

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2019

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 INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF FINANCIAL POSITION

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

	Sep. 30 2019	Mar. 31 2019 (Audited)		Sep. 30 2019	Mar. 31 2019 (Audited)
	\$	\$		\$	\$
ASSETS			Net assets attributable to securityholders per security (note 3)		
Current assets			Series A	1.91	1.89
Investments at fair value	1,152,099	1,052,391	Series AR	11.19	10.90
Cash and cash equivalents	29,071	74,885	Series D	14.14	13.96
Accrued interest receivable	5,185	5,173	Series F	9.98	9.82
Dividends receivable	650	523	Series F8	14.56	14.55
Accounts receivable for investments sold	2,606	14,356	Series FB	10.04	9.89
Accounts receivable for securities issued	1,872	894	Series G	7.48	7.39
Due from manager	3	3	Series I	2.98	2.94
Margin on derivatives	854	2,976	Series J	8.64	8.53
Unrealized gains on derivative contracts	1,169	217	Series O	10.36	10.15
Total assets	1,193,509	1,151,418	Series PW	13.78	13.61
LIABILITIES			Series PWFB	9.86	9.71
Current liabilities			Series PWR	10.27	—
Accounts payable for investments purchased	6,853	37,499	Series PWT8	15.32	15.33
Accounts payable for securities redeemed	819	1,135	Series PWX	14.37	14.08
Distribution payable	3	1	Series PWX8	15.47	15.39
Unrealized losses on derivative contracts	463	2,337	Series R	10.04	9.78
Total liabilities	8,138	40,972	Series S	9.33	9.14
Net assets attributable to securityholders	1,185,371	1,110,446	Series T8	15.24	15.30
Net assets attributable to securityholders per series (note 3)			Series LB	8.14	8.06
Series A	559,244	571,005	Series LW	14.25	14.15
Series AR	16,168	16,321			
Series D	2,118	1,163			
Series F	90,110	66,018			
Series F8	128	396			
Series FB	834	687			
Series G	921	1,147			
Series I	568	556			
Series J	1,280	1,268			
Series O	43,915	38,916			
Series PW	374,075	341,909			
Series PWFB	2,723	1,896			
Series PWR	2,032	—			
Series PWT8	236	1			
Series PWX	2,180	2,071			
Series PWX8	1	1			
Series R	11,765	12,117			
Series S	69,103	46,455			
Series T8	45	1			
Series LB	2,572	2,853			
Series LW	5,353	5,665			

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



MACKENZIE
Investments

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF COMPREHENSIVE INCOME

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

	2019	2018
	\$	\$
Income		
Dividends	6,072	6,712
Interest income	13,788	13,844
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	9,838	5,009
Net unrealized gain (loss)	20,075	(4,833)
Securities lending income	73	69
Fee rebate income	20	20
Total income (loss)	49,866	20,821
Expenses (note 6)		
Management fees	7,585	7,848
Management fee rebates	–	(13)
Administration fees	1,077	1,106
Interest charges	1	1
Commissions and other portfolio transaction costs	133	112
Independent Review Committee fees	2	2
Other	–	2
Expenses before amounts absorbed by Manager	8,798	9,058
Expenses absorbed by Manager	–	–
Net expenses	8,798	9,058
Increase (decrease) in net assets attributable to securityholders from operations before tax	41,068	11,763
Foreign withholding taxes	368	394
Foreign income taxes paid (recovered)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	40,700	11,369
Increase (decrease) in net assets attributable to securityholders from operations per series		
Series A	19,008	6,078
Series AR	522	106
Series B	(2)	–
Series D	53	9
Series F	2,933	613
Series F8	7	3
Series FB	32	11
Series G	39	16
Series I	21	8
Series J	45	15
Series O	1,753	585
Series PW	12,929	2,640
Series PWF	–	166
Series PWF8	–	4
Series PWFB	87	16
Series PWR	62	–
Series PWT8	3	–
Series PWX	92	41

	2019	2018
	\$	\$
Series PWX8	–	–
Series R	515	229
Series S	2,316	744
Series T8	1	–
Series LB	89	53
Series LW	195	32
Increase (decrease) in net assets attributable to securityholders from operations per security		
Series A	0.06	0.02
Series AR	0.37	0.08
Series B	–	–
Series D	0.50	0.14
Series F	0.38	0.12
Series F8	0.65	0.09
Series FB	0.38	0.14
Series G	0.26	0.08
Series I	0.11	0.04
Series J	0.31	0.09
Series O	0.44	0.17
Series PW	0.49	0.13
Series PWF	–	0.10
Series PWF8	–	0.09
Series PWFB	0.37	0.12
Series PWR	0.37	–
Series PWT8	0.44	–
Series PWX	0.62	0.25
Series PWX8	0.67	–
Series R	0.43	0.17
Series S	0.39	0.16
Series T8	0.80	–
Series LB	0.27	0.06
Series LW	0.51	0.15

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



MACKENZIE
Investments

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series A		Series AR		Series B		Series D		Series F	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	571,005	796,828	16,321	12,877	–	–	1,163	889	66,018	36,075
Increase (decrease) in net assets from operations	19,008	6,078	522	106	(2)	–	53	9	2,933	613
Distributions paid to securityholders:										
Investment income	(4,217)	(5,693)	(114)	(113)	–	–	(16)	(10)	(962)	(711)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(9,039)	(11,570)	–	–	–	–	(20)	(12)	(857)	(638)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(13,256)	(17,263)	(114)	(113)	–	–	(36)	(22)	(1,819)	(1,349)
Security transactions:										
Proceeds from securities issued	64,706	44,106	1,804	1,704	2	–	1,029	158	28,849	33,354
Reinvested distributions	12,221	15,868	113	113	–	–	29	17	1,291	944
Payments on redemption of securities	(94,440)	(247,123)	(2,478)	(564)	–	–	(120)	(185)	(7,162)	(7,189)
Total security transactions	(17,513)	(187,149)	(561)	1,253	2	–	938	(10)	22,978	27,109
Total increase (decrease) in net assets	(11,761)	(198,334)	(153)	1,246	–	–	955	(23)	24,092	26,373
End of period	559,244	598,494	16,168	14,123	–	–	2,118	866	90,110	62,448

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	302,082	414,677	1,498	1,205	–	–	83	63	6,720	3,647
Issued	33,980	23,061	163	159	–	–	74	11	2,905	3,376
Reinvested distributions	6,426	8,314	10	11	–	–	2	1	130	96
Redeemed	(49,610)	(129,121)	(226)	(53)	–	–	(9)	(13)	(722)	(728)
Securities outstanding – end of period	292,878	316,931	1,445	1,322	–	–	150	62	9,033	6,391

	Series F8		Series FB		Series G		Series I		Series J	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	396	–	687	1,132	1,147	1,996	556	641	1,268	1,337
Increase (decrease) in net assets from operations	7	3	32	11	39	16	21	8	45	15
Distributions paid to securityholders:										
Investment income	(2)	(5)	(10)	(9)	(10)	(15)	(6)	(7)	(12)	(14)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(4)	(8)	(10)	(10)	(15)	(23)	(7)	(8)	(18)	(19)
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(6)	(13)	(20)	(19)	(25)	(38)	(13)	(15)	(30)	(33)
Security transactions:										
Proceeds from securities issued	–	487	266	307	1	2	–	–	–	–
Reinvested distributions	2	4	20	19	19	30	4	5	30	33
Payments on redemption of securities	(271)	(12)	(151)	(908)	(260)	(785)	–	(95)	(33)	(54)
Total security transactions	(269)	479	135	(582)	(240)	(753)	4	(90)	(3)	(21)
Total increase (decrease) in net assets	(268)	469	147	(590)	(226)	(775)	12	(97)	12	(39)
End of period	128	469	834	542	921	1,221	568	544	1,280	1,298

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	27	–	69	114	155	266	189	216	149	155
Issued	–	33	27	30	–	–	–	–	–	–
Reinvested distributions	–	–	2	2	3	4	2	2	3	4
Redeemed	(18)	(1)	(15)	(91)	(35)	(104)	–	(32)	(4)	(6)
Securities outstanding – end of period	9	32	83	55	123	166	191	186	148	153

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

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series O		Series PW		Series PWF		Series PWF8		Series PWF8	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	38,916	33,256	341,909	185,097	–	23,560	–	503	1,896	676
Increase (decrease) in net assets from operations	1,753	585	12,929	2,640	–	166	–	4	87	16
Distributions paid to securityholders:										
Investment income	(686)	(637)	(3,512)	(3,034)	–	(93)	–	(2)	(29)	(18)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(266)	(247)	(4,987)	(4,179)	–	(107)	–	(5)	(26)	(16)
Management fee rebates	–	–	–	(11)	–	(2)	–	–	–	–
Total distributions paid to securityholders	(952)	(884)	(8,499)	(7,224)	–	(202)	–	(7)	(55)	(34)
Security transactions:										
Proceeds from securities issued	5,719	5,006	51,751	171,570	–	2,392	–	–	1,010	1,083
Reinvested distributions	935	867	7,810	6,595	–	145	–	2	53	34
Payments on redemption of securities	(2,456)	(3,146)	(31,825)	(29,697)	–	(26,061)	–	(502)	(268)	(93)
Total security transactions	4,198	2,727	27,736	148,468	–	(23,524)	–	(500)	795	1,024
Total increase (decrease) in net assets	4,999	2,428	32,166	143,884	–	(23,560)	–	(503)	827	1,006
End of period	43,915	35,684	374,075	328,981	–	–	–	–	2,723	1,682

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	3,834	3,281	25,124	13,438	–	1,671	–	40	195	69
Issued	555	492	3,771	12,491	–	171	–	–	103	112
Reinvested distributions	91	86	570	481	–	10	–	–	5	3
Redeemed	(239)	(312)	(2,319)	(2,164)	–	(1,852)	–	(40)	(27)	(10)
Securities outstanding – end of period	4,241	3,547	27,146	24,246	–	–	–	–	276	174

	Series PWR		Series PWT8		Series PWX		Series PWX8		Series R	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	–	–	1	–	2,071	2,366	1	–	12,117	13,514
Increase (decrease) in net assets from operations	62	–	3	–	92	41	–	–	515	229
Distributions paid to securityholders:										
Investment income	(18)	–	(1)	–	(36)	(44)	–	–	(200)	(235)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	–	–	(2)	–	(14)	(17)	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(18)	–	(3)	–	(50)	(61)	–	–	(200)	(235)
Security transactions:										
Proceeds from securities issued	2,151	–	252	–	41	154	–	–	378	336
Reinvested distributions	18	–	–	–	50	61	–	–	–	–
Payments on redemption of securities	(181)	–	(17)	–	(24)	(157)	–	–	(1,045)	(1,554)
Total security transactions	1,988	–	235	–	67	58	–	–	(667)	(1,218)
Total increase (decrease) in net assets	2,032	–	235	–	109	38	–	–	(352)	(1,224)
End of period	2,032	–	236	–	2,180	2,404	1	–	11,765	12,290

