

SUSTAINABLE GROWTH



GENERAL INFORMATION

iA Financial Group is one of the largest insurance and wealth management groups in Canada, with operations in the United States. Founded in 1892, it is one of Canada's largest public companies and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares). iA Financial Group serves over four million clients, employs more than 6,900 people and is backed by a network of some 25,000 advisors.

iA Financial Corporation Inc. ("iA Financial Corporation" or the "Company") became the parent company of Industrial Alliance Insurance and Financial Services Inc. ("iA Insurance") as of January 1, 2019, pursuant to a plan of arrangement. Under the terms of the arrangement, iA Financial Corporation is a "successor issuer" and the financial information presented for comparison purposes is the same as that of iA Insurance. Certain information related to the operations of iA Insurance is presented separately in this document.

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Stock Exchange Listing

The common shares of iA Financial Corporation Inc. are listed on the Toronto Stock Exchange under the stock symbol IAG.

The preferred shares of Industrial Alliance Insurance and Financial Services Inc. are listed on the Toronto Stock Exchange under the stock symbol IAF.

Dividend Reinvestment and Share Purchase Plan

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Credit Ratings Agency

iA Financial Corporation Inc.
Issuer rating
S&P: A-
DBRS: A (low)

Industrial Alliance Insurance and Financial Services Inc.
Financial strength
S&P: A+
DBRS: A (high)
A.M. Best: A+ (Superior)

Shareholder Services

For questions regarding share accounts, dividends, changes of address and ownership and other related matters, contact our transfer agent: Computershare Investor Services Inc.
Telephone: 514-982-7555
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Investor Relations

For analysts, portfolio managers and investors requesting financial information, contact our Investor Relations Department:
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Next Reporting Dates

2019 Second quarter - August 1, 2019
2019 Third quarter - November 6, 2019
2019 Fourth quarter - February 13, 2020

General information

For information on upcoming earnings releases, investor conferences and disclosure documents, consult our website at ia.ca, under *About iA*, in the *Investor Relations* section.

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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 Non-IFRS Financial Information 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 Information

iA Financial Corporation reports its financial results and statements in accordance with International Financial Reporting Standards (IFRS). It also publishes certain financial measures that are not based on IFRS (non-IFRS). A financial measure is considered a non-IFRS measure for Canadian securities law purposes if it is presented other than in accordance with the generally accepted accounting principles used for the Company's audited financial statements. These non-IFRS financial measures are often accompanied by and reconciled with IFRS financial measures. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. The Company believes that these non-IFRS financial measures provide additional information to better understand the Company's financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full-year results of the Company's ongoing operations. Since non-IFRS financial measures do not have standardized definitions and meaning, they may differ from the non-IFRS financial measures used by other institutions and should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. 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.

Non-IFRS financial measures published by the Company include, but are not limited to: return on common shareholders' equity (ROE), core earnings per common share (core EPS), core return on common shareholders' equity (core ROE), sales, net sales, assets under management (AUM), assets under administration (AUA), premium equivalents, deposits, sources of earnings measures (expected profit on in-force, experience gains and losses, strain on sales, changes in assumptions, management actions and income on capital), capital, solvency ratio, interest rate and equity market sensitivities, loan originations, finance receivables and average credit loss rate on car loans.

HIGHLIGHTS

<i>(In millions of dollars, unless otherwise indicated)</i>	Three months ended March 31			Twelve months ended December 31
	2019	2018	Variation	2018
PROFITABILITY				
Net income attributed to shareholders	156.8	143.0	10%	633.7
Dividends attributed to preferred shares issued by a subsidiary	5.7	3.8	50%	21.0
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—
Net income attributed to common shareholders	151.1	139.2	9%	612.7
Earnings per common share				
Basic	\$1.41	\$1.30	\$0.11	\$5.62
Diluted	\$1.40	\$1.29	\$0.11	\$5.59
Diluted, core ¹	\$1.28	\$1.32	(\$0.04)	\$5.55
Return on common shareholders' equity ^{1,2}				
Quarter annualized	11.7%	11.7%	—	—
Trailing 12 months	12.4%	11.8%	60 bps	—
Trailing 12 months, core	12.0%	11.9%	10 bps	—
BUSINESS GROWTH				
Sales by line of business ¹				
Individual Insurance	41.2	46.7	(12%)	190.8
Individual Wealth Management				
General fund	109.2	109.7	—	400.6
Segregated funds	610.9	617.6	(1%)	1,987.9
Mutual funds	546.3	670.1	(18%)	2,137.9
Total	1,266.4	1,397.4	(9%)	4,526.4
Group Insurance				
Employee Plans	25.9	19.5	33%	92.5
Dealer Services - Creditor Insurance	64.8	72.3	(10%)	374.2
Dealer Services - P&C	52.6	49.9	5%	242.2
Non-Prime Loan originations	92.1	74.4	24%	346.5
Special Markets Solutions	73.6	65.0	13%	255.6
Group Savings and Retirement	675.5	535.3	26%	1,666.9
US Operations (\$CAN) ³				
Individual Insurance	25.4	21.8	17%	105.2
Dealer Services - P&C ⁴	145.9	111.3	31%	485.9
General Insurance				
iAAH (Auto & Home)	66.2	62.2	6%	322.8
Net premiums, premium equivalent and deposits by line of business				
Individual Insurance	387.8	391.8	(1%)	1,554.4
Individual Wealth Management	1,266.4	1,397.4	(9%)	4,526.4
Group Insurance	437.1	422.5	3%	1,789.1
Group Savings and Retirement	669.5	529.0	27%	1,642.0
US Operations ³				
Individual Insurance	95.5	81.0	18%	347.9
Dealer Services - P&C ⁵	55.7	47.6	17%	185.8
General Insurance ⁶	75.1	71.7	5%	294.5
Total	2,987.1	2,941.0	2%	10,340.1
Assets under management and administration	181,043.0	173,897.0	4%	168,771.5

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

² In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

³ As of Q1-2018, the Company began presenting its US Operations as a separate line of business.

⁴ Data first presented in Q1-2018 following the acquisition of IA American Casualty Holdings Inc. (formerly Helios Financial Holdings Corp.).

⁵ In Q3-2018, an adjustment was made retroactively to Q1-2018 to include premium equivalents for the US P&C business following the acquisition of IA American Casualty Holdings Inc.

⁶ Includes iA Auto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

HIGHLIGHTS (continued)
(In millions of dollars, unless otherwise indicated)

	March 31, 2019	December 31, 2018	March 31, 2018
QUALITY OF INVESTMENTS			
Impaired investments and provisions (excluding insured loans)			
Net impaired investments	15.6	15.9	20.4
Net impaired investments as a % of investment portfolio	0.04%	0.05%	0.06%
Provisions for impaired investments (specific)	8.6	8.6	6.9
As a % of gross impaired investments	35.5%	35.1%	25.3%
Bonds			
Rated BB and lower	0.92%	0.78%	0.86%
Mortgages			
Delinquency rate	0.10%	0.09%	0.19%
Occupancy rate on investment properties	96.0%	95.0%	92.0%
SOLVENCY RATIO CARLI^{1,2,4}	124%	126%	120%
BOOK VALUE PER OUTSTANDING COMMON SHARE^{3,4}	\$48.79	\$47.40	\$44.34

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

² New capital regime effective as at January 1, 2018. The AMF capital guideline is comparable to OSFI's LICAT.

³ In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

⁴ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

PROFITABILITY

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Net income											
Net income	157.5	157.8	170.9	165.8	143.5	138.2	148.8	131.7	114.7	638.0	533.4
Net income attributed to participating policyholders	0.7	2.8	0.4	0.6	0.5	1.6	0.1	—	0.3	4.3	2.0
Net income attributed to shareholders	156.8	155.0	170.5	165.2	143.0	136.6	148.7	131.7	114.4	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.7	5.5	5.6	6.1	3.8	3.8	3.8	4.2	4.1	21.0	15.9
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income attributed to common shareholders	151.1	149.5	164.9	159.1	139.2	132.8	144.9	127.5	110.3	612.7	515.5
Earnings per common share											
Basic	\$1.41	\$1.37	\$1.50	\$1.45	\$1.30	\$1.25	\$1.36	\$1.20	\$1.04	\$5.62	\$4.84
Diluted	\$1.40	\$1.36	\$1.50	\$1.44	\$1.29	\$1.24	\$1.35	\$1.19	\$1.03	\$5.59	\$4.81
Diluted, core ¹	\$1.28	\$1.39	\$1.46	\$1.38	\$1.32	\$1.27	\$1.35	\$1.19	\$1.05	\$5.55	\$4.86
Return on common shareholders' equity^{1,2,3}											
Quarter annualized	11.7%	11.7%	13.0%	12.9%	11.7%	11.5%	12.8%	11.5%	10.1%	—	—
Trailing 12 months	12.4%	12.5%	12.3%	12.2%	11.8%	11.4%	12.6%	12.9%	13.5%	—	—
Trailing 12 months, core	12.0%	12.4%	12.2%	12.2%	11.9%	11.6%	11.8%	11.9%	12.0%	—	—
Net income attributed to common shareholders by line of business											
Individual Insurance	79.8	40.5	80.6	85.3	63.7	52.4	82.1	70.0	53.5	270.1	258.0
Individual Wealth Management	34.4	33.5	50.0	36.9	39.5	39.8	34.7	36.1	38.7	159.9	149.3
Group Insurance	17.3	24.7	20.5	18.3	19.0	17.5	17.9	9.3	9.7	82.5	54.4
Group Savings and Retirement	7.1	37.6	4.6	4.5	6.1	15.2	4.4	5.5	5.3	52.8	30.4
US Operations	12.5	13.2	9.2	14.1	10.9	7.9	5.8	6.6	3.1	47.4	23.4
Total	151.1	149.5	164.9	159.1	139.2	132.8	144.9	127.5	110.3	612.7	515.5

SPECIFIED ITEMS¹

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Impact on net income to common shareholders											
Impact of market on expected earnings ⁴											
Increase (decrease) in income on UL policies	12.7	(17.3)	1.7	5.0	(5.6)	5.7	(1.0)	(1.6)	1.9	(16.2)	5.0
Higher (lower) than expected management fees ⁵	3.6	(2.9)	0.2	0.3	(1.0)	1.3	(0.5)	0.3	1.0	(3.4)	2.1
Impact of dynamic hedging	(0.4)	(9.7)	2.5	(0.1)	2.1	3.1	5.2	4.2	9.5	(5.2)	22.0
Other											
Changes in assumptions and management actions	—	(0.3)	—	—	—	(10.6)	—	—	—	(0.3)	(10.6)

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

² In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

³ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

⁴ Approximate impact of market variations as compared to the expected net earnings that the Company would have earned under normal market conditions.

