

News Release

For immediate release



POWER CORPORATION
OF CANADA

Power Corporation Reports First Quarter 2022 Financial Results

Readers are referred to the sections Non-IFRS Financial Measures and Forward-Looking Statements at the end of this release. All figures are expressed in Canadian dollars unless otherwise noted.

Montreal, Québec, May 11, 2022 – Power Corporation of Canada (Power Corporation or the Corporation) (TSX: POW) today reported earnings results for the three months ended March 31, 2022.

Power Corporation Consolidated results for the period ended March 31, 2022

HIGHLIGHTS

Power Corporation

- The Corporation reported net earnings^[1] of \$478 million or \$0.71 per share^[2] for the first quarter of 2022, compared with \$556 million or \$0.82 per share in 2021. Adjusted net earnings^{[1][3]} were \$515 million or \$0.76 per share, compared with \$786 million or \$1.16 per share in 2021.
- Adjusted net asset value per share^[3] was \$49.92 at March 31, 2022, compared with \$52.60 at December 31, 2021. The Corporation's book value per participating share^[4] was \$33.32 at March 31, 2022, compared with \$34.56 at December 31, 2021.
- In 2022, the Corporation purchased for cancellation 7,192,900 subordinate voting shares for a total of \$280 million under its normal course issuer bids.

Great-West Lifeco Inc. (Lifeco)

- First quarter adjusted net earnings^[5] were \$809 million, up 9% compared with the first quarter of 2021.
- Total assets were \$600 billion and assets under administration^[5] were \$2.2 trillion at March 31, 2022, compared with total assets of \$630 billion and assets under administration of \$2.3 trillion at December 31, 2021.
- On April 1, 2022, Empower, a subsidiary of Lifeco, completed the acquisition of the full-service retirement services business of Prudential Financial, Inc. (Prudential). Empower's reach in the U.S. is now expanded to more than 17.1 million retirement plan participants and assets under administration to US\$1.4 trillion.
- Canada Life was rated as the fourth most valued brand in Canada by Brand Finance, making Canada Life the first insurance company ever to jump into its top five most valuable brands in Canada.

IGM Financial Inc. (IGM)

- Record-high first quarter net earnings of \$219.3 million, up 8% from the first quarter of 2021.
- Record-high first quarter assets under management and advisement^[4] of \$268.3 billion, up 8% from the first quarter of 2021 and down 3% from December 31, 2021.
- Record-high first quarter net inflows of \$2.5 billion, compared with net inflows of \$2.3 billion in the first quarter of 2021.

Groupe Bruxelles Lambert (GBL)

- GBL reported a net asset value^[4] of €21.3 billion, representing €136.10 per share, compared with €22.5 billion or €143.91 per share at December 31, 2021.
- In the first quarter of 2022, GBL completed €202 million of share buybacks. GBL's board of directors approved an additional buyback envelope of €500 million on May 5, 2022.
- GBL announced two strategic investments in the healthcare sector with majority shareholdings in private companies Affidea Group B.V. and Sanoptis AG, leaders in their sector, in April 2022.

Sagard Holdings Inc. (Sagard) and Power Sustainable Capital Inc. (Power Sustainable)

- Assets under management^[4], including unfunded commitments, of the alternative asset investment platforms were \$19 billion, up from \$11 billion at March 31, 2021.
- On March 30, 2022, Power Sustainable announced the launch of its North American agri-food private equity platform, Power Sustainable Lios, and its inaugural Lios Fund I. Power Sustainable Lios is a specialized agri-food private equity investment platform supporting the sustainability transformation occurring within the food system.

[1] Attributable to participating shareholders.

[2] All per share amounts are per participating shares of the Corporation.

[3] Adjusted net earnings, adjusted net asset value and assets under administration (reported by Lifeco) are non-IFRS financial measures. Adjusted net earnings per share and adjusted net asset value per share are non-IFRS ratios. See the Non-IFRS Financial Measures section later in this news release.

[4] See the Other Measures section later in this news release.

[5] Referred to as base earnings by Lifeco, a non-IFRS financial measure; see the Non-IFRS Financial Measures section later in this news release.



FIRST QUARTER

Net earnings attributable to participating shareholders were \$478 million or \$0.71 per share, compared with \$556 million or \$0.82 per share in 2021.

Adjusted net earnings attributable to participating shareholders^[1] were \$515 million or \$0.76 per share, compared with \$786 million or \$1.16 per share in 2021.

Contributions to Power Corporation's Earnings

(in millions of dollars, except per share amounts)	2022		2021	
	Net Earnings	Adjusted Net Earnings	Net Earnings	Adjusted Net Earnings
Lifeco ^[2]	513	539	473	494
IGM ^[2]	135	135	125	125
GBL ^[2]	(29)	(29)	50	50
Effect of consolidation ^[3]	40	41	(123)	(14)
	659	686	525	655
Alternative asset investment platforms ^{[4][5]}	(96)	(86)	155	255
ChinaAMC ^[6]	13	13	13	13
Standalone businesses ^[5]	4	4	1	1
	580	617	694	924
Corporate operations and Other ^[7]	(102)	(102)	(138)	(138)
	478	515	556	786
<i>Per participating share</i>	0.71	0.76	0.82	1.16
<i>Average shares outstanding (in millions)</i>		675.8		677.1

Lifeco: contribution to net earnings increased by 8.5% and contribution to adjusted net earnings increased by 9.1%.

