



POWER FINANCIAL
CORPORATION



**Investor
Presentation**

September 2018

Forward looking statements

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

Certain statements, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Corporation's current expectations, or with respect to disclosure regarding the Corporation's public subsidiaries, reflect such subsidiaries' disclosed current expectations. Forward-looking statements are provided for the purposes of assisting the listener/reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the listener/reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries, 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, fluctuations in interest, 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, the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors. The listener/reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection,

including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including 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 its most recent Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedar.com. Certain financial terms which may be included in statements today or in the accompanying materials, such as adjusted net earnings, are non-IFRS financial measures that do not have a standard meaning and may not be comparable to similar measures used by other entities. Please refer to the Corporation's annual and most recent interim Management's Discussion and Analysis for more information, including how such measures are defined, an explanation of their purpose and a reconciliation of these non-IFRS measures to results reported in accordance with IFRS, where comparable IFRS measures exist.

Forward looking statements

All financial information and market data are in Canadian Dollar (C\$) as at June 30, 2018, except otherwise noted, with the following abbreviations: millions (M); billions (B).

Change in Accounting Policy

Effective January 1, 2013, the Corporation adopted revised IAS 19 (IAS 19R), Employee Benefits. In accordance with the required transitional provisions, the Corporation retrospectively applied the revised standard. The 2012 comparative financial information in this report has been restated accordingly.

Non-IFRS Financial Measures

In analyzing the financial results of the Corporation and consistent with the presentation in previous years, net earnings are subdivided into the following components:

- adjusted net earnings attributable to common shareholders; and
- other items, 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 include the Corporation's share of items presented as other items by a subsidiary or a jointly controlled corporation.

Management uses these financial measures in its presentation and analysis of the financial performance of Power Financial 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 items that are not considered to be part of ongoing activities are excluded from this non-IFRS measure.

Abbreviations

adidas	adidas AG	London Life	London Life Insurance Company
Burberry	Burberry Group PLC	Mackenzie or Mackenzie Investments	Mackenzie Financial Corporation
Canada Life	The Canada Life Assurance Company	Ontex	Ontex N.V.
China AMC	China Asset Management Co., Ltd	Panagora	PanAgora Asset Management, Inc.
EBR	Euronext Brussels	Pargesa	Pargesa Holding SA
EPA	Euronext Paris	Parjointco	Parjointco N.V.
GBL	Groupe Bruxelles Lambert	Parques	Parques Reunidos Servicios Centrales, S.A.
GEA	GEA Group	Portag3	Portag3 Ventures Limited Partnership
Great-West Financial or Great-West Life & Annuity	Great-West Life & Annuity Insurance Company	Potentia or Potentia Renewables	Potentia Renewables Inc.
Great-West Life	The Great-West Life Assurance Company	Power Corporation	Power Corporation of Canada
IGM or IGM Financial	IGM Financial Inc.	Power Financial	Power Financial Corporation
IFRS	International Financial Reporting Standards	Putnam	Putnam Investments, LLC
Investors Group	Investors Group Inc.	SGS	SGS SA
Irish Life	Irish Life Group Limited	SIX	Swiss Stock Exchange
LafargeHolcim	LafargeHolcim Ltd	Total	Total SA
Lifeco	Great-West Lifeco Inc.	Umicore	Umicore, NV/SA
		Wealthsimple	Wealthsimple Financial Corp.
		XETR	XETRA Stock Exchange

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Group overview



Power Financial controls three public companies with a combined market capitalization of \$51 billion and has an active program in Fintech

MARKET
CAPITALIZATION
\$22.0B

DIVIDEND
YIELD
5.6%

ASSETS UNDER
MANAGEMENT
\$906B

ASSETS UNDER
ADMINISTRATION
\$1.6T

70.3%⁽¹⁾

64.1%⁽¹⁾

27.8%⁽¹⁾

GREAT-WEST
LIFECO INC.

\$32.0B MARKET
CAPITALIZATION

Global financial services holding company with interests in life and health insurance, retirement and investment services, asset management and reinsurance

IGM
Financial

\$9.2B MARKET
CAPITALIZATION

One of Canada's premier personal financial services companies, and one of the country's largest managers and distributors of investment funds and other managed asset products

Pargesa

Holding SA

\$9.4B MARKET
CAP

Pargesa has holdings in major global companies based in Europe, through its 50% interest in GBL

