

NEWS RELEASE

FOR IMMEDIATE RELEASE



Power Corporation and Power Financial Announce Reorganization, Simplified Corporate Structure and Refocused Strategy

Readers are referred to the section "Forward-Looking Statements" at the end of this release. All figures are expressed in Canadian dollars.

Streamlined Organization to Eliminate Dual-Holding Company Structure, Emphasize Financial Services and Unlock Further Shareholder Value

- Power Financial Minority Shareholders to receive 1.05 Power Corporation Subordinate Voting Shares and nominal cash consideration in exchange for each Power Financial Common Share.
- Power Financial Minority Shareholders to receive Power Corporation shares with Net Asset Value that is \$4.50 higher than the Net Asset Value of each Power Financial Common Share, an increase of 11% (calculated without accounting for any exercise of Pre-Emptive Rights (as defined herein)).¹
- Power Corporation to undertake further initiatives to benefit shareholders in conjunction with the Reorganization, including implementation of a significant near-term operating cost reduction plan, reduced financing costs and a dividend increase.
- Paul Desmarais, Jr. and André Desmarais to retire as Co-Chief Executive Officers of Power Corporation after 23 years in the roles and to continue to serve as Chairman and Deputy Chairman, respectively, of Power Corporation's Board of Directors. R. Jeffrey Orr, President and Chief Executive Officer of Power Financial, to become President and Chief Executive Officer of Power Corporation.

Montréal, Québec, December 13, 2019 – Power Corporation of Canada ("Power", "Power Corporation" or "PCC") (TSX: POW) and Power Financial Corporation ("Power Financial" or "PFC") (TSX: PWF) today announced the execution of a definitive agreement to effect a reorganization transaction (the "Reorganization") pursuant to which each common share of PFC ("PFC Common Shares" or "Power Financial Common Shares") held by holders of PFC Common Shares other than PCC and certain of its affiliates (the "PFC Minority Shareholders" or "Power Financial Minority Shareholders"), will be exchanged for 1.05 subordinate voting shares of PCC ("PCC Subordinate Voting Shares" or "Power Corporation Subordinate Voting Shares") and \$0.01 in cash. Upon completion of the Reorganization, PCC will own all of the PFC Common Shares, while PFC preferred shares and debt securities will remain outstanding.

The Reorganization will simplify the group's corporate structure and serve as the foundation and catalyst for a broader set of strategic initiatives expected to deliver further value to shareholders. The Boards of Directors of PCC and PFC each have unanimously approved the Reorganization and the Board of Directors of PFC (the "PFC Board"), based on the unanimous recommendation of the Special Committee (as defined below), has agreed to unanimously recommend that PFC Minority Shareholders vote in favour of the Reorganization.

¹ Net Asset Value estimated as at December 12, 2019. Net Asset Value is a non-IFRS measure prepared by each of PFC and PCC that is used to assist in assessing value, representing an estimate of the total assets less the total liabilities of each respective company, expressed on a per share basis. See Non-IFRS Financial Measures and Presentation below. Net Asset Value per share is \$4.42 / 11% higher assuming 5.0 million or \$4.40 / 11% higher assuming 6.0 million Participating Preferred Shares are issued pursuant to the Pre-Emptive Right at a price of \$31.44 (based on the 5-day volume weighted average price of PFC and PCC as at December 12, 2019).



Rationale for the Reorganization

The Reorganization is expected to benefit shareholders of PCC and PFC by creating long-term value:

Simplified Corporate Structure – The Reorganization will eliminate the current dual-holding company structure and consolidate ownership of the group’s industry-leading financial services operating companies, while concurrently reducing organizational complexity.

Focus on Financial Services – PCC’s strategy will emphasize financial services, including the businesses of PFC and the investment platform businesses of PCC.

PFC’s Operating Companies – Commitment to value creation at each of Great-West Lifeco Inc., IGM Financial Inc. and Pargesa Holding SA, PFC’s leading insurance, retirement, wealth management and investment franchises.

