

UPDATED AT 1:00 pm CT

Page 6 has been updated to reflect updated passcode for the fourth quarter conference call replay.

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 2014 results and increases dividend by 6%

Winnipeg, February 12, 2015 ... Great-West Lifeco Inc. (Lifeco) has reported net earnings attributable to common shareholders of \$657 million or \$0.658 per common share for the three months ended December 31, 2014 compared to \$717 million or \$0.717 per common share a year ago. In the fourth quarter of 2013, net earnings included a litigation recovery of \$226 million after-tax or \$0.226 per common share. Excluding the litigation recovery in 2013, the year-over-year growth in net earnings was 34%.

For the twelve months ended December 31, 2014, Lifeco's net earnings attributable to common shareholders were \$2,546 million or \$2.549 per common share, compared to \$2,278 million or \$2.340 per common share a year ago. Excluding the litigation recovery in 2013, the year-over-year growth in net earnings was 24%.

Total assets under administration grew to approximately \$1.1 trillion at December 31, 2014, up 40% from December 31, 2013. This includes \$207 billion of assets under administration related to the J.P. Morgan Retirement Plan Services large-market recordkeeping business, which was acquired in the third quarter of 2014, and reflects strong organic growth in all geographies.

Highlights

- The Company declared a quarterly common dividend of \$0.3260 per common share payable March 31, 2015, a 6% increase from the previous quarter.
- Total Company premiums and deposits in the fourth quarter of 2014 of \$24.0 billion were up 4% from the same quarter in 2013:
 - Canada premium and deposits were \$5.9 billion, up over 9%, primarily driven by a 16% increase in Wealth Management premiums and deposits.
 - Europe premiums and deposits were \$5.3 billion, down 21%, primarily as a result of lower Ireland fund management sales and lower U.K. payout annuity sales.
 - Great-West Financial premiums and deposits were US\$2.0 billion, down 6% compared to the fourth quarter of 2013. Individual Market segment sales increased 15%, offset by a decrease in Retirement Services sales due to a large public/non-profit plan sale in the fourth quarter of 2013 that did not recur.
- Lifeco sales during the quarter were \$21.6 billion, down 1% from a year ago, as strong results in Canada and Putnam were offset by lower sales in Europe and Great-West Financial.
 - Putnam gross sales were US\$9.2 billion, up 12% compared to the fourth quarter of 2013, driven by growth in both mutual funds and institutional products.

RELEASE

- The Irish Life Group Limited (Irish Life) continued to generate strong earnings contributing \$70 million to Lifeco's Q4 2014 earnings. Year-to-date Irish Life contributed \$261 million to Lifeco's full year 2014 results, reflecting strong investment performance and growth in underlying core earnings.

...2/

- Significant elements of the Irish Life integration were completed in 2014 and annualized synergies of €40.8 million have now been achieved. Lifeco expects to exceed the original €40 million synergy target by at least 10%. While focused on integration, Irish Life exceeded sales targets and increased their market share.
- Lifeco launched a new brand, Empower Retirement, following the acquisition of J.P. Morgan Retirement Plan Services (RPS) large-market recordkeeping business and its plan to consolidate RPS with the retirement services businesses of Great-West Financial and Putnam.
- The Company maintained a strong ROE of 15.7% based on net earnings.
- The Company's capital position remained very strong. The Great-West Life Assurance Company reported a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of 224% at December 31, 2014.

OPERATING RESULTS

Consolidated net earnings of Lifeco include the net earnings of The Great-West Life Assurance Company (Great-West Life) and its operating subsidiaries London Life Insurance Company (London Life) and The Canada Life Assurance Company (Canada Life); Great-West Life & Annuity Insurance Company (Great-West Financial) and Putnam Investments, LLC (Putnam), together with Lifeco's Corporate operating results.

CANADA

The Canada segment of Lifeco includes the operating results of the Canadian businesses operated by Great-West Life, London Life and Canada Life, together with an allocation of a portion of Lifeco's corporate results. The three primary business units included in this segment are Individual Insurance, Wealth Management and Group Insurance. The Company provides accumulation, annuity, life, disability and critical illness insurance products to individual and group clients.

