

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 subsidiary announces acquisition of Financial Horizons Group –  
The leading MGA in the Canadian market**

*Winnipeg, May 19, 2017* . . . Great-West Lifeco Inc. announced today that its Canadian subsidiary The Great-West Life Assurance Company has entered into an agreement to acquire Financial Horizons Group, the leading participant in the independent Managing General Agency (MGA) sector of the Canadian market.

Financial Horizons Group serves customers across Canada through 30 offices nationwide with a network of 6,600 active advisors. The business was established in 1990 by John H. Hamilton, President and CEO, who will continue to lead the business in his current capacity.

“As part of our Canada transformation, we are committed to investing in new capabilities for our business,” said Stefan Kristjanson, Great-West Life’s President and Chief Operating Officer, Canada. “This strategic acquisition gives our organization a strong presence in the growing independent MGA sector of the Canadian market.”

“We recognize the importance of the independence of Financial Horizons Group, and are pleased that the existing management team will remain in place and continue running the business,” Mr. Kristjanson said. He also confirmed that Great-West Life intends to continue to support Financial Horizons Group’s active consolidation strategy, which has resulted in the acquisition of 30 MGA businesses over the past six years under its majority ownership by Genstar Capital, a San Francisco-based private equity firm.

Mr. Hamilton welcomed the acquisition, commenting “This is a tremendous endorsement of our business model, and excellent news for our advisor network. In Great-West, we have a strong parent that is committed to investing in the business, and that understands the importance of our independence. Financial Horizons Group will continue to operate with its own governance and board of directors, ensuring that supplier company relationships remain integral to Financial Horizons Group’s growth. Essentially, it will be business as usual.”

The acquisition is subject to regulatory approval and customary closing conditions, and is expected to be completed in the coming months. The transaction is expected to be earnings accretive, although not material to overall Canadian earnings.

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### **About Financial Horizons Group**

Financial Horizons Group (FHG) is a leading Canadian Managing General Agency (MGA) that provides life, health, employee benefits, pension, investments, structured settlements, and risk management products and services to financial advisors. It was established in 1990 by John H. Hamilton as a financial planning firm specializing in retirement and estate planning, before becoming an MGA in 1999.

Financial Horizons Group is 72% owned by Genstar Capital, a San Francisco-based private equity firm that has a focus on insurance-related investments and acquired the business in May 2011 from John Hamilton, with Mr. Hamilton remaining as its second largest shareholder. Financial Horizons Group operates a network of 6,600 advisors contracted with Financial Horizons Group through the MGA channel. These advisors are serviced locally through 30 branch offices across Canada as well as head offices in Ontario and Quebec. It also owns an MFDA dealer, with \$1.2 billion in assets under administration, primarily Quebec-based.

Financial Horizons Group has achieved 300% growth since 2011, largely through an aggressive distribution strategy which saw 30 businesses consolidated. A recent report for Investor Economics ranked Financial Horizons Group as the no.1 MGA firm in Canada ranked by annualized premium equivalent.

### **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, Great-West Financial and Putnam Investments. Lifeco and its companies have approximately \$1.3 trillion in consolidated assets under administration as at March 31, 2017 and are members of the Power Financial Corporation group of companies. To learn more, visit [www.greatwestlifeco.com](http://www.greatwestlifeco.com).

### ***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 the Company's operations, business, financial condition, expected 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. 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 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 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 the Company's operations will continue substantially in their current state, including, without limitation, with respect to customer behaviour, the Company'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 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 customer responses to new products, impairments of goodwill and other intangible assets, the Company'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, the Company's ability to complete strategic transactions and integrate acquisitions and unplanned material changes to the Company'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 the Company's 2016 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, 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", "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. Please refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

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**For more information contact:**

**Media Relations:**

Marlene Klassen, APR  
204-946-7705  
Email: [marlene.klassen@gwl.ca](mailto:marlene.klassen@gwl.ca)

**Investor Relations:**

Deirdre Neary  
416-552-3208  
Email: [deirdre.neary@gwl.ca](mailto:deirdre.neary@gwl.ca)

**Financial Horizons Group:**

Patricia Ziegler  
Media & Public Relations  
519-742-4474, Ext. 1531  
Email: [patricia.ziegler@financialhorizons.com](mailto:patricia.ziegler@financialhorizons.com)