

TSX:GWO

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 third quarter 2016 results

*Winnipeg, November 3, 2016* ... Great-West Lifeco Inc. (Lifeco or the Company) has reported net earnings attributable to common shareholders (net earnings) of \$674 million or \$0.682 per common share for the three months ended September 30, 2016 compared to \$720 million or \$0.724 per common share for the same period in 2015.

For the nine months ended September 30, 2016, net earnings were \$1,965 million, compared to \$2,079 million for the same period in 2015. This represents \$1.982 per common share for the nine months ended September 30, 2016, compared to \$2.086 per common share for the same period in 2015.

Consolidated assets under administration at September 30, 2016 were over \$1.2 trillion, an increase of \$16.0 billion from December 31, 2015.

#### *Highlights – In Quarter*

- Lifeco premiums and deposits in the third quarter of 2016 of \$29.3 billion were comparable to the same quarter in 2015:
  - Canada premiums and deposits were \$6.1 billion, up 7%, primarily due to strong Individual Insurance and Single Premium Group Annuity sales.
  - Europe premiums and deposits were \$8.3 billion, down 16%, primarily due to a \$3.5 billion sale to an institutional client in the third quarter of 2015. Excluding this impact, premiums and deposits increased \$2.0 billion primarily due to an increase in premiums from reinsurance agreements, higher fund management sales in Ireland and higher payout annuity sales in the U.K.
  - Great-West Financial premiums and deposits were US\$2.7 billion, up 3%, primarily as a result of higher premiums due to sales from the executive benefits line of business. Empower Retirement sales were down in the third quarter compared to 2015 driven by lower very large plan sales.
  - Putnam gross sales were US\$8.7 billion, up 11% overall. Institutional sales increased 36% as the pipeline continues to remain strong, while mutual fund sales decreased 11%, reflective of the decline in industry segments where Putnam operates.
- Lifeco's capital position remained very strong. The Great-West Life Assurance Company reported a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of 227% at September 30, 2016.
- Lifeco reported a ROE of 13.8%.
- Lifeco declared a quarterly common dividend of \$0.3460 per common share payable December 30, 2016.
- Lifeco completed its previously announced Irish health insurance acquisitions and will operate its new business under the Irish Life Health brand. The Company has set annual cost savings targets of €16 million pre-tax to be achieved through operating efficiencies from the combination of the businesses. Integration activities, with an expected cost of €16 million pre-tax, are anticipated to be completed in the next 18 to 24 months.

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## 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), The Canada Life Assurance Company (Canada Life) and Irish Life Group Limited (Irish Life); Great-West Life & Annuity Insurance Company (Great-West Financial) and Putnam Investments, LLC (Putnam), together with Lifeco's Corporate operating results. For reporting purposes, the consolidated operating results are grouped into four reportable segments – Canada, United States, Europe and Lifeco Corporate – reflecting geographic lines as well as the management and corporate structure of the companies.

### CANADA

Net earnings attributable to common shareholders for the third quarter of 2016 were \$289 million compared to \$326 million in the third quarter of 2015. For the nine months ended September 30, 2016, net earnings attributable to common shareholders were \$892 million compared to \$933 million for the same period in 2015.

Total sales in the third quarter of 2016 of \$3.1 billion increased from \$2.9 billion in the third quarter of 2015, reflecting higher Participating Life and Universal Life product sales as well as very strong Single Premium Group Annuity sales. Total sales for the nine months ended September 30, 2016 of \$9.1 billion were comparable to the same period in 2015.

Total Canada segment assets under administration at September 30, 2016 were \$174 billion compared to \$166 billion at December 31, 2015.

### UNITED STATES

Net earnings attributable to common shareholders for the third quarter of 2016 were \$78 million, reflecting Great-West Financial net earnings of \$84 million and a net loss of \$6 million for Putnam, compared to net earnings of \$96 million in the third quarter of 2015. For the nine months ended September 30, 2016, net earnings attributable to common shareholders were \$194 million compared to \$284 million for the same period in 2015.

Great-West Financial sales in the third quarter of 2016 were US\$8.9 billion, down from US\$11.9 billion in the third quarter of 2015, primarily due to lower Empower Retirement very large plan sales. Sales for the nine months ended September 30, 2016 were US\$33.9 billion, up from US\$27.7 billion in 2015.

