

Readers are referred to the cautionary notes regarding Forward-Looking Information and Non-IFRS Financial Measures at the end of this release. All figures are expressed in Canadian dollars, except as noted.

### Great-West Lifeco reports fourth quarter 2012 results

*Winnipeg, February 7, 2013 ...* Great-West Lifeco Inc. (Lifeco) has reported operating earnings attributable to common shareholders of \$493 million for the three months ended December 31, 2012, compared to \$500 million in the fourth quarter of 2011. Operating earnings per common share for the current quarter were \$0.520 (\$0.518 diluted) compared to \$0.528 (\$0.523 diluted) for the same period in 2011.

For the twelve months ended December 31, 2012, operating earnings attributable to common shareholders were \$1,955 million compared to \$1,898 million a year ago. Operating earnings per common share for the twelve months 2012 were \$2.059 (\$2.046 diluted) compared to \$2.000 (\$1.984 diluted) for the same period in 2011.

Operating earnings, a non-IFRS measure, exclude the impact of litigation provision adjustments of \$140 million after-tax or \$0.147 per common share in the fourth quarter of 2012 as well as the net impact of litigation provisions which increased net earnings in the fourth quarter of 2011 by \$124 million after-tax or \$0.129 per common share.

Net earnings attributable to common shareholders were \$353 million or \$0.373 per common share (\$0.372 diluted) for the fourth quarter of 2012, compared to \$624 million or \$0.657 per common share (\$0.651 diluted) a year ago. For the twelve months ended December 31, 2012, net earnings attributable to common shareholders were \$1,815 million or \$1.912 per common share (\$1.900 diluted), compared to \$2,022 million or \$2.129 per common share (\$2.112 diluted) a year ago. Net earnings include the impacts of the litigation provisions described above.

#### Highlights

- Consolidated assets under administration at December 31, 2012 grew to nearly \$546 billion, up \$44 billion from December 31, 2011.
- Total Company in quarter premiums and deposits grew by 17% as compared to fourth quarter 2011, reflecting strong sales performance and continued strong persistency.
- Total Company sales grew by 12% from fourth quarter 2011, notably the following:
  - In quarter sales in Canada for Individual Insurance were up 18% and Wealth Management sales were up 18% compared to the fourth quarter of 2011.
  - In quarter sales in United States Great-West Financial Individual Markets were up 23% compared to the fourth quarter of 2011. Sales in Individual Retirement Accounts were up 91% compared to the fourth quarter of 2011, and were up 50% for the full year of 2012 compared to 2011.
  - In quarter sales in U.K. Payout Annuity were up 187% compared to the fourth quarter of 2011, and were up 55% for the full year of 2012 compared to 2011.
  - Putnam's sales increased by US\$1.4 billion to US\$6.8 billion in the fourth quarter of 2012 compared to US\$5.4 billion in the fourth quarter of 2011 reflecting strong institutional sales.
- Return on common shareholders' equity was 15.9% based on operating earnings and 14.7% based on net earnings.

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- The Company's capital position remained very strong. The Great-West Life Assurance Company, reported a Minimum Continuing Capital and Surplus Requirement (MCCSR) ratio of 207% at December 31, 2012.
- The Company declared a quarterly common dividend of \$0.3075 per common share payable March 28, 2013.

## OPERATING RESULTS

Consolidated net earnings for Lifeco comprise the net earnings of The Great-West Life Assurance Company (Great-West Life), Canada Life Financial Corporation (CLFC), London Life Insurance Company (London Life), Great-West Life & Annuity Insurance Company (Great-West Financial), and Putnam Investments, LLC (Putnam), together with Lifeco's corporate results.

### CANADA

Net earnings attributable to common shareholders for the fourth quarter of 2012 were \$263 million compared to \$244 million in the fourth quarter of 2011. For the twelve months ended December 31, 2012, net earnings attributable to common shareholders were \$1,040 million compared to \$986 million for the same period in 2011.

Total premiums and deposits for the twelve months ended December 31, 2012 were \$20.8 billion, compared to \$19.4 billion in 2011. Total sales for the twelve months were \$9.3 billion compared to \$8.9 billion for 2011.

Total assets under administration at December 31, 2012 were \$138 billion, compared to \$129 billion at December 31, 2011.

