

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 2018 net earnings of \$710 million;
announces 6% dividend increase**

Winnipeg, February 7, 2019 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced net earnings attributable to common shareholders (net earnings) of \$710 million or \$0.72 per common share for the fourth quarter of 2018 compared to \$392 million or \$0.40 per common share for the same quarter last year. Lifeco adjusted net earnings for the fourth quarter of 2017 were \$734 million or \$0.74 per common share, excluding a net charge of \$342 million related to the impact of U.S. tax reform, a net charge on the disposal of an equity investment and restructuring costs. Net earnings in the fourth quarter of 2018 of \$710 million decreased from adjusted net earnings of \$734 million in 2017, primarily due to the impact of equity market declines in the fourth quarter of 2018 partially offset by strong underlying business results.

For the twelve months ended December 31, 2018, Lifeco's net earnings were \$2,961 million or \$3.00 per common share compared to \$2,149 million or \$2.17 per common share for the same period last year. Included in Lifeco's net earnings for the twelve months ended December 31, 2018 were restructuring costs of \$56 million related to the Company's U.K. operations while net earnings in 2017 included net adjustments of \$498 million related to the impact of U.S. tax reform, the net charge on the sale of an equity investment and restructuring costs. Excluding the impact of these items, Lifeco's adjusted net earnings were \$3,017 million or \$3.05 per common share compared to \$2,647 million or \$2.68 per common share for the same period last year. The 2017 adjusted net earnings included a provision of \$175 million related to the impact of 2017 Atlantic hurricane activity reflected in the third quarter 2017 results.

"I am pleased with Great-West Lifeco's earnings performance in 2018 which saw growth across our Canadian, U.S. and European segments," said Paul Mahon, President and Chief Executive Officer, Great-West Lifeco. "We enter 2019 with significant excess capital, which will be further bolstered by \$1.6 billion from the sale of our U.S. life and annuity business. This positions us to actively consider acquisition opportunities to drive growth and long-term value. In addition, we are considering other capital management activities to mitigate the earnings impact from the sale of our U.S. business."

Highlights

Dividend increase of 6%

- Lifeco declared a quarterly common dividend of \$0.413 per common share payable March 29, 2019, a 6% increase from the previous quarter.

Sales of \$41.5 billion up 37%

- Sales for the fourth quarter of 2018 were \$41.5 billion, up 37% from the fourth quarter of 2017, driven by a 67% increase in the U.S. segment, reflecting higher Empower Retirement sales and Putnam mutual fund sales.

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Capital strength and financial flexibility maintained

- The Great-West Life Assurance Company reported a Life Insurance Capital Adequacy Test (LICAT) ratio of 140% at December 31, 2018.
- Adjusted return on equity (ROE) for the fourth quarter of 2018 was 14.3%. Adjusted ROE excludes restructuring costs.

Sale of U.S. individual life insurance and annuity business

- On January 24, 2019, the Company announced that its subsidiary, Great-West Life & Annuity Insurance Company, was selling substantially all of its U.S. individual life insurance and annuity business, via a reinsurance agreement, to Protective Life Insurance Company. The Company will continue to focus on the retirement and asset management markets in the U.S.

Recognized as a leader in carbon and climate risk management by CDP

- The Company earned an A- (leadership) rating on CDP's 2018 Climate Change Questionnaire, which identifies the global leaders in the management of carbon, climate change risks, and low carbon opportunities. The Company once again achieved the highest rating among Canadian insurance companies and was among the top seven Canadian companies.

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 2018 Annual Management's Discussion and Analysis (MD&A).

