

August 9, 2022

E-L FINANCIAL CORPORATION LIMITED ANNOUNCES JUNE 30, 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 \$1,626.33 as at June 30, 2022, compared to \$1,884.08 as at December 31, 2021.

For the second quarter ended June 30, 2022, E-L Financial reported consolidated shareholder's net loss of \$439 million or \$123.75 per common share compared to net income of \$241 million or \$65.47 per common share in 2021. For the six months ended June 30, 2022, E-L Financial reported a consolidated net loss of \$675 million or \$190.07 per common share compared to net income of \$707 million or \$193.37 per common share in 2021.

Consolidated comprehensive loss was \$524 million in the second quarter of 2022 or \$147.44 per common share compared to comprehensive income of \$262 million or \$71.30 per common share for the second quarter of 2021. Other comprehensive loss ("OCL") was \$85 million for the second quarter of 2022 compared to other comprehensive income ("OCI") of \$21 million in 2021. OCL increased in the second quarter of 2022 primarily due to higher unrealized fair value losses on Empire's available for sale investments, partially offset by a gain on the remeasurement of the post-employment defined benefit plans. The loss on these components of OCL was primarily due to increases in interest rates and credit spreads during the second quarter of 2022.

Consolidated comprehensive loss for the first six months of 2022 was \$846 million or \$237.76 per common share compared to comprehensive income of \$678 million or \$185.35 per common share for 2021. OCL was \$171 million in 2022 compared \$29 million in 2021.

Today the Board of Directors of E-L Financial declared a quarterly dividend of \$2.50 per common share payable on October 17, 2022.

E-L Corporate

E-L Corporate reported a net loss of \$473 million for the second quarter of 2022 compared to net income of \$210 million for the comparable period in 2021. The decrease in net income for the second quarter of 2022 is primarily due to a net loss on investments of \$697 million compared to a net gain of \$264 million in 2021. E-L Corporate's global investment portfolio had pre-tax total return, including dividend income of negative 12% for the second quarter of 2022 compared to a pre-tax total return of positive 5% in the second quarter of 2021. Global equity markets have been negatively impacted by concerns around higher levels of inflation and rising interest rates.

E-L Corporate reported a net loss of \$747 million for the first six months of 2022 compared to net income of \$519 million for the comparable period in 2021. The decrease in earnings was primarily due to a net loss on investments of \$1,159 million in 2022 compared to a net gain of \$494 million in 2021. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of negative 19% in the first six months of 2022 compared to a pre-tax total return of 9% in 2021.

Empire Life

The Empire Life segment reported net income of \$34 million in the second quarter of 2022 compared to \$31 million for the second quarter of 2021. The increase in second quarter earnings was primarily due to the favourable market impact of a positive yield curve offset by poor equity market performance.

The Empire Life segment reported net income of \$72 million for the first six months of 2022 compared to \$188 million for the comparable period in 2021. The decrease in year to date earnings was primarily due to the non-recurring release of segregated fund guarantee related policy liabilities which occurred in the first quarter of 2021.

Empire Life's Life Insurance Capital Adequacy Test ("LICAT") total ratio was 139% at June 30, 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 (LOSS) INCOME
(UNAUDITED)

E-L Financial Consolidated <i>(millions of dollars)</i>	Second quarter		Year to date	
	2022	2021	2022	2021
Contribution to net (loss) income				
E-L Corporate ¹	\$ (473)	\$ 210	\$ (747)	\$ 519
Empire Life ²	34	31	72	188
Net (loss) income	(439)	241	(675)	707
Other comprehensive (loss) income ⁽²⁾	(85)	21	(171)	(29)
Comprehensive (loss) income	\$ (524)	\$ 262	\$ (846)	\$ 678

E-L Corporate <i>(millions of dollars)</i>	Second quarter		Year to date	
	2022	2021	2022	2021
Revenue				
Net (loss) gain on investments ³	\$ (697)	\$ 264	\$ (1,159)	\$ 494
Investment and other income	34	33	60	73
Share of associates income	2	14	5	119
	(661)	311	(1,094)	686
Operating expenses	9	14	19	25
Income taxes	(86)	41	(145)	84
Non-controlling interests	(111)	46	(221)	58
	(188)	101	(347)	167
Net (loss) income	(473)	210	(747)	519
Other comprehensive income (loss) ⁽²⁾	2	(3)	2	1
Comprehensive (loss) income	\$ (471)	\$ 207	\$ (745)	\$ 520

Empire Life <i>(millions of dollars)</i>	Second quarter		Year to date	
	2022	2021	2022	2021
Revenue				
Net premiums	\$ 244	\$ 223	\$ 487	\$ 448
Net (loss) gain on investments ³	(814)	243	(1,603)	(392)
Investment income	84	85	167	164
Fee income	72	67	140	133
	(414)	618	(809)	353
Benefits and expenses	(462)	569	(913)	82
Income and other taxes	13	13	29	72
Non-controlling and participating policyholders' interests	1	5	3	11
	(448)	587	(881)	165
Net income	34	31	72	188
Other comprehensive (loss) income, net of taxes ⁽²⁾	(87)	24	(173)	(30)
Comprehensive (loss) income	\$ (53)	\$ 55	\$ (101)	\$ 158

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>	Second quarter		Year to date	
	2022	2021	2022	2021
Expected profit on in-force business	\$ 53	\$ 49	\$ 108	\$ 98
Impact of new business	(1)	(6)	(4)	(7)
Experience (losses) gains	(36)	(4)	(38)	146
Management actions and changes in assumptions	17	5	18	15
Earnings on operations before income taxes	33	43	84	252
Earnings (loss) on surplus	11	(3)	11	3
Income taxes	(9)	(7)	(21)	(62)
Non-controlling interests ⁽¹⁾	(1)	(2)	(2)	(5)
Net income	\$ 34	\$ 31	\$ 72	\$ 188

⁽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 June 30, 2022 Empire Life had total assets under management of \$17 billion.

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