

NEWS RELEASE

FOR IMMEDIATE RELEASE



POWER FINANCIAL
CORPORATION

Power Financial Announces Receipt of Interim Order and Mailing of Management Proxy Circular in connection with Reorganization

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

Montréal, Québec, January 14, 2020 – Power Financial Corporation ("Power Financial" or "PFC") (TSX: PWF) today announced that the Ontario Superior Court of Justice (Commercial List) has issued an interim order providing for a special meeting (the "Meeting") of the holders of PFC's common shares (the "Shareholders") at which Shareholders will be asked to approve the proposed reorganization transaction (the "Reorganization") announced on December 13, 2019. Pursuant to the Reorganization, each common share of PFC held by Shareholders other than Power Corporation of Canada ("PCC") and its wholly owned subsidiaries will be exchanged for 1.05 subordinate voting shares of PCC and \$0.01 in cash.

The Meeting is scheduled to be held at the InterContinental Hotel, 360 Saint-Antoine St. W., Montréal, Québec on Tuesday, February 11, 2020 at 9:00 a.m. (Eastern Time). The record date for determining Shareholders entitled to receive notice of and vote at the Meeting was fixed at the close of business on December 27, 2019.

The Board of Directors of PFC (the "Board") has unanimously approved the Reorganization following the report and favourable recommendation of the Special Committee of the Board and unanimously recommends that minority shareholders vote **FOR** the special resolution approving the Reorganization.

In connection with the Meeting, PFC has commenced mailing of a management proxy circular and related meeting materials (collectively, the "Meeting Materials") to Shareholders. Shareholders should carefully review all Meeting Materials as they contain important information concerning the Reorganization and the rights and entitlements of the Shareholders. The Meeting Materials and information on how to vote online, by phone, by mail or in person are posted on Power Financial's website at <https://www.powerfinancial.com/en/investors/reorganization/> and available on SEDAR under Power Financial's profile at www.sedar.com.

Shareholders requiring assistance voting their shares or having questions can contact Kingsdale Advisors, Power Financial's strategic shareholder advisor and proxy solicitation agent, by telephone at 1-877-659-1825 (toll-free in North America), 1-416-867-2272 (for collect calls outside of North America), or by e-mail at contactus@kingsdaleadvisors.com, or contact their professional advisor.

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.

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell any securities. Shareholders are urged to read the Meeting Materials carefully and to consult with their financial, tax and legal advisors.



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 PFC'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 the Meeting.

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 PFC's control, affect the operations, performance and results of PFC and its subsidiaries and 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, PCC's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies and PFC's 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, that the required approvals for the Reorganization will be received, 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 PFC and its subsidiaries. While PFC 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, PFC 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 PFC's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including each of 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.

Non-IFRS Financial Measures and Presentation

The Meeting Materials include references to net asset value and net asset value per share, financial measures which are not in accordance with International Financial Reporting Standards ("IFRS"). Net asset value presents the fair value of the net assets of each respective company and is used to assist in assessing value, on a per share basis. These non-IFRS financial measures do not have a standard meaning and may not be comparable to similar measures used by other entities. Refer to the "Non-IFRS Measures and Presentation" section of PFC's and PCC's most recent Management's Discussion and Analysis for the definition of non-IFRS financial measures and reconciliation with IFRS financial measures.

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For further information, please contact:

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