PCC’s Investment Platforms – PCC has built investment platforms that manage portfolios on behalf of PCC and third-party investors in several alternative asset classes where PCC has a competitive advantage. PCC will continue to prioritize the development of these investment platforms. PCC also owns majority control of several standalone businesses, which will be managed to realize value over time.

Increase in Net Asset Value for PFC Shareholders – The Reorganization will result in PFC Minority Shareholders receiving PCC Subordinate Voting Shares having a Net Asset Value that is \$4.50 higher than the Net Asset Value of each PFC Common Share, an increase of 11% (calculated without accounting for any exercise of Pre-Emptive Rights (as defined herein))².

Increased Public Float and Liquidity – PFC Minority Shareholders and holders of PCC Subordinate Voting Shares will benefit from a significantly increased public float following the Reorganization.

Operating Expense Reduction – PCC anticipates significant near-term cost reductions of approximately \$50 million per year within two years by eliminating duplicative public company related expenses and rationalizing other general and administrative expenses.

Financing Expense Reduction – PCC and PFC intend to redeem an aggregate of \$350 million of First Preferred Shares with available cash, resulting in reduced annual financing costs of approximately \$15 million per year.

Increase in PCC’s Quarterly Dividend – PCC intends to increase its quarterly dividend by 10% to 44.75 cents per share, commencing in the second quarter of 2020 (see Dividends).

Desmarais Family to Retain Control

Pansolo Holding Inc., a holding company controlled by the Desmarais Family Residuary Trust, will retain control of PCC following completion of the Reorganization. Pansolo Holding Inc. has indicated that it intends to purchase 5 million to 6 million of the approximately 30 million participating preferred shares of PCC (“Participating Preferred Shares”) it is entitled to purchase pursuant to the Pre-Emptive Right in favour of all holders of Participating Preferred Shares included in PCC’s articles (see Pre-Emptive Right) resulting in ownership of approximately 50.2% to 50.6% of the votes of PCC pro forma the completion of the Reorganization.

² Net Asset Value per share is \$4.42 / 11% higher assuming 5.0 million or \$4.40 / 11% higher assuming 6.0 million Participating Preferred Shares are issued pursuant to the Pre-Emptive Right at a price of \$31.44 (based on the 5-day volume weighted average price of PFC and PCC as at December 12, 2019).



Management Announcements

After 23 years as Co-Chief Executive Officers of PCC, Paul Desmarais, Jr. and André Desmarais have decided to retire from their roles. They will continue to play an active role in the governance of PCC and maintain their positions as Chairman and Deputy Chairman, respectively, of PCC's Board of Directors. They were appointed to their roles in 1996 and have overseen a period of dramatic growth and value creation for PCC, PFC and the companies in the group. Since their appointment, the annualized Total Return to Shareholders, including dividends and capital appreciation, has been 11.7% and 13.1% for each of PCC and PFC, respectively, compared to 7.7% for the S&P TSX Composite index.

The Board of Directors of PCC has indicated that it will appoint R. Jeffrey Orr, current President and Chief Executive Officer of PFC, as President and Chief Executive Officer of PCC upon completion of the Reorganization.

"Jeff has been instrumental in building and strengthening PFC's businesses for almost two decades, and we look forward to continuing to work with him to execute our shared vision of creating shareholder value in the financial services industry," said Paul Desmarais Jr., PCC Chairman and Co-CEO.

"The Reorganization is a natural step that reflects our evolution from a diversified holding company into one that is primarily focused on financial services," said André Desmarais, PCC Deputy Chairman and Co-CEO.

"Simplifying our corporate structure will make it easier to understand and value PCC appropriately," said R. Jeffrey Orr, PFC President and CEO. "At the same time, the more targeted strategy will allow us to better focus our investments and our efforts to create and return value to shareholders. I am excited to be a part of this new chapter of PCC's storied history."

PFC Board of Directors and Special Committee

The PFC Board formed a special committee of directors (the "Special Committee") comprised of Susan J. McArthur, Marc A. Bibeau and Siim A. Vanaselja to review and consider the Reorganization, the terms of which were negotiated at arm's length with PCC. The PFC Board unanimously approved the Reorganization following the report and favourable recommendation of the Special Committee and has agreed to unanimously recommend that PFC Minority Shareholders vote in favour of the Reorganization.

