

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 2017 results; announces 6% dividend increase
Sales grow 13% and adjusted net earnings up 5% year-over-year**

Winnipeg, February 8, 2018 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced net earnings attributable to common shareholders of \$392 million or \$0.397 per common share for the fourth quarter of 2017 compared to \$676 million or \$0.686 per common share for the same quarter last year. Lifeco's net earnings for the fourth quarter of 2017 included a net charge of \$216 million from the impact of U.S. tax reform, a net charge on the disposal of an equity investment of \$122 million and restructuring costs of \$4 million, which reduced earnings per common share by \$0.345. Excluding these items, adjusted net earnings were \$734 million compared to adjusted net earnings of \$698 million for the fourth quarter of 2016, up 5%, primarily driven by strong results in the Canada segment.

For the twelve months ended December 31, 2017, excluding the impact of U.S. tax reform, a net charge on the disposal of an equity investment and restructuring costs, which together totaled \$498 million year-to-date, Lifeco's adjusted net earnings were \$2,647 million or \$2.676 per common share compared to \$2,685 million or \$2.712 per common share for the same period last year. The 2017 year-to-date adjusted net earnings included a loss of \$175 million related to estimated hurricane claims reflected in the third quarter 2017 results.

"The Company's operating performance was solid in the fourth quarter reflecting strong top-line results and controlled expense growth," said Paul Mahon, President and CEO, Great-West Lifeco. "Strategic actions taken in the quarter and throughout the year, including transformation initiatives in Canada and tuck-in acquisitions and investments across our geographies, set the stage for stronger future earnings growth."

Consolidated assets under administration at December 31, 2017 were over \$1.3 trillion, an 8% increase from December 31, 2016.

Highlights – In Quarter

U.S. tax reform reduced net earnings by \$216 million

- As a result of changes to U.S. corporate tax legislation, enacted in December 2017, the Company incurred a charge of \$216 million which primarily reflects the net impact of the revaluation of deferred tax balances and insurance contract liabilities. The Company expects the lower U.S. corporate tax rate to benefit future net earnings.

Dividend increase of 6%

- Lifeco declared a quarterly common dividend of \$0.3890 per common share payable March 29, 2018, a 6% increase from the previous quarter.

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Sales of \$30.3 billion up 13%

- Sales for the fourth quarter of 2017 were \$30.3 billion, up 13% from the fourth quarter of 2016, primarily as a result of strong sales in all segments. Premiums and deposits of \$32.7 billion in the fourth quarter of 2017 were also up from the same period in 2016, increasing by 9%.

Sale of equity investment in Nissay Asset Management Corporation

- During the fourth quarter of 2017, the Company, through its subsidiary Putnam Investments (Putnam), agreed in principle to sell an equity investment in Nissay Asset Management Corporation (Nissay). The impact of the disposal is a net charge of \$122 million including a gain on sale of the investment offset by a non-cash write-off of an associated indefinite life intangible asset.

Capital strength and financial flexibility maintained

- The Great-West Life Assurance Company (Great-West Life) reported a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of 241% at December 31, 2017.
- Adjusted Return on Equity (ROE), excluding the impact of U.S. tax reform, the net charge on the disposal of Nissay and restructuring costs, was 13.4%.

SEGMENTED OPERATING RESULTS

For reporting purposes, Lifeco's 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. For more information, please refer to the Company's 2017 Annual Management's Discussion & Analysis.

CANADA

- **Canada advances business transformation** – Following the realignment into two new business units, one focused on individual customers and the other on group customers, the Canadian operations made progress on the previously announced targeted annual expense reductions of \$200 million pre-tax. As of December 31, 2017, the Company has achieved approximately \$123 million pre-tax in annualized reductions; approximately \$93 million related to the common shareholders' account and \$30 million related to the participating accounts.
- **Q4 Canada segment adjusted net earnings up 10%** – Excluding the impact of U.S. tax reform, adjusted net earnings attributable to common shareholders for the fourth quarter of 2017 were \$357 million compared to \$326 million in the fourth quarter of 2016, an increase of 10%, primarily due to higher fee income, strong group morbidity results, the favourable impact of individual new business and lower expenses. For the twelve months ended December 31, 2017, adjusted net earnings attributable to common shareholders, excluding restructuring costs of \$126 million and the impact of U.S. tax reform, were \$1,219 million compared to \$1,218 million for the same period last year.
- **Insurer of the Year**– Great-West Life was named the “Life and Health Insurer of the Year” at the 2017 Insurance Business awards. Also during the quarter, Great-West Life was the first in Canada to announce a new flexible savings pilot program to help post-secondary graduate plan members focus on saving for the future, while paying down their student loan debt.