### UNITED STATES

Net earnings attributable to common shareholders for the fourth quarter of 2012 were \$77 million compared to \$79 million in the fourth quarter of 2011. Great-West Financial reported earnings of \$96 million in the fourth quarter of 2012 compared to \$87 million a year ago. Putnam reported a net loss of \$19 million in the fourth quarter of 2012 compared to a net loss of \$8 million a year ago.

For the twelve months ended December 31, 2012, net earnings attributable to common shareholders were \$325 million compared to \$370 million for the same period in 2011. Great-West Financial reported earnings of \$365 million for the full year 2012 compared to \$355 million a year ago. Putnam reported a net loss of \$40 million for the full year 2012 compared to net earnings of \$15 million a year ago.

Great-West Financial sales in the fourth quarter of 2012 were US\$2.9 billion compared to US\$3.4 billion in 2011. The fourth quarter of 2011 reflected two large plan sales for the public/non-profit market which did not repeat in the fourth quarter of 2012. Sales for the twelve months ended December 31, 2012 were US\$9.7 billion compared to US\$8.7 billion in 2011.

Putnam assets under management at December 31, 2012 were US\$128 billion, up over 9% as compared to US\$117 billion a year ago. Net asset outflows in fourth quarter of 2012 were US\$151 million compared to net outflows of US\$1.8 billion for the same period in 2011. Net asset outflows for the twelve months ended December 31, 2012 were US\$1.8 billion compared to net inflows of US\$183 million a year ago.

Total assets under administration at December 31, 2012 were \$333 billion compared to \$303 billion at December 31, 2011.

## EUROPE

Net earnings attributable to common shareholders for the fourth quarter of 2012 were \$152 million compared to \$181 million in the fourth quarter of 2011. While in quarter net earnings reflect strong UK payout annuity new business margins, favourable investment performance and an additional contribution from the third quarter's large reinsurance transaction, contributions from actuarial liability basis changes were significantly lower than the fourth quarter of 2011. For the twelve months ended December 31, 2012, net earnings attributable to common shareholders were \$618 million compared to \$562 million for the same period in 2011. The 2011 results included catastrophe provisions of \$84 million relating to the earthquake events in Japan and New Zealand.

Total sales for the twelve months ended December 31, 2012 were \$3.7 billion compared to \$4.1 billion in 2011.

Total assets under administration at December 31, 2012 increased to \$75 billion from \$70 billion at December 31, 2011.

## CORPORATE

For the three months ended December 31, 2012, Lifeco Corporate had a net loss of \$139 million compared to net earnings of \$120 million in the fourth quarter of 2011. Included in Lifeco Corporate net earnings were litigation provisions of \$140 million in 2012 and net litigation provision releases of \$124 million in 2011. Fourth quarter 2012 results include a decrease in reserves for uncertain tax positions which positively impacted net earnings by \$20 million, partly offset by the impact of mark-to-market losses related to a macro balance sheet credit hedge of \$8 million.

For the twelve months ended December 31, 2012, Lifeco Corporate had a net loss of \$168 million compared to net earnings of \$104 million for the same period in 2011 largely due to the change in litigation provisions noted above.

## QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.3075 per share on the common shares of the Company payable March 28, 2013 to shareholders of record at the close of business February 28, 2013.

For purposes of the Income Tax Act (Canada), and any similar provincial legislation, the dividends referred to above are eligible dividends.

In addition, the Directors approved quarterly dividends on:

- Series F First Preferred Shares of \$0.36875 per share;
- Series G First Preferred Shares of \$0.3250 per share;
- Series H First Preferred Shares of \$0.30313 per share;
- Series I First Preferred Shares of \$0.28125 per share;
- Series J First Preferred Shares of \$0.3750 per share;
- Series L First Preferred Shares of \$0.353125 per share;
- Series M First Preferred Shares of \$0.36250 per share;
- Series N First Preferred Shares of \$0.228125 per share;
- Series P First Preferred Shares of \$0.33750 per share;
- Series Q First Preferred Shares of \$0.321875 per share; and
- Series R First Preferred Shares of \$0.3000 per share

all payable March 28, 2013 to shareholders of record at the close of business February 28, 2013.

## GREAT-WEST LIFECO

Great-West Lifeco Inc. (TSX:GWO) is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Great-West Lifeco has operations in Canada, the United States, Europe and Asia through The Great-West Life Assurance Company, London Life Insurance Company, The Canada Life Assurance Company, Great-West Life & Annuity Insurance Company and Putnam Investments, LLC. Great-West Lifeco and its companies have \$546 billion in assets under administration and are members of the Power Financial Corporation group of companies.

