

GREAT-WEST  
**LIFECO** INC.

**Supplemental Information Package  
For Analysts and Investors  
(Unaudited)  
Q4 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.

## Table of Contents

<b>Overview</b>	3	<b>United States</b>	34
<b>Great-West Lifeco Inc.</b>		Consolidated Statements of Earnings	35
<b>Lifeco Financial Highlights</b>	5	Great-West Financial Consolidated Statements of Earnings	36
Lifeco Common Shareholder Net Earnings	6	Individual Markets	37
Currency Translation Rates	7	Empower Retirement	38
Financial Strength - Credit Ratings	8	Corporate / Other	39
Lifeco Common Shares Outstanding	9	Great-West Financial Participants	40
Lifeco Financial Ratio Highlights	10	Empower Retirement Customer Account Values	41
Lifeco Regulatory Capital Ratios	11	Asset Management Statements of Earnings	42
Great-West Life Assurance Company - MCCSR	12	Asset Management AUM	43
		Participating Account Statements of Earnings	44
		U.S. Balance Sheets	45
<b>Lifeco</b>		<b>Europe</b>	46
Capital Structure	13	Consolidated Statements of Earnings	47
Statements of Earnings	14	Insurance & Annuities Statements of Earnings	48
Balance Sheets	15	Reinsurance Statements of Earnings	49
Supplemental Balance Sheet Information	16	Participating Account Statements of Earnings	50
Impaired Loans & Credit Losses	17	Corporate Statements of Earnings	51
Cash Flow Statements	18	Europe Balance Sheets	52
Statements of Accumulated and Contributed Surplus	19	<b>Lifeco Corporate Statements of Earnings</b>	53
Reconciliation of Accumulated Other Comprehensive Income	20	<b>Lifeco Consolidated Source of Earnings</b>	54
Sales (New Annualized Premium)	21	<b>Putnam Source of Earnings</b>	55
Premiums & Deposits	22		
Fee Income and Other Income	23		
Expense Summary	24		
<b>Canada</b>	25		
Consolidated Statements of Earnings	26		
Individual Insurance Statements of Earnings	27		
Wealth Management Statements of Earnings	28		
Wealth Management Assets Under Administration	29		
Group Insurance Statements of Earnings	30		
Participating Account Statements of Earnings	31		
Corporate Statements of Earnings	32		
Canada Balance Sheets	33		

## 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 \$1,248 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				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium Income	8,905	8,334	6,871	7,015	6,162	5,891	5,516	6,932	31,125	24,501
Net Investment Income	(2,436)	3,803	4,705	4,083	826	1,464	(2,518)	4,489	10,155	4,261
Fee & Other Income	1,345	1,271	1,231	1,254	1,333	1,241	1,226	1,258	5,101	5,058
Total Income	7,814	13,408	12,807	12,352	8,321	8,596	4,224	12,679	46,381	33,820
<b>Operating Earnings - Common Shareholders</b>	676	674	671	620	683	720	659	700	2,641	2,762
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings - Common Shareholders</b>	676	674	671	620	683	720	659	700	2,641	2,762
Net Earnings attributable to Perpetual Preferred Shareholders	31	31	30	31	31	32	31	32	123	126
<b>Net Earnings - Total Shareholders</b>	707	705	701	651	714	752	690	732	2,764	2,888
<b>Earnings per Common Share</b>										
Operating Earnings	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$2.668	\$2.774
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
Basic earnings per share	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$2.668	\$2.774
Diluted earnings per share	\$0.685	\$0.681	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$0.700	\$2.663	\$2.768
<b>Common Shareholder Net Earnings (Loss) - by Segment</b>										
Canada	326	289	327	276	262	326	308	299	1,218	1,195
U.S.	55	78	53	63	125	96	67	121	249	409
Europe	307	313	293	287	303	296	289	286	1,200	1,174
Corporate	(12)	(6)	(2)	(6)	(7)	2	(5)	(6)	(26)	(16)
<b>Total</b>	<b>676</b>	<b>674</b>	<b>671</b>	<b>620</b>	<b>683</b>	<b>720</b>	<b>659</b>	<b>700</b>	<b>2,641</b>	<b>2,762</b>

## Lifeco Common Shareholder Net Earnings

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Common Shareholder Net Earnings (Loss)</b>										
<b>Canada</b>										
Individual Insurance	103	70	80	92	51	91	88	77	345	307
Wealth Management	132	99	104	101	119	116	122	122	436	479
Group Insurance	98	110	125	67	74	153	96	109	400	432
Corporate	(7)	10	18	16	18	(34)	2	(9)	37	(23)
	<u>326</u>	<u>289</u>	<u>327</u>	<u>276</u>	<u>262</u>	<u>326</u>	<u>308</u>	<u>299</u>	<u>1,218</u>	<u>1,195</u>
<b>U.S.</b>										
Financial Services <sup>(1)</sup>	78	84	71	88	84	104	70	119	321	377
Asset Management <sup>(2)</sup>	(23)	(6)	(18)	(25)	41	(8)	(3)	2	(72)	32
	<u>55</u>	<u>78</u>	<u>53</u>	<u>63</u>	<u>125</u>	<u>96</u>	<u>67</u>	<u>121</u>	<u>249</u>	<u>409</u>
<b>Europe</b>										
Insurance & Annuities	225	251	225	226	234	229	207	216	927	886
Reinsurance	86	54	74	63	73	71	92	77	277	313
Corporate	(4)	8	(6)	(2)	(4)	(4)	(10)	(7)	(4)	(25)
	<u>307</u>	<u>313</u>	<u>293</u>	<u>287</u>	<u>303</u>	<u>296</u>	<u>289</u>	<u>286</u>	<u>1,200</u>	<u>1,174</u>
<b>Corporate</b>	(12)	(6)	(2)	(6)	(7)	2	(5)	(6)	(26)	(16)
<b>Total</b>	<u><b>676</b></u>	<u><b>674</b></u>	<u><b>671</b></u>	<u><b>620</b></u>	<u><b>683</b></u>	<u><b>720</b></u>	<u><b>659</b></u>	<u><b>700</b></u>	<u><b>2,641</b></u>	<u><b>2,762</b></u>

1) Includes U.S. Corporate

2) Q4 2016 includes Putnam restructuring costs of \$20m (after-tax)

## Currency Translation Rates

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>(C\$ / US\$)</b>								
Balance Sheet	1.34	1.31	1.30	1.30	1.38	1.34	1.25	1.27
Income & Expenses	1.33	1.31	1.29	1.37	1.34	1.31	1.23	1.24
<b>(C\$ / £)</b>								
Balance Sheet	1.66	1.71	1.72	1.87	2.04	2.02	1.96	1.88
Income & Expenses	1.66	1.71	1.85	1.96	2.03	2.03	1.89	1.88
<b>(C\$ / €)</b>								
Balance Sheet	1.42	1.47	1.44	1.48	1.50	1.50	1.39	1.36
Income & Expenses	1.44	1.46	1.46	1.51	1.46	1.46	1.36	1.40



## Financial Strength – Credit Ratings

		Lifeco	Great-West Life	London Life	Canada Life	Irish 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	AA
	Senior Debt	A					
	Subordinated 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
	Issuer Rating					A+	
	Senior Debt	A+					
	Subordinated Debt				AA-	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	
<b>Q1 2015</b>	996,699,371	-	1,670,744	765,450	\$34.23	\$26,199,145	997,604,665
<b>Q2 2015</b>	997,604,665	-	635,292	1,360,848	\$36.80	\$50,077,226	996,879,109
<b>Q3 2015</b>	996,879,109	-	131,140	3,810,122	\$34.83	\$132,723,517	993,200,127
<b>Q4 2015</b>	993,200,127	-	493,640	343,436	\$34.54	\$11,863,660	993,350,331
<b>Q1 2016</b>	993,350,331	-	473,574	624,181	\$34.32	\$21,423,126	993,199,724
<b>Q2 2016</b>	993,199,724	-	165,660	2,207,000	\$34.25	\$75,597,009	991,158,384
<b>Q3 2016</b>	991,158,384	-	40,311	5,136,700	\$33.14	\$170,240,059	986,061,995
<b>Q4 2016</b>	986,061,995	-	336,340	-	-	-	986,398,335

**12 months ended December 31, 2016**

Average common shares outstanding - Basic	989,986,009
Potential exercise of outstanding stock options	1,681,577
Average common shares outstanding - Diluted	<u>991,667,586</u>

## Lifeco Financial Ratio Highlights

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Share Price</b>								
High	\$35.75	\$34.34	\$37.03	\$35.81	\$36.29	\$37.41	\$37.52	\$37.26
Low	\$32.24	\$31.01	\$32.71	\$32.32	\$31.89	\$31.57	\$36.03	\$31.31
Close	\$35.17	\$32.29	\$34.08	\$35.74	\$34.53	\$31.97	\$36.36	\$36.62
<b>Operating EPS</b>								
Operating EPS	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702
Operating EPS Growth <i>(qtr / qtr)</i>	0.6%	1.0%	8.0%	(9.2%)	(5.0%)	9.5%	(5.8%)	6.7%
<b>Dividends</b>								
Common Dividends Declared / Share		\$0.3460	\$0.3460	\$0.3460	\$0.3460	\$0.3260	\$0.3260	\$0.3260
Common Dividends Paid / Share	\$0.3460	\$0.3460	\$0.3460	\$0.3460	\$0.3260	\$0.3260	\$0.3260	\$0.3260
Paid Dividend Growth <i>(qtr / qtr)</i>	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	6.0%
Paid Dividend Growth <i>(yr / yr)</i>	6.1%	6.1%	6.1%	6.1%	6.0%	6.0%	6.0%	6.0%
Dividend Payout Ratio <sup>(1)</sup>	50.4%	50.7%	51.3%	55.4%	47.4%	45.0%	49.3%	46.4%
Dividend Yield (annualized) <sup>(2)</sup>	3.9%	4.3%	4.1%	3.9%	3.8%	4.1%	3.6%	3.6%
<b>Ratios</b>								
P/E Ratio <i>(rolling 4 qtrs - operating earnings)</i>	13.2x	12.1x	12.6x	13.2x	12.4x	11.6x	13.4x	13.8x
P/Book Value Ratio	1.8x	1.7x	1.8x	1.9x	1.7x	1.6x	2.0x	2.1x
ROE <sup>(3)</sup> (12 Months Trailing) - Operating Earnings	13.8%	13.8%	14.0%	14.0%	14.7%	15.2%	15.7%	16.0%
ROE <sup>(3)</sup> (12 Months Trailing)	13.8%	13.8%	14.0%	14.0%	14.7%	15.2%	15.7%	16.0%
<b>Share Information</b>								
Total Shares Outstanding (mm)	986.4	986.1	991.2	993.2	993.4	993.2	996.9	997.6
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)	277.1	276.8	281.9	283.9	284.0	283.9	287.6	288.3
Total Market Capitalization (mm)	\$34,692	\$31,840	\$33,779	\$35,497	\$34,300	\$31,753	\$36,247	\$36,532
Public Float (mm)	\$9,745	\$8,936	\$9,606	\$10,146	\$9,808	\$9,076	\$10,456	\$10,558
Book Value per Share	\$19.76	\$19.18	\$19.02	\$19.28	\$20.06	\$19.38	\$18.27	\$17.66

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

(C\$MM, unless otherwise stated)

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>MCCSR</b>								
<b>Great-West Life Assurance Company</b>								
Available Capital	15,869	15,285	15,168	15,492	15,730	15,383	14,572	14,151
Required Capital	6,618	6,748	6,536	6,559	6,599	6,582	6,370	6,376
Ratio	240%	227%	232%	236%	238%	234%	229%	222%
<b>London Life Insurance Company</b>								
Available Capital	3,591	3,305	3,229	3,342	3,341	3,314	3,240	3,390
Required Capital	1,656	1,608	1,574	1,536	1,480	1,457	1,393	1,429
Ratio	217%	206%	205%	218%	226%	227%	233%	237%
<b>Canada Life Assurance Company</b>								
Available Capital	10,697	10,279	10,165	10,392	10,649	10,349	9,730	9,262
Required Capital	3,890	4,041	3,878	3,944	4,090	4,061	3,931	3,926
Ratio	275%	254%	262%	263%	260%	255%	248%	236%
<b>Risk Based Capital (RBC) - US\$</b>								
<b>GWL&amp;A</b>								
Total Adjusted Capital	1,269				1,339			
Company Action Level	279				288			
Ratio	455% <sup>(1)</sup>				464%			

1) Estimated to be 455% at December 31, 2016

Great-West Life Assurance Company – MCCR

(C\$MM unless otherwise stated)

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Capital Available:</b>								
<b>Tier 1 Capital</b>								
Common shares	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487
Shareholder Surplus	10,167	9,903	9,698	9,512	9,256	9,031	8,695	8,551
Innovative instruments	112	112	112	113	113	113	112	111
Other Tier 1 Capital Elements	2,319	2,092	2,204	2,701	3,466	3,282	2,797	2,369
Gross Tier 1 Capital	21,085	20,594	20,501	20,813	21,322	20,913	20,091	19,518
<b>Deductions from Tier 1:</b>								
Goodwill & intangible assets in excess of limit	(5,973)	(6,034)	(5,903)	(5,920)	(5,928)	(5,954)	(5,945)	(5,963)
Other Deductions	(1,912)	(1,933)	(1,963)	(2,011)	(1,988)	(1,977)	(1,913)	(1,878)
<b>Net Tier 1 Capital</b>	<b>13,200</b>	<b>12,627</b>	<b>12,635</b>	<b>12,882</b>	<b>13,406</b>	<b>12,982</b>	<b>12,233</b>	<b>11,677</b>
Adjustments to Net Tier 1 Capital	(129)	(145)	(160)	(160)	(211)	(180)	(169)	(161)
<b>Adjusted Net Tier 1 Capital</b>	<b>13,071</b>	<b>12,482</b>	<b>12,475</b>	<b>12,722</b>	<b>13,195</b>	<b>12,802</b>	<b>12,064</b>	<b>11,516</b>
<b>Tier 2 Capital</b>								
Tier 2A	145	140	137	259	234	210	215	207
Tier 2B allowed	867	593	586	593	596	596	574	567
Tier 2C	1,915	2,215	2,130	2,078	1,916	1,955	1,888	2,022
Tier 2 Deductions	(129)	(145)	(160)	(160)	(211)	(180)	(169)	(161)
<b>Net Tier 2 Capital</b>	<b>2,798</b>	<b>2,803</b>	<b>2,693</b>	<b>2,770</b>	<b>2,535</b>	<b>2,581</b>	<b>2,508</b>	<b>2,635</b>
<b>Total Capital Available</b>	<b>15,869</b>	<b>15,285</b>	<b>15,168</b>	<b>15,492</b>	<b>15,730</b>	<b>15,383</b>	<b>14,572</b>	<b>14,151</b>
<b>Capital Required:</b>								
Assets Default & Market Risk	2,712	2,756	2,657	2,687	2,725	2,731	2,655	2,611
Insurance Risks	2,740	2,774	2,698	2,685	2,666	2,660	2,537	2,564
Interest Rate Risks	1,162	1,213	1,177	1,183	1,204	1,188	1,172	1,193
Other	4	5	4	4	4	3	6	8
<b>Total Capital Required</b>	<b>6,618</b>	<b>6,748</b>	<b>6,536</b>	<b>6,559</b>	<b>6,599</b>	<b>6,582</b>	<b>6,370</b>	<b>6,376</b>
<b>MCCR Ratios:</b>								
Tier 1	198%	185%	191%	194%	200%	194%	189%	181%
Total	240%	227%	232%	236%	238%	234%	229%	222%

## Lifeco Capital Structure

(CSMM)

