

May 9, 2022

E-L FINANCIAL CORPORATION LIMITED ANNOUNCES MARCH 31, 2022 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 \$1,773.43 as at March 31, 2022, compared to \$1,884.08 as at December 31, 2021.

For the first quarter ended March 31, 2022, E-L Financial reported consolidated shareholder's net loss of \$236 million or \$66.52 per common share compared to net income of \$466 million or \$127.90 per common share in 2021.

Consolidated comprehensive loss for the first quarter of 2022 was \$322 million or \$90.52 per common share compared to comprehensive income \$416 million or \$114.05 per common share for 2021. Other comprehensive loss ("OCL") was \$86 million for the first quarter of 2022 compared to \$50 million in 2021. OCL increased in the first quarter of 2022 primarily due to higher unrealized fair value losses on Empire's available for sale investments resulting from increases in interest rates and credit spreads during the first quarter of 2022.

Today the Board of Directors of E-L Financial declared a quarterly dividend of \$2.50 per common share payable on July 15, 2022.

E-L Corporate

E-L Corporate reported a net loss of \$274 million for the first quarter of 2022 compared to net income of \$310 million for the comparable period in 2021. The decrease in net income for the first quarter of 2022 is primarily due to a net loss on investments of \$462 million compared to a net gain of \$230 million in 2021. E-L Corporate's global investment portfolio had pre-tax total return, including dividend income of negative 7% for the first quarter of 2022 compared to a pre-tax total return of positive 5% in the first quarter of 2021.

Empire Life

The Empire Life segment reported net income of \$38 million in the first quarter of 2022 compared to \$156 million for the first quarter of 2021. The decrease in first quarter earnings was primarily a result of a non-recurring release of segregated fund guarantee related policy liabilities which occurred in the first quarter of 2021. Excluding the impact of the release of these policy liabilities, net income in the first quarter of 2022 was lower primarily due to the unfavourable market impact on capital and surplus and lower net income from the Individual Insurance line.

Empire Life's Life Insurance Capital Adequacy Test ("LICAT") total ratio was 142% at March 31, 2022 compared to 144% at December 31, 2021, 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	
	2022	2021
Contribution to net (loss) income		
E-L Corporate ¹	\$ (274)	\$ 310
Empire Life ²	38	156
Net (loss) income	\$ (236)	\$ 466
E-L Corporate <i>(millions of dollars)</i>	First quarter	
	2022	2021
Revenue		
Net (loss) gain on investments ³	\$ (462)	\$ 230
Investment and other income	26	40
Share of associates income	3	106
	(433)	376
Operating expenses	10	11
Income taxes	(59)	43
Non-controlling interests	(110)	12
	(159)	66
Net (loss) income	\$ (274)	\$ 310
Empire Life <i>(millions of dollars)</i>	First quarter	
	2022	2021
Revenue		
Net premiums	\$ 243	\$ 225
Net loss on investments ³	(790)	(636)
Investment income	82	80
Fee income	69	66
	(396)	(265)
Benefits and expenses	(453)	(486)
Income and other taxes	16	59
Non-controlling and participating policyholders' interests	3	6
	(434)	(421)
Net income	\$ 38	\$ 156

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)

	First quarter	
(millions of dollars)	2022	2021
Expected profit on in-force business	\$ 55	\$ 48
Impact of new business	(2)	—
Experience gains (losses)	(1)	150
Management actions and changes in assumptions	1	9
Earnings on operations before income taxes	52	208
Earnings on surplus	—	6
Income taxes	(11)	(54)
Non-controlling interests ⁽¹⁾	(3)	(4)
Net income	\$ 38	\$ 156

⁽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 build wealth, generate income, and achieve financial security. As of March 31, 2022 Empire Life had total assets under management of \$19 billion.

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