IGM: contribution to net and adjusted net earnings increased by 8.0%.

GBL: negative contribution to net earnings of \$29 million. Results include the Corporation's share of a charge of \$44 million in the first quarter of 2022 for losses due to an increase in the put right liability of the non-controlling interests in Webhelp Group (Webhelp) and charges related to Webhelp's employee incentive plan.

Alternative asset investment platforms: net earnings include a negative contribution of \$92 million from Power Sustainable mainly related to realized losses and impairments in the Power Sustainable China portfolio of \$67 million and a \$10 million impairment charge in its energy infrastructure platform.

Standalone businesses: contribution to net and adjusted net earnings of \$4 million.

Corporate operations and Other: the comparative period includes an income tax expense of \$38 million, primarily related to the deferred tax expense resulting from the realization of gains recorded in earnings on the sale of investments.

Adjustments in the first quarter of 2022, excluded from adjusted net earnings, were a net negative impact to earnings of \$37 million or \$0.05 per share, mainly related to the Corporation's share of Lifeco's adjustments and the Corporation's share of an impairment charge of \$10 million recognized by Power Sustainable on direct investments in energy assets. Adjustments in the first quarter of 2021 were a negative net impact to earnings of \$230 million or \$0.34 per share, mainly related to the Corporation's share of the charge arising from the remeasurement of the put right liability of certain of the non-controlling interests in Wealthsimple Financial Corp. (Wealthsimple) to fair value of \$208 million. These were reflected in the Adjustments of the alternative and other investments and in the Effect of consolidation based on Lifeco's and IGM's respective interest.

[1] A non-IFRS financial measure; see the Non-IFRS Financial Measures section later in this news release.

[2] As reported by Lifeco, IGM and GBL.

[3] Effect of consolidation reflects: i) the elimination of intercompany transactions; ii) the application of the Corporation's accounting method for investments under common control to the reported net earnings of the publicly traded operating companies, and iii) adjustments in accordance with International Accounting Standards (IAS) 39 for IGM and GBL. Refer to the detailed table in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[4] Alternative asset investment platforms includes earnings (losses) from investment platforms including controlled and consolidated subsidiaries and other investments.

[5] Presented in Alternative and other investments in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[6] China Asset Management Co., Ltd. (ChinaAMC).

[7] Includes operating and other expenses, dividends on non-participating shares of the Corporation and Power Financial Corporation's (Power Financial) corporate operations; refer to the Earnings Summary below.



Great-West Lifeco, IGM Financial and Groupe Bruxelles Lambert Results for the quarter ended March 31, 2022

The information below is derived from Lifeco and IGM's first quarter MD&As, as prepared and disclosed by the respective companies in accordance with applicable securities legislation, and which are also available either directly from SEDAR (www.sedar.com) or from their websites, www.greatwestlifeco.com and www.igmfinancial.com. The information below related to GBL is derived from publicly disclosed information, as issued by GBL in its first quarter press release at March 31, 2022. Further information on GBL's results is available on its website at www.gbl.be.

Contribution to net earnings from the publicly traded operating companies were \$659 million, compared with \$525 million in 2021, representing an increase of 26%.

Contribution to adjusted net earnings from the publicly traded operating companies were \$686 million, compared with \$655 million in 2021, representing an increase of 5%.

GREAT-WEST LIFECO INC.

FIRST QUARTER

Net earnings attributable to common shareholders were \$770 million or \$0.83 per share, compared with \$707 million or \$0.76 per share in 2021.

Adjusted net earnings^[1] attributable to common shareholders were \$809 million or \$0.87 per share, compared with \$739 million or \$0.80 per share in 2021.

Adjustments in the first quarter of 2022, excluded from adjusted net earnings, were a net negative earnings impact of \$39 million, compared with a net negative impact to earnings of \$32 million in 2021. Lifeco's adjustments in 2022 consisted of a negative impact on earnings from:

- Actuarial assumption changes and other management actions of \$9 million;
- Market-related impacts on liabilities of \$11 million;
- Restructuring and integration costs of \$12 million; and
- Transaction costs of \$7 million related to the acquisition of the full-service retirement business of Prudential, as well as acquisitions in the Europe segment.

IGM FINANCIAL INC.

FIRST QUARTER

Net earnings available to common shareholders were \$219.3 million or \$0.91 per share, compared with \$202.2 million or \$0.85 per share in 2021.

Assets under management and advisement at March 31, 2022 were \$268.3 billion, an increase of 8% from the first quarter of 2021 and a decrease of 3% from December 31, 2021.

GROUPE BRUXELLES LAMBERT

FIRST QUARTER

GBL reported net losses of €126 million, compared with net earnings of €225 million in 2021.

GBL reported a net asset value at March 31, 2022 of €21,280 million, representing €136.10 per share, compared with €22,501 million or €143.91 per share at December 31, 2021.

GBL adopted IFRS 9 in 2018. Power Corporation continues to apply IAS 39; this resulted in a positive adjustment to the contribution from GBL of \$43 million in the first quarter of 2022.

[1] Described as "base earnings" by Lifeco. For additional information, please refer to the Non-IFRS Financial Measures section later in this news release.



