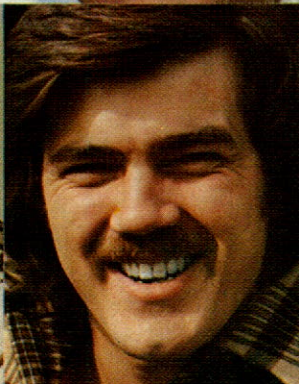
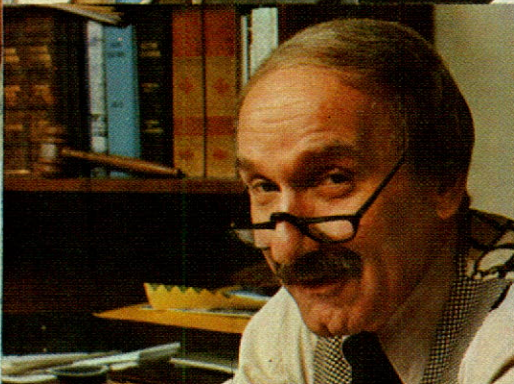
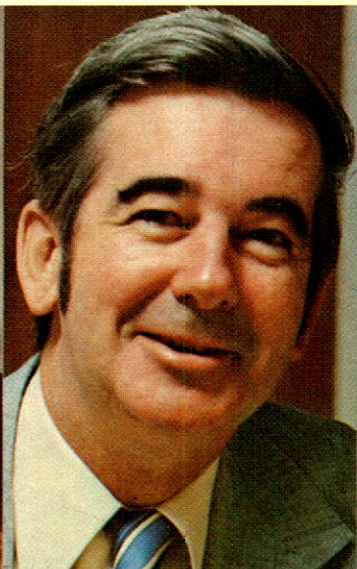
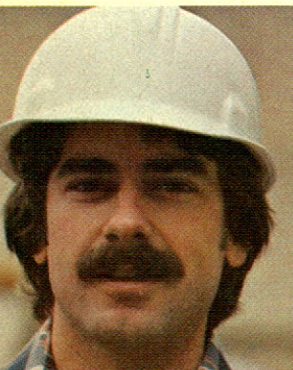


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Investors
Mutual of Canada Ltd.
At Annual Report 1978



Highlights

	1978	1977
Total Net Assets	\$178,780,000	185,695,000
Number of Shareholders	21,918	25,887
Asset Value Per Share	\$ 5.62	4.89
Dividends Paid	\$ 8,346,000	11,448,000
Dividends Per Share	\$.25	.29

Balance Sheet October 31, 1978 with comparative figures for 1977

Net Assets

Assets:	1978	1977
Investments, at market value in		
Canadian funds:		
Canadian Government bonds	\$ 320,100	—
Canadian Provincial Guaranteed bonds	2,196,113	2,252,935
Canadian corporation bonds	606,280	957,925
Canadian preferred stocks	31,281,207	27,057,713
Canadian common stocks	109,093,576	117,684,704
United States common stocks	24,185,116	25,570,005
	<u>167,682,392</u>	<u>173,523,282</u>
<i>The average cost of the investments as at October 31, 1978 was \$142,166,852 (1977 — \$172,190,923)</i>		
Other Assets:		
Demand notes	11,207,936	12,228,061
Accrued interest and dividends receivable	553,489	423,527
Due from brokers	53,558	—
Income taxes receivable	—	434,486
	<u>11,814,983</u>	<u>13,086,074</u>
Total assets	<u>179,497,375</u>	<u>186,609,356</u>
Liabilities:		
Outstanding cheques less bank deposits and cash in transit	592,306	885,444
Due to brokers	53,350	—
Income taxes payable	38,926	—
Other liabilities	32,800	28,567
	<u>717,382</u>	<u>914,011</u>
Total liabilities	<u>178,779,993</u>	<u>185,695,345</u>

See accompanying notes to financial statements.