LIABILITIES	2016				2015	
	Q4	Q3	Q2	Q1	Q4	Q3
<b>Short Term</b>						
Commercial Paper & other short term borrowings	133	131	130	129	129	129
Putnam revolving credit facility	295	124	228	280	338	168
<b>Total Short Term</b>	<b>428</b>	<b>255</b>	<b>358</b>	<b>409</b>	<b>467</b>	<b>297</b>
<b>Capital</b>						
<b>Lifeco</b>						
6.14% Debenture due Mar 21, 2018	200	200	200	200	200	200
6.74% Debenture due Nov 24, 2031	193	193	193	192	192	192
6.67% Debenture due Mar 21, 2033	392	392	392	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	499
2.50% Euro Bond Debt due April 18, 2023	706	731	716	736	745	745
1.75% Euro Bond Debt due December 7, 2026	704	-	-	-	-	-
<b>CLAC</b>						
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	285	297	294	305	311	313
4.00% ILA Mortgage	-	-	-	-	-	76
<b>GWL&amp;A Insurance Capital</b>						
6.625% Deferrable Debenture (LP)	231	226	224	224	238	231
2.538% (plus 3-month LIBOR) Subordinated Debenture (LP II) <sup>(1)</sup>	402	393	390	390	414	402
<b>Lifeco Finance (Delaware)</b>						
5.691% Subordinated Debenture due June 21, 2067 (LP)	999	999	998	998	998	997
7.127% Subordinated Debenture due June 26, 2068 (LP II)	499	499	498	498	498	498
<b>Total Debt and Other Loans</b>	<b>5,980</b>	<b>5,126</b>	<b>5,204</b>	<b>5,284</b>	<b>5,395</b>	<b>5,283</b>
<b>Capital Trust Securities</b>						
<b>GREATS</b>						
<b>CLICS</b>	150	150	150	150	150	150
Acquisition related FMV adjustment	11	11	11	11	11	12
	161	161	161	161	161	162
Trust securities held by consolidated group	(37)	(37)	(37)	(37)	(37)	(37)
Capital Trust Securities (externally held)	124	124	124	124	124	125

EQUITY	2016				2015	
	Q4	Q3	Q2	Q1	Q4	Q3
<b>Non-Controlling Interests</b>						
Non-controlling interest in capital stock & surplus	224	195	192	248	195	187
<b>Undistributed Participating Account Surplus</b>						
Great-West Life	610	614	611	610	607	599
London Life	1,798	1,726	1,759	1,764	1,780	1,761
Canada Life	357	274	255	233	222	207
GWL&A	17	16	16	16	17	17
	2,782	2,630	2,641	2,623	2,626	2,584
<b>Total Non-Controlling Interest</b>	<b>3,006</b>	<b>2,825</b>	<b>2,833</b>	<b>2,871</b>	<b>2,821</b>	<b>2,771</b>
<b>Lifeco</b>						
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 <sup>(2)</sup>	213	213	213	213	213	250
Series O Non-Cumulative Floating Rate Preferreds <sup>(3)</sup>	37	37	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	7,130	7,120	7,156	7,167	7,156	7,143
Accumulated & Contributed Surplus	11,612	11,278	11,066	10,763	10,551	10,177
Accumulated Other Comprehensive Income (loss)	746	519	632	1,216	2,218	1,929
<b>Total Equity Capital</b>	<b>25,008</b>	<b>24,256</b>	<b>24,201</b>	<b>24,531</b>	<b>25,260</b>	<b>24,534</b>

1) Interest rate swap put in place to pay fixed interest of 4.68% until May 16, 2046

2) 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

3) 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				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015
<i>(C\$MM, unless otherwise stated)</i>										
<b>Income</b>										
Premium income	8,905	8,334	6,871	7,015	6,162	5,891	5,516	6,932	31,125	24,501
Regular net investment income	1,507	1,496	1,576	1,673	1,670	1,546	1,519	1,536	6,252	6,271
Changes in fair value through profit or loss	(3,943)	2,307	3,129	2,410	(844)	(82)	(4,037)	2,953	3,903	(2,010)
Net investment income	(2,436)	3,803	4,705	4,083	826	1,464	(2,518)	4,489	10,155	4,261
Fee and other income	1,345	1,271	1,231	1,254	1,333	1,241	1,226	1,258	5,101	5,058
<b>Total Income</b>	<b>7,814</b>	<b>13,408</b>	<b>12,807</b>	<b>12,352</b>	<b>8,321</b>	<b>8,596</b>	<b>4,224</b>	<b>12,679</b>	<b>46,381</b>	<b>33,820</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders	4,373	10,589	10,035	9,678	5,532	5,833	1,588	9,889	34,675	22,842
Commissions	853	584	599	566	584	565	554	515	2,602	2,218
Operating expenses	1,250	1,180	1,161	1,208	1,175	1,132	1,081	1,078	4,799	4,466
Restructuring and acquisition expenses	35	19	5	4	7	7	14	7	63	35
Premium taxes	112	109	98	92	92	83	80	84	411	339
Financing charges	75	74	75	78	73	78	75	77	302	303
Amortization of finite life intangible assets	44	43	44	46	37	36	37	36	177	146
<b>Total Benefits and Expenses</b>	<b>6,742</b>	<b>12,598</b>	<b>12,017</b>	<b>11,672</b>	<b>7,500</b>	<b>7,734</b>	<b>3,429</b>	<b>11,686</b>	<b>43,029</b>	<b>30,349</b>
<b>Net Earnings before income taxes</b>	<b>1,072</b>	<b>810</b>	<b>790</b>	<b>680</b>	<b>821</b>	<b>862</b>	<b>795</b>	<b>993</b>	<b>3,352</b>	<b>3,471</b>
Income Tax - Current	115	1	119	54	55	61	31	149	289	296
- Deferred	73	107	(43)	(30)	11	23	55	75	107	164
<b>Net Earnings before non-controlling interests</b>	<b>884</b>	<b>702</b>	<b>714</b>	<b>656</b>	<b>755</b>	<b>778</b>	<b>709</b>	<b>769</b>	<b>2,956</b>	<b>3,011</b>
Non-controlling interests	177	(3)	13	5	41	26	19	37	192	123
<b>Net Earnings</b>	<b>707</b>	<b>705</b>	<b>701</b>	<b>651</b>	<b>714</b>	<b>752</b>	<b>690</b>	<b>732</b>	<b>2,764</b>	<b>2,888</b>
Perpetual preferred share dividends	31	31	30	31	31	32	31	32	123	126
<b>Net Earnings - Common Shareholders</b>	<b>676</b>	<b>674</b>	<b>671</b>	<b>620</b>	<b>683</b>	<b>720</b>	<b>659</b>	<b>700</b>	<b>2,641</b>	<b>2,762</b>
<b>Earnings per Common Share</b>										
Operating Earnings	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$2.668	\$2.774
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
Basic Earnings	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$0.702	\$2.668	\$2.774
Diluted Earnings	\$0.685	\$0.681	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$0.700	\$2.663	\$2.768
Average number of shares outstanding (MM) - basic	986.2	987.7	992.8	993.3	993.2	995.0	997.4	996.9	990.0	995.6
Average number of shares outstanding (MM) - diluted	987.9	989.0	994.8	995.1	995.2	997.0	1,000.1	999.1	991.7	997.9
Effective tax rate	18.0%	13.3%	9.6%	3.4%	8.0%	9.7%	10.8%	22.6%	11.8%	13.3%

## Lifeco Balance Sheets

(C\$MM)

Assets	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Government bonds	50,869	51,917	51,557	50,596	50,449	44,729	44,500	45,119
Corporate bonds	65,904	65,815	63,245	63,545	64,494	67,530	63,952	64,776
Total bonds <sup>(1)</sup>	116,773	117,732	114,802	114,141	114,943	112,259	108,452	109,895
Mortgage loans	21,651	21,788	21,573	21,402	22,021	21,704	21,104	21,184
Stocks	8,665	8,847	8,390	7,827	7,873	7,919	7,826	7,797
Investment properties	4,340	4,448	4,377	5,049	5,237	5,224	5,220	4,943
Loans to policyholders	8,467	8,372	8,403	8,321	8,694	8,574	8,221	8,195
Cash and cash equivalents	3,259	3,060	3,068	2,923	2,813	3,713	2,688	3,197
Total invested assets	163,155	164,247	160,613	159,663	161,581	159,393	153,511	155,211
Funds withheld by ceding insurers	10,781	12,558	12,418	12,954	15,512	14,366	14,050	14,242
Reinsurance assets	5,627	5,304	4,936	5,144	5,131	5,572	5,139	5,187
Premiums in course of collection, accounts and interest receivable	4,311	4,313	3,844	3,833	3,553	3,663	3,444	3,862
Current income taxes	97	113	115	99	69	114	69	44
Derivative financial instruments	528	625	645	602	461	494	466	583
Owner occupied properties	649	633	633	638	653	646	629	631
Fixed assets	304	312	294	296	298	279	255	235
Other assets	2,263	2,481	2,460	2,471	2,643	2,636	2,662	2,430
Deferred tax assets	1,845	1,832	1,824	1,770	1,891	1,888	1,735	1,810
Goodwill	5,977	6,022	5,885	5,896	5,913	5,908	5,865	5,859
Intangible assets	3,972	3,887	3,859	3,878	4,036	3,953	3,768	3,804
Investments on account of segregated fund policyholders	200,403	199,162	192,725	193,001	198,194	191,023	184,835	187,433
<b>Total assets</b>	<b>399,912</b>	<b>401,489</b>	<b>390,251</b>	<b>390,245</b>	<b>399,935</b>	<b>389,935</b>	<b>376,428</b>	<b>381,331</b>
<b>Liabilities</b>								
Insurance contract liabilities	155,940	159,609	155,633	155,352	158,492	157,451	152,315	154,494
Investment contract liabilities	2,009	2,091	2,076	2,116	2,253	947	912	935
	157,949	161,700	157,709	157,468	160,745	158,398	153,227	155,429
Debentures and other debt instruments	5,980	5,126	5,204	5,284	5,395	5,283	5,265	5,370
Funds held under reinsurance contracts	320	338	313	324	356	346	328	332
Other liabilities	8,446	9,263	8,516	8,006	8,238	8,589	7,602	8,250
Deferred tax liabilities	1,645	1,483	1,422	1,470	1,586	1,600	1,539	1,467
Capital trust securities	161	161	161	161	161	162	162	162
Investment and insurance contracts on account of segregated fund policyholders	200,403	199,162	192,725	193,001	198,194	191,023	184,835	187,433
<b>Total liabilities</b>	<b>374,904</b>	<b>377,233</b>	<b>366,050</b>	<b>365,714</b>	<b>374,675</b>	<b>365,401</b>	<b>352,958</b>	<b>358,443</b>
<b>Equity</b>								
Non-controlling interests	3,006	2,825	2,833	2,871	2,821	2,771	2,747	2,756
Share capital								
Perpetual preferred shares	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514
Common shares	7,130	7,120	7,156	7,167	7,156	7,143	7,166	7,154
Accumulated surplus	11,465	11,140	10,941	10,657	10,416	10,054	9,764	9,476
Accumulated other comprehensive income (loss)	746	519	632	1,216	2,218	1,929	1,170	889
Contributed surplus	147	138	125	106	135	123	109	99
	25,008	24,256	24,201	24,531	25,260	24,534	23,470	22,888
<b>Total liabilities and equity</b>	<b>399,912</b>	<b>401,489</b>	<b>390,251</b>	<b>390,245</b>	<b>399,935</b>	<b>389,935</b>	<b>376,428</b>	<b>381,331</b>
<b>Proprietary mutual funds and institutional assets</b>	<b>259,215</b>	<b>256,544</b>	<b>243,688</b>	<b>237,984</b>	<b>252,480</b>	<b>239,050</b>	<b>232,168</b>	<b>238,650</b>
<b>Other assets under administration</b>	<b>589,291</b>	<b>570,475</b>	<b>549,878</b>	<b>558,290</b>	<b>560,102</b>	<b>524,813</b>	<b>539,259</b>	<b>556,893</b>
<b>Total assets under administration</b>	<b>1,248,418</b>	<b>1,228,508</b>	<b>1,183,817</b>	<b>1,186,519</b>	<b>1,212,517</b>	<b>1,153,798</b>	<b>1,147,855</b>	<b>1,176,874</b>

1) Includes short-term bonds



## Lifeco Supplemental Balance Sheet Information

(C\$MM, unless otherwise stated)

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Bond Portfolio Quality</b>								
<b>Canada</b>								
AAA	10,495	10,853	10,649	10,631	11,224	10,938	11,482	11,485
AA	8,582	8,619	8,584	8,464	7,317	7,261	7,343	7,748
A	15,840	16,189	15,615	14,973	15,233	15,194	14,856	14,972
BBB	5,844	5,782	6,112	5,983	5,985	5,687	5,254	5,289
BB or Lower	85	74	103	121	120	127	128	128
Total	40,846	41,517	41,063	40,172	39,879	39,207	39,063	39,622
<b>U.S.</b>								
AAA	8,825	5,956	5,680	7,770	8,712	4,705	4,192	4,532
AA	4,672	4,831	4,813	4,599	4,598	4,606	4,234	4,386
A	10,131	10,191	9,767	9,268	9,420	9,374	8,486	8,433
BBB	8,635	8,969	8,499	8,385	8,334	8,246	7,771	7,711
BB or Lower	700	692	673	714	771	810	695	730
Total	32,963	30,639	29,432	30,736	31,835	27,741	25,378	25,792
<b>Europe</b>								
AAA	4,495	4,808	4,709	12,900	12,289	12,206	11,860	11,848
AA	15,465	16,100	15,883	8,149	8,056	8,354	7,374	7,891
A	11,480	10,925	9,977	10,366	10,782	10,642	10,164	10,226
BBB	5,616	6,175	5,951	6,261	6,662	6,438	6,115	5,871
BB or Lower	507	534	516	563	647	627	597	609
Total	37,563	38,542	37,036	38,239	38,436	38,267	36,110	36,445
<b>Total Bond Portfolio Quality</b>								
AAA	23,815	21,617	21,038	31,301	32,225	27,849	27,534	27,865
AA	28,719	29,550	29,280	21,212	19,971	20,221	18,951	20,025
A	37,451	37,305	35,359	34,607	35,435	35,210	33,506	33,631
BBB	20,095	20,926	20,562	20,629	20,981	20,371	19,140	18,871
BB or Lower	1,292	1,300	1,292	1,398	1,538	1,564	1,420	1,467
Total <sup>(1)</sup>	111,372	110,698	107,531	109,147	110,150	105,215	100,551	101,859

1. Excludes short term bonds.

(C\$B)

### Bonds unrealized Gain / Loss

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Unrealized Gains	9.0	13.2	11.7	9.4	7.9	8.6	8.3	12.1
Unrealized Losses	(0.9)	(0.2)	(0.4)	(0.5)	(0.8)	(0.6)	(0.7)	(0.2)
Net Gains / Losses	8.1	13.0	11.3	8.9	7.1	8.0	7.6	11.9

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Segregated Fund Net Assets</b>								
Stocks, mutual funds and units in unit trusts	132,759	129,930	125,104	125,844	130,930	125,023	123,004	124,852
Bonds	41,619	43,908	43,015	42,433	42,160	42,199	39,580	41,365
Mortgage loans	2,622	2,661	2,625	2,615	2,596	2,586	2,510	2,565
Investment properties	11,019	10,763	10,665	10,647	10,839	10,650	9,886	9,588
Cash & other	12,384	11,900	11,316	11,462	11,669	10,565	9,855	9,063
Total	200,403	199,162	192,725	193,001	198,194	191,023	184,835	187,433

### Mortgage Loan Portfolio

	Insured	Non-Insured	Total
	<b>Q4 2016</b>		
Single-family residential	706	1,369	2,075
Multi-family residential	2,946	3,041	5,987
Commercial	260	13,329	13,589
Total Mortgage Loans	3,912	17,739	21,651
<b>Q3 2016</b>			
Single-family residential	718	1,339	2,057
Multi-family residential	2,957	3,061	6,018
Commercial	273	13,440	13,713
Total Mortgage Loans	3,948	17,840	21,788
<b>Q2 2016</b>			
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
<b>Q1 2016</b>			
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
<b>Q4 2015</b>			
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
<b>Q3 2015</b>			
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
<b>Q2 2015</b>			
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
<b>Q1 2015</b>			
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

**Lifeco Impaired Loans and Credit Losses**

(C\$MM)

