.

### Results of Operations

**(based on information as of September 30, 2009)**

The Portfolio Fund's net assets increased by 21.2% during the period to \$85.3 million. This change was comprised primarily of gains of \$5.9 million from investment operations and an increase of \$9.0 million due to net proceeds from the issuance of the Portfolio Fund's securities. Average net assets of the Portfolio Fund for the period were \$77.2 million (2008 – \$56.2 million), an increase of 37.4% compared to the six-month period ended September 30, 2008. Average net assets influence revenue earned and expenses incurred by the Portfolio Fund during the period. The Portfolio Fund's performance is discussed below. Performance will vary by series largely due to the extent that fees and expenses may differ between series. See Series Information later in this report.

The Portfolio Fund is comprised of 10 Underlying Funds, with approximately 70% of its net assets allocated to Underlying Funds investing in fixed-income and real estate markets and 30% investing in equity markets.

The Portfolio Fund outperformed the DEX Universe Total Return Index over the six-month period ended September 30, 2009. In an environment where Canadian and global equities generally outperformed fixed-income securities, a 30% allocation to Underlying Funds invested in these better-performing markets boosted the Portfolio Fund's performance.

The Portfolio Fund underperformed the S&P/TSX Composite Index and the MSCI World Index over the period given the fact that 70% of its assets are allocated to Underlying Funds investing in fixed income and real estate. As noted above, the performance

of fixed-income markets generally lagged the performance of Canadian and global equities over the last six months.

Investors Canadian Equity Fund, representing 13% of assets, made the largest contribution to the Portfolio Fund's overall return during the period, while Investors Global Bond Fund, representing 5% of assets, detracted from the Portfolio Fund's overall return.

### Recent Developments

**(based on information as of October 23, 2009)**

As a result of significant, coordinated stimulus actions by central bank authorities around the world, global capital markets responded to data showing early signs of economic recovery. This had a positive influence on the Portfolio Fund's returns.

That said, despite the significant support from the U.S. Federal Reserve through monetary and fiscal stimuli, ongoing weakness in the U.S. housing sector, along with weak employment, remains a drag on growth.

While conditions in Canada's housing and employment markets are more upbeat, risks to the recovery remain, in particular, the strength of the Canadian dollar against its U.S. counterpart, which could impede the strength of the recovery in Canada. The Bank of Canada has indicated it is likely to leave short-term lending rates unchanged through the first half of 2010 to help ensure a sustained economic recovery.

While there are always risks that bond yields could move sharply higher (thereby applying downward pressure on prices), a more likely outcome is for inflation to remain contained and demand for government debt to continue until a sustained economic recovery is evident.

Near-term focus is likely to remain on central bank activities globally as they prepare to gradually remove the accommodative interest rate environment. Any premature moves to wean economies off government stimulus could push markets down from their 2009 highs, while delays in implementing a tightening plan could stoke fears of inflation.

Developments in China are also expected to be drivers of global equity markets, especially in the developing world. The nation has been one of the main engines of the global recovery and any move to slow loan growth could hinder the performance of equity markets.

### Related Party Transactions

I.G. Investment Management, Ltd. is the Manager, Trustee and Portfolio Advisor of the Portfolio Fund. The Portfolio Fund is offered through the Consultants of Investors Group Financial Services Inc. and Investors Group Securities Inc.,

together referred to as the Distributors. The Manager, Portfolio Advisor, Distributors and Trustee are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

The Portfolio Fund does not directly pay a management fee to the Manager, but it does pay a distribution fee of 0.15% (per annum) of its net assets to the Distributors.

The Portfolio Fund paid the Manager an administration fee, including applicable implementation period adjustments, equal to 0.19% annually of the net assets attributable to Series A and B, 0.16% annually of the net assets attributable to Series C, and 0.10% annually of the net assets attributable to Series S. In exchange for the administration fee, the Manager pays the operating costs and expenses of the Portfolio Fund, except for certain specified costs.

The Portfolio Fund paid the Distributors a service fee as compensation for providing or arranging for the provision of services to the Portfolio Fund, including the issue or allotment of units. The Portfolio Fund paid the Distributors 0.12% annually of the net assets attributable to Series A, 0.18% annually of the net assets attributable to Series B, and 0.20% annually of the net assets attributable to Series C. A portion of the service fee for Series C is rebated by the Distributors to the Portfolio Fund quarterly as outlined in the Prospectus. This rebate is paid as a return of capital distribution to eligible unitholders and is reinvested in additional Series C units.

