



POWER CORPORATION
OF CANADA

Investor Presentation

Q1 2020 Quarterly Results

May 15th, 2020

Forward looking statements, COVID-19 and non-IFRS measures

Forward Looking Statements

In the course of today's meeting, representatives of the Corporation may make, in their remarks or in response to questions, and the accompanying materials may include, statements containing forward-looking information.

Certain statements, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Corporation's current expectations, or with respect to disclosure regarding the Corporation's public subsidiaries, reflect such subsidiaries' disclosed current expectations. Forward-looking statements are provided for the purposes of assisting the listener/reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the listener/reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries, including the fintech strategy, the expected impact of the COVID-19 pandemic on the Corporation and its subsidiaries' operations, results and dividends, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the proposed simplification of the Pargesa and Groupe Bruxelles Lambert ("GBL") structure, the intended effects of the Reorganization, the Normal Course Issuer Bid (NCIB), expected operating expense reductions, future use of holding company levers, development of the investment platforms and the proposed redemption by the Corporation and Power Financial of certain classes of their First Preferred Shares. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the Corporation's and its subsidiaries' control, affect the operations, performance and results of the Corporation and its subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, fluctuations in interest rates, inflation and foreign exchange rates, monetary policies, business investment and the health of local and global equity and capital markets, management of market liquidity and funding risks, risks related to investments in private companies and illiquid securities, risks associated with financial instruments, changes in accounting policies and methods used to report financial condition (including uncertainties associated with significant judgments, estimates and assumptions), the effect of applying future accounting changes, business competition, operational and reputational risks, technological changes, cybersecurity risks, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, man-made disasters, terrorist attacks, wars and other conflicts, or an outbreak of a public health pandemic or other public health crises (such as COVID-19), the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors.

The listener/reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the availability of cash to complete purchases under the NCIB and to redeem First Preferred Shares of the Corporation and Power Financial, the successful completion of the proposed simplification of the Pargesa and GBL structure and that the list of factors in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries. While the Corporation considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including its most recent annual and most recent interim Management's Discussion and Analysis and Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedar.com.

Forward looking statements, COVID-19 and non-IFRS measures (cont'd)

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods.

Non-IFRS Measures

Effective the first quarter of 2020, the Corporation introduced an enhanced definition of its non-IFRS earnings measure, Adjusted net earnings. This change is consistent with the introduction of base earnings (loss) by Lifeco which was introduced in the first quarter of 2020 to reflect management’s view of the operating performance of Lifeco. Lifeco defines base earnings as net earnings excluding the impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance contract liabilities net of hedging, and items that management believes are not indicative of the company’s underlying business results. The definition of Adjustments includes what the Corporation previously presented as other items and also includes Lifeco’s impact of actuarial assumption changes and management actions, and direct equity and interest rate market impacts on insurance contract liabilities net of hedging. The definition of Adjustments used in Adjusted net earnings is being adopted to enhance comparability of results between reporting periods and in anticipation of Lifeco’s implementation of accounting changes related to IFRS 17, Insurance Contracts, on January 1, 2023. The comparative periods have been restated to reflect the introduction of this enhanced measure.

Net asset value is commonly used by holding companies to determine their value. Net asset value is the fair value of Power Corporation’s non-consolidated assets less its net debt and preferred shares. The investments held in public entities (including Lifeco, IGM and Pargesa) are measured at their market value and investments in private entities and investment funds are measured at management’s estimate of fair value. Pargesa’s net asset value is determined on the basis of current market values for listed shareholdings, plus the fair value of private equity activities and GBL treasury shares, less net debt. This measure presents the fair value of the net assets of the holding company to management and investors and assists the reader in determining the value of the holding company.

Certain financial terms which may be included in statements today or in the accompanying materials, such as adjusted net earnings, Adjustments, adjusted net earnings per share, net asset value, net asset value per share and assets under management, are non-IFRS financial measures that do not have a standard meaning and may not be comparable to similar measures used by other entities. The Corporation also uses a non-consolidated basis of presentation to present and analyze its results whereby its interests in its subsidiaries are accounted for using the equity method. Presentation on a non-consolidated basis is a non-IFRS presentation. Please refer to the Corporation’s annual and most recent interim Management’s Discussion and Analysis for more information, including how such measures are defined, an explanation of their purpose and a reconciliation of these non-IFRS measures to results reported in accordance with IFRS, where comparable IFRS measures exist.