Net earnings attributable to common shareholders for the fourth quarter of 2014 were \$300 million, up 11% compared to \$270 million in the fourth quarter of 2013. For the twelve months ended December 31, 2014, net earnings attributable to common shareholders were \$1,228 million, up 7% compared to \$1,148 million for the same period in 2013.

Total sales in the fourth quarter of 2014 were \$3.3 billion, an increase of 16% compared to \$2.9 billion in the fourth quarter of 2013. The increase was primarily driven by a 19% increase in Wealth Management sales, partially offset by lower Individual life insurance sales. Total sales for the twelve months ended December 31, 2014 were \$12.2 billion compared to \$10.8 billion in 2013.

Total Canada segment assets under administration at December 31, 2014 were \$161 billion, compared to \$149 billion at December 31, 2013.

UNITED STATES

The United States operating results for Lifeco include the results of Great-West Financial, Putnam and the insurance businesses in the United States branches of Great-West Life and Canada Life, together with an allocation of a portion of Lifeco's corporate results.

Great-West Financial provides an array of financial security products, including employer-sponsored defined contribution plans, administrative and recordkeeping services, fund management and investment and advisory services. It also provides individual retirement accounts, life insurance and annuity products and executive

benefits products. Putnam provides investment management, certain administrative functions, distribution and retirement services through a broad range of investment products.

During the fourth quarter of 2014, as part of the acquisition of J.P. Morgan Retirement Plan Services large-market recordkeeping business completed on August 29, 2014, a new combined brand - Empower Retirement - was launched to consolidate and support the retirement services businesses of Great-West Financial, the acquired J.P. Morgan Retirement Plan Services and Putnam. Effective January 1, 2015, these retirement services businesses have merged, creating the second largest recordkeeping provider in the U.S. with 7.1 million participant accounts.

Net earnings attributable to common shareholders for the fourth quarter of 2014 were \$89 million compared to \$56 million in the fourth quarter of 2013. Great-West Financial reported net earnings of \$93 million in the fourth quarter compared to \$81 million for the same quarter last year. Putnam reported a net loss of \$1 million in the fourth quarter compared to a net loss of \$25 million a year ago. For the twelve months ended December 31, 2014 net earnings attributable to common shareholders were \$306 million compared to \$276 million in 2013.

Great-West Financial sales in the fourth quarter of 2014 were US\$4.0 billion, down from US\$5.3 billion in the fourth quarter of 2013. Lower Retirement Services sales in 2014, as a result of a large public/non-profit plan sale in the prior year that was not repeated in current quarter, were partially offset by an increase in sales in Individual Markets. Sales for the twelve months ended December 31, 2014 were US\$15.3 billion compared to US\$12.5 billion in 2013, a 22% increase.

Putnam assets under management as at December 31, 2014 were US\$158 billion compared to US\$150 billion a year ago, an increase of 5%. Net asset outflows for the fourth quarter of 2014 were US\$1.2 billion compared to net asset inflows of US\$0.3 billion for the same quarter in 2013. Mutual funds net inflows of \$0.7 billion were offset by institutional net outflows of US\$1.9 billion. In January 2015, Jeffrey L. Gould became the Head of Putnam Global Institutional Management business. As a deeply experienced, highly regarded industry leader, Mr. Gould is expected to benefit Putnam's presence and impact in the institutional asset management market going forward.

Putnam net asset inflows for the twelve months ended December 31, 2014 were US\$1.3 billion compared to net inflows of US\$0.7 billion in the prior year, driven by an improvement in mutual fund inflows of US\$2.2 billion.

Total United States segment assets under administration at December 31, 2014 were \$697 billion compared to \$422 billion at December 31, 2013.