The Trustee is responsible for the overall direction and management of the affairs of the Portfolio Fund.

Total payments by the Portfolio Fund (excluding GST) to the Manager and parties related to the Manager for the six-month period ended September 30, 2009 were:

	<u>\$000's</u>
Distribution fee	58
Administration fee	69
Distributor service fee (net of rebates)	39
	<u>166</u>

Certain segregated funds distributed by Investors Group may invest in Series S of this Portfolio Fund. All such transactions in the Portfolio Fund are executed in accordance with standing instructions approved by the Independent Review Committee and based on the net asset value per unit determined in accordance with the stated policies of the Portfolio Fund on each transaction day. No commissions or other transaction fees were paid by the Portfolio Fund in relation to these transactions. As of September 30, 2009, these fund(s) held approximately 22.7% of the Portfolio Fund's net assets.

The Portfolio Fund's investments are entirely comprised of investments in other Investors Group Funds. Please see the Summary of Investment Portfolio later in this report, for more details.

All transactions in other Investors Group Funds are executed in accordance with standing instructions approved by the Independent Review Committee and based on the net asset value per unit/share determined in accordance with the stated policies of the Underlying Fund on each transaction day. No commissions or other transaction fees were paid by the Portfolio Fund in relation to these transactions.

## Financial Highlights

The following tables show selected key financial information about the Portfolio Fund and its financial performance for the six-month period ended September 30, 2009 and for up to the past five years.

Footnotes are presented after Ratios and Supplemental Data.

### Net Assets per Unit<sup>1</sup>

<b>Series A</b> (in \$)	<b>6 mo</b> <b>Sep. 30</b> <b>2009</b>	<b>6 mo</b> <b>Mar. 31</b> <b>2009</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2008</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2007</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2006</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2005</b>
<b>Net assets, beginning of period</b>	9.85	10.44	11.00	10.94	10.79	10.28
<b>Increase (decrease) from operations:</b>						
Total revenue	0.09	0.13	0.23	0.24	0.22	0.22
Total expenses	(0.02)	(0.02)	(0.05)	(0.04)	(0.04)	(0.05)
Realized gains (losses) for the period	0.06	(0.44)	(0.10)	0.12	0.15	0.13
Unrealized gains (losses) for the period	0.67	(0.04)	(0.34)	(0.06)	0.07	0.35
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.80</b>	<b>(0.37)</b>	<b>(0.26)</b>	<b>0.26</b>	<b>0.40</b>	<b>0.65</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	(0.07)	(0.18)	(0.19)	(0.18)	(0.17)
From dividends	-	(0.04)	-	-	-	-
From capital gains	-	(0.08)	(0.11)	-	(0.08)	-
Return of capital	-	-	-	-	-	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.06)</b>	<b>(0.19)</b>	<b>(0.29)</b>	<b>(0.19)</b>	<b>(0.26)</b>	<b>(0.17)</b>
<b>Net assets at period end</b>	<b>10.58</b>	<b>9.85</b>	<b>10.44</b>	<b>11.00</b>	<b>10.94</b>	<b>10.79</b>

<b>Series B</b> (in \$)	<b>6 mo</b> <b>Sep. 30</b> <b>2009</b>	<b>6 mo</b> <b>Mar. 31</b> <b>2009</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2008</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2007</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2006</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2005</b>
<b>Net assets, beginning of period</b>	9.83	10.42	10.99	10.94	10.79	10.27
<b>Increase (decrease) from operations:</b>						
Total revenue	0.09	0.13	0.23	0.24	0.22	0.22
Total expenses	(0.03)	(0.03)	(0.06)	(0.05)	(0.05)	(0.06)
Realized gains (losses) for the period	0.06	(0.44)	(0.10)	0.12	0.15	0.14
Unrealized gains (losses) for the period	0.66	(0.04)	(0.34)	(0.06)	0.08	0.30
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.78</b>	<b>(0.38)</b>	<b>(0.27)</b>	<b>0.25</b>	<b>0.40</b>	<b>0.60</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	(0.07)	(0.18)	(0.19)	(0.18)	(0.15)
From dividends	-	(0.04)	-	-	-	-
From capital gains	-	(0.08)	(0.11)	-	(0.08)	-
Return of capital	-	-	-	-	-	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.06)</b>	<b>(0.19)</b>	<b>(0.29)</b>	<b>(0.19)</b>	<b>(0.26)</b>	<b>(0.15)</b>
<b>Net assets at period end</b>	<b>10.55</b>	<b>9.83</b>	<b>10.42</b>	<b>10.99</b>	<b>10.94</b>	<b>10.79</b>