Conference call participants



R. Jeffrey Orr

President and Chief Executive Officer



Gregory D. Tretiak, FCPA, FCA

Executive Vice-President and Chief Financial Officer



Jocelyn Lefebvre

Vice Chairman, Pargesa Holding SA
Director, Groupe Bruxelles Lambert
Founder and President, Sagard Europe

Q1 2020 Highlights

Publicly traded operating companies

- This call follows a number of recent events held by our publicly traded operating companies
- Investors are encouraged to contact the companies directly for specific inquiries

	Event / Date	Contact
 www.greatwestlifeco.com	<ul style="list-style-type: none"> ▪ Q1 2020 Conference Call ▪ Annual General Meeting ▪ Q1 2020 Earnings Release 	May 7, 2020 May 7, 2020 May 6, 2020 deirdre.neary@canadalife.com
 www.igmfinancial.com	<ul style="list-style-type: none"> ▪ Q1 2020 Conference Call ▪ Annual General Meeting ▪ Q1 2020 Earnings Release 	May 8, 2020 May 8, 2020 May 8, 2020 investor.relations@igmfinancial.com
 www.pargesa.ch	<ul style="list-style-type: none"> ▪ Annual General Meeting ▪ Q1 2020 Earnings Release 	May 6, 2020 May 6, 2020 info@pargesa.ch
 www.gbl.be	<ul style="list-style-type: none"> ▪ Q1 2020 Earnings Release ▪ Annual General Meeting 	May 6, 2020 April 28, 2020 sgallaire@gbl.be

Power Corporation Q1 2020 Highlights

- February 13 Power Corporation and Power Financial reorganization closes
- February 20 Power Corporation launches its normal course issuer bid program
- March 11 Parjointco announces intention to simplify the Pargesa and GBL structure
- March 11 Power group of companies take immediate action in response to the WHO declaration of a global pandemic
- May 6 to 8 Great-West Lifeco, IGM, Pargesa, GBL announce their Q1 results, reflecting current COVID-19 environment

PCC financial highlights – Q1 2020

- Net earnings per share of \$0.36, compared with \$0.63 in Q1 2019
- Adjusted net earnings per share¹ of \$0.62, compared with \$0.54 in Q1 2019
- The Board of Directors declared a quarterly dividend of 44.75¢ per share, up 10.5% from the 2019 rate, and the dividend schedule advanced by 2 months
- NAV per share² of \$30.79 at March 31, 2020, compared with \$40.07 at December 31, 2019³

¹ Effective the first quarter of 2020, the Corporation introduced an enhanced definition of its non-IFRS earnings measure, Adjusted net earnings. This change is consistent with the introduction of base earnings (loss) by Lifeco which was introduced in the first quarter of 2020 to reflect Lifeco management's view of the operating performance of Lifeco. The definition of Adjustments has been enhanced to include Lifeco's impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance contract liabilities net of hedging. The comparative periods have been restated to reflect the introduction of this enhanced measure. For additional information, please refer to the appendix of this presentation and the first quarter 2020 MD&A

² Non-IFRS measures. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures

³ December 31, 2019 is calculated using PCC's investment in PFC at market value. March 31, 2020 is calculated on a look-through basis, reflecting the completion of the PCC/PFC reorganization and the elimination of PFC's holding company discount

PCC earnings per share

- Adjusted net EPS¹ increased from \$0.54 in Q1 2019 to \$0.62 in Q1 2020
- Net EPS decreased from \$0.63 in Q1 2019 to \$0.36 in Q1 2020

	Q1'20	Q1'19	% QoQ
Power Financial			
Lifeco	0.52	0.55	(5.5%)
IGM	0.14	0.14	-
Pargesa	0.08	0.07	14.3%
PFC corporate activities	(0.11)	(0.09)	(22.2%)
	0.63	0.67	(6.0%)
Investment platforms	0.05	(0.04)	n/m
China AMC	0.02	0.02	-
	0.70	0.65	7.7%
Operating and other expenses	(0.06)	(0.08)	25.0%
Dividends on perpetual preferred shares	(0.02)	(0.03)	33.3%
Adjusted net earnings per share ⁽¹⁾	0.62	0.54	14.8%
Adjustments			
Actuarial assumption changes ⁽²⁾	(0.07) ⁽³⁾	0.13	n/m
Market-related impact	(0.19) ⁽³⁾	(0.04)	n/m
Net earnings per share	0.36	0.63	(42.9%)
<i>Weighted average number of participating shares outstanding (M)</i>	560.2	466.0	