Notes to Financial Statements October 31, 1978

1. The accounting policies of the company conform with generally accepted accounting principles appropriate to the mutual fund industry. The significant policies are summarized below:
 - (a) Investments are recorded at market value substantially established by the closing sale price for trading on the Toronto Stock Exchange or alternatively the recognized exchange on which the security is listed or principally traded.
 - (b) Demand notes are not considered to be portfolio investments and are therefore excluded from the statement of changes in investments.
 - (c) Foreign currency balances included in the financial statements have been expressed in Canadian dollars on the following basis:
 - (i) market value of investments, other assets and liabilities at the rate of exchange at the fiscal year-end
 - (ii) income, expenses, purchases and sales of investments at the rate of exchange prevailing on the respective dates of such transactions.
 - (d) Dividend income is recognized at the time the related security trades on an ex-dividend basis.
 - (e) Taxes payable on realized net capital gains are recoverable because of capital gains redemptions of Mutual Fund shares and/or by the payment of capital gains dividends. Such taxes and their recovery are netted in the accompanying financial statements and accordingly have no effect on net income or net assets.
2. Net asset value, average management fees, average net income and source of dividend paid per share information is given below:

	1978	1977
The net asset value per share at October 31	\$ 5.62	4.89
The average percentage of management fees to average net assets	0.89%	0.87
The average net income per share	24.9c	24.7
The source of dividends paid per share:		
Net income	25.0c	25.0
Profit on sale of investments	—	4.0
Total dividend	25.0c	29.0

Statement of Investments October 31, 1978

When you purchase a share of this fund you have purchased a pro-rata share in all of the stocks and bonds listed. Buying, selling, analysis and research are all carried out by the professionals of our investment division.

	Par Value	Market Value	Portfolio Distribution per \$1,000 of Net Assets
BONDS			
Government of Canada Bonds			
Government of Canada 9.50% 10-1-2003	\$ 330,000	\$ 320,100	\$ 1.79
Provincial Guaranteed Bonds			
British Columbia Electric Company Limited 4.0% 8-1-86	100,000	71,620	.40
British Columbia Electric Company Limited 4.75% Series "AD" 8-1-86	226,000	169,048	.95
Quebec Hydro-Electric Commission 5.5% 2-15-87	650,000	492,245	2.75
Quebec Hydro-Electric Commission 5.5% 6-1-86/88	2,000,000	1,463,200	8.18
		<u>2,196,113</u>	<u>12.28</u>
Corporation Bonds			
Hudson's Bay Company Properties Limited 5.75% 1st Mtge. Bonds Series "A" 7-2-90	300,000	209,280	1.18
IAC Limited 5.75% Secured Notes Series 31 3-1-85	500,000	397,000	2.22
		<u>606,280</u>	<u>3.40</u>
Total Bonds		<u>\$ 3,122,493</u>	<u>\$ 17.47</u>
PREFERRED STOCKS			
	No. of Shares		
Alberta Gas Trunk Line 7.60% cum. red. pfd. \$25 p.v. ...	16,000	\$ 414,000	\$ 2.31
Anglo-Canadian Telephone Company \$2.65 cum. red. \$50 p.v.	20,000	645,000	3.61
Ansell (Canada) Limited 6.0% cum. red. \$100 p.v.	40,719	4,071,900	22.78
Bell Canada 7.84% \$25 p.v. convertible	108,000	2,902,500	16.23
British Columbia Telephone Company 5.15% cum. red. \$100 p.v.	29,815	1,967,790	11.01
Carling O'Keefe Limited \$2.65 cum. red. Series "B" \$50 p.v.	121,995	3,934,339	22.01
Canadian & Foreign Securities Co. Limited \$2.50 cum. red. Series "A" \$50 p.v.	50,000	1,512,500	8.46
Celanese Canada Ltd. \$1.75 cum. red. \$25 p.v.	20,573	383,172	2.14
Debhold (Canada) Limited 6.0% cum. red. Series "A" \$100 p.v.	47,000	3,113,750	17.42
Debhold (Canada) Limited 6.25% cum. red. Series "B" \$100 p.v.	2,500	172,500	.96
Economic Investment Trust Limited 5.0% cum. red. Series "A" \$50 p.v.	26,300	821,875	4.60
Inter-City Gas Limited 8.25% 1st pfd. shares, Series "B" \$20 p.v.	82,500	1,680,938	9.40
Power Corporation of Canada, Limited 4.75% cum. red. 1st pfd. shares 1965 series \$50 p.v.	150,250	4,817,315	26.95
Quebec-Telephone 4.75% cum. red. 1965 series \$20 p.v.	90,500	1,063,375	5.95

