



**Supplemental Information Package
For Analysts and Investors
(Unaudited)
Q4 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 \$1,350 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				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium Income	8,506	8,304	7,772	9,365	8,905	8,334	6,871	7,015	33,947	31,125
Net Investment Income	2,979	529	1,895	2,204	(2,436)	3,803	4,705	4,083	7,607	10,155
Fee & Other Income	1,403	1,365	1,381	1,305	1,345	1,271	1,231	1,254	5,454	5,101
Total Income	12,888	10,198	11,048	12,874	7,814	13,408	12,807	12,352	47,008	46,381
Operating Earnings - Common Shareholders	392	581	585	591	676	674	671	620	2,149	2,641
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
Net Earnings - Common Shareholders	392	581	585	591	676	674	671	620	2,149	2,641
Net Earnings attributable to Perpetual Preferred Shareholders	33	35	30	31	31	31	30	31	129	123
Net Earnings - Total Shareholders	425	616	615	622	707	705	701	651	2,278	2,764
Earnings per Common Share										
Operating Earnings	\$0.397	\$0.587	\$0.591	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$2.173	\$2.668
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
Basic earnings per share	\$0.397	\$0.587	\$0.591	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$2.173	\$2.668
Diluted earnings per share	\$0.396	\$0.587	\$0.590	\$0.597	\$0.685	\$0.681	\$0.674	\$0.623	\$2.170	\$2.663
Common Shareholder Net Earnings (Loss) - by Segment										
Canada	338	296	185	255	326	289	327	276	1,074	1,218
U.S.	(298)	110	82	56	55	78	53	63	(50)	249
Europe	358	184	321	289	307	313	293	287	1,152	1,200
Corporate	(6)	(9)	(3)	(9)	(12)	(6)	(2)	(6)	(27)	(26)
Total	392	581	585	591	676	674	671	620	2,149	2,641

Lifeco Common Shareholder Net Earnings

(C\$MM)

	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Common Shareholder Net Earnings (Loss)										
Canada										
Individual Customer	162	141	140	146	179	136	147	155	589	617
Group Customer	193	155	189	104	154	143	162	105	641	564
Corporate ^{(1) (2)}	(17)	-	(144)	5	(7)	10	18	16	(156)	37
	338	296	185	255	326	289	327	276	1,074	1,218
U.S.										
Financial Services	80	104	88	85	80	89	74	90	357	333
Asset Management ⁽³⁾	(5)	6	(6)	(16)	(23)	(6)	(18)	(25)	(21)	(72)
Corporate ⁽⁴⁾	(373)	-	-	(13)	(2)	(5)	(3)	(2)	(386)	(12)
	(298)	110	82	56	55	78	53	63	(50)	249
Europe										
Insurance & Annuities	250	233	239	225	225	251	225	226	947	927
Reinsurance ⁽⁵⁾	67	(41)	83	81	86	54	74	63	190	277
Corporate ⁽⁶⁾	41	(8)	(1)	(17)	(4)	8	(6)	(2)	15	(4)
	358	184	321	289	307	313	293	287	1,152	1,200
Corporate	(6)	(9)	(3)	(9)	(12)	(6)	(2)	(6)	(27)	(26)
Total ⁽⁷⁾	392	581	585	591	676	674	671	620	2,149	2,641

1) Q2 2017 includes Canada restructuring costs of \$126m (after-tax)

2) Q4 2017 includes a net charge for U.S. tax reform of \$19m (after-tax)

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

4) Q4 2017 includes a net charge on the disposal of an equity investment of \$122m (after-tax) and a net charge for U.S. tax reform of \$251m (after-tax)

5) Q3 2017 includes a loss estimate of \$175m (after-tax) relating to estimated hurricane claims

6) Q4 2017 includes a net benefit for U.S. tax reform of \$54m (after-tax)

7) Q4 2017 includes a net charge on the disposal of an equity investment of \$122m (after-tax) and a net charge for U.S. tax reform of \$216m (after-tax)

Currency Translation Rates

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(C\$ / US\$)								
Balance Sheet	1.26	1.25	1.30	1.33	1.34	1.31	1.30	1.30
Income & Expenses	1.27	1.25	1.34	1.32	1.33	1.31	1.29	1.37
(C\$ / £)								
Balance Sheet	1.70	1.67	1.69	1.67	1.66	1.71	1.72	1.87
Income & Expenses	1.69	1.64	1.72	1.64	1.66	1.71	1.85	1.96
(C\$ / €)								
Balance Sheet	1.51	1.47	1.48	1.42	1.42	1.47	1.44	1.48
Income & Expenses	1.50	1.47	1.48	1.41	1.44	1.46	1.46	1.51

Financial Strength – Credit Ratings

Rating Agency	Measurement	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 Financial Strength Senior Debt Subordinated Debt	A (high) A (high)	AA AA	AA	AA AA (low)		
Fitch Ratings	Insurer Financial Strength Senior Debt Subordinated Debt	A	AA	AA	AA A+	AA	AA
Moody's Investors Service	Insurance Financial Strength		Aa3	Aa3	Aa3		Aa3
Standard & Poor's Ratings Services	Insurer Financial Strength Senior Debt Subordinated Debt	A+	AA	AA	AA AA-		AA

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	
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
Q2 2017	989,938,321	-	287,720	328,985	\$35.48	\$11,673,619	989,897,056
Q3 2017	989,897,056	-	116,120	439,026	\$34.58	\$15,179,876	989,574,150
Q4 2017	989,574,150	-	167,800	1,019,291	\$35.31	\$35,991,706	988,722,659

12 months ended Dec. 31, 2017

Average common shares outstanding - Basic	989,185,333
Potential exercise of outstanding stock options	1,513,422
Average common shares outstanding - Diluted	990,698,755

Lifeco Financial Ratio Highlights

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Share Price								
High	\$36.40	\$36.14	\$37.15	\$37.74	\$35.75	\$34.34	\$37.03	\$35.81
Low	\$34.66	\$34.13	\$33.32	\$35.24	\$32.24	\$31.01	\$32.71	\$32.32
Close	\$35.10	\$35.91	\$35.15	\$36.85	\$35.17	\$32.29	\$34.08	\$35.74
Operating EPS								
Operating EPS	\$0.397	\$0.587	\$0.591	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625
Operating EPS Growth <i>(qtr / qtr)</i>	(32.4%)	(0.7%)	(1.2%)	(12.8%)	0.6%	1.0%	8.0%	(9.2%)
Dividends								
Common Dividends Declared / Share		\$0.3670	\$0.3670	\$0.3670	\$0.3670	\$0.3460	\$0.3460	\$0.3460
Common Dividends Paid / Share	\$0.3670	\$0.3670	\$0.3670	\$0.3670	\$0.3460	\$0.3460	\$0.3460	\$0.3460
Paid Dividend Growth <i>(qtr / qtr)</i>	0.0%	0.0%	0.0%	6.1%	0.0%	0.0%	0.0%	6.1%
Paid Dividend Growth <i>(yr / yr)</i>	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%
Dividend Payout Ratio ⁽¹⁾	92.4%	62.5%	62.1%	61.4%	50.4%	50.7%	51.3%	55.4%
Dividend Yield (annualized) ⁽²⁾	4.2%	4.1%	4.2%	4.0%	3.9%	4.3%	4.1%	3.9%
Ratios								
P/E Ratio <i>(rolling 4 qtrs - operating earnings)</i>	16.2x	14.6x	13.7x	14.0x	13.2x	12.1x	12.6x	13.2x
P/Book Value Ratio	1.7x	1.8x	1.8x	1.8x	1.8x	1.7x	1.8x	1.9x
ROE ⁽³⁾ (12 Months Trailing) - Operating Earnings	10.9%	12.4%	13.0%	13.6%	13.8%	13.8%	14.0%	14.0%
ROE ⁽³⁾ (12 Months Trailing)	10.9%	12.4%	13.0%	13.6%	13.8%	13.8%	14.0%	14.0%
Share Information								
Total Shares Outstanding (mm)	988.7	989.6	989.9	989.9	986.4	986.1	991.2	993.2
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)	279.4	280.3	280.6	280.6	277.1	276.8	281.9	283.9
Total Market Capitalization (mm)	\$34,704	\$35,536	\$34,795	\$36,479	\$34,692	\$31,840	\$33,779	\$35,497
Public Float (mm)	\$9,808	\$10,064	\$9,863	\$10,341	\$9,745	\$8,936	\$9,606	\$10,146
Book Value per Share	\$20.11	\$19.92	\$19.95	\$19.99	\$19.76	\$19.18	\$19.02	\$19.28

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			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
MCCSR								
Great-West Life Assurance Company								
Available Capital	16,973	16,105	16,326	16,117	15,869	15,285	15,168	15,492
Required Capital	7,042	6,912	6,845	6,742	6,618	6,748	6,536	6,559
Ratio	241%	233%	239%	239%	240%	227%	232%	236%
London Life Insurance Company								
Available Capital	3,853	3,753	3,753	3,700	3,591	3,305	3,229	3,342
Required Capital	1,712	1,659	1,644	1,639	1,656	1,608	1,574	1,536
Ratio	225%	226%	228%	226%	217%	206%	205%	218%
Canada Life Assurance Company								
Available Capital	11,722	11,069	11,185	10,863	10,697	10,279	10,165	10,392
Required Capital	4,129	4,073	4,037	3,950	3,890	4,041	3,878	3,944
Ratio	284%	272%	277%	275%	275%	254%	262%	263%
Risk Based Capital (RBC) - US\$								
GWL&A								
Total Adjusted Capital	1,374				1,269			
Company Action Level	282				277			
Ratio	487% ⁽¹⁾				458%			

1) Estimated to be 487% at December 31, 2017

Great-West Life Assurance Company – MCCR

(C\$MM unless otherwise stated)

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Capital Available:								
Tier 1 Capital								
Common shares	8,882	8,487	8,487	8,487	8,487	8,487	8,487	8,487
Shareholder Surplus	10,993	10,784	10,576	10,442	10,167	9,903	9,698	9,512
Innovative instruments	110	112	110	112	112	112	112	113
Other Tier 1 Capital Elements	2,521	2,340	2,380	2,339	2,319	2,092	2,204	2,701
Gross Tier 1 Capital	22,506	21,723	21,553	21,380	21,085	20,594	20,501	20,813
Deductions from Tier 1:								
Goodwill & intangible assets in excess of limit	(6,213)	(6,237)	(5,967)	(5,952)	(5,973)	(6,034)	(5,903)	(5,920)
Other Deductions	(2,143)	(2,050)	(2,022)	(1,947)	(1,912)	(1,933)	(1,963)	(2,011)
Net Tier 1 Capital	14,150	13,436	13,564	13,481	13,200	12,627	12,635	12,882
Adjustments to Net Tier 1 Capital	(35)	(34)	(32)	(29)	(129)	(145)	(160)	(160)
Adjusted Net Tier 1 Capital	14,115	13,402	13,532	13,452	13,071	12,482	12,475	12,722
Tier 2 Capital								
Tier 2A	159	157	154	152	145	140	137	259
Tier 2B allowed	602	594	596	584	867	593	586	593
Tier 2C	2,132	1,986	2,076	1,958	1,915	2,215	2,130	2,078
Tier 2 Deductions	(35)	(34)	(32)	(29)	(129)	(145)	(160)	(160)
Net Tier 2 Capital	2,858	2,703	2,794	2,665	2,798	2,803	2,693	2,770
Total Capital Available	16,973	16,105	16,326	16,117	15,869	15,285	15,168	15,492
Capital Required:								
Assets Default & Market Risk	2,855	2,851	2,781	2,740	2,712	2,756	2,657	2,687
Insurance Risks	2,947	2,868	2,862	2,811	2,740	2,774	2,698	2,685
Interest Rate Risks	1,238	1,191	1,200	1,187	1,162	1,213	1,177	1,183
Other	2	2	2	4	4	5	4	4
Total Capital Required	7,042	6,912	6,845	6,742	6,618	6,748	6,536	6,559
MCCR Ratios:								
Tier 1	200%	194%	198%	200%	198%	185%	191%	194%
Total	241%	233%	239%	239%	240%	227%	232%	236%

Lifeco Capital Structure

(C\$MM)

LIABILITIES

Short Term

Commercial Paper & other short term borrowings
Putnam revolving credit facility

Total Short Term

Capital

Lifeco

6.14% Debenture due Mar 21, 2018
6.74% Debenture due Nov 24, 2031
6.67% Debenture due Mar 21, 2033
5.998% Debenture due Nov 16, 2039
4.65% Debenture due Aug 13, 2020
2.50% Euro Bond Debt due April 18, 2023
1.75% Euro Bond Debt due December 7, 2026