Putnam assets under management at September 30, 2016 were US\$153.8 billion compared to US\$146.6 billion at September 30, 2015, an increase of 5%, primarily due to the cumulative impact of positive markets and net asset inflows from the institutional business. Net asset inflows for the third quarter of 2016 were US\$0.5 billion compared to US\$0.1 billion for the same quarter in 2015, as in-quarter institutional net asset inflows of US\$2.1 billion were partially offset by mutual fund net asset outflows of US\$1.6 billion.

Total United States segment assets under administration at September 30, 2016 were \$818 billion compared to \$808 billion at December 31, 2015.

### EUROPE

Market uncertainty and volatility continues following the U.K.'s June 23, 2016 vote to leave the European Union, most notably resulting in a weaker British pound. The Company remains committed to its operations in the U.K. which are strong and are primarily domestic businesses with well-diversified investment portfolios. Customer needs for insurance, wealth and annuity products remain as before and the Company is well placed to continue to serve these customers.

Net earnings attributable to common shareholders for the third quarter of 2016 were \$313 million, up from \$296 million in the third quarter of 2015. While the Company's U.K. domestic businesses continue to perform well, net earnings were negatively impacted by \$45 million as a result of a decrease in the exchange rate of the British pound to the Canadian dollar compared to the same quarter last year. For the nine months ended September 30, 2016, net earnings attributable to common shareholders were \$893 million up from \$871 million for the same period in 2015.

Insurance & Annuities sales for the third quarter of 2016 were \$4.6 billion, down from \$7.7 billion in the third quarter of 2015, primarily due to the \$3.5 billion sale to an institutional client in the third quarter of 2015. Excluding this item, sales increased \$0.4 billion primarily due to higher fund management sales in Ireland and payout annuity sales in the U.K., partially offset by the impact of currency movement driven by the weakening of the British pound compared to the Canadian dollar. Sales for the nine months ended September 30, 2016 were \$14.8 billion compared to \$15.6 billion for the same period in 2015.

Total Europe segment assets under administration at September 30, 2016 were \$237 billion compared to \$238 billion at December 31, 2015.

#### LIFECO CORPORATE

Lifeco Corporate segment's net loss attributable to common shareholders was \$6 million in the third quarter of 2016 compared to net earnings of \$2 million in the third quarter of 2015. For the nine months ended September 30, 2016, the net loss was \$14 million compared to a net loss of \$9 million for the same period in 2015.

#### QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.3460 per share on the common shares of Lifeco payable December 30, 2016 to shareholders of record at the close of business December 2, 2016.

In addition, the Directors approved quarterly dividends on Lifeco's preferred shares, as follows:

<b>First Preferred Shares</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Amount, per share</b>
Series F	December 2, 2016	December 30, 2016	\$0.36875
Series G	December 2, 2016	December 30, 2016	\$0.3250
Series H	December 2, 2016	December 30, 2016	\$0.30313
Series I	December 2, 2016	December 30, 2016	\$0.28125
Series L	December 2, 2016	December 30, 2016	\$0.353125
Series M	December 2, 2016	December 30, 2016	\$0.3625
Series N	December 2, 2016	December 30, 2016	\$0.1360
Series O	December 2, 2016	December 30, 2016	\$0.114180
Series P	December 2, 2016	December 30, 2016	\$0.3375
Series Q	December 2, 2016	December 30, 2016	\$0.321875
Series R	December 2, 2016	December 30, 2016	\$0.3000
Series S	December 2, 2016	December 30, 2016	\$0.328125

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. Lifeco has operations in Canada, the United States, Europe and Asia through Great-West Life, London Life, Canada Life, Irish Life Group Limited, Great-West Financial and Putnam Investments. Lifeco and its companies have over \$1.2 trillion in consolidated assets under administration and are members of the Power Financial Corporation group of companies. To learn more, visit [www.greatwestlifeco.com](http://www.greatwestlifeco.com).

Basis of presentation

The consolidated financial statements of Lifeco have been prepared in accordance with International Financial Reporting Standards (IFRS) and are the basis for the figures presented in this release, unless otherwise noted.