Alternative and Other Investments

Results for the quarter ended March 31, 2022

Alternative and other investments are comprised of the results of the Corporation's alternative asset investment platforms, Sagard and Power Sustainable, which includes income earned from asset management activities and investing activities. Asset management activities includes management fees and carried interest net of investment platform expenses. Investing activities comprises income earned on the capital invested by the Corporation (proprietary capital) in the investment funds managed by each platform and the share of earnings (losses) of controlled and consolidated subsidiaries held within the alternative asset investment platforms. Other includes the share of earnings (losses) of standalone businesses and the Corporation's investments in investment and hedge funds. For additional information, refer to the table later in this news release.

FIRST QUARTER

Net loss of alternative and other investments, including standalone businesses, was \$92 million, compared with net earnings of \$156 million in the corresponding period in 2021. Adjusted net earnings of alternative and other investments was a loss of \$82 million, compared with adjusted net earnings of \$256 million in the corresponding period in 2021.

SAGARD AND POWER SUSTAINABLE

Net earnings in the first quarter include a net negative contribution of \$27 million from the asset management activities of Sagard and Power Sustainable, as well as a net contribution from investing activities of Sagard of \$14 million, offset by a negative contribution from Power Sustainable's investing activities of \$79 million which includes realized losses and impairments in the Power Sustainable China portfolio of \$67 million and a \$10 million impairment charge on direct energy infrastructure investments.

Summary of assets under management ^[1] (including unfunded commitments):

(in billions of dollars)	March 31, 2022	March 31, 2021
Sagard ^{[2][3]}	16.4	8.7
Power Sustainable ^[3]	2.6	2.6
Total	19.0	11.3
Percentage of third-party and associates	83%	63%

STANDALONE BUSINESSES

Net earnings of the standalone businesses in the first quarter of 2022 were \$4 million, compared with \$1 million in the comparative period in 2021.

At March 31, 2022, the fair value of standalone businesses was \$1.3 billion, compared with \$1.4 billion at March 31, 2021.

[1] See the Other Measures section later in the news release.

[2] Includes ownership in WealtheSimple valued at \$1.7 billion at March 31, 2022 (\$2.1 billion at March 31, 2021) and excludes assets under management of Sagard's wealth management business.

[3] Excludes the fair value of interests held in standalone businesses.



Adjusted Net Asset Value and Participating Shareholders' Equity

At March 31, 2022

ADJUSTED NET ASSET VALUE

Adjusted net asset value represents management's estimate of the fair value of the participating shareholders' equity of the Corporation. Adjusted net asset value is the fair value of the assets of the combined Power Corporation and Power Financial holding company balance sheet less their net debt and preferred shares. Refer to Non-IFRS Financial Measures section later in this news release for a reconciliation with the combined holding company balance sheet.

The Corporation's adjusted net asset value per share was \$49.92 at March 31, 2022, compared with \$52.60 at December 31, 2021, representing a decrease of 5.1%.

(in millions of dollars, except per share amounts)		March 31, 2022	December 31, 2021	Variation %
Publicly Traded Operating Companies	Lifeco	22,850	23,545	(3)
	IGM	6,534	6,749	(3)
	GBL	2,910	3,157	(8)
		32,294	33,451	(3)
Alternative Asset Investment Platforms	Sagard ^[1]	1,359	1,515	(10)
	Power Sustainable ^[1]	1,408	1,654	(15)
		2,767	3,169	(13)
Other	ChinaAMC	1,150	1,150	-
	Standalone businesses ^[2]	1,182	1,331	(11)
	Other assets and investments	657	661	(1)
	Cash and cash equivalents	1,462	1,635	(11)
	Gross asset value	39,512	41,397	(5)
	Liabilities and preferred shares	(5,877)	(5,810)	(1)
	Adjusted net asset value	33,635	35,587	(5)
	Shares outstanding (millions)	673.8	676.6	
	Adjusted net asset value per share	49.92	52.60	(5)

[1] Includes the management companies of the investment platforms at their carrying value.

[2] Includes The Lion Electric Company (Lion), LMPG Inc. (LMPG) and Peak Achievement Athletics Inc. (Peak).

Power Corporation's Ownership in Publicly Traded Operating Companies

	Ownership ^[1] (%)	Shares held ^[1] (in millions)	Share price	
			March 31, 2022	December 31, 2021
Lifeco	66.6	620.3	\$36.84	\$37.96
IGM	61.6	147.9	\$44.17	\$45.62
GBL ^[2]	14.6	22.8	€94.12	€98.16

[1] As at March 31, 2022.

[2] Held through Parjointco SA (Parjointco), a jointly controlled corporation (50%).



PARTICIPATING SHAREHOLDERS' EQUITY

Book value per participating share represents Power Corporation's participating shareholders' equity divided by the number of participating shares outstanding at the end of the reporting period. Participating shareholders' equity is the total assets of the combined Power Corporation and Power Financial holding company balance sheet, including investments in subsidiaries presented using the equity method, less their net debt and preferred shares.

The Corporation's book value per participating share was \$33.32 at March 31, 2022, compared with \$34.56 at December 31, 2021, a decrease of 3.6%.