	Securities		Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	–	–	–	–	147	168	–	–	1,239	1,408
Issued	214	–	16	–	3	11	–	–	37	35
Reinvested distributions	2	–	–	–	4	4	–	–	–	–
Redeemed	(18)	–	(1)	–	(2)	(11)	–	–	(105)	(162)
Securities outstanding – end of period	198	–	15	–	152	172	–	–	1,171	1,281

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

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Series S		Series T8		Series LB		Series LW		Total	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	46,455	43,378	1	–	2,853	7,210	5,665	3,303	1,110,446	1,164,638
Increase (decrease) in net assets from operations	2,316	744	1	–	89	53	195	32	40,700	11,369
Distributions paid to securityholders:										
Investment income	(920)	(760)	–	–	(19)	(54)	(52)	(32)	(10,822)	(11,486)
Capital gains	–	–	–	–	–	–	–	–	–	–
Return of capital	(377)	(304)	–	–	(44)	(119)	(103)	(64)	(15,789)	(17,346)
Management fee rebates	–	–	–	–	–	–	–	–	–	(13)
Total distributions paid to securityholders	(1,297)	(1,064)	–	–	(63)	(173)	(155)	(96)	(26,611)	(28,845)
Security transactions:										
Proceeds from securities issued	21,400	4,267	279	–	70	48	256	92	179,964	265,066
Reinvested distributions	1,297	1,064	–	–	61	171	152	92	24,105	26,064
Payments on redemption of securities	(1,068)	(6,540)	(236)	–	(438)	(864)	(760)	(434)	(143,233)	(325,963)
Total security transactions	21,629	(1,209)	43	–	(307)	(645)	(352)	(250)	60,836	(34,833)
Total increase (decrease) in net assets	22,648	(1,529)	44	–	(281)	(765)	(312)	(314)	74,925	(52,309)
End of period	69,103	41,849	45	–	2,572	6,445	5,353	2,989	1,185,371	1,112,329
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	5,080	4,749	–	–	354	879	400	228		
Issued	2,305	468	18	–	9	6	19	7		
Reinvested distributions	140	117	–	–	7	21	11	6		
Redeemed	(116)	(716)	(15)	–	(54)	(106)	(54)	(30)		
Securities outstanding – end of period	7,409	4,618	3	–	316	800	376	211		

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



MACKENZIE
Investments

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

STATEMENTS OF CASH FLOWS

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

	2019	2018
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	40,700	11,369
Adjustments for:		
Net realized loss (gain) on investments	(13,968)	(8,388)
Change in net unrealized loss (gain) on investments	(20,019)	4,646
Purchase of investments	(361,725)	(355,973)
Proceeds from sale and maturity of investments	274,282	420,509
Change in accrued interest receivable	(12)	230
Change in dividends receivable	(127)	163
Change in due from manager	–	8
Change in margin on derivatives	2,122	2,725
Change in due to manager	–	(105)
Net cash from operating activities	(78,747)	75,184
Cash flows from financing activities		
Proceeds from securities issued	130,244	84,529
Payments on redemption of securities	(94,807)	(147,231)
Distributions paid net of reinvestments	(2,504)	(2,781)
Net cash from financing activities	32,933	(65,483)
Net increase (decrease) in cash and cash equivalents	(45,814)	9,701
Cash and cash equivalents at beginning of period	74,885	11,897
Effect of exchange rate fluctuations on cash and cash equivalents	–	(23)
Cash and cash equivalents at end of period	29,071	21,575
Cash	1,139	443
Cash equivalents	27,932	21,132
Cash and cash equivalents at end of period	29,071	21,575
Supplementary disclosures on cash flow from operating activities:		
Dividends received	5,945	6,875
Foreign taxes paid	368	394
Interest received	13,776	14,074
Interest paid	1	1

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MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

SCHEDULE OF INVESTMENTS

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS					
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate - Non Convertible	380,000	384	405
407 International Inc. 3.43% 06-01-2033 MTN	Canada	Corporate - Non Convertible	3,180,000	3,235	3,459
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate - Non Convertible	470,000	473	530
407 International Inc. 3.60% 05-21-2047 Callable	Canada	Corporate - Non Convertible	1,590,000	1,592	1,790
407 International Inc. 3.72% 05-11-2048 Callable 2047	Canada	Corporate - Non Convertible	1,960,000	1,960	2,256
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate - Non Convertible	560,000	559	641
Access Justice Durham 5.02% 08-31-2039	Canada	Asset Backed	3,360,265	3,376	4,012
Acproducts Inc. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 483,875	605	618
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 158,400	201	201
AerCap Ireland Capital Designated Activity Co. 3.30% 01-23-2023 Callable 2022	Ireland	Corporate - Non Convertible	USD 1,050,000	1,303	1,417
AerCap Ireland Capital Designated Activity Co. 4.88% 01-16-2024 Callable 2023	Ireland	Corporate - Non Convertible	USD 180,000	243	257
AerCap Ireland Capital Designated Activity Co. 4.45% 10-01-2025 Callable 2025	Ireland	Corporate - Non Convertible	USD 570,000	744	804
AG Merger Sub II Inc. Term Loan B 1st Lien F/R 08-01-2026	United States	Term Loans	USD 330,000	431	429
AI Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 135,992	169	166
AIMCo Realty Investors LP 2.27% 06-26-2024 Callable 2024	Canada	Corporate - Non Convertible	1,570,000	1,574	1,573
AIMCo Realty Investors LP 3.04% 06-01-2028 Callable 2028	Canada	Corporate - Non Convertible	910,000	910	955
Aimco Realty Investors LP 2.712% 06-01-2029 Callable 2029	Canada	Corporate - Non Convertible	1,650,000	1,674	1,686
AL Midcoast Holdings LLC Term Loan B 1st Lien F/R 06-28-2025	United States	Term Loans	USD 405,900	533	530
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 336,600	441	419
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 304,187	384	399
Algonquin Power & Utilities Corp. 4.65% 02-15-2022	Canada	Corporate - Non Convertible	280,000	306	294
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	1,810,000	1,809	1,933
Allegiant Travel Co. Term Loan B 1st Lien F/R 01-29-2024	United States	Term Loans	USD 308,176	401	412
AltaLink LP 3.72% 12-03-2046 Callable MTN	Canada	Corporate - Non Convertible	1,665,000	1,658	1,920
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate - Non Convertible	1,080,000	1,033	1,085
Anheuser-Busch InBev Worldwide Inc. 4.75% 01-23-2029 Callable 2028	Belgium	Corporate - Non Convertible	USD 200,000	264	308
APFS Staffing Holdings Inc. Term Loan 1st Lien F/R 04-10-2026	United States	Term Loans	USD 269,325	353	355
Aroundtown SA 4.63% 09-18-2025 Callable 2025	Germany	Corporate - Non Convertible	1,140,000	1,135	1,195
Ascend Performance Materials Operations LLC Term Loan B 1st Lien F/R 08-16-2026	United States	Term Loans	USD 430,000	559	572
AT&T Inc. 2.85% 05-25-2024	United States	Corporate - Non Convertible	790,000	789	795
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,750,000	1,756	1,855
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate - Non Convertible	USD 470,000	620	688
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 266,625	347	333
Bank of America Corp. 3.30% 04-24-2024 Callable 2023	United States	Corporate - Non Convertible	1,040,000	1,040	1,068
Bank of America Corp. 3.95% 04-21-2025	United States	Corporate - Non Convertible	USD 390,000	474	547
Bank of America Corp. F/R 04-25-2025 Callable 2024	United States	Corporate - Non Convertible	1,830,000	1,845	1,857
Bank of America Corp. F/R 09-20-2025 Callable 2024	United States	Corporate - Non Convertible	1,550,000	1,550	1,605
Bank of Montreal 2.27% 07-11-2022	Canada	Corporate - Non Convertible	3,370,000	3,355	3,382
Bank of Montreal 2.89% 06-20-2023	Canada	Corporate - Non Convertible	1,590,000	1,590	1,632
Bank of Montreal 2.28% 07-29-2024	Canada	Corporate - Non Convertible	1,150,000	1,150	1,144
Bank of Montreal 2.70% 09-11-2024 DPNT	Canada	Corporate - Non Convertible	3,530,000	3,525	3,616
Bank of Montreal 3.19% 03-01-2028	Canada	Corporate - Non Convertible	1,520,000	1,508	1,631
Bank of Montreal F/R 09-17-2029 Callable 2024	Canada	Corporate - Non Convertible	560,000	560	561