Cautionary note regarding Forward-Looking Information

This release may contain forward-looking statements. 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 other similar expressions or negative versions thereof. These statements may include, without limitation, statements about Lifeco's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by Lifeco, including statements made with respect to the expected benefits of acquisitions and divestitures. Forward-looking statements are based on expectations, forecasts, predictions, projections and conclusions 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 Lifeco, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and the reader is cautioned that 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 Lifeco's operations will continue substantially in their current state, including, without limitation, with respect to customer behaviour, Lifeco's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, reinsurance arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets, business competition and other general economic, political and market factors in North America and internationally. Many of these assumptions are based on factors and events that are not within the control of Lifeco 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 customer responses to new products, impairments of goodwill and other intangible assets, Lifeco's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber attacks), payments required under investment products, 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, catastrophic events, continuity and availability of personnel and third party service providers, Lifeco's ability to complete strategic transactions and integrate acquisitions and unplanned material changes to Lifeco's facilities, customer and employee relations or credit arrangements. 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 Lifeco's 2015 Annual 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](http://www.sedar.com). The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, Lifeco 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", "assets under management", "assets under administration" 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. Refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

Further information

Selected financial information is attached.

Lifeco's third quarter conference call and audio webcast will be held November 3, 2016 at 3:30 p.m. (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: 416-340-2216
- Participants from North America: 1-866-223-7781
- For International participants: Look up the dial-in information for your location here:  
<https://www.confsolutions.ca/ILT/?lang=E&oss=1P49R8662237781>

A replay of the call will be available from November 3, 2016 to November 10, 2016, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 6396358#). The archived webcast will be available on [www.greatwestlifeco.com](http://www.greatwestlifeco.com) from November 3, 2016 to November 2, 2017.

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

For more information:

**Media Contact:**

Marlene Klassen, APR

204-946-7705

Email: [marlene.klassen@gwl.ca](mailto:marlene.klassen@gwl.ca)

**Investor Relations Contact:**

Wendi Thiessen

204-946-7452

Email: [wendi.thiessen@gwl.ca](mailto:wendi.thiessen@gwl.ca)

# GREAT-WEST LIFECO INC.

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

	As at or for the three months ended			For the nine months ended	
	September 30 2016	June 30 2016	September 30 2015	September 30 2016	September 30 2015
<b>Premiums and deposits:</b>					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 8,334	\$ 6,871	\$ 5,891	\$ 22,220	\$ 18,339
Policyholder deposits (segregated funds):					
Individual products	3,211	3,213	3,157	10,113	9,169
Group products	1,875	1,858	2,738	5,971	6,608
Self-funded premium equivalents (Administrative services only contracts) <sup>(1)</sup>	655	707	639	2,060	1,960
Proprietary mutual funds and institutional deposits <sup>(1)</sup>	15,187	15,522	16,807	47,063	40,777
<b>Total premiums and deposits<sup>(1)</sup></b>	<b>29,262</b>	<b>28,171</b>	<b>29,232</b>	<b>87,427</b>	<b>76,853</b>
<b>Fee and other income</b>	<b>1,271</b>	<b>1,231</b>	<b>1,241</b>	<b>3,756</b>	<b>3,725</b>
<b>Paid or credited to policyholders<sup>(2)</sup></b>	<b>10,589</b>	<b>10,035</b>	<b>5,833</b>	<b>30,302</b>	<b>17,310</b>
<b>Earnings</b>					
Net earnings - common shareholders	\$ 674	\$ 671	\$ 720	\$ 1,965	\$ 2,079
<b>Per common share</b>					
Basic earnings	0.682	0.675	0.724	1.982	2.086
Dividends paid	0.346	0.346	0.326	1.038	0.978
Book value	19.18	19.02	19.38		
<b>Return on common shareholders' equity<sup>(3)</sup></b>					
Net earnings	13.8%	14.0%	15.2%		
<b>Total assets</b>	<b>\$ 401,489</b>	<b>\$ 390,251</b>	<b>\$ 389,935</b>		
Proprietary mutual funds and institutional net assets <sup>(4)</sup>	256,544	243,688	239,050		
<b>Total assets under management<sup>(4)</sup></b>	<b>658,033</b>	<b>633,939</b>	<b>628,985</b>		
Other assets under administration <sup>(5)</sup>	570,475	549,878	524,813		
<b>Total assets under administration</b>	<b>\$ 1,228,508</b>	<b>\$ 1,183,817</b>	<b>\$ 1,153,798</b>		
<b>Total equity</b>	<b>\$ 24,256</b>	<b>\$ 24,201</b>	<b>\$ 24,534</b>		

<sup>(1)</sup> In addition to premiums and deposits reported in 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.

