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GREAT-WEST
LIFECO INC.

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Readers are referred to the ^{THOMSON} ~~release~~ regarding Forward-Looking Information and Non-GAAP Financial Measures at the end of this Release.

TSX:GWO

Great-West Lifeco reports 2004 results and dividend increase

Winnipeg, February 17, 2005 ... Great-West Lifeco Inc. (Lifeco) has reported net income attributable to common shareholders, excluding restructuring charges related to the acquisition of Canada Life Financial Corporation (CLFC), of \$1,630 million for the twelve months ended December 31, 2004, compared to \$1,215 million reported a year ago, an increase of 34%. On a per share basis, reflecting the fourth quarter subdivision of Lifeco common shares, this represents \$1.827 per common share for 2004, an increase of 22%, compared to a year ago. Net income, after restructuring costs, attributable to common shareholders for 2004 was \$1,600 million, up from \$1,195 million in 2003.

For the three months ended December 31, 2004, net income attributable to common shareholders, excluding restructuring charges, was \$423 million or \$0.475 per common share, compared to \$365 million for the same quarter in 2003, an increase of 16%. Net income, after restructuring costs, attributable to common shareholders for the quarter was \$409 million.

Lifeco experienced solid operating results in all major business segments and significant growth in net income attributable to common shareholders.

Highlights

- Earnings per common share, for the fourth quarter of 2004, excluding restructuring charges, increased 16% compared to a year ago.
- Return on common shareholders' equity, excluding restructuring costs, was 20.8% for the twelve months ended December 31, 2004.
- Assets under administration at December 31, 2004 totalled \$164.9 billion, up \$5.7 billion from December 31, 2003 levels.
- Quarterly dividends declared were 19.5¢ per common share, an increase of 1.375¢ per share, payable March 31, 2005. Dividends paid on common shares for the twelve months of 2004 were 22% higher than a year ago.

Consolidated net earnings for Lifeco are the net operating earnings of The Great-West Life Assurance Company (Great-West Life), Canada Life Financial Corporation (CLFC), London Life Insurance Company (London Life) and Great-West Life & Annuity Insurance Company (GWL&A), together with Lifeco's corporate results.

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100 Osborne Street North, Winnipeg, MB Canada R3C 3A5

A member of the Power Financial Corporation group of companies.

The results for 2004 include a full year of results of the Canada Life Financial Corporation (CLFC) acquisition, which closed on July 10, 2003, while the twelve month comparative figures for 2003 include the results of CLFC from the date of acquisition.

CANADA

Consolidated net earnings of the Canadian segment of Lifeco attributable to common shareholders for the twelve months ended December 31, 2004 increased 34% to \$646 million from \$481 million at December 31, 2003. For the fourth quarter of 2004, earnings were up 36% to \$150 million, compared to \$110 million a year ago.

Total premiums and deposits for the twelve months ended December 31, 2004 were \$14.5 billion, an increase of \$4.5 billion over 2003. Fee income for the period increased \$153 million.

In addition to the inclusion of CLFC business for all of 2004, results reflect strong operating earnings for Great-West, London Life and Canada Life, including significant increases in segregated funds deposits and growth in assets.

Total assets under administration at December 31, 2004 were \$81.7 billion, up \$5.4 billion from December 31, 2003 levels, with increases in the general fund of \$0.3 billion and in segregated funds of \$5.1 billion.

EUROPE

Consolidated net earnings of the European segment of Lifeco attributable to common shareholders for the twelve months ended December 31, 2004 increased 141% to \$356 million from \$148 million at December 31, 2003. For the fourth quarter of 2004, earnings were up 23% to \$111 million, compared to \$90 million a year ago.

Total premiums and deposits for the twelve months ended December 31, 2004 were \$9.2 billion, an increase of \$3.4 billion over 2003. Fee income for the twelve months ended December 31, 2004 was \$400 million.

Total assets under administration at December 31, 2004 were \$38.9 billion, up \$3.1 billion from December 31, 2003 levels, with increases in the general fund of \$0.9 billion and increases in segregated funds of \$2.2 billion.

UNITED STATES

Consolidated net earnings of the United States segment of Lifeco attributable to common shareholders for the twelve months ended December 31, 2004 increased 7% to \$636 million from \$593 million at December 31, 2003. For the fourth quarter of 2004, earnings were \$166 million, unchanged from \$166 million a year ago.

Total sales for the twelve months ended December 31, 2004 were US \$2.4 billion, an increase of US \$255 million over 2003 due to higher Healthcare sales. Fee income for the period increased by US \$75 million.