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Gross Impaired Loans</b>								
Fair value through profit or loss <sup>(1)</sup>	231	234	243	256	287	289	280	300
Available for sale	8	10	10	11	12	16	14	15
Loans & receivables	122	74	76	56	50	44	43	42
<b>Total</b>	<b>361</b>	<b>318</b>	<b>329</b>	<b>323</b>	<b>349</b>	<b>349</b>	<b>337</b>	<b>357</b>
Canada	1	1	2	2	3	3	4	4
US	257	238	246	259	289	286	274	294
Europe	103	79	81	62	57	60	59	59
<b>Total</b>	<b>361</b>	<b>318</b>	<b>329</b>	<b>323</b>	<b>349</b>	<b>349</b>	<b>337</b>	<b>357</b>
<b>Impaired Investment Provisions</b>								
Fair value through profit or loss <sup>(1)</sup>	(52)	(58)	(55)	(55)	(68)	(74)	(75)	(65)
Available for sale	(2)	-	-	1	1	-	(1)	1
Loans & receivables	43	31	32	24	20	19	19	18
<b>Total</b>	<b>(11)</b>	<b>(27)</b>	<b>(23)</b>	<b>(30)</b>	<b>(47)</b>	<b>(55)</b>	<b>(57)</b>	<b>(46)</b>
Canada	-	-	-	-	-	-	(1)	(1)
US	(44)	(55)	(52)	(51)	(61)	(68)	(68)	(59)
Europe	33	28	29	21	14	13	12	14
<b>Total</b>	<b>(11)</b>	<b>(27)</b>	<b>(23)</b>	<b>(30)</b>	<b>(47)</b>	<b>(55)</b>	<b>(57)</b>	<b>(46)</b>
<b>Carrying Amount</b>	<b>372</b>	<b>345</b>	<b>352</b>	<b>353</b>	<b>396</b>	<b>404</b>	<b>394</b>	<b>403</b>
<b>Provisions for Future Credit Losses in Insurance Contract Liabilities</b>	<b>2,946</b>	<b>3,430</b>	<b>3,367</b>	<b>3,462</b>	<b>3,558</b>	<b>3,362</b>	<b>3,317</b>	<b>3,283</b>

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

## Lifeco Cash Flow Statements

(C\$MM)	2016				2015				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015
<b>Operations</b>										
Net earnings before income taxes	1,072	810	790	680	821	862	795	993	3,352	3,471
Income taxes paid, net of refunds received	(65)	(16)	(84)	(58)	(66)	(30)	(177)	(88)	(223)	(361)
Adjustments:										
Change in insurance and investment contract liabilities	(3,231)	3,184	3,967	3,208	(538)	179	(3,580)	2,851	7,128	(1,088)
Change in funds held by ceding insurers	24	186	35	260	32	310	207	272	505	821
Change in funds held under reinsurance contracts	(14)	27	10	(5)	191	(73)	2	(92)	18	28
Change in deferred acquisition costs	6	10	16	10	2	6	14	10	42	32
Change in reinsurance assets	(468)	(47)	79	(131)	294	(51)	113	11	(567)	367
Changes in fair value through profit or loss	3,943	(2,307)	(3,129)	(2,410)	844	82	4,037	(2,953)	(3,903)	2,010
Other	122	(125)	93	(188)	(517)	279	(7)	88	(98)	(157)
	1,389	1,722	1,777	1,366	1,063	1,564	1,404	1,092	6,254	5,123
<b>Financing Activities</b>										
Issue of common shares	10	1	5	15	16	4	22	57	31	99
Purchased and cancelled common shares	-	(170)	(76)	(21)	(12)	(133)	(50)	(26)	(267)	(221)
Issue of euro-denominated debt	706	-	-	-	-	-	-	-	706	-
Increase (decrease) in line of credit of subsidiary	166	(104)	(52)	(41)	161	(130)	(118)	(43)	(31)	(130)
Increase (decrease) in debentures and other debt instruments	(1)	-	1	8	(4)	(3)	11	(11)	8	(7)
Dividends paid on common shares	(340)	(342)	(344)	(343)	(324)	(324)	(325)	(325)	(1,369)	(1,298)
Dividends paid on preferred shares	(31)	(31)	(30)	(31)	(31)	(32)	(31)	(32)	(123)	(126)
Cash flow from financing activities	510	(646)	(496)	(413)	(194)	(618)	(491)	(380)	(1,045)	(1,683)
<b>Investment Activities</b>										
Bond sales and maturities	8,069	5,004	9,266	7,610	6,685	6,001	6,559	9,837	29,949	29,082
Mortgage loan repayments	633	691	630	662	947	699	699	581	2,616	2,926
Stock sales	781	304	507	1,125	684	398	459	566	2,717	2,107
Investment property sales	54	-	373	-	7	195	-	4	427	206
Changes in loans to policyholders	36	75	(82)	19	56	56	(113)	9	48	8
Business acquisitions, net of cash and equivalents acquired	-	(33)	-	-	-	(4)	-	-	(33)	(4)
Investment in bonds	(10,334)	(5,826)	(9,712)	(8,314)	(8,456)	(5,738)	(7,884)	(9,937)	(34,186)	(32,015)
Investment in mortgage loans	(485)	(893)	(1,134)	(752)	(1,064)	(808)	(537)	(624)	(3,264)	(3,033)
Investment in stocks	(432)	(417)	(904)	(984)	(647)	(859)	(557)	(360)	(2,737)	(2,423)
Investment in investment properties	(11)	(7)	(10)	(74)	(14)	(18)	(66)	(180)	(102)	(278)
Cash flow from investment activities	(1,689)	(1,102)	(1,066)	(708)	(1,802)	(78)	(1,440)	(104)	(4,565)	(3,424)
Effect of changes in exchange rates on cash & cash equivalents	(11)	18	(70)	(135)	33	157	18	91	(198)	299
Increase (decrease) in cash and cash equivalents	199	(8)	145	110	(900)	1,025	(509)	699	446	315
Cash and cash equivalents, beginning of period	3,060	3,068	2,923	2,813	3,713	2,688	3,197	2,498	2,813	2,498
Cash and cash equivalents, end of period	3,259	3,060	3,068	2,923	2,813	3,713	2,688	3,197	3,259	2,813

## Statements of Accumulated and Contributed Surplus

### Lifeco Accumulated & Contributed Surplus

(C\$MM)	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Balance, beginning of year</b>	10,551	10,551	10,551	10,551	9,245	9,245	9,245	9,245
Net earnings - YTD	2,764	2,057	1,352	651	2,888	2,174	1,422	732
Stock option expense	72	49	35	16	9	(3)	(17)	16
Share issue / redemption costs	(210)	(210)	-	-	-	-	-	-
Dividends to shareholders								
Preferred shareholders	(123)	(92)	(61)	(31)	(126)	(95)	(63)	(32)
Common shareholders	(1,369)	(1,029)	(687)	(343)	(1,298)	(974)	(650)	(325)
Other	(73)	(48)	(124)	(81)	(167)	(170)	(64)	(61)
<b>Balance, end of period</b>	<b>11,612</b>	<b>11,278</b>	<b>11,066</b>	<b>10,763</b>	<b>10,551</b>	<b>10,177</b>	<b>9,873</b>	<b>9,575</b>

### Lifeco Surplus - Participating Account

(C\$MM)	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Balance, beginning of period</b>	2,626	2,626	2,626	2,626	2,495	2,495	2,495	2,495
Net earnings before policyholder dividend - YTD	1,467	960	649	325	1,374	1,070	711	370
Participating policyholder dividend	(1,277)	(947)	(631)	(320)	(1,260)	(993)	(658)	(334)
Other	(34)	(9)	(3)	(8)	17	12	14	25
<b>Balance, end of period</b>	<b>2,782</b>	<b>2,630</b>	<b>2,641</b>	<b>2,623</b>	<b>2,626</b>	<b>2,584</b>	<b>2,562</b>	<b>2,556</b>
<b>By Company:</b>								
Great-West Life	610	614	611	610	607	599	594	594
London Life	1,798	1,726	1,759	1,764	1,780	1,761	1,762	1,769
Canada Life	357	274	255	233	222	207	190	177
GWL&A	17	16	16	16	17	17	16	16
	<b>2,782</b>	<b>2,630</b>	<b>2,641</b>	<b>2,623</b>	<b>2,626</b>	<b>2,584</b>	<b>2,562</b>	<b>2,556</b>

## Reconciliation of Accumulated Other Comprehensive Income

	Comprehensive Income								Fiscal 2016	Fiscal 2015
	2016				2015					
(C\$MM)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Net Earnings</b>	707	705	701	651	714	752	690	732	2,764	2,888
<b>Other comprehensive income (loss)</b>										
<b>net of income taxes</b>										
Unrealized foreign exchange gains (losses) on translation of foreign operations	(73)	80	(508)	(984)	291	888	146	733	(1,485)	2,058
Unrealized foreign exchange gains (losses) on euro debt designated as hedge of net investment in foreign operations	23	(13)	17	9	-	(47)	(14)	20	36	(41)
Unrealized gains (losses) on available for sale assets (after-tax)	(123)	28	103	97	(34)	30	(111)	102	105	(13)
Realized gains on available-for-sale assets (after-tax)	(7)	(19)	(15)	(27)	(3)	(6)	(17)	(61)	(68)	(87)
Unrealized gains (losses) on cash flow hedges (after-tax)	25	(4)	(13)	59	(17)	(73)	18	(84)	67	(156)
Realized gains on cash flow hedges (after-tax)	-	-	-	1	-	-	-	1	1	1
Non-controlling interests (after-tax)	45	-	(16)	9	(49)	1	25	(31)	38	(54)
<b>Total Items that may be reclassified</b>	(110)	72	(432)	(836)	188	793	47	680	(1,306)	1,708
<b>Items that will not be reclassified to Consolidated Statement of Earnings</b>										
Re-measurements on defined benefit pension and other post-employment benefit plans (after-tax)	362	(190)	(163)	(180)	97	(35)	248	(175)	(171)	135
Non-controlling interests (after-tax)	(25)	5	11	14	4	1	(14)	6	5	(3)
	337	(185)	(152)	(166)	101	(34)	234	(169)	(166)	132
<b>Total other comprehensive income (loss)</b>	227	(113)	(584)	(1,002)	289	759	281	511	(1,472)	1,840
<b>Comprehensive income</b>	934	592	117	(351)	1,003	1,511	971	1,243	1,292	4,728

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

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(C\$MM)								
<b>Balance, beginning of year</b>	2,218	2,218	2,218	2,218	378	378	378	378
Other comprehensive income	(1,472)	(1,699)	(1,586)	(1,002)	1,840	1,551	792	511
<b>Balance, end of period</b>	746	519	632	1,216	2,218	1,929	1,170	889

**Lifeco Sales (New Annualized Premium)**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>New Annualized Premium</b>										
<b>Canada</b>										
Individual Insurance	341	164	155	125	137	142	138	113	785	530
Wealth Management	3,350	2,863	2,403	2,860	3,220	2,551	2,757	2,944	11,476	11,472
Group Insurance	180	90	119	283	135	251	121	126	672	633
<b>Total Canada</b>	<b>3,871</b>	<b>3,117</b>	<b>2,677</b>	<b>3,268</b>	<b>3,492</b>	<b>2,944</b>	<b>3,016</b>	<b>3,183</b>	<b>12,933</b>	<b>12,635</b>
<b>U.S.</b>										
Financial Services	7,265	11,670	6,042	27,770	20,761	15,589	9,624	9,891	52,747	55,865
Asset Management	11,119	11,341	10,623	12,388	10,869	10,242	8,507	10,232	45,471	39,850
<b>Total U.S.</b>	<b>18,384</b>	<b>23,011</b>	<b>16,665</b>	<b>40,158</b>	<b>31,630</b>	<b>25,831</b>	<b>18,131</b>	<b>20,123</b>	<b>98,218</b>	<b>95,715</b>
<b>Europe</b>										
Insurance & Annuities	4,410	4,645	5,550	4,574	3,917	7,716	3,396	4,456	19,179	19,485
<b>Total New Annualized Premium</b>	<b>26,665</b>	<b>30,773</b>	<b>24,892</b>	<b>48,000</b>	<b>39,039</b>	<b>36,491</b>	<b>24,543</b>	<b>27,762</b>	<b>130,330</b>	<b>127,835</b>

## Lifeco Premiums & Deposits

<i>(CSMM)</i>	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Premiums &amp; Deposits</b>										
<b>Canada</b>										
Individual Insurance	1,543	1,298	1,294	1,236	1,304	1,220	1,216	1,154	5,371	4,894
Wealth Management	3,041	2,716	2,496	2,726	2,804	2,504	2,713	2,811	10,979	10,832
Group Insurance	2,097	2,040	2,100	2,074	2,002	1,948	1,940	1,948	8,311	7,838
<b>Total Canada</b>	<b>6,681</b>	<b>6,054</b>	<b>5,890</b>	<b>6,036</b>	<b>6,110</b>	<b>5,672</b>	<b>5,869</b>	<b>5,913</b>	<b>24,661</b>	<b>23,564</b>
<b>U.S.</b>										
Financial Services	3,525	3,575	3,327	3,729	5,087	3,477	2,504	2,730	14,156	13,798
Asset Management	11,119	11,341	10,623	12,388	10,869	10,242	8,507	10,232	45,471	39,850
<b>Total U.S.</b>	<b>14,644</b>	<b>14,916</b>	<b>13,950</b>	<b>16,117</b>	<b>15,956</b>	<b>13,719</b>	<b>11,011</b>	<b>12,962</b>	<b>59,627</b>	<b>53,648</b>
<b>Europe</b>										
Insurance & Annuities	4,984	5,325	6,293	5,674	4,497	8,354	4,116	5,160	22,276	22,127
Reinsurance	3,730	2,967	2,038	2,167	1,559	1,487	1,077	1,513	10,902	5,636
<b>Total Europe</b>	<b>8,714</b>	<b>8,292</b>	<b>8,331</b>	<b>7,841</b>	<b>6,056</b>	<b>9,841</b>	<b>5,193</b>	<b>6,673</b>	<b>33,178</b>	<b>27,763</b>
<b>Total Revenue Premium</b>	<b>30,039</b>	<b>29,262</b>	<b>28,171</b>	<b>29,994</b>	<b>28,122</b>	<b>29,232</b>	<b>22,073</b>	<b>25,548</b>	<b>117,466</b>	<b>104,975</b>
<b>Summary</b>										
Risk-based premiums	8,905	8,334	6,871	7,015	6,162	5,891	5,516	6,932	31,125	24,501
ASO premiums	691	655	707	698	665	639	659	662	2,751	2,625
Segregated fund deposits										
Individual	3,399	3,211	3,213	3,689	3,814	3,157	3,031	2,981	13,512	12,983
Group	1,875	1,875	1,858	2,238	2,001	2,738	1,835	2,035	7,846	8,609
Proprietary mutual funds & institutional deposits	15,169	15,187	15,522	16,354	15,480	16,807	11,032	12,938	62,232	56,257
	<b>30,039</b>	<b>29,262</b>	<b>28,171</b>	<b>29,994</b>	<b>28,122</b>	<b>29,232</b>	<b>22,073</b>	<b>25,548</b>	<b>117,466</b>	<b>104,975</b>

**Lifeco Fee and Other Income**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Fee and Other Income</b>										
<b>Canada</b>										
Segregated funds	268	265	256	241	251	251	248	247	1,030	997
ASO contracts	41	39	42	43	41	38	39	39	165	157
Other	77	73	71	78	77	77	79	72	299	305
<b>Total Canada</b>	<b>386</b>	<b>377</b>	<b>369</b>	<b>362</b>	<b>369</b>	<b>366</b>	<b>366</b>	<b>358</b>	<b>1,494</b>	<b>1,459</b>
<b>U.S.</b>										
Segregated funds	16	16	15	16	17	17	17	17	63	68
Asset Management	236	231	232	250	288	285	280	278	949	1,131
Other	367	319	308	305	332	289	280	278	1,299	1,179
<b>Total U.S.</b>	<b>619</b>	<b>566</b>	<b>555</b>	<b>571</b>	<b>637</b>	<b>591</b>	<b>577</b>	<b>573</b>	<b>2,311</b>	<b>2,378</b>
<b>Europe</b>										
Segregated funds & Other	340	328	307	321	327	284	283	327	1,296	1,221
<b>Total Europe</b>	<b>340</b>	<b>328</b>	<b>307</b>	<b>321</b>	<b>327</b>	<b>284</b>	<b>283</b>	<b>327</b>	<b>1,296</b>	<b>1,221</b>
<b>Total Fee and Other Income</b>	<b>1,345</b>	<b>1,271</b>	<b>1,231</b>	<b>1,254</b>	<b>1,333</b>	<b>1,241</b>	<b>1,226</b>	<b>1,258</b>	<b>5,101</b>	<b>5,058</b>