⁵ Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market variation and net sales.

SOURCES OF EARNINGS BY LINE OF BUSINESS

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018				2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Individual Insurance												
Operating profit (loss) ¹												
Expected profit on in-force	84.1	82.2	80.2	78.8	76.0	80.8	81.7	79.1	76.3	317.2	317.9	
Experience gain (loss)	8.9	(35.4)	5.2	21.2	(1.7)	1.2	(0.3)	(5.4)	(21.2)	(10.7)	(25.7)	
Strain on sales	(3.0)	(0.8)	(4.6)	(4.3)	(7.0)	(5.0)	(3.4)	(3.0)	(2.5)	(16.7)	(13.9)	
Changes in assumptions and management actions	—	(41.9)	—	—	—	(31.9)	—	—	—	(41.9)	(31.9)	
Total	90.0	4.1	80.8	95.7	67.3	45.1	78.0	70.7	52.6	247.9	246.4	
Income on capital ¹	19.1	37.1	22.4	17.9	12.7	19.0	28.1	14.2	12.9	90.1	74.2	
Income taxes ¹	(24.8)	3.4	(18.7)	(24.1)	(13.5)	(9.5)	(21.6)	(12.3)	(9.5)	(52.9)	(52.9)	
Net income (loss) attributed to shareholders	84.3	44.6	84.5	89.5	66.5	54.6	84.5	72.6	56.0	285.1	267.7	
Dividends attributed to preferred shares issued by a subsidiary	4.5	4.1	3.9	4.2	2.8	2.2	2.4	2.6	2.5	15.0	9.7	
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—	
Net income (loss) attributed to common shareholders	79.8	40.5	80.6	85.3	63.7	52.4	82.1	70.0	53.5	270.1	258.0	
Individual Wealth Management												
Operating profit (loss) ¹												
Expected profit on in-force	46.7	56.3	57.2	56.2	49.6	52.4	50.5	45.8	38.1	219.3	186.8	
Experience gain (loss)	2.9	(3.4)	8.2	(1.8)	4.7	1.2	1.9	5.1	16.9	7.7	25.1	
Strain on sales	—	—	—	—	(0.1)	—	—	—	—	(0.1)	—	
Changes in assumptions and management actions	—	(13.7)	—	—	—	6.1	—	—	—	(13.7)	6.1	
Total	49.6	39.2	65.4	54.4	54.2	59.7	52.4	50.9	55.0	213.2	218.0	
Income on capital ¹	(1.7)	6.9	4.7	2.8	(1.6)	(3.1)	(3.8)	(1.2)	(1.0)	12.8	(9.1)	
Income taxes ¹	(12.9)	(11.5)	(18.9)	(18.8)	(12.3)	(15.7)	(13.0)	(12.5)	(14.2)	(61.5)	(55.4)	
Net income (loss) attributed to shareholders	35.0	34.6	51.2	38.4	40.3	40.9	35.6	37.2	39.8	164.5	153.5	
Dividends attributed to preferred shares issued by a subsidiary	0.6	1.1	1.2	1.5	0.8	1.1	0.9	1.1	1.1	4.6	4.2	
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—	
Net income (loss) attributed to common shareholders	34.4	33.5	50.0	36.9	39.5	39.8	34.7	36.1	38.7	159.9	149.3	
Group Insurance												
Operating profit (loss) ¹												
Expected profit on in-force	22.6	21.7	26.1	20.3	16.3	20.2	22.5	18.0	13.8	84.4	74.5	
Experience gain (loss)	0.7	6.0	1.2	7.3	7.3	4.6	(1.4)	(5.9)	(1.3)	21.8	(4.0)	
Strain on sales	—	—	—	—	—	—	—	—	—	—	—	
Changes in assumptions and management actions	—	4.3	—	—	—	(2.3)	—	—	—	4.3	(2.3)	
Total	23.3	32.0	27.3	27.6	23.6	22.5	21.1	12.1	12.5	110.5	68.2	
Income on capital ¹	1.2	2.5	1.6	1.0	0.6	2.1	3.8	0.8	1.1	5.7	7.8	
Income taxes ¹	(6.7)	(9.6)	(8.0)	(9.9)	(5.0)	(6.7)	(6.6)	(3.2)	(3.5)	(32.5)	(20.0)	
Net income (loss) attributed to shareholders	17.8	24.9	20.9	18.7	19.2	17.9	18.3	9.7	10.1	83.7	56.0	
Dividends attributed to preferred shares issued by a subsidiary	0.5	0.2	0.4	0.4	0.2	0.4	0.4	0.4	0.4	1.2	1.6	
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—	
Net income (loss) attributed to common shareholders	17.3	24.7	20.5	18.3	19.0	17.5	17.9	9.3	9.7	82.5	54.4	

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

SOURCES OF EARNINGS BY LINE OF BUSINESS (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Group Savings and Retirement											
Operating profit (loss) ¹											
Expected profit on in-force	7.1	5.8	5.9	5.7	6.0	6.9	6.9	6.7	6.3	23.4	26.8
Experience gain (loss)	2.1	(3.4)	—	1.3	1.6	1.6	(1.6)	0.8	0.9	(0.5)	1.7
Strain on sales	0.1	0.1	(0.1)	0.1	0.3	(0.8)	(0.1)	(0.5)	(0.5)	0.4	(1.9)
Changes in assumptions and management actions	—	49.7	—	—	—	12.6	—	—	—	49.7	12.6
Total	9.3	52.2	5.8	7.1	7.9	20.3	5.2	7.0	6.7	73.0	39.2
Income on capital ¹	0.5	0.4	0.4	—	(0.3)	0.5	0.8	0.3	0.6	0.5	2.2
Income taxes ¹	(2.6)	(14.9)	(1.5)	(2.6)	(1.5)	(5.5)	(1.5)	(1.7)	(1.9)	(20.5)	(10.6)
Net income (loss) attributed to shareholders	7.2	37.7	4.7	4.5	6.1	15.3	4.5	5.6	5.4	53.0	30.8
Dividends attributed to preferred shares issued by a subsidiary	0.1	0.1	0.1	—	—	0.1	0.1	0.1	0.1	0.2	0.4
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income (loss) attributed to common shareholders	7.1	37.6	4.6	4.5	6.1	15.2	4.4	5.5	5.3	52.8	30.4
US Operations²											
Operating profit (loss) ¹											
Expected profit on in-force	14.0	11.3	11.4	11.3	11.2	8.3	8.4	8.3	8.3	45.2	33.3
Experience gain (loss)	1.6	(0.6)	0.9	7.7	(1.4)	0.7	(0.8)	1.6	(2.5)	6.6	(1.0)
Strain on sales	(3.2)	(2.3)	(2.5)	(2.3)	(2.9)	(1.8)	(1.8)	(2.0)	(3.2)	(10.0)	(8.8)
Changes in assumptions and management actions	—	1.2	—	—	—	1.0	—	—	—	1.2	1.0
Total	12.4	9.6	9.8	16.7	6.9	8.2	5.8	7.9	2.6	43.0	24.5
Income on capital ¹	3.5	7.7	1.4	1.3	6.5	1.6	2.9	2.2	2.2	16.9	8.9
Income taxes ¹	(3.4)	(4.1)	(2.0)	(3.9)	(2.5)	(1.9)	(2.9)	(3.5)	(1.7)	(12.5)	(10.0)
Net income (loss) attributed to shareholders	12.5	13.2	9.2	14.1	10.9	7.9	5.8	6.6	3.1	47.4	23.4
Dividends attributed to preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income (loss) attributed to common shareholders	12.5	13.2	9.2	14.1	10.9	7.9	5.8	6.6	3.1	47.4	23.4
Total Company											
Operating profit (loss) ¹											
Expected profit on in-force	174.5	177.3	180.8	172.3	159.1	168.6	170.0	157.9	142.8	689.5	639.3
Experience gain (loss)	16.2	(36.8)	15.5	35.7	10.5	9.3	(2.2)	(3.8)	(7.2)	24.9	(3.9)
Strain on sales	(6.1)	(3.0)	(7.2)	(6.5)	(9.7)	(7.6)	(5.3)	(5.5)	(6.2)	(26.4)	(24.6)
Changes in assumptions and management actions	—	(0.4)	—	—	—	(14.5)	—	—	—	(0.4)	(14.5)
Total	184.6	137.1	189.1	201.5	159.9	155.8	162.5	148.6	129.4	687.6	596.3
Income on capital ¹	22.6	54.6	30.5	23.0	17.9	20.1	31.8	16.3	15.8	126.0	84.0
Income taxes ¹	(50.4)	(36.7)	(49.1)	(59.3)	(34.8)	(39.3)	(45.6)	(33.2)	(30.8)	(179.9)	(148.9)
Net income (loss) attributed to shareholders	156.8	155.0	170.5	165.2	143.0	136.6	148.7	131.7	114.4	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.7	5.5	5.6	6.1	3.8	3.8	3.8	4.2	4.1	21.0	15.9
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income (loss) attributed to common shareholders	151.1	149.5	164.9	159.1	139.2	132.8	144.9	127.5	110.3	612.7	515.5

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

² As of Q1-2018, the Company began presenting its US Operations as a separate line of business.