EUROPE

The Europe segment comprises two distinct business units: Insurance & Annuities and Reinsurance, together with an allocation of Lifeco's corporate results. Insurance & Annuities provides protection and wealth management products including payout annuities, through subsidiaries of Canada Life in the U.K., Isle of Man and Germany, and through Irish Life in Ireland. Reinsurance operates primarily in the U.S., Barbados and Ireland, and is conducted through Canada Life, London Life and their subsidiaries.

Net earnings attributable to common shareholders for the fourth quarter of 2014 were \$274 million compared to \$202 million in the fourth quarter of 2013. Restructuring costs related to the integration of Irish Life were \$6 million in-quarter, compared to \$23 million in the fourth quarter of 2013. For the twelve months ended December 31, 2014 net earnings attributable to common shareholders were \$1,038 million compared to \$701

million for the same period in 2013. On a year-to-date basis, net earnings in 2014 include \$25 million of restructuring costs related to the integration of Irish Life, compared to \$97 million of acquisition and restructuring costs for the same period in 2013. The 2014 year-to-date results include twelve months of Irish Life results while 2013 year-to-date results include Irish Life results from the date of acquisition, July 18, 2013 (approximately six months).

Insurance & Annuities sales for the fourth quarter of 2014 were \$3.2 billion, compared to \$4.8 billion a year ago, a decrease of 34%, primarily driven by lower wealth and investment fund management sales and by a 72% reduction in U.K. payout annuity sales resulting from changes announced in the 2014 U.K. Budget. Total sales for the twelve months ended December 31, 2014 were \$12.4 billion, up 25%, compared to \$9.9 billion in 2013.

Total Europe segment assets under administration at December 31, 2014 were \$205 billion, up from \$188 billion at December 31, 2013.

LIFECO CORPORATE

The Lifeco Corporate segment includes operating results for activities of Lifeco that are not associated with the major business units of the Company.

Lifeco Corporate segment net losses attributable to common shareholders were \$6 million in the fourth quarter of 2014 compared to net earnings of \$189 million in the fourth quarter of 2013. In the fourth quarter of 2013, Lifeco Corporate segment net earnings included a litigation recovery of \$226 million.

For the twelve months ended December 31, 2014 Lifeco Corporate segment net losses attributable to common shareholders were \$26 million compared to net earnings of \$153 million in 2013, including the 2013 litigation recovery noted above.

QUARTERLY DIVIDENDS

At its meeting, the Board of Directors approved a quarterly dividend of \$0.3260 per share on the common shares of the Company payable March 31, 2015 to shareholders of record at the close of business March 3, 2015.

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 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 \$0.3375 per share;
- Series Q First Preferred Shares of \$0.321875 per share;
- Series R First Preferred Shares of \$0.3000 per share; and
- Series S First Preferred Shares of \$0.328125 per share

all payable March 31, 2015 to shareholders of record at the close of business March 3, 2015.

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

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 Great-West Life, London Life, Canada Life, Irish Life, Great-West Financial and Putnam Investments. Great-West Lifeco and its companies have \$1.1 trillion 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 actions by the Company, including statements made with respect to the expected benefits of acquisitions and divestitures, are also forward-looking statements. Forward-looking statements are based on expectations and projections about future events that were current at the time of the statements 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. Material factors and assumptions that were applied in formulating the forward-looking information contained herein include the assumption that the business and economic conditions affecting the Company’s operations will continue substantially in their current state, including, without limitation, with respect to market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, taxes, inflation, information systems, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, continuity and availability of personnel and third party service providers, the Company’s ability to complete strategic transactions and integrate acquisitions and that there will be no unplanned material changes to the Company’s facilities, customer and employee relations or credit arrangements. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance that they will prove to be correct. Other important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking statements include technological change, investment values, payments required under investment products, reinsurance, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings and catastrophic events. The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out in this MD&A under “Risk Management and Control Practices” and “Summary of Critical Accounting Estimates”, which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, the Company does not intend 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 to help assess results where no comparable IFRS measure exists. 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 February 12, 2015 at 4:00 p.m. (ET). The call and webcast can be accessed through www.greatwestlifeco.com or by phone at:

UPDATED

- Participants in the Toronto area: 416-340-8061 or 416-340-2216
- Participants from North America: 1-866-225-0198 or 1-800-355-4959
- Participants from Overseas: Dial international access code first, then 800-6578-9898

A replay of the call will be available from February 13, 2015, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (**UPDATED: passcode: 9293505#**). The archived webcast will be available on www.greatwestlifeco.com from February 13, 2015 until February 11, 2016.

