



## Power Corporation Reports First Quarter 2020 Financial Results

Readers are referred to the sections "Non-IFRS Financial Measures and Presentation" and "Forward-Looking Statements" at the end of this release.

Montréal, Québec, May 15, 2020 – Power Corporation of Canada (Power Corporation or the Corporation) (TSX: POW) today reported earnings results for the three months ended March 31, 2020.

### Power Corporation

#### Consolidated results for the period ended March 31

#### Highlights

- Power Corporation and Power Financial Corporation (Power Financial) completed a reorganization on February 13, 2020. Power Corporation now holds 100% of the issued and outstanding Power Financial common shares.
- The Corporation completed share buy backs under its normal course issuer bid of 7.4 million Subordinate Voting Shares, for \$193 million in the quarter.
- Power Corporation declared a quarterly dividend of \$0.4475 per participating share payable July 31, 2020. The dividend payment schedule in 2020 was moved ahead by two months and represents a 10.5% increase in comparison with 2019.
- Great-West Lifeco Inc.'s (Lifeco) consolidated assets under administration at March 31, 2020 were \$1.5 trillion, a 6% decrease from December 31, 2019 primarily reflecting the COVID-19 market declines.
- Lifeco declared a quarterly dividend of \$0.4380 per common share payable June 30, 2020, unchanged from last quarter.
- IGM Financial Inc. (IGM) assets under management at March 31, 2020 of \$147.5 billion, a decrease of 8.1% from the prior year and 11.6% from December 31, 2019, due to financial market declines related to COVID-19.
- IGM declared a quarterly common share dividend of \$0.5625 per common share payable July 31, 2020, unchanged from the last quarter.
- At its annual general meeting held on May 6, 2020, Pargesa Holding SA (Pargesa) approved a dividend of SF2.63 per share, a 2.7% increase.
- Parjointco N.V. and Pargesa announced on March 11, 2020 a public exchange offer for all Pargesa shares not held by Parjointco to be exchanged for Groupe Bruxelles Lambert (GBL) shares. The offer, which is subject to certain restrictions, is open for acceptance from May 8 to June 8, 2020.

#### COVID-19

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



At Power Corporation and its group companies, the focus has continued to be on managing the safety and well-being of its people, maintaining operational effectiveness, ensuring that the group can serve its customers, assessing impacts on earnings, liquidity and capital, planning for different potential scenarios and engaging with stakeholders. The respective boards of directors of Power Financial, Lifeco, IGM, Pargesa and GBL utilize their governance structures and processes to oversee the management of the risk and potential impacts presented by the current economic slowdown and other potential consequences due to COVID-19.

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

### First Quarter

Net earnings attributable to participating shareholders were \$200 million or \$0.36 per share, compared with \$292 million or \$0.63 per share in 2019.

Adjusted net earnings attributable to participating shareholders (a non-IFRS financial measure, see Non-IFRS Financial Measures and Presentation below) were \$345 million or \$0.62 per share, compared with \$251 million or \$0.54 per share in 2019.

Contributions to Power Corporation's net earnings per share and adjusted net earnings per share were:

(in dollars per Power Corporation share)	2020 <sup>[1]</sup>		2019	
	Net Earnings	Adjusted Net Earnings	Net Earnings	Adjusted Net Earnings
• Lifeco <sup>[2]</sup>	0.27	0.52	0.63	0.55
• IGM	0.13	0.14	0.15	0.14
• Pargesa	0.08	0.08	0.07	0.07
• Investment Platforms <sup>[3]</sup>	0.05	0.05	(0.04)	(0.04)
• China AMC <sup>[4]</sup>	0.02	0.02	0.02	0.02
• Corporate Operations <sup>[5]</sup>	(0.19)	(0.19)	(0.20)	(0.20)
	0.36	0.62	0.63	0.54

[1] The Corporation completed the Reorganization on February 13, 2020 and now holds 100% of Power Financial. In the second quarter of 2019, the Corporation completed a substantial issuer bid and repurchased 9.8% of its Subordinated Voting Shares.