EXPERIENCE AND SPECIFIC ITEMS¹

(Earnings per diluted weighted average number of common share)	2019		2018				2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Specific gains and losses												
Changes in assumptions and management actions	—	—	—	—	—	(0.10)	—	—	—	—	(0.10)	
Unusual income tax gain and loss	—	0.05	—	(0.07)	0.03	—	(0.02)	0.01	—	0.01	(0.01)	
Tax on premiums (in Individual Insurance)	—	—	—	—	—	—	—	—	(0.04)	—	(0.04)	
HollisWealth integration (in Individual Wealth Mgt.)	—	—	—	—	—	(0.02)	(0.03)	(0.02)	(0.01)	—	(0.08)	
Post closing adjustment to HollisWealth (purchase price clawback)	—	0.10	—	—	—	—	—	—	—	0.10	—	
Sale of a property, net of losses realized on available for sale investment	—	0.14	—	—	—	—	—	—	—	0.14	—	
Total	—	0.29	—	(0.07)	0.03	(0.12)	(0.05)	(0.01)	(0.05)	0.25	(0.23)	
Market-related gains and losses²												
Increase (decrease) in income on UL policies	0.12	(0.16)	0.02	0.05	(0.05)	0.05	(0.01)	(0.02)	0.02	(0.14)	0.04	
Higher (lower) than expected management fees ³	0.03	(0.03)	—	—	(0.01)	0.01	(0.01)	—	0.01	(0.04)	0.01	
Impact of dynamic hedging	—	(0.09)	0.02	—	0.02	0.03	0.05	0.04	0.09	(0.05)	0.21	
Total	0.15	(0.28)	0.04	0.05	(0.04)	0.09	0.03	0.02	0.12	(0.23)	0.26	
Policyholder experience gains and losses⁴												
Individual Insurance	(0.06)	(0.08)	0.02	0.10	0.04	(0.04)	0.01	(0.02)	(0.13)	0.08	(0.18)	
Individual Wealth Management	(0.01)	—	0.03	(0.01)	0.02	(0.01)	—	0.02	0.03	0.04	0.04	
Group Insurance	—	0.04	0.01	0.05	0.05	0.03	(0.01)	(0.04)	(0.01)	0.15	(0.03)	
Group Savings and Retirement	0.02	(0.02)	—	0.01	0.01	0.01	(0.01)	0.01	0.01	—	0.02	
US Operations	0.01	(0.01)	0.01	0.05	(0.01)	—	(0.01)	0.01	(0.02)	0.04	(0.02)	
Total	(0.04)	(0.07)	0.07	0.20	0.11	(0.01)	(0.02)	(0.02)	(0.12)	0.31	(0.17)	
Other experience gains and losses												
Strain on sales (in Ind. Insurance and US Operations)	0.01	(0.01)	(0.02)	(0.02)	(0.01)	(0.02)	(0.01)	0.02	0.04	(0.06)	0.03	
iA Auto and Home	0.02	0.01	—	0.02	—	—	0.01	(0.04)	(0.03)	0.03	(0.06)	
Investment income on capital	0.01	0.04	0.01	(0.01)	0.03	—	0.04	0.02	0.04	0.07	0.10	
Usual income tax gain and loss	(0.05)	—	—	—	—	—	—	—	—	—	—	
Total gains and losses	0.10	(0.02)	0.10	0.17	0.12	(0.06)	—	(0.01)	—	0.37	(0.07)	

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

² Approximate impact of market variations as compared to the expected net earnings that the Company would have earned under normal market conditions.

³ Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market growth and net sales.

⁴ All amounts prior to 2018 have been revised to reflect the US Operations now presented separately.

REPORTED EPS AND CORE EPS RECONCILIATION

<i>(Earnings per diluted weighted average number of common share)</i>	2019		2018				2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Reported earnings												
Earnings per common share - diluted	1.40	1.36	1.50	1.44	1.29	1.24	1.35	1.19	1.03	5.59	4.81	
Return on common shareholders' equity - trailing 12 months ^{2,5}	12.4%	12.5%	12.3%	12.2%	11.8%	11.4%	12.6%	12.9%	13.5%	—	—	
EPS adjustments (non-core items)¹												
Specific gains and losses												
Changes in assumptions and management actions	—	—	—	—	—	0.10	—	—	—	—	0.10	
Unusual income tax gain and loss	—	(0.05)	—	0.07	—	—	—	—	—	0.02	—	
Tax on premiums (in Individual Insurance)	—	—	—	—	—	—	—	—	0.04	—	0.04	
HollisWealth integration (in Individual Wealth Mgt.)	—	—	—	—	—	0.02	0.03	0.02	0.01	—	0.08	
Post closing adjustment to HollisWealth (purchase price clawback)	—	(0.10)	—	—	—	—	—	—	—	(0.10)	—	
Sale of a property, net of losses realized on available for sale investment	—	(0.14)	—	—	—	—	—	—	—	(0.14)	—	
Total	—	(0.29)	—	0.07	—	0.12	0.03	0.02	0.05	(0.22)	0.22	
Market-related gains and losses	(0.15)	0.28	(0.04)	(0.05)	0.04	(0.09)	(0.03)	(0.02)	(0.12)	0.23	(0.26)	
Policyholder experience gains and losses in excess of \$0.04 EPS^{3,4}												
Individual Insurance	0.02	0.04	—	(0.06)	—	—	—	—	0.09	(0.02)	0.09	
Individual Wealth Management	—	—	—	—	—	—	—	—	—	—	—	
Group Insurance	—	—	—	(0.01)	(0.01)	—	—	—	—	(0.02)	—	
Group Savings and Retirement	—	—	—	—	—	—	—	—	—	—	—	
US Operations	—	—	—	(0.01)	—	—	—	—	—	(0.01)	—	
Total	0.02	0.04	—	(0.08)	(0.01)	—	—	—	0.09	(0.05)	0.09	
Other experience gains and losses in excess of \$0.04 EPS³												
Strain on sales (in Individual Insurance)	—	—	—	—	—	—	—	—	—	—	—	
iA Auto and Home	—	—	—	—	—	—	—	—	—	—	—	
Investment income on capital	—	—	—	—	—	—	—	—	—	—	—	
Usual income tax gain and loss	0.01	—	—	—	—	—	—	—	—	—	—	
Total adjustments⁴	(0.12)	0.03	(0.04)	(0.06)	0.03	0.03	—	—	0.02	(0.04)	0.05	
Core earnings^{1,4}												
Core earnings per common share - diluted	1.28	1.39	1.46	1.38	1.32	1.27	1.35	1.19	1.05	5.55	4.86	
Core return on common shareholders' equity - trailing 12 months ^{2,5}	12.0%	12.4%	12.2%	12.2%	11.9%	11.6%	11.8%	11.9%	12.0%	—	—	

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

² In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

³ Applied on a quarterly basis.

⁴ All amounts prior to 2018 have been revised to reflect the fact that the US Operations are presented separately.

⁵ In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

BUSINESS GROWTH											
(In millions of dollars, unless otherwise indicated)	2019	2018				2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Individual Insurance											
Sales ¹											
Minimum Premiums	39.0	44.7	43.7	44.3	41.0	46.2	40.5	43.0	40.5	173.7	170.2
Excess Premiums	2.2	2.6	5.7	3.1	5.7	6.6	6.2	5.0	6.0	17.1	23.8
Total	41.2	47.3	49.4	47.4	46.7	52.8	46.7	48.0	46.5	190.8	194.0
Net premiums	387.8	399.4	384.5	378.7	391.8	394.7	363.8	371.8	362.2	1,554.4	1,492.5
Number of policies (life insurance only)	27,713	31,230	30,442	30,720	26,941	32,067	30,436	31,602	27,478	119,333	121,583
Individual Wealth Management											
Sales ¹											
General fund	109.2	104.8	88.1	98.0	109.7	83.7	66.6	74.4	91.8	400.6	316.5
Segregated funds	610.9	460.0	464.4	445.9	617.6	451.9	423.2	453.8	554.5	1,987.9	1,883.4
Mutual funds	546.3	481.8	442.1	543.9	670.1	559.7	461.8	560.1	783.8	2,137.9	2,365.4
Total	1,266.4	1,046.6	994.6	1,087.8	1,397.4	1,095.3	951.6	1,088.3	1,430.1	4,526.4	4,565.3
Net investment fund sales ¹											
Segregated funds	145.2	76.1	63.1	63.4	219.7	101.9	113.3	130.0	164.7	422.3	509.9
Mutual funds	(88.5)	(117.9)	(82.3)	(3.2)	45.8	30.7	21.6	76.9	200.0	(157.6)	329.2
Total	56.7	(41.8)	(19.2)	60.2	265.5	132.6	134.9	206.9	364.7	264.7	839.1
Assets under management ²											
General fund ³	1,613.4	1,531.9	1,463.1	1,430.3	1,384.7	1,345.5	1,318.3	1,327.6	1,318.7	1,531.9	1,345.5
Segregated funds	15,135.6	13,993.5	14,913.8	14,837.3	14,426.6	14,466.2	13,963.2	13,819.7	13,746.2	13,993.5	14,466.2
Mutual funds	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,723.2	11,446.0	11,356.9	11,314.3	10,832.8	11,723.2
Other	4,518.3	4,173.6	4,503.4	4,482.4	4,404.4	4,345.9	4,131.9	4,062.4	4,071.9	4,173.6	4,345.9
Total	32,734.3	30,531.8	32,640.4	32,490.3	31,718.9	31,880.8	30,859.4	30,566.6	30,451.1	30,531.8	31,880.8
Assets under administration ⁴											
Total	84,899.1	78,414.1	84,751.9	84,126.9	82,628.2	79,300.4	76,421.5	44,011.7	42,833.6	78,414.1	79,300.4
Total	117,633.4	108,945.9	117,392.3	116,617.2	114,347.1	111,181.2	107,280.9	74,578.3	73,284.7	108,945.9	111,181.2
Group Insurance											
Sales ¹											
Employee Plans	25.9	7.2	9.4	56.4	19.5	7.2	35.4	28.9	35.8	92.5	107.3
Dealers Services											
Creditor Insurance	64.8	87.0	108.3	106.6	72.3	99.0	120.3	106.4	75.7	374.2	401.4
P&C	52.6	54.8	66.1	71.4	49.9	49.0	66.1	71.8	46.5	242.2	233.4
Non-Prime Loan originations	92.1	98.9	90.5	82.7	74.4	62.2	64.9	58.7	50.9	346.5	236.7
Total	209.5	240.7	264.9	260.7	196.6	210.2	251.3	236.9	173.1	962.9	871.5
Special Markets Solutions	73.6	76.2	57.6	56.8	65.0	79.1	54.1	43.5	54.5	255.6	231.2
Total sales	309.0	324.1	331.9	373.9	281.1	296.5	340.8	309.3	263.4	1,311.0	1,210.0
Car loans ¹											
Dealer Services - Non-Prime Finance receivables	572.7	529.9	474.5	425.3	381.6	343.2	313.8	277.0	246.8	529.9	343.2

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

² Asset amounts have been adjusted retroactively in Q3-2018 further to recent acquisitions.

³ In Q3-2018, Individual Wealth Management general fund assets for prior periods were adjusted retroactively following a reclassification.

⁴ Includes assets related to distribution affiliates.

