
BEUTEL GOODMAN MANAGED FUNDS

Interim Management Report of Fund Performance
June 30, 2016

BEUTEL GOODMAN International Equity Fund

Beutel Goodman ■ International Equity Fund

This interim management report of fund performance contains financial highlights but does not contain the complete annual or interim financial statements of the investment fund. You can get a copy of the annual or interim financial statements at your request at no cost (contact details on this page) or by visiting our website at www.beutelgoodman.com or SEDAR at www.sedar.com.

Security holders may also request the investment fund's prospectus, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

BEUTEL GOODMAN Managed Funds
www.beutelgoodman.com

20 Eglinton Avenue West
Suite 2000, P.O. Box 2005
Toronto, Ontario
M4R 1K8
416.932.6403 (local)
1.855.247.9954 (toll free)

Management Discussion of Fund Performance

Investment Objectives and Strategies

This Fund invests in common shares and other equity securities of international (non-U.S. domiciled) issuers. Emerging market exposure is constrained to a maximum of 15% of the portfolio, by market weight. The portfolio is concentrated in 25 to 50 holdings.

The Fund's advisor selects equity securities from a universe of potential candidates whose management have consistently demonstrated a commitment to create shareholder value without undue financial leverage. A value approach is applied, and research is directed to identify stocks which can be purchased at a reasonable price by analyzing relative valuation measures such as the issuer's price/earnings, price/cash flow and price/book value relative to its own history, the overall market and to its sustainable earnings growth rate.

The fundamental investment objective of the Fund cannot be changed without the approval of a majority of the investors who own units in the Fund.

Risk

The risks of investing in this Fund remain as discussed in the Prospectus.

This Fund continues to be suitable for investors who seek long-term capital appreciation in non-North American issuers with a medium tolerance for risk and a long term investment horizon.

Results of Operations

The Beutel Goodman International Equity portfolio solidly outperformed the negative return for the MSCI EAFE Index C\$ benchmark for the six month period ending June. The first half of the year was characterized by growing concern over global growth and increasing volatility leading up to the U.K. referendum on continued membership in the EU. This was particularly evident post the Brexit outcome late in the period.

Most central bank plans were derailed by the U.K. vote to leave the European Union. In addition to sharp currency moves, yields on government bonds around the globe, including U.K. gilts, were driven to historic lows. German and Japanese sovereigns out beyond 10 years moved even further into negative territory. In the U.S., the 30-year treasury yield hit a record low of 2.2%. Gold was the other beneficiary of this shift to safe-haven investments, rising \$65 in just the last five trading days of June. Against this background, the odds of tightening by the U.S. Federal Reserve or any other major central bank in the near-term fell to zero. The prospect of an indefinite extension of supportive monetary conditions allowed several equity markets, including the U.S. and the U.K., to recoup their post-Brexit losses by period-end.

The MSCI EAFE C\$ Index, returned a weak negative 10.16% return in the first half of the year in Canadian dollar terms. On a regional basis, Pacific ex Japan was the only region which outperformed the Index. While the UK underperformed the benchmark, the region markedly outperformed the Europe ex UK, which fared the worst over the period. At the sector level, Energy led returns as oil prices rallied to over \$50, bringing up the whole group in lockstep. Consumer Staples, Materials, Utilities, Telecom and Health Care also outperformed the benchmark, albeit with negative returns, as investors gravitated to safety and yield. The weakest groups in the period were Information Technology, Consumer Discretionary, and Financials, the latter significantly impacted by the fallout from Brexit.

The portfolio outperformed its C\$ MSCI EAFE Index benchmark over the semi-annual period primarily as a result of strong stock selection. The single largest contributor was Japanese telecom, NTT Docomo. In relative terms, our technology holding, Atea outpaced its peers and added significant value. Consumer Staples was another area where our stocks added considerable value primarily from increases in FamilyMart and Henkel. Other highlights in the portfolio included strength from industrials, primarily from GEA Group and Philips.

