Quarterly Report

June 30, 2012

Q2

CI Financial

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Financial Highlights

(in millions of dollars, except per share and share amounts)	As at June 30, 2012	As at March 31, 2012	As at June 30, 2011	% change quarter-over-quarter	% change year-over-year
Assets under management	71,559	73,361	74,283	(2)	(4)
Total assets	93,519	96,191	97,156	(3)	(4)
Shares outstanding	283,342,075	283,707,655	288,091,047	-	(2)

	For the quarters ended			% change quarter-over-quarter	% change year-over-year
	June 30, 2012	March 31, 2012	June 30, 2011		
Average assets under management	71,385	72,262	74,525	(1)	(4)
Gross sales	2,010	2,641	2,523	(24)	(20)
Net sales	(270)	160	309	n/a	n/a
Management fees	313.5	319.6	337.3	(2)	(7)
Total revenues	358.8	366.2	385.5	(2)	(7)
SG&A	70.7	72.2	75.1	(2)	(6)
Trailer fees	91.6	93.0	98.3	(2)	(7)
Net income	71.3	94.6	98.3	(25)	(27)
Earnings per share	0.25	0.33	0.34	(24)	(26)
EBITDA*	173.1	176.5	187.1	(2)	(7)
EBITDA* per share	0.61	0.62	0.65	(2)	(6)
Dividends recorded per share	0.240	0.235	0.225	2	7
Average shares outstanding	283,561,121	283,684,272	288,066,003	-	(2)

	For the six months ended		
	June 30, 2012	June 30, 2011	% change year-over-year
Average assets under management	71,824	74,321	(3)
Gross sales	4,651	5,536	(16)
Net sales	(109)	775	n/a
Management fees	633.1	669.2	(5)
Total revenues	725.0	772.3	(6)
SG&A	142.9	148.4	(4)
Trailer fees	184.6	194.9	(5)
Net income	165.9	198.3	(16)
Earnings per share	0.58	0.69	(16)
EBITDA*	349.6	375.7	(7)
EBITDA* per share	1.23	1.30	(5)
Dividends recorded per share	0.475	0.44	8
Average shares outstanding	283,622,697	287,949,788	(2)

**EBITDA (Earnings before interest, taxes, depreciation and amortization) is not a standardized earnings measure prescribed by IFRS; however, management believes that most of its shareholders, creditors, other stakeholders and investment analysts prefer to include the use of this performance measure in analyzing CI's results. CI's method of calculating this measure may not be comparable to similar measures presented by other companies. EBITDA is a measure of operating performance, a facilitator for valuation and a proxy for cash flow.*

DEAR SHAREHOLDERS,

In the second quarter of 2012, equity markets stumbled on renewed concerns regarding debt and austerity in Europe and economic growth rates in the U.S. and China. After a strong first quarter, the S&P 500 Index fell 0.8% on a total return basis and the MS World Index dropped 3.0%, both in Canadian dollar terms. Global equity markets again outperformed the Canadian market, as the S&P/TSX Composite Index slid 5.7% on weakness in the energy and materials sectors. In recent days, equity markets have rebounded 5% to 10% from their lows of early June, but volatility is expected to continue as few expect the issues in Europe to be easily resolved and the U.S. enters an election period with significant fiscal problems.

CI's assets under management ("AUM") fell 2% during the quarter, to end at $71.6 billion on June 30, 2012. Average AUM of $71.4 billion for the quarter was 1.2% below the $72.3 billion average for the first quarter. Over the past year, CI's AUM declined 4% from $74.3 billion at June 30, 2011, while the average AUM for the quarter was 4.2% below the average for the same quarter a year ago. As a result of these declines in AUM, CI's core earnings were down slightly from last quarter as well as last year.

Gross sales in the second quarter were $2.010 billion compared to $2.523 billion in the second quarter of last year. Redemptions of funds were quite steady at $2.280 billion this year versus $2.214 billion last year and included a $147 million redemption from one institutional client. The drop in gross sales pushed net sales of funds into negative territory at -$270 million during the quarter, down from net sales of $309 million in the second quarter of 2011. For the first six months of the year, CI's net sales are now negative at -$109 million.

Assante's dealer revenues were down slightly year over year, in line with lower levels of administered assets. Total revenue was $58.4 million this quarter, down from $60.7 million in the second quarter last year. Administered assets of $21.9 billion at the end of June were down from $22.9 billion a year ago, resulting in lower service fee revenue.

CI's reported earnings in the second quarter of 2012 were $71.3 million ($0.25 per share). This result included a non-recurring $18.8 million non-cash future income tax expense related solely to the Ontario government retracting legislated income tax cuts that were to take effect on July 1, 2012. Prior to recording this additional tax, CI's earnings for the quarter were $90.1 million ($0.32 per share) down 4.8% from $94.6 million ($0.33 per share) in the previous quarter. In the second quarter of last year, CI reported net income of $98.3 million ($0.34 per share). EBITDA for the second quarter of 2012 was $173.1 million, a decline of 1.9% from $176.5 million in the first quarter, and a decline of 7.5% from $187.1 million in the second quarter of last year.

Outlook

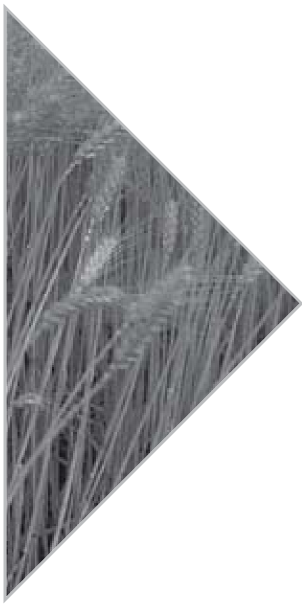
July's rally in equity markets moved CI's assets under management to $71.7 billion, up 0.2% from the end of June and 0.4% above the second quarter average. Sales have also strengthened this month. We are encouraged by continued strong fund performance, with over 80% of assets in the first or second quartile year-to-date and over 10 years.

The Board of Directors declared monthly cash dividends of $0.08 per share payable on September 14, October 15 and November 15, 2012 to shareholders of record on August 31, September 30, and October 31, 2012, respectively.

William T. Holland
Chairman

Stephen A. MacPhail
President and Chief Executive Officer

AUGUST 9, 2012



Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") dated August 9, 2012, presents an analysis of the financial position of CI Financial Corp. and its subsidiaries ("CI") as at June 30, 2012 compared with December 31, 2011, and the results of operations for the quarter ended June 30, 2012 compared with the quarter ended June 30, 2011 and the quarter ended March 31, 2012.

On January 1, 2011, CI adopted International Financial Reporting Standards ("IFRS") for financial reporting purposes. The financial statements for the three months ended June 30, 2012 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board and on a basis consistent with the accounting policies disclosed in the annual audited consolidated financial statements for the year ended December 31, 2011.

The principal subsidiaries referenced herein include CI Investments Inc. ("CI Investments") and Assante Wealth Management (Canada) Ltd. ("AWM"). The Asset Management segment of the business includes the operating results and financial position of CI Investments and its subsidiaries, including CI Private Counsel LP ("CIPC"). The Asset Administration segment includes the operating results and financial position of AWM and its subsidiaries, including Assante Capital Management Ltd. ("ACM") and Assante Financial Management Ltd. ("AFM").

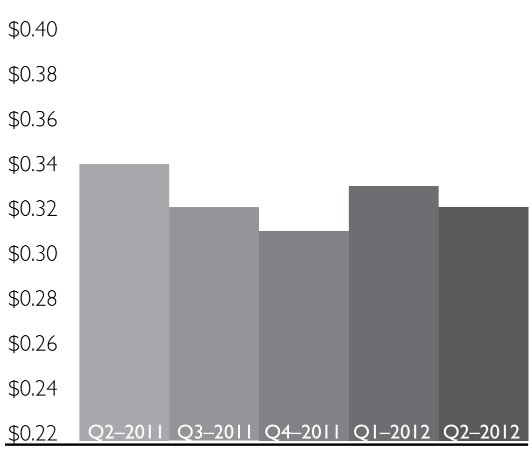
This MD&A contains forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations with respect to CI and its products and services, including its business operations, strategy and financial performance and condition. When used in this MD&A, these statements use such words as "may", "will", "expect", "believe", and other similar terms. These statements are not historical facts but instead represent management beliefs regarding future events, many of which by their nature are inherently uncertain and beyond management control. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, such statements involve risks and uncertainties. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest and foreign exchange rates, global financial markets, failure to anticipate and respond to changes in the business environment, changes in government regulations or in tax laws, industry competition and other factors described under "Risk Factors" or discussed in other materials filed with applicable securities regulatory authorities from time to time. The material factors and assumptions applied in reaching the conclusions contained in these forward-looking statements include that the investment fund industry will remain stable and that interest rates will remain relatively stable. The reader is cautioned against undue reliance on these forward-looking statements. For a more complete discussion of the risk factors that may impact actual results, please refer to the "Risk Factors" section of this MD&A and to the "Risk Factors" section of CI's most recent Annual Information Form, which is available at www.sedar.com.

This MD&A includes several non-IFRS financial measures that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to use these financial measures in analyzing CI's results. These non-IFRS measures and reconciliations to IFRS, where necessary, are shown as highlighted footnotes to the discussion throughout the document.

