

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 2019 earnings per common share of \$0.79

Winnipeg, October 30, 2019 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced net earnings attributable to common shareholders (net earnings) of \$730 million, or \$0.79 per common share, for the third quarter of 2019 compared to \$689 million, or \$0.70 per common share, for the same quarter last year. Adjusted net earnings for the third quarter of 2018 were \$745 million, or \$0.75 per common share, which exclude restructuring costs of \$56 million related to the Company's U.K. operations.

Earnings per common share (EPS) of \$0.79 increased \$0.04 from adjusted EPS of \$0.75 in 2018, reflecting strong operating results as well as the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business and the successful Substantial Issuer Bid share buyback, which were both completed in the second quarter of 2019.

"The Company delivered healthy EPS growth, reflecting solid operating performance in the quarter and strategic decisions made earlier in the year," said Paul Mahon, President and Chief Executive Officer, Great-West Lifeco Inc. "Business fundamentals remain sound, our capital position is strong and we continue to move forward with our strategic priorities."

Highlights

Sales of \$41.9 billion up 22%

- Sales for the third quarter of 2019 were \$41.9 billion, up 22% from the third quarter of 2018, primarily driven by a 29% increase in the U.S., reflecting higher Empower Retirement sales and a 22% increase in Canada, driven by higher Group Customer sales in both Insurance and Wealth.

Capital strength and financial flexibility maintained

- The Great-West Life Assurance Company reported a Life Insurance Capital Adequacy Test (LICAT) ratio of 139% at September 30, 2019.
- Adjusted return on equity, which excludes the net charge of \$199 million relating to the U.S. sale in the second quarter of 2019, was 13.4% for the third quarter of 2019.

Consolidated assets under administration of \$1.6 trillion

- Consolidated assets under administration at September 30, 2019 were approximately \$1.6 trillion, a 14% increase from December 31, 2018.

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 Company. For more information, please refer to the Company's 2019 third quarter Management's Discussion and Analysis (MD&A).

CANADA

- **Q3 Canada segment net earnings of \$300 million** – Net earnings for the third quarter of 2019 were \$300 million compared to \$315 million in the third quarter of 2018, a decrease of 5%. The decrease was primarily due to lower contributions from insurance contract liability basis changes, including the impact of actuarial standards updates, partially offset by higher contributions from investment experience.
- **Q3 Canada segment sales of \$3.5 billion, up 22%** – Canada sales in the third quarter of 2019 of \$3.5 billion were up 22% from the third quarter of 2018 and 20% from the second quarter of 2019 due to higher large case sales in Group Customer.
- **Major milestone met for Great-West Life, London Life and Canada Life amalgamation** – On October 3, 2019, The Great-West Life Assurance Company (Great-West Life), London Life Insurance Company (London Life) and The Canada Life Assurance Company (Canada Life), announced that their respective voting policyholders have voted in favour of their amalgamation plans. Subject to regulatory approvals, the amalgamation is expected to be completed by January 1, 2020. Upon approval, the companies will be combined into one single life insurance company operating under The Canada Life Assurance Company name. The amalgamation is expected to create operating efficiencies and simplify the Company's capital structure to allow for more efficient use of capital. Great-West Lifeco will remain the parent company, and the amalgamated company will retain all of the amalgamating companies' current corporate office locations.

UNITED STATES

- **Q3 U.S. segment net earnings of US\$59 million** – Net earnings for the third quarter of 2019 were US\$59 million. Excluding the US\$44 million third quarter 2018 contribution from the U.S. individual life insurance and annuity business, which was sold via indemnity reinsurance, net earnings increased US\$16 million or 37% primarily due to improved Putnam net earnings driven by expense reduction initiatives.
- **Q3 U.S. Financial Services fee and other income up 11%** – Fee and other income for the three months ended September 30, 2019 was US\$280 million compared to US\$252 million for the same quarter last year, an increase of 11%, primarily due to growth in Empower Retirement participants and assets.

EUROPE

- **Q3 Europe segment net earnings of \$357 million** – Net earnings for the third quarter of 2019 were \$357 million, up 12% compared to adjusted net earnings of \$319 million in the third quarter of 2018, which excluded restructuring charges of \$56 million. The increase was primarily due to higher contributions from insurance contract liability basis changes and investment experience, partially offset by adverse morbidity experience in Ireland and the impact of currency movement.

