

GREAT WEST LIFECO

Great-West Lifeco is a financial services holding company with interests in the life insurance, health insurance, retirement savings, investment management and reinsurance businesses. Lifeco has operations in Canada, the United States, Europe and Asia through Great-West Life, London Life, Canada Life, Great-West Life & Annuity and Putnam Investments. Lifeco and its companies have approximately \$484 billion in assets under administration.

Great-West Lifeco experienced strong earnings and sales results in 2010 from all business segments despite the continued currency headwinds caused by the strengthening of the Canadian dollar against the U.S. dollar, British pound and euro during the year. Lifeco's capital base and liquidity position remain strong, and the company is well positioned for continued growth.



D. ALLEN LONEY
President and
Chief Executive Officer,
Great-West Lifeco

Operating earnings attributable to common shareholders were \$1.9 billion, or \$1.964 per share, compared with \$1.6 billion or \$1.722 per share in 2009. Operating earnings, a non-GAAP financial measure, exclude the impact of an incremental litigation provision.

Great-West Lifeco's return on equity (ROE) of 16.0 per cent on operating earnings and 14.4 per cent on net earnings for the twelve months ended December 31, 2010 continued to rank among the strongest in the financial services sector.

The quarterly dividend on Lifeco's common shares remained unchanged in 2010.

17.7%

ANNUAL COMPOUND
TOTAL RETURN
TO SHAREHOLDERS
OVER FIFTEEN YEARS

\$2.3

TO \$25.0
BILLION
FIFTEEN-YEAR
GROWTH IN MARKET
CAPITALIZATION

\$8.4

BILLION
AGGREGATE
DIVIDENDS
PAID TO
SHAREHOLDERS
OVER FIFTEEN YEARS

Other measures of Lifeco's performance in 2010 include:

- > Premiums and deposits were \$59.1 billion, compared with \$56.7 billion in 2009.
- > General fund assets increased from \$128.4 billion to \$131.6 billion in 2010.
- > Total assets under administration at December 31, 2010 were \$483.9 billion, compared with \$458.6 billion a year ago.

Great-West Lifeco's companies have benefited from their prudent and conservative investment policies and practices with respect to the management of their consolidated assets. In addition, conservative product underwriting standards and a disciplined approach to introducing new products have proven beneficial for Lifeco and its companies over the long term. In Canada, Lifeco's companies continue to offer segregated fund guarantees in a prudent and disciplined manner, thereby limiting risk exposure. As a result of these disciplines, Lifeco's balance sheet is one of the strongest in the industry. The Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio for Great-West Life was 203 per cent on a consolidated basis at December 31, 2010. This measure of capital strength remains at the upper end of the company's target operating range.



Great-West Lifeco experienced strong earnings and sales results in 2010 from all business segments despite the currency headwinds caused by the strengthening of the Canadian dollar.

At December 31, 2010, Great-West Lifeco held cash and cash equivalents of approximately \$800 million, the net result of capital transactions since the third quarter of 2008. As this cash is held at the holding company, it is not reflected in the regulatory capital ratios of Lifeco's operating subsidiaries. It augments Great-West Lifeco's capital and liquidity position, thereby enhancing its capability to take advantage of market opportunities.

The companies have a high-quality bond portfolio, with 98 per cent rated investment grade at December 31, 2010.

Credit ratings are another important indicator of Great-West Lifeco's financial strength. Relative to its peer group in North America, Great-West Lifeco and its major operating subsidiaries enjoy strong ratings from five major rating agencies.

GEOGRAPHICAL DISTRIBUTION

CANADA
GREAT-WEST LIFE
LONDON LIFE
CANADA LIFE

UNITED STATES
GREAT-WEST LIFE &
ANNUITY
PUTNAM INVESTMENTS

EUROPE
CANADA LIFE
PUTNAM INVESTMENTS

ASIA
PUTNAM INVESTMENTS

GREAT-WEST LIFE

Great-West Life is a leading Canadian insurer, with interests in the life and health insurance, investment, savings and retirement income and reinsurance businesses, primarily in Canada and Europe.