The Materials sector was the largest detractor from performance for the period. All of our holdings faced weak short term markets driven by temporary oversupply dynamics or weak end markets, but continue to have excellent long term prospects. Stock selection in Health Care was also negative as Bayer, the German diversified life sciences business, underperformed, with sentiment only made worse by its attempt to acquire Monsanto, the U.S. agricultural products company. We view the valuation of Bayer as being very compelling, and the likelihood of the Monsanto deal being completed as very low.

The Consumer Discretionary sector also had a negative impact on performance over the semi-annual period, with all three holdings following the group lower. Sky, the British home entertainment and communication provider, was the largest detractor on the back of weak results in its German and Italian operations.

With regards to sector weights, there was a positive effect on performance largely due to an underweight in Financials and overweights in Materials and Telecommunications

The portfolio management team took advantage of market volatility over the period, building positions across a variety of sectors. Several new holdings were added including; Swiss-based luxury group Compagnie Financière Richemont, Carlsberg the fourth largest brewer in the world, and German-based Henkel AG & Co., a company with a combination of personal care products (laundry and haircare), and adhesives.

We also added to our positions in Akzo Nobel and BASF in the Materials sector, Healthcare names Bayer and Merck KGaA, Financial companies Deutsche Boerse and Julius Baer, and Information Technology company, Atea. To fund these positions and newly added names, we trimmed our weights in Gjensidige and Sky. We also exited three stocks in the period – in Financials, Banco Santander and Aberdeen Asset Management, as well as Philips, a Dutch leader in healthcare and lighting. With regard to Banco Santander, we exited our position on the basis of continued weak performance in the bank's significant Brazilian operations, given the dire economic issues facing that economy. We exited our position in Aberdeen, given persistent client asset outflows, and management's seemingly lack of a clear plan to address this issue. With respect to Philips, management's plan to transform the business to a "HealthTech" company following its exit from lighting introduces significant risk, and a strong possibility of suboptimal use of capital during this process. Later in the period, we added to our positions in financial companies DBS Group, Deutsche Boerse and Julius Baer, Telecoms Sky and Telefonica Deutschland, and Consumer Discretionary company Richemont. We also exited Norwegian insurer Gjensidige. The stock achieved our initial target price in 2015 and its position was trimmed in accordance with our investment process. Seeing remaining opportunities with more promising risk/return tradeoffs, we exited our position in June.

Detailed performance is provided under the heading "Past Performance" in this report.

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Recent Developments

There have been no changes to the management of the fund over the period.

We were admittedly surprised by the results of the U.K. referendum as we expected enough voters to embrace the status quo. However, we were not the least bit surprised at the strong rally which followed the initial shock as investors' distaste for uncertainty is only trumped by their fondness for pushing multiples higher on the back of ever-lower rates. Amidst the post-referendum volatility, the yield on gilts plummeted to all-time lows as investors first fled for safety and then gradually started to anticipate a rate cut in the U.K. As investors, we believe that whether the U.K. is a part of the EU or separate, a share of Unilever offering a 3% yield is more attractive than the zero-coupon bond the company issued earlier this year which now offers a negative yield.

From a valuation perspective, consider that the Price-Earnings ratio of the MSCI EAFE Index is in-line with its 40-year median, which in isolation would imply a market that is neither a compelling bargain nor expensive. However, the dividend yield is actually 30% higher than its 40-year median at a time when there are twelve developed countries within EAFE, across five major currencies, where bond yields are negative. Relative to bonds, the MSCI EAFE Index has never been this compelling on valuation. Also consider that the MSCI EAFE Index is 20% cheaper than the MSCI U.S. Index so there is a significant opportunity not just relative to bonds but to other equity markets as well. Finally, our portfolio sports a dividend yield higher than the Index with a significantly higher ROE but an in-line Price-Earnings ratio which implies a higher-income portfolio from a better quality basket of companies.