RBC Capital Markets ("RBC") has provided its opinion (the "Fairness Opinion") to the Special Committee that, as of December 12, 2019, and subject to the assumptions, limitations and qualifications contained therein, the consideration to be received by PFC Minority Shareholders under the Reorganization is fair from a financial point of view to the PFC Minority Shareholders. RBC also prepared a formal valuation of the PFC Common Shares (the "PFC Valuation") and the PCC Subordinate Voting Shares (the "PCC Valuation") as required under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). RBC concluded that, as of December 12, 2019, and subject to the assumptions, limitations, and qualifications included in the PFC Valuation and PCC Valuation, respectively, that the value of the PFC Common Shares on an en bloc basis was in the range of \$46.50 to \$55.00 per share and the value of the PCC Subordinate Voting Shares, pro forma the completion of the Reorganization, on an expected market trading value basis, was in the range of \$32.75 to \$33.75 per share.

As required under MI 61-101, RBC prepared the PFC Valuation on an en bloc basis, without including a downward adjustment to reflect the liquidity of the PFC Common Shares, the effect of the Reorganization on the PFC Common Shares, or the fact that the PFC Common Shares held do not form part of a controlling interest. RBC did not consider it appropriate to value the PCC Subordinate Voting Shares on an en bloc basis, as PFC Minority Shareholders receiving the PCC Subordinate Voting Shares under the Reorganization would not



be able to effect a sale of 100% of PCC, making it inappropriate to consider methodologies to assess the value of the PCC Subordinate Voting Shares that are based on a change of control transaction.

In preparing the Fairness Opinion, given that approximately i) 88% of PCC's Net Asset Value is represented by its ownership of 64.1% of PFC's Common Shares and ii) upon completion of the Reorganization, PFC Minority Shareholders will continue to own a slightly higher percentage of the current assets and liabilities of PFC than they currently own, and will also own that same percentage of PCC's assets and liabilities other than the PFC Common Shares currently owned by PCC, RBC did not consider it appropriate to compare the value of the consideration to be received by PFC Minority Shareholders under the Reorganization (i.e., the PCC Valuation multiplied by 1.05 plus \$0.01) to the range of values in the PFC Valuation, which were determined on an en bloc basis as required by MI 61-101. RBC viewed the Reorganization as economically equivalent to PFC acquiring the assets and liabilities of PCC other than the PFC Common Shares held by PCC and compared the consideration paid by PFC for such assets and liabilities to the value of such assets and liabilities. RBC also compared the value of the consideration to be received by the PFC Minority Shareholders (the PCC Valuation multiplied by 1.05 plus \$0.01) to recent trading levels of the PFC Common Shares.

A copy of the Fairness Opinion, PFC Valuation and PCC Valuation, the factors considered by the Special Committee and the PFC Board and other relevant background information will be included in the management information circular and related documents (the "Meeting Materials") to be sent to PFC Shareholders in connection with the special meeting of PFC Shareholders to be called to consider the Reorganization (the "Meeting"). The Meeting Materials are expected to be mailed to PFC Shareholders, filed with applicable Canadian securities regulatory authorities and made available on PFC's SEDAR profile at www.sedar.com, and posted on PFC's website at www.PowerFinancial.com, in mid-January 2020.

Additional Details of the Reorganization

The Reorganization will be effected by way of a court-approved plan of arrangement under the *Canada Business Corporations Act*. Pursuant to the plan of arrangement, PFC Minority Shareholders will be entitled to receive for each PFC Common Share:

- (i) 1.05 PCC Subordinate Voting Shares, and
- (ii) \$0.01 in cash (collectively, the "Consideration").