(in millions of dollars, except per share amounts)		March 31, 2022	December 31, 2021	Variation %
Publicly Traded Operating Companies	Lifeco	15,401	15,496	(1)
	IGM	3,494	3,434	2
	GBL	3,870	4,278	(10)
		22,765	23,208	(2)
Alternative Asset Investment Platforms	Sagard	814	822	(1)
	Power Sustainable	1,166	1,389	(16)
		1,980	2,211	(10)
Other	ChinaAMC	739	766	(4)
	Standalone businesses ^[1]	728	725	-
	Other assets and investments	614	611	-
	Cash and cash equivalents	1,462	1,635	(11)
	Total assets	28,288	29,156	(3)
	Liabilities and preferred shares	(5,836)	(5,771)	(1)
	Participating shareholders' equity	22,452	23,385	(4)
	Shares outstanding (millions)	673.8	676.6	
	Book value per participating share	33.32	34.56	(4)

[1] Includes Lion, LMPG and Peak.



Dividend on Power Corporation Participating Shares

The Board of Directors declared a quarterly dividend of 49.50 cents per share on the Participating Preferred Shares and the Subordinate Voting Shares of the Corporation, payable July 29, 2022 to shareholders of record June 30, 2022.

Dividends on Power Corporation Non-Participating Preferred Shares

The Board of Directors also declared quarterly dividends on the Corporation's preferred shares, payable July 15, 2022 to shareholders of record June 23, 2022:

Series	Stock Symbol	Amount	Series	Stock Symbol	Amount
Series A	POW.PR.A	35¢	Series D	POW.PR.D	31.25¢
Series B	POW.PR.B	33.4375¢	Series G	POW.PR.G	35¢
Series C	POW.PR.C	36.25¢			

Investor Information

Access to Quarterly Results Materials:

The first quarter earnings news release and shareholder report are available on the Power Corporation website at www.powercorporation.com/en/investors

Investor Relations Contact:

Treasury 514-286-7400
investor.relations@powercorp.com

Quarterly Earnings Conference Call:

Power Corporation will host an earnings call and live audio webcast on Thursday, May 12, 2022 at 1:00 p.m. (Eastern Time). A question-and-answer period with analysts will follow the presentation. Shareholders, investors, and other stakeholders are welcome to participate on a listen-only basis.

The live audio webcast and presentation materials will be available at: www.powercorporation.com/en/investors/events-presentations.

To listen via telephone, please dial 1-833-979-2697 toll-free in North America or 647-689-6826 for international calls and enter passcode 4798955#.

A replay of the conference call will be available from May 12, 2022 at 4:00 p.m. (Eastern Time) until May 27, 2022 by calling 1-800-585-8367 toll-free in North America or 416-621-4642 for international calls, using the access code 4798955#. A webcast archive will also be available on Power Corporation's website until August 4, 2022.

About Power Corporation

Power Corporation is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms. To learn more, visit www.PowerCorporation.com.

At March 31, 2022, Power Corporation held the following economic interests:

100% – Power Financial	www.powerfinancial.com
66.6% Great-West Lifeco ^[1] (TSX: GWO)	www.greatwestlifeco.com
61.6% IGM Financial (TSX: IGM)	www.igmfinancial.com
14.6% GBL ^[2] (Euronext: GBLB)	www.gbl.be
54.7% Wealthsimple ^[3]	www.wealthsimple.com
Investment Platforms	
100% Sagard ^[4]	www.sagard.com
100% Power Sustainable	www.powersustainable.com
13.9% – ChinaAMC ^{[1][5]}	www.chinaamc.com

[1] On January 5, 2022, the Corporation and IGM entered into an agreement under which the interest in ChinaAMC will be consolidated at IGM. In a separate agreement, IGM will sell approximately 1.6% of IGM's 4.0% interest in Lifeco to Power Financial. Refer to the ChinaAMC section in the Corporation's most recent MD&A.

[2] Held through Parjointco, a jointly controlled corporation (50%).

[3] Undiluted equity interest held by Portag3 Ventures Limited Partnership (Portage I), Power Financial and IGM, representing a fully diluted equity interest of 42.5%.

[4] The Corporation holds an 86.3% interest in Sagard Holdings Management Inc.

[5] IGM also holds a 13.9% interest in ChinaAMC.



Earnings Summary

Contribution to Adjusted Net Earnings and Net Earnings

(in millions of dollars)	Three months ended March 31,	
	2022	2021
Adjusted net earnings ^[1]		
Lifeco ^[2]	539	494
IGM ^[2]	135	125
GBL ^[2]	(29)	50
Effect of consolidation ^[3]	41	(14)
	686	655
Alternative asset investment platforms and other ^{[4][5]}	(86)	255
ChinaAMC	13	13
Standalone businesses ^{[4][6]}	4	1
Corporate operating and other expenses	(56)	(91)
Dividends on non-participating and perpetual preferred shares	(46)	(47)
Adjusted net earnings ^[7]	515	786
Adjustments ^[8]	(37)	(230)
Net earnings ^[7]		
Lifeco ^[2]	513	473
IGM ^[2]	135	125
GBL ^[2]	(29)	50
Effect of consolidation ^[3]	40	(123)
	659	525
Alternative asset investment platforms and other ^{[4][5]}	(96)	155
ChinaAMC	13	13
Standalone businesses ^{[4][6]}	4	1
Corporate operating and other expenses	(56)	(91)
Dividends on non-participating and perpetual preferred shares	(46)	(47)
	478	556

[1] For a reconciliation of Lifeco and Alternative and other investments' non-IFRS adjusted net earnings to their net earnings, refer to the Non-IFRS Financial Measures and Alternative and Other Investments sections below.