CLAC

6.40% Series B Subordinated Debenture due Dec 11, 2028
5.25% ILA Debenture and Swap issued Jan 2007

GWL&A Insurance Capital

6.625% Deferrable Debenture (LP)
2.538% (plus 3-month LIBOR) Subordinated Debenture (LP II)⁽¹⁾

Lifeco Finance (Delaware)

5.691% Subordinated Debenture due June 21, 2067 (LP)
4.150% Senior Notes due June 3, 2047 (LP)
7.127% Subordinated Debenture due June 26, 2068 (LP II)

Total Debt and Other Loans

Capital Trust Securities

CLICS

Acquisition related FMV adjustment

Trust securities held by consolidated group
Capital Trust Securities (externally held)

	2017				2016	
	Q4	Q3	Q2	Q1	Q4	Q3
Commercial Paper & other short term borrowings	126	125	93	131	133	131
Putnam revolving credit facility	302	131	234	293	295	124
Total Short Term	428	256	327	424	428	255
6.14% Debenture due Mar 21, 2018	200	200	200	200	200	200
6.74% Debenture due Nov 24, 2031	193	193	193	193	193	193
6.67% Debenture due Mar 21, 2033	393	392	392	392	392	392
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	752	732	737	706	706	731
1.75% Euro Bond Debt due December 7, 2026	749	729	734	704	704	-
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
6.625% Deferrable Debenture (LP)	218	216	224	230	231	226
2.538% (plus 3-month LIBOR) Subordinated Debenture (LP II) ⁽¹⁾	378	375	390	399	402	393
5.691% Subordinated Debenture due June 21, 2067 (LP)	-	-	-	1,000	999	999
4.150% Senior Notes due June 3, 2047 (LP)	865	858	893	-	-	-
7.127% Subordinated Debenture due June 26, 2068 (LP II)	500	500	500	499	499	499
Total Debt and Other Loans	5,617	5,392	5,531	5,688	5,980	5,126
Acquisition related FMV adjustment	150	150	150	150	150	150
Trust securities held by consolidated group	10	10	10	11	11	11
Capital Trust Securities (externally held)	160	160	160	161	161	161
	(37)	(37)	(37)	(37)	(37)	(37)
	123	123	123	124	124	124

EQUITY

Non-Controlling Interests

Non-controlling interest in capital stock & surplus

Undistributed Participating Account Surplus

Great-West Life
London Life
Canada Life
GWL&A

Total Non-Controlling Interest

Lifeco

Series F 5.90% Non-Cumulative Preferreds
Series G 5.20% Non-Cumulative Preferreds
Series H 4.85% Non-Cumulative Preferreds
Series I 4.50% Non-Cumulative Preferreds
Series L 5.65% Non-Cumulative Preferreds
Series M 5.80% Non-Cumulative Preferreds
Series N 2.176% Non-Cumulative Rate Reset Preferreds ⁽²⁾
Series O Non-Cumulative Floating Rate Preferreds ⁽³⁾
Series P 5.40% Non-Cumulative Preferreds
Series Q 5.15% Non-Cumulative Preferreds
Series R 4.80% Non-Cumulative Preferreds
Series S 5.25% Non-Cumulative Preferreds
Series T 5.15% Non-Cumulative Preferreds

Common Stock

Accumulated & Contributed Surplus

Accumulated Other Comprehensive Income (loss)

Total Equity Capital

	2017				2016	
	Q4	Q3	Q2	Q1	Q4	Q3
Non-controlling interest in capital stock & surplus	164	204	212	263	224	195
Great-West Life	622	612	609	612	610	614
London Life	1,796	1,796	1,738	1,786	1,798	1,726
Canada Life	339	331	390	395	357	274
GWL&A	14	14	16	17	17	16
Total Non-Controlling Interest	2,935	2,957	2,965	3,073	3,006	2,825
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
Series T 5.15% Non-Cumulative Preferreds	200	200	200	-	-	-
	2,714	2,714	2,714	2,514	2,514	2,514
Common Stock	7,260	7,262	7,261	7,254	7,130	7,120
Accumulated & Contributed Surplus	12,241	12,226	12,010	11,787	11,612	11,278
Accumulated Other Comprehensive Income (loss)	386	227	478	744	746	519
Total Equity Capital	25,536	25,386	25,428	25,372	25,008	24,256

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

(C\$MM, unless otherwise stated)

	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	8,506	8,304	7,772	9,365	8,905	8,334	6,871	7,015	33,947	31,125
Regular net investment income	1,564	1,517	1,591	1,469	1,507	1,496	1,576	1,673	6,141	6,252
Changes in fair value through profit or loss	1,415	(988)	304	735	(3,943)	2,307	3,129	2,410	1,466	3,903
Net investment income	2,979	529	1,895	2,204	(2,436)	3,803	4,705	4,083	7,607	10,155
Fee and other income	1,403	1,365	1,381	1,305	1,345	1,271	1,231	1,254	5,454	5,101
Total Income	12,888	10,198	11,048	12,874	7,814	13,408	12,807	12,352	47,008	46,381
Benefits and Expenses										
Paid or credited to policyholders	9,987	7,567	8,227	9,862	4,373	10,589	10,035	9,678	35,643	34,675
Commissions	587	521	549	753	853	584	599	566	2,410	2,602
Operating expenses	1,272	1,143	1,185	1,233	1,250	1,180	1,161	1,208	4,833	4,799
Premium taxes	115	118	107	123	112	109	98	92	463	411
Financing charges	74	71	79	76	75	74	75	78	300	302
Amortization of finite life intangible assets	29	47	47	45	44	43	44	46	168	177
Restructuring and acquisition expenses	5	1	216	37	35	19	5	4	259	63
Loss on assets held for sale	202	-	-	-	-	-	-	-	202	-
Total Benefits and Expenses	12,271	9,468	10,410	12,129	6,742	12,598	12,017	11,672	44,278	43,029
Net Earnings before income taxes	617	730	638	745	1,072	810	790	680	2,730	3,352
Income Tax - Current	(39)	60	134	104	115	1	119	54	259	289
- Deferred	221	33	(83)	(8)	73	107	(43)	(30)	163	107
Net Earnings before non-controlling interests	435	637	587	649	884	702	714	656	2,308	2,956
Non-controlling interests	10	21	(28)	27	177	(3)	13	5	30	192
Net Earnings	425	616	615	622	707	705	701	651	2,278	2,764
Perpetual preferred share dividends	33	35	30	31	31	31	30	31	129	123
Net Earnings - Common Shareholders	392	581	585	591	676	674	671	620	2,149	2,641
Earnings per Common Share										
Operating Earnings	\$0.397	\$0.587	\$0.591	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$2.173	\$2.668
Adjustments (after-tax)	-	-	-	-	-	-	-	-	-	-
Basic Earnings	\$0.397	\$0.587	\$0.591	\$0.598	\$0.686	\$0.682	\$0.675	\$0.625	\$2.173	\$2.668
Diluted Earnings	\$0.396	\$0.587	\$0.590	\$0.597	\$0.685	\$0.681	\$0.674	\$0.623	\$2.170	\$2.663
Average number of shares outstanding (MM) - basic	989.3	989.7	990.0	987.7	986.2	987.7	992.8	993.3	989.2	990.0
Average number of shares outstanding (MM) - diluted	990.7	991.1	991.3	989.8	987.9	989.0	994.8	995.1	990.7	991.7
Effective tax rate	29.5%	12.7%	8.0%	12.9%	18.0%	13.3%	9.6%	3.5%	15.5%	11.8%

Lifeco Balance Sheets

(C\$MM)

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets								
Government bonds	49,897	47,880	48,762	49,652	50,869	51,917	51,557	50,596
Corporate bonds	70,307	68,868	69,453	68,189	65,904	65,815	63,245	63,545
Total bonds ⁽¹⁾	120,204	116,748	118,215	117,841	116,773	117,732	114,802	114,141
Mortgage loans	22,185	21,871	22,301	22,027	21,651	21,788	21,573	21,402
Stocks	8,864	8,707	8,435	8,677	8,665	8,847	8,390	7,827
Investment properties	4,851	4,738	4,708	4,421	4,340	4,448	4,377	5,049
Loans to policyholders	8,280	8,194	8,394	8,436	8,467	8,372	8,403	8,321
Cash and cash equivalents	3,551	3,106	3,398	3,042	3,259	3,060	3,068	2,923
Total invested assets	167,935	163,364	165,451	164,444	163,155	164,247	160,613	159,663
Funds withheld by ceding insurers	9,893	9,977	10,317	10,496	10,781	12,558	12,418	12,954
Reinsurance assets	5,045	5,418	5,416	5,579	5,627	5,304	4,936	5,144
Premiums in course of collection, accounts and interest receivable	4,647	4,648	4,550	4,776	4,311	4,313	3,844	3,833
Current income taxes	134	169	204	181	170	196	194	157
Derivative financial instruments	384	436	463	476	528	625	645	602
Owner occupied properties	706	693	653	648	649	633	633	638
Fixed assets	303	295	293	298	304	312	294	296
Other assets	2,424	2,296	2,359	2,384	2,263	2,481	2,460	2,471
Deferred tax assets	930	1,339	1,377	1,530	1,593	1,599	1,614	1,600
Goodwill	6,179	6,273	5,992	5,976	5,977	6,022	5,885	5,896
Intangible assets	3,732	3,814	3,900	3,952	3,972	3,887	3,859	3,878
Assets held for sale	169	-	-	-	-	-	-	-
Investments on account of segregated fund policyholders	217,357	208,046	208,536	204,666	200,403	199,162	192,725	193,001
Total assets	419,838	406,768	409,511	405,406	399,733	401,339	390,120	390,133
Liabilities								
Insurance contract liabilities	159,524	156,257	157,797	157,319	155,940	159,609	155,633	155,352
Investment contract liabilities	1,841	1,880	1,953	2,000	2,009	2,091	2,076	2,116
	161,365	158,137	159,750	159,319	157,949	161,700	157,709	157,468
Debentures and other debt instruments	5,617	5,392	5,531	5,688	5,980	5,126	5,204	5,284
Funds held under reinsurance contracts	373	351	336	326	320	338	313	324
Other liabilities	8,236	7,847	8,373	8,390	8,391	9,209	8,463	7,935
Deferred tax liabilities	1,194	1,449	1,397	1,484	1,521	1,387	1,344	1,429
Capital trust securities	160	160	160	161	161	161	161	161
Investment and insurance contracts on account of segregated fund policyholders	217,357	208,046	208,536	204,666	200,403	199,162	192,725	193,001
Total liabilities	394,302	381,382	384,083	380,034	374,725	377,083	365,919	365,602
Equity								
Non-controlling interests	2,935	2,957	2,965	3,073	3,006	2,825	2,833	2,871
Share capital								
Perpetual preferred shares	2,714	2,714	2,714	2,514	2,514	2,514	2,514	2,514
Common shares	7,260	7,262	7,261	7,254	7,130	7,120	7,156	7,167
Accumulated surplus	12,098	12,097	11,889	11,674	11,465	11,140	10,941	10,657
Accumulated other comprehensive income (loss)	386	227	478	744	746	519	632	1,216
Contributed surplus	143	129	121	113	147	138	125	106
	25,536	25,386	25,428	25,372	25,008	24,256	24,201	24,531
Total liabilities and equity	419,838	406,768	409,511	405,406	399,733	401,339	390,120	390,133
Proprietary mutual funds and institutional assets	278,954	268,994	271,686	270,121	259,215	256,544	243,688	237,984
Other assets under administration	651,121	618,532	627,633	620,064	589,291	570,475	549,878	558,290
Total assets under administration	1,349,913	1,294,294	1,308,830	1,295,591	1,248,239	1,228,358	1,183,686	1,186,407

1) Includes short-term bonds

Lifeco Supplemental Balance Sheet Information

(C\$MM, unless otherwise stated)