## Lifeco Expense Summary

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Operating Expenses</b>										
Canada	398	362	366	382	370	352	345	364	1,508	1,431
U.S.	593	584	569	603	580	562	532	513	2,349	2,187
Europe	250	230	220	219	221	215	199	197	919	832
Lifeco Corporate	9	4	6	4	4	3	5	4	23	16
<b>Total Operating Expenses</b>	<b>1,250</b>	<b>1,180</b>	<b>1,161</b>	<b>1,208</b>	<b>1,175</b>	<b>1,132</b>	<b>1,081</b>	<b>1,078</b>	<b>4,799</b>	<b>4,466</b>
<b>Investment Expenses</b>	27	26	27	27	30	28	25	27	107	110
<b>Total Operating &amp; Investment Expenses</b>	<b>1,277</b>	<b>1,206</b>	<b>1,188</b>	<b>1,235</b>	<b>1,205</b>	<b>1,160</b>	<b>1,106</b>	<b>1,105</b>	<b>4,906</b>	<b>4,576</b>

## Canada



Lifeco Canada Net Earnings – Consolidated

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	3,597	3,117	2,896	2,861	3,023	2,774	2,839	2,667	12,471	11,303
Regular net investment income	636	631	665	736	654	599	630	629	2,668	2,512
Changes in fair value through profit or loss	(1,364)	579	940	537	(7)	(546)	(1,181)	1,376	692	(358)
Net investment income	(728)	1,210	1,605	1,273	647	53	(551)	2,005	3,360	2,154
Fee and other income	386	377	369	362	369	366	366	358	1,494	1,459
<b>Total Income</b>	<b>3,255</b>	<b>4,704</b>	<b>4,870</b>	<b>4,496</b>	<b>4,039</b>	<b>3,193</b>	<b>2,654</b>	<b>5,030</b>	<b>17,325</b>	<b>14,916</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders	1,444	3,485	3,632	3,301	2,799	1,967	1,460	3,765	11,862	9,991
Commissions	624	392	382	356	371	360	358	326	1,754	1,415
General expenses	398	362	366	382	370	352	345	364	1,508	1,431
Other	134	132	128	124	123	117	116	116	518	472
<b>Total Benefits and Expenses</b>	<b>2,600</b>	<b>4,371</b>	<b>4,508</b>	<b>4,163</b>	<b>3,663</b>	<b>2,796</b>	<b>2,279</b>	<b>4,571</b>	<b>15,642</b>	<b>13,309</b>
<b>Net Earnings before income taxes</b>	<b>655</b>	<b>333</b>	<b>362</b>	<b>333</b>	<b>376</b>	<b>397</b>	<b>375</b>	<b>459</b>	<b>1,683</b>	<b>1,607</b>
Income tax	149	45	23	51	70	45	47	123	268	285
<b>Net Earnings before non-controlling interests</b>	<b>506</b>	<b>288</b>	<b>339</b>	<b>282</b>	<b>306</b>	<b>352</b>	<b>328</b>	<b>336</b>	<b>1,415</b>	<b>1,322</b>
Non-controlling interests	178	(3)	11	5	40	22	16	33	191	111
<b>Net Earnings</b>	<b>328</b>	<b>291</b>	<b>328</b>	<b>277</b>	<b>266</b>	<b>330</b>	<b>312</b>	<b>303</b>	<b>1,224</b>	<b>1,211</b>
Preferred share dividends	26	26	26	26	25	26	26	26	104	103
<b>Net Earnings before Capital Allocation</b>	<b>302</b>	<b>265</b>	<b>302</b>	<b>251</b>	<b>241</b>	<b>304</b>	<b>286</b>	<b>277</b>	<b>1,120</b>	<b>1,108</b>
Capital Allocation	24	24	25	25	21	22	22	22	98	87
<b>Net Earnings - Common Shareholders</b>	<b>326</b>	<b>289</b>	<b>327</b>	<b>276</b>	<b>262</b>	<b>326</b>	<b>308</b>	<b>299</b>	<b>1,218</b>	<b>1,195</b>
<b>Common Shareholder Net Earnings (loss)</b>										
Individual Insurance	103	70	80	92	51	91	88	77	345	307
Wealth Management	132	99	104	101	119	116	122	122	436	479
Group Insurance	98	110	125	67	74	153	96	109	400	432
Corporate	(7)	10	18	16	18	(34)	2	(9)	37	(23)
<b>Total</b>	<b>326</b>	<b>289</b>	<b>327</b>	<b>276</b>	<b>262</b>	<b>326</b>	<b>308</b>	<b>299</b>	<b>1,218</b>	<b>1,195</b>

Lifeco Canada – Individual Insurance

		2016				2015				Fiscal 2016	Fiscal 2015
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
(C\$MM)											
<b>Income</b>											
	Premium income	324	326	307	324	319	318	314	324	1,281	1,275
	Net investment income	(784)	292	587	320	142	(170)	(526)	628	415	74
	<b>Total Income</b>	<b>(460)</b>	<b>618</b>	<b>894</b>	<b>644</b>	<b>461</b>	<b>148</b>	<b>(212)</b>	<b>952</b>	<b>1,696</b>	<b>1,349</b>
<b>Benefits and Expenses</b>											
	Paid or credited to										
	policyholders and beneficiaries	(672)	444	703	447	314	(39)	(385)	765	922	655
	Commissions	64	52	50	46	46	44	45	42	212	177
	General expenses	19	31	33	31	27	30	29	27	114	113
	Other	13	12	12	13	12	11	10	11	50	44
	<b>Total Benefits and Expenses</b>	<b>(576)</b>	<b>539</b>	<b>798</b>	<b>537</b>	<b>399</b>	<b>46</b>	<b>(301)</b>	<b>845</b>	<b>1,298</b>	<b>989</b>
	<b>Net Earnings before income taxes</b>	<b>116</b>	<b>79</b>	<b>96</b>	<b>107</b>	<b>62</b>	<b>102</b>	<b>89</b>	<b>107</b>	<b>398</b>	<b>360</b>
	Income tax	12	9	15	14	8	9	(1)	28	50	44
	<b>Net Earnings before Capital Allocation</b>	<b>104</b>	<b>70</b>	<b>81</b>	<b>93</b>	<b>54</b>	<b>93</b>	<b>90</b>	<b>79</b>	<b>348</b>	<b>316</b>
	Capital Allocation	(1)	-	(1)	(1)	(3)	(2)	(2)	(2)	(3)	(9)
	<b>Net Earnings - Common Shareholders</b>	<b>103</b>	<b>70</b>	<b>80</b>	<b>92</b>	<b>51</b>	<b>91</b>	<b>88</b>	<b>77</b>	<b>345</b>	<b>307</b>
Sales	Participating	286	122	115	91	101	106	100	82	614	389
	Universal Life	29	16	14	12	12	11	13	12	71	48
	Term/Permanent	15	16	15	14	14	14	15	11	60	54
	Third party	1	-	2	-	-	2	2	1	3	5
	<b>Total - Individual Life</b>	<b>331</b>	<b>154</b>	<b>146</b>	<b>117</b>	<b>127</b>	<b>133</b>	<b>130</b>	<b>106</b>	<b>748</b>	<b>496</b>
	Critical Illness	6	6	5	4	5	5	4	4	21	18
	Disability	4	4	4	4	5	4	4	3	16	16
<b>Total - Living Benefits</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>37</b>	<b>34</b>	
	<b>Total - Individual Insurance</b>	<b>341</b>	<b>164</b>	<b>155</b>	<b>125</b>	<b>137</b>	<b>142</b>	<b>138</b>	<b>113</b>	<b>785</b>	<b>530</b>
Revenue Premium	<b>Risk Based Premiums</b>										
	Participating	1,219	971	988	912	985	902	902	830	4,090	3,619
	Individual Life	239	243	222	241	236	236	230	242	945	944
	Living Benefits	85	84	84	83	83	82	84	82	336	331
	<b>Total - Individual Insurance</b>	<b>1,543</b>	<b>1,298</b>	<b>1,294</b>	<b>1,236</b>	<b>1,304</b>	<b>1,220</b>	<b>1,216</b>	<b>1,154</b>	<b>5,371</b>	<b>4,894</b>

Lifeco Canada – Wealth Management

(CSMM)	2016				2015				Fiscal 2016	Fiscal 2015	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Income</b>											
Premium income	648	435	208	249	382	246	341	227	1,540	1,196	
Net investment income	(149)	203	300	278	124	133	(48)	389	632	598	
Fee and other income	331	326	315	307	316	310	313	308	1,279	1,247	
<b>Total Income</b>	<b>830</b>	<b>964</b>	<b>823</b>	<b>834</b>	<b>822</b>	<b>689</b>	<b>606</b>	<b>924</b>	<b>3,451</b>	<b>3,041</b>	
<b>Benefits and Expenses</b>											
Paid or credited to policyholders and beneficiaries	427	619	466	469	433	334	218	523	1,981	1,508	
Commissions	98	93	95	97	99	87	100	100	383	386	
General expenses	121	119	119	126	124	114	114	130	485	482	
Other	6	6	5	6	4	6	6	5	23	21	
<b>Total Benefits and Expenses</b>	<b>652</b>	<b>837</b>	<b>685</b>	<b>698</b>	<b>660</b>	<b>541</b>	<b>438</b>	<b>758</b>	<b>2,872</b>	<b>2,397</b>	
<b>Net Earnings before income taxes</b>	<b>178</b>	<b>127</b>	<b>138</b>	<b>136</b>	<b>162</b>	<b>148</b>	<b>168</b>	<b>166</b>	<b>579</b>	<b>644</b>	
Income tax	46	27	34	35	42	30	44	42	142	158	
<b>Net Earnings before Capital Allocation</b>	<b>132</b>	<b>100</b>	<b>104</b>	<b>101</b>	<b>120</b>	<b>118</b>	<b>124</b>	<b>124</b>	<b>437</b>	<b>486</b>	
Capital Allocation	-	(1)	-	-	(1)	(2)	(2)	(2)	(1)	(7)	
<b>Net Earnings - Common Shareholders</b>	<b>132</b>	<b>99</b>	<b>104</b>	<b>101</b>	<b>119</b>	<b>116</b>	<b>122</b>	<b>122</b>	<b>436</b>	<b>479</b>	
<b>Sales</b>	Risk-based	146	119	121	193	161	137	133	186	579	617
	Segregated funds	1,426	1,124	1,138	1,330	1,497	1,190	1,284	1,519	5,018	5,490
	Proprietary mutual funds	326	259	270	289	320	311	312	336	1,144	1,279
	Third party	409	318	378	455	433	332	363	463	1,560	1,591
	<b>Total - Individual Wealth Management</b>	<b>2,307</b>	<b>1,820</b>	<b>1,907</b>	<b>2,267</b>	<b>2,411</b>	<b>1,970</b>	<b>2,092</b>	<b>2,504</b>	<b>8,301</b>	<b>8,977</b>
	Risk-based	520	341	81	75	245	122	210	65	1,017	642
	Segregated funds	523	702	415	387	564	459	455	375	2,027	1,853
	Third party	-	-	-	131	-	-	-	-	131	-
	<b>Total - Group Retirement Services</b>	<b>1,043</b>	<b>1,043</b>	<b>496</b>	<b>593</b>	<b>809</b>	<b>581</b>	<b>665</b>	<b>440</b>	<b>3,175</b>	<b>2,495</b>
	<b>Total - Wealth Management</b>	<b>3,350</b>	<b>2,863</b>	<b>2,403</b>	<b>2,860</b>	<b>3,220</b>	<b>2,551</b>	<b>2,757</b>	<b>2,944</b>	<b>11,476</b>	<b>11,472</b>
<b>Revenue Premium</b>	Risk-based revenue premiums	55	39	38	74	57	54	51	70	206	232
	Segregated funds deposits	908	819	820	959	893	842	913	1,078	3,506	3,726
	Proprietary mutual fund deposits	263	230	223	241	253	242	262	291	957	1,048
	<b>Total - Individual Wealth Management</b>	<b>1,226</b>	<b>1,088</b>	<b>1,081</b>	<b>1,274</b>	<b>1,203</b>	<b>1,138</b>	<b>1,226</b>	<b>1,439</b>	<b>4,669</b>	<b>5,006</b>
	Risk-based revenue premiums	593	395	171	175	325	191	291	157	1,334	964
	Segregated funds deposits	1,222	1,233	1,244	1,277	1,276	1,175	1,196	1,215	4,976	4,862
<b>Total - Group Retirement Services</b>	<b>1,815</b>	<b>1,628</b>	<b>1,415</b>	<b>1,452</b>	<b>1,601</b>	<b>1,366</b>	<b>1,487</b>	<b>1,372</b>	<b>6,310</b>	<b>5,826</b>	
<b>Total - Wealth Management</b>	<b>3,041</b>	<b>2,716</b>	<b>2,496</b>	<b>2,726</b>	<b>2,804</b>	<b>2,504</b>	<b>2,713</b>	<b>2,811</b>	<b>10,979</b>	<b>10,832</b>	

## Wealth Management – Assets under Administration

(C\$MM)	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Assets Under Administration</b>								
<b>Individual Wealth Management</b>								
Risk-based products	5,527	5,717	5,742	5,753	5,739	5,844	5,999	6,201
Segregated funds	31,931	31,433	30,416	29,906	29,836	29,333	30,183	30,496
Proprietary mutual funds	5,530	5,340	5,110	4,979	4,917	4,779	4,907	4,906
<b>Group Retirement Services</b>								
Risk-based products	7,595	7,328	7,208	7,167	7,161	7,063	7,037	7,003
Segregated funds	42,978	42,236	41,547	40,564	40,433	39,301	40,695	41,102
Institutional Assets	322	285	268	259	122	117	121	113
<b>Total assets under management</b>	<b>93,883</b>	<b>92,339</b>	<b>90,291</b>	<b>88,628</b>	<b>88,208</b>	<b>86,437</b>	<b>88,942</b>	<b>89,821</b>
<b>Other assets under administration <sup>(1)</sup></b>								
Individual Wealth Management	7,240	7,165	6,936	6,726	6,620	6,383	6,555	6,533
Group Retirement Services	538	495	513	548	526	488	551	561
<b>Total</b>	<b>7,778</b>	<b>7,660</b>	<b>7,449</b>	<b>7,274</b>	<b>7,146</b>	<b>6,871</b>	<b>7,106</b>	<b>7,094</b>
<b>Summary by Business/Product</b>								
Individual Wealth Management	50,228	49,655	48,204	47,364	47,112	46,339	47,644	48,136
Group Retirement Services	51,433	50,344	49,536	48,538	48,242	46,969	48,404	48,779
<b>Total assets under administration</b>	<b>101,661</b>	<b>99,999</b>	<b>97,740</b>	<b>95,902</b>	<b>95,354</b>	<b>93,308</b>	<b>96,048</b>	<b>96,915</b>