TABLE 1: SUMMARY OF QUARTERLY RESULTS

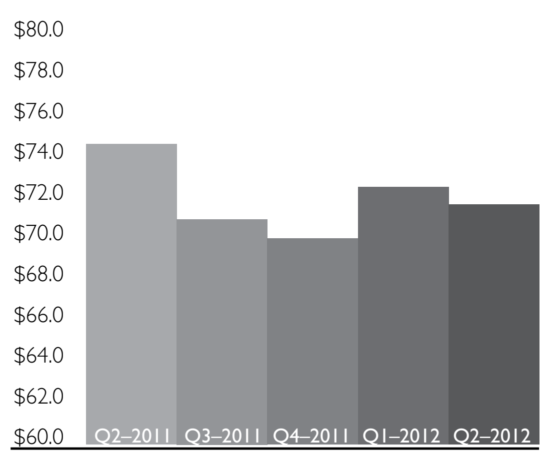
(millions of dollars, except per share amounts)	2012		2011				2010	
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
INCOME STATEMENT DATA								
Management fees	313.5	319.6	312.1	321.4	337.3	332.0	315.3	294.0
Administration fees	31.3	32.8	30.6	31.6	33.2	36.8	33.7	29.6
Other revenues	14.0	13.8	14.0	14.4	15.0	17.9	19.6	12.7
Total revenues	358.8	366.2	356.7	367.4	385.5	386.7	368.6	336.3
Selling, general & administrative	70.7	72.2	70.2	72.2	75.1	73.3	73.0	67.3
Trailer fees	91.6	93.0	90.8	93.7	98.3	96.6	91.3	85.1
Investment dealer fees	24.5	25.8	23.8	24.8	26.0	29.1	25.8	22.9
Amortization of deferred sales commissions	41.0	41.4	40.5	41.1	41.3	41.4	42.3	41.6
Interest expense	6.2	6.3	6.8	7.0	6.7	7.0	5.4	4.1
Other expenses	1.8	1.6	1.6	3.0	2.4	2.5	3.5	2.2
Total expenses	235.8	240.3	233.7	241.8	249.8	249.9	241.3	223.2
Income before income taxes	123.0	125.9	123.0	125.6	135.7	136.8	127.3	113.1
Income taxes	51.7	31.3	35.2	34.8	37.4	36.7	39.9	37.2
Net income	71.3	94.6	87.8	90.8	98.3	100.1	87.4	75.9
Earnings per share	0.25	0.33	0.31	0.32	0.34	0.35	0.30	0.26
Diluted earnings per share	0.25	0.33	0.31	0.31	0.34	0.35	0.30	0.26
Dividends recorded per share	0.240	0.235	0.225	0.225	0.225	0.215	0.205	0.195

EARNINGS PER SHARE



Q2–2012 has been adjusted for the non-cash $18.8 million non-recurring future income tax expense.

AVERAGE ASSETS UNDER MANAGEMENT (BILLIONS)



OVERVIEW

CI is a diversified wealth management firm and one of Canada's largest independent investment management companies. The principal business of CI is the management, marketing, distribution and administration of mutual funds, segregated funds, structured products and other fee-earning investment products for Canadian investors. They are distributed primarily through brokers, independent financial planners and insurance advisors, including ACM and AFM financial advisors. CI operates through two business segments, Asset Management and Asset Administration. The Asset Management segment provides the majority of CI's income and derives its revenue principally from the fees earned on the management of several families of mutual, segregated, pooled and closed-end funds, structured products and discretionary accounts. The Asset Administration segment derives its revenues principally from commissions and fees earned on the sale of mutual funds and other financial products and ongoing service to clients.

The key performance indicator for the Asset Management segment is the level of assets under management ("AUM") and for the Asset Administration segment is the level of assets under administration ("AUA"). CI reports each of these numbers monthly, and together they form CI's total assets. CI's AUM and AUA are driven by the gross sales and redemptions of investment products, and market performance. As most of CI's revenues and expenses are based on daily asset levels throughout the year, average assets for a particular period are critical to the analysis of CI's financial results. While some expenses, such as trailer fees, vary directly with the level of assets under management, about half of CI's expenses are fixed in nature. Over the long term, CI manages the level of its discretionary spend to be consistent with or below the growth in its average assets under management.

ASSETS AND SALES

Total assets, which include mutual, segregated and hedge funds, separately managed accounts, structured products, pooled assets and assets under administration were $93.5 billion at June 30, 2012, a decrease of 4% from $97.2 billion at June 30, 2011. From that peak in the second quarter last year stock markets experienced a challenging third quarter in 2011 driving assets down 9% and they are still 4% below that level. CI's market share was approximately 9% and CI continued to be the third-largest investment fund company in Canada with AUM of $71.6 billion and AUA of $21.9 billion at June 30, 2012 as shown in Table 2.

TABLE 2: TOTAL ASSETS

(in billions)	As at June 30, 2012	As at June 30, 2011	% change
Assets under management	$71.6	$74.3	(4)
Assets under administration*	21.9	22.9	(4)
Total assets	$93.5	$97.2	(4)

Includes $10.3 billion of managed assets in CI and United funds in each of 2012 and 2011

The change in assets under management in each of the past five quarters is detailed in Table 3 and it shows that market performance continues to have a much larger impact than net sales on the level of assets. Gross sales for the current quarter declined 20% from those of the prior year, while redemptions held fairly steady, leading to a drop in net sales. The decline in sales can be attributed to investor reaction to stock market volatility over the past year.

CI's average assets in the second quarter of 2012 declined 4.2% from the same period in 2011 and 1.2% from the prior quarter. The second quarter of 2012 saw significant market volatility following a strong first quarter as a result of renewed concerns regarding the challenges facing Europe and slowing growth in the world's largest economies. As a result, CI's revenues declined, and while costs were trimmed to be in line with asset changes, income and operating cash flow also fell from the levels of last quarter and last year's second quarter.

TABLE 3: CHANGE IN ASSETS UNDER MANAGEMENT

(in billions)	Jun. 30, 2012	Mar. 31, 2012	Dec. 31, 2011	Sept. 30, 2011	Jun. 30, 2011
Assets under management, beginning	$73.4	$69.6	$67.4	$74.3	$75.5
Gross sales	2.0	2.6	1.7	1.8	2.5
Redemptions	2.3	2.4	2.1	1.9	2.2
Net sales	(0.3)	0.2	(0.4)	(0.1)	0.3
Market performance	(1.5)	3.6	2.6	(6.8)	(1.5)
Assets under management, ending	$71.6	$73.4	$69.6	$67.4	$74.3
Average assets under management for the period	$71.385	$72.262	$69.349	$70.823	$74.525

RESULTS OF OPERATIONS

For the quarter ended June 30, 2012, CI reported net income of $71.3 million ($0.25 per share) versus $98.3 million ($0.34 per share) for the quarter ended June 30, 2011 and $94.6 million ($0.33 per share) for the quarter ended March 31, 2012. For the six months ended June 30, 2012, CI reported net income of $165.9 million ($0.58 per share) versus $198.3 million ($0.69 per share) for the same period last year.

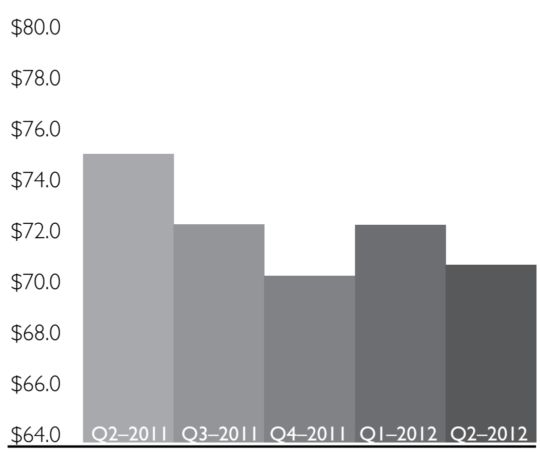
For the second quarter of 2012, CI recorded $51.7 million in income tax expense for an effective tax rate of 42.0%, compared to $37.4 million in the second quarter of 2011 for an effective tax rate of 27.6%. The first quarter of 2012 included $31.3 million in income tax expense, for an effective tax rate of 24.9%. CI's statutory rate for 2012 is 26.5%. The second quarter of 2012 included $18.8 million of non-cash future income taxes related to the Ontario government's recent decision to rescind previously legislated reductions in corporate tax rates. Adjusted for this non-recurring expense, CI's net income for the quarter was $90.1 million ($0.32 per share) and its effective tax rate was 26.7%.

Total revenues declined 7% in the second quarter of 2012 compared with the same period in 2011. The main contributors to this change were the 4% decrease in average assets under management and a decrease in management fee rates as a result of a change in asset mix in which funds with lower management fees are accounting for a larger share of AUM. Total revenues decreased 2% from the prior quarter due to a 1% decline in average assets under management and this change in asset mix.

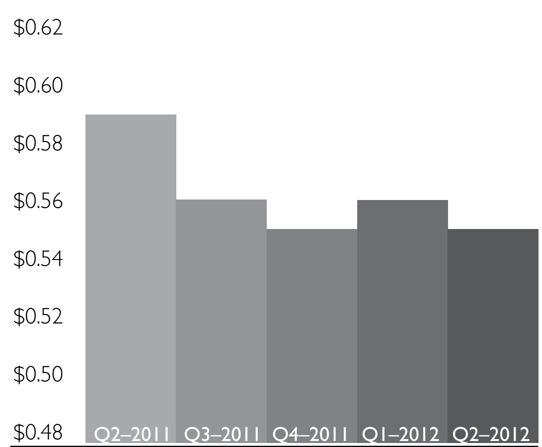
For the quarter ended June 30, 2012, redemption fee revenue was $7.1 million unchanged from $7.1 million for the quarter ended June 30, 2011 and down slightly from $7.6 million for the quarter ended March 31, 2012. The first quarter typically sees higher levels of redemptions as a result of increased activity during the RSP season.

The second quarter of 2012 included SG&A expenses of $70.7 million, a 6% decline from $75.1 million for the same period in 2011 and a 2% decrease from the first quarter in 2012. Included in SG&A expenses are portfolio management fees which are largely driven by the level of average assets under management. As well, during the quarter, there was a slight decline in the cost of administering CI's funds and in the level of discretionary spend at Assante.

SG&A EXPENSE (MILLIONS)



PRE-TAX OPERATING EARNINGS PER SHARE



Amortization of deferred sales commissions and fund contracts was $41.5 million in the second quarter of 2012, down $0.4 million from the second quarter of 2011 and down $0.5 million from the prior quarter. The decrease from the prior quarters related to the decline in deferred sales commissions paid compared to those seven years earlier, which have been fully amortized.

Interest expense of $6.2 million was recorded for the quarter ended June 30, 2012 compared with $6.7 million for the quarter ended June 30, 2011 and $6.3 million for the quarter ended March 31, 2012. The decrease in interest expense from the prior-year period reflected lower average debt levels as discussed under "Liquidity and Capital Resources."

As shown in Table 4, pre-tax operating earnings were $157.2 million ($0.55 per share) in the second quarter of 2012, a decrease of 8% from the same quarter of 2011 and decrease of 2% from the prior quarter. These changes reflect the change in average assets under management, which were down 4% from the second quarter of 2011 and down 1% from the prior quarter, and a shift in asset mix to lower fee products. For the six months ended June 30, 2012, pre-tax operating earnings were $317.5 million ($1.12 per share) compared with $337.7 million ($1.17 per share) for the same period last year. This change also reflects the change in average assets under management and asset mix as mentioned above.