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BONDS (cont'd)					
The Bank of Nova Scotia 2.36% 11-08-2022	Canada	Corporate - Non Convertible	2,620,000	2,620	2,635
The Bank of Nova Scotia 2.29% 06-28-2024	Canada	Corporate - Non Convertible	3,500,000	3,478	3,523
The Bank of Nova Scotia 2.49% 09-23-2024	Canada	Corporate - Non Convertible	1,400,000	1,400	1,405
The Bank of Nova Scotia 6.45% 01-01-2025	Canada	Mortgage Backed	5,535,782	5,327	6,489
The Bank of Nova Scotia F/R 07-03-2029 Callable 2024	Canada	Corporate - Non Convertible	1,080,000	1,080	1,079
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-24-2025	United States	Term Loans	USD 198,101	254	264
bcIMC Realty Corp. 3.00% 03-31-2027 Callable 2026	Canada	Corporate - Non Convertible	2,040,000	2,073	2,142
BCPE Cycle Merger Sub II Inc. 10.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 130,000	173	167
Bell Canada Inc. 2.70% 02-27-2024 Callable 2023	Canada	Corporate - Non Convertible	2,890,000	2,922	2,913
Bell Canada Inc. 2.90% 09-10-2029 Callable 2029	Canada	Corporate - Non Convertible	1,530,000	1,526	1,522
Bell Canada Inc. 4.45% 02-27-2047 Callable 2046	Canada	Corporate - Non Convertible	2,460,000	2,449	2,752
Bell Canada 3.80% 08-21-2028 Callable 2028	Canada	Corporate - Non Convertible	2,340,000	2,325	2,508
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 20,698	26	26
BP Capital Markets PLC 3.47% 05-15-2025	United Kingdom	Corporate - Non Convertible	1,540,000	1,552	1,622
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	2,150,000	2,162	2,283
Brookfield Renewable Energy Partners ULC 3.75% 06-02-2025 Callable 2025	Canada	Corporate - Non Convertible	750,000	750	789
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate - Non Convertible	1,360,000	1,359	1,421
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	1,300,000	1,299	1,411
Brookfield Renewable Partners ULC 3.38% 01-15-2030 Callable 2029	Canada	Corporate - Non Convertible	540,000	540	546
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	850,000	849	869
Brookfield Residential Properties Inc. 6.25% 09-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 140,000	184	186
Bruce Power LP 3.00% 06-21-2024 Callable 2024	Canada	Corporate - Non Convertible	3,790,000	3,827	3,867
Bruce Power LP 3.97% 06-23-2026	Canada	Corporate - Non Convertible	460,000	473	492
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 12,571	16	16
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 248,384	325	326
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 277,701	326	350
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 327,133	419	421
Canada Goose Inc. Term Loan 1st Lien F/R 12-02-2024	Canada	Term Loans	USD 490,171	614	646
Canada Housing Trust 1.80% 12-15-2024	Canada	Federal Government	3,690,000	3,687	3,706
Canadian Imperial Bank of Commerce 2.47% 12-05-2022	Canada	Corporate - Non Convertible	1,040,000	1,041	1,050
Canadian Imperial Bank of Commerce 2.97% 07-11-2023	Canada	Corporate - Non Convertible	3,360,000	3,360	3,457
Canadian Imperial Bank of Commerce 2.35% 08-28-2024	Canada	Corporate - Non Convertible	1,110,000	1,110	1,106
Canadian Imperial Bank of Commerce 3.30% 05-26-2025	Canada	Corporate - Non Convertible	1,720,000	1,722	1,822
Canadian Imperial Bank of Commerce 3.42% 01-26-2026 Callable 2021	Canada	Corporate - Non Convertible	2,200,000	2,256	2,230
Canadian Imperial Bank of Commerce F/R 06-19-2029 Callable 2024	Canada	Corporate - Non Convertible	1,060,000	1,060	1,063
Canadian Mortgage Pools 1.75% 06-01-2024	Canada	Mortgage Backed	1,001,795	997	996
Canadian National Railway Co. 3.00% 02-08-2029 Callable 2028	Canada	Corporate - Non Convertible	1,200,000	1,202	1,264
Canadian National Railway Co. 3.60% 07-31-2048 Callable 2048	Canada	Corporate - Non Convertible	2,010,000	1,980	2,262
Canadian Natural Resources Ltd. 3.55% 06-03-2024	Canada	Corporate - Non Convertible	1,260,000	1,268	1,307
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate - Non Convertible	830,000	828	864
Capital Power Corp. 4.28% 09-18-2024 Callable 2024	Canada	Corporate - Non Convertible	1,870,000	1,874	1,952
Capital Power Corp. 4.99% 01-23-2026 Callable 2025	Canada	Corporate - Non Convertible	710,000	710	763



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BONDS (cont'd)					
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 885,500	1,139	1,175
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 768,300	987	988
CBS Corp. 4.20% 06-01-2029 Callable 2029	United States	Corporate - Non Convertible	USD 1,420,000	1,852	2,045
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate - Non Convertible	970,000	970	1,037
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 228,275	293	299
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 359,100	458	420
Charter Communications Operating LLC 4.50% 02-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 1,020,000	1,351	1,450
Charter Communications Operating LLC 5.05% 03-30-2029 Callable 2028	United States	Corporate - Non Convertible	USD 1,290,000	1,711	1,911
Chartwell Retirement Residences 3.79% 12-11-2023 Callable 2023	Canada	Corporate - Non Convertible	1,440,000	1,438	1,490
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate - Non Convertible	610,000	610	645
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate - Non Convertible	100,000	104	104
Choice Properties Real Estate Investment Trust 4.06% 11-24-2025 Callable	Canada	Corporate - Non Convertible	2,280,000	2,452	2,426
Choice Properties Real Estate Investment Trust 4.18% 03-08-2028 Callable 2027	Canada	Corporate - Non Convertible	1,910,000	1,910	2,056
Choice Properties Real Estate Investment Trust 3.54% 06-11-2029 Callable 2029	Canada	Corporate - Non Convertible	1,300,000	1,300	1,333
Citadel LLC Term Loan B 1st Lien F/R 02-22-2026	United States	Term Loans	USD 1,303,076	1,708	1,732
City of Toronto 2.60% 09-24-2039	Canada	Municipal Governments	1,020,000	1,013	1,018
Comber Wind Financial Corp. 5.13% 11-15-2030	Canada	Corporate - Non Convertible	3,063,157	3,063	3,391
Commonwealth of Bahamas 5.75% 01-16-2024	Bahamas	Foreign Governments	USD 56,000	68	77
Commonwealth of Bahamas 6.95% 11-20-2029	Bahamas	Foreign Governments	USD 64,000	96	95
CommScope Inc. Term Loan B2 1st Lien F/R 02-07-2026	United States	Term Loans	USD 230,000	302	304
CommScope Technologies LLC 5.00% 03-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 120,000	138	132
Connect Finco SARL Term Loan B 1st Lien F/R 09-23-2026	United Kingdom	Term Loans	USD 390,000	507	509
Connect Finco SARL 6.75% 10-01-2026	United Kingdom	Corporate - Non Convertible	USD 190,000	252	257
Cordelio Amalco GP I 4.09% 06-30-2034	Canada	Corporate - Non Convertible	788,850	789	843
Cordelio Amalco GP I 4.09% 09-30-2034	Canada	Corporate - Non Convertible	796,143	796	848
CPPIB Capital Inc. 1.95% 09-30-2029	Canada	Corporate - Non Convertible	3,040,000	3,028	3,020
Crosslinx Transit Solutions General Partnership 4.65% 09-30-2046	Canada	Corporate - Non Convertible	1,050,000	1,047	1,163
Crown Subsea Communications Holding Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 468,000	602	622
CU Inc. 3.96% 07-27-2045 Callable	Canada	Corporate - Non Convertible	490,000	527	577
CU Inc. 3.76% 11-19-2046 Callable 2046	Canada	Corporate - Non Convertible	1,130,000	1,130	1,294
CU Inc. 3.95% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	1,220,000	1,220	1,451
Diamond 1 Finance Corp. 4.42% 06-15-2021 Callable 2021 144A	United States	Corporate - Non Convertible	USD 220,000	284	300
Diamond Sports Group LLC Term Loan B 1st Lien F/R 07-18-2026	United States	Term Loans	USD 380,000	493	507
DynCorp International Inc. Term Loan B 1st Lien F/R 08-15-2025	United States	Term Loans	USD 660,000	852	857
Eagle Credit Card Trust 2.63% 10-17-2022	Canada	Corporate - Non Convertible	620,000	620	628
Eagle Credit Card Trust 3.04% 07-17-2023	Canada	Corporate - Non Convertible	580,000	580	597
EagleTree-Carbide Acquisition Corp. Term Loan 1st Lien F/R 08-28-2024	United States	Term Loans	USD 565,593	704	741
Edgewell Personal Care Co. Term Loan B 1st Lien F/R 09-20-2026	United States	Term Loans	USD 200,000	263	266
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 414,750	545	494



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BONDS (cont'd)					
Enbridge Gas Inc. 2.37% 08-09-2029 Callable 2029	Canada	Corporate - Non Convertible	480,000	480	477
Enbridge Gas Inc. 3.51% 11-29-2047 Callable 2047	Canada	Corporate - Non Convertible	1,720,000	1,720	1,897
Enbridge Gas Inc. 3.01% 08-09-2049 Callable 2049	Canada	Corporate - Non Convertible	440,000	440	444
Enbridge Inc. 3.20% 06-08-2027 Callable 2027	Canada	Corporate - Non Convertible	1,160,000	1,160	1,197
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate - Non Convertible	5,920,000	6,025	6,545
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	6,510,000	6,520	6,507
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate - Non Convertible	2,520,000	2,530	2,727
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 158,114	203	207
EnerCare Solutions Inc. 3.38% 02-21-2022 Callable 2022	Canada	Corporate - Non Convertible	1,820,000	1,820	1,848
EnerCare Solutions Inc. 3.99% 02-21-2024 Callable 2023	Canada	Corporate - Non Convertible	730,000	730	756
Enterprise Merger Sub Inc. Term Loan 1st Lien F/R 09-28-2025	United States	Term Loans	USD 238,200	307	258
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 330,313	429	428
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate - Non Convertible	1,290,000	1,283	1,431
EPCOR Utilities Inc. 3.11% 07-08-2049 Callable 2049	Canada	Corporate - Non Convertible	1,220,000	1,220	1,250
EPR Properties 4.95% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 870,000	1,091	1,255
EPR Properties 3.75% 08-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 710,000	932	942
Exela Intermediate LLC 10.00% 07-15-2023 Callable 2020 144A	United States	Corporate - Non Convertible	USD 86,000	112	64
Fairfax Financial Holdings Ltd. 4.50% 03-22-2023	Canada	Corporate - Non Convertible	630,000	626	668
Fairfax Financial Holdings Ltd. 4.95% 03-03-2025	Canada	Corporate - Non Convertible	290,000	316	316
Fairfax Financial Holdings Ltd. 8.30% 04-15-2026	Canada	Corporate - Non Convertible	USD 1,900,000	2,871	3,125
Fairfax Financial Holdings Ltd. 4.25% 12-06-2027 Callable 2027	Canada	Corporate - Non Convertible	520,000	520	539
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029 Callable 2029	Canada	Corporate - Non Convertible	470,000	470	479
Fédération des Caisses Desjardins du Québec 2.09% 01-17-2022	Canada	Corporate - Non Convertible	2,060,000	2,060	2,058
Fédération des Caisses Desjardins du Québec 3.06% 09-11-2023	Canada	Corporate - Non Convertible	3,100,000	3,097	3,204
Forming Machining Industries Holdings LLC Term Loan 1st Lien F/R 10-03-2025	United States	Term Loans	USD 246,588	318	312
Fortified Trust 2.56% 03-23-2024	Canada	Corporate - Non Convertible	1,200,000	1,200	1,216
FortisAlberta Inc. 3.67% 09-09-2047 Callable 2047	Canada	Corporate - Non Convertible	380,000	372	429
FortisAlberta Inc. 3.74% 09-18-2048 Callable 2048	Canada	Corporate - Non Convertible	340,000	339	390
Fortress Transportation and Infrastructure Investors LLC 6.50% 10-01-2025 Callable 2021 144A	United States	Corporate - Non Convertible	USD 205,000	263	279
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 198,500	253	263
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 343,819	439	431
Fusion Connect Inc. Term Loan 1st Lien F/R 06-03-2019	Netherlands	Term Loans	USD 800	1	1
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 94,410	117	67
Fusion Connect Inc. Term Loan DIP 1st Lien F/R 10-03-2019	United States	Term Loans	USD 8,300	11	11
GEMS MENASA (Cayman) Ltd. Term Loan B 1st Lien F/R 07-30-2026	United Arab Emirates	Term Loans	USD 209,475	273	276
GFL Environmental Inc. 5.63% 05-01-2022 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 23,000	30	31
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 8,000	10	11
GFL Environmental Inc. 7.00% 06-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 80,000	100	112
Gibson Energy Inc. 5.25% 07-15-2024 Callable 2020 REGS	Canada	Corporate - Non Convertible	23,000	23	24
Gibson Energy Inc. 3.60% 09-17-2029 Callable 2029	Canada	Corporate - Non Convertible	660,000	659	671
GLOBALFOUNDRIES Inc. Term Loan B 1st Lien F/R 05/24/2026	United States	Term Loans	USD 810,000	1,077	1,047
The Goldman Sachs Group Inc. 2.43% 04-26-2023 Callable	United States	Corporate - Non Convertible	3,170,000	3,170	3,164
Government of Bermuda 4.13% 01-03-2023	Bermuda	Foreign Governments	USD 980,000	1,289	1,365
Government of Bermuda 4.85% 02-06-2024	Bermuda	Foreign Governments	USD 460,000	615	668