UNITED STATES

- **Q4 U.S. segment adjusted net earnings up 5%** – Excluding the impact of U.S. tax reform, a net charge on the disposal of an equity investment and restructuring costs, adjusted net earnings attributable to common shareholders for the fourth quarter of 2017 were US\$60 million, up 5%, compared to adjusted net earnings of US\$57 million in the fourth quarter of 2016 primarily due to higher fee income for Empower Retirement. For the twelve months ended December 31, 2017, adjusted net earnings attributable to common shareholders were US\$260 million compared to US\$209 million for the same period last year, an increase of 24% primarily due to higher net fee income and lower expenses.
- **Fee and other income up 4%** – Fee and other income for the three months ended December 31, 2017 was US\$485 million compared to US\$466 million for the same quarter last year, an increase of 4%, due to higher fee income for both Empower Retirement and Putnam. The increase was driven by growth in participants at Empower Retirement and higher average equity market levels.
- **Putnam average assets up 12%** – Putnam average assets under management for the three months ended December 31, 2017 were US\$169.8 billion compared to US\$151.9 billion for the same quarter last year, an increase of 12%, primarily due to the cumulative impact of market performance and net asset inflows from the institutional business over the twelve month period. Putnam ending assets under management at December 31, 2017 were US\$171.5 billion.
- **Improved Putnam mutual fund net cash flows** – Putnam's net cash outflows from mutual funds of US\$197 million for the three months ended December 31, 2017 were a US\$727 million improvement from the same period last year and are in-line with improved industry flows for actively managed funds.

EUROPE

- **Q4 Europe segment net adjusted earnings of \$308 million** – Excluding the impact of U.S. tax reform and restructuring costs, adjusted net earnings attributable to common shareholders for the fourth quarter of 2017 were \$308 million and were comparable to \$307 million in the fourth quarter of 2016. For the twelve months ended December 31, 2017, adjusted net earnings attributable to common shareholders, excluding the impact of U.S. tax reform and restructuring costs, were \$1,121 million compared to \$1,215 million for the same period last year. Strong underlying business results on a year-to-date basis for 2017 were partially offset by the impact of a loss of \$175 million related to estimated hurricane claims reflected in the third quarter 2017 results.
- **Irish Life bulk payout annuity** – During the fourth quarter of 2017, Irish Life entered into its largest ever bulk payout annuity transaction which resulted in over €300 million in additional sales.
- **Acquisition of the U.K. financial services provider Retirement Advantage completed** – On January 2, 2018, the Company, through its wholly-owned subsidiary The Canada Life Group (U.K.) Limited, completed the acquisition of U.K. financial services provider Retirement Advantage. Retirement Advantage has over 30,000 pension and equity release customers and over \$3.3 billion of assets under management.
- **Irish Life Health integration complete, target expense reductions achieved** – As of December 31, 2017, the Company has completed the integration of the Irish Life Health operations, achieving €17 million pre-tax of annualized synergies. Irish Life has also achieved €8 million pre-tax annualized expense reductions from the restructuring of its retail division.

QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.3890 per share on the common shares of Lifeco payable March 29, 2018 to shareholders of record at the close of business March 1, 2018.

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

First Preferred Shares	Record Date	Payment Date	Amount, per share
Series F	March 1, 2018	March 29, 2018	\$0.36875
Series G	March 1, 2018	March 29, 2018	\$0.3250
Series H	March 1, 2018	March 29, 2018	\$0.30313
Series I	March 1, 2018	March 29, 2018	\$0.28125
Series L	March 1, 2018	March 29, 2018	\$0.353125
Series M	March 1, 2018	March 29, 2018	\$0.3625
Series N	March 1, 2018	March 29, 2018	\$0.1360
Series O	March 1, 2018	March 29, 2018	\$0.133890
Series P	March 1, 2018	March 29, 2018	\$0.3375
Series Q	March 1, 2018	March 29, 2018	\$0.321875
Series R	March 1, 2018	March 29, 2018	\$0.3000
Series S	March 1, 2018	March 29, 2018	\$0.328125
Series T	March 1, 2018	March 29, 2018	\$0.321875

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

Selected financial information is attached.

