

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2018

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the Fund, appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.



MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)
As at*

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	2,549,810	1,979,943
Cash and cash equivalents	201,460	113,506
Dividends receivable	1,423	714
Accounts receivable for investments sold	6,712	15,577
Accounts receivable for securities issued	6,836	1,787
Unrealized gains on derivative contracts	–	54
Taxes recoverable (note 5)	434	95
Total assets	2,766,675	2,111,676

LIABILITIES

Current liabilities

Accounts payable for investments purchased	43,291	2
Accounts payable for securities redeemed	2,823	6,490
Due to manager	346	193
Unrealized losses on derivative contracts	–	1,786
Total liabilities	46,460	8,471

Net assets attributable to securityholders

Net assets attributable to securityholders per series (note 3)

Series A	719,359	697,618
Series AR	16,614	11,409
Series B	621	1,154
Series D	5,897	3,488
Series F	720,985	330,414
Series F6	1,256	49
Series F8	8,275	44
Series FB	990	766
Series I	4,050	3,267
Series J	1,237	1,043
Series M	4,572	3,864
Series O	379,563	364,429
Series PW	451,966	180,140
Series PWF	–	172,149
Series PWF6	–	103
Series PWF8	–	6,082
Series PWFB	6,114	2,493
Series PWT6	11,540	6,194
Series PWT8	11,356	5,117
Series PWX	12,208	9,618
Series PWX8	801	702
Series R	20,085	14,246
Series S	830	692
Series T6	15,185	13,839
Series T8	18,857	16,584

	Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$
Quadrus Series	105,274	90,810
H Series	5,270	7,014
HW Series	2,906	–
L Series	35,319	28,329
N Series	46,319	34,354
QF Series	6,029	4,627
QFW Series	957	–
Series LB	62,306	58,762
Series LW	43,474	33,805

Net assets attributable to securityholders per security (note 3)

Series A	49.02	42.58
Series AR	19.14	16.63
Series B	25.71	22.34
Series D	18.03	15.68
Series F	54.09	47.00
Series F6	17.87	16.03
Series F8	17.53	15.87
Series FB	14.53	12.64
Series I	53.50	46.51
Series J	26.27	22.83
Series M	57.54	50.04
Series O	54.35	47.32
Series PW	18.97	16.48
Series PWF	–	16.53
Series PWF6	–	16.05
Series PWF8	–	16.49
Series PWFB	12.28	10.68
Series PWT6	16.69	14.91
Series PWT8	18.31	16.51
Series PWX	20.05	17.46
Series PWX8	18.15	16.40
Series R	22.98	20.01
Series S	18.77	16.34
Series T6	26.55	23.71
Series T8	23.35	21.06
Quadrus Series	48.54	42.14
H Series	55.85	48.54
HW Series	10.47	–
L Series	27.49	23.88
N Series	32.50	28.29
QF Series	13.84	12.03
QFW Series	10.47	–
Series LB	26.06	22.64
Series LW	11.97	10.50

The accompanying notes are an integral part of these financial statements.



MACKENZIE
Investments

MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)
In thousands (except per security figures)

	2018	2017
	\$	\$
Income		
Dividends	6,562	4,368
Interest income	2,201	494
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	196,323	94,394
Net unrealized gain (loss)	227,473	(96,933)
Securities lending income	224	189
Total income (loss)	432,783	2,512
Expenses (note 6)		
Management fees	17,047	13,680
Administration fees	2,300	1,919
Interest charges	–	1
Commissions and other portfolio transaction costs	1,315	674
Independent Review Committee fees	4	4
Other	3	2
Expenses before amounts absorbed by Manager	20,669	16,280
Expenses absorbed by Manager	–	–
Net expenses	20,669	16,280
Increase (decrease) in net assets attributable to securityholders from operations before tax	412,114	(13,768)
Foreign withholding taxes	710	550
Foreign income taxes paid (recovered)	7	–
Increase (decrease) in net assets attributable to securityholders from operations	411,397	(14,318)
Increase (decrease) in net assets attributable to securityholders from operations per series		
Series A	118,876	(8,415)
Series AR	2,321	(121)
Series B	151	(18)
Series D	750	(60)
Series E	–	5
Series F	92,775	(3,209)
Series F6	86	–
Series F8	840	–
Series FB	147	(5)
Series I	644	(14)
Series J	194	(12)
Series M	739	(18)
Series O	68,021	1,307
Series PW	51,135	(401)
Series PWF	11,490	(639)
Series PWF6	8	–
Series PWF8	385	(21)
Series PWFB	673	(7)
Series PWT6	1,422	32
Series PWT8	1,339	(12)
Series PWX	1,909	1
Series PWX8	137	(4)

