

March 3, 2022

E-L FINANCIAL CORPORATION LIMITED ANNOUNCES DECEMBER 31, 2021 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 \$1,884.08 as at December 31, 2021, compared to \$1,684.93 as at December 31, 2020.

For the year ended December 31, 2021, E-L Financial reported consolidated shareholder's net income of \$1,153 million or \$314.67 per common share compared to \$500 million or \$128.21 per common share in 2020. For the fourth quarter ended December 31, 2021, E-L Financial reported consolidated shareholders' net income of \$278 million or \$75.82 per common share compared to \$510 million or 136.42 per common share in 2020.

For the year ended December 31, 2021, consolidated comprehensive income was \$1,134 million or \$309.54 per common share compared to \$532 million or \$136.75 per common share for 2020. Other comprehensive loss was \$19 million in 2021 compared to other comprehensive income ("OCI") of \$32 million in 2020. For the fourth quarter of 2021, OCI was \$14 million compared to \$1 million in the fourth quarter of 2020. The movement in OCI during the year and fourth quarter of 2021 was primarily due to changes in the unrealized fair value gains on Empire's AFS investments and a higher gain on re-measurement of post-employment benefit liabilities.

"E-L Financial and Empire Life have surpassed our plans and expectations with the 2021 financial results. Empire Life reported a 2021 return on its common shareholder equity of 13.8% and E-L Financial's 2021 growth in net equity value per common share, including dividends, was 17.1%, both excellent results. Our employees, management teams and directors are committed to our strategy to accumulate shareholder value through long-term capital appreciation. Although there will undoubtedly be industry and market challenges ahead, we are optimistic that our business plans and our companies are well prepared. Finally, I am happy to report to you, that our Board of Directors today approved a special additional cash dividend of \$25.00 per Common Share which is in addition to the \$2.50 quarterly Common Shareholder dividends payable April 14, 2022," said Duncan N.R. Jackman, Chairman, President and CEO of E-L Financial.

E-L Corporate

For the year ended December 31, 2021, E-L Corporate reported net income of \$915 million compared to \$361 million in 2020. The increase in earnings was primarily due to a higher net gain on investments of \$931 million in 2021 compared to \$453 million in 2020. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 18% in 2021 compared to a pre-tax total return of 10% in the prior year. The global investment portfolio has shown strong and consistent growth throughout 2021 and 2020.

E-L Corporate reported a net income of \$261 million for the fourth quarter of 2021 compared to \$438 million for the comparable period in 2020. The decrease in net income for the fourth quarter of 2021 is primarily due to a net lower gain on investments of \$303 million compared to \$527 million in 2020. E-L Corporate's global investment portfolio had pre-tax total return, including dividend income of 6% for the fourth quarter of 2021 compared to 10% in the fourth quarter of 2020.

Empire Life

Empire Life reported net income of \$238 million for the year ended December 31, 2021 compared to \$139 million in 2020. Earnings increased in 2021 primarily due to the release of segregated fund guarantee reserves in the first quarter of 2021 and lower asset trading gains.

The Empire Life segment reported net income of \$17 million in the fourth quarter of 2021 compared to \$72 million for the fourth quarter of 2020. The decrease in fourth quarter earnings was primarily due to the effect of assumption updates applied in the Individual Insurance line which had an unfavourable impact on fourth quarter earnings in 2021 compared to a gain in 2020.

Empire Life's Life Insurance Capital Adequacy Test ("LICAT") total ratio was 144% at December 31, 2021 compared to 136% at December 31, 2020, 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>	Fourth quarter		Year	
	2021	2020	2021	2020
Contribution to net income				
E-L Corporate ¹	\$ 261	\$ 438	\$ 915	\$ 361
Empire Life ²	17	72	238	139
Net income	\$ 278	\$ 510	\$ 1,153	\$ 500

E-L Corporate <i>(millions of dollars)</i>	Fourth quarter		Year	
	2021	2020	2021	2020
Revenue				
Net gain on investments ³	\$ 303	\$ 527	\$ 931	\$ 453
Investment and other income	33	34	134	130
Share of associates income (loss)	15	27	158	(29)
	351	588	1,223	554
Operating expenses	12	12	49	42
Income taxes	44	71	151	66
Non-controlling interests	34	67	108	85
	90	150	308	193
Net income	\$ 261	\$ 438	\$ 915	\$ 361

Empire Life <i>(millions of dollars)</i>	Fourth quarter		Year	
	2021	2020	2021	2020
Revenue				
Net premiums	\$ 240	\$ 221	\$ 916	\$ 860
Net gain (loss) on investments ³	259	102	(259)	541
Investment income	86	86	329	330
Fee income	70	66	273	251
	655	475	1,259	1,982
Benefits and expenses	635	363	917	1,762
Income and other taxes	(4)	31	83	63
Non-controlling and participating policyholders' interests	7	9	21	18
	638	403	1,021	1,843
Net income	\$ 17	\$ 72	\$ 238	\$ 139

¹ Net of non-controlling interests

² Net of non-controlling interests and participating policyholders' amounts

³ Includes fair value change in fair value through profit or loss investments and realized gain on available for sale investments

Empire Life's Sources of Earnings

(Unaudited)

<i>(millions of dollars)</i>	Fourth quarter		Year	
	2021	2020	2021	2020
Expected profit on in-force business	\$ 51	\$ 55	\$ 199	\$ 215
Impact of new business	(4)	(1)	(20)	(16)
Experience gains (losses)	15	61	159	(81)
Management actions and changes in assumptions	(55)	(22)	(38)	13
Earnings on operations before income taxes	6	92	299	130
Earnings on surplus	7	8	14	70
Income taxes	5	(25)	(67)	(47)
Non-controlling interests ⁽¹⁾	(1)	(3)	(8)	(14)
Net income	\$ 17	\$ 72	\$ 238	\$ 139

⁽¹⁾ Including preference share dividends

Non-GAAP Measures

The Company uses non-GAAP measures including net equity value and growth in net equity value per common share to provide investors with 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, assets under management and return on common shareholders' equity to provide investors with supplemental measures of Empire Life's operating 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 interest 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 products and services they need to achieve financial security. As of December 31, 2021 Empire Life had total assets under management of \$20 billion.

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