POWER CORPORATION
OF CANADA

ADDRESS

BY

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DEPUTY CHAIRMAN, PRESIDENT
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ANNUAL MEETING OF SHAREHOLDERS

FRIDAY, MAY 15, 2015

Non-IFRS Financial Measures and Presentation – In analyzing the financial results of the Corporation and consistent with the presentation in previous years, net earnings attributable to participating shareholders are comprised of:

- operating earnings attributable to participating shareholders; and
- other items or non-operating earnings, which include the after-tax impact of any item that in management's judgment would make the period-over-period comparison of results from operations less meaningful. Other items also include the Corporation's share of any such item presented in a comparable manner by a subsidiary or a jointly controlled corporation or associate.

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. Operating earnings, as defined by the Corporation, assist the reader in comparing the current period's results to those of previous periods as items that are not part of ongoing activities are excluded from this non-IFRS measure.

Operating earnings attributable to participating shareholders and operating earnings per share 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, financial position and cash flows. In this basis of presentation, Power Corporation's interests in Power Financial and other subsidiaries are accounted for using the equity method. Presentation on a non-consolidated basis is a non-IFRS presentation. However, it is useful to the reader as it presents the parent's corporate operations apart from those of its operating subsidiaries, thereby reflecting the individual respective contributions of each subsidiary to the consolidated results of the parent.

Forward-Looking Statements – Certain statements in this document, 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, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods. 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, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, business competition, operational and reputational risks, technological change, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, 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 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 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 Management's Discussion and Analysis and Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedar.com.

The visual presentation accompanying André Desmarais' remarks is available on the Corporation's website at www.powercorporation.com

PRESIDENT'S ADDRESS
TO THE ANNUAL MEETING OF SHAREHOLDERS

POWER CORPORATION OF CANADA

May 15, 2015

Thank you, Mr. Chairman.

And thank you all for joining us this morning here at the Toronto Shangri-La Hotel, at the company's first ever Annual General Meeting to be held in Toronto, in the year that we are celebrating our 90th anniversary.

Our group has a significant presence in this city, with Canada Life's and Mackenzie Investments' head offices located just a few blocks from here.

Power Corporation and Power Financial have also recently opened an office in Toronto, given the scale of our activities here and the importance of this city and the province to the financial industry.

It is a pleasure for me to report to you on developments at Power Corporation during the past year.

Power Corporation delivered strong financial results in 2014, led by its financial services business, which reported the highest earnings in its history, and by its investment platforms, the value of which grew by almost 20% to $2.4 billion.

FINANCIAL RESULTS FOR 2014

Power Corporation of Canada reported operating earnings of $1.2 billion in 2014, compared with $959 million in 2013.

Net earnings were almost $1.3 billion, compared with $977 million in 2013.

GROUP COMPANIES' RESULTS

I will now turn to the financial results and highlights of the companies in our group.

POWER FINANCIAL

Power Corporation holds 65.6% of the common equity of Power Financial Corporation.

Over the past year, Power Financial has made substantial progress in strengthening its various businesses.

The highlights include:

- Recording the highest earnings in the company's history in 2014;
- Increasing the dividend paid to its common shareholders this past quarter, the first such increase since the beginning of the financial crisis;
- Investing heavily across our group in order to better serve the needs of its millions of clients across Canada, the United States and Europe;
- Successfully integrating the business of Irish Life, acquired in 2013, with Canada Life's Irish business; and
- Acquiring J.P. Morgan's retirement business in the United States and combining it with the retirement business of Great-West Financial and Putnam to create "Empower Retirement", the second largest retirement provider in the U.S.

Across the group, we have over $700 billion of financial assets under management. When we add to this the financial assets held by our clients on our distribution platforms but managed by other financial institutions, we have over $1.2 trillion of assets under administration.

We are proud that our companies serve over 30 million clients, either on an individual basis, typically through a financial advisor, or through an employer-based program at their place of work.

FINANCIAL SERVICES GROUP STRATEGY

I would now like to share with you our group's strategy with respect to its financial services businesses and how this has evolved over time.

We are focused upon what are called the financial accumulation, decumulation and protection markets. What this really means is we help people save, prepare for and manage their retirement and we provide them with financial protection for life's expected and unexpected events, such as health issues, disability, living longer than expected and death.

