



Power Corporation Reports Fourth Quarter and 2019 Financial Results and Dividend Increase

Readers are referred to the sections "Non-IFRS Financial Measures and Presentation" and "Forward-Looking Statements" at the end of this release.

Montréal, Québec, March 18, 2020 – Power Corporation of Canada (Power Corporation or the Corporation) (TSX: POW) today reported earnings results for the fourth quarter and twelve months ended December 31, 2019.

Power Corporation

Consolidated results for the period ended December 31

Highlights

- On December 13, 2019, Power Corporation and Power Financial Corporation (Power Financial) announced a reorganization transaction pursuant to which each common share of Power Financial (PFC Common Shares) held by holders of PFC Common Shares other than Power Corporation and certain of its affiliates, were exchanged for 1.05 Subordinate Voting Shares of Power Corporation and \$0.01 in cash.
- The reorganization was completed on February 13, 2020. Power Corporation now holds 100% of the issued and outstanding PFC Common Shares.
- The Corporation's net asset value per share was \$40.07 at December 31, 2019, compared with \$30.74 at December 31, 2018, representing an increase of 30.4%.
- As announced on December 13, 2019, today Power Corporation declared a 10.5% increase in its quarterly dividend to 44.75 cents per participating share.
- On February 18, 2020, Power Corporation announced that the Toronto Stock Exchange had accepted its notice of intention to make a normal course issuer bid whereby the Corporation may purchase for cancellation, on the open market, up to 30,000,000 Subordinate Voting Shares, representing approximately 5.2% of the public float of Subordinate Voting Shares outstanding.
- Great-West Lifeco (Lifeco) declared a quarterly common dividend of \$0.4380 per common share payable March 31, 2020, a 6% increase from the previous quarter.
- Lifeco's consolidated assets under administration at December 31, 2019 grew to over \$1.6 trillion, a 16% increase from December 31, 2018.
- IGM Financial Inc. (IGM) reported record high assets under management at December 31, 2019 of \$166.8 billion, an increase of 11.9% from the prior year driven by favourable investment returns. Assets under administration of \$190.2 billion increased by 11.8% from the prior year.
- Parjointco N.V. 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. The transaction is subject to shareholder approvals. Pargesa to be delisted upon completion of the transaction.



COVID-19

Since December 31, 2019, 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. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. 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.

Fourth Quarter

Net earnings attributable to participating shareholders were \$179 million or \$0.42 per share, compared with \$229 million or \$0.49 per share in 2018.

Adjusted net earnings attributable to participating shareholders (a non-IFRS financial measure, see Non-IFRS Financial Measures and Presentation below) were \$317 million or \$0.74 per share, compared with \$283 million or \$0.60 per share in 2018.

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

| (in dollars per Power Corporation share) | 2019 | | 2018 | |
|--|-----------------------------|--------------------------------------|--------------|-----------------------|
| | Net Earnings ^[1] | Adjusted Net Earnings ^[1] | Net Earnings | Adjusted Net Earnings |
| • Power Financial ^[2] | 0.61 | 0.89 | 0.68 | 0.65 |
| • China Asset Management Corporation (China AMC) | 0.02 | 0.02 | 0.02 | 0.02 |
| • Investment Platforms and other ^[3] | (0.11) | (0.07) | (0.15) | (0.01) |
| • Corporate Operations ^[4] | (0.10) | (0.10) | (0.06) | (0.06) |
| | 0.42 | 0.74 | 0.49 | 0.60 |

[1] The Corporation completed a substantial issuer bid in the second quarter of 2019 and repurchased 9.8% of its Subordinated Voting Shares.

[2] As a result of the Corporation's participation in Power Financial's substantial issuer bid, in the second quarter of 2019, the number of PFC Common Shares held by the Corporation decreased by 9.1%.

[3] Investment platforms and other includes earnings (losses) from Power Energy Corporation (Power Energy), IntegraMed America, Inc. (IntegraMed) and Square Victoria Communications Group Inc. (up to the date of disposal in July 2018).

[4] Includes Operating and other expenses and Dividends on non-participating shares.

