

GREAT-WEST
LIFECO INC.

Supplemental Information Package
For Analysts and Investors
(Unaudited)
Q2 2016

Building on our **STRENGTHS**.
Investing in our **FUTURE**.



CAUTIONARY NOTE REGARDING NON-IFRS FINANCIAL MEASURES

This document contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, “operating 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. Please refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

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Lifeco Overview

Great-West Lifeco Inc. (GWO or the Company) is a financial services company with interests in the life insurance, health insurance, retirement savings, investment management, and reinsurance businesses. The company has operations in Canada, U.S., Europe and Asia, through The Great-West Life Assurance Company, London Life Insurance Company, The Canada Life Assurance Company, Great-West Financial, Putnam Investments LLC, and Irish Life Group Limited. Lifeco and its companies have approximately \$1,184 billion in assets under administration. Lifeco is a member of the Power Financial Corporation group of companies.

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Great-West Lifeco Inc.



Lifeco Financial Highlights

(C\$MM except Earnings per Common Share)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium Income	6,871	7,015	6,162	5,891	5,516	6,932	5,501	4,690	13,886	12,448	24,501
Net Investment Income	4,705	4,083	826	1,464	(2,518)	4,489	4,061	2,669	8,788	1,971	4,261
Fee & Other Income	1,231	1,254	1,333	1,241	1,226	1,258	1,161	1,092	2,485	2,484	5,058
Total Income	12,807	12,352	8,321	8,596	4,224	12,679	10,723	8,451	25,159	16,903	33,820
Operating Earnings - Common Shareholders	671	620	683	720	659	700	657	687	1,291	1,359	2,762
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-	-
Net Earnings - Common Shareholders	671	620	683	720	659	700	657	687	1,291	1,359	2,762
Net Earnings attributable to Perpetual Preferred Shareholders	30	31	31	32	31	32	31	33	61	63	126
Net Earnings - Total Shareholders	701	651	714	752	690	732	688	720	1,352	1,422	2,888
Earnings per Common Share											
Operating Earnings	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$0.658	\$0.687	\$1.300	\$1.363	\$2.774
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-	-
Basic earnings per share	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$0.658	\$0.687	\$1.300	\$1.363	\$2.774
Diluted earnings per share	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$0.700	\$0.657	\$0.686	\$1.298	\$1.359	\$2.768
Common Shareholder Net Earnings (Loss) - by Segment											
Canada	327	276	262	326	308	299	300	330	603	607	1,195
U.S.	53	63	125	96	67	121	89	107	116	188	409
Europe	293	287	303	296	289	286	274	259	580	575	1,174
Corporate	(2)	(6)	(7)	2	(5)	(6)	(6)	(9)	(8)	(11)	(16)
Total	671	620	683	720	659	700	657	687	1,291	1,359	2,762

Lifeco Common Shareholder Net Earnings

(C\$MM)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Common Shareholder Net Earnings (Loss)											
Canada											
Individual Insurance	80	92	51	91	88	77	120	109	172	165	307
Wealth Management	104	101	119	116	122	122	69	96	205	244	479
Group Insurance	125	67	74	153	96	109	96	125	192	205	432
Corporate	18	16	18	(34)	2	(9)	15	-	34	(7)	(23)
	<u>327</u>	<u>276</u>	<u>262</u>	<u>326</u>	<u>308</u>	<u>299</u>	<u>300</u>	<u>330</u>	<u>603</u>	<u>607</u>	<u>1,195</u>
U.S.											
Financial Services ⁽¹⁾	71	88	84	104	70	119	90	115	159	189	377
Asset Management	(18)	(25)	41	(8)	(3)	2	(1)	(8)	(43)	(1)	32
	<u>53</u>	<u>63</u>	<u>125</u>	<u>96</u>	<u>67</u>	<u>121</u>	<u>89</u>	<u>107</u>	<u>116</u>	<u>188</u>	<u>409</u>
Europe											
Insurance & Annuities	225	226	234	229	207	216	218	208	451	423	886
Reinsurance	74	63	73	71	92	77	71	59	137	169	313
Corporate	(6)	(2)	(4)	(4)	(10)	(7)	(15)	(8)	(8)	(17)	(25)
	<u>293</u>	<u>287</u>	<u>303</u>	<u>296</u>	<u>289</u>	<u>286</u>	<u>274</u>	<u>259</u>	<u>580</u>	<u>575</u>	<u>1,174</u>
Corporate	(2)	(6)	(7)	2	(5)	(6)	(6)	(9)	(8)	(11)	(16)
Total	<u><u>671</u></u>	<u><u>620</u></u>	<u><u>683</u></u>	<u><u>720</u></u>	<u><u>659</u></u>	<u><u>700</u></u>	<u><u>657</u></u>	<u><u>687</u></u>	<u><u>1,291</u></u>	<u><u>1,359</u></u>	<u><u>2,762</u></u>

1) Includes U.S. Corporate

Currency Translation Rates

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
(C\$ / US\$)								
Balance Sheet	1.30	1.30	1.38	1.34	1.25	1.27	1.16	1.12
Income & Expenses	1.29	1.37	1.34	1.31	1.23	1.24	1.14	1.09
(C\$ / £)								
Balance Sheet	1.72	1.87	2.04	2.02	1.96	1.88	1.81	1.82
Income & Expenses	1.85	1.96	2.03	2.03	1.89	1.88	1.80	1.82
(C\$ / €)								
Balance Sheet	1.44	1.48	1.50	1.50	1.39	1.36	1.40	1.42
Income & Expenses	1.46	1.51	1.46	1.46	1.36	1.40	1.42	1.44

Financial Strength – Credit Ratings

		Lifeco	Great-West Life	London Life	Canada Life	GWL&A
A.M. Best Company	Financial Strength		A+	A+	A+	A+
DBRS Limited	Issuer Rating	A (high)	AA			
	Financial Strength		AA	AA	AA	NR
	Senior Debt	A (high)				
	Subordinated Debt				AA(low)	
Fitch Ratings	Insurer Financial Strength		AA	AA	AA	AA
	Senior Debt	A				
Moody's Investors Service	Insurance Financial Strength		Aa3	Aa3	Aa3	Aa3
Standard & Poor's Ratings Services	Insurer Financial Strength		AA	AA	AA	AA
	Senior Debt	A+				
	Subordinated Debt				AA-	

Irish Life Assurance Plc (ILA) is not part of the group ratings. During 2015, Fitch Ratings upgraded the insurer financial strength of ILA from A+ to AA- and Standard & Poor's Ratings Services upgraded the long-term credit rating of ILA from A to A+. Subsequent to December 31, 2015, on January 26, 2016, Fitch Ratings upgraded Irish Life's insurer financial strength to AA from AA-. During 2015, the ILA €200 million perpetual capital notes assumed on the acquisition of Irish Life were upgraded from BBB+ to A- by Fitch Ratings and from BBB+ to A- by Standard & Poor's Ratings Services. Subsequent to December 31, 2015, on January 26, 2016, Fitch Ratings upgraded the rating of these notes from A- to A.

Lifeco Common Shares Outstanding

	Opening Common Shares	New Shares Issued		Normal Course Issuer Bid			Basic Shares Outstanding
		Private/ Public	Exercised Options	Shares Bought	Price	Cost	
Q3 2014	998,936,577	-	26,060	411,453	\$31.06	\$13,026,703	998,551,184
Q4 2014	998,551,184	-	34,480	1,886,293	\$31.92	\$60,203,896	996,699,371
Q1 2015	996,699,371	-	1,670,744	765,450	\$34.23	\$26,199,145	997,604,665
Q2 2015	997,604,665	-	635,292	1,360,848	\$36.80	\$50,077,226	996,879,109
Q3 2015	996,879,109	-	131,140	3,810,122	\$34.83	\$132,723,517	993,200,127
Q4 2015	993,200,127	-	493,640	343,436	\$34.54	\$11,863,660	993,350,331
Q1 2016	993,350,331	-	473,574	624,181	\$34.32	\$21,423,126	993,199,724
Q2 2016	993,199,724	-	165,660	2,207,000	\$34.25	\$75,597,009	991,158,384

3 months ended June 30, 2016

Average common shares outstanding - Basic	992,837,470
Potential exercise of outstanding stock options	1,998,103
Average common shares outstanding - Diluted	<u>994,835,573</u>

Lifeco Financial Ratio Highlights

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Share Price								
High	\$37.03	\$35.81	\$36.29	\$37.41	\$37.52	\$37.26	\$33.87	\$33.04
Low	\$32.71	\$32.32	\$31.89	\$31.57	\$36.03	\$31.31	\$29.71	\$30.18
Close	\$34.08	\$35.74	\$34.53	\$31.97	\$36.36	\$36.62	\$33.59	\$32.21
Operating EPS								
Operating EPS	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$0.658	\$0.687
Operating EPS Growth <i>(qtr / qtr)</i>	8.0%	(9.2%)	(5.0%)	9.5%	(5.8%)	6.7%	(4.2%)	11.5%
Dividends								
Common Dividends Declared / Share		\$0.3460	\$0.3460	\$0.3260	\$0.3260	\$0.3260	\$0.3260	\$0.3075
Common Dividends Paid / Share	\$0.3460	\$0.3460	\$0.3260	\$0.3260	\$0.3260	\$0.3260	\$0.3075	\$0.3075
Paid Dividend Growth <i>(qtr / qtr)</i>	0.0%	6.1%	0.0%	0.0%	0.0%	6.0%	0.0%	0.0%
Paid Dividend Growth <i>(yr / yr)</i>	6.1%	6.1%	6.0%	6.0%	6.0%	6.0%	0.0%	0.0%
Dividend Payout Ratio ⁽¹⁾	51.3%	55.4%	47.4%	45.0%	49.3%	46.4%	46.7%	44.8%
Dividend Yield (annualized) ⁽²⁾	4.1%	3.9%	3.8%	4.1%	3.6%	3.6%	3.7%	3.8%
Ratios								
P/E Ratio <i>(rolling 4 qtrs - operating earnings)</i>	12.6x	13.2x	12.4x	11.6x	13.4x	13.8x	13.2x	13.5x
P/Book Value Ratio	1.8x	1.9x	1.7x	1.6x	2.0x	2.1x	2.0x	2.0x
ROE ⁽³⁾ (12 Months Trailing) - Operating Earnings	14.0%	14.0%	14.7%	15.2%	15.7%	16.0%	15.7%	15.1%
ROE ⁽³⁾ (12 Months Trailing)	14.0%	14.0%	14.7%	15.2%	15.7%	16.0%	15.7%	16.5%
Share Information								
Total Shares Outstanding (mm)	991.2	993.2	993.4	993.2	996.9	997.6	996.7	998.6
Majority Shareholder Beneficial Ownership (mm)	709.3	709.3	709.3	709.3	709.3	709.3	709.3	709.3
Public Float Shares (mm)	281.9	283.9	284.0	283.9	287.6	288.3	287.4	289.2
Total Market Capitalization (mm)	\$33,779	\$35,497	\$34,300	\$31,753	\$36,247	\$36,532	\$33,479	\$32,163
Public Float (mm)	\$9,606	\$10,146	\$9,808	\$9,076	\$10,456	\$10,558	\$9,654	\$9,317
Book Value per Share	\$19.04	\$19.29	\$20.07	\$19.40	\$18.28	\$17.68	\$16.80	\$16.36

1. Common dividends paid per share/operating earnings per common share (basic)

2. Common dividends paid per share * 4 / quarterly closing share price

3. Return on common shareholder equity

Lifeco Regulatory Capital Ratios

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(C\$MM, unless otherwise stated)</i>								
MCCSR								
Great-West Life Assurance Company								
Available Capital	15,168	15,492	15,730	15,383	14,572	14,151	13,662	13,663
Required Capital	6,536	6,559	6,599	6,582	6,370	6,376	6,092	5,866
Ratio	232%	236%	238%	234%	229%	222%	224%	233%
London Life Insurance Company								
Available Capital	3,229	3,342	3,341	3,314	3,240	3,390	3,445	3,399
Required Capital	1,574	1,536	1,480	1,457	1,393	1,429	1,396	1,305
Ratio	205%	218%	226%	227%	233%	237%	247%	260%
Canada Life Assurance Company								
Available Capital	10,165	10,392	10,649	10,349	9,730	9,262	8,778	8,625
Required Capital	3,878	3,944	4,090	4,061	3,931	3,926	3,703	3,621
Ratio	262%	263%	260%	255%	248%	236%	237%	238%
Risk Based Capital (RBC) - US\$								
GWL&A								
Total Adjusted Capital			1,339				1,234	
Company Action Level			288				296	
Ratio			464%				417%	

