
Investors Fixed Income Flex Portfolio

Annual Management Report of Fund Performance

FOR THE PERIOD ENDED MARCH 31, 2011

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.

CAUTION REGARDING FUTURE PERFORMANCE

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 share value and reinvestment of all distributions (except for 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 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 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 Quebec) or by writing to us at 447 Portage Avenue, Winnipeg, Manitoba, R3C 3B6 (2001 University Street, Suite 2000, Montreal, Quebec, H3A 2A6 if you live in Quebec), 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, 2011 (except when stated otherwise), 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.

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

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.

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 affecting the Portfolio Fund's performance and outlook since its inception.

The commentary in this section is general information about the Portfolio Fund's recent performance.

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

Investment Objective and Strategies

The Fund aims to provide current income by investing primarily in a mix of other Investors Group Funds ("Underlying Funds") that generally provide exposure to 90% fixed income and 10% real property markets. The Portfolio Advisor may vary the allocation of these funds within limits without prior notice.

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

(BASED ON INFORMATION AS AT MARCH 31, 2011)

The Portfolio Fund commenced operations on February 7, 2011. By March 31, 2011 net assets were \$76.8 million. This change was comprised primarily of an increase of \$76.7 million due to net proceeds from the issuance of the Fund's securities. Average net assets of the Portfolio Fund for the period were \$39.9 million. 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.

This Portfolio Fund began operations on February 7, 2011. As such, 12-month performance data is not yet available.

Investors Canadian Bond Fund, representing 20% of net assets and Investors Real Property Fund, representing 9% of net assets, contributed the most to overall performance during the period.

Recent Developments

(BASED ON INFORMATION AS AT APRIL 22, 2011)

The global economy strengthened over the period due in part to accommodative, low interest rate policies adopted by central banks. This led to improving corporate profitability and advancing stock prices.

In Canada, the pace of the economic recovery outpaced that of most other major economies over the period, allowing the Bank of Canada to raise its benchmark lending rate from a historical low of 0.25% to 1%. Despite expectations of further rate increases, monetary policy remains accommodative and Canada should continue to experience positive economic growth over the coming months.

Having said that, much of the policy stimulus currently in place is designed to spur growth and fuel inflation. As a result, the outlook for bond prices going forward remains cautious as economic sentiment improves, inflation expectations grow and investors begin to turn their attention to the weak state of government finances in many of the world's larger economies.

Other Developments

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

As previously confirmed by the Canadian Accounting Standards Board ("AcSB"), most Canadian publicly accountable entities adopted IFRS, as published by the International Accounting Standards Board ("IASB"), on January 1, 2011. However, the AcSB has allowed most investment funds to defer adoption of IFRS until fiscal years beginning on or after January 1, 2013. Accordingly, the Portfolio Fund will adopt IFRS for its fiscal period beginning April 1, 2013, and will issue its initial financial statements in accordance with IFRS, including comparative information, for the interim period ending September 30, 2013.

The Manager has identified the key differences between IFRS and Canadian generally accepted accounting principles ("GAAP") that are expected to affect the Portfolio Fund, and has developed an IFRS changeover plan, including a formal project governance structure, that addresses key elements of the conversion to IFRS. Elements of the plan include evaluating the impacts of the changeover on all business activities, accounting policies, information technology and data systems, internal controls over financial reporting, and disclosure controls and procedures. As the Portfolio Fund's changeover plans are implemented, requirements for financial reporting resources and training are being modified appropriately.

Based on the Manager's current evaluation of the differences between Canadian GAAP and IFRS, the adoption of IFRS is not expected to

have a significant impact on the calculation of NAV per security. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. The Manager continues to monitor changes to IFRS proposed by the IASB and relevant amendments by the AcSB, and the current assessment and IFRS changeover plans may change if new standards are issued or if interpretations of existing standards are revised.

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 0.05% (per annum) of its net assets to the Distributors.

The Portfolio Fund paid the Manager an administration fee equal to 0.10% annually of the net assets except for net assets attributable to Series P. In exchange for the administration fee, the Manager pays the operating costs and expenses of the Portfolio Fund, except for certain specified costs.

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/HST) to the Manager and parties related to the Manager for the year ended March 31, 2011 were:

	\$000's
Distribution fee (net of rebates)	3
Administration fee	5
	8

Investors Group has an investment in the Fund valued at \$1.0 thousand as of March 31, 2011.

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.

Summary of Investment Portfolio

AT MARCH 31, 2011

The largest holdings of the Portfolio Fund (up to 25) at the end of the period, and the Portfolio Fund's investment mix 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. The Portfolio 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.