[2] Power Financial participated in Lifeco's substantial issuer bid, in the second quarter of 2019; the number of shares held by Power Financial decreased by 7.4%.

[3] Investment platforms includes earnings (losses) from Power Energy Corporation (Power Energy), and IntegraMed America, Inc. (IntegraMed).

[4] China Asset Management Co., Ltd.

[5] Operating and other expenses, Dividends on non-participating shares of the Corporation and its share of Power Financial.

Adjustments in 2020, excluded from adjusted net earnings, were a negative net impact of \$145 million or \$0.26 per share mainly related to the Corporation's share of Lifeco's adjustments which consist of market-related impacts as well as actuarial assumption changes and management actions. Adjustments in the first quarter of 2019 were a net positive earnings impact of \$41 million related to the market-related impacts as well as actuarial assumption changes.

### Non-IFRS Financial Measure – Adjusted Net Earnings

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



## Great-West Lifeco, IGM Financial and Pargesa

Results for the period ended March 31

### GREAT-WEST LIFE CO INC.

#### First Quarter

Net earnings attributable to common shareholders were \$342 million or \$0.37 per share, compared with \$657 million or \$0.67 per share in 2019. The sale of U.S. individual life insurance and annuity business closed in the second quarter of 2019, Lifeco's net earnings and adjusted net earnings for the first quarter of 2020 do not include any earnings from this business, which contributed \$33 million to net earnings and adjusted net earnings in the first quarter of 2019. Reported net earnings per share for the first quarter of 2020 was \$0.37, down from \$0.67 in 2019, primarily due to approximately \$300 million of market-related impacts including unfavourable basis changes reflecting significant market declines and volatility in the first quarter of 2020 driven by the COVID-19 pandemic.

Adjusted net earnings <sup>[1]</sup> attributable to common shareholders were \$543 million or \$0.59 per share, compared with \$569 million or \$0.58 per share in 2019.

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

### IGM FINANCIAL INC.

#### First Quarter

Net earnings available to common shareholders were \$161 million or \$0.68 per share, compared with \$168 million or \$0.70 per share in 2019.

Assets under management at March 31, 2020 were \$147.5 billion, a decrease of 11.6% in the quarter, due to financial market declines related to COVID-19.

### PARGESA HOLDING SA

#### First Quarter

Pargesa reported net earnings of SF6 million, compared with SF91 million in 2019.

Adjusted net earnings were SF11 million, compared with SF94 million in 2019. Adjustments, not included in adjusted net earnings, were a charge of SF5 million in the first quarter.

Pargesa reported a net asset value at March 31, 2020 of SF8,300 million, representing SF98.0 per share, compared with SF10,946 million or SF129.2 per share at December 31, 2019.

Pargesa adopted IFRS 9 in 2018. Power Corporation continues to apply IAS 39; this results in an increase in its share of the contribution from Pargesa of \$42 million in the first quarter of 2020.

## Investment Platforms

For the period ended March 31

Investment platforms includes income earned from management fees net of investment platform expenses, income earned on the capital invested by the Corporation (proprietary capital) in each platform and the share of earnings (losses) of controlled and consolidated subsidiaries, associates and jointly controlled investments. For additional information, refer to the table further in this news release.

#### First Quarter

Income from the Corporation's investment platforms was \$32 million, compared with a loss of \$16 million in 2019.



## Dividend on Power Corporation Participating Shares

The Board of Directors declared a quarterly dividend of 44.75 cents per share on the Participating Preferred Shares and the Subordinate Voting Shares of the Corporation, payable July 31, 2020 to shareholders of record June 30, 2020.

## Dividend on Power Corporation Non-Participating Preferred Shares

The Board of Directors also declared quarterly dividends on the Corporation's preferred shares, payable July 15, 2020 to shareholders of record June 24, 2020:

Series	Stock Symbol	Amount	Series	Stock Symbol	Amount
1986 Series	POW.PR.F	Floating rate <sup>[1]</sup>	Series C	POW.PR.C	36.25¢
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¢

[1] Equal to one quarter of 70% of the average prime rate of two major Canadian chartered banks for the period March 1 to May 31, 2020.