TABLE 4: PRE-TAX OPERATING EARNINGS

CI uses pre-tax operating earnings to assess its underlying profitability. CI defines pre-tax operating earnings as income before income taxes less redemption fee revenue, non-recurring items, performance fees and investment gains, plus amortization of deferred sales commissions and fund contracts.

(in millions, except per share amounts)	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Income before income taxes	$123.0	$125.9	$135.7	$248.9	$272.5
Less:					
Redemption fees	7.1	7.6	7.1	14.7	14.9
Non-recurring item(s)	—	—	—	—	4.9
Gain (loss) on marketable securities	0.2	—	(0.2)	0.2	(1.1)
Add:					
Amortization of DSC and fund contracts	41.5	42.0	41.9	83.5	83.9
Pre-tax operating earnings	$157.2	$160.3	$170.7	$317.5	$337.7
per share	$0.55	$0.56	$0.59	$1.12	$1.17

As illustrated in Table 5, EBITDA for the quarter ended June 30, 2012 was $173.1 million ($0.61 per share) compared with $187.1 million ($0.65 per share) for the quarter ended June 30, 2011 and $176.5 million ($0.62 per share) for the quarter ended March 31, 2012. The 7% year-over-year decrease in quarterly EBITDA primarily reflects the 4% decline in average assets under management and the change in asset mix. For the six months ended June 30, 2012, EBITDA was $349.6 million ($1.23 per share) compared with $375.7 million ($1.30 per share) for the same period last year, reflecting the changes in average assets under management and asset mix.

EBITDA as a percentage of total revenues (EBITDA margin) for the second quarter of 2012 was 48.2%, down from 48.5% in the second quarter of 2011 and unchanged from the prior quarter. This indicates that on a consecutive quarter basis, CI is earning the same profit for every dollar of revenue earned.

TABLE 5: EBITDA and EBITDA Margin

CI uses EBITDA (earnings before interest, taxes, depreciation and amortization) to assess its underlying profitability prior to the impact of its financing structure, income taxes and the amortization of deferred sales commissions, fund contracts and capital assets. This also permits comparisons of companies within the industry, before any distortion caused by different financing methods, levels of taxation and mix of business between front-end and back-end sales commission assets under management. EBITDA is a measure of operating performance, a facilitator for valuation and a proxy for cash flow.

(in millions, except per share amounts)	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Net income	$71.3	$94.6	$98.3	$165.9	$198.4
Add:					
Interest expense	6.2	6.3	6.7	12.5	13.7
Income tax expense	51.7	31.3	37.4	83.0	74.2
Amortization of DSC and fund contracts	41.5	42.0	41.9	83.5	83.9
Amortization of other items	2.4	2.3	2.8	4.7	5.5
EBITDA	$173.1	$176.5	$187.1	$349.6	$375.7
per share	$0.61	$0.62	$0.65	$1.23	$1.30
EBITDA margin (as a % of revenue)	48.2%	48.2%	48.5%	48.2%	48.7%

ASSET MANAGEMENT SEGMENT

The Asset Management segment is CI's principal business segment and includes the operating results and financial position of CI Investments and CIPC.

TABLE 6: RESULTS OF OPERATIONS – ASSET MANAGEMENT SEGMENT

(in millions, except per share amounts)	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Management fees	$313.5	$319.6	$337.3	$633.1	$669.3
Other revenue	10.2	9.9	11.1	20.0	25.0
Total revenue	$323.7	$329.5	$348.4	$653.1	$694.3
Selling, general and administrative	$57.6	$58.4	$61.3	$116.0	$120.1
Trailer fees	95.3	96.7	102.0	192.0	202.4
Amortization of deferred sales commissions and fund contracts	42.2	42.7	42.7	84.9	85.4
Other expenses	0.5	0.2	0.9	0.7	1.8
Total expenses	$195.6	$198.0	$206.9	$393.6	$409.7
Income before taxes and non-segmented items	$128.1	$131.5	$141.5	$259.5	$284.6

Revenues

Revenues from management fees were $313.5 million for the quarter ended June 30, 2012, a decrease of 7% from $337.3 million for the quarter ended June 30, 2011 and a decrease of 2% from $319.6 million for the quarter ended March 31, 2012. The changes were mainly attributable to changes in average assets under management, which were down 4% from the second quarter of last year and down 1% from the prior quarter. As well, the average management fee rate declined from 1.82% to 1.77% over the year as a result of changes in the asset mix of CI's funds and the proportion of funds in each asset class.

The weighting of equity funds declined over the past year in favour of balanced and bond funds, which generally have lower management fees. Similarly, a greater percentage of assets under management are in Class F, Class I and separately managed accounts, which have lower management fees than Class A funds.

For the quarter ended June 30, 2012, other revenue was $10.2 million versus $11.1 million and $9.9 million for the quarters ended June 30, 2011 and March 31, 2012, respectively. Included in other revenue are redemption fees, which were $7.1 million for the quarter ended June 30, 2012 compared with $7.1 million and $7.6 million for the quarters ended June 30, 2011 and March 31, 2012, respectively. For the six months ended June 30, 2012, other revenue was $20.0 million compared to $25.0 million for the same period in the prior year. Other revenue for the prior six-month period included $4.9 million in proceeds from an insurance settlement.

Expenses

Selling, general and administrative ("SG&A") expenses for the Asset Management segment were \$57.6 million for the quarter ended June 30, 2012, down from \$61.3 million in the second quarter of 2011 and \$58.4 million for the quarter ended March 31, 2012. As a percentage of average assets under management, SG&A expenses were 0.325% for the quarter ended June 30, 2012, down from 0.330% for the quarter ended June 30, 2011 and consistent with 0.325% for the prior quarter. The level of spending was managed relative to the level of average AUM.

Trailer fees were \$95.3 million for the quarter ended June 30, 2012 compared with \$102.0 million for the quarter ended June 30, 2011 and \$96.7 million for the quarter ended March 31, 2012. Net of inter-segment amounts, this expense was \$91.6 million for the quarter ended June 30, 2012 versus \$98.3 million for the second quarter of 2011 and \$93.0 million for the first quarter of 2012. The decrease from the prior quarters was due to the decrease in average assets under management and the change in asset mix.

Amortization of deferred sales commissions and fund contracts was \$42.2 million for the quarter ended June 30, 2012, down \$0.5 million from each of the two comparable quarters. This remains consistent with the amount of deferred sales commissions paid in recent years along with accelerated amortization related to redemptions of deferred load funds.

Other expenses were \$0.5 million for the quarter ended June 30, 2012 compared to \$0.9 million in the quarter ended June 30, 2011 and \$0.2 million in the prior quarter.

Income before income taxes and interest expense for CI's principal segment was \$128.1 million for the quarter ended June 30, 2012 compared with \$141.5 million in the same period in 2011 and \$131.5 million in the previous quarter. The change from the comparable periods is due to the decrease in average assets under management and the shift to funds with lower management fees. For the six months ended June 30, 2012, income before income taxes and interest expense was \$259.5 million compared with \$284.6 million for the first half of 2011.

ASSET ADMINISTRATION SEGMENT

The Asset Administration segment includes the operating results and financial position of AWM and its subsidiaries.

TABLE 7: RESULTS OF OPERATIONS – ASSET ADMINISTRATION SEGMENT

(in millions)	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Administration fees	$54.5	$58.4	$56.8	$112.9	$119.4
Other revenue	3.9	3.9	3.9	7.8	7.9
Total revenue	$58.4	$62.3	$60.7	$120.7	$127.3
Selling, general and administrative	$13.0	$13.8	$13.8	$26.8	$28.3
Investment dealer fees	43.2	46.4	45.0	89.6	94.9
Amortization of fund contracts	0.4	0.4	0.4	0.8	0.8
Other expenses	0.9	0.8	0.9	1.7	1.7
Total expenses	$57.5	$61.4	$60.1	$118.9	$125.7
Income before taxes and non-segmented items	$0.9	$0.9	$0.6	$1.8	$1.6

Revenues

Administration fees are mainly generated from advisor services in AWM and driven by the level of assets under administration. Administration fees were $54.5 million for the quarter ended June 30, 2012, a decrease of 4% from $56.8 million for the same period last year and a decrease of 7% from the prior quarter. Net of inter-segment amounts, administration fee revenue was $31.3 million for the quarter ended June 30, 2012, down from $33.2 million for the quarter ended June 30, 2011 and down from $32.8 million in the previous quarter. The decrease in revenues from the prior quarters is due to the decline in assets under administration as well as the March quarter typically producing higher revenues due to the sales commission revenue generated during the RSP season.

Other revenues earned by the Asset Administration segment are generally derived from non-advisor related activities. For the quarter ended June 30, 2012, other revenues were $3.9 million, unchanged from the comparable quarters.

Expenses

Investment dealer fees, which represent the payout to advisors on revenues they generate, were $43.2 million for the quarter ended June 30, 2012 compared to $45.0 million for the second quarter last year and $46.4 million for the quarter ended March 31, 2012. Investment dealer fees generally vary with the level of administration fees received.

As detailed in Table 8, dealer gross margin was $11.3 million or 20.7% of administration fee revenue for the quarter ended June 30, 2012 compared to $11.8 million or 20.8% for the second quarter of 2011 and $12.0 million or 20.5% for the previous quarter. For the six months ended June 30, 2012, dealer gross margin was $23.3 million or 20.6% of administration fee revenue compared to $24.5 million or 20.5% for the same period last year. Generally, as advisors generate more revenues, the payout they earn on incremental revenues increases, which in turn decreases dealer gross margin.

Selling, general and administrative ("SG&A") expenses for the segment were $13.0 million for the quarter ended June 30, 2012 compared to $13.8 million in the second quarter in 2011 and $13.8 million in the first quarter of 2012. This quarter saw a slight decline in the level of discretionary spend.

The Asset Administration segment had income before income taxes and non-segmented items of $0.9 million for the quarter ended June 30, 2012, up from $0.6 million for the second quarter in 2011 and unchanged from $0.9 million in the prior quarter. For the six-month period, income before income taxes and non-segmented items was $1.8 million in 2012 versus $1.6 million in 2011.