	2018	2017
	\$	\$
Series R	3,376	72
Series S	138	1
Series T6	2,397	(225)
Series T8	2,996	(203)
Quadrus Series	16,679	(960)
H Series	1,356	(36)
HW Series	10	–
L Series	5,380	(260)
N Series	7,244	(40)
QF Series	1,000	(46)
QFW Series	4	–
Series LB	10,186	(1,010)
Series LW	6,589	–
Increase (decrease) in net assets attributable to securityholders from operations per security		
Series A	7.83	(0.52)
Series AR	3.00	(0.24)
Series B	4.26	(0.28)
Series D	2.84	(0.28)
Series E	–	1.31
Series F	8.79	(0.50)
Series F6	2.46	–
Series F8	2.94	–
Series FB	2.38	(0.17)
Series I	8.63	(0.20)
Series J	4.18	(0.26)
Series M	9.35	(0.23)
Series O	9.26	0.17
Series PW	2.85	(0.04)
Series PWF	1.05	(0.08)
Series PWF6	1.01	–
Series PWF8	1.02	(0.06)
Series PWFB	1.88	(0.22)
Series PWT6	2.61	0.11
Series PWT8	2.77	(0.05)
Series PWX	3.36	–
Series PWX8	3.13	(0.09)
Series R	3.96	0.11
Series S	3.17	0.03
Series T6	4.26	(0.42)
Series T8	3.80	(0.28)
Quadrus Series	7.65	(0.44)
H Series	9.65	(0.25)
HW Series	0.06	–
L Series	4.35	(0.23)
N Series	5.46	(0.03)
QF Series	2.28	(0.21)
QFW Series	0.09	–
Series LB	4.11	(0.23)
Series LW	1.89	–

The accompanying notes are an integral part of these financial statements.



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MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series AR		Series B		Series D		Series E	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	697,618	680,785	11,409	6,969	1,154	1,643	3,488	2,451	–	83
Increase (decrease) in net assets from operations	118,876	(8,415)	2,321	(121)	151	(18)	750	(60)	–	5
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(21,432)	(9,324)	(364)	(111)	(33)	(23)	(133)	(64)	–	–
Return of capital	–	–	–	–	–	–	–	–	–	–
Total dividends paid to securityholders	(21,432)	(9,324)	(364)	(111)	(33)	(23)	(133)	(64)	–	–
Security transactions:										
Proceeds from securities issued	166,903	105,258	3,154	1,951	–	–	2,350	1,467	–	–
Reinvested dividends	21,121	10,392	364	123	33	26	131	70	–	–
Payments on redemption of securities	(263,727)	(151,614)	(270)	(217)	(684)	(298)	(689)	(472)	–	(88)
Total security transactions	(75,703)	(35,964)	3,248	1,857	(651)	(272)	1,792	1,065	–	(88)
Total increase (decrease) in net assets	21,741	(53,703)	5,205	1,625	(533)	(313)	2,409	941	–	(83)
End of period	719,359	627,082	16,614	8,594	621	1,330	5,897	3,392	–	–
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	16,382	17,135	686	449	52	79	222	168	–	4
Issued	3,618	2,629	176	125	–	–	136	99	–	–
Reinvested dividends	483	255	21	8	1	1	8	5	–	–
Redeemed	(5,807)	(3,838)	(15)	(14)	(29)	(14)	(39)	(33)	–	(4)
Securities outstanding – end of period	14,676	16,181	868	568	24	66	327	239	–	–
	Series F		Series F6		Series F8		Series FB		Series I	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	330,414	285,412	49	–	44	–	766	259	3,267	3,144
Increase (decrease) in net assets from operations	92,775	(3,209)	86	–	840	–	147	(5)	644	(14)
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(12,564)	(6,195)	(5)	–	(6)	–	(35)	(8)	(119)	(68)
Return of capital	–	–	(18)	–	(184)	–	–	–	–	–
Total dividends paid to securityholders	(12,564)	(6,195)	(23)	–	(190)	–	(35)	(8)	(119)	(68)
Security transactions:										
Proceeds from securities issued	356,595	92,432	1,134	–	7,689	–	1,259	563	284	344
Reinvested dividends	9,131	5,198	10	–	56	–	35	8	119	76
Payments on redemption of securities	(55,366)	(87,454)	–	–	(164)	–	(1,182)	(328)	(145)	(297)
Total security transactions	310,360	10,176	1,144	–	7,581	–	112	243	258	123
Total increase (decrease) in net assets	390,571	772	1,207	–	8,231	–	224	230	783	41
End of period	720,985	286,184	1,256	–	8,275	–	990	489	4,050	3,185
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	7,031	6,533	3	–	3	–	61	22	70	73
Issued	7,214	2,099	66	–	476	–	92	48	6	8
Reinvested dividends	190	116	1	–	3	–	3	1	3	2
Redeemed	(1,106)	(2,016)	–	–	(10)	–	(88)	(28)	(3)	(7)
Securities outstanding – end of period	13,329	6,732	70	–	472	–	68	43	76	76

The accompanying notes are an integral part of these financial statements.

MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series J		Series M		Series O		Series PW		Series PWF	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	1,043	1,395	3,864	3,668	364,429	341,162	180,140	61,754	172,149	66,707
Increase (decrease) in net assets from operations	194	(12)	739	(18)	68,021	1,307	51,135	(401)	11,490	(639)
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(33)	(19)	(143)	(84)	(15,930)	(11,303)	(6,072)	(2,354)	(7,172)	(3,006)
Return of capital	–	–	–	–	–	–	–	–	–	–
Total dividends paid to securityholders	(33)	(19)	(143)	(84)	(15,930)	(11,303)	(6,072)	(2,354)	(7,172)	(3,006)
Security transactions:										
Proceeds from securities issued	–	–	–	–	8,281	4,455	248,908	100,074	23,879	88,130
Reinvested dividends	33	21	142	94	15,926	12,621	5,896	2,396	5,672	2,587
Payments on redemption of securities	–	(307)	(30)	(66)	(61,164)	(15,735)	(28,041)	(12,635)	(206,018)	(16,287)
Total security transactions	33	(286)	112	28	(36,957)	1,341	226,763	89,835	(176,467)	74,430
Total increase (decrease) in net assets	194	(317)	708	(74)	15,134	(8,655)	271,826	87,080	(172,149)	70,785
End of period	1,237	1,078	4,572	3,594	379,563	332,507	451,966	148,834	–	137,492
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	46	66	77	79	7,701	7,765	10,931	4,020	10,415	4,344
Issued	–	–	–	–	160	102	14,105	6,578	1,425	5,759
Reinvested dividends	1	1	3	2	331	283	349	152	336	165
Redeemed	–	(15)	(1)	(2)	(1,208)	(350)	(1,566)	(813)	(12,176)	(1,065)
Securities outstanding – end of period	47	52	79	79	6,984	7,800	23,819	9,937	–	9,203
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	103	–	6,082	5,179	2,493	–	6,194	–	5,117	1,542
Increase (decrease) in net assets from operations	8	–	385	(21)	673	(7)	1,422	32	1,339	(12)
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(6)	–	(235)	(135)	(102)	(7)	(202)	(153)	(184)	(59)
Return of capital	(1)	–	(81)	(217)	–	–	(242)	(140)	(325)	(150)
Total dividends paid to securityholders	(7)	–	(316)	(352)	(102)	(7)	(444)	(293)	(509)	(209)
Security transactions:										
Proceeds from securities issued	59	–	376	501	3,036	527	5,042	4,804	6,407	2,872
Reinvested dividends	6	–	258	227	102	7	251	160	331	117
Payments on redemption of securities	(169)	–	(6,785)	(46)	(88)	(106)	(925)	(65)	(1,329)	(145)
Total security transactions	(104)	–	(6,151)	682	3,050	428	4,368	4,899	5,409	2,844
Total increase (decrease) in net assets	(103)	–	(6,082)	309	3,621	414	5,346	4,638	6,239	2,623
End of period	–	–	–	5,488	6,114	414	11,540	4,638	11,356	4,165
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	6	–	369	312	233	–	416	–	310	93
Issued	4	–	22	31	264	53	317	325	367	176
Reinvested dividends	–	–	16	14	9	1	16	11	19	7
Redeemed	(10)	–	(407)	(3)	(8)	(11)	(58)	(4)	(76)	(9)
Securities outstanding – end of period	–	–	–	354	498	43	691	332	620	267

The accompanying notes are an integral part of these financial statements.

MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series PWX		Series PWX8		Series R		Series S		Series T6	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	9,618	7,778	702	1,041	14,246	12,144	692	648	13,839	15,683
Increase (decrease) in net assets from operations	1,909	1	137	(4)	3,376	72	138	1	2,397	(225)
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(426)	(265)	(32)	(25)	(786)	(400)	(31)	(22)	(413)	(179)
Return of capital	–	–	(28)	(29)	–	–	–	–	(387)	(349)
Total dividends paid to securityholders	(426)	(265)	(60)	(54)	(786)	(400)	(31)	(22)	(800)	(528)
Security transactions:										
Proceeds from securities issued	1,488	1,185	–	149	5,473	1,844	–	–	5,403	2,446
Reinvested dividends	420	290	33	30	–	–	31	24	555	283
Payments on redemption of securities	(801)	(797)	(11)	(447)	(2,224)	(579)	–	–	(6,209)	(5,755)
Total security transactions	1,107	678	22	(268)	3,249	1,265	31	24	(251)	(3,026)
Total increase (decrease) in net assets	2,590	414	99	(326)	5,839	937	138	3	1,346	(3,779)
End of period	12,208	8,192	801	715	20,085	13,081	830	651	15,185	11,904

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	551	480	43	63	712	655	42	43	584	668
Issued	77	73	–	8	263	104	–	–	212	105
Reinvested dividends	24	18	2	2	–	–	2	2	23	12
Redeemed	(43)	(50)	(1)	(27)	(101)	(31)	–	(1)	(247)	(249)
Securities outstanding – end of period	609	521	44	46	874	728	44	44	572	536

