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Financial Information Package (unaudited) iA Financial Corporation Inc.

For the First Quarter of 2020

At March 31, 2020

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 7,400 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 2018 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

Computershare Trust Company of Canada
Telephone: 514-982-7555
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Credit Ratings

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

Industrial Alliance Insurance and Financial Services Inc.
Financial strength rating
S&P: AA-
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
Toll-free: 1-877-684-5000
ia@computershare.com

Investor Relations

For analysts, portfolio managers and investors requesting financial information, contact our Investor Relations Department:
Telephone: 418-684-5000, ext. 105862
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Next Reporting Dates

2020 Second quarter - July 30, 2020
2020 Third quarter - November 4, 2020
2020 Fourth quarter - February 11, 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 iA Financial Corporation 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
	2020	2019	Variation	2019
PROFITABILITY				
Net income attributed to shareholders	44.7	156.8	(71%)	709.5
Dividends attributed to preferred shares issued by a subsidiary	5.6	5.7	(2%)	22.1
Net income attributed to common shareholders	<u>39.1</u>	<u>151.1</u>	<u>(74%)</u>	<u>687.4</u>
Earnings per common share				
Basic	\$0.37	\$1.41	(\$1.04)	\$6.43
Diluted	\$0.36	\$1.40	(\$1.04)	\$6.40
Diluted, core ¹	\$1.41	\$1.28	\$0.13	\$6.26
Return on common shareholders' equity ¹				
Quarter annualized	2.8%	11.7%	(890 bps)	—
Trailing 12 months	10.7%	12.4%	(170 bps)	—
Trailing 12 months, core	12.7%	12.0%	70 bps	—
BUSINESS GROWTH				
Sales by line of business ¹				
Individual Insurance	45.2	41.2	10%	187.5
Individual Wealth Management	1,771.0	1,266.4	40%	4,975.0
Group Insurance	357.0	309.0	16%	1,343.3
Employee Plans	57.1	25.9	120%	49.1
Dealer Services - Creditor Insurance	58.9	64.8	(9%)	328.7
Dealer Services - P&C	62.0	52.6	18%	253.4
Non-Prime Loan originations	103.2	92.1	12%	438.2
Special Markets Solutions	75.8	73.6	3%	273.9
Group Savings and Retirement	658.9	675.5	(2%)	2,073.6
US Operations (\$CAN)				
Individual Insurance	39.4	25.4	55%	131.6
Dealer Services - P&C	157.4	145.9	8%	596.0
General Insurance ²	73.9	66.2	12%	351.0
Net premiums, premium equivalent and deposits by line of business				
Individual Insurance	397.5	387.8	3%	1,586.5
Individual Wealth Management	1,771.0	1,266.4	40%	4,975.0
Group Insurance	461.3	437.1	6%	1,788.2
Group Savings and Retirement	652.0	669.5	(3%)	2,046.5
US Operations				
Individual Insurance	113.5	95.5	19%	405.1
Dealer Services - P&C	65.4	55.7	17%	246.0
General Insurance ²	84.5	75.1	13%	314.2
Total	<u>3,545.2</u>	<u>2,987.1</u>	<u>19%</u>	<u>11,361.5</u>
Assets under management and administration	175,726.9	181,070.5	(3%)	189,487.6

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

² Includes iAAuto 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, 2020	December 31, 2019	March 31, 2019
QUALITY OF INVESTMENTS			
Impaired investments and provisions (excluding insured loans)			
Net impaired investments	2.7	10.9	15.6
Net impaired investments as a % of investment portfolio	0.01%	0.03%	0.04%
Provisions for impaired investments (specific)	2.8	10.5	8.6
As a % of gross impaired investments	50.9%	49.1%	35.5%
Bonds			
Rated BB and lower	0.75%	0.87%	0.92%
Mortgages			
Delinquency rate	0.06%	0.08%	0.10%
Occupancy rate on investment properties	95%	94%	96%
SOLVENCY RATIO CARLI^{1,2}	137%	133%	124%
BOOK VALUE PER OUTSTANDING COMMON SHARE	\$52.29	\$51.99	\$48.73

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.

PROFITABILITY

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019				2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Net income												
Net income	46.0	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	699.4	638.0	
Net income attributed to participating policyholders	1.3	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	(10.1)	4.3	
Net income attributed to shareholders	44.7	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	709.5	633.7	
Dividends attributed to preferred shares issued by a subsidiary	5.6	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	22.1	21.0	
Net income attributed to common shareholders	39.1	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	687.4	612.7	
Earnings per common share												
Basic	\$0.37	\$1.60	\$1.73	\$1.70	\$1.41	\$1.37	\$1.50	\$1.45	\$1.30	\$6.43	\$5.62	
Diluted	\$0.36	\$1.59	\$1.72	\$1.69	\$1.40	\$1.36	\$1.50	\$1.44	\$1.29	\$6.40	\$5.59	
Diluted, core ^{1,2}	\$1.41	\$1.62	\$1.75	\$1.61	\$1.28	\$1.39	\$1.46	\$1.38	\$1.32	\$6.26	\$5.55	
Return on common shareholders' equity^{1,3,4,5}												
Quarter annualized	2.8%	12.5%	13.8%	13.8%	11.7%	11.7%	13.0%	12.9%	11.7%	—	—	
Trailing 12 months	10.7%	12.9%	12.7%	12.6%	12.4%	12.5%	12.3%	12.2%	11.8%	—	—	
Trailing 12 months, core	12.7%	12.6%	12.4%	12.1%	12.0%	12.4%	12.2%	12.2%	11.9%	—	—	
Net income attributed to common shareholders by line of business												
Individual Insurance	34.8	92.7	94.3	92.7	79.8	40.5	80.6	85.3	63.7	359.5	270.1	
Individual Wealth Management	(24.2)	41.9	52.0	44.0	34.4	33.5	50.0	36.9	39.5	172.3	159.9	
Group Insurance	7.2	8.9	17.9	21.5	17.3	24.7	20.5	18.3	19.0	65.6	82.5	
Group Savings and Retirement	8.0	9.6	7.9	7.4	7.1	37.6	4.6	4.5	6.1	32.0	52.8	
US Operations	13.3	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	58.0	47.4	
Total	39.1	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	687.4	612.7	

SPECIFIC ITEMS¹

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019				2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Impact on net income to common shareholders												
Macro-related impact on expected earnings ⁶												
Increase (decrease) in income on UL policies	(22.8)	5.3	1.2	(0.3)	12.7	(17.3)	1.7	5.0	(5.6)	18.9	(16.2)	
Macroeconomic impact on level of assets backing LT liabilities ⁷	—	3.1	2.0	0.5	0.1	N/A	N/A	N/A	N/A	5.7	N/A	
Higher (lower) than expected management fees ⁸	(2.1)	0.7	—	0.4	3.6	(2.9)	0.2	0.3	(1.0)	4.7	(3.4)	
Impact of dynamic hedging	(60.7)	5.1	4.2	3.5	(0.4)	(9.7)	2.5	(0.1)	2.1	12.4	(5.2)	
Other												
Changes in assumptions and management actions ⁹	(24.0)	2.9	(8.5)	—	—	(0.3)	—	—	—	(5.6)	(0.3)	

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

² In Q4-2019, an adjustment has been made to the Q3-2019 core EPS following a modification of the core earnings per common share definition relating to macroeconomic variation impacts

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 In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring 7 \$ from retained earnings to the participating policyholders' accounts.

⁶ Approximate impact of macroeconomic variations as compared to the expected net earnings that the Company would have earned under normal macroeconomic conditions.

⁷ In Q4-2019, an adjustment has been made to the Q3-2019 core EPS following a modification of the core earnings per common share definition relating to macroeconomic variation impacts

⁸ Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market variation and net sales.