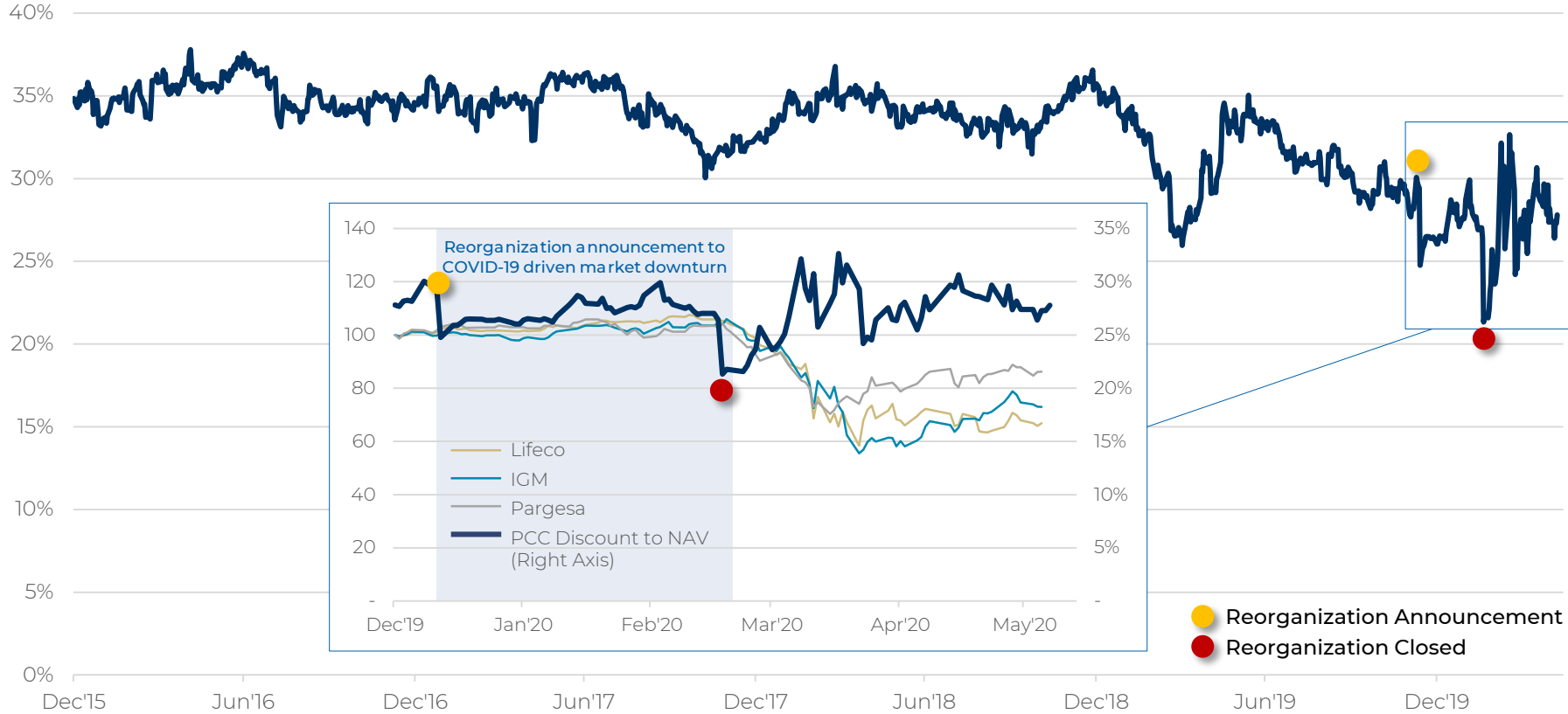
¹ Non-IFRS measures. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures

² Includes Lifeco management actions

³ Primarily COVID-19 related at Great-West Lifeco

PCC NAV and discount to NAV

- 34% average discount from the end of 2015 to the 2019 Reorganization announcement
- Discount decreased to 21% after the close of the reorganization



Note: NAV is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures.

Group-wide response to COVID-19

Our priority is the health and well-being of our employees, customers and stakeholders

Employees

- Rapid transition to Work-From-Home mode in March 2020
- Expanded resources including additional benefits, training and virtual health programs
- Frequent communication to reinforce our priority of health and well-being

Clients

- Uninterrupted client service by leveraging technology
- Enhanced communication to support, inform and update clients
- Support for customers to ease their financial burdens, including premium reductions and mortgage payment deferrals

Communities

- Groupwide pledges to support key community organizations
- PCC focus is on urgent health and social needs
- Engagement with relevant authorities to provide input on policy responses

PCC Group well capitalized and maintains strong liquidity

- PCC held \$1.4 billion of liquidity at March 31, 2020¹
- No material debt maturities until 2033 at the holding company level
- A+ credit rating² and history of being able to access capital markets in all cycles
- NCIB program temporarily suspended end of March 2020 in light of market environment

¹ Net of dividends payable and dividends receivable from IGM, includes PFC liquidity

² Based on S&P Global Ratings









Impacts and benefits of the Reorganization and related announcements

- Simplified corporate structure that reduces organizational complexity
- More focused strategy emphasizing financial services
- NAV¹ accretion for former PFC shareholders
- Increase in public float and trading liquidity for all shareholders
- EPS accretion for all shareholders
- Increase in PCC dividend per share paid in Q2
- PCC becomes easier to understand and value