Bond Portfolio Quality

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Canada								
AAA	9,218	9,340	9,837	10,040	10,495	10,853	10,649	10,631
AA	10,049	9,823	9,583	9,170	8,582	8,619	8,584	8,464
A	17,237	16,569	17,089	16,493	15,840	16,189	15,615	14,973
BBB	7,249	6,424	6,221	6,078	5,844	5,782	6,112	5,983
BB or Lower	77	91	91	85	85	74	103	121
Total	43,830	42,247	42,821	41,866	40,846	41,517	41,063	40,172
U.S.								
AAA	7,263	6,877	6,925	7,430	8,825	5,956	5,680	7,770
AA	4,824	4,552	4,749	4,768	4,672	4,831	4,813	4,599
A	10,876	10,773	10,678	10,470	10,131	10,191	9,767	9,268
BBB	8,609	8,512	8,733	8,835	8,635	8,969	8,499	8,385
BB or Lower	540	580	664	693	700	692	673	714
Total	32,112	31,294	31,749	32,196	32,963	30,639	29,432	30,736
Europe								
AAA	5,822	4,891	4,929	4,525	4,495	4,808	4,709	12,900
AA	16,075	16,266	16,125	16,230	15,465	16,100	15,883	8,149
A	12,053	11,596	11,943	11,602	11,480	10,925	9,977	10,366
BBB	5,591	5,554	5,616	5,694	5,616	6,175	5,951	6,261
BB or Lower	516	479	502	492	507	534	516	563
Total	40,057	38,786	39,115	38,543	37,563	38,542	37,036	38,239
Total Bond Portfolio Quality								
AAA	22,303	21,108	21,691	21,995	23,815	21,617	21,038	31,301
AA	30,948	30,641	30,457	30,168	28,719	29,550	29,280	21,212
A	40,166	38,938	39,710	38,565	37,451	37,305	35,359	34,607
BBB	21,449	20,490	20,570	20,607	20,095	20,926	20,562	20,629
BB or Lower	1,133	1,150	1,257	1,270	1,292	1,300	1,292	1,398
Total ⁽¹⁾	115,999	112,327	113,685	112,605	111,372	110,698	107,531	109,147

1. Excludes short term bonds.

(C\$B)

Bonds unrealized Gain / Loss

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Unrealized Gains	9.0	8.2	9.3	9.3	9.0	13.2	11.7	9.4
Unrealized Losses	(0.5)	(0.7)	(0.5)	(0.6)	(0.9)	(0.2)	(0.4)	(0.5)
Net Gains / Losses	8.5	7.5	8.8	8.7	8.1	13.0	11.3	8.9

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Segregated Fund Net Assets								
Stocks, mutual funds and units in unit trusts	148,123	140,316	138,600	137,311	132,759	129,930	125,104	125,844
Bonds	42,270	41,683	42,827	41,801	41,619	43,908	43,015	42,433
Mortgage loans	2,610	2,663	2,684	2,662	2,622	2,661	2,625	2,615
Investment properties	11,520	11,685	11,573	11,256	11,019	10,763	10,665	10,647
Cash & other	12,834	11,699	12,852	11,636	12,384	11,900	11,316	11,462
Total	217,357	208,046	208,536	204,666	200,403	199,162	192,725	193,001

Mortgage Loan Portfolio

	Insured	Non-Insured	Total
Q4 2017			
Single-family residential	656	1,483	2,139
Multi-family residential	3,549	3,217	6,766
Commercial	<u>328</u>	<u>12,952</u>	<u>13,280</u>
Total Mortgage Loans	4,533	17,652	22,185
Q3 2017			
Single-family residential	659	1,447	2,106
Multi-family residential	3,275	3,115	6,390
Commercial	<u>334</u>	<u>13,041</u>	<u>13,375</u>
Total Mortgage Loans	4,268	17,603	21,871
Q2 2017			
Single-family residential	679	1,421	2,100
Multi-family residential	3,202	3,275	6,477
Commercial	<u>338</u>	<u>13,386</u>	<u>13,724</u>
Total Mortgage Loans	4,219	18,082	22,301
Q1 2017			
Single-family residential	697	1,393	2,090
Multi-family residential	3,088	3,197	6,285
Commercial	<u>256</u>	<u>13,396</u>	<u>13,652</u>
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	<u>260</u>	<u>13,329</u>	<u>13,589</u>
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	<u>273</u>	<u>13,440</u>	<u>13,713</u>
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	<u>237</u>	<u>13,188</u>	<u>13,425</u>
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	<u>240</u>	<u>13,468</u>	<u>13,708</u>
Total Mortgage Loans	3,898	17,504	21,402

Lifeco Impaired Loans and Credit Losses

(C\$MM)

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Gross Impaired Loans								
Fair value through profit or loss ⁽¹⁾	213	217	201	215	231	234	243	256
Available for sale	16	15	9	10	8	10	10	11
Loans & receivables	81	87	126	127	122	74	76	56
Total	310	319	336	352	361	318	329	323
Canada	2	1	1	1	1	1	2	2
US	224	229	234	248	257	238	246	259
Europe	84	89	101	103	103	79	81	62
Total	310	319	336	352	361	318	329	323
Impaired Investment Provisions								
Fair value through profit or loss ⁽¹⁾	(20)	(24)	(52)	(52)	(52)	(58)	(55)	(55)
Available for sale	(1)	(4)	(3)	(2)	(2)	-	-	1
Loans & receivables	40	34	46	47	43	31	32	24
Total	19	6	(9)	(7)	(11)	(27)	(23)	(30)
Canada	-	-	-	-	-	-	-	-
US	(19)	(24)	(44)	(43)	(44)	(55)	(52)	(51)
Europe	38	30	35	36	33	28	29	21
Total	19	6	(9)	(7)	(11)	(27)	(23)	(30)
Carrying Amount	291	313	345	359	372	345	352	353
Provisions for Future Credit								
Losses in Insurance Contract Liabilities	2,891	2,842	2,996	2,986	2,946	3,430	3,367	3,462

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

Lifeco Cash Flow Statements

	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Operations										
Net earnings before income taxes	617	730	638	745	1,072	810	790	680	2,730	3,352
Income taxes paid, net of refunds received	(35)	(30)	(159)	(90)	(65)	(16)	(84)	(58)	(314)	(223)
Adjustments:										
Change in insurance and investment contract liabilities	1,993	249	497	1,652	(3,231)	3,184	3,967	3,208	4,391	7,128
Change in funds held by ceding insurers	312	114	206	225	24	186	35	260	857	505
Change in funds held under reinsurance contracts	8	22	6	4	(14)	27	10	(5)	40	18
Change in reinsurance assets	499	(56)	341	46	(468)	(47)	79	(131)	830	(567)
Changes in fair value through profit or loss	(1,415)	988	(304)	(735)	3,943	(2,307)	(3,129)	(2,410)	(1,466)	(3,903)
Other	308	(316)	67	(370)	128	(115)	109	(178)	(311)	(56)
	2,287	1,701	1,292	1,477	1,389	1,722	1,777	1,366	6,757	6,254
Financing Activities										
Issue of common shares	5	3	8	110	10	1	5	15	126	31
Issue of preferred shares	-	-	200	-	-	-	-	-	200	-
Purchased and cancelled common shares	(36)	(15)	(12)	-	-	(170)	(76)	(21)	(63)	(267)
Issue of euro-denominated debt	-	-	-	-	706	-	-	-	-	706
Increase (decrease) in line of credit of subsidiary	171	(93)	(54)	-	166	(104)	(52)	(41)	24	(31)
Issue of senior unsecured notes	-	-	925	-	-	-	-	-	925	-
Repayment of subordinate debentures	-	-	(1,284)	-	-	-	-	-	(1,284)	-
Increase (decrease) in debentures and other debt instruments	-	35	247	(284)	(1)	-	1	8	(2)	8
Share issue costs	-	2	(5)	-	-	-	-	-	(3)	-
Dividends paid on common shares	(363)	(364)	(363)	(363)	(340)	(342)	(344)	(343)	(1,453)	(1,369)
Dividends paid on preferred shares	(33)	(35)	(30)	(31)	(31)	(31)	(30)	(31)	(129)	(123)
Cash flow from financing activities	(256)	(467)	(368)	(568)	510	(646)	(496)	(413)	(1,659)	(1,045)
Investment Activities										
Bond sales and maturities	7,582	5,129	6,317	7,826	8,069	5,004	9,266	7,610	26,854	29,949
Mortgage loan repayments	783	811	680	563	633	691	630	662	2,837	2,616
Stock sales	798	1,465	427	753	781	304	507	1,125	3,443	2,717
Investment property sales	28	28	16	-	54	-	373	-	72	427
Change in loans to policyholders	(41)	(21)	(90)	(13)	36	75	(82)	19	(165)	48
Business acquisitions, net of cash and equivalents acquired	-	(291)	-	-	-	(33)	-	-	(291)	(33)
Investment in bonds	(9,046)	(6,323)	(6,433)	(8,617)	(10,334)	(5,826)	(9,712)	(8,314)	(30,419)	(34,186)
Investment in mortgage loans	(980)	(653)	(1,049)	(961)	(485)	(893)	(1,134)	(752)	(3,643)	(3,264)
Investment in stocks	(714)	(1,567)	(270)	(576)	(432)	(417)	(904)	(984)	(3,127)	(2,737)
Investment in investment properties	(37)	(40)	(229)	(33)	(11)	(7)	(10)	(74)	(339)	(102)
Cash flow from investment activities	(1,627)	(1,462)	(631)	(1,058)	(1,689)	(1,102)	(1,066)	(708)	(4,778)	(4,565)
Effect of changes in exchange rates on cash & cash equivalents	41	(64)	3	(8)	(11)	18	(70)	(135)	(28)	(198)
Increase (decrease) in cash and cash equivalents	445	(292)	356	(217)	199	(8)	145	110	292	446
Cash and cash equivalents, beginning of period	3,106	3,398	3,042	3,259	3,060	3,068	2,923	2,813	3,259	2,813
Cash and cash equivalents, end of period	3,551	3,106	3,398	3,042	3,259	3,060	3,068	2,923	3,551	3,259

Statements of Accumulated and Contributed Surplus

Lifeco Accumulated & Contributed Surplus

(C\$MM)	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance, beginning of year	11,612	11,612	11,612	11,612	10,551	10,551	10,551	10,551
Net earnings - YTD	2,278	1,853	1,237	622	2,764	2,057	1,352	651
Stock option expense	58	41	32	21	72	49	35	16
Share issue / redemption costs	(50)	(22)	(15)	-	(210)	(210)	-	-
Dividends to shareholders								
Preferred shareholders	(129)	(96)	(61)	(31)	(123)	(92)	(61)	(31)
Common shareholders	(1,453)	(1,090)	(726)	(363)	(1,369)	(1,029)	(687)	(343)
Other	(75)	(72)	(69)	(74)	(73)	(48)	(124)	(81)
Balance, end of period	12,241	12,226	12,010	11,787	11,612	11,278	11,066	10,763

Lifeco Surplus - Participating Account

(C\$MM)	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance, beginning of period	2,782	2,782	2,782	2,782	2,626	2,626	2,626	2,626
Net earnings before policyholder dividend - YTD	1,329	974	692	381	1,467	960	649	325
Participating policyholder dividend	(1,289)	(960)	(696)	(354)	(1,277)	(947)	(631)	(320)
Other	(51)	(43)	(25)	1	(34)	(9)	(3)	(8)
Balance, end of period	2,771	2,753	2,753	2,810	2,782	2,630	2,641	2,623
By Company:								
Great-West Life	622	612	609	612	610	614	611	610
London Life	1,796	1,796	1,738	1,786	1,798	1,726	1,759	1,764
Canada Life	339	331	390	395	357	274	255	233
GWL&A	14	14	16	17	17	16	16	16
	2,771	2,753	2,753	2,810	2,782	2,630	2,641	2,623

Reconciliation of Accumulated Other Comprehensive Income

Comprehensive Income										
(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Net Earnings	425	616	615	622	707	705	701	651	2,278	2,764
Other comprehensive income (loss)										
net of income taxes										
Unrealized foreign exchange gains (losses)										
on translation of foreign operations	251	(359)	(365)	(22)	(73)	80	(508)	(984)	(495)	(1,485)
Unrealized foreign exchange gains (losses) on euro debt										
designated as hedge of net investment in foreign operations	(35)	9	(52)	-	23	(13)	17	9	(78)	36
Unrealized gains (losses) on available for sale assets (after-tax)	19	(33)	(36)	24	(123)	28	103	97	(26)	105
Realized gains on available-for-sale assets (after-tax)	(10)	1	(10)	(6)	(7)	(19)	(15)	(27)	(25)	(68)
Unrealized gains (losses) on cash flow hedges (after-tax)	2	7	(18)	15	25	(4)	(13)	59	6	67
Realized gains on cash flow hedges (after-tax)	4	(6)	249	-	-	-	-	1	247	1
Non-controlling interests (after-tax)	(2)	38	22	(4)	45	-	(16)	9	54	38
Total Items that may be reclassified	229	(343)	(210)	7	(110)	72	(432)	(836)	(317)	(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)	(78)	104	(65)	(26)	362	(190)	(163)	(180)	(65)	(171)
Non-controlling interests (after-tax)	8	(12)	9	4	(25)	5	11	14	9	5
	(70)	92	(56)	(22)	337	(185)	(152)	(166)	(56)	(166)
Total other comprehensive income (loss)	159	(251)	(266)	(15)	227	(113)	(584)	(1,002)	(373)	(1,472)
Comprehensive income	584	365	349	607	934	592	117	(351)	1,905	1,292