- **U.K. operations advance transformation activities** – As of September 30, 2019, £11 million of pre-tax annualized expense reductions have been achieved relating to the U.K. restructuring program. The Company remains on track to achieve targeted annual expense reductions of £20 million pre-tax by the end of the fourth quarter of 2020 from various sources including systems and process improvements and a reduction in headcount.
- **Court approval received for Scottish Friendly sale** – In 2018, Canada Life Limited, an indirect wholly-owned U.K. subsidiary of the Company, announced an agreement to sell a heritage block of individual policies to Scottish Friendly, comprised of unit-linked policies and non unit-linked policies. Subsequent to September 30, 2019, on October 22, 2019, the required court approval for the transfer of these policies has been received and this transfer is expected to be effective November 1, 2019.
- **Brexit plans in place** – Some market volatility continues with global economic uncertainty and the U.K. due to leave the European Union (EU). The Company's U.K. and other European businesses have plans which have been executed, or are ready to be executed, that will address and minimize the impact of Brexit under several different outcomes, including where the U.K. has no exit agreements with the EU.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of \$0.4130 per share on the common shares of Lifeco payable December 31, 2019 to shareholders of record at the close of business December 3, 2019.

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	December 3, 2019	December 31, 2019	\$0.36875
Series G	December 3, 2019	December 31, 2019	\$0.3250
Series H	December 3, 2019	December 31, 2019	\$0.30313
Series I	December 3, 2019	December 31, 2019	\$0.28125
Series L	December 3, 2019	December 31, 2019	\$0.353125
Series M	December 3, 2019	December 31, 2019	\$0.3625
Series N	December 3, 2019	December 31, 2019	\$0.1360
Series O	December 3, 2019	December 31, 2019	\$0.185135
Series P	December 3, 2019	December 31, 2019	\$0.3375
Series Q	December 3, 2019	December 31, 2019	\$0.321875
Series R	December 3, 2019	December 31, 2019	\$0.3000
Series S	December 3, 2019	December 31, 2019	\$0.328125
Series T	December 3, 2019	December 31, 2019	\$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 INC.

Great-West Lifeco is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. We operate in Canada, the United States and Europe under the brands Canada Life, Empower Retirement, Putnam Investments, and Irish Life. At the end of 2018, our companies had approximately 24,200 employees, 240,000 advisor relationships, and thousands of distribution partners – all serving our more than 31 million customer relationships across these regions.

Great-West Lifeco and its companies have approximately \$1.6 trillion in consolidated assets under administration as at September 30, 2019 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 greatwestlifeco.com.

Basis of presentation

The condensed consolidated interim unaudited 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 information. Forward-looking information includes 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 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, expected capital management activities and use of capital, expected cost reductions and savings and the impact of regulatory developments on the Company's business strategy and growth objectives. Forward-looking statements are based on expectations, forecasts, estimates, 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 2018 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 information. Other than as specifically required by applicable law, the Company does not intend to update any forward-looking information 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", "adjusted net earnings (US\$)", "adjusted net earnings per common share", "adjusted return on equity", "core net earnings", "constant currency basis", "impact of currency movement", "premiums and deposits", "pre-tax operating margin", "return on equity – adjusted net earnings", "sales", "assets under management" and "assets under administration". 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 where applicable.

Third Quarter Conference Call

Lifeco's third quarter conference call and audio webcast will be held October 31, 2019 at 10 a.m. (ET). The call and webcast can be accessed through greatwestlifeco.com/news-events/events or by phone at:

- Participants in the Toronto area: 416-340-2218
- Participants from North America: 1-800-377-0758

A replay of the call will be available from October 31, 2019 to November 30, 2019 and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 4233177#). The archived webcast will be available on greatwestlifeco.com.

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.