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BONDS (cont'd)					
Government of Bermuda 3.72% 01-25-2027 Callable 2026	Bermuda	Foreign Governments	USD 835,000	1,025	1,176
Government of Canada 1.50% 09-01-2024	Canada	Federal Government	18,170,000	18,130	18,257
Government of Canada 2.25% 06-01-2029	Canada	Federal Government	15,490,000	16,242	16,725
Government of Canada 1.25% 12-01-2047 Real Return	Canada	Federal Government	14,630,000	18,648	20,670
Government of Canada 2.75% 12-01-2048	Canada	Federal Government	17,210,000	20,274	22,131
Greater Toronto Airports Authority 2.73% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	720,000	737	750
Greater Toronto Airports Authority 2.75% 10-17-2039	Canada	Corporate - Non Convertible	740,000	739	750
H&R Real Estate Investment Trust 2.92% 05-06-2022	Canada	Corporate - Non Convertible	1,070,000	1,071	1,078
H&R Real Estate Investment Trust 3.42% 01-23-2023 Callable 2022	Canada	Corporate - Non Convertible	970,000	976	989
H&R Real Estate Investment Trust 3.37% 01-30-2024 Callable 2023	Canada	Corporate - Non Convertible	2,510,000	2,503	2,553
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 177,759	232	233
Heathrow Funding Ltd. 3.25% 05-21-2025	United Kingdom	Corporate - Non Convertible	2,780,000	2,859	2,881
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate - Non Convertible	1,740,000	1,738	1,815
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate - Non Convertible	1,280,000	1,280	1,366
Heritage Power LLC Term Loan B 1st Lien F/R 07-08-2026	United States	Term Loans	USD 450,000	572	586
HSBC Bank Canada 2.17% 06-29-2022	Canada	Corporate - Non Convertible	1,380,000	1,364	1,376
HSBC Bank Canada 2.25% 09-15-2022	Canada	Corporate - Non Convertible	640,000	640	639
HSBC Bank Canada 3.25% 09-15-2023	Canada	Corporate - Non Convertible	1,410,000	1,410	1,458
HSBC Holdings PLC 3.20% 12-05-2023	United Kingdom	Corporate - Non Convertible	2,680,000	2,680	2,741
Hydro One Inc. 2.54% 04-05-2024 Callable 2024	Canada	Corporate - Non Convertible	960,000	960	976
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate - Non Convertible	3,730,000	3,770	4,184
Hydro One Inc. 3.63% 06-25-2049 Callable 2048	Canada	Corporate - Non Convertible	710,000	710	788
Hydro-Quebec Interest Strip 0% 02-15-2025	Canada	Provincial Governments	2,300,000	1,987	2,073
IEA Energy Services LLC Term Loan 1st Lien F/R 09-25-2024	United States	Term Loans	USD 441,325	561	567
II-VI Inc. Term Loan B 1st Lien F/R 05-08-2026	United States	Term Loans	USD 56,000	66	74
INEOS Enterprises Holdings US Finco LLC Term Loan B 1st Lien F/R 07-29-2026	United States	Term Loans	USD 460,000	599	612
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 427,850	534	518
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 35,820	47	47
Inter Pipeline Ltd. 2.73% 04-18-2024 Callable 2024	Canada	Corporate - Non Convertible	3,870,000	3,908	3,880
Inter Pipeline Ltd. 3.17% 03-24-2025 Callable 2024 MTN	Canada	Corporate - Non Convertible	2,860,000	2,892	2,912
Inter Pipeline Ltd. 3.48% 12-16-2026 Callable 2026	Canada	Corporate - Non Convertible	2,090,000	2,119	2,156
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	480,000	480	501
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 337,450	440	447
The International Bank for Reconstruction and Development 3.50% 01-22-2021	Supra - National	n/a	NZD 6,460,000	5,975	5,519
International Finance Corp. 3.63% 05-20-2020	Supra - National	n/a	NZD 2,100,000	1,939	1,768
iQor US Inc. Term Loan B 1st Lien F/R 04-01-2021	United States	Term Loans	USD 920,474	1,014	1,084
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 570,000	727	583
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate - Non Convertible	700,000	701	719
JP Intermediate B LLC Term Loan 1st Lien F/R 10-19-2025	United States	Term Loans	USD 192,500	250	218
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate - Non Convertible	2,050,000	2,097	2,079
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 306,125	392	391
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 148,500	190	184
Kestrel Bidco Inc. Term Loan 1st Lien F/R 08-07-2026	Canada	Term Loans	USD 580,000	764	774
Keyera Corp. F/R 06-13-2079 Callable 2029	Canada	Corporate - Non Convertible	560,000	561	575
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate - Non Convertible	17,000	17	17



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BONDS (cont'd)					
L&W Inc. Term Loan 1st Lien F/R 05-17-2025	United States	Term Loans	USD 54,127	69	69
LABL Escrow Issuer LLC 6.75% 07-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 162,000	217	224
LABL Escrow Issuer LLC 10.50% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 257,000	344	347
LifeMiles Ltd. Term Loan B 1st Lien F/R 08-18-2022	Colombia	Term Loans	USD 169,030	217	216
LifeScan Global Corp. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 890,650	1,132	1,071
The Manufacturers Life Insurance Co. 2.39% 01-05-2026 Callable 2021	Canada	Corporate - Non Convertible	2,700,000	2,705	2,702
Manulife Bank of Canada 2.08% 05-26-2022	Canada	Corporate - Non Convertible	2,220,000	2,220	2,215
Manulife Bank of Canada 2.84% 01-12-2023	Canada	Corporate - Non Convertible	1,310,000	1,307	1,335
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	740,000	740	760
Manulife Financial Corp. F/R 08-20-2029 Callable 2024	Canada	Corporate - Non Convertible	2,590,000	2,590	2,649
Matterhorn Merger Sub LLC 8.50% 06-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 42,000	54	42
McDonald's Corp. 3.13% 03-04-2025 Callable 2025	United States	Corporate - Non Convertible	2,560,000	2,554	2,647
MEG Energy Corp. 6.38% 01-30-2023 Callable 144A	Canada	Corporate - Non Convertible	USD 270,000	325	348
MEG Energy Corp. 7.00% 03-31-2024 Callable 2019 144A	Canada	Corporate - Non Convertible	USD 100,000	131	128
Metronet Systems Holding LLC Term Loan 1st Lien F/R 12-31-2049	United States	Term Loans	USD 280,000	368	372
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 407,800	525	526
Morgan Stanley 3.00% 02-07-2024	United States	Corporate - Non Convertible	3,000,000	2,999	3,057
Multi-Color Corp. Term Loan B 1st Lien F/R 06-17-2026	United States	Term Loans	USD 350,000	464	466
MyNEXUS Inc. Term Loan 1st Lien F/R 06-19-2024	United States	Term Loans	USD 312,000	402	405
National Bank of Canada 1.96% 06-30-2022	Canada	Corporate - Non Convertible	7,060,000	6,980	7,029
National Bank of Canada 2.98% 03-04-2024	Canada	Corporate - Non Convertible	1,930,000	1,962	1,977
National Bank of Canada 2.55% 07-12-2024	Canada	Corporate - Non Convertible	1,260,000	1,260	1,267
NAV Canada 3.29% 03-30-2048 Callable 2047	Canada	Corporate - Non Convertible	980,000	981	1,107
NAV Canada 3.21% 09-29-2050 Callable 2050	Canada	Corporate - Non Convertible	100,000	100	112
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 98,863	126	128
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 6,500	8	9
Nexstar Escrow Inc. 5.63% 07-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 146,000	194	203
Norbord Inc. 5.75% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 220,000	292	299
North Battleford Power LP 4.96% 12-31-2032	Canada	Corporate - Non Convertible	1,371,775	1,372	1,556
North West Redwater Partnership 2.80% 06-01-2027 Callable 2027	Canada	Corporate - Non Convertible	2,320,000	2,238	2,354
North West Redwater Partnership 3.65% 06-01-2035 Callable 2034	Canada	Corporate - Non Convertible	1,170,000	1,169	1,247
Nouvelle Autoroute 30 Financement Inc. 4.11% 03-31-2042	Canada	Corporate - Non Convertible	989,775	990	1,120
Nova Scotia Power Inc. 3.57% 04-05-2049 Callable 2048	Canada	Corporate - Non Convertible	600,000	601	653
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 236,400	296	313
Office Depot Inc. Term Loan B 1st Lien F/R 11-08-2022	United States	Term Loans	USD 110,891	137	148
Omega Healthcare Investors Inc. 4.50% 01-15-2025 Callable 2024	United States	Corporate - Non Convertible	USD 750,000	809	1,047
OMERS Finance Trust 2.60% 05-14-2029	Canada	Corporate - Non Convertible	1,390,000	1,389	1,440
OMERS Realty Corp. 3.24% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	4,120,000	4,116	4,385
OMERS Realty Corp. 3.63% 06-05-2030 Callable 2030	Canada	Corporate - Non Convertible	1,730,000	1,730	1,916
Ontario Hydro 0% 05-26-2025	Canada	Provincial Governments	2,060,000	1,744	1,834
Ontario Power Generation Inc. 3.32% 10-04-2027 Callable 2027	Canada	Corporate - Non Convertible	1,520,000	1,520	1,592
Ontario Power Generation Inc. 2.98% 09-13-2029	Canada	Corporate - Non Convertible	760,000	760	772
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate - Non Convertible	930,000	930	995
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate - Non Convertible	550,000	555	632
OPB Finance Trust 2.98% 01-25-2027	Canada	Provincial Governments	1,710,000	1,714	1,800
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 198,000	250	232
Park Aerospace Holdings Ltd. 5.25% 08-15-2022 144A	Ireland	Corporate - Non Convertible	USD 50,000	67	70
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 21,000	27	29