INVESTORS SERVICES

Reduced Sales Charge

All of your investments in Mutual Funds distributed by Investors are added together so that you may qualify for a reduction in sales charges on future purchases.

Capital Fully Invested

Shares are issued in full and fractional amounts so that the full amount of your net investment is working constantly.

No Redemption Charges

All or part of your Fund shares may be redeemed without charge.

Prompt Cash Payments

A cheque will be sent promptly following receipt of a redemption request at the Head Office of the Company. Share price will be based on the Net Asset Value established for the day following the date the redemption request is received.

Transfer Provision

Should your investment objectives change, you may transfer to any of the other Mutual Funds or guaranteed vehicles distributed by Investors Syndicate Limited.

Income Withdrawal Plans

The Fund makes available to you without charge, a variety of withdrawal options. Shareholders may schedule monthly, quarterly or semi-annual redemptions to provide required income.

Free Re-investment of Dividends

Dividends are either paid to you quarterly, or, automatically re-invested, purchasing additional shares at no cost. These shares are credited to your account, enhancing the growth of your investment through compounding.

Inflation Hedge — through stock ownership

The 1957 dollar would have to be worth \$2.10 to have the same purchasing power today as it did in 1957.

The same dollar invested in stock ownership had grown to \$3.17 at the end of 1977.

Report to Shareholders

On behalf of the Board of Directors, the Shareholders' Report for the year ended October 31, 1978 is enclosed.

The net asset value per share of your Fund increased from \$4.89 at the prior year-end to \$5.62 at October 31, 1978. During this period, dividends totalling 25c per share were paid. Including both increase in asset value and dividends paid during the past year, the Fund showed a net return of 20.0%.

During the same period, the Dow Jones Industrial Average declined by 3.2% and the Toronto Stock Exchange 300 Composite Index advanced by 25.3%. The rate of inflation over the twelve month period was 8.7% so that the net return on your Fund showed a positive differential of 11.3%.

The average cost of the investments held in your Fund as at October 31, 1978 was \$142,167,000, having a market value at the same date of \$167,682,000 — an unrealized capital gain of \$25,515,000.

As the past fiscal year progressed, the estimates of annual real growth for both Canada and the United States were revised downward. The most recent estimates indicated growth in the United States for 1978 of just under 4% and a slightly higher level for Canada. This growth rate is well below the potential for both countries.

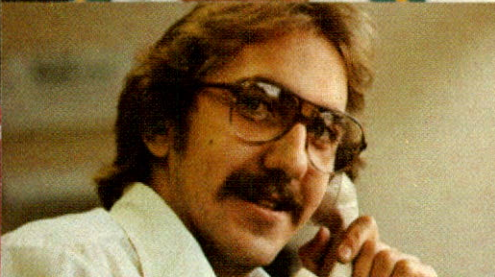
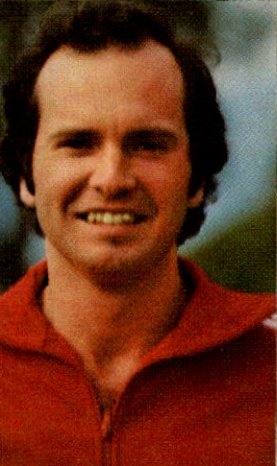
It now appears that the economic expansion which commenced in 1975 rather than coming to an abrupt halt followed by recession has given way to a long transition period of lower levels of economic activity. At this date, projections for 1979 would indicate a continuation of the trend. While the indicated growth will be well below historic highs, this slower rate of growth can have positive influences on problems which have plagued our economy and the equity markets since the early '70's. The rate of inflation should subside dramatically from present levels and interest rates, which have been raised to achieve foreign exchange goals rather than control money supply, should decline along with the rates of inflation.