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

(C\$MM)	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance, beginning of year	746	746	746	746	2,218	2,218	2,218	2,218
Other comprehensive income	(373)	(532)	(281)	(15)	(1,472)	(1,699)	(1,586)	(1,002)
Disposal of investment in associate	13	13	13	13	-	-	-	-
Balance, end of period	386	227	478	744	746	519	632	1,216

Lifeco Sales (New Annualized Premium)

(C\$MM)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
New Annualized Premium										
Canada										
Individual Customer	2,537	2,033	2,293	2,860	2,648	1,984	2,062	2,392	9,723	9,086
Group Customer	1,235	907	940	803	1,223	1,133	615	876	3,885	3,847
Total Canada	3,772	2,940	3,233	3,663	3,871	3,117	2,677	3,268	13,608	12,933
U.S.										
Financial Services	8,146	10,769	6,815	10,392	7,265	11,670	6,042	27,770	36,122	52,747
Asset Management	11,016	10,404	10,119	13,960	11,119	11,341	10,623	12,388	45,499	45,471
Total U.S.	19,162	21,173	16,934	24,352	18,384	23,011	16,665	40,158	81,621	98,218
Europe										
Insurance & Annuities	7,325	5,362	4,835	4,416	4,410	4,645	5,550	4,574	21,938	19,179
Total New Annualized Premium	30,259	29,475	25,002	32,431	26,665	30,773	24,892	48,000	117,167	130,330

Lifeco Premiums & Deposits

(C\$MM)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Premiums & Deposits										
Canada										
Individual Customer	2,809	2,499	2,640	2,932	2,769	2,386	2,375	2,510	10,880	10,040
Group Customer	4,038	3,659	3,941	4,027	3,912	3,668	3,515	3,526	15,665	14,621
Total Canada	6,847	6,158	6,581	6,959	6,681	6,054	5,890	6,036	26,545	24,661
U.S.										
Financial Services	3,134	3,140	3,078	3,598	3,525	3,575	3,327	3,729	12,950	14,156
Asset Management	11,016	10,404	10,119	13,960	11,119	11,341	10,623	12,388	45,499	45,471
Total U.S.	14,150	13,544	13,197	17,558	14,644	14,916	13,950	16,117	58,449	59,627
Europe										
Insurance & Annuities	8,665	5,983	5,623	5,155	4,984	5,325	6,293	5,674	25,426	22,276
Reinsurance	2,995	2,837	3,020	3,877	3,730	2,967	2,038	2,167	12,729	10,902
Total Europe	11,660	8,820	8,643	9,032	8,714	8,292	8,331	7,841	38,155	33,178
Total Revenue Premium	32,657	28,522	28,421	33,549	30,039	29,262	28,171	29,994	123,149	117,466
Summary										
Risk-based premiums	8,506	8,304	7,772	9,365	8,905	8,334	6,871	7,015	33,947	31,125
ASO premiums	720	671	720	716	691	655	707	698	2,827	2,751
Segregated fund deposits										
Individual	5,357	3,641	4,142	3,897	3,399	3,211	3,213	3,689	17,037	13,512
Group	2,009	1,634	2,020	2,185	1,875	1,875	1,858	2,238	7,848	7,846
Proprietary mutual funds & institutional deposits	16,065	14,272	13,767	17,386	15,169	15,187	15,522	16,354	61,490	62,232
	32,657	28,522	28,421	33,549	30,039	29,262	28,171	29,994	123,149	117,466

Lifeco Fee and Other Income

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Fee and Other Income										
Canada										
Segregated funds	278	272	272	262	268	265	256	241	1,084	1,030
ASO contracts	44	40	44	44	41	39	42	43	172	165
Other	97	99	83	81	77	73	71	78	360	299
Total Canada	419	411	399	387	386	377	369	362	1,616	1,494
U.S.										
Segregated funds	22	21	22	15	16	16	15	16	80	63
Asset Management	236	244	248	228	236	231	232	250	956	949
Other	358	341	366	351	367	319	308	305	1,416	1,299
Total U.S.	616	606	636	594	619	566	555	571	2,452	2,311
Europe										
Segregated funds & Other	368	348	346	324	340	328	307	321	1,386	1,296
Total Europe	368	348	346	324	340	328	307	321	1,386	1,296
Total Fee and Other Income	1,403	1,365	1,381	1,305	1,345	1,271	1,231	1,254	5,454	5,101

Lifeco Expense Summary

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Operating Expenses										
Canada	387	364	370	397	398	362	366	382	1,518	1,508
U.S.	607	531	565	593	593	584	569	603	2,296	2,349
Europe	274	242	248	234	250	230	220	219	998	919
Lifeco Corporate	4	6	2	9	9	4	6	4	21	23
Total Operating Expenses	1,272	1,143	1,185	1,233	1,250	1,180	1,161	1,208	4,833	4,799
Investment Expenses	33	30	28	31	27	26	27	27	122	107
Total Operating & Investment Expenses	1,305	1,173	1,213	1,264	1,277	1,206	1,188	1,235	4,955	4,906

Canada



Lifeco Canada Net Earnings – Consolidated

(C\$MM)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Income										
Premium income	3,476	3,231	3,189	3,295	3,597	3,117	2,896	2,861	13,191	12,471
Regular net investment income	639	640	642	613	636	631	665	736	2,534	2,668
Changes in fair value through profit or loss	1,001	(852)	282	375	(1,364)	579	940	537	806	692
Net investment income	1,640	(212)	924	988	(728)	1,210	1,605	1,273	3,340	3,360
Fee and other income	419	411	399	387	386	377	369	362	1,616	1,494
Total Income	5,535	3,430	4,512	4,670	3,255	4,704	4,870	4,496	18,147	17,325
Benefits and Expenses										
Paid or credited to policyholders	4,180	2,219	3,333	3,245	1,444	3,485	3,632	3,301	12,977	11,862
Commissions	358	320	328	539	624	392	382	356	1,545	1,754
General expenses	387	364	370	397	398	362	366	382	1,518	1,508
Restructuring and acquisition expenses	-	-	215	-	-	-	-	-	215	-
Other	133	137	133	139	134	132	128	124	542	518
Total Benefits and Expenses	5,058	3,040	4,379	4,320	2,600	4,371	4,508	4,163	16,797	15,642
Net Earnings before income taxes	477	390	133	350	655	333	362	333	1,350	1,683
Income tax	114	74	(22)	65	149	45	23	51	231	268
Net Earnings before non-controlling interests	363	316	155	285	506	288	339	282	1,119	1,415
Non-controlling interests	25	19	(31)	29	178	(3)	11	5	42	191
Net Earnings	338	297	186	256	328	291	328	277	1,077	1,224
Preferred share dividends	26	26	26	26	26	26	26	26	104	104
Net Earnings before Capital Allocation	312	271	160	230	302	265	302	251	973	1,120
Capital Allocation	26	25	25	25	24	24	25	25	101	98
Net Earnings - Common Shareholders	338	296	185	255	326	289	327	276	1,074	1,218
Common Shareholder Net Earnings (loss)										
Individual Customer	162	141	140	146	179	136	147	155	589	617
Group Customer	193	155	189	104	154	143	162	105	641	564
Corporate ⁽¹⁾	(17)	-	(144)	5	(7)	10	18	16	(156)	37
Total	338	296	185	255	326	289	327	276	1,074	1,218

1) Q2 2017 includes Canada restructuring costs of \$126m (after-tax). Q4 2017 includes a net charge for U.S. tax reform of \$19m (after-tax).

Lifeco Canada – Individual Customer

		2017				2016				Fiscal 2017	Fiscal 2016
(C\$MM)		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income											
Premium income		373	357	353	392	379	366	344	398	1,475	1,487
Net investment income		738	(412)	545	311	(918)	403	755	483	1,182	723
Fee Income		255	236	233	225	225	221	215	209	949	870
Total Income		1,366	181	1,131	928	(314)	990	1,314	1,090	3,606	3,080
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries		887	(216)	721	480	(772)	591	894	661	1,872	1,374
Commissions		145	131	128	151	145	128	128	127	555	528
General expenses		102	79	91	89	79	91	92	94	361	356
Other		17	14	15	15	16	14	14	16	61	60
Total Benefits and Expenses		1,151	8	955	735	(532)	824	1,128	898	2,849	2,318
Net Earnings before income taxes		215	173	176	193	218	166	186	192	757	762
Income tax		49	28	32	43	38	29	38	36	152	141
Net Earnings before Capital Allocation		166	145	144	150	180	137	148	156	605	621
Capital Allocation		(4)	(4)	(4)	(4)	(1)	(1)	(1)	(1)	(16)	(4)
Net Earnings - Common Shareholders		162	141	140	146	179	136	147	155	589	617
Sales	Participating	67	53	66	227	286	122	115	91	413	614
	Universal Life	15	10	8	24	29	16	14	12	57	71
	Term/Permanent	14	14	16	16	15	16	15	14	60	60
	Third party	-	1	1	-	1	-	2	-	2	3
	Total Individual Life	96	78	91	267	331	154	146	117	532	748
	Critical Illness	5	4	5	4	6	6	5	4	18	21
	Disability	5	4	4	4	4	4	4	4	17	16
	Total Living Benefits	10	8	9	8	10	10	9	8	35	37
	Total Individual Insurance	106	86	100	275	341	164	155	125	567	785
	Risk-based	120	94	96	143	146	119	121	193	453	579
Revenue Premium	Segregated funds	1,450	1,128	1,286	1,535	1,426	1,124	1,138	1,330	5,399	5,018
	Proprietary mutual funds	320	296	364	388	326	259	270	289	1,368	1,144
	Third party	541	429	447	519	409	318	378	455	1,936	1,560
	Total Individual Wealth	2,431	1,947	2,193	2,585	2,307	1,820	1,907	2,267	9,156	8,301
	Total Individual Customer Sales	2,537	2,033	2,293	2,860	2,648	1,984	2,062	2,392	9,723	9,086
	Risk Based Premiums										
	Participating	1,322	1,029	1,068	1,117	1,219	971	988	912	4,536	4,090
	Individual Life	243	236	231	250	239	243	222	241	960	945
	Living Benefits	87	86	83	85	85	84	84	83	341	336
	Total Individual Insurance	1,652	1,351	1,382	1,452	1,543	1,298	1,294	1,236	5,837	5,371
Revenue Premium	Risk-based revenue premiums	43	36	38	58	55	39	38	74	175	206
	Segregated funds deposits	863	849	906	1,094	908	819	820	959	3,712	3,506
	Proprietary mutual fund deposits	251	263	314	328	263	230	223	241	1,156	957
	Total Individual Wealth	1,157	1,148	1,258	1,480	1,226	1,088	1,081	1,274	5,043	4,669
	Total Individual Customer Revenue Premium	2,809	2,499	2,640	2,932	2,769	2,386	2,375	2,510	10,880	10,040