⁹ Q3-2019 and Q1 2020 figures include PPI contingent consideration settlement and goodwill impairment

SOURCES OF EARNINGS BY LINE OF BUSINESS

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Individual Insurance											
Operating profit (loss) ¹											
Expected profit on in-force	85.6	88.8	91.1	86.9	84.1	82.2	80.2	78.8	76.0	350.9	317.2
Experience gain (loss)	(42.5)	(6.3)	7.8	8.9	8.9	(35.4)	5.2	21.2	(1.7)	19.3	(10.7)
Strain on sales	(7.4)	2.5	0.6	(0.1)	(3.0)	(0.8)	(4.6)	(4.3)	(7.0)	—	(16.7)
Changes in assumptions and management actions ²	(24.0)	2.4	(8.5)	—	—	(41.9)	—	—	—	(6.1)	(41.9)
Total	11.7	87.4	91.0	95.7	90.0	4.1	80.8	95.7	67.3	364.1	247.9
Income on capital ¹	25.0	19.8	28.6	25.1	19.1	37.1	22.4	17.9	12.7	92.6	90.1
Income taxes ¹	2.5	(10.2)	(20.9)	(23.6)	(24.8)	3.4	(18.7)	(24.1)	(13.5)	(79.5)	(52.9)
Net income (loss) attributed to shareholders	39.2	97.0	98.7	97.2	84.3	44.6	84.5	89.5	66.5	377.2	285.1
Dividends attributed to preferred shares issued by a subsidiary	4.4	4.3	4.4	4.5	4.5	4.1	3.9	4.2	2.8	17.7	15.0
Net income (loss) attributed to common shareholders	34.8	92.7	94.3	92.7	79.8	40.5	80.6	85.3	63.7	359.5	270.1
Individual Wealth Management											
Operating profit (loss) ¹											
Expected profit on in-force	57.4	60.6	61.8	58.6	46.7	56.3	57.2	56.2	49.6	227.7	219.3
Experience gain (loss)	(86.2)	(3.0)	6.1	0.5	2.9	(3.4)	8.2	(1.8)	4.7	6.5	7.7
Strain on sales	—	—	—	—	—	—	—	—	(0.1)	—	(0.1)
Changes in assumptions and management actions	—	(1.0)	—	—	—	(13.7)	—	—	—	(1.0)	(13.7)
Total	(28.8)	56.6	67.9	59.1	49.6	39.2	65.4	54.4	54.2	233.2	213.2
Income on capital ¹	2.6	0.4	3.2	0.9	(1.7)	6.9	4.7	2.8	(1.6)	2.8	12.8
Income taxes ¹	2.6	(14.5)	(18.4)	(15.4)	(12.9)	(11.5)	(18.9)	(18.8)	(12.3)	(61.2)	(61.5)
Net income (loss) attributed to shareholders	(23.6)	42.5	52.7	44.6	35.0	34.6	51.2	38.4	40.3	174.8	164.5
Dividends attributed to preferred shares issued by a subsidiary	0.6	0.6	0.7	0.6	0.6	1.1	1.2	1.5	0.8	2.5	4.6
Net income (loss) attributed to common shareholders	(24.2)	41.9	52.0	44.0	34.4	33.5	50.0	36.9	39.5	172.3	159.9
Group Insurance											
Operating profit (loss) ¹											
Expected profit on in-force	21.2	25.6	32.3	27.6	22.6	21.7	26.1	20.3	16.3	108.1	84.4
Experience gain (loss)	(15.4)	(8.5)	(9.9)	1.0	0.7	6.0	1.2	7.3	7.3	(16.7)	21.8
Strain on sales	—	—	—	—	—	—	—	—	—	—	—
Changes in assumptions and management actions	—	(6.7)	—	—	—	4.3	—	—	—	(6.7)	4.3
Total	5.8	10.4	22.4	28.6	23.3	32.0	27.3	27.6	23.6	84.7	110.5
Income on capital ¹	0.9	1.2	2.3	1.2	1.2	2.5	1.6	1.0	0.6	5.9	5.7
Income taxes ¹	0.9	(2.4)	(6.5)	(8.0)	(6.7)	(9.6)	(8.0)	(9.9)	(5.0)	(23.6)	(32.5)
Net income (loss) attributed to shareholders	7.6	9.2	18.2	21.8	17.8	24.9	20.9	18.7	19.2	67.0	83.7
Dividends attributed to preferred shares issued by a subsidiary	0.4	0.3	0.3	0.3	0.5	0.2	0.4	0.4	0.2	1.4	1.2
Net income (loss) attributed to common shareholders	7.2	8.9	17.9	21.5	17.3	24.7	20.5	18.3	19.0	65.6	82.5

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

² Q3-2019 and Q1-2020 figures include PPI contingent consideration settlement and goodwill impairment

SOURCES OF EARNINGS BY LINE OF BUSINESS (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Group Savings and Retirement											
Operating profit (loss) ¹											
Expected profit on in-force	5.9	6.3	6.3	6.4	7.1	5.8	5.9	5.7	6.0	26.1	23.4
Experience gain (loss)	2.5	0.5	4.4	3.1	2.1	(3.4)	—	1.3	1.6	10.1	(0.5)
Strain on sales	(0.1)	(0.5)	(0.6)	0.1	0.1	0.1	(0.1)	0.1	0.3	(0.9)	0.4
Changes in assumptions and management actions	—	5.9	—	—	—	49.7	—	—	—	5.9	49.7
Total	8.3	12.2	10.1	9.6	9.3	52.2	5.8	7.1	7.9	41.2	73.0
Income on capital ¹	0.8	0.7	0.9	1.0	0.5	0.4	0.4	—	(0.3)	3.1	0.5
Income taxes ¹	(0.9)	(3.2)	(3.1)	(2.9)	(2.6)	(14.9)	(1.5)	(2.6)	(1.5)	(11.8)	(20.5)
Net income (loss) attributed to shareholders	8.2	9.7	7.9	7.7	7.2	37.7	4.7	4.5	6.1	32.5	53.0
Dividends attributed to preferred shares issued by a subsidiary	0.2	0.1	—	0.3	0.1	0.1	0.1	—	—	0.5	0.2
Net income (loss) attributed to common shareholders	8.0	9.6	7.9	7.4	7.1	37.6	4.6	4.5	6.1	32.0	52.8
US Operations											
Operating profit (loss) ¹											
Expected profit on in-force	16.1	11.5	15.4	14.9	14.0	11.3	11.4	11.3	11.2	55.8	45.2
Experience gain (loss)	(1.3)	6.0	(3.4)	2.1	1.6	(0.6)	0.9	7.7	(1.4)	6.3	6.6
Strain on sales	(3.0)	(1.7)	(2.3)	(1.3)	(3.2)	(2.3)	(2.5)	(2.3)	(2.9)	(8.5)	(10.0)
Changes in assumptions and management actions	—	2.3	—	—	—	1.2	—	—	—	2.3	1.2
Total	11.8	18.1	9.7	15.7	12.4	9.6	9.8	16.7	6.9	55.9	43.0
Income on capital ¹	5.0	4.9	5.1	4.2	3.5	7.7	1.4	1.3	6.5	17.7	16.9
Income taxes ¹	(3.5)	(4.9)	(3.2)	(4.1)	(3.4)	(4.1)	(2.0)	(3.9)	(2.5)	(15.6)	(12.5)
Net income (loss) attributed to shareholders	13.3	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	58.0	47.4
Dividends attributed to preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net income (loss) attributed to common shareholders	13.3	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	58.0	47.4
Total Company											
Operating profit (loss) ¹											
Expected profit on in-force	186.2	192.8	206.9	194.4	174.5	177.3	180.8	172.3	159.1	768.6	689.5
Experience gain (loss)	(142.9)	(11.3)	5.0	15.6	16.2	(36.8)	15.5	35.7	10.5	25.5	24.9
Strain on sales	(10.5)	0.3	(2.3)	(1.3)	(6.1)	(3.0)	(7.2)	(6.5)	(9.7)	(9.4)	(26.4)
Changes in assumptions and management actions ²	(24.0)	2.9	(8.5)	—	—	(0.4)	—	—	—	(5.6)	(0.4)
Total	8.8	184.7	201.1	208.7	184.6	137.1	189.1	201.5	159.9	779.1	687.6
Income on capital ¹	34.3	27.0	40.1	32.4	22.6	54.6	30.5	23.0	17.9	122.1	126.0
Income taxes ¹	1.6	(35.2)	(52.1)	(54.0)	(50.4)	(36.7)	(49.1)	(59.3)	(34.8)	(191.7)	(179.9)
Net income (loss) attributed to shareholders	44.7	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	709.5	633.7
Dividends attributed to preferred shares issued by a subsidiary	5.6	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	22.1	21.0
Net income (loss) attributed to common shareholders	39.1	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	687.4	612.7

