



**Supplemental Information Package
For Analysts and Investors
(Unaudited)
Q1 2017**

**Delivering on our Commitments
Today and Tomorrow**



Cautionary Note regarding Non-IFRS Financial Measures

This document contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, “operating earnings”, “constant currency basis”, “premiums and deposits”, “sales”, “assets under management”, “assets under administration” and other similar expressions. Non-IFRS financial measures are used to provide management and investors with additional measures of performance to help assess results where no comparable IFRS measure exists. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Please refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

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Lifeco Overview

Great-West Lifeco Inc. (GWO or the Company) is a financial services company with interests in the life insurance, health insurance, retirement savings, investment management, and reinsurance businesses. The company has operations in Canada, U.S., Europe and Asia, through The Great-West Life Assurance Company, London Life Insurance Company, The Canada Life Assurance Company, Great-West Financial, Putnam Investments LLC, and Irish Life Group Limited. Lifeco and its companies have approximately \$1,296 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)

	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Income									
Premium Income	9,365	8,905	8,334	6,871	7,015	6,162	5,891	5,516	31,125
Net Investment Income	2,204	(2,436)	3,803	4,705	4,083	826	1,464	(2,518)	10,155
Fee & Other Income	1,305	1,345	1,271	1,231	1,254	1,333	1,241	1,226	5,101
Total Income	12,874	7,814	13,408	12,807	12,352	8,321	8,596	4,224	46,381
Operating Earnings - Common Shareholders	591	676	674	671	620	683	721	659	2,641
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-
Net Earnings - Common Shareholders	591	676	674	671	620	683	721	659	2,641
Net Earnings attributable to Perpetual Preferred Shareholders	31	31	31	30	31	31	32	31	123
Net Earnings - Total Shareholders	622	707	705	701	651	714	753	690	2,764
Earnings per Common Share									
Operating Earnings	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$2.668
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-
Basic earnings per share	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$2.668
Diluted earnings per share	\$0.597	\$0.685	\$0.681	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$2.663
Common Shareholder Net Earnings (Loss) - by Segment									
Canada	255	326	289	327	276	262	326	308	1,218
U.S.	56	55	78	53	63	125	96	67	249
Europe	289	307	313	293	287	303	296	289	1,200
Corporate	(9)	(12)	(6)	(2)	(6)	(7)	2	(5)	(26)
Total	591	676	674	671	620	683	720	659	2,641

Lifeco Common Shareholder Net Earnings

(C\$MM)

	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Common Shareholder Net Earnings (Loss)									
Canada									
Individual Customer	146	179	136	147	155	131	189	170	617
Group Customer	104	154	143	162	105	113	171	136	564
Corporate	5	(7)	10	18	16	18	(34)	2	37
	255	326	289	327	276	262	326	308	1,218
U.S.									
Financial Services ⁽¹⁾	72	78	84	71	88	84	104	70	321
Asset Management ⁽²⁾	(16)	(23)	(6)	(18)	(25)	41	(8)	(3)	(72)
	56	55	78	53	63	125	96	67	249
Europe									
Insurance & Annuities	225	225	251	225	226	234	229	207	927
Reinsurance	81	86	54	74	63	73	71	92	277
Corporate	(17)	(4)	8	(6)	(2)	(4)	(4)	(10)	(4)
	289	307	313	293	287	303	296	289	1,200
Corporate	(9)	(12)	(6)	(2)	(6)	(7)	2	(5)	(26)
Total	591	676	674	671	620	683	720	659	2,641

1) Includes U.S. Corporate

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

Currency Translation Rates

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
(C\$ / US\$)								
Balance Sheet	1.33	1.34	1.31	1.30	1.30	1.38	1.34	1.25
Income & Expenses	1.32	1.33	1.31	1.29	1.37	1.34	1.31	1.23
(C\$ / £)								
Balance Sheet	1.67	1.66	1.71	1.72	1.87	2.04	2.02	1.96
Income & Expenses	1.64	1.66	1.71	1.85	1.96	2.03	2.03	1.89
(C\$ / €)								
Balance Sheet	1.42	1.42	1.47	1.44	1.48	1.50	1.50	1.39
Income & Expenses	1.41	1.44	1.46	1.46	1.51	1.46	1.46	1.36

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	
Q2 2015	997,604,665	-	635,292	1,360,848	\$36.80	\$50,077,226	996,879,109
Q3 2015	996,879,109	-	131,140	3,810,122	\$34.83	\$132,723,517	993,200,127
Q4 2015	993,200,127	-	493,640	343,436	\$34.54	\$11,863,660	993,350,331
Q1 2016	993,350,331	-	473,574	624,181	\$34.32	\$21,423,126	993,199,724
Q2 2016	993,199,724	-	165,660	2,207,000	\$34.25	\$75,597,009	991,158,384
Q3 2016	991,158,384	-	40,311	5,136,700	\$33.14	\$170,240,059	986,061,995
Q4 2016	986,061,995	-	336,340	-	-	-	986,398,335
Q1 2017	986,398,335	-	3,552,684	12,698	\$37.10	471,157	989,938,321

3 months ended March 31, 2017

Average common shares outstanding - Basic	987,690,025
Potential exercise of outstanding stock options	2,137,788
Average common shares outstanding - Diluted	<u>989,827,813</u>

Lifeco Financial Ratio Highlights

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Share Price								
High	\$37.74	\$35.75	\$34.34	\$37.03	\$35.81	\$36.29	\$37.41	\$37.52
Low	\$35.24	\$32.24	\$31.01	\$32.71	\$32.32	\$31.89	\$31.57	\$36.03
Close	\$36.85	\$35.17	\$32.29	\$34.08	\$35.74	\$34.53	\$31.97	\$36.36
Operating EPS								
Operating EPS	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661
Operating EPS Growth <i>(qtr / qtr)</i>	(12.8%)	0.6%	1.0%	8.0%	(9.2%)	(5.0%)	9.5%	(5.8%)
Dividends								
Common Dividends Declared / Share		\$0.3670	\$0.3460	\$0.3460	\$0.3460	\$0.3460	\$0.3260	\$0.3260
Common Dividends Paid / Share	\$0.3670	\$0.3460	\$0.3460	\$0.3460	\$0.3460	\$0.3260	\$0.3260	\$0.3260
Paid Dividend Growth <i>(qtr / qtr)</i>	6.1%	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%
Paid Dividend Growth <i>(yr / yr)</i>	6.1%	6.1%	6.1%	6.1%	6.1%	6.0%	6.0%	6.0%
Dividend Payout Ratio ⁽¹⁾	61.4%	50.4%	50.7%	51.3%	55.4%	47.4%	45.0%	49.3%
Dividend Yield (annualized) ⁽²⁾	4.0%	3.9%	4.3%	4.1%	3.9%	3.8%	4.1%	3.6%
Ratios								
P/E Ratio <i>(rolling 4 qtrs - operating earnings)</i>	14.0x	13.2x	12.1x	12.6x	13.2x	12.4x	11.6x	13.4x
P/Book Value Ratio	1.8x	1.8x	1.7x	1.8x	1.9x	1.7x	1.6x	2.0x
ROE ⁽³⁾ (12 Months Trailing) - Operating Earnings	13.6%	13.8%	13.8%	14.0%	14.0%	14.7%	15.2%	15.7%
ROE ⁽³⁾ (12 Months Trailing)	13.6%	13.8%	13.8%	14.0%	14.0%	14.7%	15.2%	15.7%
Share Information								
Total Shares Outstanding (mm)	989.9	986.4	986.1	991.2	993.2	993.4	993.2	996.9
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)	280.6	277.1	276.8	281.9	283.9	284.0	283.9	287.6
Total Market Capitalization (mm)	\$36,479	\$34,692	\$31,840	\$33,779	\$35,497	\$34,300	\$31,753	\$36,247
Public Float (mm)	\$10,341	\$9,745	\$8,936	\$9,606	\$10,146	\$9,808	\$9,076	\$10,456
Book Value per Share	\$19.99	\$19.76	\$19.18	\$19.02	\$19.28	\$20.06	\$19.38	\$18.27

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)

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
MCCSR								
Great-West Life Assurance Company								
Available Capital	16,117	15,869	15,285	15,168	15,492	15,730	15,383	14,572
Required Capital	6,742	6,618	6,748	6,536	6,559	6,599	6,582	6,370
Ratio	239%	240%	227%	232%	236%	238%	234%	229%
London Life Insurance Company								
Available Capital	3,700	3,591	3,305	3,229	3,342	3,341	3,314	3,240
Required Capital	1,639	1,656	1,608	1,574	1,536	1,480	1,457	1,393
Ratio	226%	217%	206%	205%	218%	226%	227%	233%
Canada Life Assurance Company								
Available Capital	10,863	10,697	10,279	10,165	10,392	10,649	10,349	9,730
Required Capital	3,950	3,890	4,041	3,878	3,944	4,090	4,061	3,931
Ratio	275%	275%	254%	262%	263%	260%	255%	248%
Risk Based Capital (RBC) - US\$								
GWL&A								
Total Adjusted Capital		1,269				1,339		
Company Action Level		277				288		
Ratio		458%				464%		

Great-West Life Assurance Company – MCCSR

(C\$MM unless otherwise stated)

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Capital Available:								
Tier 1 Capital								
Common shares	8,487	8,487	8,487	8,487	8,487	8,487	8,487	8,487
Shareholder Surplus	10,442	10,167	9,903	9,698	9,512	9,256	9,031	8,695
Innovative instruments	112	112	112	112	113	113	113	112
Other Tier 1 Capital Elements	2,339	2,319	2,092	2,204	2,701	3,466	3,282	2,797
Gross Tier 1 Capital	21,380	21,085	20,594	20,501	20,813	21,322	20,913	20,091
Deductions from Tier 1:								
Goodwill & intangible assets in excess of limit	(5,952)	(5,973)	(6,034)	(5,903)	(5,920)	(5,928)	(5,954)	(5,945)
Other Deductions	(1,947)	(1,912)	(1,933)	(1,963)	(2,011)	(1,988)	(1,977)	(1,913)
Net Tier 1 Capital	13,481	13,200	12,627	12,635	12,882	13,406	12,982	12,233
Adjustments to Net Tier 1 Capital	(29)	(129)	(145)	(160)	(160)	(211)	(180)	(169)
Adjusted Net Tier 1 Capital	13,452	13,071	12,482	12,475	12,722	13,195	12,802	12,064
Tier 2 Capital								
Tier 2A	152	145	140	137	259	234	210	215
Tier 2B allowed	584	867	593	586	593	596	596	574
Tier 2C	1,958	1,915	2,215	2,130	2,078	1,916	1,955	1,888
Tier 2 Deductions	(29)	(129)	(145)	(160)	(160)	(211)	(180)	(169)
Net Tier 2 Capital	2,665	2,798	2,803	2,693	2,770	2,535	2,581	2,508
Total Capital Available	16,117	15,869	15,285	15,168	15,492	15,730	15,383	14,572
Capital Required:								
Assets Default & Market Risk	2,740	2,712	2,756	2,657	2,687	2,725	2,731	2,655
Insurance Risks	2,811	2,740	2,774	2,698	2,685	2,666	2,660	2,537
Interest Rate Risks	1,187	1,162	1,213	1,177	1,183	1,204	1,188	1,172
Other	4	4	5	4	4	4	3	6
Total Capital Required	6,742	6,618	6,748	6,536	6,559	6,599	6,582	6,370
MCCSR Ratios:								
Tier 1	200%	198%	185%	191%	194%	200%	194%	189%
Total	239%	240%	227%	232%	236%	238%	234%	229%