Total assets under administration at US \$36.9 billion at December 31, 2004 were relatively unchanged from December 31, 2003 levels.

CORPORATE

Corporate net earnings for Lifeco, attributable to common shareholders, were a net charge of \$38 million for the twelve months ended December 31, 2004, and a net charge of \$18 million for the fourth quarter of 2004. These results are mostly comprised of restructuring costs related to the CLFC acquisition and U.S. withholding tax incurred by Lifeco in the course of receiving dividends from U.S. subsidiaries.

QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.195 per share on the common shares of the Company payable March 31, 2005 to shareholders of record at the close of business March 3, 2005.

In addition, the Directors approved quarterly dividends on:

- Series D First Preferred Shares \$0.293750 per share;
- Series E First Preferred Shares \$0.30 per share;
- Series F First Preferred Shares \$0.36875 per share; and
- Series G First Preferred Shares of \$0.325 per share payable March 31, 2005 to shareholders of record at the close of business March 3, 2005.

GREAT-WEST LIFECO

Great-West Lifeco Inc. (TSX:GWO) is a financial services holding company with interests in the *life insurance, health insurance, retirement savings, and reinsurance businesses*. The Company has operations in Canada and internationally through The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company, and in the United States through Great-West Life & Annuity Insurance Company and The Canada Life Assurance Company. Lifeco and its companies, including Canada Life have more than \$164 billion in assets under administration. Great-West Lifeco is a member of the Power Financial Corporation group of companies.

Forward-Looking Information and Non-GAAP Financial Measures

This release may contain forward-looking statements about the Company, including its business operations, strategy and expected financial performance and condition. 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", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future Company action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the insurance industry generally. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, catastrophic events, and the Company's ability to complete strategic transactions and integrate acquisitions. The reader is cautioned that the foregoing list of important factors is not exhaustive. The reader is also cautioned to consider these and other factors carefully and not place undue reliance on forward-looking statements.

Net income, basic earnings per common share and return on common shareholders' equity are presented before restructuring as a measure of earnings performance excluding acquisition related restructuring charges. These are non-GAAP financial measures that do not have standard meanings and are not directly comparable to similar measures used by other issuers.

Further information

Selected financial information is attached.

Great-West Lifeco's fourth quarter analyst teleconference will be held Thursday, February 17, at 2:00 p.m. (Eastern). The call can be accessed through www.greatwestlifeco.com or by phone, through listen-only lines at:

- Participants in the Toronto area: 416-405-9310
- Participants from North America: 1-877-211-7911
- Participants from Overseas: Dial international access code first, then 800-3276-6377.

A replay of the call will be available from February 17, until February 24, and can be accessed by calling 1-800-408-3053 or 416-695-5800 in Toronto (passcode: 3137175#).

Additional information relating to Lifeco, including 2004 audited financial statements, Management's Discussion and Analysis (MD&A), Annual Information Form (AIF) and CEO/CFO certificates will be filed on SEDAR at www.sedar.com.

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For more information contact:

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GREAT-WEST
LIFECO INC.

FINANCIAL HIGHLIGHTS *(unaudited)*
(in \$ millions except per share amounts)

	For the three months ended			For the years ended		
	December 31			December 31		
	2004	2003	% Change	2004	2003	% Change
Premiums:						
Life insurance, guaranteed annuities and insured health products	\$ 3,764	\$ 3,759	0%	\$ 14,202	\$ 12,441	14%
Self-funded premium equivalents (ASO contracts)	1,912	1,932	-1%	7,981	8,218	-3%
Segregated funds deposits:						
Individual products	1,377	1,193	15%	5,501	3,034	81%
Group products	1,275	1,487	-14%	6,406	4,510	42%
Total premiums and deposits	8,328	8,371	-1%	34,090	28,203	21%
Bulk reinsurance - initial ceded premiums (1)	-	57		-	(5,372)	
Net premiums and deposits	8,328	8,428	-1%	34,090	22,831	49%
Fee and other income	599	501	20%	2,273	1,831	24%
Paid or credited to policyholders (1)	4,001	4,124	-3%	15,490	8,346	86%
Net income attributable to:						
Preferred shareholders	17	14	21%	60	41	46%
Common shareholders before restructuring costs (2)	423	365	16%	1,630	1,215	34%
Restructuring costs after tax (2)	14	8	75%	30	20	50%
Common shareholders	409	357	15%	1,600	1,195	34%
Per Common Share (3)						
Basic earnings before restructuring costs (2)	\$ 0.475	\$ 0.411	16%	\$ 1.827	\$ 1.499	22%
Restructuring costs after tax (2)	0.016	0.008	100%	0.033	0.024	38%
Basic earnings after restructuring costs	0.459	0.403	14%	1.794	1.475	22%
Dividends paid	0.18125	0.14625	24%	0.685	0.5625	22%
Book value				9.13	8.36	9%
Return on common shareholders' equity (12 months):						
Net income before restructuring costs (2)				20.8%	20.7%	
Net income				20.5%	20.4%	