BUSINESS GROWTH (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Group Insurance (continued)											
Net premiums and premium equivalents											
Employee Plans	246.5	247.7	251.1	244.3	238.5	237.2	224.7	222.7	222.2	981.6	906.8
Dealer Services - Creditor Insurance	43.4	64.5	75.4	73.9	43.3	66.3	84.6	71.5	41.9	257.1	264.3
Dealer Services - P&C	37.3	35.2	35.5	31.3	31.4	36.5	30.5	28.4	24.6	133.4	120.0
Special Markets Solutions	69.5	72.2	53.8	52.3	61.2	75.4	50.4	39.7	50.9	239.5	216.4
Total net premiums	396.7	419.6	415.8	401.8	374.4	415.4	390.2	362.3	339.6	1,611.6	1,507.5
Premium equivalents and deposits											
Administrative services only contracts (ASO)	18.3	18.3	16.5	15.9	15.9	13.9	13.0	13.4	13.6	66.6	53.9
Investment contracts	22.1	26.9	32.2	19.6	32.2	15.5	14.9	11.0	18.6	110.9	60.0
Total	437.1	464.8	464.5	437.3	422.5	444.8	418.1	386.7	371.8	1,789.1	1,621.4
Group Savings and Retirement											
Sales ¹											
Accumulation contracts											
General fund	11.6	17.7	10.6	17.8	14.8	8.3	10.2	19.1	10.6	60.9	48.2
Segregated funds	336.7	394.1	276.1	323.9	346.4	264.6	287.4	352.4	415.3	1,340.5	1,319.7
Total	348.3	411.8	286.7	341.7	361.2	272.9	297.6	371.5	425.9	1,401.4	1,367.9
Insured annuities (general fund)	318.0	9.8	22.7	21.0	164.9	45.9	1.6	42.8	31.9	218.4	122.2
Deposits	9.2	16.7	13.9	7.3	9.2	15.9	10.0	11.7	17.4	47.1	55.0
Total sales	675.5	438.3	323.3	370.0	535.3	334.7	309.2	426.0	475.2	1,666.9	1,545.1
Net premiums and deposits											
Net premiums	660.3	415.4	303.3	356.4	519.8	312.4	292.7	407.7	451.1	1,594.9	1,463.9
Deposits	9.2	16.7	13.9	7.3	9.2	15.9	10.0	11.7	17.4	47.1	55.0
Total	669.5	432.1	317.2	363.7	529.0	328.3	302.7	419.4	468.5	1,642.0	1,518.9
Assets under management											
Accumulation contracts											
General fund	233.4	231.1	226.3	219.4	215.9	220.2	233.1	231.2	234.5	231.1	220.2
Segregated funds	10,623.9	9,787.1	10,119.8	10,050.3	9,673.5	9,650.8	9,243.9	9,122.3	8,917.9	9,787.1	9,650.8
Other	887.6	850.4	845.3	840.2	831.5	836.9	825.1	825.3	823.9	850.4	836.9
Total	11,744.9	10,868.6	11,191.4	11,109.9	10,720.9	10,707.9	10,302.1	10,178.8	9,976.3	10,868.6	10,707.9
Insured annuities (general fund)	3,658.3	3,246.1	3,314.8	3,360.1	3,370.5	3,246.6	3,183.4	3,276.5	3,217.0	3,246.1	3,246.6
Total	15,403.2	14,114.7	14,506.2	14,470.0	14,091.4	13,954.5	13,485.5	13,455.3	13,193.3	14,114.7	13,954.5

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

BUSINESS GROWTH (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
US Operations¹											
Sales (\$US) ²											
Individual Insurance	19.2	21.4	21.0	21.5	17.3	17.5	17.7	20.0	17.7	81.2	72.9
Dealer Services - P&C ³	109.7	79.3	104.8	102.9	88.1	—	—	—	—	375.1	—
Sales (\$CAN) ²											
Individual Insurance	25.4	28.2	27.5	27.7	21.8	22.1	22.1	26.9	23.4	105.2	94.5
Dealer Services - P&C ³	145.9	105.2	136.6	132.8	111.3	—	—	—	—	485.9	—
Net Premiums and Premium Equivalents (\$CAN)											
Individual Insurance	95.5	92.9	88.5	85.5	81.0	79.5	75.5	79.9	74.9	347.9	309.8
Dealer Services - P&C ³	19.3	9.4	17.1	10.5	20.5	—	—	—	—	57.5	—
Total Net Premiums	114.8	102.3	105.6	96.0	101.5	79.5	75.5	79.9	74.9	405.4	309.8
Premium Equivalents	36.4	30.5	35.1	35.6	27.1	—	—	—	—	128.3	—
Total Net premiums and Premium Equivalents	151.2	132.8	140.7	131.6	128.6	79.5	75.5	79.9	74.9	533.7	309.8
General Insurance											
Sales ²											
iAAH (Auto & Home)	66.2	68.5	87.3	104.8	62.2	64.2	82.5	102.7	59.4	322.8	308.8
Net premiums, premium equivalents and deposits by line of business											
Individual Insurance	387.8	399.4	384.5	378.7	391.8	394.7	363.8	371.8	362.2	1,554.4	1,492.5
Individual Wealth Management	1,266.4	1,046.6	994.6	1,087.8	1,397.4	1,095.3	951.6	1,088.3	1,430.1	4,526.4	4,565.3
Group Insurance	437.1	464.8	464.5	437.3	422.5	444.8	418.1	386.7	371.8	1,789.1	1,621.4
Group Savings and Retirement	669.5	432.1	317.2	363.7	529.0	328.3	302.7	419.4	468.5	1,642.0	1,518.9
US Operations ^{1,4}	151.2	132.8	140.7	131.6	128.6	79.5	75.5	79.9	74.9	533.7	309.8
General Insurance ⁵	75.1	75.3	74.3	73.2	71.7	72.8	72.1	68.9	66.7	294.5	280.5
Total	2,987.1	2,551.0	2,375.8	2,472.3	2,941.0	2,415.4	2,183.8	2,415.0	2,774.2	10,340.1	9,788.4
Distribution of net premiums, premium equivalents and deposits by region											
Atlantic provinces	7.1%	3.7%	3.9%	3.8%	3.8%	4.1%	4.3%	4.2%	3.6%	3.8%	4.0%
Quebec	35.3%	38.2%	42.0%	46.7%	38.8%	36.2%	38.2%	40.0%	39.0%	41.3%	38.4%
Ontario	32.3%	30.3%	27.1%	28.6%	26.3%	29.2%	29.1%	27.2%	30.1%	28.0%	29.0%
Western provinces	20.2%	22.6%	21.1%	15.5%	26.7%	27.2%	24.9%	25.2%	24.6%	21.7%	25.4%
Outside Canada	5.1%	5.2%	5.9%	5.4%	4.4%	3.3%	3.5%	3.4%	2.7%	5.2%	3.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

¹ As of Q1-2018, the Company began presenting its US Operations as a separate line of business.

² Non-IFRS measures. See glossary at the end of this document for definitions.

³ Data first presented in Q1-2018 following the acquisition of IA American Casualty Holdings Inc. (formerly Helios Financial Holdings Corp.).

⁴ In Q3-2018, an adjustment was made retroactively to Q1-2018 to include premium equivalents for the US P&C business following the acquisition of IA American Casualty Holdings Inc.

⁵ Includes iAAuto and Home premiums, other activities that have no link with key segments and some minor consolidation adjustments.

BUSINESS GROWTH (continued)

	2019		2018				2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
<i>(In millions of dollars, unless otherwise indicated)</i>												
Assets under management and administration¹												
Assets under management												
General fund ²	42,503.4	39,759.5	39,067.5	39,920.0	39,133.0	37,789.4	37,146.2	37,001.8	36,329.6	39,759.5	37,789.4	
Segregated funds	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0	23,207.1	22,942.0	22,664.1	23,780.6	24,117.0	
Mutual funds	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,723.2	11,446.0	11,356.9	11,314.3	10,832.8	11,723.2	
Other ³	15,199.0	14,721.1	15,127.5	15,194.1	15,096.8	15,123.1	15,114.7	16,856.1	17,006.3	14,721.1	15,123.1	
Total	94,928.9	89,094.0	90,988.7	91,742.0	89,833.1	88,752.7	86,914.0	88,156.8	87,314.3	89,094.0	88,752.7	
Assets under administration	86,114.1	79,677.5	86,056.1	85,510.8	84,063.9	80,787.1	77,899.5	44,047.0	42,870.3	79,677.5	80,787.1	
Total	181,043.0	168,771.5	177,044.8	177,252.8	173,897.0	169,539.8	164,813.5	132,203.8	130,184.6	168,771.5	169,539.8	
Human resources												
Number of employees	6,917	6,877	6,849	6,764	6,548	6,115	6,009	5,775	5,563	6,877	6,115	
Number of Career representatives	2,189	2,233	2,173	2,139	2,200	2,270	2,203	2,229	2,223	2,233	2,270	

¹ Asset amounts have been adjusted retroactively in Q3-2018 further to recent acquisitions.

² In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

³ Mainly assets managed for third parties.

INVESTED ASSETS

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Value and distribution of investments									
Book value of investment portfolio	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4	33,821.9	32,368.5	32,656.4	31,593.2
Distribution of investments by financial instrument category									
Available for sale	11.6%	12.3%	12.9%	13.2%	12.6%	12.0%	12.2%	12.4%	13.3%
Fair value through profit or loss (FVTPL)	63.3%	60.8%	61.6%	62.7%	62.8%	63.1%	62.3%	62.7%	61.2%
Loans and receivables	19.5%	21.0%	20.4%	19.3%	19.7%	20.0%	20.8%	20.3%	20.8%
Investment properties	4.7%	5.0%	4.2%	3.9%	4.0%	4.0%	3.8%	3.8%	3.9%
Other	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%
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	69.0%	68.3%	67.8%	69.8%	69.2%	67.8%	67.7%	68.5%	68.5%
Stocks	8.5%	8.8%	9.8%	9.7%	9.9%	10.3%	10.1%	10.0%	9.9%
Mortgages and other loans	10.0%	10.6%	10.2%	9.6%	9.7%	9.7%	10.1%	10.0%	10.5%
Investment properties	4.7%	5.0%	4.2%	3.9%	4.0%	4.0%	3.8%	3.8%	3.9%
Policy loans	2.6%	2.7%	2.7%	2.7%	2.7%	2.8%	2.9%	2.9%	3.0%
Cash and short-term investments	2.5%	3.0%	3.5%	2.4%	2.7%	3.4%	3.8%	3.0%	2.6%
Other ¹	2.7%	1.6%	1.8%	1.9%	1.8%	2.0%	1.6%	1.8%	1.6%
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	3.1%	3.1%	3.2%	3.1%	3.1%	3.2%	3.4%	3.4%	3.5%
Quebec	26.8%	27.8%	27.9%	28.2%	28.8%	29.7%	30.5%	31.4%	32.5%
Ontario	32.4%	32.7%	32.3%	33.1%	32.1%	31.8%	31.7%	31.3%	29.5%
Western provinces	18.7%	18.4%	18.5%	18.1%	18.3%	18.4%	18.0%	17.5%	18.6%
Outside Canada	19.0%	18.0%	18.1%	17.5%	17.7%	16.9%	16.4%	16.4%	15.9%
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)	24.2	24.5	24.6	24.7	27.3	30.9	31.1	31.5	31.6
Provisions for impaired investments (specific)	8.6	8.6	6.0	6.1	6.9	7.5	5.6	5.6	5.7
As a % of gross impaired investments	35.5%	35.1%	24.4%	24.7%	25.3%	24.3%	18.0%	17.8%	18.0%
Net impaired investments (excluding insured loans)									
Bonds	12.8	12.8	15.1	15.1	15.1	15.1	16.8	16.8	16.9
Mortgages and other loans	2.8	3.1	3.5	3.5	5.3	8.3	8.7	9.1	9.0
Total	15.6	15.9	18.6	18.6	20.4	23.4	25.5	25.9	25.9
Net impaired investments as a % of investment portfolio	0.04%	0.05%	0.05%	0.05%	0.06%	0.07%	0.08%	0.08%	0.08%
Provisions for losses (collective and specific)									
At beginning of period	16.7	13.9	13.5	13.4	13.9	11.8	10.7	10.9	10.1
Increase for the period	8.3	10.4	6.0	6.1	5.7	7.4	5.4	4.2	5.3
Decrease for the period	(8.2)	(7.6)	(5.6)	(6.0)	(6.2)	(5.3)	(4.3)	(4.4)	(4.5)
At end of period	16.8	16.7	13.9	13.5	13.4	13.9	11.8	10.7	10.9
Provisions for losses by type of investment (collective and specific)									
Bonds	7.9	7.9	5.7	5.7	5.7	5.7	4.1	4.1	4.1
Mortgages	0.6	0.6	0.2	0.3	1.0	1.8	1.5	1.5	1.5
Car loans	8.3	8.2	8.0	7.5	6.7	6.4	6.2	5.1	5.3
Total	16.8	16.7	13.9	13.5	13.4	13.9	11.8	10.7	10.9
Other quality measure									
Car loans - Average credit loss rate (non-prime) ²	5.3%	5.2%	5.2%	5.4%	5.7%	5.9%	6.1%	6.7%	7.4%