Lifeco Capital Structure

(C\$MM)

LIABILITIES	2017 Q1	2016				2015 Q4
		Q4	Q3	Q2	Q1	
Short Term						
Commercial Paper & other short term borrowings	131	133	131	130	129	129
Putnam revolving credit facility	293	295	124	228	280	338
Total Short Term	424	428	255	358	409	467
Capital						
Lifeco						
6.14% Debenture due Mar 21, 2018	200	200	200	200	200	200
6.74% Debenture due Nov 24, 2031	193	193	193	193	192	192
6.67% Debenture due Mar 21, 2033	392	392	392	392	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	706	731	716	736	745
1.75% Euro Bond Debt due December 7, 2026	704	704	-	-	-	-
CLAC						
6.40% Series B Subordinated Debenture due Dec 11, 2028	100	100	100	100	100	100
5.25% ILA Debenture and Swap issued Jan 2007	-	285	297	294	305	311
GWL&A Insurance Capital						
6.625% Deferrable Debenture (LP)	230	231	226	224	224	238
2.538% (plus 3-month LIBOR) Subordinated Debenture (LP II) ⁽¹⁾	399	402	393	390	390	414
Lifeco Finance (Delaware)						
5.691% Subordinated Debenture due June 21, 2067 (LP)	1,000	999	999	998	998	998
7.127% Subordinated Debenture due June 26, 2068 (LP II)	499	499	499	498	498	498
Total Debt and Other Loans	5,688	5,980	5,126	5,204	5,284	5,395
Capital Trust Securities						
CLICS	150	150	150	150	150	150
Acquisition related FMV adjustment	11	11	11	11	11	11
	161	161	161	161	161	161
Trust securities held by consolidated group	(37)	(37)	(37)	(37)	(37)	(37)
Capital Trust Securities (externally held)	124	124	124	124	124	124

EQUITY	2017 Q1	2016				2015 Q4
		Q4	Q3	Q2	Q1	
Non-Controlling Interests						
Non-controlling interest in capital stock & surplus	263	224	195	192	248	195
Undistributed Participating Account Surplus						
Great-West Life	612	610	614	611	610	607
London Life	1,786	1,798	1,726	1,759	1,764	1,780
Canada Life	395	357	274	255	233	222
GWL&A	17	17	16	16	16	17
	2,810	2,782	2,630	2,641	2,623	2,626
Total Non-Controlling Interest	3,073	3,006	2,825	2,833	2,871	2,821
Lifeco						
Series F 5.90% Non-Cumulative Preferreds	194	194	194	194	194	194
Series G 5.20% Non-Cumulative Preferreds	300	300	300	300	300	300
Series H 4.85% Non-Cumulative Preferreds	300	300	300	300	300	300
Series I 4.50% Non-Cumulative Preferreds	300	300	300	300	300	300
Series L 5.65% Non-Cumulative Preferreds	170	170	170	170	170	170
Series M 5.80% Non-Cumulative Preferreds	150	150	150	150	150	150
Series N 2.176% Non-Cumulative Rate Reset Preferreds ⁽²⁾	213	213	213	213	213	213
Series O Non-Cumulative Floating Rate Preferreds ⁽³⁾	37	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	7,254	7,130	7,120	7,156	7,167	7,156
Accumulated & Contributed Surplus	11,787	11,612	11,278	11,066	10,763	10,551
Accumulated Other Comprehensive Income (loss)	744	746	519	632	1,216	2,218
Total Equity Capital	25,372	25,008	24,256	24,201	24,531	25,260

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

	2017	2016				2015			Fiscal 2016
(C\$MM, unless otherwise stated)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	9,365	8,905	8,334	6,871	7,015	6,162	5,891	5,516	31,125
Regular net investment income	1,469	1,507	1,496	1,576	1,673	1,670	1,546	1,519	6,252
Changes in fair value through profit or loss	735	(3,943)	2,307	3,129	2,410	(844)	(82)	(4,037)	3,903
Net investment income	2,204	(2,436)	3,803	4,705	4,083	826	1,464	(2,518)	10,155
Fee and other income	1,305	1,345	1,271	1,231	1,254	1,333	1,241	1,226	5,101
Total Income	12,874	7,814	13,408	12,807	12,352	8,321	8,596	4,224	46,381
Benefits and Expenses									
Paid or credited to policyholders	9,862	4,373	10,589	10,035	9,678	5,532	5,833	1,588	34,675
Commissions	753	853	584	599	566	584	565	554	2,602
Operating expenses	1,233	1,250	1,180	1,161	1,208	1,175	1,132	1,081	4,799
Restructuring and acquisition expenses	37	35	19	5	4	7	7	14	63
Premium taxes	123	112	109	98	92	92	83	80	411
Financing charges	76	75	74	75	78	73	78	75	302
Amortization of finite life intangible assets	45	44	43	44	46	37	36	37	177
Total Benefits and Expenses	12,129	6,742	12,598	12,017	11,672	7,500	7,734	3,429	43,029
Net Earnings before income taxes	745	1,072	810	790	680	821	862	795	3,352
Income Tax - Current	104	115	1	119	54	55	61	31	289
- Deferred	(8)	73	107	(43)	(30)	11	23	55	107
Net Earnings before non-controlling interests	649	884	702	714	656	755	778	709	2,956
Non-controlling interests	27	177	(3)	13	5	41	26	19	192
Net Earnings	622	707	705	701	651	714	752	690	2,764
Perpetual preferred share dividends	31	31	31	30	31	31	32	31	123
Net Earnings - Common Shareholders	591	676	674	671	620	683	720	659	2,641
Earnings per Common Share									
Operating Earnings	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$2.668
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-
Basic Earnings	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$0.688	\$0.724	\$0.661	\$2.668
Diluted Earnings	\$0.597	\$0.685	\$0.681	\$0.674	\$0.623	\$0.686	\$0.722	\$0.659	\$2.663
Average number of shares outstanding (MM) - basic	987.7	986.2	987.7	992.8	993.3	993.2	995.0	997.4	990.0
Average number of shares outstanding (MM) - diluted	989.8	987.9	989.0	994.8	995.1	995.2	997.0	1,000.1	991.7
Effective tax rate	12.9%	18.0%	13.3%	9.6%	3.5%	8.0%	9.7%	10.8%	11.8%

Lifeco Balance Sheets

(C\$MM)

Assets	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Government bonds	49,652	50,869	51,917	51,557	50,596	50,449	44,729	44,500
Corporate bonds	68,189	65,904	65,815	63,245	63,545	64,494	67,530	63,952
Total bonds ⁽¹⁾	117,841	116,773	117,732	114,802	114,141	114,943	112,259	108,452
Mortgage loans	22,027	21,651	21,788	21,573	21,402	22,021	21,704	21,104
Stocks	8,677	8,665	8,847	8,390	7,827	7,873	7,919	7,826
Investment properties	4,421	4,340	4,448	4,377	5,049	5,237	5,224	5,220
Loans to policyholders	8,436	8,467	8,372	8,403	8,321	8,694	8,574	8,221
Cash and cash equivalents	3,042	3,259	3,060	3,068	2,923	2,813	3,713	2,688
Total invested assets	164,444	163,155	164,247	160,613	159,663	161,581	159,393	153,511
Funds withheld by ceding insurers	10,496	10,781	12,558	12,418	12,954	15,512	14,366	14,050
Reinsurance assets	5,579	5,627	5,304	4,936	5,144	5,131	5,572	5,139
Premiums in course of collection, accounts and interest receivable	4,776	4,311	4,313	3,844	3,833	3,553	3,663	3,444
Current income taxes	103	97	113	115	99	69	114	69
Derivative financial instruments	476	528	625	645	602	461	494	466
Owner occupied properties	648	649	633	633	638	653	646	629
Fixed assets	298	304	312	294	296	298	279	255
Other assets	2,384	2,263	2,481	2,460	2,471	2,643	2,636	2,662
Deferred tax assets	1,834	1,845	1,832	1,824	1,770	1,891	1,888	1,735
Goodwill	5,976	5,977	6,022	5,885	5,896	5,913	5,908	5,865
Intangible assets	3,952	3,972	3,887	3,859	3,878	4,036	3,953	3,768
Investments on account of segregated fund policyholders	204,666	200,403	199,162	192,725	193,001	198,194	191,023	184,835
Total assets	405,632	399,912	401,489	390,251	390,245	399,935	389,935	376,428
Liabilities								
Insurance contract liabilities	157,319	155,940	159,609	155,633	155,352	158,492	157,451	152,315
Investment contract liabilities	2,000	2,009	2,091	2,076	2,116	2,253	947	912
	159,319	157,949	161,700	157,709	157,468	160,745	158,398	153,227
Debentures and other debt instruments	5,688	5,980	5,126	5,204	5,284	5,395	5,283	5,265
Funds held under reinsurance contracts	326	320	338	313	324	356	346	328
Other liabilities	8,448	8,446	9,263	8,516	8,006	8,238	8,589	7,602
Deferred tax liabilities	1,652	1,645	1,483	1,422	1,470	1,586	1,600	1,539
Capital trust securities	161	161	161	161	161	161	162	162
Investment and insurance contracts on account of segregated fund policyholders	204,666	200,403	199,162	192,725	193,001	198,194	191,023	184,835
Total liabilities	380,260	374,904	377,233	366,050	365,714	374,675	365,401	352,958
Equity								
Non-controlling interests	3,073	3,006	2,825	2,833	2,871	2,821	2,771	2,747
Share capital								
Perpetual preferred shares	2,514	2,514	2,514	2,514	2,514	2,514	2,514	2,514
Common shares	7,254	7,130	7,120	7,156	7,167	7,156	7,143	7,166
Accumulated surplus	11,674	11,465	11,140	10,941	10,657	10,416	10,054	9,764
Accumulated other comprehensive income (loss)	744	746	519	632	1,216	2,218	1,929	1,170
Contributed surplus	113	147	138	125	106	135	123	109
	25,372	25,008	24,256	24,201	24,531	25,260	24,534	23,470
Total liabilities and equity	405,632	399,912	401,489	390,251	390,245	399,935	389,935	376,428
Proprietary mutual funds and institutional assets	270,121	259,215	256,544	243,688	237,984	252,480	239,050	232,168
Other assets under administration	620,064	589,291	570,475	549,878	558,290	560,102	524,813	539,259
Total assets under administration	1,295,817	1,248,418	1,228,508	1,183,817	1,186,519	1,212,517	1,153,798	1,147,855

1) Includes short-term bonds

Lifeco Supplemental Balance Sheet Information

(C\$MM, unless otherwise stated)