Great-West Life Assurance Company – MCCR

(C\$MM unless otherwise stated)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Capital Available:								
Tier 1 Capital								
Common shares	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487
Shareholder Surplus	9,698	9,512	9,256	9,031	8,695	8,551	8,355	8,322
Innovative instruments	112	113	113	113	112	111	112	113
Other Tier 1 Capital Elements	2,204	2,701	3,466	3,282	2,797	2,369	2,262	2,396
Gross Tier 1 Capital	20,501	20,813	21,322	20,913	20,091	19,518	19,216	19,318
Deductions from Tier 1:								
Goodwill & intangible assets in excess of limit	(5,903)	(5,920)	(5,928)	(5,954)	(5,945)	(5,963)	(6,001)	(6,011)
Other Deductions	(1,963)	(2,011)	(1,988)	(1,977)	(1,913)	(1,878)	(1,913)	(1,895)
Net Tier 1 Capital	12,635	12,882	13,406	12,982	12,233	11,677	11,302	11,412
Adjustments to Net Tier 1 Capital	(160)	(160)	(211)	(180)	(169)	(161)	(170)	(168)
Adjusted Net Tier 1 Capital	12,475	12,722	13,195	12,802	12,064	11,516	11,132	11,244
Tier 2 Capital								
Tier 2A	137	259	234	210	215	207	203	197
Tier 2B allowed	586	593	596	596	574	567	574	578
Tier 2C	2,130	2,078	1,916	1,955	1,888	2,022	1,923	1,812
Tier 2 Deductions	(160)	(160)	(211)	(180)	(169)	(161)	(170)	(168)
Net Tier 2 Capital	2,693	2,770	2,535	2,581	2,508	2,635	2,530	2,419
Total Capital Available	15,168	15,492	15,730	15,383	14,572	14,151	13,662	13,663
Capital Required:								
Assets Default & Market Risk	2,657	2,687	2,725	2,731	2,655	2,611	2,522	2,471
Insurance Risks	2,698	2,685	2,666	2,660	2,537	2,564	2,438	2,293
Interest Rate Risks	1,177	1,183	1,204	1,188	1,172	1,193	1,126	1,096
Other	4	4	4	3	6	8	6	6
Total Capital Required	6,536	6,559	6,599	6,582	6,370	6,376	6,092	5,866
MCCR Ratios:								
Tier 1	191%	194%	200%	194%	189%	181%	183%	192%
Total	232%	236%	238%	234%	229%	222%	224%	233%

Lifeco Capital Structure

(CSMM)	2016		2015			
	Q2	Q1	Q4	Q3	Q2	Q1
LIABILITIES						
Short Term						
Commercial Paper & other short term borrowings	130	129	129	129	123	114
Putnam revolving credit facility	228	280	338	168	281	407
Total Short Term	358	409	467	297	404	521
Capital						
Lifeco						
6.14% Debenture due Mar 21, 2018	200	200	200	200	200	200
6.74% Debenture due Nov 24, 2031	193	192	192	192	192	192
6.67% Debenture due Mar 21, 2033	392	391	391	391	391	391
5.998% Debenture due Nov 16, 2039	342	342	342	342	342	342
4.65% Debenture due Aug 13, 2020	499	499	499	499	499	498
2.50% Euro Bond Debt due April 18, 2023	716	736	745	745	690	675
CLAC						
6.40% Series B Subordinated Debenture due Dec 11, 2028	100	100	100	100	100	100
5.25% ILA Debenture and Swap issued Jan 2007	294	305	311	313	292	288
4.00% ILA Mortgage	-	-	-	76	70	68
GWL&A Insurance Capital						
6.625% Deferrable Debenture (LP)	224	224	238	231	215	219
7.153% Subordinated Debenture (LP II)	390	390	414	402	375	381
Lifeco Finance (Delaware)						
5.691% Subordinated Debenture due June 21, 2067 (LP)	998	998	998	997	997	997
7.127% Subordinated Debenture due June 26, 2068 (LPII)	498	498	498	498	498	498
Total Debt and Other Loans	5,204	5,284	5,395	5,283	5,265	5,370
Capital Trust Securities						
GREATs						
CLiCS	150	150	150	150	150	150
Acquisition related FMV adjustment	11	11	11	12	12	12
	161	161	161	162	162	162
Trust securities held by consolidated group	(37)	(37)	(37)	(37)	(37)	(37)
Capital Trust Securities (externally held)	124	124	124	125	125	125

EQUITY	2016		2015			
	Q2	Q1	Q4	Q3	Q2	Q1
Non-Controlling Interests						
Non-controlling interest in capital stock & surplus	192	248	195	187	185	200
Undistributed Participating Account Surplus						
Great-West Life	611	610	607	599	594	594
London Life	1,744	1,749	1,765	1,746	1,747	1,754
Canada Life	255	233	222	207	190	177
GWL&A	16	16	17	17	16	16
	2,626	2,608	2,611	2,569	2,547	2,541
Total Non-Controlling Interest	2,818	2,856	2,806	2,756	2,732	2,741
Lifeco						
Series F 5.90% Non-Cumulative Preferreds	194	194	194	194	194	194
Series G 5.20% Non-Cumulative Preferreds	300	300	300	300	300	300
Series H 4.85% Non-Cumulative Preferreds	300	300	300	300	300	300
Series I 4.50% Non-Cumulative Preferreds	300	300	300	300	300	300
Series L 5.65% Non-Cumulative Preferreds	170	170	170	170	170	170
Series M 5.80% Non-Cumulative Preferreds	150	150	150	150	150	150
Series N 2.176% Non-Cumulative Rate Reset Preferreds ⁽¹⁾	213	213	213	250	250	250
Series O Non-Cumulative Floating Rate Preferreds ⁽²⁾	37	37	37	-	-	-
Series P 5.40% Non-Cumulative Preferreds	250	250	250	250	250	250
Series Q 5.15% Non-Cumulative Preferreds	200	200	200	200	200	200
Series R 4.80% Non-Cumulative Preferreds	200	200	200	200	200	200
Series S 5.25% Non-Cumulative Preferreds	200	200	200	200	200	200
	2,514	2,514	2,514	2,514	2,514	2,514
Common Stock	7,156	7,167	7,156	7,143	7,166	7,154
Accumulated & Contributed Surplus	11,081	10,778	10,566	10,192	9,888	9,590
Accumulated Other Comprehensive Income (loss)	632	1,216	2,218	1,929	1,170	889
Total Equity Capital	24,201	24,531	25,260	24,534	23,470	22,888

1) Fixed dividend rate until Dec. 30, 2020, at which time the dividend becomes equal to the five year Government of Canada yield plus 1.30% for the subsequent five year period

2) Floating dividend rate which is reset quarterly to the three month Government of Canada Treasury Bill yield plus 1.30%

Lifeco Statements of Earnings

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
<i>(C\$MM, unless otherwise stated)</i>											
Income											
Premium income	6,871	7,015	6,162	5,891	5,516	6,932	5,501	4,690	13,886	12,448	24,501
Regular net investment income	1,576	1,673	1,670	1,546	1,519	1,536	1,516	1,479	3,249	3,055	6,271
Changes in fair value through profit or loss	3,129	2,410	(844)	(82)	(4,037)	2,953	2,545	1,190	5,539	(1,084)	(2,010)
Net investment income	4,705	4,083	826	1,464	(2,518)	4,489	4,061	2,669	8,788	1,971	4,261
Fee and other income	1,231	1,254	1,333	1,241	1,226	1,258	1,161	1,092	2,485	2,484	5,058
Total Income	12,807	12,352	8,321	8,596	4,224	12,679	10,723	8,451	25,159	16,903	33,820
Benefits and Expenses											
Paid or credited to policyholders	10,035	9,678	5,532	5,833	1,588	9,889	8,125	5,966	19,713	11,477	22,842
Commissions	599	566	584	565	554	515	514	519	1,165	1,069	2,218
Operating expenses	1,161	1,208	1,175	1,132	1,081	1,078	1,000	888	2,369	2,159	4,466
Restructuring and acquisition expenses	5	4	7	7	14	7	12	10	9	21	35
Premium taxes	98	92	92	83	80	84	86	85	190	164	339
Financing charges	75	78	73	78	75	77	77	75	153	152	303
Amortization of finite life intangible assets	44	46	37	36	37	36	34	33	90	73	146
Total Benefits and Expenses	12,017	11,672	7,500	7,734	3,429	11,686	9,848	7,576	23,689	15,115	30,349
Net Earnings before income taxes	790	680	821	862	795	993	875	875	1,470	1,788	3,471
Income Tax - Current	119	54	55	61	31	149	86	107	173	180	296
- Deferred	(43)	(30)	11	23	55	75	78	28	(73)	130	164
Net Earnings before non-controlling interests	714	656	755	778	709	769	711	740	1,370	1,478	3,011
Non-controlling interests	13	5	41	26	19	37	23	20	18	56	123
Net Earnings	701	651	714	752	690	732	688	720	1,352	1,422	2,888
Perpetual preferred share dividends	30	31	31	32	31	32	31	33	61	63	126
Net Earnings - Common Shareholders	671	620	683	720	659	700	657	687	1,291	1,359	2,762
Earnings per Common Share											
Operating Earnings	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$0.658	\$0.687	\$1.300	\$1.363	\$2.774
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-	-
Basic Earnings	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$0.658	\$0.687	\$1.300	\$1.363	\$2.774
Diluted Earnings	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$0.700	\$0.657	\$0.686	\$1.298	\$1.359	\$2.768
Average number of shares outstanding (MM) - basic	992.8	993.3	993.2	995.0	997.4	996.9	997.5	998.7	993.0	997.1	995.6
Average number of shares outstanding (MM) - diluted	994.8	995.1	995.2	997.0	1,000.1	999.1	999.1	1,000.2	994.9	999.6	997.9
Effective tax rate	9.6%	3.4%	8.0%	9.8%	10.8%	22.6%	18.8%	15.4%	6.8%	17.3%	13.3%

Lifeco Balance Sheets

(C\$MM)

Assets	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Government bonds	51,557	50,596	47,063	44,729	44,500	45,119	44,032	41,191
Corporate bonds	63,245	63,545	67,880	67,530	63,952	64,776	59,136	58,027
Total bonds ⁽¹⁾	114,802	114,141	114,943	112,259	108,452	109,895	103,168	99,218
Mortgage loans	21,573	21,402	22,021	21,704	21,104	21,184	20,546	20,322
Stocks	8,390	7,827	7,873	7,919	7,826	7,797	7,820	7,630
Investment properties	4,377	5,049	5,237	5,224	5,220	4,943	4,613	4,560
Loans to policyholders	8,403	8,321	8,694	8,574	8,221	8,195	7,711	7,589
Cash and cash equivalents	3,068	2,923	2,813	3,713	2,688	3,197	2,498	3,426
Total invested assets	160,613	159,663	161,581	159,393	153,511	155,211	146,356	142,745
Funds withheld by ceding insurers	12,418	12,954	15,512	14,366	14,050	14,242	12,154	11,768
Reinsurance assets	4,936	5,144	5,131	5,572	5,139	5,187	5,151	5,093
Premiums in course of collection, accounts and interest receivable	3,844	3,833	3,553	3,663	3,444	3,862	3,056	3,580
Current income taxes	115	99	69	114	69	44	48	200
Derivative financial instruments	645	602	461	494	466	583	652	621
Owner occupied properties	633	638	653	646	629	631	619	613
Fixed assets	294	296	298	279	255	235	228	207
Other assets	2,460	2,471	2,643	2,636	2,662	2,430	2,368	2,218
Deferred tax assets	1,824	1,770	1,891	1,888	1,735	1,810	1,631	1,158
Goodwill	5,885	5,896	5,913	5,908	5,865	5,859	5,855	5,875
Intangible assets	3,859	3,878	4,036	3,953	3,768	3,804	3,625	3,529
Investments on account of segregated fund policyholders	192,725	193,001	198,194	191,023	184,835	187,433	174,966	171,434
Total assets	390,251	390,245	399,935	389,935	376,428	381,331	356,709	349,041
Liabilities								
Insurance contract liabilities	155,633	155,352	158,492	157,451	152,315	154,494	145,198	141,358
Investment contract liabilities	2,076	2,116	2,253	947	912	935	857	844
	157,709	157,468	160,745	158,398	153,227	155,429	146,055	142,202
Debentures and other debt instruments	5,204	5,284	5,395	5,283	5,265	5,370	5,355	5,541
Funds held under reinsurance contracts	313	324	356	346	328	332	313	305
Other liabilities	8,516	8,006	8,238	8,589	7,602	8,250	6,511	6,962
Deferred tax liabilities	1,422	1,470	1,586	1,600	1,539	1,467	1,450	987
Capital trust securities	161	161	161	162	162	162	162	162
Investment and insurance contracts on account of segregated fund policyholders	192,725	193,001	198,194	191,023	184,835	187,433	174,966	171,434
Total liabilities	366,050	365,714	374,675	365,401	352,958	358,443	334,812	327,593
Equity								
Non-controlling interests	2,818	2,856	2,806	2,756	2,732	2,741	2,643	2,599
Share capital								
Perpetual preferred shares	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514
Common shares	7,156	7,167	7,156	7,143	7,166	7,154	7,102	7,113
Accumulated surplus	10,956	10,672	10,431	10,069	9,779	9,491	9,134	8,832
Accumulated other comprehensive income (loss)	632	1,216	2,218	1,929	1,170	889	378	275
Contributed surplus	125	106	135	123	109	99	126	115
	24,201	24,531	25,260	24,534	23,470	22,888	21,897	21,448
Total liabilities and equity	390,251	390,245	399,935	389,935	376,428	381,331	356,709	349,041
Proprietary mutual funds and institutional assets	243,688	237,984	252,480	239,050	232,168	238,650	216,271	207,451
Other assets under administration	549,878	558,290	560,102	524,813	539,259	556,893	490,353	465,264
Total assets under administration	1,183,817	1,186,519	1,212,517	1,153,798	1,147,855	1,176,874	1,063,333	1,021,756