Government spending at all levels will be restrained. This should permit a reduction in taxes and a re-allocation of resources to the productive sector of the



Personalized Service

One of the most important benefits of an investment with Investors is the continuous service available through your Representative who is supported by a team of specialists in the Head Office of the Company. In addition, there is a network of offices throughout Canada so if you move you can still count on quality personal service.



Statement of Surplus

Year ended October 31, 1978 with comparative figures for 1977

	1978	1977
Retained Earnings		
Balance, beginning of year	\$164,444,114	173,653,770
Add (deduct):		
Net income	8,664,179	9,945,703
Profit on foreign exchange	142,255	436,833
Profit (loss) on sale of investments	1,365,882	(7,639,931)
Transfer to premium on shares	(513,980)	(503,862)
Premiums paid on surrender of Mutual Fund shares in excess of amount charged to premium on shares	(23,089,453)	—
Dividends paid (note 2)	(8,346,048)	(11,448,399)
	<u>(21,777,165)</u>	<u>(9,209,656)</u>
Balance, end of year	<u>\$142,666,949</u>	<u>164,444,114</u>
Premium on Shares		
Balance, beginning of year	\$ 7,265,177	32,166,654
Add:		
Premium received on sale of Mutual Fund shares	7,484,467	10,388,484
Transfer from retained earnings to equalize the equity per share in the amount available for dividends in respect of Mutual Fund shares sold or surrendered during the year	513,980	503,862
	<u>15,263,624</u>	<u>43,059,000</u>
Deduct:		
Premium paid on surrender of Mutual Fund shares less amount charged to retained earnings	15,263,624	35,793,823
Balance, end of year	<u>\$ —</u>	<u>7,265,177</u>
Unrealized Appreciation of Investments		
Balance, beginning of year	\$ 1,332,359	1,612,787
Add (deduct) unrealized appreciation (depreciation) for the year	24,183,181	(280,428)
Balance, end of year	<u>\$ 25,515,540</u>	<u>1,332,359</u>
Total Surplus, end of year	<u>\$168,182,489</u>	<u>173,041,650</u>

Statement of Income

Year ended October 31, 1978 with comparative figures for 1977

	1978	1977
Income:		
Dividends	\$ 9,288,481	11,013,628
Interest	1,254,266	879,492

Management fees expense (note 4)	1,637,940	1,796,030
Income before taxes	8,904,807	10,097,090
Income taxes	240,628	151,387
Net income (note 2)	<u>\$ 8,664,179</u>	<u>9,945,703</u>

Statement of Changes in Investments

Year ended October 31, 1978 with comparative figures for 1977

	1978	1977
Investments at average cost, beginning of year	\$172,190,923	213,878,802
Add cost of investments purchased	15,480,734	11,027,083
	<u>187,671,657</u>	<u>224,905,885</u>
Deduct:		
Proceeds of investments sold	46,870,687	45,075,031
(Profit) loss on sale of investments	(1,365,882)	7,639,931
Cost of investments sold	45,504,805	52,714,962
Investments at average cost, end of year	<u>\$142,166,852</u>	<u>172,190,923</u>