In Canada, Great-West Life and its subsidiaries, London Life and Canada Life, offer a broad portfolio of financial and benefit plan solutions and serve the financial security needs of more than 12 million people.



PAUL A. MAHON

President and
Chief Operating Officer,
Canada

\$125.5
BILLION
IN ASSETS UNDER
ADMINISTRATION
IN CANADA

3.3
MILLION
INDIVIDUAL
POLICYHOLDERS
IN CANADA

Great-West Life's products include a wide range of investment, savings and retirement income plans, and payout annuities, as well as life, disability, critical illness and health insurance for individuals and families. These products and services are distributed through a diverse network of financial security advisors and brokers associated with Great-West Life; financial security advisors associated with London Life's Freedom 55 Financial™ division and the Wealth & Estate Planning Group; and the channels Canada Life supports, including independent advisors associated with managing general agencies, as well as national accounts, including Investors Group.

For large and small businesses and organizations, Great-West Life offers a variety of group benefit plan solutions featuring options such as life, healthcare, dental care, critical illness, disability and wellness, and international benefit plans, plus convenient online services. Great-West Life also offers group retirement and savings plans that are tailored to the unique needs of businesses and organizations. These products and services are distributed through financial security advisors associated with Great-West Life and its subsidiaries, as well as independent advisors, brokers and consultants.

In 2010, Great-West Life and its subsidiaries continued to see strong sustained performance in their Canadian businesses. Their individual life insurance business grew significantly faster than the market; the group retirement services business recorded strong growth; the group insurance business continued to experience strong persistency; and the individual segregated fund and mutual fund businesses maintained positive net deposits.

The Canadian operations continued to focus on enhancing their distribution capabilities throughout 2010 with refinement of their multi-channel strategy, including enhanced support for advisors in the exclusive and independent distribution channels.

LONDON LIFE

London Life offers financial security advice and planning through its more than 3,300-member Freedom 55 Financial division. Freedom 55 Financial offers London Life's own brand of investment, savings and retirement income, annuity, life insurance and mortgage products. Within Freedom 55 Financial, the Wealth & Estate Planning Group is a specialized segment of advisors focused on meeting the complex needs of affluent Canadians.

In addition, financial security advisors associated with London Life offer a broad range of financial products from other financial institutions. These include individual disability insurance and critical illness insurance underwritten by Great-West Life. A London Life subsidiary, Quadrus Investment Services Ltd., offers 43 exclusive mutual funds under the *Quadrus Group of Funds*[™] brand and over 3,500 third-party mutual funds.

Recruiting and retention of financial security advisors continued to be a significant focus in 2010, with Freedom 55 Financial showing consistent growth in the number of advisors year over year.

In 2010, London Life's strong growth in individual life insurance sales significantly outpaced that of the industry. Together, London Life, Great-West Life and Canada Life remain Canada's number one provider of individual life insurance. London Life has the largest number of participating life insurance policies in Canada.

In addition to its domestic operations, London Life participates in international reinsurance markets through London Reinsurance Group.

CANADA LIFE

In Canada, Canada Life offers a broad range of insurance and wealth management products and services for individuals, families and business owners from coast to coast. These include investments, savings and retirement income, and annuities, as well as life, disability and critical illness insurance. Canada Life's products are distributed through independent advisors associated with managing general agencies, as well as national accounts, including Investors Group.

In 2010, Canada Life continued to see strong sustained performance in all lines of business. The company's individual life insurance and living benefits businesses grew faster than the market, while its individual retirement and investment services businesses maintained positive net cash flows.

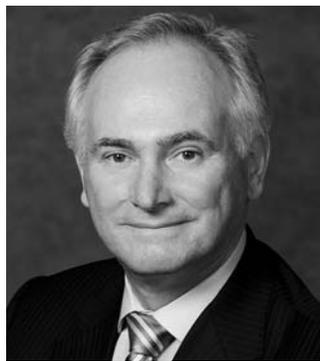
Together, Canada Life, Great-West Life and London Life remain Canada's number one provider of individual life insurance and a leading provider of individual segregated funds. Canada Life, together with Great-West Life, is a leading provider of individual disability insurance and critical illness insurance for Canadians. Canada Life is the leading provider of creditor insurance in Canada for mortgages, loans, credit cards, lines of credit and leases through leading financial institutions, automobile dealerships and other lending institutions. Canada Life is a leading provider of traditional mortality, structured and annuity reinsurance solutions for life insurers in the U.S. and in international markets through its Canada Life Reinsurance Division.