<sup>(2)</sup> Paid or credited to policyholders includes the impact of changes in fair values of assets supporting insurance contract liabilities.

<sup>(3)</sup> Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's September 30, 2016 Management's Discussion and Analysis.

<sup>(4)</sup> 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.

<sup>(5)</sup> Other assets under administration (a non-IFRS financial measure) includes 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 includes 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			For the nine months ended	
	September 30	June 30	September 30	September 30	September 30
	2016	2016	2015	2016	2015
<b>Income</b>					
Premium income					
Gross premiums written	\$ 9,301	\$ 7,834	\$ 6,796	\$ 25,061	\$ 21,012
Ceded premiums	(967)	(963)	(905)	(2,841)	(2,673)
Total net premiums	8,334	6,871	5,891	22,220	18,339
Net investment income					
Regular net investment income	1,496	1,576	1,546	4,745	4,601
Changes in fair value through profit or loss	2,307	3,129	(82)	7,846	(1,166)
Total net investment income	3,803	4,705	1,464	12,591	3,435
Fee and other income	1,271	1,231	1,241	3,756	3,725
	13,408	12,807	8,596	38,567	25,499
<b>Benefits and expenses</b>					
Policyholder benefits					
Gross	7,452	6,143	5,726	20,237	16,493
Ceded	(545)	(501)	(481)	(1,518)	(1,454)
Total net policyholder benefits	6,907	5,642	5,245	18,719	15,039
Policyholder dividends and experience refunds	404	381	401	1,154	1,156
Changes in insurance and investment contract liabilities	3,278	4,012	187	10,429	1,115
Total paid or credited to policyholders	10,589	10,035	5,833	30,302	17,310
Commissions	584	599	565	1,749	1,634
Operating and administrative expenses	1,180	1,161	1,132	3,549	3,291
Premium taxes	109	98	83	299	247
Financing charges	74	75	78	227	230
Amortization of finite life intangible assets	43	44	36	133	109
Restructuring and acquisition expenses	19	5	7	28	28
<b>Earnings before income taxes</b>	810	790	862	2,280	2,650
Income taxes	108	76	84	208	394
<b>Net earnings before non-controlling interests</b>	702	714	778	2,072	2,256
Attributable to non-controlling interests	(3)	13	26	15	82
<b>Net earnings</b>	705	701	752	2,057	2,174
Preferred share dividends	31	30	32	92	95
<b>Net earnings - common shareholders</b>	\$ 674	\$ 671	\$ 720	\$ 1,965	\$ 2,079
<b>Earnings per common share</b>					
Basic	\$ 0.682	\$ 0.675	\$ 0.724	\$ 1.982	\$ 2.086
Diluted	\$ 0.681	\$ 0.674	\$ 0.722	\$ 1.979	\$ 2.081