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				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM)</i>										
<b>Income</b>										
Premium income	1,406	1,385	1,393	1,376	1,337	1,309	1,282	1,286	5,560	5,214
Net investment income	20	84	102	94	84	44	1	162	300	291
Fee and other income	41	39	42	43	41	38	39	39	165	157
<b>Total Income</b>	<b>1,467</b>	<b>1,508</b>	<b>1,537</b>	<b>1,513</b>	<b>1,462</b>	<b>1,391</b>	<b>1,322</b>	<b>1,487</b>	<b>6,025</b>	<b>5,662</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	1,075	1,111	1,162	1,160	1,113	1,018	978	1,096	4,508	4,205
Commissions	70	68	68	69	68	62	63	63	275	256
General expenses	135	130	132	145	134	125	125	134	542	518
Other	53	53	52	49	48	47	46	46	207	187
<b>Total Benefits and Expenses</b>	<b>1,333</b>	<b>1,362</b>	<b>1,414</b>	<b>1,423</b>	<b>1,363</b>	<b>1,252</b>	<b>1,212</b>	<b>1,339</b>	<b>5,532</b>	<b>5,166</b>
<b>Net Earnings before income taxes</b>	<b>134</b>	<b>146</b>	<b>123</b>	<b>90</b>	<b>99</b>	<b>139</b>	<b>110</b>	<b>148</b>	<b>493</b>	<b>496</b>
Income tax	35	35	(2)	23	23	(16)	13	38	91	58
<b>Net Earnings before Capital Allocation</b>	<b>99</b>	<b>111</b>	<b>125</b>	<b>67</b>	<b>76</b>	<b>155</b>	<b>97</b>	<b>110</b>	<b>402</b>	<b>438</b>
Capital Allocation	(1)	(1)	-	-	(2)	(2)	(1)	(1)	(2)	(6)
<b>Net Earnings - Common Shareholders</b>	<b>98</b>	<b>110</b>	<b>125</b>	<b>67</b>	<b>74</b>	<b>153</b>	<b>96</b>	<b>109</b>	<b>400</b>	<b>432</b>
<b>Sales</b>										
Small/mid-size case	86	73	76	69	91	60	69	63	304	283
Large case	67	14	24	196	33	148	37	59	301	277
Creditor/Direct marketing	27	3	19	18	11	43	15	4	67	73
<b>Total Group Sales</b>	<b>180</b>	<b>90</b>	<b>119</b>	<b>283</b>	<b>135</b>	<b>251</b>	<b>121</b>	<b>126</b>	<b>672</b>	<b>633</b>
<b>Revenue Premium</b>										
Small/mid-size case - Insured	673	675	672	662	652	646	649	647	2,682	2,594
Large case -Insured	690	668	679	672	642	619	591	597	2,709	2,449
ASO	691	655	707	698	665	639	659	662	2,751	2,625
Creditor/Direct marketing	43	42	42	42	43	44	41	42	169	170
<b>Total Group Revenue Premium</b>	<b>2,097</b>	<b>2,040</b>	<b>2,100</b>	<b>2,074</b>	<b>2,002</b>	<b>1,948</b>	<b>1,940</b>	<b>1,948</b>	<b>8,311</b>	<b>7,838</b>

**Lifeco Canada – Participating Account <sup>(1)</sup>**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	1,219	971	988	912	985	902	902	830	4,090	3,619
Net investment income	166	604	579	548	264	22	8	798	1,897	1,092
Total Income	1,385	1,575	1,567	1,460	1,249	924	910	1,628	5,987	4,711
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	609	1,306	1,296	1,220	934	648	644	1,376	4,431	3,602
Commissions	392	179	169	144	158	166	150	121	884	595
General expenses	113	78	75	76	84	75	72	71	342	302
Other	31	27	27	24	25	24	22	21	109	92
Total Benefits and Expenses	1,145	1,590	1,567	1,464	1,201	913	888	1,589	5,766	4,591
<b>Net Earnings (loss) before income taxes</b>	240	(15)	-	(4)	48	11	22	39	221	120
Income tax	62	(12)	(11)	(9)	8	(11)	6	6	30	9
<b>Net Earnings (loss) before non-controlling interests</b>	178	(3)	11	5	40	22	16	33	191	111
Non-controlling interests	178	(3)	11	5	40	22	16	33	191	111
<b>Net Earnings</b>	-	-	-	-	-	-	-	-	-	-
<b>Sales (New annualized premiums)</b>	286	122	115	91	101	106	100	82	614	389
<b>Risk-based revenue premiums</b>	1,219	971	988	912	985	902	902	830	4,090	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**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Net investment income	19	27	36	33	33	24	14	28	115	99
Fee and other income	14	12	12	12	12	18	14	11	50	55
<b>Total Income</b>	<b>33</b>	<b>39</b>	<b>48</b>	<b>45</b>	<b>45</b>	<b>42</b>	<b>28</b>	<b>39</b>	<b>165</b>	<b>154</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	5	5	5	5	5	5	5	5	20	20
General Expenses	10	4	7	4	1	8	4	2	25	15
Other	31	34	31	32	34	32	32	33	128	131
<b>Total Benefits and Expenses</b>	<b>46</b>	<b>43</b>	<b>43</b>	<b>41</b>	<b>40</b>	<b>45</b>	<b>41</b>	<b>40</b>	<b>173</b>	<b>166</b>
<b>Net Earnings (loss) before income taxes</b>	<b>(13)</b>	<b>(4)</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>(3)</b>	<b>(13)</b>	<b>(1)</b>	<b>(8)</b>	<b>(12)</b>
Income tax	(6)	(14)	(13)	(12)	(11)	33	(14)	9	(45)	17
<b>Net Earnings (loss) before non-controlling interests</b>	<b>(7)</b>	<b>10</b>	<b>18</b>	<b>16</b>	<b>16</b>	<b>(36)</b>	<b>1</b>	<b>(10)</b>	<b>37</b>	<b>(29)</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss)</b>	<b>(7)</b>	<b>10</b>	<b>18</b>	<b>16</b>	<b>16</b>	<b>(36)</b>	<b>1</b>	<b>(10)</b>	<b>37</b>	<b>(29)</b>
Preferred share dividends	26	26	26	26	25	26	26	26	104	103
<b>Net Earnings (loss) before Capital Allocation</b>	<b>(33)</b>	<b>(16)</b>	<b>(8)</b>	<b>(10)</b>	<b>(9)</b>	<b>(62)</b>	<b>(25)</b>	<b>(36)</b>	<b>(67)</b>	<b>(132)</b>
Capital Allocation	26	26	26	26	27	28	27	27	104	109
<b>Net Earnings (loss) - Common Shareholders</b>	<b>(7)</b>	<b>10</b>	<b>18</b>	<b>16</b>	<b>18</b>	<b>(34)</b>	<b>2</b>	<b>(9)</b>	<b>37</b>	<b>(23)</b>

## Lifeco Canada – Balance Sheets

(C\$MM)

Assets	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash and cash equivalents	615	480	550	522	578	451	431	387
Bonds	44,718	44,825	44,531	43,440	43,120	42,293	42,203	42,806
Mortgage loans	12,892	13,072	12,997	12,783	12,691	12,625	12,445	12,622
Stocks	7,903	7,943	7,530	6,990	6,971	7,081	6,948	6,965
Investment properties	1,574	1,551	1,538	1,857	1,788	1,755	1,728	1,723
Loans to policyholders	2,609	2,597	2,593	2,567	2,553	2,533	2,517	2,499
<b>Total invested assets</b>	<b>70,311</b>	<b>70,468</b>	<b>69,739</b>	<b>68,159</b>	<b>67,701</b>	<b>66,738</b>	<b>66,272</b>	<b>67,002</b>
Funds withheld by ceding insurers	-	-	-	-	-	-	-	-
Reinsurance assets	480	436	397	481	375	778	754	716
Derivative financial instruments	165	240	234	249	110	121	130	159
Owner occupied properties	390	380	381	383	384	383	384	385
Fixed assets	158	163	149	148	147	137	129	126
Other assets	1,792	1,760	1,691	1,627	1,569	1,763	1,632	1,993
<b>Total other assets</b>	<b>2,505</b>	<b>2,543</b>	<b>2,455</b>	<b>2,407</b>	<b>2,210</b>	<b>2,404</b>	<b>2,275</b>	<b>2,663</b>
Deferred tax assets	186	236	228	215	208	257	237	272
Goodwill	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787
Intangible assets	1,346	1,345	1,344	1,341	1,345	1,335	1,332	1,334
Investments on account of segregated fund policyholders	74,909	73,669	71,963	70,470	70,269	68,634	70,878	71,598
<b>Total assets</b>	<b>153,524</b>	<b>152,484</b>	<b>149,913</b>	<b>146,860</b>	<b>145,895</b>	<b>143,933</b>	<b>145,535</b>	<b>147,372</b>
<b>Liabilities</b>								
Insurance contract liabilities	62,800	63,608	62,362	61,043	59,849	59,712	59,805	60,494
Investment contract liabilities	344	344	351	357	385	397	402	408
	63,144	63,952	62,713	61,400	60,234	60,109	60,207	60,902
Debentures and other debt instruments	2,148	1,726	1,726	1,725	1,725	1,724	1,724	1,724
Funds held under reinsurance contracts	34	33	30	30	28	26	27	26
Other liabilities	4,034	3,951	4,121	3,829	4,112	4,071	3,382	4,084
Deferred tax liabilities	649	576	583	653	677	682	680	655
Capital trust securities and debentures	161	161	161	161	161	162	162	162
Investment and insurance contracts on account of segregated fund policyholders	74,909	73,669	71,963	70,470	70,269	68,634	70,878	71,598
<b>Total liabilities</b>	<b>145,079</b>	<b>144,068</b>	<b>141,297</b>	<b>138,268</b>	<b>137,206</b>	<b>135,408</b>	<b>137,060</b>	<b>139,151</b>
<b>Equity</b>								
Non-controlling interests	2,758	2,604	2,614	2,598	2,600	2,555	2,538	2,533
Share capital								
Perpetual preferred shares	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964
Common shares	7,130	7,120	7,156	7,167	7,156	7,143	7,166	7,154
Accumulated surplus	(2,897)	(2,585)	(2,488)	(2,549)	(2,505)	(2,637)	(2,740)	(2,917)
Accumulated other comprehensive income (loss)	(352)	(528)	(469)	(425)	(362)	(336)	(286)	(347)
Contributed surplus	(158)	(159)	(161)	(163)	(164)	(164)	(167)	(166)
	8,445	8,416	8,616	8,592	8,689	8,525	8,475	8,221
<b>Total liabilities and equity</b>	<b>153,524</b>	<b>152,484</b>	<b>149,913</b>	<b>146,860</b>	<b>145,895</b>	<b>143,933</b>	<b>145,535</b>	<b>147,372</b>
<b>Proprietary mutual funds and institutional net assets</b>	<b>5,852</b>	<b>5,625</b>	<b>5,378</b>	<b>5,238</b>	<b>5,039</b>	<b>4,896</b>	<b>5,028</b>	<b>5,019</b>
<b>Other assets under administration</b>	<b>15,911</b>	<b>15,815</b>	<b>15,537</b>	<b>15,231</b>	<b>15,390</b>	<b>14,955</b>	<b>15,123</b>	<b>15,164</b>
<b>Total assets under administration</b>	<b>175,287</b>	<b>173,924</b>	<b>170,828</b>	<b>167,329</b>	<b>166,324</b>	<b>163,784</b>	<b>165,686</b>	<b>167,555</b>

## **Lifeco United States**



**Lifeco U.S. Net Earnings – Consolidated**

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM, unless otherwise stated)</i>										
<b>Income</b>										
Premium income	1,164	1,493	1,267	1,380	1,148	1,076	905	729	5,304	3,858
Regular net investment income	440	427	420	454	471	420	390	395	1,741	1,676
Changes in fair value through profit or loss	(1,008)	93	526	481	(320)	122	(566)	232	92	(532)
Net investment income	(568)	520	946	935	151	542	(176)	627	1,833	1,144
Fee and other income	619	566	555	571	637	591	577	573	2,311	2,378
<b>Total Income</b>	<b>1,215</b>	<b>2,579</b>	<b>2,768</b>	<b>2,886</b>	<b>1,936</b>	<b>2,209</b>	<b>1,306</b>	<b>1,929</b>	<b>9,448</b>	<b>7,380</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders	387	1,776	1,996	2,112	1,084	1,390	543	1,121	6,271	4,138
Commissions	84	59	68	72	83	73	73	68	283	297
General expenses	593	584	569	603	580	562	532	513	2,349	2,187
Restructuring and acquisition expenses	35	4	4	3	4	4	3	1	46	12
Other	69	66	63	70	65	59	62	58	268	244
<b>Total Benefits and Expenses</b>	<b>1,168</b>	<b>2,489</b>	<b>2,700</b>	<b>2,860</b>	<b>1,816</b>	<b>2,088</b>	<b>1,213</b>	<b>1,761</b>	<b>9,217</b>	<b>6,878</b>
<b>Net Earnings before income taxes</b>	<b>47</b>	<b>90</b>	<b>68</b>	<b>26</b>	<b>120</b>	<b>121</b>	<b>93</b>	<b>168</b>	<b>231</b>	<b>502</b>
Income tax	(9)	10	12	(40)	(8)	19	22	44	(27)	77
<b>Net Earnings before non-controlling interests</b>	<b>56</b>	<b>80</b>	<b>56</b>	<b>66</b>	<b>128</b>	<b>102</b>	<b>71</b>	<b>124</b>	<b>258</b>	<b>425</b>
Non-controlling interests	-	-	1	1	2	4	2	2	2	10
<b>Net Earnings</b>	<b>56</b>	<b>80</b>	<b>55</b>	<b>65</b>	<b>126</b>	<b>98</b>	<b>69</b>	<b>122</b>	<b>256</b>	<b>415</b>
Preferred share dividends	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings before Capital Allocation</b>	<b>56</b>	<b>80</b>	<b>55</b>	<b>65</b>	<b>126</b>	<b>98</b>	<b>69</b>	<b>122</b>	<b>256</b>	<b>415</b>
Capital Allocation	(1)	(2)	(2)	(2)	(1)	(2)	(2)	(1)	(7)	(6)
<b>Net Earnings - Common Shareholders</b>	<b>55</b>	<b>78</b>	<b>53</b>	<b>63</b>	<b>125</b>	<b>96</b>	<b>67</b>	<b>121</b>	<b>249</b>	<b>409</b>
<b>Common Shareholder Net Earnings (loss)</b>										
Financial Services	78	84	71	88	84	104	70	119	321	377
Asset Management	(23)	(6)	(18)	(25)	41	(8)	(3)	2	(72)	32
<b>Total</b>	<b>55</b>	<b>78</b>	<b>53</b>	<b>63</b>	<b>125</b>	<b>96</b>	<b>67</b>	<b>121</b>	<b>249</b>	<b>409</b>
<b>Common Shareholder Net Earnings (US \$)</b>	<b>41</b>	<b>60</b>	<b>40</b>	<b>47</b>	<b>92</b>	<b>73</b>	<b>55</b>	<b>98</b>	<b>188</b>	<b>318</b>

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

(C\$MM, unless otherwise stated)