Canada Life, with roots in Europe dating back to 1903, provides individuals and their families with a broad range of insurance and wealth management products. These include: payout annuities, investments and group insurance in the United Kingdom, distributed through independent financial advisors and employee benefit consultants; savings and individual insurance in the Isle of Man, distributed through independent financial advisors in the United Kingdom and other selected territories; individual insurance and savings, and pension products in Ireland, distributed through independent brokers and a direct sales force; and fund-based pensions, critical illness and essential

ability insurance in Germany, distributed through independent brokers and multi-tied agents.

In 2010, Canada Life continued to face challenging credit markets as well as a general loss of consumer confidence in investments, due to a sharp decline in equity markets in late 2008 and early 2009. Although conditions continued to generally improve in 2010, these pressures continued to affect sales volumes. As well, earnings were again impacted by the required strengthening of reserves for future asset default risk and asset impairments.

As a result of Canada Life's continued focus on credit and expense controls, Canada Life's European operations were in a strong position coming into 2010, and this focus was maintained throughout the year. Additionally, there was a renewed focus on risk and risk management as the company prepared for the advent of Solvency II in Europe.



WILLIAM L. ACTON

President and
Chief Executive Officer,
Canada Life Capital Corporation

In Germany, Canada Life operates in the independent broker market and is one of the leading insurers for guaranteed unit-linked products in the broker segment. In 2010, Canada Life launched a series of new pension products which improved the company's market competitiveness, and increased sales towards the end of the year. Canada Life's industry-leading guaranteed withdrawal benefit product, launched in 2009, continued to gain support and became the leading product in its category, as reported in a recent poll of insurance intermediaries.

In the U.K., Canada Life continued to grow premium volumes, especially in the Isle of Man product range, despite economic challenges which adversely affected Canada Life's Group insurance business. Sales of payout annuities were very strong in the early part of 2010, though competitive pressures and a lack of quality investment opportunities resulted in slower sales throughout the rest of the year.

\$64.7
BILLION
IN ASSETS UNDER
ADMINISTRATION
IN EUROPE

\$9.3
BILLION
IN ANNUAL
PREMIUMS AND
DEPOSITS IN EUROPE
IN 2010

4.2
MILLION
INDIVIDUALS
COVERED
IN EUROPE



Great-West Lifeco's companies have benefited from their prudent and conservative investment policies and practices.

Canada Life is a leading provider of traditional mortality, financial and annuity reinsurance solutions to life insurers in the U.S. and in international markets through its Canada Life Reinsurance division. In 2010, reinsurance demand remained strong, although growth rates moderated in light of improving economic and capital conditions. Canada Life continued to leverage its financial strength, disciplined risk management practices and excellent client relationships to achieve strong business results.

In the United States, Great-West Life & Annuity is a leading provider of employer-sponsored retirement savings plans. It also provides annuities and life insurance for individuals and businesses, as well as fund management, investment and advisory services. Its products and services are marketed nationwide through its sales force, brokers, consultants, advisors, third-party administrators and financial institutions.

In its Retirement Services segment, GWL&A offers retirement savings products and services for public, non-profit and corporate employers, as well as private label record-keeping, administrative

and asset management services for other providers of defined contribution plans. GWL&A also provides business-owned life insurance, executive benefits products, and individual life insurance and annuity products through its Individual Markets segment.

In 2010, strong sales across defined contribution markets and of single-premium life and business-owned life insurance led to record sales results in both of GWL&A's business segments. Higher account balances resulting from an overall rise in the U.S. equities market contributed to increased fee income.

Robust sales in the corporate 401(k) and large-case public/non-profit markets helped increase GWL&A's number of retirement participant accounts to 4.4 million. Contracts with three additional states resulted in an industry-leading total of 18 state governmental 457 plans.



