

May 9, 2019

E-L FINANCIAL CORPORATION LIMITED ANNOUNCES MARCH 31, 2019 FINANCIAL RESULTS

TORONTO, Ontario - E-L Financial Corporation Limited (“E-L Financial” or the “Company”) (TSX: ELF) (TSX: ELF.PR.F) (TSX: ELF.PR.G) (TSX: ELF.PR.H) today reported a net equity value per common share of \$1,382.18 as at March 31, 2019, an increase of 7% from \$1,295.65 as at December 31, 2018.

For the first quarter ended March 31, 2019, E-L Financial earned a consolidated shareholders' net income of \$309 million, or \$77.68 per common share, compared with \$66 million, or \$15.69 per common share in 2018.

E-L Corporate

E-L Corporate reported a net income of \$266 million for the first quarter ended March 31, 2019, compared to \$27 million for the comparable period in 2018. The increase in net income is primarily due to higher net gains on investments of \$341 million in the first quarter of 2019 compared to \$22 million in 2018. E-L Corporate's global investment portfolio had a pre-tax total return of 8% in 2019 compared to a pre-tax total return of 1% in the prior year. Investments in Canada and the U.S. were the largest contributors to the first quarter 2019 investment performance with a positive pre-tax total return of approximately 11%.

Empire Life

For the first quarter ended March 31, 2019, the Empire Life segment reported net income of \$43 million compared to \$39 million in 2018. The net income for 2019 increased primarily due to higher income from the Individual Insurance, Wealth Management and Capital and Surplus segments, partially offset by lower income from Employee Benefits. Higher net income in the Wealth Management and Individual Insurance product lines were partly due to improved equity markets. Individual insurance also benefited from higher profits on new business, partly offset by losses from declining interest rate yields and unfavourable lapse experience. The Employee Benefits product line had less favourable claims experience compared to the first quarter of 2018.

Empire Life's Life Insurance Capital Adequacy Test (“LICAT”) total ratio was 150% at March 31, 2019 compared to 149% at December 31, 2018, well above the requirements set by the Office of the Superintendent of Financial Institutions Canada as well as Empire Life's minimum internal targets.

CONSOLIDATED SUMMARY OF NET INCOME (UNAUDITED)

E-L Financial Consolidated <i>(millions of dollars)</i>	First quarter	
	2019	2018
Contribution to net income		
E-L Corporate ¹	\$ 266	\$ 27
Empire Life ²	43	39
Net income	\$ 309	\$ 66

E-L Corporate <i>(millions of dollars)</i>	First quarter	
	2019	2018
Revenue		
Net gain on investments ³	\$ 341	\$ 22
Investment and other income	30	25
Share of associates income (loss)	3	(2)
	374	45
Operating expenses	9	9
Income taxes	49	5
Non-controlling interests	50	4
	108	18
Net income	\$ 266	\$ 27

Empire Life <i>(millions of dollars)</i>	First quarter	
	2019	2018
Revenue		
Net premiums	\$ 238	\$ 211
Net gain (loss) on investments ³	412	(80)
Investment and other income	75	67
Fee income	64	66
	789	264
Benefits and expenses	728	207
Income and other taxes	17	16
Non-controlling and participating policyholders' interests	1	2
	746	225
Net income	\$ 43	\$ 39

¹ Net of non-controlling interests

² Net of non-controlling interests and participating policyholders' net income (loss)

³ Includes fair value change on FVTPL investments and realized gains on AFS investments

Empire Life's Sources of Earnings <i>(millions of dollars)</i>	First quarter	
	2019	2018
Expected profit on in-force business	\$ 51	\$ 49
Impact of new business	(2)	(4)
Experience gains	4	4
Management actions and changes in assumptions	(1)	—
Earnings on operations before income taxes	52	50
Earnings on surplus	8	5
Income taxes	(14)	(12)
Non-controlling interests	(3)	(4)
Net income	\$ 43	\$ 39

Non-GAAP Measures

The Company uses non-GAAP measures including net equity value per common share to provide investors with supplemental measures of its operating performance that may not otherwise be apparent when relying solely on International Financial Reporting Standards (“IFRS”) financial measures. Net equity value per common share provides an indication of the accumulated shareholder value, adjusting shareholders’ equity to reflect investments in associates at fair value, net of tax, as opposed to their carrying value.

The Company also uses sources of earnings and assets under management to provide investors with supplemental measures of Empire Life's performance and to highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers.

About E-L Financial

E-L Financial operates as an investment and insurance holding company. In managing its operations, E-L Financial distinguishes between two operating segments, E-L Corporate and Empire Life.

E-L Corporate represents investments in stocks and fixed income securities held directly and indirectly through pooled funds, closed-end investment companies and other investment companies. The investment strategy is to accumulate shareholder value through long-term capital appreciation and dividend and income from its investments.

Empire Life is a subsidiary of E-L Financial. Since 1923, Empire Life has provided individual and group life and health insurance, investment and retirement products to Canadians. Empire Life’s mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security. As of March 31, 2019 Empire Life had total assets under management of \$18 billion.

For further information please contact:

Scott F. Ewert

Vice President and Chief Financial Officer
E-L Financial Corporation Limited
Telephone: (416) 947-2578
Fax: (416) 362-0792