NEWS RELEASE

FOR IMMEDIATE RELEASE

POWER FINANCIAL CORPORATION

Power Financial Reports Second 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, August 7, 2020 – Power Financial Corporation (Power Financial or the Corporation) today reported earnings results for the three and six months ended June 30, 2020.

Power Financial

Consolidated results for the period ended June 30

Highlights

- The Corporation's net asset value per share (a non-IFRS financial measure, see Non-IFRS Financial Measures and Presentation later in this news release) was $31.09 at June 30, 2020, compared with $28.39 at March 31, 2020, representing an increase of 9.5%.
- On June 29, 2020, Great-West Lifeco Inc.'s (Lifeco) subsidiary, Empower Retirement, announced that it has entered into an agreement to purchase Personal Capital Corporation, a hybrid wealth manager that combines a leading-edge digital experience with personalized advice delivered by human advisors.
- Lifeco's consolidated assets under administration were $1.7 trillion at June 30, 2020, a 9.1% increase from March 31, 2020 primarily reflecting the market recovery.
- IGM Financial Inc. (IGM) assets under management at June 30, 2020 were $165.4 billion, an increase of 12.1% from March 31, 2020 and down slightly from the quarter-end record high of $166.8 million at December 31, 2019.
- Total net sales at IGM were $3.4 billion, compared to net redemptions of $544 million in the second quarter of 2019. Investment fund net sales were $864 million, compared to net redemptions of $364 million in the second quarter of 2019.
- On August 4, 2020, Lifeco announced that an agreement has been reached to sell its Canadian subsidiary, GLC Asset Management Group Ltd., to Mackenzie Financial Corporation, a subsidiary of IGM. This transaction is expected to close in the fourth quarter of 2020 and is subject to regulatory approval.
- Parjointco N.V. (Parjointco) and Pargesa Holding SA (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. Following the successful public exchange offer, Parjointco now holds over 98% of Pargesa's total voting rights. The transaction is expected to be completed in the second half of 2020.

Second Quarter

Net earnings attributable to common shareholders were $676 million or $1.02 per share, compared with $443 million or $0.66 per share in 2019.

Adjusted net earnings attributable to common shareholders (a non-IFRS financial measure, see Non-IFRS Financial Measures and Presentation later in this news release) were $570 million or $0.86 per share, compared with $567 million or $0.85 per share in 2019.

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

(in dollars per Power Financial share)	2020 [1] Net Earnings	2020 [1] Adjusted Net Earnings	2019 Net Earnings	2019 Adjusted Net Earnings
• Lifeco [2]	0.87	0.71	0.46	0.63
• IGM	0.18	0.17	0.16	0.17
• Pargesa	0.05	0.06	0.13	0.14
• Power Financial Corporate and Other	(0.08)	(0.08)	(0.09)	(0.09)
	1.02	0.86	0.66	0.85

[1] The Corporation completed a substantial issuer bid in the second quarter of 2019 and repurchased 7.0% of its common shares.
[2] The Corporation participated in Lifeco's substantial issuer bid in the second quarter of 2019; the number of shares held by the Corporation decreased by 7.4%.

Adjustments in the second quarter of 2020, excluded from adjusted net earnings, were a positive impact to earnings of $106 million or $0.16 per share mainly related to the Corporation's share of Lifeco's adjustments, which consist of market-related recoveries as well as actuarial assumption changes and management actions. Adjustments in the second quarter of 2019 were a net negative impact to earnings of $124 million mainly related to Lifeco's market-related impacts and a net loss on the sale of the U.S. individual life insurance and annuity business to Protective Life, partially offset by a positive impact from actuarial assumption changes.

Six Months

Net earnings attributable to common shareholders were $1,005 million or $1.52 per share, compared with $979 million or $1.41 per share in 2019.

Adjusted net earnings attributable to common shareholders were $1,040 million or $1.57 per share, compared with $1,041 million or $1.50 per share in 2019.

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

(in dollars per Power Financial share)	2020 [1] Net Earnings	2020 [1] Adjusted Net Earnings	2019 Net Earnings	2019 Adjusted Net Earnings
• Lifeco [2]	1.21	1.25	1.09	1.17
• IGM	0.32	0.32	0.31	0.31
• Pargesa	0.17	0.18	0.19	0.20
• Power Financial Corporate and Other	(0. 18)	(0.18)	(0.18)	(0.18)
	1.52	1.57	1.41	1.50

[1] The Corporation completed a substantial issuer bid in the second quarter of 2019 and repurchased 7.0% of its common shares.
[2] The Corporation participated in Lifeco's substantial issuer bid in the second quarter of 2019; the number of shares held by the Corporation decreased by 7.4%.