<b>Series C</b> (in \$)	<b>6 mo</b> <b>Sep. 30</b> <b>2009</b>	<b>6 mo</b> <b>Mar. 31</b> <b>2009</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2008</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2007</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2006</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2005</b>
<b>Net assets, beginning of period</b>	9.17	9.72	10.25	10.20	10.07	10.00
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.12	0.21	0.22	0.20	0.07
Total expenses	(0.02)	(0.02)	(0.04)	(0.03)	(0.03)	(0.01)
Realized gains (losses) for the period	0.06	(0.41)	(0.09)	0.11	0.14	0.05
Unrealized gains (losses) for the period	0.62	(0.03)	(0.32)	(0.06)	0.06	(0.02)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.74</b>	<b>(0.34)</b>	<b>(0.24)</b>	<b>0.24</b>	<b>0.37</b>	<b>0.09</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	(0.07)	(0.17)	(0.18)	(0.17)	(0.08)
From dividends	-	(0.04)	-	-	-	-
From capital gains	-	(0.07)	(0.10)	-	(0.07)	-
Return of capital	-	-	-	-	-	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.06)</b>	<b>(0.18)</b>	<b>(0.27)</b>	<b>(0.18)</b>	<b>(0.24)</b>	<b>(0.08)</b>
<b>Net assets at period end</b>	<b>9.84</b>	<b>9.17</b>	<b>9.72</b>	<b>10.25</b>	<b>10.20</b>	<b>10.07</b>

<b>Series S</b> (in \$)	<b>6 mo</b> <b>Sep. 30</b> <b>2009</b>	<b>6 mo</b> <b>Mar. 31</b> <b>2009</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2008</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2007</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2006</b>	<b>12 mo</b> <b>Sep. 30</b> <b>2005</b>
<b>Net assets, beginning of period</b>	9.04	9.56	10.06	10.00	n/a	n/a
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.12	0.21	0.21	n/a	n/a
Total expenses	(0.01)	(0.01)	(0.02)	(0.01)	n/a	n/a
Realized gains (losses) for the period	0.06	(0.41)	(0.09)	0.10	n/a	n/a
Unrealized gains (losses) for the period	0.61	(0.03)	(0.31)	(0.06)	n/a	n/a
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.74</b>	<b>(0.33)</b>	<b>(0.21)</b>	<b>0.24</b>	<b>n/a</b>	<b>n/a</b>
<b>Distributions:</b>						
From income (excluding dividends)	(0.06)	(0.07)	(0.16)	(0.17)	n/a	n/a
From dividends	-	(0.03)	-	-	n/a	n/a
From capital gains	-	(0.07)	(0.11)	-	n/a	n/a
Return of capital	-	-	-	-	n/a	n/a
<b>Total annual distributions<sup>3</sup></b>	<b>(0.06)</b>	<b>(0.17)</b>	<b>(0.27)</b>	<b>(0.17)</b>	<b>n/a</b>	<b>n/a</b>
<b>Net assets at period end</b>	<b>9.71</b>	<b>9.04</b>	<b>9.56</b>	<b>10.06</b>	<b>n/a</b>	<b>n/a</b>

**Ratios and Supplemental Data**

<b>Series A</b>	<b>6 mo Sep. 30 2009</b>	<b>6 mo Mar. 31 2009</b>	<b>12 mo Sep. 30 2008</b>	<b>12 mo Sep. 30 2007</b>	<b>12 mo Sep. 30 2006</b>	<b>12 mo Sep. 30 2005</b>
Net assets (\$000's)	41,736	34,816	29,551	24,060	19,725	14,915
Number of units outstanding (000's)	3,945	3,534	2,831	2,187	1,802	1,382
Management expense ratio <sup>4</sup> (%)	2.40	2.41	2.38	2.47	2.53	2.64
Management expense ratio before waivers or absorptions (%)	2.40	2.41	2.38	2.47	2.53	2.64
Trading expense ratio <sup>5</sup> (%)	0.06	0.04	0.03	-	-	-
Portfolio turnover rate <sup>6</sup> (%)	24.29	44.63	55.67	35.86	25.34	46.40