Other items in 2019, not included in adjusted net earnings, were a net charge of \$138 million or \$0.32 per share consisting of the Corporation's share of other items at Power Financial of \$122 million or \$0.28 per share and IntegraMed's goodwill impairment charge of \$16 million or \$0.04 per share. Other items in 2018 were a net charge of \$54 million or \$0.11 per share.



Twelve Months

Net earnings attributable to participating shareholders were \$1,108 million or \$2.53 per share, compared with \$1,287 million or \$2.77 per share in 2018.

Adjusted net earnings attributable to participating shareholders were \$1,313 million or \$3.00 per share, compared with \$1,438 million or \$3.09 per share in 2018.

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

| (in dollars per Power Corporation share) | 2019 | | 2018 | |
|---|-----------------------------|--------------------------------------|--------------|-----------------------|
| | Net Earnings ^[1] | Adjusted Net Earnings ^[1] | Net Earnings | Adjusted Net Earnings |
| • Power Financial ^[2] | 2.89 | 3.39 | 3.17 | 3.22 |
| • China AMC | 0.07 | 0.07 | 0.06 | 0.06 |
| • Investment Platforms and other ^[3] | (0.06) | (0.02) | 0.05 | 0.19 |
| • Corporate Operations ^[4] | (0.37) | (0.44) | (0.51) | (0.38) |
| | 2.53 | 3.00 | 2.77 | 3.09 |

[1] [2] [3] [4] See notes above.

Other items, not included in adjusted net earnings, were a net charge of \$205 million or \$0.47 per share, compared with a charge of \$151 million or \$0.32 per share in 2018.

Power Financial

Consolidated results for the period ended December 31

Fourth Quarter

Net earnings attributable to common shareholders were \$401 million or \$0.60 per share, compared with \$478 million or \$0.67 per share in 2018.

Adjusted net earnings attributable to common shareholders were \$591 million or \$0.89 per share, compared with \$460 million or \$0.65 per share in 2018.

Other items in 2019, not included in adjusted net earnings, were a net charge of \$190 million or \$0.29 per share consisting of Power Financial's share of other items at Lifeco of \$151 million, IGM of \$6 million and Pargesa of \$24 million and costs incurred by Power Financial related to the reorganization of \$9 million. Other items in 2018, not included in adjusted net earnings, were a positive impact of \$18 million or \$0.02 per share.

Twelve Months

Net earnings attributable to common shareholders were \$1,964 million or \$2.89 per share, compared with \$2,245 million or \$3.15 per share in 2018.

Adjusted net earnings attributable to common shareholders were \$2,306 million or \$3.40 per share, compared with \$2,282 million or \$3.20 per share in 2018.

Other items, not included in adjusted net earnings, were a net charge of \$342 million or \$0.51 per share, compared with a net charge of \$37 million or \$0.05 per share in 2018.



Great-West Lifeco, IGM Financial and Pargesa

Results for the period ended December 31

GREAT-WEST LIFECHO INC.

Fourth Quarter

Net earnings attributable to common shareholders were \$513 million or \$0.55 per share, compared with \$710 million or \$0.72 per share in 2018. 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 for the fourth quarter of 2019 do not include any earnings from this business, which contributed \$36 million to net earnings in the fourth quarter of 2018.

Adjusted net earnings attributable to common shareholders were \$740 million or \$0.80 per share, compared with \$710 million or \$0.72 per share in 2018. Other items, not included in adjusted net earnings, in the fourth quarter of 2019 were a net charge of \$227 million and included the impact of the revaluation of a deferred tax asset of \$199 million, restructuring charges of \$36 million and the net gain of \$8 million on the completion of the Scottish Friendly Assurance Society Limited transaction.

Twelve Months

Net earnings attributable to common shareholders were \$2,359 million or \$2.49 per share, compared with \$2,961 million or \$3.00 per share in 2018.

Adjusted net earnings attributable to common shareholders were \$2,785 million or \$2.94 per share, compared with \$3,017 million or \$3.05 per share in 2018. In addition to the above, other items in 2019 include a net charge of \$199 million relating to the sale of the U.S. individual life insurance and annuity business in the second quarter. Other items in 2018 were charges of \$56 million.

IGM FINANCIAL INC.