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 and Europe through 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). Lifeco and its companies have over \$1.3 trillion in consolidated assets under administration and are members of the Power Financial Corporation group of companies. To learn more, visit 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 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 2017 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. 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", "adjusted net 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.

Fourth Quarter Conference Call

Lifeco's fourth quarter conference call and audio webcast will be held February 8, 2018 at 3:30p.m. (ET). The call and webcast can be accessed through www.greatwestlifeco.com or by phone at:

- Participants in the Toronto area: 416-340-2218
- Participants from North America: 1-866-225-0198
- For International participants: Look up the dial-in information for your location at:
<https://www.confsolutions.ca/ILT?oss=1P49R8662250198>

A replay of the call will be available from February 8, 2018 to February 15, 2018, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 9326392#). The archived webcast will be available on www.greatwestlifeco.com from February 8, 2018 to February 7, 2019.

Additional information relating to Lifeco, including the 2017 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.

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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 2017	September 30 2017	December 31 2016	December 31 2017	December 31 2016
Premiums and deposits:					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 8,506	\$ 8,304	\$ 8,905	\$ 33,947	\$ 31,125
Policyholder deposits (segregated funds):					
Individual products	5,357	3,641	3,399	17,037	13,512
Group products	2,009	1,634	1,875	7,848	7,846
Self-funded premium equivalents (Administrative services only contracts) ⁽¹⁾	720	671	691	2,827	2,751
Proprietary mutual funds and institutional deposits ⁽¹⁾	16,065	14,272	15,169	61,490	62,232
Total premiums and deposits⁽¹⁾	32,657	28,522	30,039	123,149	117,466
Fee and other income	1,403	1,365	1,345	5,454	5,101
Net policyholder benefits, dividends and experience refunds	7,618	6,849	7,841	30,387	27,714
Earnings					
Net earnings - common shareholders	\$ 392	\$ 581	\$ 676	\$ 2,149	\$ 2,641
Adjustments ⁽⁶⁾	342	1	22	498	44
Adjusted net earnings - common shareholders ⁽⁶⁾	734	582	698	2,647	2,685
Per common share					
Net earnings - common shareholders	0.397	0.587	0.686	2.173	2.668
Adjusted net earnings - common shareholders ⁽⁶⁾	0.742	0.589	0.709	2.676	2.712
Dividends paid	0.367	0.367	0.346	1.468	1.384
Book value	20.11	19.92	19.76		
Return on common shareholders' equity⁽²⁾					
Net earnings	10.9%	12.4%	13.8%		
Adjusted net earnings ⁽⁶⁾	13.4%	13.3%	14.1%		
Total assets⁽⁵⁾					
Proprietary mutual funds and institutional net assets ⁽³⁾	\$ 278,954	\$ 268,994	\$ 259,215		
Total assets under management⁽³⁾	698,792	675,762	658,948		
Other assets under administration ⁽⁴⁾	651,121	618,532	589,291		
Total assets under administration	\$ 1,349,913	\$ 1,294,294	\$ 1,248,239		
Total equity	\$ 25,536	\$ 25,386	\$ 25,008		

⁽¹⁾ 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.

⁽²⁾ Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's December 31, 2017 Management's Discussion and Analysis.

⁽³⁾ 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 of the investment policies.

⁽⁴⁾ 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 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.