1) Includes short-term bonds

Lifeco Supplemental Balance Sheet Information

(CSMM, unless otherwise stated)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Bond Portfolio Quality								
Canada								
AAA	10,649	10,631	11,224	10,938	11,482	11,485	10,812	10,726
AA	8,584	8,464	7,317	7,261	7,343	7,748	7,146	6,885
A	15,615	14,973	15,233	15,194	14,856	14,972	13,982	13,403
BBB	6,112	5,983	5,985	5,687	5,254	5,289	4,983	4,847
BB or Lower	103	121	120	127	128	128	104	105
Total	41,063	40,172	39,879	39,207	39,063	39,622	37,027	35,966
U.S.								
AAA	5,680	7,770	8,712	4,705	4,192	4,532	7,237	4,089
AA	4,813	4,599	4,598	4,606	4,234	4,386	3,723	3,402
A	9,767	9,268	9,420	9,374	8,486	8,433	7,379	6,942
BBB	8,499	8,385	8,334	8,246	7,771	7,711	6,921	6,659
BB or Lower	673	714	771	810	695	730	686	699
Total	29,432	30,736	31,835	27,741	25,378	25,792	25,946	21,791
Europe								
AAA	4,709	12,900	12,289	12,206	11,860	11,848	11,516	10,975
AA	15,883	8,149	8,056	8,354	7,374	7,891	7,443	7,099
A	9,977	10,366	10,782	10,642	10,164	10,226	9,646	8,515
BBB	5,951	6,261	6,662	6,438	6,115	5,871	5,462	6,193
BB or Lower	516	563	647	627	597	609	589	430
Total	37,036	38,239	38,436	38,267	36,110	36,445	34,656	33,212
Total Bond Portfolio Quality								
AAA	21,038	31,301	32,225	27,849	27,534	27,865	29,565	25,790
AA	29,280	21,212	19,971	20,221	18,951	20,025	18,312	17,386
A	35,359	34,607	35,435	35,210	33,506	33,631	31,007	28,860
BBB	20,562	20,629	20,981	20,371	19,140	18,871	17,366	17,699
BB or Lower	1,292	1,398	1,538	1,564	1,420	1,467	1,379	1,234
Total ⁽¹⁾	107,531	109,147	110,150	105,215	100,551	101,859	97,629	90,969

1. Excludes short term bonds.

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Bonds unrealized Gain / Loss								
Unrealized Gains	11.7	9.4	7.9	8.6	8.3	12.1	9.4	7.3
Unrealized Losses	(0.4)	(0.5)	(0.8)	(0.6)	(0.7)	(0.2)	(0.2)	(0.4)
Net Gains / Losses	11.3	8.9	7.1	8.0	7.6	11.9	9.2	6.9

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Segregated Fund Net Assets								
Stocks, mutual funds and units in unit trusts	125,104	125,844	130,930	125,023	123,004	124,852	115,618	113,003
Bonds	43,015	42,433	42,160	42,199	39,580	41,365	37,912	36,998
Mortgage loans	2,625	2,615	2,596	2,586	2,510	2,565	2,508	2,427
Investment properties	10,665	10,647	10,839	10,650	9,886	9,588	9,533	9,246
Cash & other	11,316	11,462	11,669	10,565	9,855	9,063	9,395	9,760
Total	192,725	193,001	198,194	191,023	184,835	187,433	174,966	171,434

Mortgage Loan Portfolio

	Non-Insured		Total
	Insured	Insured	
Q2 2016			
Single-family residential	730	1,284	2,014
Multi-family residential	3,024	3,110	6,134
Commercial	237	13,188	13,425
Total Mortgage Loans	3,991	17,582	21,573
Q1 2016			
Single-family residential	740	1,245	1,985
Multi-family residential	2,918	2,791	5,709
Commercial	240	13,468	13,708
Total Mortgage Loans	3,898	17,504	21,402
Q4 2015			
Single-family residential	755	1,207	1,962
Multi-family residential	2,949	2,872	5,821
Commercial	210	14,028	14,238
Total Mortgage Loans	3,914	18,107	22,021
Q3 2015			
Single-family residential	767	1,163	1,930
Multi-family residential	3,015	2,806	5,821
Commercial	221	13,732	13,953
Total Mortgage Loans	4,003	17,701	21,704
Q2 2015			
Single-family residential	788	1,149	1,937
Multi-family residential	2,882	2,655	5,537
Commercial	230	13,400	13,630
Total Mortgage Loans	3,900	17,204	21,104
Q1 2015			
Single-family residential	809	1,116	1,925
Multi-family residential	2,902	2,730	5,632
Commercial	236	13,391	13,627
Total Mortgage Loans	3,947	17,237	21,184
Q4 2014			
Single-family residential	837	1,079	1,916
Multi-family residential	2,908	2,414	5,322
Commercial	239	13,069	13,308
Total Mortgage Loans	3,984	16,562	20,546
Q3 2014			
Single-family residential	861	1,026	1,887
Multi-family residential	2,790	2,299	5,089
Commercial	220	13,126	13,346
Total Mortgage Loans	3,871	16,451	20,322

Lifeco Impaired Loans and Credit Losses

(C\$MM)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Gross Impaired Loans								
Fair value through profit or loss ⁽¹⁾	243	256	287	289	280	300	292	306
Available for sale	10	11	12	16	14	15	15	20
Loans & receivables	76	56	50	44	43	42	33	45
Total	329	323	349	349	337	357	340	371
Canada	2	2	3	3	4	4	11	23
US	246	259	289	286	274	294	279	296
Europe	81	62	57	60	59	59	50	52
Total	329	323	349	349	337	357	340	371
Impaired Investment Provisions								
Fair value through profit or loss ⁽¹⁾	(55)	(55)	(68)	(74)	(75)	(65)	(63)	(49)
Available for sale	-	1	1	-	(1)	1	1	-
Loans & receivables	32	24	20	19	19	18	18	18
Total	(23)	(30)	(47)	(55)	(57)	(46)	(44)	(31)
Canada	-	-	-	-	(1)	(1)	(1)	(1)
US	(52)	(51)	(61)	(68)	(68)	(59)	(58)	(45)
Europe	29	21	14	13	12	14	15	15
Total	(23)	(30)	(47)	(55)	(57)	(46)	(44)	(31)
Carrying Amount	352	353	396	404	394	403	384	402
Provisions for Future Credit Losses in Insurance Contract Liabilities	3,367	3,462	3,558	3,362	3,317	3,283	3,133	2,907

1) Includes impaired amounts on certain funds held by ceding insurers

Lifeco Cash Flow Statements

(C\$MM)	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
Operations											
Net earnings before income taxes	790	680	821	862	795	993	875	875	1,470	1,788	3,471
Income taxes paid, net of refunds received	(84)	(58)	(66)	(30)	(177)	(88)	(79)	(1)	(142)	(265)	(361)
Adjustments:											
Change in insurance and investment contract liabilities	3,967	3,208	(538)	179	(3,580)	2,851	2,988	1,349	7,175	(729)	(1,088)
Change in funds held by ceding insurers	35	260	32	310	207	272	(108)	289	295	479	821
Change in funds held under reinsurance contracts	10	(5)	191	(73)	2	(92)	(21)	(30)	5	(90)	28
Change in deferred acquisition costs	16	10	2	6	14	10	4	7	26	24	32
Change in reinsurance assets	79	(131)	294	(51)	113	11	(69)	154	(52)	124	367
Changes in fair value through profit or loss	(3,129)	(2,410)	844	82	4,037	(2,953)	(2,545)	(1,190)	(5,539)	1,084	2,010
Other	93	(188)	(517)	279	(7)	88	(333)	624	(95)	81	(157)
	1,777	1,366	1,063	1,564	1,404	1,092	712	2,077	3,143	2,496	5,123
Financing Activities											
Issue of common shares	5	15	16	4	22	57	1	1	20	79	99
Purchased and cancelled common shares	(76)	(21)	(12)	(133)	(50)	(26)	(60)	(13)	(97)	(76)	(221)
Increase (decrease) in line of credit of subsidiary	(52)	(41)	161	(130)	(118)	(43)	137	(93)	(93)	(161)	(130)
Increase (decrease) in debentures and other debt instruments	1	8	(4)	(3)	11	(11)	(349)	1	9	-	(7)
Dividends paid on common shares	(344)	(343)	(324)	(324)	(325)	(325)	(307)	(307)	(687)	(650)	(1,298)
Dividends paid on preferred shares	(30)	(31)	(31)	(32)	(31)	(32)	(31)	(33)	(61)	(63)	(126)
Cash flow from financing activities	(496)	(413)	(194)	(618)	(491)	(380)	(609)	(444)	(909)	(871)	(1,683)
Investment Activities											
Bond sales and maturities	9,266	7,610	6,685	6,001	6,559	9,837	6,638	5,031	16,876	16,396	29,082
Mortgage loan repayments	630	662	947	699	699	581	856	694	1,292	1,280	2,926
Stock sales	507	1,125	684	398	459	566	585	571	1,632	1,025	2,107
Investment property sales	373	-	7	195	-	4	-	-	373	4	206
Changes in loans to policyholders	(82)	19	56	56	(113)	9	57	66	(63)	(104)	8
Business acquisitions, net of cash and equivalents acquired	-	-	-	(4)	-	-	(1)	(42)	-	-	(4)
Investment in bonds	(9,712)	(8,314)	(8,456)	(5,738)	(7,884)	(9,937)	(7,385)	(6,488)	(18,026)	(17,821)	(32,015)
Investment in mortgage loans	(1,134)	(752)	(1,064)	(808)	(537)	(624)	(948)	(775)	(1,886)	(1,161)	(3,033)
Investment in stocks	(904)	(984)	(647)	(859)	(557)	(360)	(880)	(353)	(1,888)	(917)	(2,423)
Investment in investment properties	(10)	(74)	(14)	(18)	(66)	(180)	24	(46)	(84)	(246)	(278)
Cash flow from investment activities	(1,066)	(708)	(1,802)	(78)	(1,440)	(104)	(1,054)	(1,342)	(1,774)	(1,544)	(3,424)
Effect of changes in exchange rates on cash & cash equivalents	(70)	(135)	33	157	18	91	23	26	(205)	109	299
Increase (decrease) in cash and cash equivalents	145	110	(900)	1,025	(509)	699	(928)	317	255	190	315
Cash and cash equivalents, beginning of period	2,923	2,813	3,713	2,688	3,197	2,498	3,426	3,109	2,813	2,498	2,498
Cash and cash equivalents, end of period	3,068	2,923	2,813	3,713	2,688	3,197	2,498	3,426	3,068	2,688	2,813

Statements of Accumulated and Contributed Surplus

Lifeco Consolidated Statements of Accumulated & Contributed Surplus

(C\$MM)	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of year	10,566	10,566	9,260	9,260	9,260	9,260	7,956	7,956
Net earnings - YTD	1,352	651	2,888	2,174	1,422	732	2,668	1,980
Stock option expense	35	16	9	(3)	(17)	16	35	24
Share issue / redemption costs	-	-	-	-	-	-	(4)	(4)
Dividends to shareholders								
Preferred shareholders	(61)	(31)	(126)	(95)	(63)	(32)	(122)	(91)
Common shareholders	(687)	(343)	(1,298)	(974)	(650)	(325)	(1,228)	(921)
Other	(124)	(81)	(167)	(170)	(64)	(61)	(45)	3
Balance, end of period	11,081	10,778	10,566	10,192	9,888	9,590	9,260	8,947

Lifeco Consolidated Statements of Surplus - Participating Account

(C\$MM)	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of period	2,611	2,611	2,480	2,480	2,480	2,480	2,354	2,354
Net earnings before policyholder dividend - YTD	649	325	1,374	1,070	711	370	1,317	984
Participating policyholder dividend	(631)	(320)	(1,260)	(993)	(658)	(334)	(1,228)	(916)
Other	(3)	(8)	17	12	14	25	37	18
Balance, end of period	2,626	2,608	2,611	2,569	2,547	2,541	2,480	2,440
By Company:								
Great-West Life	611	610	607	599	594	594	579	571
London Life	1,744	1,749	1,765	1,746	1,747	1,754	1,720	1,684
Canada Life	255	233	222	207	190	177	167	171
GWL&A	16	16	17	17	16	16	14	14
	2,626	2,608	2,611	2,569	2,547	2,541	2,480	2,440