Additional information relating to Lifeco, including the 2014 audited consolidated financial statements, MD&A, Annual Information Form (AIF), and CEO/CFO certification will be filed on SEDAR at www.sedar.com.

For more information contact:

Marlene Klassen, APR
Assistant Vice-President, Communication Services
204-946-7705

FINANCIAL HIGHLIGHTS *(unaudited)*

(in Canadian \$ millions, except for per share amounts)

	As at or for the three months ended			For the twelve months ended	
	Dec. 31 2014	Sept. 30 2014	Dec. 31 2013	Dec. 31 2014	Dec. 31 2013
Premiums and deposits:					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 5,501	\$ 4,690	\$ 5,850	\$ 21,222	\$ 20,236
Policyholder deposits (segregated funds):					
Individual products	3,185	2,865	2,757	11,826	8,308
Group products	1,955	1,824	1,809	9,083	7,553
Premiums and deposits	10,641	9,379	10,416	42,131	36,097
Self-funded premium equivalents (Administrative services only contracts) ⁽¹⁾	654	633	649	2,603	2,567
Proprietary mutual funds & institutional deposits ⁽¹⁾⁽²⁾	12,729	10,690	11,968	45,306	38,046
Total premiums and deposits	24,024	20,702	23,033	90,040	76,710
Fee and other income	1,161	1,092	1,001	4,422	3,585
Paid or credited to policyholders⁽³⁾	8,125	5,966	5,647	29,160	17,811
Earnings					
Operating earnings - common shareholders ⁽⁴⁾	657	687	491	2,546	2,052
Net earnings - common shareholders	657	687	717	2,546	2,278
Per common share					
Operating earnings ⁽⁴⁾	\$ 0.658	\$ 0.687	\$ 0.491	\$ 2.549	\$ 2.108
Basic earnings	0.658	0.687	0.717	2.549	2.340
Dividends paid	0.3075	0.3075	0.3075	1.230	1.230
Book value ⁽⁶⁾	16.80	16.36	15.16		
Return on common shareholders' equity⁽⁵⁾⁽⁶⁾					
Operating earnings	15.7%	15.1%	15.2%		
Net earnings	15.7%	16.5%	16.8%		
Total assets⁽⁶⁾	\$ 356,709	\$ 349,041	\$ 325,876		
Proprietary mutual funds and institutional net assets ⁽⁷⁾	216,271	207,451	185,243		
Total assets under management⁽⁶⁾⁽⁷⁾	572,980	556,492	511,119		
Other assets under administration ⁽⁸⁾	490,353	465,264	247,139		
Total assets under administration⁽⁶⁾	\$ 1,063,333	\$ 1,021,756	\$ 758,258		
Total equity⁽⁶⁾	\$ 21,897	\$ 21,448	\$ 19,830		

⁽¹⁾ In addition to premiums and deposits per the financial statements, the Company includes premium equivalents on self-funded group insurance administrative services only (ASO) contracts and deposits on proprietary mutual funds and institutional accounts to calculate total premiums and deposits (a non-IFRS financial measure). This measure provides useful information as it is an indicator of top line growth.

⁽²⁾ Comparative figures for premiums and deposits (a non-IFRS financial measure) have been restated for consistency.

⁽³⁾ Paid or credited to policyholders includes the impact of changes in fair values of assets supporting insurance and investment contract liabilities.

⁽⁴⁾ Operating earnings (a non-IFRS financial measure) excludes the impact of certain litigation provisions described in note 32 to the Company's December 31, 2014 annual consolidated financial statements.

⁽⁵⁾ Return on shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's December 31, 2014 Management's Discussion and Analysis.