Statement of Changes in Net Assets

Year ended October 31, 1978 with comparative figures for 1977

	1978	1977
Net assets, beginning of year	\$185,695,345	221,836,169
Add:		
Net income	8,664,179	9,945,703
Profit (loss) on sale of investments and on foreign exchange — net	1,508,137	(7,203,098)
Increase (decrease) in unrealized appreciation of investments	24,183,181	(280,428)
Proceeds on sale of Mutual Fund shares less commission paid	7,979,527	11,128,657
	<u>228,030,369</u>	<u>235,427,003</u>
Deduct:		
Payments on surrender of Mutual Fund shares	40,904,328	38,283,259
Dividends paid from: (note 2)		
Net income	8,346,048	9,765,567
Profit on sale of investments	—	1,682,832
	<u>49,250,376</u>	<u>49,731,658</u>
Net assets, end of year (note 2)	<u>\$178,779,993</u>	<u>185,695,345</u>

See accompanying notes to financial statements.

	No. of Shares	Market Value	Portfolio Distribution per \$1,000 of Net Assets
CHEMICALS			
Du Pont of Canada Limited	115,975	\$ 1,768,619	\$ 9.89
*Union Carbide Corporation	38,100	1,560,614	8.73
		<u>3,329,233</u>	<u>18.62</u>
OFFICE EQUIPMENT AND SUPPLIES			
*International Business Machines Corporation	30,957	9,501,106	53.14
Moore Corporation, Limited	184,630	6,415,892	35.89
		<u>15,916,998</u>	<u>89.03</u>
INDUSTRIAL PRODUCTS - MISC.			
*Crown Cork & Seal	39,000	1,212,276	6.78
*Northwest Industries, Inc.	50,000	1,467,050	8.21
		<u>2,679,326</u>	<u>14.99</u>
TRANSPORTATION			
Canadian Pacific Limited	266,950	5,973,006	33.41
PIPELINES			
TransCanada PipeLines Limited	346,078	6,142,885	34.36
UTILITIES			
Bell Canada	240,025	14,641,525	81.90
The Consumers' Gas Company	127,838	2,253,145	12.60
Union Gas Limited Class "A"	190,655	2,073,373	11.60
		<u>18,968,043</u>	<u>106.10</u>
MERCHANDISING			
Hudson's Bay Company	15,000	309,375	1.73
Simpsons, Limited	241,340	1,538,542	8.61
		<u>1,847,917</u>	<u>10.34</u>
BANKS			
Canadian Imperial Bank of Commerce	279,700	8,181,225	45.76
The Royal Bank of Canada	194,178	6,796,230	38.02
The Toronto-Dominion Bank	288,390	6,128,288	34.28
		<u>21,105,743</u>	<u>118.06</u>
INSURANCE AND FINANCIAL SERVICES			
IAC Limited	84,670	1,576,979	8.82
Total Common Stocks		<u>\$133,278,692</u>	<u>\$ 745.49</u>
Total Investments		<u>\$167,682,392</u>	<u>\$ 937.93</u>
NET ASSETS:			
Total Investments		\$167,682,392	\$ 937.93
Demand Notes and Other Net Assets		11,097,601	62.07
Total Net Assets		<u>\$178,779,993</u>	<u>\$1,000.00</u>

*United States investments - see note 1 (c)

See accompanying notes to financial statements.

Planning Your Financial Freedom is our Business

At Investors we design individual, realistic programs for our clients by coordinating cash flow, insurance, tax, estate and investment planning. The result is a program that meets current needs and provides for the future.

We do this by helping you define and then establish personal and family objectives:

- reduce the tax burden
- accumulate capital
- protect income
- maximize investment return
- retirement financial planning
- wills
- gifting

It is accomplished through a step by step process:

- collection of personal financial data
- analysis
- provide recommendations
- implementation, service and review

Investors provides the kinds of financial planning services usually associated with banks, trust companies, stock brokers and insurance companies.

