

Great-West Lifeco announces estimated impact of U.S. tax reform and the agreement to sell a U.S. equity investment and increase its interest in PanAgora

Winnipeg, February 1, 2018. . . Great-West Lifeco Inc. today announced the estimated impact on the Company's 2017 fourth quarter financial results of U.S. tax reform and the agreement to sell a U.S. equity investment and increase its interest in PanAgora Asset Management, Inc. (PanAgora).

The Tax Reconciliation Act, which took effect on January 1, 2018, reduces the U.S. corporate federal tax rate from 35% to 21%. As a result, the Company expects to take a charge of \$216 million or \$0.22 per share when it reports its fourth quarter results on February 8, 2018. The charge reflects the revaluation of certain deferred tax balances as well as the impact on insurance contract liabilities and expense provisions. The Company expects the lower U.S. corporate tax rate to benefit future net earnings.

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), a subsidiary of Nippon Life Insurance Company (Nippon), to Nippon and concurrently acquire Nippon's minority stake in PanAgora, a quantitatively-oriented institutional asset manager that is a majority-owned subsidiary of Putnam. Nippon and Putnam intend to continue their successful business alliance.

The disposal of the Nissay shares will result in a gain on sale offset by a non-cash write-off of an associated indefinite life intangible asset established when the Company acquired Putnam in 2007. The estimated net impact of the sale is a charge of \$122 million or \$0.12 per share which will be included in the Company's net earnings for the fourth quarter of 2017.

About Nippon Life Insurance Company

Nippon Life is Japan's leading private life insurer with revenues of approximately 5,236 billion Yen (\$47.6 billion) and profits of over 685.5 billion Yen (\$6.2 billion). Since its foundation in 1889, Nippon Life has been offering a wide range of products, including individual and group life and annuity policies through various distribution channels. Nippon Life also provides asset management business through subsidiaries and affiliates, meeting diversifying customers' needs. Nippon Life employs more than 70 thousand people and has operations in Japan, North America, Europe and Asia. For more information, please visit <http://www.nissay.co.jp/english/>.

About Nissay Asset Management Corporation

Nissay Asset Management is an asset management company of the Nippon Life Group, one of Japan's leading institutional investors, which has 10,697.6 billion Yen (\$97.3 billion) in asset under management (AUM) as of March 31, 2017. Nissay Asset Management contributes to the long-term and stable asset-building efforts of both corporate and individual customers through discretionary investment, investment advisory and investment trusts. Leveraging its insurance asset management expertise, Nissay Asset Management offers a wide range of products, including multi-asset and alternative products starting with domestic and overseas equities and bonds. For more information, please visit <https://www.nam.co.jp/english/index.html>.

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About 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 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 of September 30, 2017 and are members of the Power Financial Corporation group of companies. Great-West Lifeco trades on the Toronto Stock Exchange (TSX) under the ticker symbol GWO. To learn more, visit www.greatwestlifeco.com.

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