P O R T A G E

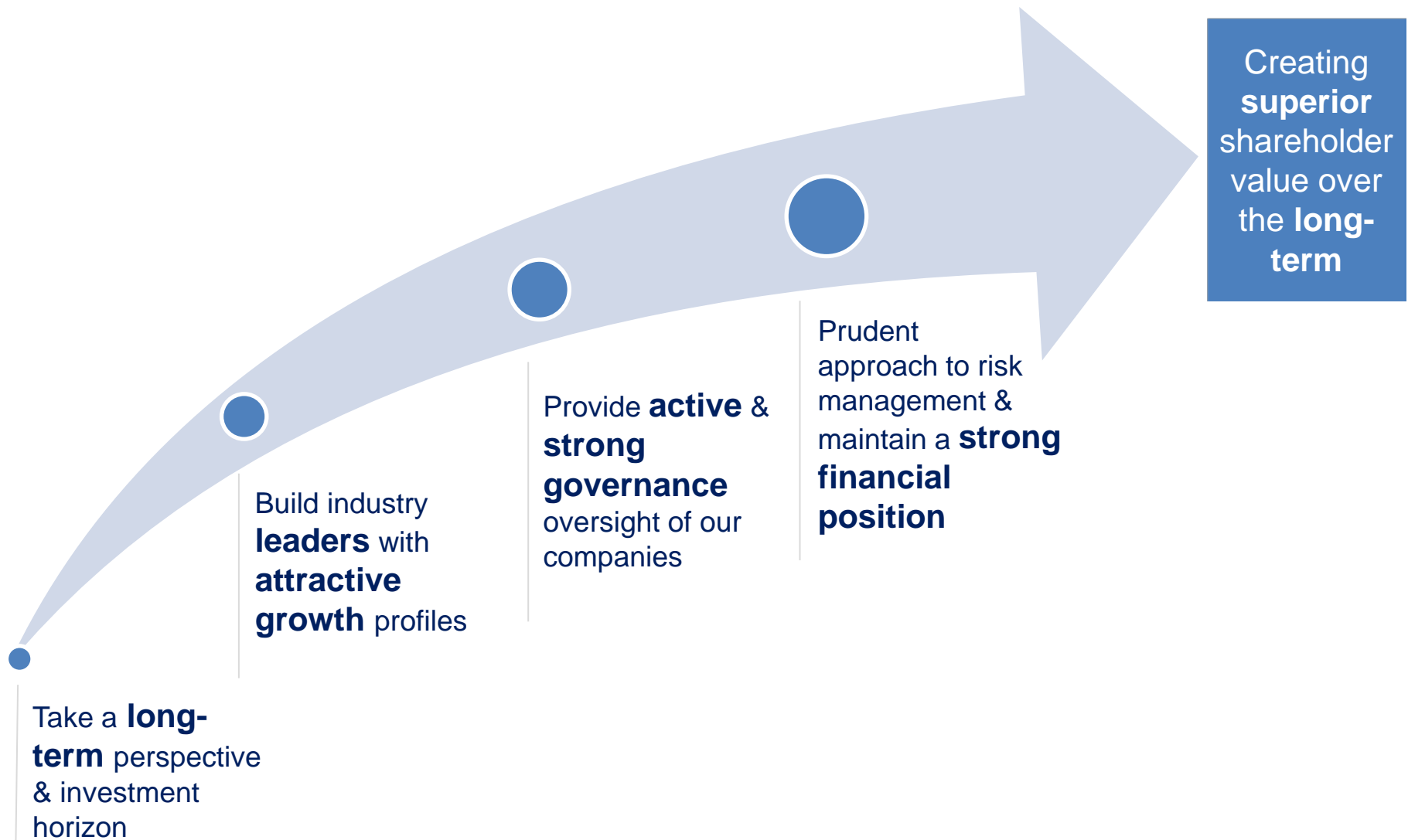
Portag3 invests in promising fintech companies that have potential for innovative change and global impact

GBL

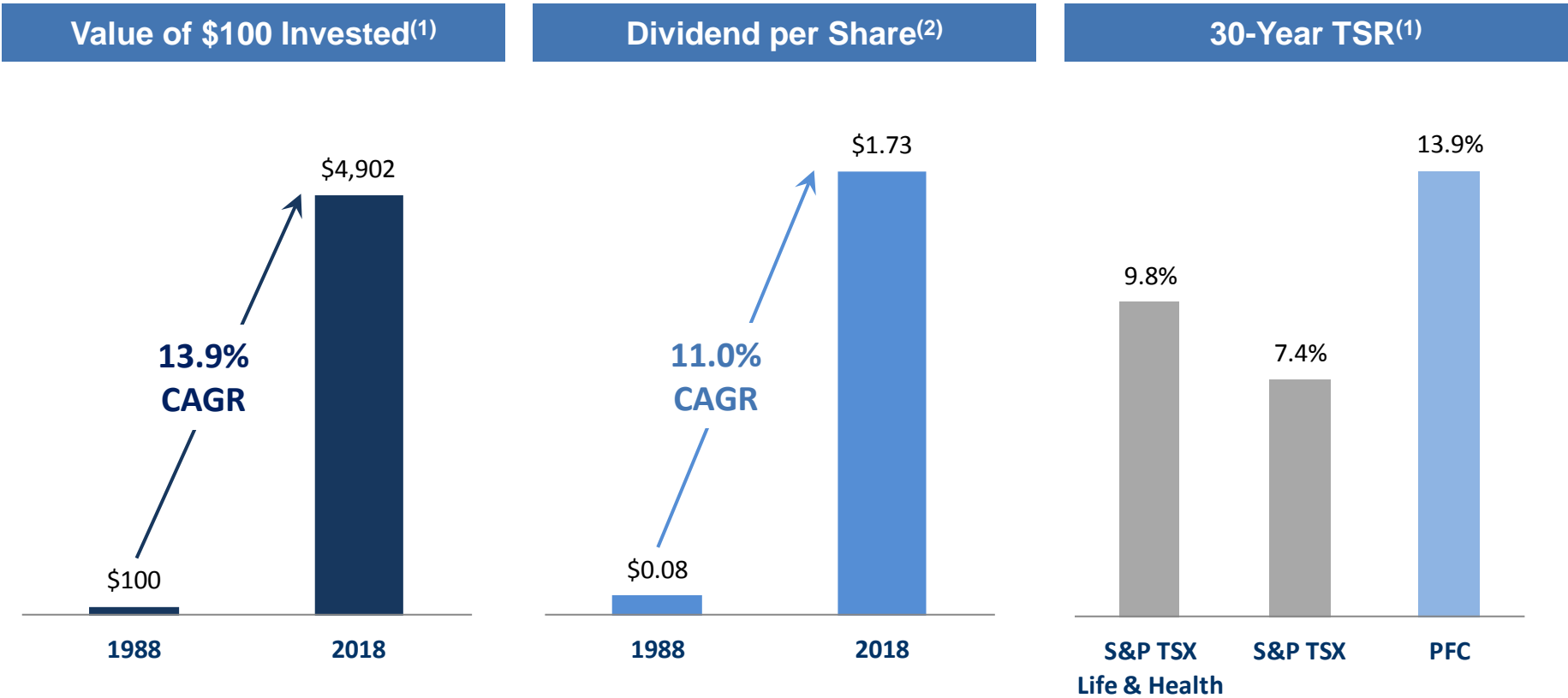
\$22.4B MARKET
CAP

(1) Represents economic interest. Power Financial owns directly 67.7% of Great-West Lifeco, and an additional 4.0% through IGM. Power Financial owns directly 61.4% of IGM, and an additional 3.8% through Great-West Lifeco. Pargesa is held through Parjointco, a jointly controlled corporation (50%)