	Series T8		Quadrus Series		H Series		HW Series		L Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	16,584	15,951	90,810	83,402	7,014	6,453	–	–	28,329	23,913
Increase (decrease) in net assets from operations	2,996	(203)	16,679	(960)	1,356	(36)	10	–	5,380	(260)
Dividends paid to securityholders:										
Ordinary	–	–	–	–	–	–	–	–	–	–
Capital gains	(525)	(224)	(2,677)	(1,190)	(261)	(148)	–	–	(920)	(429)
Return of capital	(649)	(598)	–	–	–	–	–	–	–	–
Total dividends paid to securityholders	(1,174)	(822)	(2,677)	(1,190)	(261)	(148)	–	–	(920)	(429)
Security transactions:										
Proceeds from securities issued	3,981	3,562	9,134	9,365	365	553	2,990	–	4,733	3,541
Reinvested dividends	671	406	2,677	1,330	255	165	–	–	919	476
Payments on redemption of securities	(4,201)	(3,640)	(11,349)	(8,188)	(3,459)	(427)	(94)	–	(3,122)	(1,869)
Total security transactions	451	328	462	2,507	(2,839)	291	2,896	–	2,530	2,148
Total increase (decrease) in net assets	2,273	(697)	14,464	357	(1,744)	107	2,906	–	6,990	1,459
End of period	18,857	15,254	105,274	83,759	5,270	6,560	2,906	–	35,319	25,372

Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	787	749	2,155	2,121	144	143	–	–	1,186	1,074
Issued	178	171	201	236	7	11	287	–	182	157
Reinvested dividends	31	19	62	33	5	4	–	–	38	21
Redeemed	(189)	(174)	(249)	(207)	(62)	(9)	(9)	–	(121)	(83)
Securities outstanding – end of period	807	765	2,169	2,183	94	149	278	–	1,285	1,169

The accompanying notes are an integral part of these financial statements.

MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017
	N Series		QF Series		QFW Series	
	\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS						
Beginning of period	34,354	28,378	4,627	1,741	–	–
Increase (decrease) in net assets from operations	7,244	(40)	1,000	(46)	4	–
Dividends paid to securityholders:						
Ordinary	–	–	–	–	–	–
Capital gains	(1,611)	(988)	(182)	(56)	–	–
Return of capital	–	–	–	–	–	–
Total dividends paid to securityholders	(1,611)	(988)	(182)	(56)	–	–
Security transactions:						
Proceeds from securities issued	8,576	6,332	1,944	1,824	958	–
Reinvested dividends	1,611	1,098	182	61	–	–
Payments on redemption of securities	(3,855)	(2,703)	(1,542)	(295)	(5)	–
Total security transactions	6,332	4,727	584	1,590	953	–
Total increase (decrease) in net assets	11,965	3,699	1,402	1,488	957	–
End of period	46,319	32,077	6,029	3,229	957	–

	Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):						
Securities outstanding – beginning of period	1,214	1,080	385	155	–	–
Issued	284	239	150	163	91	–
Reinvested dividends	56	41	15	5	–	–
Redeemed	(129)	(102)	(114)	(27)	–	–
Securities outstanding – end of period	1,425	1,258	436	296	91	–

	Series LB		Series LW		Total	
	\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS						
Beginning of period	58,762	91,948	33,805	–	2,103,205	1,751,233
Increase (decrease) in net assets from operations	10,186	(1,010)	6,589	–	411,397	(14,318)
Dividends paid to securityholders:						
Ordinary	–	–	–	–	–	–
Capital gains	(1,702)	(1,321)	(1,421)	–	(75,757)	(38,160)
Return of capital	–	–	–	–	(1,915)	(1,483)
Total dividends paid to securityholders	(1,702)	(1,321)	(1,421)	–	(77,672)	(39,643)
Security transactions:						
Proceeds from securities issued	3,858	7,335	6,165	–	890,424	441,514
Reinvested dividends	1,701	1,471	1,406	–	70,078	39,757
Payments on redemption of securities	(10,499)	(8,717)	(3,070)	–	(677,217)	(319,577)
Total security transactions	(4,940)	89	4,501	–	283,285	161,694
Total increase (decrease) in net assets	3,544	(2,242)	9,669	–	617,010	107,733
End of period	62,306	89,706	43,474	–	2,720,215	1,858,966

	Securities		Securities	
Increase (decrease) in fund securities (note 7):				
Securities outstanding – beginning of period	2,596	4,352	3,220	–
Issued	153	342	547	–
Reinvested dividends	73	68	132	–
Redeemed	(431)	(410)	(267)	–
Securities outstanding – end of period	2,391	4,352	3,632	–

The accompanying notes are an integral part of these financial statements.



