

Financial Information Package (unaudited)

For the Fourth Quarter of 2016

At December 31, 2016



GENERAL INFORMATION

Founded in 1892, iA Financial Group has a rich history marked by impressive growth. Today, it is a major financial group with operations throughout Canada and in the United States, offering a complete range of insurance and investment solutions for both individuals and groups. ■ iA Financial Group is ranked among the top four life and health insurers in Canada and is one of the country's leading non-banking financial companies in the wealth management sector. ■ iA Financial Group serves over four million clients and employs more than 5,300 people. iA Financial Group is one of Canada's largest public companies and trades on the Toronto Stock Exchange under the stock symbol IAG.

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Share Information

Industrial Alliance's common shares are listed on the Toronto Stock Exchange under the stock symbol IAG.

Credit Ratings

The following credit ratings are assigned to Industrial Alliance Insurance and Financial Services Inc.

Standard & Poor's: A+ (Strong)
DBRS: A (high)
A.M. Best: A+ (Superior)

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Dividend Reinvestment and Share Purchase Plan (DRIP)

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2016 Reporting Dates

2016 Fourth quarter - February 16, 2017
2017 First quarter - May 11, 2017
2017 Second quarter - August 3, 2017
2017 Third quarter - November 8, 2017
2017 Fourth quarter - February 15, 2018

For detailed information on upcoming earnings releases, investor conference calls and related disclosure documents, consult the Investor Relations section of our website at ia.ca

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Basis of Presentation

All amounts in this document are presented on an IFRS basis unless otherwise indicated and except for some specific measures (see the Cautionary Note below). Amounts are expressed in millions of Canadian dollars unless otherwise indicated.

Certain prior period amounts have been reclassified to conform to the current period's presentation.

Non-IFRS Financial Measures

iA Financial Group reports its financial results in accordance with International Financial Reporting Standards (IFRS). It also publishes certain non-IFRS financial measures that do not have an IFRS equivalent, including sales, value of new business and solvency ratio, or which have an IFRS equivalent such as data on operating profit and income taxes on earnings presented in the sources of earnings table. The Company also uses non-IFRS adjusted data in relation to net income, earnings per share and return on equity. These non-IFRS financial measures are often accompanied by and reconciled with IFRS financial measures.

The Company believes that these non-IFRS financial measures provide investors and analysts with additional information to better understand the Company's financial results as well as assess its growth and earnings potential. Since non-IFRS financial measures do not have a standardized definition, they may differ from the non-IFRS financial measures used by other institutions. The Company strongly encourages investors to review its financial statements and other publicly-filed reports in their entirety and not to rely on any single financial measure.

HIGHLIGHTS

<i>(in millions of dollars, unless otherwise indicated)</i>	Three months ended December 31			Twelve months ended December 31		
	2016	2015	Variation	2016	2015	Variation
PROFITABILITY						
Net income attributed to shareholders	159.2	8.3	---	553.7	386.4	43%
Dividends attributed to preferred shares	4.2	4.1	2%	16.5	18.0	(8%)
Redemption premium on preferred shares	---	---	---	---	4.0	---
Net income attributed to common shareholders	<u>155.0</u>	<u>4.2</u>	<u>---</u>	<u>537.2</u>	<u>364.4</u>	<u>47%</u>
Earnings per common share						
Basic	\$1.50	\$0.04	\$1.46	\$5.22	\$3.59	\$1.63
Diluted	\$1.48	\$0.04	\$1.44	\$5.19	\$3.57	\$1.62
Return on common shareholders' equity ¹						
Quarter annualized	14.9%	0.4%	---	---	---	---
Trailing 12 months	13.2%	10.2%	300 bps	13.2%	10.2%	300 bps
BUSINESS GROWTH						
Sales by line of business ¹						
Individual Insurance	93.4	73.7	27%	306.7	254.3	21%
Individual Wealth Management						
General fund	73.2	29.3	150%	300.6	130.4	131%
Segregated funds	383.2	366.8	4%	1,559.6	1,581.2	(1%)
Mutual funds	535.4	296.1	81%	1,474.3	1,428.5	3%
Total	<u>991.8</u>	<u>692.2</u>	<u>43%</u>	<u>3,334.5</u>	<u>3,140.1</u>	<u>6%</u>
Group Insurance						
Employee Plans	23.1	14.5	59%	71.4	68.0	5%
Dealer Services - Creditor Insurance ²	85.5	89.3	(4%)	363.0	363.0	0%
Dealer Services - P&C	43.8	49.1	(11%)	196.9	197.7	0%
Special Markets Solutions	59.8	59.1	1%	194.1	190.3	2%
Group Savings and Retirement	367.2	477.0	(23%)	1,481.4	1,316.2	13%
General Insurance						
IAAH (Auto & Home)	59.4	52.2	14%	278.6	247.3	13%
Net premiums, premium equivalent and deposits by line of business						
Individual Insurance	453.8	410.8	10%	1,686.1	1,578.5	7%
Individual Wealth Management	991.8	692.2	43%	3,334.5	3,140.1	6%
Group Insurance ³	379.6	378.8	0%	1,476.4	1,442.3	2%
Group Savings and Retirement	360.6	471.4	(24%)	1,455.0	1,293.3	13%
General Insurance ^{3,4}	66.6	51.5	29%	250.5	218.1	15%
Total	<u>2,252.4</u>	<u>2,004.7</u>	<u>12%</u>	<u>8,202.5</u>	<u>7,672.3</u>	<u>7%</u>
Assets under management and administration	126,234.2	115,813.3	9%	126,234.2	115,813.3	9%

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

² Includes all creditor insurance business sold by the Company.

³ Adjusted retroactively in Q4-2015 to include in Group Insurance the P&C premiums which were previously included in General Insurance.

⁴ Includes iA Auto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

HIGHLIGHTS (continued)

<i>(in millions of dollars, unless otherwise indicated)</i>	December 31, 2016	September 30, 2016	December 31, 2015
QUALITY OF INVESTMENTS			
Impaired investments and provisions (excluding insured loans)			
Net impaired investments	23.4	12.7	14.2
Net impaired investments as a % of investment portfolio	0.08%	0.04%	0.05%
Provisions for impaired investments (specific)	5.6	5.1	5.5
As a % of gross impaired investments	19.3%	28.7%	27.9%
Bonds			
Rated BB and lower	0.76%	0.66%	0.66%
Delinquency rate	0.00%	0.00%	0.00%
Mortgages			
Delinquency rate	0.27%	0.27%	0.29%
Occupancy rate on investment properties	90.2%	89.4%	90.1%
SOLVENCY RATIO ¹	225%	218%	213%
BOOK VALUE PER OUTSTANDING COMMON SHARE	\$40.97	\$38.63	\$36.76

¹Non-IFRS measure. See the glossary at the end of this document for a definition.

PROFITABILITY

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Net income												
Net income	152.5	148.8	144.0	102.4	3.0	117.5	146.3	115.2	124.8	547.7	382.0	435.2
Net income attributed to participating policyholders	(6.7)	0.3	0.4	0.0	(5.3)	(0.1)	0.2	0.8	1.1	(6.0)	(4.4)	2.3
Net income attributed to shareholders	159.2	148.5	143.6	102.4	8.3	117.6	146.1	114.4	123.7	553.7	386.4	432.9
Dividends attributed to preferred shares	4.2	4.1	4.1	4.1	4.1	4.5	3.9	5.5	7.3	16.5	18.0	28.5
Redemption premium on preferred shares	---	---	---	---	---	---	---	4.0	4.0	---	4.0	4.0
Net income attributed to common shareholders	155.0	144.4	139.5	98.3	4.2	113.1	142.2	104.9	112.4	537.2	364.4	400.4
Earnings per common share												
Basic	\$1.50	\$1.41	\$1.36	\$0.96	\$0.04	\$1.11	\$1.40	\$1.04	\$1.12	\$5.22	\$3.59	\$4.01
Diluted	\$1.48	\$1.40	\$1.35	\$0.96	\$0.04	\$1.11	\$1.40	\$1.03	\$1.11	\$5.19	\$3.57	\$3.97
Return on common shareholders' equity¹												
Quarter annualized	14.9%	14.7%	14.7%	10.5%	0.4%	12.3%	15.8%	12.1%	13.4%	---	---	---
Trailing 12 months	13.2%	10.1%	9.4%	9.8%	10.2%	13.5%	13.1%	12.7%	12.4%	13.2%	10.2%	12.4%
Net income attributed to common shareholders by line of business												
Individual Insurance	112.9	87.3	81.3	65.4	(40.6)	59.3	81.3	66.9	80.6	346.9	166.9	249.6
Individual Wealth Management	30.2	37.7	38.4	9.4	32.3	27.9	43.0	28.7	16.6	115.7	131.9	106.2
Group Insurance	3.1	14.0	14.9	21.4	4.8	17.7	12.9	4.1	10.0	53.4	39.5	26.8
Group Savings and Retirement	8.8	5.4	4.9	2.1	7.7	8.2	5.0	5.2	5.2	21.2	26.1	17.8
Total	155.0	144.4	139.5	98.3	4.2	113.1	142.2	104.9	112.4	537.2	364.4	400.4