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Bond Portfolio Quality								
Canada								
AAA	10,040	10,495	10,853	10,649	10,631	11,224	10,938	11,482
AA	9,170	8,582	8,619	8,584	8,464	7,317	7,261	7,343
A	16,493	15,840	16,189	15,615	14,973	15,233	15,194	14,856
BBB	6,078	5,844	5,782	6,112	5,983	5,985	5,687	5,254
BB or Lower	85	85	74	103	121	120	127	128
Total	41,866	40,846	41,517	41,063	40,172	39,879	39,207	39,063
U.S.								
AAA	7,430	8,825	5,956	5,680	7,770	8,712	4,705	4,192
AA	4,768	4,672	4,831	4,813	4,599	4,598	4,606	4,234
A	10,470	10,131	10,191	9,767	9,268	9,420	9,374	8,486
BBB	8,835	8,635	8,969	8,499	8,385	8,334	8,246	7,771
BB or Lower	693	700	692	673	714	771	810	695
Total	32,196	32,963	30,639	29,432	30,736	31,835	27,741	25,378
Europe								
AAA	4,525	4,495	4,808	4,709	12,900	12,289	12,206	11,860
AA	16,230	15,465	16,100	15,883	8,149	8,056	8,354	7,374
A	11,602	11,480	10,925	9,977	10,366	10,782	10,642	10,164
BBB	5,694	5,616	6,175	5,951	6,261	6,662	6,438	6,115
BB or Lower	492	507	534	516	563	647	627	597
Total	38,543	37,563	38,542	37,036	38,239	38,436	38,267	36,110
Total Bond Portfolio Quality								
AAA	21,995	23,815	21,617	21,038	31,301	32,225	27,849	27,534
AA	30,168	28,719	29,550	29,280	21,212	19,971	20,221	18,951
A	38,565	37,451	37,305	35,359	34,607	35,435	35,210	33,506
BBB	20,607	20,095	20,926	20,562	20,629	20,981	20,371	19,140
BB or Lower	1,270	1,292	1,300	1,292	1,398	1,538	1,564	1,420
Total ⁽¹⁾	112,605	111,372	110,698	107,531	109,147	110,150	105,215	100,551

1. Excludes short term bonds.

(C\$B)

Bonds unrealized Gain / Loss

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Unrealized Gains	9.3	9.0	13.2	11.7	9.4	7.9	8.6	8.3
Unrealized Losses	(0.6)	(0.9)	(0.2)	(0.4)	(0.5)	(0.8)	(0.6)	(0.7)
Net Gains / Losses	8.7	8.1	13.0	11.3	8.9	7.1	8.0	7.6

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Segregated Fund Net Assets								
Stocks, mutual funds and units in unit trusts	137,311	132,759	129,930	125,104	125,844	130,930	125,023	123,004
Bonds	41,801	41,619	43,908	43,015	42,433	42,160	42,199	39,580
Mortgage loans	2,662	2,622	2,661	2,625	2,615	2,596	2,586	2,510
Investment properties	11,256	11,019	10,763	10,665	10,647	10,839	10,650	9,886
Cash & other	11,636	12,384	11,900	11,316	11,462	11,669	10,565	9,855
Total	204,666	200,403	199,162	192,725	193,001	198,194	191,023	184,835

Mortgage Loan Portfolio

	Insured	Non-Insured	Total
Q1 2017			
Single-family residential	697	1,393	2,090
Multi-family residential	3,088	3,197	6,285
Commercial	256	13,396	13,652
Total Mortgage Loans	4,041	17,986	22,027
Q4 2016			
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
Q3 2016			
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
Q2 2016			
Single-family residential	730	1,284	2,014
Multi-family residential	3,024	3,110	6,134
Commercial	237	13,188	13,425
Total Mortgage Loans	3,991	17,582	21,573
Q1 2016			
Single-family residential	740	1,245	1,985
Multi-family residential	2,918	2,791	5,709
Commercial	240	13,468	13,708
Total Mortgage Loans	3,898	17,504	21,402
Q4 2015			
Single-family residential	755	1,207	1,962
Multi-family residential	2,949	2,872	5,821
Commercial	210	14,028	14,238
Total Mortgage Loans	3,914	18,107	22,021
Q3 2015			
Single-family residential	767	1,163	1,930
Multi-family residential	3,015	2,806	5,821
Commercial	221	13,732	13,953
Total Mortgage Loans	4,003	17,701	21,704
Q2 2015			
Single-family residential	788	1,149	1,937
Multi-family residential	2,882	2,655	5,537
Commercial	230	13,400	13,630
Total Mortgage Loans	3,900	17,204	21,104

Lifeco Impaired Loans and Credit Losses

(C\$MM)

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Gross Impaired Loans								
Fair value through profit or loss ⁽¹⁾	215	231	234	243	256	287	289	280
Available for sale	10	8	10	10	11	12	16	14
Loans & receivables	127	122	74	76	56	50	44	43
Total	352	361	318	329	323	349	349	337
Canada	1	1	1	2	2	3	3	4
US	248	257	238	246	259	289	286	274
Europe	103	103	79	81	62	57	60	59
Total	352	361	318	329	323	349	349	337
Impaired Investment Provisions								
Fair value through profit or loss ⁽¹⁾	(52)	(52)	(58)	(55)	(55)	(68)	(74)	(75)
Available for sale	(2)	(2)	-	-	1	1	-	(1)
Loans & receivables	47	43	31	32	24	20	19	19
Total	(7)	(11)	(27)	(23)	(30)	(47)	(55)	(57)
Canada	-	-	-	-	-	-	-	(1)
US	(43)	(44)	(55)	(52)	(51)	(61)	(68)	(68)
Europe	36	33	28	29	21	14	13	12
Total	(7)	(11)	(27)	(23)	(30)	(47)	(55)	(57)
Carrying Amount	359	372	345	352	353	396	404	394
Provisions for Future Credit								
Losses in Insurance Contract Liabilities	2,986	2,946	3,430	3,367	3,462	3,558	3,362	3,317

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

Lifeco Cash Flow Statements

(C\$MM)	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Operations									
Net earnings before income taxes	745	1,072	810	790	680	821	862	795	3,352
Income taxes paid, net of refunds received	(90)	(65)	(16)	(84)	(58)	(66)	(30)	(177)	(223)
Adjustments:									
Change in insurance and investment contract liabilities	1,652	(3,231)	3,184	3,967	3,208	(538)	179	(3,580)	7,128
Change in funds held by ceding insurers	225	24	186	35	260	32	310	207	505
Change in funds held under reinsurance contracts	4	(14)	27	10	(5)	191	(73)	2	18
Change in reinsurance assets	46	(468)	(47)	79	(131)	294	(51)	113	(567)
Changes in fair value through profit or loss	(735)	3,943	(2,307)	(3,129)	(2,410)	844	82	4,037	(3,903)
Other	(370)	128	(115)	109	(178)	(515)	285	(5)	(56)
	1,477	1,389	1,722	1,777	1,366	1,063	1,564	1,392	6,254
Financing Activities									
Issue of common shares	110	10	1	5	15	16	4	22	31
Purchased and cancelled common shares	-	-	(170)	(76)	(21)	(12)	(133)	(50)	(267)
Issue of euro-denominated debt	-	706	-	-	-	-	-	-	706
Increase (decrease) in line of credit of subsidiary	-	166	(104)	(52)	(41)	161	(130)	(118)	(31)
Increase (decrease) in debentures and other debt instruments	(284)	(1)	-	1	8	(4)	(3)	11	8
Dividends paid on common shares	(363)	(340)	(342)	(344)	(343)	(324)	(324)	(325)	(1,369)
Dividends paid on preferred shares	(31)	(31)	(31)	(30)	(31)	(31)	(32)	(31)	(123)
Cash flow from financing activities	(568)	510	(646)	(496)	(413)	(194)	(618)	(491)	(1,045)
Investment Activities									
Bond sales and maturities	7,826	8,069	5,004	9,266	7,610	6,685	6,001	6,559	29,949
Mortgage loan repayments	563	633	691	630	662	947	699	699	2,616
Stock sales	753	781	304	507	1,125	684	398	459	2,717
Investment property sales	-	54	-	373	-	7	195	-	427
Changes in loans to policyholders	(13)	36	75	(82)	19	56	56	(113)	48
Business acquisitions, net of cash and equivalents acquired	-	-	(33)	-	-	-	(4)	-	(33)
Investment in bonds	(8,617)	(10,334)	(5,826)	(9,712)	(8,314)	(8,456)	(5,738)	(7,884)	(34,186)
Investment in mortgage loans	(961)	(485)	(893)	(1,134)	(752)	(1,064)	(808)	(537)	(3,264)
Investment in stocks	(576)	(432)	(417)	(904)	(984)	(647)	(859)	(557)	(2,737)
Investment in investment properties	(33)	(11)	(7)	(10)	(74)	(14)	(18)	(66)	(102)
Cash flow from investment activities	(1,058)	(1,689)	(1,102)	(1,066)	(708)	(1,802)	(78)	(1,440)	(4,565)
Effect of changes in exchange rates on cash & cash equivalents	(8)	(11)	18	(70)	(135)	33	157	18	(198)
Increase (decrease) in cash and cash equivalents	(217)	199	(8)	145	110	(900)	1,025	(509)	446
Cash and cash equivalents, beginning of period	3,259	3,060	3,068	2,923	2,813	3,713	2,688	3,197	2,813
Cash and cash equivalents, end of period	3,042	3,259	3,060	3,068	2,923	2,813	3,713	2,688	3,259

Statements of Accumulated and Contributed Surplus

Lifeco Accumulated & Contributed Surplus

(C\$MM)	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Balance, beginning of year	11,612	10,551	10,551	10,551	10,551	9,245	9,245	9,245
Net earnings - YTD	622	2,764	2,057	1,352	651	2,888	2,174	1,422
Stock option expense	21	72	49	35	16	9	(3)	(17)
Share issue / redemption costs	-	(210)	(210)	-	-	-	-	-
Dividends to shareholders								
Preferred shareholders	(31)	(123)	(92)	(61)	(31)	(126)	(95)	(63)
Common shareholders	(363)	(1,369)	(1,029)	(687)	(343)	(1,298)	(974)	(650)
Other	(74)	(73)	(48)	(124)	(81)	(167)	(170)	(64)
Balance, end of period	11,787	11,612	11,278	11,066	10,763	10,551	10,177	9,873

Lifeco Surplus - Participating Account

(C\$MM)	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Balance, beginning of period	2,782	2,626	2,626	2,626	2,626	2,495	2,495	2,495
Net earnings before policyholder dividend - YTD	381	1,467	960	649	325	1,374	1,070	711
Participating policyholder dividend	(354)	(1,277)	(947)	(631)	(320)	(1,260)	(993)	(658)
Other	1	(34)	(9)	(3)	(8)	17	12	14
Balance, end of period	2,810	2,782	2,630	2,641	2,623	2,626	2,584	2,562
By Company:								
Great-West Life	612	610	614	611	610	607	599	594
London Life	1,786	1,798	1,726	1,759	1,764	1,780	1,761	1,762
Canada Life	395	357	274	255	233	222	207	190
GWL&A	17	17	16	16	16	17	17	16
	2,810	2,782	2,630	2,641	2,623	2,626	2,584	2,562