	2016				2015				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015
<b>Income</b>										
Premium income	1,143	1,472	1,249	1,350	1,125	1,052	885	697	5,214	3,759
Net investment income	(526)	490	888	886	141	520	(160)	585	1,738	1,086
Fee and other income	383	335	323	321	349	306	297	295	1,362	1,247
<b>Total Income</b>	<b>1,000</b>	<b>2,297</b>	<b>2,460</b>	<b>2,557</b>	<b>1,615</b>	<b>1,878</b>	<b>1,022</b>	<b>1,577</b>	<b>8,314</b>	<b>6,092</b>
<b>Benefits and Expenses</b>										
Paid or credited to										
policyholders and beneficiaries	404	1,727	1,922	2,022	1,053	1,332	534	1,052	6,075	3,971
Commissions	75	69	59	59	68	57	58	51	262	234
General expenses	364	348	331	340	327	314	287	272	1,383	1,200
Restructuring and acquisition expenses	2	4	4	3	4	4	3	1	13	12
Other	34	32	30	34	32	26	28	22	130	108
<b>Total Benefits and Expenses</b>	<b>879</b>	<b>2,180</b>	<b>2,346</b>	<b>2,458</b>	<b>1,484</b>	<b>1,733</b>	<b>910</b>	<b>1,398</b>	<b>7,863</b>	<b>5,525</b>
<b>Net Earnings before income taxes</b>	<b>121</b>	<b>117</b>	<b>114</b>	<b>99</b>	<b>131</b>	<b>145</b>	<b>112</b>	<b>179</b>	<b>451</b>	<b>567</b>
Income tax	37	27	36	5	42	35	36	55	105	168
<b>Net Income before non-controlling interests</b>	<b>84</b>	<b>90</b>	<b>78</b>	<b>94</b>	<b>89</b>	<b>110</b>	<b>76</b>	<b>124</b>	<b>346</b>	<b>399</b>
Non-controlling interests	-	-	-	-	-	-	-	-	0	-
<b>Net Earnings before Capital Allocation</b>	<b>84</b>	<b>90</b>	<b>78</b>	<b>94</b>	<b>89</b>	<b>110</b>	<b>76</b>	<b>124</b>	<b>346</b>	<b>399</b>
Capital Allocation	(6)	(6)	(7)	(6)	(5)	(6)	(6)	(5)	(25)	(22)
<b>Net Earnings - Common Shareholders</b>	<b>78</b>	<b>84</b>	<b>71</b>	<b>88</b>	<b>84</b>	<b>104</b>	<b>70</b>	<b>119</b>	<b>321</b>	<b>377</b>
<b>Net Earnings - Common Shareholders (US \$)</b>	<b>58</b>	<b>65</b>	<b>54</b>	<b>65</b>	<b>61</b>	<b>79</b>	<b>57</b>	<b>96</b>	<b>242</b>	<b>293</b>
<b>Sales</b>										
Individual Markets	467	739	317	330	456	236	323	255	1,853	1,270
Empower Retirement	6,798	10,931	5,725	27,440	20,305	15,353	9,301	9,636	50,894	54,595
<b>Total Sales</b>	<b>7,265</b>	<b>11,670</b>	<b>6,042</b>	<b>27,770</b>	<b>20,761</b>	<b>15,589</b>	<b>9,624</b>	<b>9,891</b>	<b>52,747</b>	<b>55,865</b>
<b>Total Sales (US \$)</b>	<b>5,462</b>	<b>8,908</b>	<b>4,684</b>	<b>20,270</b>	<b>15,493</b>	<b>11,900</b>	<b>7,825</b>	<b>7,977</b>	<b>39,324</b>	<b>43,195</b>
<b>Revenue Premium</b>										
Risk-based premiums	1,143	1,472	1,249	1,350	1,125	1,052	885	697	5,214	3,759
Segregated fund deposits										
Individual	263	196	123	154	212	113	123	99	736	547
Group	653	642	614	961	725	1,563	639	820	2,870	3,747
Proprietary Mutual Funds	1,445	1,244	1,323	1,234	3,002	725	837	1,082	5,246	5,646
<b>Total Revenue by Type<sup>(1)</sup></b>	<b>3,504</b>	<b>3,554</b>	<b>3,309</b>	<b>3,699</b>	<b>5,064</b>	<b>3,453</b>	<b>2,484</b>	<b>2,698</b>	<b>14,066</b>	<b>13,699</b>
Individual Markets	653	667	442	575	592	438	452	441	2,337	1,923
Empower Retirement	2,851	2,887	2,867	3,124	4,472	3,015	2,032	2,257	11,729	11,776
<b>Total Revenue by Business Line<sup>(1)</sup></b>	<b>3,504</b>	<b>3,554</b>	<b>3,309</b>	<b>3,699</b>	<b>5,064</b>	<b>3,453</b>	<b>2,484</b>	<b>2,698</b>	<b>14,066</b>	<b>13,699</b>
<b>Total Revenue Premium (US \$)</b>	<b>2,634</b>	<b>2,713</b>	<b>2,565</b>	<b>2,700</b>	<b>3,778</b>	<b>2,637</b>	<b>2,019</b>	<b>2,176</b>	<b>10,612</b>	<b>10,610</b>

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	390	470	317	419	376	320	323	336	1,596	1,355
Net investment income	(313)	313	605	579	104	328	(128)	407	1,184	711
Fee and other income	31	30	30	30	25	24	26	25	121	100
<b>Total Income</b>	<b>108</b>	<b>813</b>	<b>952</b>	<b>1,028</b>	<b>505</b>	<b>672</b>	<b>221</b>	<b>768</b>	<b>2,901</b>	<b>2,166</b>
<b>Benefits and Expenses</b>										
Paid or credited to										
policyholders and beneficiaries	(60)	654	817	889	379	526	93	626	2,300	1,624
Commissions	33	26	22	21	27	18	19	14	102	78
General expenses	33	31	28	26	25	20	20	18	118	83
Other	10	10	5	7	8	4	6	2	32	20
<b>Total Benefits and Expenses</b>	<b>16</b>	<b>721</b>	<b>872</b>	<b>943</b>	<b>439</b>	<b>568</b>	<b>138</b>	<b>660</b>	<b>2,552</b>	<b>1,805</b>
<b>Net Earnings before income taxes</b>	<b>92</b>	<b>92</b>	<b>80</b>	<b>85</b>	<b>66</b>	<b>104</b>	<b>83</b>	<b>108</b>	<b>349</b>	<b>361</b>
Income tax	28	31	26	26	21	24	28	35	111	108
<b>Net Income before non-controlling interests</b>	<b>64</b>	<b>61</b>	<b>54</b>	<b>59</b>	<b>45</b>	<b>80</b>	<b>55</b>	<b>73</b>	<b>238</b>	<b>253</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings before Capital Allocation</b>	<b>64</b>	<b>61</b>	<b>54</b>	<b>59</b>	<b>45</b>	<b>80</b>	<b>55</b>	<b>73</b>	<b>238</b>	<b>253</b>
Capital Allocation	(6)	(6)	(7)	(6)	(5)	(6)	(6)	(5)	(25)	(22)
<b>Net Earnings - Common Shareholders</b>	<b>58</b>	<b>55</b>	<b>47</b>	<b>53</b>	<b>40</b>	<b>74</b>	<b>49</b>	<b>68</b>	<b>213</b>	<b>231</b>
<b>Net Earnings - Common Shareholders (US\$)</b>	<b>44</b>	<b>42</b>	<b>36</b>	<b>39</b>	<b>29</b>	<b>57</b>	<b>39</b>	<b>55</b>	<b>161</b>	<b>180</b>
<b>Sales</b>										
Individual Annuity	173	123	95	88	83	89	90	83	479	345
Executive Benefits	184	494	97	131	272	70	158	93	906	593
Individual Life	110	122	125	111	101	77	75	79	468	332
	467	739	317	330	456	236	323	255	1,853	1,270
<b>Sales (US \$)</b>	<b>351</b>	<b>564</b>	<b>246</b>	<b>241</b>	<b>340</b>	<b>180</b>	<b>263</b>	<b>206</b>	<b>1,402</b>	<b>989</b>
<b>Revenue Premium</b>										
Risk-based premiums	390	470	317	419	376	320	323	336	1,596	1,355
Segregated fund deposits	263	196	123	154	212	113	123	99	736	547
Proprietary Mutual Funds	-	1	2	2	4	5	6	6	5	21
<b>Total Revenue by Type <sup>(1)</sup></b>	<b>653</b>	<b>667</b>	<b>442</b>	<b>575</b>	<b>592</b>	<b>438</b>	<b>452</b>	<b>441</b>	<b>2,337</b>	<b>1,923</b>
<b>Total Revenue (US \$)</b>	<b>490</b>	<b>510</b>	<b>343</b>	<b>420</b>	<b>441</b>	<b>335</b>	<b>366</b>	<b>356</b>	<b>1,763</b>	<b>1,498</b>

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	753	1,002	932	931	749	732	562	361	3,618	2,404
Net investment income	(222)	169	273	296	26	181	(41)	169	516	335
Fee and other income	352	305	293	291	324	282	271	270	1,241	1,147
<b>Total Income</b>	<b>883</b>	<b>1,476</b>	<b>1,498</b>	<b>1,518</b>	<b>1,099</b>	<b>1,195</b>	<b>792</b>	<b>800</b>	<b>5,375</b>	<b>3,886</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	464	1,073	1,104	1,133	674	806	441	426	3,774	2,347
Commissions	42	43	38	39	41	39	39	36	162	155
General expenses	332	312	302	314	303	289	263	253	1,260	1,108
Other	11	12	12	12	11	10	11	10	47	42
<b>Total Benefits and Expenses</b>	<b>849</b>	<b>1,440</b>	<b>1,456</b>	<b>1,498</b>	<b>1,029</b>	<b>1,144</b>	<b>754</b>	<b>725</b>	<b>5,243</b>	<b>3,652</b>
<b>Net Earnings before income taxes</b>	<b>34</b>	<b>36</b>	<b>42</b>	<b>20</b>	<b>70</b>	<b>51</b>	<b>38</b>	<b>75</b>	<b>132</b>	<b>234</b>
Income tax	13	3	14	(16)	26	16	14	24	14	80
<b>Net Income before non-controlling interests</b>	<b>21</b>	<b>33</b>	<b>28</b>	<b>36</b>	<b>44</b>	<b>35</b>	<b>24</b>	<b>51</b>	<b>118</b>	<b>154</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings before Capital Allocation</b>	<b>21</b>	<b>33</b>	<b>28</b>	<b>36</b>	<b>44</b>	<b>35</b>	<b>24</b>	<b>51</b>	<b>118</b>	<b>154</b>
Capital Allocation	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(16)	(16)
<b>Net Earnings - Common Shareholders</b>	<b>17</b>	<b>29</b>	<b>24</b>	<b>32</b>	<b>40</b>	<b>31</b>	<b>20</b>	<b>47</b>	<b>102</b>	<b>138</b>
<b>Net Earnings - Common Shareholders (US\$)</b>	<b>12</b>	<b>22</b>	<b>18</b>	<b>24</b>	<b>29</b>	<b>23</b>	<b>16</b>	<b>38</b>	<b>76</b>	<b>106</b>
<b>Sales</b>										
Empower Retirement	6,798	10,931	5,725	27,440	20,305	15,353	9,301	9,636	50,894	54,595
<b>Sales (US \$)</b>	<b>5,111</b>	<b>8,344</b>	<b>4,438</b>	<b>20,029</b>	<b>15,153</b>	<b>11,720</b>	<b>7,562</b>	<b>7,771</b>	<b>37,922</b>	<b>42,206</b>
<b>Revenue Premium (by Type) <sup>(1)</sup></b>										
Risk-based premiums	753	1,002	932	931	749	732	562	361	3,618	2,404
Segregated fund deposits	653	642	614	961	725	1,563	639	820	2,870	3,747
Proprietary Mutual Funds	1,445	1,243	1,321	1,232	2,998	720	831	1,076	5,241	5,625
<b>Total Revenue Premium (by Type)</b>	<b>2,851</b>	<b>2,887</b>	<b>2,867</b>	<b>3,124</b>	<b>4,472</b>	<b>3,015</b>	<b>2,032</b>	<b>2,257</b>	<b>11,729</b>	<b>11,776</b>
<b>Total Revenue Premium (US \$)</b>	<b>2,144</b>	<b>2,203</b>	<b>2,222</b>	<b>2,280</b>	<b>3,337</b>	<b>2,302</b>	<b>1,653</b>	<b>1,820</b>	<b>8,849</b>	<b>9,112</b>

1. Excludes participating policy revenue premiums.

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

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM, unless otherwise stated)</i>										
<b>Income</b>										
Net investment income	9	8	9	11	11	10	10	10	37	41
<b>Total Income</b>	9	8	9	11	11	10	10	10	37	41
<b>Benefits and Expenses</b>										
General expenses	(1)	5	1	-	(1)	5	4	1	5	9
Restructuring and acquisition expenses	2	4	4	3	4	4	3	1	13	12
Other	13	10	12	14	13	11	11	11	49	46
<b>Total Benefits and Expenses</b>	14	19	17	17	16	20	18	13	67	67
<b>Net Earnings (loss) before income taxes</b>	(5)	(11)	(8)	(6)	(5)	(10)	(8)	(3)	(30)	(26)
Income tax	(4)	(7)	(4)	(5)	(5)	(5)	(5)	(3)	(20)	(18)
<b>Net Earnings (loss) before non-controlling interests</b>	(1)	(4)	(4)	(1)	-	(5)	(3)	-	(10)	(8)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss) before Capital Allocation</b>	(1)	(4)	(4)	(1)	-	(5)	(3)	-	(10)	(8)
Capital Allocation	4	4	4	4	4	4	4	4	16	16
<b>Net Earnings (loss) - Common Shareholders</b>	3	-	-	3	4	(1)	1	4	6	8
<b>Net Earnings - Common Shareholders (US\$)</b>	2	1	-	2	3	(1)	2	3	5	7

(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. In addition, U.S. Corporate includes general expenses of \$5 million in Q3/16 related to a legal settlement for discontinued operations.



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

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(000's)</i>								
<b>Empower Retirement</b>	8,055	8,032	8,019	8,067	7,583	7,532	7,385	7,374
<b>Individual Markets</b>	458	456	461	468	472	469	478	480
<b>Total</b>	<b>8,513</b>	<b>8,488</b>	<b>8,480</b>	<b>8,535</b>	<b>8,055</b>	<b>8,001</b>	<b>7,863</b>	<b>7,854</b>

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

<i>(C\$MM)</i>	<b>2016</b>				<b>2015</b>			
	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
General Account	16,007	15,814	15,173	14,698	15,171	14,493	13,249	13,271
Segregated Funds	25,442	25,989	25,628	25,689	27,025	25,859	25,183	26,512
Proprietary Mutual Funds	26,135	25,206	23,325	22,224	22,473	18,455	17,540	16,480
Unaffiliated Retail Investment Options & ASO	534,426	514,614	495,364	503,258	503,123	468,710	476,598	494,198

**Lifeco U.S. – Asset Management**

		2016				2015				Fiscal 2016	Fiscal 2015
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM, unless otherwise stated)</i>											
<b>Income</b>											
	Net investment income	(6)	3	(1)	(16)	1	(17)	(9)	1	(20)	(24)
	Fee and other income	236	231	232	250	288	285	280	278	949	1,131
	<b>Total Income</b>	230	234	231	234	289	268	271	279	929	1,107
<b>Benefits and Expenses</b>											
	Commissions	8	(11)	8	13	14	15	13	17	18	59
	General expenses	228	235	237	261	251	247	245	241	961	984
	Other	34	34	33	34	33	33	34	33	135	133
	Restructuring and acquisition expenses	33	-	-	-	-	-	-	-	33	-
	<b>Total Benefits and Expenses</b>	303	258	278	308	298	295	292	291	1,147	1,176
<b>Net Earnings (loss) before income taxes</b>											
		(73)	(24)	(47)	(74)	(9)	(27)	(21)	(12)	(218)	(69)
	Income tax	(46)	(16)	(24)	(45)	(50)	(17)	(15)	(12)	(131)	(94)
<b>Net Earnings (loss) before non-controlling interests</b>											
		(27)	(8)	(23)	(29)	41	(10)	(6)	-	(87)	25
	Non-controlling interests	1	2	-	-	4	2	1	2	3	9
<b>Net Earnings (loss) before Capital Allocation</b>											
		(28)	(10)	(23)	(29)	37	(12)	(7)	(2)	(90)	16
	Capital Allocation	5	4	5	4	4	4	4	4	18	16
<b>Net Earnings (loss) - Common Shareholders <sup>(1)</sup></b>											
		(23)	(6)	(18)	(25)	41	(8)	(3)	2	(72)	32
<b>Net Earnings (loss) - Common Shareholders (US\$) <sup>(1)</sup></b>											
		(18)	(5)	(14)	(18)	31	(6)	(2)	2	(55)	25
<b>Sales</b>	<b>Sales (C\$)</b>										
	Gross sales <sup>(2)</sup>	11,119	11,341	10,623	12,388	10,869	10,242	8,507	10,232	45,471	39,850
	Redemptions	(13,049)	(10,743)	(11,509)	(14,721)	(12,482)	(10,063)	(10,738)	(10,204)	(50,022)	(43,487)
	Net Sales	(1,930)	598	(886)	(2,333)	(1,613)	179	(2,231)	28	(4,551)	(3,637)
<b>Fee Income</b>	<b>Fee Income (C\$)</b>										
	Investment management fees	194	194	188	199	218	219	214	213	775	864
	Performance fees	(5)	(13)	(6)	(5)	14	5	6	3	(29)	28
	Service fees	37	39	39	42	44	45	42	42	157	173
	Underwriting & distribution fees	10	11	11	14	12	16	18	20	46	66
	<b>Total Fee Income (C\$)</b>	236	231	232	250	288	285	280	278	949	1,131
	<b>Fee Income (US \$)</b>	178	176	179	183	216	217	228	224	716	885