¹ Non-IFRS measures. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures

Delivering further shareholder value

Progress on our December 2019 announcements

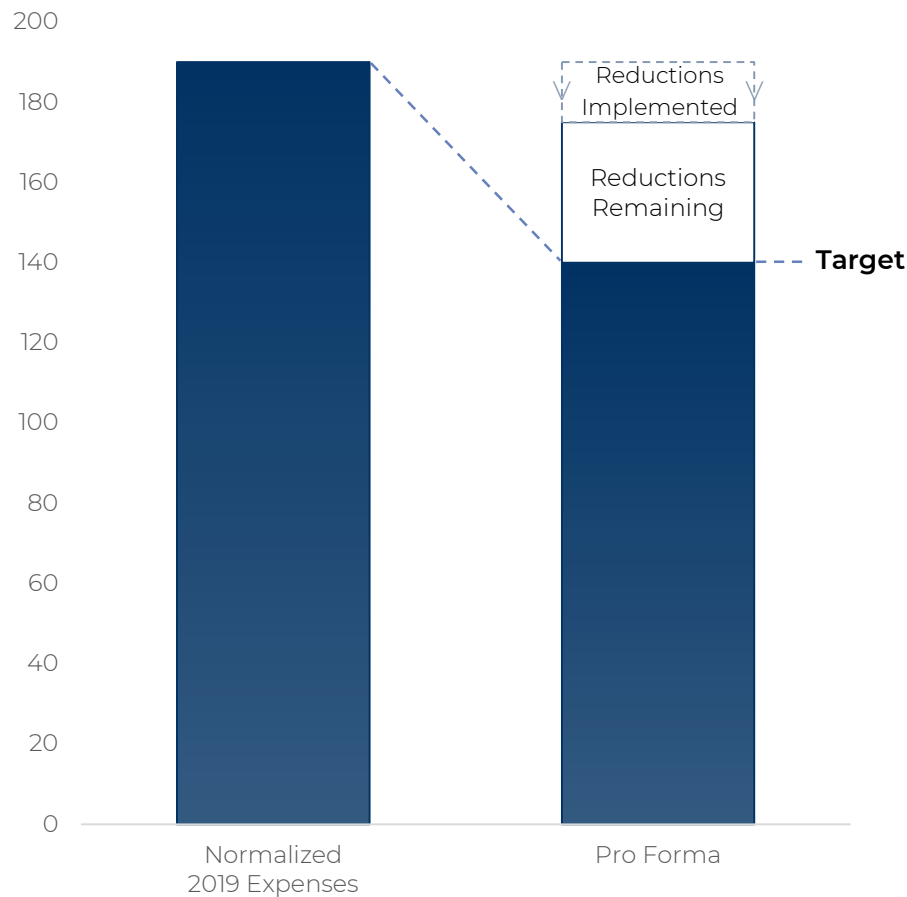
PCC & PFC proposed to eliminate dual-holding company structure	 Reorganization completed February 13, 2020
Desmarais family to invest new capital in PCC	 The Desmarais family has purchased 6.0M Participating Preferred Shares
Paul Desmarais, Jr. and André Desmarais to retire as Co-CEOs and continue as Chairman and Deputy Chairman R. Jeffrey Orr to become the President and CEO of PCC	 Leadership changes implemented, effective Feb. 13, 2020
PCC intention to increase its dividend from 40.50 to 44.75 cents per share and advance payment date by 2 months	 On March 18, 2020, the Board declared a quarterly dividend of 44.75 cents per share payable May 1, 2020
PCC intends to commence an NCIB program	 7.4M shares purchased to date in 2020; NCIB program suspended in light of current market environment
Further enhancement of investor communications	 Launch of quarterly earnings results call today
Reduction in operating expenses of \$50 million per year and financing expenses by \$15 million per year	 Implemented actions to achieve 35% of the targeted operating expense reductions to date
PCC's strategy to focus on financial services going forward	 Ongoing strategic planning

NCIB provides flexibility and generates value for shareholders

- PCC launched its NCIB program on February 20, 2020
- 7.4M shares repurchased between February 20, 2020 and March 26, 2020
 - 1.3% of subordinate voting shares outstanding held by float following the Reorganization
- NCIB program temporarily suspended end of March 2020 in light of market environment
- Cash-settled TSARs were approved at PCC's AGM in May 2020

Operating expense reduction

We have implemented actions to achieve 35% of the targeted operating expense reductions to date



- Retirement of Co-CEOs and changes in governance
- Certain PFC public company expenses eliminated

Simplification of the Pargesa and GBL structure

On March 11, 2020, Parjointco N.V. announced an offer of 0.93 GBL shares for each publicly-held Pargesa bearer share

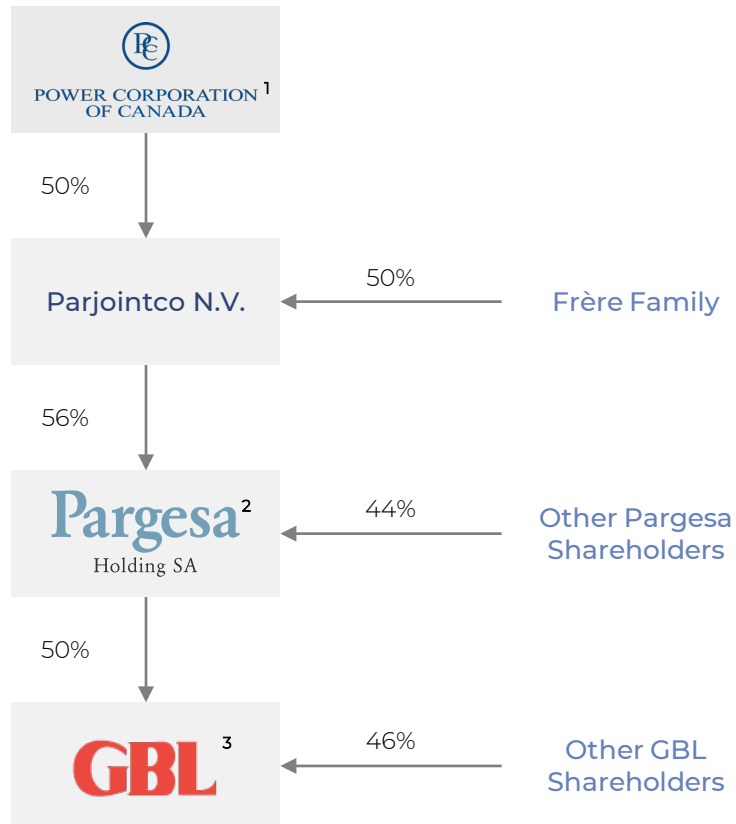
- Pargesa's assets today almost exclusively consist of its 50% stake owned in GBL
- Sizeable 'double holding' discount at Pargesa relative to its NAV
- Proposed transaction delivers significant benefits and value for Pargesa shareholders, including 16%¹ implied premium received
- Pargesa's Board of Directors unanimously recommended acceptance of the offer
- Transaction subject to acceptance of shareholders representing at least 90% of voting rights²
- Pargesa / GBL exchange transaction expected to close in Q4 2020