Adjustments in the six-month period of 2020, excluded from adjusted net earnings, were $35 million or $0.05 per share mainly related to the Corporation's share of Lifeco's adjustments, which consist of negative market-related impacts, offset by actuarial assumption changes and management actions. Adjustments in the six-month period of 2019 were $62 million mainly related to Lifeco's market-related impacts and a net loss on the sale of the U.S. individual life insurance and annuity business to Protective Life, partially offset by a positive impact from actuarial assumption changes and management actions.

Great-West Lifeco, IGM Financial and Pargesa

Results for the period ended June 30

The information below is derived from Lifeco and IGM's interim MD&A, as prepared and disclosed by the respective companies in accordance with applicable securities legislation, and which is also available either directly from SEDAR (www.sedar.com) or from their websites, www.greatwestlifeco.com and www.igmfinancial.com. The information below related to Pargesa is derived from publicly disclosed information, as issued by Pargesa in its second quarter press release. Further information on Pargesa's results is available on its website at www.pargesa.ch.

GREAT-WEST LIFECO INC.

Second Quarter

Net earnings attributable to common shareholders were $863 million or $0.930 per share, compared with $459 million or $0.489 per share in 2019. As a result of the sale of U.S. individual life insurance and annuity business during the second quarter of 2019, Lifeco's net earnings included a net charge of $199 million in the second quarter of 2019.

Adjusted net earnings [1] attributable to common shareholders were $706 million or $0.761 per share, compared with $627 million or $0.668 per share in 2019.

Adjustments in the second quarter of 2020, excluded from adjusted net earnings, were a net positive impact to earnings of $157 million, compared with a net negative impact of $168 million in 2019.

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

Six Months

Net earnings attributable to common shareholders were $1,205 million or $1.299 per share, compared with $1,116 million or $1.159 per share in 2019.

Adjusted net earnings [1] attributable to common shareholders were $1,249 million or $1.347 per share, compared with $1,196 million or $1.241 per share in 2019.

Adjustments in the six-month period of 2020, excluded from adjusted net earnings, were a net negative impact to earnings of $44 million, compared with $80 million in 2019.

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

IGM FINANCIAL INC.

Second Quarter

Net earnings and adjusted net earnings available to common shareholders were $183.5 million or $0.77 per share, compared with net earnings of $185.1 million or $0.77 per share and adjusted net earnings of $193.1 million or $0.81 per share in 2019.

Assets under management at June 30, 2020 were $165.4 billion, an increase of 12.1% from March 31, 2020.

Six Months

Net earnings and adjusted net earnings available to common shareholders were $344.4 million or $1.45 per share, compared with net earnings of $352.6 million or $1.47 per share and adjusted net earnings of $360.6 million or $1.50 per share in 2019.

PARGESA HOLDING SA

Second Quarter

Pargesa reported net earnings of SF203 million, compared with SF134 million in 2019.

Adjusted net earnings were SF209 million, compared with SF152 million in 2019. Adjustments, not included in adjusted net earnings, were a charge of SF6 million in the second quarter.

Pargesa reported a net asset value at June 30, 2020 of SF8,393 million, representing SF99.0 per share, compared with SF8,300 million or SF98.0 per share at March 31, 2020.

Pargesa adopted IFRS 9 in 2018. The Corporation continues to apply IAS 39; this results in a decrease in its share of the contribution from Pargesa of $42 million in the second quarter of 2020.

Six Months

Pargesa reported net earnings of SF209 million, compared with SF225 million in 2019.

Adjusted net earnings were SF220 million, compared with SF246 million in 2019. Adjustments, not included in adjusted net earnings, were a charge of SF11 million in the six-month period.

Pargesa adopted IFRS 9 in 2018. The Corporation continues to apply IAS 39; this results in an increase in its share of the contribution from Pargesa of $33 million in the six-month period ended June 30, 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. Governments and central banks have responded with significant monetary and fiscal interventions designed to stabilize economic conditions. Equity markets in particular have been volatile, experiencing material and rapid declines in the first quarter of 2020 followed by recoveries during the second quarter of 2020.

The Corporation is managing the risks associated with the COVID-19 pandemic utilizing its existing risk management framework. At Power Financial 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 Lifeco, IGM, Pargesa and GBL are responsible for the 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. Economic damage and market weakness are being felt across the global economy. Significant economic headwinds are expected to continue in the second half of 2020 as a result of anticipated negative credit experiences, impairment of valuations in certain sectors of the economy and asset classes, and uncertainties in the durability and effectiveness of government and central bank interventions, among others. 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.

Dividends on Power Financial Preferred Shares

The Board of Directors declared quarterly dividends on the Corporation's preferred shares.

Dividends payable November 15, 2020 to shareholders of record October 23, 2020:

Series – Stock Symbol	Amount
Series A – PWF.PR.A	Floating rate [1]

[1] Equal to one quarter of 70% of the average prime rate of two major Canadian chartered banks for the period July 1 to September 30, 2020.