# GREAT-WEST LIFECO INC.

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

	September 30 2016	December 31 2015 <sup>(1)</sup>
<b>Assets</b>		
Cash and cash equivalents	\$ 3,060	\$ 2,813
Bonds	117,732	114,943
Mortgage loans	21,788	22,021
Stocks	8,847	7,873
Investment properties	4,448	5,237
Loans to policyholders	8,372	8,694
	<u>164,247</u>	<u>161,581</u>
Funds held by ceding insurers	12,558	15,512
Goodwill	6,022	5,913
Intangible assets	3,887	4,036
Derivative financial instruments	625	461
Owner occupied properties	633	653
Fixed assets	312	298
Other assets	2,481	2,643
Premiums in course of collection, accounts and interest receivable	4,313	3,553
Reinsurance assets	5,304	5,131
Current income taxes	113	69
Deferred tax assets	1,832	1,891
Investments on account of segregated fund policyholders	199,162	198,194
<b>Total assets</b>	<u>\$ 401,489</u>	<u>\$ 399,935</u>
<b>Liabilities</b>		
Insurance contract liabilities	\$ 159,609	\$ 158,492
Investment contract liabilities	2,091	2,253
Debentures and other debt instruments	5,126	5,395
Capital trust securities	161	161
Funds held under reinsurance contracts	338	356
Derivative financial instruments	2,078	2,624
Accounts payable	2,525	1,755
Other liabilities	4,110	3,367
Current income taxes	550	492
Deferred tax liabilities	1,483	1,586
Investment and insurance contracts on account of segregated fund policyholders	199,162	198,194
<b>Total liabilities</b>	<u>377,233</u>	<u>374,675</u>
<b>Equity</b>		
Non-controlling interests		
Participating account surplus in subsidiaries	2,630	2,626
Non-controlling interests in subsidiaries	195	195
Shareholders' equity		
Share capital		
Preferred shares	2,514	2,514
Common shares	7,120	7,156
Accumulated surplus	11,140	10,416
Accumulated other comprehensive income	519	2,218
Contributed surplus	138	135
<b>Total equity</b>	<u>24,256</u>	<u>25,260</u>
<b>Total liabilities and equity</b>	<u>\$ 401,489</u>	<u>\$ 399,935</u>

<sup>(1)</sup> Certain comparative figures have been reclassified or adjusted as described in note 16 to the Company's September 30, 2016 condensed consolidated interim unaudited financial statements.



**Segmented Information** *(unaudited)*

**Consolidated Net Earnings**

For the three months ended September 30, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 3,117	\$ 1,493	\$ 3,724	\$ —	\$ 8,334
Net investment income					
Regular net investment income	631	427	438	—	1,496
Changes in fair value through profit or loss	579	93	1,635	—	2,307
Total net investment income	1,210	520	2,073	—	3,803
Fee and other income	377	566	328	—	1,271
	<b>4,704</b>	<b>2,579</b>	<b>6,125</b>	<b>—</b>	<b>13,408</b>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	3,485	1,776	5,328	—	10,589
Other <sup>(1)</sup>	839	656	374	4	1,873
Financing charges	31	34	11	(2)	74
Amortization of finite life intangible assets	16	19	8	—	43
Restructuring and acquisition expenses	—	4	15	—	19
<b>Earnings (loss) before income taxes</b>	<b>333</b>	<b>90</b>	<b>389</b>	<b>(2)</b>	<b>810</b>
Income taxes	45	10	51	2	108
<b>Net earnings (loss) before non-controlling interests</b>	<b>288</b>	<b>80</b>	<b>338</b>	<b>(4)</b>	<b>702</b>
Non-controlling interests	(3)	—	—	—	(3)
<b>Net earnings (loss)</b>	<b>291</b>	<b>80</b>	<b>338</b>	<b>(4)</b>	<b>705</b>
Preferred share dividends	26	—	5	—	31
<b>Net earnings (loss) before capital allocation</b>	<b>265</b>	<b>80</b>	<b>333</b>	<b>(4)</b>	<b>674</b>
Impact of capital allocation	24	(2)	(20)	(2)	—
<b>Net earnings (loss) - common shareholders</b>	<b>\$ 289</b>	<b>\$ 78</b>	<b>\$ 313</b>	<b>\$ (6)</b>	<b>\$ 674</b>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

# GREAT-WEST LIFECO INC.

Segmented Information (unaudited) - Consolidated Net Earnings (cont'd)

For the three months ended September 30, 2015

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 2,774	\$ 1,076	\$ 2,041	\$ —	\$ 5,891
Net investment income					
Regular net investment income	599	420	523	4	1,546
Changes in fair value through profit or loss	(546)	122	342	—	(82)
Total net investment income	53	542	865	4	1,464
Fee and other income	366	591	284	—	1,241
	<u>3,193</u>	<u>2,209</u>	<u>3,190</u>	<u>4</u>	<u>8,596</u>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	1,967	1,390	2,476	—	5,833
Other <sup>(1)</sup>	786	641	349	4	1,780
Financing charges	29	36	13	—	78
Amortization of finite life intangible assets	14	17	5	—	36
Restructuring and acquisition expenses	—	4	3	—	7
Earnings before income taxes	397	121	344	—	862
Income taxes (recovery)	45	19	24	(4)	84
Net earnings before non-controlling interests	352	102	320	4	778
Non-controlling interests	22	4	—	—	26
Net earnings	330	98	320	4	752
Preferred share dividends	26	—	6	—	32
Net earnings before capital allocation	304	98	314	4	720
Impact of capital allocation	22	(2)	(18)	(2)	—
Net earnings - common shareholders	<u>\$ 326</u>	<u>\$ 96</u>	<u>\$ 296</u>	<u>\$ 2</u>	<u>\$ 720</u>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

