

TSX:GWO

Readers are referred to the cautionary notes regarding Forward-Looking Information and Non-IFRS Financial Measures at the end of this release. All figures are expressed in Canadian dollars, except as noted.

Great-West Lifeco reports third quarter 2017 net earnings of \$581 million, including losses of \$175 million related to Hurricanes Harvey, Irma and Maria

Winnipeg November 2, 2017 ... Great-West Lifeco Inc. (Lifeco or the Company) today announced net earnings attributable to common shareholders of \$581 million or \$0.587 per common share for the third quarter of 2017 compared to \$674 million or \$0.682 per common share for the same quarter last year. Lifeco's net earnings for the third quarter of 2017 included property catastrophe reinsurance losses of \$175 million after-tax relating to estimated claims resulting from the impact of Hurricanes Harvey, Irma and Maria which reduced earnings per common share by \$0.177. Excluding this item, earnings were \$756 million, up \$82 million from a year ago, primarily due to higher fee income and lower expenses reflecting the impact of ongoing expense management initiatives.

For the nine months ended September 30, 2017, excluding the impact of restructuring costs of \$156 million year-to-date, Lifeco's adjusted net earnings were \$1,913 million or \$1.934 per common share compared to \$1,987 million or \$2.004 per common share for the same period last year.

"The third quarter saw solid operating performances across all of our businesses notwithstanding the impact of reinsurance losses on our results", said Paul Mahon, President and CEO, Great-West Lifeco. "We have had some early gains from our Canadian business transformation, the Empower Retirement business in the U.S. is showing healthy momentum post-integration and our strong capital position allows us to continue to invest in future growth."

Consolidated assets under administration at September 30, 2017 were approximately \$1.3 trillion, an increase of \$46.1 billion from December 31, 2016.

Highlights – In Quarter

Fee income of \$1.4 billion up 7%

- Fee and other income was \$1.4 billion, up 7% from the third quarter of 2016, primarily as a result of increases in all segments driven by market performance and business growth.

Hurricane loss of \$175 million

- The Company, through its subsidiary London Reinsurance Group Inc., offers property catastrophe coverage to reinsurance companies and as a result the Company is exposed to claims arising from major natural catastrophes. Included in the Company's net earnings for the third quarter of 2017 are losses of \$175 million after-tax relating to estimated claims. The Company's loss estimate may change as additional information becomes available.

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Lifeco recognized for commitment to sustainable practices

- Lifeco received an A- Carbon Disclosure Project (CDP) score which, for the first time, included global operations in addition to Canadian operations. Great-West Life, a Canadian subsidiary of the Company, continues to be the top ranked insurance company in Canada by the CDP. As well, GWL Realty Advisors (GWLRA), a Canadian subsidiary of the Company, has once again received a high ranking from the Global Real Estate Sustainability Benchmark (GRESB) for its commitment to sustainable environmental, social and governance practices. This year, GWLRA is ranked the number one real estate advisory company in Canada (up from number two last year).

Capital strength and financial flexibility maintained

- The Great-West Life Assurance Company reported a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of 233% at September 30, 2017.
- Lifeco declared a quarterly common dividend of \$0.3670 per common share payable December 29, 2017.
- Adjusted Return on Equity (ROE), excluding the impact of restructuring costs, was 13.3%. The losses of \$175 million related to estimated hurricane claims reduced ROE by 0.9%.

SEGMENTED OPERATING RESULTS

For reporting purposes, Lifeco's consolidated operating results are grouped into four reportable segments - Canada, United States, Europe and Lifeco Corporate - reflecting geographic lines as well as the management and corporate structure of the companies. For more information, please refer to the Company's 2017 third quarter MD&A.

CANADA

- **Canada advances business transformation** – Following the realignment into two new business units, one focused on individual customers and the other on group customers, the Canadian operations made progress on the previously announced targeted annual expense reductions of \$200 million pre-tax. As of September 30, 2017, the Company has achieved approximately \$95 million pre-tax in annualized reductions; approximately \$69 million related to the common shareholders' account and \$26 million related to the participating accounts.
- **Q3 Canada segment net earnings of \$296 million** – Net earnings attributable to common shareholders for the third quarter of 2017 were \$296 million compared to \$289 million in the third quarter of 2016, primarily due to growth in fee income and strong mortality results in both the Individual Customer and Group Customer businesses. For the nine months ended September 30, 2017, adjusted net earnings attributable to common shareholders, excluding restructuring costs of \$126 million recorded in the second quarter of 2017, were \$862 million compared to \$892 million for the same period last year.