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

² Q3-2019 and Q1-2020 figures include PPI contingent consideration settlement and goodwill impairment

EXPERIENCE AND SPECIFIC ITEMS¹

(Earnings per diluted weighted average number of common share)	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Specific gains and losses											
Changes in assumptions and management actions	—	0.02	—	—	—	—	—	—	—	0.02	—
Unusual income tax gain and loss	—	0.08	—	0.04	—	0.05	—	(0.07)	0.03	0.12	0.01
Tax on premiums and HollisWealth integration	—	—	—	—	—	—	—	—	—	—	—
Post closing adjustment to HollisWealth (purchase price clawback)	—	—	—	—	—	0.10	—	—	—	—	0.10
Sale of a property, net of losses on AFS investment	—	—	—	—	—	0.14	—	—	—	—	0.14
PPI contingent consideration settlement and goodwill impairment	—	—	(0.08)	—	—	—	—	—	—	(0.08)	—
PPI goodwill impairment	(0.22)	—	—	—	—	—	—	—	—	—	—
Software writedowns (mortgages and corporate)	—	(0.07)	—	—	—	—	—	—	—	(0.07)	—
Litigation provision increase	—	(0.14)	—	—	—	—	—	—	—	(0.09)	—
PAR account adjustment	—	(0.02)	—	—	—	—	—	—	—	(0.02)	—
Total	(0.22)	(0.13)	(0.08)	0.04	—	0.29	—	(0.07)	0.03	(0.17)	0.25
Macro-related gains and losses²											
Increase (decrease) in income on UL policies	(0.21)	0.05	0.01	—	0.12	(0.16)	0.02	0.05	(0.05)	0.18	(0.14)
Macroeconomic impact on level of assets backing long-term liabilities	—	0.03	0.02	—	—	—	N/A	N/A	N/A	0.05	N/A
Higher (lower) than expected management fees ³	(0.02)	—	—	—	0.03	(0.03)	—	—	(0.01)	0.03	(0.04)
Impact of dynamic hedging	(0.57)	0.05	0.04	0.03	—	(0.09)	0.02	—	0.02	0.12	(0.05)
Total	(0.80)	0.13	0.07	0.03	0.15	(0.28)	0.04	0.05	(0.04)	0.38	(0.23)
Policyholder experience gains and losses											
Individual Insurance ⁴	(0.08)	0.03	0.02	0.06	(0.06)	(0.08)	0.02	0.10	0.04	0.05	0.08
Individual Wealth Management	—	(0.06)	—	(0.03)	(0.01)	—	0.03	(0.01)	0.02	(0.10)	0.04
Group Insurance	(0.10)	(0.05)	(0.07)	0.01	—	0.04	0.01	0.05	0.05	(0.11)	0.15
Group Savings and Retirement	0.02	0.01	0.03	0.02	0.02	(0.02)	—	0.01	0.01	0.08	—
US Operations	(0.01)	0.04	(0.02)	0.01	0.01	(0.01)	0.01	0.05	(0.01)	0.04	0.04
Total	(0.17)	(0.03)	(0.04)	0.07	(0.04)	(0.07)	0.07	0.20	0.11	(0.04)	0.31
Other experience gains and losses											
Strain on sales (in Ind. Insurance and US Operations)	(0.03)	0.02	0.01	0.03	0.01	(0.01)	(0.02)	(0.02)	(0.01)	0.07	(0.06)
iA Auto and Home	0.11	0.01	0.05	0.01	0.02	0.01	—	0.02	—	0.09	0.03
Income on capital (excluding iAAH)	(0.03)	0.02	0.02	0.04	0.01	0.04	0.01	(0.01)	0.03	0.09	0.07
Usual income tax gain and loss	0.04	(0.01)	0.01	(0.05)	(0.05)	—	—	—	—	(0.10)	—
Total gains and losses	(1.10)	0.01	0.04	0.17	0.10	(0.02)	0.10	0.17	0.12	0.32	0.37

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

² Approximate impact of macroeconomic variations as compared to the expected net earnings that the Company would have earned under normal macroeconomic 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 In Q4-2019, an adjustment has been made to the Q3-2019 core EPS following a modification of the core earnings per common share definition relating to macroeconomic variation impacts

REPORTED EPS AND CORE EPS RECONCILIATION

(Earnings per diluted weighted average number of common share)	2020		2019				2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	
Reported earnings												
Earnings per common share - diluted	0.36	1.59	1.72	1.69	1.40	1.36	1.50	1.44	1.29	6.40	5.59	
Return on common shareholders' equity - trailing 12 months ²	10.7%	12.9%	12.7%	12.6%	12.4%	12.5%	12.3%	12.2%	11.8%	—	—	
EPS adjustments (non-core items)¹												
Specific gains and losses												
Changes in assumptions and management actions	—	(0.02)	—	—	—	—	—	—	—	(0.02)	—	
Unusual income tax gain and loss	—	(0.08)	—	(0.04)	—	(0.05)	—	0.07	—	(0.12)	0.02	
Tax on premiums and HollisWealth integration	—	—	—	—	—	—	—	—	—	—	—	
Holliswealth post closing adjustment (price clawback)	—	—	—	—	—	(0.10)	—	—	—	—	(0.10)	
Sale of a property, net of losses on AFS investment	—	—	—	—	—	(0.14)	—	—	—	—	(0.14)	
PPI's contingent consideration settlement and goodwill impairment	—	—	0.08	—	—	—	—	—	—	0.08	—	
PPI goodwill impairment	0.22	—	—	—	—	—	—	—	—	—	—	
Software writedowns (mortgages and corporate)	—	0.07	—	—	—	—	—	—	—	0.07	—	
Litigation provision increase	—	0.14	—	—	—	—	—	—	—	0.14	—	
PAR account adjustment	—	0.02	—	—	—	—	—	—	—	0.02	—	
Total	0.22	0.13	0.08	(0.04)	—	(0.29)	—	0.07	—	0.17	(0.22)	
Macro-related gains and losses⁴	0.80	(0.13)	(0.07)	(0.03)	(0.15)	0.28	(0.04)	(0.05)	0.04	(0.38)	0.23	
Policyholder experience gains and losses in excess of \$0.04 EPS³												
Individual Insurance	0.04	—	—	(0.02)	0.02	0.04	—	(0.06)	—	—	(0.02)	
Individual Wealth Management	—	0.02	—	—	—	—	—	—	—	0.02	—	
Group Insurance	0.06	0.01	0.03	—	—	—	—	(0.01)	(0.01)	0.04	(0.02)	
Group Savings and Retirement	—	—	—	—	—	—	—	—	—	—	—	
US Operations	—	—	—	—	—	—	—	(0.01)	—	—	(0.01)	
Total	0.10	0.03	0.03	(0.02)	0.02	0.04	—	(0.08)	(0.01)	0.06	(0.05)	
Other experience gains and losses in excess of \$0.04 EPS³												
Strain on sales (in Individual Insurance)	—	—	—	—	—	—	—	—	—	—	—	
iA Auto and Home	(0.07)	—	(0.01)	—	—	—	—	—	—	(0.01)	—	
Income on capital (excluding iAAH)	—	—	—	—	—	—	—	—	—	—	—	
Usual income tax gain and loss	—	—	—	0.01	0.01	—	—	—	—	0.02	—	
Total adjustments	1.05	0.03	0.03	(0.08)	(0.12)	0.03	(0.04)	(0.06)	0.03	(0.14)	(0.04)	
Core earnings¹												
Core earnings per common share - diluted ⁴	1.41	1.62	1.75	1.61	1.28	1.39	1.46	1.38	1.32	6.26	5.55	
Core return on common shareholders' equity - trailing 12 months ^{2,5}	12.7%	13.0%	12.4%	12.1%	12.0%	12.4%	12.2%	12.2%	11.9%	—	—	

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 In Q4-2019, an adjustment has been made to the Q3-2019 core EPS following a modification of the core earnings per common share definition relating to macroeconomic variation impacts