TABLE 8: DEALER GROSS MARGIN

CI monitors its operating profitability on the revenues earned within its Asset Administration segment by measuring the dealer gross margin, which is calculated as administration fee revenue less investment dealer fees, divided by administration fee revenue. CI uses this measure to assess the margin remaining after the payout to advisors.

(in millions)	Quarter ended June 30, 2012	Quarter ended March 31, 2012	Quarter ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Administration fees	$54.5	$58.4	$56.8	$112.9	$119.4
Less:					
Investment dealer fees	43.2	46.4	45.0	89.6	94.9
	$11.3	$12.0	$11.8	$23.3	$24.5
Dealer gross margin	20.7%	20.5%	20.8%	20.6%	20.5%

LIQUIDITY AND CAPITAL RESOURCES

CI generated $273.6 million of operating cash flow in the six months ended June 30, 2012 down $36.2 million from $309.8 million in the same period of 2011. CI measures its operating cash flow before the change in working capital and the actual cash amount paid for interest and income taxes, as these items often distort the cash flow generated during the period since working capital flows can be seasonal, interest is primarily paid semi-annually, and tax instalments paid may differ materially from the cash tax accrual.

CI's main uses of capital are the financing of deferred sales commissions, the purchase of marketable securities, the funding of capital expenditures, the payment of dividends on its shares, and the repurchase of shares through its normal course issuer bid program. At current levels of cash flow and anticipated dividend payout rates, CI produces sufficient cash flow to meet its obligations and either pay down debt or repurchase shares.

CI paid sales commissions of $70.4 million in the first six months of 2012. This compares to $84.4 million in the same six months of last year. The decrease in sales commissions from the prior year is consistent with the trend in lower gross sales.

CI invested $22.3 million in marketable securities in the first half of 2012. During the same period, CI received proceeds of $2.6 million from the disposition of marketable securities, which resulted in a $0.2 million capital gain. The fair value of marketable securities at June 30, 2012 was $60.7 million which is equivalent to their market value. Marketable securities are comprised of seed capital investments in CI funds and strategic investments.

During the six months ended June 30, 2012, CI incurred capital expenditures of $2.9 million primarily relating to leasehold improvements and investments in technology.

For the first half of 2012, CI repurchased 0.8 million shares at a cost of $18.5 million under its normal course issuer bid. CI declared dividends of $136.0 million ($133.3 million paid), which was less than net income for the six-month period by $29.9 million. CI's current dividend payments are $0.08 per share per month, or approximately $272 million per fiscal year.

During the six-month period ended June 30, 2012, CI paid down $33.0 million in long-term debt.

The statement of financial position for CI at June 30, 2012 reflects total assets of $3.056 billion, a decrease of $29.3 million from $3.085 billion at December 31, 2011. This change can be attributed to a decrease in current assets of $14.1 million and a decrease in long-term assets of $15.2 million.

CI's cash and cash equivalents decreased by $23.6 million to $99.0 million in the first half of 2012 as CI paid down its debt and purchased marketable securities. Marketable securities increased by $18.6 million due to a $20.0 million investment that was partially offset by the sale of some investments. Accounts receivable and prepaid expenses decreased $8.0 million to $62.2 million, which was related to a decrease in management fees receivable as a result of the decrease in average assets under management. Income taxes recoverable increased by $3.8 million from December 31, 2011, which represents instalments paid in prior periods that will be applied to cover taxes payable later this year.

Deferred sales commissions decreased $11.9 million during the six-month period as a result of the lower gross sales mentioned earlier. Capital assets decreased $1.3 million as a result of $2.9 million in capital additions offset by $4.2 million amortized during the six-month period.

Total liabilities decreased by $41.6 million during the first half of 2012 to $1.423 billion at June 30, 2012. The primary contributors to this change were a $32.5 million decrease in long-term debt, a $14.4 million decrease in accounts payable, a $8.7 million decrease in income taxes payable offset by an increase of $17.7 million in future income taxes. The increase in future income taxes relates to the Ontario government's recent decision to rescind promised corporate tax rate cuts.

At June 30, 2012, CI had $750.0 million in outstanding debentures at an average interest rate of 3.25% and a carrying value of $747.9 million. CI's credit facility was undrawn at the end of the period. At December 31, 2011, CI had $780.4 million of debt outstanding at an average rate of 3.19%. Net of cash and marketable securities, debt was $588.1 million at June 30, 2012, down from $615.7 million at December 31, 2011. The average debt level for the six months ended June 30, 2012 was approximately $759 million, compared to $852 million for the same period last year.

As mentioned earlier, at June 30, 2012 CI had not drawn against its $250 million credit facility. Principal repayments on any drawn amounts are only required should the bank decide not to renew the facility on its anniversary, in which case 6.25% of the principal would be repaid at each calendar quarter-end, with the balance payable at the end of the credit facility term (March 14, 2015). These payments would be payable beginning March 31, 2013 should the bank not renew the facility.

CI's current ratio of debt (net of excess cash) to EBITDA is 0.9 to 1, slightly below CI's long-term target of 1 to 1. CI expects that, absent acquisitions in which debt is increased, excess cash flow will be used to pay down debt and the ratio of debt to EBITDA will trend lower. CI is within its financial covenants with respect to its credit facility, which requires that the debt-to-EBITDA ratio remain below 2.5 to 1, and assets under management not fall below $40 billion, based on a rolling 30-day average.

On December 17, 2012, $250 million in outstanding debentures will mature. CI intends to use available cash on hand and a portion of its credit facility to repay this amount. To the extent that these sources of funds are insufficient at that time, CI will be required to issue equity or public debt, or increase the size of its credit facility.

Shareholders' equity increased by $12.3 million in the first half of 2012 to $1.632 billion at June 30, 2012, which approximates net income less dividends and share repurchases.

RISK MANAGEMENT

There is risk inherent in the conduct of a wealth management business. Some factors that introduce or exacerbate risk are within the control of management and others are, by their nature, outside of direct control but must still be managed. Effective risk management is a key component to achieving CI's business objectives. It requires management to identify and anticipate risks in order to develop strategies and procedures that minimize or avoid negative consequences. Management has developed an approach to risk management that involves executives in each core business unit and operating area of CI. These executives identify and evaluate risks, applying both a quantitative and a qualitative analysis and then they assess the likelihood of occurrence of a particular risk. The final step in the process is to identify mitigating factors or strategies and a process for implementing mitigation processes.

The disclosures below provide a summary of the key risks and uncertainties that affect CI's financial performance. For a more complete discussion of the risk factors that may adversely impact CI's business, please refer to the "Risk Factors" section of CI's most recent Annual Information Form which is available at www.sedar.com.

MARKET RISK

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors, such as interest rates, foreign exchange rates, and equity and commodity prices. A description of each component of market risk is described below:

- Interest rate risk is the risk of gain or loss due to the volatility of interest rates.
- Foreign exchange rate risk is the risk of gain or loss due to volatility of foreign exchange rates.
- Equity risk is the risk of gain or loss due to the changes in prices and volatility of individual equity instruments and equity indexes.

CI's financial performance is exposed to market risk. Any decline in financial markets or lack of sustained growth in such markets may result in a corresponding decline in performance and may adversely affect CI's assets under management, management fees and revenues, which would reduce cash flow to CI and ultimately impact CI's ability to pay dividends.

Asset Management Segment

CI is subject to market risk throughout its Asset Management business segment. The following is a description of how CI mitigates the impact this risk has on its financial position and operating earnings.

Management of market risk within CI's assets under management is the responsibility of the Chief Operating Officer, with the assistance of the Chief Compliance Officer. CI has a control environment that ensures risks are reviewed regularly and that risk controls throughout CI are operating in accordance with regulatory requirements. CI's compliance group carefully reviews the exposure to interest rate risk, foreign exchange risk and equity risk. When a particular market risk is identified, portfolio managers of the funds are directed to mitigate the risk by reducing their exposure.

At June 30, 2012, approximately 25% of CI's assets under management were held in fixed-income securities, which are exposed to interest rate risk. An increase in interest rates causes market prices of fixed-income securities to fall, while a decrease in interest rates causes market prices to rise. CI estimates that a 50 basis point change in the value of these securities would cause a change of about $1 million in annual pre-tax earnings in the Asset Management segment.

At June 30, 2012, about 68% of CI's assets under management were based in Canadian currency, which diminishes the exposure to foreign exchange risk. However, at the same time, approximately 18% of CI's assets under management were based in U.S. currency. Any change in the value of the Canadian dollar relative to U.S. currency will cause fluctuations in CI's assets under management upon which CI's management fees are calculated. CI estimates that a 10% change in Canadian/U.S. exchange rates would cause a change of about $15 million in the Asset Management segment's annual pre-tax earnings.

About 64% of CI's assets under management were held in equity securities at June 30, 2012, which are subject to equity risk. Equity risk is classified into two categories: general equity risk and issuer-specific risk. CI employs internal and external fund managers to take advantage of these individuals' expertise in particular market niches, sectors and products and to reduce issuer-specific risk through diversification. CI estimates that a 10% change in the prices of equity indexes would cause a change of about $55 million in annual pre-tax earnings in the Asset Management segment.

Asset Administration Segment

CI's Asset Administration business is exposed to market risk. The following is a description of how CI mitigates the impact this risk has on its financial position and results of operations.

Risk management for administered assets is the responsibility of the Chief Compliance Officer and senior management. Responsibilities include ensuring policies, processes and internal controls are in place and in accordance with regulatory requirements. CI's internal audit department reviews CI's adherence to these policies and procedures.

CI's operating results are not materially exposed to market risk impacting the asset administration segment given that this segment usually generates less than 1% of the total income before non-segmented items (this segment had income of $0.9 million before income taxes and non-segmented items for the quarter ended June 30, 2012). Investment advisors regularly review their client portfolios to assess market risk and consult with clients to make appropriate changes to mitigate market risk. The effect of a 10% change in any component of market risk (comprised of interest rate risk, foreign exchange risk and equity risk) would have resulted in a change of less than $1 million to the Asset Administration segment's pre-tax earnings.

CREDIT RISK

Credit risk is the risk of loss associated with the inability of a third party to fulfill its payment obligations. CI is exposed to the risk that third parties that owe it money, securities or other assets will not perform their obligations. These parties include trading counterparties, customers, clearing agents, exchanges, clearing houses and other financial intermediaries, as well as issuers whose securities are held by CI. These parties may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. CI does not have a significant exposure to any individual counterparty. Credit risk is mitigated by regularly monitoring the credit performance of each individual counterparty and holding collateral where appropriate.