- ⁽⁵⁾ Comparative figures have been reclassified as described in notes 2 and 34 to the Company's December 31, 2017 consolidated financial statements.
- ⁽⁶⁾ Adjusted net earnings attributable to common shareholders and adjusted net earnings per common share are non-IFRS measures of earnings performance and reflect the following adjustments in 2017:

	Segment			Total	EPS Impact
	Canada	United States	Europe		
2017 Adjustments:					
Q1 Restructuring costs	\$ —	\$ 11	\$ 17	\$ 28	\$ 0.029
Q2 Restructuring costs	126	—	1	127	0.128
Q3 Restructuring costs	—	—	1	1	0.002
Q4 Restructuring costs	—	—	4	4	0.004
Q4 Net charge on sale of equity investment	—	122	—	122	0.124
Q4 U.S. tax reform impact	19	251	(54)	216	0.218
Total Q4 Adjustments	19	373	(50)	342	0.345
Total 2017 Adjustments	\$ 145	\$ 384	\$ (31)	\$ 498	\$ 0.503

The fourth quarter of 2016 included restructuring costs of \$22 related to the United States segment (\$44 year-to-date related to the United States and Europe segments).

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	
	2017	2016	2017	2016
Income				
Premium income				
Gross premiums written	\$ 9,684	\$ 9,989	\$ 38,306	\$ 35,050
Ceded premiums	(1,178)	(1,084)	(4,359)	(3,925)
Total net premiums	<u>8,506</u>	<u>8,905</u>	<u>33,947</u>	<u>31,125</u>
Net investment income				
Regular net investment income	1,564	1,507	6,141	6,252
Changes in fair value through profit or loss	1,415	(3,943)	1,466	3,903
Total net investment income	<u>2,979</u>	<u>(2,436)</u>	<u>7,607</u>	<u>10,155</u>
Fee and other income	1,403	1,345	5,454	5,101
	<u>12,888</u>	<u>7,814</u>	<u>47,008</u>	<u>46,381</u>
Benefits and expenses				
Policyholder benefits				
Gross	7,740	8,078	30,801	28,315
Ceded	(556)	(585)	(2,214)	(2,103)
Total net policyholder benefits	<u>7,184</u>	<u>7,493</u>	<u>28,587</u>	<u>26,212</u>
Policyholder dividends and experience refunds	434	348	1,800	1,502
Changes in insurance and investment contract liabilities	2,369	(3,468)	5,256	6,961
Total paid or credited to policyholders	<u>9,987</u>	<u>4,373</u>	<u>35,643</u>	<u>34,675</u>
Commissions	587	853	2,410	2,602
Operating and administrative expenses	1,272	1,250	4,833	4,799
Premium taxes	115	112	463	411
Financing charges	74	75	300	302
Amortization of finite life intangible assets and impairment reversal	29	44	168	177
Restructuring expenses	5	35	259	63
Loss on assets held for sale	202	—	202	—
Earnings before income taxes	<u>617</u>	<u>1,072</u>	<u>2,730</u>	<u>3,352</u>
Income taxes	182	188	422	396
Net earnings before non-controlling interests	<u>435</u>	<u>884</u>	<u>2,308</u>	<u>2,956</u>
Attributable to non-controlling interests	10	177	30	192
Net earnings	<u>425</u>	<u>707</u>	<u>2,278</u>	<u>2,764</u>
Preferred share dividends	33	31	129	123
Net earnings - common shareholders	<u>\$ 392</u>	<u>\$ 676</u>	<u>\$ 2,149</u>	<u>\$ 2,641</u>
Earnings per common share				
Basic	<u>\$ 0.397</u>	<u>\$ 0.686</u>	<u>\$ 2.173</u>	<u>\$ 2.668</u>
Diluted	<u>\$ 0.396</u>	<u>\$ 0.685</u>	<u>\$ 2.170</u>	<u>\$ 2.663</u>