CANADA

- **Q4 Canada segment net earnings of \$310 million** – Net earnings for the fourth quarter of 2018 were \$310 million compared to \$338 million in the fourth quarter of 2017, a decrease of 8%. The decrease was primarily due to higher business and strategic expenses and the impact of equity market declines in the fourth quarter of 2018, which were partly offset by strong underlying business results. For the twelve months ended December 31, 2018, net earnings were \$1,275 million, an increase from net earnings of \$1,074 million and adjusted net earnings of \$1,219 million for the same period last year, up 19% and 5% respectively. Adjusted net earnings in 2017 exclude restructuring costs of \$126 million and the impact of U.S. tax reform of \$19 million. Net earnings for the full year increased due to strong results in the Group business and higher contributions from insurance contract liability basis changes.
- **Canada advances business transformation** – Through its business transformation program, the Company achieved \$209 million of pre-tax annualized expense reductions, exceeding the target of \$200 million. The Company will continue to invest in innovative technologies, focus on strategies to enhance growth and its competitive position and identify ways to further simplify its products, marketing, operations and structure.
- **Acquisition of Guggenheim Real Estate LLC (GRE)** – On January 31, 2019, the Company, through its wholly-owned subsidiary GWL Realty Advisors U.S., acquired the business of GRE, the real estate private equity platform of Guggenheim Investments. The acquisition of GRE complements the Company's global real estate growth strategy and further enhances its platform in the U.S. market.

UNITED STATES

- **Q4 U.S. segment net earnings of US\$41 million** – Net earnings for the fourth quarter of 2018 were US\$41 million, down from adjusted net earnings of US\$60 million in the fourth quarter of 2017, primarily due to the impact of equity market declines in the fourth quarter partially offset by the impact of U.S. corporate tax changes and growth in the Empower Retirement business. Adjusted net earnings exclude the impact of U.S. tax reform and the net charge on the sale of an equity investment in the fourth quarter of 2017. For the twelve months ended December 31, 2018, net earnings were US\$292 million, or US\$253 million excluding the net positive impact of US\$39 million related to U.S. debt refinancing activity in the second quarter of 2018, compared to adjusted net earnings of US\$260 million for the same period last year. Net earnings for the full year increased due to impact of U.S. corporate tax changes and net business growth partially offset by the impact of equity market declines in the fourth quarter.
- **Empower Retirement participants up 6% year-to-date** – Empower Retirement participant accounts at December 31, 2018 were 8.8 million compared to 8.3 million at December 31, 2017, an increase of 6%, primarily driven by an increase in plan sales.
- **Putnam sales up 53%** – Putnam sales were US\$13.2 billion, an increase of US\$4.6 billion compared to the same period last year, reflecting a 63% increase in mutual fund sales and a 36% increase in institutional asset sales. Mutual fund net inflows of US\$0.5 billion for the fourth quarter of 2018 were an increase of US\$0.7 billion compared to the same period last year, and the third consecutive quarter with net inflows. Mutual fund net inflows for the year were US\$2.4 billion compared to net outflows of US\$1.6 billion in 2017.

EUROPE

- **Q4 Europe segment net earnings of \$349 million up 13% on an adjusted basis** – Net earnings for the fourth quarter of 2018 were \$349 million, up 13%, compared to adjusted net earnings of \$308 million in the fourth quarter of 2017. The increase from the prior year was primarily driven by higher new business gains, more favourable mortality experience and the impact of changes to certain tax estimates partially offset by lower contributions from insurance contract liability basis changes. For the twelve months ended December 31, 2018, adjusted net earnings were \$1,367 million compared to \$1,121 million for the same period last year. Excluding the impact of a \$175 million provision for 2017 Atlantic hurricane activity in the third quarter of 2017, 2018 net earnings were up \$71 million compared to 2017. The increase was primarily due to higher contributions from insurance contract liability basis changes, mainly reflecting longevity assumption updates, favourable mortality experience and currency movement. These items were partially offset by lower contributions from investment experience.
- **U.K. operations advance transformation activities** – The U.K. operations made progress on the previously announced targeted annual expense reductions of £20 million pre-tax by the end of the fourth quarter of 2020. Annualized savings achieved to December 31, 2018 on the U.K. restructuring program were £3 million pre-tax.
- **Q4 Europe segment sales were down 18%** - Europe sales in the fourth quarter of 2018 of \$6.0 billion were down 18% from the fourth quarter of 2017 and 17% from the third quarter of 2018 due to lower bulk annuity sales. The fourth quarter of 2017 included a large bulk payout annuity sale in Ireland and the third quarter of 2018 included four significant U.K. bulk annuity sales.