## Extension to provide information to make a Canadian income tax election

In February 2020, Power Corporation acquired all of the issued and outstanding shares of Power Financial held by holders of Power Financial Common Shares other than Power Corporation and its wholly owned subsidiaries (Former Power Financial Shareholders). Former Power Financial Shareholders who were resident in Canada and did not hold Power Financial Common Shares in a tax-free account such as a registered retirement savings plan or a tax-free savings account would generally realize a taxable gain (or loss) as a result of the acquisition of their Power Financial Common Shares by Power Corporation. Certain Former Power Financial Shareholders can make an election with Power Corporation to defer all or a portion of the gain that might otherwise arise from the disposition of Power Financial Common Shares. As described in the Power Financial Management Proxy Circular, dated January 10, 2020, the deadline for Former Power Financial Shareholders to submit the required information to Power Corporation to make such an election is 120 days after the date of the acquisition of the Power Financial Common Shares. Accordingly, the deadline to provide such information to Power Corporation was originally set to be June 13, 2020.

Power Corporation is extending the deadline to submit the required information to Power Corporation to October 31, 2020. For greater certainty, the statutory deadlines for filing the tax elections with the taxation authorities are not affected by this extension.

Instructions on how to make a tax election with Power Corporation can be found on the Reorganization page in the Investors section of Power Corporation's website at:

<https://www.powercorporation.com/en/investors/reorganization/>.



## 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](http://www.PowerCorporation.com).

At March 31, 2020, Power Corporation held the following economic interests:

- 100% – Power Financial [www.powerfinancial.com](http://www.powerfinancial.com)
  - 66.9% – Great-West Lifeco (TSX: GWO) [www.greatwestlifeco.com](http://www.greatwestlifeco.com)
  - 62.1% – IGM Financial (TSX: IGM) [www.igmfinancial.com](http://www.igmfinancial.com)
  - 27.8% – Pargesa Holding (SIX: PARG) [www.pargesa.ch](http://www.pargesa.ch)
  - 83.9% – Wealthsimple Financial Corp. <sup>[1]</sup> [www.wealthsimple.com](http://www.wealthsimple.com)
- Investment Platforms
  - 100% – Sagard Holdings <sup>[2]</sup> [www.sagardholdings.com](http://www.sagardholdings.com)
  - 100% – Sagard SAS (Europe) <sup>[2]</sup> [www.sagard.com](http://www.sagard.com)
  - 100% – Power Sustainable Capital
    - Power Pacific Investment Management [www.powerpacificim.com](http://www.powerpacificim.com)
    - Power Energy [www.powerenergycorporation.com](http://www.powerenergycorporation.com)
  - 27.8% – China AMC <sup>[3]</sup> [www.chinaamc.com](http://www.chinaamc.com)

[1] Undiluted equity interest held by Lifeco, IGM and Power Financial.

[2] Refer to the Corporation's most recent MD&A for interest in the Sagard Europe Funds and investments held by Sagard Holdings.

[3] IGM and the Corporation each hold a 13.9% interest in China AMC.



## Earnings Summary

### Earnings

(unaudited) (in millions of Canadian dollars)	Three months ended	
	2020	March 31, 2019
<b>Adjusted net earnings</b> <sup>[1]</sup>		
Power Financial		
Lifeco <sup>[2]</sup>	362	384
IGM <sup>[2]</sup>	99	108
Pargesa <sup>[2]</sup>	79	46
Corporate operations of Power Financial		
Income (loss) from investments	(7)	(4)
Operating and other expenses	(28)	(25)
Dividends on perpetual preferred shares	(35)	(35)
	470	474
Less: Attributable to non-controlling interests of Power Financial	118	165
Corporation's share of Power Financial	352	309
Investment platforms <sup>[3]</sup>	32	(16)
China AMC	9	7
Operating and other expenses	(35)	(36)
Dividends on non-participating shares	(13)	(13)
<b>Adjusted net earnings</b> <sup>[1][4]</sup>	345	251
Adjustments - see below	(145)	41
<b>Net earnings</b> <sup>[4]</sup>	200	292