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

SPECIFIED ITEMS

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Impact on net income to common shareholders												
Impact of market on expected earnings ¹												
Increase (decrease) in income on UL policies	2.9	4.3	0.0	(4.5)	5.8	(6.9)	(4.6)	4.7	1.6	2.7	(1.0)	6.9
Higher (lower) than expected management fees ²	0.1	1.2	0.8	(1.5)	1.4	(1.1)	(0.2)	1.6	(0.1)	0.6	1.7	3.8
Impact of dynamic hedging	(0.9)	3.9	10.1	(6.3)	3.8	(2.6)	8.5	0.2	(12.0)	6.8	9.9	(2.5)
Other												
Changes in assumptions and management actions	23.2	---	---	---	(107.9)	---	---	---	(3.2)	23.2	(107.9)	(3.2)
Impact on earnings per common share ³												
Impact of market on expected earnings ¹												
Increase (decrease) in income on UL policies	\$0.03	\$0.04	\$0.00	(\$0.04)	\$0.06	(\$0.07)	(\$0.05)	\$0.05	\$0.02	\$0.03	(\$0.01)	\$0.07
Higher (lower) than expected management fees ²	\$0.00	\$0.01	\$0.01	(\$0.01)	\$0.01	(\$0.01)	\$0.00	\$0.02	\$0.00	\$0.01	\$0.02	\$0.04
Impact of dynamic hedging	(\$0.01)	\$0.04	\$0.10	(\$0.06)	\$0.04	(\$0.03)	\$0.08	\$0.00	(\$0.12)	\$0.07	\$0.09	(\$0.02)
Other												
Changes in assumptions and management actions	\$0.22	---	---	---	(\$1.05)	---	---	---	(\$0.03)	\$0.22	(\$1.05)	(\$0.03)
Weighted average number of common shares (in millions)												
Basic	103.5	102.7	102.5	102.5	102.0	101.5	101.2	100.9	100.4	102.8	101.4	99.9
Diluted	104.5	103.3	103.0	102.9	102.6	102.1	101.9	101.5	101.2	103.4	102.0	100.8

¹ Approximate impact of market variations as compared to the expected net earnings that the Company would have earned under normal market conditions.

² Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market growth and net sales.

³ Based on diluted weighted average number of common shares.

SOURCES OF EARNINGS BY LINE OF BUSINESS ¹

<i>(in millions of dollars, unless otherwise indicated)</i>	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Individual Insurance												
Operating profit (loss) ¹												
Expected profit on in-force	80.7	81.7	79.6	76.8	72.6	74.3	72.5	72.0	59.4	318.8	291.4	236.8
Experience gain (loss)	26.2	15.3	5.9	(2.9)	20.3	2.9	13.1	0.8	8.8	44.5	37.1	6.4
Strain on sales	(5.1)	(8.8)	(9.3)	(11.3)	(14.4)	(15.2)	(15.2)	(21.3)	(16.0)	(34.5)	(66.1)	(58.7)
Changes in assumptions and management actions	12.3	0.0	0.0	0.0	(166.2)	0.0	0.0	0.0	(2.9)	12.3	(166.2)	(2.9)
Total	114.1	88.2	76.2	62.6	(87.7)	62.0	70.4	51.5	49.3	341.1	96.2	181.6
Income on capital	22.9	18.3	15.7	13.0	21.2	22.2	20.1	13.5	25.3	69.9	77.0	82.2
Income taxes ¹	(21.4)	(16.7)	(8.1)	(7.6)	28.7	(22.0)	(6.4)	8.6	14.1	(53.8)	8.9	8.4
Net income (loss) attributed to shareholders	115.6	89.8	83.8	68.0	(37.8)	62.2	84.1	73.6	88.7	357.2	182.1	272.2
Dividends attributed to preferred shares	2.7	2.5	2.5	2.6	2.8	2.9	2.8	3.9	5.2	10.3	12.4	19.7
Redemption premium on preferred shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.8	2.9	0.0	2.8	2.9
Net income (loss) attributed to common shareholders	112.9	87.3	81.3	65.4	(40.6)	59.3	81.3	66.9	80.6	346.9	166.9	249.6
Individual Wealth Management												
Operating profit ¹												
Expected profit on in-force	40.7	38.8	38.8	32.6	39.6	42.8	43.4	35.0	39.7	150.9	160.8	149.2
Experience gain (loss)	(1.6)	12.6	19.7	(9.0)	(2.5)	(11.1)	11.4	6.1	(22.6)	21.7	3.9	(0.2)
Strain on sales	(1.0)	(0.9)	(1.4)	(1.2)	(0.8)	(0.3)	(0.3)	(0.3)	(0.3)	(4.5)	(1.7)	(1.6)
Changes in assumptions and management actions	10.4	0.0	0.0	0.0	11.8	0.0	0.0	0.0	(0.7)	10.4	11.8	(0.7)
Total	48.5	50.5	57.1	22.4	48.1	31.4	54.5	40.8	16.1	178.5	174.8	146.7
Income on capital	(5.5)	(1.0)	(1.1)	(0.9)	(2.9)	(1.8)	(2.6)	(1.6)	(0.7)	(8.5)	(8.9)	(3.2)
Income taxes ¹	(11.8)	(10.7)	(16.5)	(11.1)	(12.1)	(0.7)	(8.2)	(8.8)	3.1	(50.1)	(29.8)	(31.3)
Net income attributed to shareholders	31.2	38.8	39.5	10.4	33.1	28.9	43.7	30.4	18.5	119.9	136.1	112.2
Dividends attributed to preferred shares	1.0	1.1	1.1	1.0	0.8	1.0	0.7	1.0	1.2	4.2	3.5	5.3
Redemption premium on preferred shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7	0.0	0.7	0.7
Net income attributed to common shareholders	30.2	37.7	38.4	9.4	32.3	27.9	43.0	28.7	16.6	115.7	131.9	106.2
Group Insurance												
Operating profit ¹												
Expected profit on in-force	18.7	20.9	17.0	11.7	11.8	13.7	11.6	9.1	11.5	68.3	46.2	49.2
Experience gain (loss)	(12.4)	(0.6)	0.6	9.2	(2.0)	7.3	1.5	(4.4)	(1.6)	(3.2)	2.4	(22.2)
Strain on sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in assumptions and management actions	(0.5)	0.0	0.0	0.0	(2.1)	0.0	0.0	0.0	(0.7)	(0.5)	(2.1)	(0.7)
Total	5.8	20.3	17.6	20.9	7.7	21.0	13.1	4.7	9.2	64.6	46.5	26.3
Income on capital	(5.2)	2.8	2.4	2.2	1.2	2.3	2.0	1.2	2.7	2.2	6.7	8.6
Income taxes ¹	2.9	(8.7)	(4.7)	(1.3)	(3.7)	(5.3)	(1.9)	(0.9)	(0.9)	(11.8)	(11.8)	(5.3)
Net income attributed to shareholders	3.5	14.4	15.3	21.8	5.2	18.0	13.2	5.0	11.0	55.0	41.4	29.6
Dividends attributed to preferred shares	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.5	0.7	1.6	1.5	2.5
Redemption premium on preferred shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.3	0.0	0.4	0.3
Net income attributed to common shareholders	3.1	14.0	14.9	21.4	4.8	17.7	12.9	4.1	10.0	53.4	39.5	26.8

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

SOURCES OF EARNINGS BY LINE OF BUSINESS¹ (continued)

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Group Savings and Retirement												
Operating profit ¹												
Expected profit on in-force	5.7	5.1	5.0	5.0	5.4	5.6	5.0	4.5	6.1	20.8	20.5	21.8
Experience gain (loss)	(2.7)	1.5	1.8	0.1	(1.2)	2.1	(0.3)	1.2	(1.0)	0.7	1.8	(0.5)
Strain on sales	(0.5)	0.0	0.0	(2.7)	(2.3)	0.4	(0.2)	0.0	(0.2)	(3.2)	(2.1)	(1.8)
Changes in assumptions and management actions	9.5	0.0	0.0	0.0	9.3	0.0	0.0	0.0	(0.7)	9.5	9.3	(0.7)
Total	12.0	6.6	6.8	2.4	11.2	8.1	4.5	5.7	4.2	27.8	29.5	18.8
Income on capital	0.0	0.5	0.5	0.5	0.7	0.8	0.7	0.5	0.8	1.5	2.7	3.8
Income taxes ¹	(3.1)	(1.6)	(2.3)	(0.7)	(4.1)	(0.4)	(0.1)	(0.8)	0.5	(7.7)	(5.4)	(3.7)
Net income attributed to shareholders	8.9	5.5	5.0	2.2	7.8	8.5	5.1	5.4	5.5	21.6	26.8	18.9
Dividends attributed to preferred shares	0.1	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.2	0.4	0.6	1.0
Redemption premium on preferred shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.1
Net income attributed to common shareholders	8.8	5.4	4.9	2.1	7.7	8.2	5.0	5.2	5.2	21.2	26.1	17.8
Total company												
Operating profit (loss) ¹												
Expected profit on in-force	145.8	146.5	140.4	126.1	129.4	136.4	132.5	120.6	116.7	558.8	518.9	457.0
Experience gain (loss)	9.5	28.8	28.0	(2.6)	14.6	1.2	25.7	3.7	(16.4)	63.7	45.2	(16.5)
Strain on sales	(6.6)	(9.7)	(10.7)	(15.2)	(17.5)	(15.1)	(15.7)	(21.6)	(16.5)	(42.2)	(69.9)	(62.1)
Changes in assumptions and management actions	31.7	0.0	0.0	0.0	(147.2)	0.0	0.0	0.0	(5.0)	31.7	(147.2)	(5.0)
Total	180.4	165.6	157.7	108.3	(20.7)	122.5	142.5	102.7	78.8	612.0	347.0	373.4
Income on capital	12.2	20.6	17.5	14.8	20.2	23.5	20.2	13.6	28.1	65.1	77.5	91.4
Income taxes ¹	(33.4)	(37.7)	(31.6)	(20.7)	8.8	(28.4)	(16.6)	(1.9)	16.8	(123.4)	(38.1)	(31.9)
Net income attributed to shareholders	159.2	148.5	143.6	102.4	8.3	117.6	146.1	114.4	123.7	553.7	386.4	432.9
Dividends attributed to preferred shares	4.2	4.1	4.1	4.1	4.1	4.5	3.9	5.5	7.3	16.5	18.0	28.5
Redemption premium on preferred shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0	4.0	0.0	4.0	4.0
Net income attributed to common shareholders	155.0	144.4	139.5	98.3	4.2	113.1	142.2	104.9	112.4	537.2	364.4	400.4