For more information:

Media Relations Contact:

Liz Kulyk
204-926-5012
media.relations@gwl.ca

Investor Relations Contact:

Deirdre Neary
416-552-3208
deirdre.neary@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 2019	June 30 2019	September 30 2018	September 30 2019	September 30 2018
Earnings					
Net earnings - common shareholders	\$ 730	\$ 459	\$ 689	\$ 1,846	\$ 2,251
Adjustments ⁽¹⁾⁽⁸⁾	—	199	56	199	56
Adjusted net earnings - common shareholders ⁽¹⁾	730	658	745	2,045	2,307
Per common share					
Basic earnings	0.786	0.489	0.697	1.940	2.277
Adjusted basic earnings, excluding adjustments ⁽¹⁾	0.786	0.701	0.754	2.148	2.333
Dividends paid	0.413	0.413	0.389	1.239	1.167
Book value	21.02	20.84	21.25		
Return on common shareholders' equity⁽²⁾					
Net earnings	12.4%	12.0%	12.8%		
Adjusted net earnings ⁽³⁾	13.4%	13.2%	14.7%		
Premiums and deposits					
Net premium income (Life insurance, guaranteed annuities and insured health products) ⁽⁸⁾	\$ 9,324	\$ (3,887)	\$ 10,337	\$ 15,032	\$ 26,416
Policyholder deposits (Segregated funds):					
Individual products	4,146	3,723	3,833	11,501	11,963
Group products	1,999	1,732	1,790	5,825	6,166
Self-funded premium equivalents (Administrative services only contracts) ⁽⁴⁾	813	830	744	2,454	2,266
Proprietary mutual funds and institutional deposits ⁽⁴⁾	20,135	17,993	17,878	62,841	54,868
Add back: U.S. Individual Life Insurance & Annuity Business - initial reinsurance ceded premiums ⁽⁴⁾⁽⁸⁾	—	13,889	—	13,889	—
Total premiums and deposits⁽⁴⁾	36,417	34,280	34,582	111,542	101,679
Fee and other income⁽⁸⁾	1,496	2,591	1,483	5,566	4,399
Net policyholder benefits, dividends and experience refunds	8,468	8,957	7,653	26,412	23,070
Total assets	\$ 446,626	\$ 441,897	\$ 429,082		
Proprietary mutual funds and institutional net assets ⁽⁵⁾	308,425	305,252	293,766		
Total assets under management⁽⁵⁾	755,051	747,149	722,848		
Other assets under administration ⁽⁶⁾	841,700	820,808	718,410		
Total assets under administration	\$ 1,596,751	\$ 1,567,957	\$ 1,441,258		
Total equity	\$ 25,157	\$ 24,955	\$ 26,624		
The Great-West Life Assurance Company consolidated Life Insurance Capital Adequacy Test Ratio⁽⁷⁾	139%	136%	134%		

⁽¹⁾ Adjusted net earnings attributable to common shareholders and adjusted net earnings per common share (EPS) are non-IFRS financial measures of earnings performance. In the second quarter of 2019, the adjustment was a net charge of \$199 relating to the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business (refer to footnote 8 below for the impacts to the Consolidated Statements of Earnings). In the third quarter of 2018, the adjustment was \$56 of restructuring costs relating to the Company's U.K. operations.

⁽²⁾ Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's September 30, 2019 Management's Discussion and Analysis.

⁽³⁾ Return on common shareholders' equity - adjusted net earnings (a non-IFRS measure) is adjusted for the impact of the net charge on the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business, U.S. tax reform, the net charge on the sale of an equity investment and restructuring costs. For further details on this measure, refer to the "Capital Allocation Methodology" section of the Company's September 30, 2019 Management's Discussion and Analysis.

GREAT-WEST LIFECO INC.

- (4) 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. The Company excludes ceded premiums relating to the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business. Total premiums and deposits (a non-IFRS financial measure) provides useful information as it is an indicator of top line growth.
- (5) 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.
- (6) 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 volume, size and trends.
- (7) The Life Insurance Capital Adequacy Test (LICAT) ratio is based on the consolidated results of The Great-West Life Assurance Company, Lifeco's major Canadian operating subsidiary. Refer to the "Capital Management and Adequacy" section of the Company's September 30, 2019 Management's Discussion and Analysis for additional details.
- (8) Following the sale, via indemnity reinsurance, of the U.S. individual life insurance and annuity business to Protective Life on June 1, 2019, the Company recorded a net loss of \$199 (U.S. \$148) related to the transaction. Additionally, certain post-closing contingencies exist that may result in additional payments to Lifeco, which could impact net earnings during the fourth quarter of 2019. For the three months ended June 30, 2019 and nine months ended September 30, 2019, the impacts to the Consolidated Statements of Earnings are outlined in the table below:

Impact on Consolidated Statements of Earnings of reinsurance of U.S. individual life insurance and annuity business:

Net premiums (initial ceded premiums)	\$	(13,889)
Fee and other income (initial ceding commission)		1,080
Net investment income		219
Total paid or credited to policyholders		12,463
Operating, administrative and other expenses		(120)
Total pre-tax net loss per condensed consolidated interim unaudited financial statements (note 3)		(247)
Income taxes		48
Total after-tax net loss	\$	(199)

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 2019	June 30 2019	September 30 2018	September 30 2019	September 30 2018
Income					
Premium income					
Gross premiums written	\$ 10,660	\$ 11,148	\$ 11,408	\$ 32,511	\$ 29,713
Ceded premiums	(1,336)	(15,035)	(1,071)	(17,479)	(3,297)
Total net premiums	<u>9,324</u>	<u>(3,887)</u>	<u>10,337</u>	<u>15,032</u>	<u>26,416</u>
Net investment income					
Regular net investment income	1,452	1,797	1,578	4,699	4,726
Changes in fair value through profit or loss	2,102	2,245	(1,371)	8,712	(3,208)
Total net investment income	<u>3,554</u>	<u>4,042</u>	<u>207</u>	<u>13,411</u>	<u>1,518</u>
Fee and other income	<u>1,496</u>	<u>2,591</u>	<u>1,483</u>	<u>5,566</u>	<u>4,399</u>
	<u>14,374</u>	<u>2,746</u>	<u>12,027</u>	<u>34,009</u>	<u>32,333</u>
Benefits and expenses					
Policyholder benefits					
Gross	8,878	9,214	7,882	27,256	23,620
Ceded	(762)	(672)	(625)	(2,051)	(1,846)
Total net policyholder benefits	<u>8,116</u>	<u>8,542</u>	<u>7,257</u>	<u>25,205</u>	<u>21,774</u>
Policyholder dividends and experience refunds	352	415	396	1,207	1,296
Changes in insurance and investment contract liabilities	2,972	(8,987)	1,393	(1,090)	312
Total paid or credited to policyholders	<u>11,440</u>	<u>(30)</u>	<u>9,046</u>	<u>25,322</u>	<u>23,382</u>
Commissions	571	598	611	1,779	1,801
Operating and administrative expenses	1,258	1,374	1,244	3,933	3,722
Premium taxes	123	125	122	378	367
Financing charges	70	72	69	214	151
Amortization of finite life intangible assets	57	54	54	164	153
Restructuring expenses	—	—	67	—	67
Earnings before income taxes	<u>855</u>	<u>553</u>	<u>814</u>	<u>2,219</u>	<u>2,690</u>
Income taxes	47	53	107	230	337
Net earnings before non-controlling interests	<u>808</u>	<u>500</u>	<u>707</u>	<u>1,989</u>	<u>2,353</u>
Attributable to non-controlling interests	45	7	(16)	43	2
Net earnings	<u>763</u>	<u>493</u>	<u>723</u>	<u>1,946</u>	<u>2,351</u>
Preferred share dividends	33	34	34	100	100
Net earnings - common shareholders	<u><u>\$ 730</u></u>	<u><u>\$ 459</u></u>	<u><u>\$ 689</u></u>	<u><u>\$ 1,846</u></u>	<u><u>\$ 2,251</u></u>
Earnings per common share					
Basic	<u><u>\$ 0.786</u></u>	<u><u>\$ 0.489</u></u>	<u><u>\$ 0.697</u></u>	<u><u>\$ 1.940</u></u>	<u><u>\$ 2.277</u></u>
Diluted	<u><u>\$ 0.785</u></u>	<u><u>\$ 0.489</u></u>	<u><u>\$ 0.697</u></u>	<u><u>\$ 1.939</u></u>	<u><u>\$ 2.275</u></u>

GREAT-WEST LIFECO INC.