¹ In 2017, one item in "Other invested assets" was reclassified under "Other assets" on the balance sheet.

² Non-IFRS measure. Quarterly average credit loss on a trailing 12 months basis. Represents total credit losses divided by the average finance receivables over the same period.

INVESTED ASSETS (continued)									
(In millions of dollars, unless otherwise indicated)	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Real estate acquired to settle loans									
Real estate held for resale	0.6	0.6	4.6	4.7	4.6	10.2	10.1	10.5	10.8
Bonds									
Book value of the bond portfolio	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4	22,944.1	21,935.5	22,338.0	21,604.9
Distribution by financial instrument category									
Available for sale	15.0%	16.2%	17.1%	17.0%	16.3%	15.8%	16.1%	16.5%	17.6%
Fair value through profit or loss (FVTPL)	76.4%	74.7%	73.7%	74.5%	74.9%	75.3%	74.6%	74.6%	73.2%
Loans and receivables	8.6%	9.1%	9.2%	8.5%	8.8%	8.9%	9.3%	8.9%	9.2%
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	6.14%	5.21%	5.20%	5.05%	5.70%	4.85%	4.41%	4.83%	3.94%
Rating - AA	34.82%	35.41%	34.17%	35.20%	33.81%	34.19%	33.76%	32.44%	31.05%
Rating - A	41.28%	41.89%	42.76%	42.37%	43.19%	43.63%	43.73%	44.39%	46.97%
Rating - BBB	16.84%	16.71%	17.05%	16.57%	16.44%	16.34%	17.25%	17.68%	17.36%
Rating - BB and lower	0.92%	0.78%	0.82%	0.81%	0.86%	0.99%	0.85%	0.66%	0.68%
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	50.4%	50.7%	49.6%	51.3%	51.5%	52.0%	50.7%	50.5%	51.2%
Municipalities	5.1%	5.1%	5.0%	4.9%	4.9%	5.0%	4.9%	4.7%	4.5%
Corporates - Public issues	27.0%	26.3%	27.5%	26.7%	26.7%	26.1%	26.7%	27.4%	27.1%
Corporates - Private issues	17.5%	17.9%	17.9%	17.1%	16.9%	16.9%	17.7%	17.4%	17.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Mortgages and other loans									
Book value of mortgage and other loans portfolio	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8	3,288.1	3,255.2	3,277.3	3,311.5
Book value of mortgages	2,984.3	2,999.4	2,826.5	2,720.4	2,719.5	2,718.5	2,690.3	2,718.9	2,761.6
Book value of other loans	686.6	661.9	630.0	604.1	585.3	569.6	564.9	558.4	549.9
Distribution by financial instrument category									
Held for trading	2.5%	2.5%	2.2%	2.4%	2.0%	1.9%	1.9%	1.7%	1.6%
Loans and receivables	97.5%	97.5%	97.8%	97.6%	98.0%	98.1%	98.1%	98.3%	98.4%
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	36.5%	36.0%	37.0%	35.3%	35.2%	35.5%	35.7%	34.8%	33.0%
Multi-residential	55.1%	55.4%	55.6%	56.8%	57.2%	56.7%	56.0%	56.5%	55.7%
Non-residential	8.4%	8.6%	7.4%	7.9%	7.6%	7.8%	8.3%	8.7%	11.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by type of mortgage									
Securitized and insured ¹	39.7%	37.2%	37.6%	39.7%	41.1%	40.3%	39.3%	37.9%	36.2%
Insured	36.9%	39.3%	38.9%	36.5%	35.8%	37.9%	38.9%	40.9%	41.1%
Uninsured	23.4%	23.5%	23.5%	23.8%	23.1%	21.8%	21.8%	21.2%	22.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

¹ A marginal portion of the "Securitized and insured" loans may be uninsured at the end of the quarter.

INVESTED ASSETS (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Mortgages									
Other quality measures									
Delinquency rate ¹									
Securitized and insured ²	0.05%	—	—	—	0.07%	0.02%	0.03%	0.02%	0.05%
Insured	0.21%	0.11%	0.12%	0.16%	0.14%	0.13%	0.13%	0.14%	0.15%
Uninsured	—	—	—	—	0.36%	1.10%	1.10%	1.24%	1.10%
Total	0.10%	0.09%	0.09%	0.12%	0.19%	0.34%	0.34%	0.37%	0.37%
Delinquency rate, including real estate acquired to settle loans	0.12%	0.11%	0.25%	0.29%	0.36%	0.71%	0.72%	0.76%	0.76%
Stocks									
Book value of the stock portfolio	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9	3,467.0	3,271.0	3,278.5	3,139.9
Distribution by financial instrument category									
Available for sale	14.5%	14.2%	13.5%	13.3%	12.7%	12.8%	12.4%	11.7%	13.1%
Fair value through profit or loss (FVTPL)	85.5%	85.8%	86.5%	86.7%	87.3%	87.2%	87.6%	88.3%	86.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by category									
Common	58.9%	59.7%	58.6%	56.1%	54.3%	53.7%	52.5%	52.0%	51.9%
Preferred	16.7%	16.3%	18.7%	18.7%	18.3%	18.3%	19.3%	18.7%	20.0%
Market indices	9.9%	10.2%	8.7%	11.0%	13.8%	14.3%	14.0%	15.2%	13.5%
Investment fund units and other	14.5%	13.8%	14.0%	14.2%	13.6%	13.7%	14.2%	14.1%	14.6%
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	54.1%	55.9%	55.5%	55.9%	57.8%	57.2%	56.3%	56.9%	53.3%
Backing UL accounts	27.9%	26.2%	26.8%	26.7%	25.4%	25.8%	26.7%	26.4%	27.5%
Backing capital	18.0%	17.9%	17.7%	17.4%	16.8%	17.0%	17.0%	16.7%	19.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Real estate									
Investment properties	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0	1,340.8	1,228.2	1,249.8	1,236.0
Linearization of rents	18.3	17.4	15.0	14.2	13.8	13.0	11.6	11.1	10.7
Fair value of investment properties	1,738.8	1,737.9	1,431.0	1,371.0	1,356.8	1,353.8	1,239.8	1,260.9	1,246.7
Occupancy rate on investment properties	96.0%	95.0%	93.0%	92.0%	92.0%	93.0%	89.0%	92.0%	89.5%
Other									
Provision for potential loss on fixed-income securities contained in the policy liabilities	332.5	289.6	323.0	346.7	335.3	335.7	323.3	361.0	327.4

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

² A marginal portion of the "Securitized and insured" loans may be uninsured at the end of the quarter.

SOLVENCY AND CAPITALIZATION

	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(In millions of dollars, unless otherwise indicated)</i>									
Capital structure									
Debentures	901.5	901.4	901.0	1,000.8	1,000.4	996.3	996.1	995.8	995.6
Participating policyholders' accounts	45.7	45.3	42.5	42.1	41.5	41.0	39.4	39.3	39.3
Equity									
Common shares	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0	1,520.9	1,512.9	1,511.4	1,505.5
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	375.0	375.0	375.0	375.0
Contributed surplus	22.5	22.8	21.5	20.9	20.2	19.5	19.7	18.7	18.5
Retained earnings ^{1,2}	3,474.0	3,447.0	3,426.1	3,304.9	3,135.0	3,072.8	2,994.4	2,850.9	2,790.0
Accumulated other comprehensive income	84.8	22.5	(1.3)	29.1	36.7	48.9	27.4	62.0	81.4
Total shareholders' equity	5,740.8	5,672.8	5,642.9	5,549.8	5,384.9	5,037.1	4,929.4	4,818.0	4,770.4
Total capital structure	6,688.0	6,619.5	6,586.4	6,592.7	6,426.8	6,074.4	5,964.9	5,853.1	5,805.3
Debt measures									
Debentures/capital structure ²	13.5%	13.6%	13.7%	15.2%	15.6%	16.4%	16.7%	17.0%	17.1%
Debentures and preferred shares issued by a subsidiary/capital structure ²	21.3%	21.5%	21.7%	23.1%	23.7%	22.6%	23.0%	23.4%	23.6%
Coverage ratio (in number of times) ³	14.8	14.6	14.5	14.4	14.1	13.3	12.7	12.5	13.0
Credit ratings									
	Standard & Poor's				DBRS		A.M. Best		
iA Financial Corporation Inc.									
Issuer rating	A-				A (low)		not rated		
Industrial Alliance Insurance and Financial Services inc.									
Financial strength	A+				A (high)		A+ (Superior)		
Issuer rating	A+				A (high)		aa-		
Debentures	A				A		a		
Preferred Shares	A- ⁴				Pfd-2 (high)		a-		

¹ In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

² In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

³ Calculated by dividing earnings for the past twelve months (before interest and taxes) by the sum of interest, preferred share issued by a subsidiary dividends and redemption premium on preferred shares issued by a subsidiary (if applicable).