Our strategy is to create leadership positions in all of our markets. Leadership provides the scale and financial strength to offer attractive and competitive products to clients, while also facilitating strong returns to shareholders.

Between the mid-nineties and 2007, the year before the financial crisis, we pursued an acquisition-led strategy.

We made four large acquisitions, and numerous smaller ones. Great-West Lifeco and IGM Financial completed acquisitions totalling over $20 billion during this period. We dramatically strengthened our market positions in Canada and established new businesses in the U.K. and the U.S. We created strong distribution networks and were highly focused on cost control. The strategy created tremendous value for our shareholders.

Between 2008 and 2012, our energies were directed at preserving our financial strength and flexibility in the face of the financial crisis. Across our group, we increased liquidity and our capital levels, and responded to much more stringent regulatory requirements, which prescribed significant changes to how regulated financial businesses should be governed and managed.

The crisis demonstrated that our pre-crisis success had been built on very solid foundations — Great-West Lifeco having been the only major publicly traded life insurance company in the world to maintain its credit ratings from S&P and Moody's through the crisis.

During the past two years, we have entered a new phase — one that places the emphasis on organic growth, complemented by acquisitions rather than led by them.

The markets we operate in offer our companies many opportunities for growth. Taking advantage of them requires increased investment in people and technology, and innovation in our products and services. While the opportunities are great, there are many challenges as well, including ever-increasing regulatory requirements, persistent low interest rates and the emergence of low-cost competitive models.

The leadership teams at Great-West Lifeco and IGM are tackling these challenges while being clearly focused on the growth opportunities before them.

Power Financial's objective throughout this period has been and continues to be the creation of value for its shareholders over the long term. During the past twenty-year period I just described, the earnings attributable to common shareholders of Power Financial have grown from $291 million to $2.1 billion. The market capitalization of Power Financial's common shares went from $2.4 billion to $25.8 billion, while it also distributed over $11.7 billion in dividends to its common shareholders.

POWER FINANCIAL GROUP OF COMPANIES' RESULTS

Power Financial's operating earnings were $2.1 billion in 2014, compared with $1.7 billion in 2013. Net earnings were $2.1 billion, compared with $1.9 billion in 2013.

Power Financial's record earnings in 2014 were driven by strong financial results reported by its subsidiaries. The strength in earnings resulted from increased business volumes, higher market levels and the benefits of acquisition activity.

In March 2015, Power Financial announced that it was increasing the quarterly dividend payable to its common shareholders by 6.4% to 37 and a quarter cents per share. The higher earnings, recent dividend increases by Power Financial's principal subsidiaries and positive momentum in the underlying businesses all contributed to the Power Financial Board's decision to increase the dividend.

Return on shareholders' equity was 15.1% during 2014.

GREAT-WEST LIFECO

Power Financial holds a 71.1% interest in Great-West Lifeco, which has operations in Canada, the United States, Europe and Asia.

Great-West Lifeco reported operating earnings of $2.5 billion in 2014, compared with $2.1 billion in 2013.

Great-West Lifeco is led by Paul Mahon, President and Chief Executive Officer, who was appointed to this role in 2013, and its Canadian operations are led by Dave Johnston.

In Canada, the company's products and services impact the lives of more than 12 million people — one in three Canadians.

It operates under three great brands — Great-West Life, London Life and Canada Life, which have been built upon many years of making and keeping promises — 124 years at Great-West Life, 141 years at London Life and 168 years at Canada Life.

Canadian net earnings were up 7% in 2014, and Canadian sales grew by 13%. This growth helped to maintain and build Great-West Lifeco's leading market positions — in individual insurance, individual savings and retirement, group life and health, and group retirement services.

Great-West Lifeco's European operations bring together diverse insurance and wealth management businesses in the United Kingdom, Ireland and Germany. Their European brands — Canada Life and Irish Life — are deeply rooted and well respected.

Arshil Jamal is President and Chief Operating Officer of the company's Europe and Reinsurance operations.

In the U.K., Canada Life has been a leading provider of group insurance products and retirement income products, including payout annuities, for many decades.

In Ireland, the integration of Irish Life and Canada Life under the Irish Life brand is nearing completion. The strength of the team that has been brought together in Ireland has helped Irish Life achieve great things – synergies are greater than expected, integration costs were below target, and Irish Life has grown its market share across the business.