Lifeco Canada – Group Customer

		2017				2016				Fiscal 2017	Fiscal 2016
(C\$MM)		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income											
Premium income		1,781	1,845	1,768	1,786	1,999	1,780	1,564	1,551	7,180	6,894
Net investment income		235	24	172	155	5	176	235	209	586	625
Fee and other income		157	150	154	149	147	144	142	141	610	574
Total Income		2,173	2,019	2,094	2,090	2,151	2,100	1,941	1,901	8,376	8,093
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries		1,564	1,470	1,531	1,583	1,602	1,583	1,437	1,415	6,148	6,037
Commissions		90	86	87	89	87	85	85	85	352	342
General expenses		206	196	196	215	196	189	192	208	813	785
Other		49	58	58	59	56	57	56	52	224	221
Total Benefits and Expenses		1,909	1,810	1,872	1,946	1,941	1,914	1,770	1,760	7,537	7,385
Net Earnings before income taxes		264	209	222	144	210	186	171	141	839	708
Income tax		69	51	30	37	55	42	9	36	187	142
Net Earnings before Capital Allocation		195	158	192	107	155	144	162	105	652	566
Capital Allocation		(2)	(3)	(3)	(3)	(1)	(1)	-	-	(11)	(2)
Net Earnings - Common Shareholders		193	155	189	104	154	143	162	105	641	564
Sales	Small/mid-size case	85	101	65	71	86	73	76	69	322	304
	Large case	59	8	100	60	67	14	24	196	227	301
	Creditor/Direct marketing	17	27	21	3	27	3	19	18	68	67
	Total Group Insurance	161	136	186	134	180	90	119	283	617	672
	Risk-based	278	344	258	127	520	341	81	75	1,007	1,017
	Segregated funds	796	427	490	542	523	702	415	387	2,255	2,027
	Third party	-	-	6	-	-	-	-	131	6	131
Total Group Wealth		1,074	771	754	669	1,043	1,043	496	593	3,268	3,175
Total Group Customer Sales		1,235	907	940	803	1,223	1,133	615	876	3,885	3,847
Revenue Premium	Small/mid-size case - Insured	688	681	674	671	673	675	672	662	2,714	2,682
	Large case -Insured	725	707	714	844	690	668	679	672	2,990	2,709
	ASO	720	671	720	716	691	655	707	698	2,827	2,751
	Creditor/Direct marketing	43	43	42	43	43	42	42	42	171	169
	Total Group Insurance	2,176	2,102	2,150	2,274	2,097	2,040	2,100	2,074	8,702	8,311
	Risk-based revenue premiums	325	413	339	227	593	395	171	175	1,304	1,334
	Segregated funds deposits	1,537	1,144	1,452	1,526	1,222	1,233	1,244	1,277	5,659	4,976
Total Group Wealth		1,862	1,557	1,791	1,753	1,815	1,628	1,415	1,452	6,963	6,310
Total Group Customer Revenue Premium		4,038	3,659	3,941	4,027	3,912	3,668	3,515	3,526	15,665	14,621

Canada Wealth – Assets under Administration

(C\$MM)	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets Under Administration								
Individual Customer								
Risk-based products	5,252	5,234	5,370	5,471	5,527	5,717	5,742	5,753
Segregated funds	33,356	32,505	32,431	32,488	31,931	31,433	30,416	29,906
Proprietary mutual funds	6,211	5,980	5,873	5,774	5,530	5,340	5,110	4,979
Group Customer								
Risk-based products	7,978	7,797	7,663	7,555	7,595	7,328	7,208	7,167
Segregated funds	47,043	45,127	44,794	44,370	42,978	42,236	41,547	40,564
Institutional Assets	599	533	471	389	322	285	268	259
Total assets under management	100,439	97,176	96,602	96,047	93,883	92,339	90,291	88,628
Other assets under administration ⁽¹⁾								
Individual Customer	8,283	7,870	7,717	7,603	7,240	7,165	6,936	6,726
Group Customer	506	534	541	557	538	495	513	548
Total	8,789	8,404	8,258	8,160	7,778	7,660	7,449	7,274
Summary by Business/Product								
Individual Customer	53,102	51,589	51,391	51,336	50,228	49,655	48,204	47,364
Group Customer	56,126	53,991	53,469	52,871	51,433	50,344	49,536	48,538
Total assets under administration	109,228	105,580	104,860	104,207	101,661	99,999	97,740	95,902

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⁾

(C\$MM)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Income										
Premium income	1,322	1,029	1,068	1,117	1,219	971	988	912	4,536	4,090
Net investment income	653	161	192	501	166	604	579	548	1,507	1,897
Total Income	1,975	1,190	1,260	1,618	1,385	1,575	1,567	1,460	6,043	5,987
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	1,724	960	1,076	1,176	609	1,306	1,296	1,220	4,936	4,431
Commissions	123	103	113	299	392	179	169	144	638	884
General expenses	71	82	72	86	113	78	75	76	311	342
Restructuring and acquisition expenses	-	-	43	-	-	-	-	-	43	-
Other	30	28	26	30	31	27	27	24	114	109
Total Benefits and Expenses	1,948	1,173	1,330	1,591	1,145	1,590	1,567	1,464	6,042	5,766
Net Earnings (loss) before income taxes	27	17	(70)	27	240	(15)	-	(4)	1	221
Income tax	2	(2)	(39)	(2)	62	(12)	(11)	(9)	(41)	30
Net Earnings (loss) before non-controlling interests	25	19	(31)	29	178	(3)	11	5	42	191
Non-controlling interests	25	19	(31)	29	178	(3)	11	5	42	191
Net Earnings	-	-	-	-	-	-	-	-	-	-
Sales (New annualized premiums)	67	53	66	227	286	122	115	91	413	614
Risk-based revenue premiums	1,322	1,029	1,068	1,117	1,219	971	988	912	4,536	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

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Net investment income	14	15	15	21	19	27	36	33	65	115
Fee and other income	7	25	12	13	14	12	12	12	57	50
Total Income	21	40	27	34	33	39	48	45	122	165
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	5	5	5	6	5	5	5	5	21	20
General Expenses	8	7	11	7	10	4	7	4	33	25
Restructuring and acquisition expenses	-	-	172	-	-	-	-	-	172	-
Other	37	37	34	35	31	34	31	32	143	128
Total Benefits and Expenses	50	49	222	48	46	43	43	41	369	173
Net Earnings (loss) before income taxes	(29)	(9)	(195)	(14)	(13)	(4)	5	4	(247)	(8)
Income tax	(6)	(3)	(45)	(13)	(6)	(14)	(13)	(12)	(67)	(45)
Net Earnings (loss) before non-controlling interests	(23)	(6)	(150)	(1)	(7)	10	18	16	(180)	37
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	(23)	(6)	(150)	(1)	(7)	10	18	16	(180)	37
Preferred share dividends	26	26	26	26	26	26	26	26	104	104
Net Earnings (loss) before Capital Allocation	(49)	(32)	(176)	(27)	(33)	(16)	(8)	(10)	(284)	(67)
Capital Allocation	32	32	32	32	26	26	26	26	128	104
Net Earnings (loss) - Common Shareholders ⁽¹⁾	(17)	-	(144)	5	(7)	10	18	16	(156)	37

1) Q2 2017 includes Canada restructuring costs of \$126m (after-tax). Q4 2017 includes a net charge for U.S. tax reform of \$19m (after-tax).

Lifeco Canada – Balance Sheets

(C\$MM)

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets								
Cash and cash equivalents	701	556	645	535	615	480	550	522
Bonds	46,304	45,159	45,661	45,288	44,718	44,825	44,531	43,440
Mortgage loans	13,142	12,912	13,118	12,900	12,892	13,072	12,997	12,783
Stocks	8,324	8,114	7,879	8,056	7,903	7,943	7,530	6,990
Investment properties	1,960	1,899	1,868	1,633	1,574	1,551	1,538	1,857
Loans to policyholders	2,679	2,677	2,655	2,627	2,609	2,597	2,593	2,567
Total invested assets	73,110	71,317	71,826	71,039	70,311	70,468	69,739	68,159
Reinsurance assets	119	248	112	434	480	436	397	481
Derivative financial instruments	187	198	184	162	165	240	234	249
Owner occupied properties	396	392	393	389	390	380	381	383
Fixed assets	151	156	152	156	158	163	149	148
Other assets	1,749	2,092	1,937	1,958	1,803	1,785	1,714	1,631
Total other assets	2,483	2,838	2,666	2,665	2,516	2,568	2,478	2,411
Deferred tax assets	202	249	235	188	182	232	225	188
Goodwill	3,969	4,079	3,787	3,787	3,787	3,787	3,787	3,787
Intangible assets	1,478	1,321	1,321	1,341	1,346	1,345	1,344	1,341
Investments on account of segregated fund policyholders	80,399	77,632	77,225	76,858	74,909	73,669	71,963	70,470
Total assets	161,760	157,684	157,172	156,312	153,531	152,505	149,933	146,837
Liabilities								
Insurance contract liabilities	66,135	64,453	64,322	63,660	62,800	63,608	62,362	61,043
Investment contract liabilities	325	338	342	343	344	344	351	357
Debt securities and other debt instruments	66,460	64,791	64,664	64,003	63,144	63,952	62,713	61,400
Funds held under reinsurance contracts	2,177	2,165	2,167	2,149	2,148	1,726	1,726	1,725
Other liabilities	44	42	41	37	34	33	30	30
Deferred tax liabilities	4,202	3,919	4,300	3,992	4,026	3,944	4,114	3,802
Capital trust securities and debentures	671	666	582	643	664	604	610	657
Investment and insurance contracts on account of segregated fund policyholders	160	160	160	161	161	161	161	161
Total liabilities	154,113	149,375	149,139	147,843	145,086	144,089	141,317	138,245
Equity								
Non-controlling interests	2,752	2,733	2,732	2,788	2,758	2,604	2,614	2,598
Share capital								
Perpetual preferred shares	2,164	2,164	2,164	1,964	1,964	1,964	1,964	1,964
Common shares	7,260	7,262	7,261	7,254	7,130	7,120	7,156	7,167
Accumulated surplus	(3,402)	(2,827)	(3,008)	(2,973)	(2,897)	(2,585)	(2,488)	(2,549)
Accumulated other comprehensive income (loss)	(558)	(453)	(545)	(397)	(352)	(528)	(469)	(425)
Contributed surplus	(569)	(570)	(571)	(167)	(158)	(159)	(161)	(163)
Total liabilities and equity	161,760	157,684	157,172	156,312	153,531	152,505	149,933	146,837
Proprietary mutual funds and institutional net assets	6,810	6,513	6,344	6,163	5,852	5,625	5,378	5,238
Other assets under administration	11,580	11,135	16,196	16,011	15,911	15,815	15,537	15,231
Total assets under administration	180,150	175,332	179,712	178,486	175,294	173,945	170,848	167,306

Lifeco United States



Lifeco U.S. Net Earnings – Consolidated

	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
<i>(C\$MM, unless otherwise stated)</i>										
Income										
Premium income	1,059	1,241	942	1,229	1,164	1,493	1,267	1,380	4,471	5,304
Regular net investment income	452	458	451	455	440	427	420	454	1,816	1,741
Changes in fair value through profit or loss	(48)	11	274	102	(1,008)	93	526	481	339	92
Net investment income	404	469	725	557	(568)	520	946	935	2,155	1,833
Fee and other income	616	606	636	594	619	566	555	571	2,452	2,311
Total Income	2,079	2,316	2,303	2,380	1,215	2,579	2,768	2,886	9,078	9,448
Benefits and Expenses										
Paid or credited to policyholders	1,294	1,492	1,476	1,552	387	1,776	1,996	2,112	5,814	6,271
Commissions	79	74	75	80	84	59	68	72	308	283
General expenses	607	531	565	593	593	584	569	603	2,296	2,349
Restructuring and acquisition expenses	-	-	-	17	35	4	4	3	17	46
Loss on assets held for sale	202	-	-	-	-	-	-	-	202	-
Other	41	61	70	68	69	66	63	70	240	268
Total Benefits and Expenses	2,223	2,158	2,186	2,310	1,168	2,489	2,700	2,860	8,877	9,217
Net Earnings before income taxes	(144)	158	117	70	47	90	68	26	201	231
Income tax	163	41	28	11	(9)	10	12	(40)	243	(27)
Net Earnings before non-controlling interests	(307)	117	89	59	56	80	56	66	(42)	258
Non-controlling interests	(14)	2	3	(1)	-	-	1	1	(10)	2
Net Earnings	(293)	115	86	60	56	80	55	65	(32)	256
Preferred share dividends	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	(293)	115	86	60	56	80	55	65	(32)	256
Capital Allocation	(5)	(5)	(4)	(4)	(1)	(2)	(2)	(2)	(18)	(7)
Net Earnings - Common Shareholders	(298)	110	82	56	55	78	53	63	(50)	249
Common Shareholder Net Earnings (loss)										
Financial Services	80	104	88	85	80	89	74	90	357	333
Asset Management	(5)	6	(6)	(16)	(23)	(6)	(18)	(25)	(21)	(72)
Corporate ⁽¹⁾	(373)	-	-	(13)	(2)	(5)	(3)	(2)	(386)	(12)
Total	(298)	110	82	56	55	78	53	63	(50)	249
Common Shareholder Net Earnings (US \$)	(234)	88	62	42	41	60	40	47	(42)	188

1) Q4 2017 includes a net charge for U.S. tax reform of \$251 million and a net charge on the disposal of an equity investment of \$122 million.