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

BUSINESS GROWTH

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Individual Insurance												
Sales ¹												
Canada - Minimum Premium	62.6	46.7	43.2	33.9	43.0	37.8	38.5	35.7	40.8	186.4	155.0	141.1
Canada - Excess Premium	8.8	3.6	5.2	8.1	9.2	5.3	5.0	2.4	7.4	25.7	21.9	20.9
United States	22.0	24.7	24.5	23.4	21.5	20.7	18.2	17.0	13.9	94.6	77.4	54.0
Total	93.4	75.0	72.9	65.4	73.7	63.8	61.7	55.1	62.1	306.7	254.3	216.0
Net premiums												
Canada	383.9	342.8	349.8	347.1	351.1	340.1	337.8	334.0	339.1	1,423.6	1,363.0	1,332.9
United States	69.9	65.1	63.4	64.1	59.7	55.7	50.8	49.3	43.2	262.5	215.5	162.2
Total	453.8	407.9	413.2	411.2	410.8	395.8	388.6	383.3	382.3	1,686.1	1,578.5	1,495.1
Individual Wealth Management												
Sales ¹												
General fund	73.2	83.9	85.0	58.5	29.3	28.0	32.0	41.1	24.2	300.6	130.4	111.9
Segregated funds	383.2	370.2	352.1	454.1	366.8	358.2	366.5	489.7	338.9	1,559.6	1,581.2	1,352.6
Mutual funds	535.4	336.9	316.7	285.3	296.1	313.7	383.0	435.7	421.1	1,474.3	1,428.5	1,897.6
Total	991.8	791.0	753.8	797.9	692.2	699.9	781.5	966.5	784.2	3,334.5	3,140.1	3,362.1
Net investment fund sales ¹												
Segregated funds	74.1	71.6	53.4	142.6	82.3	80.5	88.8	170.8	88.7	341.7	422.4	288.7
Mutual funds	77.2	(69.1)	(121.3)	(291.2)	(247.5)	(315.7)	(165.1)	(267.0)	(68.0)	(404.4)	(995.3)	(119.3)
Total	151.3	2.5	(67.9)	(148.6)	(165.2)	(235.2)	(76.3)	(96.2)	20.7	(62.7)	(572.9)	169.4
Assets under management												
General fund	1,186.1	1,179.8	1,124.2	1,085.6	1,089.0	1,108.2	1,112.3	1,151.4	1,162.0	1,186.1	1,089.0	1,162.0
Segregated funds	13,347.7	13,126.3	12,706.3	12,398.3	12,292.2	11,991.2	12,389.0	12,476.3	11,826.0	13,347.7	12,292.2	11,826.0
Mutual funds	10,937.5	10,518.1	10,214.1	10,144.2	10,428.3	10,539.2	11,423.0	11,747.2	11,832.9	10,937.5	10,428.3	11,832.9
Other	3,998.3	3,878.4	3,969.4	3,707.6	3,709.3	3,580.8	3,643.0	3,739.8	3,576.6	3,998.3	3,709.3	3,576.6
Total	29,469.6	28,702.6	28,014.0	27,335.7	27,518.8	27,219.4	28,567.3	29,114.7	28,397.5	29,469.6	27,518.8	28,397.5
Assets under administration ²												
Total	41,354.5	40,696.2	38,844.4	37,508.9	36,881.1	33,943.9	34,671.3	34,895.6	32,659.2	41,354.5	36,881.1	32,659.2
Total	70,824.1	69,398.8	66,858.4	64,844.6	64,399.9	61,163.3	63,238.6	64,010.3	61,056.7	70,824.1	64,399.9	61,056.7
Group Insurance												
Sales ¹												
Employee Plans	23.1	13.2	17.1	18.0	14.5	12.9	25.3	15.3	7.5	71.4	68.0	70.2
Dealer Services - Creditor Insurance ³	85.5	109.7	101.6	66.2	89.3	109.1	99.2	65.4	90.5	363.0	363.0	378.6
Dealer Services - P&C	43.8	55.6	58.0	39.5	49.1	56.5	56.4	35.7	37.6	196.9	197.7	157.2
Special Markets Solutions	59.8	42.9	40.6	50.8	59.1	41.9	41.8	47.5	53.5	194.1	190.3	179.8
Total sales	212.2	221.4	217.3	174.5	212.0	220.4	222.7	163.9	189.1	825.4	819.0	785.8
Net premiums and premium equivalents												
Employee Plans	215.2	212.8	210.8	210.3	207.1	206.5	202.6	202.2	198.0	849.1	818.4	801.6
Dealer Services - Creditor Insurance	51.3	67.6	72.6	41.7	62.4	79.5	71.8	38.8	65.0	233.2	252.5	292.6
Dealer Services - P&C ⁴	26.4	22.4	24.1	21.9	26.3	15.3	18.3	20.6	16.2	94.8	80.5	81.3
Special Markets Solutions	56.3	39.0	37.1	47.6	55.6	38.7	38.2	44.4	50.4	180.0	176.9	167.8
Total net premiums	349.2	341.8	344.6	321.5	351.4	340.0	330.9	306.0	329.6	1,357.1	1,328.3	1,343.3
Premium equivalents and deposits												
Administrative services only contracts (ASO)	10.8	10.3	11.2	12.7	10.6	9.9	10.5	11.8	10.2	45.0	42.8	42.0
Investment contracts	19.6	17.9	19.0	17.8	16.8	19.0	16.9	18.5	17.8	74.3	71.2	70.6
Total	379.6	370.0	374.8	352.0	378.8	368.9	358.3	336.3	357.6	1,476.4	1,442.3	1,455.9
Car loans ⁵												
Dealer Services - Loan originations ¹	93.9	100.6	115.8	80.8	58.2	---	---	---	---	391.1	58.2	---
Dealer Services - Finance receivables ¹	505.0	467.4	416.7	343.4	291.6	263.7	---	---	---	505.0	291.6	---

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

² Includes assets related to affiliated dealers.

³ Includes all creditor insurance business sold by the Company.

⁴ Adjusted retroactively in Q4-2015 to include in Group Insurance the P&C premiums which were previously included in General Insurance.

⁵ Includes all car loans. Data begins on October 2, 2015, with the acquisition of CTL Corp. (CTL).

BUSINESS GROWTH (continued)
(in millions of dollars, unless otherwise indicated)

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Group Savings and Retirement												
Sales ¹												
Accumulation contracts												
General fund	9.6	11.3	9.6	14.1	10.0	12.4	7.0	8.5	8.5	44.6	37.9	28.9
Segregated funds	339.4	409.0	291.2	250.7	365.0	214.5	299.3	198.1	201.8	1,290.3	1,076.9	782.8
Total	349.0	420.3	300.8	264.8	375.0	226.9	306.3	206.6	210.3	1,334.9	1,114.8	811.7
Insured annuities (general fund)	5.5	0.3	20.1	59.2	91.3	1.8	18.2	1.3	11.7	85.1	112.6	131.9
Deposits	12.7	34.5	4.3	9.9	10.7	17.3	17.8	43.0	7.1	61.4	88.8	44.1
Total sales	367.2	455.1	325.2	333.9	477.0	246.0	342.3	250.9	229.1	1,481.4	1,316.2	987.7
Net premiums and deposits												
Net premiums	347.9	413.8	314.0	317.9	460.7	223.0	318.7	202.1	216.2	1,393.6	1,204.5	919.5
Deposits	12.7	34.5	4.3	9.9	10.7	17.3	17.8	43.0	7.1	61.4	88.8	44.1
Total	360.6	448.3	318.3	327.8	471.4	240.3	336.5	245.1	223.3	1,455.0	1,293.3	963.6
Assets under management												
Accumulation contracts												
General fund	237.7	242.6	235.8	233.0	229.5	233.8	230.4	240.0	243.2	237.7	229.5	243.2
Segregated funds	8,478.1	8,385.0	7,928.6	7,609.2	7,484.5	7,121.2	7,243.4	7,319.6	6,922.2	8,478.1	7,484.5	6,922.2
Other	801.9	841.7	816.7	834.8	830.5	864.1	872.3	888.8	904.6	801.9	830.5	904.6
Total	9,517.7	9,469.3	8,981.1	8,677.0	8,544.5	8,219.1	8,346.1	8,448.4	8,070.0	9,517.7	8,544.5	8,070.0
Insured annuities (general fund)	3,196.0	3,325.2	3,326.9	3,274.5	3,213.0	3,148.3	3,190.4	3,280.9	3,213.3	3,196.0	3,213.0	3,213.3
Total	12,713.7	12,794.5	12,308.0	11,951.5	11,757.5	11,367.4	11,536.5	11,729.3	11,283.3	12,713.7	11,757.5	11,283.3
General Insurance												
Sales ¹												
iAAH (Auto & Home)	59.4	74.9	91.6	52.7	52.2	66.7	81.5	46.9	48.1	278.6	247.3	233.4
Net premiums, premium equivalents and deposits by line of business												
Individual Insurance	453.8	407.9	413.2	411.2	410.8	395.8	388.6	383.3	382.3	1,686.1	1,578.5	1,495.1
Individual Wealth Management	991.8	791.0	753.8	797.9	692.2	699.9	781.5	966.5	784.2	3,334.5	3,140.1	3,362.1
Group Insurance ²	379.6	370.0	374.8	352.0	378.8	368.9	358.3	336.3	357.6	1,476.4	1,442.3	1,455.9
Group Savings and Retirement	360.6	448.3	318.3	327.8	471.4	240.3	336.5	245.1	223.3	1,455.0	1,293.3	963.6
General Insurance ^{2,3}	66.6	63.2	61.0	59.7	51.5	57.9	54.8	53.9	54.7	250.5	218.1	203.8
Total	2,252.4	2,080.4	1,921.1	1,948.6	2,004.7	1,762.8	1,919.7	1,985.1	1,802.1	8,202.5	7,672.3	7,480.5
Distribution of net premiums, premium equivalents and deposits by region												
Atlantic provinces	4.1%	3.5%	4.2%	4.7%	6.8%	3.9%	3.7%	4.1%	5.1%	4.1%	4.7%	4.4%
Quebec	38.6%	43.0%	42.8%	46.3%	39.0%	44.7%	40.2%	44.3%	37.4%	42.5%	42.0%	41.0%
Ontario	30.1%	26.1%	28.0%	27.0%	27.1%	24.4%	29.6%	24.5%	26.7%	27.9%	26.4%	25.8%
Western provinces	23.9%	24.1%	21.5%	18.4%	23.9%	23.6%	23.6%	24.4%	28.2%	22.1%	23.9%	26.4%
Outside Canada	3.3%	3.3%	3.5%	3.6%	3.2%	3.4%	2.9%	2.7%	2.6%	3.4%	3.0%	2.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Assets under management and administration												
Assets under management												
General fund	35,223.8	37,109.8	35,971.9	34,375.0	33,161.4	32,604.8	32,335.6	33,427.7	31,591.2	35,223.8	33,161.4	31,591.2
Segregated funds	21,825.8	21,511.3	20,634.9	20,007.5	19,776.7	19,112.4	19,632.4	19,795.8	18,748.2	21,825.8	19,776.7	18,748.2
Mutual funds	10,937.5	10,518.1	10,214.1	10,144.2	10,428.3	10,539.2	11,423.0	11,747.2	11,832.9	10,937.5	10,428.3	11,832.9
Other ⁴	16,859.9	16,365.1	16,172.0	15,613.2	15,526.1	14,983.5	14,801.9	14,776.7	14,621.3	16,859.9	15,526.1	14,621.3
Total	84,847.0	85,504.3	82,992.9	80,139.9	78,892.5	77,239.9	78,192.9	79,747.4	76,793.6	84,847.0	78,892.5	76,793.6
Assets under administration	41,387.2	40,734.3	38,884.1	37,547.2	36,920.8	33,974.9	34,703.8	34,923.5	32,687.2	41,387.2	36,920.8	32,687.2
Total	126,234.2	126,238.6	121,877.0	117,687.1	115,813.3	111,214.8	112,896.7	114,670.9	109,480.8	126,234.2	115,813.3	109,480.8
Human resources												
Number of employees	5,350	5,339	5,321	5,282	5,148	5,156	5,141	5,089	5,019	5,350	5,148	5,019
Number of Career representatives	2,157	2,014	2,038	1,952	2,023	1,922	1,894	1,897	1,931	2,157	2,023	1,931