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BONDS (cont'd)					
Parkland Fuel Corp. 5.88% 07-15-2027 Callable 2022 144A	Canada	Corporate - Non Convertible	USD 2,000	3	3
Paypal Holdings Inc. 2.40% 10-01-2024 Callable 2024	United States	Corporate - Non Convertible	USD 760,000	1,007	1,014
PayPal Holdings Inc. 2.65% 10-01-2026	United States	Corporate - Non Convertible	USD 800,000	1,058	1,069
Pembina Pipeline Corp. 3.54% 02-03-2025 Callable	Canada	Corporate - Non Convertible	830,000	828	862
Pembina Pipeline Corp. 4.02% 03-27-2028 Callable 2027	Canada	Corporate - Non Convertible	1,300,000	1,301	1,394
Pembina Pipeline Corp. 3.62% 04-03-2029 Callable 2029	Canada	Corporate - Non Convertible	750,000	752	779
Pembina Pipeline Corp. 3.31% 02-01-2030 Callable 2029	Canada	Corporate - Non Convertible	480,000	480	483
Petroleos De Venezuela SA 6.00% 05-16-2024	Venezuela	Corporate - Non Convertible	USD 760,000	243	110
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 110,000	140	144
PLH Group Inc. Term Loan 1st Lien F/R 08-06-2023	United States	Term Loans	USD 210,792	266	277
Pluto Acquisition I Inc. Term Loan 1st Lien F/R 06-18-2026	United States	Term Loans	USD 349,125	463	456
Polymer Process Holdings Inc. Term Loan 1st Lien F/R 04-29-2026	United States	Term Loans	USD 369,075	485	481
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 297,002	383	393
Province of Newfoundland 3.00% 06-02-2026	Canada	Provincial Governments	1,280,000	1,272	1,350
Province of Newfoundland 3.70% 10-17-2048	Canada	Provincial Governments	4,260,000	4,701	5,117
Province of Ontario 2.65% 02-05-2025	Canada	Provincial Governments	2,330,000	2,361	2,424
Province of Ontario 2.90% 06-02-2028	Canada	Provincial Governments	21,920,000	21,973	23,421
Province of Ontario 2.70% 06-02-2029	Canada	Provincial Governments	33,140,000	34,700	34,977
Province of Ontario 2.90% 06-02-2049	Canada	Provincial Governments	40,140,000	38,306	44,815
Province of Ontario 2.65% 12-02-2050	Canada	Provincial Governments	16,460,000	17,085	17,584
Province of Quebec 0% 04-01-2026 Generic Strip	Canada	Provincial Governments	2,720,000	2,309	2,383
Province of Quebec 2.75% 09-01-2028	Canada	Provincial Governments	4,160,000	4,116	4,413
Province of Quebec 2.30% 09-01-2029	Canada	Provincial Governments	3,590,000	3,705	3,677
Province of Quebec 3.50% 12-01-2048	Canada	Provincial Governments	25,220,000	28,355	31,463
Province of Saskatchewan 3.30% 06-02-2048	Canada	Provincial Governments	1,830,000	1,915	2,154
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 217,800	279	280
PSC Industrial Outsourcing LP Term Loan B 1st Lien F/R 10-05-2024	United States	Term Loans	USD 628,800	783	831
R.R. Donnelley & Sons Co. Term Loan B 1st Lien F/R 01-04-2024	United States	Term Loans	USD 139,718	179	186
Rackspace Hosting Inc. 8.63% 11-15-2024 Callable 2019 144A	United States	Corporate - Non Convertible	USD 300,000	379	367
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2020 144A	Canada	Corporate - Non Convertible	USD 30,000	40	41
Research Now Group Inc. Term Loan 1st Lien F/R 12-20-2024	United States	Term Loans	USD 15,568	19	21
Rogers Communications Inc. 3.25% 05-01-2029 Callable 2029	Canada	Corporate - Non Convertible	1,350,000	1,355	1,392
Royal Bank of Canada 2.95% 05-01-2023	Canada	Corporate - Non Convertible	7,450,000	7,451	7,655
Royal Bank of Canada 3.30% 09-26-2023	Canada	Corporate - Non Convertible	750,000	750	777
Royal Bank of Canada 2.35% 07-02-2024	Canada	Corporate - Non Convertible	1,200,000	1,200	1,198
Royal Bank of Canada F/R 07-25-2029	Canada	Corporate - Non Convertible	1,060,000	1,061	1,057
Sea to Sky Highway Investment LP 2.63% 08-31-2030	Canada	Corporate - Non Convertible	1,855,829	1,856	1,855
Shaw Communications Inc. 3.80% 03-01-2027 Callable	Canada	Corporate - Non Convertible	960,000	1,008	1,013
Shaw Communications Inc. 4.40% 11-02-2028 Callable 2028	Canada	Corporate - Non Convertible	2,130,000	2,153	2,344
Shields Health Solutions Holdings LLC Term Loan 1st Lien F/R 08-13-2026	United States	Term Loans	USD 290,000	382	384
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 14,000	22	20
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 351,288	450	451
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 237,000	304	310
Sprint Spectrum Co. LLC 4.74% 03-20-2025 144A	United States	Corporate - Non Convertible	USD 750,000	971	1,056
Spy Hill Power LP 4.14% 03-31-2036	Canada	Corporate - Non Convertible	1,114,850	1,111	1,210
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 227,673	297	303



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BONDS (cont'd)					
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 188,747	240	248
Starfruit US Holdco LLC 8.00% 10-01-2026 Callable 2021 144A	Netherlands	Corporate - Non Convertible	USD 140,000	178	185
Sun Life Financial Inc. F/R 02-19-2026 Callable 2021	Canada	Corporate - Non Convertible	2,410,000	2,439	2,435
Sun Life Financial Inc. F/R 11-23-2027 Callable 2022	Canada	Corporate - Non Convertible	1,120,000	1,120	1,132
Sun Life Financial Inc. F/R 09-19-2028 Callable 2023	Canada	Corporate - Non Convertible	2,250,000	2,257	2,301
Sun Life Financial Inc. F/R 08-13-2029 Callable 2024	Canada	Corporate - Non Convertible	1,280,000	1,280	1,272
Suncor Energy Inc. 3.10% 05-24-2029 Callable 2029	Canada	Corporate - Non Convertible	980,000	979	1,006
Superior Plus LP 7.00% 07-15-2026 Callable 2021 144A	Canada	Corporate - Non Convertible	USD 170,000	225	238
Sydney Airport Finance Co. Pty. Ltd. 3.63% 04-28-2026 Callable 2026 144A	Australia	Corporate - Non Convertible	USD 2,400,000	3,053	3,319
Syniverse Holdings Inc. Term Loan 1st Lien F/R 02-09-2023	United States	Term Loans	USD 246,250	307	308
Sysco Canada Inc. 3.65% 04-25-2025 Callable 2025	United States	Corporate - Non Convertible	1,190,000	1,191	1,249
TELUS Corp. 3.35% 04-01-2024 Callable	Canada	Corporate - Non Convertible	1,430,000	1,476	1,481
Telus Corp. 2.75% 07-08-2026	Canada	Corporate - Non Convertible	820,000	819	823
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate - Non Convertible	580,000	575	596
TELUS Corp. 4.70% 03-06-2048 Callable 2047	Canada	Corporate - Non Convertible	620,000	616	706
Teneo Holdings LLC Term Loan B 1st Lien F/R 07-12-2025	United States	Term Loans	USD 450,000	564	571
Teva Pharmaceutical Industries Ltd. 2.80% 07-21-2023	Israel	Corporate - Non Convertible	USD 126,000	144	135
Thor Industries Inc. Term Loan B 1st Lien F/R 11-01-2025	United States	Term Loans	USD 24,773	32	32
Titan Sub LLC Term Loan B 1st Lien F/R 09-19-2026	United States	Term Loans	USD 270,000	355	358
TMX Group Ltd. 4.46% 10-03-2023 Callable 2023	Canada	Corporate - Non Convertible	1,010,000	1,144	1,088
TMX Group Ltd. 2.30% 12-11-2024 Callable 2024	Canada	Corporate - Non Convertible	1,680,000	1,703	1,727
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate - Non Convertible	640,000	643	692
The Toronto-Dominion Bank 2.05% 12-01-2022	Canada	Mortgage Backed	1,014,322	983	1,018
The Toronto-Dominion Bank 3.01% 05-30-2023	Canada	Corporate - Non Convertible	1,170,000	1,171	1,206
The Toronto-Dominion Bank 2.85% 03-08-2024	Canada	Corporate - Non Convertible	1,730,000	1,739	1,766
The Toronto-Dominion Bank 6.13% 12-01-2024	Canada	Mortgage Backed	2,883,563	3,262	3,343
The Toronto-Dominion Bank 2.50% 12-02-2024	Canada	Corporate - Non Convertible	1,950,000	1,950	1,961
The Toronto-Dominion Bank 5.38% 07-01-2028	Canada	Mortgage Backed	1,561,671	1,651	1,798
The Toronto-Dominion Bank F/R 07-25-2029 Callable 2024	Canada	Corporate - Non Convertible	670,000	688	683
TransCanada PipeLines Ltd. 3.69% 07-19-2023	Canada	Corporate - Non Convertible	270,000	276	283
TransCanada Pipelines Ltd. 3.39% 03-15-2028 Callable 2027	Canada	Corporate - Non Convertible	1,140,000	1,132	1,199
TransCanada Pipelines Ltd. 3.00% 09-18-2029 Callable 2029	Canada	Corporate - Non Convertible	1,100,000	1,098	1,114
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	2,000,000	1,955	1,933
Transurban Finance Co. Pty. Ltd. 4.56% 11-14-2028 Callable 2028	Australia	Corporate - Non Convertible	2,170,000	2,171	2,421
Travelport Finance Luxembourg Sarl Term Loan 1st Lien F/R 03-18-2026	Luxembourg	Term Loans	USD 730,000	951	878
Trico Group LLC Term Loan 1st Lien F/R 02-02-2024	United States	Term Loans	USD 133,941	161	174
Trillium Windpower LP 5.80% 02-15-2033	United States	Corporate - Non Convertible	1,080,732	1,081	1,274
Trulieve Cannabis Corp. 9.75% 06-18-2024	United States	Corporate - Non Convertible	USD 160,000	208	203
Uber Technologies Inc. Term Loan B 1st Lien F/R 07-13-2023	United States	Term Loans	USD 118,107	156	156
Uber Technologies Inc. 8.00% 11-01-2026 Callable 2021 144A	United States	Corporate - Non Convertible	USD 160,000	208	215
Uber Technologies Inc. 7.50% 09-15-2027 Callable 2022 144A	United States	Corporate - Non Convertible	USD 30,000	40	40
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 560,214	720	727
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 384,603	495	418
Union Gas Ltd. 3.59% 11-22-2047 Callable 2047	Canada	Corporate - Non Convertible	1,280,000	1,278	1,429
United States Treasury 0.50% 04-15-2024 Inflation Indexed	United States	Foreign Governments	USD 8,800,000	12,006	11,999
United States Treasury 1.75% 06-30-2024	United States	Foreign Governments	USD 9,840,000	12,933	13,137
United States Treasury 0.75% 07-15-2028 Inflation Indexed	United States	Foreign Governments	USD 8,500,000	12,003	12,073