Power Financial path to value creation



Value creation over the long-term



(1) Assumes dividend reinvested, pre-tax
(2) Annualized
Note: Metrics as at June 30; 30-year TSR as at June 30, 2018

Focused business model in financial services

Two distribution channels



...offering **three** main product offerings

Accumulation

Decumulation

Insurance

...in a **limited** number of **mature** markets



Strong foundations through multi-brand strategy

Best-in-class investment management capabilities

\$867B assets under management

- Broad capabilities across asset classes, geographies and channels





















Strong multi-channel distribution reach

\$1.5T assets under administration

- Significant retail distribution in Canada and Ireland
- Strong wholesale platforms in Canada, US, UK, Ireland, Germany
- Leading group/defined contribution platforms in Canada, US, Ireland

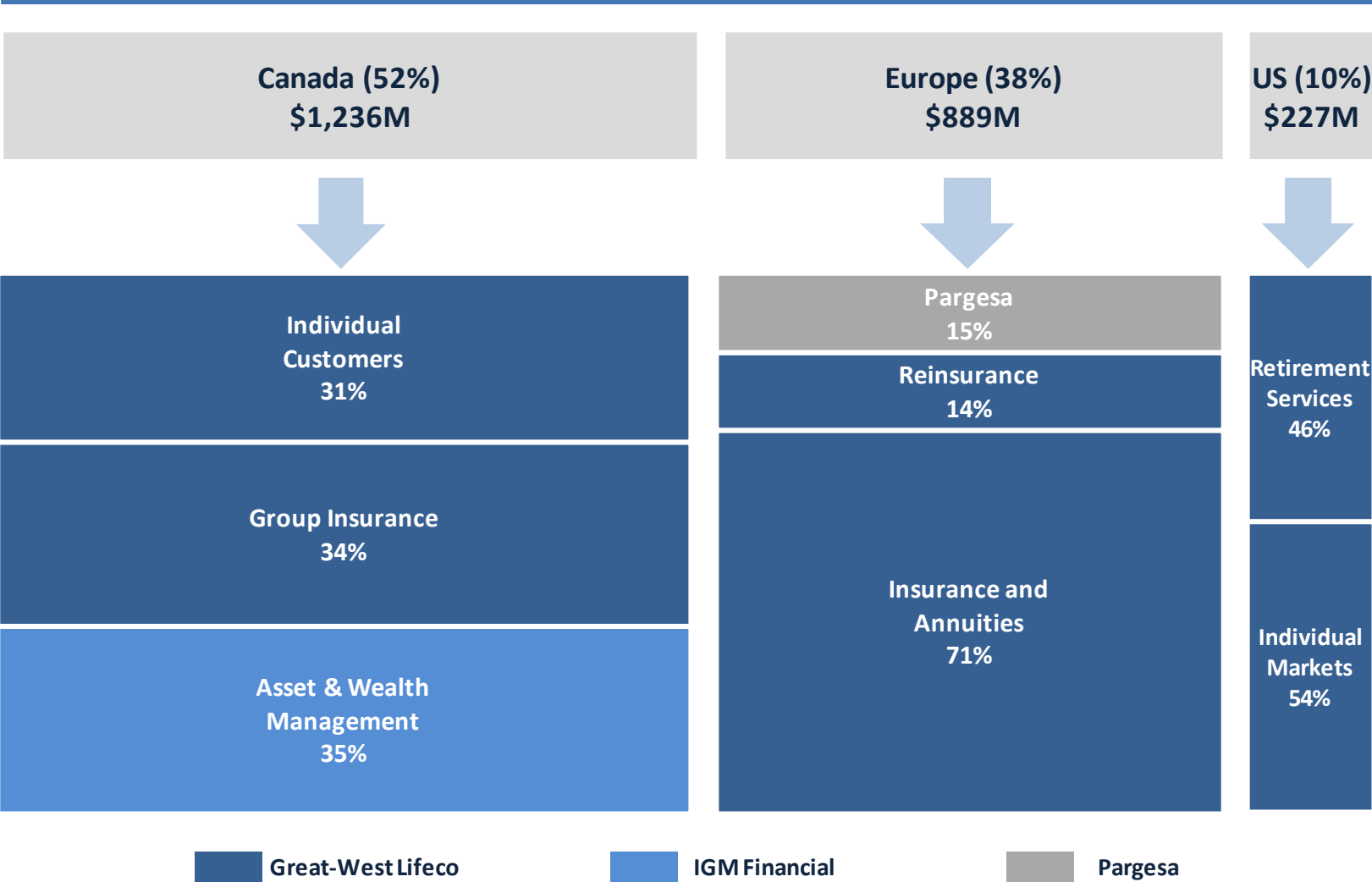


Leadership across businesses and geographies

	Asset Management	Wealth & Retirement	Insurance
	 Leading asset manager	  Largest Network of certified financial planners	   #1 Individual insurer #3 Group insurer 13 million customer relationships
	 Irish Life #1 Retail and institutional manager in Ireland	 Irish Life #1 Pension provider in Ireland <hr/>  Canada Life™ Top 4 UK open market annuities #1 German unit-linked broker market	 Irish Life #1 Life insurer <hr/>  Canada Life™ #1 Group risk provider in UK
	 Broadly based platform <hr/>  PANAGORA Leading Institutional quant manager	 #2 Defined contribution record-keeper 8.5 million individuals	 Leading provider of executive benefits and life insurance sold through non-traditional channels