MITCHELL T.G. GRAYE

President and
Chief Executive Officer,
Great-West Life & Annuity

US\$172
BILLION
IN ASSETS UNDER
ADMINISTRATION

4.9
MILLION
U.S. CUSTOMERS

NO. 1
RANKING IN
STATE 457 PLANS

The introduction of Maxim® SecureFoundationSM funds, a guaranteed lifetime withdrawal benefit product, builds upon a strategy to enhance GWL&A's retirement product array and increase assets under management. The Maxim Lifetime Asset Allocation Series®, a suite of target date funds (TDFs) introduced in 2009, exceeded \$1 billion in assets. Combined assets in those funds and the Maxim SecureFoundation target date portfolios propelled GWL&A subsidiary Maxim Series Fund, Inc. into the top 10 U.S. fund families by TDF net asset flow in 2010, according to Morningstar Direct data.

GWL&A also completed a comprehensive planning process which identified a number of key initiatives across the organization to accelerate the growth of the business.

Its asset portfolio continued to perform well, following a two-year period during which investment losses from bonds and mortgages were among the lowest of U.S. life insurance companies as a percentage of invested assets, according to Moody's Investors Service.

Putnam Investments is a global asset manager and retirement plan record keeper serving individual and institutional investors worldwide through its offices and strategic alliances in North America, Europe and Asia. Since 1937, the firm has practised an active approach to pursuing client mandates. Today, Putnam provides investment services across a range of fixed income, equity, absolute return and alternative strategies, and distributes those services primarily through intermediaries, including pension consultants and financial advisors.

Putnam was recognized by a number of industry observers for excellent performance in 2010. The firm was named "Mutual Fund Manager of the Year" by *Institutional Investor* magazine, and—based on its asset-weighted performance—was again ranked among the top 15 U.S. mutual fund families by *Barron's* in their "Best Fund Families in 2010" report.

Putnam enhanced its equity product line during the year with the introduction of Putnam Global Sector Fund, a fund of funds employing the full breadth of Putnam's global sector expertise. The firm also launched a suite of multi-cap equity funds that provides investors with exposure to a dynamic array of U.S. stocks within the value, core/blend and growth styles.

Building on its strategic alliances, Putnam signed an exclusive agreement with the state of Nevada to manage its 529 college savings plan, Putnam 529 for AmericaSM, on an advisor-sold platform. Outside the United States, Putnam extended its agreement to distribute funds in Japan through Nissay Asset Management, and was awarded several new institutional mandates by sovereign wealth managers.

Putnam strengthened its commitment to the retirement market in 2010 through new products and services for 401(k)s and other defined contribution plans, earning 25 "Best-in-Class" awards in *PLANS PONSOR* magazine's 2010 survey of defined contribution plan sponsors. Putnam also led the industry by announcing prior to a U.S. Department of Labor mandate that it will offer comprehensive disclosure of fees and expenses to participants in the 401(k) plans it administers.

Upholding a heritage of service excellence, Putnam won a DALBAR Service Award for the 21st consecutive year for providing the highest levels of investor service to mutual fund shareholders.



ROBERT L. REYNOLDS
President and
Chief Executive Officer,
Putnam Investments

US\$121
BILLION
TOTAL ASSETS UNDER
MANAGEMENT

APPROXIMATELY

6 MILLION
SHAREHOLDERS AND
RETIREMENT PLAN
PARTICIPANTS

130
INSTITUTIONAL
MANDATES

OVER

165,000
ADVISORS
DISTRIBUTE
PUTNAM PRODUCTS

IGM FINANCIAL

IGM Financial and its operating companies experienced an increase in total assets under management during 2010. Net earnings for the company grew substantially compared with 2009. Investors Group and Mackenzie Financial, IGM Financial's principal businesses, continued to generate business growth through product innovation, investment management, resource management and distribution expansion throughout the year.

The company is well diversified through its multiple distribution channels, product types, investment management units and fund brands. Assets under management are diversified by country of investment, industry sector, security type and management style.