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

		2017				2016				Fiscal 2017	Fiscal 2016
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
(C\$MM, unless otherwise stated)											
Income											
	Premium income	1,040	1,223	923	1,201	1,143	1,472	1,249	1,350	4,387	5,214
	Net investment income	376	426	683	518	(526)	490	888	886	2,003	1,738
	Fee and other income	380	362	388	366	383	335	323	321	1,496	1,362
Total Income		1,796	2,011	1,994	2,085	1,000	2,297	2,460	2,557	7,886	8,314
Benefits and Expenses											
	Paid or credited to policyholders and beneficiaries	1,196	1,449	1,418	1,495	404	1,727	1,922	2,022	5,558	6,075
	Commissions	72	68	67	72	75	69	59	59	279	262
	General expenses	370	307	339	352	367	346	333	343	1,368	1,389
	Other	32	30	30	31	30	31	28	31	123	120
Total Benefits and Expenses		1,670	1,854	1,854	1,950	876	2,173	2,342	2,455	7,328	7,846
Net Earnings before income taxes		126	157	140	135	124	124	118	102	558	468
	Income tax	39	46	45	43	38	29	37	6	173	110
Net Income before non-controlling interests		87	111	95	92	86	95	81	96	385	358
	Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		87	111	95	92	86	95	81	96	385	358
	Capital Allocation	(7)	(7)	(7)	(7)	(6)	(6)	(7)	(6)	(28)	(25)
Net Earnings - Common Shareholders		80	104	88	85	80	89	74	90	357	333
Net Earnings - Common Shareholders (US \$)		64	83	66	64	59	68	56	67	277	250
Sales	Individual Markets	376	491	394	466	467	739	317	330	1,727	1,853
	Empower Retirement	7,770	10,278	6,421	9,926	6,798	10,931	5,725	27,440	34,395	50,894
	Total Sales	8,146	10,769	6,815	10,392	7,265	11,670	6,042	27,770	36,122	52,747
Total Sales (US \$)		6,414	8,615	5,086	7,873	5,462	8,908	4,684	20,270	27,988	39,324
Revenue Premium	Risk-based premiums	1,040	1,223	923	1,201	1,143	1,472	1,249	1,350	4,387	5,214
	Segregated fund deposits										
	Individual	280	232	206	230	263	196	123	154	948	736
	Group	472	490	568	659	653	642	614	961	2,189	2,870
	Proprietary Mutual Funds	1,323	1,177	1,362	1,480	1,445	1,244	1,323	1,234	5,342	5,246
	Total Revenue by Type ⁽¹⁾	3,115	3,122	3,059	3,570	3,504	3,554	3,309	3,699	12,866	14,066
	Individual Markets	580	679	543	738	653	667	442	575	2,540	2,337
	Empower Retirement	2,535	2,443	2,516	2,832	2,851	2,887	2,867	3,124	10,326	11,729
	Total Revenue by Business Line ⁽¹⁾	3,115	3,122	3,059	3,570	3,504	3,554	3,309	3,699	12,866	14,066
	Total Revenue Premium (US \$)	2,452	2,498	2,283	2,705	2,634	2,713	2,565	2,700	9,938	10,612

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	300	446	337	508	390	470	317	419	1,591	1,596
Net investment income	260	263	441	318	(313)	313	605	579	1,282	1,184
Fee and other income	33	34	36	34	31	30	30	30	137	121
Total Income	593	743	814	860	108	813	952	1,028	3,010	2,901
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	434	601	690	710	(60)	654	817	889	2,435	2,300
Commissions	31	27	25	29	33	26	22	21	112	102
General expenses	37	30	30	32	33	31	28	26	129	118
Other	10	8	5	8	10	10	5	7	31	32
Total Benefits and Expenses	512	666	750	779	16	721	872	943	2,707	2,552
Net Earnings before income taxes	81	77	64	81	92	92	80	85	303	349
Income tax	29	24	21	27	28	31	26	26	101	111
Net Income before non-controlling interests	52	53	43	54	64	61	54	59	202	238
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation	52	53	43	54	64	61	54	59	202	238
Capital Allocation	(5)	(5)	(6)	(5)	(6)	(6)	(7)	(6)	(21)	(25)
Net Earnings - Common Shareholders	47	48	37	49	58	55	47	53	181	213
Net Earnings - Common Shareholders (US \$)	36	39	28	37	44	42	36	39	140	161

Sales

Individual Annuity	196	169	177	173	173	123	95	88	715	479
Executive Benefits	112	240	121	202	184	494	97	131	675	906
Individual Life	68	82	96	91	110	122	125	111	337	468
	376	491	394	466	467	739	317	330	1,727	1,853
Sales (US \$)	296	393	294	353	351	564	246	241	1,336	1,402

Risk-based premiums	300	446	337	508	390	470	317	419	1,591	1,596
Segregated fund deposits	280	232	206	230	263	196	123	154	948	736
Proprietary Mutual Funds	-	1	-	-	-	1	2	2	1	5
Total Revenue by Type ⁽¹⁾	580	679	543	738	653	667	442	575	2,540	2,337
Total Revenue (US \$)	456	543	406	559	490	510	343	420	1,964	1,763

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

		2017				2016				Fiscal 2017	Fiscal 2016
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income											
Premium income		740	777	586	693	753	1,002	932	931	2,796	3,618
Net investment income		107	154	233	191	(222)	169	273	296	685	516
Fee and other income		347	328	352	332	352	305	293	291	1,359	1,241
Total Income		1,194	1,259	1,171	1,216	883	1,476	1,498	1,518	4,840	5,375
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries		762	848	728	785	464	1,073	1,104	1,133	3,123	3,774
Commissions		41	41	42	43	42	43	38	39	167	162
General expenses		321	294	304	317	332	312	302	314	1,236	1,260
Other		13	14	16	14	11	12	12	12	57	47
Total Benefits and Expenses		1,137	1,197	1,090	1,159	849	1,440	1,456	1,498	4,583	5,243
Net Earnings before income taxes		57	62	81	57	34	36	42	20	257	132
Income tax		16	18	27	19	13	3	14	(16)	80	14
Net Income before non-controlling interests		41	44	54	38	21	33	28	36	177	118
Non-controlling interests		-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		41	44	54	38	21	33	28	36	177	118
Capital Allocation		(5)	(5)	(5)	(6)	(4)	(4)	(4)	(4)	(21)	(16)
Net Earnings - Common Shareholders		36	39	49	32	17	29	24	32	156	102
Net Earnings - Common Shareholders (US \$)		30	31	36	24	12	22	18	24	121	76
Sales											
Empower Retirement		7,770	10,278	6,421	9,926	6,798	10,931	5,725	27,440	34,395	50,894
Sales (US \$)		6,118	8,222	4,792	7,520	5,111	8,344	4,438	20,029	26,652	37,922
Revenue Premium (by Type) ⁽¹⁾											
Risk-based premiums		740	777	586	693	753	1,002	932	931	2,796	3,618
Segregated fund deposits		472	490	568	659	653	642	614	961	2,189	2,870
Proprietary Mutual Funds		1,323	1,176	1,362	1,480	1,445	1,243	1,321	1,232	5,341	5,241
Total Revenue Premium (by Type)		2,535	2,443	2,516	2,832	2,851	2,887	2,867	3,124	10,326	11,729
Total Revenue Premium (US \$)		1,996	1,955	1,877	2,146	2,144	2,203	2,222	2,280	7,974	8,849

1. Excludes participating policy revenue premiums.

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

(C\$MM, unless otherwise stated)

	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Net investment income	9	9	9	9	9	8	9	11	36	37
Total Income	9	9	9	9	9	8	9	11	36	37
Benefits and Expenses										
General expenses	12	(17)	5	3	2	3	3	3	3	11
Other	9	8	9	9	9	9	10	11	35	39
Total Benefits and Expenses	21	(9)	14	12	11	12	13	14	38	50
Net Earnings (loss) before income taxes	(12)	18	(5)	(3)	(2)	(4)	(4)	(3)	(2)	(13)
Income tax	(6)	4	(3)	(3)	(3)	(5)	(3)	(4)	(8)	(15)
Net Earnings (loss) before Capital Allocation	(6)	14	(2)	-	1	1	(1)	1	6	2
Capital Allocation	3	3	4	4	4	4	4	4	14	16
Net Earnings (loss) - Common Shareholders	(3)	17	2	4	5	5	3	5	20	18
Net Earnings - Common Shareholders (US \$)	(2)	13	2	3	3	4	2	4	16	13

1) Other reflects certain expense items of the Financial Services segment.

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

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(000's)								
Empower Retirement	8,334	8,304	8,272	8,234	8,055	8,032	8,019	8,067
Individual Markets	446	444	448	455	458	456	461	468
Total	8,780	8,748	8,720	8,689	8,513	8,488	8,480	8,535

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

(C\$MM)	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
General Account	15,885	15,718	16,015	16,360	16,373	15,814	15,173	14,698
Segregated Funds	23,947	24,093	25,520	26,086	26,024	25,989	25,628	25,689
Proprietary Mutual Funds	29,944	28,657	28,421	27,982	26,733	25,206	23,325	22,224
Unaffiliated Retail Investment Options & ASO	597,596	567,984	572,286	564,833	534,426	514,614	495,364	503,258

Lifeco U.S. – Asset Management

		2017				2016				Fiscal 2017	Fiscal 2016
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<i>(C\$MM, unless otherwise stated)</i>											
Income											
Net investment income		6	16	(1)	7	(6)	3	(1)	(16)	28	(20)
Fee and other income		236	244	248	228	236	231	232	250	956	949
Total Income		242	260	247	235	230	234	231	234	984	929
Benefits and Expenses											
Commissions		7	6	7	7	8	(11)	8	13	27	18
General expenses		226	223	225	237	228	235	237	261	911	961
Other		8	29	38	35	34	34	33	34	110	135
Restructuring and acquisition expenses		-	-	-	-	33	-	-	-	-	33
Total Benefits and Expenses		241	258	270	279	303	258	278	308	1,048	1,147
Net Earnings (loss) before income taxes		1	2	(23)	(44)	(73)	(24)	(47)	(74)	(64)	(218)
Income tax		5	(5)	(17)	(25)	(46)	(16)	(24)	(45)	(42)	(131)
Net Earnings (loss) before non-controlling interests		(4)	7	(6)	(19)	(27)	(8)	(23)	(29)	(22)	(87)
Non-controlling interests		3	3	3	-	1	2	-	-	9	3
Net Earnings (loss) before Capital Allocation		(7)	4	(9)	(19)	(28)	(10)	(23)	(29)	(31)	(90)
Capital Allocation		2	2	3	3	5	4	5	4	10	18
Net Earnings (loss) - Common Shareholders ⁽¹⁾		(5)	6	(6)	(16)	(23)	(6)	(18)	(25)	(21)	(72)
Net Earnings (loss) - Common Shareholders (US\$) ⁽¹⁾		(4)	5	(4)	(12)	(17)	(5)	(14)	(18)	(15)	(54)
Sales	Sales (C\$)										
	Gross sales ⁽²⁾	11,016	10,404	10,119	13,960	11,119	11,341	10,623	12,388	45,499	45,471
	Redemptions	(12,069)	(10,283)	(11,315)	(12,227)	(13,049)	(10,743)	(11,509)	(14,721)	(45,893)	(50,022)
	Net Sales	(1,053)	121	(1,196)	1,733	(1,930)	598	(886)	(2,333)	(394)	(4,551)
Fee Income	Fee Income (C\$)										
	Investment management fees	199	193	203	193	194	194	188	199	788	775
	Performance fees	(10)	5	(5)	(13)	(5)	(13)	(6)	(5)	(23)	(29)
	Service fees	37	36	39	38	37	39	39	42	150	157
	Underwriting & distribution fees	10	10	11	10	10	11	11	14	41	46
	Total Fee Income (C\$)	236	244	248	228	236	231	232	250	956	949
Fee Income (US \$)		186	195	184	173	178	176	179	183	738	716

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

2) Includes dividends reinvested

Lifeco U.S. – Asset Management AUM
(C\$MM, unless otherwise stated)

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Mutual Funds								
Growth equity	13,881	13,100	13,109	13,015	12,282	12,339	11,749	12,081
Value equity	22,185	21,279	21,476	22,090	21,921	20,719	20,180	20,045
Blend equity	28,502	28,381	29,436	29,774	29,268	29,872	30,239	32,330
Fixed income	34,433	33,298	33,794	33,769	32,905	31,837	30,923	30,493
Total Mutual Funds	99,001	96,058	97,815	98,648	96,376	94,767	93,091	94,949
Institutional Accounts								
Equity	79,772	76,119	74,394	72,783	67,071	65,594	60,514	59,683
Fixed income	37,265	37,570	39,578	41,296	40,396	41,114	38,340	34,913
Total Institutional Accounts	117,037	113,689	113,972	114,079	107,467	106,708	98,854	94,596
Total End of Period Assets Under Management	216,038	209,747	211,787	212,727	203,843	201,475	191,945	189,545
Total End of Period Assets Under Management - US\$	171,458	167,798	162,913	159,945	152,122	153,798	147,650	145,803