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

² Adjusted retroactively in Q4-2015 to include in Group Insurance the P&C premiums which were previously included in General Insurance.

³ Includes iA Auto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

⁴ Mainly assets managed for third parties.

INVESTED ASSETS									
	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Value and distribution of investments									
Book value of investment portfolio	31,237.0	32,649.6	31,560.3	29,859.5	29,066.5	28,331.2	28,092.9	29,038.0	27,409.1
Distribution of investments by financial instrument category									
Available for sale	13.4%	12.7%	11.7%	12.4%	12.5%	11.3%	12.3%	12.6%	12.7%
Fair value through profit or loss (FVTPL)	60.3%	62.3%	62.8%	61.4%	60.7%	62.3%	62.0%	63.9%	63.1%
Loans and receivables	21.4%	20.4%	20.7%	21.4%	21.9%	21.5%	20.8%	19.3%	19.8%
Investment properties	4.0%	3.8%	4.0%	4.1%	4.2%	4.4%	4.4%	4.1%	4.3%
Other	0.9%	0.8%	0.8%	0.7%	0.7%	0.5%	0.5%	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution of investments by asset category									
Bonds	67.5%	66.9%	66.6%	66.0%	66.3%	67.3%	67.5%	68.5%	67.9%
Stocks	9.9%	9.4%	9.4%	9.6%	10.1%	10.3%	10.8%	11.3%	11.8%
Mortgages and other loans	10.5%	10.0%	10.4%	10.9%	10.9%	10.8%	11.0%	10.5%	10.5%
Investment properties	4.0%	3.8%	4.0%	4.1%	4.2%	4.4%	4.4%	4.1%	4.3%
Other	8.1%	9.9%	9.6%	9.4%	8.5%	7.2%	6.3%	5.9%	5.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution of investments by region									
Atlantic provinces	3.5%	3.9%	3.8%	3.9%	3.9%	4.0%	4.3%	4.2%	4.5%
Quebec	33.8%	34.5%	33.9%	33.8%	34.0%	33.8%	34.1%	33.4%	33.8%
Ontario	28.4%	28.1%	29.5%	29.6%	29.1%	28.9%	29.3%	30.1%	29.8%
Western provinces	17.6%	17.2%	16.6%	16.6%	16.2%	16.4%	16.0%	15.6%	16.4%
Outside Canada	16.7%	16.3%	16.2%	16.1%	16.8%	16.9%	16.3%	16.7%	15.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Impaired investments and provisions									
Gross impaired investments (excluding insured loans)	29.0	17.8	17.5	17.5	19.7	32.3	25.0	24.6	22.5
Provisions for impaired investments (specific)	5.6	5.1	4.8	4.8	5.5	5.3	4.0	4.0	3.8
As a % of gross impaired investments	19.3%	28.7%	27.4%	27.4%	27.9%	16.4%	16.1%	16.2%	17.1%
Net impaired investments (excluding insured loans)									
Bonds	16.9	6.0	6.0	6.0	6.0	16.6	7.1	7.1	7.2
Mortgages and other loans	6.5	6.7	6.7	6.7	8.2	10.4	13.9	13.5	11.5
Total	23.4	12.7	12.7	12.7	14.2	27.0	21.0	20.6	18.7
Net impaired investments as a % of investment portfolio	0.08%	0.04%	0.04%	0.04%	0.05%	0.10%	0.07%	0.07%	0.07%
Provisions for losses (collective and specific)									
At beginning of period	8.8	8.5	5.8	6.6	5.3	4.0	4.0	3.8	3.5
Increase for the period	6.5	4.0	6.4	3.0	3.7	1.4	0.2	0.3	0.3
Decrease for the period	(5.2)	(3.7)	(3.7)	(3.8)	(2.4)	(0.1)	(0.2)	(0.1)	0.0
At end of period	10.1	8.8	8.5	5.8	6.6	5.3	4.0	4.0	3.8
Provisions for losses by type of investment (collective and specific)									
Bonds	4.1	3.5	3.5	3.5	3.5	3.5	2.5	2.5	2.5
Mortgages	1.5	1.2	1.2	1.2	1.6	1.8	1.5	1.5	1.3
Car loans ¹	4.5	4.1	3.8	1.1	1.5	---	---	---	---
Total	10.1	8.8	8.5	5.8	6.6	5.3	4.0	4.0	3.8
Other quality measure									
Car loans - Average credit loss rate (trailing 12 months) ²	3.5%	3.5%	---	---	---	---	---	---	---

¹ Before Q4-2015, car loans provisions are included in mortgages

² Non-IFRS measure. Includes all loans (prime and non-prime) and represents the total credit losses for the prior twelve months divided by the average finance receivables over the same period.

Data first presented in Q3-2016 as CTL was acquired on October 2, 2015.

INVESTED ASSETS (continued)

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Real estate acquired to settle loans									
Real estate held for resale	10.9	10.6	10.5	10.5	11.2	10.7	10.0	10.2	10.7
Bonds									
Book value of the bond portfolio	21,086.8	21,833.8	21,039.6	19,724.6	19,278.1	19,094.0	19,005.6	19,863.7	18,575.3
Distribution by financial instrument category									
Available for sale	18.1%	17.5%	16.1%	17.1%	17.2%	15.4%	16.5%	16.7%	16.9%
Fair value through profit or loss (FVTPL)	72.5%	73.3%	74.6%	73.3%	72.7%	74.7%	74.2%	75.1%	74.5%
Loans and receivables	9.4%	9.2%	9.3%	9.6%	10.1%	9.9%	9.3%	8.2%	8.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by credit rating									
Rating - AAA	5.08%	3.77%	3.34%	4.84%	3.78%	4.19%	3.91%	3.61%	3.21%
Rating - AA	29.35%	28.55%	30.74%	29.94%	29.65%	29.61%	30.54%	31.54%	31.26%
Rating - A	47.85%	49.61%	48.83%	48.40%	49.21%	48.94%	48.89%	49.52%	49.42%
Rating - BBB	16.96%	17.41%	16.40%	16.17%	16.70%	16.59%	16.04%	14.67%	15.37%
Rating - BB and lower	0.76%	0.66%	0.69%	0.65%	0.66%	0.67%	0.62%	0.66%	0.74%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Distribution by category of issuer									
Governments	51.4%	51.3%	52.0%	51.3%	50.0%	48.8%	49.9%	50.9%	49.7%
Municipalities	4.4%	4.8%	5.0%	5.1%	5.2%	5.5%	5.4%	5.5%	5.2%
Corporates - Public issues	26.2%	26.0%	25.1%	25.1%	25.9%	27.3%	26.5%	26.4%	27.4%
Corporates - Private issues	18.0%	17.9%	17.9%	18.5%	18.9%	18.4%	18.2%	17.2%	17.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other quality measures									
Delinquency rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mortgages and other loans									
Book value of mortgage and other loans portfolio	3,292.3	3,265.7	3,286.2	3,253.6	3,169.3	3,063.1	3,077.0	2,958.1	2,886.0
Book value of mortgage	2,776.5	2,795.0	2,867.0	2,907.4	2,877.2	2,905.2	2,930.3	2,826.0	2,759.7
Book value of other loans	515.8	470.7	419.2	346.2	292.1	157.9	146.7	132.1	126.3
Distribution by financial instrument category									
Held for trading	1.7%	1.7%	1.9%	1.7%	1.0%	0.3%	0.2%	0.2%	0.0%
Loans and receivables	98.3%	98.3%	98.1%	98.3%	99.0%	99.7%	99.8%	99.8%	100.0%
Total mortgages and other loans	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by type of mortgage									
Residential	32.2%	31.1%	30.5%	29.4%	29.4%	29.4%	29.5%	28.9%	29.1%
Multi-residential	56.1%	56.7%	56.8%	57.5%	56.7%	57.0%	56.6%	56.2%	55.2%
Non-residential	11.7%	12.2%	12.7%	13.1%	13.9%	13.6%	13.9%	14.9%	15.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by type of mortgage									
Insured	77.1%	76.5%	75.7%	75.2%	76.0%	76.6%	76.4%	76.0%	75.9%
Conventional	22.9%	23.5%	24.3%	24.8%	24.0%	23.4%	23.6%	24.0%	24.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