1) Q4 2016 includes Putnam restructuring costs of \$20m (after-tax)

2) Includes dividends reinvested

**Lifeco U.S. – Asset Management AUM**

*(C\$MM, unless otherwise stated)*

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Mutual Funds</b>								
Growth equity	12,282	12,339	11,749	12,081	13,621	12,863	13,744	14,291
Value equity	21,921	20,719	20,180	20,045	21,735	20,639	21,369	22,029
Blend equity	29,268	29,872	30,239	32,330	38,184	37,582	38,955	40,524
Fixed income	32,905	31,837	30,923	30,493	33,385	34,350	33,153	34,641
<b>Total Mutual Funds</b>	96,376	94,767	93,091	94,949	106,925	105,434	107,221	111,485
<b>Institutional Accounts</b>								
Equity	67,071	65,594	60,514	59,683	62,881	57,988	58,194	60,018
Fixed income	40,396	41,114	38,340	34,913	34,944	33,073	30,021	30,691
<b>Total Institutional Accounts</b>	107,467	106,708	98,854	94,596	97,825	91,061	88,215	90,709
<b>Total End of Period Assets Under Management</b>	203,843	201,475	191,945	189,545	204,750	196,495	195,436	202,194
<b>Total End of Period Assets Under Management - US\$</b>	152,122	153,798	147,650	145,803	148,370	146,638	156,348	159,208

**Lifeco U.S. – Participating Account**

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM, unless otherwise stated)</i>										
<b>Income</b>										
Premium income	21	21	18	30	23	24	20	32	90	99
Net investment income	(36)	27	59	64	9	39	(7)	41	114	82
<b>Total Income</b>	<b>(15)</b>	<b>48</b>	<b>77</b>	<b>94</b>	<b>32</b>	<b>63</b>	<b>13</b>	<b>73</b>	<b>204</b>	<b>181</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	(17)	49	74	90	31	58	9	69	196	167
Commissions	1	1	1	1	1	1	1	1	4	4
General expenses	1	1	1	1	1	1	1	1	4	4
Other	1	-	-	1	1	-	1	2	2	4
<b>Total Benefits and Expenses</b>	<b>(14)</b>	<b>51</b>	<b>76</b>	<b>93</b>	<b>34</b>	<b>60</b>	<b>12</b>	<b>73</b>	<b>206</b>	<b>179</b>
<b>Net Earnings (loss) before income taxes</b>	<b>(1)</b>	<b>(3)</b>	<b>1</b>	<b>1</b>	<b>(2)</b>	<b>3</b>	<b>1</b>	<b>-</b>	<b>(2)</b>	<b>2</b>
Income tax	-	(1)	-	-	-	1	-	-	(1)	1
<b>Net Earnings (loss) before non-controlling interests</b>	<b>(1)</b>	<b>(2)</b>	<b>1</b>	<b>1</b>	<b>(2)</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>(1)</b>	<b>1</b>
Non-controlling interests	(1)	(2)	1	1	(2)	2	1	-	(1)	1
<b>Net Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue Premium</b>										
Risk-based premiums	21	21	18	30	23	24	20	32	90	99
<b>Revenue Premium (US \$)</b>	<b>16</b>	<b>16</b>	<b>14</b>	<b>22</b>	<b>18</b>	<b>18</b>	<b>16</b>	<b>26</b>	<b>68</b>	<b>78</b>

## Lifeco U.S. Balance Sheets

(CSMM)

Assets	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash and cash equivalents	852	1,026	932	962	627	1,489	768	890
Bonds	32,973	32,727	31,660	30,834	32,051	29,978	28,160	28,613
Mortgage loans	5,169	5,074	4,951	4,674	4,932	4,849	4,544	4,733
Stocks	160	161	152	154	168	163	155	161
Investment properties	5	5	5	5	5	5	4	5
Loans to policyholders	5,745	5,665	5,702	5,645	6,026	5,932	5,604	5,595
<b>Total invested assets</b>	<b>44,904</b>	<b>44,658</b>	<b>43,402</b>	<b>42,274</b>	<b>43,809</b>	<b>42,416</b>	<b>39,235</b>	<b>39,997</b>
Reinsurance assets	323	331	343	339	355	353	269	268
Derivative financial instruments	200	197	210	121	99	102	55	103
Owner occupied properties	180	174	174	175	186	181	168	171
Fixed assets	90	90	88	87	91	83	76	60
Other assets	2,108	2,389	2,285	2,306	2,156	2,168	2,199	2,161
<b>Total other assets</b>	<b>2,578</b>	<b>2,850</b>	<b>2,757</b>	<b>2,689</b>	<b>2,532</b>	<b>2,534</b>	<b>2,498</b>	<b>2,495</b>
Deferred tax assets	1,636	1,580	1,572	1,528	1,648	1,606	1,447	1,500
Goodwill	205	201	199	199	210	205	192	195
Intangible assets	2,183	2,129	2,114	2,120	2,255	2,182	2,026	2,068
Investments on account of segregated fund policyholders	35,414	35,075	34,393	34,275	35,966	34,304	33,201	34,693
<b>Total assets</b>	<b>87,243</b>	<b>86,824</b>	<b>84,780</b>	<b>83,424</b>	<b>86,775</b>	<b>83,600</b>	<b>78,868</b>	<b>81,216</b>
<b>Liabilities</b>								
Insurance contract liabilities	40,662	40,497	39,480	38,325	39,672	38,360	35,388	36,134
Investment contract liabilities	209	208	216	216	231	235	227	242
	40,871	40,705	39,696	38,541	39,903	38,595	35,615	36,376
Debentures and other debt instruments	2,559	2,372	2,468	2,519	2,614	2,425	2,489	2,615
Other liabilities	2,135	2,776	2,459	2,378	2,193	2,479	2,279	2,277
Deferred tax liabilities	468	395	385	337	382	389	343	323
Investment and insurance contracts on account of segregated fund policyholders	35,414	35,075	34,393	34,275	35,966	34,304	33,201	34,693
<b>Total liabilities</b>	<b>81,447</b>	<b>81,323</b>	<b>79,401</b>	<b>78,050</b>	<b>81,058</b>	<b>78,192</b>	<b>73,927</b>	<b>76,284</b>
<b>Equity</b>								
Non-controlling interests	248	219	217	272	220	213	207	222
Accumulated surplus	4,114	4,070	3,992	3,923	3,930	3,793	3,698	3,636
Accumulated other comprehensive income (loss)	1,129	915	884	910	1,268	1,115	760	809
Contributed surplus	305	297	286	269	299	287	276	265
	5,796	5,501	5,379	5,374	5,717	5,408	4,941	4,932
<b>Total liabilities and equity</b>	<b>87,243</b>	<b>86,824</b>	<b>84,780</b>	<b>83,424</b>	<b>86,775</b>	<b>83,600</b>	<b>78,868</b>	<b>81,216</b>
<b>Proprietary mutual funds and institutional net assets</b>	<b>219,699</b>	<b>216,458</b>	<b>205,830</b>	<b>202,833</b>	<b>218,231</b>	<b>206,579</b>	<b>205,049</b>	<b>211,294</b>
<b>Other assets under administration</b>	<b>534,428</b>	<b>514,616</b>	<b>495,366</b>	<b>503,156</b>	<b>503,125</b>	<b>468,712</b>	<b>476,600</b>	<b>494,200</b>
<b>Total assets under administration</b>	<b>841,370</b>	<b>817,898</b>	<b>785,976</b>	<b>789,413</b>	<b>808,131</b>	<b>758,891</b>	<b>760,517</b>	<b>786,710</b>

## Europe



## Lifeco Europe Net Earnings – Consolidated

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	4,144	3,724	2,708	2,774	1,991	2,041	1,772	3,536	13,350	9,340
Regular net investment income	433	438	487	483	547	523	498	513	1,841	2,081
Changes in fair value through profit or loss	(1,571)	1,635	1,663	1,392	(517)	342	(2,290)	1,345	3,119	(1,120)
Net investment income	(1,138)	2,073	2,150	1,875	30	865	(1,792)	1,858	4,960	961
Fee and other income	340	328	307	321	327	284	283	327	1,296	1,221
<b>Total Income</b>	<b>3,346</b>	<b>6,125</b>	<b>5,165</b>	<b>4,970</b>	<b>2,348</b>	<b>3,190</b>	<b>263</b>	<b>5,721</b>	<b>19,606</b>	<b>11,522</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders	2,542	5,328	4,407	4,265	1,649	2,476	(415)	5,003	16,542	8,713
Commissions	145	133	149	137	130	133	122	121	564	506
General expenses	250	230	220	219	221	215	199	197	919	832
Restructuring and Acquisition Expenses	-	15	1	1	3	3	11	6	17	23
Other	26	30	23	23	14	19	15	23	102	71
<b>Total Benefits and Expenses</b>	<b>2,963</b>	<b>5,736</b>	<b>4,800</b>	<b>4,645</b>	<b>2,017</b>	<b>2,846</b>	<b>(68)</b>	<b>5,350</b>	<b>18,144</b>	<b>10,145</b>
<b>Net Earnings before income taxes</b>	<b>383</b>	<b>389</b>	<b>365</b>	<b>325</b>	<b>331</b>	<b>344</b>	<b>331</b>	<b>371</b>	<b>1,462</b>	<b>1,377</b>
Income tax	51	51	46	13	5	24	18	58	161	105
<b>Net Earnings before non-controlling interests</b>	<b>332</b>	<b>338</b>	<b>319</b>	<b>312</b>	<b>326</b>	<b>320</b>	<b>313</b>	<b>313</b>	<b>1,301</b>	<b>1,272</b>
Non-controlling interests	(1)	-	1	(1)	(1)	-	1	2	(1)	2
<b>Net Earnings</b>	<b>333</b>	<b>338</b>	<b>318</b>	<b>313</b>	<b>327</b>	<b>320</b>	<b>312</b>	<b>311</b>	<b>1,302</b>	<b>1,270</b>
Preferred share dividends	5	5	4	5	6	6	5	6	19	23
<b>Net Earnings before Capital Allocation</b>	<b>328</b>	<b>333</b>	<b>314</b>	<b>308</b>	<b>321</b>	<b>314</b>	<b>307</b>	<b>305</b>	<b>1,283</b>	<b>1,247</b>
Capital Allocation	(21)	(20)	(21)	(21)	(18)	(18)	(18)	(19)	(83)	(73)
<b>Net Earnings - Common Shareholders</b>	<b>307</b>	<b>313</b>	<b>293</b>	<b>287</b>	<b>303</b>	<b>296</b>	<b>289</b>	<b>286</b>	<b>1,200</b>	<b>1,174</b>
<b>Common Shareholder Net Earnings (loss)</b>										
Insurance & Annuities	225	251	225	226	234	229	207	216	927	886
Reinsurance	86	54	74	63	73	71	92	77	277	313
Corporate	(4)	8	(6)	(2)	(4)	(4)	(10)	(7)	(4)	(25)
<b>Total</b>	<b>307</b>	<b>313</b>	<b>293</b>	<b>287</b>	<b>303</b>	<b>296</b>	<b>289</b>	<b>286</b>	<b>1,200</b>	<b>1,174</b>



Lifeco Europe – Insurance & Annuities

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM)</i>										
<b>Income</b>										
Premium income	405	748	663	600	422	545	688	2,017	2,416	3,672
Net investment income	(846)	1,524	1,603	1,384	12	681	(1,412)	1,456	3,665	737
Fee and other income	333	324	303	316	320	278	277	322	1,276	1,197
<b>Total Income</b>	<b>(108)</b>	<b>2,596</b>	<b>2,569</b>	<b>2,300</b>	<b>754</b>	<b>1,504</b>	<b>(447)</b>	<b>3,795</b>	<b>7,357</b>	<b>5,606</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	(757)	1,959	1,962	1,738	196	923	(990)	3,236	4,902	3,365
Commissions	107	91	108	93	93	90	81	83	399	347
General expenses	228	213	201	200	198	197	178	178	842	751
Other	20	16	9	10	2	7	8	8	55	25
<b>Total Benefits and Expenses</b>	<b>(402)</b>	<b>2,279</b>	<b>2,280</b>	<b>2,041</b>	<b>489</b>	<b>1,217</b>	<b>(723)</b>	<b>3,505</b>	<b>6,198</b>	<b>4,488</b>
<b>Net Earnings before income taxes</b>	<b>294</b>	<b>317</b>	<b>289</b>	<b>259</b>	<b>265</b>	<b>287</b>	<b>276</b>	<b>290</b>	<b>1,159</b>	<b>1,118</b>
Income tax	47	43	39	8	5	31	44	49	137	129
<b>Net Earnings before non-controlling interests</b>	<b>247</b>	<b>274</b>	<b>250</b>	<b>251</b>	<b>260</b>	<b>256</b>	<b>232</b>	<b>241</b>	<b>1,022</b>	<b>989</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings</b>	<b>247</b>	<b>274</b>	<b>250</b>	<b>251</b>	<b>260</b>	<b>256</b>	<b>232</b>	<b>241</b>	<b>1,022</b>	<b>989</b>
Perpetual share dividends	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings before Capital Allocation</b>	<b>247</b>	<b>274</b>	<b>250</b>	<b>251</b>	<b>260</b>	<b>256</b>	<b>232</b>	<b>241</b>	<b>1,022</b>	<b>989</b>
Capital Allocation	(22)	(23)	(25)	(25)	(26)	(27)	(25)	(25)	(95)	(103)
<b>Net Earnings - Common Shareholders</b>	<b>225</b>	<b>251</b>	<b>225</b>	<b>226</b>	<b>234</b>	<b>229</b>	<b>207</b>	<b>216</b>	<b>927</b>	<b>886</b>
<b>Sales</b>										
UK / Isle of Man	591	754	671	651	819	821	523	2,047	2,667	4,210
Ireland / Germany	3,819	3,891	4,879	3,923	3,098	6,895	2,873	2,409	16,512	15,275
<b>Total - Insurance &amp; Annuities</b>	<b>4,410</b>	<b>4,645</b>	<b>5,550</b>	<b>4,574</b>	<b>3,917</b>	<b>7,716</b>	<b>3,396</b>	<b>4,456</b>	<b>19,179</b>	<b>19,485</b>
<b>Revenue Premium</b>										
Risk-based revenue premiums	405	748	663	600	422	545	688	2,017	2,416	3,672
Segregated fund deposits	2,228	2,196	2,270	2,576	2,709	2,202	1,995	1,804	9,270	8,710
Proprietary mutual funds & institutional deposits	2,342	2,372	3,353	2,491	1,356	5,598	1,426	1,333	10,558	9,713
	<b>4,975</b>	<b>5,316</b>	<b>6,286</b>	<b>5,667</b>	<b>4,487</b>	<b>8,345</b>	<b>4,109</b>	<b>5,154</b>	<b>22,244</b>	<b>22,095</b>
UK / Isle of Man	692	902	961	854	965	990	828	2,229	3,409	5,012
Ireland / Germany	4,283	4,414	5,325	4,813	3,522	7,355	3,281	2,925	18,835	17,083
<b>Total - Insurance &amp; Annuities <sup>(1)</sup></b>	<b>4,975</b>	<b>5,316</b>	<b>6,286</b>	<b>5,667</b>	<b>4,487</b>	<b>8,345</b>	<b>4,109</b>	<b>5,154</b>	<b>22,244</b>	<b>22,095</b>