UNITED STATES

- **Q3 U.S. segment net earnings up 47%** – Net earnings attributable to common shareholders for the third quarter of 2017 were US\$88 million, up 47%, compared to net earnings of US\$60 million in the third quarter of 2016 primarily driven by growth in fee income and lower expenses for Empower Retirement. For the nine months ended September 30, 2017, net earnings attributable to common shareholders were US\$192 million compared to US\$147 million for the same period last year, an increase of 31%.
- **Fee and other income up 12%** – Fee and other income for the three months ended September 30, 2017 was US\$485 million compared to US\$432 million for the same quarter last year, an increase of 12%, due to higher fee income for both Empower Retirement and Putnam. The increase was driven by market performance and net cash inflows.

- **Putnam average assets up 9%** – Putnam average assets under management for the three months ended September 30, 2017 were US\$165.2 billion compared to US\$151.7 billion for the same quarter last year, an increase of 9%, primarily due to the cumulative impact of market performance and net asset inflows from the institutional business over the twelve month period. Putnam ending assets under management at September 30, 2017 were US\$167.8 billion.
- **Improved Putnam mutual fund net cash flows** – Putnam's net cash outflows from mutual funds of US\$221 million for the three months ended September 30, 2017 were a US\$1.4 billion improvement from the same period last year and are in-line with improved industry flows for actively managed funds.

EUROPE

- **Q3 Europe segment net earnings excluding hurricane loss estimate up 15%** – Net earnings attributable to common shareholders for the third quarter of 2017, excluding the loss of \$175 million related to estimated hurricane claims, were \$359 million up from \$313 million in the third quarter of 2016. The increase was driven by positive new business gains, favourable mortality experience and changes to certain tax estimates. For the nine months ended September 30, 2017, net earnings attributable to common shareholders, excluding the estimated hurricane loss in the third quarter of 2017 were \$969 million up from \$893 million for the same period last year.
- **Agreement reached to acquire the U.K. financial services provider Retirement Advantage** – On August 24, 2017, the Company, through its wholly-owned subsidiary The Canada Life Group (U.K.) Limited, reached an agreement to acquire U.K. financial services provider Retirement Advantage. Retirement Advantage has over 30,000 pension and equity release customers and over \$3.3 billion of assets under management. The transaction is expected to close by the end of the first quarter of 2018.
- **Irish Life Health remains on track to deliver target expense reductions** – As of September 30, 2017, the Company has achieved €10 million pre-tax of annualized synergies to date, relating to the integration of the Irish Life Health operations and remains on track to achieve targeted annual cost savings of €16 million pre-tax within the next three months. Irish Life has also achieved €7 million pre-tax annualized expense reductions in its retail division with a target of €8 million pre-tax by the end of 2017.

QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.3670 per share on the common shares of Lifeco payable December 29, 2017 to shareholders of record at the close of business December 1, 2017.

In addition, the Directors approved quarterly dividends on Lifeco's preferred shares, as follows:

First Preferred Shares	Record Date	Payment Date	Amount, per share
Series F	December 1, 2017	December 29, 2017	\$0.36875
Series G	December 1, 2017	December 29, 2017	\$0.3250
Series H	December 1, 2017	December 29, 2017	\$0.30313
Series I	December 1, 2017	December 29, 2017	\$0.28125
Series L	December 1, 2017	December 29, 2017	\$0.353125
Series M	December 1, 2017	December 29, 2017	\$0.3625
Series N	December 1, 2017	December 29, 2017	\$0.1360
Series O	December 1, 2017	December 29, 2017	\$0.128675
Series P	December 1, 2017	December 29, 2017	\$0.3375
Series Q	December 1, 2017	December 29, 2017	\$0.321875
Series R	December 1, 2017	December 29, 2017	\$0.3000
Series S	December 1, 2017	December 29, 2017	\$0.328125
Series T	December 1, 2017	December 29, 2017	\$0.321875

For purposes of the Income Tax Act (Canada), and any similar provincial legislation, the dividends referred to above are eligible dividends.

Selected financial information is attached.

GREAT-WEST LIFECO

Great-West Lifeco Inc. (TSX:GWO) is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Lifeco has operations in Canada, the United States and Europe through The Great-West Life Assurance Company (Great-West Life) and its operating subsidiaries, London Life Insurance Company (London Life) and The Canada Life Assurance Company (Canada Life); Great-West Life & Annuity Insurance Company (Great-West Financial) and Putnam Investments, LLC (Putnam). Lifeco and its companies have approximately \$1.3 trillion in consolidated assets under administration and are members of the Power Financial Corporation group of companies. To learn more, visit www.greatwestlifeco.com.