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

BUSINESS GROWTH

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Individual Insurance											
Sales ¹											
Minimum Premiums	43.3	48.5	45.8	43.1	39.0	44.7	43.7	44.3	41.0	176.4	173.7
Excess Premiums	1.9	2.8	1.2	4.9	2.2	2.6	5.7	3.1	5.7	11.1	17.1
Total	45.2	51.3	47.0	48.0	41.2	47.3	49.4	47.4	46.7	187.5	190.8
Net premiums	397.5	409.9	397.5	391.3	387.8	399.4	384.5	378.7	391.8	1,586.5	1,554.4
Number of policies issued											
Life insurance only	28,929	31,485	32,379	30,711	27,713	31,230	30,442	30,720	26,941	122,288	119,333
Life, critical illness, disability	44,558	47,995	49,160	46,714	41,858	46,729	45,125	45,145	41,035	185,727	178,034
Individual Wealth Management											
Sales ¹											
General fund	205.7	176.7	162.0	97.9	109.2	104.8	88.1	98.0	109.7	545.8	400.6
Segregated funds	872.3	633.4	576.4	544.8	610.9	460.0	464.4	445.9	617.6	2,365.5	1,987.9
Mutual funds	693.0	566.3	465.2	485.9	546.3	481.8	442.1	543.9	670.1	2,063.7	2,137.9
Total	1,771.0	1,376.4	1,203.6	1,128.6	1,266.4	1,046.6	994.6	1,087.8	1,397.4	4,975.0	4,526.4
Net investment fund sales ¹											
Segregated funds	423.8	243.6	167.8	106.2	145.2	76.1	63.1	63.4	219.7	662.8	422.3
Mutual funds	(99.2)	(54.4)	(127.9)	(136.8)	(88.5)	(117.9)	(82.3)	(3.2)	45.8	(407.6)	(157.6)
Total	324.6	189.2	39.9	(30.6)	56.7	(41.8)	(19.2)	60.2	265.5	255.2	264.7
Assets under management ²											
General fund ³	1,915.1	1,807.5	1,731.4	1,644.9	1,613.4	1,531.9	1,463.1	1,430.3	1,384.7	1,807.5	1,531.9
Segregated funds	14,893.9	16,391.9	15,748.3	15,431.7	15,135.6	13,993.5	14,913.8	14,837.3	14,426.6	16,391.9	13,993.5
Mutual funds	9,908.7	11,594.1	11,360.2	11,431.0	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,594.1	10,832.8
Other	3,825.7	4,509.0	4,515.7	4,513.1	4,518.3	4,173.6	4,503.4	4,482.4	4,404.4	4,509.0	4,173.6
Total	30,543.4	34,302.6	33,355.6	33,020.7	32,734.3	30,531.8	32,640.4	32,490.3	31,718.9	34,302.6	30,531.8
Assets under administration ^{4,5}											
Total	108,182.6	122,444.7	119,782.1	119,382.1	117,633.4	108,945.9	117,392.3	116,617.2	114,347.1	122,444.7	108,945.9
Group Insurance											
Sales ¹											
Employee Plans	57.1	6.2	12.9	4.1	25.9	7.2	9.4	56.4	19.5	49.1	92.5
Dealers Services											
Creditor Insurance	58.9	75.0	97.6	91.3	64.8	87.0	108.3	106.6	72.3	328.7	374.2
P&C	62.0	55.9	70.6	74.3	52.6	54.8	66.1	71.4	49.9	253.4	242.2
Non-Prime Loan originations	103.2	110.1	131.5	104.5	92.1	98.9	90.5	82.7	74.4	438.2	346.5
Total	224.1	241.0	299.7	270.1	209.5	240.7	264.9	260.7	196.6	1,020.3	962.9
Special Markets Solutions	75.8	76.3	62.9	61.1	73.6	76.2	57.6	56.8	65.0	273.9	255.6
Total sales	357.0	323.5	375.5	335.3	309.0	324.1	331.9	373.9	281.1	1,343.3	1,311.0
Car loans ¹											
Dealer Services - Non-Prime Finance receivables	762.5	727.0	685.1	614.3	572.7	529.9	474.5	425.3	381.6	727.0	529.9

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.

⁵ An adjustment to Q2 2019 asset under administration figure has been performed in Q3 2019

BUSINESS GROWTH (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Group Insurance (continued)											
Net premiums and premium equivalents											
Employee Plans	261.9	245.4	245.0	248.8	246.5	247.7	251.1	244.3	238.5	985.7	981.6
Dealer Services - Creditor Insurance	41.2	54.2	75.9	67.9	43.4	64.5	75.4	73.9	43.3	241.4	257.1
Dealer Services - P&C	49.5	39.2	38.6	40.1	37.3	35.2	35.5	31.3	31.4	155.2	133.4
Special Markets Solutions	71.3	71.8	58.6	56.3	69.5	72.2	53.8	52.3	61.2	256.2	239.5
Total net premiums	423.9	410.6	418.1	413.1	396.7	419.6	415.8	401.8	374.4	1,638.5	1,611.6
Premium equivalents and deposits											
Administrative services only contracts (ASO)	16.9	17.9	16.2	18.5	18.3	18.3	16.5	15.9	15.9	70.9	66.6
Investment contracts	20.5	20.6	20.3	15.8	22.1	26.9	32.2	19.6	32.2	78.8	110.9
Total	461.3	449.1	454.6	447.4	437.1	464.8	464.5	437.3	422.5	1,788.2	1,789.1
Group Savings and Retirement											
Sales ¹											
Accumulation contracts											
General fund	41.9	10.7	16.0	11.7	11.6	17.7	10.6	17.8	14.8	50.0	60.9
Segregated funds	591.9	372.0	324.5	316.8	336.7	394.1	276.1	323.9	346.4	1,350.0	1,340.5
Total	633.8	382.7	340.5	328.5	348.3	411.8	286.7	341.7	361.2	1,400.0	1,401.4
Insured annuities (general fund)	6.1	197.3	95.0	17.3	318.0	9.8	22.7	21.0	164.9	627.6	218.4
Deposits	19.0	13.2	11.0	12.6	9.2	16.7	13.9	7.3	9.2	46.0	47.1
Total sales	658.9	593.2	446.5	358.4	675.5	438.3	323.3	370.0	535.3	2,073.6	1,666.9
Net premiums and deposits											
Net premiums	633.0	573.0	428.5	338.7	660.3	415.4	303.3	356.4	519.8	2,000.5	1,594.9
Deposits	19.0	13.2	11.0	12.6	9.2	16.7	13.9	7.3	9.2	46.0	47.1
Total	652.0	586.2	439.5	351.3	669.5	432.1	317.2	363.7	529.0	2,046.5	1,642.0
Assets under management											
Accumulation contracts											
General fund	288.0	232.5	240.8	233.2	233.4	231.1	226.3	219.4	215.9	232.5	231.1
Segregated funds	10,566.2	11,476.0	11,228.1	10,957.0	10,623.9	9,787.1	10,119.8	10,050.3	9,673.5	11,476.0	9,787.1
Other	335.3	865.0	899.1	896.5	887.6	850.4	845.3	840.2	831.5	865.0	850.4
Total	11,189.5	12,573.5	12,368.0	12,086.7	11,744.9	10,868.6	11,191.4	11,109.9	10,720.9	12,573.5	10,868.6
Insured annuities (general fund)	3,817.1	3,929.2	3,791.2	3,709.7	3,658.3	3,246.1	3,314.8	3,360.1	3,370.5	3,929.2	3,246.1
Total	15,006.6	16,502.7	16,159.2	15,796.4	15,403.2	14,114.7	14,506.2	14,470.0	14,091.4	16,502.7	14,114.7

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

BUSINESS GROWTH (continued)