Reconciliation of Accumulated Other Comprehensive Income

Summary of Consolidated Comprehensive Income

(C\$MM)	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Net Earnings	701	651	714	752	690	732	688	720	1,352	1,422	2,888
Other comprehensive income (loss) net of income taxes											
Unrealized foreign exchange gains (losses) on translation of foreign operations	(508)	(984)	291	888	146	733	174	180	(1,492)	879	2,058
Unrealized foreign exchange gains (losses) on euro debt designated as hedge of net investment in foreign operations	17	9	-	(47)	(14)	20	10	20	26	6	(41)
Unrealized gains (losses) on available for sale assets (after-tax)	103	97	(34)	30	(111)	102	99	34	200	(9)	(13)
Realized gains on available-for-sale assets (after-tax)	(15)	(27)	(3)	(6)	(17)	(61)	(16)	(11)	(42)	(78)	(87)
Unrealized gains (losses) on cash flow hedges (after-tax)	(13)	59	(17)	(73)	18	(84)	(32)	(38)	46	(66)	(156)
Realized gains on cash flow hedges (after-tax)	-	1	-	-	-	1	-	-	1	1	1
Non-controlling interests (after-tax)	(16)	9	(49)	1	25	(31)	(23)	-	(7)	(6)	(54)
Total Items that may be reclassified	(432)	(836)	188	793	47	680	212	185	(1,268)	727	1,708
Items that will not be reclassified to Consolidated Statement of Earnings											
Re-measurements on defined benefit pension and other post-employment benefit plans (after-tax)	(163)	(180)	97	(35)	248	(175)	(113)	(98)	(343)	73	135
Non-controlling interests (after-tax)	11	14	4	1	(14)	6	4	7	25	(8)	(3)
	(152)	(166)	101	(34)	234	(169)	(109)	(91)	(318)	65	132
Total other comprehensive income (loss)	(584)	(1,002)	289	759	281	511	103	94	(1,586)	792	1,840
Comprehensive income	117	(351)	1,003	1,511	971	1,243	791	814	(234)	2,214	4,728

Accumulated Other Comprehensive Income (loss), Net of Income Taxes

(C\$MM)	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Balance, beginning of year	2,218	2,218	378	378	378	378	86	86
Other comprehensive income	(1,586)	(1,002)	1,840	1,551	792	511	292	189
Balance, end of period	632	1,216	2,218	1,929	1,170	889	378	275

Lifeco Sales (New Annualized Premium)

(C\$MM)	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
New Annualized Premium											
Canada											
Individual Insurance	155	125	137	142	138	113	117	130	280	251	530
Wealth Management	2,403	2,860	3,220	2,551	2,757	2,944	3,073	2,408	5,263	5,701	11,472
Group Insurance	119	283	135	251	121	126	121	209	402	247	633
Total Canada	2,677	3,268	3,492	2,944	3,016	3,183	3,311	2,747	5,945	6,199	12,635
U.S.											
Financial Services	6,042	27,770	20,761	15,589	9,624	9,891	4,563	6,728	33,812	19,515	55,865
Asset Management	10,623	12,388	10,869	10,242	8,507	10,232	10,542	8,958	23,011	18,739	39,850
Total U.S.	16,665	40,158	31,630	25,831	18,131	20,123	15,105	15,686	56,823	38,254	95,715
Europe											
Insurance & Annuities	5,550	4,574	3,917	7,716	3,396	4,456	3,155	2,913	10,124	7,852	19,485
Total New Annualized Premium	24,892	48,000	39,039	36,491	24,543	27,762	21,571	21,346	72,892	52,305	127,835

Lifeco Premiums & Deposits

(C\$MM)	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Premiums & Deposits											
Canada											
Individual Insurance	1,294	1,236	1,304	1,220	1,216	1,154	1,202	1,117	2,530	2,370	4,894
Wealth Management	2,496	2,726	2,804	2,504	2,713	2,811	2,741	2,386	5,222	5,524	10,832
Group Insurance	2,100	2,074	2,002	1,948	1,940	1,948	1,931	1,965	4,174	3,888	7,838
Total Canada	5,890	6,036	6,110	5,672	5,869	5,913	5,874	5,468	11,926	11,782	23,564
U.S.											
Financial Services	3,327	3,729	5,087	3,477	2,504	2,730	2,268	2,290	7,056	5,234	13,798
Asset Management	10,623	12,388	10,869	10,242	8,507	10,232	10,542	8,958	23,011	18,739	39,850
Total U.S.	13,950	16,117	15,956	13,719	11,011	12,962	12,810	11,248	30,067	23,973	53,648
Europe											
Insurance & Annuities	6,293	5,674	4,497	8,354	4,116	5,160	3,875	3,446	11,967	9,276	22,127
Reinsurance	2,038	2,167	1,559	1,487	1,077	1,513	1,465	540	4,205	2,590	5,636
Total Europe	8,331	7,841	6,056	9,841	5,193	6,673	5,340	3,986	16,172	11,866	27,763
Total Revenue Premium	28,171	29,994	28,122	29,232	22,073	25,548	24,024	20,702	58,165	47,621	104,975
Summary											
Risk-based premiums	6,871	7,015	6,162	5,891	5,516	6,932	5,501	4,690	13,886	12,448	24,501
ASO premiums	707	698	665	639	659	662	654	633	1,405	1,321	2,625
Segregated fund deposits											
Individual	3,213	3,689	3,814	3,157	3,031	2,981	3,185	2,865	6,902	6,012	12,983
Group	1,858	2,238	2,001	2,738	1,835	2,035	1,955	1,824	4,096	3,870	8,609
Proprietary mutual funds & institutional deposits	15,522	16,354	15,480	16,807	11,032	12,938	12,729	10,690	31,876	23,970	56,257
	28,171	29,994	28,122	29,232	22,073	25,548	24,024	20,702	58,165	47,621	104,975

Lifeco Fee Income

(C\$MM)	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
Fee Income											
Canada											
Segregated funds	256	241	251	251	248	247	253	260	497	495	997
ASO contracts	42	43	41	38	39	39	40	37	85	78	157
Other	71	78	77	77	79	72	56	63	149	151	305
Total Canada	369	362	369	366	366	358	349	360	731	724	1,459
U.S.											
Segregated funds	15	16	17	17	17	17	16	15	31	34	68
Asset Management	232	250	288	285	280	278	277	257	482	558	1,131
Other	308	305	332	289	280	278	229	171	613	558	1,179
Total U.S.	555	571	637	591	577	573	522	443	1,126	1,150	2,378
Europe											
Segregated funds & Other	307	321	327	284	283	327	290	289	628	610	1,221
Total Europe	307	321	327	284	283	327	290	289	628	610	1,221
Total Fee Income	1,231	1,254	1,333	1,241	1,226	1,258	1,161	1,092	2,485	2,484	5,058

Lifeco Expense Summary

(C\$MM)	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
Operating Expenses											
Canada	366	382	370	352	345	364	336	314	748	709	1,431
U.S.	569	603	580	562	532	513	461	385	1,172	1,045	2,187
Europe	220	219	221	215	199	197	199	186	439	396	832
Lifeco Corporate	6	4	4	3	5	4	4	3	10	9	16
Total Operating Expenses	1,161	1,208	1,175	1,132	1,081	1,078	1,000	888	2,369	2,159	4,466
Investment Expenses	27	27	30	28	25	27	30	23	54	52	110
Total Operating & Investment Expenses	1,188	1,235	1,205	1,160	1,106	1,105	1,030	911	2,423	2,211	4,576

Canada



Lifeco Canada Net Earnings – Consolidated

(C\$MM)	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	2,896	2,861	3,023	2,774	2,839	2,667	2,839	2,655	5,757	5,506	11,303
Regular net investment income	665	736	654	599	630	629	638	629	1,401	1,259	2,512
Changes in fair value through profit or loss	940	537	(7)	(546)	(1,181)	1,376	695	166	1,477	195	(358)
Net investment income	1,605	1,273	647	53	(551)	2,005	1,333	795	2,878	1,454	2,154
Fee and other income	369	362	369	366	366	358	349	360	731	724	1,459
Total Income	4,870	4,496	4,039	3,193	2,654	5,030	4,521	3,810	9,366	7,684	14,916
Benefits and Expenses											
Paid or credited to policyholders	3,632	3,301	2,799	1,967	1,460	3,765	3,327	2,617	6,933	5,225	9,991
Commissions	382	356	371	360	358	326	341	343	738	684	1,415
General expenses	366	382	370	352	345	364	336	314	748	709	1,431
Other	128	124	123	117	116	116	112	113	252	232	472
Total Benefits and Expenses	4,508	4,163	3,663	2,796	2,279	4,571	4,116	3,387	8,671	6,850	13,309
Net Earnings before income taxes	362	333	376	397	375	459	405	423	695	834	1,607
Income tax	23	51	70	45	47	123	83	77	74	170	285
Net Earnings before non-controlling interests	339	282	306	352	328	336	322	346	621	664	1,322
Non-controlling interests	11	5	40	22	16	33	24	18	16	49	111
Net Earnings	328	277	266	330	312	303	298	328	605	615	1,211
Preferred share dividends	26	26	25	26	26	26	23	23	52	52	103
Net Earnings before Capital Allocation	302	251	241	304	286	277	275	305	553	563	1,108
Capital Allocation	25	25	21	22	22	22	25	25	50	44	87
Net Earnings - Common Shareholders	327	276	262	326	308	299	300	330	603	607	1,195
Common Shareholder Net Earnings (loss)											
Individual Insurance	80	92	51	91	88	77	120	109	172	165	307
Wealth Management	104	101	119	116	122	122	69	96	205	244	479
Group Insurance	125	67	74	153	96	109	96	125	192	205	432
Corporate	18	16	18	(34)	2	(9)	15	-	34	(7)	(23)
Total	327	276	262	326	308	299	300	330	603	607	1,195

Lifeco Canada – Individual Insurance

	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
<i>(C\$MM)</i>											
Income											
Premium income	307	324	319	318	314	324	318	320	631	638	1,275
Net investment income	587	320	142	(170)	(526)	628	432	181	907	102	74
Total Income	894	644	461	148	(212)	952	750	501	1,538	740	1,349
Benefits and Expenses											
Paid or credited to											
policyholders and beneficiaries	703	447	314	(39)	(385)	765	503	284	1,150	380	655
Commissions	50	46	46	44	45	42	43	48	96	87	177
General expenses	33	31	27	30	29	27	31	26	64	56	113
Other	12	13	12	11	10	11	11	11	25	21	44
Total Benefits and Expenses	798	537	399	46	(301)	845	588	369	1,335	544	989
Net Earnings before income taxes	96	107	62	102	89	107	162	132	203	196	360
Income tax	15	14	8	9	(1)	28	38	19	29	27	44
Net Earnings before Capital Allocation	81	93	54	93	90	79	124	113	174	169	316
Capital Allocation	(1)	(1)	(3)	(2)	(2)	(2)	(4)	(4)	(2)	(4)	(9)
Net Earnings - Common Shareholders	80	92	51	91	88	77	120	109	172	165	307
Sales											
Participating	115	91	101	106	100	82	85	91	206	182	389
Universal Life	14	12	12	11	13	12	13	16	26	25	48
Term/Permanent	15	14	14	14	15	11	11	14	29	26	54
Third party	2	-	-	2	2	1	1	1	2	3	5
Total - Individual Life	146	117	127	133	130	106	110	122	263	236	496
Critical Illness	5	4	5	5	4	4	3	4	9	8	18
Disability	4	4	5	4	4	3	4	4	8	7	16
Total - Living Benefits	9	8	10	9	8	7	7	8	17	15	34
Total - Individual Insurance	155	125	137	142	138	113	117	130	280	251	530
Revenue Premium											
Participating	988	912	985	902	902	830	883	798	1,900	1,732	3,619
Individual Life	222	241	236	236	230	242	236	238	463	472	944
Living Benefits	84	83	83	82	84	82	83	81	167	166	331
Total - Individual Insurance	1,294	1,236	1,304	1,220	1,216	1,154	1,202	1,117	2,530	2,370	4,894

Lifeco Canada – Wealth Management

	2016		2015				2014		YTD	YTD	Fiscal	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015	
<i>(C\$MM)</i>												
Income												
Premium income	208	249	382	246	341	227	360	206	457	568	1,196	
Net investment income	300	278	124	133	(48)	389	270	182	578	341	598	
Fee and other income	315	307	316	310	313	308	297	308	622	621	1,247	
Total Income	823	834	822	689	606	924	927	696	1,657	1,530	3,041	
Benefits and Expenses												
Paid or credited to												
policyholders and beneficiaries	466	469	433	334	218	523	625	371	935	741	1,508	
Commissions	95	97	99	87	100	100	94	92	193	200	386	
General expenses	119	126	124	114	114	130	108	105	245	244	482	
Other	5	6	4	6	6	5	5	4	10	11	21	
Total Benefits and Expenses	685	698	660	541	438	758	832	572	1,383	1,196	2,397	
Net Earnings before income taxes	138	136	162	148	168	166	95	124	274	334	644	
Income tax	34	35	42	30	44	42	23	25	69	86	158	
Net Earnings before Capital Allocation	104	101	120	118	124	124	72	99	205	248	486	
Capital Allocation	-	-	(1)	(2)	(2)	(2)	(3)	(3)	-	(4)	(7)	
Net Earnings - Common Shareholders	104	101	119	116	122	122	69	96	205	244	479	
Sales	Risk-based	121	193	161	137	133	186	203	177	314	319	617
	Segregated funds	1,138	1,330	1,497	1,190	1,284	1,519	1,436	1,209	2,468	2,803	5,490
	Proprietary mutual funds	270	289	320	311	312	336	275	270	559	648	1,279
	Third party	378	455	433	332	363	463	343	260	833	826	1,591
	Total - Individual Wealth Management	1,907	2,267	2,411	1,970	2,092	2,504	2,257	1,916	4,174	4,596	8,977
	Risk-based	81	75	245	122	210	65	223	71	156	275	642
	Segregated funds	415	387	564	459	455	375	593	421	802	830	1,853
	Third party	-	131	-	-	-	-	-	-	131	-	-
	Total - Group Retirement Services	496	593	809	581	665	440	816	492	1,089	1,105	2,495
	Total - Wealth Management	2,403	2,860	3,220	2,551	2,757	2,944	3,073	2,408	5,263	5,701	11,472
Revenue Premium	Risk-based revenue premiums	38	74	57	54	51	70	73	63	112	121	232
	Segregated funds deposits	820	959	893	842	913	1,078	904	842	1,779	1,991	3,726
	Proprietary mutual fund deposits	223	241	253	242	262	291	220	229	464	553	1,048
	Total - Individual Wealth Management	1,081	1,274	1,203	1,138	1,226	1,439	1,197	1,134	2,355	2,665	5,006
	Risk-based revenue premiums	171	175	325	191	291	157	287	143	346	448	964
	Segregated funds deposits	1,244	1,277	1,276	1,175	1,196	1,215	1,257	1,109	2,521	2,411	4,862
	Total - Group Retirement Services	1,415	1,452	1,601	1,366	1,487	1,372	1,544	1,252	2,867	2,859	5,826
Total - Wealth Management	2,496	2,726	2,804	2,504	2,713	2,811	2,741	2,386	5,222	5,524	10,832	