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

	December 31	
	2017	2016 ⁽¹⁾
Assets		
Cash and cash equivalents	\$ 3,551	\$ 3,259
Bonds	120,204	116,773
Mortgage loans	22,185	21,651
Stocks	8,864	8,665
Investment properties	4,851	4,340
Loans to policyholders	8,280	8,467
	<u>167,935</u>	<u>163,155</u>
Assets held for sale	169	—
Funds held by ceding insurers	9,893	10,781
Goodwill	6,179	5,977
Intangible assets	3,732	3,972
Derivative financial instruments	384	528
Owner occupied properties	706	649
Fixed assets	303	304
Other assets	2,424	2,263
Premiums in course of collection, accounts and interest receivable	4,647	4,311
Reinsurance assets	5,045	5,627
Current income taxes	134	170
Deferred tax assets	930	1,593
Investments on account of segregated fund policyholders	217,357	200,403
Total assets	<u>\$ 419,838</u>	<u>\$ 399,733</u>
Liabilities		
Insurance contract liabilities	\$ 159,524	\$ 155,940
Investment contract liabilities	1,841	2,009
Debentures and other debt instruments	5,617	5,980
Capital trust securities	160	161
Funds held under reinsurance contracts	373	320
Derivative financial instruments	1,336	2,012
Accounts payable	2,684	2,049
Other liabilities	3,752	3,836
Current income taxes	464	494
Deferred tax liabilities	1,194	1,521
Investment and insurance contracts on account of segregated fund policyholders	217,357	200,403
Total liabilities	<u>394,302</u>	<u>374,725</u>
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	2,771	2,782
Non-controlling interests in subsidiaries	164	224
Shareholders' equity		
Share capital		
Preferred shares	2,714	2,514
Common shares	7,260	7,130
Accumulated surplus	12,098	11,465
Accumulated other comprehensive income	386	746
Contributed surplus	143	147
Total equity	<u>25,536</u>	<u>25,008</u>
Total liabilities and equity	<u>\$ 419,838</u>	<u>\$ 399,733</u>

⁽¹⁾ Certain comparative figures have been reclassified as described in note 34 to the Company's December 31, 2017 consolidated financial statements.

Segmented Information *(unaudited)*

Consolidated Net Earnings

For the three months ended December 31, 2017

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,476	\$ 1,059	\$ 3,971	\$ —	\$ 8,506
Net investment income					
Regular net investment income	639	452	471	2	1,564
Changes in fair value through profit or loss	1,001	(48)	462	—	1,415
Total net investment income	1,640	404	933	2	2,979
Fee and other income	419	616	368	—	1,403
	<u>5,535</u>	<u>2,079</u>	<u>5,272</u>	<u>2</u>	<u>12,888</u>
Benefits and expenses					
Paid or credited to policyholders	4,180	1,294	4,513	—	9,987
Other ⁽¹⁾	827	697	446	4	1,974
Financing charges	31	29	14	—	74
Amortization of finite life intangible assets and impairment reversal	20	1	8	—	29
Restructuring expenses	—	—	5	—	5
Loss on assets held for sale	—	202	—	—	202
Earnings (loss) before income taxes	<u>477</u>	<u>(144)</u>	<u>286</u>	<u>(2)</u>	<u>617</u>
Income taxes (recovery)	114	163	(95)	—	182
Net earnings (loss) before non-controlling interests	<u>363</u>	<u>(307)</u>	<u>381</u>	<u>(2)</u>	<u>435</u>
Non-controlling interests	25	(14)	(1)	—	10
Net earnings (loss)	<u>338</u>	<u>(293)</u>	<u>382</u>	<u>(2)</u>	<u>425</u>
Preferred share dividends	26	—	5	2	33
Net earnings (loss) before capital allocation	<u>312</u>	<u>(293)</u>	<u>377</u>	<u>(4)</u>	<u>392</u>
Impact of capital allocation	26	(5)	(19)	(2)	—
Net earnings (loss) - common shareholders	<u>\$ 338</u>	<u>\$ (298)</u>	<u>\$ 358</u>	<u>\$ (6)</u>	<u>\$ 392</u>

⁽¹⁾ Includes commissions, operating and administrative expenses and premium taxes.

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LIFECO INC.

