

All figures are expressed in Canadian dollars, except as noted.

Great-West Lifeco announces substantial issuer bid for up to \$2 billion of its common shares

Winnipeg, MB, March 4, 2019. . . Great-West Lifeco Inc. (Great-West Lifeco or the Company) today announced that the board of directors of the Company has authorized the making of a substantial issuer bid (the Offer), pursuant to which Great-West Lifeco will offer to repurchase for cancellation up to \$2 billion of its common shares (the Shares) from shareholders for cash. The Offer will proceed by way of a modified Dutch auction.¹ The Company expects to announce the terms of the Offer and commence the Offer shortly.

“This transaction will allow us to return capital to our shareholders and mitigate the earnings impact of the previously announced sale of our U.S. individual life insurance and annuity business,” said Paul Mahon, President and Chief Executive Officer, Great-West Lifeco. “We will be repurchasing shares at currently attractive market valuations while maintaining significant excess capital to fund strategic investments to drive growth and profitability.”

Power Financial Corporation (Power Financial) owns, directly or indirectly through wholly-owned subsidiaries, approximately 67.8% of the Shares. Power Financial has advised the Company that it intends to support the Company through its participation in the Offer by tendering a significant portion of its Shares on a proportionate¹ basis and all remaining tendered Shares on a non-proportionate basis. Consequently, Power Financial expects that following the Offer its ownership in the Company will be marginally reduced.

IGM Financial Inc., a public company controlled by Power Financial, indirectly owns a further 4% of the Shares and has advised the Company that it currently intends to participate in the Offer by way of a Proportionate Tender.

The Offer will not be conditional upon any minimum number of Shares being tendered. The Offer will, however, be subject to other conditions and Great-West Lifeco will reserve the right, subject to applicable laws, to withdraw or amend the Offer, if, at any time prior to the payment of deposited Shares, certain events occur.

Great-West Lifeco has engaged RBC Capital Markets to act as financial advisor and dealer-manager for the Offer.

About 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. Great-West 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. Great-West Lifeco and its companies have approximately \$1.4 trillion in consolidated assets under administration as at December 31, 2018 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.

¹ The modified Dutch auction allows shareholders who choose to participate in the Offer to individually select the price, within a specified range as determined by the Company, at which to sell their Shares. Shareholders who wish to accept the Offer may do so proportionately by “Proportionate Tender” (such number of Shares that will result in maintaining their proportionate equity ownership in the Company following completion of the Offer at the purchase price determined pursuant to the Offer) or non-proportionately by “Auction Tender” (a specified number of Shares at a specified price) or “Purchase Price Tender” (a specified number of Shares at the purchase price determined pursuant to the Offer).

Cautionary note regarding Forward-Looking Information

Certain statements in this news release constitute forward-looking statements, including relating to the Company's intention to commence a substantial issuer bid and the size, timing, and terms and conditions of the substantial issuer bid. Forward-looking statements are not historical facts but instead represent only Great-West Lifeco's belief regarding future events, many of which, by their nature, are inherently uncertain and outside Great-West Lifeco's control. It is possible that actual results will differ, possibly materially, from the anticipated results indicated in these statements. Factors that could cause actual results to differ, possibly materially, from those in the forward-looking statements are discussed throughout periodic filings with securities regulators including Great-West Lifeco'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 statements. Other than as specifically required by applicable law, Great-West Lifeco does not intend to update any forward-looking statements whether as a result of new information, future events or otherwise.

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