One of the primary sources of credit risk arises when CI extends credit to clients to purchase securities by way of margin lending. Margin loans are due on demand and are collateralized by the financial instruments in the client's account. CI faces a risk of financial loss in the event a client fails to meet a margin call if market prices for securities held as collateral decline and if CI is unable to recover sufficient value from the collateral held. The credit extended is limited by regulatory requirements and by CI's internal credit policy. Credit risk is managed by dealing with counterparties CI believes to be creditworthy and by actively monitoring credit and margin exposure and the financial health of the counterparties. CI has concluded that current economic and credit conditions have not significantly impacted its financial assets.

LIQUIDITY RISK

Liquidity risk is the risk that CI may not be able to generate sufficient funds within the time required in order to meet its obligations as they come due. While CI monitors its liquidity risk through a daily cash management process, access to financing may be negatively impacted by unprecedented market volatility and the European debt crisis. These factors may affect the ability of CI to obtain funds or make other arrangements on terms favourable to CI.

STRATEGIC RISKS

Strategic risks are risks that directly impact the overall direction of CI and ability of CI to successfully implement proposed strategies. The key strategic risk is the risk that management fails to anticipate, and respond to changes in the business environment including demographic and competitive changes. CI's performance is directly affected by financial market and business conditions, including the legislation and policies of the governments and regulatory authorities having jurisdiction over CI's operations. These are beyond the control of CI; however, an important part of the risk management process is the on-going review and assessment of industry and economic trends and changes. Strategies are then designed to mitigate the impact of any anticipated changes, including the introduction of new products and cost control strategies.

DISTRIBUTION RISK

CI distributes its investment products through a number of distribution channels including brokers, independent financial planners and insurance advisors. CI's access to these distribution channels is impacted by the strength of the relationship with certain business partners and the level of competition faced from the financial institutions that own those channels. While CI continues to develop and enhance existing relationships, there can be no assurance that CI will continue to enjoy the level of access that it has in the past, which would adversely affect its sales of investment products.

OPERATIONAL RISKS

Operational risks are risks related to the actions, or failure in the processes, that support the business including administration, information technology, product development and marketing. The administrative services provided by CI depend on software supplied by third-party suppliers. Failure of a key supplier, the loss of these suppliers' products, or problems or errors related to such products would have a material adverse effect on the ability of CI to provide these administrative services. Changes to the pricing arrangement with such third-party suppliers because of upgrades or other circumstances could have an adverse effect upon the profitability of CI. There can be no assurances that CI's systems will operate or that CI will be able to prevent an extended systems failure in the event of a subsystem component or software failure or in the event of an earthquake, fire or any other natural disaster, or a power or telecommunications failure. Any systems failure that causes interruptions in the operations of CI could have a material adverse effect on its business, financial condition and operating results. CI may also experience losses in connection with employee errors. Although CI has implemented a system of internal controls to mitigate potential losses due to system failure or employee errors, there can be no assurance that these losses will not be incurred in the future.

COMPETITION

CI operates in a highly competitive environment, with competition based on a variety of factors, including the range of products offered, brand recognition, investment performance, business reputation, financing strength, the strength and continuity of institutional, management and sales relationships, quality of service, level of fees charged and level of commissions and other compensation paid. CI competes with a large number of mutual fund companies and other providers of investment products, investment management firms, broker-dealers, banks, insurance companies and other financial institutions. Some of these competitors have greater capital and other resources, and offer more comprehensive lines of products and services than CI. The trend toward greater consolidation within the investment management industry has increased the strength of a number of CI's competitors. Additionally, there are few barriers to entry by new investment management firms, and the successful efforts of new entrants have resulted in increased competition. CI's competitors seek to expand market share by offering different products and services than those offered by CI. While CI continues to develop and market new products and services, there can be no assurance that CI will maintain its current standing or market share, and that may adversely affect the business, financial condition or operating results of CI.

REGULATORY AND LEGAL RISK

Certain subsidiaries of CI are heavily regulated in all jurisdictions where they carry on business. Laws and regulations applied at the national and provincial level generally grant governmental agencies and self-regulatory bodies broad administrative discretion over the activities of CI, including the power to limit or restrict business activities as well as impose additional disclosure requirements on CI products and services. Possible sanctions include the revocation or imposition of conditions on licenses to operate certain businesses, the suspension or expulsion from a particular market or jurisdiction of any of CI's business segments or its key personnel or financial advisors, and the imposition of fines and censures. It is also possible that the laws and regulations governing a subsidiary's operations or particular investment products or services could be amended or interpreted in a manner that is adverse to CI. To the extent that existing or future regulations affecting the sale or offering of CI's product or services or CI's investment strategies cause or contribute to reduced sales of CI's products or lower margins or impair the investment performance of CI's products, CI's aggregate assets under management and its revenues may be adversely affected.

Certain subsidiaries of CI are subject to minimum regulatory capital requirements. This may require CI to keep sufficient cash and other liquid assets on hand to maintain capital requirements rather than using them in connection with its business. Failure to maintain required regulatory capital by CI may subject it to fines, suspension or revocation of registration by the relevant securities regulator. A significant operating loss by a registrant subsidiary or an unusually large charge against regulatory capital could adversely affect the ability of CI to expand or even maintain its present level of business, which could have a material adverse effect on CI's business, results of operations, financial condition and prospects.

Given the nature of CI's business, CI may from time to time be subject to claims or complaints from investors or others in the normal course of business. The legal risks facing CI, its directors, officers, employees or agents in this respect include potential liability for violations of securities laws, breach of fiduciary duty and misuse of investors' funds. Some violations of securities laws and breach of fiduciary duty could result in civil liability, fines, sanctions, or expulsion from a self-regulatory organization or the suspension or revocation of CI's subsidiaries' right to carry on their existing business. CI may incur significant costs in connection with such potential liabilities.

COMMITMENT OF FINANCIAL ADVISORS AND OTHER KEY PERSONNEL

The market for financial advisors is extremely competitive and is increasingly characterized by frequent movement by financial advisors among different firms. Individual financial advisors of AWM have regular direct contact with clients, which can lead to a strong and personal client relationship based on the client's trust in the individual financial advisor. The loss of a significant number of financial advisors could lead to the loss of client accounts, which could have a material adverse effect on the results of operations and prospects of AWM, and, in turn, CI. Although AWM uses or has used a combination of competitive compensation structures and equity with vesting provisions as a means of seeking to retain financial advisors, there can be no assurance that financial advisors will remain with AWM.

The success of CI is also dependent upon, among other things, the skills and expertise of its human resources including the management and investment personnel and its personnel with skills related to, among other things, marketing, risk management, credit, information technology, accounting, administrative operations and legal affairs. These individuals play an important role in developing, implementing, operating, managing and distributing CI's products and services. Accordingly, the recruitment of competent personnel, continuous training and transfer of knowledge are key activities that are essential to CI's performance. In addition, the growth in total assets under management in the industry and the reliance on investment performance to sell financial products have increased the demand for experienced and high-performing portfolio managers. Compensation packages for these managers may increase at a rate well in excess of inflation and well above the rates of increase observed in other industries and the rest of the labour market. CI believes that it has the resources necessary for the operation of CI's business. The loss of these individuals or an inability to attract, retain and motivate a sufficient number of qualified personnel could adversely affect CI's business.

INFORMATION REGARDING GUARANTORS

The following tables provide unaudited consolidated financial information for CI, CI Investments and non-guarantor subsidiaries for the periods identified below, presented with a separate column for: (i) CI; (ii) CI Investments, (iii) the non-guarantor subsidiaries of CI on a combined basis (the "Other Subsidiaries"); (iv) consolidating adjustments; and (v) the total consolidated amounts.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30* (unaudited)

	CI Financial		CI Investments		Other Subsidiaries		Consolidating Adjustments		Total Consolidated Amounts	
(in millions of dollars)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	60.5	435.3	315.0	374.0	97.4	100.5	(114.1)	(524.3)	358.8	385.5
Net income	57.2	431.7	60.4	127.3	10.8	7.1	(57.1)	(467.8)	71.3	98.3

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30* (unaudited)

	CI Financial		CI Investments		Other Subsidiaries		Consolidating Adjustments		Total Consolidated Amounts	
(in millions of dollars)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	135.4	438.0	639.2	713.8	195.9	203.8	(245.5)	(583.3)	725.0	772.3
Net income	128.7	430.5	147.8	219.4	17.6	15.9	(128.2)	(467.5)	165.9	198.3

BALANCE SHEET DATA AS AT JUNE, 30, 2012 AND DECEMBER 31, 2011* (unaudited)

	CI Financial		CI Investments		Other Subsidiaries		Consolidating Adjustments		Total Consolidated Amounts	
(in millions of dollars)	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
ASSETS										
Current assets	432.5	486.8	165.2	170.2	206.1	199.9	(458.1)	(497.1)	345.7	359.8
Non-current assets	1,729.6	1,697.5	2,890.1	2,936.1	137.6	137.4	(2,047.3)	(2,045.8)	2,710.0	2,725.2
Current liabilities	296.3	301.9	86.5	106.9	142.6	150.4	(3.3)	(3.2)	522.1	556.0
Non-current liabilities	197.8	222.1	1,239.5	1,302.0	0.1	0.2	(536.3)	(615.5)	901.1	908.8

**Some comparative figures have been reclassed to conform to the presentation in the current year.*

RELATED PARTY TRANSACTIONS

The Bank of Nova Scotia ("Scotiabank") owns approximately 37% of the common shares of CI, and is therefore considered a related party. CI has entered into transactions related to the advisory and distribution of its mutual funds with Scotiabank and its related parties. These transactions are in the normal course of operations and are recorded at the agreed upon exchange amounts. During the three and six month period ended June 30, 2012, CI incurred charges for deferred sales commissions of $1.2 million and $2.8 million, respectively [three and six month period ended June 30, 2011 – $1.4 million and $2.8 million, respectively] and trailer fees of $4.8 million and $10.0 million, respectively [three and six month period ended June 30, 2011 – $5.5 million and $9.8 million, respectively] which were paid or payable to Scotiabank and its related parties. The balance payable to Scotiabank and its related parties as at June 30, 2012 of $1.6 million [December 31, 2011 – $1.7 million] is included in accounts payable and accrued liabilities.