Great-West Lifeco's businesses in the United States are led by Robert Reynolds.

Under Bob's leadership, finding strategic business synergies across our U.S. operations has been a key focus. The launch of Empower Retirement is helping us realize this vision.

Empower Retirement, part of Great-West Financial, represents the coming together of the retirement businesses of Great-West Financial, Putnam Investments and the recently acquired J.P. Morgan Retirement Plan Services.

Empower serves over 7 million Americans who have more than $400 billion in plan assets with us. It is the nation's second-largest retirement services provider.

Great-West Lifeco also owns Putnam Investments. The company has made significant strides towards becoming one of the U.S.'s premier asset management firms with global reach.

Over the last six years, Putnam has been recognized repeatedly by *Barron's*/Lipper for outstanding investment performance across asset classes. The firm's innovative products and services have in turn experienced a very positive reception in the marketplace, delivering excellent returns to clients and generating solid back-to-back years of net sales.

Great-West Lifeco's U.S. businesses are well positioned to provide the company and our whole group with strong business and earnings growth well into the future.

IGM FINANCIAL

Power Financial's other significant financial services subsidiary is IGM Financial, in which it holds a 62.8% interest.

IGM is one of Canada's premier personal financial services companies, and one of the country's largest managers and distributors of managed asset products. The company serves the financial needs of Canadians through multiple distinct businesses, including Investors Group, Mackenzie Investments and Investment Planning Counsel.

Operating earnings for 2014 were $826 million, compared with $764 million in 2013, up 8%.

Total assets under management at December 31, 2014 were $142 billion, compared with $132 billion in 2013.

I will now turn to IGM Financial's operating subsidiaries.

Investors Group is led by Murray Taylor.

Investors Group continued to expand the number of its region offices in 2014, to a total of 110 across Canada. Throughout 2014, its consultant network grew by 472, for a total of 5,145 by year-end, the highest level in the history of the company. Investors Group continued to set itself apart by offering personal, comprehensive financial planning to approximately one million clients across Canada.

Mutual fund assets were $73.5 billion at the end of 2014, and fund sales during the year were $7.5 billion, up almost 12% over 2013.

IGM also owns Mackenzie Investments, which provides diversified investment solutions to individuals and institutions through proprietary research and experienced investment professionals.

Jeff Carney was appointed President and Chief Executive Officer of Mackenzie and Co-President and Chief Executive Officer of IGM in 2013.

In 2014, Mackenzie attracted key investment management talent, built new leadership and executed on its key strategies, while it continued to support advisors in all aspects of their business.

Mutual fund gross sales were $7.1 billion in 2014, the company's best result in the last six years.

PARGESA GROUP

I will now turn to the Pargesa group. Paul Desmarais, Jr. is Chairman and Co-Chief Executive Officer of Pargesa, and he works closely with Arnaud Vial, who is Managing Director. At December 31, 2014, together with the Frère group of Belgium, Power Financial held a 55.5% equity interest in Pargesa. Pargesa in turn held a 50% equity interest in the Belgian holding company Groupe Bruxelles Lambert, or "GBL", which owns the major holdings of the group.

The Pargesa group has been very busy over the past few years positioning its portfolio of companies for future growth.

Most notably during 2014, Lafarge, one of the principal investments, announced plans to merge with Holcim to create LafargeHolcim, the most advanced group in the building materials industry worldwide. LafargeHolcim will operate in 90 countries. The transaction was approved by shareholders and is expected to close in July 2015. GBL would hold 9% of the combined entity.

Albert Frère stepped down as Director and CEO of GBL earlier this month and did not seek another term as Vice-Chairman and Executive Director of Pargesa. Mr. Frère has been a loyal partner to my family for more than thirty years. Throughout this time, Mr. Frère was admired by all for his many professional and personal qualities and for his exceptional business sense. Together with his friend, my father Paul Desmarais, he has been the driving force behind the success of the Pargesa Group.

My brother Paul, and Mr. Frère's son, Gérald, are now continuing our long-term partnership, which is indeed strong and currently extends by agreement to 2029, with provision for possible further extension. We would like to acknowledge and thank Albert Frère for his exceptional contribution to the group.

Pargesa reported operating earnings of SF339 million in 2014, compared with SF251 million in 2013.