	2020		2019			2018				2019	2018
<i>(In millions of dollars, unless otherwise indicated)</i>	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
US Operations¹											
Sales (\$US) ²											
Individual Insurance	29.4	29.4	25.9	24.7	19.2	21.5	20.9	21.5	17.3	99.2	81.2
Dealer Services - P&C ³	117.2	107.6	117.4	114.5	109.7	79.3	104.8	102.9	88.1	449.2	375.1
Sales (\$CAN) ²											
Individual Insurance	39.4	38.8	34.3	33.1	25.4	28.2	27.5	27.7	21.8	131.6	105.2
Dealer Services - P&C ³	157.4	141.9	155.1	153.1	145.9	105.2	136.6	132.8	111.3	596.0	485.9
Net Premiums and Premium Equivalents (\$CAN)											
Net Premiums											
Individual Insurance	113.5	107.1	102.0	100.5	95.5	92.9	88.5	85.5	81.0	405.1	347.9
Dealer Services - P&C ³	24.7	24.0	25.5	19.1	19.3	9.4	17.1	10.5	20.5	87.9	57.5
Total	138.2	131.1	127.5	119.6	114.8	102.3	105.6	96.0	101.5	493.0	405.4
Premium Equivalents - P&C	40.7	44.7	33.1	43.9	36.4	30.5	35.1	35.6	27.1	158.1	128.3
Total Net premiums and Premium Equivalents	178.9	175.8	160.6	163.5	151.2	132.8	140.7	131.6	128.6	651.1	405.4
General Insurance											
Sales²											
iAAH (Auto & Home)	73.9	76.2	96.2	112.4	66.2	68.5	87.3	104.8	62.2	351.0	322.8
Net premiums, premium equivalents and deposits by line of business											
Individual Insurance	397.5	409.9	397.5	391.3	387.8	399.4	384.5	378.7	391.8	1,586.5	1,554.4
Individual Wealth Management	1,771.0	1,376.4	1,203.6	1,128.6	1,266.4	1,046.6	994.6	1,087.8	1,397.4	4,975.0	4,526.4
Group Insurance	461.3	449.1	454.6	447.4	437.1	464.8	464.5	437.3	422.5	1,788.2	1,789.1
Group Savings and Retirement	652.0	586.2	439.5	351.3	669.5	432.1	317.2	363.7	529.0	2,046.5	1,642.0
US Operations ^{1,4}	178.9	175.8	160.6	163.5	151.2	132.8	140.7	131.6	128.6	651.1	405.4
General Insurance ⁵	84.5	82.3	79.5	77.3	75.1	75.3	74.3	73.2	71.7	314.2	294.5
Total	3,545.2	3,079.7	2,735.3	2,559.4	2,987.1	2,551.0	2,375.8	2,472.3	2,941.0	11,361.5	10,340.1
Distribution of net premiums, premium equivalents and deposits by region											
Atlantic provinces	3.2%	3.2%	3.6%	4.0%	7.1%	3.7%	3.9%	3.8%	3.8%	4.5%	3.8%
Quebec	38.5%	36.2%	40.3%	40.8%	35.3%	38.2%	42.0%	46.7%	38.8%	38.0%	41.3%
Ontario	29.5%	31.4%	28.6%	25.8%	32.3%	30.3%	27.1%	28.6%	26.3%	29.7%	28.0%
Western provinces	23.7%	23.4%	21.5%	22.9%	20.2%	22.6%	21.1%	15.5%	26.7%	22.0%	21.7%
Outside Canada	5.1%	5.8%	6.0%	6.5%	5.1%	5.2%	5.9%	5.4%	4.4%	5.8%	5.2%
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 Warranty Group Inc. (formerly iA American Casualty Holdings Inc.)

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 Warranty Group Inc. (formerly iA American Casualty Holdings Inc.)

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

BUSINESS GROWTH (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Assets under management and administration¹											
Assets under management											
General fund ²	47,811.4	45,279.6	45,458.8	43,432.1	42,530.9	39,759.5	39,067.5	39,920.0	39,133.0	45,279.6	39,759.5
Segregated funds	25,460.1	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	27,867.9	23,780.6
Mutual funds	9,908.7	11,594.2	11,360.2	11,431.0	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,594.2	10,832.8
Other ³	13,893.1	15,500.1	15,666.6	15,421.8	15,199.0	14,721.1	15,127.5	15,194.1	15,096.8	15,500.1	14,721.1
Total	97,073.3	100,241.8	99,462.0	96,673.6	94,956.4	89,094.0	90,988.7	91,742.0	89,833.1	100,241.8	89,094.0
Assets under administration ⁴	78,653.6	89,245.8	87,592.0	87,566.7	86,114.1	79,677.5	86,056.1	85,510.8	84,063.9	89,245.8	79,677.5
Total	175,726.9	189,487.6	187,054.0	184,240.3	181,070.5	168,771.5	177,044.8	177,252.8	173,897.0	189,487.6	168,771.5
Human resources											
Number of employees	7,495	7,018	6,904	6,873	6,917	6,877	6,849	6,764	6,548	7,018	6,877

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.

⁴ An adjustment to Q2-2019 asset under administration figure has been performed in Q3-2019

INVESTED ASSETS

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Value and distribution of investments									
Book value of investment portfolio	41,561.2	39,919.2	39,856.8	37,987.9	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4
Distribution of investments by financial instrument category									
Fair value through profit or loss (FVTPL)	65.0%	63.9%	64.5%	65.1%	63.3%	60.8%	61.6%	62.7%	62.8%
Loans and receivables	20.3%	19.1%	18.9%	19.2%	19.5%	21.0%	20.4%	19.3%	19.7%
Available for sale	8.8%	10.7%	11.1%	10.1%	11.6%	12.3%	12.9%	13.2%	12.6%
Investment properties	4.9%	5.2%	4.5%	4.6%	4.7%	5.0%	4.2%	3.9%	4.0%
Other	1.0%	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%
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	66.7%	68.8%	69.6%	69.1%	69.0%	68.3%	67.8%	69.8%	69.2%
Mortgages and other loans	9.2%	9.7%	9.7%	10.0%	10.0%	10.6%	10.2%	9.6%	9.7%
Stocks	6.6%	7.6%	7.3%	7.4%	8.5%	8.8%	9.8%	9.7%	9.9%
Real estate	4.9%	5.2%	4.5%	4.6%	4.7%	5.0%	4.2%	3.9%	4.0%
Policy loans	2.2%	2.3%	2.3%	2.4%	2.6%	2.7%	2.7%	2.7%	2.7%
Cash and short-term investments	7.2%	2.8%	2.5%	2.3%	2.5%	3.0%	3.5%	2.4%	2.7%
Other	3.2%	3.6%	4.1%	4.2%	2.7%	1.6%	1.8%	1.9%	1.8%
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	2.9%	2.9%	3.0%	2.9%	3.1%	3.1%	3.2%	3.1%	3.1%
Quebec	27.1%	27.3%	27.1%	26.9%	26.8%	27.8%	27.9%	28.2%	28.8%
Ontario	30.1%	30.8%	32.3%	32.8%	32.4%	32.7%	32.3%	33.1%	32.1%
Western provinces	17.3%	18.2%	18.2%	18.5%	18.7%	18.4%	18.5%	18.1%	18.3%
Outside Canada	22.6%	20.8%	19.4%	18.9%	19.0%	18.0%	18.1%	17.5%	17.7%
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)	5.5	21.4	24.0	23.9	24.2	24.5	24.6	24.7	27.3
Provisions for impaired investments (specific)	2.8	10.5	11.1	11.1	8.6	8.6	6.0	6.1	6.9
As a % of gross impaired investments	50.9%	49.1%	46.3%	46.4%	35.5%	35.1%	24.4%	24.7%	25.3%
Net impaired investments (excluding insured loans)									
Bonds	2.0	10.1	10.2	10.2	12.8	12.8	15.1	15.1	15.1
Mortgages and other loans	0.7	0.8	2.7	2.6	2.8	3.1	3.5	3.5	5.3
Total	2.7	10.9	12.9	12.8	15.6	15.9	18.6	18.6	20.4
Net impaired investments as a % of investment portfolio	0.01%	0.03%	0.03%	0.03%	0.04%	0.05%	0.05%	0.05%	0.06%
Provisions for losses (collective and specific)									
At beginning of period	20.7	20.8	19.7	16.8	16.7	13.9	13.5	13.4	13.9
Increase for the period	20.7	11.4	9.5	11.0	8.3	10.4	6.0	6.1	5.7
Decrease for the period	(18.9)	(11.5)	(8.4)	(8.1)	(8.2)	(7.6)	(5.6)	(6.0)	(6.2)
At end of period	22.5	20.7	20.8	19.7	16.8	16.7	13.9	13.5	13.4
Provisions for losses by type of investment (collective and specific)									
Bonds	2.5	10.4	10.4	10.4	7.9	7.9	5.7	5.7	5.7
Mortgages	—	—	0.6	0.6	0.6	0.6	0.2	0.3	1.0
Car loans	20.0	10.3	9.8	8.7	8.3	8.2	8.0	7.5	6.7
Total	22.5	20.7	20.8	19.7	16.8	16.7	13.9	13.5	13.4
Other quality measure									
Car loans - Average credit loss rate (non-prime) ¹	5.5%	5.4%	5.3%	5.4%	5.3%	5.2%	5.2%	5.4%	5.7%