Your Professional Investment Manager

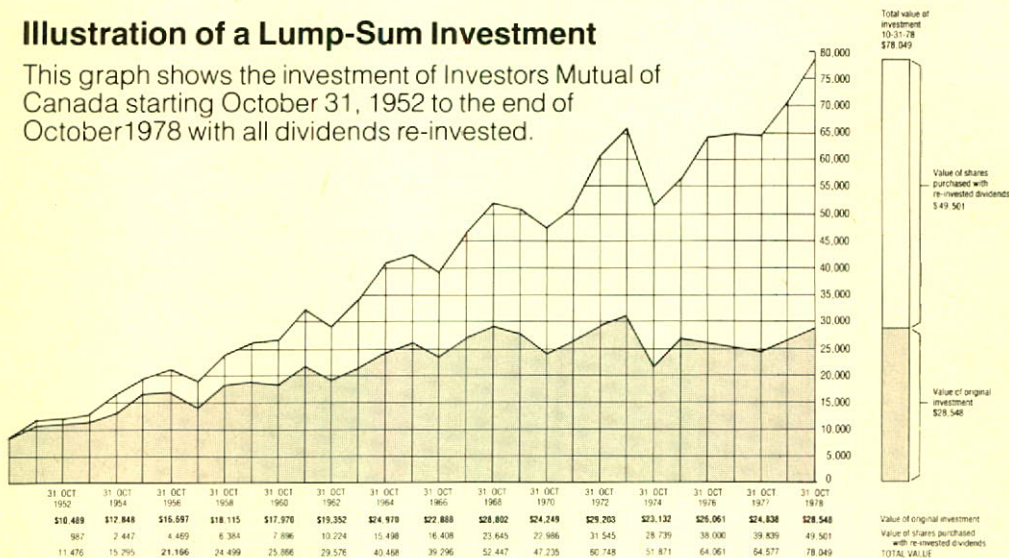
Providing Investors Mutual and other Investors portfolios with experienced investment management, advisory and administrative services, is Investors Securities Management Ltd., responsible for well over a billion dollars in assets under administration. This wholly owned operating subsidiary of The Investors Group has a securities investment staff consisting of 18 professional investment personnel. These include 6 portfolio managers and 6 full-time investment analysts. All of the major Canadian public companies are followed by the investment staff, and the U.S. and Japanese securities markets are also given extensive coverage. Internal research capabilities are augmented by long-established relationships with the brokerage community and by consulting arrangements with leading Canadian and U.S. economists.

Growth, Protection and Return

The Fund's managers seek to achieve the objectives stated earlier by making available, in one security, an investment which is diversified geographically, by industry, by individual companies within each industry, and by mixture of equity and fixed value holdings.

Illustration of a Lump-Sum Investment

This graph shows the investment of Investors Mutual of Canada starting October 31, 1952 to the end of October 1978 with all dividends re-invested.

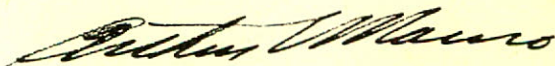


The purpose of the foregoing graph is to give a history of Investors Mutual since inception. It is not intended to be a representation of the future performance of the Fund. As can be seen the asset value of the Fund has fluctuated from time to time and the graph also shows the effect of re-investing dividends in shares of the Fund.

economy. The removal of A.I.B. restrictions will provide an opportunity for improving corporate profits and dividends.

The achievement of stable growth in North America will not be achieved without resolute action on the part of individuals and governments. The continuing weakness in the dollar is indicative of past fiscal irresponsibility and present lack of confidence in governments' ability to meet the challenge. The problems are real, but there is an increasing determination that solutions be found. While there may be short-term difficulties, the human, fiscal, and natural resources of both Canada and the United States provide the opportunity for stable continued growth. This in turn will reflect in improving values for the shares of companies structured to participate in this growth.

It is our view that your Fund through its selection of specific investments as outlined in this report, is particularly well positioned to take advantage of the emerging trends.



Winnipeg, Manitoba
November 24, 1978

Arthur V. Mauro, Q.C.
President

What is a Mutual Fund?