Wealth Management – Assets under Administration

(C\$MM)	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets Under Administration								
Individual Wealth Management								
Risk-based products	5,742	5,753	5,739	5,844	5,999	6,201	6,181	6,446
Segregated funds	30,416	29,906	29,836	29,333	30,183	30,496	29,250	29,010
Proprietary mutual funds	5,110	4,979	4,917	4,779	4,907	4,906	4,620	4,639
Group Retirement Services								
Risk-based products	7,208	7,167	7,161	7,063	7,037	7,003	7,006	6,632
Segregated funds	41,547	40,564	40,433	39,301	40,695	41,102	39,122	38,942
Institutional Assets	268	259	122	117	121	113	98	90
Total assets under management	90,291	88,628	88,208	86,437	88,942	89,821	86,277	85,759
Other assets under administration ⁽¹⁾								
Individual Wealth Management	6,936	6,726	6,620	6,383	6,555	6,533	6,050	5,907
Group Retirement Services	513	548	526	488	551	561	515	503
Total	7,449	7,274	7,146	6,871	7,106	7,094	6,565	6,410
Summary by Business/Product								
Individual Wealth Management	48,204	47,364	47,112	46,339	47,644	48,136	46,101	46,002
Group Retirement Services	49,536	48,538	48,242	46,969	48,404	48,779	46,741	46,167
Total assets under administration	97,740	95,902	95,354	93,308	96,048	96,915	92,842	92,169

1. Includes mutual funds distributed by Quadrus Investment Services, stock purchase plans administered by London Life and portfolio assets managed by GLC Asset Management Group.

Lifeco Canada – Group Insurance

	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
(C\$MM)											
Income											
Premium income	1,393	1,376	1,337	1,309	1,282	1,286	1,277	1,332	2,769	2,568	5,214
Net investment income	102	94	84	44	1	162	115	72	196	163	291
Fee and other income	42	43	41	38	39	39	40	37	85	78	157
Total Income	1,537	1,513	1,462	1,391	1,322	1,487	1,432	1,441	3,050	2,809	5,662
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	1,162	1,160	1,113	1,018	978	1,096	1,076	1,072	2,322	2,074	4,205
Commissions	68	69	68	62	63	63	64	64	137	126	256
General expenses	132	145	134	125	125	134	118	115	277	259	518
Other	52	49	48	47	46	46	43	44	101	92	187
Total Benefits and Expenses	1,414	1,423	1,363	1,252	1,212	1,339	1,301	1,295	2,837	2,551	5,166
Net Earnings before income taxes	123	90	99	139	110	148	131	146	213	258	496
Income tax	(2)	23	23	(16)	13	38	32	17	21	51	58
Net Earnings before Capital Allocation	125	67	76	155	97	110	99	129	192	207	438
Capital Allocation	-	-	(2)	(2)	(1)	(1)	(3)	(4)	-	(2)	(6)
Net Earnings - Common Shareholders	125	67	74	153	96	109	96	125	192	205	432
Sales											
Small/mid-size case	76	69	91	60	69	63	75	70	145	132	283
Large case	24	196	33	148	37	59	22	137	220	96	277
Creditor/Direct marketing	19	18	11	43	15	4	24	2	37	19	73
Total Group Sales	119	283	135	251	121	126	121	209	402	247	633
Revenue Premium											
Small/mid-size case - Insured	672	662	652	646	649	647	638	632	1,334	1,296	2,594
Large case -Insured	679	672	642	619	591	597	598	658	1,351	1,188	2,449
ASO	707	698	665	639	659	662	654	633	1,405	1,321	2,625
Creditor/Direct marketing	42	42	43	44	41	42	41	42	84	83	170
Total Group Revenue Premium	2,100	2,074	2,002	1,948	1,940	1,948	1,931	1,965	4,174	3,888	7,838

Lifeco Canada – Participating Account ⁽¹⁾

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
<i>(C\$MM)</i>											
Income											
Premium income	988	912	985	902	902	830	883	798	1,900	1,732	3,619
Net investment income	579	548	264	22	8	798	492	340	1,127	806	1,092
Total Income	1,567	1,460	1,249	924	910	1,628	1,375	1,138	3,027	2,538	4,711
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	1,296	1,220	934	648	644	1,376	1,118	885	2,516	2,020	3,602
Commissions	169	144	158	166	150	121	140	140	313	271	595
General expenses	75	76	84	75	72	71	70	64	151	143	302
Other	27	24	25	24	22	21	21	20	51	43	92
Total Benefits and Expenses	1,567	1,464	1,201	913	888	1,589	1,349	1,109	3,031	2,477	4,591
Net Earnings (loss) before income taxes	-	(4)	48	11	22	39	26	29	(4)	61	120
Income tax	(11)	(9)	8	(11)	6	6	2	11	(20)	12	9
Net Earnings (loss) before non-controlling interests	11	5	40	22	16	33	24	18	16	49	111
Non-controlling interests	11	5	40	22	16	33	24	18	16	49	111
Net Earnings	-	-	-	-	-	-	-	-	-	-	-
Sales (New annualized premiums)	115	91	101	106	100	82	85	91	206	182	389
Risk-based revenue premiums	988	912	985	902	902	830	883	798	1,900	1,732	3,619

1. The Lifeco Canada participating account represents the aggregate of the participating accounts of Great-West Life, London Life and Canada Life. The Canada Life participating account is comprised of two components; the closed block represents participating policies issued prior to demutualization and the open block represents policies issued after demutualization.

Lifeco Canada – Corporate

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
<i>(C\$MM)</i>											
Income											
Net investment income	36	33	33	24	14	28	24	20	69	42	99
Fee and other income	12	12	12	18	14	11	12	15	24	25	55
Total Income	48	45	45	42	28	39	36	35	93	67	154
Benefits and Expenses											
Paid or credited to											
policyholders and beneficiaries	5	5	5	5	5	5	5	5	10	10	20
General Expenses	7	4	1	8	4	2	9	4	11	6	15
Other	31	32	34	32	32	33	32	34	63	65	131
Total Benefits and Expenses	43	41	40	45	41	40	46	43	84	81	166
Net Earnings (loss) before income taxes	5	4	5	(3)	(13)	(1)	(10)	(8)	9	(14)	(12)
Income tax	(13)	(12)	(11)	33	(14)	9	(13)	5	(25)	(5)	17
Net Earnings (loss) before non-controlling interests	18	16	16	(36)	1	(10)	3	(13)	34	(9)	(29)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	18	16	16	(36)	1	(10)	3	(13)	34	(9)	(29)
Preferred share dividends	26	26	25	26	26	26	23	23	52	52	103
Net Earnings (loss) before Capital Allocation	(8)	(10)	(9)	(62)	(25)	(36)	(20)	(36)	(18)	(61)	(132)
Capital Allocation	26	26	27	28	27	27	35	36	52	54	109
Net Earnings (loss) - Common Shareholders	18	16	18	(34)	2	(9)	15	-	34	(7)	(23)

Lifeco Canada – Balance Sheets

(C\$MM)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	550	522	578	451	431	387	413	475
Bonds	44,531	43,440	43,120	42,293	42,203	42,806	40,643	39,555
Mortgage loans	12,997	12,783	12,691	12,625	12,445	12,622	12,593	12,558
Stocks	7,530	6,990	6,971	7,081	6,948	6,965	7,018	6,741
Investment properties	1,538	1,857	1,788	1,755	1,728	1,723	1,556	1,546
Loans to policyholders	2,593	2,567	2,553	2,533	2,517	2,499	2,495	2,499
Total invested assets	69,739	68,159	67,701	66,738	66,272	67,002	64,718	63,374
Funds withheld by ceding insurers	-	-	-	-	-	-	-	-
Reinsurance assets	397	481	375	778	754	716	677	438
Derivative financial instruments	234	249	110	121	130	159	376	389
Owner occupied properties	381	383	384	383	384	385	386	384
Fixed assets	149	148	147	137	129	126	120	110
Other assets	1,691	1,627	1,569	1,763	1,632	1,993	1,430	1,848
Total other assets	2,455	2,407	2,210	2,404	2,275	2,663	2,312	2,731
Deferred tax assets	228	215	208	257	237	272	288	-
Goodwill	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787
Intangible assets	1,344	1,341	1,345	1,335	1,332	1,334	1,336	1,327
Investments on account of segregated fund policyholders	71,963	70,470	70,269	68,634	70,878	71,598	68,372	67,952
Total assets	149,913	146,860	145,895	143,933	145,535	147,372	141,490	139,609
Liabilities								
Insurance contract liabilities	62,362	61,043	59,849	59,712	59,805	60,494	58,861	57,614
Investment contract liabilities	351	357	385	397	402	408	413	416
	62,713	61,400	60,234	60,109	60,207	60,902	59,274	58,030
Debentures and other debt instruments	1,726	1,725	1,725	1,724	1,724	1,724	1,720	2,428
Funds held under reinsurance contracts	30	30	28	26	27	26	23	22
Other liabilities	4,121	3,829	4,112	4,071	3,382	4,084	3,013	2,361
Deferred tax liabilities	583	653	677	682	680	655	672	359
Repurchase agreements	-	-	-	-	-	-	-	-
Capital trust securities and debentures	161	161	161	162	162	162	162	162
Investment and insurance contracts on account of segregated fund policyholders	71,963	70,470	70,269	68,634	70,878	71,598	68,372	67,952
Total liabilities	141,297	138,268	137,206	135,408	137,060	139,151	133,236	131,314
Equity								
Non-controlling interests	2,599	2,583	2,585	2,540	2,523	2,518	2,461	2,419
Share capital								
Perpetual preferred shares	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964
Common shares	7,156	7,167	7,156	7,143	7,166	7,154	7,102	7,113
Accumulated surplus	(2,473)	(2,534)	(2,490)	(2,622)	(2,725)	(2,902)	(2,817)	(2,975)
Accumulated other comprehensive income (loss)	(469)	(425)	(362)	(336)	(286)	(347)	(296)	(263)
Contributed surplus	(161)	(163)	(164)	(164)	(167)	(166)	(160)	37
	8,616	8,592	8,689	8,525	8,475	8,221	8,254	8,295
Total liabilities and equity	149,913	146,860	145,895	143,933	145,535	147,372	141,490	139,609
Proprietary mutual funds and institutional net assets	5,378	5,238	5,039	4,896	5,028	5,019	4,718	4,639
Other assets under administration	15,537	15,231	15,390	14,955	15,123	15,164	14,793	14,336
Total assets under administration	170,828	167,329	166,324	163,784	165,686	167,555	161,001	158,584

Lifeco United States



Lifeco U.S. Net Earnings – Consolidated

(CSMM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	1,267	1,380	1,148	1,076	905	729	855	1,028	2,647	1,634	3,858
Regular net investment income	420	454	471	420	390	395	371	340	874	785	1,676
Changes in fair value through profit or loss	526	481	(320)	122	(566)	232	217	(58)	1,007	(334)	(532)
Net investment income	946	935	151	542	(176)	627	588	282	1,881	451	1,144
Fee and other income	555	571	637	591	577	573	522	443	1,126	1,150	2,378
Total Income	2,768	2,886	1,936	2,209	1,306	1,929	1,965	1,753	5,654	3,235	7,380
Benefits and Expenses											
Paid or credited to policyholders	1,996	2,112	1,084	1,390	543	1,121	1,229	1,079	4,108	1,664	4,138
Commissions	68	72	83	73	73	68	74	69	140	141	297
General expenses	569	603	580	562	532	513	461	385	1,172	1,045	2,187
Restructuring and acquisition expenses	4	3	4	4	3	1	5	3	7	4	12
Other	63	70	65	59	62	58	66	60	133	120	244
Total Benefits and Expenses	2,700	2,860	1,816	2,088	1,213	1,761	1,835	1,596	5,560	2,974	6,878
Net Earnings before income taxes	68	26	120	121	93	168	130	157	94	261	502
Income tax	12	(40)	(8)	19	22	44	35	45	(28)	66	77
Net Earnings before non-controlling interests	56	66	128	102	71	124	95	112	122	195	425
Non-controlling interests	1	1	2	4	2	2	2	1	2	4	10
Net Earnings	55	65	126	98	69	122	93	111	120	191	415
Preferred share dividends	-	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	55	65	126	98	69	122	93	111	120	191	415
Capital Allocation	(2)	(2)	(1)	(2)	(2)	(1)	(4)	(4)	(4)	(3)	(6)
Net Earnings - Common Shareholders	53	63	125	96	67	121	89	107	116	188	409
Common Shareholder Net Earnings (loss)											
Financial Services	71	88	84	104	70	119	90	115	159	189	377
Asset Management	(18)	(25)	41	(8)	(3)	2	(1)	(8)	(43)	(1)	32
Total	53	63	125	96	67	121	89	107	116	188	409
Common Shareholder Net Earnings (US \$)	40	47	92	73	55	98	77	97	87	153	318