Reconciliation of Accumulated Other Comprehensive Income

Comprehensive Income									
	2017	2016				2015			Fiscal
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Net Earnings	622	707	705	701	651	714	753	690	2,764
Other comprehensive income (loss)									
net of income taxes									
Unrealized foreign exchange gains (losses) on translation of foreign operations	(22)	(73)	80	(508)	(984)	291	888	146	(1,485)
Unrealized foreign exchange gains (losses) on euro debt designated as hedge of net investment in foreign operations	-	23	(13)	17	9	-	(47)	(14)	36
Unrealized gains (losses) on available for sale assets (after-tax)	24	(123)	28	103	97	(34)	30	(111)	105
Realized gains on available-for-sale assets (after-tax)	(6)	(7)	(19)	(15)	(27)	(3)	(6)	(17)	(68)
Unrealized gains (losses) on cash flow hedges (after-tax)	15	25	(4)	(13)	59	(17)	(73)	18	67
Realized gains on cash flow hedges (after-tax)	-	-	-	-	1	-	-	-	1
Non-controlling interests (after-tax)	(4)	45	-	(16)	9	(49)	1	25	38
Total Items that may be reclassified	7	(110)	72	(432)	(836)	188	793	47	(1,306)
Items that will not be reclassified to Consolidated Statement of Earnings									
Re-measurements on defined benefit pension and other post-employment benefit plans (after-tax)	(26)	362	(190)	(163)	(180)	97	(35)	248	(171)
Non-controlling interests (after-tax)	4	(25)	5	11	14	4	1	(14)	5
	(22)	337	(185)	(152)	(166)	101	(34)	234	(166)
Total other comprehensive income (loss)	(15)	227	(113)	(584)	(1,002)	289	759	281	(1,472)
Comprehensive income	607	934	592	117	(351)	1,003	1,512	971	1,292

Accumulated Other Comprehensive Income (loss), Net of Income Taxes								
(C\$MM)	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Balance, beginning of year	746	2,218	2,218	2,218	2,218	378	378	378
Other comprehensive income	(2)	(1,472)	(1,699)	(1,586)	(1,002)	1,840	1,551	792
Balance, end of period	<u>744</u>	<u>746</u>	<u>519</u>	<u>632</u>	<u>1,216</u>	<u>2,218</u>	<u>1,929</u>	<u>1,170</u>

Lifeco Sales (New Annualized Premium)

(C\$MM)	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
New Annualized Premium									
Canada									
Individual Customer	2,860	2,648	1,984	2,062	2,392	2,548	2,112	2,230	9,086
Group Customer	803	1,223	1,133	615	876	944	832	786	3,847
Total Canada	3,663	3,871	3,117	2,677	3,268	3,492	2,944	3,016	12,933
U.S.									
Financial Services	10,392	7,265	11,670	6,042	27,770	20,761	15,589	9,624	52,747
Asset Management	13,960	11,119	11,341	10,623	12,388	10,869	10,242	8,507	45,471
Total U.S.	24,352	18,384	23,011	16,665	40,158	31,630	25,831	18,131	98,218
Europe									
Insurance & Annuities	4,416	4,410	4,645	5,550	4,574	3,917	7,716	3,396	19,179
Total New Annualized Premium	32,431	26,665	30,773	24,892	48,000	39,039	36,491	24,543	130,330

Lifeco Premiums & Deposits

(C\$MM)	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Premiums & Deposits									
Canada									
Individual Customer	2,932	2,769	2,386	2,375	2,510	2,507	2,358	2,442	10,040
Group Customer	4,027	3,912	3,668	3,515	3,526	3,603	3,314	3,427	14,621
Total Canada	6,959	6,681	6,054	5,890	6,036	6,110	5,672	5,869	24,661
U.S.									
Financial Services	3,598	3,525	3,575	3,327	3,729	5,087	3,477	2,504	14,156
Asset Management	13,960	11,119	11,341	10,623	12,388	10,869	10,242	8,507	45,471
Total U.S.	17,558	14,644	14,916	13,950	16,117	15,956	13,719	11,011	59,627
Europe									
Insurance & Annuities	5,155	4,984	5,325	6,293	5,674	4,497	8,354	4,116	22,276
Reinsurance	3,877	3,730	2,967	2,038	2,167	1,559	1,487	1,077	10,902
Total Europe	9,032	8,714	8,292	8,331	7,841	6,056	9,841	5,193	33,178
Total Revenue Premium	33,549	30,039	29,262	28,171	29,994	28,122	29,232	22,073	117,466
Summary									
Risk-based premiums	9,365	8,905	8,334	6,871	7,015	6,162	5,891	5,516	31,125
ASO premiums	716	691	655	707	698	665	639	659	2,751
Segregated fund deposits									
Individual	3,897	3,399	3,211	3,213	3,689	3,814	3,157	3,031	13,512
Group	2,185	1,875	1,875	1,858	2,238	2,001	2,738	1,835	7,846
Proprietary mutual funds & institutional deposits	17,386	15,169	15,187	15,522	16,354	15,480	16,807	11,032	62,232
	33,549	30,039	29,262	28,171	29,994	28,122	29,232	22,073	117,466

Lifeco Fee and Other Income

	2017	2016				2015			Fiscal
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Fee and Other Income									
Canada									
Segregated funds	262	268	265	256	241	251	251	248	1,030
ASO contracts	44	41	39	42	43	41	38	39	165
Other	81	77	73	71	78	77	77	79	299
Total Canada	387	386	377	369	362	369	366	366	1,494
U.S.									
Segregated funds	15	16	16	15	16	17	17	17	63
Asset Management	228	236	231	232	250	288	285	280	949
Other	351	367	319	308	305	332	289	280	1,299
Total U.S.	594	619	566	555	571	637	591	577	2,311
Europe									
Segregated funds & Other	324	340	328	307	321	327	284	283	1,296
Total Europe	324	340	328	307	321	327	284	283	1,296
Total Fee and Other Income	1,305	1,345	1,271	1,231	1,254	1,333	1,241	1,226	5,101

Lifeco Expense Summary

(C\$MM)	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Operating Expenses									
Canada	397	398	362	366	382	370	352	345	1,508
U.S.	593	593	584	569	603	580	562	532	2,349
Europe	234	250	230	220	219	221	215	199	919
Lifeco Corporate	9	9	4	6	4	4	3	5	23
Total Operating Expenses	1,233	1,250	1,180	1,161	1,208	1,175	1,132	1,081	4,799
Investment Expenses	31	27	26	27	27	30	28	25	107
Total Operating & Investment Expenses	1,264	1,277	1,206	1,188	1,235	1,205	1,160	1,106	4,906

Canada



Lifeco Canada Net Earnings – Consolidated

(C\$MM)	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	3,295	3,597	3,117	2,896	2,861	3,023	2,774	2,839	12,471
Regular net investment income	613	636	631	665	736	654	599	630	2,668
Changes in fair value through profit or loss	375	(1,364)	579	940	537	(7)	(546)	(1,181)	692
Net investment income	988	(728)	1,210	1,605	1,273	647	53	(551)	3,360
Fee and other income	387	386	377	369	362	369	366	366	1,494
Total Income	4,670	3,255	4,704	4,870	4,496	4,039	3,193	2,654	17,325
Benefits and Expenses									
Paid or credited to policyholders	3,245	1,444	3,485	3,632	3,301	2,799	1,967	1,460	11,862
Commissions	539	624	392	382	356	371	359	358	1,754
General expenses	397	398	362	366	382	370	352	345	1,508
Other	139	134	132	128	124	123	118	116	518
Total Benefits and Expenses	4,320	2,600	4,371	4,508	4,163	3,663	2,796	2,279	15,642
Net Earnings before income taxes	350	655	333	362	333	376	397	375	1,683
Income tax	65	149	45	23	51	70	45	47	268
Net Earnings before non-controlling interests	285	506	288	339	282	306	352	328	1,415
Non-controlling interests	29	178	(3)	11	5	40	22	16	191
Net Earnings	256	328	291	328	277	266	330	312	1,224
Preferred share dividends	26	26	26	26	26	25	26	26	104
Net Earnings before Capital Allocation	230	302	265	302	251	241	304	286	1,120
Capital Allocation	25	24	24	25	25	21	22	22	98
Net Earnings - Common Shareholders	255	326	289	327	276	262	326	308	1,218
Common Shareholder Net Earnings (loss)									
Individual Customer	146	179	136	147	155	131	189	170	617
Group Customer	104	154	143	162	105	113	171	136	564
Corporate	5	(7)	10	18	16	18	(34)	2	37
Total	255	326	289	327	276	262	326	308	1,218

Lifeco Canada – Individual Customer

		2017					2016			2015			Fiscal
		Q1					Q4			Q3			2016
		(C\$MM)											
Income													
	Premium income	392	379	366	344	398	376	372	365				1,487
	Net investment income	311	(918)	403	755	483	194	(94)	(590)				723
	Fee Income	225	225	221	215	209	215	208	209				870
	Total Income	928	(314)	990	1,314	1,090	785	486	(16)				3,080
Benefits and Expenses													
	Paid or credited to policyholders and beneficiaries	480	(772)	591	894	661	379	33	(447)				1,374
	Commissions	151	145	128	128	127	128	116	130				528
	General expenses	89	79	91	92	94	92	87	87				356
	Other	15	16	14	14	16	14	13	12				60
	Total Benefits and Expenses	735	(532)	824	1,128	898	613	249	(218)				2,318
Net Earnings before income taxes		193	218	166	186	192	172	237	202				762
	Income tax	43	38	29	38	36	37	44	28				141
Net Earnings before Capital Allocation		150	180	137	148	156	135	193	174				621
	Capital Allocation	(4)	(1)	(1)	(1)	(1)	(4)	(4)	(4)				(4)
Net Earnings - Common Shareholders		146	179	136	147	155	131	189	170				617
Sales	Participating	227	286	122	115	91	101	106	100				614
	Universal Life	24	29	16	14	12	12	11	13				71
	Term/Permanent	16	15	16	15	14	14	14	15				60
	Third party	-	1	-	2	-	-	2	2				3
	Total Individual Life	267	331	154	146	117	127	133	130				748
	Critical Illness	4	6	6	5	4	5	5	4				21
	Disability	4	4	4	4	4	5	4	4				16
	Total Living Benefits	8	10	10	9	8	10	9	8				37
	Total Individual Insurance	275	341	164	155	125	137	142	138				785
	Risk-based	143	146	119	121	193	161	137	133				579
	Segregated funds	1,535	1,426	1,124	1,138	1,330	1,497	1,190	1,284				5,018
	Proprietary mutual funds	388	326	259	270	289	320	311	312				1,144
	Third party	519	409	318	378	455	433	332	363				1,560
	Total Individual Wealth	2,585	2,307	1,820	1,907	2,267	2,411	1,970	2,092				8,301
	Total Individual Customer Sales	2,860	2,648	1,984	2,062	2,392	2,548	2,112	2,230				9,086
Revenue Premium	Risk Based Premiums												
	Participating	1,117	1,219	971	988	912	985	902	902				4,090
	Individual Life	250	239	243	222	241	236	236	230				945
	Living Benefits	85	85	84	84	83	83	82	84				336
	Total Individual Insurance	1,452	1,543	1,298	1,294	1,236	1,304	1,220	1,216				5,371
	Risk-based revenue premiums	58	55	39	38	74	57	54	51				206
	Segregated funds deposits	1,094	908	819	820	959	893	842	913				3,506
	Proprietary mutual fund deposits	328	263	230	223	241	253	242	262				957
	Total Individual Wealth	1,480	1,226	1,088	1,081	1,274	1,203	1,138	1,226				4,669
	Total Individual Customer Revenue Premium	2,932	2,769	2,386	2,375	2,510	2,507	2,358	2,442				10,040