Earnings are diversified by business line and geography

2017 Group Adjusted Net Earnings ⁽¹⁾

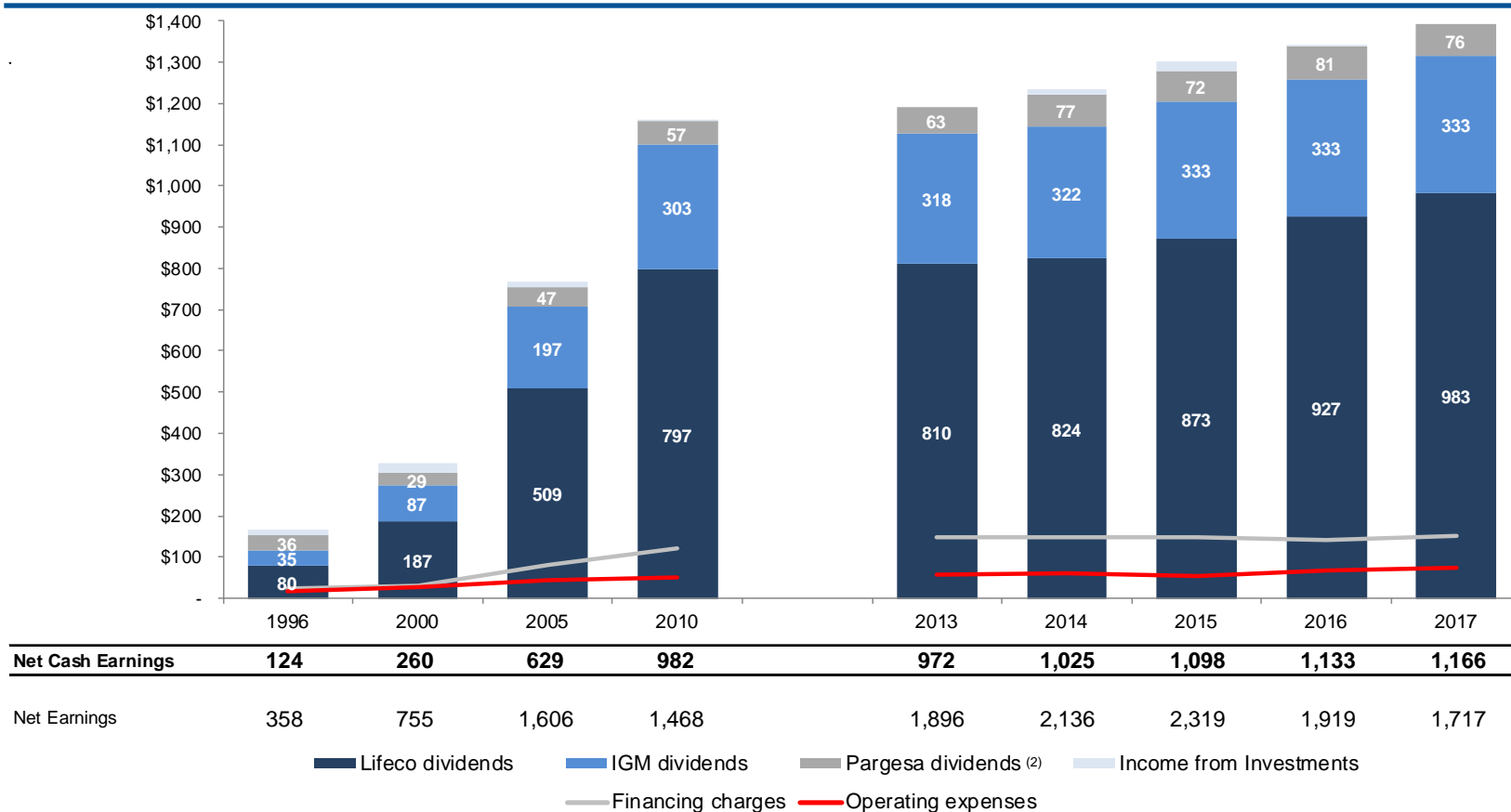


(1) Contributions to adjusted net earnings from Great-West Lifeco, IGM Financial, and Pargesa. Adjusted net earnings is a non-IFRS financial measure

Cash earnings have been stable, diversified and growing

- Lifeco is the largest source of cash flow
- IGM & Pargesa provide resilient and stable dividends, contributing a third of cash earnings

Historical PFC Cash Earnings (C\$M) ⁽¹⁾



Note: please refer to page 29 for a reconciliation of net earnings, adjusted net earnings, and cash earnings

(1) Cash earnings is a non-IFRS financial measure, comprised of: dividends received, on a declared basis and income from investments from which non-cash items are excluded. Share of net earnings or losses from associates and joint ventures is excluded. Operating expenses have been adjusted for non-cash items. Financing charges include interest on debt and dividend on preferred shares.

(2) Pargesa dividends include gain / loss on hedging activities

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- 1 Transform our advisor-based distribution businesses
- 2 Harness the full potential of our group customers
- 3 Reshape global asset management
- 4 Increase the competitiveness/profitability of core insurance businesses
- 5 Deploy and redeploy group capital
- 6 Develop a portfolio of positions in high-growth Fintech

Important forces re-shaping dynamics in the asset, wealth and retirement markets

Challenging investment environment

- Lower expected market returns
- Low interest rates
- High asset correlations

Rise of passive

- Increasing market efficiency, especially in large and liquid asset classes
- Broad availability of low-cost passive and smart beta
- Difficult post-crisis environment for active managers

Technology-enabled models

- Emergence of low-cost omni-channel and robo-advice models
- New digital standard of client experience implemented in existing advised models
- Growing importance of tech-enabled delivery / middle layer capabilities

Higher regulatory standards of care and transparency

- Focus on client interest, fee transparency and conflicts
- Compliance responsibilities enabling wealth managers to control shelf and increase share of profits
- Advice as core value proposition versus product distribution

Creating both opportunities and challenges for our businesses

Asset Management

High and consistent performance

- Low cost passive puts a high bar on value creation net of fees
- Institutionalization of retail buying increases focus on risk-adjusted long-term performance

Greater scale

- Economies of scale for greater price competitiveness
- Product scale required for inclusion on distributor platforms

Product breadth

- Need for performing products at all times
- Increased focus on solutions founded on multi-asset capabilities

Wealth Management

Beta: Control of shelf and portfolio construction

- Asset allocation capabilities
- Risk/return optimization
- Rebalancing capabilities