¹Non-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)									
	2020		2019			2018			
<i>(In millions of dollars, unless otherwise indicated)</i>	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Real estate acquired to settle loans									
Real estate held for resale	0.6	0.6	0.6	0.6	0.6	0.6	4.6	4.7	4.6
Bonds									
Book value of the bond portfolio	27,708.3	27,508.5	27,767.3	26,291.8	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4
Distribution by financial instrument category									
Available for sale	12.0%	13.7%	14.1%	12.8%	15.0%	16.2%	17.1%	17.0%	16.3%
Fair value through profit or loss (FVTPL)	79.0%	77.8%	77.8%	78.6%	76.4%	74.7%	73.7%	74.5%	74.9%
Loans and receivables	9.0%	8.5%	8.1%	8.6%	8.6%	9.1%	9.2%	8.5%	8.8%
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	5.03%	6.78%	5.54%	4.56%	6.14%	5.21%	5.20%	5.05%	5.70%
Rating - AA	47.47%	47.62%	34.48%	35.53%	34.82%	35.41%	34.17%	35.20%	33.81%
Rating - A	30.55%	28.94%	42.01%	42.25%	41.28%	41.89%	42.76%	42.37%	43.19%
Rating - BBB	16.20%	15.79%	17.15%	16.80%	16.84%	16.71%	17.05%	16.57%	16.44%
Rating - BB and lower	0.75%	0.87%	0.82%	0.86%	0.92%	0.78%	0.82%	0.81%	0.86%
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	46.5%	49.7%	50.4%	50.2%	50.4%	50.7%	49.6%	51.3%	51.5%
Municipalities	5.0%	4.8%	4.8%	5.1%	5.1%	5.1%	5.0%	4.9%	4.9%
Corporates - Public issues	30.8%	28.2%	28.2%	27.5%	27.0%	26.3%	27.5%	26.7%	26.7%
Corporates - Private issues	17.7%	17.3%	16.6%	17.2%	17.5%	17.9%	17.9%	17.1%	16.9%
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	3,814.8	3,870.2	3,853.4	3,795.7	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8
Book value of mortgages	3,006.6	3,076.2	3,085.9	3,080.7	2,984.3	2,999.4	2,826.5	2,720.4	2,719.5
Book value of other loans	808.2	794.0	767.5	715.0	686.6	661.9	630.0	604.1	585.3
Distribution by financial instrument category									
Held for trading	2.7%	2.4%	2.5%	2.6%	2.5%	2.5%	2.2%	2.4%	2.0%
Loans and receivables	97.3%	97.6%	97.5%	97.4%	97.5%	97.5%	97.8%	97.6%	98.0%
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	37.3%	37.0%	37.4%	36.7%	36.5%	36.0%	37.0%	35.3%	35.2%
Multi-residential	53.8%	54.6%	54.1%	54.5%	55.1%	55.4%	55.6%	56.8%	57.2%
Non-residential	8.9%	8.4%	8.5%	8.8%	8.4%	8.6%	7.4%	7.9%	7.6%
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	38.0%	37.8%	39.2%	38.1%	39.7%	37.2%	37.6%	39.7%	41.1%
Insured	34.3%	36.0%	35.8%	37.4%	36.9%	39.3%	38.9%	36.5%	35.8%
Uninsured	27.7%	26.2%	25.0%	24.5%	23.4%	23.5%	23.5%	23.8%	23.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

INVESTED ASSETS (continued)									
(In millions of dollars, unless otherwise indicated)	2020		2019			2018			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Mortgages									
Other quality measures									
Delinquency rate ¹									
Securitized and insured ²	—	0.01%	—	0.05%	0.05%	—	—	—	0.07%
Insured	—	0.21%	0.21%	0.20%	0.21%	0.11%	0.12%	0.16%	0.14%
Uninsured	0.21%	—	—	—	—	—	—	—	0.36%
Total	0.06%	0.08%	0.08%	0.10%	0.10%	0.09%	0.09%	0.12%	0.19%
Delinquency rate, including real estate acquired to settle loans	0.08%	0.10%	0.09%	0.11%	0.12%	0.11%	0.25%	0.29%	0.36%
Stocks									
Book value of the stock portfolio	2,752.0	3,023.5	2,920.1	2,810.3	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9
Distribution by financial instrument category									
Available for sale	12.6%	17.0%	17.6%	16.4%	14.5%	14.2%	13.5%	13.3%	12.7%
Fair value through profit or loss (FVTPL)	87.4%	83.0%	82.4%	83.6%	85.5%	85.8%	86.5%	86.7%	87.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by category									
Common	60.8%	54.8%	53.1%	53.6%	58.9%	59.7%	58.6%	56.1%	54.3%
Preferred	15.9%	18.5%	18.9%	19.8%	16.7%	16.3%	18.7%	18.7%	18.3%
Market indices	7.1%	10.3%	11.2%	9.5%	9.9%	10.2%	8.7%	11.0%	13.8%
Investment fund units and other	16.2%	16.4%	16.8%	17.1%	14.5%	13.8%	14.0%	14.2%	13.6%
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	56.6%	49.7%	48.4%	48.0%	54.1%	55.9%	55.5%	55.9%	57.8%
Backing UL accounts	27.6%	29.4%	30.0%	31.0%	27.9%	26.2%	26.8%	26.7%	25.4%
Backing capital	15.8%	20.9%	21.6%	21.0%	18.0%	17.9%	17.7%	17.4%	16.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Real estate									
Investment properties	2,021.7	2,076.6	1,773.8	1,728.8	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0
Linearization of rents	22.4	22.2	19.6	18.6	18.3	17.4	15.0	14.2	13.8
Fair value of investment properties	2,044.1	2,098.8	1,793.4	1,747.4	1,738.8	1,737.9	1,431.0	1,371.0	1,356.8
Occupancy rate on investment properties	95.0%	94.0%	93.0%	96.0%	96.0%	95.0%	93.0%	92.0%	92.0%
Other									
Provision for potential loss on fixed-income securities contained in the policy liabilities	450.9	408.0	394.6	363.7	332.5	289.6	323.0	346.7	335.3

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

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Capital structure									
Debentures	1,447.9	1,049.7	1,049.5	651.5	901.5	901.4	901.0	1,000.8	1,000.4
Participating policyholders' accounts ¹	43.3	41.9	52.6	52.6	52.7	52.3	49.5	49.1	48.5
Equity									
Common shares	1,671.9	1,666.5	1,652.3	1,632.3	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0
Contributed surplus	17.2	17.5	19.1	22.5	22.5	22.8	21.5	20.9	20.2
Retained earnings ^{1,2,3}	3,878.4	3,823.5	3,651.5	3,534.5	3,467.0	3,440.0	3,419.1	3,297.9	3,128.0
Accumulated other comprehensive income	27.5	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7
Total shareholders' equity	<u>6,120.0</u>	<u>6,088.1</u>	<u>5,937.4</u>	<u>5,806.0</u>	<u>5,733.8</u>	<u>5,665.8</u>	<u>5,635.9</u>	<u>5,542.8</u>	<u>5,377.9</u>
Total capital structure	<u>7,611.2</u>	<u>7,179.7</u>	<u>7,039.5</u>	<u>6,510.1</u>	<u>6,688.0</u>	<u>6,619.5</u>	<u>6,586.4</u>	<u>6,592.7</u>	<u>6,426.8</u>
Debt measures									
Debentures/capital structure ³	19.0%	14.6%	14.9%	10.0%	13.5%	13.6%	13.7%	15.2%	15.6%
Debentures and preferred shares issued by a subsidiary/capital structure ²	25.9%	21.9%	22.4%	18.1%	21.3%	21.5%	21.7%	23.1%	23.7%
Coverage ratio (in number of times) ⁴	13.3	16.6	16.8	15.9	14.8	14.6	14.5	14.4	14.1
Credit ratings									
	Standard & Poor's		DBRS		A.M. Best				
iA Financial Corporation Inc.									
Issuer credit rating	A		A (low)		not rated				
Subordinated debentures	A+		A		a				
Industrial Alliance Insurance and Financial Services Inc.									
Financial strength rating	AA-		A (high)		A+ (Superior)				
Issuer credit rating	AA-		A (high)		aa-				
Subordinated debentures	A+		A		a				
Preferred Shares ⁵	A		Pfd-2 (high)		a-				

¹ In Q4 2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

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 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).