Dividends payable October 31, 2020 to shareholders of record October 9, 2020:

Series	Stock Symbol	Amount	Series	Stock Symbol	Amount
Series D	PWF.PR.E	34.375¢	Series O	PWF.PR.O	36.25¢
Series E	PWF.PR.F	32.8125¢	Series P	PWF.PR.P	14.4125¢
Series F	PWF.PR.G	36.875¢	Series Q	PWF.PR.Q	11.3992¢
Series H	PWF.PR.H	35.9375¢	Series R	PWF.PR.R	34.375¢
Series I	PWF.PR.I	37.50¢	Series S	PWF.PR.S	30¢
Series K	PWF.PR.K	30.9375¢	Series T	PWF.PR.T	26.3438¢
Series L	PWF.PR.L	31.875¢	Series V	PWF.PR.Z	32.1875¢

About Power Financial

Power Financial, a wholly owned subsidiary of Power Corporation of Canada, is an international management and holding company with interests in financial services and asset management businesses in Canada, the United States and Europe. It also has significant holdings in a portfolio of global companies based in Europe. To learn more, visit www.PowerFinancial.com.

At June 30, 2020, Power Financial held the following economic interests:

- 66.9% – Great-West Lifeco (TSX: GWO) www.greatwestlifeco.com
- 62.1% – IGM Financial (TSX: IGM) www.igmfinancial.com
- 44.5% – Pargesa Holding (SIX: PARG) [1] www.pargesa.ch
- 83.6% – Wealthsimple Financial Corp. [2] www.wealthsimple.com

[1] Increased from 27.8% to 44.5% on June 16, 2020.
[2] Undiluted equity interest held by Lifeco, IGM and the Corporation.

Earnings Summary

Earnings

(unaudited) (in millions of Canadian dollars)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Adjusted net earnings [1]				
Lifeco [2]	470	419	832	803
IGM [2]	110	114	209	222
Pargesa [2]	42	93	121	139
	622	626	1,162	1,164
Corporate operations	(18)	(25)	(53)	(54)
Dividends on perpetual preferred shares	(34)	(34)	(69)	(69)
Adjusted net earnings [3]	570	567	1,040	1,041
Adjustments – see below	106	(124)	(35)	(62)
Net earnings [3]	676	443	1,005	979

Earnings per Share

(unaudited) (in dollars per share)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Adjusted net earnings per share - basic [1]				
Lifeco [2]	0.71	0.63	1.25	1.17
IGM [2]	0.17	0.17	0.32	0.31
Pargesa [2]	0.06	0.14	0.18	0.20
	0.94	0.94	1.75	1.68
Corporate operations	(0.03)	(0.04)	(0.08)	(0.08)
Dividends on perpetual preferred shares	(0.05)	(0.05)	(0.10)	(0.10)
Adjusted net earnings per share [3]	0.86	0.85	1.57	1.50
Adjustments – see below	0.16	(0.19)	(0.05)	(0.09)
Net earnings per share [3]	1.02	0.66	1.52	1.41

[1] Effective the first quarter of 2020, the Corporation introduced a modified 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 later 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] Attributable to common shareholders.

Adjustments (not included in adjusted net earnings)

(unaudited) (in millions of Canadian dollars)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Share of Lifeco's adjustments:				
Actuarial assumption changes and management actions	82	25	47	113
Market-related impacts	23	(4)	(77)	(32)
Net charge on the sale, via reassurance, of U.S. individual life insurance and annuity business	–	(134)	–	(134)
	105	(113)	(30)	(53)
Share of IGM's adjustments:				
Share of Lifeco's adjustments [1]	4	(4)	(1)	(2)
	4	(4)	(1)	(2)
Share of Pargesa's adjustments:				
Imerys – Impairments, restructuring charges and other	(2)	(7)	(2)	(7)
Parques and other charges	(1)	–	(2)	–
	(3)	(7)	(4)	(7)
	106	(124)	(35)	(62)

[1] Includes IGM's share of Lifeco's Adjustments for the impact of actuarial assumption changes and management actions and market-related 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 later in this news release.

Contribution to Power Financial's Adjusted Net Earnings

Three months ended June 30, 2020 (unaudited) (in millions of Canadian dollars)	Contribution to adjusted net earnings as reported	Consolidation entries [1]	Contribution to Power Financial's adjusted net earnings
Lifeco	472	(2)	470
IGM	114	(4)	110
Pargesa	84	(42)	42

Six months ended June 30, 2020 (unaudited) (in millions of Canadian dollars)	Contribution to adjusted net earnings as reported	Consolidation entries [1]	Contribution to Power Financial's adjusted net earnings
Lifeco	835	(3)	832
IGM	214	(5)	209
Pargesa	88	33	121

[1] 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 interests. The contributions from IGM and Pargesa reflect adjustments in accordance with IAS 39.