A primary theme in IGM Financial's business approach is to support financial advisors as they work with clients to plan for and achieve their financial goals. The importance of financial advice became clearer throughout the financial industry in 2010 based on emerging research and continued public interest in enhanced financial literacy.

The scope of its business and association with other members of the Power Financial Corporation group of companies have placed the company in a position of leadership and strength in the financial services industry. Together, these elements will enable IGM Financial to create long-term value for its clients, consultants, advisors, employees and shareholders over time.

Market fluctuations since 2008 have left investors with many questions on how best to manage their resources for the future. In this context, a strong relationship with an advisor to keep focused on long-term financial goals is important.

The significant role of an advisor in helping with financial planning is appreciated by the vast majority of investing Canadians. The Investment Funds Institute of Canada (IFIC) has now published five annual surveys since 2006 indicating that approximately 85 per cent of mutual fund investors preferred to invest through an advisor and they highly rated the support and advice provided by their advisors.

The positive impact that financial advisors have on Canadians' preparations for retirement and the lives of Canadians in retirement is particularly noteworthy. The Organization for Economic Co-operation and Development (OECD) recently revealed that Canada is among the world leaders in income replacement after retirement.

The Investors Group consultant network continued to expand to its highest level on record of 4,686 consultants at December 31, 2010. Since June 30, 2004, there has been 26 consecutive calendar quarters of net growth in the consultant network. With a further six region office openings announced in 2010, it has 101 region offices across Canada. Investors Group continued to respond to the complex financial needs of its clients by delivering a diverse range of products and services in the context of personalized financial advice.

15.3%

ANNUAL COMPOUND
TOTAL RETURN
TO SHAREHOLDERS
OVER FIFTEEN YEARS

\$1.8
TO **\$11.3**
BILLION

FIFTEEN-YEAR
GROWTH IN MARKET
CAPITALIZATION

\$4.1

BILLION
AGGREGATE
DIVIDENDS
PAID TO
SHAREHOLDERS
OVER FIFTEEN YEARS



A primary theme in IGM Financial’s business approach is to support financial advisors as they work with clients to plan for and achieve their financial goals.

Mackenzie Financial maintained its focus on delivering consistent long-term investment performance true to the multiple styles deployed in the investment process, while emphasizing product innovation and communication with advisors and investors. Its focus is evidenced by the strength of Mackenzie’s relationships with financial advisors, the work undertaken with investor and advisor education programs and its commitment to focusing on active investment management strategies. During 2010, Mackenzie broadened its investment choices for Canadians by adding several new funds and more options, including tax-deferred solutions.

IGM Financial continues to build its business through a strategic focus on multiple distribution opportunities delivering high-quality advice, innovative investment and service solutions for investors.

INVESTORS GROUP

Investors Group is committed to comprehensive planning delivered through long-term client and consultant relationships. The company provides advice and services through a network of approximately 4,700 consultants to nearly one million Canadians.

In 2010, Investors Group continued to make progress in a number of key areas. Growth in the consultant network, combined with industry-low redemption rates, is strong evidence of client and consultant satisfaction with the calm and steady approach being taken to their long-term financial planning needs.



MURRAY J. TAYLOR

President and
Chief Executive Officer,
Investors Group and
Co-President and
Chief Executive Officer,
IGM Financial

The company's commitment to training and support is integral to its consultants' ability to deliver effective financial advice in an increasingly complex and volatile market. The Investors Group culture provides consultants with an entrepreneurial environment and unique support structure to deliver personalized service and knowledgeable advice to their clients, who enhance their financial literacy and gain financial confidence as the company's consultants assist them with the development and deployment of their financial plans.

Investors Group is committed to the ongoing evolution and expansion of its product and service offering. In November 2009, working jointly with Great-West Life, Investors Group introduced a new line of segregated fund policies known as Investors Group Guaranteed Investment Funds which provide long-term investment growth potential with protective guarantee features to help minimize risk. In July two new equity mandates sub-

advised by Fidelity Investments Canada ULC, through its affiliate Pyramis Global Advisors, LLC, were introduced. In December the company announced a new fixed income mandate—Investors Fixed Income Flex Portfolio—which provides current income by investing in a diversified set of underlying funds that invest primarily in fixed income securities with the flexibility to adapt to a changing environment by adjusting the underlying type of investments as the interest rate and credit environment evolves.