1. Excludes participating policy revenue premiums.

**Lifeco Europe – Reinsurance**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	3,730	2,967	2,038	2,167	1,559	1,487	1,077	1,513	10,902	5,636
Net investment income	(244)	509	498	434	18	157	(337)	354	1,197	192
Fee and other income	7	4	4	5	7	6	6	5	20	24
<b>Total Income</b>	<b>3,493</b>	<b>3,480</b>	<b>2,540</b>	<b>2,606</b>	<b>1,584</b>	<b>1,650</b>	<b>746</b>	<b>1,872</b>	<b>12,119</b>	<b>5,852</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	3,338	3,348	2,391	2,467	1,445	1,519	611	1,722	11,544	5,297
Commissions	38	42	41	44	37	43	41	38	165	159
General expenses	20	15	16	16	15	14	16	14	67	59
Other	4	7	6	7	6	6	6	6	24	24
<b>Total Benefits and Expenses</b>	<b>3,400</b>	<b>3,412</b>	<b>2,454</b>	<b>2,534</b>	<b>1,503</b>	<b>1,582</b>	<b>674</b>	<b>1,780</b>	<b>11,800</b>	<b>5,539</b>
<b>Net Earnings (loss) before income taxes</b>	<b>93</b>	<b>68</b>	<b>86</b>	<b>72</b>	<b>81</b>	<b>68</b>	<b>72</b>	<b>92</b>	<b>319</b>	<b>313</b>
Income tax	4	11	9	6	6	(5)	(23)	12	30	(10)
<b>Net Earnings (loss) before non-controlling interests</b>	<b>89</b>	<b>57</b>	<b>77</b>	<b>66</b>	<b>75</b>	<b>73</b>	<b>95</b>	<b>80</b>	<b>289</b>	<b>323</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss)</b>	<b>89</b>	<b>57</b>	<b>77</b>	<b>66</b>	<b>75</b>	<b>73</b>	<b>95</b>	<b>80</b>	<b>289</b>	<b>323</b>
Preferred share dividends	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss) before Capital Allocation</b>	<b>89</b>	<b>57</b>	<b>77</b>	<b>66</b>	<b>75</b>	<b>73</b>	<b>95</b>	<b>80</b>	<b>289</b>	<b>323</b>
Capital Allocation	(3)	(3)	(3)	(3)	(2)	(2)	(3)	(3)	(12)	(10)
<b>Net Earnings (loss) - Common Shareholders</b>	<b>86</b>	<b>54</b>	<b>74</b>	<b>63</b>	<b>73</b>	<b>71</b>	<b>92</b>	<b>77</b>	<b>277</b>	<b>313</b>
<b>Risk-based revenue premiums</b>	<b>3,730</b>	<b>2,967</b>	<b>2,038</b>	<b>2,167</b>	<b>1,559</b>	<b>1,487</b>	<b>1,077</b>	<b>1,513</b>	<b>10,902</b>	<b>5,636</b>

Lifeco Europe – Participating Account

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	9	9	7	7	10	9	7	6	32	32
Net investment income	(48)	16	50	54	-	26	(43)	47	72	30
Fee and other income	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>(39)</b>	<b>25</b>	<b>57</b>	<b>61</b>	<b>10</b>	<b>35</b>	<b>(36)</b>	<b>53</b>	<b>104</b>	<b>62</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	(37)	21	53	59	9	33	(35)	45	96	52
Commissions	-	-	-	-	-	-	-	-	-	-
General expenses	1	1	1	1	1	1	1	1	4	4
Other	(2)	3	2	2	1	1	(3)	5	5	4
<b>Total Benefits and Expenses</b>	<b>(38)</b>	<b>25</b>	<b>56</b>	<b>62</b>	<b>11</b>	<b>35</b>	<b>(37)</b>	<b>51</b>	<b>105</b>	<b>60</b>
<b>Net Earnings (loss) before income taxes</b>	<b>(1)</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>(1)</b>	<b>2</b>
Income tax	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss) before non-controlling interests</b>	<b>(1)</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>(1)</b>	<b>2</b>
Non-controlling interests	(1)	-	1	(1)	(1)	-	1	2	(1)	2
<b>Net Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Risk-based revenue premiums</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>7</b>	<b>10</b>	<b>9</b>	<b>7</b>	<b>6</b>	<b>32</b>	<b>32</b>

**Lifeco Europe – Corporate**

(C\$MM)	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Income</b>										
Premium income	-	-	-	-	-	-	-	-	-	-
Net investment income	-	24	(1)	3	-	1	(1)	2	26	2
Fee and other income	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	-	24	(1)	3	-	1	(1)	2	26	2
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	(2)	-	1	1	(1)	1	(1)	-	-	(1)
Commissions	-	-	-	-	-	-	-	-	-	-
General expenses	1	1	3	2	7	3	4	3	7	17
Restructuring and acquisition expenses	-	15	1	1	3	3	11	6	17	23
Other	4	4	5	5	5	5	4	5	18	19
<b>Total Benefits and Expenses</b>	3	20	10	9	14	12	18	14	42	58
<b>Net Earnings (loss) before income taxes</b>	(3)	4	(11)	(6)	(14)	(11)	(19)	(12)	(16)	(56)
Income tax	-	(3)	(2)	(2)	(6)	(2)	(4)	(2)	(7)	(14)
<b>Net Earnings (loss)</b>	<b>(3)</b>	<b>7</b>	<b>(9)</b>	<b>(4)</b>	<b>(8)</b>	<b>(9)</b>	<b>(15)</b>	<b>(10)</b>	<b>(9)</b>	<b>(42)</b>
Preferred shareholder dividends	5	5	4	5	6	6	5	6	19	23
<b>Net Earnings (loss) before Capital Allocation</b>	<b>(8)</b>	<b>2</b>	<b>(13)</b>	<b>(9)</b>	<b>(14)</b>	<b>(15)</b>	<b>(20)</b>	<b>(16)</b>	<b>(28)</b>	<b>(65)</b>
Capital Allocation	4	6	7	7	10	11	10	9	24	40
<b>Net Earnings (loss) - Common Shareholders</b>	<b>(4)</b>	<b>8</b>	<b>(6)</b>	<b>(2)</b>	<b>(4)</b>	<b>(4)</b>	<b>(10)</b>	<b>(7)</b>	<b>(4)</b>	<b>(25)</b>

## Lifeco Europe – Balance Sheets

(C\$MM)

	2016				2015			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Assets</b>								
Cash and cash equivalents	1,792	1,554	1,586	1,439	1,608	1,773	1,489	1,920
Bonds	39,082	40,180	38,611	39,867	39,772	39,988	38,089	38,476
Mortgage loans	3,590	3,642	3,625	3,945	4,398	4,230	4,115	3,829
Stocks	602	743	708	683	734	675	723	671
Investment properties	2,761	2,892	2,834	3,187	3,444	3,464	3,488	3,215
Loans to policyholders	113	110	108	109	115	109	100	101
<b>Total invested assets</b>	<b>47,940</b>	<b>49,121</b>	<b>47,472</b>	<b>49,230</b>	<b>50,071</b>	<b>50,239</b>	<b>48,004</b>	<b>48,212</b>
Funds withheld by ceding insurers	10,781	12,558	12,418	12,954	15,512	14,366	14,050	14,242
Reinsurance assets	4,824	4,537	4,196	4,324	4,401	4,441	4,116	4,203
Derivative financial instruments	163	188	201	232	252	271	281	321
Owner occupied properties	79	79	78	80	83	82	77	75
Fixed assets	56	59	57	61	60	59	50	49
Other assets	2,771	2,758	2,443	2,470	2,540	2,482	2,344	2,182
<b>Total other assets</b>	<b>3,069</b>	<b>3,084</b>	<b>2,779</b>	<b>2,843</b>	<b>2,935</b>	<b>2,894</b>	<b>2,752</b>	<b>2,627</b>
Deferred tax assets	23	16	24	27	35	25	51	38
Goodwill	1,985	2,034	1,899	1,910	1,916	1,916	1,886	1,877
Intangible assets	443	413	401	417	436	436	410	402
Investments on account of segregated fund policyholders	90,080	90,418	86,369	88,256	91,959	88,085	80,756	81,142
<b>Total assets</b>	<b>159,145</b>	<b>162,181</b>	<b>155,558</b>	<b>159,961</b>	<b>167,265</b>	<b>162,402</b>	<b>152,025</b>	<b>152,743</b>
<b>Liabilities</b>								
Insurance contract liabilities	52,478	55,504	53,791	55,984	58,971	59,379	57,122	57,866
Investment contract liabilities	1,456	1,539	1,509	1,543	1,637	315	283	285
	53,934	57,043	55,300	57,527	60,608	59,694	57,405	58,151
Debentures and other debt instruments	1,273	1,028	1,010	1,040	1,056	1,134	1,052	1,031
Funds held under reinsurance contracts	286	305	283	294	328	320	301	306
Other liabilities	2,277	2,536	1,936	1,799	1,933	2,039	1,941	1,889
Deferred tax liabilities	528	512	454	480	527	529	516	489
Investment and insurance contracts on account of segregated fund policyholders	90,080	90,418	86,369	88,256	91,959	88,085	80,756	81,142
<b>Total liabilities</b>	<b>148,378</b>	<b>151,842</b>	<b>145,352</b>	<b>149,396</b>	<b>156,411</b>	<b>151,801</b>	<b>141,971</b>	<b>143,008</b>
<b>Equity</b>								
Non-controlling interests	-	2	2	1	1	3	2	1
Share capital								
Perpetual preferred shares	550	550	550	550	550	550	550	550
Common shares	-	-	-	-	-	-	-	-
Accumulated surplus	10,248	9,655	9,437	9,283	8,991	8,898	8,806	8,757
Accumulated other comprehensive income (loss)	(31)	132	217	731	1,312	1,150	696	427
Contributed surplus	-	-	-	-	-	-	-	-
	10,767	10,339	10,206	10,565	10,854	10,601	10,054	9,735
<b>Total liabilities and equity</b>	<b>159,145</b>	<b>162,181</b>	<b>155,558</b>	<b>159,961</b>	<b>167,265</b>	<b>162,402</b>	<b>152,025</b>	<b>152,743</b>
<b>Proprietary mutual funds and institutional net assets</b>	<b>33,664</b>	<b>34,461</b>	<b>32,480</b>	<b>29,913</b>	<b>29,210</b>	<b>27,575</b>	<b>22,091</b>	<b>22,337</b>
<b>Other assets under administration</b>	<b>38,952</b>	<b>40,044</b>	<b>38,975</b>	<b>39,903</b>	<b>41,587</b>	<b>41,146</b>	<b>47,536</b>	<b>47,529</b>
<b>Total assets under administration</b>	<b>231,761</b>	<b>236,686</b>	<b>227,013</b>	<b>229,777</b>	<b>238,062</b>	<b>231,123</b>	<b>221,652</b>	<b>222,609</b>

Lifeco Corporate

	2016				2015				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
(C\$MM)										
<b>Income</b>										
Premium income	-	-	-	-	-	-	-	-	-	-
Net investment income	(2)	-	4	-	(2)	4	1	(1)	2	2
Fee and other income	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>(2)</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>(2)</b>	<b>4</b>	<b>1</b>	<b>(1)</b>	<b>2</b>	<b>2</b>
<b>Benefits and Expenses</b>										
Paid or credited to policyholders and beneficiaries	-	-	-	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-	-	-	-
General expenses	9	4	6	4	4	3	5	4	23	16
Other	2	(2)	3	-	-	1	-	-	3	1
<b>Total Benefits and Expenses</b>	<b>11</b>	<b>2</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>26</b>	<b>17</b>
<b>Net Earnings (loss) before income taxes</b>	<b>(13)</b>	<b>(2)</b>	<b>(5)</b>	<b>(4)</b>	<b>(6)</b>	<b>-</b>	<b>(4)</b>	<b>(5)</b>	<b>(24)</b>	<b>(15)</b>
Income tax	(3)	2	(5)	-	(1)	(4)	(1)	(1)	(6)	(7)
<b>Net Earnings (loss) before non-controlling interests</b>	<b>(10)</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>	<b>(5)</b>	<b>4</b>	<b>(3)</b>	<b>(4)</b>	<b>(18)</b>	<b>(8)</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss)</b>	<b>(10)</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>	<b>(5)</b>	<b>4</b>	<b>(3)</b>	<b>(4)</b>	<b>(18)</b>	<b>(8)</b>
Preferred share dividends	-	-	-	-	-	-	-	-	-	-
<b>Net Earnings (loss) before Capital Allocation</b>	<b>(10)</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>	<b>(5)</b>	<b>4</b>	<b>(3)</b>	<b>(4)</b>	<b>(18)</b>	<b>(8)</b>
Capital Allocation	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(8)	(8)
<b>Net Earnings (loss) - Common Shareholders</b>	<b>(12)</b>	<b>(6)</b>	<b>(2)</b>	<b>(6)</b>	<b>(7)</b>	<b>2</b>	<b>(5)</b>	<b>(6)</b>	<b>(26)</b>	<b>(16)</b>

## Lifeco – Consolidated Source of Earnings

(C\$MM)	For the three months ended Dec. 31, 2016					2016			2015				Fiscal	Fiscal
	Canada	U.S.	Europe	Corp	Total	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015
Expected profit on in-force business	294	140	261	-	695	661	633	653	722	736	679	626	2,642	2,763
Impact of new business	4	(38)	(9)	-	(43)	(77)	(44)	(68)	(60)	(46)	(51)	(62)	(232)	(219)
Experience gains and losses	108	(38)	28	(10)	88	11	49	38	(61)	48	64	244	186	295
Management actions and changes in assumptions	23	30	88	-	141	223	129	54	149	127	90	98	547	464
Other	-	(35)	-	-	(35)	(24)	(5)	(4)	(7)	(7)	(14)	(7)	(68)	(35)
Earnings on surplus (incl. financing charges)	10	(12)	(5)	(5)	(12)	34	25	11	33	(10)	3	53	58	79
<b>Net income before tax</b>	<b>439</b>	<b>47</b>	<b>363</b>	<b>(15)</b>	<b>834</b>	<b>828</b>	<b>787</b>	<b>684</b>	<b>776</b>	<b>848</b>	<b>771</b>	<b>952</b>	<b>3,133</b>	<b>3,347</b>
Taxes	(87)	8	(51)	3	(127)	(121)	(86)	(33)	(58)	(94)	(80)	(218)	(367)	(450)
<b>Net income before non-controlling interests &amp; preferred dividends</b>	<b>352</b>	<b>55</b>	<b>312</b>	<b>(12)</b>	<b>707</b>	<b>707</b>	<b>701</b>	<b>651</b>	<b>718</b>	<b>754</b>	<b>691</b>	<b>734</b>	<b>2,766</b>	<b>2,897</b>
Non-controlling interests & preferred dividends	(26)	-	(5)	-	(31)	(33)	(30)	(31)	(35)	(34)	(32)	(34)	(125)	(135)
<b>Net income - Common Shareholders</b>	<b>326</b>	<b>55</b>	<b>307</b>	<b>(12)</b>	<b>676</b>	<b>674</b>	<b>671</b>	<b>620</b>	<b>683</b>	<b>720</b>	<b>659</b>	<b>700</b>	<b>2,641</b>	<b>2,762</b>

### 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				Fiscal 2016	Fiscal 2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Expected profit on in-force business	1	(13)	(12)	(9)	28	29	23	14	(33)	94
Impact of new business	(8)	(8)	(8)	(7)	(8)	(8)	(8)	(11)	(31)	(35)
Experience gains and losses	1	2	1	(16)	(1)	(6)	(1)	10	(12)	2
Management actions and changes in assumptions	-	19	-	-	-	-	-	-	19	-
Other	(33)	-	-	-	-	-	-	-	(33)	-
Earnings on surplus (incl. financing charges)	(29)	(20)	(23)	(39)	(24)	(38)	(31)	(21)	(111)	(114)
<b>Net income before tax</b>	<b>(68)</b>	<b>(20)</b>	<b>(42)</b>	<b>(71)</b>	<b>(5)</b>	<b>(23)</b>	<b>(17)</b>	<b>(8)</b>	<b>(201)</b>	<b>(53)</b>
Taxes	45	16	24	46	50	17	15	12	131	94
<b>Net income before non-controlling interests &amp; preferred dividends</b>	<b>(23)</b>	<b>(4)</b>	<b>(18)</b>	<b>(25)</b>	<b>45</b>	<b>(6)</b>	<b>(2)</b>	<b>4</b>	<b>(70)</b>	<b>41</b>
Non-controlling interests & preferred dividends	-	(2)	-	-	(4)	(2)	(1)	(2)	(2)	(9)
<b>Net income - common shareholders <sup>(1)</sup></b>	<b>(23)</b>	<b>(6)</b>	<b>(18)</b>	<b>(25)</b>	<b>41</b>	<b>(8)</b>	<b>(3)</b>	<b>2</b>	<b>(72)</b>	<b>32</b>

1) Q4 2016 includes Putnam restructuring costs of \$20m (after-tax)