¹ Based on closing prices of Pargesa and GBL shares as of March 11, 2020

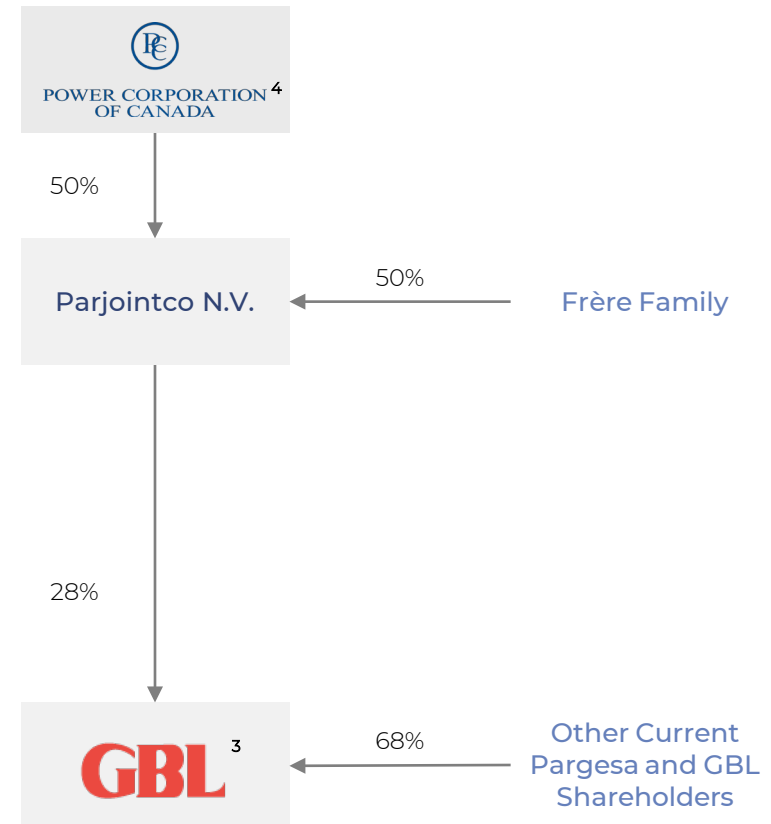
² Acceptance period has commenced May 8, 2020 until June 8, 2020; a second settlement period, if required, will commence June 15, 2020 until June 26, 2020

Current and pro forma Pargesa and GBL structure

Current



Pro forma



¹ PCC indirectly holds a 14% interest in GBL (50% x 56% x 50%)

² Pargesa share capital includes 0.3% treasury shares

³ GBL share capital includes 4% treasury shares

⁴ PCC indirectly holds a 14% interest in GBL (50% x 28%)

GBL net asset value

Portfolio with solid operating performance and a high-quality risk and liquidity profile

- €98.38 NAV per share at March 31, 2020, compared with:
 - €126.11 at December 31, 2019
 - €100.35 at December 31, 2018
- Currently, PCC's interest in GBL is held through its 28% interest in Pargesa. Pro forma the reorganization, PCC's interest of 14% will be held in GBL