INVESTED ASSETS (continued)

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Mortgages									
Other quality measures									
Delinquency rate ¹									
Insured loans	0.02%	0.03%	0.02%	0.03%	0.05%	0.02%	0.03%	0.04%	0.04%
Conventional loans	1.10%	1.04%	1.03%	1.00%	1.07%	1.41%	1.86%	1.88%	1.59%
Total	0.27%	0.27%	0.26%	0.27%	0.29%	0.35%	0.46%	0.48%	0.41%
Delinquency rate, including real estate acquired to settle loans	0.66%	0.65%	0.63%	0.63%	0.68%	0.71%	0.80%	0.84%	0.80%
Stocks									
Book value of the stock portfolio	3,083.0	3,072.6	2,959.4	2,866.5	2,924.1	2,914.6	3,025.7	3,294.3	3,242.0
Distribution by financial instrument category									
Available for sale	11.8%	10.4%	10.2%	11.4%	10.8%	9.4%	11.1%	10.7%	10.0%
Fair value through profit or loss (FVTPL)	88.2%	89.6%	89.8%	88.6%	89.2%	90.6%	88.9%	89.3%	90.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by category									
Common	52.3%	53.2%	53.5%	54.1%	52.9%	52.6%	49.0%	45.4%	51.6%
Preferred	19.7%	17.7%	17.8%	19.8%	19.9%	17.7%	18.6%	16.4%	16.6%
Market indices	13.7%	14.9%	14.5%	11.9%	13.0%	16.1%	17.9%	23.8%	14.2%
Investment fund units and other	14.3%	14.2%	14.2%	14.2%	14.2%	13.6%	14.5%	14.4%	17.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by use of stocks									
Backing long-term liabilities	54.4%	56.1%	56.1%	54.4%	55.5%	57.8%	55.5%	59.0%	60.1%
Backing UL accounts	27.7%	27.4%	27.5%	27.3%	26.9%	26.5%	27.7%	26.2%	25.4%
Backing capital	17.9%	16.5%	16.4%	18.3%	17.6%	15.7%	16.8%	14.8%	14.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Real estate									
Investment properties	1,237.8	1,250.4	1,252.8	1,211.8	1,215.9	1,233.5	1,223.4	1,194.5	1,190.1
Linearization of rents	10.1	10.5	9.8	9.3	9.4	9.3	9.3	9.4	9.3
Fair value of investment properties	1,247.9	1,260.9	1,262.6	1,221.1	1,225.3	1,242.8	1,232.7	1,203.9	1,199.4
Occupancy rate on investment properties	90.2%	89.4%	89.4%	89.6%	90.1%	90.1%	90.0%	90.2%	91.0%
Other									
Provision for potential loss on fixed-income securities contained in the policy liabilities	326.6	324.0	340.3	298.8	292.1	380.4	360.5	336.6	315.0

¹The delinquency rate is calculated by dividing mortgage in default by the value of the portfolio.

SOLVENCY AND CAPITALIZATION

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Capital structure									
Debentures	995.3	1,244.4	846.3	846.2	846.1	846.0	845.8	845.7	597.2
Participating policyholders' account	39.0	45.7	45.4	45.1	45.0	50.3	50.4	50.2	49.4
Equity									
Common shares	1,498.8	1,328.5	1,315.0	1,312.5	1,310.5	1,284.3	1,270.7	1,259.0	1,243.5
Preferred shares	375.0	375.0	375.0	375.0	375.0	375.0	375.0	375.0	475.0
Contributed surplus	18.5	21.1	22.6	22.0	21.4	22.6	21.8	21.2	21.1
Retained earnings	2,793.2	2,546.3	2,458.7	2,370.4	2,374.0	2,372.8	2,299.5	2,143.7	2,081.9
Accumulated other comprehensive income	40.1	79.1	61.9	34.8	58.1	30.9	72.8	111.8	63.6
Total shareholders' equity	4,725.6	4,350.0	4,233.2	4,114.7	4,139.0	4,085.6	4,039.8	3,910.7	3,885.1
Total capital structure	5,759.9	5,640.1	5,124.9	5,006.0	5,030.1	4,981.9	4,936.0	4,806.6	4,531.7
Debt measures									
Debentures/capital structure	17.3%	22.1%	16.5%	16.9%	16.8%	17.0%	17.1%	17.6%	13.2%
Debentures and preferred shares/capital structure	23.8%	28.7%	23.8%	24.4%	24.3%	24.5%	24.7%	25.4%	23.7%
Coverage ratio (in number of times) ¹	12.8	10.3	9.5	8.6	8.2	9.5	8.9	7.8	7.9
Credit ratings									
	Standard & Poor's				DBRS		A.M. Best		
Financial Strength	A+ (Strong)				A (high)		A+ (Superior)		
Debentures	A				A		a		
Preferred Shares	A-				Pfd-2 (high)		a-		

¹ The coverage ratio is obtained by dividing pre-tax income before financing expenses, for the last twelve months, by financing expenses.

SOLVENCY AND CAPITALIZATION (continued)

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Solvency ratio ¹									
Available capital									
Tier 1									
Common shares	1,498.8	1,328.5	1,315.0	1,312.5	1,310.5	1,284.3	1,270.7	1,259.0	1,243.5
Preferred shares	375.0	375.0	375.0	375.0	375.0	375.0	375.0	375.0	475.0
Innovative instruments in Tier 1 capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Retained earnings	2,802.3	2,556.0	2,467.8	2,384.9	2,388.5	2,387.1	2,314.5	2,158.8	2,096.4
Other	64.0	35.9	25.3	15.7	40.3	46.2	58.1	87.9	79.9
Gross Tier 1 capital	4,740.1	4,295.4	4,183.1	4,088.1	4,114.3	4,092.6	4,018.3	3,880.7	3,894.8
Less:									
Goodwill and other intangible assets	841.9	818.5	843.1	829.8	827.7	727.1	724.0	717.6	818.5
Adjustment for intangible assets	(237.0)	(214.8)	(209.2)	(204.4)	(205.7)	(204.6)	(200.9)	(194.0)	(194.7)
Adjustment for negative reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	3.7	4.9	3.7	2.7	1.0	0.7	0.5	0.4	0.0
Net Tier 1 capital	4,131.5	3,686.8	3,545.5	3,460.0	3,491.3	3,569.4	3,494.7	3,356.7	3,271.0
Less: deductions and adjustments	77.0	78.8	76.5	68.9	64.5	60.9	57.0	53.4	54.0
Adjusted Net Tier 1 capital	4,054.5	3,608.0	3,469.0	3,391.1	3,426.8	3,508.5	3,437.7	3,303.3	3,217.0
Tier 2									
Limited life instruments allowed (subordinated debt) (Tier 2B)	995.3	1,244.4	846.3	846.2	846.1	846.0	845.8	845.7	597.2
Other (Tier 2A and Tier 2C)	84.3	193.2	173.7	157.9	89.0	112.5	99.7	136.1	124.2
Less: deductions	77.0	78.8	76.5	68.9	64.5	60.9	57.0	53.4	54.0
Total Tier 2 capital allowed	1,002.6	1,358.8	943.5	935.2	870.6	897.6	888.5	928.4	667.4
Total Tier 1 and Tier 2 capital	5,057.1	4,966.8	4,412.5	4,326.3	4,297.4	4,406.1	4,326.2	4,231.7	3,884.4
Less: deductions and adjustments (total of Tier 1 and Tier 2)	---	---	---	---	---	---	---	---	---
Total available capital	5,057.1	4,966.8	4,412.5	4,326.3	4,297.4	4,406.1	4,326.2	4,231.7	3,884.4
Required capital									
Asset default risk and market risk	1,124.6	1,094.9	1,068.2	1,019.3	950.8	862.0	842.3	865.8	781.9
Insurance risk	764.5	801.4	782.8	747.8	729.7	810.5	808.2	841.5	800.0
Interest rate risk	361.5	379.6	368.2	348.0	333.5	286.9	286.0	295.8	278.7
Total required capital	2,250.6	2,275.9	2,219.2	2,115.1	2,014.0	1,959.4	1,936.5	2,003.1	1,860.6
Solvency ratio	225%	218%	199%	205%	213%	225%	223%	211%	209%

¹ The solvency ratio has no IFRS equivalent. Items such as retained earnings and intangible assets are calculated in accordance with regulatory requirements. See the glossary at the end of this document for definitions.