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United States Treasury 2.38% 05-15-2029	United States	Foreign Governments	USD 14,330,000	20,057	20,148
United States Treasury 1.00% 02-15-2049 Inflation Indexed	United States	Foreign Governments	USD 5,790,000	9,316	8,788
US Renal Care Inc. Term Loan B 1st Lien F/R 06-14-2026	United States	Term Loans	USD 510,000	671	641
Vancouver Airport Authority 3.66% 11-23-2048 Callable 2048	Canada	Corporate - Non Convertible	1,140,000	1,140	1,369
Ventas Canada Finance Ltd. 2.55% 03-15-2023 Callable 2023	United States	Corporate - Non Convertible	2,160,000	2,161	2,160
Ventas Realty LP 4.00% 03-01-2028 Callable 2027	United States	Corporate - Non Convertible	USD 1,140,000	1,470	1,620
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 258,050	335	327
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 157,302	205	209
Videotron Ltd. 4.50% 01-15-2030 Callable 2024	Canada	Corporate - Non Convertible	1,720,000	1,720	1,742
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 443,250	553	584
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate - Non Convertible	USD 520,000	662	725
Vungle Inc. Term Loan B 1st Lien F/R 09-30-2026	United States	Term Loans	USD 400,000	522	521
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 66,665	87	88
Yvair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 434,500	524	530
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	1,530,000	1,527	1,542
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate - Non Convertible	3,210,000	3,218	3,297
Wells Fargo & Co. 2.98% 05-19-2026	United States	Corporate - Non Convertible	1,823,000	1,823	1,854
Welltower Inc. 4.25% 04-15-2028 Callable 2028	United States	Corporate - Non Convertible	USD 1,070,000	1,419	1,561
Welltower Inc. 4.13% 03-15-2029 Callable 2028	United States	Corporate - Non Convertible	USD 830,000	1,096	1,199
Williams Scotsman International Inc. 7.88% 12-15-2022 Callable 2019 144A	United States	Corporate - Non Convertible	USD 62,000	80	86
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 663,000	846	810
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 63,476	79	84
Total bonds				698,508	731,233
EQUITIES					
AbbVie Inc.	United States	Health Care	14,900	1,338	1,493
Aena SA	Spain	Industrials	11,600	2,907	2,812
AIA Group Ltd.	Hong Kong	Financials	118,600	1,194	1,483
Air Canada	Canada	Industrials	44,683	1,479	1,931
Air Liquide SA	France	Materials	14,399	1,907	2,714
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	70,250	1,995	2,852
Allergan PLC	United States	Health Care	13,300	3,276	2,963
Allied Properties Real Estate Investment Trust	Canada	Real Estate	12,386	389	664
AltaGas Ltd. Pfd. Series K	Canada	Energy	29,198	730	642
Altria Group Inc.	United States	Consumer Staples	27,029	1,457	1,463
Apple Inc.	United States	Information Technology	8,500	954	2,520
ARC Resources Ltd.	Canada	Energy	144,238	2,259	910
Atlas Copco AB A	Sweden	Industrials	36,100	1,086	1,472
B3 SA- Brasil Bolsa Balcao	Brazil	Financials	95,539	811	1,335
Baker Hughes a GE Co.	United States	Energy	32,000	924	983
Bank of Montreal	Canada	Financials	70,622	5,252	6,891
The Bank of Nova Scotia	Canada	Financials	195,067	11,432	14,679
Bayer AG	Germany	Health Care	16,352	2,160	1,526
Becton, Dickinson and Co.	United States	Health Care	13,455	1,849	4,505
The Blackstone Group Inc. Class A	United States	Financials	28,600	1,825	1,849
Brenntag AG	Germany	Industrials	27,700	1,838	1,775



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British American Tobacco PLC	United Kingdom	Consumer Staples	34,200	2,069	1,675
Broadcom Inc.	United States	Information Technology	6,100	1,908	2,229
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Real Estate	18,613	466	474
Brookfield Asset Management Inc. Pfd. Series 48	Canada	Real Estate	19,015	475	468
Brookfield Renewable Partners LP Pfd. Series 11	Canada	Utilities	53,799	1,345	1,275
Cabot Oil & Gas Corp.	United States	Energy	23,400	721	544
Canadian National Railway Co.	Canada	Industrials	37,755	3,993	4,491
Canadian Natural Resources Ltd.	Canada	Energy	128,024	4,805	4,513
Canadian Pacific Railway Ltd.	Canada	Industrials	10,868	2,548	3,200
Canadian Utilities Ltd. Class A non-voting	Canada	Utilities	24,279	870	948
CCL Industries Inc. Class B non-voting	Canada	Materials	16,270	915	869
Choice Properties Real Estate Investment Trust	Canada	Real Estate	87,600	1,170	1,265
Cisco Systems Inc.	United States	Information Technology	23,700	1,264	1,550
CME Group Inc.	United States	Financials	10,300	1,126	2,881
Colliers International Group Inc.	Canada	Real Estate	11,165	1,011	1,111
Compagnie Financière Richemont SA	Switzerland	Consumer Discretionary	14,900	1,538	1,447
Constellation Brands Inc. Class A	United States	Consumer Staples	8,300	2,064	2,277
Dentsply Sirona Inc.	United States	Health Care	39,800	2,471	2,808
Deutsche Boerse AG	Germany	Financials	21,700	2,076	4,490
Diageo PLC	United Kingdom	Consumer Staples	30,300	958	1,644
Emera Inc.	Canada	Utilities	35,331	1,626	2,055
Enbridge Inc.	Canada	Energy	142,203	6,814	6,612
EnCana Corp.	Canada	Energy	200,400	2,911	1,216
Equifax Inc.	United States	Industrials	16,100	2,030	2,998
Eurofins Scientific	Luxembourg	Health Care	2,700	1,337	1,661
Finning International Inc.	Canada	Industrials	40,250	930	933
Fortis Inc.	Canada	Utilities	55,033	1,983	3,082
George Weston Ltd.	Canada	Consumer Staples	55,126	5,141	6,144
Great-West Lifeco Inc.*	Canada	Financials	9,397	271	299
Hannover Rueckversicherung SE Reg.	Germany	Financials	5,700	1,160	1,276
Heineken Holding NV A	Netherlands	Consumer Staples	19,600	2,075	2,584
Honeywell International Inc.	United States	Industrials	11,300	1,338	2,531
Hong Kong Exchanges and Clearing Ltd.	Hong Kong	Financials	30,700	1,261	1,192
Japan Exchange Group Inc.	Japan	Financials	99,700	1,956	2,074
Johnson & Johnson	United States	Health Care	16,400	1,807	2,808
JPMorgan Chase & Co.	United States	Financials	22,600	2,104	3,520
Keyence Corp.	Japan	Information Technology	1,700	1,113	1,393
Kinder Morgan Inc.	United States	Energy	120,900	3,090	3,298
Koninklijke Philips NV	Netherlands	Health Care	56,394	2,368	3,459
Kweichow Moutai Co. Ltd. Class A	China	Consumer Staples	7,369	247	1,569
Linde PLC	Ireland	Materials	5,800	1,224	1,487
Loblaw Companies Ltd.	Canada	Consumer Staples	28,293	1,287	2,135
Lockheed Martin Corp.	United States	Industrials	5,800	1,020	2,994
London Stock Exchange Group PLC	United Kingdom	Financials	16,600	1,282	1,975
Manulife Financial Corp.	Canada	Financials	402,312	8,774	9,776
McDonald's Corp.	United States	Consumer Discretionary	5,760	620	1,637
Methanex Corp.	Canada	Materials	17,052	1,276	802
Micro Focus International PLC	United Kingdom	Information Technology	65,589	2,003	1,214
Microsoft Corp.	United States	Information Technology	26,600	1,410	4,895