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

	September 30 2019	December 31 2018
Assets		
Cash and cash equivalents	\$ 3,853	\$ 4,168
Bonds	115,893	124,862
Mortgage loans	24,141	25,014
Stocks	10,086	9,290
Investment properties	5,542	5,218
Loans to policyholders	8,717	8,929
	<u>168,232</u>	<u>177,481</u>
Assets held for sale	876	897
Funds held by ceding insurers	8,791	9,251
Goodwill	6,490	6,548
Intangible assets	3,875	3,976
Derivative financial instruments	694	417
Owner occupied properties	733	731
Fixed assets	452	448
Other assets	3,051	2,567
Premiums in course of collection, accounts and interest receivable	5,321	5,202
Reinsurance assets	21,195	6,126
Current income taxes	264	218
Deferred tax assets	876	981
Investments on account of segregated fund policyholders	222,604	209,527
Investments on account of segregated fund policyholders held for sale	3,172	3,319
Total assets	<u>\$ 446,626</u>	<u>\$ 427,689</u>
Liabilities		
Insurance contract liabilities	\$ 174,433	\$ 166,720
Investment contract liabilities	1,721	1,711
Liabilities held for sale	876	897
Debentures and other debt instruments	6,316	6,459
Funds held under reinsurance contracts	1,410	1,367
Derivative financial instruments	1,483	1,562
Accounts payable	3,070	3,262
Other liabilities	4,749	3,855
Current income taxes	508	402
Deferred tax liabilities	1,127	1,210
Investment and insurance contracts on account of segregated fund policyholders	222,604	209,527
Investment and insurance contracts on account of segregated fund policyholders held for sale	3,172	3,319
Total liabilities	<u>421,469</u>	<u>400,291</u>
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	2,796	2,737
Non-controlling interests in subsidiaries	121	138
Shareholders' equity		
Share capital		
Preferred shares	2,714	2,714
Common shares	5,633	7,283
Accumulated surplus	13,578	13,342
Accumulated other comprehensive income	149	1,045
Contributed surplus	166	139
Total equity	<u>25,157</u>	<u>27,398</u>
Total liabilities and equity	<u>\$ 446,626</u>	<u>\$ 427,689</u>

Segmented Information *(unaudited)*

Consolidated Net Earnings

For the three months ended September 30, 2019

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,606	\$ 966	\$ 4,752	\$ —	\$ 9,324
Net investment income					
Regular net investment income	732	319	402	(1)	1,452
Changes in fair value through profit or loss	366	201	1,535	—	2,102
Total net investment income	1,098	520	1,937	(1)	3,554
Fee and other income	447	665	384	—	1,496
	<u>5,151</u>	<u>2,151</u>	<u>7,073</u>	<u>(1)</u>	<u>14,374</u>
Benefits and expenses					
Paid or credited to policyholders	3,867	1,362	6,211	—	11,440
Other ⁽¹⁾	850	655	444	3	1,952
Financing charges	32	28	9	1	70
Amortization of finite life intangible assets	24	22	11	—	57
Earnings (loss) before income taxes	<u>378</u>	<u>84</u>	<u>398</u>	<u>(5)</u>	<u>855</u>
Income taxes (recovery)	31	7	11	(2)	47
Net earnings (loss) before non-controlling interests	<u>347</u>	<u>77</u>	<u>387</u>	<u>(3)</u>	<u>808</u>
Non-controlling interests	47	(3)	1	—	45
Net earnings (loss)	<u>300</u>	<u>80</u>	<u>386</u>	<u>(3)</u>	<u>763</u>
Preferred share dividends	28	—	5	—	33
Net earnings (loss) before capital allocation	<u>272</u>	<u>80</u>	<u>381</u>	<u>(3)</u>	<u>730</u>
Impact of capital allocation	28	(3)	(24)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 300</u>	<u>\$ 77</u>	<u>\$ 357</u>	<u>\$ (4)</u>	<u>\$ 730</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 three months ended September 30, 2018