⁽⁶⁾ Comparative figures have been restated as described in note 35 to the Company's December 31, 2014 annual consolidated financial statements.

⁽⁷⁾ Total assets under management (a non-IFRS financial measure) provides an indicator of the size and volume of the overall business of the Company. Services provided in respect of assets under management include the selection of investments, the provision of investment advice and discretionary portfolio management on behalf of clients. This includes internally and externally managed funds where the Company has oversight over the investment policies.

⁽⁸⁾ Other assets under administration (a non-IFRS financial measure) include assets where the Company only provides administration services for which the Company earns fee and other income. These assets are beneficially owned by clients and the Company does not direct the investing activities. Services provided relating to assets under administration include recordkeeping, safekeeping, collecting investment income, settling of transactions or other administrative services. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volumes, size and trends.

GREAT-WEST 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	
	2014	2013	2014	2013
Income				
Premium income				
Gross premiums written	\$ 6,402	\$ 6,739	\$ 24,686	\$ 23,441
Ceded premiums	(901)	(889)	(3,464)	(3,205)
Total net premiums	<u>5,501</u>	<u>5,850</u>	<u>21,222</u>	<u>20,236</u>
Net investment income				
Regular net investment income	1,516	1,430	6,010	5,604
Changes in fair value through profit or loss	2,545	(225)	7,527	(2,979)
Total net investment income	<u>4,061</u>	<u>1,205</u>	<u>13,537</u>	<u>2,625</u>
Fee and other income	1,161	1,001	4,422	3,585
	<u>10,723</u>	<u>8,056</u>	<u>39,181</u>	<u>26,446</u>
Benefits and expenses				
Policyholder benefits				
Insurance and investment contracts				
Gross	5,335	4,835	19,363	18,464
Ceded	(513)	(597)	(1,928)	(1,744)
Total net policyholder benefits	<u>4,822</u>	<u>4,238</u>	<u>17,435</u>	<u>16,720</u>
Policyholder dividends and experience refunds	369	312	1,496	1,371
Changes in insurance and investment contract liabilities	2,934	1,097	10,229	(280)
Total paid or credited to policyholders	<u>8,125</u>	<u>5,647</u>	<u>29,160</u>	<u>17,811</u>
Commissions	514	531	2,084	1,869
Operating and administrative expenses	1,005	929	3,741	3,159
Premium taxes	86	83	339	313
Financing charges	77	76	304	292
Amortization of finite life intangible assets	34	33	132	117
Restructuring and acquisition expenses	7	27	32	104
Earnings before income taxes	<u>875</u>	<u>730</u>	<u>3,389</u>	<u>2,781</u>
Income taxes	164	128	628	463
Net earnings before non-controlling interests	<u>711</u>	<u>602</u>	<u>2,761</u>	<u>2,318</u>
Attributable to non-controlling interests	23	(148)	93	(90)
Net earnings	<u>688</u>	<u>750</u>	<u>2,668</u>	<u>2,408</u>
Preferred share dividends	31	33	122	130
Net earnings - common shareholders	<u>\$ 657</u>	<u>\$ 717</u>	<u>\$ 2,546</u>	<u>\$ 2,278</u>
Earnings per common share				
Basic	<u>\$ 0.658</u>	<u>\$ 0.717</u>	<u>\$ 2.549</u>	<u>\$ 2.340</u>
Diluted	<u>\$ 0.657</u>	<u>\$ 0.716</u>	<u>\$ 2.546</u>	<u>\$ 2.297</u>

GREAT-WEST LIFECO INC.