PFC Minority Shareholders will own in aggregate approximately 37% of PCC's voting shares after completion of the Reorganization and issuance of Participating Preferred Shares under the Pre-Emptive Right.³

The implementation of the Reorganization is subject to the approval at the Meeting by at least two-thirds of the votes cast by PFC Shareholders present in person or by proxy and, in accordance with the minority approval requirement of MI 61-101, by a majority of the votes cast by PFC Shareholders other than PCC and certain of its related parties (as such term is defined in MI 61-101). Each director and executive officer of PFC has entered into voting and support agreements pursuant to which, among other things, he or she has agreed to vote his or her PFC Common Shares in favour of the special resolution approving the Reorganization, subject to certain standard terms and conditions for agreements of this nature. Completion of the Reorganization is also subject to certain customary conditions, including the approval of the Ontario Superior Court of Justice (Commercial List) and certain regulatory approvals.

³ PFC Minority Shareholders will own in aggregate 36.75% of PCC's voting shares if Pansolo Holding Inc. purchases 5 million Participating Preferred Shares and 36.70% of PCC's voting shares if Pansolo Holding Inc. purchases 6 million Participating Preferred Shares.



Pansolo Holding Inc. has entered into a voting and support agreement pursuant to which, among other things, Pansolo Holding Inc. has agreed to deliver its written consent to the issuance of PCC Subordinate Voting Shares pursuant to the Reorganization to the Toronto Stock Exchange (the "TSX") to satisfy shareholder approval for the issuance of the PCC Subordinate Voting Shares to the PFC Minority Shareholders.

PCC and PFC expect the Reorganization to be completed in February 2020, subject to receipt of all required approvals. PCC and PFC expect that the PFC Common Shares will be delisted from the TSX promptly following the completion of the Reorganization. PFC's First Preferred Shares will remain shares of PFC and listed on the TSX following the completion of the Reorganization and PFC's 6.9% debentures due March 11, 2033 will remain outstanding as obligations of PFC. As a result of such securities remaining outstanding, PFC currently anticipates that it will remain a reporting issuer in each of the provinces and territories of Canada.

Financing Expense Reduction

Following completion of the Reorganization, PCC and PFC intend to redeem an aggregate of \$350 million of their respective First Preferred Shares with available cash, resulting in reduced annual financing costs of approximately \$15 million per year. The remaining outstanding First Preferred Shares will be considered a permanent component of the pro forma capital structure.

Pre-Emptive Right

In accordance with the pre-emptive right (the "Pre-Emptive Right") in favour of holders of Participating Preferred Shares included in PCC's articles, PCC will make an offer to holders of Participating Preferred Shares of record as at 5:00p.m. (Montréal time) on December 27, 2019 to acquire, on a pro rata basis, such number of Participating Preferred Shares that is equal to 12.0% of the number of PCC Subordinate Voting Shares proposed to be issued pursuant to the Reorganization for a consideration per share that is equal to the stated capital amount per share for which the PCC Subordinate Voting Shares are to be issued.

A notice of offer (the "Offer") detailing, among other things, the terms and conditions of the Offer and how holders of Participating Preferred Shares may elect to exercise their Pre-Emptive Right is expected to be mailed to such holders and filed with applicable Canadian securities regulatory authorities and made available on PCC's SEDAR profile at www.sedar.com, and posted on PCC's website at www.PowerCorporation.com in mid-January 2020. Holders of Participating Preferred Shares are encouraged to read the Offer as well as PFC's management information circular for the Reorganization for details about the Reorganization.

Pansolo Holding Inc. has indicated that it intends to purchase 5 million to 6 million of the 30 million Participating Preferred Shares it is entitled to purchase pursuant to the Pre-Emptive Right, so as to own approximately 48.4 million PCC Subordinate Voting Shares and 53.7 to 54.7 million Participating Preferred Shares to which the attached votes would represent in aggregate 50.2% to 50.6% of the total votes of all PCC shares to be outstanding.

Dividends

The Board of Directors of PCC today declared a quarterly dividend of 40.5 cents per share on the Participating Preferred Shares and the PCC Subordinate Voting Shares, payable March 31, 2020 to shareholders of record February 5, 2020.

The Board of Directors of PCC intends, following the Reorganization, to increase the quarterly dividend paid to holders of PCC Subordinate Voting Shares and Participating Preferred Shares to 44.75 cents per share and move forward the regular quarterly payment dates by approximately two months, commencing with the dividends to be paid in the second quarter of 2020. The decision to declare any dividends, including the amounts and dates of such dividends, is subject to approval by the Board of Directors of PCC.