MACROECONOMIC SENSITIVITY ¹

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Equity Market Sensitivity									
Reference index (S&P/TSX Index (in points))	15,288	14,726	14,065	13,494	13,010	13,307	14,553	14,902	14,632
Index level at which reserves would need strengthening (in points) ²	11,400	10,000	9,800	9,600	9,500	10,100	10,100	10,100	9,900
Variation	(25%)	(32%)	(30%)	(29%)	(27%)	(24%)	(31%)	(32%)	(32%)
Solvency ratio ¹	225%	218%	199%	205%	213%	225%	223%	211%	209%
Index level at which solvency ratio would be 175% (in points) ²	7,400	7,300	8,600	8,200	7,900	6,900	7,800	8,400	8,900
Variation	(52%)	(50%)	(39%)	(39%)	(39%)	(48%)	(46%)	(44%)	(39%)
Index level at which solvency ratio would be 150% (in points) ²	5,600	5,800	6,800	6,500	6,100	5,400	6,100	6,800	7,100
Variation	(63%)	(61%)	(52%)	(52%)	(53%)	(59%)	(58%)	(54%)	(51%)
Impact on net income of a sudden 10% decrease in equity markets (in \$M) ³	(28)	(29)	(28)	(27)	(28)	(28)	(29)	(30)	(28)
Interest Rate Sensitivity									
Reference rate (Canada 30-year bond yield)	2.35%	1.67%	1.73%	2.02%	2.17%	2.21%	2.31%	2.00%	2.34%
After-tax impact on reserves (in \$M)									
10 bps decrease in immediate reinvestment rate (IRR)	24	25	31	27	31	32	31	35	35
10 bps decrease in ultimate reinvestment rate (URR)	62	66	65	59	60	57	58	62	59

¹ Non-IFRS measures. See the glossary at the end of this document for definitions.

² Compared to actual levels of the index on the dates shown

³ Impact on net income on a full-year basis

SHARE INFORMATION

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Common shares												
Share price												
High	\$58.05	\$48.38	\$43.30	\$43.83	\$46.05	\$44.83	\$45.79	\$44.96	\$48.20	\$58.05	\$46.05	\$49.35
Low	\$46.84	\$39.26	\$38.47	\$35.00	\$38.85	\$38.33	\$41.60	\$38.56	\$40.78	\$35.00	\$38.33	\$40.78
Close	\$53.39	\$47.23	\$40.61	\$39.20	\$44.13	\$39.82	\$42.01	\$42.37	\$44.43	\$53.39	\$44.13	\$44.43
Average share price	\$53.44	\$45.18	\$41.04	\$38.62	\$43.53	\$41.05	\$43.26	\$41.55	\$44.16	\$44.84	\$42.24	\$45.09
Number of common shares outstanding (in millions)												
At beginning of period	102.9	102.6	102.5	102.4	101.8	101.5	101.2	100.8	100.4	102.4	100.8	99.3
Common shares issued ¹	3.3	0.3	0.1	0.1	0.6	0.3	0.3	0.4	0.4	3.8	1.6	1.5
Common shares repurchased and cancelled	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
At end of period	106.2	102.9	102.6	102.5	102.4	101.8	101.5	101.2	100.8	106.2	102.4	100.8
Weighted average number of common shares (in millions)												
Basic	103.5	102.7	102.5	102.5	102.0	101.5	101.2	100.9	100.4	102.8	101.4	99.9
Diluted	104.5	103.3	103.0	102.9	102.6	102.1	101.9	101.5	101.2	103.4	102.0	100.8
Dividends												
Common dividends paid	33.0	32.8	32.8	30.8	30.6	30.3	28.5	28.2	28.2	129.4	117.6	105.9
Dividend paid per common share in the period	\$0.32	\$0.32	\$0.32	\$0.30	\$0.30	\$0.30	\$0.28	\$0.28	\$0.28	\$1.26	\$1.16	\$1.06
Dividend payout ratio ²	21%	23%	24%	31%	NM	27%	20%	27%	25%	24%	32%	26%
Dividend yield (annualized) ³	2.4%	2.7%	3.2%	3.1%	2.7%	3.0%	2.7%	2.6%	2.5%	2.4%	2.6%	2.4%
Stock options												
Number of stock options outstanding (in millions)												
At beginning of period	3.3	3.6	3.7	3.3	3.7	3.7	3.8	3.4	3.6	3.3	3.4	3.4
Options granted	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.5	0.0	0.5	0.5	0.5
Options exercised, cancelled or expired	(0.5)	(0.3)	(0.1)	(0.1)	(0.4)	0.0	(0.1)	(0.1)	(0.2)	(1.0)	(0.6)	(0.5)
At end of period	2.8	3.3	3.6	3.7	3.3	3.7	3.7	3.8	3.4	2.8	3.3	3.4

NM: not meaningful

¹ Includes options exercised under the stock option plan, shares purchased under the dividend reinvestment and share purchase plan (DRIP) until March 2016 and 2,750,000 common shares issued in December, 2016.

Beginning with the dividend paid on March 15, 2016, common shares issued under the Company's DRIP are purchased on the secondary market and no discount is applicable.

² Dividend payout ratio: dividend per common share paid in the period divided by the basic earnings per common share in the period.

³ Dividend yield: annualized dividend per common share paid in the period divided by the closing price of the common share at the end of the period.

SHARE INFORMATION (continued)

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Valuation												
Price-to-earnings multiple (trailing 12 months) ¹ (in number of times)	10.3	12.6	11.8	11.3	12.4	8.6	9.5	10.2	11.1	10.3	12.4	11.1
Market capitalization	5,670.3	4,860.5	4,166.1	4,018.8	4,520.5	4,053.6	4,262.0	4,286.7	4,477.4	5,670.3	4,520.5	4,477.4
Book value per outstanding common share	\$40.97	\$38.63	\$37.60	\$36.48	\$36.76	\$36.45	\$36.11	\$34.94	\$33.83	\$40.97	\$36.76	\$33.83
Market value to book value ratio (in number of times)	1.3	1.2	1.1	1.1	1.2	1.1	1.2	1.2	1.3	1.3	1.2	1.3
Total payout ratio (trailing 12 months) ²	24%	33%	35%	34%	32%	24%	25%	26%	26%	24%	32%	26%
Capital yield (trailing 12 months) ³	2.3%	2.6%	3.0%	3.0%	2.6%	2.8%	2.6%	2.5%	2.4%	2.3%	2.6%	2.4%
Total return on common shares (trailing 12 months) ⁴	23.8%	21.7%	(0.4%)	(4.7%)	2.0%	(11.8%)	(7.8%)	(4.4%)	(3.1%)	23.8%	2.0%	(3.1%)
Preferred shares												
Number of preferred shares outstanding (in thousands)												
Series B	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Series C	---	---	---	---	---	---	---	---	---	---	---	---
Series E	---	---	---	---	---	---	---	---	---	---	---	---
Series F	---	---	---	---	---	---	---	---	4,000	---	---	4,000
Series G	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Value of preferred shares												
Series B	125	125	125	125	125	125	125	125	125	125	125	125
Series C	---	---	---	---	---	---	---	---	---	---	---	---
Series E	---	---	---	---	---	---	---	---	---	---	---	---
Series F	---	---	---	---	---	---	---	---	100	---	---	100
Series G	250	250	250	250	250	250	250	250	250	250	250	250
Dividends paid per preferred share												
Series B	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$1.1500	\$1.1500	\$1.1500
Series C	---	---	---	---	---	---	---	---	---	---	---	---
Series E	---	---	---	---	---	---	---	---	\$0.3750	---	---	\$1.5000
Series F	---	---	---	---	---	---	---	\$0.36875	\$0.36875	---	\$0.36875	\$1.47500
Series G	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$0.26875	\$1.07500	\$1.07500	\$1.07500

¹ Price-to-earnings multiple: closing price of the common share at the end of the period divided by the diluted earnings per common share for the last twelve months.

² Total payout ratio: sum of common dividends paid and common shares repurchased (buybacks) over the last twelve months divided by the net income available to common shareholders over the last twelve months.

³ Capital yield: sum of common dividends paid and common shares repurchased (buybacks) over the last twelve months divided by the market capitalization at the end of the period.

⁴ Total return on common shares: sum of the dividend per common share paid over the last twelve months and the common share appreciation or depreciation over the same period divided by the closing price of the common share at the end of the period preceding the last twelve months.