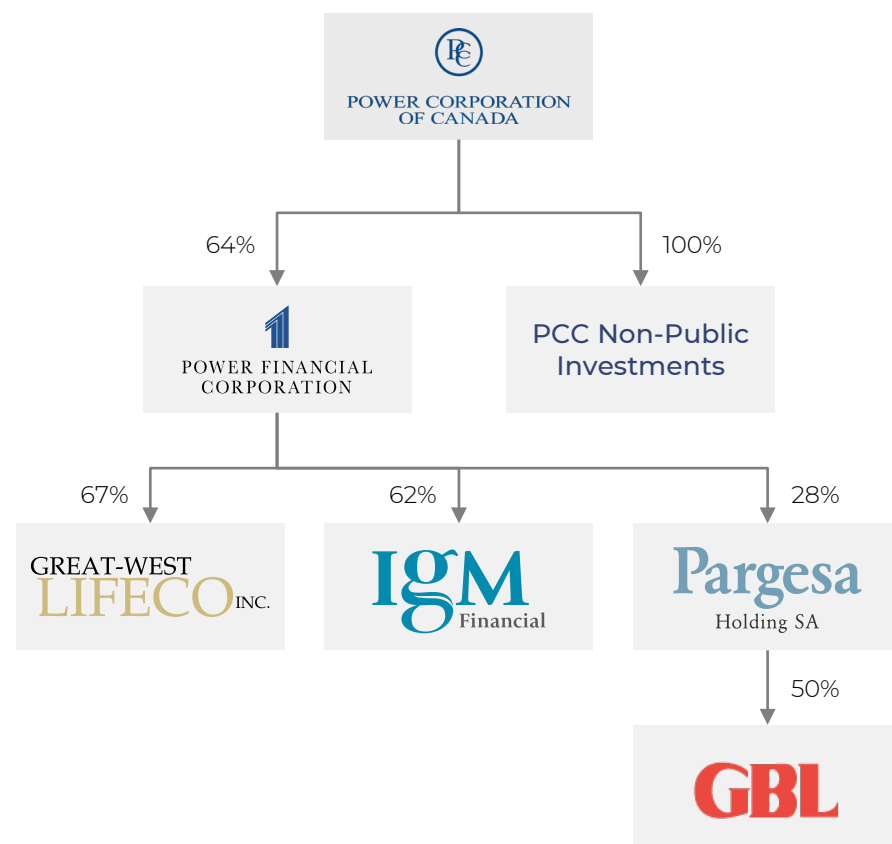
	% in Capital	Mar. 31, 2020 Value (€M)	PCC Share of Value (€M) ⁽¹⁾
Listed and Private Investments			
SGS	18.93%	3,033	437
adidas	6.84%	2,823	407
Pernod Ricard	7.49%	2,575	371
LafargeHolcim	7.57%	1,558	224
Umicore	17.99%	1,412	203
Imerys	54.09%	984	142
Webhelp	63.74%	867	125
GEA	8.51%	288	41
Ontex	19.98%	262	38
Parques Reunidos	23.00%	235	34
Other		150	22
Sienna Capital		1,721	248
Portfolio		15,908	2,291
Treasury Shares		414	60
Gross Debt		(2,830)	(408)
Cash / Quasi-Cash / Trading		2,383	343
Net Asset Value		15,875	2,286
Net Asset Value per Share (€)		98.38	98.38

¹ PCC share of value based on 14% look-through ownership

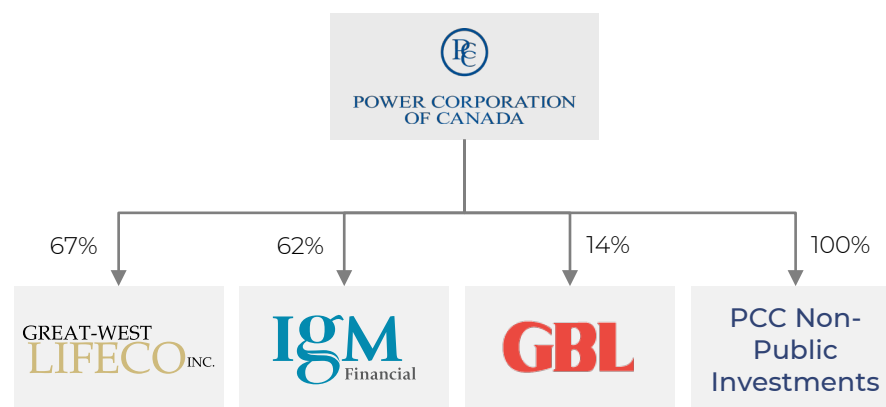
Simplification of Power group structure

With the PCC / PFC Reorganization and assuming the Pargesa / GBL reorganization receives the requisite acceptance, PCC's structure will have been simplified significantly over the last few quarters

Pre-December 2019 Reorganization



Pro forma



Development of PCC's investment platforms

- Operate in asset classes where we can create competitive advantage
- Raise and manage primarily third-party capital, with Power acting as a provider of seed capital
- Demonstrate the ability to be profitable as an asset manager within a reasonable time period, thereby increasing the returns we earn on our seed capital
- Realize synergies with our various operating companies, by creating mutually beneficial distribution agreements to help them serve their clients, or by meeting their own balance sheet needs

Sagard Holdings



Multi-strategy alternative asset manager

European mid-cap private equity

Power Sustainable Capital



Chinese public equity manager

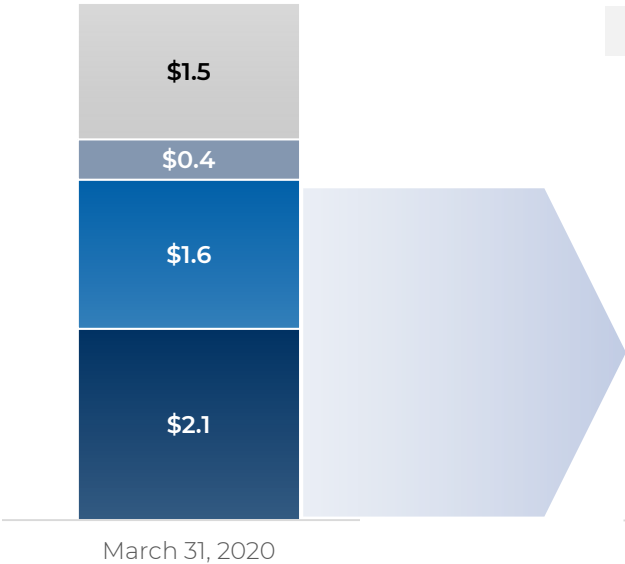
Renewable energy infrastructure

Established investment platforms with growth in 3rd party capital

- \$3.7B of AUM at March 31, 2020, of which \$2.1B from PCC
- \$1.9B of additional unfunded commitments, including \$1.5B from 3rd parties