Alpha: Low-cost access to best products

- Top-performing
- Low-cost
- At-scale

Gamma: Advice-based value propositions

- Distinctive individual advice
- Value creation beyond active management and portfolio construction
- Aggregation/integration of financial data

Retirement

Greater scale

- Economies of scale for greater price competitiveness

Product and service breadth

- Ability to provide holistic services to client base throughout accumulation / de-cumulation cycle
- Increasing customer-centricity with direct-to-customer interactions

Emphasis on efficiency

- Maximization of back office efficiency to drive margins and performance
- Investments in digital and innovative solutions

Insurance provides our group with stable earnings in spite of headwinds

Persistently low interest rates

Higher capital and operating costs post-crisis

Threat and opportunity from emerging technologies

Mature market in several segments / products

Market and regulatory focus now shifted to client outcomes

- Growing need for mortality protection driven by demographics and global shift from DB to DC
- Potential to meet a broader range of client needs in group channels by leveraging increasingly digital service models and partnering with third parties
- Utilize technology to improve advisor productivity and potentially broaden reach of individual insurance distribution
- Opportunity to drive cost efficiency across all functions
- Various growth opportunities in Great-West Lifeco's re-insurance niches

Significant progress across our businesses – Great-West Lifeco

Strategy

Progress




Manage and extend core business

- Strengthen positions in targeted regions: Canada, U.S. and Europe, each with market specific strategies
- Maintain balanced portfolio: Insurance, Asset Management and Retirement
- Leverage strong brands, diverse products and substantial customer base to cross-sell and grow businesses

- Canada transformation in execution phase; on track to achieving targeted cost savings
- Empower integration complete; strong in-market momentum, focused on improving efficiency; well-positioned for organic and inorganic growth
- Putnam positioned with strong product and distribution access; requires greater scale to unlock value
- Extending capabilities in UK, Ireland and Germany

Innovate to accelerate growth

- Build innovative technology solutions to enable advisors and anticipate our customers' needs
- Leverage analytics to penetrate and expand customer base
- Elevate customer experience with omni-channel marketing and digital differentiation

- Creating new capabilities
 - Great-West Life partnership with Dialogue  dialogue
 - Empower partnership with Optum  OPTUM®
- Launch of new digital platform Wayfinder  WAYFINDER
- Investments in new platforms and Fintech ventures

PORTAGE
ventures

Maintain disciplined capital deployment

- Deploy strong M&A capabilities to complement organic growth strategy
- Consistently grow our dividend commensurate with earnings growth and capital needs

- Acquisition of capabilities in key geographies
 - 2018: Invesco (Ireland) 
 - 2017: Retirement Advantage (UK) 
 - 2017: Financial Horizons (Canada) 
 - 2017: EverWest (United States) 
 - 2016: Aviva Health / GloHealth (Ireland) 
- Annual dividend increase of 6% over the last four years

Significant progress across our businesses - IGM Financial



Strategy

Strategic focus and cultural transformation

- Create flatter, leaner organization
- Foster culture of accountability, execution excellence
- Focus on business priorities

Client centricity

- Champion organization-wide client-first approach
- Align decision-making with Regulatory direction
- Thought leader / advocate for our clients and investors

Operational efficiencies

- Leverage strategic vendor relationships
- Reduce applications and standardize across IGM
- Shift to paperless organization and standard processes

Value-added technology

- Deploy digitization to enhance client experience and increase advisor productivity
- Invest in automation for leverage, speed, consistency
- Leverage next-gen FinTech

Progress

- Significant talent influx into IGM leadership
- Turnaround and market share gains at Mackenzie
- Momentum shift and early progress at Investors Group
- Investment in high-growth, leading asset manager in China

- Investors Group elimination of DSC
- Fund repricing over past several years to align with industry
- Change in recruiting model at Investors Group
- Mackenzie advisors ranked 3rd in 2017 from 12th in 2013 (Environics Research)

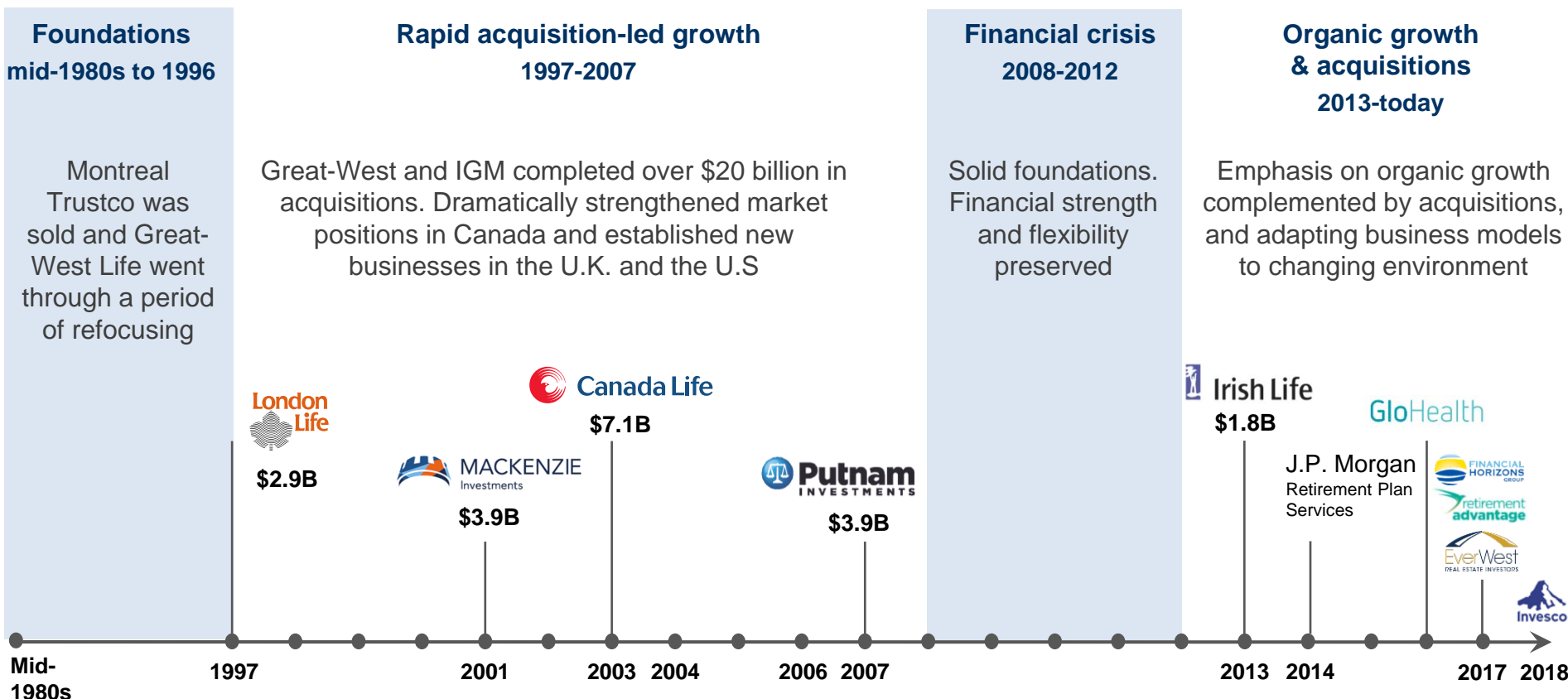
- Consolidation of investment management into Mackenzie
- Focus on operating costs across IGM