Lifeco Canada – Group Customer

		2017	2016				2015			Fiscal
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
(C\$MM)										
Income										
Premium income		1,786	1,999	1,780	1,564	1,551	1,662	1,500	1,572	6,894
Net investment income		155	5	176	235	209	156	101	17	625
Fee and other income		149	147	144	142	141	142	140	143	574
Total Income		2,090	2,151	2,100	1,941	1,901	1,960	1,741	1,732	8,093
Benefits and Expenses										
Paid or credited to										
policyholders and beneficiaries		1,583	1,602	1,583	1,437	1,415	1,481	1,281	1,258	6,037
Commissions		89	87	85	85	85	85	77	78	342
General expenses		215	196	189	192	208	193	182	182	785
Other		59	56	57	56	52	50	49	50	221
Total Benefits and Expenses		1,946	1,941	1,914	1,770	1,760	1,809	1,589	1,568	7,385
Net Earnings before income taxes		144	210	186	171	141	151	152	164	708
Income tax		37	55	42	9	36	36	(21)	27	142
Net Earnings before Capital Allocation		107	155	144	162	105	115	173	137	566
Capital Allocation		(3)	(1)	(1)	-	-	(2)	(2)	(1)	(2)
Net Earnings - Common Shareholders		104	154	143	162	105	113	171	136	564
Sales	Small/mid-size case	71	86	73	76	69	91	60	69	304
	Large case	60	67	14	24	196	33	148	37	301
	Creditor/Direct marketing	3	27	3	19	18	11	43	15	67
	Total Group Insurance	134	180	90	119	283	135	251	121	672
	Risk-based	127	520	341	81	75	245	122	210	1,017
	Segregated funds	542	523	702	415	387	564	459	455	2,027
	Third party	-	-	-	-	131	-	-	-	131
Total Group Wealth		669	1,043	1,043	496	593	809	581	665	3,175
Total Group Customer Sales		803	1,223	1,133	615	876	944	832	786	3,847
Revenue Premium	Small/mid-size case - Insured	671	673	675	672	662	652	646	649	2,682
	Large case -Insured	844	690	668	679	672	642	619	591	2,709
	ASO	716	691	655	707	698	665	639	659	2,751
	Creditor/Direct marketing	43	43	42	42	42	43	44	41	169
	Total Group Insurance	2,274	2,097	2,040	2,100	2,074	2,002	1,948	1,940	8,311
	Risk-based revenue premiums	227	593	395	171	175	325	191	291	1,334
	Segregated funds deposits	1,526	1,222	1,233	1,244	1,277	1,276	1,175	1,196	4,976
Total Group Wealth		1,753	1,815	1,628	1,415	1,452	1,601	1,366	1,487	6,310
Total Group Customer Revenue Premium		4,027	3,912	3,668	3,515	3,526	3,603	3,314	3,427	14,621

Canada Wealth – Assets under Administration

(C\$MM)	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Assets Under Administration								
Individual Customer								
Risk-based products	5,471	5,527	5,717	5,742	5,753	5,739	5,844	5,999
Segregated funds	32,488	31,931	31,433	30,416	29,906	29,836	29,333	30,183
Proprietary mutual funds	5,774	5,530	5,340	5,110	4,979	4,917	4,779	4,907
Group Customer								
Risk-based products	7,555	7,595	7,328	7,208	7,167	7,161	7,063	7,037
Segregated funds	44,370	42,978	42,236	41,547	40,564	40,433	39,301	40,695
Institutional Assets	389	322	285	268	259	122	117	121
Total assets under management	96,047	93,883	92,339	90,291	88,628	88,208	86,437	88,942
Other assets under administration ⁽¹⁾								
Individual Customer	7,603	7,240	7,165	6,936	6,726	6,620	6,383	6,555
Group Customer	557	538	495	513	548	526	488	551
Total	8,160	7,778	7,660	7,449	7,274	7,146	6,871	7,106
Summary by Business/Product								
Individual Customer	51,336	50,228	49,655	48,204	47,364	47,112	46,339	47,644
Group Customer	52,871	51,433	50,344	49,536	48,538	48,242	46,969	48,404
Total assets under administration	104,207	101,661	99,999	97,740	95,902	95,354	93,308	96,048

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 – Participating Account ⁽¹⁾

	2017	2016				2015			Fiscal 2016
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	1,117	1,219	971	988	912	985	902	902	4,090
Net investment income	501	166	604	579	548	264	22	8	1,897
Total Income	1,618	1,385	1,575	1,567	1,460	1,249	924	910	5,987
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	1,176	609	1,306	1,296	1,220	934	648	644	4,431
Commissions	299	392	179	169	144	158	166	150	884
General expenses	86	113	78	75	76	84	75	72	342
Other	30	31	27	27	24	25	24	22	109
Total Benefits and Expenses	1,591	1,145	1,590	1,567	1,464	1,201	913	888	5,766
Net Earnings (loss) before income taxes	27	240	(15)	-	(4)	48	11	22	221
Income tax	(2)	62	(12)	(11)	(9)	8	(11)	6	30
Net Earnings (loss) before non-controlling interests	29	178	(3)	11	5	40	22	16	191
Non-controlling interests	29	178	(3)	11	5	40	22	16	191
Net Earnings	-	-	-	-	-	-	-	-	-
Sales (New annualized premiums)	227	286	122	115	91	101	106	100	614
Risk-based revenue premiums	1,117	1,219	971	988	912	985	902	902	4,090

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

	2017	2016				2015			Fiscal 2016
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Net investment income	21	19	27	36	33	33	24	14	115
Fee and other income	13	14	12	12	12	12	18	14	50
Total Income	34	33	39	48	45	45	42	28	165
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	6	5	5	5	5	5	5	5	20
General Expenses	7	10	4	7	4	1	8	4	25
Other	35	31	34	31	32	34	32	32	128
Total Benefits and Expenses	48	46	43	43	41	40	45	41	173
Net Earnings (loss) before income taxes	(14)	(13)	(4)	5	4	5	(3)	(13)	(8)
Income tax	(13)	(6)	(14)	(13)	(12)	(11)	33	(14)	(45)
Net Earnings (loss) before non-controlling interests	(1)	(7)	10	18	16	16	(36)	1	37
Non-controlling interests	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	(1)	(7)	10	18	16	16	(36)	1	37
Preferred share dividends	26	26	26	26	26	25	26	26	104
Net Earnings (loss) before Capital Allocation	(27)	(33)	(16)	(8)	(10)	(9)	(62)	(25)	(67)
Capital Allocation	32	26	26	26	26	27	28	27	104
Net Earnings (loss) - Common Shareholders	5	(7)	10	18	16	18	(34)	2	37

Lifeco Canada – Balance Sheets

(C\$MM)

	2017	2016					2015		
	Q1	Q4	Q3	Q2	Q1		Q4	Q3	Q2
Assets									
Cash and cash equivalents	535	615	480	550	522		578	451	431
Bonds	45,288	44,718	44,825	44,531	43,440		43,120	42,293	42,203
Mortgage loans	12,900	12,892	13,072	12,997	12,783		12,691	12,625	12,445
Stocks	8,056	7,903	7,943	7,530	6,990		6,971	7,081	6,948
Investment properties	1,633	1,574	1,551	1,538	1,857		1,788	1,755	1,728
Loans to policyholders	2,627	2,609	2,597	2,593	2,567		2,553	2,533	2,517
Total invested assets	71,039	70,311	70,468	69,739	68,159		67,701	66,738	66,272
Reinsurance assets	434	480	436	397	481		375	778	754
Derivative financial instruments	162	165	240	234	249		110	121	130
Owner occupied properties	389	390	380	381	383		384	383	384
Fixed assets	156	158	163	149	148		147	137	129
Other assets	1,942	1,792	1,760	1,691	1,627		1,569	1,763	1,632
Total other assets	2,649	2,505	2,543	2,455	2,407		2,210	2,404	2,275
Deferred tax assets	194	186	236	228	215		208	257	237
Goodwill	3,787	3,787	3,787	3,787	3,787		3,787	3,787	3,787
Intangible assets	1,341	1,346	1,345	1,344	1,341		1,345	1,335	1,332
Investments on account of segregated fund policyholders	76,858	74,909	73,669	71,963	70,470		70,269	68,634	70,878
Total assets	156,302	153,524	152,484	149,913	146,860		145,895	143,933	145,535
Liabilities									
Insurance contract liabilities	63,660	62,800	63,608	62,362	61,043		59,849	59,712	59,805
Investment contract liabilities	343	344	344	351	357		385	397	402
Debt securities and other debt instruments	64,003	63,144	63,952	62,713	61,400		60,234	60,109	60,207
Funds held under reinsurance contracts	2,149	2,148	1,726	1,726	1,725		1,725	1,724	1,724
Other liabilities	37	34	33	30	30		28	26	27
Deferred tax liabilities	4,000	4,034	3,951	4,121	3,829		4,112	4,071	3,382
Capital trust securities and debentures	625	649	576	583	653		677	682	680
Investment and insurance contracts on account of segregated fund policyholders	161	161	161	161	161		161	162	162
Total liabilities	147,833	145,079	144,068	141,297	138,268		137,206	135,408	137,060
Equity									
Non-controlling interests	2,788	2,758	2,604	2,614	2,598		2,600	2,555	2,538
Share capital									
Perpetual preferred shares	1,964	1,964	1,964	1,964	1,964		1,964	1,964	1,964
Common shares	7,254	7,130	7,120	7,156	7,167		7,156	7,143	7,166
Accumulated surplus	(2,973)	(2,897)	(2,585)	(2,488)	(2,549)		(2,505)	(2,637)	(2,740)
Accumulated other comprehensive income (loss)	(397)	(352)	(528)	(469)	(425)		(362)	(336)	(286)
Contributed surplus	(167)	(158)	(159)	(161)	(163)		(164)	(164)	(167)
Total liabilities and equity	156,302	153,524	152,484	149,913	146,860		145,895	143,933	145,535
Proprietary mutual funds and institutional net assets	6,163	5,852	5,625	5,378	5,238		5,039	4,896	5,028
Other assets under administration	16,011	15,911	15,815	15,537	15,231		15,390	14,955	15,123
Total assets under administration	178,476	175,287	173,924	170,828	167,329		166,324	163,784	165,686

Lifeco United States



Lifeco U.S. Net Earnings – Consolidated

	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
<i>(C\$MM, unless otherwise stated)</i>									
Income									
Premium income	1,229	1,164	1,493	1,267	1,380	1,148	1,076	905	5,304
Regular net investment income	455	440	427	420	454	471	420	390	1,741
Changes in fair value through profit or loss	102	(1,008)	93	526	481	(320)	122	(566)	92
Net investment income	557	(568)	520	946	935	151	542	(176)	1,833
Fee and other income	594	619	566	555	571	637	591	577	2,311
Total Income	2,380	1,215	2,579	2,768	2,886	1,936	2,209	1,306	9,448
Benefits and Expenses									
Paid or credited to policyholders	1,552	387	1,776	1,996	2,112	1,084	1,390	543	6,271
Commissions	80	84	59	68	72	83	73	73	283
General expenses	593	593	584	569	603	580	562	532	2,349
Restructuring and acquisition expenses	17	35	4	4	3	4	4	3	46
Other	68	69	66	63	70	65	59	62	268
Total Benefits and Expenses	2,310	1,168	2,489	2,700	2,860	1,816	2,088	1,213	9,217
Net Earnings before income taxes	70	47	90	68	26	120	121	93	231
Income tax	11	(9)	10	12	(40)	(8)	19	22	(27)
Net Earnings before non-controlling interests	59	56	80	56	66	128	102	71	258
Non-controlling interests	(1)	-	-	1	1	2	4	2	2
Net Earnings	60	56	80	55	65	126	98	69	256
Preferred share dividends	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	60	56	80	55	65	126	98	69	256
Capital Allocation	(4)	(1)	(2)	(2)	(2)	(1)	(2)	(2)	(7)
Net Earnings - Common Shareholders	56	55	78	53	63	125	96	67	249
Common Shareholder Net Earnings (loss)									
Financial Services	72	78	84	71	88	84	104	70	321
Asset Management	(16)	(23)	(6)	(18)	(25)	41	(8)	(3)	(72)
Total	56	55	78	53	63	125	96	67	249
Common Shareholder Net Earnings (US \$)	42	41	60	40	47	92	73	55	188