The contribution to Power Financial's operating earnings was $112 million in 2014, compared with $76 million in 2013.

I will now turn to our various other investments.

INVESTMENT ACTIVITIES

Power Corporation conducts investment activities, built upon historic relationships, to provide superior long-term returns and diversification for the Corporation. These investment activities include the Sagard funds and long-standing interests in China.

Power Corporation has been developing its investment fund businesses since the launch of its first fund in 2002 in Europe. Currently, the Corporation operates equity investment funds in three geographical regions under the Sagard name — Sagard Europe, Sagard Capital (United States) and Sagard China. Each of the Sagard businesses adheres closely to Power's investment philosophy, long-term perspective and governance model.

As an investor, Power Corporation's style is characterized by a value approach with the discipline of deep and detailed fundamental analysis. We impact investments, where appropriate, through involvement and close dialogue with investee companies.

As an example, our Sagard Capital fund has enabled us to acquire IntegraMed, a speciality healthcare services company that offers services to medical providers and consumers within emerging niche medical sectors.

Each Sagard investment platform has been established with separate, experienced and dedicated management teams with strong analysis capabilities, and is overseen by members of Power's senior management team.

SAGARD EUROPE

The Sagard 1 and Sagard 2 funds seek to invest in mid-sized companies in France, Belgium, Luxembourg and Switzerland. A new fund, Sagard 3, was launched in 2013 with a commitment of €200 million by each of Power Corporation and GBL. To date, Power has invested a total of $482 million in the Sagard 1, Sagard 2 and Sagard 3 funds. The Corporation has received distributions from these funds totalling $475 million, and the value of the remaining investments is currently $198 million.

SAGARD CAPITAL

Sagard Capital acquires positions in publicly traded small- and mid-cap companies based in North America, and offers a unique and highly differentiated value proposition. To date, Power has invested $389 million in Sagard Capital and the value of these investments at March 31, 2015, had grown to $763 million.

SAGARD CHINA

Power Corporation began participating in Chinese equities through the Chinese stock market in 2005 and in the Hong Kong stock market in 2010. To date, we have invested $151 million in these direct investments, referred to as Sagard China. They currently have a fair value of $495 million.

The fair value of the Corporation's investment in the Sagard funds is currently $1,456 million.

As you can see from the slide behind me, we have reason to be proud of our achievement to date.

OTHER INVESTMENTS IN CHINA

Power Corporation holds a 10% stake in China Asset Management Co. Ltd. (China AMC), which was purchased in 2011. It is recognized as a leading company in the Chinese asset management sector.

As at December 31, 2014, China AMC managed 44 mutual funds with assets under management of $98 billion, compared to $43 billion at the end of 2013. Its net earnings in Canadian dollars were $215 million in 2014, compared with $163 million in 2013.

Power Corporation also held, as at December 31, 2014, a 0.6% stake in CITIC Limited, a public company whose shares are listed on the Hong Kong Stock Exchange. Power recently sold its investment in CITIC in order to redeploy part of the proceeds in China. The remaining portion of the proceeds will be returned to Power Corporation in Canada.

POWER ENERGY CORPORATION

Power Corporation is also investing in the renewable energy sector.

Through its wholly owned subsidiary, Power Energy Corporation, Power holds investments in energy-related operating companies that can provide stable and growing long-term recurring cash flows. At December 31, 2014, Power Energy had invested $118 million in Potentia Solar, a solar energy power producer based in Ontario, and Eagle Creek Renewable Energy, a U.S.-based owner and operator of hydropower facilities.

The Sagard funds, along with our investments in China Asset Management, Power Energy and IntegraMed, provide a solid base for future growth at lower risk due to geographic and industrial diversification, and by investing in both public corporations and private equity. Building franchises takes years, but after nearly a decade of what can be called seeding, we can now foresee cash returns on these investments in the coming years.

COMMUNICATIONS

Turning to our communications interests.

In 2013, the ownership and management of La Presse created a new business model to pave the way to the future with the launch of La Presse+, a free digital tablet edition combining the best of print, Web, mobile and video.

Two years after the launch, La Presse+'s adoption rate is exceptionally high and migration of *La Presse* print readers remains ongoing and sustained. On average, the app is still downloaded to nearly 500 new tablets every day, making it one of the few media still in progression.