Lifeco U.S. – Participating Account

(C\$MM, unless otherwise stated)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Income										
Premium income	19	18	19	28	21	21	18	30	84	90
Net investment income	22	27	43	32	(36)	27	59	64	124	114
Total Income	41	45	62	60	(15)	48	77	94	208	204
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	37	43	58	57	(17)	49	74	90	195	196
Commissions	-	-	1	1	1	1	1	1	2	4
General expenses	1	1	1	1	1	1	1	1	4	4
Other	-	2	2	2	1	-	-	1	6	2
Total Benefits and Expenses	38	46	62	61	(14)	51	76	93	207	206
Net Earnings (loss) before income taxes	3	(1)	-	(1)	(1)	(3)	1	1	1	(2)
Income tax	1	-	-	-	-	(1)	-	-	1	(1)
Net Earnings (loss) before non-controlling interests	2	(1)	-	(1)	(1)	(2)	1	1	-	(1)
Non-controlling interests	2	(1)	-	(1)	(1)	(2)	1	1	-	(1)
Net Earnings	-	-	-	-	-	-	-	-	-	-
Revenue Premium										
Risk-based premiums	19	18	19	28	21	21	18	30	84	90
Revenue Premium (US \$)	15	15	14	21	16	16	14	22	65	68

Lifeco U.S. – Corporate ⁽¹⁾

	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
(C\$MM, unless otherwise stated)										
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	61	-	-	-	-	-	-	-	61	-
General expenses	10	-	-	3	(3)	2	(2)	(3)	13	(6)
Restructuring and acquisition expenses	-	-	-	17	2	4	4	3	17	13
Loss on assets held for sale	202	-	-	-	-	-	-	-	202	-
Other	1	-	-	-	4	1	2	3	1	10
Total Benefits and Expenses	274	-	-	20	3	7	4	3	294	17
Net Earnings (loss) before income taxes	(274)	-	-	(20)	(3)	(7)	(4)	(3)	(294)	(17)
Income tax	118	-	-	(7)	(1)	(2)	(1)	(1)	111	(5)
Net Earnings (loss) before non-controlling interests	(392)	-	-	(13)	(2)	(5)	(3)	(2)	(405)	(12)
Non-controlling interests	(19)	-	-	-	-	-	-	-	(19)	-
Net Earnings (loss) before Capital Allocation	(373)	-	-	(13)	(2)	(5)	(3)	(2)	(386)	(12)
Capital Allocation	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss) - Common Shareholders	(373)	-	-	(13)	(2)	(5)	(3)	(2)	(386)	(12)
Net Earnings - Common Shareholders (US \$)	(294)	-	-	(10)	(1)	(3)	(2)	(2)	(304)	(8)

1) 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. Q4 2017 includes a net charge for U.S. tax reform of \$251 million and a net charge on the disposal of an equity investment of \$122 million.

Lifeco U.S. Balance Sheets

(C\$MM)

Assets	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash and cash equivalents	1,017	893	1,042	885	852	1,026	932	962
Bonds	32,190	31,785	32,274	32,718	32,973	32,727	31,660	30,834
Mortgage loans	5,447	5,315	5,479	5,503	5,169	5,074	4,951	4,674
Stocks	112	175	161	167	160	161	152	154
Investment properties	5	5	5	5	5	5	5	5
Loans to policyholders	5,492	5,410	5,627	5,696	5,745	5,665	5,702	5,645
Total invested assets	44,263	43,583	44,588	44,974	44,904	44,658	43,402	42,274
Reinsurance assets	287	295	318	330	323	331	343	339
Derivative financial instruments	67	126	157	188	200	197	210	121
Owner occupied properties	172	168	175	179	180	174	174	175
Fixed assets	93	83	83	86	90	90	88	87
Other assets	2,299	2,238	2,349	2,448	2,170	2,447	2,341	2,360
Total other assets	2,631	2,615	2,764	2,901	2,640	2,908	2,813	2,743
Deferred tax assets	700	1,069	1,109	1,323	1,388	1,351	1,365	1,385
Goodwill	194	192	199	203	205	201	199	199
Intangible assets	1,781	2,034	2,119	2,166	2,183	2,129	2,114	2,120
Assets held for sale	169	-	-	-	-	-	-	-
Investments on account of segregated fund policyholders	34,038	33,701	35,224	35,728	35,414	35,075	34,393	34,275
Total assets	84,063	83,489	86,321	87,625	87,057	86,653	84,629	83,335
Liabilities								
Insurance contract liabilities	39,799	39,290	40,328	40,808	40,662	40,497	39,480	38,325
Investment contract liabilities	171	176	190	202	209	208	216	216
	39,970	39,466	40,518	41,010	40,871	40,705	39,696	38,541
Debentures and other debt instruments	2,388	2,204	2,334	2,551	2,559	2,372	2,468	2,519
Other liabilities	2,036	1,975	2,007	2,254	2,088	2,729	2,413	2,334
Deferred tax liabilities	81	297	290	299	329	271	280	292
Investment and insurance contracts on account of segregated fund policyholders	34,038	33,701	35,224	35,728	35,414	35,075	34,393	34,275
Total liabilities	78,513	77,643	80,373	81,842	81,261	81,152	79,250	77,961
Equity								
Non-controlling interests	185	225	234	285	248	219	217	272
Accumulated surplus	4,014	4,312	4,201	4,112	4,114	4,070	3,992	3,923
Accumulated other comprehensive income (loss)	639	610	821	1,106	1,129	915	884	910
Contributed surplus	712	699	692	280	305	297	286	269
	5,550	5,846	5,948	5,783	5,796	5,501	5,379	5,374
Total liabilities and equity	84,063	83,489	86,321	87,625	87,057	86,653	84,629	83,335
Proprietary mutual funds and institutional net assets	232,623	225,481	227,545	228,245	219,699	216,458	205,830	202,833
Other assets under administration	597,596	567,984	572,289	564,835	534,428	514,616	495,366	503,156
Total assets under administration	914,282	876,954	886,155	880,705	841,184	817,727	785,825	789,324

Europe



Lifeco Europe Net Earnings – Consolidated

(C\$MM)	2017				2016				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Income										
Premium income	3,971	3,832	3,641	4,841	4,144	3,724	2,708	2,774	16,285	13,350
Regular net investment income	471	418	496	402	433	438	487	483	1,787	1,841
Changes in fair value through profit or loss	462	(147)	(252)	258	(1,571)	1,635	1,663	1,392	321	3,119
Net investment income	933	271	244	660	(1,138)	2,073	2,150	1,875	2,108	4,960
Fee and other income	368	348	346	324	340	328	307	321	1,386	1,296
Total Income	5,272	4,451	4,231	5,825	3,346	6,125	5,165	4,970	19,779	19,606
Benefits and Expenses										
Paid or credited to policyholders	4,513	3,856	3,418	5,065	2,542	5,328	4,407	4,265	16,852	16,542
Commissions	150	127	146	134	145	133	149	137	557	564
General expenses	274	242	248	234	250	230	220	219	998	919
Restructuring and Acquisition Expenses	5	1	1	20	-	15	1	1	27	17
Other	44	37	29	37	26	30	23	23	147	102
Total Benefits and Expenses	4,986	4,263	3,842	5,490	2,963	5,736	4,800	4,645	18,581	18,144
Net Earnings before income taxes	286	188	389	335	383	389	365	325	1,198	1,462
Income tax	(95)	(20)	45	23	51	51	46	13	(47)	161
Net Earnings before non-controlling interests	381	208	344	312	332	338	319	312	1,245	1,301
Non-controlling interests	(1)	-	-	(1)	(1)	-	1	(1)	(2)	(1)
Net Earnings	382	208	344	313	333	338	318	313	1,247	1,302
Preferred share dividends	5	5	4	5	5	5	4	5	19	19
Net Earnings before Capital Allocation	377	203	340	308	328	333	314	308	1,228	1,283
Capital Allocation	(19)	(19)	(19)	(19)	(21)	(20)	(21)	(21)	(76)	(83)
Net Earnings - Common Shareholders	358	184	321	289	307	313	293	287	1,152	1,200
Common Shareholder Net Earnings (loss)										
Insurance & Annuities	250	233	239	225	225	251	225	226	947	927
Reinsurance ⁽¹⁾	67	(41)	83	81	86	54	74	63	190	277
Corporate ⁽²⁾	41	(8)	(1)	(17)	(4)	8	(6)	(2)	15	(4)
Total	358	184	321	289	307	313	293	287	1,152	1,200

1) Q3 2017 includes a loss estimate of \$175m (after-tax) relating to estimated hurricane claims

2) Q4 2017 includes a net benefit for U.S. tax reform of \$54m after-tax.

Lifeco Europe – Insurance & Annuities

		2017				2016				Fiscal 2017	Fiscal 2016
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
(C\$MM)											
Income											
Premium income		968	989	614	957	405	748	663	600	3,528	2,416
Net investment income		710	202	120	415	(846)	1,524	1,603	1,384	1,447	3,665
Fee and other income		361	344	342	319	333	324	303	316	1,366	1,276
Total Income		2,039	1,535	1,076	1,691	(108)	2,596	2,569	2,300	6,341	7,357
Benefits and Expenses											
Paid or credited to policyholders and beneficiaries		1,374	919	416	1,094	(757)	1,959	1,962	1,738	3,803	4,902
Commissions		114	91	104	93	107	91	108	93	402	399
General expenses		247	220	228	215	228	213	201	200	910	842
Other		27	24	23	20	20	16	9	10	94	55
Total Benefits and Expenses		1,762	1,254	771	1,422	(402)	2,279	2,280	2,041	5,209	6,198
Net Earnings before income taxes		277	281	305	269	294	317	289	259	1,132	1,159
Income tax		2	25	41	19	47	43	39	8	87	137
Net Earnings before non-controlling interests		275	256	264	250	247	274	250	251	1,045	1,022
Non-controlling interests		-	-	-	-	-	-	-	-	-	-
Net Earnings		275	256	264	250	247	274	250	251	1,045	1,022
Perpetual share dividends		-	-	-	-	-	-	-	-	-	-
Net Earnings before Capital Allocation		275	256	264	250	247	274	250	251	1,045	1,022
Capital Allocation		(25)	(23)	(25)	(25)	(22)	(23)	(25)	(25)	(98)	(95)
Net Earnings - Common Shareholders		250	233	239	225	225	251	225	226	947	927
Sales	UK / Isle of Man	809	1,086	873	1,095	591	754	671	651	3,863	2,667
	Ireland / Germany	6,516	4,276	3,962	3,321	3,819	3,891	4,879	3,923	18,075	16,512
	Total - Insurance & Annuities	7,325	5,362	4,835	4,416	4,410	4,645	5,550	4,574	21,938	19,179
Revenue Premium	Risk-based revenue premiums	968	989	614	957	405	748	663	600	3,528	2,416
	Segregated fund deposits	4,214	2,560	3,030	2,573	2,228	2,196	2,270	2,576	12,377	9,270
	Proprietary mutual funds & institutional deposits	3,475	2,428	1,972	1,618	2,342	2,372	3,353	2,491	9,493	10,558
		8,657	5,977	5,616	5,148	4,975	5,316	6,286	5,667	25,398	22,244
	UK / Isle of Man	969	1,125	1,099	1,230	692	902	961	854	4,423	3,409
	Ireland / Germany	7,688	4,852	4,517	3,918	4,283	4,414	5,325	4,813	20,975	18,835
	Total - Insurance & Annuities ⁽¹⁾	8,657	5,977	5,616	5,148	4,975	5,316	6,286	5,667	25,398	22,244