[2] As reported by Lifeco, IGM and GBL.

[3] Effect of consolidation reflects: i) the elimination of intercompany transactions; ii) the application of the Corporation's accounting method for investments under common control to the reported net earnings of the publicly traded operating companies, which include: a) an adjustment related to Lifeco's investment in Power Sustainable Energy Infrastructure Partnership (PSEIP); and b) an allocation of the results of the fintech portfolio including Wealthsimple, KOHO Financial Inc. (Koho), Portage I, Portage3 Ventures II Limited Partnership (Portage II) and Portage Ventures III Limited Partnership (Portage III) to the contributions from Lifeco and IGM based on their respective interest; and iii) adjustments in accordance with IAS 39 for IGM and GBL. Refer to the detailed table in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[4] Presented in Alternative and other investments in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[5] Includes earnings of the Corporation's alternative asset investment platforms including investments held through Power Financial.

[6] Includes the results of Lion, LMPC, Peak and GP Strategies Corporation (GP Strategies) (up to the date of disposal in the fourth quarter of 2021).

[7] Attributable to participating shareholders.

[8] Refer to the detailed table of Adjustments in the Non-IFRS Financial Measures section below.



Contribution to Adjusted Net Earnings per Share and Net Earnings per Share

(in dollars per share)	Three months ended March 31,	
	2022	2021
Adjusted net earnings per share – basic ^[1]		
Lifeco ^[2]	0.80	0.73
IGM ^[2]	0.20	0.18
GBL ^[2]	(0.04)	0.08
Effect of consolidation ^[3]	0.05	(0.02)
	1.01	0.97
Alternative asset investment platforms and Other ^{[4][5]}	(0.13)	0.38
ChinaAMC	0.02	0.02
Standalone businesses ^{[4][6]}	0.01	-
Corporate operating and other expenses and dividends on non-participating and perpetual preferred shares	(0.15)	(0.21)
Adjusted net earnings per share ^[7]	0.76	1.16
Adjustments ^[8]	(0.05)	(0.34)
Net earnings per share – basic ^[7]		
Lifeco ^[2]	0.76	0.70
IGM ^[2]	0.20	0.18
GBL ^[2]	(0.04)	0.08
Effect of consolidation ^[3]	0.05	(0.18)
	0.97	0.78
Alternative asset investment platforms and other ^{[4][5]}	(0.14)	0.23
ChinaAMC	0.02	0.02
Standalone businesses ^{[4][6]}	0.01	-
Corporate operating and other expenses and dividends on non-participating and perpetual preferred shares	(0.15)	(0.21)
	0.71	0.82

[1] For a reconciliation of Lifeco and Alternative and other investments' non-IFRS adjusted net earnings to their net earnings, refer to the Non-IFRS Financial Measures and Alternative and Other Investments sections below.

[2] As reported by Lifeco, IGM and GBL.

[3] Effect of consolidation reflects: i) the elimination of intercompany transactions; ii) the application of the Corporation's accounting method for investments under common control to the reported net earnings of the publicly traded operating companies, which include: a) an adjustment related to Lifeco's investment in PSEIP; and b) an allocation of the results of the fintech portfolio including Wealthsimple, Koho, Portage I, Portage II and Portage III to the contributions from Lifeco and IGM based on their respective interest; and iii) adjustments in accordance with IAS 39 for IGM and GBL. Refer to the detailed table in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[4] Presented in Alternative and other investments in the Contribution to Net Earnings and Adjusted Net Earnings section of the Corporation's most recent MD&A.

[5] Includes earnings of the Corporation's alternative asset investment platforms including investments held through Power Financial.

[6] Includes the results of Lion, LMPC, Peak and GP Strategies (up to the date of disposal in the fourth quarter of 2021).

[7] Attributable to participating shareholders.

[8] Refer to the detailed table of Adjustments in the Non-IFRS Financial Measures section below.



Alternative and Other Investments – Earnings

(in millions of dollars)	Three months ended March 31,	
	2022	2021
Adjusted net earnings (loss)		
Asset management activities ^[1]		
Sagard ^[2]	(14)	59
Power Sustainable	(13)	(5)
Investing activities (proprietary capital)		
Sagard ^[3]	14	(30)
Power Sustainable ^[4]	(69)	211
Standalone businesses ^[5]	4	1
Investment and hedge funds and Other ^[6]	(4)	20
Adjusted net earnings (loss)	(82)	256
Adjustments ^[7]	(10)	(100)
Net earnings (loss)	(92)	156

[1] Includes management fees charged by the investment platforms on proprietary capital. Management fees paid by the Corporation are deducted from income from investing activities.

[2] The first quarter of 2022 includes a reversal of net carried interest of \$13 million due to a decrease in the fair value of Wealthsimple in the quarter.