SHARE CAPITAL

As at June 30, 2012, CI had 283,342,075 shares outstanding.

At June 30, 2012, 6.7 million options to purchase shares were outstanding, of which 2.7 million options were exercisable.

CONTRACTUAL OBLIGATIONS

The table that follows summarizes CI's contractual obligations at June 30, 2012.

PAYMENTS DUE BY YEAR

(millions)	Total	Less than 1 year	1–2	2–3	3–4	4–5	5 or more years
Credit facility	$—	$—	$—	$—	$—	$—	$—
Debentures	750.0	250.0	—	200.0	—	300.0	—
Operating leases	106.0	10.8	9.3	8.7	8.5	8.1	60.6
Total	$856.0	$260.8	$9.3	$208.7	$8.5	$308.1	$60.6

SIGNIFICANT ACCOUNTING ESTIMATES

The June 30, 2012 Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with IFRS. For a discussion of all significant accounting policies, please refer to Note 1 of the December 31, 2011 Notes to the Consolidated Financial Statements. Included in the December 31, 2011 Notes to the Consolidated Financial Statements is Note 4, which provides a discussion regarding the recoverable amount of CI's goodwill and intangible assets compared to its carrying value.

CI carries significant goodwill and intangible assets on its statement of financial position. CI uses valuation models that use estimates of future market returns and sales and redemptions of investment products as the primary determinants of fair value. CI also uses a valuation approach based on a multiple of assets under management and assets under administration for each of CI's operating segments. The multiple used by CI reflects recent transactions and research reports by independent equity research analysts. CI has reviewed these key variables in light of the current economic climate. Estimates of sales and redemptions are very likely to change as economic conditions either improve or deteriorate, whereas estimates of future market returns are less likely to do so. The models are most sensitive to current levels of assets under management and administration as well as estimates of future market returns. While these balances are not currently impaired, a decline of 20% in the fair value of certain models may result in an impairment of goodwill or other intangibles recorded on the statement of financial position.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and the Chief Financial Officer have designed or caused the design of the Internal Controls over Financial Reporting ("ICFR") and Disclosure Controls and Procedures. There has been no material weaknesses identified relating to the design of the ICFR and there has been no changes to CI's internal controls for the quarter ended June 30, 2012 that has materially affected or is reasonably likely to materially affect the internal controls over financial reporting.

Additional information relating to CI, including the most recent audited financial statements, management information circular and annual information form are available on SEDAR at www.sedar.com.

Condensed Consolidated Financial Statements

Quarter ended June 30, 2012 (unaudited)

CI Financial Corp.

Consolidated Statements

OF FINANCIAL POSITION (UNAUDITED)

[in thousands of Canadian dollars]	**As at June 30, 2012** **$**	As at December 31, 2011 $
ASSETS		
Current		
Cash and cash equivalents	**98,988**	122,550
Client and trust funds on deposit	**119,953**	124,978
Marketable securities	**60,734**	42,099
Accounts receivable and prepaid expenses	**62,182**	70,168
Income taxes recoverable	**3,794**	—
Total current assets	**345,651**	359,795
Capital assets, net	**48,296**	49,634
Deferred sales commissions, net of accumulated amortization of $487,274 [December 31, 2011 – $494,642]	**479,305**	491,216
Intangibles	**2,155,464**	2,156,433
Other assets	**26,952**	27,904
	3,055,668	3,084,982
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities *[note 5]*	**106,372**	120,797
Provisions for other liabilities	**1,696**	2,417
Dividends payable *[note 7]*	**45,306**	42,526
Client and trust funds payable	**118,925**	123,745
Income taxes payable	**—**	8,736
Current portion of long-term debt *[note 2]*	**249,756**	257,763
Total current liabilities	**522,055**	555,984
Deferred lease inducement	**17,734**	18,489
Long-term debt *[note 2]*	**498,105**	522,592
Provisions for other liabilities	**6,419**	6,530
Deferred income taxes *[note 8]*	**378,895**	361,202
Total liabilities	**1,423,208**	1,464,797
Shareholders' equity		
Share capital *[note 3(a)]*	**1,966,929**	1,964,334
Contributed surplus	**13,587**	20,059
Deficit	**(345,145)**	(362,377)
Accumulated other comprehensive loss	**(2,911)**	(1,831)
Total shareholders' equity	**1,632,460**	1,620,185
	3,055,668	3,084,982

(see accompanying notes)

On behalf of the Board of Directors:

William T. Holland
Director

G. Raymond Chang
Director

Consolidated Statements

OF INCOME AND COMPREHENSIVE INCOME (UNAUDITED)

For the three-month period ended June 30

[in thousands of Canadian dollars, except per share amounts]	2012 $	2011 $
REVENUE		
Management fees	**313,524**	337,259
Administration fees	**31,332**	33,177
Redemption fees	**7,113**	7,067
Gain (loss) on marketable securities	**217**	(244)
Other income	**6,636**	8,254
	358,822	385,513
EXPENSES		
Selling, general and administrative	**70,669**	75,109
Trailer fees *[note 5]*	**91,602**	98,256
Investment dealer fees	**24,498**	25,995
Amortization of deferred sales commissions	**40,952**	41,342
Amortization of intangibles	**586**	614
Interest *[note 2]*	**6,158**	6,734
Other	**1,337**	1,733
	235,802	249,783
Income before income taxes	**123,020**	135,730
Provision for income taxes *[note 8]*		
Current	**33,961**	20,060
Deferred	**17,735**	17,380
	51,696	37,440
Net income for the period	**71,324**	98,290
Other comprehensive loss, net of tax		
Unrealized loss on available-for-sale financial assets, net of income taxes of $(352) [2011 – $(83)]	**(2,351)**	(492)
Reversal of losses to net income on available-for-sale financial assets, net of income taxes of $6 [2011 – $28]	**33**	153
Total other comprehensive loss, net of tax	**(2,318)**	(339)
Comprehensive income	**69,006**	97,951
Basic and diluted earnings per share *[note 3(c)]*	**$0.25**	$0.34

(see accompanying notes)

Consolidated Statements

OF INCOME AND COMPREHENSIVE INCOME (UNAUDITED)

for the six-month period ended June 30

[in thousands of Canadian dollars, except per share amounts]	**2012** **$**	2011 $
REVENUE		
Management fees	**633,079**	669,233
Administration fees	**64,126**	70,020
Redemption fees	**14,724**	14,852
Gain (loss) on marketable securities	**217**	(1,103)
Other income	**12,874**	19,251
	725,020	772,253
EXPENSES		
Selling, general and administrative	**142,875**	148,375
Trailer fees *[note 5]*	**184,629**	194,894
Investment dealer fees	**50,257**	55,113
Amortization of deferred sales commissions	**82,358**	82,753
Amortization of intangibles	**1,167**	1,231
Interest *[note 2]*	**12,466**	13,765
Other	**2,360**	3,575
	476,112	499,706
Income before income taxes	**248,908**	272,547
Provision for income taxes *[note 8]*		
Current	**65,149**	56,830
Deferred	**17,858**	17,374
	83,007	74,204
Net income for the period	**165,901**	198,343
Other comprehensive income (loss), net of tax		
Unrealized gain (loss) on available-for-sale financial assets, net of income taxes of $(171) [2011 – $10]	**(1,113)**	136
Reversal of losses to net income on available-for-sale financial assets, net of income taxes of $6 [2011 – $97]	**33**	681
Total other comprehensive income (loss), net of tax	**(1,080)**	817
Comprehensive income	**164,821**	199,160
Basic and diluted earnings per share *[note 3(c)]*	**$0.58**	$0.69

(see accompanying notes)

Consolidated Statements

OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

for the six-month period ended June 30

[in thousands of Canadian dollars]	Share capital [note 3(a)] $	Contributed surplus $	Deficit $	Accumulated other comprehensive income (loss) $	Total $
Balance, January 1, 2012	**1,964,334**	**20,059**	**(362,377)**	**(1,831)**	**1,620,185**
Comprehensive income	**—**	**—**	**165,901**	**(1,080)**	**164,821**
Dividends declared [note 7]	**—**	**—**	**(136,046)**	**—**	**(136,046)**
Shares repurchased	**(5,869)**	**—**	**(12,623)**	**—**	**(18,492)**
Issuance of share capital on exercise of options	**8,464**	**(8,346)**	**—**	**—**	**118**
Compensation expense for equity-based plans	**—**	**1,874**	**—**	**—**	**1,874**
Change during the period	**2,595**	**(6,472)**	**17,232**	**(1,080)**	**12,275**
Balance, June 30, 2012	**1,966,929**	**13,587**	**(345,145)**	**(2,911)**	**1,632,460**
Balance, January 1, 2011	1,984,488	21,846	(440,404)	144	1,566,074
Comprehensive income	—	—	198,343	817	199,160
Dividends declared [note 7]	—	—	(108,270)	—	(108,270)
Issuance of share capital on exercise of options and vesting of deferred equity units	9,911	(6,678)	—	—	3,233
Compensation expense for equity-based plans	—	3,531	—	—	3,531
Change during the period	9,911	(3,147)	90,073	817	97,654
Balance, June 30, 2011	1,994,399	18,699	(350,331)	961	1,663,728

(see accompanying notes)

Consolidated Statements

OF CASH FLOWS (UNAUDITED)

For the three-month period ended June 30

[in thousands of Canadian dollars]	**2012** **$**	2011 $
OPERATING ACTIVITIES		
Net income	**71,324**	98,290
Add (deduct) items not involving cash		
(Gain) loss on marketable securities	**(217)**	244
Equity-based compensation	**1,075**	1,750
Amortization of deferred sales commissions	**40,952**	41,342
Amortization of intangibles	**586**	614
Amortization of other	**2,350**	2,710
Deferred income taxes	**17,735**	17,380
Cash provided by operating activities before changes in operating assets and liabilities	**133,805**	162,330
Net change in non-cash working capital balances	**49,558**	38,158
Income taxes paid	**(38,797)**	(36,203)
Interest paid	**(12,282)**	(12,842)
Cash provided by operating activities	**132,284**	151,443
INVESTING ACTIVITIES		
Purchase of marketable securities	**(2,298)**	(12,942)
Proceeds on sale of marketable securities	**2,316**	3,478
Additions to capital assets	**(222)**	(8,276)
Deferred sales commissions paid	**(29,085)**	(35,107)
Decrease in other assets	**901**	2,885
Cash used in investing activities	**(28,388)**	(49,962)
FINANCING ACTIVITIES		
Repurchase of share capital *[note 3(a)]*	**(12,021)**	—
Issuance of share capital *[note 3(a)]*	**70**	1,071
Dividends paid to shareholders *[note 7]*	**(68,069)**	(64,868)
Cash used in financing activities	**(80,020)**	(63,797)
Net increase in cash and cash equivalents during the period	**23,876**	37,684
Cash and cash equivalents, beginning of period	**75,112**	141,280
Cash and cash equivalents, end of period	**98,988**	178,964