<b>Series B</b>	<b>6 mo Sep. 30 2009</b>	<b>6 mo Mar. 31 2009</b>	<b>12 mo Sep. 30 2008</b>	<b>12 mo Sep. 30 2007</b>	<b>12 mo Sep. 30 2006</b>	<b>12 mo Sep. 30 2005</b>
Net assets (\$000's)	15,416	13,594	11,679	10,657	6,333	3,669
Number of units outstanding (000's)	1,461	1,383	1,121	970	579	340
Management expense ratio <sup>4</sup> (%)	2.46	2.47	2.44	2.52	2.58	2.70
Management expense ratio before waivers or absorptions (%)	2.46	2.47	2.44	2.52	2.58	2.70
Trading expense ratio <sup>5</sup> (%)	0.06	0.04	0.03	-	-	-
Portfolio turnover rate <sup>6</sup> (%)	24.29	44.63	55.67	35.86	25.34	46.40

<b>Series C</b>	<b>6 mo Sep. 30 2009</b>	<b>6 mo Mar. 31 2009</b>	<b>12 mo Sep. 30 2008</b>	<b>12 mo Sep. 30 2007</b>	<b>12 mo Sep. 30 2006</b>	<b>12 mo Sep. 30 2005</b>
Net assets (\$000's)	8,859	8,894	7,423	6,061	3,098	467
Number of units outstanding (000's)	900	970	764	592	304	46
Management expense ratio <sup>4</sup> (%)	2.45	2.46	2.44	2.51	2.57	2.70
Management expense ratio before waivers or absorptions (%)	2.45	2.46	2.44	2.51	2.57	2.70
Trading expense ratio <sup>5</sup> (%)	0.06	0.04	0.03	-	-	-
Portfolio turnover rate <sup>6</sup> (%)	24.29	44.63	55.67	35.86	25.34	46.40

<b>Series S</b>	<b>6 mo Sep. 30 2009</b>	<b>6 mo Mar. 31 2009</b>	<b>12 mo Sep. 30 2008</b>	<b>12 mo Sep. 30 2007</b>	<b>12 mo Sep. 30 2006</b>	<b>12 mo Sep. 30 2005</b>
Net assets (\$000's)	19,332	13,092	8,597	4,963	n/a	n/a
Number of units outstanding (000's)	1,991	1,449	899	493	n/a	n/a
Management expense ratio <sup>4</sup> (%)	2.19	2.19	2.19	2.21	n/a	n/a
Management expense ratio before waivers or absorptions (%)	2.19	2.19	2.19	2.21	n/a	n/a
Trading expense ratio <sup>5</sup> (%)	0.06	0.04	0.03	-	n/a	n/a
Portfolio turnover rate <sup>6</sup> (%)	24.29	44.63	55.67	35.86	n/a	n/a

<sup>1</sup> These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per unit. This information is derived from the Portfolio Fund's unaudited interim financial statements and audited annual financial statements. Effective after the close of business on September 30, 2008, the financial year-end of the Portfolio Fund changed from September 30 to March 31. The Portfolio Fund's year-end for tax reporting purposes is unaffected by this change.

<sup>2</sup> Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units 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.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Portfolio Fund, or both.

<sup>4</sup> Management expense ratio (MER) is based on total expenses, excluding commissions and other portfolio transaction costs, 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 management expense ratio is annualized from the date of inception to the end of the period. Where a Portfolio Fund directly or indirectly via derivative contract invests in units of an Underlying Fund the MERs presented for the Portfolio Fund include the portion of MERs of the Underlying Fund(s) attributable to this investment. Correspondingly, the MERs presented for the Portfolio Fund exclude any management or other fees that it waives as a result of its investment in the Underlying Fund(s).

For Series C, the service fees are divided by the assets attributable to Series C on the days on which the fee is charged. The MERs presented for Series C represent the maximum MER applicable to any account because service fee rebates have not been offset against service fees. Eligible clients in Series C are entitled to a rebate of service fees based on their asset levels held in the Portfolio Fund and in other Investors Group mutual funds as outlined in the Portfolio Fund's Prospectus. The rebate is distributed as a return of capital distribution to eligible unitholders and is required to be reinvested in additional Series C units at the net asset value per unit on the distribution date. Clients may receive a rebate in an amount of up to all of the service fees paid in Series C based on their asset levels held in all applicable Fund(s). The annualized MER's for the six-month period ended September 30, 2009 are: Min. MER: 2.25%; Weighted Average MER: 2.32%; Max. MER: 2.45%.