In its simplest terms it is the pooling of investment resources which enables the individual shareholder to enjoy the advantages of:

- capital protection through broad diversification of investment
- good rate of return
- safety through professional management
- simplified tax reporting
- free re-investment of dividends
- shares redeemable on demand

Objectives of Investors Mutual

The principal objectives of the Fund are: long term capital growth; protection of investment value; a reasonable rate of return consistent with fulfillment of the first two objectives.

To achieve these objectives the investment policy involves a program of balanced investment, including both fixed value and equity securities, with relative emphasis placed on each segment depending on changing economic conditions. Diversification is provided through investment in a large number of securities, primarily the common and preferred stocks and bonds of major Canadian corporations.

Tax Advantage

In addition to the recently increased dividend tax credit system, there are other tax advantages through owning shares of Investors Mutual of Canada Ltd.:

1. Each year the first \$1,000 of taxable dividends is eligible for the investment income exemption.
2. Only one-half of any realized capital gain is subject to tax and the \$1,000 investment income exemption applies to the aggregate of taxable capital gains from disposition of Canadian securities.
3. Tax Reporting Service eliminates the need for you to maintain individual transaction records. You receive one T-5. In addition, Investors issues a "Capital Gains accounting advice" to show the result of any disposition.

Automatic Invest-A-Check

You can make additions to your account through automatic bank authorization.

Dollar-Cost Averaging

The principle of dollar-cost averaging entails the investment of a constant sum of money at regular intervals. By using this method the investor acquires more shares in periods of lower share prices and fewer shares in periods of higher share prices. The end result is a lower average price on all shares purchased. Your representative will be pleased to discuss this technique with you.

Regular Reports

All shareholders will receive reports twice a year. At the Fund's year-end, an annual report will be mailed to every shareholder, and a semi-annual report will be sent at mid-year. In addition you will receive confirmation of any transactions initiated by you.

	No. of Shares	Market Value	Portfolio Distribution per \$1,000 of Net Assets
Rothmans of Pall Mall Canada Limited 6.625% 2nd pfd. conv. \$20 p.v.	50,000	\$ 887,500	\$ 4.96
Third Canadian General Investment Trust Limited \$2.50 cum. red. 1st pfd. Series "A" \$50 p.v.	23,450	697,637	3.90
United Corporations Limited 5.0% cum. red. 1963 series \$30 p.v.	25,225	444,591	2.49
Union Gas Limited 8.75% cum. conv. red. Class B Series 1 \$20 p.v.	62,300	1,541,925	8.62
George Weston Limited 6.0% cum. red. 2nd series \$100 p.v.	2,800	208,600	1.17
Total Preferred Stocks		<u>\$ 31,281,207</u>	<u>\$ 174.97</u>
COMMON STOCKS			
METALS AND MINERALS			
Inco Limited Class "A"	300,775	\$ 5,902,709	\$ 33.02
Noranda Mines, Limited Class "A"	88,081	2,994,754	16.75
*Texasgulf Inc.	144,600	3,486,595	19.50
		<u>12,384,058</u>	<u>69.27</u>
INTEGRATED OILS			
Gulf Canada Limited	161,200	4,997,200	27.95
Shell Canada Limited Class "A"	132,175	1,982,625	11.09
		<u>6,979,825</u>	<u>39.04</u>
OIL AND GAS PRODUCERS			
Norcen Energy Resources Limited	325,200	5,040,600	28.19
PAPER AND FOREST PRODUCTS			
Abitibi Paper Company Ltd.	217,100	3,555,012	19.89
MacMillan Bloedel Limited	121,046	2,784,058	15.57
		<u>6,339,070</u>	<u>35.46</u>
DISTILLERIES			
The Seagram Company Ltd.	67,750	1,930,875	10.80
Hiram Walker-Gooderham & Worts Limited	53,260	1,943,990	10.87
		<u>3,874,865</u>	<u>21.67</u>
BREWERIES			
The Molson Companies Limited Class "A"	130,768	2,909,588	16.27
DRUGS AND COSMETICS			
*Baxter Travenol Laboratories, Inc.	35,000	1,525,125	8.53
CONSUMER PRODUCTS-MISC.			
*Philip Morris Incorporated	20,000	1,568,700	8.77
STEELS			
Dominion Foundries and Steel, Limited Class "A"	205,552	6,089,478	34.06
The Steel Company of Canada, Limited Class "A"	130,279	3,550,103	19.86
		<u>9,639,581</u>	<u>53.92</u>
ELECTRICAL AND ELECTRONICS			
*General Electric Company	70,000	3,863,650	21.61
Northern Telecom Limited	46,100	1,613,500	9.03
		<u>5,477,150</u>	<u>30.64</u>