MACKENZIE
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MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Moody's Corp.	United States	Financials	9,500	1,235	2,576
Mowi ASA	Norway	Consumer Staples	46,600	1,130	1,424
Murata Manufacturing Co. Ltd.	Japan	Information Technology	17,600	1,184	1,117
Nestlé SA Reg.	Switzerland	Consumer Staples	35,400	3,034	5,084
New Oriental Education & Technology Group Inc. ADR	China	Consumer Discretionary	10,700	1,110	1,569
Nike Inc. Class B	United States	Consumer Discretionary	9,804	685	1,219
Nokia OYJ ADR	Finland	Information Technology	224,000	1,636	1,500
Northern Trust Corp.	United States	Financials	12,000	1,681	1,482
Northland Power Inc.	Canada	Utilities	34,841	832	886
Novo Nordisk AS B	Denmark	Health Care	40,700	1,934	2,770
Nutrien Ltd.	Canada	Materials	81,720	4,892	5,394
Oaktree Capital Group LLC	United States	Financials	13,191	816	856
Occidental Petroleum Corp.	United States	Energy	28,900	2,483	1,701
Open Text Corp.	Canada	Information Technology	87,300	4,014	4,718
Oracle Corp.	United States	Information Technology	21,100	930	1,537
Otsuka Corp.	Japan	Information Technology	29,300	1,307	1,545
Parkland Fuel Corp.	Canada	Energy	39,299	1,499	1,670
Pembina Pipeline Corp.	Canada	Energy	40,223	1,383	1,975
Pernod Ricard SA*	France	Consumer Staples	6,000	799	1,415
Philip Morris International Inc.	United States	Consumer Staples	29,900	2,960	3,005
Power Corp. of Canada Sub. Voting*	Canada	Financials	39,569	1,118	1,208
Power Financial Corp.*	Canada	Financials	30,000	797	922
Pure Multi-Family REIT LP	Canada	Real Estate	66,147	533	668
Restaurant Brands International Inc.	Canada	Consumer Discretionary	21,202	1,853	1,997
RioCan Real Estate Investment Trust	Canada	Real Estate	77,508	1,638	2,045
Roche Holding AG Genusscheine	Switzerland	Health Care	8,400	2,661	3,236
Royal Bank of Canada	Canada	Financials	140,814	9,898	15,132
Sabre Corp.	United States	Information Technology	47,791	1,321	1,417
Safran SA	France	Industrials	21,500	1,970	4,481
Sands China Ltd.	Hong Kong	Consumer Discretionary	289,400	2,032	1,735
SAP AG	Germany	Information Technology	16,300	1,479	2,537
Schlumberger Ltd.	United States	Energy	26,900	1,552	1,217
Shaw Communications Inc. Class B non-voting	Canada	Communication Services	344,351	8,886	8,963
The Sherwin-Williams Co.	United States	Materials	4,900	1,917	3,566
Sika AG	Switzerland	Materials	12,000	2,099	2,324
Sony Corp.	Japan	Consumer Discretionary	26,300	1,712	2,044
Starbucks Corp.	United States	Consumer Discretionary	17,500	1,275	2,048
Sun Life Financial Inc.	Canada	Financials	66,450	3,192	3,936
Suncor Energy Inc.	Canada	Energy	175,624	7,012	7,339
Suzuki Motor Corp.	Japan	Consumer Discretionary	20,700	1,216	1,163
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	147,000	1,355	1,705
TC Energy Corp. Pfd. Series 15	Canada	Energy	34,589	866	876
TC Energy Corp.	Canada	Energy	122,249	6,625	8,386
TELUS Corp.	Canada	Communication Services	150,819	7,031	7,111
Tencent Holdings Ltd.	China	Communication Services	32,000	1,265	1,784
Texas Instruments Inc.	United States	Information Technology	11,200	1,415	1,916
The Toronto-Dominion Bank	Canada	Financials	220,458	9,816	17,029
TransAlta Corp. Pfd. Series A	Canada	Utilities	69,247	918	744
Trulieve Cannabis Corp. Warrants Exp.06-18-2022	United States	Health Care	3,360	—	10



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MACKENZIE INCOME FUND

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BALANCED FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Unilever NV CVA	United Kingdom	Consumer Staples	26,600	1,209	2,117
United Technologies Corp.	United States	Industrials	18,200	2,960	3,289
Vail Resorts Inc.	United States	Consumer Discretionary	6,200	1,965	1,867
Visa Inc. Class A	United States	Information Technology	11,300	938	2,573
Vonovia SE	Germany	Real Estate	18,400	1,203	1,236
Wells Fargo & Co.	United States	Financials	28,700	1,567	1,916
West Fraser Timber Co. Ltd.	Canada	Materials	10,742	684	569
Total equities				270,835	339,789
OPTIONS					
Options purchased (see schedule of options purchased)				1,495	408
Total options				1,495	408
EXCHANGE-TRADED FUNDS/NOTES					
Mackenzie US Investment Grade Corporate Bond Index ETF (CAD-Hedged)	Canada	Exchange-Traded Funds/Notes	143,739	14,299	14,977
Total exchange-traded funds/notes				14,299	14,977
MUTUAL FUNDS					
Mackenzie Global Credit Opportunities Fund Series R	Canada	Mutual Funds	5,287,798	52,811	49,466
Mackenzie Global Tactical Bond Fund Series R	Canada	Mutual Funds	816,435	8,145	7,505
Mackenzie International Dividend Fund Series R	Canada	Mutual Funds	181,836	1,824	2,264
Mackenzie Unconstrained Fixed Income Fund Series R	Canada	Mutual Funds	653,180	6,463	6,457
Total mutual funds				69,243	65,692
Transaction costs				(443)	—
Total investments				1,053,937	1,152,099
Derivative instruments (see schedule of derivative instruments)					706
Cash and cash equivalents					29,071
Other assets less liabilities					3,495
Total net assets					1,185,371

* Related to Mackenzie. See Note 1.



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MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2019	
Effective Portfolio Allocation	% of NAV
Bonds	67.7
<i>Bonds</i>	67.7
<i>Short futures</i>	0.0
<i>Purchased options</i>	0.0
Equities	29.0
Cash and short-term investments	3.0
Other assets (liabilities)	0.3

Effective Regional Allocation	% of NAV
Canada	61.6
United States	23.3
Cash and short-term investments	3.0
Other	2.2
United Kingdom	2.1
Germany	1.3
Switzerland	1.1
Japan	0.8
Netherlands	0.8
France	0.8
Australia	0.6
New Zealand	0.5
China	0.5
Hong Kong	0.4
Luxembourg	0.4
Ireland	0.3
Other assets (liabilities)	0.3

Effective Sector Allocation	% of NAV
Corporate bonds	32.4
Provincial bonds	15.2
Financials	8.5
Federal bonds	7.0
Foreign government bonds	6.5
Term loans	4.4
Other	3.7
Energy	3.6
Cash and short-term investments	3.0
Consumer staples	3.0
Information technology	2.9
Industrials	2.8
Health care	2.3
Communication services	1.5
Materials	1.5
Consumer discretionary	1.4
Other assets (liabilities)	0.3

March 31, 2019	
Effective Portfolio Allocation	% of NAV
Bonds	63.5
<i>Bonds</i>	63.5
<i>Purchased options</i>	0.1
<i>Short futures</i>	(0.1)
Equities	29.4
Cash and short-term investments	7.3
Exchange-traded funds/notes	1.3
Other assets (liabilities)	(1.5)

Effective Regional Allocation	% of NAV
Canada	62.3
United States	19.6
Cash and short-term investments	7.3
Other	3.7
United Kingdom	2.3
Germany	1.0
Switzerland	1.0
Japan	0.9
France	0.8
Netherlands	0.8
Bermuda	0.7
Australia	0.6
New Zealand	0.5
Other assets (liabilities)	(1.5)

Effective Sector Allocation	% of NAV
Corporate bonds	30.9
Provincial bonds	11.3
Federal bonds	10.9
Financials	8.2
Cash and short-term investments	7.3
Term loans	5.6
Other	5.1
Energy	3.9
Consumer staples	3.3
Information technology	2.9
Industrials	2.8
Foreign government bonds	2.4
Health care	2.3
Communication services	1.8
Consumer discretionary	1.4
Materials	1.4
Other assets (liabilities)	(1.5)

The effective allocation shows the portfolio, regional or sector exposure of the Fund calculated by combining its direct and indirect investments.

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2019

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
iShares iBoxx \$ High Yield Corporate Bond ETF	4,312	Put	Nov. 15, 2019	USD 84.00	1,036	155
iShares iBoxx \$ High Yield Corporate Bond ETF	518	Put	Nov. 15, 2019	USD 85.00	103	26
iShares iBoxx \$ High Yield Corporate Bond ETF	518	Put	Jan. 17, 2020	USD 85.00	147	64
iShares iBoxx \$ High Yield Corporate Bond ETF	852	Put	Mar. 20, 2020	USD 85.00	209	163
Total options					1,495	408



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MACKENZIE INCOME FUND

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SCHEDULE OF DERIVATIVE INSTRUMENTS

As at September 30, 2019

Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Gains (\$ 000s)
(266)	10 Year Canadian Government Bond Futures December 2019	Dec. 18, 2019	143.28 CAD	(37,932)	173
(55)	Ultra United States Treasury Bond Futures December 2019	Dec. 19, 2019	196.69 USD	(13,970)	348
Unrealized Gains				(51,902)	521
Total futures contracts				(51,902)	521

*Notional value represents the exposure to the underlying instruments as at September 30, 2019

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
A	59 Canadian dollar	(39) Euro	Oct. 4, 2019	(59)	(57)	2
AA	148 Canadian dollar	(100) Euro	Oct. 25, 2019	(148)	(145)	3
AA	41,257 Canadian dollar	(30,997) U.S. dollar	Oct. 25, 2019	(41,257)	(41,046)	211
A	7,432 Canadian dollar	(8,693) New Zealand dollar	Nov. 6, 2019	(7,432)	(7,213)	219
A	22,841 Canadian dollar	(17,157) U.S. dollar	Nov. 8, 2019	(22,841)	(22,718)	123
AA	15,950 Canadian dollar	(12,035) U.S. dollar	Nov. 15, 2019	(15,950)	(15,934)	16
A	2,144 Canadian dollar	(1,618) U.S. dollar	Nov. 22, 2019	(2,144)	(2,142)	2
AA	29,926 Canadian dollar	(22,560) U.S. dollar	Dec. 13, 2019	(29,926)	(29,854)	72
Unrealized Gains						648
A	5,931 Canadian dollar	(4,500) U.S. dollar	Oct. 4, 2019	(5,931)	(5,957)	(26)
AA	5,929 Canadian dollar	(4,500) U.S. dollar	Oct. 4, 2019	(5,929)	(5,956)	(27)
AA	3,269 Canadian dollar	(2,511) U.S. dollar	Oct. 4, 2019	(3,269)	(3,324)	(55)
A	2,112 Canadian dollar	(1,618) U.S. dollar	Oct. 4, 2019	(2,112)	(2,142)	(30)
A	810 U.S. dollar	(1,075) Canadian dollar	Oct. 4, 2019	1,075	1,072	(3)
A	13,246 Canadian dollar	(10,170) U.S. dollar	Oct. 11, 2019	(13,246)	(13,462)	(216)
A	2,112 Canadian dollar	(1,618) U.S. dollar	Oct. 11, 2019	(2,112)	(2,142)	(30)
AA	125 Euro	(185) Canadian dollar	Oct. 25, 2019	185	181	(4)
AA	3,268 Canadian dollar	(2,511) U.S. dollar	Oct. 25, 2019	(3,268)	(3,325)	(57)
AA	6,720 U.S. dollar	(8,912) Canadian dollar	Oct. 25, 2019	8,912	8,898	(14)
A	145 Canadian dollar	(110) U.S. dollar	Nov. 1, 2019	(145)	(146)	(1)
A	182 U.S. dollar	(241) Canadian dollar	Jan. 10, 2020	241	241	—
Unrealized (Losses)						(463)
Total forward currency contracts						185
Total derivative instruments at fair value						706



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, 2019 and 2018, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2019, 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 organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

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. The Related Insurance Companies are moving to formally amalgamate into one company, The Canada Life Assurance Company, effective January 1, 2020. This amalgamation is subject to a policyholder vote and other regulatory approvals. 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, 2019. 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 12, 2019.