Investors Group continues to focus on its strengths as building blocks for the future. In 2010, the consultant network growth, the active engagement of over 1,600 employees, increased communication in response to the global financial situation, the continual refinement of financial planning, and the expanding product and service offerings demonstrate the company's commitment to meet the evolving financial needs of Canadians.

\$61.8

BILLION
MUTUAL FUND
ASSETS UNDER
MANAGEMENT

PROVIDING
PERSONAL
FINANCIAL
SERVICES TO
CLOSE TO

1 MILLION
CANADIANS

4,686

INVESTORS GROUP
CONSULTANTS

MACKENZIE FINANCIAL

Mackenzie Financial provides investment advisory services utilizing proprietary investment research and experienced investment professionals. The company distributes its services through multiple distribution channels focused on the provision of independent financial planning through a wide range of investment solutions to meet investor needs. In 2010, Mackenzie and its subsidiaries continued to focus on business growth, product innovation, client service effectiveness and strategic partnerships.

Mackenzie's product lineup continued to evolve with a number of fund launches during the year, including the Mackenzie Universal Gold Bullion Class, the Mackenzie All-Sector Canadian Balanced Fund and three Saxon corporate funds: Mackenzie Saxon Balanced Class, Mackenzie Saxon Stock Class and Mackenzie Saxon Small Cap Class. Specifically designed for taxable investors, the corporate funds are designed to maximize after-tax returns by minimizing taxable distributions and investors have the flexibility to switch between more than 50 Mackenzie corporate funds on a tax-deferred basis. The Mackenzie Founders Global Equity Class was added to Mackenzie's product shelf in November. Mackenzie expanded its relationship with existing strategic partners by offering a segregated fund offering in partnership with Canada Life.

The strength of Mackenzie's retail distribution network is built on long-standing and expanding relationships with financial advisors and representatives across the breadth of distribution channels. These relationships allow the company's products to be efficiently distributed through retail brokers, financial advisors, insurance agents, banks, and financial institutions, giving Mackenzie one of the broadest retail distribution platforms of any investment company in Canada. With the adjustments to the distribution model, Mackenzie now has dedicated sales teams focused in the traditional retail wholesale channel working with financial advisors; the platform, sub-advisory and strategic partnership group; and its institutional team, focused on the needs of pension plan sponsors, foundations, trusts and other institutional investors.

Mackenzie products are distributed widely through the financial advice channel and the company is proud of the partnership it has established with financial advisors over its history. Through the dedicated efforts of employees, these relationships continue to grow as Mackenzie now reaches more than 30,000 advisors and 1.4 million investors across Canada.



CHARLES R. SIMS

President and
Chief Executive Officer,
Mackenzie Financial
and Co-President and
Chief Executive Officer,
IGM Financial

\$68.3

BILLION
TOTAL ASSETS UNDER
MANAGEMENT

OVER

30,000

INDEPENDENT
FINANCIAL ADVISORS

PROVIDING
INVESTMENT
ADVISORY SERVICES
TO MORE THAN

1.4

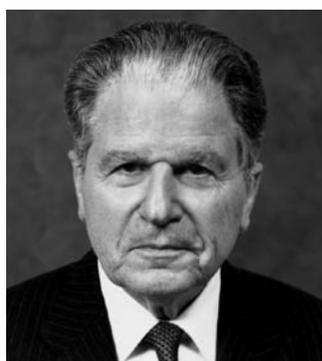
MILLION
CANADIANS

PARGESA GROUP

The Pargesa group holds significant positions in six large companies based in Europe: Lafarge (cement and building materials), Imerys (industrial minerals), Total (oil and gas), GDF Suez (electricity and gas), Suez Environnement (water and waste management) and Pernod Ricard (wines and spirits).

Power Financial, through its wholly owned subsidiary, Power Financial Europe B.V., and the Frère family group of Belgium each hold a 50 per cent interest in Parjointco, a Netherlands-based company. Parjointco's principal holding is a 54.1 per cent equity interest (62.9 per cent of the

voting rights) in Pargesa Holding SA, the Pargesa group's parent company based in Geneva, Switzerland.