[3] Includes the Corporation's share of earnings (losses) of Wealthsimple. The first quarter of 2022 includes a reversal of carried interest payable of \$13 million due to a decrease in the fair value of Wealthsimple in the quarter. The first quarter of 2021 includes a charge of \$52 million related to the Corporation's share of the carried interest payable due to increases in fair value of investments held in the Portage Funds and Wealthsimple; as well, excludes a charge of \$100 million related to the remeasurement of the put right liability held by certain of the non-controlling interests in Wealthsimple to fair value which has been included in Adjustments (see Adjustments section below). The decrease in fair value of the Corporation's investment, including its investment held through Power Financial, in Portage I, Portage II, Portage III, Koho and Wealthsimple was \$143 million in the three-month period ended March 31, 2022, compared with an increase of \$605 million in fair value in the corresponding period in 2021.

[4] Includes an unrealized gain of \$16 million on derivative contracts hedging energy infrastructure projects in the first quarter of 2022, as well, the Corporation recognized realized losses on the disposal of investments in Power Sustainable China of \$54 million and \$13 million in impairments due to a decline in Chinese equity markets (realized gains of \$229 million in the first quarter of 2021).

[5] Includes the Corporation's share of earnings (losses) of Lion, LMPG, Peak and GP Strategies (up to the date of disposal in the fourth quarter of 2021).

[6] Other consists mainly of foreign exchange gains or losses and interest on cash and cash equivalents.

[7] Refer to the detailed table of Adjustments in the Non-IFRS Financial Measures section below.



NON-IFRS FINANCIAL MEASURES

Net earnings attributable to participating shareholders are comprised of:

- Adjusted net earnings attributable to participating shareholders; and
- Adjustments, which include the after-tax impact of any item that in management's judgment, including those identified by management of its publicly traded operating companies, would make the period-over-period comparison of results from operations less meaningful. Includes the Corporation's share of Lifeco's impact of actuarial assumption changes and other management actions, direct equity and interest rate market impacts on insurance and investment contract liabilities net of hedging, as well as items that management believes are not indicative of the underlying business results which include those identified by a subsidiary or a jointly controlled corporation. Items that management and management of its subsidiaries believe are not indicative of the underlying business results include restructuring or reorganization costs, integration costs related to business acquisitions, material legal settlements, material impairment charges, impact of substantially enacted income tax rate changes and other tax impairments, certain non-recurring material items, and net gains, losses or costs related to the disposition or acquisition of a business.

Management uses these financial measures in its presentation and analysis of the financial performance of Power Corporation and believes that they provide additional meaningful information to readers in their analysis of the results of the Corporation. Adjusted net earnings, as defined by the Corporation, assist the reader in comparing the current period's results to those of previous periods as it reflects management's view of the operating performance of the Corporation and its subsidiaries and excludes items that are not considered to be part of the underlying business results.

Adjusted net asset value is commonly used by holding companies to assess their value. Adjusted net asset value is the fair value of the assets of the combined Power Corporation and Power Financial holding company balance sheet less their net debt and preferred shares. The investments held in public entities (including Lifeco, IGM and GBL) are measured at their market value and investments in private entities and investment funds are measured at management's estimate of fair value. This measure presents the fair value of the net assets of the holding company to management and investors, and assists the reader in determining or comparing the fair value of investments held by the holding company or its overall fair value.

Adjusted net earnings attributable to participating shareholders, adjusted net asset value, adjusted net earnings per share and adjusted net asset value per share are non-IFRS financial measures and ratios that do not have a standard meaning and may not be comparable to similar measures used by other entities.

Presentation of Holding Company Activities

The Corporation's reportable segments include Lifeco, IGM and GBL, which represent the Corporation's investments in publicly traded operating companies. These reportable segments, in addition to the asset management and holding company activities, reflect Power Corporation's management structure and internal financial reporting. The Corporation evaluates its performance based on the operating segment's contribution to earnings.

The holding company activities comprise the corporate activities of the Corporation and Power Financial, on a combined basis, and present the investment activities of the Corporation as a holding company. The investment activities of the holding company, including the investments in Lifeco, IGM and controlled entities within the alternative asset investment platforms, are presented using the equity method. The holding company activities also present the corporate assets and liabilities managed, including the cash and non-participating shares. The discussions included in the sections "Financial Position" and "Cash Flows" of the Corporation's most recent MD&A present the segmented balance sheet and cash flow statement of the holding company; these non-consolidated statements are presented in Note 19 of the Corporation's Interim Consolidated Financial Statements. This presentation is useful to the reader as it presents the holding company's (parent) results separately from the results of its consolidated operating subsidiaries.



RECONCILIATIONS OF NON-IFRS FINANCIAL MEASURES

Power Corporation ADJUSTED NET EARNINGS

(in millions of dollars)	Three months ended March 31,	
	2022	2021
Adjusted net earnings – Non-IFRS financial measure ^[1]	515	786
Share of Adjustments ^[2] , net of tax		
Lifeco	(26)	(32)
IGM	(1)	(98)
Alternative and other investments	(10)	(100)
	(37)	(230)
Net earnings – IFRS financial measure ^[1]	478	556

[1] Attributable to participating shareholders of Power Corporation.

[2] Refer to the Adjustments section for more detail on Adjustments from Lifeco, IGM, and alternative and other investments.