Certain expenses that are non-recurring and/or otherwise uncertain as to their future timing and amount have not been annualized.

<sup>5</sup> 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 Portfolio Fund invests in units of an Underlying Fund, the TERs presented for the Portfolio Fund include the portion of TERs of the Underlying Fund(s) attributable to this investment from 2008 onwards.

<sup>6</sup> The Portfolio Fund's portfolio turnover rate indicates how actively the Portfolio Fund's Portfolio Advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Portfolio Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Portfolio 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 Portfolio Fund. Costs incurred to realign the Portfolio Fund's portfolio after a fund merger, if any, are excluded from the portfolio turnover rate.

## 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 service fee rebates, are reinvested into the Portfolio Fund;
- do not include sales charges, income taxes, or optional expenses that reduce returns;
- show performance based on Canadian dollar returns; and
- show performance for the six-month period ended September 30, 2009 and for each of the past 10 financial years, or since the series started.

Financial years are as follows:

- 2000 to 2008 – up to 12 months ended September 30
- 2009 – six months ended March 31

Inception dates of the series within the past 10½ financial years are:

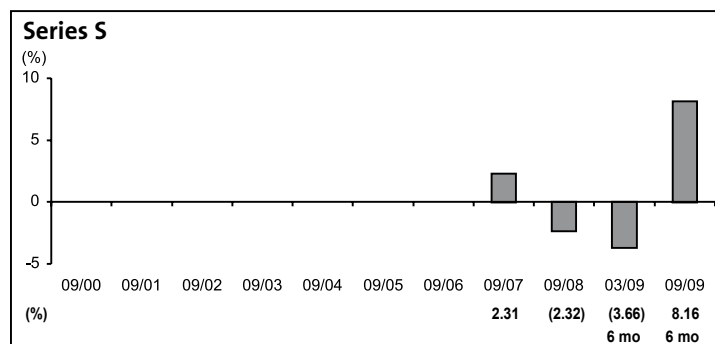
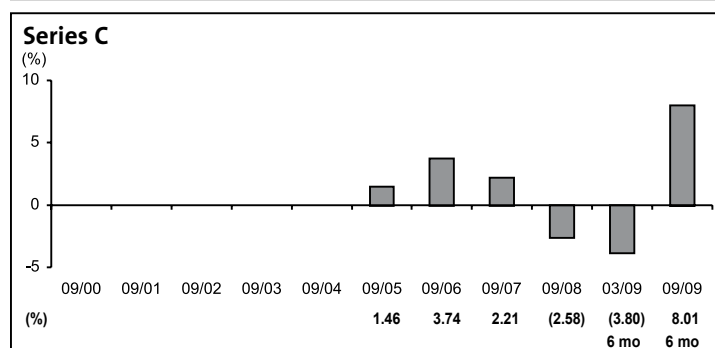
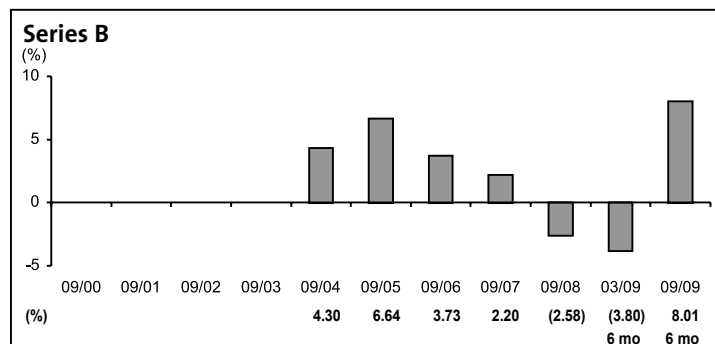
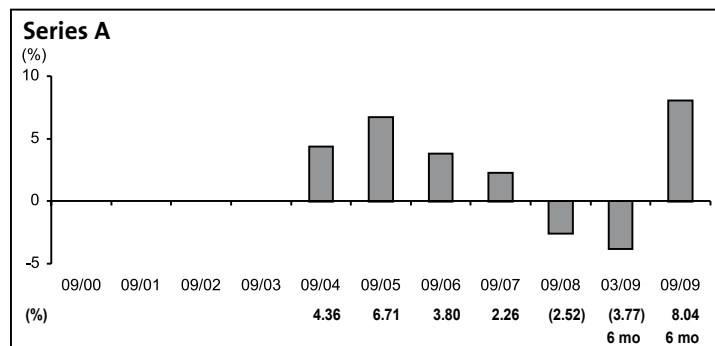
- Series A, October 1, 2003
- Series B, October 1, 2003
- Series C, July 11, 2005
- Series S, October 2, 2006