⁴ For preferred shares: A- is the rating on global scale and P-1 (Low) is the rating on Canadian scale.

SOLVENCY AND CAPITALIZATION (continued)

(In millions of dollars, unless otherwise indicated)	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
iA Financial Corporation Inc.									
Solvency ratio CARL^{1,2}									
Available capital									
Tier 1 Capital:									
Common shares	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0	1,520.9	—	—	—
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	375.0	—	—	—
Other Tier 1 capital instruments	—	—	—	—	—	—	—	—	—
Adjusted Retained Earnings ^{3,4}	3,469.8	3,442.4	3,411.2	3,291.3	3,126.4	3,067.5	—	—	—
Other	155.3	91.4	67.3	96.9	101.8	107.9	—	—	—
Gross Tier 1	5,784.6	5,714.3	5,675.1	5,583.1	5,421.2	5,071.3	—	—	—
Deductions for Goodwill and Other intangibles assets	(1,223.6)	(1,208.1)	(1,167.3)	(1,176.0)	(1,120.1)	(853.9)	—	—	—
Other Tier 1 Deductions ³	(1,478.3)	(1,429.3)	(1,282.3)	(1,211.3)	(1,212.4)	(1,165.3)	—	—	—
Tier 1	3,082.7	3,076.9	3,225.5	3,195.8	3,088.7	3,052.1	—	—	—
Tier 2 Capital									
Subordinated debt	897.6	897.4	897.1	996.8	996.6	996.3	—	—	—
Other Tier 2 capital instruments	—	—	—	—	—	—	—	—	—
Other	764.9	743.1	597.3	589.2	634.5	612.9	—	—	—
Gross Tier 2	1,662.5	1,640.5	1,494.4	1,586.0	1,631.1	1,609.2	—	—	—
Tier 2 Deductions	(259.1)	(248.5)	(241.5)	(231.7)	(256.2)	(197.1)	—	—	—
Tier 2	1,403.4	1,392.0	1,252.9	1,354.3	1,374.9	1,412.1	—	—	—
Available capital	4,486.1	4,468.9	4,478.4	4,550.1	4,463.6	4,464.2	—	—	—
Surplus Allowance and Eligible Deposits	4,268.2	4,045.6	3,797.0	4,007.8	4,063.8	4,155.0	—	—	—
Base Solvency Buffer									
Credit Risk	901.4	800.3	760.3	824.3	846.7	822.1	—	—	—
Market Risk	2,614.3	2,481.7	2,616.5	2,622.4	2,707.9	2,870.8	—	—	—
Insurance Risk	3,561.6	3,518.9	3,403.9	3,387.9	3,339.6	3,303.8	—	—	—
Segregated Fund Guarantees Risk	224.3	224.4	426.1	453.6	449.6	442.9	—	—	—
Operational Risk	567.3	544.1	528.8	530.6	527.3	533.2	—	—	—
Diversification and Other Credits	(1,156.4)	(1,135.9)	(1,103.2)	(1,112.5)	(1,102.7)	(1,105.9)	—	—	—
Base Solvency Buffer ⁵	7,048.1	6,755.2	6,964.0	7,041.6	7,106.8	7,210.2	—	—	—
Total Ratio ⁵	124%	126%	119%	122%	120%	120%	—	—	—
Industrial Alliance Insurance and Financial Services Inc.									
Solvency ratio CARL^{1,2}									
Available capital, surplus allowance and eligible deposits	8,695.5	8,514.5	8,275.4	8,557.9	8,527.4	8,619.2	—	—	—
Base Solvency Buffer ⁵	7,047.5	6,755.2	6,964.0	7,041.6	7,106.8	7,210.2	—	—	—
Total Ratio ⁵	123%	126%	119%	122%	120%	120%	—	—	—

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

² New capital regime effective as at January 1, 2018. The AMF capital guideline is comparable to OSFI's LICAT.

³ In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

⁴ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

⁵ Including the scalar of 1.05

SOLVENCY AND CAPITALIZATION (continued)

	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(In millions of dollars, unless otherwise indicated)</i>									
iA Financial Corporation Inc.									
Solvency ratio CAR^{1,2}									
Available capital									
Tier 1									
Common shares	—	—	—	—	—	1,520.9	1,512.9	1,511.4	1,505.5
Preferred shares	—	—	—	—	—	375.0	375.0	375.0	375.0
Innovative instruments in Tier 1 capital	—	—	—	—	—	—	—	—	—
Retained earnings ³	—	—	—	—	—	3,079.5	3,002.6	2,857.7	2,799.3
Other	—	—	—	—	—	(127.3)	62.3	65.1	80.4
Gross Tier 1 capital	—	—	—	—	—	4,848.1	4,952.8	4,809.2	4,760.2
Less:									
Goodwill and other intangible assets	—	—	—	—	—	1,157.8	1,147.3	867.6	847.6
Adjustment for intangible assets	—	—	—	—	—	(245.3)	(250.5)	(243.4)	(240.9)
Adjustment for negative reserves	—	—	—	—	—	107.4	8.1	—	—
Other	—	—	—	—	—	7.7	6.8	7.9	4.8
Net Tier 1 capital	—	—	—	—	—	3,820.5	4,041.1	4,177.1	4,148.7
Less: deductions and adjustments	—	—	—	—	—	123.7	113.3	83.6	79.8
Adjusted Net Tier 1 capital	—	—	—	—	—	3,696.8	3,927.8	4,093.5	4,068.9
Tier 2									
Limited life instruments allowed (subordinated debt) (Tier 2B)	—	—	—	—	—	996.3	996.1	995.8	995.6
Other (Tier 2A and Tier 2C)	—	—	—	—	—	281.5	144.4	151.3	113.4
Less: deductions	—	—	—	—	—	123.7	113.3	83.6	79.8
Total Tier 2 capital allowed	—	—	—	—	—	1,154.1	1,027.2	1,063.5	1,029.2
Total Tier 1 and Tier 2 capital	—	—	—	—	—	4,850.9	4,955.0	5,157.0	5,098.1
Less: deductions and adjustments (total of Tier 1 and Tier 2)	—	—	—	—	—	—	—	—	—
Total available capital	—	—	—	—	—	4,850.9	4,955.0	5,157.0	5,098.1
Required capital									
Asset default risk and market risk	—	—	—	—	—	1,194.3	1,178.4	1,176.0	1,170.0
Insurance risk	—	—	—	—	—	744.9	790.5	803.9	776.5
Interest rate risk	—	—	—	—	—	414.1	382.1	389.2	371.2
Total required capital	—	—	—	—	—	2,353.3	2,351.0	2,369.1	2,317.7
Solvency ratio	—	—	—	—	—	206%	211%	218%	220%

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

² Capital regime in effect until December 31, 2017. The AMF capital guideline is comparable to OSFI's MCCSR.

³ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

MACROECONOMIC SENSITIVITY¹

	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Equity Market Sensitivity									
Reference index (S&P/TSX Index (in points)) ²	16,102	14,323	16,073	16,278	15,367	16,209	15,635	15,182	15,548
Level of S&P/TSX before reserves require strengthening for future policy benefits (in points) ¹	11,900	11,500	11,700	11,800	11,400	11,300	11,700	11,400	11,300
Variation	(26%)	(20%)	(27%)	(28%)	(26%)	(30%)	(25%)	(25%)	(27%)
Solvency ratio (CARLI ³) ^{1,4}	124%	126%	119%	122%	120%	—	—	—	—
Level of S&P/TSX at which solvency ratio would be 112% (in points) ^{1,5}	—	—	10,000	9,100	9,700	—	—	—	—
Variation	—	—	(37%)	(44%)	(37%)	—	—	—	—
Level of S&P/TSX at which solvency ratio would be 110% (in points) ⁵	4,400	5,000	—	—	—	—	—	—	—
Variation	(73%)	(65%)	—	—	—	—	—	—	—
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in equity markets ⁶									
30% increase	—	(1%)	—	—	5%	—	—	—	—
20% increase	—	(1%)	—	—	4%	—	—	—	—
10% increase	—	(1%)	—	—	1%	—	—	—	—
10% decrease	—	—	—	—	—	—	—	—	—
20% decrease	—	1%	—	—	(1%)	—	—	—	—
30% decrease	—	(2%)	—	—	(4%)	—	—	—	—
Impact on net income to common shareholders of a sudden 10% decrease in equity markets (in \$M) ⁷									
	(32)	(30)	(32)	(32)	(31)	(32)	(30)	(29)	(29)
Interest Rate Sensitivity									
Impact on net income (in \$M)									
10 bps decrease in initial reinvestment rate (IRR)	(13)	(10)	(8)	(11)	(13)	(18)	(15)	(23)	(23)
10 bps decrease in ultimate reinvestment rate (URR)	(68)	(66)	(67)	(70)	(70)	(71)	(61)	(65)	(62)
Total	(81)	(76)	(75)	(81)	(83)	(89)	(76)	(88)	(85)
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in interest rate ^{8,9}									
50 bps increase	—	—	—	—	1%	—	—	—	—
25 bps increase	—	—	—	—	—	—	—	—	—
25 bps decrease	—	—	—	—	—	—	—	—	—
50 bps decrease	—	(1%)	—	—	—	—	—	—	—
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in credit spread ⁹									
50 bps increase	—	3%	—	—	—	—	—	—	—
25 bps increase	—	1%	—	—	—	—	—	—	—
25 bps decrease	—	(2%)	—	—	—	—	—	—	—
50 bps decrease	—	(3%)	—	—	—	—	—	—	—

*Note: Actual results can differ significantly from the estimates presented in this page for a variety of reasons. See the Management Discussion and Analysis document for more details.

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

² S&P/TSX is a proxy that can move differently than our equity portfolio, which includes international public equity and private equity.

³ New capital regime effective as at January 1, 2018. The AMF capital guideline is comparable to OSFI's LICAT.

⁴ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

⁵ Compared to actual levels of the index on the dates shown.

⁶ Capital sensitivities are disclosed once a year with Q4 results and in other quarters if judged necessary.

⁷ Impact on net income on a full-year basis.

⁸ Interest rate variation represents an immediate parallel change in interest rates (entire yield curve), at quarter-end.

⁹ Credit spread variation represents an immediate parallel change in credit spreads across the entire yield curve, at quarter-end.