Fourth Quarter

Net earnings available to common shareholders were \$192 million or \$0.80 per share, compared with \$180 million or \$0.75 per share in 2018.

Adjusted net earnings available to common shareholders were \$201 million or \$0.84 per share, compared with \$180 million or \$0.75 per share in 2018. Other items, not included in adjusted net earnings, in the fourth quarter of 2019 were a net charge of \$9 million consisting of IGM's proportionate share of Lifeco's other items.

Assets under management at December 31, 2019 were \$166.8 billion, an increase of 2.6% in the quarter and 11.9% from the prior year driven by favourable investment returns.

Twelve Months

Net earnings available to common shareholders were \$747 million or \$3.12 per share, compared with \$767 million or \$3.18 per share in 2018.

Adjusted net earnings available to common shareholders were \$764 million or \$3.19 per share, compared with \$792 million or \$3.29 per share in 2018. Other items were a net charge of \$17 million, compared with a charge of \$25 million in the comparative period.



PARGESA HOLDING SA

Fourth Quarter

Pargesa reported net earnings of SF75 million, compared with SF110 million in 2018.

Adjusted net earnings were SF139 million, compared with SF57 million in 2018. Other items, not included in adjusted net earnings, were a charge of SF64 million in the fourth quarter and were comprised of Pargesa's share of other items at Imerys, Parques Reunidos Servicios Centrales, S.A. (Parques), and transaction costs incurred by GBL to complete the acquisition of Webhelp Group. Other items in 2018 were a net positive earnings impact of SF53 million.

Pargesa adopted IFRS 9 in 2019. Power Financial continues to apply IAS 39; this results in an increase in its share of the contribution from Pargesa by \$5 million in the fourth quarter of 2019.

Twelve Months

Net earnings were SF391 million, compared with SF361 million in 2018.

Adjusted net earnings were SF492 million, compared with SF317 million in 2018. Other items in 2019 were SF101 million and, in addition to the items detailed above, included restructuring and other charges at Imerys. Other items in 2018 were a positive earnings impact of SF44 million.

Power Financial's IAS 39 adjustment to Pargesa's contribution was \$49 million in the twelve-month period.

Pargesa reported a net asset value at December 31, 2019 of SF10,946 million, representing SF129.2 per share, compared with SF8,973 million or SF105.9 per share at December 31, 2018.

Investment Platforms and Other

For the period ended December 31

Investment platforms and other includes income earned from management fees net of investment platform expenses, income earned on the capital invested by the Corporation in each platform and the share of earnings of controlled and consolidated subsidiaries, associates and jointly controlled investments. For additional information, refer to the table further in this news release.

Fourth Quarter

Loss from the Corporation's investment platforms and other, excluding other items, was \$29 million, compared with a loss of \$2 million in 2018.

Twelve Months

Loss from the Corporation's investment platforms and other, excluding other items, was \$10 million, compared with income of \$88 million in 2018.



Dividend on Power Corporation Participating Shares

The Board of Directors today declared a 10.5% increase in the quarterly dividend from 40.50 cents to 44.75 cents per share on the Participating Preferred Shares and the Subordinate Voting Shares of the Corporation, payable May 1, 2020 to shareholders of record March 31, 2020.

Dividend on Power Corporation Non-Participating Preferred Shares

The Board of Directors also declared quarterly dividends on the Corporation's preferred shares, payable April 15, 2020 to shareholders of record March 31, 2020:

| Series | Stock Symbol | Amount | Series | Stock Symbol | Amount |
|-------------|--------------|------------------------------|----------|--------------|--------|
| 1986 Series | POW.PR.F | Floating rate ^[1] | Series C | POW.PR.C | 36.25¢ |
| Series A | POW.PR.A | 35¢ | Series D | POW.PR.D | 31.25¢ |
| Series B | POW.PR.B | 33.4375¢ | Series G | POW.PR.G | 35¢ |

[1] Equal to one quarter of 70% of the average prime rate of two major Canadian chartered banks for the period December 1, 2019 to February 29, 2020.

About Power Corporation

Power Corporation is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms. To learn more, visit www.PowerCorporation.com.