Performance during these periods may have been impacted by the following events:

- In 2005 and 2007, changes were made to the allocation and/or selection of Underlying Funds by the Portfolio Fund. Some of these changes have affected the Portfolio Fund's fee structure and may have impacted its performance.
- In October 2007, the Portfolio Fund began to pay an administration fee. In exchange, the Manager began to pay certain operating costs and expenses that had been paid by the Portfolio Fund directly and/or indirectly through the Underlying Funds.

## Year-by-Year Returns

These bar charts show how much an investment in units 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 Portfolio Fund's performance has changed over time.



## Series Information

Series	Purchase Options Available		Deferred Sales Charges	Service Fee	Administration Fee <sup>3</sup>
	DSC <sup>1</sup>	NL <sup>2</sup>			
Series A	✓		up to 5.50%	0.12%	0.19%
Series B		✓	- %	0.18%	0.19%
Series C	✓	✓	up to 5.50%	up to 0.20% <sup>4</sup>	0.16%
Series S <sup>5</sup>	n/a	n/a	- %	- %	0.10%

<sup>1</sup> Deferred Sales Charge (DSC) investments have a redemption fee when sold that declines to 0% after 7 years. See the Portfolio Fund's Prospectus for additional information.

<sup>2</sup> No Load (NL) investments do not have a DSC when sold. Other fees may apply. See the Portfolio Fund's Prospectus for additional information.

<sup>3</sup> Includes applicable implementation period adjustment as outlined in the Prospectus.

<sup>4</sup> Eligible clients are entitled to a rebate of the service fee based on their asset levels held in the Portfolio Fund and in other Investors Group mutual funds as outlined in the Portfolio Fund's Prospectus.

<sup>5</sup> For details on Series S, see Related Party Transactions.

## Summary of Investment Portfolio at September 30, 2009

The largest holdings of the Portfolio Fund (up to 25) at the end of the period, and the major asset classes in which the Portfolio Fund was indirectly invested, are indicated below. The Portfolio Fund held no short positions at the end of the period. This summary of investment portfolio may change due to ongoing portfolio transactions. An update of the Portfolio Fund's summary of investment portfolio as at the end of the next quarter will be available. Please see the front page for information about how it can be obtained.

The Management Report of Fund Performance, Prospectus, Financial Statements and other information for each of the Underlying Funds in which the Portfolio Fund invests are available upon request, and at no cost, by using one of the methods located on the front of this document.

## Summary of Top Holdings

	% of net asset value
Investors Mortgage and Short Term Income Fund	20
IG Mackenzie Income Fund	15
Investors Canadian Bond Fund	15
Investors Canadian Equity Fund	13
Investors Real Property Fund	10
Investors U.S. Large Cap Value Fund	7
IG Mackenzie Ivy European Fund	5
Investors Global Bond Fund	5
Investors Japanese Equity Fund	5
Investors Real Return Bond Fund	5
	<b>100</b>

**Summary of Composition of the Portfolio**

The following summarizes the major asset classes that the Portfolio Fund has indirect exposure to through its investment in Underlying Funds.

**% of net asset value**

**BY ASSET TYPE**

Fixed Income	51.2
Equities	27.9
First Mortgages on Improved Real Estate	7.5
Real Estate Investments	6.6
	<b>93.2</b>
Cash and cash equivalents	8.0
Other net assets (liabilities)	(1.2)
<b>Total</b>	<b>100.0</b>

**FIXED INCOME  
 BY CREDIT RATING**

AAA	32.7
AA	9.4
A	6.2
BBB	2.2
< BBB	0.3
Unrated	0.4
	<b>51.2</b>

**EQUITIES  
 BY REGION**

Canada	10.5
United States	8.5
Japan	4.7
Europe ex U.K.	3.2
United Kingdom	1.0
	<b>27.9</b>

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