CONSOLIDATED INCOME STATEMENTS

INCOME STATEMENTS

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Revenues												
Net premiums	1,673.9	1,680.8	1,569.9	1,622.9	1,670.5	1,402.9	1,491.5	1,476.1	1,345.9	6,547.5	6,041.0	5,426.2
Investment income												
Investment income	314.4	291.9	271.8	257.0	299.5	263.2	250.6	270.4	278.8	1,135.1	1,083.7	992.3
Variation in the market value on investment properties	(9.4)	(7.9)	(1.5)	(4.5)	(9.7)	5.0	20.3	(2.2)	(0.5)	(23.3)	13.4	(0.8)
Realized gains (losses) on assets available for sale	(4.7)	(3.9)	(0.1)	6.5	(0.7)	8.3	2.4	7.1	3.7	(2.2)	17.1	14.8
Change in fair value of financial assets designated at FVTPL	(1,594.5)	486.0	991.8	618.1	125.6	(208.4)	(994.8)	1,003.0	658.1	501.4	(74.6)	2,163.7
Change in provisions for losses	(5.0)	(3.9)	(6.5)	(2.4)	(2.1)	(1.3)	(0.3)	(0.1)	(0.3)	(17.8)	(3.8)	0.0
Total	(1,299.2)	762.2	1,255.5	874.7	412.6	66.8	(721.8)	1,278.2	939.8	1,593.2	1,035.8	3,170.0
Other revenues	309.4	302.6	305.9	288.3	289.9	281.2	291.5	295.8	270.5	1,206.2	1,158.4	1,084.0
Total	684.1	2,745.6	3,131.3	2,785.9	2,373.0	1,750.9	1,061.2	3,050.1	2,556.2	9,346.9	8,235.2	9,680.2
Policy benefits and expenses												
Net benefits and claims on contracts	1,130.7	1,047.3	990.1	1,018.4	948.2	897.9	1,040.0	1,047.6	980.3	4,186.5	3,933.7	3,741.4
Net transfer to segregated funds	88.9	240.0	183.5	231.4	274.0	149.3	132.2	185.6	69.5	743.8	741.1	425.5
Increase (decrease) in insurance contract liabilities	(1,620.0)	642.9	1,212.5	863.7	273.5	(27.4)	(850.3)	1,118.3	660.3	1,099.1	514.1	2,571.9
Increase (decrease) in investment contract liabilities	(11.4)	6.3	12.0	5.1	7.0	1.1	(5.8)	19.1	6.9	12.0	21.4	38.2
Decrease (increase) in reinsurance assets	240.4	14.5	(77.7)	(55.0)	252.5	13.9	7.2	(7.7)	183.9	122.2	265.9	316.5
Commissions	351.3	316.6	318.1	296.1	315.1	302.8	293.1	285.6	284.0	1,282.1	1,196.6	1,118.9
General expenses	272.5	241.0	251.6	252.9	265.5	225.2	237.4	244.6	232.5	1,018.0	972.7	897.9
Premium and other taxes	28.8	27.5	29.4	26.5	27.9	27.2	25.7	25.4	17.8	112.2	106.2	84.8
Financing charges	19.9	18.9	20.3	17.8	17.2	15.0	15.5	14.5	14.1	76.9	62.2	50.1
Total	501.1	2,555.0	2,939.8	2,656.9	2,380.9	1,605.0	895.0	2,933.0	2,449.3	8,652.8	7,813.9	9,245.2
Income before income taxes	183.0	190.6	191.5	129.0	(7.9)	145.9	166.2	117.1	106.9	694.1	421.3	435.0
Income taxes	30.5	41.8	47.5	26.6	(10.9)	28.4	19.9	1.9	(17.9)	146.4	39.3	(0.2)
Net income	152.5	148.8	144.0	102.4	3.0	117.5	146.3	115.2	124.8	547.7	382.0	435.2
Net income attributed to participating policyholders	(6.7)	0.3	0.4	0.0	(5.3)	(0.1)	0.2	0.8	1.1	(6.0)	(4.4)	2.3
Net income attributed to shareholders	159.2	148.5	143.6	102.4	8.3	117.6	146.1	114.4	123.7	553.7	386.4	432.9
Dividends attributed to preferred shares	4.2	4.1	4.1	4.1	4.1	4.5	3.9	5.5	7.3	16.5	18.0	28.5
Redemption premium on preferred shares	---	---	---	---	---	---	---	4.0	4.0	---	4.0	4.0
Net income attributed to common shareholders	155.0	144.4	139.5	98.3	4.2	113.1	142.2	104.9	112.4	537.2	364.4	400.4

CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS

COMPREHENSIVE INCOME

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Comprehensive income statements												
Net income	152.5	148.8	144.0	102.4	3.0	117.5	146.3	115.2	124.8	547.7	382.0	435.2
Other comprehensive income (loss), net of income taxes												
Items that will be reclassified subsequently to net income												
Available for sale												
Unrealized gains (losses) arising during the period												
Bonds	(56.1)	6.9	27.4	11.5	6.9	(10.9)	(22.8)	47.6	20.1	(10.3)	20.8	75.6
Stocks	10.3	6.4	1.7	(13.0)	10.9	(35.6)	(12.8)	(8.6)	(0.2)	5.4	(46.1)	3.8
Reclassification of losses (gains) included in the net income												
Bonds	2.6	(0.5)	0.0	(5.1)	0.0	(17.8)	(2.4)	(5.5)	(3.1)	(3.0)	(25.7)	(13.4)
Stocks	0.8	3.4	0.1	0.3	0.2	12.0	0.4	0.6	(0.2)	4.6	13.2	2.3
Change in unrealized gains (losses) on available for sale financial assets	(42.4)	16.2	29.2	(6.3)	18.0	(52.3)	(37.6)	34.1	16.6	(3.3)	(37.8)	68.3
Cash-flow Hedge	---	0.3	(0.4)	---	---	---	---	---	---	(0.1)	---	---
Currency translation account												
Unrealized gains (losses) on currency translation in foreign operations	13.6	4.6	1.9	(34.0)	17.7	20.9	(7.5)	39.3	13.9	(13.9)	70.4	31.9
Hedges of net investment in foreign operations	(10.2)	(3.9)	(3.6)	17.0	(8.5)	(10.5)	6.1	(25.2)	(9.0)	(0.7)	(38.1)	(21.3)
Items that will not be reclassified subsequently to net income												
Remeasurement of post-employment benefits	124.2	(23.5)	(18.6)	(70.2)	29.2	(9.0)	41.8	(15.0)	(26.1)	11.9	47.0	(71.4)
Total other comprehensive income (loss)	85.2	(6.3)	8.5	(93.5)	56.4	(50.9)	2.8	33.2	(4.6)	(6.1)	41.5	7.5
Comprehensive income	237.7	142.5	152.5	8.9	59.4	66.6	149.1	148.4	120.2	541.6	423.5	442.7
Comprehensive income attributed to shareholders	244.4	142.2	152.1	8.9	64.7	66.7	148.9	147.6	119.1	547.6	427.9	440.4
Comprehensive income attributed to participating policyholders	(6.7)	0.3	0.4	0.0	(5.3)	(0.1)	0.2	0.8	1.1	(6.0)	(4.4)	2.3

DETAIL OF THE ACCUMULATED OTHER COMPREHENSIVE INCOME

	2016				2015				2014	2016	2015	2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(in millions of dollars, unless otherwise indicated)</i>												
Accumulated other comprehensive income (loss)												
Balance at beginning of period	79.1	61.9	34.8	58.1	30.9	72.8	111.8	63.6	42.1	58.1	63.6	(15.3)
Transfer of post-employment benefits to retained earnings	(124.2)	23.5	18.6	70.2	(29.2)	9.0	(41.8)	15.0	26.1	(11.9)	(47.0)	71.4
Total other comprehensive income	85.2	(6.3)	8.5	(93.5)	56.4	(50.9)	2.8	33.2	(4.6)	(6.1)	41.5	7.5
Balance at end of period	40.1	79.1	61.9	34.8	58.1	30.9	72.8	111.8	63.6	40.1	58.1	63.6
Sources of accumulated other comprehensive income (loss)												
Bonds	29.8	83.3	76.9	49.5	43.1	36.2	64.9	90.1	48.0	29.8	43.1	48.0
Stocks	(17.1)	(28.2)	(38.0)	(39.8)	(27.1)	(38.2)	(14.6)	(2.2)	5.8	(17.1)	(27.1)	5.8
Cash-flow Hedge	(0.1)	(0.1)	(0.4)	---	---	---	---	---	---	(0.1)	---	---
Currency translation account	27.5	24.1	23.4	25.1	42.1	32.9	22.5	23.9	9.8	27.5	42.1	9.8
Total	40.1	79.1	61.9	34.8	58.1	30.9	72.8	111.8	63.6	40.1	58.1	63.6

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION



FINANCIAL POSITION

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Assets									
Invested assets									
Cash and short-term investments	911.9	1,252.5	969.9	889.5	969.0	656.4	530.0	503.9	498.2
Bonds	21,086.8	21,833.8	21,039.6	19,724.6	19,278.1	19,094.0	19,005.6	19,863.7	18,575.3
Stocks	3,083.0	3,072.6	2,959.4	2,866.5	2,924.1	2,914.6	3,025.7	3,294.3	3,242.0
Mortgages and other loans	3,292.3	3,265.7	3,286.2	3,253.6	3,169.3	3,063.1	3,077.0	2,958.1	2,886.0
Derivative financial instruments	262.5	649.4	766.8	679.7	331.9	334.2	243.9	374.9	224.9
Policy loans	945.9	910.1	908.4	890.7	840.9	811.2	780.3	758.9	712.5
Other invested assets	416.8	415.1	377.2	343.1	337.3	224.2	207.0	89.7	80.1
Investment properties	1,237.8	1,250.4	1,252.8	1,211.8	1,215.9	1,233.5	1,223.4	1,194.5	1,190.1
Total investments	31,237.0	32,649.6	31,560.3	29,859.5	29,066.5	28,331.2	28,092.9	29,038.0	27,409.1
Other assets & fixed assets	1,867.1	2,139.2	2,060.0	2,237.4	1,827.4	1,864.9	1,899.5	2,021.1	1,925.0
Reinsurance assets	1,121.9	1,340.6	1,345.6	1,266.0	1,279.8	1,502.3	1,441.1	1,469.7	1,367.8
Deferred income tax assets	25.7	30.5	31.5	50.7	30.8	55.7	56.3	58.9	59.1
Intangible assets	659.4	643.4	636.7	626.2	622.9	578.6	573.7	567.6	560.2
Goodwill	312.7	306.2	337.8	335.2	334.0	272.1	272.1	272.4	270.0
General fund assets	35,223.8	37,109.5	35,971.9	34,375.0	33,161.4	32,604.8	32,335.6	33,427.7	31,591.2
Segregated funds net assets	21,825.8	21,511.3	20,634.9	20,007.5	19,776.7	19,112.4	19,632.4	19,795.8	18,748.2
Total assets	57,049.6	58,620.8	56,606.8	54,382.5	52,938.1	51,717.2	51,968.0	53,223.5	50,339.4

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION



FINANCIAL POSITION (continued)