### *Cautionary note regarding Forward-Looking Information*

This release contains some forward-looking statements about the Company, including its business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar expressions or negative versions thereof. In addition, any statement that may be made concerning future financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future action by the Company including statements made by the Company with respect to the expected benefits of acquisitions or divestitures are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates and taxes, as well as general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, changes in accounting policies and the effect of applying future accounting policy changes required under IFRS, unexpected judicial or regulatory proceedings, catastrophic events, and the Company's ability to complete strategic transactions and integrate acquisitions. The reader is cautioned that the foregoing list of important factors is not exhaustive, and there may be other factors, including factors set out under “Risk Management and Control Practices” in the Company's Annual Management's Discussion and Analysis and any listed in other filings with securities regulators, which are available for review at [www.sedar.com](http://www.sedar.com). The reader is also cautioned to consider these and other factors carefully and to not place undue reliance on forward-looking statements. Other than as specifically required by applicable law, the Company has no intention to update any forward-looking statements whether as a result of new information, future events or otherwise.

### *Cautionary note regarding Non-IFRS Financial Measures*

This release contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include but are not limited to “operating earnings”, “constant currency basis”, “premiums and deposits”, “sales”, and other similar expressions. Non-IFRS financial measures are used to provide management and investors with additional measures of performance. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Please refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

*Further information*

Selected financial information is attached.

Great-West Lifeco's fourth quarter conference call and audio webcast will be held Thursday, February 7, 2013 at 3:30 pm (ET). The call and webcast can be accessed through [www.greatwestlifeco.com](http://www.greatwestlifeco.com) or by phone at:

- Participants in the Toronto area: 416-340-8527
- Participants from North America: 1-877-240-9772
- Participants from Overseas: Dial international access code first, then 800-2787-2090

A replay of the call will be available from February 7 to 14, 2013, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 8898149#). The archived webcast will be available on [www.greatwestlifeco.com](http://www.greatwestlifeco.com) from February 8, 2013 until February 7, 2014.

Additional information relating to Lifeco, including the 2012 audited consolidated financial statements, Management's Discussion and Analysis (MD&A), Annual Information Form (AIF), and CEO/CFO certification will be filed on SEDAR at [www.sedar.com](http://www.sedar.com).

For more information contact:

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# GREAT-WEST LIFECO<sub>INC.</sub>

## FINANCIAL HIGHLIGHTS *(unaudited)* *(in Canadian \$ millions except per share amounts)*

	As at or for the three months ended			For the twelve months ended	
	December 31 2012	September 30 2012	December 31 2011	December 31 2012	December 31 2011
Premiums and deposits:					
Life insurance, guaranteed annuities and insured health products	\$ 4,827	\$ 4,940	\$ 4,334	\$ 18,820	\$ 17,293
Self-funded premium equivalents (Administrative services only contracts)	677	631	651	2,666	2,645
Segregated funds deposits:					
Individual products	2,072	1,490	1,829	6,557	7,345
Group products	2,216	1,681	1,777	7,262	6,117
Proprietary mutual funds and institutional deposits	6,880	6,779	5,624	24,496	28,888
Total premiums and deposits	<u>16,672</u>	<u>15,521</u>	<u>14,215</u>	<u>59,801</u>	<u>62,288</u>
Fee and other income	767	720	740	2,945	2,903
Paid or credited to policyholders	5,122	6,607	6,340	22,451	23,043
Operating earnings - common shareholders	493	520	500	1,955	1,898
Net earnings - common shareholders	353	520	624	1,815	2,022
<b>Per common share</b>					
Operating earnings	\$ 0.520	\$ 0.547	\$ 0.528	\$ 2.059	\$ 2.000
Basic earnings	0.373	0.547	0.657	1.912	2.129
Dividends paid	0.3075	0.3075	0.3075	1.2300	1.2300
Book value	13.18	13.01	12.61		
<b>Return on common shareholders' equity (trailing four quarters*):</b>					
Operating earnings	15.9%	16.1%	16.6%		
Net earnings	14.7%	17.1%	17.6%		
Total assets	\$ 253,718	\$ 249,043	\$ 238,768		
Proprietary mutual funds and institutional net assets	134,598	131,604	125,390		
Total assets under management	388,316	380,647	364,158		
Other assets under administration	157,455	151,604	137,807		
Total assets under administration	<u>\$ 545,771</u>	<u>\$ 532,251</u>	<u>\$ 501,965</u>		
Total equity	<u>\$ 17,586</u>	<u>\$ 17,004</u>	<u>\$ 16,104</u>		

The Company uses operating earnings, a non-International Financial Reporting Standards financial measure, which excludes the impact of certain litigation provisions described in note 30 the Company's December 31, 2012 consolidated financial statements.