We believe short bursts of volatility are likely to continue as investors cycle back and forth between the fear of having specific vulnerable exposures ahead of seemingly important macro events and the potential regret of missing out on the rallies which immediately follow. These gyrations have provided excellent opportunities as we have been able to initiate or add to premium franchises at very attractive valuations. For example, we added to Richemont at a Price-Book ratio that is half the level it was at in 2013, to Sky at a dividend level that it has not seen since 2008, and to Julius Baer at a Forward Price-Earnings ratio that it has not seen since 2010. The portfolio is very well positioned to benefit as the discount between the EAFE Index and that of the U.S. narrows, and we also remain ready to continue to allocate capital prudently during periods of heightened volatility.

Related Party Transactions

Beutel, Goodman & Company Ltd. is the Portfolio Advisor to this Fund. The Fund did not rely on any recommendation or approval of its Independent Review Committee to proceed with any transaction involving related parties because it did not conduct any related party transactions, except for certain inter-fund trades, as approved by the Independent Review Committee by standing instructions, and subject to regulatory requirements.

Fees and Expenses

The following table lists the fees and expenses that you may have to pay if you invest in the Beutel Goodman Managed Funds. You may have to pay some of these fees and expenses directly. The Funds pay the other fees and expenses. This will reduce the value of your investment in a Fund.

Management Fees: We are entitled to a management fee from each class of each Fund based on the average daily net asset value of the particular class. The fee is payable monthly, in arrears, and is calculated at the

annualized rate specified for each class of each Fund below. Management fees for Class I units are negotiated and paid directly by the investor, not by the Fund, and, therefore, are not listed.

Fund	Class	Management Fees (%) ⁽¹⁾
International Equity Fund	B	up to 1.90
International Equity Fund	D	up to 1.25
International Equity Fund	F	up to 1.00

(1) Excludes GST/HST where applicable.

We may reduce our management fee for certain large investors who have substantial holdings in units of a Fund. To accomplish this, we reduce the management fee we charge to the Fund and the Fund pays out the difference to these investors as a special distribution. This is called a management fee distribution. We calculate and accrue the reduction daily and distribute it quarterly. The distribution is reinvested on behalf of such unitholders in additional units of the same class of the Fund. Management fee reductions for a unitholder may be increased at any time, but may only be decreased after at least 60 days prior written notice has been given to such unitholder.

We may waive our management fee in certain circumstances.

The Fund paid the Manager management fees, inclusive of HST, of \$19,014 for the period ending June 30, 2016. The management fee for each class of unit is calculated as a percentage of its net asset value, as of the close of business on each business day. The Fund's management fees were used by the Manager to pay costs for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services. The Manager also used the management fees to fund commission payments and other dealer compensation (collectively called "distribution-related costs") to registered dealers and brokers and financial consultants, for units of the Fund bought and held by investors, which amounted to 26.52% of total management fees paid by the Fund to the Manager in 2015.

Operating Expenses: The Manager pays certain operating expenses of the Fund. These expenses include audit and legal fees; custodian and transfer agent fees; costs attributable to the issue, redemption and change of units, including the cost of the security holder record-keeping system; expenses incurred in respect of preparing and distributing all regulatory reports; fund accounting and valuation costs; and filing fees, including those incurred by us. In return, the Fund pays the Manager a fixed administration fee. The administration fee may vary by class of units and by Fund.

Please refer to the Financial Highlights section for the MERs of the classes of units.

Commissions

Commissions paid to brokers for portfolio transactions were as follows:

Fund Name	June 2016	2015	2014
International Equity Fund	\$83,245	\$295,021	\$467,699

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the 6 month period ended June 30, and for the past 5 years ended December 31. The December 31 information is derived from the Fund's audited annual financial statements and is provided for each class of units.