# GREAT-WEST LIFECO INC.

Segmented Information (unaudited) - Consolidated Net Earnings (cont'd)

For the nine months ended September 30, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 8,874	\$ 4,140	\$ 9,206	\$ —	\$ 22,220
Net investment income					
Regular net investment income	2,032	1,301	1,408	4	4,745
Changes in fair value through profit or loss	2,056	1,100	4,690	—	7,846
Total net investment income	4,088	2,401	6,098	4	12,591
Fee and other income	1,108	1,692	956	—	3,756
	<b>14,070</b>	<b>8,233</b>	<b>16,260</b>	<b>4</b>	<b>38,567</b>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	10,418	5,884	14,000	—	30,302
Other <sup>(1)</sup>	2,489	1,987	1,107	14	5,597
Financing charges	86	106	34	1	227
Amortization of finite life intangible assets	49	61	23	—	133
Restructuring and acquisition expenses	—	11	17	—	28
<b>Earnings (loss) before income taxes</b>	<b>1,028</b>	<b>184</b>	<b>1,079</b>	<b>(11)</b>	<b>2,280</b>
Income taxes (recovery)	119	(18)	110	(3)	208
<b>Net earnings (loss) before non-controlling interests</b>	<b>909</b>	<b>202</b>	<b>969</b>	<b>(8)</b>	<b>2,072</b>
Non-controlling interests	13	2	—	—	15
<b>Net earnings (loss)</b>	<b>896</b>	<b>200</b>	<b>969</b>	<b>(8)</b>	<b>2,057</b>
Preferred share dividends	78	—	14	—	92
<b>Net earnings (loss) before capital allocation</b>	<b>818</b>	<b>200</b>	<b>955</b>	<b>(8)</b>	<b>1,965</b>
Impact of capital allocation	74	(6)	(62)	(6)	—
<b>Net earnings (loss) - common shareholders</b>	<b>\$ 892</b>	<b>\$ 194</b>	<b>\$ 893</b>	<b>\$ (14)</b>	<b>\$ 1,965</b>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

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

*Segmented Information (unaudited) - Consolidated Net Earnings (cont'd)*

For the nine months ended September 30, 2015

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 8,280	\$ 2,710	\$ 7,349	\$ —	\$ 18,339
<b>Net investment income</b>					
Regular net investment income	1,858	1,205	1,534	4	4,601
Changes in fair value through profit or loss	(351)	(212)	(603)	—	(1,166)
Total net investment income	1,507	993	931	4	3,435
Fee and other income	1,090	1,741	894	—	3,725
	<u>10,877</u>	<u>5,444</u>	<u>9,174</u>	<u>4</u>	<u>25,499</u>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	7,192	3,054	7,064	—	17,310
Other <sup>(1)</sup>	2,324	1,841	995	12	5,172
Financing charges	87	107	35	1	230
Amortization of finite life intangible assets	43	52	14	—	109
Restructuring and acquisition expenses	—	8	20	—	28
Earnings (loss) before income taxes	1,231	382	1,046	(9)	2,650
Income taxes (recovery)	215	85	100	(6)	394
Net earnings (loss) before non-controlling interests	1,016	297	946	(3)	2,256
Non-controlling interests	71	8	3	—	82
Net earnings (loss)	945	289	943	(3)	2,174
Preferred share dividends	78	—	17	—	95
Net earnings (loss) before capital allocation	867	289	926	(3)	2,079
Impact of capital allocation	66	(5)	(55)	(6)	—
Net earnings (loss) - common shareholders	<u>\$ 933</u>	<u>\$ 284</u>	<u>\$ 871</u>	<u>\$ (9)</u>	<u>\$ 2,079</u>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.