\*Return on common shareholders' equity is the trailing four quarter calculation of net earnings divided by common shareholders' equity.

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**LIFECO** INC.

**CONSOLIDATED STATEMENTS OF EARNINGS** *(unaudited)*

*(in Canadian \$ millions except per share amounts)*

	For the three months ended December 31		For the years ended December 31	
	2012	2011	2012	2011
<b>Income</b>				
Premium income				
Gross premiums written	\$ 5,763	\$ 5,033	\$ 21,839	\$ 20,013
Ceded premiums	(936)	(699)	(3,019)	(2,720)
Total net premiums	<u>4,827</u>	<u>4,334</u>	<u>18,820</u>	<u>17,293</u>
Net investment income				
Regular net investment income	1,361	1,365	5,653	5,538
Changes in fair value through profit or loss	182	1,564	2,643	4,164
Total net investment income	<u>1,543</u>	<u>2,929</u>	<u>8,296</u>	<u>9,702</u>
Fee and other income	767	740	2,945	2,903
	<u>7,137</u>	<u>8,003</u>	<u>30,061</u>	<u>29,898</u>
<b>Benefits and expenses</b>				
Policyholder benefits				
Insurance and investment contracts				
Gross	4,377	4,174	17,431	16,591
Ceded	(399)	(284)	(1,457)	(1,217)
Total net policyholder benefits	<u>3,978</u>	<u>3,890</u>	<u>15,974</u>	<u>15,374</u>
Policyholder dividends and experience refunds	292	309	1,437	1,424
Change in insurance and investment contract liabilities	852	2,141	5,040	6,245
Total paid or credited to policyholders	<u>5,122</u>	<u>6,340</u>	<u>22,451</u>	<u>23,043</u>
Commissions	515	409	1,781	1,548
Operating and administrative expenses	642	142	2,572	1,950
Premium taxes	75	76	293	264
Financing charges	71	73	285	289
Amortization of finite life intangible assets	24	28	103	100
<b>Earnings before income taxes</b>	<u>688</u>	<u>935</u>	<u>2,576</u>	<u>2,704</u>
Income taxes	98	181	368	465
<b>Net earnings before non-controlling interests</b>	<u>590</u>	<u>754</u>	<u>2,208</u>	<u>2,239</u>
Attributable to non-controlling interests	205	106	278	121
<b>Net earnings</b>	<u>385</u>	<u>648</u>	<u>1,930</u>	<u>2,118</u>
Preferred share dividends	32	24	115	96
<b>Net earnings - common shareholders</b>	<u>\$ 353</u>	<u>\$ 624</u>	<u>\$ 1,815</u>	<u>\$ 2,022</u>
<b>Earnings per common share</b>				
Basic	<u>\$ 0.373</u>	<u>\$ 0.657</u>	<u>\$ 1.912</u>	<u>\$ 2.129</u>
Diluted	<u>\$ 0.372</u>	<u>\$ 0.651</u>	<u>\$ 1.900</u>	<u>\$ 2.112</u>