Financial Highlights for Class B Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period ⁽¹⁾	12.01	11.00	11.94	10.33	8.82	9.91
Increase (decrease) in net assets attributable to holders of redeemable units:						
Total Interest Revenue	—	—	0.01	—	—	—
Total Dividend Revenue	0.28	0.31	0.46	0.35	0.14	0.15
Total revenue	0.28	0.31	0.47	0.35	0.14	0.15
Total expenses	(0.19)	(0.48)	(0.51)	(0.21)	(0.22)	(0.23)
Realized gains (losses) for the period	(0.11)	0.08	0.13	0.26	—	(0.45)
Unrealized gains (losses) for the period	(1.06)	0.09	(0.92)	1.13	0.73	(0.07)
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽²⁾	(1.08)	—	(0.83)	1.53	0.65	(0.60)
Distribution to holders of redeemable units per unit:						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.12	0.17	0.06	0.19	0.03
Net investment income	—	0.12	0.17	0.06	0.19	0.03
Realized gains on sale of investments	—	—	—	—	—	—
Total distribution to holders of redeemable units ⁽³⁾	—	0.12	0.17	0.06	0.19	0.03
Net assets attributable to holders of redeemable units, end of period ⁽⁴⁾	11.03	12.01	11.00	11.94	10.32	8.82

Ratios and Supplemental Data for Class B Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) ⁽⁵⁾	88	153	59	55	24	11
Number of outstanding redeemable units (000's) ⁽⁵⁾	8	13	5	5	2	1
Management expense ratio ⁽⁶⁾	2.31%	2.32%	2.32%	2.32%	2.32%	2.31%
Management expense ratio before absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	18%	44%	58%	44%	59%	55%
Trading expense ratio (%) ⁽⁸⁾	0.13%	0.21%	0.34%	0.29%	0.27%	0.26%
Net assets attributable to holders of redeemable units, end of period ⁽⁹⁾	11.03	12.01	11.00	11.94	10.33	8.84

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Financial Highlights for Class D Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period ⁽¹⁾	4.93	4.49	4.88	4.22	3.55	4.03
Increase (decrease) in net assets attributable to holders of redeemable units:						
Total Interest Revenue	—	—	—	—	—	—
Total Dividend Revenue	0.13	0.14	0.20	0.13	0.14	0.15
Total revenue	0.13	0.14	0.20	0.13	0.14	0.15
Total expenses	(0.05)	(0.10)	(0.11)	(0.06)	(0.06)	(0.07)
Realized gains (losses) for the period	(0.03)	0.13	0.07	0.17	—	(0.45)
Unrealized gains (losses) for the period	(0.42)	0.52	(0.47)	0.56	0.73	(0.07)
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽²⁾	(0.37)	0.69	(0.31)	0.80	0.81	(0.44)
Distribution to holders of redeemable units per unit:						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.06	0.14	0.06	0.07	0.08
Net investment income	—	0.06	0.14	0.06	0.07	0.08
Realized gains on sale of investments	—	—	—	—	—	—
Total distribution to holders of redeemable units ⁽³⁾	—	0.06	0.14	0.06	0.07	0.08
Net assets attributable to holders of redeemable units, end of period ⁽⁴⁾	4.55	4.93	4.49	4.88	4.21	3.55

Ratios and Supplemental Data for Class D Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) ⁽⁵⁾	2,712	3,068	3,780	2,970	1,785	1,784
Number of outstanding redeemable units (000's) ⁽⁵⁾	596	622	843	608	423	501
Management expense ratio ⁽⁶⁾	1.51%	1.51%	1.45%	1.48%	1.49%	1.48%
Management expense ratio before absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	18%	44%	58%	44%	59%	55%
Trading expense ratio (%) ⁽⁸⁾	0.13%	0.21%	0.34%	0.29%	0.27%	0.26%
Net assets attributable to holders of redeemable units, end of period ⁽⁹⁾	4.55	4.93	4.49	4.88	4.22	3.56