Normal Course Issuer Bid

PCC intends to file with the TSX a notice of intention to commence a new normal course issuer bid (“NCIB”) during the first quarter of 2020. If this notice is accepted by the TSX, PCC expects to be permitted to repurchase for cancellation, at its discretion during the 12 months following such acceptance, up to 10% of the “public float” (calculated in accordance with the rules of the TSX) of PCC’s issued and outstanding PCC Subordinate Voting Shares. Purchases under the NCIB, if accepted, will be conducted in the open market or as otherwise permitted, subject to the terms and limitations to be applicable to such NCIB, and will be made through the facilities of the TSX or any alternative trading system in Canada. The Board of Directors of PCC believes that an NCIB is in the best interests of PCC and constitutes a desirable use of its funds.

TSX Shareholder Approval Requirements

Completion of the Reorganization will result in the issuance of up to, approximately, an additional 250.6 million PCC Subordinate Voting Shares representing approximately 66.4% of the currently outstanding PCC Subordinate Voting Shares. Section 611(c) of the TSX Company Manual requires that shareholder approval be obtained where the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis. Pursuant to section 604(d) of the TSX Company Manual, holders of more than 50% of the votes attached to PCC voting securities have agreed to deliver their written consent to the issuance of PCC Subordinate Voting Shares pursuant to the Reorganization, which will be provided to the TSX to satisfy shareholder approval for the issuance of the PCC Subordinate Voting Shares to the PFC Minority Shareholders. TSX will generally not require further security holder approval for the issuance of up to, approximately, an additional 62.7 million PCC Subordinate Voting Shares, such number being 25% of the number of PCC Subordinate Voting Shares approved by security holders for the Reorganization.

Based on the most recent 5-day volume-weighted average price ending December 12, 2019 of the PFC Common Shares on the TSX, being \$33.02, PCC Subordinate Voting Shares will be issued to PFC Minority Shareholders at a 1.6% discount to the most recent 5-day volume-weighted average price ending December 12, 2019 of the PCC Subordinate Voting Shares on the TSX, being \$31.94. Directors and officers of PCC, PFC and their subsidiaries will receive in aggregate less than 700,000 PCC Subordinate Voting Shares, representing less than 0.2% of the number of currently outstanding PCC Subordinate Voting Shares.

Advisors

BMO Capital Markets and Goldman Sachs are acting as financial advisors to PCC. Blake, Cassels & Graydon LLP and Goodmans LLP are acting as PCC’s legal advisors.

RBC Capital Markets is acting as financial advisor to and was retained as independent valuator by the Special Committee of the PFC Board. Osler, Hoskin & Harcourt LLP is acting as legal advisor to the Special Committee.

Scotiabank is acting as advisor to Pansolo Holding Inc.

Conference Call Information

A conference call with the investment community will take place on December 13 at 8:00 a.m. ET. Access to the live audio webcast can be accessed on the Investors sections of PCC’s website at <https://www.powercorporation.com/en/investors/reorganization-announcement/> and PFC’s website at <https://www.powerfinancial.com/en/investors/reorganization-announcement/>. Investors may listen to the conference call by dialling (844) 603-5100 (toll free) / (647) 689-6776 (international). Following the event, an archived version of the webcast and supporting materials will be available on the same websites.



About Power Corporation

Power Corporation of Canada is a diversified international management and holding company with interests in companies in the financial services, asset management, sustainable and renewable energy, and other business sectors in North America, Europe and Asia. To learn more, visit www.PowerCorporation.com.

As of the date hereof, PCC beneficially owns 425,402,926 PFC Common Shares representing approximately 64% of the issued and outstanding PFC Common Shares. In connection with the Reorganization, PCC will acquire 238,693,580 PFC Common Shares, based on the number of PFC Common Shares outstanding as of the date hereof, such that, immediately following the effective time of the Reorganization, PCC will beneficially own 664,096,506 PFC Common Shares, representing 100% of the issued and outstanding PFC Common Shares. Based on the closing price of the PCC Subordinate Voting Shares on December 12, 2019, PCC expects the aggregate value of the consideration it will pay pursuant to the Reorganization to be \$8.0 billion.