JACQUES DRIJARD

Managing Director,
Pargesa

The Pargesa group's strategy is to establish a limited number of substantial interests in which it can acquire a position of control or significant influence. In 2010, there were no major changes in Pargesa's investment portfolio. Overall, the companies in the Pargesa group experienced improvements in operating performance, following the very difficult economic conditions of 2009.

According to the economic presentation of the group's results, net operating earnings declined 9.2 per cent in 2010 to €465 million, impacted by an 8.5 per cent decrease in the euro against the Swiss franc, the reporting currency used in Pargesa's

financial statements. The 2009 results also included a number of non-recurring items, including an exceptional dividend from GDF Suez.

IMERYS

A world leader in mineral processing, Imerys holds leading positions in each of its sectors: Performance and Filtration Minerals; Materials and Monolithics; Pigments for Papers; Ceramics, Refractories, Abrasives and Foundry.

Imerys' markets improved in 2010 even though, overall, 2010 volumes remained about 15 per cent lower than pre-crisis levels. In these circumstances, sales grew by 20.7 per cent to €3.3 billion, current operating income rose 68.4 per cent to €419 million and net income, after non-recurring items, stood at €241 million, compared with €41 million in 2009.

LAFARGE

With operations in more than 78 countries, Lafarge holds leading positions in each of its markets: it is the world's largest producer of cement, second largest producer of aggregates and third largest producer of ready-mix concrete and gypsum.

10.2%

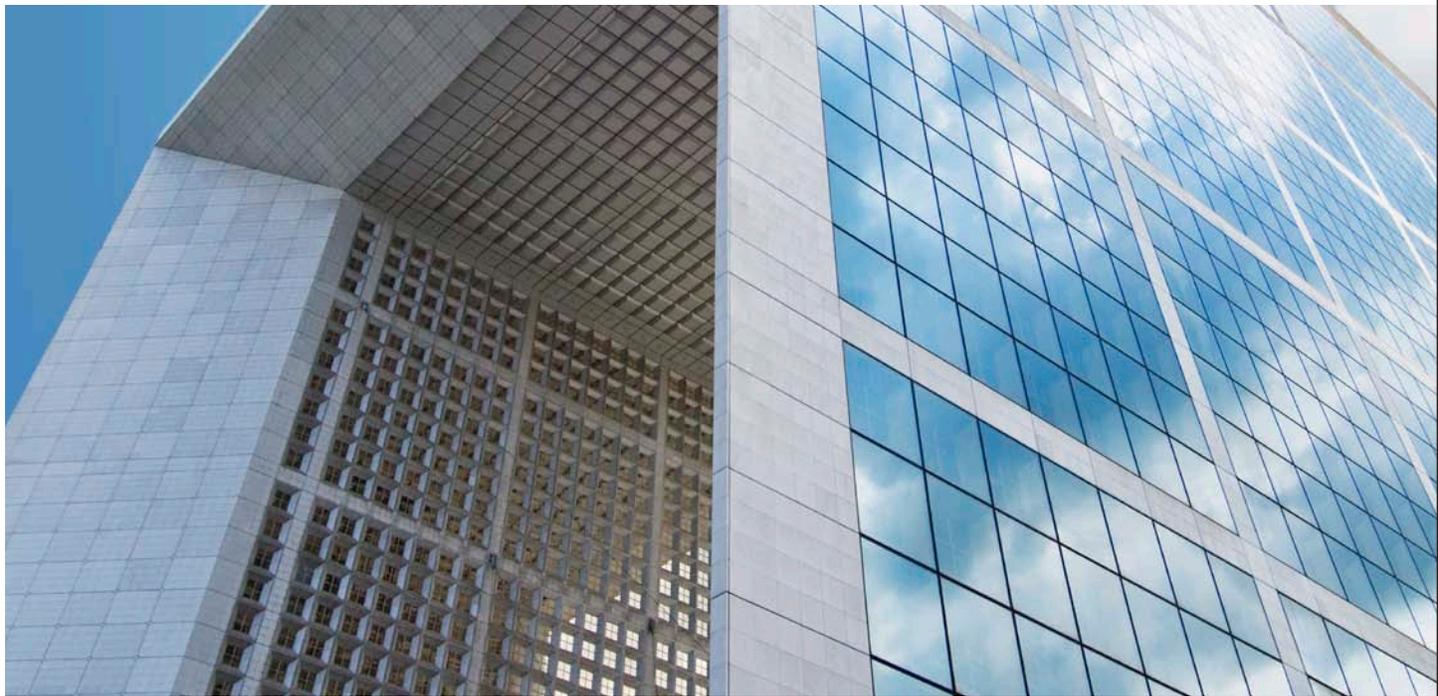
ANNUAL COMPOUND
TOTAL RETURN TO
SHAREHOLDERS OVER
FIFTEEN YEARS (SF)