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

	December 31	
	2014	2013 ⁽¹⁾
Assets		
Cash and cash equivalents	\$ 2,498	\$ 2,791
Bonds	103,168	89,914
Mortgage loans	20,546	19,063
Stocks	7,820	8,554
Investment properties	4,613	4,288
Loans to policyholders	7,711	7,332
	<u>146,356</u>	<u>131,942</u>
Funds held by ceding insurers	12,154	10,832
Goodwill	5,855	5,812
Intangible assets	3,625	3,456
Derivative financial instruments	652	593
Owner occupied properties	619	590
Fixed assets	228	211
Reinsurance assets	5,151	5,070
Premiums in course of collection, accounts and interest receivable	3,056	3,068
Other assets	2,368	2,220
Current income taxes	48	165
Deferred tax assets	1,631	1,138
Investments on account of segregated fund policyholders	174,966	160,779
Total assets	<u><u>\$ 356,709</u></u>	<u><u>\$ 325,876</u></u>
Liabilities		
Insurance contract liabilities	\$ 145,198	\$ 131,174
Investment contract liabilities	857	889
Debentures and other debt instruments	5,355	5,740
Funds held under reinsurance contracts	313	270
Derivative financial instruments	1,195	744
Accounts payable	1,480	1,583
Other liabilities	3,099	2,807
Current income taxes	737	981
Deferred tax liabilities	1,450	916
Capital trust debentures	162	163
Investment and insurance contracts on account of segregated fund policyholders	174,966	160,779
Total liabilities	<u>334,812</u>	<u>306,046</u>
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	2,480	2,354
Non-controlling interests in subsidiaries	163	8
Shareholders' equity		
Share capital		
Preferred shares	2,514	2,314
Common shares	7,102	7,112
Accumulated surplus	9,134	7,899
Accumulated other comprehensive income	378	86
Contributed surplus	126	57
Total equity	<u>21,897</u>	<u>19,830</u>
Total liabilities and equity	<u><u>\$ 356,709</u></u>	<u><u>\$ 325,876</u></u>

⁽¹⁾ Comparative figures have been restated as described in note 35 to the Company's December 31, 2014 annual consolidated financial statements.

GREAT-WEST
LIFECO INC.

Segmented Information *(unaudited)*

Consolidated Net Earnings

For the three months ended December 31, 2014

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 2,839	\$ 855	\$ 1,807	\$ —	\$ 5,501
Net investment income					
Regular net investment income	638	371	507	—	1,516
Changes in fair value through profit or loss	695	217	1,633	—	2,545
Total net investment income	1,333	588	2,140	—	4,061
Fee and other income	349	522	290	—	1,161
	<u>4,521</u>	<u>1,965</u>	<u>4,237</u>	<u>—</u>	<u>10,723</u>
Benefits and expenses					
Paid or credited to policyholders	3,327	1,229	3,569	—	8,125
Other	747	556	298	4	1,605
Financing charges	28	35	13	1	77
Amortization of finite life intangible assets	14	15	5	—	34
Restructuring and acquisition expenses	—	—	7	—	7
Earnings (loss) before income taxes	<u>405</u>	<u>130</u>	<u>345</u>	<u>(5)</u>	<u>875</u>
Income taxes	83	35	48	(2)	164
Net earnings (loss) before non-controlling interests	<u>322</u>	<u>95</u>	<u>297</u>	<u>(3)</u>	<u>711</u>
Non-controlling interests	24	2	(3)	—	23
Net earnings (loss)	<u>298</u>	<u>93</u>	<u>300</u>	<u>(3)</u>	<u>688</u>
Preferred share dividends	23	—	6	2	31
Net earnings (loss) before capital allocation	<u>275</u>	<u>93</u>	<u>294</u>	<u>(5)</u>	<u>657</u>
Impact of capital allocation	25	(4)	(20)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 300</u>	<u>\$ 89</u>	<u>\$ 274</u>	<u>\$ (6)</u>	<u>\$ 657</u>

* Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST LIFECO^{INC.}

For the three months ended December 31, 2013

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 2,682	\$ 924	\$ 2,244	\$ —	\$ 5,850
Net investment income					
Regular net investment income	637	302	527	(36)	1,430
Changes in fair value through profit or loss	224	(117)	(332)	—	(225)
Total net investment income	861	185	195	(36)	1,205
Fee and other income	330	395	276	—	1,001
	<u>3,873</u>	<u>1,504</u>	<u>2,715</u>	<u>(36)</u>	<u>8,056</u>
Benefits and expenses					
Paid or credited to policyholders	2,629	927	2,091	—	5,647
Other *	980	454	330	(221)	1,543
Financing charges	29	34	8	5	76
Amortization of finite life intangible assets	13	13	7	—	33
Restructuring and acquisition expenses	—	—	27	—	27
Earnings before income taxes	222	76	252	180	730
Income taxes	95	14	30	(11)	128
Net earnings before non-controlling interests	127	62	222	191	602
Non-controlling interests	(146)	2	(4)	—	(148)
Net earnings	273	60	226	191	750
Preferred share dividends	27	—	6	—	33
Net earnings before capital allocation	246	60	220	191	717
Impact of capital allocation	24	(4)	(18)	(2)	—
Net earnings - common shareholders	<u>\$ 270</u>	<u>\$ 56</u>	<u>\$ 202</u>	<u>\$ 189</u>	<u>\$ 717</u>

* Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST
LIFECO INC.

For the twelve months ended December 31, 2014

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 10,883	\$ 3,527	\$ 6,812	\$ —	\$ 21,222
Net investment income					
Regular net investment income	2,548	1,420	2,045	(3)	6,010
Changes in fair value through profit or loss	2,588	784	4,155	—	7,527
Total net investment income	5,136	2,204	6,200	(3)	13,537
Fee and other income	1,409	1,820	1,193	—	4,422
	17,428	7,551	14,205	(3)	39,181
Benefits and expenses					
Paid or credited to policyholders	12,676	4,901	11,583	—	29,160
Other*	2,916	1,994	1,237	17	6,164
Financing charges	115	140	48	1	304
Amortization of finite life intangible assets	55	57	20	—	132
Restructuring and acquisition expenses	—	3	29	—	32
Earnings (loss) before income taxes	1,666	456	1,288	(21)	3,389
Income taxes	355	128	150	(5)	628
Net earnings (loss) before non-controlling interests	1,311	328	1,138	(16)	2,761
Non-controlling interests	88	6	(1)	—	93
Net earnings (loss)	1,223	322	1,139	(16)	2,668
Preferred share dividends	93	—	23	6	122
Net earnings (loss) before capital allocation	1,130	322	1,116	(22)	2,546
Impact of capital allocation	98	(16)	(78)	(4)	—
Net earnings (loss) - common shareholders	\$ 1,228	\$ 306	\$ 1,038	\$ (26)	\$ 2,546

* Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST LIFECO^{INC.}

For the twelve months ended December 31, 2013

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 10,182	\$ 3,180	\$ 6,874	\$ —	\$ 20,236
Net investment income					
Regular net investment income	2,514	1,311	1,819	(40)	5,604
Changes in fair value through profit or loss	(1,125)	(706)	(1,148)	—	(2,979)
Total net investment income	1,389	605	671	(40)	2,625
Fee and other income	1,276	1,446	863	—	3,585
	<u>12,847</u>	<u>5,231</u>	<u>8,408</u>	<u>(40)</u>	<u>26,446</u>
Benefits and expenses					
Paid or credited to policyholders	8,345	3,067	6,399	—	17,811
Other*	2,983	1,616	944	(202)	5,341
Financing charges	115	137	23	17	292
Amortization of finite life intangible assets	50	51	16	—	117
Restructuring and acquisition expenses	—	—	104	—	104
Earnings before income taxes	1,354	360	922	145	2,781
Income taxes	291	62	129	(19)	463
Net earnings before non-controlling interests	1,063	298	793	164	2,318
Non-controlling interests	(93)	7	(4)	—	(90)
Net earnings	1,156	291	797	164	2,408
Preferred share dividends	107	—	23	—	130
Net earnings before capital allocation	1,049	291	774	164	2,278
Impact of capital allocation	99	(15)	(73)	(11)	—
Net earnings - common shareholders	<u>\$ 1,148</u>	<u>\$ 276</u>	<u>\$ 701</u>	<u>\$ 153</u>	<u>\$ 2,278</u>

* Includes commissions, operating and administrative expenses and premium taxes.