QUARTERLY DIVIDENDS

The Board of Directors approved a quarterly dividend of \$0.413 per share on the common shares of Lifeco payable March 29, 2019 to shareholders of record at the close of business March 1, 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	March 1, 2019	March 29, 2019	\$0.36875
Series G	March 1, 2019	March 29, 2019	\$0.3250
Series H	March 1, 2019	March 29, 2019	\$0.30313
Series I	March 1, 2019	March 29, 2019	\$0.28125
Series L	March 1, 2019	March 29, 2019	\$0.353125
Series M	March 1, 2019	March 29, 2019	\$0.3625
Series N	March 1, 2019	March 29, 2019	\$0.1360
Series O	March 1, 2019	March 29, 2019	\$0.185733
Series P	March 1, 2019	March 29, 2019	\$0.3375
Series Q	March 1, 2019	March 29, 2019	\$0.321875
Series R	March 1, 2019	March 29, 2019	\$0.3000
Series S	March 1, 2019	March 29, 2019	\$0.328125
Series T	March 1, 2019	March 29, 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

Great-West Lifeco Inc. 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), Putnam Investments, LLC (Putnam) and Irish Life Group Limited (Irish Life). Lifeco and its companies have approximately \$1.4 trillion in consolidated assets under administration 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 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 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 and expected cost reductions and savings. 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 this release 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 return on equity", "core net earnings", "constant currency basis", "impact of currency movement", "premiums and deposits", "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.

Fourth Quarter Conference Call

Lifeco's fourth quarter conference call and audio webcast will be held February 7, 2019 at 3:30 p.m. (ET). The call and webcast can be accessed through greatwestlifeco.com or by phone at:

- Participants in the Toronto area: 416-340-2218
- Participants from North America: 1-800-273-9672

A replay of the call will be available from February 8, 2019 to March 9, 2019 and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 8378775#). The archived webcast will be available on greatwestlifeco.com from February 8, 2019 to February 7, 2020.

Additional information relating to Lifeco, including the 2018 annual 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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GREAT-WEST LIFECO INC.

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 2018	September 30 2018	December 31 2017	December 31 2018	December 31 2017
Premiums and deposits:					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 9,045	\$ 10,337	\$ 8,494	\$ 35,461	\$ 33,902
Policyholder deposits (segregated funds):					
Individual products	4,705	3,833	5,357	16,668	17,037
Group products	1,641	1,790	2,009	7,807	7,848
Self-funded premium equivalents (administrative services only contracts) ⁽¹⁾	802	744	720	3,068	2,827
Proprietary mutual funds and institutional deposits ⁽¹⁾	21,390	17,878	16,065	76,258	61,490
Total premiums and deposits⁽¹⁾⁽²⁾	37,583	34,582	32,645	139,262	123,104
Fee and other income⁽²⁾	1,420	1,483	1,439	5,819	5,608
Net policyholder benefits, dividends and experience refunds	8,496	7,653	7,618	31,566	30,387
Earnings					
Net earnings - common shareholders	\$ 710	\$ 689	\$ 392	\$ 2,961	\$ 2,149
Adjustments ⁽⁶⁾	—	56	342	56	498
Adjusted net earnings - common shareholders ⁽⁶⁾	710	745	734	3,017	2,647
Per common share					
Basic earnings	0.719	0.697	0.397	2.996	2.173
Adjusted net earnings - common shareholders ⁽⁶⁾	0.719	0.754	0.742	3.052	2.676
Dividends paid	0.389	0.389	0.367	1.556	1.468
Book value	22.08	21.25	20.11		
Return on common shareholders' equity⁽³⁾					
Net earnings	14.0%	12.8%	10.9%		
Adjusted net earnings ⁽⁶⁾	14.3%	14.7%	13.4%		
Total assets	\$ 427,689	\$ 429,082	\$ 419,838		
Proprietary mutual funds and institutional net assets ⁽⁴⁾	281,664	293,766	278,954		
Total assets under management⁽⁴⁾	709,353	722,848	698,792		
Other assets under administration ⁽⁵⁾	689,520	718,410	651,121		
Total assets under administration	\$ 1,398,873	\$ 1,441,258	\$ 1,349,913		
Total equity	\$ 27,398	\$ 26,624	\$ 25,536		