ADJUSTMENTS (excluded from Adjusted net earnings)

(in millions of dollars)	Three months ended March 31,	
	2022	2021
Lifeco ^[1]		
Actuarial assumption changes and other management actions (pre-tax)	(6)	3
Income tax (expense) benefit	-	1
Market-related impacts on liabilities (pre-tax)	(9)	(17)
Income tax (expense) benefit	2	1
Restructuring and integration charges (pre-tax)	(11)	(11)
Income tax (expense) benefit	3	3
Transaction costs related to acquisitions (pre-tax)	(6)	(2)
Income tax (expense) benefit	1	1
	(26)	(21)
Effect of consolidation (pre-tax) ^[2]	-	(11)
Income tax (expense) benefit	-	-
	(26)	(32)
IGM		
Effect of consolidation (pre-tax) ^[2]	(1)	(98)
Income tax (expense) benefit	-	-
	(1)	(98)
Alternative and other investments		
Remeasurements of Wealthsimple's put right liability	-	(100)
Impairment charges on direct energy infrastructure investments (pre-tax)	(13)	-
Income tax (expense) benefit	3	-
	(10)	(100)
	(37)	(230)

[1] As reported by Lifeco.

[2] Effect of consolidation reflects (i) the elimination of intercompany transactions, (ii) the application of the Corporation's accounting method for investments under common control to the Adjustments reported by Lifeco and IGM, which includes an allocation of the Adjustments related to the fintech portfolio based on their respective interest and (iii) IGM's share of Lifeco's Adjustments for the impact of actuarial assumption changes and management actions and market impact on insurance contract liabilities, in accordance with the Corporation's definition of Adjusted net earnings.



ADJUSTED NET ASSET VALUE

Adjusted net asset value represents management's estimate of the fair value of the participating shareholders' equity of the Corporation. Adjusted net asset value is the fair value of the assets of the combined Power Corporation and Power Financial holding company balance sheet less their net debt and preferred shares. The Corporation's adjusted net asset value per share is presented on a look-through basis.

The Corporation's adjusted net asset value per share was \$49.92 at March 31, 2022, compared with \$52.60 at December 31, 2021, representing a decrease of 5.1%. The Corporation's book value per participating share was \$33.32 at March 31, 2022, compared with \$34.56 at December 31, 2021, representing a decrease of 3.6%.

(in millions of dollars, except per share amounts)	March 31, 2022			December 31, 2021		
	Holding company balance sheet	Fair value adjustment	Adjusted net asset value	Holding company balance sheet	Fair value adjustment	Adjusted net asset value
Assets						
Investments						
Power Financial						
Lifeco	15,401	7,449	22,850	15,496	8,049	23,545
IGM	3,494	3,040	6,534	3,434	3,315	6,749
GBL	3,870	(960)	2,910	4,278	(1,121)	3,157
Alternative and other investments						
Asset management companies ^[1]						
Sagard	114	-	114	116	-	116
Power Sustainable	8	-	8	21	-	21
Investing activities						
Sagard ^[2]	700	545	1,245	706	693	1,399
Power Sustainable	1,158	242	1,400	1,368	265	1,633
Other						
Standalone businesses ^[3]	728	454	1,182	725	606	1,331
Other	250	43	293	262	50	312
ChinaAMC	739	411	1,150	766	384	1,150
Cash and cash equivalents	1,462	-	1,462	1,635	-	1,635
Other assets	364	-	364	349	-	349
Total assets	28,288	11,224	39,512	29,156	12,241	41,397
Liabilities and non-participating shares						
Debentures and other debt instruments	897	-	897	897	-	897
Other liabilities ^{[4][5]}	1,159	41	1,200	1,090	39	1,129
Non-participating shares and perpetual preferred shares	3,780	-	3,780	3,784	-	3,784
Total liabilities and non-participating shares	5,836	41	5,877	5,771	39	5,810
Net value						
Participating shareholders' equity / Adjusted net asset value	22,452	11,183	33,635	23,385	12,202	35,587
Per share	33.32		49.92	34.56		52.60

[1] The management companies of the investment funds are presented at their carrying value in accordance with IFRS and are primarily composed of cash and net carried interest receivable.

[2] Includes the Corporation's investments in Portage I, Portage II and Wealthsimple, held by Power Financial.

[3] An additional deferred tax liability of \$61 million has been included in the adjusted net asset value at March 31, 2022 (\$80 million at December 31, 2021) with respect to the investments in standalone businesses at fair value, without taking into account possible tax planning strategies. The Corporation has tax attributes (not otherwise recognized on the balance sheet) that could be available to minimize the tax if the Corporation were to dispose of its interests held in the standalone businesses.

[4] In accordance with IAS 12, *Income Taxes*, no deferred tax liability is recognized with respect to temporary differences associated with investments in subsidiaries and jointly controlled corporations as the Corporation is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. If the Corporation were to dispose of an investment in a subsidiary or a jointly controlled corporation, income taxes payable on such disposition would be minimized through careful and prudent tax planning and structuring, as well as with the use of available tax attributes not otherwise recognized on the balance sheet, including tax losses, tax basis, safe income and foreign tax surplus associated with the subsidiary or jointly controlled corporation.

[5] At March 31, 2022, an additional deferred tax liability of \$41 million (\$39 million at December 31, 2021) has been included in the adjusted net asset value related to the investment in ChinaAMC at fair value.