About Power Financial

Power Financial Corporation is a diversified international management and holding company with interests substantially in the financial services sector in Canada, the United States and Europe. It also has significant holdings in global industrial and services companies based in Europe. Power Financial Corporation is a member of the Power Corporation Group of Companies. To learn more, visit www.PowerFinancial.com.

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell any securities. Shareholders are urged to read the Meeting Materials carefully and to consult with their financial, tax and legal advisors.

Forward-Looking Statements

Certain statements in this news release, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect PCC's and PFC's current expectations with respect to disclosure regarding PCC and PFC, respectively. Forward-looking statements are provided to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements include, without limitation, statements regarding the anticipated benefits of the Reorganization, PCC's intention to undertake further initiatives, the anticipated timing of mailing the Meeting Materials and the Offer, the timing of the completion of the Reorganization and the Offer, the timing for the receipt of the required regulatory, court and shareholder approvals, the receipt of Pansolo Holding Inc.'s written consent to the issuance of the PCC Subordinate Voting Shares, Pansolo Holding Inc.'s intention with respect to the Pre-Emptive Right and its interest in PCC following the Reorganization and the Pre-Emptive Right, the interest of PFC Minority Shareholders in PCC following the Reorganization and the Pre-Emptive Right, the number of PCC Subordinate Voting Shares and Participating Preferred Shares to be issued, the number of PCC Subordinate Voting Shares to be received by Directors and officers of PCC, the composition of the PCC Board of Directors and management team following closing of the Reorganization, the timing and amount of dividend payments, the delisting of the PFC Common Shares, PFC's status as a reporting issuer, PCC's and PFC's intention to redeem First Preferred Shares, the source of funds for such redemptions and the associated annual reduction in financing costs, the intention regarding First Preferred Shares not redeemed, the expected timing and size of the NCIB and the effect of the Reorganization on PCC's and PFC's future operations, financial conditions and share price performance.

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 PCC's and PFC's and their respective subsidiaries' control, affect the operations, performance and results of PCC and PFC and their respective subsidiaries and 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, PCC's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, the Reorganization not occurring as expected, including failure of any condition to the Reorganization, or the failure to achieve the anticipated benefits of the Reorganization, PCC's inability to issue PCC Subordinate Voting Shares or Participating Preferred Shares in the intended manner, Pansolo Holding Inc. changing its intention with respect to the exercise of the Pre-Emptive Right and subscribing for the number of Participating Preferred Shares to be acquired by Pansolo Holding Inc. on the exercise of the Pre-Emptive Right, the ability for PCC or PFC to redeem First Preferred Shares, the market for the PCC Subordinate Voting Shares and the Participating Preferred Share at the completion of the Reorganization, the ability for PCC to increase dividend payments based on financial and other conditions, the ability of PCC to effect purchases under the NCIB and PCC's or PFC's and their respective subsidiaries' success in anticipating and managing the foregoing factors.

The 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, that the required approvals for the Reorganization will be received, as well as other considerations that are believed to be appropriate in the circumstances, including that the list of factors in the previous paragraph, collectively, are not expected to have a material impact on PCC or PFC's and their respective subsidiaries. While PCC and PFC each consider 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, PCC and PFC undertake 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 PCC's and PFC's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including each of their most recent Management's Discussion and Analysis and Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedar.com.

Non-IFRS Financial Measures and Presentation

This press release presents and discusses a financial measure which is not in accordance with International Financial Reporting Standards ("IFRS"). Net Asset Value presents the fair value of the net assets of each respective company, expressed on a per share basis. Net Asset Value presents the fair value of the net assets of each respective company and is used to assist in assessing value, on a per share basis. This non-IFRS financial measure does not have a standard meaning and may not be comparable to similar measures used by other entities. Reconciliations of the Net Asset Value and the non-IFRS basis of presentation with the presentation reported in accordance with IFRS are included in each of PCC's and PFC's most recent Management's Discussion and Analysis.

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