Basis of presentation

The consolidated financial statements of Lifeco have been prepared in accordance with International Financial Reporting Standards (IFRS) and are the basis for the figures presented in this release, unless otherwise noted.

Cautionary note regarding Forward-Looking Information

This release may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar expressions or negative versions thereof. These statements may include, without limitation, statements about the Company's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by the Company, including statements made with respect to the expected benefits of acquisitions and divestitures. Forward-looking statements are based on expectations, forecasts, predictions, projections and conclusions about future events that were current at the time of the

statements and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and the reader is cautioned that actual events and results could differ materially from those expressed or implied by forward-looking statements. Material factors and assumptions that were applied in formulating the forward-looking information contained herein include the assumption that the business and economic conditions affecting the Company's operations will continue substantially in their current state, including, without limitation, with respect to customer behaviour, the Company's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, reinsurance arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets, business competition and other general economic, political and market factors in North America and internationally. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance that they will prove to be correct. Other important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking statements include customer responses to new products, impairments of goodwill and other intangible assets, the Company's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber attacks), payments required under investment products, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third party service providers, the Company's ability to complete strategic transactions and integrate acquisitions and unplanned material changes to the Company's facilities, customer and employee relations or credit arrangements. The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out in the Company's 2016 Annual MD&A under "Risk Management and Control Practices" and "Summary of Critical Accounting Estimates", which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, the Company does not intend to update any forward-looking statements whether as a result of new information, future events or otherwise.

Cautionary note regarding Non-IFRS Financial Measures

This release contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, "operating earnings", "adjusted net earnings", "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. Refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

Third Quarter Conference Call

Lifeco's third quarter conference call and audio webcast will be held November 2, 2017 at 3:30 p.m. (ET). The call and webcast can be accessed through www.greatwestlifeco.com or by phone at:

- Participants in the Toronto area: 416-340-2218
- Participants from North America: 1-866-225-0198
- For International participants: Look up the dial-in information for your location at: <https://www.confsolutions.ca/ILT?oss=1P49R8662250198>

A replay of the call will be available from November 2, 2017 to November 9, 2017, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 7905788#). The archived webcast will be available on www.greatwestlifeco.com from November 2, 2017 to November 1, 2018.

Additional information relating to Lifeco, including the most recent interim unaudited consolidated financial statements, interim Management's Discussion and Analysis (MD&A) and CEO/CFO certification will be filed on SEDAR at www.sedar.com.

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GREAT-WEST LIFECO INC.

FINANCIAL HIGHLIGHTS *(unaudited)* *(in Canadian \$ millions except per share amounts)*

	As at or for the three months ended			For the nine months ended	
	September 30 2017	June 30 2017	September 30 2016	September 30 2017	September 30 2016
Premiums and deposits:					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 8,304	\$ 7,772	\$ 8,334	\$ 25,441	\$ 22,220
Policyholder deposits (segregated funds):					
Individual products	3,641	4,142	3,211	11,680	10,113
Group products	1,634	2,020	1,875	5,839	5,971
Self-funded premium equivalents (Administrative services only contracts) ⁽¹⁾	671	720	655	2,107	2,060
Proprietary mutual funds and institutional deposits ⁽¹⁾	14,272	13,767	15,187	45,425	47,063
Total premiums and deposits⁽¹⁾	28,522	28,421	29,262	90,492	87,427
Fee and other income	1,365	1,381	1,271	4,051	3,756
Net policyholder benefits, dividends and experience refunds	6,849	7,377	7,311	22,769	19,873
Earnings					
Net earnings - common shareholders	\$ 581	\$ 585	\$ 674	\$ 1,757	\$ 1,965
Adjusted net earnings - common shareholders ⁽⁵⁾	582	712	689	1,913	1,987
Per common share					
Basic earnings	0.587	0.591	0.682	1.776	1.982
Adjusted basic earnings ⁽⁵⁾	0.589	0.719	0.697	1.934	2.004
Dividends paid	0.367	0.367	0.346	1.101	1.038
Book value	19.92	19.95	19.18		
Return on common shareholders' equity⁽²⁾					
Net earnings	12.4%	13.0%	13.8%		
Adjusted net earnings ⁽⁵⁾	13.3%	13.9%	13.9%		
Total assets					
Proprietary mutual funds and institutional net assets ⁽³⁾	\$ 407,011	\$ 409,773	\$ 401,489		
Total assets under management⁽³⁾	268,994	271,686	256,544		
Other assets under administration ⁽⁴⁾	676,005	681,459	658,033		
Total assets under administration	618,532	627,633	570,475		
Total assets under administration	\$ 1,294,537	\$ 1,309,092	\$ 1,228,508		
Total equity	\$ 25,386	\$ 25,428	\$ 24,256		