Per share calculations were made as undernoted:

- (a) Net asset value — on the number of shares outstanding at the end of the fiscal year.
- (b) Average management fees — on the average of the net asset value determined at the end of each business day in the fiscal year.
- (c) Net income — on the average of the number of shares outstanding at each month-end during the fiscal year.
- (d) Source of dividends — on the number of shares outstanding at the date of record for the dividend paid during the fiscal year.

3. Mutual Fund shares outstanding:	1978	1977
Mutual Fund shares outstanding, beginning of year	37,958,084	43,205,874
Add Mutual Fund shares sold in year	<u>1,485,181</u>	<u>2,220,518</u>
	39,443,265	45,426,392
Deduct Mutual Fund shares surrendered in year	<u>7,653,752</u>	<u>7,468,308</u>
Mutual Fund shares outstanding, end of year	<u>31,789,513</u>	<u>37,958,084</u>

4. Under the terms of an investment management and service contract with Investors Securities Management Ltd., substantially all expenses of the fund are borne by the investment manager.

Auditors' Report to the Shareholders

We have examined the balance sheet and statement of investments of Investors Mutual of Canada Ltd. as at October 31, 1978 and the statements of surplus, income, changes in investments and changes in net assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position and investments of the company as at October 31, 1978 and the results of its operations and the changes in its investments and net assets for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Board of Directors

C. E. ATCHISON Winnipeg	J. L. CARPENTER Toronto	R. O. A. HUNTER Winnipeg	J. A. MacDONELL, M.D. Winnipeg	F. O. MEIGHEN, Q.C. Brandon
H. A. BENHAM Winnipeg	E. A. GALVIN Calgary	R. H. JONES Winnipeg	D. J. McDONALD Toronto	P. E. NEWMAN Winnipeg
		A. V. MAURO, Q.C. Winnipeg		

Executive Officers

R. H. JONES Chairman of the Board	A. V. MAURO, Q.C. President	B. S. TONI Secretary	C. G. TURNBULL Treasurer
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Shareholders' Equity

Capital Stock:			1978	1977
Common shares of the par value of 33 ¹ / ₃ ¢ each.				
Authorized and issued 3,000 shares		\$	1,000	1,000
Mutual Fund shares of the par value of 33 ¹ / ₃ ¢ each. (note 3)				
	Shares—1978	Shares—1977		
Authorized	360,000,000	360,000,000		
Surrendered	201,641,959	193,988,207		
	<u>158,358,041</u>	<u>166,011,793</u>		
Outstanding	<u>31,789,513</u>	<u>37,958,084</u>	10,596,504	12,652,695
			10,597,504	12,653,695
Surplus			168,182,489	173,041,650

\$178,779,993

185,695,345

On behalf of the Board:

Investors **Mutual of Canada Ltd.**

INVESTMENT MANAGER
Investors Securities
Management Ltd.

DISTRIBUTOR
Investors Syndicate Limited
Les Services Investors Limitée
in Quebec

HEAD OFFICE
280 Broadway
Winnipeg, Manitoba
R3C 3B6

Form M109