At December 31

Total assets	\$ 95,851	\$ 97,451	-2%
Segregated funds assets	69,033	61,699	12%
Total assets under administration	\$ 164,884	\$ 159,150	4%
Capital stock and surplus	\$ 9,425	\$ 8,590	10%

- (1) During 2003, as part of a risk rebalancing program related to the acquisition of Canada Life Financial Corporation (CLFC), a number of bulk reinsurance ceded contracts were executed by The Great-West Life Assurance Company (Great-West) and Great-West Life & Annuity Insurance Company (GWL&A) with third parties. Premiums related to the initial cession of in force policy liabilities were \$5,372.
- (2) Following the acquisition of CLFC by the Company, a plan was developed to restructure and exit selected operations of CLFC (see note 3 in the Company's financial statements). The costs include \$350 that was recognized as part of the purchase equation of CLFC, and \$98 to be charged to income as it is incurred. Net income, basic earnings per common share and return on common shareholders' equity are presented before restructuring as a measure of earnings performance, excluding restructuring charges related to the acquisition of CLFC, and incurred during the period.
- (3) Per Common Share computations have been adjusted to reflect the two-for-one subdivision of the Company's common shares effective October 6, 2004 (see note 12 in the Company's financial statements).

GREAT-WEST
LIFECO INC.

SUMMARY OF CONSOLIDATED OPERATIONS (unaudited)

(in \$ millions except per share amounts)

	For the three months ended December 31		For the years ended December 31	
	2004	2003	2004	2003
Income				
Premium income	\$ 3,764	\$ 3,759	\$ 14,202	\$ 12,441
Bulk reinsurance - initial ceded premiums	-	57	-	(5,372)
	<u>3,764</u>	<u>3,816</u>	<u>14,202</u>	<u>7,069</u>
Net investment income	1,345	1,362	5,266	4,529
Fee and other income	599	501	2,273	1,831
	<u>5,708</u>	<u>5,679</u>	<u>21,741</u>	<u>13,429</u>
Benefits and Expenses				
Paid or credited to policyholders and beneficiaries				
including policyholder dividends and experience refunds	4,001	4,124	15,490	8,346
Commissions	379	298	1,281	919
Operating expenses	565	597	2,264	2,036
Restructuring costs	18	10	44	31
Premium taxes	61	41	251	156
Amortization of finite life intangible assets	4	7	18	7
Distribution on Capital Trust Securities	9	9	31	28
Net income before income taxes	<u>671</u>	<u>593</u>	<u>2,362</u>	<u>1,906</u>
Income taxes				
- current	23	254	398	728
- future	135	(80)	168	(178)
Net income before non-controlling interests	<u>513</u>	<u>419</u>	<u>1,796</u>	<u>1,356</u>
Non-controlling interests	87	48	136	120
Net income - shareholders	<u>426</u>	<u>371</u>	<u>1,660</u>	<u>1,236</u>
Preferred shareholder dividends	17	14	60	41
Net income - common shareholders	<u>\$ 409</u>	<u>\$ 357</u>	<u>\$ 1,600</u>	<u>\$ 1,195</u>
Earnings per common share				
Basic	<u>\$ 0.459</u>	<u>\$ 0.403</u>	<u>\$ 1.794</u>	<u>\$ 1.475</u>
Diluted	<u>\$ 0.455</u>	<u>\$ 0.400</u>	<u>\$ 1.778</u>	<u>\$ 1.461</u>
Average number of shares outstanding (adjusted for two-for-one subdivision of the Company's common shares during 2004)				
Basic			891,966,102	810,094,788
Diluted			900,140,749	817,946,410

GREAT-WEST
LIFECO INC.