Financial Highlights for Class F Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period ⁽¹⁾	4.98	4.55	4.85	4.18	3.54	4.08
Increase (decrease) in net assets attributable to holders of redeemable units:						
Total Interest Revenue	—	—	0.01	—	—	—
Total Dividend Revenue	0.15	0.15	0.21	0.13	0.14	0.15
Total revenue	0.15	0.15	0.22	0.13	0.14	0.15
Total expenses	(0.05)	(0.12)	(0.14)	(0.05)	(0.06)	(0.06)
Realized gains (losses) for the period	(0.01)	0.10	0.08	0.19	—	(0.45)
Unrealized gains (losses) for the period	(0.42)	0.33	(0.45)	0.48	0.73	(0.07)
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽²⁾	(0.33)	0.46	(0.29)	0.75	0.81	(0.43)
Distribution to holders of redeemable units per unit:						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.08	0.04	0.05	0.09	0.14
Net investment income	—	0.08	0.04	0.05	0.09	0.14
Realized gains on sale of investments	—	—	—	—	—	—
Total distribution to holders of redeemable units ⁽³⁾	—	0.08	0.04	0.05	0.09	0.14
Net assets attributable to holders of redeemable units, end of period ⁽⁴⁾	4.60	4.98	4.55	4.85	4.17	3.54

Ratios and Supplemental Data for Class F Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) ⁽⁵⁾	120	74	52	136	115	63
Number of outstanding redeemable units (000's) ⁽⁵⁾	26	15	11	28	28	18
Management expense ratio ⁽⁶⁾	1.29%	1.30%	1.30%	1.30%	1.30%	1.34%
Management expense ratio before absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	18%	44%	58%	44%	59%	55%
Trading expense ratio (%) ⁽⁸⁾	0.13%	0.21%	0.34%	0.29%	0.27%	0.26%
Net assets attributable to holders of redeemable units, end of period ⁽⁹⁾	4.60	4.98	4.55	4.85	4.18	3.55

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Financial Highlights for Class I Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period ⁽¹⁾	5.30	4.84	5.25	4.52	3.82	4.35
Increase (decrease) in net assets attributable to holders of redeemable units:						
Total Interest Revenue	—	—	0.01	—	—	—
Total Dividend Revenue	0.13	0.16	0.21	0.14	0.14	0.15
Total revenue	0.13	0.16	0.22	0.14	0.14	0.15
Total expenses	(0.02)	(0.03)	(0.05)	(0.02)	(0.02)	(0.02)
Realized gains (losses) for the period	(0.04)	0.13	0.08	0.19	—	(0.45)
Unrealized gains (losses) for the period	(0.45)	0.39	(0.48)	0.57	0.73	(0.07)
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽²⁾	(0.38)	0.65	(0.23)	0.88	0.85	(0.39)
Distribution to holders of redeemable units per unit:						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.14	0.19	0.11	0.13	0.15
Net investment income	—	0.14	0.19	0.11	0.13	0.15
Realized gains on sale of investments	—	—	—	—	—	—
Total distribution to holders of redeemable units ⁽³⁾	—	0.14	0.19	0.11	0.13	0.15
Net assets attributable to holders of redeemable units, end of period ⁽⁴⁾	4.92	5.30	4.84	5.25	4.52	3.82

Ratios and Supplemental Data for Class I Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) ⁽⁵⁾	117,541	132,552	126,262	129,863	83,009	64,631
Number of outstanding redeemable units (000's) ⁽⁵⁾	23,867	24,993	26,112	24,715	18,345	16,886
Management expense ratio ⁽⁶⁾	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
Management expense ratio before absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	18%	44%	58%	44%	59%	55%
Trading expense ratio (%) ⁽⁸⁾	0.13%	0.21%	0.34%	0.29%	0.27%	0.26%
Net assets attributable to holders of redeemable units, end of period ⁽⁹⁾	4.92	5.30	4.84	5.25	4.52	3.83