At December 31, 2019, Power Corporation held the following economic interests:

- 64.1% – Power Financial
 - 66.9% – Great-West Lifeco (TSX: GWO)
 - 62.1% – IGM Financial (TSX: IGM)
 - 27.8% – Pargesa Holding (SIX: PARG)
 - 84.9% – Wealthsimple Financial Corp. ^[1]
- Investment Platforms and Other
 - 100% – Sagard SAS (Europe) ^[2]
 - 100% – Sagard Holdings ^[2]
 - 100% – Power Sustainable Capital
 - Power Pacific Investment Management
 - Power Energy
 - 27.8% – China AMC ^[3]

[1] Undiluted equity interest held by Lifeco, IGM and Power Financial.

[2] Refer to the Corporation's most recent MD&A for interest in the Sagard Europe Funds and investments held by Sagard Holdings.

[3] IGM and the Corporation each hold a 13.9% interest in China AMC.



Earnings Summary

Earnings

| (unaudited) (in millions of Canadian dollars) | Three months ended December 31, | | Twelve months ended December 31, | |
|--|------------------------------------|------|-------------------------------------|-------|
| | 2019 | 2018 | 2019 | 2018 |
| Adjusted net earnings | | | | |
| Power Financial ^[1] | | | | |
| Lifeco ^[1] | 314 | 315 | 1,201 | 1,337 |
| IGM ^[1] | 77 | 73 | 298 | 306 |
| Pargesa ^[1] | 37 | (35) | 149 | 25 |
| Corporate operations of Power Financial | | | | |
| Income (loss) from investments | (4) | (6) | (5) | (10) |
| Operating and other expenses | (20) | (19) | (68) | (69) |
| Dividends on perpetual preferred shares | (23) | (23) | (90) | (91) |
| | 381 | 305 | 1,485 | 1,498 |
| China AMC | 7 | 7 | 30 | 29 |
| Investment platforms and other ^[2] | (29) | (2) | (10) | 88 |
| Operating and other expenses | (29) | (14) | (140) | (125) |
| Dividends on non-participating shares | (13) | (13) | (52) | (52) |
| Adjusted net earnings ^[3] | 317 | 283 | 1,313 | 1,438 |
| Other items – see below | (138) | (54) | (205) | (151) |
| Net earnings ^[3] | 179 | 229 | 1,108 | 1,287 |

Earnings per Share

| (unaudited) (in dollars per share) | Three months ended December 31, | | Twelve months ended December 31, | |
|--|------------------------------------|--------|-------------------------------------|--------|
| | 2019 | 2018 | 2019 | 2018 |
| Adjusted net earnings per share - basic | | | | |
| Power Financial ^[1] | 0.89 | 0.65 | 3.39 | 3.22 |
| China AMC | 0.02 | 0.02 | 0.07 | 0.06 |
| Investment platforms and other ^[2] | (0.07) | (0.01) | (0.02) | 0.19 |
| Operating and other expenses, and dividends on non-participating shares | (0.10) | (0.06) | (0.44) | (0.38) |
| Adjusted net earnings per share ^[3] | 0.74 | 0.60 | 3.00 | 3.09 |
| Other items – see below | (0.32) | (0.11) | (0.47) | (0.32) |
| Net earnings per share ^[3] | 0.42 | 0.49 | 2.53 | 2.77 |

[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 interest. The contributions from IGM and Pargesa reflect adjustments in accordance with IAS 39.

[2] Investment platforms and other includes earnings (losses) from Power Energy, IntegraMed and Square Victoria Communications Group Inc. (up to the date of disposal in July 2018).

[3] Attributable to participating shareholders.



Investment Platforms and Other

| (unaudited) (in millions of Canadian dollars) | Three months ended December 31, | | Twelve months ended December 31, | |
|--|------------------------------------|------|-------------------------------------|------|
| | 2019 | 2018 | 2019 | 2018 |
| Sagard Europe ^{[1][2]} | (3) | 37 | (18) | 200 |
| Sagard Holdings ^{[1][3]} | (24) | (40) | (72) | (91) |
| Power Pacific ^{[1][4]} | 16 | (42) | 101 | (29) |
| Power Energy ^[5] | (22) | 29 | (46) | 6 |
| Other | | | | |
| Investment and hedge funds | 4 | 2 | 24 | 6 |
| Other ^[6] | - | 12 | 1 | (4) |
| | (29) | (2) | (10) | 88 |

[1] Income (loss) from investments for Sagard Europe, Sagard Holdings and Power Pacific is presented net of expenses of their separate dedicated teams.