CONSOLIDATED BALANCE SHEET *(unaudited)*
(in \$ millions)

	<u>December 31,</u> <u>2004</u>	<u>December 31,</u> <u>2003</u>
Assets		
Bonds	\$ 54,960	\$ 54,208
Mortgage loans	14,554	15,088
Stocks	3,405	3,199
Real estate	1,646	1,594
Loans to policyholders	6,499	6,566
Cash and certificates of deposit	2,472	2,461
Funds held by ceding insurers	2,337	4,142
Goodwill	5,328	5,265
Intangible assets	1,508	1,398
Other assets	3,142	3,530
Total assets	<u>\$ 95,851</u>	<u>\$ 97,451</u>
Liabilities		
Policy liabilities		
Actuarial liabilities	\$ 65,822	\$ 66,999
Provision for claims	997	1,092
Provision for policyholder dividends	589	544
Provision for experience rating refunds	611	840
Policyholder funds	2,076	2,023
	<u>70,095</u>	<u>71,498</u>
Debtures and other borrowings	2,088	2,576
Funds held under reinsurance contracts	4,108	4,655
Other liabilities	4,622	4,974
Repurchase agreements	676	503
Deferred net realized gains	2,164	2,237
	<u>83,753</u>	<u>86,443</u>
Non-controlling interests		
Participating surplus in subsidiaries	1,654	1,582
Preferred shareholders in subsidiaries	368	370
Capital trust securities	651	466
Capital Stock and Surplus		
Capital stock	5,947	5,783
Surplus	3,904	2,993
Currency translation account	(426)	(186)
	<u>9,425</u>	<u>8,590</u>
Liabilities, capital stock and surplus	<u>\$ 95,851</u>	<u>\$ 97,451</u>

GREAT-WEST
LIFECO INC.

Segmented Information (Unaudited)

Consolidated Operations

For the three months ended December 31, 2004

	Canada	Europe	United States	Lifeco Corporate	Total
Income:					
Premium income	\$ 1,554	\$ 1,761	\$ 449	\$ -	\$ 3,764
Net investment income	660	270	415	-	1,345
Fee and other income	173	132	294	-	599
Total income	2,387	2,163	1,158	-	5,708
Benefits and Expenses:					
Paid or credited to policyholders	1,504	1,889	608	-	4,001
Other	554	148	301	2	1,005
Restructuring costs	-	-	-	18	18
Amortization of finite life intangible assets	3	1	-	-	4
Distribution on Capital Trust Securities	9	-	-	-	9
Net operating income before income taxes	317	125	249	(20)	671
Income taxes	67	12	81	(2)	158
Net income before non-controlling interests	250	113	168	(18)	513
Non-controlling interests	83	2	2	-	87
Net income - shareholders	167	111	166	(18)	426
Preferred shareholder dividends	17	-	-	-	17
Net income - common shareholders	\$ 150	\$ 111	\$ 166	\$ (18)	\$ 409

GREAT-WEST
LIFECO INC.

For the three months ended December 31, 2003

	Canada	Europe	United States	Lifeco Corporate	Total
Income:					
Premium income	\$ 1,487	\$ 1,597	\$ 675	\$ -	\$ 3,759
Bulk reinsurance - initial ceded premiums	-	-	57	-	57
	<u>1,487</u>	<u>1,597</u>	<u>732</u>	<u>-</u>	<u>3,816</u>
Net investment income	655	271	434	2	1,362
Fee and other income	165	64	272	-	501
	<u>165</u>	<u>64</u>	<u>272</u>	<u>-</u>	<u>501</u>
Total income	<u>2,307</u>	<u>1,932</u>	<u>1,438</u>	<u>2</u>	<u>5,679</u>
Benefits and Expenses:					
Paid or credited to policyholders	1,572	1,711	841	-	4,124
Other	446	131	357	2	936
Restructuring costs	-	-	-	10	10
Amortization of finite life intangible assets	7	-	-	-	7
Distribution on Capital Trust Securities	9	-	-	-	9
	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9</u>
Net operating income before income taxes	<u>273</u>	<u>90</u>	<u>240</u>	<u>(10)</u>	<u>593</u>
Income taxes	104	2	69	(1)	174
	<u>104</u>	<u>2</u>	<u>69</u>	<u>(1)</u>	<u>174</u>
Net income before non-controlling interests	<u>169</u>	<u>88</u>	<u>171</u>	<u>(9)</u>	<u>419</u>
Non-controlling interests	45	(2)	5	-	48
	<u>45</u>	<u>(2)</u>	<u>5</u>	<u>-</u>	<u>48</u>
Net income - shareholders	<u>124</u>	<u>90</u>	<u>166</u>	<u>(9)</u>	<u>371</u>
Preferred shareholder dividends	14	-	-	-	14
	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14</u>
Net income - common shareholders	<u>\$ 110</u>	<u>\$ 90</u>	<u>\$ 166</u>	<u>\$ (9)</u>	<u>\$ 357</u>

GREAT-WEST
LIFECO INC.