⁽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⁾ Comparative figures have been reclassified to reflect presentation adjustments relating to the adoption of IFRS 15, *Revenue from Contracts with Customers*, as described in the "International Financial Reporting Standards" section of the Company's December 31, 2018 Management's Discussion and Analysis and in note 2 to the Company's December 31, 2018 consolidated financial statements.

⁽³⁾ Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's December 31, 2018 Management's Discussion and Analysis.

⁽⁴⁾ 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.

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- ⁽⁵⁾ 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.
- ⁽⁶⁾ Adjusted net earnings attributable to common shareholders and adjusted net earnings per common share (EPS) are non-IFRS financial measures of earnings performance. In 2018, adjustments were \$56 of restructuring expenses relating to the Company's U.K. operations (refer to note 5 of the Company's December 31, 2018 consolidated financial statements). The following adjustments were made for the twelve months ended December 31, 2017:

	Segment			Total	EPS Impact
	Canada	United States	Europe		
2017 Adjustments:					
Q1 Restructuring expenses	\$ —	\$ 11	\$ 17	\$ 28	\$ 0.029
Q2 Restructuring expenses	126	—	1	127	0.128
Q3 Restructuring expenses	—	—	1	1	0.002
Q4 Restructuring expenses	—	—	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 2017 Adjustments	19	373	(50)	342	0.345
Total 2017 Adjustments	\$ 145	\$ 384	\$ (31)	\$ 498	\$ 0.503

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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	
	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾
Income				
Premium income				
Gross premiums written	\$ 10,271	\$ 9,672	\$ 39,984	\$ 38,261
Ceded premiums	(1,226)	(1,178)	(4,523)	(4,359)
Total net premiums	9,045	8,494	35,461	33,902
Net investment income				
Regular net investment income	1,632	1,564	6,358	6,141
Changes in fair value through profit or loss	(398)	1,415	(3,606)	1,466
Total net investment income	1,234	2,979	2,752	7,607
Fee and other income	1,420	1,439	5,819	5,608
	11,699	12,912	44,032	47,117
Benefits and expenses				
Policyholder benefits				
Gross	8,737	7,740	32,357	30,801
Ceded	(599)	(556)	(2,445)	(2,214)
Total net policyholder benefits	8,138	7,184	29,912	28,587
Policyholder dividends and experience refunds	358	434	1,654	1,800
Changes in insurance and investment contract liabilities	190	2,369	502	5,256
Total paid or credited to policyholders	8,686	9,987	32,068	35,643
Commissions	673	646	2,474	2,647
Operating and administrative expenses	1,311	1,237	5,033	4,705
Premium taxes	128	115	495	463
Financing charges	70	74	221	300
Amortization of finite life intangible assets and impairment reversal	59	29	212	168
Restructuring expenses	—	5	67	259
Loss on assets held for sale	—	202	—	202
Earnings before income taxes	772	617	3,462	2,730
Income taxes	50	182	387	422
Net earnings before non-controlling interests	722	435	3,075	2,308
Attributable to non-controlling interests	(21)	10	(19)	30
Net earnings	743	425	3,094	2,278
Preferred share dividends	33	33	133	129
Net earnings - common shareholders	\$ 710	\$ 392	\$ 2,961	\$ 2,149
Earnings per common share				
Basic	\$ 0.719	\$ 0.397	\$ 2.996	\$ 2.173
Diluted	\$ 0.719	\$ 0.396	\$ 2.994	\$ 2.170

⁽¹⁾ Certain comparative figures have been reclassified as described in note 2 to the Company's December 31, 2018 consolidated financial statements.