\$7.2

BILLION
MARKET
CAPITALIZATION

\$2.5

BILLION
AGGREGATE
DIVIDENDS
PAID TO
SHAREHOLDERS
OVER FIFTEEN YEARS



The companies in the Pargesa group experienced improvements in operating performance following the very difficult economic conditions of 2009.

In 2010, sales edged up by 1.8 per cent to €16.2 billion, sustained by upward trending volumes for the cement and aggregates branches, favourable exchange rates and new capacities in Brazil. Current operating income slipped 1.5 per cent to €2.4 billion. Net income, after non-recurring items, was €827 million, compared with €736 million in 2009.

TOTAL

Created from the successive mergers of Total, PetroFina and Elf Aquitaine, Total is one of the largest international oil and gas groups and a major player in chemicals.

Conditions were more favorable to the oil business in 2010. The price of crude oil shot up 29 per cent from the previous year to reach an average of \$79.5/barrel, the European Refinery Margin Indicator moved up to \$27.4/tonne from \$17.8/tonne in 2009 and the average gas selling price was stable. Also fuelled by 4.3 per cent growth in hydrocarbon production, net income stood at €10.6 billion, compared with €8.4 billion in 2009.

GDF SUEZ

GDF Suez, created from the 2008 merger of Suez and Gaz de France, is an international industrial and services group active across the entire energy value chain, in electricity and natural gas, upstream to downstream. GDF Suez develops its core business in electricity and heat generation, trading, transmission and distribution of electricity and gas (natural and liquified), and energy and industrial services.

The company reported growth in results in 2010, despite the impact of the decorrelation of gas and oil prices on the Global Gas and LNG business line. Sales grew by 5.7 per cent to €84.5 billion, EBITDA reached €15.1 billion, a 7.7 per cent increase, and net income was up 3.1 per cent to €4.6 billion. With key positions on domestic markets, GDF Suez stepped up its international development in 2010 and announced that it was combining its international operations with International Power plc, a leading independent power generation company.

SUEZ ENVIRONNEMENT

Suez Environnement integrates water and waste management operations that were formerly within the scope of Suez before it merged with Gaz de France. In the Water sector, the group designs and manages drinking water production and distribution systems and wastewater treatment systems, carries out engineering work and supplies a wide range of services to industry. In the Waste sector, Suez Environnement is active in managing (collecting, sorting, recycling, treating, recovering and storing) industrial and household waste.

In 2010, in a gradually reviving economy, the group's sales stood at €13.9 billion, up 12.8 per cent from the previous year. Net operating income totalled €2.3 billion, an increase of 13.6 per cent. Net income, after non-recurring items, stood at €565 million, compared with €403 million in 2009.

PERNOD RICARD

Since the creation of Pernod Ricard in 1975, significant organic growth and a series of acquisitions, particularly Seagram in 2001, Allied Domecq in 2005 and Vin & Sprit in 2008, have made the company the world co-leader in wines and spirits.

In 2009–2010, Pernod Ricard's sales declined 1.7 per cent to €7.1 billion, up 1.8 per cent at constant exchange rates and scope of consolidation. The gross margin after logistics costs was stable at €4.2 billion. Net income stood at €951 million, compared with €945 million the previous year.