As of early April, more than 450,000 people read La Presse+ every week and have made it part of their news and information ritual. So far, La Presse+ has received more than 30 awards and honours both in Canada and abroad for the quality of its design and its content.

La Presse+ has also made its mark in the advertising industry and almost 1,300 advertisers have chosen it as an effective advertising vehicle for reaching an engaged customer base. La Presse+ stands out particularly for its ability to reach working adults aged 25 to 54 with an attractive profile, who make up 65% of its readership.

Last March, Gesca sold its regional newspapers to focus entirely on the digital strategy surrounding La Presse+.

At a time when the worldwide newspaper industry is struggling, the La Presse+ platform demonstrates great potential. We believe it is a solution that can be commercialized around the world. Already, The Toronto Star, Canada's largest daily newspaper, has signed an agreement with La Presse for the joint development of its own new tablet edition based on the La Presse+ news platform technology.

La Presse is also having ongoing discussions with different media groups in the U.S. and Europe.

CORPORATE SOCIAL RESPONSIBILITY

Over the past year, Power and its subsidiaries built on their long-standing tradition of contribution to the communities in which they operate and strengthened their commitment to social responsibility. We developed broader relationships with our stakeholders, and improved the communication of our Corporate Social Responsibility, or "CSR" performance. Our commitments are now firmly embedded in our Code of Business Conduct and Ethics and CSR Statement.

We became a signatory to the United Nations Global Compact in 2014. This is a voluntary strategic policy initiative for businesses committed to establishing a consistent approach to accepted principles in the areas of human rights, labour, environment and anti-corruption.

On the environmental front, and for the third year in a row, our efforts on energy and carbon management were recognized in 2014 through the Carbon Disclosure Project. Power Financial Corporation, Great-West Lifeco and IGM Financial also obtained very favourable rankings from the CDP.

In addition, we have recently launched a dedicated website as a means of publicly documenting and disclosing our CSR commitments, programs and performance. You will see examples throughout the website of how our responsible management philosophy allows us to generate long-term value and sustainable growth for Power Corporation's shareholders, while contributing to the broader good of society at large.

EXECUTIVE DEVELOPMENTS

Before I close, I would like to acknowledge the tremendous contribution to our group over many years of Ray McFeetors, who retired this past year as Vice-Chairman of Power Financial. Ray began with Great-West Life in 1968, eventually becoming President and Chief Executive Officer of Great-West Lifeco, a position he held for many years, including during a very successful period of intense acquisition activity. He then became the Chairman of Great-West Lifeco.

Please join me in recognizing Ray McFeetors.

We are also delighted that, earlier this year, Mr. Claude Généreux joined Power Corporation and Power Financial as Executive Vice-President.

Previously, Claude held various leadership roles with McKinsey & Company, the management consulting firm. During his 28 years with McKinsey, he focused on serving global organizations in the financial services, resources and energy sectors. He is Director Emeritus of McKinsey and also serves on the Board of Governors of McGill University and on the Board of the Jeanne Sauvé Foundation. Claude, please stand and be recognized.

RESULTS FOR THE FIRST QUARTER OF 2015

I will now briefly report on Power Corporation's results for the first quarter of 2015.

Operating earnings were $349 million or $0.76 per share, compared with $224 million or $0.49 per share in 2014, an increase of 55% on a per share basis.

Net earnings were $354 million, compared with $242 million in 2014.

DIVIDENDS

I am also pleased to announce that at its meeting this morning, your Board of Directors declared a quarterly dividend on the Participating Preferred and Subordinate Voting Shares of 31.125 cents per share, thus increasing Power Corporation's previous dividend, by 7.3%. This is the first dividend increase by the Corporation since the start of the financial crisis in the fall of 2008. As mentioned earlier, in March of this year, Power Financial increased its quarterly dividend on common shares. This increase, coupled with the returns from our other investments that I described earlier, enabled us to increase the dividend at Power Corporation.

CONCLUSION

To conclude, I would like to express our gratitude to the management, directors and employees of Power Corporation and its group companies who have contributed to the solid results we achieved. I also thank the clients of our group of companies for the trust and support they have shown us.

Finally, I want to thank you, our shareholders, for your continuing support and for your attention today.

POWER CORPORATION
OF CANADA