- Piloting new client digital portal at Investors Group
- Investments in new platforms and Fintech ventures

PORTAGE
ventures
|| PERSONAL CAPITAL Wealthsimple

Power Financial has created long-term shareholder value over decades

Since its launch as a public company in the mid-1980s, Power Financial has been focused on creating long-term shareholder value



Power Financial has an active fintech strategy

Power Financial and its group of companies have invested \$356M in building leading platforms that will be part of the next generation of financial services, creating opportunities for our incumbent businesses to adopt and integrate new technologies

Fintech strategy has three objectives:

1. Significant investments in leading digital distribution platforms

Wealthsimple

- Canada's largest robot-advisor
- Over 80,000 clients
- More than \$2.5B in AUM

PERSONAL CAPITAL

- 1.8M registered users
- \$550B of tracked accounts
- \$7.5B of AUM

2. Create an ecosystem with early-stage investments in promising technology companies that have potential for global impact

PORTAGE ventures

- Portag3 has invested in more than 25 fintech companies and several investment funds
- 6 portfolio investments recognized as top fin-tech companies in the world ⁽¹⁾

3. Develop a Canadian focused fintech incubator



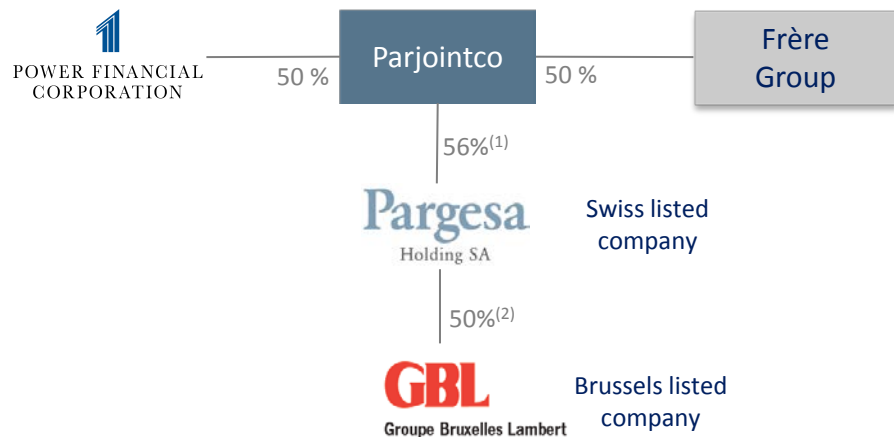
D I A G R A M

- Diagram offers early stage companies a unique platform to think big, launch in Canada, and pursue global success.
- Investments include Collage, Dialogue, Breathe Life and Nesto

(1) According to KPMG-H2 2017 Fintech100

Pargesa provides Power Financial with a vehicle to create value in Europe

Shareholding Structure



Overview

- **Multi-generational collaboration between the Frère and Desmarais families, with over 25 years of formal partnership**
 - Current agreement is effective until 2029 and is extendable
- **Provides diversification to PFC's concentrated financial services portfolio (C\$1.3B of dividends received since 1987)**
- **Total invested capital by PFC of C\$574M**
- **GBL is the 2nd largest listed holding company in Europe**
- **Long-term investor focused on a targeted number of companies that are leaders in their respective markets**
 - Professional shareholder having an active role
 - Geographic focus: European-based companies
 - Sector focus: Industrial, Consumer and Services segments

Portfolio of leading companies

Sector ranking	#1	#2	#2	#1	#1	Top 3

Sector ranking	Top 5	Top 3	#1	Top 3

Pargesa Returns⁽³⁾

		1 Yr	3 Yrs	5 Yrs	10 Yrs	20 Yrs
IRR	Pargesa (CHF)	18.7%	13.7%	9.4%	-0.8%	4.8%
	Pargesa (CAD)	18.5%	13.6%	13.6%	2.1%	7.0%
TSR	Pargesa (CHF)	18.5%	13.8%	9.5%	0.5%	5.4%
	CAC 40 Index (€)	7.2%	7.0%	10.8%	5.6%	4.1%
	BEL 20 Index (€)	1.7%	4.9%	11.6%	4.9%	3.4%

(1) Represents 75% of voting rights

(2) Represents 51% of voting rights

(3) Returns annualized, as at June 30, 2018. IRR based on cash flows received by PFC through its ownership in Parjointco

GBL has repositioned its portfolio for future value creation following 5 principles

5 Strategic Axis

Better balance between growth & yield

- Growth assets increased from 15% to 57%

Sectorial and geographical diversification

- Energy assets decreased from 54% to 4%
- French investments decreased from 97% to 36%