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	35
Investors Canadian Bond Fund	20
Investors Premium Money Market Fund	20
Investors Real Property Fund	9
IG Putnam U.S. High Yield Income Fund	8
Investors Canadian High Yield Income Fund	8
	100

Summary of Composition of the Portfolio

	% of net asset value
BY UNDERLYING FUND TYPE	
Income Funds	91
Investors Real Property Fund	9
	100

Past Performance

Past Performance has not been provided because the Portfolio Fund is less than one year old.

Series Information

Series	Purchase Options Available ¹	Distribution Fee (%)	Service Fee (%)	Administration Fee (%)
Mutual Fund Units	DSC/NL	0.05	-	0.10
Series P ²	n/a	-	-	-

¹ Purchases of Mutual Fund Units will be designated as "A" (for DSC investments), "B" (for No Load investments) or "C" (for investments purchased prior to July 28, 2003) on your statement. Deferred Sales Charge (DSC) investments have a redemption fee when sold of up to 5.50% that declines to 0% after 7 years. No Load (NL) investments do not have a DSC when sold. Other fees may apply. See the Fund's Prospectus for additional information.

² For details on Series P see Related Party Transactions.

Financial Highlights

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

Footnotes are presented after Ratios and Supplemental Data.

Net Assets per Unit¹

MUTUAL FUND UNITS (in \$)	12 mo Mar. 31 2011	12 mo Mar. 31 2010	6 mo Mar. 31 2009	12 mo Sep. 30 2008	12 mo Sep. 30 2007
Net assets, beginning of period	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.05	n/a	n/a	n/a	n/a
Total expenses	-	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	-	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.02)	n/a	n/a	n/a	n/a
Total increase (decrease) from operations²	0.03	n/a	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	(0.02)	n/a	n/a	n/a	n/a
From dividends	-	n/a	n/a	n/a	n/a
From capital gains	-	n/a	n/a	n/a	n/a
Return of capital	-	n/a	n/a	n/a	n/a
Total annual distributions³	(0.02)	n/a	n/a	n/a	n/a
Net assets at period end	10.01	n/a	n/a	n/a	n/a

SERIES P (in \$)	12 mo Mar. 31 2011	12 mo Mar. 31 2010	6 mo Mar. 31 2009	12 mo Sep. 30 2008	12 mo Sep. 30 2007
Net assets, beginning of period	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.05	n/a	n/a	n/a	n/a
Total expenses	-	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	-	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(0.02)	n/a	n/a	n/a	n/a
Total increase (decrease) from operations²	0.03	n/a	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	(0.02)	n/a	n/a	n/a	n/a
From dividends	-	n/a	n/a	n/a	n/a
From capital gains	-	n/a	n/a	n/a	n/a
Return of capital	-	n/a	n/a	n/a	n/a
Total annual distributions³	(0.02)	n/a	n/a	n/a	n/a
Net assets at period end	10.01	n/a	n/a	n/a	n/a

Investors Fixed Income Flex Portfolio

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

MARCH 31, 2011

Ratios and Supplemental Data

	12 mo Mar. 31 2011	12 mo Mar. 31 2010	6 mo Mar. 31 2009	12 mo Sep. 30 2008	12 mo Sep. 30 2007
MUTUAL FUND UNITS					
Net assets (\$000's)	76,785	n/a	n/a	n/a	n/a
Number of units outstanding (000's)	7,672	n/a	n/a	n/a	n/a
Management expense ratio ⁴ (%)	1.79	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.79	n/a	n/a	n/a	n/a
Trading expense ratio ⁵ (%)	-	n/a	n/a	n/a	n/a
Portfolio turnover rate ⁶ (%)	-	n/a	n/a	n/a	n/a

	12 mo Mar. 31 2011	12 mo Mar. 31 2010	6 mo Mar. 31 2009	12 mo Sep. 30 2008	12 mo Sep. 30 2007
SERIES P					
Net assets (\$000's)	1	n/a	n/a	n/a	n/a
Number of units outstanding (000's)	-	n/a	n/a	n/a	n/a
Management expense ratio ⁴ (%)	1.63	n/a	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.63	n/a	n/a	n/a	n/a
Trading expense ratio ⁵ (%)	-	n/a	n/a	n/a	n/a
Portfolio turnover rate ⁶ (%)	-	n/a	n/a	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 unit. This information is derived from the Portfolio Fund's audited annual financial statements.

² 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.

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

⁴ 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 MER 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/shares 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 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.

⁵ 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/shares 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.

⁶ 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. Generally, 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. The portfolio turnover rate for a Portfolio Fund reflects the rebalancing necessary to maintain its target mix in Underlying Funds. No commission or other transaction fees were paid by the Portfolio Fund in relation to these transactions. 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.