MACKENZIE
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MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)
In thousands

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	411,397	(14,318)
Adjustments for:		
Net realized loss (gain) on investments	(195,282)	(94,394)
Change in net unrealized loss (gain) on investments	(229,308)	96,933
Purchase of investments	(756,065)	(512,043)
Proceeds from sale and maturity of investments	661,206	475,913
Change in dividends receivable	(709)	64
Change in taxes recoverable	(339)	–
Change in due to manager	153	–
Net cash from operating activities	(108,947)	(47,845)
Cash flows from financing activities		
Proceeds from securities issued	640,746	277,563
Payments on redemption of securities	(436,255)	(150,058)
Dividends paid net of reinvestments	(7,594)	(4,133)
Net cash from financing activities	196,897	123,372
Net increase (decrease) in cash and cash equivalents	87,950	75,527
Cash and cash equivalents at beginning of period	113,506	10
Effect of exchange rate fluctuations on cash and cash equivalents	4	(2)
Cash and cash equivalents at end of period	201,460	75,535
Cash	254	1,189
Cash equivalents	201,206	74,346
Cash and cash equivalents at end of period	201,460	75,535
Supplementary disclosures on cash flow from operating activities:		
Dividends received	5,853	4,432
Foreign taxes paid	717	550
Interest received	2,201	494
Interest paid	–	1

The accompanying notes are an integral part of these financial statements.



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MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES					
Bright Horizons Family Solutions Inc.	United States	Consumer Discretionary	339,055	32,257	51,633
Brown & Brown Inc.	United States	Financials	306,896	5,348	11,728
Cambrex Corp.	United States	Health Care	715,293	51,748	63,227
Cantel Medical Corp.	United States	Health Care	171,900	20,576	20,451
Carter's Inc.	United States	Consumer Discretionary	896,025	106,651	114,173
Cognex Corp.	United States	Information Technology	262,395	18,221	18,928
CommVault Systems Inc.	United States	Information Technology	940,660	58,238	85,093
CoreLogic Inc.	United States	Information Technology	723,830	42,152	46,219
CoStar Group Inc.	United States	Industrials	175,827	56,640	95,624
Dave & Buster's Entertainment Inc.	United States	Consumer Discretionary	1,418,109	96,003	121,358
Dentsply Sirona Inc.	United States	Health Care	2,078,664	115,341	101,380
DexCom Inc.	United States	Health Care	531,752	38,714	98,295
Dolby Laboratories Inc. Class A	United States	Information Technology	559,971	44,991	50,634
Endologix Inc.	United States	Health Care	1,305,163	19,294	3,222
Equifax Inc.	United States	Industrials	378,611	57,346	63,885
ExlService Holdings Inc.	United States	Information Technology	1,120,691	75,972	95,876
First Republic Bank	United States	Financials	147,643	7,303	18,317
Gartner Inc.	United States	Information Technology	328,782	44,100	67,345
Glanbia PLC	Ireland	Consumer Staples	2,153,222	47,526	47,938
Globant SA	United States	Information Technology	109,993	5,198	8,385
HMS Holdings Corp.	United States	Health Care	716,508	15,489	30,380
Hudson Ltd.	United States	Consumer Discretionary	462,093	11,276	13,472
IBERIABANK Corp.	United States	Financials	82,758	7,169	8,700
Instructure Inc.	United States	Information Technology	943,540	47,668	43,165
Kennedy-Wilson Holdings Inc.	United States	Real Estate	2,289,098	62,196	63,602
Markel Corp.	United States	Financials	52,651	49,705	80,866
Mattel Inc.	United States	Consumer Discretionary	712,766	18,595	14,461
MAXIMUS Inc.	United States	Information Technology	1,227,002	92,561	103,163
Middleby Corp.	United States	Industrials	235,428	35,144	39,354
MINDBODY Inc. Class A	United States	Information Technology	1,231,285	57,027	64,682
Nielsen Holdings PLC	United States	Industrials	1,748,387	86,475	62,496
Polo Ralph Lauren Corp. Class A	United States	Consumer Discretionary	387,726	63,871	68,921
The Progressive Corp.	United States	Financials	1,254,129	43,242	115,137
Signature Bank	United States	Financials	313,165	40,644	46,476
Silicon Laboratories Inc.	United States	Information Technology	73,968	3,753	8,775
Snap-On Inc.	United States	Industrials	84,271	17,768	19,995
Spirit Airlines Inc.	United States	Industrials	1,525,802	80,021	92,616
Syneos Health Inc.	United States	Health Care	2,256,359	125,087	150,316
Teradyne Inc.	United States	Information Technology	136,800	6,743	6,538
Verisk Analytics Inc.	United States	Industrials	651,567	55,121	101,506



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MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Wabtec Corp.	United States	Industrials	531,717	60,524	72,067
Waters Corp.	United States	Health Care	188,446	46,563	47,410
Worldpay Inc.	United States	Information Technology	855,805	83,593	112,001
Total equities				2,053,854	2,549,810
Transaction costs				(1,317)	–
Total investments				2,052,537	2,549,810
Cash and cash equivalents					201,460
Other assets less liabilities					(31,055)
Total net assets					2,720,215