Lifeco U.S. – Great-West Financial – Consolidated

(C\$MM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	1,249	1,350	1,125	1,052	885	697	834	1,006	2,599	1,582	3,759
Net investment income	888	886	141	520	(160)	585	549	261	1,774	425	1,086
Fee and other income	323	321	349	306	297	295	245	186	644	592	1,247
Total Income	2,460	2,557	1,615	1,878	1,022	1,577	1,628	1,453	5,017	2,599	6,092
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	1,922	2,022	1,053	1,332	534	1,052	1,170	1,038	3,944	1,586	3,971
Commissions	59	59	68	57	58	51	55	53	118	109	234
General expenses	331	340	327	314	287	272	236	157	671	559	1,200
Restructuring and acquisition expenses	4	3	4	4	3	1	5	3	7	4	12
Other	30	34	32	26	28	22	32	26	64	50	108
Total Benefits and Expenses	2,346	2,458	1,484	1,733	910	1,398	1,498	1,277	4,804	2,308	5,525
Net Earnings before income taxes	114	99	131	145	112	179	130	176	213	291	567
Income tax	36	5	42	35	36	55	33	54	41	91	168
Net Income before non-controlling interests	78	94	89	110	76	124	97	122	172	200	399
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	78	94	89	110	76	124	97	122	172	200	399
Capital Allocation	(7)	(6)	(5)	(6)	(6)	(5)	(7)	(7)	(13)	(11)	(22)
Net Earnings - Common Shareholders	71	88	84	104	70	119	90	115	159	189	377
Net Earnings - Common Shareholders (US\$)	54	65	61	79	57	96	78	105	119	153	293
Sales											
Individual Markets	317	330	456	236	323	255	816	698	647	578	1,270
Empower Retirement	5,725	27,440	20,305	15,353	9,301	9,636	3,747	6,030	33,165	18,937	54,595
Total Sales	6,042	27,770	20,761	15,589	9,624	9,891	4,563	6,728	33,812	19,515	55,865
Total Sales (US \$)	4,684	20,270	15,493	11,900	7,825	7,977	4,003	6,172	24,954	15,802	43,195
Revenue Premium											
Risk-based premiums	1,249	1,350	1,125	1,052	885	697	834	1,006	2,599	1,582	3,759
Segregated fund deposits											
Individual	123	154	212	113	123	99	112	80	277	222	547
Group	614	961	725	1,563	639	820	698	715	1,575	1,459	3,747
Proprietary Mutual Funds	1,323	1,234	3,002	725	837	1,082	603	467	2,557	1,919	5,646
Total Revenue by Type⁽¹⁾	3,309	3,699	5,064	3,453	2,484	2,698	2,247	2,268	7,008	5,182	13,699
Individual Markets	442	575	592	438	452	441	615	685	1,017	893	1,923
Empower Retirement	2,867	3,124	4,472	3,015	2,032	2,257	1,632	1,583	5,991	4,289	11,776
Total Revenue by Business Line⁽¹⁾	3,309	3,699	5,064	3,453	2,484	2,698	2,247	2,268	7,008	5,182	13,699
Total Revenue Premium (US \$)	2,565	2,700	3,778	2,637	2,019	2,176	1,972	2,080	5,265	4,195	10,610

1. Excludes participating policy revenue premiums.

Lifeco U.S. – Great-West Financial – Individual Markets

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
<i>(C\$MM, unless otherwise stated)</i>											
Income											
Premium income	317	419	376	320	323	336	363	529	736	659	1,355
Net investment income	605	579	104	328	(128)	407	371	189	1,184	279	711
Fee and other income	30	30	25	24	26	25	27	24	60	51	100
Total Income	952	1,028	505	672	221	768	761	742	1,980	989	2,166
Benefits and Expenses											
Paid or credited to											
policyholders and beneficiaries	817	889	379	526	93	626	632	582	1,706	719	1,624
Commissions	22	21	27	18	19	14	23	23	43	33	78
General expenses	28	26	25	20	20	18	27	21	54	38	83
Other	5	7	8	4	6	2	7	10	12	8	20
Total Benefits and Expenses	872	943	439	568	138	660	689	636	1,815	798	1,805
Net Earnings before income taxes	80	85	66	104	83	108	72	106	165	191	361
Income tax	26	26	21	24	28	35	19	35	52	63	108
Net Income before non-controlling interests	54	59	45	80	55	73	53	71	113	128	253
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	54	59	45	80	55	73	53	71	113	128	253
Capital Allocation	(7)	(6)	(5)	(6)	(6)	(5)	(5)	(4)	(13)	(11)	(22)
Net Earnings - Common Shareholders	47	53	40	74	49	68	48	67	100	117	231
Net Earnings - Common Shareholders (US\$)	36	39	29	57	39	55	41	61	75	94	180
Sales											
Individual Annuity	95	88	83	89	90	83	540	337	183	173	345
Executive Benefits	97	131	272	70	158	93	190	205	228	251	593
Individual Life	125	111	101	77	75	79	86	156	236	154	332
	317	330	456	236	323	255	816	698	647	578	1,270
Sales (US \$)	246	241	340	180	263	206	716	640	487	469	989
Revenue Premium											
Risk-based premiums	317	419	376	320	323	336	363	529	736	659	1,355
Segregated fund deposits	123	154	212	113	123	99	112	80	277	222	547
Proprietary Mutual Funds	2	2	4	5	6	6	140	76	4	12	21
Total Revenue by Type ⁽¹⁾	442	575	592	438	452	441	615	685	1,017	893	1,923
Total Revenue (US \$)	343	420	441	335	366	356	540	628	763	722	1,498

1. Excludes participating policy revenue premiums.

Lifeco U.S. – Great-West Financial – Empower Retirement

(CSMM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	932	931	749	732	562	361	471	477	1,863	923	2,404
Net investment income	273	296	26	181	(41)	169	169	64	569	128	335
Fee and other income	293	291	324	282	271	270	218	162	584	541	1,147
Total Income	1,498	1,518	1,099	1,195	792	800	858	703	3,016	1,592	3,886
Benefits and Expenses											
Paid or credited to											
policyholders and beneficiaries	1,104	1,133	674	806	441	426	538	456	2,237	867	2,347
Commissions	38	39	41	39	39	36	32	30	77	75	155
General expenses	302	314	303	289	263	253	195	129	616	516	1,108
Other	12	12	11	10	11	10	14	7	24	21	42
Total Benefits and Expenses	1,456	1,498	1,029	1,144	754	725	779	622	2,954	1,479	3,652
Net Earnings before income taxes	42	20	70	51	38	75	79	81	62	113	234
Income tax	14	(16)	26	16	14	24	24	26	(2)	38	80
Net Income before non-controlling interests	28	36	44	35	24	51	55	55	64	75	154
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	28	36	44	35	24	51	55	55	64	75	154
Capital Allocation	(4)	(4)	(4)	(4)	(4)	(4)	(2)	(3)	(8)	(8)	(16)
Net Earnings - Common Shareholders	24	32	40	31	20	47	53	52	56	67	138
Net Earnings - Common Shareholders (US\$)	18	24	29	23	16	38	46	48	42	54	106
Sales											
Empower Retirement	5,725	27,440	20,305	15,353	9,301	9,636	3,747	6,030	33,165	18,937	54,595
Sales (US \$)	4,438	20,029	15,153	11,720	7,562	7,771	3,287	5,532	24,467	15,333	42,206
Revenue Premium (by Type) ⁽¹⁾											
Risk-based premiums	932	931	749	732	562	361	471	477	1,863	923	2,404
Segregated fund deposits	614	961	725	1,563	639	820	698	715	1,575	1,459	3,747
Proprietary Mutual Funds	1,321	1,232	2,998	720	831	1,076	463	391	2,553	1,907	5,625
Total Revenue Premium (by Type)	2,867	3,124	4,472	3,015	2,032	2,257	1,632	1,583	5,991	4,289	11,776
Total Revenue Premium (US \$)	2,222	2,280	3,337	2,302	1,653	1,820	1,432	1,452	4,502	3,473	9,112

1. Excludes participating policy revenue premiums.

Lifeco U.S. – Great-West Financial – Corporate / Other ⁽¹⁾

(C\$MM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	-	-	-	-	-	-	-	-	-	-	
Net investment income	9	11	11	10	10	10	9	9	20	20	
Fee and other income	-	-	-	-	-	-	-	-	-	-	
Total Income	9	11	11	10	10	10	9	9	20	20	
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	-	-	-	-	-	-	-	-	-	-	
Commissions	-	-	-	-	-	-	-	-	-	-	
General expenses	1	-	(1)	5	4	1	14	6	1	5	
Restructuring and acquisition expenses	4	3	4	4	3	1	5	3	7	4	
Other	12	14	13	11	11	11	11	10	26	22	
Total Benefits and Expenses	17	17	16	20	18	13	30	19	34	31	
Net Earnings (loss) before income taxes	(8)	(6)	(5)	(10)	(8)	(3)	(21)	(10)	(14)	(11)	
Income tax	(4)	(5)	(5)	(5)	(5)	(3)	(10)	(6)	(9)	(8)	
Net Earnings (loss) before non-controlling interests	(4)	(1)	-	(5)	(3)	(0)	(11)	(4)	(5)	(3)	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	
Net Earnings (loss) before Capital Allocation	(4)	(1)	-	(5)	(3)	-	(11)	(4)	(5)	(3)	
Capital Allocation	4	4	4	4	4	4	-	-	8	8	
Net Earnings (loss) - Common Shareholders	-	3	4	(1)	1	4	(11)	(4)	3	5	
Net Earnings - Common Shareholders (US\$)	-	2	3	(1)	2	3	(9)	(4)	2	5	

(1) Corporate / Other reflects certain income tax and expense items of the Financial Services and the US Corporate segments. The US Corporate segment primarily reflects acquisition expenses and restructuring costs related to the acquisition of J.P. Morgan Retirement Services large-market recordkeeping business

Lifeco U.S. – Great-West Financial – Participants

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(000's)</i>								
Empower Retirement	8,019	8,067	7,583	7,532	7,385	7,374	7,062	7,113
Individual Markets	461	468	472	469	478	480	549	542
Total	8,480	8,535	8,055	8,001	7,863	7,854	7,611	7,655

Lifeco U.S. – Empower Retirement – Customer Account Values

<i>(C\$MM)</i>	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
General Account	15,173	14,698	15,171	14,493	13,249	13,271	12,141	11,663
Segregated Funds	25,628	25,689	27,025	25,859	25,183	26,512	23,645	22,671
Proprietary Mutual Funds	23,325	22,224	22,473	18,455	17,540	16,480	8,205	7,535
Unaffiliated Retail Investment Options & ASO	495,364	503,258	503,123	468,710	476,598	494,198	437,914	414,466

Lifeco U.S. – Asset Management

(C\$MM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Net investment income	(1)	(16)	1	(17)	(9)	1	(1)	(2)	(17)	(8)	(24)
Fee and other income	232	250	288	285	280	278	277	257	482	558	1,131
Total Income	231	234	289	268	271	279	276	255	465	550	1,107
Benefits and Expenses											
Commissions	8	13	14	15	13	17	18	15	21	30	59
General expenses	237	261	251	247	245	241	224	228	498	486	984
Other	33	34	33	33	34	33	33	32	67	67	133
Total Benefits and Expenses	278	308	298	295	292	291	275	275	586	583	1,176
Net Earnings (loss) before income taxes	(47)	(74)	(9)	(27)	(21)	(12)	1	(20)	(121)	(33)	(69)
Income tax	(24)	(45)	(50)	(17)	(15)	(12)	2	(9)	(69)	(27)	(94)
Net Earnings (loss) before non-controlling interests	(23)	(29)	41	(10)	(6)	-	(1)	(11)	(52)	(6)	25
Non-controlling interests	-	-	4	2	1	2	3	-	-	3	9
Net Earnings (loss) before Capital Allocation	(23)	(29)	37	(12)	(7)	(2)	(4)	(11)	(52)	(9)	16
Capital Allocation	5	4	4	4	4	4	3	3	9	8	16
Net Earnings (loss) - Common Shareholders	(18)	(25)	41	(8)	(3)	2	(1)	(8)	(43)	(1)	32
Net Earnings (loss) - Common Shareholders (US\$)	(14)	(18)	31	(6)	(2)	2	(1)	(8)	(32)	-	25

Sales	Sales (C\$)											
	Gross sales ⁽¹⁾	10,623	12,388	10,869	10,242	8,507	10,232	10,542	8,958	23,011	18,739	39,850
	Redemptions	(11,509)	(14,721)	(12,482)	(10,063)	(10,738)	(10,204)	(11,954)	(7,561)	(26,230)	(20,942)	(43,487)
	Net Sales	(886)	(2,333)	(1,613)	179	(2,231)	28	(1,412)	1,397	(3,219)	(2,203)	(3,637)