(see accompanying notes)

Consolidated Statements

OF CASH FLOWS (UNAUDITED)

for the six-month period ended June 30

[in thousands of Canadian dollars]	**2012** **$**	2011 $
OPERATING ACTIVITIES		
Net income	**165,901**	198,343
Add (deduct) items not involving cash		
Gain (loss) on marketable securities	**(217)**	1,103
Equity-based compensation	**1,874**	3,530
Amortization of deferred sales commissions	**82,358**	82,753
Amortization of intangibles	**1,167**	1,231
Amortization of other	**4,703**	5,460
Deferred income taxes	**17,858**	17,374
Cash provided by operating activities before changes in operating assets and liabilities	**273,644**	309,794
Net change in non-cash working capital balances	**69,965**	61,764
Income taxes paid	**(77,657)**	(158,140)
Interest paid	**(12,661)**	(13,873)
Cash provided by operating activities	**253,291**	199,545
INVESTING ACTIVITIES		
Purchase of marketable securities	**(22,280)**	(17,653)
Proceeds on sale of marketable securities	**2,618**	16,454
Additions to capital assets	**(2,859)**	(19,714)
Deferred sales commissions paid	**(70,448)**	(84,357)
Decrease in other assets	**952**	13,725
Additions to intangibles	**(197)**	—
Cash used in investing activities	**(92,214)**	(91,545)
FINANCING ACTIVITIES		
Decrease in long-term debt	**(33,000)**	(23,908)
Repurchase of share capital *[note 3(a)]*	**(18,492)**	—
Issuance of share capital *[note 3(a)]*	**118**	3,711
Dividends paid to shareholders *[note 7]*	**(133,265)**	(125,376)
Cash used in financing activities	**(184,639)**	(145,573)
Net decrease in cash and cash equivalents during the period	**(23,562)**	(37,573)
Cash and cash equivalents, beginning of period	**122,550**	216,537
Cash and cash equivalents, end of period	**98,988**	178,964

(see accompanying notes)

CI Financial Corp. ["CI"] is incorporated under the laws of the Province of Ontario. CI's primary business is the management and distribution of a broad range of financial products and services, including mutual funds, segregated funds, financial planning, insurance, investment advice, wealth management and estate and succession planning.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements of CI have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ["IAS 34"] as issued by the International Accounting Standards Board ["IASB"] and on a basis consistent with the accounting policies disclosed in the annual audited consolidated financial statements for the year ended December 31, 2011.

These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors of CI on August 9, 2012.

Basis of presentation

The unaudited interim condensed consolidated financial statements of CI have been prepared on a going concern basis and on the historical cost basis, except for certain financial instruments that have been measured at fair value. CI's presentation currency is the Canadian dollar. The functional currency of CI and its subsidiaries is also the Canadian dollar. The notes presented in these unaudited interim condensed consolidated financial statements include, in general, only significant changes and transactions occurring since CI's last year end, and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements, including the notes thereto, for the year ended December 31, 2011.

Basis of consolidation

The unaudited interim condensed consolidated financial statements include the accounts of CI, CI Investments Inc. ["CI Investments"] and Assante Wealth Management (Canada) Ltd. ["AWM"] and their subsidiaries, which are entities over which CI has control. Control exists when CI has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Hereinafter, CI and its subsidiaries are referred to as CI.

[in thousands of dollars, except per share amounts]

2. LONG-TERM DEBT

Long-term debt consists of the following:

	As at June 30, 2012 $	As at December 31, 2011 $
Credit facility		
Bankers' acceptances	—	26,000
Prime rate loan	—	7,000
	—	33,000
Debentures		
$250 million, 3.30%, due December 17, 2012	**249,756**	249,514
$200 million, 4.19%, due December 16, 2014	**199,397**	199,258
$300 million, 3.94% until December 13, 2015 and floating rate until December 14, 2016	**298,708**	298,583
	747,861	747,355
	747,861	780,355
Current portion of long-term debt	**249,756**	257,763

Credit facility

Effective March 1, 2012, CI renewed its revolving credit facility with two chartered banks and on May 11, 2012 increased the amount that may be borrowed under the credit facility to $250 million. All other financial terms of the credit facility were not amended.

Debentures

On December 16, 2009, CI entered into interest rate swap agreements with a Canadian chartered bank to swap the fixed rate payments on the 2012 Debentures and the 2014 Debentures for floating rate payments. As at June 30, 2012, the fair value of the interest rate swap was an unrealized gain of $7,185 [December 31, 2011 – unrealized gain of $9,899] and is included in long-term debt in the consolidated balance sheet.

3. SHARE CAPITAL

A summary of the changes to CI's share capital for the period is as follows:

[A] AUTHORIZED AND ISSUED

Common Shares	Number of shares *[in thousands]*	Stated value $
Common shares, balance, December 31, 2010	**287,434**	**1,984,488**
Issuance of share capital on vesting of deferred equity units and exercise of share options	863	12,575
Share repurchase	(4,730)	(32,729)
Common shares, balance, December 31, 2011	**283,567**	**1,964,334**
Issuance of share capital on exercise of share options	442	7,010
Share repurchase	(301)	(2,083)
Common shares, balance, March 31, 2012	**283,708**	**1,969,261**
Issuance of share capital on exercise of share options	180	1,454
Share repurchase	(545)	(3,786)
Common shares, balance, June 30, 2012	**283,343**	**1,966,929**

[B] EMPLOYEE INCENTIVE SHARE OPTION PLAN

CI has an employee incentive share option plan [the "Share Option Plan"], as amended and restated, for the executives and key employees of CI.

CI granted 243,360 and 1,989,052 options, respectively during the three months ended June 30 and March 31, 2012 [three months ended March 31, 2011 – 1,577,170 options] to employees. The fair value method of accounting is used for the valuation of the 2012 and 2011 share option grants. Compensation expense is recognized over the three-year vesting period, assuming an estimated forfeiture rate of 0% and 1.4%, respectively for the options issued during the three months ended June 30 and March 31, 2012 [options issued 2011 – 0% - 1%], with an offset to contributed surplus. When exercised, amounts originally recorded against contributed surplus as well as any consideration paid by the option holder is credited to share capital. The fair value of the 2012 and 2011 option grants was estimated using the Black-Scholes option-pricing model with the following weighted-average assumptions:

Year of grant	2012	2012	2011	2011
# of options grants [in thousands]	243	1,989	370	1,207
Vesting terms	1/3 at end of each year	1/3 at end of each year	1/3 at end of each year	1/3 at end of each year
Dividend yield	4.892% – 5.257%	4.837% – 5.197%	4.514% – 4.833%	4.702% – 5.035%
Expected volatility	18%	18%	20%	20%
Risk-free interest rate	1.335% – 1.439%	1.374% – 1.528%	2.276% – 2.637%	2.202% – 2.592%
Expected life [years]	2.7 – 4.0	2.7 – 4.0	3.0 – 4.2	3.0 – 4.2
Fair value per stock option	$1.81 – $2.01	$1.84 – $2.06	$2.40 – $2.71	$2.26 – $2.54
Exercise price	$21.73	$21.98	$22.45	$21.55

A summary of the changes in the Share Option Plan is as follows:

	Number of options *[in thousands]*	Weighted average exercise price $
Options outstanding, December 31, 2010	**6,270**	**15.50**
Options exercisable, December 31, 2010	**727**	**13.52**
Options granted	1,577	21.76
Options exercised (*)	(1,665)	12.90
Options cancelled	(164)	18.02
Options outstanding, December 31, 2011	**6,018**	**17.08**
Options exercisable, December 31, 2011	**1,585**	**15.96**
Options granted	1,989	21.98
Options exercised (*)	(1,174)	12.01
Options cancelled	(41)	20.34
Options outstanding, March 31, 2012	**6,792**	**20.01**
Options exercisable, March 31, 2012	**2,731**	**17.88**
Options granted	243	21.73
Options exercised (*)	(293)	14.48
Options cancelled	(27)	21.61
Options outstanding, June 30, 2012	**6,715**	**20.31**
Options exercisable, June 30, 2012	**2,731**	**18.20**

(*) Weighted-average share price of exercises was $23.23 and $21.86 during the three and six month period ended June 30, 2012 [year ended December 31, 2011 - $21.68]

Options outstanding and exercisable as at June 30, 2012 are as follows:

Exercise price $	Number of options outstanding *[in thousands]*	Weighted average remaining contractual life *[years]*	Number of options exercisable *[in thousands]*
11.60	574	1.7	574
12.57	182	1.4	182
15.59	154	1.8	154
18.20	135	1.9	135
19.48	184	2.9	119
21.27	1,773	2.7	1,083
21.55	1,122	3.6	361
21.73	243	4.9	—
21.98	1,978	4.6	—
22.45	370	3.7	123
11.60 to 22.45	**6,715**	**3.4**	**2,731**

[in thousands of dollars, except per share amounts]

June 30, 2012 and 2011

[C] BASIC AND DILUTED EARNINGS PER SHARE

The following table presents the calculation of basic and diluted earnings per common share for the three and six month period ended June 30:

[in thousands]	**3 months ended June 30, 2012**	**6 months ended June 30, 2012**	3 months ended June 30, 2011	6 months ended June 30, 2011
Numerator:				
Net income – basic and diluted	**$71,324**	**$165,901**	$98,290	$198,343
Denominator:				
Weighted average number of common shares - basic	**283,561**	**283,623**	288,066	287,950
Weighted average effect of dilutive stock options and deferred equity units (*)	**581**	**661**	1,344	1,430
Weighted average number of common shares - diluted	**284,142**	**284,284**	289,410	289,380
Net earnings per common share				
Basic	**$0.25**	**$0.58**	$0.34	$0.69
Diluted	**$0.25**	**$0.58**	$0.34	$0.69

(*) The determination of the weighted average number of common shares – diluted excludes 2,591 and 3,713 thousand shares related to stock options that were anti-dilutive for the three and six month period ended June 30, 2012, respectively [1,547 thousand for the three and six month period ended June 30, 2011]

[D] MAXIMUM SHARE DILUTION

The following table presents the maximum number of shares that would be outstanding if all the outstanding options as at July 31, 2012 were exercised:

[in thousands]	
Shares outstanding at July 31, 2012	283,355
Options to purchase shares	6,701
	290,056

[in thousands of dollars, except per share amounts]

4. CAPITAL MANAGEMENT

CI's objectives in managing capital are to maintain a capital structure that allows CI to meet its growth strategies and build long-term shareholder value, while satisfying its financial obligations and meeting its long-term debt covenants.