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MACKENZIE US MID CAP GROWTH CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

US EQUITY FUND

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018	
Portfolio Allocation	% of NAV
Equities	93.7
Cash and short-term investments	7.4
Other assets (liabilities)	(1.1)
Regional Allocation	
% of NAV	
United States	91.9
Cash and short-term investments	7.4
Ireland	1.8
Other assets (liabilities)	(1.1)
Sector Allocation	
% of NAV	
Information technology	26.2
Industrials	20.1
Health care	18.9
Consumer discretionary	14.1
Financials	10.3
Cash and short-term investments	7.4
Real estate	2.3
Consumer staples	1.8
Other assets (liabilities)	(1.1)

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	94.1
Cash and short-term investments	5.4
Other assets (liabilities)	0.5
Regional Allocation	
% of NAV	
United States	94.1
Cash and short-term investments	5.4
Other assets (liabilities)	0.5
Sector Allocation	
% of NAV	
Information technology	24.9
Industrials	20.2
Health care	16.8
Financials	13.9
Consumer discretionary	11.6
Cash and short-term investments	5.4
Consumer staples	4.8
Real estate	1.9
Other assets (liabilities)	0.5



MACKENZIE
Investments

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund is comprised of one or more classes of shares (referred to as "security" or "securities") of Mackenzie Financial Capital Corporation ("Capitalcorp"), a mutual fund corporation incorporated under the laws of the Province of Ontario, and is authorized to issue up to 1,000 classes of securities of multiple series. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. Reference is made to the Fund's Simplified Prospectus for additional information on the Fund's structure.

The foregoing financial statements and accompanying notes to the financial statements presented herein are for the Fund. Separate financial statements of each of the other funds of Capitalcorp have also been prepared.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2018. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 13, 2018. Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that unlisted open-ended investment funds and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

(b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on futures contracts or swaps. Any change in the variation margin requirement is settled daily.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2018.



NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Use of Estimates

Fair value of securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs could affect the reported fair value of these financial instruments held by the Fund.

Use of Judgments

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

Functional currency

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

5. Income Taxes

Capitalcorp qualifies as a mutual fund corporation under the provisions of the Income Tax Act (Canada). The taxation year-end for Capitalcorp is March 31.

Capitalcorp is a single legal entity for tax purposes and is not taxed on a fund-by-fund basis. As such, non-capital and capital losses of Capitalcorp may be applied against the income and/or capital gains attributable to Capitalcorp as a whole irrespective of the Fund from which the income, gains and/or losses arose. Therefore, where a Fund has positive net taxable income, the current tax liability has been offset with the utilization of unused tax losses of Capitalcorp to the extent possible.

Taxable Canadian dividends received and capital gains realized by Capitalcorp are subject to tax in a similar manner as any other corporation. Any taxes paid in respect of Canadian dividends or capital gains are refundable upon the payment of Canadian dividends or capital gains dividends, respectively, to securityholders based on a formula which includes proceeds paid on securities of Capitalcorp redeemed by securityholders. As a result, no tax provision is made in respect of Canadian dividends or capital gains. Any refundable tax allocated to the Fund is included in the Statement of Financial Position – Taxes recoverable. Payment of Canadian dividends, if any, will be made by Capitalcorp's taxation year-end and capital gains dividends, if any, will be paid within 60 days of Capitalcorp's taxation year-end. Dividends are declared separately for each series of each Fund.

NOTES TO FINANCIAL STATEMENTS

5. Income Taxes (cont'd)

Income from other sources, such as interest and foreign income ("Ordinary Income"), is taxed at standard corporate rates. To the extent that Capitalcorp has positive Ordinary Income net of expenses ("Net Ordinary Income") Capitalcorp will be required to pay corporate income tax as a whole. The Fund is allocated a portion of this expense based on its series' contribution to Capitalcorp's overall tax liability. Any income tax expense allocated to the Fund is included in the Statement of Comprehensive Income – Income taxes. Due to deductible expenses and tax credits available to Capitalcorp, no taxes are currently payable in respect of Ordinary Income.

Capitalcorp follows the asset and liability method of accounting for income taxes whereby deferred income tax assets and liabilities reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are measured based on the enacted or substantively enacted tax rates which are expected to be in effect when the underlying items of Net Ordinary Income are expected to be realized.

Temporary differences between the carrying value of assets and liabilities for accounting and tax purposes give rise to deferred income tax assets and liabilities. Where the fair value of the portfolio investments exceeds their cost, a deferred tax liability arises. This deferred tax liability for refundable taxes payable is offset with the refund expected upon payment of capital gains dividends. Where the cost of the portfolio investments exceeds their market value, a deferred tax asset is generated. A full valuation allowance is taken to offset this asset given the uncertainty that such deferred assets will ultimately be realized. Unused capital and non-capital losses, as disclosed below, also represent deferred tax assets for which a full valuation allowance has been established.

As at the last taxation year-end, there were no capital and non-capital losses available to carry forward for tax purposes.