Be an active and influential professional investor

- Board representation increased from 6 portfolio companies to 9

Increased exposure to alternative assets

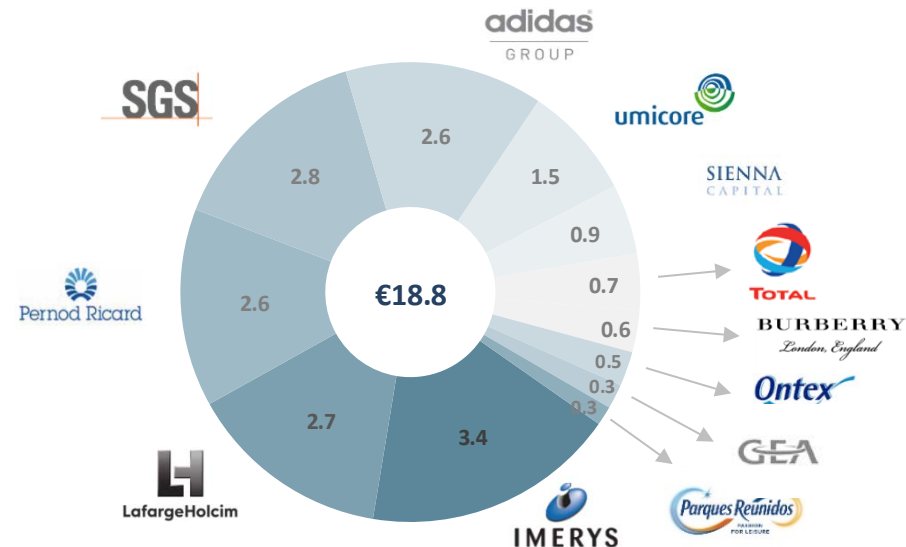
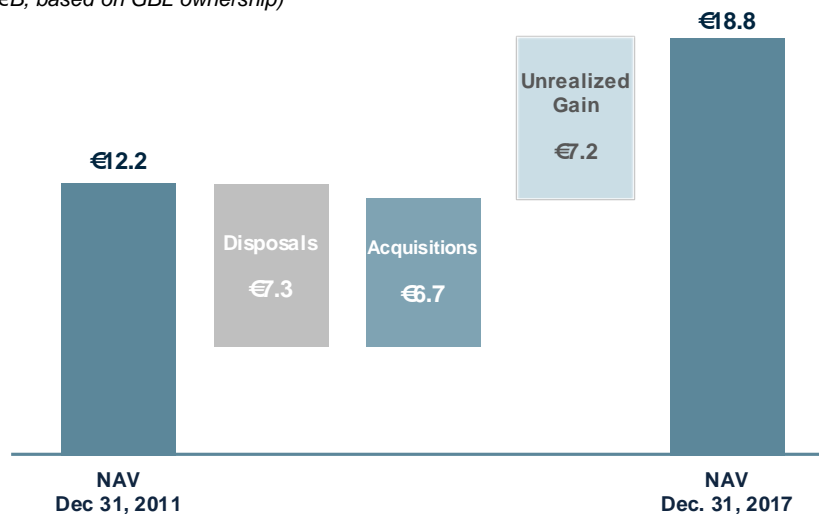
- Creation of Sienna Capital (private equity, debt & thematic funds)

Maintain a solid and flexible capital structure

- Increased available liquidity to €2.7B, from €1.3B in 2011

GBL Portfolio Re-Balancing

(€B, based on GBL ownership)



Foundations for future value creation

- Continued focus on long-term shareholder value creation
- Growing earnings organically by capitalizing on the scale of our leading franchises in a rapidly changing environment
- Actively seeking opportunities to deploy capital in accretive acquisitions
- Pursuing technology-enable solutions in financial services to enhance our incumbent businesses
- Repositioning GBL portfolio to accelerate value creation

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Upcoming investor events

Scotia Financial Summit
Toronto, Sept. 5 & 6, 2018

GREAT-WEST
LIFECO INC.

IGM
Financial

Investor Roadshow
U.S., Nov. 13-15, 2018 (schedule to be determined)

GBL

For further information on the companies in the Group:

GREAT-WEST
LIFECO INC.

www.greatwestlifeco.com

IGM
Financial

www.igmfinancial.com

Pargesa
Holding SA

www.pargesa.ch

PORTAGE

p3vc.com

GBL

www.gbl.be

Success founded on the strengths of companies that have joined the Group

The companies acquired throughout decades have prospered, benefitting employees, local communities, clients and shareholders