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 and 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 period-end.

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.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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 any unlisted open-ended investment fund 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 derivatives. 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, 2019.

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.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(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.

(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

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

NOTES TO FINANCIAL STATEMENTS

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, 2019 and 2018 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, 2019, grouped by asset type, with geographic and sector information.

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 order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

In order to comply with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold).

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.

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

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.

NOTES TO FINANCIAL STATEMENTS

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

(a) Fund Formation and Series Information

Date of Formation July 12, 1974

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 and Series T8 securities are offered to retail investors investing a minimum of \$500. Investors in Series A and Series T8 securities also want to receive a monthly cash flow of 5% and 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. Investors in Series D securities also want to receive a monthly cash flow of 5% per year.

Series F 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 F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F and Series F8 securities also want to receive a monthly cash flow of 5% 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. Investors in Series FB securities also want to receive a monthly cash flow of 5% per year.

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; investors in a qualified group plan, and certain qualifying employees of Mackenzie and its subsidiaries. Investors in Series O securities also want to receive a monthly cash flow of 5% per year.

Series PW and 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 PW and Series PWT8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series PWF8 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 PWF8 securities also want to receive a monthly cash flow of 5% per year.

Series PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

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 PWX and Series PWX8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

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 G securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017. Investors in Series G securities also want to receive a monthly cash flow of 5% per year.

Series I and Series J securities are no longer available for sale.

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

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 and Series LW securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

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, 2019	Mar. 31, 2019
Series A	July 12, 1974	1.50%	0.21%	1.91	1.89
Series AR	November 27, 2013	1.50%	0.24%	11.19	10.90
Series D	February 10, 2014	1.00%	0.16%	14.14	13.96
Series F	October 22, 2001	0.65% ⁽³⁾	0.15% ⁽⁵⁾	9.98	9.82
Series F8	June 1, 2018	0.65%	0.15%	14.56	14.55
Series FB	October 26, 2015	0.75%	0.21%	10.04	9.89
Series G	April 1, 2005	1.25%	0.21%	7.48	7.39
Series I	October 25, 1999	0.95%	0.21%	2.98	2.94
Series J	March 5, 2012	1.15%	0.20%	8.64	8.53
Series O	October 30, 2002	— ⁽¹⁾	—*	10.36	10.15
Series PW	October 11, 2013	1.15% ⁽⁴⁾	0.15%	13.78	13.61
Series PWF	None issued ⁽⁶⁾	0.75%	0.15%	—	—
Series PWF8	None issued ⁽⁷⁾	0.75%	0.15%	—	—
Series PWF8	April 3, 2017	0.65% ⁽³⁾	0.15%	9.86	9.71
Series PWR	April 1, 2019	1.15%	0.15%	10.27	—
Series PWT8	October 24, 2018	1.15%	0.15%	15.32	15.33
Series PWX	January 3, 2014	— ⁽²⁾	— ⁽²⁾	14.37	14.08
Series PWX8	October 24, 2018	— ⁽²⁾	— ⁽²⁾	15.47	15.39
Series R	December 8, 2008	—*	—*	10.04	9.78
Series S	January 7, 2011	— ⁽¹⁾	0.025%	9.33	9.14
Series T8	October 24, 2018	1.50%	0.21%	15.24	15.30
Series LB	January 23, 2012	1.50%	0.21%	8.14	8.06
Series LW	December 1, 2017	1.15% ⁽⁸⁾	0.15%	14.25	14.15

* 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) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.75%.

(4) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.25%.

(5) Prior to June 1, 2018, the administration fee for Series F was charged to the Fund at a rate of 0.16%.

(6) The series' original start date was December 5, 2013. All securities in the series were consolidated into Series F on June 1, 2018.

(7) The series' original start date was December 23, 2014. All securities in the series were consolidated into Series F8 on June 1, 2018.

(8) Prior to November 23, 2018, the management fee for Series LW was charged to the Fund at a rate of 1.25%.

(b) Investments by Mackenzie and Affiliates

As at September 30, 2019, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$9, \$11,765 and \$69,103 (March 31, 2019 – \$8, \$12,117 and \$46,455), respectively, in the Fund.

MACKENZIE INCOME FUND

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NOTES TO FINANCIAL STATEMENTS

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

(c) Loss Carryforwards

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

(d) Securities Lending

The value of securities loaned and collateral received from securities lending at September 30, 2019 and March 31, 2019, were as follows:

	September 30, 2019	March 31, 2019
	(\$)	(\$)
Value of securities loaned	139,259	105,776
Value of collateral received	146,749	111,421

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, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	98	100.0	96	100.0
Tax withheld	(1)	(1.0)	(4)	(4.2)
	97	99.0	92	95.8
Payments to Securities Lending Agent	(24)	(24.5)	(23)	(24.0)
Securities lending income	73	74.5	69	71.8

(e) Commissions

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

	(\$)
September 30, 2019	26
September 30, 2018	7

(f) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility ("Commitment Amount") during an agreed upon period of time ("Commitment Period"). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee ("Commitment Fee") from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at September 30, 2019, none of the Commitment Amounts were funded (March 31, 2019 – \$Nil). The unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
September 30, 2019	1,000	1	1,000	1.000	March 4, 2020
March 31, 2019	–	–	–	–	–



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

(g) Change in Investment Objective

Following the approval of investors in the Fund, the investment objective of the Fund changed effective July 6, 2018. These changes provide the Fund with additional flexibility to invest in foreign securities.

(h) 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.

	September 30, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	245	—	—	245
Unrealized losses on derivative contracts	(198)	—	854	656
Liability for options written	—	—	—	—
Total	47	—	854	901

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	16	—	—	16
Unrealized losses on derivative contracts	(1,349)	—	2,976	1,627
Liability for options written	—	—	—	—
Total	(1,333)	—	2,976	1,643

(i) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks income while trying to preserve capital by investing primarily in a combination of equities and fixed income securities of issuers anywhere in the world. It may hold up to 40% of its assets in foreign investments. The Fund's asset mix will generally range between 10%–40% equities and 60%–90% fixed income securities, including cash and cash equivalents. Under the prior investment objective, the Fund invested primarily in Canadian fixed income securities.



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NOTES TO FINANCIAL STATEMENTS

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

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

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.

Currency	September 30, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	232,784	12,208	(137,405)	107,587
Euro	34,103	–	(21)	34,082
Swiss franc	12,091	–	–	12,091
Japanese yen	9,336	–	–	9,336
British pound	6,508	–	–	6,508
Hong Kong dollar	6,194	17	–	6,211
Danish krone	2,770	–	–	2,770
Chinese yuan	1,569	238	–	1,807
Taiwanese dollar	1,705	–	–	1,705
Swedish krona	1,472	–	–	1,472
Norwegian krone	1,424	–	–	1,424
Brazilian real	1,335	–	–	1,335
New Zealand dollar	7,287	–	(7,213)	74
Total	318,578	12,463	(144,639)	186,402
% of Net Assets	26.9	1.1	(12.2)	15.8



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NOTES TO FINANCIAL STATEMENTS

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

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

ii. Currency risk (cont'd)

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Brazilian real	1,206	–	–	1,206
Chinese yuan	2,035	1	–	2,036
Danish krone	2,714	–	–	2,714
Euro	30,770	59	(209)	30,620
Hong Kong dollar	5,389	(67)	–	5,322
Japanese yen	9,303	157	–	9,460
New Zealand dollar	8,002	–	(7,911)	91
Norwegian krone	1,235	–	–	1,235
Swedish krona	1,239	–	–	1,239
Swiss franc	11,080	–	–	11,080
Taiwanese dollar	1,432	–	–	1,432
British pound	10,546	–	–	10,546
U.S. dollar	188,114	8,444	(112,858)	83,700
Total	273,065	8,594	(120,978)	160,681
% of Net Assets	24.6	0.8	(10.9)	14.5

* Includes both monetary and non-monetary financial instruments

As at September 30, 2019, 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 \$9,844 or 0.8% of total net assets (March 31, 2019 – \$8,300 or 0.7%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

Term to Maturity	September 30, 2019 (\$)		March 31, 2019 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	1,780	(51,902)	–	(83,494)
1-5 years	176,618	–	136,978	–
5-10 years	313,476	–	255,403	–
Greater than 10 years	239,359	–	256,624	–
Total	731,233	(51,902)	649,005	(83,494)

As at September 30, 2019, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$65,980 or 5.6% (March 31, 2019 – \$54,997 or 5.0%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$66,669 or 5.6% (March 31, 2019 – \$56,103 or 5.1%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

MACKENZIE INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2019

BALANCED FUND

NOTES TO FINANCIAL STATEMENTS

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

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

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities, exchange-traded funds/notes and mutual funds. As at September 30, 2019, 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 \$34,410 or 2.9% (March 31, 2019 – \$32,697 or 2.9%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2019, was 6.9% of the net assets of the Fund (March 31, 2019 – 10.8%).

As at September 30, 2019 and March 31, 2019, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2019	March 31, 2019
	% of Net Assets	% of Net Assets
AAA	9.1	13.2
AA	13.8	8.4
A	21.0	18.0
BBB	14.0	13.5
Less than BBB	3.6	4.7
Unrated	0.2	0.6
Total	61.7	58.4

* Credit ratings and rating categories are based on ratings issued by a designated rating organization

(j) 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, 2019				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	203	731,030	–	731,233	–	649,005	–	649,005
Equities	338,933	856	–	339,789	322,819	–	–	322,819
Options	–	408	–	408	233	417	–	650
Exchange-traded funds/notes	14,977	–	–	14,977	14,153	–	–	14,153
Mutual funds	65,692	–	–	65,692	65,764	–	–	65,764
Derivative assets	521	648	–	1,169	–	217	–	217
Derivative liabilities	–	(463)	–	(463)	(1,183)	(1,154)	–	(2,337)
Short-term investments	–	27,932	–	27,932	–	52,362	–	52,362
Total	420,326	760,411	–	1,180,737	401,786	700,847	–	1,102,633



MACKENZIE
Investments

NOTES TO FINANCIAL STATEMENTS

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

(j) Fair Value Classification (cont'd)

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.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2019, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices). As at September 30, 2019, these securities were classified as Level 1 (March 31, 2019 – Level 1).

For the period ended September 30, 2019, equity positions with a fair value of \$856 (March 31, 2019 – \$Nil) were transferred from Level 1 to Level 2 as a result of changes in the inputs used for valuation.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and 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.