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,266	\$ 1,148	\$ 5,923	\$ —	\$ 10,337
Net investment income					
Regular net investment income	663	460	451	4	1,578
Changes in fair value through profit or loss	(646)	(160)	(565)	—	(1,371)
Total net investment income	17	300	(114)	4	207
Fee and other income	437	673	373	—	1,483
	<u>3,720</u>	<u>2,121</u>	<u>6,182</u>	<u>4</u>	<u>12,027</u>
Benefits and expenses					
Paid or credited to policyholders	2,468	1,233	5,345	—	9,046
Other ⁽¹⁾	841	695	436	5	1,977
Financing charges	32	28	8	1	69
Amortization of finite life intangible assets	20	24	10	—	54
Restructuring expenses	—	—	67	—	67
Earnings (loss) before income taxes	359	141	316	(2)	814
Income taxes (recovery)	65	24	19	(1)	107
Net earnings (loss) before non-controlling interests	294	117	297	(1)	707
Non-controlling interests	(19)	2	1	—	(16)
Net earnings (loss)	313	115	296	(1)	723
Preferred share dividends	29	—	5	—	34
Net earnings (loss) before capital allocation	284	115	291	(1)	689
Impact of capital allocation	31	(2)	(28)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 315</u>	<u>\$ 113</u>	<u>\$ 263</u>	<u>\$ (2)</u>	<u>\$ 689</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 nine months ended September 30, 2019

	Canada	United States ⁽²⁾	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 9,918	\$ (10,647)	\$ 15,761	\$ —	\$ 15,032
Net investment income					
Regular net investment income	2,105	1,432	1,161	1	4,699
Changes in fair value through profit or loss	3,602	1,434	3,676	—	8,712
Total net investment income	5,707	2,866	4,837	1	13,411
Fee and other income	1,309	3,088	1,169	—	5,566
	16,934	(4,693)	21,767	1	34,009
Benefits and expenses					
Paid or credited to policyholders	13,157	(7,049)	19,214	—	25,322
Other ⁽¹⁾	2,570	2,132	1,372	16	6,090
Financing charges	96	88	27	3	214
Amortization of finite life intangible assets	67	62	35	—	164
Earnings (loss) before income taxes	1,044	74	1,119	(18)	2,219
Income taxes (recovery)	137	4	94	(5)	230
Net earnings (loss) before non-controlling interests	907	70	1,025	(13)	1,989
Non-controlling interests	43	—	—	—	43
Net earnings (loss)	864	70	1,025	(13)	1,946
Preferred share dividends	85	—	15	—	100
Net earnings (loss) before capital allocation	779	70	1,010	(13)	1,846
Impact of capital allocation	84	(10)	(72)	(2)	—
Net earnings (loss) - common shareholders	\$ 863	\$ 60	\$ 938	\$ (15)	\$ 1,846

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

⁽²⁾ Includes the loss on the reinsurance transaction with Protective Life of \$247 (\$199 after-tax) as described in note 3 to the Company's September 30, 2019 condensed consolidated interim unaudited financial statements.

GREAT-WEST LIFECO_{INC.}

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

For the nine months ended September 30, 2018

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 9,558	\$ 3,116	\$ 13,742	\$ —	\$ 26,416
Net investment income					
Regular net investment income	1,941	1,363	1,413	9	4,726
Changes in fair value through profit or loss	(731)	(1,000)	(1,477)	—	(3,208)
Total net investment income	1,210	363	(64)	9	1,518
Fee and other income	1,308	1,959	1,132	—	4,399
	<u>12,076</u>	<u>5,438</u>	<u>14,810</u>	<u>9</u>	<u>32,333</u>
Benefits and expenses					
Paid or credited to policyholders	8,291	2,879	12,212	—	23,382
Other ⁽¹⁾	2,469	2,055	1,351	15	5,890
Financing charges	96	26	28	1	151
Amortization of finite life intangible assets	60	67	26	—	153
Restructuring expenses	—	—	67	—	67
Earnings (loss) before income taxes	1,160	411	1,126	(7)	2,690
Income taxes (recovery)	203	68	68	(2)	337
Net earnings (loss) before non-controlling interests	957	343	1,058	(5)	2,353
Non-controlling interests	(2)	3	1	—	2
Net earnings (loss)	959	340	1,057	(5)	2,351
Preferred share dividends	86	—	14	—	100
Net earnings (loss) before capital allocation	873	340	1,043	(5)	2,251
Impact of capital allocation	92	(7)	(81)	(4)	—
Net earnings (loss) - common shareholders	<u>\$ 965</u>	<u>\$ 333</u>	<u>\$ 962</u>	<u>\$ (9)</u>	<u>\$ 2,251</u>

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