1. Excludes participating policy revenue premiums.

Lifeco Europe – Reinsurance

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	2,995	2,837	3,020	3,877	3,730	2,967	2,038	2,167	12,729	10,902
Net investment income	197	59	102	222	(244)	509	498	434	580	1,197
Fee and other income	7	4	4	5	7	4	4	5	20	20
Total Income	3,199	2,900	3,126	4,104	3,493	3,480	2,540	2,606	13,329	12,119
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	3,060	2,921	2,971	3,947	3,338	3,348	2,391	2,467	12,899	11,544
Commissions	36	36	42	41	38	42	41	44	155	165
General expenses	18	16	17	17	20	15	16	16	68	67
Other	9	6	5	7	4	7	6	7	27	24
Total Benefits and Expenses	3,123	2,979	3,035	4,012	3,400	3,412	2,454	2,534	13,149	11,800
Net Earnings (loss) before income taxes	76	(79)	91	92	93	68	86	72	180	319
Income tax	6	(42)	5	8	4	11	9	6	(23)	30
Net Earnings (loss) before non-controlling interests	70	(37)	86	84	89	57	77	66	203	289
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	70	(37)	86	84	89	57	77	66	203	289
Preferred share dividends	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before Capital Allocation	70	(37)	86	84	89	57	77	66	203	289
Capital Allocation	(3)	(4)	(3)	(3)	(3)	(3)	(3)	(3)	(13)	(12)
Net Earnings (loss) - Common Shareholders ⁽¹⁾	67	(41)	83	81	86	54	74	63	190	277
Risk-based revenue premiums	2,995	2,837	3,020	3,877	3,730	2,967	2,038	2,167	12,729	10,902

1) Q3 2017 includes a loss estimate of \$175m (after-tax) relating to estimated hurricane claims

Lifeco Europe – Participating Account

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	8	6	7	7	9	9	7	7	28	32
Net investment income	25	10	21	22	(48)	16	50	54	78	72
Fee and other income	-	-	-	-	-	-	-	-	-	-
Total Income	<u>33</u>	<u>16</u>	<u>28</u>	<u>29</u>	<u>(39)</u>	<u>25</u>	<u>57</u>	<u>61</u>	<u>106</u>	<u>104</u>
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	31	16	30	24	(37)	21	53	59	101	96
Commissions	-	-	-	-	-	-	-	-	-	-
General expenses	-	1	2	1	1	1	1	1	4	4
Other	3	(1)	(4)	5	(2)	3	2	2	3	5
Total Benefits and Expenses	<u>34</u>	<u>16</u>	<u>28</u>	<u>30</u>	<u>(38)</u>	<u>25</u>	<u>56</u>	<u>62</u>	<u>108</u>	<u>105</u>
Net Earnings (loss) before income taxes	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>1</u>	<u>(1)</u>	<u>(2)</u>	<u>(1)</u>
Income tax	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss) before non-controlling interests	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>1</u>	<u>(1)</u>	<u>(2)</u>	<u>(1)</u>
Non-controlling interests	(1)	-	-	(1)	(1)	-	1	(1)	(2)	(1)
Net Earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Risk-based revenue premiums	8	6	7	7	9	9	7	7	28	32

Lifeco Europe – Corporate

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	-	-	-	-	-	-	-	-	-	-
Net investment income	1	-	1	1	-	24	(1)	3	3	26
Fee and other income	-	-	-	-	-	-	-	-	-	-
Total Income	1	-	1	1	-	24	(1)	3	3	26
Benefits and Expenses										
Paid or credited to policyholders and beneficiaries	48	-	1	-	(2)	-	1	1	49	-
Commissions	-	-	-	-	-	-	-	-	-	-
General expenses	9	5	1	1	1	1	3	2	16	7
Restructuring and acquisition expenses	5	1	1	20	-	15	1	1	27	17
Other	5	8	5	5	4	4	5	5	23	18
Total Benefits and Expenses	67	14	8	26	3	20	10	9	115	42
Net Earnings (loss) before income taxes	(66)	(14)	(7)	(25)	(3)	4	(11)	(6)	(112)	(16)
Income tax	(103)	(3)	(1)	(4)	-	(3)	(2)	(2)	(111)	(7)
Net Earnings (loss)	37	(11)	(6)	(21)	(3)	7	(9)	(4)	(1)	(9)
Preferred shareholder dividends	5	5	4	5	5	5	4	5	19	19
Net Earnings (loss) before Capital Allocation	32	(16)	(10)	(26)	(8)	2	(13)	(9)	(20)	(28)
Capital Allocation	9	8	9	9	4	6	7	7	35	24
Net Earnings (loss) - Common Shareholders ⁽¹⁾	41	(8)	(1)	(17)	(4)	8	(6)	(2)	15	(4)

1) Q4 2017 includes a net benefit for U.S. tax reform of \$54m after-tax.

Lifeco Europe – Balance Sheets

(C\$MM)

Assets	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash and cash equivalents	1,833	1,657	1,711	1,622	1,792	1,554	1,586	1,439
Bonds	41,710	39,804	40,280	39,835	39,082	40,180	38,611	39,867
Mortgage loans	3,596	3,644	3,704	3,624	3,590	3,642	3,625	3,945
Stocks	428	418	395	454	602	743	708	683
Investment properties	2,886	2,834	2,835	2,783	2,761	2,892	2,834	3,187
Loans to policyholders	109	107	112	113	113	110	108	109
Total invested assets	50,562	48,464	49,037	48,431	47,940	49,121	47,472	49,230
Funds withheld by ceding insurers	9,893	9,977	10,317	10,496	10,781	12,558	12,418	12,954
Reinsurance assets	4,639	4,875	4,986	4,815	4,824	4,537	4,196	4,324
Derivative financial instruments	130	112	122	126	163	188	201	232
Owner occupied properties	138	133	85	80	79	79	78	80
Fixed assets	59	56	58	56	56	59	57	61
Other assets	3,157	2,783	2,827	2,935	2,771	2,758	2,443	2,470
Total other assets	3,484	3,084	3,092	3,197	3,069	3,084	2,779	2,843
Deferred tax assets	28	21	33	19	23	16	24	27
Goodwill	2,016	2,002	2,006	1,986	1,985	2,034	1,899	1,910
Intangible assets	473	459	460	445	443	413	401	417
Investments on account of segregated fund policyholders	102,920	96,713	96,087	92,080	90,080	90,418	86,369	88,256
Total assets	174,015	165,595	166,018	161,469	159,145	162,181	155,558	159,961
Liabilities								
Insurance contract liabilities	53,590	52,514	53,147	52,851	52,478	55,504	53,791	55,984
Investment contract liabilities	1,345	1,366	1,421	1,455	1,456	1,539	1,509	1,543
	54,935	53,880	54,568	54,306	53,934	57,043	55,300	57,527
Debentures and other debt instruments	1,052	1,023	1,030	988	1,273	1,028	1,010	1,040
Funds held under reinsurance contracts	329	309	295	289	286	305	283	294
Other liabilities	1,998	1,953	2,066	2,144	2,277	2,536	1,936	1,799
Deferred tax liabilities	442	486	525	542	528	512	454	480
Investment and insurance contracts on account of segregated fund policyholders	102,920	96,713	96,087	92,080	90,080	90,418	86,369	88,256
Total liabilities	161,676	154,364	154,571	150,349	148,378	151,842	145,352	149,396
Equity								
Non-controlling interests	(2)	(1)	(1)	-	-	2	2	1
Share capital								
Perpetual preferred shares	550	550	550	550	550	550	550	550
Common shares	-	-	-	-	-	-	-	-
Accumulated surplus	11,486	10,612	10,696	10,535	10,248	9,655	9,437	9,283
Accumulated other comprehensive income (loss)	305	70	202	35	(31)	132	217	731
Contributed surplus	-	-	-	-	-	-	-	-
	12,339	11,231	11,447	11,120	10,767	10,339	10,206	10,565
Total liabilities and equity	174,015	165,595	166,018	161,469	159,145	162,181	155,558	159,961
Proprietary mutual funds and institutional net assets	39,521	37,000	37,797	35,713	33,664	34,461	32,480	29,913
Other assets under administration	41,945	39,413	39,148	39,218	38,952	40,044	38,975	39,903
Total assets under administration	255,481	242,008	242,963	236,400	231,761	236,686	227,013	229,777

Lifeco Corporate

(C\$MM)	2017				2016				Fiscal 2017	Fiscal 2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Income										
Premium income	-	-	-	-	-	-	-	-	-	-
Net investment income	2	1	2	(1)	(2)	-	4	-	4	2
Fee and other income	-	-	-	-	-	-	-	-	-	-
Total Income	2	1	2	(1)	(2)	-	4	-	4	2
Benefits and Expenses										
General expenses	4	6	2	9	9	4	6	4	21	23
Other	-	1	1	-	2	(2)	3	-	2	3
Total Benefits and Expenses	4	7	3	9	11	2	9	4	23	26
Net Earnings (loss) before income taxes	(2)	(6)	(1)	(10)	(13)	(2)	(5)	(4)	(19)	(24)
Income tax	-	(2)	-	(3)	(3)	2	(5)	-	(5)	(6)
Net Earnings (loss) before non-controlling interests	(2)	(4)	(1)	(7)	(10)	(4)	-	(4)	(14)	(18)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Net Earnings (loss)	(2)	(4)	(1)	(7)	(10)	(4)	-	(4)	(14)	(18)
Preferred share dividends	2	4	-	-	-	-	-	-	6	-
Net Earnings (loss) before Capital Allocation	(4)	(8)	(1)	(7)	(10)	(4)	-	(4)	(20)	(18)
Capital Allocation	(2)	(1)	(2)	(2)	(2)	(2)	(2)	(2)	(7)	(8)
Net Earnings (loss) - Common Shareholders	(6)	(9)	(3)	(9)	(12)	(6)	(2)	(6)	(27)	(26)

Lifeco – Consolidated Source of Earnings

(C\$MM)

	For the three months ended Dec. 31, 2017					2017			2016				Fiscal	Fiscal
	Canada	U.S.	Europe	Corp	Total	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Expected profit on in-force business	300	126	279	(1)	704	682	681	605	695	661	633	653	2,672	2,642
Impact of new business	27	(31)	(14)	-	(18)	(12)	(61)	(24)	(43)	(77)	(44)	(68)	(115)	(232)
Experience gains and losses	114	(12)	(16)	(3)	83	(91)	230	119	88	11	49	38	341	186
Management actions and changes in assumptions	26	13	86	-	125	152	38	44	141	223	129	54	359	547
Impact of U.S. tax reform on insurance contract liabilities & expenses	-	(72)	(47)	-	(119)	-	-	-	-	-	-	-	(119)	-
Other	-	(182)	(5)	-	(187)	(1)	(174)	(40)	(35)	(24)	(5)	(4)	(402)	(68)
Earnings on surplus (incl. financing charges)	9	7	(15)	-	1	(16)	(5)	16	(12)	34	25	11	(4)	58
Net income before tax	476	(151)	268	(4)	589	714	709	720	834	828	787	684	2,732	3,133
Taxes (excl. impact of U.S. tax reform)	(93)	35	(6)	-	(64)	(95)	(91)	(98)	(127)	(121)	(86)	(33)	(348)	(367)
U.S. tax reform impact on deferred tax balances	(19)	(223)	88	-	(154)	-	-	-	-	-	-	-	(154)	-
Tax recovery on impact of U.S. tax reform on insurance contract liabilities & expenses	-	25	13	-	38	-	-	-	-	-	-	-	38	-
Net income before non-controlling interests & preferred dividends	364	(314)	363	(4)	409	619	618	622	707	707	701	651	2,268	2,766
Non-controlling interests & preferred dividends	(26)	(3)	(5)	(2)	(36)	(38)	(33)	(31)	(31)	(33)	(30)	(31)	(138)	(125)
Impact of U.S. tax reform on non-controlling interests	-	19	-	-	19	-	-	-	-	-	-	-	19	-
Net income - Common Shareholders	338	(298)	358	(6)	392	581	585	591	676	674	671	620	2,149	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. The impact of U.S. tax reform has been separated out in this presentation.

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				Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2016
Expected profit on in-force business	5	4	10	(12)	1	(13)	(12)	(9)	7	(33)
Impact of new business	(8)	(5)	(8)	(8)	(8)	(8)	(8)	(7)	(29)	(31)
Experience gains and losses	-	15	4	(3)	1	2	1	(16)	16	(12)
Management actions and changes in assumptions	-	-	-	-	-	19	-	-	-	19
Other	20	-	-	-	(33)	-	-	-	20	(33)
Earnings on surplus (incl. financing charges)	(14)	(10)	(26)	(18)	(29)	(20)	(23)	(39)	(68)	(111)
Net income before tax	3	4	(20)	(41)	(68)	(20)	(42)	(71)	(54)	(201)
Taxes	(5)	5	17	25	45	16	24	46	42	131
Net income before non-controlling interests & preferred dividends	(2)	9	(3)	(16)	(23)	(4)	(18)	(25)	(12)	(70)
Non-controlling interests & preferred dividends	(3)	(3)	(3)	-	-	(2)	-	-	(9)	(2)
Net income - common shareholders ⁽¹⁾	(5)	6	(6)	(16)	(23)	(6)	(18)	(25)	(21)	(72)

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