SHARE INFORMATION

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Common shares											
Share price											
High	\$52.07	\$52.20	\$55.05	\$55.03	\$62.01	\$61.73	\$58.37	\$58.68	\$59.41	\$62.01	\$61.73
Low	\$42.79	\$41.32	\$49.89	\$48.67	\$51.34	\$55.90	\$51.82	\$48.74	\$53.10	\$41.32	\$48.74
Close	\$49.28	\$43.57	\$51.65	\$50.75	\$53.00	\$59.82	\$56.50	\$56.26	\$57.63	\$43.57	\$59.82
Average share price	\$49.11	\$46.77	\$52.56	\$52.52	\$56.21	\$59.04	\$55.42	\$54.01	\$56.55	\$51.61	\$55.98
Number of common shares outstanding (in millions)											
At beginning of period	108.6	109.7	109.6	109.6	106.8	106.6	106.5	106.4	106.2	106.8	106.2
Common shares issued ¹	0.1	—	0.1	—	2.8	0.2	0.1	0.1	0.2	2.9	0.6
Common shares repurchased and cancelled	(1.8)	(1.1)	—	—	—	—	—	—	—	(1.1)	—
At end of period	106.9	108.6	109.7	109.6	109.6	106.8	106.6	106.5	106.4	108.6	106.8
Weighted average number of common shares (in millions)											
Basic	107.6	109.4	109.6	109.6	107.5	106.6	106.5	106.4	106.2	109.0	106.5
Diluted	108.0	109.8	110.2	110.2	108.2	107.5	107.3	107.2	107.2	109.6	107.3
Dividends											
Common dividends paid	44.5	45.4	45.5	41.6	40.6	40.6	37.3	37.2	37.2	173.1	152.3
Dividend paid per common share in the period	\$0.4150	\$0.4150	\$0.4150	\$0.3800	\$0.3800	\$0.3800	\$0.3500	\$0.3500	\$0.3500	\$1.5900	\$1.4300
Dividend payout ratio ²	29%	30%	28%	26%	29%	30%	26%	29%	34%	28%	30%
Dividend yield (annualized) ³	3.4%	3.8%	3.2%	3.0%	2.9%	2.5%	2.5%	2.5%	2.4%	3.6%	2.4%
Stock options											
Number of stock options outstanding (in millions)											
At beginning of period	2.9	2.9	2.9	3.0	2.7	2.9	3.0	3.1	2.8	2.7	2.8
Options granted	0.3	—	—	—	0.3	—	—	—	0.5	0.3	0.5
Options exercised, cancelled or expired	(0.2)	—	—	(0.1)	—	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.6)
At end of period	3.0	2.9	2.9	2.9	3.0	2.7	2.9	3.0	3.1	2.9	2.7

¹ Includes options exercised under the stock option plan 2,750,000 common shares issued in March 2018.

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)

	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Valuation											
Price-to-earnings multiple (trailing 12 months) ¹ (in number of times)	11.3	7.8	9.5	9.6	10.5	12.5	11.3	11.2	11.3	7.8	12.5
Market capitalization	5,270.2	4,730.6	5,663.5	5,562.7	5,807.2	6,386.2	6,020.3	5,992.8	6,129.4	4,730.6	6,386.2
Book value per common share ^{2,3}	\$48.79	\$47.40	\$46.65	\$45.85	\$44.34	\$43.65	\$42.72	\$41.72	\$41.31	\$47.40	\$43.65
Market value to book value ratio (in number of times) ^{2,3}	1.0	0.9	1.1	1.1	1.2	1.4	1.3	1.3	1.4	0.9	1.4
Total payout ratio (trailing 12 months) ⁴	28%	36%	28%	28%	29%	30%	27%	26%	25%	36%	30%
Capital yield (trailing 12 months) ⁵	3.4%	4.7%	3.0%	2.9%	2.7%	2.4%	2.4%	2.3%	2.2%	4.7%	2.4%
Total return on common shares (trailing 12 months) ⁶	(3.9%)	(24.5%)	(5.8%)	(7.1%)	(5.5%)	14.7%	22.5%	41.8%	50.4%	(24.5%)	14.7%
Preferred shares issued by a subsidiary											
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
Series F	—	—	—	—	—	—	—	—	—	—	—
Series G	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Series I	6,000	6,000	6,000	6,000	6,000	—	—	—	—	6,000	—
Value of preferred shares											
Series B	125	125	125	125	125	125	125	125	125	125	125
Series F	—	—	—	—	—	—	—	—	—	—	—
Series G	250	250	250	250	250	250	250	250	250	250	250
Series I	150	150	150	150	150	—	—	—	—	150	—
Dividends paid per preferred share											
Series B	—	\$0.5750	\$0.2875	\$0.2875	—	\$0.2875	\$0.2875	\$0.2875	\$0.2875	\$1.1500	\$1.1500
Series F	—	—	—	—	—	—	—	—	—	—	—
Series G	—	\$0.47213	\$0.23606	\$0.23606	—	\$0.23606	\$0.23606	\$0.26875	\$0.26875	\$0.94425	\$1.00963
Series I	—	\$0.6000	\$0.3781	—	—	—	—	—	—	\$0.9781	—

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 In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

³ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

⁴ 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.

⁵ 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.

⁶ 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

	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Revenues											
Net premiums	2,354.8	1,976.8	1,836.0	1,850.0	2,186.5	1,810.1	1,684.5	1,818.4	1,940.8	7,849.3	7,253.8
Investment income											
Investment income	329.2	391.0	314.4	329.0	326.9	340.1	287.9	292.3	300.2	1,361.3	1,220.5
Variation in the market value of investment properties	(7.9)	10.0	3.6	31.7	(2.5)	(28.0)	(0.8)	(1.7)	(9.2)	42.8	(39.7)
Realized gains (losses) on assets available for sale	4.7	(33.7)	1.2	1.1	3.1	0.4	(3.7)	6.4	(2.0)	(28.3)	1.1
Change in fair value of financial assets designated at FVTPL	1,844.1	(186.7)	(608.0)	128.5	(372.1)	1,145.8	(711.1)	671.3	314.4	(1,038.3)	1,420.4
Change in provisions for losses	(8.3)	(10.3)	(6.2)	(5.4)	(4.8)	(7.3)	(5.3)	(3.8)	(5.0)	(26.7)	(21.4)
Total	2,161.8	170.3	(295.0)	484.9	(49.4)	1,451.0	(433.0)	964.5	598.4	310.8	2,580.9
Other revenues	410.4	440.3	439.2	437.8	435.0	419.1	371.3	333.2	317.8	1,752.3	1,441.4
Total	4,927.0	2,587.4	1,980.2	2,772.7	2,572.1	3,680.2	1,622.8	3,116.1	2,857.0	9,912.4	11,276.1
Policy benefits and expenses											
Net benefits and claims on contracts	1,377.0	1,191.9	1,196.1	1,201.2	1,280.8	1,134.2	1,064.4	1,113.3	1,188.6	4,870.0	4,500.5
Net transfer to segregated funds	224.5	221.5	113.9	170.6	315.1	168.0	192.5	279.4	380.8	821.1	1,020.7
Increase (decrease) in insurance contract liabilities	2,350.1	261.3	(346.2)	350.8	(49.9)	873.2	(577.7)	937.7	492.8	216.0	1,726.0
Increase (decrease) in investment contract liabilities	13.9	8.2	(2.5)	2.1	1.4	7.9	(4.9)	4.6	6.4	9.2	14.0
Decrease (increase) in reinsurance assets	(39.3)	(31.9)	9.5	32.5	66.1	553.6	70.7	(40.0)	(4.5)	76.2	579.8
Commissions	385.1	341.5	421.0	410.9	408.8	417.7	367.3	336.2	327.5	1,582.2	1,448.7
General expenses	361.1	352.8	320.2	331.9	323.9	300.0	272.1	274.4	274.9	1,328.8	1,121.4
Premium and other taxes	31.6	32.1	32.8	31.0	31.0	31.1	28.4	29.9	28.7	126.9	118.1
Financing charges	15.0	14.5	15.4	16.5	16.6	16.4	15.5	15.8	16.3	63.0	64.0
Total	4,719.0	2,391.9	1,760.2	2,547.5	2,393.8	3,502.1	1,428.3	2,951.3	2,711.5	9,093.4	10,593.2
Income before income taxes	208.0	195.5	220.0	225.2	178.3	178.1	194.5	164.8	145.5	819.0	682.9
Income taxes	50.5	37.7	49.1	59.4	34.8	39.9	45.7	33.1	30.8	181.0	149.5
Net income	157.5	157.8	170.9	165.8	143.5	138.2	148.8	131.7	114.7	638.0	533.4
Net income attributed to participating policyholders	0.7	2.8	0.4	0.6	0.5	1.6	0.1	—	0.3	4.3	2.0
Net income attributed to shareholders	156.8	155.0	170.5	165.2	143.0	136.6	148.7	131.7	114.4	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.7	5.5	5.6	6.1	3.8	3.8	3.8	4.2	4.1	21.0	15.9
Redemption premium on preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income attributed to common shareholders	151.1	149.5	164.9	159.1	139.2	132.8	144.9	127.5	110.3	612.7	515.5

CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
COMPREHENSIVE INCOME

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Comprehensive income statements											
Net income	157.5	157.8	170.9	165.8	143.5	138.2	148.8	131.7	114.7	638.0	533.4
Other comprehensive income (loss), net of income taxes											
Items that may be reclassified subsequently to net income											
Available for sale											
Unrealized gains (losses) arising during the period											
Bonds	65.5	17.0	(27.9)	(7.1)	(13.0)	13.6	(35.4)	(1.4)	22.9	(31.0)	(0.3)
Stocks	4.6	(27.1)	1.4	(1.7)	(2.0)	4.5	3.1	(2.4)	18.2	(29.4)	23.4
Reclassification of losses (gains) included in net income											
Bonds	(2.5)	13.9	(0.8)	(0.1)	(4.0)	(0.1)	2.2	(5.1)	1.2	9.0	(1.8)
Stocks	0.4	11.1	(0.2)	(0.7)	1.7	(0.5)	0.1	0.9	0.2	11.9	0.7
Change in unrealized gains (losses) on available for sale financial assets	68.0	14.9	(27.5)	(9.6)	(17.3)	17.5	(30.0)	(8.0)	42.5	(39.5)	22.0
Cash-flow hedge	(0.8)	(0.5)	(0.3)	(0.1)	(0.9)	3.3	(2.0)	0.6	—	(1.8)	1.9
Currency translation account											
Unrealized gains (losses) on currency translation in foreign operations	(24.7)	56.6	(16.9)	18.9	27.0	0.6	(23.5)	(17.5)	(4.0)	85.6	(44.4)
Hedges of net investment in foreign operations	19.8	(47.2)	14.3	(16.8)	(21.0)	0.1	20.9	5.5	2.8	(70.7)	29.3
Items that will not be reclassified subsequently to net income											
Remeasurement of post-employment benefits	(21.8)	(50.6)	2.4	52.9	(14.3)	(14.0)	36.1	(28.7)	(21.5)	(9.6)	(28.1)
Total other comprehensive income (loss)	40.5	(26.8)	(28.0)	45.3	(26.5)	7.5	1.5	(48.1)	19.8	(36.0)	(19.3)
Comprehensive income	198.0	131.0	142.9	211.1	117.0	145.7	150.3	83.6	134.5	602.0	514.1
Comprehensive income attributed to shareholders	197.3	128.2	142.5	210.5	116.5	144.1	150.2	83.6	134.2	597.7	512.1
Comprehensive income attributed to participating policyholders	0.7	2.8	0.4	0.6	0.5	1.6	0.1	—	0.3	4.3	2.0