This news release also contains other non-IFRS financial measures which are publicly disclosed by the Corporation's subsidiaries including adjusted net earnings, adjusted net earnings per share and Lifeco's assets under administration. The section below includes the description and reconciliation of the non-IFRS financial measures included in this news release as reported by the Corporation's subsidiaries. The information below is derived from Lifeco's first quarter MD&A, as prepared and disclosed in accordance with applicable securities legislation, and which is also available either directly from SEDAR (www.sedar.com) or from its website, www.greatwestlifeco.com.

Lifeco

ADJUSTED NET EARNINGS ATTRIBUTABLE TO LIFECO'S COMMON SHAREHOLDERS

Adjusted net earnings (loss)^[1] reflect Lifeco management's view of the underlying business performance of Lifeco and provide an alternate measure to understand the underlying business performance compared to IFRS net earnings. Adjusted net earnings (loss) exclude the following items:

- The impact of actuarial assumption changes and other management actions;
- The net earnings impact related to the direct equity and interest rate market impacts on insurance and investment contract liabilities, net of hedging, and related deferred tax liabilities, which includes:
 - the impact of hedge ineffectiveness related to segregated fund guarantee liabilities that are hedged and the performance of the related hedge assets;
 - the impact on segregated fund guarantee liabilities not hedged;
 - the impact on general fund equity and investment properties supporting insurance contract liabilities;
 - other market impacts on insurance and investment contract liabilities and deferred tax liabilities, including those arising from the difference between actual and expected market movements; and
- Certain items that, when removed, assist in explaining Lifeco's underlying business performance including restructuring costs, integration costs related to business acquisitions, material legal settlements, material impairment charges related to goodwill and intangible assets, impact of substantially enacted income tax rate changes and other tax impairments and net gains, losses or costs related to the disposition or acquisition of a business.

(in millions of dollars)	Three months ended March 31,	
	2022	2021
Adjusted net earnings – Non-IFRS financial measure ^{[1][2]}	809	739
Adjustments		
Actuarial assumption changes and other management actions (pre-tax)	(9)	4
Income tax (expense) benefit	–	1
Market-related impacts on liabilities (pre-tax)	(14)	(25)
Income tax (expense) benefit	3	1
Restructuring and integration charges (pre-tax)	(17)	(16)
Income tax (expense) benefit	5	4
Transaction costs related to acquisitions (pre-tax)	(8)	(2)
Income tax (expense) benefit	1	1
	(39)	(32)
Net earnings – IFRS financial measure ^[2]	770	707

[1] Described as "base earnings" and identified as a non-GAAP financial measure by Lifeco.

[2] Attributable to Lifeco common shareholders.

LIFECO'S ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

Total assets under administration includes total assets per Lifeco's financial statements, other assets under management and other assets under administration. Please refer to the "Glossary" section of Lifeco's most recent Management's Discussion and Analysis for additional information regarding other assets under management and other assets under administration.

(in billions of dollars)	March 31, 2022	December 31, 2021
Total assets per financial statements	600.5	630.5
Other assets under management	353.9	377.2
Assets under management	954.4	1,007.7
Other assets under administration ^[1]	1,233.3	1,283.9
Assets under administration ^[1]	2,187.7	2,291.6

[1] Comparative figures for 2021 have been restated to include Financial Horizons Group and Excel Private Wealth Inc. assets under administration in the Canada segment.

OTHER MEASURES

This press release and other continuous disclosure documents also include other measures used to discuss activities of the Corporation's consolidated publicly traded operating companies and alternative asset investment platforms including, but not limited to, "assets under management", "assets under administration", "assets under management and advisement", "book value per participating share", "carried interest", "net asset value", and "unfunded commitments". Refer to the section "Other Measures" in the Corporation's most recent MD&A, which can be located in the Corporation's profile on SEDAR at www.sedar.com, for a definition of such measure, which definition is incorporated herein by reference.



ELIGIBLE DIVIDENDS

For purposes of the *Income Tax Act* (Canada) and any similar provincial legislation, all of the above dividends on the Corporation's preferred shares (including the Participating Preferred Shares) and Subordinate Voting Shares are eligible dividends.

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 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 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 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, the Corporation's sale of its interest in ChinaAMC to IGM and IGM's sale of a portion of its interest in Lifeco, and related impacts and timing thereof, and the Corporation's subsidiaries' disclosed expectations, including the expectations as a result of acquisitions and the impacts and timing of the pending acquisitions. 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 (such as the invasion of Ukraine), 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, the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors and with respect to forward-looking statements of the Corporation's subsidiaries' disclosed in this news release, the factors identified by such subsidiaries in their respective MD&A.

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, as well as other considerations that are believed to be appropriate in the circumstances, including that any required approvals (including regulatory approvals) for strategic transactions, acquisitions, divestitures or other growth or optimization strategies will be received when and on such terms as are expected, and that the list of risks and uncertainties in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries and with respect to forward-looking statements of the Corporation's subsidiaries disclosed in this news release, the risks identified by such subsidiaries in their respective current annual and most recent interim MD&A and Annual Information Form most recently filed with the securities regulatory authorities in Canada and available at www.sedar.com. 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 current annual and most recent interim MD&A and Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedar.com.

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