THE Great-West Life
ASSURANCE COMPANY



Winnipeg, Canada
*Acquired 1970**

3,300 employees
based out of
Winnipeg

London Life



London, Canada
Acquired 1997

3,100 employees
based out of
London

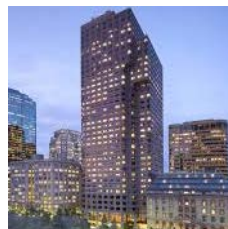
Canada Life



Toronto, Canada
Acquired 2003

1,300 employees
based out of
Toronto

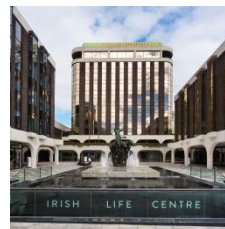
Putnam INVESTMENTS



Boston, USA
Acquired 2007

1,300 employees
based out of
Boston and
Andover

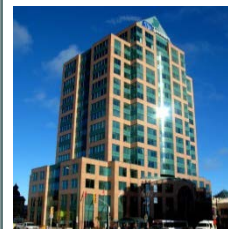
Irish Life



Dublin, Ireland
Acquired 2013

2,100 employees
based out of Dublin

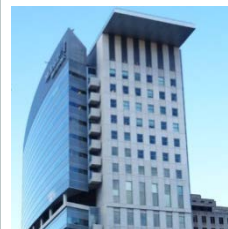
Investors Group



Winnipeg, Canada
Acquired 1970

2,100 employees
based out of
Winnipeg

MACKENZIE Investments



Toronto, Canada
Acquired 2001

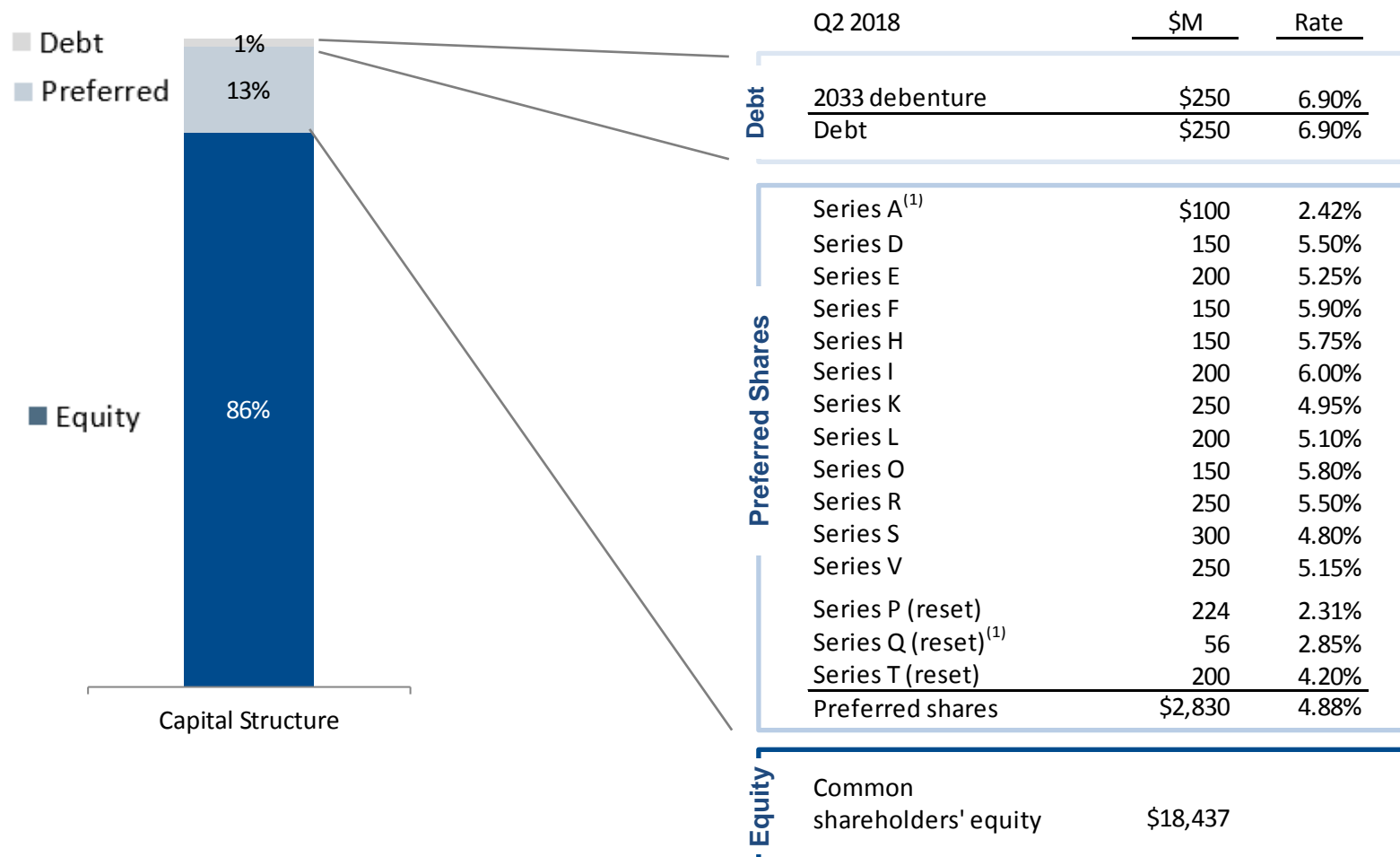
1,000 employees
based out of
Toronto

*Great-West Life was majority owned by Investors Group at the time of Power Corporation's acquisition of Investors Group

Conservative capital structure

Power Financial's prudent approach to managing leverage has contributed to strong and stable credit ratings, throughout economic cycles

- Power Financial ("A+") and Great-West Lifeco ("A+") have had stable S&P credit ratings since the acquisition of Canada Life in 2003



(1) Series A floating rate associated with August 15, 2018 payment date, and Series Q with October 31, 2018 payment date.

Net earnings, adjusted net earnings, and cash earnings

(C\$M)	1996	2000	2005	2010	2013	2014	2015	2016	2017
Net earnings	358	755	1,606	1,468	1,896	2,136	2,319	1,919	1,717
Other items : ⁽¹⁾									
Great-West Lifeco	-	-	44	144	(156)	-	-	31	340
IGM Financial	-	-	-	13	6	44	15	(21)	78
Pargesa	(32)	(61)	(11)	-	(38)	(75)	(93)	207	-
Adjusted net earnings	326	694	1,639	1,625	1,708	2,105	2,241	2,136	2,135
Share of adjusted net earnings									
Lifeco	(224)	(494)	(1,269)	(1,249)	(1,391)	(1,710)	(1,862)	(1,821)	(1,791)
IGM	(79)	(198)	(384)	(432)	(446)	(488)	(474)	(452)	(428)
Pargesa	(50)	(44)	(121)	(121)	(77)	(112)	(112)	(119)	(131)
Dividends									
Lifeco	80	187	509	797	810	824	873	927	983
IGM	35	87	197	303	318	322	333	333	333
Pargesa	36	29	47	57	63	77	72	81	76
Other non cash items	-	(1)	11	2	(13)	7	27	48	(11)
Cash earnings	124	260	629	982	972	1,025	1,098	1,133	1,166

(1) Refer to Power Financial 2017 annual report Management's Discussion and Analysis for a description of other items: Great-West Lifeco page 25, IGM Financial page 27, and Pargesa page 29.