For the year ended December 31, 2004

	Canada	Europe	United States	Lifeco Corporate	Total
Income:					
Premium income	\$ 6,413	\$ 6,122	\$ 1,667	\$ -	\$ 14,202
Net investment income	2,552	1,022	1,692	-	5,266
Fee and other income	682	400	1,191	-	2,273
Total income	9,647	7,544	4,550	-	21,741
Benefits and Expenses:					
Paid or credited to policyholders	6,656	6,524	2,310	-	15,490
Other	1,917	593	1,276	10	3,796
Restructuring costs	-	-	-	44	44
Amortization of finite life intangible assets	13	5	-	-	18
Distribution on Capital Trust Securities	31	-	-	-	31
Net operating income before income taxes	1,030	422	964	(54)	2,362
Income taxes	202	63	317	(16)	566
Net income before non-controlling interests	828	359	647	(38)	1,796
Non-controlling interests	122	3	11	-	136
Net income - shareholders	706	356	636	(38)	1,660
Preferred shareholder dividends	60	-	-	-	60
Net income - common shareholders	\$ 646	\$ 356	\$ 636	\$ (38)	\$ 1,600

GREAT-WEST
LIFECO_{INC.}

For the year ended December 31, 2003

	Canada	Europe	United States	Lifeco Corporate	Total
Income:					
Premium income	\$ 5,079	\$ 4,676	\$ 2,686	\$ -	\$ 12,441
Bulk reinsurance - initial ceded premiums	(2,716)	-	(2,656)	-	(5,372)
	2,363	4,676	30	-	7,069
Net investment income	2,205	800	1,522	2	4,529
Fee and other income	529	125	1,177	-	1,831
Total income	5,097	5,601	2,729	2	13,429
Benefits and Expenses:					
Paid or credited to policyholders	2,723	5,143	480	-	8,346
Other	1,443	299	1,365	4	3,111
Restructuring costs	-	-	-	31	31
Amortization of finite life intangible assets	7	-	-	-	7
Distribution on Capital Trust Securities	28	-	-	-	28
Net operating income before income taxes	896	159	884	(33)	1,906
Income taxes	260	9	287	(6)	550
Net income before non-controlling interests	636	150	597	(27)	1,356
Non-controlling interests	114	2	4	-	120
Net income - shareholders	522	148	593	(27)	1,236
Preferred shareholder dividends	41	-	-	-	41
Net income - common shareholders	\$ 481	\$ 148	\$ 593	\$ (27)	\$ 1,195



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February 21, 2005

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
L'Autorite des marches financiers
Office of the Administrator, New Brunswick
Securities Commission of Newfoundland
Nova Scotia Securities Commission
Registrar of Securities, Prince Edward Island
Securities Registry, Government of the Northwest Territories
Registrar of Securities, Government of the Yukon Territory
Nunavut Legal Registry
Toronto Stock Exchange

Dear Sirs:

Subject: Great-West Lifeco Inc.

We advise the following with respect to the upcoming Meeting of Shareholders for the subject Corporation:

- | | | | |
|----|--|---|--|
| 1. | Meeting Date | : | May 5, 2005 |
| 2. | Record Date | : | March 18, 2005 |
| 3. | Record Date for Voting | : | March 18, 2005 |
| 4. | Beneficial Ownership Determination Date | : | March 18, 2005 |
| 5. | Class of Securities Entitled to Receive Notice | : | Common, Preferred Series D, Preferred Series E,
Preferred Series F and Preferred Series G |
| 6. | Class of Securities Entitled to Vote | : | Common, Preferred Series D, Preferred Series E,
Preferred Series F and Preferred Series G |
| 7. | Meeting Type | : | Annual Meeting (Routine business) |
| 8. | CUSIP Number | : | 39138C106, 39138C601, 39138C700,
39138C809 and 39138C882 |
| 9. | Meeting Location | : | London, Ontario |

Yours truly,

COMPUTERSHARE TRUST COMPANY OF CANADA

"signed by"

Marilyne Paynter
Relationship Manager
Stock Transfer Department
Direct Dial No: (403) 267-6824 Fax (403) 267-6529
Email: marilyne.paynter@computershare.com

cc: Great-West Lifeco Inc.
Attention: Laurie Speers, Associate Corporate Secretary