⁵ 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)	2020		2019			2018			
	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	1,671.9	1,666.5	1,652.3	1,632.3	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0
Other Tier 1 capital instruments	—	—	—	—	—	—	—	—	—
Adjusted Retained Earnings ^{3,4,5}	3,869.6	3,814.4	3,642.9	3,530.0	3,462.8	3,435.4	3,404.2	3,284.3	3,119.4
Other ⁵	32.7	140.0	164.9	170.2	162.3	98.4	74.3	103.9	108.8
Gross Tier 1	6,099.2	6,145.9	5,985.1	5,857.5	5,784.6	5,714.3	5,675.1	5,583.1	5,421.2
Deductions for Goodwill and Other intangibles assets	(1,368.4)	(1,226.9)	(1,218.2)	(1,239.3)	(1,223.6)	(1,208.1)	(1,167.3)	(1,176.0)	(1,120.1)
Other Tier 1 Deductions ³	(1,594.5)	(1,706.3)	(1,602.3)	(1,590.1)	(1,478.3)	(1,429.3)	(1,282.3)	(1,211.3)	(1,212.4)
Tier 1	3,136.3	3,212.7	3,164.6	3,028.1	3,082.7	3,076.9	3,225.5	3,195.8	3,088.7
Tier 2 Capital									
Subordinated debt	1,443.6	1,045.7	1,045.5	647.7	897.6	897.4	897.1	996.8	996.6
Other Tier 2 capital instruments	—	—	—	—	—	—	—	—	—
Other	741.7	802.4	812.4	810.5	764.9	743.1	597.3	589.2	634.5
Gross Tier 2	2,185.3	1,848.1	1,857.9	1,458.2	1,662.5	1,640.5	1,494.4	1,586.0	1,631.1
Tier 2 Deductions	(231.3)	(251.7)	(262.0)	(257.0)	(259.1)	(248.5)	(241.5)	(231.7)	(256.2)
Tier 2	1,954.0	1,596.4	1,595.9	1,201.2	1,403.4	1,392.0	1,252.9	1,354.3	1,374.9
Available capital	5,090.3	4,809.1	4,760.5	4,229.3	4,486.1	4,468.9	4,478.4	4,550.1	4,463.6
Surplus Allowance and Eligible Deposits	4,432.9	4,461.8	4,419.9	4,294.1	4,268.2	4,045.6	3,797.0	4,007.8	4,063.8
Base Solvency Buffer									
Credit Risk	1,067.2	973.5	1,027.5	953.9	901.4	800.3	760.3	824.3	846.7
Market Risk	2,078.7	2,232.4	2,223.5	2,210.5	2,614.3	2,481.7	2,616.5	2,622.4	2,707.9
Insurance Risk	3,863.2	3,813.5	3,648.5	3,608.0	3,561.6	3,518.9	3,403.9	3,387.9	3,339.6
Segregated Fund Guarantees Risk	255.6	228.3	227.1	225.3	224.3	224.4	426.1	453.6	449.6
Operational Risk	556.5	573.7	557.4	550.2	567.3	544.1	528.8	530.6	527.3
Diversification and Other Credits	(1,181.1)	(1,173.6)	(1,151.0)	(1,147.9)	(1,156.4)	(1,135.9)	(1,103.2)	(1,112.5)	(1,102.7)
Base Solvency Buffer ⁶	6,972.1	6,980.2	6,859.7	6,720.0	7,048.1	6,755.2	6,964.0	7,041.6	7,106.8
Total Ratio ⁶	137%	133%	134%	127%	124%	126%	119%	122%	120%
Industrial Alliance Insurance and Financial Services Inc.									
Solvency ratio CARL^{1,2}									
Available capital, surplus allowance and eligible deposits	8,077.4	8,766.6	8,613.8	8,425.9	8,695.5	8,514.5	8,275.4	8,557.9	8,527.4
Base Solvency Buffer ⁶	6,941.5	6,971.9	6,858.3	6,718.8	7,047.5	6,755.2	6,964.0	7,041.6	7,106.8
Total Ratio ⁶	116%	126%	126%	125%	123%	126%	119%	122%	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 In Q4-2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

⁶ Including the scalar of 1.05

MACROECONOMIC SENSITIVITY¹

	2020		2019			2018			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Equity Market Sensitivity									
Reference index (S&P/TSX Index (in points)) ²	13,379	17,063	16,659	16,382	16,102	14,323	16,073	16,278	15,367
Level of S&P/TSX before reserves require strengthening for future policy benefits (in points) ¹	11,700	13,000	12,500	12,300	11,900	11,500	11,700	11,800	11,400
Variation	(13%)	(24%)	(25%)	(25%)	(26%)	(20%)	(27%)	(28%)	(26%)
Solvency ratio (CARLI ³) ^{1,4}	137%	133%	134%	127%	124%	126%	119%	122%	12%
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) ¹	1,800	1,500	1,200	4,200	4,400	50	—	—	—
Variation	(87%)	(91%)	(93%)	(74%)	(73%)	(65%)	—	—	—
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in equity markets ⁶									
30% increase	0%	(1%)	—	—	—	(1%)	—	—	5%
20% increase	(2%)	(1%)	—	—	—	(1%)	—	—	4%
10% increase	(2%)	(1%)	—	—	—	(1%)	—	—	1%
10% decrease	1%	1%	—	—	—	0%	—	—	0%
20% decrease	(1%)	2%	—	—	—	1%	—	—	(1%)
30% decrease	(2%)	1%	—	—	—	(2%)	—	—	(4%)
Impact on net income to common shareholders of a sudden 10% decrease in equity markets (in \$M) ⁷									
	(26)	(31)	(33)	(32)	(32)	(30)	(32)	(32)	(31)
Interest Rate Sensitivity									
Impact on net income (in \$M)									
10 bps decrease in initial reinvestment rate (IRR)	0	2	(12)	(12)	(13)	(10)	(8)	(11)	(13)
10 bps decrease in ultimate reinvestment rate (URR)	(66)	(61)	(67)	(64)	(68)	(66)	(67)	(70)	(70)
Total	(66)	(59)	(79)	(76)	(81)	(76)	(75)	(81)	(83)
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in interest rate ^{8,9}									
50 bps increase	(2%)	(2%)	—	—	—	0%	—	—	1%
25 bps increase	(1%)	(1%)	—	—	—	0%	—	—	0%
25 bps decrease	1%	1%	—	—	—	0%	—	—	0%
50 bps decrease	2%	2%	—	—	—	(1%)	—	—	0%
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in corporate credit spread ^{9,9}									
50 bps increase	0 %	2%	—	—	—	3%	—	—	—
25 bps increase	0 %	1%	—	—	—	1%	—	—	—
25 bps decrease	0 %	(1%)	—	—	—	(2%)	—	—	—
50 bps decrease	0 %	(3%)	—	—	—	(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