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

		2017	2016				2015			Fiscal
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
(C\$MM, unless otherwise stated)										
Income										
Premium income		1,201	1,143	1,472	1,249	1,350	1,125	1,052	885	5,214
Net investment income		518	(526)	490	888	886	141	520	(160)	1,738
Fee and other income		366	383	335	323	321	349	306	297	1,362
Total Income		2,085	1,000	2,297	2,460	2,557	1,615	1,878	1,022	8,314
Benefits and Expenses										
Paid or credited to										
policyholders and beneficiaries		1,495	404	1,727	1,922	2,022	1,053	1,332	534	6,075
Commissions		72	75	69	59	59	68	57	58	262
General expenses		355	364	348	331	340	327	314	287	1,383
Restructuring and acquisition expenses		17	2	4	4	3	4	4	3	13
Other		31	34	32	30	34	32	26	28	130
Total Benefits and Expenses		1,970	879	2,180	2,346	2,458	1,484	1,733	910	7,863
Net Earnings before income taxes		115	121	117	114	99	131	145	112	451
Income tax		36	37	27	36	5	42	35	36	105
Net Income before non-controlling interests		79	84	90	78	94	89	110	76	346
Non-controlling interests		-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		79	84	90	78	94	89	110	76	346
Capital Allocation		(7)	(6)	(6)	(7)	(6)	(5)	(6)	(6)	(25)
Net Earnings - Common Shareholders		72	78	84	71	88	84	104	70	321
Net Earnings - Common Shareholders (US \$)		54	58	65	54	65	61	79	57	242
Sales	Individual Markets	466	467	739	317	330	456	236	323	1,853
	Empower Retirement	9,926	6,798	10,931	5,725	27,440	20,305	15,353	9,301	50,894
	Total Sales	10,392	7,265	11,670	6,042	27,770	20,761	15,589	9,624	52,747
	Total Sales (US \$)	7,873	5,462	8,908	4,684	20,270	15,493	11,900	7,825	39,324
Revenue Premium	Risk-based premiums	1,201	1,143	1,472	1,249	1,350	1,125	1,052	885	5,214
	Segregated fund deposits									
	Individual	230	263	196	123	154	212	113	123	736
	Group	659	653	642	614	961	725	1,563	639	2,870
	Proprietary Mutual Funds	1,480	1,445	1,244	1,323	1,234	3,002	725	837	5,246
	Total Revenue by Type⁽¹⁾	3,570	3,504	3,554	3,309	3,699	5,064	3,453	2,484	14,066
	Individual Markets	738	653	667	442	575	592	438	452	2,337
	Empower Retirement	2,832	2,851	2,887	2,867	3,124	4,472	3,015	2,032	11,729
	Total Revenue by Business Line⁽¹⁾	3,570	3,504	3,554	3,309	3,699	5,064	3,453	2,484	14,066
	Total Revenue Premium (US \$)	2,705	2,634	2,713	2,565	2,700	3,778	2,637	2,019	10,612

1. Excludes participating policy revenue premiums.

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

		2017	2016			2015			Fiscal 2016
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
(C\$MM, unless otherwise stated)									
Income									
Premium income		508	390	470	317	419	376	320	323
Net investment income		318	(313)	313	605	579	104	328	(128)
Fee and other income		34	31	30	30	30	25	24	26
Total Income		860	108	813	952	1,028	505	672	221
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries		710	(60)	654	817	889	379	526	93
Commissions		29	33	26	22	21	27	18	19
General expenses		32	33	31	28	26	25	20	20
Other		8	10	10	5	7	8	4	6
Total Benefits and Expenses		779	16	721	872	943	439	568	138
Net Earnings before income taxes		81	92	92	80	85	66	104	83
Income tax		27	28	31	26	26	21	24	28
Net Income before non-controlling interests		54	64	61	54	59	45	80	55
Non-controlling interests		-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		54	64	61	54	59	45	80	55
Capital Allocation		(5)	(6)	(6)	(7)	(6)	(5)	(6)	(6)
Net Earnings - Common Shareholders		49	58	55	47	53	40	74	49
Net Earnings - Common Shareholders (US \$)		37	44	42	36	39	29	57	39
Sales									
Individual Annuity		173	173	123	95	88	83	89	90
Executive Benefits		202	184	494	97	131	272	70	158
Individual Life		91	110	122	125	111	101	77	75
		466	467	739	317	330	456	236	323
Sales (US \$)		353	351	564	246	241	340	180	263
Revenue Premium									
Risk-based premiums		508	390	470	317	419	376	320	323
Segregated fund deposits		230	263	196	123	154	212	113	123
Proprietary Mutual Funds		-	-	1	2	2	4	5	6
Total Revenue by Type ⁽¹⁾		738	653	667	442	575	592	438	452
Total Revenue (US \$)		559	490	510	343	420	441	335	366

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	693	753	1,002	932	931	749	732	562	3,618
Net investment income	191	(222)	169	273	296	26	181	(41)	516
Fee and other income	326	352	305	293	291	324	282	271	1,241
Total Income	1,210	883	1,476	1,498	1,518	1,099	1,195	792	5,375
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	785	464	1,073	1,104	1,133	674	806	441	3,774
Commissions	43	42	43	38	39	41	39	39	162
General expenses	311	332	312	302	314	303	289	263	1,260
Other	14	11	12	12	12	11	10	11	47
Total Benefits and Expenses	1,153	849	1,440	1,456	1,498	1,029	1,144	754	5,243
Net Earnings before income taxes	57	34	36	42	20	70	51	38	132
Income tax	19	13	3	14	(16)	26	16	14	14
Net Income before non-controlling interests	38	21	33	28	36	44	35	24	118
Non-controlling interests	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	38	21	33	28	36	44	35	24	118
Capital Allocation	(6)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(16)
Net Earnings - Common Shareholders	32	17	29	24	32	40	31	20	102
Net Earnings - Common Shareholders (US \$)	24	12	22	18	24	29	23	16	76

Sales

Sales									
Empower Retirement	9,926	6,798	10,931	5,725	27,440	20,305	15,353	9,301	50,894
Sales (US \$)	7,520	5,111	8,344	4,438	20,029	15,153	11,720	7,562	37,922

Revenue Premium

Revenue Premium (by Type) ⁽¹⁾									
Risk-based premiums	693	753	1,002	932	931	749	732	562	3,618
Segregated fund deposits	659	653	642	614	961	725	1,563	639	2,870
Proprietary Mutual Funds	1,480	1,445	1,243	1,321	1,232	2,998	720	831	5,241
Total Revenue Premium (by Type)	2,832	2,851	2,887	2,867	3,124	4,472	3,015	2,032	11,729
Total Revenue Premium (US \$)	2,146	2,144	2,203	2,222	2,280	3,337	2,302	1,653	8,849

1. Excludes participating policy revenue premiums.

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

	2017	2016				2015			Fiscal 2016
(C\$MM, unless otherwise stated)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Net investment income	9	9	8	9	11	11	10	10	37
Fee Income	6	-	-	-	-	-	-	-	-
Total Income	15	9	8	9	11	11	10	10	37
Benefits and Expenses									
General expenses	12	(1)	5	1	-	(1)	5	4	5
Restructuring and acquisition expenses	17	2	4	4	3	4	4	3	13
Other	9	13	10	12	14	13	11	11	49
Total Benefits and Expenses	38	14	19	17	17	16	20	18	67
Net Earnings (loss) before income taxes	(23)	(5)	(11)	(8)	(6)	(5)	(10)	(8)	(30)
Income tax	(10)	(4)	(7)	(4)	(5)	(5)	(5)	(5)	(20)
Net Earnings (loss) before non-controlling interests	(13)	(1)	(4)	(4)	(1)	-	(5)	(3)	(10)
Non-controlling interests	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before Capital Allocation	(13)	(1)	(4)	(4)	(1)	-	(5)	(3)	(10)
Capital Allocation	4	4	4	4	4	4	4	4	16
Net Earnings (loss) - Common Shareholders	(9)	3	-	-	3	4	(1)	1	6
Net Earnings - Common Shareholders (US\$)	(7)	2	1	-	2	3	(1)	2	5

(1) Corporate / Other reflects certain income tax and expense items of the Financial Services and the US Corporate segments. The US Corporate segment primarily reflects acquisition expenses and restructuring costs related to the acquisition of J.P. Morgan Retirement Services large-market recordkeeping business. In addition, U.S. Corporate includes general expenses of \$5 million in Q3/16 and \$3 million in Q1/17 related to legal costs for discontinued operations.

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

	2017	2016				2015		
(000's)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Empower Retirement	8,234	8,055	8,032	8,019	8,067	7,583	7,532	7,385
Individual Markets	455	458	456	461	468	472	469	478
Total	8,689	8,513	8,488	8,480	8,535	8,055	8,001	7,863

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

	2017	2016				2015		
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
General Account	16,360	16,373	15,814	15,173	14,698	15,171	14,493	13,249
Segregated Funds	26,086	26,024	25,989	25,628	25,689	27,025	25,859	25,183
Proprietary Mutual Funds	27,982	26,733	25,206	23,325	22,224	22,473	18,455	17,540
Unaffiliated Retail Investment Options & ASO	564,833	534,426	514,614	495,364	503,258	503,123	468,710	476,598

Lifeco U.S. – Asset Management

		2017	2016				2015			Fiscal 2016
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
(C\$MM, unless otherwise stated)										
Income										
Net investment income		7	(6)	3	(1)	(16)	1	(17)	(9)	(20)
Fee and other income		228	236	231	232	250	288	285	280	949
Total Income		235	230	234	231	234	289	268	271	929
Benefits and Expenses										
Commissions		7	8	(11)	8	13	14	15	13	18
General expenses		237	228	235	237	261	251	247	245	961
Other		35	34	34	33	34	33	33	34	135
Restructuring and acquisition expenses		-	33	-	-	-	-	-	-	33
Total Benefits and Expenses		279	303	258	278	308	298	295	292	1,147
Net Earnings (loss) before income taxes		(44)	(73)	(24)	(47)	(74)	(9)	(27)	(21)	(218)
Income tax		(25)	(46)	(16)	(24)	(45)	(50)	(17)	(15)	(131)
Net Earnings (loss) before non-controlling interests		(19)	(27)	(8)	(23)	(29)	41	(10)	(6)	(87)
Non-controlling interests		-	1	2	-	-	4	2	1	3
Net Earnings (loss) before Capital Allocation		(19)	(28)	(10)	(23)	(29)	37	(12)	(7)	(90)
Capital Allocation		3	5	4	5	4	4	4	4	18
Net Earnings (loss) - Common Shareholders ⁽¹⁾		(16)	(23)	(6)	(18)	(25)	41	(8)	(3)	(72)
Net Earnings (loss) - Common Shareholders (US\$) ⁽¹⁾		(12)	(18)	(5)	(14)	(18)	31	(6)	(2)	(55)
Sales	Sales (C\$)									
	Gross sales ⁽²⁾	13,960	11,119	11,341	10,623	12,388	10,869	10,242	8,507	45,471
	Redemptions	(12,227)	(13,049)	(10,743)	(11,509)	(14,721)	(12,482)	(10,063)	(10,738)	(50,022)
	Net Sales	1,733	(1,930)	598	(886)	(2,333)	(1,613)	179	(2,231)	(4,551)
Fee Income	Fee Income (C\$)									
	Investment management fees	193	194	194	188	199	218	219	214	775
	Performance fees	(13)	(5)	(13)	(6)	(5)	14	5	6	(29)
	Service fees	38	37	39	39	42	44	45	42	157
	Underwriting & distribution fees	10	10	11	11	14	12	16	18	46
	Total Fee Income (C\$)	228	236	231	232	250	288	285	280	949
	Fee Income (US \$)	173	178	176	179	183	216	217	228	716