Fee Income	Fee Income (C\$)											
	Investment management fees	188	199	218	219	214	213	197	189	387	427	864
	Performance fees	(6)	(5)	14	5	6	3	13	7	(11)	9	28
	Service fees	39	42	44	45	42	42	47	44	81	84	173
	Underwriting & distribution fees	11	14	12	16	18	20	20	17	25	38	66
Total Fee Income (C\$)	232	250	288	285	280	278	277	257	482	558	1,131	
Fee Income (US \$)	179	183	216	217	228	224	243	236	362	452	885	

Lifeco U.S. – Asset Management AUM

(C\$MM, unless otherwise stated)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Mutual Funds								
Growth equity	11,749	12,081	13,621	12,863	13,744	14,291	12,888	12,230
Value equity	20,180	20,045	21,735	20,639	21,369	22,029	20,104	18,968
Blend equity	30,239	32,330	38,184	37,582	38,955	40,524	35,546	32,237
Fixed income	30,923	30,493	33,385	34,350	33,153	34,641	31,995	31,597
Total Mutual Funds	93,091	94,949	106,925	105,434	107,221	111,485	100,533	95,032
Institutional Accounts								
Equity	60,514	59,683	62,881	57,988	58,194	60,018	52,975	51,883
Fixed income	38,340	34,913	34,944	33,073	30,021	30,691	29,276	28,977
Total Institutional Accounts	98,854	94,596	97,825	91,061	88,215	90,709	82,251	80,860
Total End of Period Assets Under Management	191,945	189,545	204,750	196,495	195,436	202,194	182,784	175,892
Total End of Period Assets Under Management - US\$	147,650	145,803	148,370	146,638	156,348	159,208	157,572	157,047

Lifeco U.S. – Participating Account

(C\$MM, unless otherwise stated)

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	18	30	23	24	20	32	21	22	48	52	99
Net investment income	59	64	9	39	(7)	41	39	23	123	34	82
Total Income	<u>77</u>	<u>94</u>	<u>32</u>	<u>63</u>	<u>13</u>	<u>73</u>	<u>60</u>	<u>45</u>	<u>171</u>	<u>86</u>	<u>181</u>
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	74	90	31	58	9	69	58	41	164	78	167
Commissions	1	1	1	1	1	1	-	1	2	2	4
General expenses	1	1	1	1	1	1	1	1	2	2	4
Other	-	1	1	-	1	2	2	1	1	3	4
Total Benefits and Expenses	<u>76</u>	<u>93</u>	<u>34</u>	<u>60</u>	<u>12</u>	<u>73</u>	<u>61</u>	<u>44</u>	<u>169</u>	<u>85</u>	<u>179</u>
Net Earnings (loss) before income taxes	<u>1</u>	<u>1</u>	<u>(2)</u>	<u>3</u>	<u>1</u>	<u>-</u>	<u>(1)</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>
Income tax	-	-	-	1	-	-	-	-	-	-	1
Net Earnings (loss) before non-controlling interests	<u>1</u>	<u>1</u>	<u>(2)</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>(1)</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>1</u>
Non-controlling interests	1	1	(2)	2	1	-	(1)	1	2	1	1
Net Earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue Premium											
Risk-based premiums	18	30	23	24	20	32	21	22	48	52	99
Revenue Premium (US \$)	<u>14</u>	<u>22</u>	<u>18</u>	<u>18</u>	<u>16</u>	<u>26</u>	<u>18</u>	<u>20</u>	<u>36</u>	<u>42</u>	<u>78</u>

Lifeco U.S. Balance Sheets

(CSMM)

	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Assets								
Cash and cash equivalents	932	962	627	1,489	768	890	528	909
Bonds	31,660	30,834	32,051	29,978	28,160	28,613	26,182	24,783
Mortgage loans	4,951	4,674	4,932	4,849	4,544	4,733	4,212	3,805
Stocks	152	154	168	163	155	161	149	193
Investment properties	5	5	5	5	4	5	4	4
Loans to policyholders	5,702	5,645	6,026	5,932	5,604	5,595	5,123	5,000
Total invested assets	43,402	42,274	43,809	42,416	39,235	39,997	36,198	34,694
Funds withheld by ceding insurers	-	-	-	-	-	-	-	-
Reinsurance assets	343	339	355	353	269	268	245	248
Derivative financial instruments	210	121	99	102	55	103	44	31
Owner occupied properties	174	175	186	181	168	171	156	151
Fixed assets	88	87	91	83	76	60	56	45
Other assets	2,285	2,306	2,156	2,168	2,199	2,161	1,818	1,970
Total other assets	2,757	2,689	2,532	2,534	2,498	2,495	2,074	2,197
Deferred tax assets	1,572	1,528	1,648	1,606	1,447	1,500	1,294	1,158
Goodwill	199	199	210	205	192	195	180	194
Intangible assets	2,114	2,120	2,255	2,182	2,026	2,068	1,881	1,787
Investments on account of segregated fund policyholders	34,393	34,275	35,966	34,304	33,201	34,693	31,030	29,633
Total assets	84,780	83,424	86,775	83,600	78,868	81,216	72,902	69,911
Liabilities								
Insurance contract liabilities	39,480	38,325	39,672	38,360	35,388	36,134	32,748	31,213
Investment contract liabilities	216	216	231	235	227	242	225	218
Debt and other debt instruments	39,696	38,541	39,903	38,595	35,615	36,376	32,973	31,431
Funds held under reinsurance contracts	2,468	2,519	2,614	2,425	2,489	2,615	2,568	2,738
Other liabilities	-	-	-	-	-	-	-	-
Deferred tax liabilities	2,459	2,378	2,193	2,479	2,279	2,277	1,721	2,012
Repurchase agreements	385	337	382	389	343	323	228	148
Capital trust securities and debentures	-	-	-	-	-	-	-	-
Investment and insurance contracts on account of segregated fund policyholders	-	-	-	-	-	-	-	-
Total liabilities	34,393	34,275	35,966	34,304	33,201	34,693	31,030	29,633
Total liabilities	79,401	78,050	81,058	78,192	73,927	76,284	68,520	65,962
Equity								
Non-controlling interests	217	272	220	213	207	222	183	178
Share capital	-	-	-	-	-	-	-	-
Perpetual preferred shares	-	-	-	-	-	-	-	-
Common shares	-	-	-	-	-	-	-	-
Accumulated surplus	3,992	3,923	3,930	3,793	3,698	3,636	3,557	3,467
Accumulated other comprehensive income (loss)	884	910	1,268	1,115	760	809	356	226
Contributed surplus	286	269	299	287	276	265	286	78
Total equity	5,379	5,374	5,717	5,408	4,941	4,932	4,382	3,949
Total liabilities and equity	84,780	83,424	86,775	83,600	78,868	81,216	72,902	69,911
Proprietary mutual funds and institutional net assets	205,830	202,833	218,231	206,579	205,049	211,294	190,817	183,166
Other assets under administration	495,366	503,156	503,125	468,712	476,600	494,200	433,754	410,420
Total assets under administration	785,976	789,413	808,131	758,891	760,517	786,710	697,473	663,497

Europe



Lifeco Europe Net Earnings – Consolidated

(C\$MM)	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	2,708	2,774	1,991	2,041	1,772	3,536	1,807	1,007	5,482	5,308	9,340
Regular net investment income	487	483	547	523	498	513	507	511	970	1,011	2,081
Changes in fair value through profit or loss	1,663	1,392	(517)	342	(2,290)	1,345	1,633	1,082	3,055	(945)	(1,120)
Net investment income	2,150	1,875	30	865	(1,792)	1,858	2,140	1,593	4,025	66	961
Fee and other income	307	321	327	284	283	327	290	289	628	610	1,221
Total Income	5,165	4,970	2,348	3,190	263	5,721	4,237	2,889	10,135	5,984	11,522
Benefits and Expenses											
Paid or credited to policyholders	4,407	4,265	1,649	2,476	(415)	5,003	3,569	2,270	8,672	4,588	8,713
Commissions	149	137	130	133	122	121	99	107	286	243	506
General expenses	220	219	221	215	199	197	199	186	439	396	832
Restructuring and Acquisition Expenses	1	1	3	3	11	6	7	7	2	17	23
Other	23	23	14	19	15	23	18	20	46	38	71
Total Benefits and Expenses	4,800	4,645	2,017	2,846	(68)	5,350	3,892	2,590	9,445	5,282	10,145
Net Earnings before income taxes	365	325	331	344	331	371	345	299	690	702	1,377
Income tax	46	13	5	24	18	58	48	13	59	76	105
Net Earnings before non-controlling interests	319	312	326	320	313	313	297	286	631	626	1,272
Non-controlling interests	1	(1)	(1)	-	1	2	(3)	1	-	3	2
Net Earnings	318	313	327	320	312	311	300	285	631	623	1,270
Preferred share dividends	4	5	6	6	5	6	6	6	9	11	23
Net Earnings before Capital Allocation	314	308	321	314	307	305	294	279	622	612	1,247
Capital Allocation	(21)	(21)	(18)	(18)	(18)	(19)	(20)	(20)	(42)	(37)	(73)
Net Earnings - Common Shareholders	293	287	303	296	289	286	274	259	580	575	1,174
Common Shareholder Net Earnings (loss)											
Insurance & Annuities	225	226	234	229	207	216	218	208	451	423	886
Reinsurance	74	63	73	71	92	77	71	59	137	169	313
Corporate	(6)	(2)	(4)	(4)	(10)	(7)	(15)	(8)	(8)	(17)	(25)
Total	293	287	303	296	289	286	274	259	580	575	1,174

Lifeco Europe – Insurance & Annuities

	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2015	2014	2015
<i>(C\$MM)</i>											
Income											
Premium income	663	600	422	545	688	2,017	331	459	1,263	2,705	3,672
Net investment income	1,603	1,384	12	681	(1,412)	1,456	1,601	1,219	2,987	44	737
Fee and other income	303	316	320	278	277	322	284	278	619	599	1,197
Total Income	2,569	2,300	754	1,504	(447)	3,795	2,216	1,956	4,869	3,348	5,606
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	1,962	1,738	196	923	(990)	3,236	1,674	1,436	3,700	2,246	3,365
Commissions	108	93	93	90	81	83	61	68	201	164	347
General expenses	201	200	198	197	178	178	181	169	401	356	751
Other	9	10	2	7	8	8	3	8	19	16	25
Total Benefits and Expenses	2,280	2,041	489	1,217	(723)	3,505	1,919	1,681	4,321	2,782	4,488
Net Earnings before income taxes	289	259	265	287	276	290	297	275	548	566	1,118
Income tax	39	8	5	31	44	49	52	40	47	93	129
Net Earnings before non-controlling interests	250	251	260	256	232	241	245	235	501	473	989
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings	250	251	260	256	232	241	245	235	501	473	989
Perpetual share dividends	-	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	250	251	260	256	232	241	245	235	501	473	989
Capital Allocation	(25)	(25)	(26)	(27)	(25)	(25)	(27)	(27)	(50)	(50)	(103)
Net Earnings - Common Shareholders	225	226	234	229	207	216	218	208	451	423	886
Sales											
UK / Isle of Man	671	651	819	821	523	2,047	470	758	1,322	2,570	4,210
Ireland / Germany	4,879	3,923	3,098	6,895	2,873	2,409	2,685	2,155	8,802	5,282	15,275
Total - Insurance & Annuities	5,550	4,574	3,917	7,716	3,396	4,456	3,155	2,913	10,124	7,852	19,485
Revenue Premium											
Risk-based revenue premiums	663	600	422	545	688	2,017	331	459	1,263	2,705	3,672
Segregated fund deposits	2,270	2,576	2,709	2,202	1,995	1,804	2,169	1,943	4,846	3,799	8,710
Proprietary mutual funds & institutional deposits	3,353	2,491	1,356	5,598	1,426	1,333	1,365	1,036	5,844	2,759	9,713
	6,286	5,667	4,487	8,345	4,109	5,154	3,865	3,438	11,953	9,263	22,095
UK / Isle of Man	961	854	965	990	828	2,229	581	853	1,815	3,057	5,012
Ireland / Germany	5,325	4,813	3,522	7,355	3,281	2,925	3,284	2,585	10,138	6,206	17,083
Total - Insurance & Annuities ⁽¹⁾	6,286	5,667	4,487	8,345	4,109	5,154	3,865	3,438	11,953	9,263	22,095