	2016				2015				2014
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(in millions of dollars, unless otherwise indicated)</i>									
Liabilities									
Insurance contract liabilities									
Provisions for future policy benefits	23,346.2	24,928.2	24,268.3	23,049.9	22,299.4	21,973.4	21,874.6	22,754.2	21,490.2
Provisions for dividends to policyholders and experience rating refunds	32.8	26.3	26.7	30.8	30.7	26.4	31.6	32.0	32.3
Benefits payable and provision for unreported claims	220.7	221.2	240.8	233.9	214.0	218.5	223.7	230.4	211.5
Policyholders' amounts on deposit	299.0	299.8	302.5	301.9	303.8	303.1	253.8	275.6	287.3
Total	23,898.7	25,475.5	24,838.3	23,616.5	22,847.9	22,521.4	22,383.7	23,292.2	22,021.3
Investment contract liabilities	605.8	636.6	643.5	646.3	655.4	665.4	712.0	715.7	692.6
Derivative financial instruments	333.2	306.2	393.7	339.5	397.6	349.6	266.6	344.4	216.7
Other liabilities									
Mortgage debt on investment properties	0.0	0.0	0.0	21.8	22.1	22.3	36.0	36.4	36.8
Other	4,452.8	4,876.8	4,804.6	4,590.3	4,057.8	3,876.5	3,784.0	4,018.2	3,856.6
Total	4,452.8	4,876.8	4,804.6	4,612.1	4,079.9	3,898.8	3,820.0	4,054.6	3,893.4
Deferred income tax liabilities	173.4	174.3	166.9	154.6	150.5	187.7	217.3	214.2	235.5
Debentures	995.3	1,244.4	846.3	846.2	846.1	846.0	845.8	845.7	597.2
General fund liabilities	30,459.2	32,713.8	31,693.3	30,215.2	28,977.4	28,468.9	28,245.4	29,466.8	27,656.7
Segregated funds liabilities	21,825.8	21,511.3	20,634.9	20,007.5	19,776.7	19,112.4	19,632.4	19,795.8	18,748.2
Equity									
Participating policyholders' account	39.0	45.7	45.4	45.1	45.0	50.3	50.4	50.2	49.4
Share capital									
Common shares	1,498.8	1,328.5	1,315.0	1,312.5	1,310.5	1,284.3	1,270.7	1,259.0	1,243.5
Preferred shares	375.0	375.0	375.0	375.0	375.0	375.0	375.0	375.0	475.0
Total	1,873.8	1,703.5	1,690.0	1,687.5	1,685.5	1,659.3	1,645.7	1,634.0	1,718.5
Contributed surplus	18.5	21.1	22.6	22.0	21.4	22.6	21.8	21.2	21.1
Retained earnings	2,793.2	2,546.3	2,458.7	2,370.4	2,374.0	2,372.8	2,299.5	2,143.7	2,081.9
Accumulated other comprehensive income	40.1	79.1	61.9	34.8	58.1	30.9	72.8	111.8	63.6
Total shareholders' equity	4,725.6	4,350.0	4,233.2	4,114.7	4,139.0	4,085.6	4,039.8	3,910.7	3,885.1
Total equity	4,764.6	4,395.7	4,278.6	4,159.8	4,184.0	4,135.9	4,090.2	3,960.9	3,934.5
Total liabilities and equity	57,049.6	58,620.8	56,606.8	54,382.5	52,938.1	51,717.2	51,968.0	53,223.5	50,339.4

GLOSSARY

Assets under administration – All assets with respect to which the Company acts only as an intermediary between a client and an external fund manager.

Assets under management – All assets with respect to which the Company establishes a contract with a client and makes investment decisions for amounts deposited in this contract.

Capital structure – Total of Company equity, participating policyholders' account and debentures.

Classification of contracts – Contracts are classified into one of the following categories:

- **Insurance contract** – Contract under which the Company accepts a significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. The Company has classified most of its contracts as insurance contracts. The revenue associated with these contracts is posted as "Premiums" on the income statement.
- **Investment contract** – Contract that does not involve a significant insurance risk for the Company. Financial cash flows associated with these contracts are not posted on the income statement but are rather posted directly on the balance sheet of the Company.
- **Service contract** – Contract that does not involve any insurance risk for the Company. Administrative services only (ASO) contracts fall into this category. The revenue associated with these contracts is posted as "Other revenues" on the income statement.

Deposits – Deposits refer to amounts of money received from customers under a mutual fund contract or an investment contract. Deposits are not reflected in the Company's income statements.

Dividend per common share – Dividend paid by the Company to its common shareholders in a given period.

Dividend per preferred share – Dividend paid by the Company to its preferred shareholders in a given period.

Earnings per common share (EPS) – A measure of the Company's profitability, calculated by dividing the consolidated net income attributed to common shareholders by the weighted average number of outstanding common shares for the period, excluding common shares held in treasury.

Finance receivables – Finance receivables contain car loans, accrued interest and fees.

IFRS – Refers to International Financial Reporting Standards.

Impaired investments – Mortgages, bonds and other investment securities in default where there is no reasonable assurance that amounts owed to the Company will be recovered. Any loan on which contractual payments are in arrears for 90 days or more in the case of mortgages and 120 days or more in the case of other loans or in foreclosure is assumed to be impaired.

Loan originations – Refers to new car loans disbursed in a given period.

Premiums and premium equivalents include general fund premiums, segregated fund premiums, and premium equivalents.

- **General fund premiums:** Premiums earned on insurance, annuity and pension contracts as reflected in the Company's income statements. "Net premiums" refer to gross premiums less amounts ceded to a reinsurer.
- **Segregated fund premiums:** Amounts related to insurance, annuity and pension contracts which are invested in segregated funds. These amounts are reflected in the Company's income statements.
- **Premium equivalents:** Amounts of money received by the Company under service contracts such as ASO ("administrative services only") contracts. ASO contracts are group insurance contracts administered by the Company on behalf of the client, who retains all insurance risks, on which the Company earns a fee for its services. Only the fees earned under such contracts are reflected in the Company's income statements.

Return on common shareholders' equity (ROE) – Ratio, expressed as a percentage, obtained by dividing the consolidated net income available to common shareholders by the average common shareholders' equity for the period.

Sales – Sales are not an IFRS measure and are defined as fund entries on new business written during the period. They measure the Company's ability to generate new business. Sales are measured according to business sector as follows:

- **Individual Insurance:**

In the Individual Insurance sector, sales are defined as first-year annualized premiums. The net premiums presented in the Consolidated Financial Statements include both fund entries on new business written during the period and on in-force contracts and are reduced by premiums ceded to reinsurers.

- **Individual Wealth Management:**

Total sales : In the Individual Wealth Management sector, total sales (or gross sales) for general fund and segregated fund products correspond to the net premiums presented in the Consolidated Financial Statements. Sales for mutual funds are defined as deposits.

Net sales : In the Individual Wealth Management sector, net sales are a useful measure because they provide a more detailed understanding of the source of asset under management growth. The change in assets under management is important because it determines the level of management fees recorded in the Consolidated Income Statements under "Other revenues". Sales for segregated funds and mutual funds correspond to net fund entries (gross sales less withdrawals and transfers).

- **Group Insurance:**

Employee Plans : Sales are defined as fund entries on new business written during the period. They measure the Company's ability to generate new business. In the Group Insurance Employee Plans division, sales are defined as first-year annualized premiums, including premium equivalents (Administrative Services Only). The net premiums presented in the Consolidated Financial Statements are net of reinsurance and include both fund entries on new business written during the period and on in-force contracts. Net premiums for the Employee Plans division are included in the net premiums for the Group Insurance sector, along with those of the sector's two other divisions, Dealer Services and Special Markets Solutions.

Dealer Services - Creditor Insurance : Creditor insurance sales are defined as premiums before reinsurance and cancellations.

Dealer Services - P&C : P&C sales are defined as direct written premiums (before reinsurance).

Special Markets Solutions : Premiums before reinsurance

- **Group Savings and Retirement:**

Sales : In the Group Savings and Retirement sector, sales include gross premiums (before reinsurance) and premium equivalents, or deposits. The net premiums presented in the Consolidated Financial Statements are after reinsurance and exclude premium equivalents.

Net fund entries : In the Group Savings and Retirement sector, net fund entries are a useful measure because they provide a more detailed understanding of the source of asset under management growth. The change in assets under management is important because it determines the level of management fees recorded in the Consolidated Financial Statements under "Other revenues".

- **General Insurance:**

iAAH (Auto & Home): Direct written premiums

Share price – Price of the Company's share, as traded on the Toronto Stock Exchange under the ticker symbol IAG.

Sensitivity – Sensitivity analysis includes measures that have no IFRS equivalents

Solvency ratio – The ratio of the available capital of a life insurance company to the required capital, each calculated as prescribed by regulatory authorities. This ratio provides a measure of the Company's solvency and allows the regulatory authorities to determine if an insurance company is sufficiently capitalized in comparison to the minimum set by the regulator.

Sources of Earnings – The operating profit and income taxes presented in the sources of earnings are non-IFRS measures. The source of earnings provides additional indicators for evaluating financial performance:

- Operational profit:
 - The *expected profit on in-force* reflects the best estimates determined by management when the budget was prepared (updated quarterly for the savings sectors to reflect the evolution of the stock market and net fund entries).
 - Experience gains or losses* represent the difference between the expected profit on in-force and the realized profit.
 - Gain (strain) on sales* emerges when the provisions for adverse deviation incorporated into the provisions for future policy benefits are higher than the profit margins incorporated into product prices. Over the years, the provisions for adverse deviation are recovered in the form of profits as the assumptions used for pricing materialize.
 - Changes in assumptions* result from the company ensuring the adequacy of its provisions given the existing economic environment. The company also does a complete update of all of its valuation assumptions at the end of each year to take into account the most recent developments in the economic and financial environment as well as its own experience in terms of mortality, morbidity, lapse rates, unit costs and other factors.
- Income taxes:
 - Income taxes represent the value of amounts payable under the tax laws and include tax payable and deferred income taxes. A life insurer's investment income taxes and premium taxes are not included in these amounts.