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

2) Includes dividends reinvested

Lifeco U.S. – Asset Management AUM

	2017	2016				2015		
(C\$MM, unless otherwise stated)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Mutual Funds								
Growth equity	13,015	12,282	12,339	11,749	12,081	13,621	12,863	13,744
Value equity	22,090	21,921	20,719	20,180	20,045	21,735	20,639	21,369
Blend equity	29,774	29,268	29,872	30,239	32,330	38,184	37,582	38,955
Fixed income	33,769	32,905	31,837	30,923	30,493	33,385	34,350	33,153
Total Mutual Funds	98,648	96,376	94,767	93,091	94,949	106,925	105,434	107,221
Institutional Accounts								
Equity	72,783	67,071	65,594	60,514	59,683	62,881	57,988	58,194
Fixed income	41,296	40,396	41,114	38,340	34,913	34,944	33,073	30,021
Total Institutional Accounts	114,079	107,467	106,708	98,854	94,596	97,825	91,061	88,215
Total End of Period Assets Under Management	<u>212,727</u>	<u>203,843</u>	<u>201,475</u>	<u>191,945</u>	<u>189,545</u>	<u>204,750</u>	<u>196,495</u>	<u>195,436</u>
Total End of Period Assets Under Management - US\$	159,945	152,122	153,798	147,650	145,803	148,370	146,638	156,348

Lifeco U.S. – Participating Account

(C\$MM, unless otherwise stated)	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Income									
Premium income	28	21	21	18	30	23	24	20	90
Net investment income	32	(36)	27	59	64	9	39	(7)	114
Total Income	60	(15)	48	77	94	32	63	13	204
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	57	(17)	49	74	90	31	58	9	196
Commissions	1	1	1	1	1	1	1	1	4
General expenses	1	1	1	1	1	1	1	1	4
Other	2	1	-	-	1	1	-	1	2
Total Benefits and Expenses	61	(14)	51	76	93	34	60	12	206
Net Earnings (loss) before income taxes	(1)	(1)	(3)	1	1	(2)	3	1	(2)
Income tax	-	-	(1)	-	-	-	1	-	(1)
Net Earnings (loss) before non-controlling interests	(1)	(1)	(2)	1	1	(2)	2	1	(1)
Non-controlling interests	(1)	(1)	(2)	1	1	(2)	2	1	(1)
Net Earnings	-	-	-	-	-	-	-	-	-
Revenue Premium									
Risk-based premiums	28	21	21	18	30	23	24	20	90
Revenue Premium (US \$)	21	16	16	14	22	18	18	16	68

Lifeco U.S. Balance Sheets

(C\$MM)

Assets	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Cash and cash equivalents	885	852	1,026	932	962	627	1,489	768
Bonds	32,718	32,973	32,727	31,660	30,834	32,051	29,978	28,160
Mortgage loans	5,503	5,169	5,074	4,951	4,674	4,932	4,849	4,544
Stocks	167	160	161	152	154	168	163	155
Investment properties	5	5	5	5	5	5	5	4
Loans to policyholders	5,696	5,745	5,665	5,702	5,645	6,026	5,932	5,604
Total invested assets	44,974	44,904	44,658	43,402	42,274	43,809	42,416	39,235
Reinsurance assets	330	323	331	343	339	355	353	269
Derivative financial instruments	188	200	197	210	121	99	102	55
Owner occupied properties	179	180	174	174	175	186	181	168
Fixed assets	86	90	90	88	87	91	83	76
Other assets	2,386	2,108	2,389	2,285	2,306	2,156	2,168	2,199
Total other assets	2,839	2,578	2,850	2,757	2,689	2,532	2,534	2,498
Deferred tax assets	1,621	1,636	1,580	1,572	1,528	1,648	1,606	1,447
Goodwill	203	205	201	199	199	210	205	192
Intangible assets	2,166	2,183	2,129	2,114	2,120	2,255	2,182	2,026
Investments on account of segregated fund policyholders	35,728	35,414	35,075	34,393	34,275	35,966	34,304	33,201
Total assets	87,861	87,243	86,824	84,780	83,424	86,775	83,600	78,868
Liabilities								
Insurance contract liabilities	40,808	40,662	40,497	39,480	38,325	39,672	38,360	35,388
Investment contract liabilities	202	209	208	216	216	231	235	227
	41,010	40,871	40,705	39,696	38,541	39,903	38,595	35,615
Debentures and other debt instruments	2,551	2,559	2,372	2,468	2,519	2,614	2,425	2,489
Other liabilities	2,304	2,135	2,776	2,459	2,378	2,193	2,479	2,279
Deferred tax liabilities	485	468	395	385	337	382	389	343
Investment and insurance contracts on account of segregated fund policyholders	35,728	35,414	35,075	34,393	34,275	35,966	34,304	33,201
Total liabilities	82,078	81,447	81,323	79,401	78,050	81,058	78,192	73,927
Equity								
Non-controlling interests	285	248	219	217	272	220	213	207
Accumulated surplus	4,112	4,114	4,070	3,992	3,923	3,930	3,793	3,698
Accumulated other comprehensive income (loss)	1,106	1,129	915	884	910	1,268	1,115	760
Contributed surplus	280	305	297	286	269	299	287	276
	5,783	5,796	5,501	5,379	5,374	5,717	5,408	4,941
Total liabilities and equity	87,861	87,243	86,824	84,780	83,424	86,775	83,600	78,868
Proprietary mutual funds and institutional net assets	228,245	219,699	216,458	205,830	202,833	218,231	206,579	205,049
Other assets under administration	564,835	534,428	514,616	495,366	503,156	503,125	468,712	476,600
Total assets under administration	880,941	841,370	817,898	785,976	789,413	808,131	758,891	760,517

Europe



Lifeco Europe Net Earnings – Consolidated

(C\$MM)	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	4,841	4,144	3,724	2,708	2,774	1,991	2,041	1,772	13,350
Regular net investment income	402	433	438	487	483	547	523	498	1,841
Changes in fair value through profit or loss	258	(1,571)	1,635	1,663	1,392	(517)	342	(2,290)	3,119
Net investment income	660	(1,138)	2,073	2,150	1,875	30	865	(1,792)	4,960
Fee and other income	324	340	328	307	321	327	284	283	1,296
Total Income	5,825	3,346	6,125	5,165	4,970	2,348	3,190	263	19,606
Benefits and Expenses									
Paid or credited to policyholders	5,065	2,542	5,328	4,407	4,265	1,649	2,476	(415)	16,542
Commissions	134	145	133	149	137	130	133	122	564
General expenses	234	250	230	220	219	221	215	199	919
Restructuring and Acquisition Expenses	20	-	15	1	1	3	3	11	17
Other	37	26	30	23	23	14	19	15	102
Total Benefits and Expenses	5,490	2,963	5,736	4,800	4,645	2,017	2,846	(68)	18,144
Net Earnings before income taxes	335	383	389	365	325	331	344	331	1,462
Income tax	23	51	51	46	13	5	24	18	161
Net Earnings before non-controlling interests	312	332	338	319	312	326	320	313	1,301
Non-controlling interests	(1)	(1)	-	1	(1)	(1)	-	1	(1)
Net Earnings	313	333	338	318	313	327	320	312	1,302
Preferred share dividends	5	5	5	4	5	6	6	5	19
Net Earnings before Capital Allocation	308	328	333	314	308	321	314	307	1,283
Capital Allocation	(19)	(21)	(20)	(21)	(21)	(18)	(18)	(18)	(83)
Net Earnings - Common Shareholders	289	307	313	293	287	303	296	289	1,200
Common Shareholder Net Earnings (loss)									
Insurance & Annuities	225	225	251	225	226	234	229	207	927
Reinsurance	81	86	54	74	63	73	71	92	277
Corporate	(17)	(4)	8	(6)	(2)	(4)	(4)	(10)	(4)
Total	289	307	313	293	287	303	296	289	1,200

Lifeco Europe – Insurance & Annuities

		2017	2016				2015			Fiscal 2016
(C\$MM)		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income										
Premium income		957	405	748	663	600	422	545	688	2,416
Net investment income		415	(846)	1,524	1,603	1,384	12	681	(1,412)	3,665
Fee and other income		319	333	324	303	316	320	278	277	1,276
Total Income		1,691	(108)	2,596	2,569	2,300	754	1,504	(447)	7,357
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries		1,094	(757)	1,959	1,962	1,738	196	923	(990)	4,902
Commissions		93	107	91	108	93	93	90	81	399
General expenses		215	228	213	201	200	198	197	178	842
Other		20	20	16	9	10	2	7	8	55
Total Benefits and Expenses		1,422	(402)	2,279	2,280	2,041	489	1,217	(723)	6,198
Net Earnings before income taxes		269	294	317	289	259	265	287	276	1,159
Income tax		19	47	43	39	8	5	31	44	137
Net Earnings before non-controlling interests		250	247	274	250	251	260	256	232	1,022
Non-controlling interests		-	-	-	-	-	-	-	-	-
Net Earnings		250	247	274	250	251	260	256	232	1,022
Perpetual share dividends		-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		250	247	274	250	251	260	256	232	1,022
Capital Allocation		(25)	(22)	(23)	(25)	(25)	(26)	(27)	(25)	(95)
Net Earnings - Common Shareholders		225	225	251	225	226	234	229	207	927
Sales	UK / Isle of Man	1,095	591	754	671	651	819	821	523	2,667
	Ireland / Germany	3,321	3,819	3,891	4,879	3,923	3,098	6,895	2,873	16,512
	Total - Insurance & Annuities	4,416	4,410	4,645	5,550	4,574	3,917	7,716	3,396	19,179
Revenue Premium	Risk-based revenue premiums	957	405	748	663	600	422	545	688	2,416
	Segregated fund deposits	2,573	2,228	2,196	2,270	2,576	2,709	2,202	1,995	9,270
	Proprietary mutual funds & institutional deposits	1,618	2,342	2,372	3,353	2,491	1,356	5,598	1,426	10,558
		5,148	4,975	5,316	6,286	5,667	4,487	8,345	4,109	22,244
	UK / Isle of Man	1,230	692	902	961	854	965	990	828	3,409
	Ireland / Germany	3,918	4,283	4,414	5,325	4,813	3,522	7,355	3,281	18,835
	Total - Insurance & Annuities ⁽¹⁾	5,148	4,975	5,316	6,286	5,667	4,487	8,345	4,109	22,244