- (1) The information for June 2016, December 2015, December 2014 and December 2013 is derived from the Fund's financial statements prepared in accordance with IFRS. The information for prior years is derived from the Fund's annual audited financial statements prepared based on Canadian GAAP.
- (2) Net assets attributable to holders of redeemable units per unit and distributions to holders of redeemable units per unit are based on the actual number of redeemable units outstanding for the relevant class at the relevant time. The increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the weighted average number of redeemable units outstanding for the relevant class over the fiscal period.
- (3) Distributions were paid in cash or automatically reinvested in additional redeemable units of the Fund.
- (4) This is not a reconciliation of the beginning and ending net assets per redeemable unit.
- (5) This information is provided as at period end of the period shown.
- (6) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily net asset value during the period.
- (7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate equals the lesser of purchases or sales divided by the average value of the portfolio securities of the Fund on a monthly basis, excluding short-term securities.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs disclosed in the Statements of Comprehensive Income expressed as an annualized percentage of daily average net asset value of the Fund during the period.
- (9) The information for June 2016, December 2015, December 2014 and December 2013 is derived from the Fund's financial statements prepared in accordance with IFRS. Prior to January 1, 2013, for the purpose of processing unitholder transactions, net assets were calculated based on the closing market price, while for financial statement purposes net assets were calculated based on bid/ask price. For the period ending June 30, 2016 and for the years ended December 31, 2015, December 31, 2014 and December 31, 2013, the information provided for processing unitholder transactions is consistent with the information provided for reporting purposes.

Past Performance

The past performance of each class of units of a Fund, if the class has been in continuous existence and offered to the public for at least 12 months (at the date of this document), is explained under the Year-by-Year Returns and Annual Compound Returns headings found below. In years where the class of a Fund has less than 12 months of performance data, the annual rate of return has been annualized.

The performance returns in all cases:

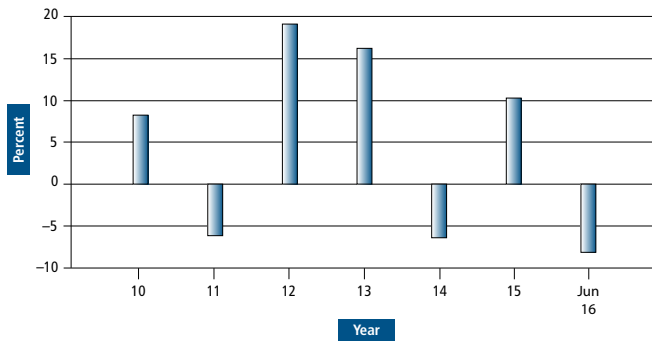
- are calculated as of **December 31** in each year and for the first 6 months of the current year;
- assume **all distributions** made by the Fund are reinvested to purchase additional redeemable units; and
- show the returns of the particular class of the Fund after any applicable management fees and operating expenses have been deducted, **but are not reduced by any redemption charges, optional charges or income taxes payable by you.**

Please remember that the past performance of the Fund is not an accurate prediction of future returns.

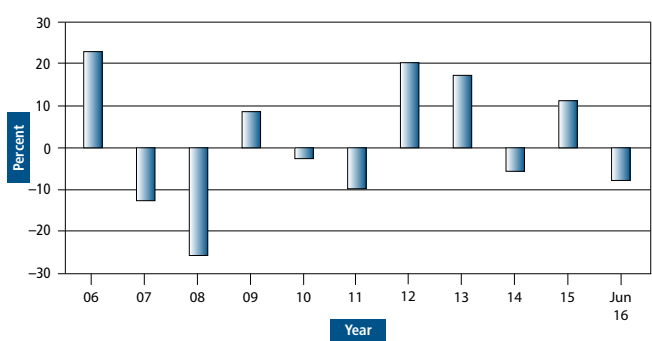
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Year-by-Year Returns