DETAIL OF ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>(In millions of dollars, unless otherwise indicated)</i>	2019		2018			2017				2018	2017
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Accumulated other comprehensive income (loss)											
Balance at beginning of period	22.5	(1.3)	29.1	36.7	48.9	27.4	62.0	81.4	40.1	48.9	40.1
Transfer of post-employment benefits to retained earnings	21.8	50.6	(2.4)	(52.9)	14.3	14.0	(36.1)	28.7	21.5	9.6	28.1
Total other comprehensive income	40.5	(26.8)	(28.0)	45.3	(26.5)	7.5	1.5	(48.1)	19.8	(36.0)	(19.3)
Balance at end of period	84.8	22.5	(1.3)	29.1	36.7	48.9	27.4	62.0	81.4	22.5	48.9
Sources of accumulated other comprehensive income (loss)											
Bonds	68.7	5.7	(25.2)	3.5	10.7	27.7	14.2	47.4	53.9	5.7	27.7
Stocks	(5.5)	(10.5)	5.5	4.3	6.7	7.0	3.0	(0.2)	1.3	(10.5)	7.0
Cash-flow hedge	(0.8)	—	0.5	0.8	0.9	1.8	(1.5)	0.5	(0.1)	—	1.8
Currency translation account	22.4	27.3	17.9	20.5	18.4	12.4	11.7	14.3	26.3	27.3	12.4
Total	84.8	22.5	(1.3)	29.1	36.7	48.9	27.4	62.0	81.4	22.5	48.9

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FINANCIAL POSITION

	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(In millions of dollars, unless otherwise indicated)</i>									
Assets									
Invested assets									
Cash and short-term investments	917.2	1,045.6	1,185.8	846.9	912.9	1,140.7	1,236.7	965.0	825.0
Bonds	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4	22,944.1	21,935.5	22,338.0	21,604.9
Stocks	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9	3,467.0	3,271.0	3,278.5	3,139.9
Mortgages and other loans	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8	3,288.1	3,255.2	3,277.3	3,311.5
Derivative financial instruments	657.1	224.9	295.4	360.9	305.1	395.0	233.3	308.8	248.5
Policy loans	946.0	950.6	934.2	923.7	923.9	946.2	926.0	961.3	954.4
Other invested assets	337.1	328.9	322.5	315.5	309.4	300.0	282.6	277.7	273.0
Investment properties	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0	1,340.8	1,228.2	1,249.8	1,236.0
Total investments	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4	33,821.9	32,368.5	32,656.4	31,593.2
Other assets¹	2,758.8	2,172.2	2,215.2	2,258.9	2,336.0	1,903.0	2,173.9	1,940.5	2,408.1
Reinsurance assets	1,042.3	1,000.8	887.0	898.9	885.6	481.5	1,037.0	1,137.7	1,121.3
Fixed assets	415.1	277.5	271.5	270.0	265.8	256.5	253.9	241.3	202.0
Deferred income tax assets	27.9	26.0	26.2	26.3	28.0	21.9	22.1	27.8	26.6
Intangible assets	1,083.4	1,071.4	1,053.4	1,039.9	994.9	827.1	798.0	681.2	665.3
Goodwill	630.8	632.7	620.2	620.6	630.3	477.5	492.8	316.9	313.1
General fund assets	42,530.9	39,759.5	39,067.5	39,920.0	39,133.0	37,789.4	37,146.2	37,001.8	36,329.6
Segregated funds net assets	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0	23,207.1	22,942.0	22,664.1
Total assets	<u>68,290.4</u>	<u>63,540.1</u>	<u>64,101.1</u>	<u>64,807.6</u>	<u>63,233.1</u>	<u>61,906.4</u>	<u>60,353.3</u>	<u>59,943.8</u>	<u>58,993.7</u>

¹ In Q3-2018, an adjustment was made retroactively to January 1, 2018, further to the application of IFRS-15.

FINANCIAL POSITION (continued)

	2019		2018			2017			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(In millions of dollars, unless otherwise indicated)</i>									
Liabilities									
Insurance contract liabilities									
Provisions for future policy benefits	27,631.1	25,306.4	24,965.9	25,334.9	24,955.4	24,963.6	24,090.1	24,722.3	23,828.1
Provisions for dividends to policyholders and experience rating refunds	52.9	40.2	45.0	47.2	41.4	34.0	32.7	31.8	30.1
Benefits payable and provision for unreported claims	271.8	260.3	289.8	282.9	278.3	261.8	247.2	250.9	266.5
Policyholders' amounts on deposit	327.7	332.9	310.3	304.7	300.9	304.1	308.1	297.7	305.7
Total	28,283.5	25,939.8	25,611.0	25,969.7	25,576.0	25,563.5	24,678.1	25,302.7	24,430.4
Investment contract liabilities									
	627.8	630.1	615.8	615.2	607.9	587.0	580.1	588.2	616.1
Derivative financial instruments									
	237.1	429.2	278.0	265.5	250.9	195.0	329.1	231.4	284.7
Other liabilities¹									
	6,424.5	5,875.1	5,668.3	6,172.5	6,006.9	5,152.0	5,378.9	4,840.5	5,007.0
Deferred income tax liabilities²									
	270.0	265.8	308.0	304.4	264.5	217.5	215.1	185.9	186.1
Debentures									
	901.5	901.4	901.0	1,000.8	1,000.4	996.3	996.1	995.8	995.6
General fund liabilities									
	36,744.4	34,041.4	33,382.1	34,328.1	33,706.6	32,711.3	32,177.4	32,144.5	31,519.9
Segregated funds liabilities									
	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0	23,207.1	22,942.0	22,664.1
Equity									
Participating policyholders' accounts	45.7	45.3	42.5	42.1	41.5	41.0	39.4	39.3	39.3
Share capital									
Common shares	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0	1,520.9	1,512.9	1,511.4	1,505.5
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	375.0	375.0	375.0	375.0
Total	2,159.5	2,180.5	2,196.6	2,194.9	2,193.0	1,895.9	1,887.9	1,886.4	1,880.5
Contributed surplus	22.5	22.8	21.5	20.9	20.2	19.5	19.7	18.7	18.5
Retained earnings ^{1,2}	3,474.0	3,447.0	3,426.1	3,304.9	3,135.0	3,072.8	2,994.4	2,850.9	2,790.0
Accumulated other comprehensive income									
	84.8	22.5	(1.3)	29.1	36.7	48.9	27.4	62.0	81.4
Total shareholders' equity									
	5,740.8	5,672.8	5,642.9	5,549.8	5,384.9	5,037.1	4,929.4	4,818.0	4,770.4
Total equity									
	5,786.5	5,718.1	5,685.4	5,591.9	5,426.4	5,078.1	4,968.8	4,857.3	4,809.7
Total liabilities and equity									
	68,290.4	63,540.1	64,101.1	64,807.6	63,233.1	61,906.4	60,353.3	59,943.8	58,993.7

¹ In Q4-2018, the Company made an adjustment to the estimates used to establish income taxes payable in prior periods by decreasing the retained earnings as at January 1, 2017 by 58 \$.

² In Q3-2018, an adjustment have been made retroactively to January 1, 2018 following the application of IFRS-15.

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' accounts and debentures.

Car loans

- **Finance receivables** – Car loan receivables before provisions, including accrued interests and liabilities.
- **Loan originations** – Refers to new car loans disbursed in a given period.

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.

Core earnings – Diluted core earnings per common share is a non-IFRS measure used to better understand the capacity of the Company to generate sustainable earnings. Management's estimate of core earnings per common share excludes: 1) specific items, including but not limited to year-end assumption changes and income tax gains and losses; 2) market gains and losses related to universal life policies, investment funds (MERs) and the hedging program for segregated fund guarantees; 3) gains and losses in excess of \$0.04 per share, on a quarterly basis, for strain on Individual Insurance sales, for policyholder experience by business segment (Individual Insurance, Individual Wealth Management, Group Insurance, Group Savings and Retirement and iA Auto and Home) and for investment income on capital.

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 iA Assurance 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.

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 related to service contracts (such as Administrative Services Only (ASO) contracts) or related to services where the Company is primarily an administrator but could become an insurer if a specific event were to happen. These amounts are not accounted for in the "Net premiums".

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 is a non-IFRS measure used to assess the Company's ability to generate a new business. They are defined as fund entries on new business written during the period. Net premiums, which are part of the revenues presented in the financial statements, include both fund entries from new business written and in-force contracts:

- **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 and include primary market sales of ETFs.
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). 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: Sales are defined as 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.
- **US Operations:**
Individual Insurance: Sales are defined as first-year annualized premiums.
Dealer Services - P&C: P&C sales are defined as direct written premiums (before reinsurance) and premium equivalents.
- **General Insurance:**
iAAH (Auto & Home): Sales are defined as 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 – Solvency ratios provide 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 company's regulator. The Company's regulatory authority is the Autorité des marchés financiers. Under the capital regime CARL in effect since January 1, 2018 (AMF's capital guideline that is comparable to OSFI's LICAT), the total ratio is calculated by dividing the sum of the available capital, the surplus allowance and the eligible deposits by the base solvency buffer. Under the capital regime CAR in effect until December 31, 2017 (AMF's capital guideline that is comparable to OSFI's MCCSR), the ratio is calculated by dividing the available capital by the required capital.

Sources of earnings – The analysis of profitability according to the sources of earnings presents sources of benefits in compliance with the guideline issued by the Office of the Superintendent of Financial Institutions and developed in co-operation with the Canadian Institute of Actuaries. This analysis is intended to be a supplement to the disclosure required by International Financial Reporting Standards and to facilitates the understanding of the financial position of companies by both existing and prospective stakeholders to better form a view as to the quality, potential volatility and sustainability of earnings. It provides an analysis of the difference between actual income and the income that would have been reported had all assumptions at the start of the reporting period been realized during the reporting period. The operating profit and income taxes presented in the sources of earnings are non-IFRS measures. Sources of earnings provide additional indicators for evaluating financial performance:

- **Operating profit:**
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.