### Earnings per Share

(unaudited) (in dollars per share)	Three months ended	
	2020	March 31, 2019
<b>Adjusted net earnings per share - basic</b> <sup>[1]</sup>		
Lifeco <sup>[2]</sup>	0.52	0.55
IGM <sup>[2]</sup>	0.14	0.14
Pargesa <sup>[2]</sup>	0.08	0.07
Investment platforms <sup>[3]</sup>	0.05	(0.04)
China AMC	0.02	0.02
Operating and other expenses, and dividends on non-participating shares	(0.19)	(0.20)
<b>Adjusted net earnings per share</b> <sup>[1][4]</sup>	0.62	0.54
Adjustments - see below	(0.26)	0.09
<b>Net earnings per share</b> <sup>[4]</sup>	0.36	0.63

[1] Effective the first quarter of 2020, the Corporation introduced an enhanced definition of its Non-IFRS earnings measures, Adjusted net earnings. The comparative figures have been restated. For additional information, please refer to the Non-IFRS Financial Measures and Presentation section further in this news release.

[2] The contributions from Lifeco and IGM include an allocation of the results of Wealthsimple Financial Corp., KOHO Financial Inc., Portag3 Ventures Limited Partnership and Portag3 Ventures II Limited Partnership, based on their respective interest. The contributions from IGM and Pargesa reflect adjustments in accordance with IAS 39.

[3] Investment platforms includes earnings (losses) from Power Energy and IntegraMed.

[4] Attributable to participating shareholders.



## Investment Platforms

(unaudited) (in millions of Canadian dollars)	Three months ended March 31,	
	2020	2019
Sagard Holdings <sup>[1]</sup> <sup>[2]</sup>	(41)	(12)
Sagard Europe <sup>[1]</sup> <sup>[3]</sup>	38	(3)
Power Pacific <sup>[1]</sup> <sup>[4]</sup>	79	14
Power Energy	(38)	(14)
Investment and hedge funds and other	(6)	(1)
	<b>32</b>	<b>(16)</b>

[1] Income (loss) from investments for Sagard Holdings, Sagard Europe and Power Pacific is presented net of expenses of their separate dedicated teams.

[2] Includes the Corporation's share of the earnings (losses) of IntegraMed, a controlled investment, and the share of earnings (losses) from investments in a jointly controlled corporation and associates.

[3] On January 1, 2020, the management and operations of the Sagard Europe Funds, Sagard SAS, was transferred under Sagard Holdings.

[4] Mainly comprised of gains (losses) realized on the disposal of investments and dividends received.

## Adjustments

(unaudited) (in millions of Canadian dollars)	Three months ended March 31,	
	2020	2019
Power Financial		
Share of Lifeco's adjustments:		
Actuarial assumption changes and management actions	(35)	88
Market-related impacts	(100)	(28)
	<b>(135)</b>	<b>60</b>
Share of IGM's adjustments:		
Share of Lifeco's adjustments <sup>[1]</sup>	(5)	2
Share of Pargesa's adjustments		
Other charges	(1)	-
	<b>(141)</b>	<b>62</b>
Less: Attributable to non-controlling interests of Power Financial	4	21
Corporation's share of Power Financial	<b>(145)</b>	<b>41</b>

[1] Includes IGM's share of Lifeco's Adjustments for the impact of actuarial assumption changes and management actions and market impacts on insurance contract liabilities, in accordance with the Corporation's definition of Adjusted net earnings. For additional information, please refer to the Non-IFRS Financial Measures and Presentation section further in this news release.