[2] Income in 2018 includes gains distributed by the funds in the first and fourth quarters on the sale of investments.

[3] Includes the Corporation's share of the operating results of IntegraMed, a controlled investment, and the share of earnings (losses) from investments in a jointly controlled corporation and associates.

[4] Mainly comprised of gains (losses) realized on the disposal of investments and dividends received. The 2018 results include realized losses of \$46 million.

[5] The 2018 results include a gain of \$62 million (\$54 million net of tax) recognized on the sale of Eagle Creek Renewable Energy, LLC.

[6] Consists mainly of foreign exchange gains or losses and interest on cash and cash equivalents and includes the results of Square Victoria Communications Group Inc. (up to date of disposal in July 2018).



Other Items

| (unaudited) (in millions of Canadian dollars, except per share amounts) | Three months ended December 31, | | Twelve months ended December 31, | |
|---|------------------------------------|--------|-------------------------------------|--------|
| | 2019 | 2018 | 2019 | 2018 |
| Power Financial | | | | |
| Share of Lifeco's other items: | | | | |
| Net charge on the sale of U.S. individual life insurance and annuity business | - | - | (86) | - |
| Net charge on the revaluation of a deferred tax asset | (85) | - | (85) | - |
| Restructuring charges | (15) | - | (15) | (25) |
| Net gain on the Scottish Friendly Assurance Society Limited transaction | 3 | - | 3 | - |
| | (97) | - | (183) | (25) |
| Per share | (0.23) | - | (0.42) | (0.06) |
| Share of IGM's other items: | | | | |
| Restructuring and other charges | - | - | - | (7) |
| Premium paid on early redemption of debentures | - | - | - | (3) |
| Share of Lifeco's other items | (4) | - | (7) | (1) |
| | (4) | - | (7) | (11) |
| Per share | (0.01) | - | (0.02) | (0.02) |
| Share of Pargesa's other items: | | | | |
| Imerys - Disposal of roofing activity | - | 56 | - | 56 |
| Imerys - Impairments, restructuring charges and other | (7) | (44) | (12) | (44) |
| Parques and other charges | (8) | - | (12) | - |
| | (15) | 12 | (24) | 12 |
| Per share | (0.03) | 0.03 | (0.05) | 0.03 |
| Power Financial corporate operations | | | | |
| Reorganization charges | (6) | - | (6) | - |
| Per share | (0.01) | - | (0.01) | - |
| | (122) | 12 | (220) | (24) |
| Per share | (0.28) | 0.03 | (0.50) | (0.05) |
| Investment platforms and other | | | | |
| Sagard Holdings - Share of IntegraMed's goodwill impairment charge | (16) | (66) | (16) | (66) |
| | (16) | (66) | (16) | (66) |
| Per share | (0.04) | (0.14) | (0.04) | (0.14) |
| Corporate operations | | | | |
| Operating and other expenses | | | | |
| Reduction of income tax estimates | - | - | 31 | - |
| Divestiture of La Presse operations | - | - | - | (54) |
| Premium paid on early redemption of debentures | - | - | - | (7) |
| | - | - | 31 | (61) |
| Per share | - | - | 0.07 | (0.13) |
| | (138) | (54) | (205) | (151) |
| Per share | (0.32) | (0.11) | (0.47) | (0.32) |