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

8. Financial Instruments Risk

i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2018, grouped by asset type, with geographic and sector information.

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

i. Risk exposure and management (cont'd)

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information *(in '000s, except for (a))*

(a) Fund Formation and Series Information

Date of Formation October 28, 2002

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series Offered by Mackenzie Financial Corporation *(180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)*

Series A, Series T6 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T6 and Series T8). Investors in Series T6 and Series T8 securities also want to receive a regular monthly cash flow of 6% or 8% per year, respectively.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F, Series F6 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F6 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F6 and Series F8 securities also want to receive a regular monthly cash flow of 6% or 8% per year, respectively.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series I securities are offered to retail investors investing a minimum of \$500 in a qualified group plan with a minimum of \$20,000,000 in assets.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW, Series PWT6 and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PWT6 and Series PWT8 securities also want to receive a monthly cash flow of 6% or 8% per year, respectively.

Series PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series PWX and Series PWX8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX8 securities also want to receive a monthly cash flow of 8% per year.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series S securities are offered to the Related Insurance Companies and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series B securities were created specifically for the purpose of implementing mergers affecting the Fund and are not available for sale.

Series E, Series J and Series M securities are no longer available for sale.

Series PWF, Series PWF6 and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF, Series PWF6 and Series PWF8 securities were consolidated into Series F, Series F6 and Series F8 securities, respectively.



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information *(in '000s, except for (a)) (cont'd)*

(a) Fund Formation and Series Information (cont'd)

Series Distributed by Quadrus Investment Services Ltd. *(255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; www.quadrusgroupoffunds.com)*

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series securities are offered to investors investing a minimum of \$500.

H Series securities are offered to investors investing a minimum of \$500, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee.

HW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000, who are enrolled in a Quadrus-sponsored fee-for-service or wrap program and who are subject to an asset-based fee.

L Series securities are offered to investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000.

N Series securities are offered to investors investing a minimum of \$100,000, who have eligible minimum total holdings of \$500,000, and who have entered into an N type series account agreement with Mackenzie and Quadrus.

QF Series securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor.

QFW Series securities are offered to high net worth investors investing a minimum of \$100,000 and who have eligible minimum total holdings of \$500,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.25%, with their financial advisor.

Series Distributed by LBC Financial Services Inc. *(1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; www.laurentianbank.ca/mackenzie)*

Series LB securities are offered to retail investors investing a minimum of \$500.

Series LW securities are offered through our Preferred Pricing Program to certain high net worth investors who invest a minimum of \$100,000.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	November 8, 2002	2.00%	0.28%	49.02	42.59
Series AR	October 15, 2013	2.00%	0.31%	19.14	16.63
Series B	June 15, 2012	1.75%	0.31%	25.71	22.35
Series D	December 18, 2013	1.25%	0.20%	18.03	15.68
Series E	None issued ⁽³⁾	0.85%	0.25%	—	—
Series F	January 9, 2003	0.80% ⁽⁶⁾	0.15% ⁽⁹⁾	54.09	47.00
Series F6	October 16, 2017	0.80% ⁽⁶⁾	0.15% ⁽⁹⁾	17.87	16.03
Series F8	October 16, 2017	0.80% ⁽⁶⁾	0.15% ⁽⁹⁾	17.53	15.88
Series FB	October 26, 2015	1.00%	0.28%	14.53	12.64
Series I	December 18, 2002	1.35%	0.28%	53.50	46.52
Series J	February 17, 2011	1.75%	0.25%	26.27	22.83
Series M	November 8, 2002	Up to 1.00%	0.28%	57.54	50.04
Series O	October 25, 2004	— ⁽¹⁾	—*	54.35	47.32
Series PW	October 17, 2013	1.80% ⁽⁷⁾	0.15%	18.97	16.48
Series PWF	None issued ⁽¹²⁾	0.90%	0.15%	—	16.53
Series PWF6	None issued ⁽¹³⁾	0.90%	0.15%	—	16.05
Series PWF8	None issued ⁽¹⁴⁾	0.90%	0.15%	—	16.49
Series PWFB	April 3, 2017	0.80% ⁽⁸⁾	0.15%	12.28	10.68
Series PWT6	April 3, 2017	1.80% ⁽⁷⁾	0.15%	16.69	14.91
Series PWT8	December 20, 2013	1.80% ⁽⁷⁾	0.15%	18.31	16.51
Series PWX	October 16, 2013	— ⁽²⁾	— ⁽²⁾	20.05	17.46
Series PWX8	September 12, 2014	— ⁽²⁾	— ⁽²⁾	18.15	16.40
Series R	July 9, 2013	—*	—*	22.98	20.01
Series S	November 28, 2013	— ⁽¹⁾	0.03%	18.77	16.34
Series T6	March 16, 2010	2.00%	0.28%	26.55	23.72
Series T8	July 27, 2010	2.00%	0.28%	23.35	21.06
Quadrus Series	November 8, 2002	2.00% ⁽⁴⁾	0.28%	48.54	42.15
H Series	November 8, 2002	1.00% ⁽⁵⁾	0.15% ⁽¹⁰⁾	55.85	48.54
HW Series	August 7, 2018	0.80%	0.15%	10.47	—
L Series	December 16, 2011	1.80% ⁽¹¹⁾	0.15%	27.49	23.89
N Series	September 28, 2011	— ⁽¹⁾	— ⁽¹⁾	32.50	28.29
QF Series	July 12, 2016	1.00% ⁽⁵⁾	0.28%	13.84	12.03
QFW Series	August 7, 2018	0.80%	0.15%	10.47	—
Series LB	January 26, 2012	2.00%	0.28%	26.06	22.64
Series LW	December 1, 2017	1.90%	0.15%	11.97	10.50

* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) The series' original start date was January 11, 2011. All securities in the series were redeemed on May 17, 2017.

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US EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

- (4) Prior to February 28, 2018, the management fee for Quadrus Series was charged to the Fund at a rate of 2.10%.
- (5) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 1.10%.
- (6) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.00%.
- (7) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.90%.
- (8) Prior to June 1, 2018, the management fee for Series PWFB was charged to the Fund at a rate of 0.90%.
- (9) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.20%.
- (10) Prior to June 28, 2018, the administration fee for H Series was charged to the Fund at a rate of 0.20%.
- (11) Prior to June 28, 2018, the management fee for L Series was charged to the Fund at a rate of 1.85%.
- (12) The series' original start date was October 28, 2013. All securities in the series were consolidated into Series F on June 1, 2018.
- (13) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F6 on June 1, 2018.
- (14) The series' original start date was January 29, 2014. All securities in the series were consolidated into Series F8 on June 1, 2018.

(b) Investments by Mackenzie and Affiliates

As at September 30, 2018, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$965, \$20,085 and \$830 (March 31, 2018 – \$796, \$14,246 and \$692), respectively, in the Fund.

(c) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2018 and March 31, 2018, were as follows:

	September 30, 2018	March 31, 2018
	(\$)	(\$)
Value of securities loaned	392,411	387,755
Value of collateral received	416,757	404,057

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended September 30, 2018 and 2017 is as follows:

	2018		2017	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	322	100.0	270	100.0
Tax withheld	(24)	(7.5)	(18)	(6.7)
	298	92.5	252	93.3
Payments to Securities Lending Agent	(74)	(23.0)	(63)	(23.3)
Securities lending income	224	69.5	189	70.0

(d) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
September 30, 2018	–
September 30, 2017	50

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US EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(e) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

As at September 30, 2018, there were no amounts subject to offsetting.

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	54	–	–	54
Unrealized losses on derivative contracts	(1,204)	–	–	(1,204)
Liability for options written	–	–	–	–
Total	(1,150)	–	–	(1,150)

(f) Subsequent Event

On or about January 21, 2019, investors in the Fund and investors in North American Specialty Class will vote on the proposed merger of North American Specialty Class into the Fund. This merger, which would be effective on or about February 8, 2019, is also subject to the receipt of regulatory approvals. Mackenzie does not consider this merger to be a material change from the Fund's perspective.

(g) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks long-term capital growth and a reasonable rate of return by investing primarily in equities of small- to mid-capitalization U.S. companies. The Fund may also invest in equities of companies based outside of North America and in fixed income securities of U.S. and Canadian corporations and government bodies.

ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

	September 30, 2018			
Currency	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	2,501,872	197,946	–	2,699,818
Euro	47,938	(257)	–	47,681
Total	2,549,810	197,689	–	2,747,499
% of Net Assets	93.7	7.3	–	101.0

	March 31, 2018			
Currency	Investments (\$)	Cash and Cash Equivalents (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	1,979,943	113,012	(207,950)	1,885,005
Total	1,979,943	113,012	(207,950)	1,885,005
% of Net Assets	94.1	5.4	(9.9)	89.6

* Includes both monetary and non-monetary financial instruments.



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US EQUITY FUND

NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(g) Risks Associated with Financial Instruments (cont'd)

ii. Currency risk (cont'd)

As at September 30, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$137,375 or 5.1% of total net assets (March 31, 2018 – \$94,250 or 4.5%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to interest rate risk.

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities. As at September 30, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$254,981 or 9.4% of total net assets (March 31, 2018 – \$197,994 or 9.4%) In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to credit risk.

(h) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	2,549,810	–	–	2,549,810	1,979,943	–	–	1,979,943
Derivative assets	–	–	–	–	–	54	–	54
Derivative liabilities	–	–	–	–	–	(1,786)	–	(1,786)
Short-term investments	–	201,206	–	201,206	–	113,035	–	113,035
Total	2,549,810	201,206	–	2,751,016	1,979,943	111,303	–	2,091,246

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the period, there were no significant transfers between Level 1 and Level 2.

Financial instruments classified as Level 2 investments are valued through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.