⁽¹⁾ In addition to premiums and deposits reported in the financial statements, the Company includes premium equivalents on self-funded group insurance administrative services only (ASO) contracts and deposits on proprietary mutual funds and institutional accounts to calculate total premiums and deposits (a non-IFRS financial measure). This measure provides useful information as it is an indicator of top line growth.

⁽²⁾ Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's September 30, 2017 Management's Discussion and Analysis.

⁽³⁾ Total assets under management (a non-IFRS financial measure) provides an indicator of the size and volume of the overall business of the Company. Services provided in respect of assets under management include the selection of investments, the provision of investment advice and discretionary portfolio management on behalf of clients. This includes internally and externally managed funds where the Company has oversight of the investment policies.

⁽⁴⁾ Other assets under administration (a non-IFRS financial measure) includes assets where the Company only provides administration services for which the Company earns fee and other income. These assets are beneficially owned by clients and the Company does not direct the investing activities. Services provided relating to assets under administration includes recordkeeping, safekeeping, collecting investment income, settling of transactions or other administrative services. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volume, size and trends.

⁽⁵⁾ Net earnings attributable to common shareholders include the impact of restructuring costs. The third quarter of 2017 included restructuring costs of \$1 related to the Europe segment. The second quarter of 2017 included restructuring costs of \$127, \$126 related to the Canada segment and \$1 related to the Europe segment. The first quarter of 2017 included restructuring costs of \$28, \$17 related to the Europe segment and \$11 relating to the United States segment. The third quarter of 2016 included restructuring costs of \$13 related to the Europe segment (\$15 year-to-date in 2016) and \$2 related to the United States segment (\$7 year-to-date in 2016).

GREAT-WEST LIFECO INC.

CONSOLIDATED STATEMENTS OF EARNINGS *(unaudited)*

(in Canadian \$ millions except per share amounts)

	For the three months ended			For the nine months ended	
	September 30	June 30	September 30	September 30	September 30
	2017	2017	2016	2017	2016
Income					
Premium income					
Gross premiums written	\$ 9,346	\$ 8,792	\$ 9,301	\$ 28,622	\$ 25,061
Ceded premiums	(1,042)	(1,020)	(967)	(3,181)	(2,841)
Total net premiums	8,304	7,772	8,334	25,441	22,220
Net investment income					
Regular net investment income	1,517	1,591	1,496	4,577	4,745
Changes in fair value through profit or loss	(988)	304	2,307	51	7,846
Total net investment income	529	1,895	3,803	4,628	12,591
Fee and other income	1,365	1,381	1,271	4,051	3,756
	10,198	11,048	13,408	34,120	38,567
Benefits and expenses					
Policyholder benefits					
Gross	7,051	7,415	7,452	23,061	20,237
Ceded	(548)	(500)	(545)	(1,658)	(1,518)
Total net policyholder benefits	6,503	6,915	6,907	21,403	18,719
Policyholder dividends and experience refunds	346	462	404	1,366	1,154
Changes in insurance and investment contract liabilities	718	850	3,278	2,887	10,429
Total paid or credited to policyholders	7,567	8,227	10,589	25,656	30,302
Commissions	521	549	584	1,823	1,749
Operating and administrative expenses	1,143	1,185	1,180	3,561	3,549
Premium taxes	118	107	109	348	299
Financing charges	71	79	74	226	227
Amortization of finite life intangible assets	47	47	43	139	133
Restructuring expenses	1	216	19	254	28
Earnings before income taxes	730	638	810	2,113	2,280
Income taxes	93	51	108	240	208
Net earnings before non-controlling interests	637	587	702	1,873	2,072
Attributable to non-controlling interests	21	(28)	(3)	20	15
Net earnings	616	615	705	1,853	2,057
Preferred share dividends	35	30	31	96	92
Net earnings - common shareholders	\$ 581	\$ 585	\$ 674	\$ 1,757	\$ 1,965
Earnings per common share					
Basic	\$ 0.587	\$ 0.591	\$ 0.682	\$ 1.776	\$ 1.982
Diluted	\$ 0.587	\$ 0.590	\$ 0.681	\$ 1.773	\$ 1.979

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LIFECO INC.