1. Excludes participating policy revenue premiums.

Lifeco Europe – Reinsurance

	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
<i>(C\$MM)</i>											
Income											
Premium income	2,038	2,167	1,559	1,487	1,077	1,513	1,465	540	4,205	2,590	5,636
Net investment income	498	434	18	157	(337)	354	477	341	932	17	192
Fee and other income	4	5	7	6	6	5	6	11	9	11	24
Total Income	2,540	2,606	1,584	1,650	746	1,872	1,948	892	5,146	2,618	5,852
Benefits and Expenses											
Paid or credited to											
policyholders and beneficiaries	2,391	2,467	1,445	1,519	611	1,722	1,821	797	4,858	2,333	5,297
Commissions	41	44	37	43	41	38	38	39	85	79	159
General expenses	16	16	15	14	16	14	14	13	32	30	59
Other	6	7	6	6	6	6	4	5	13	12	24
Total Benefits and Expenses	2,454	2,534	1,503	1,582	674	1,780	1,877	854	4,988	2,454	5,539
Net Earnings (loss) before income taxes	86	72	81	68	72	92	71	38	158	164	313
Income tax	9	6	6	(5)	(23)	12	(2)	(23)	15	(11)	(10)
Net Earnings (loss) before non-controlling interests	77	66	75	73	95	80	73	61	143	175	323
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	77	66	75	73	95	80	73	61	143	175	323
Preferred share dividends	-	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before Capital Allocation	77	66	75	73	95	80	73	61	143	175	323
Capital Allocation	(3)	(3)	(2)	(2)	(3)	(3)	(2)	(2)	(6)	(6)	(10)
Net Earnings (loss) - Common Shareholders	74	63	73	71	92	77	71	59	137	169	313
Risk-based revenue premiums	2,038	2,167	1,559	1,487	1,077	1,513	1,465	540	4,205	2,590	5,636

Lifeco Europe – Participating Account

(C\$MM)	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
Income											
Premium income	7	7	10	9	7	6	10	8	14	13	32
Net investment income	50	54	-	26	(43)	47	61	32	104	4	30
Fee and other income	-	-	-	-	-	-	-	-	-	-	-
Total Income	57	61	10	35	(36)	53	71	40	118	17	62
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	53	59	9	33	(35)	45	67	37	112	10	52
Commissions	-	-	-	-	-	-	-	-	-	-	-
General expenses	1	1	1	1	1	1	1	1	2	2	4
Other	2	2	1	1	(3)	5	5	1	4	2	4
Total Benefits and Expenses	56	62	11	35	(37)	51	73	39	118	14	60
Net Earnings (loss) before income taxes	1	(1)	(1)	-	1	2	(2)	1	-	3	2
Income tax	-	-	-	-	-	-	1	-	-	-	-
Net Earnings (loss) before non-controlling interests	1	(1)	(1)	-	1	2	(3)	1	-	3	2
Non-controlling interests	1	(1)	(1)	-	1	2	(3)	1	-	3	2
Net Earnings	-	-	-	-	-	-	-	-	-	-	-
Risk-based revenue premiums	7	7	10	9	7	6	10	8	14	13	32

Lifeco Europe – Corporate

	2016		2015				2014		YTD 2016	YTD 2015	Fiscal 2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3			
<i>(C\$MM)</i>											
Income											
Premium income	-	-	-	-	-	-	-	-	-	-	
Net investment income	(1)	3	-	1	(1)	2	1	1	2	1	
Fee and other income	-	-	-	-	-	-	-	-	-	-	
Total Income	(1)	3	-	1	(1)	2	1	1	2	1	
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	1	1	(1)	1	(1)	-	7	-	2	(1)	
Commissions	-	-	-	-	-	-	-	-	-	-	
General expenses	3	2	7	3	4	3	3	3	5	7	
Restructuring and acquisition expenses	1	1	3	3	11	6	7	7	2	17	
Other	5	5	5	5	4	5	5	5	10	9	
Total Benefits and Expenses	10	9	14	12	18	14	22	15	19	32	
Net Earnings (loss) before income taxes	(11)	(6)	(14)	(11)	(19)	(12)	(21)	(14)	(17)	(31)	
Income tax	(2)	(2)	(6)	(2)	(4)	(2)	(3)	(3)	(4)	(6)	
Net Earnings (loss)	(9)	(4)	(8)	(9)	(15)	(10)	(18)	(11)	(13)	(25)	
Preferred shareholder dividends	4	5	6	6	5	6	6	6	9	11	
Net Earnings (loss) before Capital Allocation	(13)	(9)	(14)	(15)	(20)	(16)	(24)	(17)	(22)	(36)	
Capital Allocation	7	7	10	11	10	9	9	9	14	19	
Net Earnings (loss) - Common Shareholders	(6)	(2)	(4)	(4)	(10)	(7)	(15)	(8)	(8)	(17)	

Lifeco Europe – Balance Sheets

(C\$MM)

Assets	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Cash and cash equivalents	1,586	1,439	1,608	1,773	1,489	1,920	1,557	2,042
Bonds	38,611	39,867	39,772	39,988	38,089	38,476	36,343	34,880
Mortgage loans	3,625	3,945	4,398	4,230	4,115	3,829	3,741	3,959
Stocks	708	683	734	675	723	671	653	696
Investment properties	2,834	3,187	3,444	3,464	3,488	3,215	3,053	3,010
Loans to policyholders	108	109	115	109	100	101	93	90
Total invested assets	47,472	49,230	50,071	50,239	48,004	48,212	45,440	44,677
Funds withheld by ceding insurers	12,418	12,954	15,512	14,366	14,050	14,242	12,154	11,768
Reinsurance assets	4,196	4,324	4,401	4,441	4,116	4,203	4,229	4,407
Derivative financial instruments	201	232	252	271	281	321	232	201
Owner occupied properties	78	80	83	82	77	75	77	78
Fixed assets	57	61	60	59	50	49	52	52
Other assets	2,443	2,470	2,540	2,482	2,344	2,182	2,224	2,180
Total other assets	2,779	2,843	2,935	2,894	2,752	2,627	2,585	2,511
Deferred tax assets	24	27	35	25	51	38	49	-
Goodwill	1,899	1,910	1,916	1,916	1,886	1,877	1,888	1,894
Intangible assets	401	417	436	436	410	402	408	415
Investments on account of segregated fund policyholders	86,369	88,256	91,959	88,085	80,756	81,142	75,564	73,849
Total assets	155,558	159,961	167,265	162,402	152,025	152,743	142,317	139,521
Liabilities								
Insurance contract liabilities	53,791	55,984	58,971	59,379	57,122	57,866	53,589	52,531
Investment contract liabilities	1,509	1,543	1,637	315	283	285	219	210
Debtures and other debt instruments	55,300	57,527	60,608	59,694	57,405	58,151	53,808	52,741
Debentures and other debt instruments	1,010	1,040	1,056	1,134	1,052	1,031	1,067	375
Funds held under reinsurance contracts	283	294	328	320	301	306	290	283
Other liabilities	1,936	1,799	1,933	2,039	1,941	1,889	1,777	2,589
Deferred tax liabilities	454	480	527	529	516	489	550	480
Investment and insurance contracts on account of segregated fund policyholders	86,369	88,256	91,959	88,085	80,756	81,142	75,564	73,849
Total liabilities	145,352	149,396	156,411	151,801	141,971	143,008	133,056	130,317
Equity								
Non-controlling interests	2	1	1	3	2	1	(1)	2
Share capital								
Perpetual preferred shares	550	550	550	550	550	550	550	550
Common shares	-	-	-	-	-	-	-	-
Accumulated surplus	9,437	9,283	8,991	8,898	8,806	8,757	8,394	8,340
Accumulated other comprehensive income (loss)	217	731	1,312	1,150	696	427	318	312
Contributed surplus	-	-	-	-	-	-	-	-
	10,206	10,565	10,854	10,601	10,054	9,735	9,261	9,204
Total liabilities and equity	155,558	159,961	167,265	162,402	152,025	152,743	142,317	139,521
Proprietary mutual funds and institutional net assets	32,480	29,913	29,210	27,575	22,091	22,337	20,736	19,646
Other assets under administration	38,975	39,903	41,587	41,146	47,536	47,529	41,806	40,508
Total assets under administration	227,013	229,777	238,062	231,123	221,652	222,609	204,859	199,675

Lifeco Corporate

(C\$MM)	2016		2015				2014		YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015
Income											
Premium income	-	-	-	-	-	-	-	-	-	-	-
Net investment income	4	-	(2)	4	1	(1)	1	(1)	4	-	2
Fee and other income	-	-	-	-	-	-	-	-	-	-	-
Total Income	4	-	(2)	4	1	(1)	1	(1)	4	-	2
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries	-	-	-	-	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-	-
General expenses	6	4	4	3	5	4	4	3	10	9	16
Other	3	-	-	1	-	-	2	-	3	-	1
Total Benefits and Expenses	9	4	4	4	5	4	6	3	13	9	17
Net Earnings (loss) before income taxes	(5)	(4)	(6)	-	(4)	(5)	(5)	(4)	(9)	(9)	(15)
Income tax	(5)	-	(1)	(4)	(1)	(1)	(2)	-	(5)	(2)	(7)
Net Earnings (loss) before non-controlling interests	-	(4)	(5)	4	(3)	(4)	(3)	(4)	(4)	(7)	(8)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	(0)	(4)	(5)	4	(3)	(4)	(3)	(4)	(4)	(7)	(8)
Preferred share dividends	-	-	-	-	-	-	2	4	-	-	-
Net Earnings (loss) before Capital Allocation	(0)	(4)	(5)	4	(3)	(4)	(5)	(8)	(4)	(7)	(8)
Capital Allocation	(2)	(2)	(2)	(2)	(2)	(2)	(1)	(1)	(4)	(4)	(8)
Net Earnings (loss) - Common Shareholders	(2)	(6)	(7)	2	(5)	(6)	(6)	(9)	(8)	(11)	(16)

Lifeco – Consolidated Source of Earnings

(CSMM)	For the three months ended June 30, 2016					2016	2015					2014		YTD	YTD	Fiscal
	Canada	U.S.	Europe	Corp	Total	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2016	2015	2015	
Expected profit on in-force business	288	98	252	(5)	633	653	722	736	679	626	669	698	1,286	1,305	2,763	
Impact of new business	(3)	(30)	(11)	-	(44)	(68)	(60)	(46)	(51)	(62)	(55)	(43)	(112)	(113)	(219)	
Experience gains and losses	71	5	(26)	(1)	49	38	(61)	48	64	244	20	94	87	308	295	
Management actions and changes in assumptions	-	-	129	-	129	54	149	127	90	98	221	112	183	188	464	
Other	-	(4)	(1)	-	(5)	(4)	(7)	(7)	(14)	(7)	(7)	(10)	(9)	(21)	(35)	
Earnings on surplus (incl. financing charges)	30	(4)	-	(1)	25	11	33	(10)	3	53	5	(7)	36	56	79	
Net income before tax	386	65	343	(7)	787	684	776	848	771	952	853	844	1,471	1,723	3,347	
Taxes	(33)	(12)	(46)	5	(86)	(33)	(58)	(94)	(80)	(218)	(162)	(124)	(119)	(298)	(450)	
Net income before non-controlling interests & preferred dividends	353	53	297	(2)	701	651	718	754	691	734	691	720	1,352	1,425	2,897	
Non-controlling interests & preferred dividends	(26)	-	(4)	-	(30)	(31)	(35)	(34)	(32)	(34)	(34)	(33)	(61)	(66)	(135)	
Net income - common shareholders	327	53	293	(2)	671	620	683	720	659	700	657	687	1,291	1,359	2,762	

Expected Profit on In-Force Business

This component represents the portion of the consolidated net income on business in-force at the start of the reporting period that was expected to be realized based on the achievement of the best-estimate assumptions. It includes releases of provisions for adverse deviations, expected net earnings on deposits and expected net management fees. For fee based businesses, it includes all pre-tax core earnings except for sales-based expenses and the impact of fees being different from expected.

Impact of New Business

For non-fee based businesses, this is the difference between the premium received and the sum of the expenses incurred as a result of the sale and the new liabilities established at the point of sale. For fee based businesses, the impact of new business is equal to that portion of the expenses incurred as a result of the sale that have not been capitalized.

Experience Gains and Losses

This component represents gains and losses that are due to differences between the actual experience during the reporting period and the best-estimate assumptions at the start of the reporting period.

Management Actions and Changes in Assumptions

This component represents the impact on net income resulting from management actions, changes in actuarial assumptions or methodology, changes in margins for adverse deviations, and correction of errors.

Other

This component represents the amounts not included in any other line of the sources of earnings.

Earnings on Surplus

This component represents the earnings on the Company's surplus funds including investment income on seed capital and external financing costs.

Putnam – Source of Earnings

(C\$MM)	2016		2015				2014			YTD	YTD	Fiscal
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016	2015	2015
Expected profit on in-force business	(12)	(9)	28	29	23	14	16	20	2	(21)	37	94
Impact of new business	(8)	(7)	(8)	(8)	(8)	(11)	(10)	(11)	(12)	(15)	(19)	(35)
Experience gains and losses	1	(16)	(1)	(6)	(1)	10	23	(1)	1	(15)	9	2
Management actions and changes in assumptions	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Earnings on surplus (incl. financing charges)	(23)	(39)	(24)	(38)	(31)	(21)	(24)	(26)	(14)	(62)	(52)	(114)
Net income before tax	(42)	(71)	(5)	(23)	(17)	(8)	5	(18)	(23)	(113)	(25)	(53)
Taxes	24	46	50	17	15	12	(3)	10	15	70	27	94
Net income before non-controlling interests & preferred dividends	(18)	(25)	45	(6)	(2)	4	2	(8)	(8)	(43)	2	41
Non-controlling interests & preferred dividends	-	-	(4)	(2)	(1)	(2)	(3)	-	(1)	-	(3)	(9)
Net income - common shareholders	(18)	(25)	41	(8)	(3)	2	(1)	(8)	(9)	(43)	(1)	32