1. Excludes participating policy revenue premiums.

Lifeco Europe – Reinsurance

	2017	2016				2015			Fiscal
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Income									
Premium income	3,877	3,730	2,967	2,038	2,167	1,559	1,487	1,077	10,902
Net investment income	222	(244)	509	498	434	18	157	(337)	1,197
Fee and other income	5	7	4	4	5	7	6	6	20
Total Income	4,104	3,493	3,480	2,540	2,606	1,584	1,650	746	12,119
Benefits and Expenses									
Paid or credited to									
policyholders and beneficiaries	3,947	3,338	3,348	2,391	2,467	1,445	1,519	611	11,544
Commissions	41	38	42	41	44	37	43	41	165
General expenses	17	20	15	16	16	15	14	16	67
Other	7	4	7	6	7	6	6	6	24
Total Benefits and Expenses	4,012	3,400	3,412	2,454	2,534	1,503	1,582	674	11,800
Net Earnings (loss) before income taxes	92	93	68	86	72	81	68	72	319
Income tax	8	4	11	9	6	6	(5)	(23)	30
Net Earnings (loss) before non-controlling interests	84	89	57	77	66	75	73	95	289
Non-controlling interests	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	84	89	57	77	66	75	73	95	289
Preferred share dividends	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before Capital Allocation	84	89	57	77	66	75	73	95	289
Capital Allocation	(3)	(3)	(3)	(3)	(3)	(2)	(2)	(3)	(12)
Net Earnings (loss) - Common Shareholders	81	86	54	74	63	73	71	92	277
Risk-based revenue premiums	3,877	3,730	2,967	2,038	2,167	1,559	1,487	1,077	10,902

Lifeco Europe – Participating Account

(C\$MM)	2017	2016				2015			Fiscal 2016
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	7	9	9	7	7	10	9	7	32
Net investment income	22	(48)	16	50	54	-	26	(43)	72
Fee and other income	-	-	-	-	-	-	-	-	-
Total Income	29	(39)	25	57	61	10	35	(36)	104
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	24	(37)	21	53	59	9	33	(35)	96
Commissions	-	-	-	-	-	-	-	-	-
General expenses	1	1	1	1	1	1	1	1	4
Other	5	(2)	3	2	2	1	1	(3)	5
Total Benefits and Expenses	30	(38)	25	56	62	11	35	(37)	105
Net Earnings (loss) before income taxes	(1)	(1)	-	1	(1)	(1)	-	1	(1)
Income tax	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before non-controlling interests	(1)	(1)	-	1	(1)	(1)	-	1	(1)
Non-controlling interests	(1)	(1)	-	1	(1)	(1)	-	1	(1)
Net Earnings	-	-	-	-	-	-	-	-	-
Risk-based revenue premiums	7	9	9	7	7	10	9	7	32

Lifeco Europe – Corporate

	2017	2016				2015			Fiscal 2016
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Income									
Premium income	-	-	-	-	-	-	-	-	-
Net investment income	1	-	24	(1)	3	-	1	(1)	26
Fee and other income	-	-	-	-	-	-	-	-	-
Total Income	1	-	24	(1)	3	-	1	(1)	26
Benefits and Expenses									
Paid or credited to policyholders and beneficiaries	-	(2)	-	1	1	(1)	1	(1)	-
Commissions	-	-	-	-	-	-	-	-	-
General expenses	1	1	1	3	2	7	3	4	7
Restructuring and acquisition expenses	20	-	15	1	1	3	3	11	17
Other	5	4	4	5	5	5	5	4	18
Total Benefits and Expenses	26	3	20	10	9	14	12	18	42
Net Earnings (loss) before income taxes	(25)	(3)	4	(11)	(6)	(14)	(11)	(19)	(16)
Income tax	(4)	-	(3)	(2)	(2)	(6)	(2)	(4)	(7)
Net Earnings (loss)	(21)	(3)	7	(9)	(4)	(8)	(9)	(15)	(9)
Preferred shareholder dividends	5	5	5	4	5	6	6	5	19
Net Earnings (loss) before Capital Allocation	(26)	(8)	2	(13)	(9)	(14)	(15)	(20)	(28)
Capital Allocation	9	4	6	7	7	10	11	10	24
Net Earnings (loss) - Common Shareholders	(17)	(4)	8	(6)	(2)	(4)	(4)	(10)	(4)

Lifeco Europe – Balance Sheets

(C\$MM)

Assets	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Cash and cash equivalents	1,622	1,792	1,554	1,586	1,439	1,608	1,773	1,489
Bonds	39,835	39,082	40,180	38,611	39,867	39,772	39,988	38,089
Mortgage loans	3,624	3,590	3,642	3,625	3,945	4,398	4,230	4,115
Stocks	454	602	743	708	683	734	675	723
Investment properties	2,783	2,761	2,892	2,834	3,187	3,444	3,464	3,488
Loans to policyholders	113	113	110	108	109	115	109	100
Total invested assets	48,431	47,940	49,121	47,472	49,230	50,071	50,239	48,004
Funds withheld by ceding insurers	10,496	10,781	12,558	12,418	12,954	15,512	14,366	14,050
Reinsurance assets	4,815	4,824	4,537	4,196	4,324	4,401	4,441	4,116
Derivative financial instruments	126	163	188	201	232	252	271	281
Owner occupied properties	80	79	79	78	80	83	82	77
Fixed assets	56	56	59	57	61	60	59	50
Other assets	2,935	2,771	2,758	2,443	2,470	2,540	2,482	2,344
Total other assets	3,197	3,069	3,084	2,779	2,843	2,935	2,894	2,752
Deferred tax assets	19	23	16	24	27	35	25	51
Goodwill	1,986	1,985	2,034	1,899	1,910	1,916	1,916	1,886
Intangible assets	445	443	413	401	417	436	436	410
Investments on account of segregated fund policyholders	92,080	90,080	90,418	86,369	88,256	91,959	88,085	80,756
Total assets	161,469	159,145	162,181	155,558	159,961	167,265	162,402	152,025
Liabilities								
Insurance contract liabilities	52,851	52,478	55,504	53,791	55,984	58,971	59,379	57,122
Investment contract liabilities	1,455	1,456	1,539	1,509	1,543	1,637	315	283
	54,306	53,934	57,043	55,300	57,527	60,608	59,694	57,405
Debentures and other debt instruments	988	1,273	1,028	1,010	1,040	1,056	1,134	1,052
Funds held under reinsurance contracts	289	286	305	283	294	328	320	301
Other liabilities	2,144	2,277	2,536	1,936	1,799	1,933	2,039	1,941
Deferred tax liabilities	542	528	512	454	480	527	529	516
Investment and insurance contracts on account of segregated fund policyholders	92,080	90,080	90,418	86,369	88,256	91,959	88,085	80,756
Total liabilities	150,349	148,378	151,842	145,352	149,396	156,411	151,801	141,971
Equity								
Non-controlling interests	-	-	2	2	1	1	3	2
Share capital								
Perpetual preferred shares	550	550	550	550	550	550	550	550
Common shares	-	-	-	-	-	-	-	-
Accumulated surplus	10,535	10,248	9,655	9,437	9,283	8,991	8,898	8,806
Accumulated other comprehensive income (loss)	35	(31)	132	217	731	1,312	1,150	696
Contributed surplus	-	-	-	-	-	-	-	-
	11,120	10,767	10,339	10,206	10,565	10,854	10,601	10,054
Total liabilities and equity	161,469	159,145	162,181	155,558	159,961	167,265	162,402	152,025
Proprietary mutual funds and institutional net assets	35,713	33,664	34,461	32,480	29,913	29,210	27,575	22,091
Other assets under administration	39,218	38,952	40,044	38,975	39,903	41,587	41,146	47,536
Total assets under administration	236,400	231,761	236,686	227,013	229,777	238,062	231,123	221,652

Lifeco Corporate

	2017	2016				2015			Fiscal
(C\$MM)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Income									
Premium income	-	-	-	-	-	-	-	-	-
Net investment income	(1)	(2)	-	4	-	(2)	4	1	2
Fee and other income	-	-	-	-	-	-	-	-	-
Total Income	(1)	(2)	-	4	-	(2)	4	1	2
Benefits and Expenses									
General expenses	9	9	4	6	4	4	3	5	23
Other	-	2	(2)	3	-	-	1	-	3
Total Benefits and Expenses	9	11	2	9	4	4	4	5	26
Net Earnings (loss) before income taxes	(10)	(13)	(2)	(5)	(4)	(6)	-	(4)	(24)
Income tax	(3)	(3)	2	(5)	-	(1)	(4)	(1)	(6)
Net Earnings (loss) before non-controlling interests	(7)	(10)	(4)	-	(4)	(5)	4	(3)	(18)
Non-controlling interests	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	(7)	(10)	(4)	-	(4)	(5)	4	(3)	(18)
Preferred share dividends	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before Capital Allocation	(7)	(10)	(4)	-	(4)	(5)	4	(3)	(18)
Capital Allocation	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(8)
Net Earnings (loss) - Common Shareholders	(9)	(12)	(6)	(2)	(6)	(7)	2	(5)	(26)

Lifeco – Consolidated Source of Earnings

(C\$MM)	For the three months ended Mar. 31, 2017					2016				2015			Fiscal 2016
	Canada	U.S.	Europe	Corp	Total	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Expected profit on in-force business	262	100	248	(5)	605	695	661	633	653	722	736	679	2,642
Impact of new business	17	(34)	(7)	-	(24)	(43)	(77)	(44)	(68)	(60)	(46)	(51)	(232)
Experience gains and losses	58	19	46	(4)	119	88	11	49	38	(61)	48	64	186
Management actions and changes in assumptions	(1)	1	44	-	44	141	223	129	54	149	127	90	547
Other	-	(20)	(20)	-	(40)	(35)	(24)	(5)	(4)	(7)	(7)	(14)	(68)
Earnings on surplus (incl. financing charges)	12	1	6	(3)	16	(12)	34	25	11	33	(10)	3	58
Net income before tax	348	67	317	(12)	720	834	828	787	684	776	848	771	3,133
Taxes	(67)	(11)	(23)	3	(98)	(127)	(121)	(86)	(33)	(58)	(94)	(80)	(367)
Net income before non-controlling interests & preferred dividends	281	56	294	(9)	622	707	707	701	651	718	754	691	2,766
Non-controlling interests & preferred dividends	(26)	-	(5)	-	(31)	(31)	(33)	(30)	(31)	(35)	(34)	(32)	(125)
Net income - Common Shareholders	255	56	289	(9)	591	676	674	671	620	683	720	659	2,641

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)	2017	2016				2015			Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	2016
Expected profit on in-force business	(12)	1	(13)	(12)	(9)	28	29	23	(33)
Impact of new business	(8)	(8)	(8)	(8)	(7)	(8)	(8)	(8)	(31)
Experience gains and losses	(3)	1	2	1	(16)	(1)	(6)	(1)	(12)
Management actions and changes in assumptions	-	-	19	-	-	-	-	-	19
Other	-	(33)	-	-	-	-	-	-	(33)
Earnings on surplus (incl. financing charges)	(18)	(29)	(20)	(23)	(39)	(24)	(38)	(31)	(111)
Net income before tax	(41)	(68)	(20)	(42)	(71)	(5)	(23)	(17)	(201)
Taxes	25	45	16	24	46	50	17	15	131
Net income before non-controlling interests & preferred dividends	(16)	(23)	(4)	(18)	(25)	45	(6)	(2)	(70)
Non-controlling interests & preferred dividends	-	-	(2)	-	-	(4)	(2)	(1)	(2)
Net income - common shareholders ⁽¹⁾	(16)	(23)	(6)	(18)	(25)	41	(8)	(3)	(72)

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