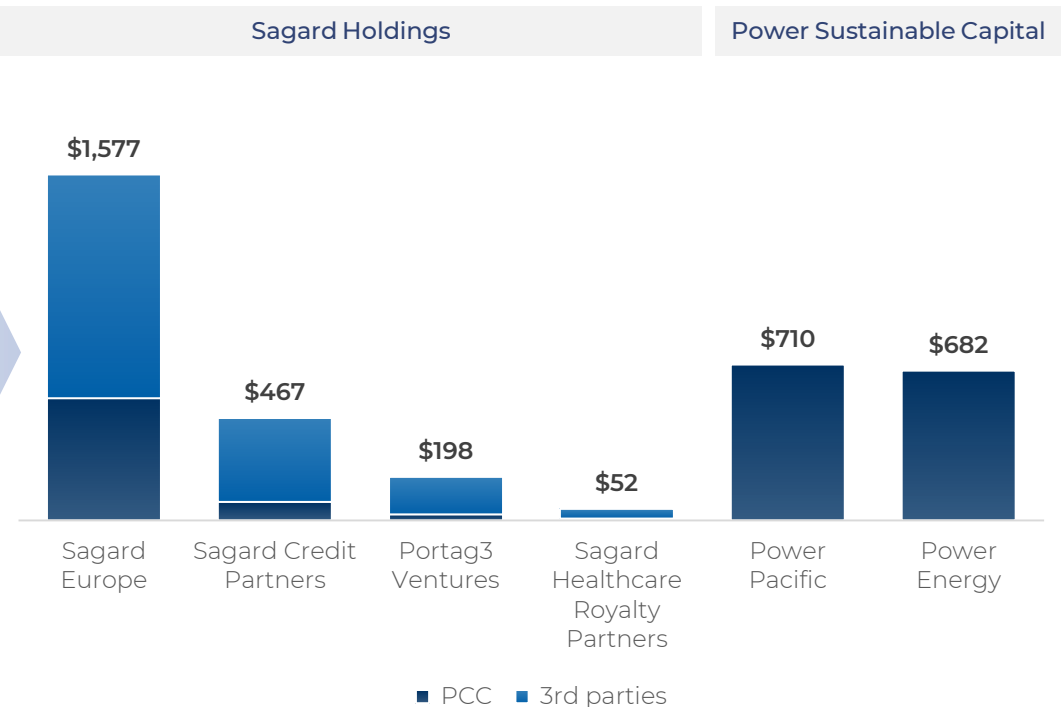
AUM and Unfunded Commitments (\$B)

Total: \$5.6 billion



AUM by Fund (\$M)

Total: \$3.7 billion

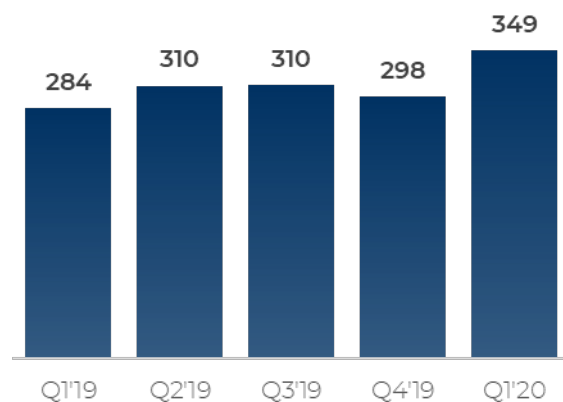


Note: Converted to C\$ based on € and US\$ exchange rates as at March 31, 2020; Included in 3rd parties are associated companies including Lifeco, IGM and Pargesa as well as commitments from management

- RMB¥ 349M of net profit in Q1'20, compared to RMB¥ 284M in Q1'19, a 23% increase
- PCC's share of China AMC income was \$9M in Q1'20, compared with \$7M in Q1'19
- Chinese equity market has returned to pre-COVID-19 crisis levels sooner than most global markets

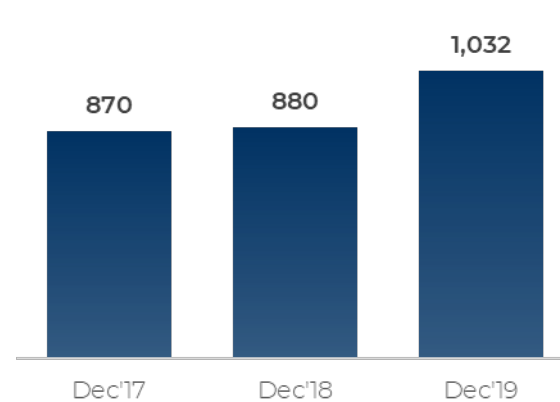
Net Profit

(RMB¥ millions)