## Net Asset Value

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

	March 31, 2020				December 31, 2019			
	Combined non-consolidated balance sheet	Reclassifications	Fair value adjustment	Net asset value	Combined non-consolidated balance sheet	Reclassifications	Fair value adjustment	Net asset value
<b>Assets</b>								
Investments								
Power Financial <sup>[1]</sup>								
Lifeco	14,161	-	917	15,078	13,654	-	6,976	20,630
IGM	2,825	-	629	3,454	2,729	-	2,786	5,515
Parjointco	3,406	-	(1,188)	2,218	3,954	-	(1,413)	2,541
Other Investments	194	-	134	328	203	-	127	330
Sagard Holdings <sup>[2] [3]</sup>	272	173	65	510	306	156	74	536
Sagard Europe <sup>[2]</sup>	551	-	-	551	478	-	-	478
Power Pacific <sup>[2] [3]</sup>	616	94	-	710	730	9	-	739
Power Energy	668	-	444	1,112	655	-	420	1,075
China AMC <sup>[4]</sup>	703	-	-	703	658	-	-	658
Other investments	128	-	68	196	149	-	49	198
Cash and cash equivalents <sup>[3]</sup>	1,658	(277)	-	1,381	1,585	(178)	-	1,407
Other assets <sup>[5]</sup>	383	-	-	383	388	-	-	388
<b>Total assets</b>	<b>25,565</b>	<b>(10)</b>	<b>1,069</b>	<b>26,624</b>	<b>25,489</b>	<b>(13)</b>	<b>9,019</b>	<b>34,495</b>
<b>Liabilities and non-participating shares</b>								
Debentures and other debt instruments	1,023	-	-	1,023	933	-	-	933
Other liabilities <sup>[6]</sup>	1,005	(10)	-	995	1,088	(13)	-	1,075
Non-participating shares and perpetual preferred shares	3,789	-	-	3,789	3,790	-	-	3,790
<b>Total liabilities and non-participating shares</b>	<b>5,817</b>	<b>(10)</b>	<b>-</b>	<b>5,807</b>	<b>5,811</b>	<b>(13)</b>	<b>-</b>	<b>5,798</b>
Non-controlling interests	-	-	-	-	6,464	-	3,050	9,514
	5,817	(10)	-	5,807	12,275	(13)	3,050	15,312
<b>Net value</b>								
Participating shareholders' equity / Net asset value	19,748	-	1,069	20,817	13,214	-	5,969	19,183
<b>Per share</b>	<b>29.20</b>			<b>30.79</b>	<b>30.98</b>			<b>44.98</b>

[1] Investments held by Power Financial have been presented on a look-through basis at December 31, 2019, the corresponding adjustment representing the ownership not held by Power Corporation is included in non-controlling interests.

[2] The management companies of the investment funds are presented at their carrying value in accordance with IFRS.

[3] Cash of \$277 million related to Sagard Holdings and Power Pacific has been included in the fair value (\$178 million at December 31, 2019).

[4] Valued at carrying value in accordance with IFRS.

[5] Performance-related compensation payable of \$10 million is presented in the fair value of Power Pacific (\$13 million in Power Pacific at December 31, 2019).





### Non-IFRS Financial Measures and Presentation

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

Net 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 would make the period-over-period comparison of results from operations less meaningful. Adjustments include the Corporation's share of Lifeco's impact of actuarial assumption changes and management actions, direct equity and interest rate market impacts on insurance 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.

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 from this non-IFRS financial measure.

Adjusted net earnings attributable to participating shareholders and adjusted net 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 whereby the 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 holding company's (parent) results separately from the results of its operating subsidiaries.

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

This news release may also contain other non-IFRS financial measures which are publicly disclosed by the Corporation's subsidiaries such as sales, assets under management and assets under administration. Refer to the "Non-IFRS Financial Measures and Presentation" section of the Corporation's most recent Management's Discussion and Analysis for the definition of non-IFRS financial measures and their reconciliation with IFRS financial measures.

### 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, including the fintech strategy, the expected impact of the COVID-19 pandemic on the Corporation and its subsidiaries' operations, results and dividends, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the intended effects of the Reorganization (as defined herein), the NCIB (as defined herein) and the proposed redemption by the Corporation and Power Financial of certain classes of their First Preferred Shares. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

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

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

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

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

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