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

	December 31	
	2018	2017
Assets		
Cash and cash equivalents	\$ 4,168	\$ 3,551
Bonds	124,862	120,204
Mortgage loans	25,014	22,185
Stocks	9,290	8,864
Investment properties	5,218	4,851
Loans to policyholders	8,929	8,280
	177,481	167,935
Assets held for sale	897	169
Funds held by ceding insurers	9,251	9,893
Goodwill	6,548	6,179
Intangible assets	3,976	3,732
Derivative financial instruments	417	384
Owner occupied properties	731	706
Fixed assets	448	303
Other assets	2,567	2,424
Premiums in course of collection, accounts and interest receivable	5,202	4,647
Reinsurance assets	6,126	5,045
Current income taxes	218	134
Deferred tax assets	981	930
Investments on account of segregated fund policyholders	209,527	217,357
Investments on account of segregated fund policyholders held for sale	3,319	—
Total assets	\$ 427,689	\$ 419,838
Liabilities		
Insurance contract liabilities	\$ 166,720	\$ 159,524
Investment contract liabilities	1,711	1,841
Liabilities held for sale	897	—
Debentures and other debt instruments	6,459	5,777
Funds held under reinsurance contracts	1,367	373
Derivative financial instruments	1,562	1,336
Accounts payable	3,262	2,684
Other liabilities	3,855	3,752
Current income taxes	402	464
Deferred tax liabilities	1,210	1,194
Investment and insurance contracts on account of segregated fund policyholders	209,527	217,357
Investment and insurance contracts on account of segregated fund policyholders held for sale	3,319	—
Total liabilities	400,291	394,302
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	2,737	2,771
Non-controlling interests in subsidiaries	138	164
Shareholders' equity		
Share capital		
Preferred shares	2,714	2,714
Common shares	7,283	7,260
Accumulated surplus	13,342	12,098
Accumulated other comprehensive income	1,045	386
Contributed surplus	139	143
Total equity	27,398	25,536
Total liabilities and equity	\$ 427,689	\$ 419,838

Segmented Information *(unaudited)*

Consolidated Net Earnings

For the three months ended December 31, 2018

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,535	\$ 1,134	\$ 4,376	\$ —	\$ 9,045
Net investment income					
Regular net investment income	667	473	488	4	1,632
Changes in fair value through profit or loss	(554)	110	46	—	(398)
Total net investment income	113	583	534	4	1,234
Fee and other income	428	644	348	—	1,420
	<u>4,076</u>	<u>2,361</u>	<u>5,258</u>	<u>4</u>	<u>11,699</u>
Benefits and expenses					
Paid or credited to policyholders	2,733	1,568	4,385	—	8,686
Other ⁽¹⁾	937	686	481	8	2,112
Financing charges	32	29	9	—	70
Amortization of finite life intangible assets and impairment reversal	21	23	15	—	59
Restructuring expenses	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—
Earnings (loss) before income taxes	<u>353</u>	<u>55</u>	<u>368</u>	<u>(4)</u>	<u>772</u>
Income taxes (recovery)	65	(2)	(12)	(1)	50
Net earnings (loss) before non-controlling interests	<u>288</u>	<u>57</u>	<u>380</u>	<u>(3)</u>	<u>722</u>
Non-controlling interests	(19)	(1)	(1)	—	(21)
Net earnings (loss)	<u>307</u>	<u>58</u>	<u>381</u>	<u>(3)</u>	<u>743</u>
Preferred share dividends	28	—	5	—	33
Net earnings (loss) before capital allocation	<u>279</u>	<u>58</u>	<u>376</u>	<u>(3)</u>	<u>710</u>
Impact of capital allocation	31	(3)	(27)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 310</u>	<u>\$ 55</u>	<u>\$ 349</u>	<u>\$ (4)</u>	<u>\$ 710</u>