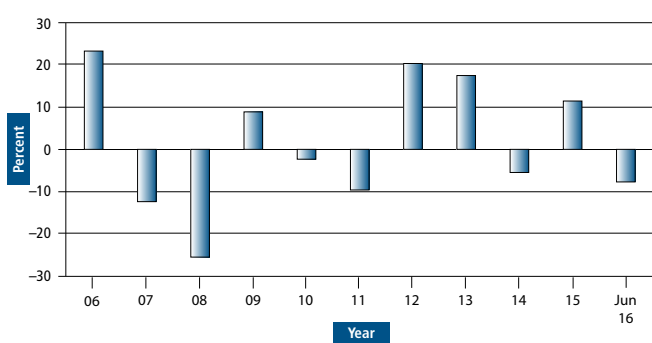
Class B



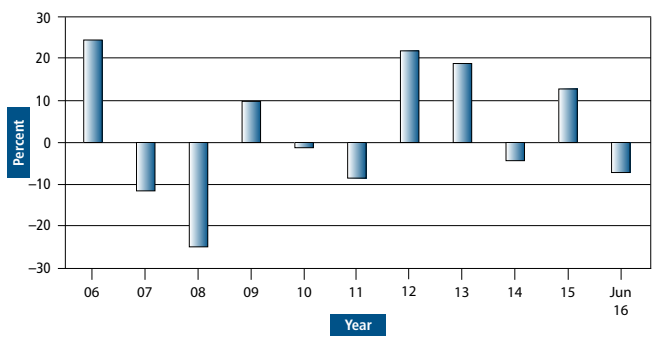
Class D



Class F



Class I



Annual Compound Returns

The following table shows the historical annual compound total returns, as compared to the performance of the MSCI EAFE Index.

Class B	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman International Equity Fund - Class B	3.21%	2.41%	3.65%	-8.88%
MSCI EAFE Index	7.75%	7.95%	9.58%	-6.31%

For Class B units, a return calculated since its inception of October 4, 2010 and ended June 30, 2016, and for the past five, three and one periods ended June 30, 2016 has been provided.

Class D	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman International Equity Fund - Class D	0.18%	3.30%	4.54%	-8.14%
MSCI EAFE Index	3.16%	7.95%	9.58%	-6.31%

For Class D units, a return calculated for the past ten, five, three and one year periods ended on June 30, 2016 has been provided.

Class F	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman International Equity Fund - Class F	0.14%	3.43%	4.72%	-7.94%
MSCI EAFE Index	2.93%	7.95%	9.58%	-6.31%

For Class F units, a return calculated since its inception of July 25, 2006 and ended June 30, 2016, and for the past five, three and one year periods ended June 30, 2016 has been provided.

Class I	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman International Equity Fund - Class I	1.46%	4.69%	5.97%	-6.85%
MSCI EAFE Index	3.16%	7.95%	9.58%	-6.31%

For Class I units, a return calculated for the past ten, five, three and one year periods ended June 30, 2016 has been provided.

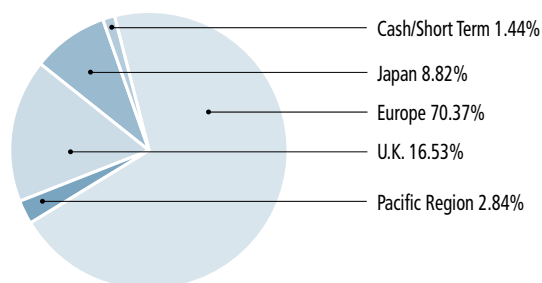
Summary of Investment Portfolio

The following information may change due to the ongoing portfolio transactions of the Fund. More current information regarding the holdings of the Fund may be obtained on our website at www.beutelgoodman.com.