**CONSOLIDATED BALANCE SHEETS** (unaudited)  
(in Canadian \$ millions)

	December 31	
	2012	2011
<b>Assets</b>		
Cash and cash equivalents	\$ 1,895	\$ 2,056
Bonds	82,536	78,073
Mortgage loans	17,875	17,432
Stocks	7,098	6,704
Investment properties	3,525	3,201
Loans to policyholders	7,082	7,162
	<u>120,011</u>	<u>114,628</u>
Funds held by ceding insurers	10,537	9,923
Goodwill	5,397	5,401
Intangible assets	3,115	3,154
Derivative financial instruments	997	968
Owner occupied properties	514	491
Fixed assets	154	137
Reinsurance assets	2,064	2,061
Other assets	4,893	4,283
Deferred tax assets	1,088	1,140
Investments on account of segregated fund policyholders	104,948	96,582
	<u>104,948</u>	<u>96,582</u>
<b>Total assets</b>	<u>\$ 253,718</u>	<u>\$ 238,768</u>
<b>Liabilities</b>		
Insurance contract liabilities	\$ 119,919	\$ 114,730
Investment contract liabilities	739	782
Debentures and other debt instruments	4,283	4,313
Funds held under reinsurance contracts	335	169
Derivative financial instruments	342	316
Other liabilities	4,579	4,287
Deferred tax liabilities	868	929
Repurchase agreements	-	23
Capital trust securities	119	533
Investment and insurance contracts on account of segregated fund policyholders	104,948	96,582
	<u>104,948</u>	<u>96,582</u>
<b>Total liabilities</b>	<u>236,132</u>	<u>222,664</u>
<b>Equity</b>		
Non-controlling interests		
Participating account surplus in subsidiaries	2,505	2,227
Non-controlling interests in subsidiaries	5	3
Shareholders' equity		
Share capital		
Preferred shares	2,544	1,894
Common shares	5,848	5,828
Accumulated surplus	6,954	6,327
Accumulated other comprehensive loss	(330)	(233)
Contributed surplus	60	58
	<u>17,586</u>	<u>16,104</u>
<b>Total equity</b>	<u>17,586</u>	<u>16,104</u>
<b>Total liabilities and equity</b>	<u>\$ 253,718</u>	<u>\$ 238,768</u>



**Segmented Information** *(unaudited)*

**Consolidated Net Earnings**

The major reportable segments of the Company are Canada, United States, Europe and Lifeco Corporate. These segments reflect the Company's management structure and internal financial reporting and are aligned to its geographic operations. Each of these segments operates in the financial services industry and the revenues from these segments are derived principally from life, health and disability insurance, annuity products, investment management services, savings products and life, property and casualty, accident and health reinsurance. Business activities that are not associated with the specific business units are attributed to the Lifeco Corporate segment.

Transactions between operating segments occur at market terms and conditions and have been eliminated upon consolidation.

The Company has established a capital allocation model to better measure the performance of the operating segments. This segmented information is presented below.

**For the three months ended December 31, 2012**

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income:</b>					
Premium income	\$ 2,468	\$ 984	\$ 1,375	\$ -	\$ 4,827
Net investment income					
Regular net investment income	603	326	441	(9)	1,361
Changes in fair value through profit or loss	(97)	34	245	-	182
Total net investment income	506	360	686	(9)	1,543
Fee and other income	283	314	170	-	767
<b>Total income</b>	<b>3,257</b>	<b>1,658</b>	<b>2,231</b>	<b>(9)</b>	<b>7,137</b>
<b>Benefits and expenses:</b>					
Paid or credited to policyholders	2,171	1,163	1,788	-	5,122
Other	502	368	219	143	1,232
Financing charges	32	34	4	1	71
Amortization of finite life intangible assets	12	10	2	-	24
<b>Earnings before income taxes</b>	<b>540</b>	<b>83</b>	<b>218</b>	<b>(153)</b>	<b>688</b>
Income taxes	69	(1)	52	(22)	98
<b>Net earnings before non-controlling interests</b>	<b>471</b>	<b>84</b>	<b>166</b>	<b>(131)</b>	<b>590</b>
Non-controlling interests	206	4	(5)	-	205
<b>Net earnings</b>	<b>265</b>	<b>80</b>	<b>171</b>	<b>(131)</b>	<b>385</b>
Preferred share dividends	21	-	5	6	32
<b>Net earnings before capital allocation</b>	<b>244</b>	<b>80</b>	<b>166</b>	<b>(137)</b>	<b>353</b>
Impact of capital allocation	19	(3)	(14)	(2)	-
<b>Net earnings - common shareholders</b>	<b>\$ 263</b>	<b>\$ 77</b>	<b>\$ 152</b>	<b>\$ (139)</b>	<b>\$ 353</b>

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For the three months ended December 31, 2011