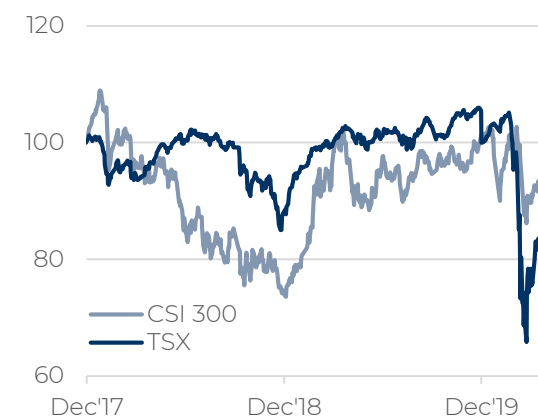


Assets Under Management¹

(RMB¥ billions)



Market Performance



\$703M contribution to PCC NAV at March 31, 2020

¹ Excluding subsidiary AUM

Standalone businesses

PCC will continue to manage standalone businesses to realize value over time

Peak
Achievement
Athletics

lumenpulse[™]

 **GP**
STRATEGIES


LION

\$660M contribution to PCC NAV at March 31, 2020

Summary

- Power group of companies have responded well to the COVID-19 crisis
- Significant progress on Reorganization announcements
- Announcement and launch of Parjointco's offer to simplify the Pargesa and GBL structure
- Execution of more focused strategy emphasizing financial services and further developing alternative asset management platforms

Reorganization – Tax deferral election

Deadline to elect for a tax deferral on Reorganization has been extended to October 31, 2020

- Acquisition of PFC shares by PCC in February 2020 would generally result in a taxable gain (or loss) for former PFC shareholders that did not hold the PFC shares in a tax-free account
- Former PFC shareholders have the option to elect, jointly with PCC, to defer all or a portion of that gain
- In order to make a tax-deferral election with PCC, the necessary information must be submitted through a tax election assistant website, accessible from the PCC website
- Deadline to submit the information required to PCC, originally June 13, 2020 as indicated in the Management Proxy Circular dated January 10, 2020, is now extended to October 31, 2020

Questions

Appendix

Abbreviations

The following abbreviations are used throughout this presentation:

adidas	adidas AG	Parjointco	Parjointco N.V.
AGM	Annual general meeting of shareholders	Parques Reunidos	Parques Reunidos Servicios Centrales, S.A.
AUM	Assets Under Management	Peak Achievement Athletics or Peak	Peak Achievement Athletics Inc.
China AMC	China Asset Management Co., Ltd.	Portag3 II LP	Portag3 Ventures II Limited Partnership
EPS	Earnings per share	Power Corporation or PCC	Power Corporation of Canada
GBL	Groupe Bruxelles Lambert	Power Energy	Power Energy Corporation
GEA	GEA Group	Power Financial or PFC	Power Financial Corporation
IFRS	International Financial Reporting Standards	Power Pacific	Power Pacific Investment Management Inc.
IGM or IGM Financial	IGM Financial Inc.	Power Sustainable Capital	Power Sustainable Capital Inc.
LafargeHolcim	LafargeHolcim Ltd	Sagard Europe	Sagard SAS, Sagard II, Sagard 3 and Sagard 4
Lifeco	Great-West Lifeco Inc.	Sagard Healthcare Royalty	Sagard Healthcare Royalty Partners, LP
Lion or Lion Electric	The Lion Electric Co.	Sagard Holdings	Sagard Holdings ULC
Lumenpulse	Lumenpulse Group Inc.	SGS	SGS SA
NAV	Net asset value	TSAR or TSARs	Tandem share appreciation rights
NCIB	Normal course issuer bid	TSX	Toronto Stock Exchange
Ontex	Ontex N.V.	Umicore	Umicore, NV/SA
Pargesa	Pargesa Holding SA	Webhelp	Webhelp Group

Net asset value

(\$ millions)	March 31, 2020
Publicly Traded	
Great-West Lifeco	\$15,078
IGM Financial	3,454
Pargesa	2,218
	20,750
Investment Platforms	
Sagard Holdings ^{(1),(2)}	280
Sagard Europe ⁽¹⁾	551
Power Pacific ^{(1),(2)}	710
Power Energy	682
	2,223
Carrying Value	
China AMC ⁽³⁾	703
Other Investments	524
Other	383
	1,610
Standalone Businesses	660
Cash & Cash Equivalents ⁽²⁾	1,381
Gross Asset Value	\$26,624
Liabilities and Preferred Shares	(5,807)
Net Asset Value	\$20,817
Shares Outstanding (millions)	676.1
Net Asset Value per Share (\$)	\$30.79

Note: NAV is a non-IFRS measure. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent MD&A for definitions of non-IFRS financial measures

¹ The management companies of the investment funds are presented at their carrying value in accordance with IFRS

² Cash of \$277 million related to Sagard Holdings and Power Pacific has been included in the fair value

³ Valued at carrying value in accordance with IFRS