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

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

For the three months ended December 31, 2017

	Canada ⁽²⁾	United States ⁽²⁾	Europe	Lifeco Corporate	Total ⁽²⁾
Income					
Total net premiums	\$ 3,464	\$ 1,059	\$ 3,971	\$ —	\$ 8,494
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	436	635	368	—	1,439
	<u>5,540</u>	<u>2,098</u>	<u>5,272</u>	<u>2</u>	<u>12,912</u>
Benefits and expenses					
Paid or credited to policyholders	4,180	1,294	4,513	—	9,987
Other ⁽¹⁾	832	716	446	4	1,998
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	477	(144)	286	(2)	617
Income taxes (recovery)	114	163	(95)	—	182
Net earnings (loss) before non-controlling interests	363	(307)	381	(2)	435
Non-controlling interests	25	(14)	(1)	—	10
Net earnings (loss)	338	(293)	382	(2)	425
Preferred share dividends	26	—	5	2	33
Net earnings (loss) before capital allocation	312	(293)	377	(4)	392
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.

⁽²⁾ Certain comparative figures have been reclassified as described in note 2 to the Company's December 31, 2018 consolidated financial statements.

GREAT-WEST
LIFECO INC.

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

For the twelve months ended December 31, 2018

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 13,093	\$ 4,250	\$ 18,118	\$ —	\$ 35,461
Net investment income					
Regular net investment income	2,608	1,836	1,901	13	6,358
Changes in fair value through profit or loss	(1,285)	(890)	(1,431)	—	(3,606)
Total net investment income	1,323	946	470	13	2,752
Fee and other income	1,736	2,603	1,480	—	5,819
	16,152	7,799	20,068	13	44,032
Benefits and expenses					
Paid or credited to policyholders	11,024	4,447	16,597	—	32,068
Other ⁽¹⁾	3,406	2,741	1,832	23	8,002
Financing charges	128	55	37	1	221
Amortization of finite life intangible assets and impairment reversal	81	90	41	—	212
Restructuring expenses	—	—	67	—	67
Loss on assets held for sale	—	—	—	—	—
Earnings (loss) before income taxes	1,513	466	1,494	(11)	3,462
Income taxes (recovery)	268	66	56	(3)	387
Net earnings (loss) before non-controlling interests	1,245	400	1,438	(8)	3,075
Non-controlling interests	(21)	2	—	—	(19)
Net earnings (loss)	1,266	398	1,438	(8)	3,094
Preferred share dividends	114	—	19	—	133
Net earnings (loss) before capital allocation	1,152	398	1,419	(8)	2,961
Impact of capital allocation	123	(10)	(108)	(5)	—
Net earnings (loss) - common shareholders	\$ 1,275	\$ 388	\$ 1,311	\$ (13)	\$ 2,961

⁽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 ⁽²⁾	United States ⁽²⁾	Europe	Lifeco Corporate	Total ⁽²⁾
Income					
Total net premiums	\$ 13,146	\$ 4,471	\$ 16,285	\$ —	\$ 33,902
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	1,684	2,538	1,386	—	5,608
	<u>18,170</u>	<u>9,164</u>	<u>19,779</u>	<u>4</u>	<u>47,117</u>
Benefits and expenses					
Paid or credited to policyholders	12,977	5,814	16,852	—	35,643
Other ⁽¹⁾	3,433	2,737	1,623	22	7,815
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	<u>\$ 1,074</u>	<u>\$ (50)</u>	<u>\$ 1,152</u>	<u>\$ (27)</u>	<u>\$ 2,149</u>

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

⁽²⁾ Certain comparative figures have been reclassified as described in note 2 to the Company's December 31, 2018 consolidated financial statements.