Net Asset Value

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

| | December 31, 2019 | | | December 31, 2018 | | | | |
|---|--------------------------------|-------------------|-----------------------|-------------------|--------------------------------|-------------------|-----------------------|-----------------|
| | Non-consolidated balance sheet | Reclassifications | Fair value adjustment | Net asset value | Non-consolidated balance sheet | Reclassifications | Fair value adjustment | Net asset value |
| Assets | | | | | | | | |
| Investments | | | | | | | | |
| Power Financial ^[1] | 11,530 | - | 3,334 | 14,864 | 12,295 | - | (211) | 12,084 |
| Sagard Europe ^[2] | 478 | - | - | 478 | 391 | - | - | 391 |
| Sagard Holdings ^{[2][3]} | 306 | 156 | 74 | 536 | 395 | 181 | 3 | 579 |
| Power Pacific ^{[2][3]} | 730 | 9 | - | 739 | 510 | 159 | - | 669 |
| Power Energy | 655 | - | 420 | 1,075 | 561 | - | 363 | 924 |
| China AMC ^[4] | 658 | - | - | 658 | 679 | - | - | 679 |
| Other investments | 149 | - | 49 | 198 | 171 | - | 18 | 189 |
| Cash and cash equivalents ^[3] | 564 | (178) | - | 386 | 750 | (347) | - | 403 |
| Other assets | 451 | - | - | 451 | 471 | - | - | 471 |
| Total assets | 15,521 | (13) | 3,877 | 19,385 | 16,223 | (7) | 173 | 16,389 |
| Liabilities and non-participating shares | | | | | | | | |
| Debentures and other debt instruments | 683 | - | - | 683 | 646 | - | - | 646 |
| Other liabilities ^[5] | 664 | (13) | - | 651 | 459 | (7) | - | 452 |
| Non-participating shares | 960 | - | - | 960 | 962 | - | - | 962 |
| Total liabilities and non-participating shares | 2,307 | (13) | - | 2,294 | 2,067 | (7) | - | 2,060 |
| Net value | | | | | | | | |
| Participating shareholders' equity / Net asset value | 13,214 | - | 3,877 | 17,091 | 14,156 | - | 173 | 14,329 |
| Per share | 30.98 | | | 40.07 | 30.38 | | | 30.74 |

[1] As a result of the Corporation's participation in the Power Financial substantial issuer bid in the second quarter of 2019, the number of shares held by the Corporation decreased by 9.1% or 42,436,370 from 467,839,296 to 425,402,926 (equity interest decreased from 65.5% to 64.1%).

[2] The management companies of the investment funds are presented at their carrying value in accordance with IFRS.

[3] Cash of \$178 million related to Sagard Holdings and Power Pacific has been included in the fair value (\$347 million at December 31, 2018).

[4] Valued at carrying value in accordance with IFRS.

[5] Performance-related compensation payable of \$13 million is presented in the fair value of Power Pacific (\$3 million in Power Pacific and \$4 million in Sagard Holdings at December 31, 2018).

The Corporation's net asset value, presented on a look-through basis, where the investment in Power Financial is based on the Corporation's share of Power Financial's net asset value, was \$19.2 billion or \$44.98 per share at December 31, 2019 (\$17.7 billion or \$37.91 per share at December 31, 2018). The additional fair value adjustment of \$2.1 billion (\$3.3 billion at December 31, 2018) mainly relates to the Corporation's share of its investment in Lifeco, IGM and Pargesa at market value. For additional information, please refer to the Corporation's Management's Discussion and Analysis for the twelve-month and three-month periods ended December 31, 2019.

The Corporation's net asset value per share was \$33.08, presented on a look-through basis, based on: i) market values of publicly listed investments at March 17, 2020 and ii) fair values for non-publicly listed investments at December 31, 2019.



Non-IFRS Financial Measures and Presentation

Net earnings attributable to participating shareholders are comprised of:

- Adjusted net earnings attributable to participating 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 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 financial measure.

Adjusted net earnings attributable to participating 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 Power Financial and other subsidiaries 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 Corporation's non-consolidated assets less its net debt and preferred shares. The investments held in public entities (including Power Financial) are measured at their market value and investments in private entities and investment funds 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 Groupe Bruxelles Lambert 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 (including the Participating Preferred Shares) and Subordinate Voting 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, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods and the normal course issuer bid. 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,



POWER CORPORATION
OF CANADA

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, 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 complete purchases under the normal course issuer bid 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.

- 30 -

For further information, please contact:

Stéphane Lemay
Vice-President, General Counsel and Secretary
514-286-7400