Summary of Top 25 Holdings

Issuer Name	% of Net Assets	Issuer Name	% of Net Assets
1. Merck KGaA	6.98	14. Vodafone Group PLC	3.42
2. Bayer AG	5.01	15. Sky PLC	3.39
3. GEA Group AG	4.80	16. HeidelbergCement AG	3.36
4. Atea ASA	4.50	17. Julius Baer Group Ltd.	3.31
5. Koninklijke KPN NV	4.17	18. Henkel AG & Co KGaA	3.18
6. Unilever NV	3.87	19. Telefonica Deutschland Holding AG	3.08
7. Cie Générale des Établissements Michelin	3.82	20. Akzo Nobel NV	2.97
8. Konecranes OYJ	3.76	21. IMI PLC	2.96
9. BASF SE	3.67	22. Deutsche Boerse AG	2.83
10. Spectris PLC	3.61	23. DBS Group Holdings Ltd.	2.82
11. FamilyMart Co Ltd.	3.54	24. Cie Financière Richemont SA	2.77
12. NTT DOCOMO Inc.	3.54	25. Carlsberg A/S	2.66
13. Norsk Hydro ASA	3.45		

Regional Mix



Other Material Information

Classes of Units: Each of the Funds in the Beutel Goodman family of Funds issues Class B, Class D (formerly Class A), Class F and Class I units, with the exception of the Beutel Goodman Fundamental Canadian Equity Fund, Beutel Goodman Global Dividend Fund and Beutel Goodman Short Term Bond Fund, which issue only Class B, Class F and Class I units. Expenses of each class are tracked separately and a separate net asset is calculated for each class.

The Beutel Goodman International Equity Fund is available in 4 classes of units: Class B, Class D (formerly Class A), Class F and Class I.

Each Fund may issue an unlimited number of classes of units and may issue an unlimited number of units of each class. The different classes of units of a Fund represent an interest in the same portfolio investments of the Fund.

Class B Units: for retail investors investing a minimum of \$5,000 in a Fund through authorized third-party dealers;

Class D* Units: for retail investors investing a minimum of \$5,000 in a Fund;

Class F Units: for investors investing a minimum of \$5,000 in a Fund, who are enrolled in a dealer-sponsored fee-for-service or wrap program (where various mutual funds are bundled together) who are subject to a periodic asset-based fee, rather than commissions on each transaction and whose dealer has signed a Class F agreement, or any other investors for whom we do not incur distribution costs, such as our employees (or affiliated corporations);

Class I Units: for investors who have invested a minimum of \$500,000 in a Fund and who have entered into an investment management agreement with us. At our discretion, we may waive the investment minimum.

*Class A units distributed under prior simplified prospectuses have been renamed "Class D" units as of August 13, 2010.

Additional Information

Independent Review Committee

Beutel Goodman Managed Funds Inc., the former Manager of the Beutel Goodman Managed Funds, appointed an Independent Review Committee ("IRC") on May 1, 2007, for each of its public mutual Funds in accordance with the Canadian Securities Administrators' National Instrument 81-107. This Instrument has been designed to promote investor protection in mutual funds. Effective January 1, 2013, as the result of the amalgamation between Beutel Goodman Managed Funds Inc. and Beutel, Goodman & Company Ltd., Beutel, Goodman & Company Ltd. is the Manager of the Beutel Goodman Managed Funds. The IRC actively assumed its role and responsibilities on November 1, 2007. The IRC oversees conflict of interest matters that may arise out of the management of each of the Funds by providing its recommendations or approvals, as required, to the Manager on how these conflicts may be fairly resolved. The IRC for each of the Beutel Goodman Managed Funds consists of three industry professionals, none of whom have an interest in the Funds or Beutel, Goodman & Company Ltd. outside of their roles as members of the IRC. The IRC 2015 Report to Unitholders is available on the Beutel Goodman Managed Funds' website at www.beutelgoodman.com or at the unitholder's request, at no cost, by contacting Beutel, Goodman & Co. Ltd. at mutualfunds@beutelgoodman.com.

Beutel, Goodman & Company Ltd.

20 Eglinton Avenue West

Suite 2000

P.O. Box 2005

Toronto, Ontario

M4R 1K8

Tel: (416) 932-6403

Fax: (416) 485-8194

Toll Free: 1 (855) 247-9954

E-Mail: mutualfunds@beutelgoodman.com

Web: www.beutelgoodman.com