

# Invested in you.



## About iA Financial Group

iA Financial Group (Industrial Alliance Insurance and Financial Services Inc.) operates in all regions of Canada, as well as in the United States. Through a multi-channel distribution network of more than 25,000 representatives, it offers life and health insurance, savings and retirement plans, mutual and segregated funds, auto and home insurance, mortgage loans, car loans, creditor insurance and extended warranties.

- › **Founded in 1892**
- › **Listed on the TSX in 2000**
- › **More than 4,000,000 clients**
- › **More than 5,300 employees**

### › Credit ratings:

S&P:	A+ (Strong)
A.M. Best:	A+ (Superior)
DBRS:	A (high)

## Third Quarter Highlights

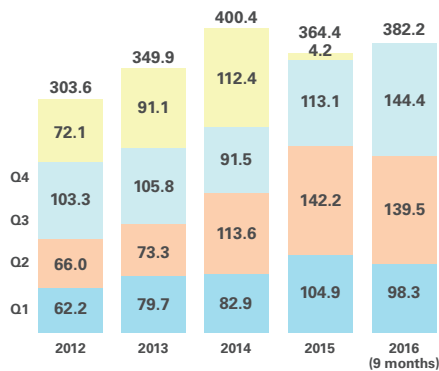
	Q3/2016	Q3/2015
› <b>Net income attributed to common shareholders</b>	<b>\$144.4M</b>	\$113.1M
› <b>EPS (diluted)</b>	<b>\$1.40</b>	\$1.11
› <b>Book value</b>	<b>\$38.63</b>	\$36.45
› <b>ROE (annualized)</b>	<b>14.7%</b>	12.3%
› <b>Solvency ratio</b>	<b>218%</b>	225%
› <b>Premiums &amp; deposits</b>	<b>\$2,080.4M</b>	\$1,762.8M
› <b>Assets under management &amp; administration</b>	<b>\$126.2B</b>	\$111.2B

"2016 is proving to be a truly outstanding year for iA Financial Group. Top-line growth has been robust in virtually all lines of business, profit from Employee Plans has been solid and fund flows from our mutual fund business continue to improve. In addition to building and developing profitable businesses organically, we remain focused on identifying opportunities that will enhance our competitive position in both Canada and the US."

Yvon Charest, President and Chief Executive Officer

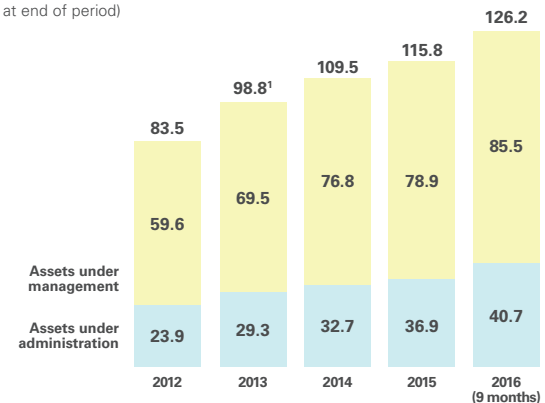
## Net Income Attributed to Common Shareholders

(\$Million)



## Assets Under Management & Administration

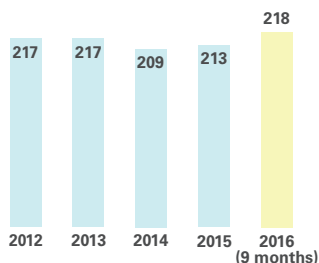
(\$Billion and at end of period)



<sup>1</sup>In 2014, an adjustment was made to recognize the deferred income taxes related to certain intangible asset items. This adjustment, which increased the goodwill and future income tax liability by an equivalent amount, was reflected retroactively to January 1, 2013. Years prior to 2013 were not adjusted.

## Solvency Ratio

(% and at end of period)



## 2016 Q3 Share Information

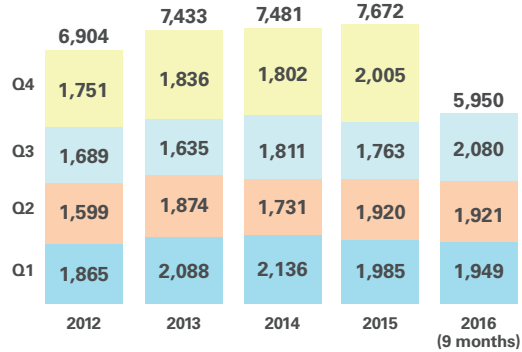
(As at September 30, 2016)