CI's capital is comprised of shareholders' equity and long-term debt [including current portion of long-term debt]. CI's senior management is responsible for the management of capital. CI's Board of Directors is responsible for reviewing and approving CI's capital policy and management.

CI and its subsidiaries are subject to minimum regulatory capital requirements whereby sufficient cash and other liquid assets must be on hand to maintain capital requirements rather than using them in connection with its business. Failure to maintain required regulatory capital by CI may result in fines, suspension or revocation of registration by the relevant securities regulator. As at June 30, 2012, CI met its capital requirements.

CI's capital consists of the following:

	As at June 30, 2012 $	As at December 31, 2011 $
Shareholders' equity	**1,632,460**	1,620,185
Long-term debt	**747,861**	780,355
Total capital	**2,380,321**	2,400,540

5. RELATED PARTY TRANSACTIONS

The Bank of Nova Scotia ["Scotiabank"] owns approximately 37% of the common shares of CI, and is therefore considered a related party. CI has entered into transactions related to the advisory and distribution of its mutual funds with Scotiabank and its related parties. These transactions are in the normal course of operations and are recorded at the agreed upon exchange amounts. During the three and six month period ended June 30, 2012, CI incurred charges for deferred sales commissions of $1,145 and $2,779, respectively [three and six month period ended June 30, 2011 – $1,376 and $2,821, respectively] and trailer fees of $4,840 and $9,965, respectively [three and six month period ended June 30, 2011 – $5,476 and $9,800, respectively] which were paid or payable to Scotiabank and its related parties. The balance payable to Scotiabank and its related parties as at June 30, 2012 of $1,616 [December 31, 2011 – $1,681] is included in accounts payable and accrued liabilities.

6. SEGMENTED INFORMATION

CI has two reportable segments: Asset Management and Asset Administration. These segments reflect CI's internal financial reporting and performance measurement.

The Asset Management segment includes the operating results and financial position of CI Investments and CI Private Counsel LP which derive their revenues principally from the fees earned on the management of several families of mutual and segregated funds.

The Asset Administration segment includes the operating results and financial position of AWM and its subsidiaries, including Assante Capital Management Ltd. and Assante Financial Management Ltd. These companies derive their revenues principally from commissions and fees earned on the sale of mutual funds and other financial products, and ongoing service to clients.

[in thousands of dollars, except per share amounts]

Segmented information for the three month period ended June 30, 2012 is as follows:

	Asset management $	Asset administration $	Intersegment eliminations $	Total $
Management fees	313,524	—	—	313,524
Administration fees	—	54,533	(23,201)	31,332
Other revenues	10,144	3,822	—	13,966
Total revenue	323,668	58,355	(23,201)	358,822
Selling, general and administrative	57,632	13,037	—	70,669
Trailer fees	95,294	—	(3,692)	91,602
Investment dealer fees	—	43,189	(18,691)	24,498
Amortization of deferred sales commissions and intangibles	42,196	376	(1,034)	41,538
Other expenses	439	898	—	1,337
Total expenses	195,561	57,500	(23,417)	229,644
Income before income taxes and non-segmented items	128,107	855	216	129,178
Interest expense				(6,158)
Provision for income taxes				(51,696)
Net income for the period				71,324

[in thousands of dollars, except per share amounts]

Segmented information for the three month period ended June 30, 2011 is as follows:

	Asset management $	Asset administration $	Intersegment eliminations $	Total $
Management fees	337,259	—	—	337,259
Administration fees	—	56,788	(23,611)	33,177
Other revenues	11,133	3,944	—	15,077
Total revenue	348,392	60,732	(23,611)	385,513
Selling, general and administrative	61,269	13,840	—	75,109
Trailer fees	102,033	—	(3,777)	98,256
Investment dealer fees	—	45,036	(19,041)	25,995
Amortization of deferred sales commissions and intangibles	42,671	376	(1,091)	41,956
Other expenses	880	853	—	1,733
Total expenses	206,853	60,105	(23,909)	243,049
Income before income taxes and non-segmented items	141,539	627	298	142,464
Interest expense				(6,734)
Provision for income taxes				(37,440)
Net income for the period				98,290

[in thousands of dollars, except per share amounts]

Segmented information as at and for the six month period ended June 30, 2012 is as follows:

	Asset management $	Asset administration $	Intersegment eliminations $	Total $
Management fees	633,079	—	—	633,079
Administration fees	—	112,916	(48,790)	64,126
Other revenues	20,063	7,752	—	27,815
Total revenue	653,142	120,668	(48,790)	725,020
Selling, general and administrative	116,028	26,847	—	142,875
Trailer fees	192,009	—	(7,380)	184,629
Investment dealer fees	—	89,580	(39,323)	50,257
Amortization of deferred sales commissions and intangibles	84,875	752	(2,102)	83,525
Other expenses	683	1,677	—	2,360
Total expenses	393,595	118,856	(48,805)	463,646
Income before income taxes and non-segmented items	259,547	1,812	15	261,374
Interest expense				(12,466)
Provision for income taxes				(83,007)
Net income for the period				165,901
Identifiable assets	697,485	251,213	(12,038)	936,660
Indefinite life intangibles				
Goodwill	927,344	192,582	—	1,119,926
Fund contracts	999,082	—	—	999,082
Total assets	2,623,911	443,795	(12,038)	3,055,668

[in thousands of dollars, except per share amounts]

Segmented information for the six month period ended June 30, 2011 is as follows:

	Asset management $	Asset administration $	Intersegment eliminations $	Total $
Management fees	669,233	—	—	669,233
Administration fees	—	119,370	(49,350)	70,020
Other revenues	25,096	7,904	—	33,000
Total revenue	694,329	127,274	(49,350)	772,253
Selling, general and administrative	120,032	28,343	—	148,375
Trailer fees	202,412	—	(7,518)	194,894
Investment dealer fees	—	94,906	(39,793)	55,113
Amortization of deferred sales commissions and intangibles	85,390	752	(2,158)	83,984
Other expenses	1,853	1,722	—	3,575
Total expenses	409,687	125,723	(49,469)	485,941
Income before income taxes and non-segmented items	284,642	1,551	119	286,312
Interest expense				(13,765)
Provision for income taxes				(74,204)
Net income for the period				198,343
As at December 31, 2011				
Identifiable assets	731,810	246,536	(12,372)	965,974
Indefinite life intangibles				
Goodwill	927,344	192,582	—	1,119,926
Fund contracts	999,082	—	—	999,082
Total assets	2,658,236	439,118	(12,372)	3,084,982

[in thousands of dollars, except per share amounts]

7. DIVIDENDS

The following dividends were paid by CI during the three and six month period ended June 30, 2012:

Record date	Payment date	Cash dividend per share $	Total dividend amount $
December 31, 2011	January 13, 2012	0.075	21,220
January 31, 2012	February 15, 2012	0.075	21,274
February 29, 2012	March 15, 2012	0.08	22,702
Paid during the three month period ended March 31, 2012			65,196
March 31, 2012	April 13, 2012	0.08	22,698
April 30, 2012	May 15, 2012	0.08	22,705
May 31, 2012	June 15, 2012	0.08	22,666
Paid during the three month period ended June 30, 2012			68,069
Paid during the six month period ended June 30, 2012			133,265

The following dividends were declared but not paid during the three month period ended June 30, 2012:

Record date	Payment date	Cash dividend per share $	Total dividend amount $
June 30, 2012	July 13, 2012	0.08	22,653
July 31, 2012	August 15, 2012	0.08	22,653
Declared and accrued as at June 30, 2012			45,306

[in thousands of dollars, except per share amounts]

The following dividends were paid by CI during the three and six month period ended June 30, 2011:

Record date	Payment date	Cash dividend per share $	Total dividend amount $
December 31, 2010	January 14, 2011	0.07	20,146
January 31, 2011	February 15, 2011	0.07	20,179
February 28, 2011	March 15, 2011	0.07	20,183
Paid during the three month period ended March 31, 2011			60,508
March 31, 2011	April 15, 2011	0.075	21,615
April 30, 2011	May 13, 2011	0.075	21,620
May 31, 2011	June 15, 2011	0.075	21,633
Paid during the three month period ended June 30, 2011			64,868
Paid during the six month period ended June 30, 2011			125,376

The following dividends were declared but not paid during the three month period ended June 30, 2011:

Record date	Payment date	Cash dividend per share $	Total dividend amount $
June 30, 2011	July 15, 2011	0.075	21,607
July 31, 2011	August 15, 2011	0.075	21,607
Declared and accrued as at June 30, 2011			43,214

On August 9, 2012, The Board of Directors declared monthly cash dividends of $0.08 per share payable on September 14, October 15 and November 15, 2012 to shareholders of record on August 31, September 30 and October 31, 2012, respectively.

8. INCOME TAXES

The Ontario general corporate tax rate was scheduled to be reduced to 11% effective July 1, 2012, and to 10% effective July 1, 2013. On March 27, 2012, the Ontario Ministry of Finance, in its 2012 Budget, proposed freezing the general corporate tax rate at 11.5% and rescinding previously enacted corporate tax rate reductions. On June 20, 2012, the legislation became substantively enacted resulting in a $18.8 million non-cash future income tax expense for the quarter ended June 30, 2012.

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This Report contains forward-looking statements with respect to CI, including its business operations and strategy and financial performance and condition. Although management believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause results to differ materially include, among other things, general economic and market factors, including interest rates, business competition, changes in government regulations or in tax laws, and other factors discussed in materials filed with applicable securities regulatory authorities from time to time.

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