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

	September 30 2017	December 31 2016
Assets		
Cash and cash equivalents	\$ 3,106	\$ 3,259
Bonds	116,748	116,773
Mortgage loans	21,871	21,651
Stocks	8,707	8,665
Investment properties	4,738	4,340
Loans to policyholders	8,194	8,467
	163,364	163,155
Funds held by ceding insurers	9,977	10,781
Goodwill	6,273	5,977
Intangible assets	3,814	3,972
Derivative financial instruments	436	528
Owner occupied properties	693	649
Fixed assets	295	304
Other assets	2,296	2,263
Premiums in course of collection, accounts and interest receivable	4,648	4,311
Reinsurance assets	5,418	5,627
Current income taxes	77	97
Deferred tax assets	1,674	1,845
Investments on account of segregated fund policyholders	208,046	200,403
Total assets	\$ 407,011	\$ 399,912
Liabilities		
Insurance contract liabilities	\$ 156,257	\$ 155,940
Investment contract liabilities	1,880	2,009
Debentures and other debt instruments	5,392	5,980
Capital trust securities	160	161
Funds held under reinsurance contracts	351	320
Derivative financial instruments	1,314	2,012
Accounts payable	2,610	2,049
Other liabilities	3,458	3,836
Current income taxes	528	549
Deferred tax liabilities	1,629	1,645
Investment and insurance contracts on account of segregated fund policyholders	208,046	200,403
Total liabilities	381,625	374,904
Equity		
Non-controlling interests		
Participating account surplus in subsidiaries	2,753	2,782
Non-controlling interests in subsidiaries	204	224
Shareholders' equity		
Share capital		
Preferred shares	2,714	2,514
Common shares	7,262	7,130
Accumulated surplus	12,097	11,465
Accumulated other comprehensive income	227	746
Contributed surplus	129	147
Total equity	25,386	25,008
Total liabilities and equity	\$ 407,011	\$ 399,912

Segmented Information *(unaudited)*

Consolidated Net Earnings

For the three months ended September 30, 2017

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,231	\$ 1,241	\$ 3,832	\$ —	\$ 8,304
Net investment income					
Regular net investment income	640	458	418	1	1,517
Changes in fair value through profit or loss	(852)	11	(147)	—	(988)
Total net investment income	(212)	469	271	1	529
Fee and other income	411	606	348	—	1,365
	<u>3,430</u>	<u>2,316</u>	<u>4,451</u>	<u>1</u>	<u>10,198</u>
Benefits and expenses					
Paid or credited to policyholders	2,219	1,492	3,856	—	7,567
Other ⁽¹⁾	772	617	386	7	1,782
Financing charges	31	28	12	—	71
Amortization of finite life intangible assets	18	21	8	—	47
Restructuring expenses	—	—	1	—	1
Earnings (loss) before income taxes	<u>390</u>	<u>158</u>	<u>188</u>	<u>(6)</u>	<u>730</u>
Income taxes (recovery)	74	41	(20)	(2)	93
Net earnings (loss) before non-controlling interests	<u>316</u>	<u>117</u>	<u>208</u>	<u>(4)</u>	<u>637</u>
Non-controlling interests	19	2	—	—	21
Net earnings (loss)	<u>297</u>	<u>115</u>	<u>208</u>	<u>(4)</u>	<u>616</u>
Preferred share dividends	26	—	5	4	35
Net earnings (loss) before capital allocation	<u>271</u>	<u>115</u>	<u>203</u>	<u>(8)</u>	<u>581</u>
Impact of capital allocation	25	(5)	(19)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 296</u>	<u>\$ 110</u>	<u>\$ 184</u>	<u>\$ (9)</u>	<u>\$ 581</u>