Adjustments to Pargesa's contribution

Power Financial has deferred the adoption of IFRS 9 and continues to apply IAS 39. The following table presents adjustments to the contribution of Pargesa to Power Financial's earnings in accordance with IAS 39:

(unaudited)		2020	
(in millions of Canadian dollars)	Q2	Q1	Total
Disposal of interest in Total SA [1]	–	70	70
Impairment charges [1]	(5)	(40)	(45)
Disposal of private equity funds and other	(4)	20	16
Reversal on unrealized (losses) gains on private equity funds and other [2]	(33)	25	(8)
Total	(42)	75	33

[1] On January 1, 2018, Pargesa adopted IFRS 9 which resulted in the reclassification of the majority of its investments (excluding private equity funds) from available for sale (AFS) to fair value through other comprehensive income (FVOCI). All changes in fair value of equity investments designated as FVOCI are recognized permanently in other comprehensive income. Power Financial continues to apply IAS 39 and has adjusted its share of these items.

[2] Pargesa classifies private equity investments at FVPL in accordance with IFRS 9 and recognizes unrealized changes in fair value in earnings. Power Financial does not recognize these unrealized fair value changes in earnings as it continues to classify these private equity funds as available for sale in accordance with IAS 39.

Net Asset Value

Net asset value represents management's estimate of the fair value of the common shareholders' equity of the Corporation. Net asset value is the fair value of Power Financial's non-consolidated assets less its net debt and preferred shares.

The Corporation's net asset value per share was $31.09 at June 30, 2020, compared with $28.39 at March 31, 2020, representing an increase of 9.5%. The Corporation's net asset value per share was $39.86 at December 31, 2019.

(in millions of Canadian dollars, except per share amounts)			June 30, 2020			December 31, 2019
	Non-consolidated balance sheet	Fair value adjustment	Net asset value	Non-consolidated balance sheet	Fair value adjustment	Net asset value
Assets						
Investments						
Lifeco	13,933	829	14,762	13,654	6,976	20,630
IGM	2,768	2,112	4,880	2,720	2,795	5,515
Parjointco [1]	3,763	(1,223)	2,540	3,954	(1,413)	2,541
Other [2]	193	134	327	203	127	330
Cash and cash equivalents	1,079	–	1,079	1,021	–	1,021
Other assets [3]	456	–	456	138	–	138
Total assets	22,192	1,852	24,044	21,690	8,485	30,175
Liabilities and preferred shares						
Debentures	250	–	250	250	–	250
Other liabilities [4]	319	–	319	625	–	625
Perpetual preferred shares	2,830	–	2,830	2,830	–	2,830
Total liabilities and preferred shares	3,399	–	3,399	3,705	–	3,705
Net value						
Common shareholders' equity / Net asset value	18,793	1,852	20,645	17,985	8,485	26,470
Per share	**28.30**		**31.09**	27.08		39.86

[1] As part of the Pargesa reorganization, Parjointco holds approximately 90% of Pargesa's shares at June 30, 2020; the fair value of Parjointco at June 30, 2020 is based on the market value of GBL. At December 31, 2019, the fair value of Parjointco based on the market value of GBL was $3,032 million.

[2] Fair value adjustment is related to Power Financial's investments in Wealthsimple Financial Corp., KOHO Financial Inc., Portag3 Ventures Limited Partnership, and Portag3 Ventures II Limited Partnership.

[3] Includes $83 million of dividends declared in the second quarter by IGM and received by the Corporation on July 31, 2020 (same as at December 31, 2019).

[4] In accordance with IAS 12 *Income taxes*, no deferred tax liability is recognized with respect to temporary differences associated with investments in subsidiaries and jointly controlled corporations as the Corporation is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. If the Corporation were to dispose of an investment in a subsidiary or a jointly controlled corporation, income taxes payable on such disposition would be minimized through careful and prudent tax planning and structuring, as well as with the use of available tax attributes not otherwise recognized on the balance sheet, including tax losses, tax basis, safe income and foreign tax surplus associated with the subsidiary or jointly controlled corporation.

Non-IFRS Financial Measures and Presentation

Effective the first quarter of 2020, the Corporation introduced a modified 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 modified measure.

Net earnings attributable to common shareholders are comprised of:

- Adjusted net earnings attributable to common 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 Financial 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 common 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 Lifeco, IGM, Portag3 Ventures Limited Partnership, Portag3 Ventures II Limited Partnership, Wealthsimple Financial Corp. and KOHO Financial Inc. 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 Financial's non-consolidated assets less its net debt and preferred shares. The investments held in public entities (Lifeco, IGM and GBL (through Parjointco)) are measured at their market value and investments in private entities 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 GBL 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 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, and the proposed redemption by the Corporation and Power Corporation 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 redeem First Preferred Shares 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.

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