

NEWS RELEASE

FOR IMMEDIATE RELEASE



POWER FINANCIAL
CORPORATION

Power Financial Announces Final Results of Substantial Issuer Bid

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

Montréal, Québec, April 17, 2019 – Power Financial Corporation (the "Corporation" or "PFC") (TSX: PWF) today announced that, under the Corporation's substantial issuer bid (the "PFC Offer"), it has taken up and is purchasing for cancellation 49,999,973 of its common shares ("Shares") at a purchase price of \$33.00 per Share representing \$1.65 billion of its common shares.

Great-West Lifeco Inc. ("Great-West") (TSX: GWO) a subsidiary of the Corporation, announced today that it will take up and purchase for cancellation 59,700,974 of its common shares at a purchase price of \$33.50 per common share of Great-West (the "Great-West Shares"). The Corporation supported Great-West through its participation in the Great-West substantial issuer bid (the "Great-West Offer") by tendering a significant portion of its Great-West Shares on a proportionate basis and all remaining tendered Great-West Shares on a non-proportionate basis. Power Financial will fund its Offer using the proceeds from the Corporation's participation in the Great-West Offer.

Prior to the announcement of the Great-West Offer, the Corporation beneficially owned and exercised control over 669,568,064 Great-West Shares, representing approximately 67.8% of the issued and outstanding Great-West Shares, on a non-diluted basis. As a result of the Great-West Offer, the Corporation will beneficially own and exercise control over 620,250,032 Great-West Shares, or approximately 66.8% of the issued and outstanding Great-West Shares, on a non-diluted basis, after giving effect to the cancellation of Great-West Shares pursuant to the Great-West Offer.

Power Financial announced today the final results of its substantial issuer bid. Shares purchased under the PFC Offer represent approximately 7.0% of the issued and outstanding Shares on a non-diluted basis prior to the take-up of Shares. After giving effect to the purchase, the number of issued and outstanding Shares is 664,096,506 on a non-diluted basis.

A total of approximately 484.1 million Shares were properly tendered to the PFC Offer and not withdrawn, including those deposited by shareholders tendering on a proportionate basis. As the PFC Offer was oversubscribed, shareholders who made auction tenders at or at less than \$33.00 and purchase price tenders will have approximately 99% of their maximum take-up of Shares purchased by the Corporation, other than "odd lot" tenders, which are not subject to proration. Shareholders who made auction tenders above \$33.00 will not have any of their Shares taken-up and purchased by the Corporation.

Payment for the purchased Shares will be completed by Computershare Trust Company of Canada, as depositary for the PFC Offer (the "Depositary"), in accordance with the PFC Offer and applicable law. Any Shares tendered and not purchased will be returned to shareholders promptly by the Depositary.

To assist shareholders in determining the tax consequences of the Offer, the Corporation estimates that for the purposes of the *Income Tax Act* (Canada), the paid-up capital per Share was approximately \$1.91 as at the time of cancellation of Shares pursuant to the PFC Offer on April 17, 2019. The "specified amount" (for purposes of subsection 191(4) of the *Income Tax Act* (Canada)) in respect of each Share is \$32.95.

The full details of the PFC Offer are described in the offer to purchase and issuer bid circular dated March 8, 2019, as well as the related letter of transmittal and notice of guaranteed delivery, copies of which were filed with applicable Canadian securities regulatory authorities and made available without charge on SEDAR at www.sedar.com, and currently posted on the Corporation's website at www.PowerFinancial.com.



This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Shares.

About Power Financial

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

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. Forward-looking statements are provided to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements include, without limitation, statements regarding the timing of payment and settlement for Shares purchased under the PFC Offer and the source of funding of the PFC Offer.

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 risks of the PFC Offer and/or the Great-West Offer not being consummated as, when and on the terms as expected, and the Corporation's and its subsidiaries' success in anticipating and managing the risks.

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.

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