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

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

For the three months ended September 30, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 3,117	\$ 1,493	\$ 3,724	\$ —	\$ 8,334
Net investment income					
Regular net investment income	631	427	438	—	1,496
Changes in fair value through profit or loss	579	93	1,635	—	2,307
Total net investment income	1,210	520	2,073	—	3,803
Fee and other income	377	566	328	—	1,271
	<u>4,704</u>	<u>2,579</u>	<u>6,125</u>	<u>—</u>	<u>13,408</u>
Benefits and expenses					
Paid or credited to policyholders	3,485	1,776	5,328	—	10,589
Other ⁽¹⁾	839	656	374	4	1,873
Financing charges	31	34	11	(2)	74
Amortization of finite life intangible assets	16	19	8	—	43
Restructuring expenses	—	4	15	—	19
Earnings (loss) before income taxes	333	90	389	(2)	810
Income taxes	45	10	51	2	108
Net earnings (loss) before non-controlling interests	288	80	338	(4)	702
Non-controlling interests	(3)	—	—	—	(3)
Net earnings (loss)	291	80	338	(4)	705
Preferred share dividends	26	—	5	—	31
Net earnings (loss) before capital allocation	265	80	333	(4)	674
Impact of capital allocation	24	(2)	(20)	(2)	—
Net earnings (loss) - common shareholders	<u>\$ 289</u>	<u>\$ 78</u>	<u>\$ 313</u>	<u>\$ (6)</u>	<u>\$ 674</u>

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

GREAT-WEST LIFECO^{INC.}

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

For the nine months ended September 30, 2017

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 9,715	\$ 3,412	\$ 12,314	\$ —	\$ 25,441
Net investment income					
Regular net investment income	1,895	1,364	1,316	2	4,577
Changes in fair value through profit or loss	(195)	387	(141)	—	51
Total net investment income	1,700	1,751	1,175	2	4,628
Fee and other income	1,197	1,836	1,018	—	4,051
	<u>12,612</u>	<u>6,999</u>	<u>14,507</u>	<u>2</u>	<u>34,120</u>
Benefits and expenses					
Paid or credited to policyholders	8,797	4,520	12,339	—	25,656
Other ⁽¹⁾	2,583	1,954	1,177	18	5,732
Financing charges	92	99	34	1	226
Amortization of finite life intangible assets	52	64	23	—	139
Restructuring expenses	215	17	22	—	254
Earnings (loss) before income taxes	<u>873</u>	<u>345</u>	<u>912</u>	<u>(17)</u>	<u>2,113</u>
Income taxes (recovery)	117	80	48	(5)	240
Net earnings (loss) before non-controlling interests	<u>756</u>	<u>265</u>	<u>864</u>	<u>(12)</u>	<u>1,873</u>
Non-controlling interests	17	4	(1)	—	20
Net earnings (loss)	<u>739</u>	<u>261</u>	<u>865</u>	<u>(12)</u>	<u>1,853</u>
Preferred share dividends	78	—	14	4	96
Net earnings (loss) before capital allocation	<u>661</u>	<u>261</u>	<u>851</u>	<u>(16)</u>	<u>1,757</u>
Impact of capital allocation	75	(13)	(57)	(5)	—
Net earnings (loss) - common shareholders	<u>\$ 736</u>	<u>\$ 248</u>	<u>\$ 794</u>	<u>\$ (21)</u>	<u>\$ 1,757</u>

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

GREAT-WEST LIFECO INC.

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

For the nine months ended September 30, 2016

	Canada	United States	Europe	Lifeco Corporate	Total
Income					
Total net premiums	\$ 8,874	\$ 4,140	\$ 9,206	\$ —	\$ 22,220
Net investment income					
Regular net investment income	2,032	1,301	1,408	4	4,745
Changes in fair value through profit or loss	2,056	1,100	4,690	—	7,846
Total net investment income	4,088	2,401	6,098	4	12,591
Fee and other income	1,108	1,692	956	—	3,756
	<u>14,070</u>	<u>8,233</u>	<u>16,260</u>	<u>4</u>	<u>38,567</u>
Benefits and expenses					
Paid or credited to policyholders	10,418	5,884	14,000	—	30,302
Other ⁽¹⁾	2,489	1,987	1,107	14	5,597
Financing charges	86	106	34	1	227
Amortization of finite life intangible assets	49	61	23	—	133
Restructuring expenses	—	11	17	—	28
Earnings (loss) before income taxes	1,028	184	1,079	(11)	2,280
Income taxes (recovery)	119	(18)	110	(3)	208
Net earnings (loss) before non-controlling interests	909	202	969	(8)	2,072
Non-controlling interests	13	2	—	—	15
Net earnings (loss)	896	200	969	(8)	2,057
Preferred share dividends	78	—	14	—	92
Net earnings (loss) before capital allocation	818	200	955	(8)	1,965
Impact of capital allocation	74	(6)	(62)	(6)	—
Net earnings (loss) - common shareholders	<u>\$ 892</u>	<u>\$ 194</u>	<u>\$ 893</u>	<u>\$ (14)</u>	<u>\$ 1,965</u>

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