- › **Ticker:** IAG (TSX)
- › **Share price last 12 months (high/low):** \$48.38/\$35.00
- › **Share price (closing):** \$47.23
- › **Market capitalization:** \$4.9 billion
- › **Dividend per common share:** \$0.32 paid on September 15, 2016  
\$0.32 payable December 15, 2016
- › **Number of shares outstanding:\*** 103,318,379

\* Weighted daily average for the quarter, on a diluted basis

## Premiums, Premium Equivalents & Deposits

(\$Million)

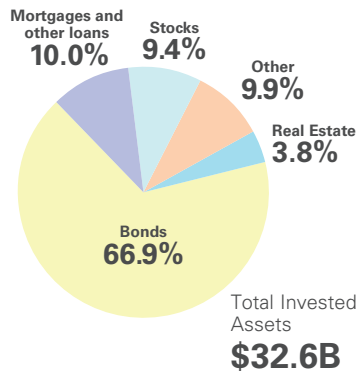


Note: The figures do not always add up exactly due to rounding differences.

## Quality of Investments

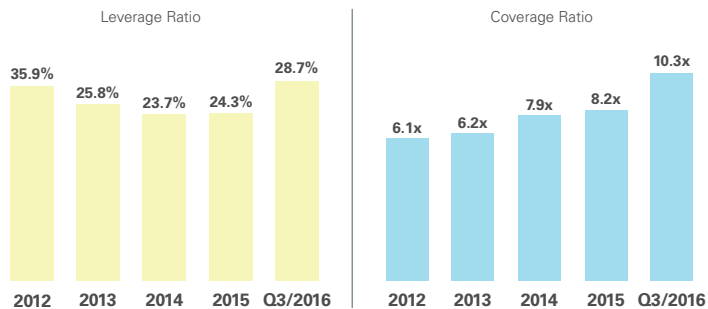
(As at September 30, 2016)

- Net impaired investments: 0.04% of total investments
- Bonds rated BB and lower: 0.66% of bond portfolio
- Mortgage loan delinquency rate: 0.27%
- Real estate occupancy rate: 89.4%



## Debt Measures

(At the end of period)



## Calendar of Events

- February 16, 2017 4th quarter 2016 financial results

## Sales Growth

Line of business (\$Million)	Q3/2016	Q3/2015
Individual Insurance	75.0	63.8
Individual Wealth Management		
- General fund	83.9	28.0
- Segregated funds	370.2	358.2
- Mutual funds	336.9	313.7
Group Insurance		
- Employee Plans	13.2	12.9
- Dealers – Creditor Insurance	109.7	109.1
- Dealers – P & C	55.6	56.5
- Special Markets Solutions	42.9	41.9
Group Savings and Retirement	455.1	246.0
General Insurance (auto and home)	74.9	66.7

## Market Shares

Line of business	New Business <sup>1</sup>		In force <sup>2</sup>	
	Rank	Market Share	Rank	Market Share
Individual Insurance	4 <sup>th</sup>	8.8%	4 <sup>th</sup>	8.7%
Individual Wealth Management				
- Segregated funds	3 <sup>rd</sup>	14.5%	3 <sup>rd</sup>	11.5%
- Mutual funds	17 <sup>th</sup>	-	19 <sup>th</sup>	-
Group Insurance <sup>3</sup>	8 <sup>th</sup>	5.4%	7 <sup>th</sup>	3.5%
Group Savings and Retirement	5 <sup>th</sup>	7.5%	4 <sup>th</sup>	5.2%

<sup>1</sup> First-year annualized premiums, except for Individual Wealth Management where it refers to gross sales

<sup>2</sup> Assets, except for Individual and Group Insurance where it refers to premiums

<sup>3</sup> Employee Groups Market of 50 to 1,000 employees

Source: Latest available industry data from: CLHA, Fraser Group, Investor Economics, IFIC and LIMRA

## Stock Market and Interest Rate Sensitivity

(As at September 30, 2016)

S&P/TSX closing value	14,726
S&P/TSX level at which provisions for future policy benefits would have to be strengthened	10,000
S&P/TSX level at which the solvency ratio decreases to 150%	5,800
Full year impact on net income of a sudden 10% decrease in stock markets	(\$29M)
After-tax impact on reserves of a 10 bps decrease in the Initial Reinvestment Rate (IRR)	(\$25M)

### Head Office

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