	Canada	United States	Europe	Lifeco Corporate	Total
Income:					
Premium income	\$ 2,424	\$ 820	\$ 1,090	\$ -	\$ 4,334
Net investment income					
Regular net investment income	701	331	479	(146)	1,365
Changes in fair value through profit or loss	778	(7)	793	-	1,564
Total net investment income	1,479	324	1,272	(146)	2,929
Fee and other income	266	304	170	-	740
Total income	4,169	1,448	2,532	(146)	8,003
Benefits and expenses:					
Paid or credited to policyholders	3,255	956	2,129	-	6,340
Other	415	343	157	(288)	627
Financing charges	34	34	4	1	73
Amortization of finite life intangible assets	10	12	6	-	28
Earnings before income taxes	455	103	236	141	935
Income taxes	114	23	26	18	181
Net earnings before non-controlling interests	341	80	210	123	754
Non-controlling interests	99	(1)	8	-	106
Net earnings	242	81	202	123	648
Preferred share dividends	18	-	6	-	24
Net earnings before capital allocation	224	81	196	123	624
Impact of capital allocation	20	(2)	(15)	(3)	-
Net earnings - common shareholders	\$ 244	\$ 79	\$ 181	\$ 120	\$ 624

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For the twelve months ended December 31, 2012

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income:</b>					
Premium income	\$ 9,581	\$ 3,390	\$ 5,849	\$ -	\$ 18,820
Net investment income					
Regular net investment income	2,542	1,309	1,814	(12)	5,653
Changes in fair value through profit or loss	658	476	1,509	-	2,643
Total net investment income	3,200	1,785	3,323	(12)	8,296
Fee and other income	1,101	1,226	618	-	2,945
<b>Total income</b>	<b>13,882</b>	<b>6,401</b>	<b>9,790</b>	<b>(12)</b>	<b>30,061</b>
<b>Benefits and expenses:</b>					
Paid or credited to policyholders	9,770	4,437	8,244	-	22,451
Other	2,414	1,371	701	160	4,646
Financing charges	131	135	18	1	285
Amortization of finite life intangible assets	45	48	10	-	103
<b>Earnings before income taxes</b>	<b>1,522</b>	<b>410</b>	<b>817</b>	<b>(173)</b>	<b>2,576</b>
Income taxes	212	68	115	(27)	368
<b>Net earnings before non-controlling interests</b>	<b>1,310</b>	<b>342</b>	<b>702</b>	<b>(146)</b>	<b>2,208</b>
Non-controlling interests	269	3	6	-	278
<b>Net earnings</b>	<b>1,041</b>	<b>339</b>	<b>696</b>	<b>(146)</b>	<b>1,930</b>
Preferred share dividends	79	-	22	14	115
<b>Net earnings before capital allocation</b>	<b>962</b>	<b>339</b>	<b>674</b>	<b>(160)</b>	<b>1,815</b>
Impact of capital allocation	78	(14)	(56)	(8)	-
<b>Net earnings - common shareholders</b>	<b>\$ 1,040</b>	<b>\$ 325</b>	<b>\$ 618</b>	<b>\$ (168)</b>	<b>\$ 1,815</b>

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For the twelve months ended December 31, 2011

	Canada	United States	Europe	Lifeco Corporate	Total
Income:					
Premium income	\$ 9,285	\$ 3,126	\$ 4,882	\$ -	\$ 17,293
Net investment income					
Regular net investment income	2,470	1,311	1,891	(134)	5,538
Changes in fair value through profit or loss	1,853	454	1,857	-	4,164
Total net investment income	4,323	1,765	3,748	(134)	9,702
Fee and other income	1,088	1,232	583	-	2,903
Total income	14,696	6,123	9,213	(134)	29,898
Benefits and expenses:					
Paid or credited to policyholders	10,971	4,229	7,843	-	23,043
Other	2,207	1,240	586	(271)	3,762
Financing charges	136	134	18	1	289
Amortization of finite life intangible assets	41	46	13	-	100
Earnings before income taxes	1,341	474	753	136	2,704
Income taxes	252	98	96	19	465
Net earnings before non-controlling interests	1,089	376	657	117	2,239
Non-controlling interests	108	(1)	14	-	121
Net earnings	981	377	643	117	2,118
Preferred share dividends	73	-	23	-	96
Net earnings before capital allocation	908	377	620	117	2,022
Impact of capital allocation	78	(7)	(58)	(13)	-
Net earnings - common shareholders	\$ 986	\$ 370	\$ 562	\$ 104	\$ 2,022