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

For the three months ended December 31, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,597	\$ 1,164	\$ 4,144	\$ —	\$ 8,905
Net investment income					
Regular net investment income	636	440	433	(2)	1,507
Changes in fair value through profit or loss	(1,364)	(1,008)	(1,571)	—	(3,943)
Total net investment income	(728)	(568)	(1,138)	(2)	(2,436)
Fee and other income	386	619	340	—	1,345
	<u>3,255</u>	<u>1,215</u>	<u>3,346</u>	<u>(2)</u>	<u>7,814</u>
Benefits and expenses					
Paid or credited to policyholders	1,444	387	2,542	—	4,373
Other ⁽¹⁾	1,110	691	404	10	2,215
Financing charges	29	34	11	1	75
Amortization of finite life intangible assets and impairment reversal	17	21	6	—	44
Restructuring expenses	—	35	—	—	35
Earnings (loss) before income taxes	655	47	383	(13)	1,072
Income taxes (recovery)	149	(9)	51	(3)	188
Net earnings (loss) before non-controlling interests	506	56	332	(10)	884
Non-controlling interests	178	—	(1)	—	177
Net earnings (loss)	328	56	333	(10)	707
Preferred share dividends	26	—	5	—	31
Net earnings (loss) before capital allocation	302	56	328	(10)	676
Impact of capital allocation	24	(1)	(21)	(2)	—
Net earnings (loss) - common shareholders	<u>\$ 326</u>	<u>\$ 55</u>	<u>\$ 307</u>	<u>\$ (12)</u>	<u>\$ 676</u>

⁽¹⁾ Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST
LIFECO INC.

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

For the twelve months ended December 31, 2017

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 13,191	\$ 4,471	\$ 16,285	\$ —	\$ 33,947
Net investment income					
Regular net investment income	2,534	1,816	1,787	4	6,141
Changes in fair value through profit or loss	806	339	321	—	1,466
Total net investment income	3,340	2,155	2,108	4	7,607
Fee and other income	1,616	2,452	1,386	—	5,454
	18,147	9,078	19,779	4	47,008
Benefits and expenses					
Paid or credited to policyholders	12,977	5,814	16,852	—	35,643
Other ⁽¹⁾	3,410	2,651	1,623	22	7,706
Financing charges	123	128	48	1	300
Amortization of finite life intangible assets and impairment reversal	72	65	31	—	168
Restructuring expenses	215	17	27	—	259
Loss on assets held for sale	—	202	—	—	202
Earnings (loss) before income taxes	1,350	201	1,198	(19)	2,730
Income taxes (recovery)	231	243	(47)	(5)	422
Net earnings (loss) before non-controlling interests	1,119	(42)	1,245	(14)	2,308
Non-controlling interests	42	(10)	(2)	—	30
Net earnings (loss)	1,077	(32)	1,247	(14)	2,278
Preferred share dividends	104	—	19	6	129
Net earnings (loss) before capital allocation	973	(32)	1,228	(20)	2,149
Impact of capital allocation	101	(18)	(76)	(7)	—
Net earnings (loss) - common shareholders	\$ 1,074	\$ (50)	\$ 1,152	\$ (27)	\$ 2,149

⁽¹⁾ Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST
LIFECO INC.

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

For the twelve months ended December 31, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 12,471	\$ 5,304	\$ 13,350	\$ —	\$ 31,125
Net investment income					
Regular net investment income	2,668	1,741	1,841	2	6,252
Changes in fair value through profit or loss	692	92	3,119	—	3,903
Total net investment income	3,360	1,833	4,960	2	10,155
Fee and other income	1,494	2,311	1,296	—	5,101
	<u>17,325</u>	<u>9,448</u>	<u>19,606</u>	<u>2</u>	<u>46,381</u>
Benefits and expenses					
Paid or credited to policyholders	11,862	6,271	16,542	—	34,675
Other ⁽¹⁾	3,599	2,678	1,511	24	7,812
Financing charges	115	140	45	2	302
Amortization of finite life intangible assets and impairment reversal	66	82	29	—	177
Restructuring expenses	—	46	17	—	63
Earnings (loss) before income taxes	1,683	231	1,462	(24)	3,352
Income taxes (recovery)	268	(27)	161	(6)	396
Net earnings (loss) before non-controlling interests	1,415	258	1,301	(18)	2,956
Non-controlling interests	191	2	(1)	—	192
Net earnings (loss)	1,224	256	1,302	(18)	2,764
Preferred share dividends	104	—	19	—	123
Net earnings (loss) before capital allocation	1,120	256	1,283	(18)	2,641
Impact of capital allocation	98	(7)	(83)	(8)	—
Net earnings (loss) - common shareholders	<u>\$ 1,218</u>	<u>\$ 249</u>	<u>\$ 1,200</u>	<u>\$ (26)</u>	<u>\$ 2,641</u>

⁽¹⁾ Includes commissions, operating and administrative expenses and premium taxes.