	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Common shares											
Share price											
High	\$76.23	\$71.81	\$61.51	\$54.20	\$52.07	\$52.20	\$55.05	\$55.03	\$62.01	\$71.81	\$62.01
Low	\$30.38	\$58.15	\$51.45	\$49.42	\$42.79	\$41.32	\$49.89	\$48.67	\$51.34	\$42.79	\$41.32
Close	\$44.24	\$71.49	\$60.29	\$53.34	\$49.28	\$43.57	\$51.65	\$50.75	\$53.00	\$71.33	\$43.57
Average share price	\$58.85	\$65.87	\$56.01	\$51.96	\$49.11	\$46.77	\$52.56	\$52.52	\$56.21	\$56.15	\$51.61
Number of common shares outstanding (in millions)											
At beginning of period	107.0	106.7	106.4	106.9	108.6	109.7	109.6	109.6	106.8	108.6	106.8
Common shares issued ¹	0.1	0.3	0.6	0.2	0.1	—	0.1	—	2.8	1.2	2.9
Common shares repurchased and cancelled	(0.1)	—	(0.3)	(0.7)	(1.8)	(1.1)	—	—	—	(2.8)	(1.1)
At end of period	107.0	107.0	106.7	106.4	106.9	108.6	109.7	109.6	109.6	107.0	108.6
Weighted average number of common shares (in millions)											
Basic	107.0	106.8	106.4	106.7	107.6	109.4	109.6	109.6	107.5	108.9	109.0
Diluted	107.4	107.4	106.9	107.2	108.0	109.8	110.2	110.2	108.2	109.6	109.6
Dividends											
Common dividends paid	52.0	48.0	47.8	48.0	44.5	45.4	45.5	41.6	40.6	188.3	173.1
Dividend paid per common share in the period	\$0.4850	\$0.4500	\$0.4500	\$0.4500	\$0.4150	\$0.4150	\$0.4150	\$0.3800	\$0.3800	\$1.7650	\$1.5900
Dividend payout ratio ²	131%	28%	26%	26%	29%	30%	28%	26%	29%	28%	28%
Dividend yield (annualized) ³	4.4%	2.5%	3.0%	3.4%	3.4%	3.8%	3.2%	3.0%	2.9%	2.5%	3.6%
Stock options											
Number of stock options outstanding (in millions)											
At beginning of period	2.0	2.3	2.8	3.0	2.9	2.9	2.9	3.0	2.7	2.9	2.7
Options granted	0.3	—	0.1	—	0.3	—	—	—	0.3	0.3	0.3
Options exercised, cancelled or expired	(0.2)	(0.3)	(0.6)	(0.2)	(0.2)	—	—	(0.1)	—	(1.3)	(0.1)
At end of period	2.1	2.0	2.3	2.8	3.0	2.9	2.9	2.9	3.0	2.0	2.9

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)

<i>(In millions of dollars, unless otherwise indicated)</i>	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Valuation											
Price-to-earnings multiple (trailing 12 months) ^{1,2} (in number of times)	8.3	11.8	9.7	8.9	8.5	7.8	9.5	9.6	10.5	11.8	7.8
Market capitalization	4,734.1	7,647.0	6,432.0	5,676.5	5,270.2	4,730.6	5,663.5	5,562.7	5,807.2	7,647.0	4,730.6
Book value per common share ^{3,4,5}	\$52.29	\$51.99	\$50.73	\$49.63	\$48.73	\$47.34	\$46.59	\$45.78	\$44.28	\$51.99	\$47.34
Market value to book value ratio (in number of times) ^{3,4,5}	0.8	1.4	1.2	1.1	1.0	0.9	1.1	1.1	1.2	1.4	0.9
Total payout ratio (trailing 12 months) ⁶	44%	48%	56%	55%	50%	36%	28%	28%	29%	48%	36%
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 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	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 G	250	250	250	250	250	250	250	250	250	250	250
Series I	150	150	150	150	150	150	150	150	150	150	150
Dividends paid per preferred share											
Series B	\$0.2875	\$0.2875	\$0.5750	\$0.2875	—	\$0.5750	\$0.2875	\$0.2875	—	\$1.1500	\$1.1500
Series G	\$0.236063	\$0.236063	\$0.4721250	\$0.2360625	—	\$0.4721250	\$0.2360625	\$0.23606	—	\$0.94425	\$0.94425
Series I	\$0.3000	\$0.3000	\$0.6000	\$0.3000	—	\$0.6000	\$0.3781	—	—	\$1.2000	\$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 An adjustment to Q1 2019 and Q2 2019 figures has been performed in Q3 2019.

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 In Q4 2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

⁶ 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.

CONSOLIDATED INCOME STATEMENTS
INCOME STATEMENTS

	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Revenues											
Net premiums	2,755.1	2,417.0	2,189.5	1,982.7	2,354.8	1,976.8	1,836.0	1,850.0	2,186.5	8,944.0	7,849.3
Investment income											
Investment income	452.0	371.8	352.1	331.6	329.2	391.0	314.4	329.0	326.9	1,384.7	1,361.3
Variation in the market value of investment properties	(32.9)	43.5	11.0	(2.5)	(7.9)	10.0	3.6	31.7	(2.5)	44.1	42.8
Realized gains (losses) on assets available for sale	11.3	2.0	4.6	8.3	4.7	(33.7)	1.2	1.1	3.1	19.6	(28.3)
Change in fair value of financial assets designated at FVTPL	(1,267.2)	(707.4)	751.5	1,344.9	1,844.1	(186.7)	(608.0)	128.5	(372.1)	3,233.1	(1,038.3)
Change in provisions for losses	(20.2)	(11.4)	(9.4)	(10.8)	(8.3)	(10.3)	(6.2)	(5.4)	(4.8)	(39.9)	(26.7)
Total	(857.0)	(301.5)	1,109.8	1,671.5	2,161.8	170.3	(295.0)	484.9	(49.4)	4,641.6	310.8
Other revenues	440.1	428.4	416.2	424.5	410.4	440.3	439.2	437.8	435.0	1,679.5	1,752.3
Total	2,338.2	2,543.9	3,715.5	4,078.7	4,927.0	2,587.4	1,980.2	2,772.7	2,572.1	15,265.1	9,912.4
Policy benefits and expenses											
Net benefits and claims on contracts	1,478.8	1,433.3	1,265.0	1,316.9	1,377.0	1,191.9	1,196.1	1,201.2	1,280.8	5,392.2	4,870.0
Net transfer to segregated funds	688.4	234.6	261.9	195.5	224.5	221.5	113.9	170.6	315.1	916.5	821.1
Increase (decrease) in insurance contract liabilities	(702.3)	(283.0)	1,156.0	1,550.0	2,350.1	261.3	(346.2)	350.8	(49.9)	4,773.1	216.0
Increase (decrease) in investment contract liabilities	1.4	(1.0)	6.7	7.5	13.9	8.2	(2.5)	2.1	1.4	27.1	9.2
Decrease (increase) in reinsurance assets	(75.5)	68.1	(32.2)	(40.8)	(39.3)	(31.9)	9.5	32.5	66.1	(44.2)	76.2
Commissions	440.9	433.8	425.4	409.5	385.1	341.5	421.0	410.9	408.8	1,653.8	1,582.2
General expenses	412.0	410.7	347.0	353.1	361.1	352.8	320.2	331.9	323.9	1,471.9	1,328.8
Premium and other taxes	33.1	33.3	31.4	31.9	31.6	32.1	32.8	31.0	31.0	128.2	126.9
Financing charges	17.3	17.0	13.3	14.2	15.0	14.5	15.4	16.5	16.6	59.5	63.0
Total	2,294.1	2,346.8	3,474.5	3,837.8	4,719.0	2,391.9	1,760.2	2,547.5	2,393.8	14,378.1	9,093.4
Income before income taxes	44.1	197.1	241.0	240.9	208.0	195.5	220.0	225.2	178.3	887.0	819.0
Income taxes	(1.9)	31.3	51.9	53.9	50.5	37.7	49.1	59.4	34.8	187.6	181.0
Net income	46.0	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	699.4	638.0
Net income attributed to participating policyholders	1.3	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	(10.1)	4.3
Net income attributed to shareholders	44.7	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	709.5	633.7
Dividends attributed to preferred shares issued by a subsidiary	5.6	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	22.1	21.0
Net income attributed to common shareholders	39.1	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	687.4	612.7

CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
COMPREHENSIVE INCOME

	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Comprehensive income statements											
Net income	46.0	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	699.4	638.0
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	(45.9)	(11.2)	(0.8)	28.7	65.5	17.0	(27.9)	(7.1)	(13.0)	82.2	(31.0)
Stocks	(72.0)	5.2	(0.3)	(8.6)	4.6	(27.1)	1.4	(1.7)	(2.0)	0.9	(29.4)
Reclassification of losses (gains) included in net income											
Bonds	(6.9)	(2.2)	(3.8)	(6.9)	(2.5)	13.9	(0.8)	(0.1)	(4.0)	(15.4)	9.0
Stocks	(1.0)	0.8	0.1	(0.1)	0.4	11.1	(0.2)	(0.7)	1.7	1.2	11.9
Change in unrealized gains (losses) on available for sale financial assets	(125.8)	(7.4)	(4.8)	13.1	68.0	14.9	(27.5)	(9.6)	(17.3)	68.9	(39.5)
Cash-flow hedge	79.5	(20.7)	(0.4)	(1.0)	(0.8)	(0.5)	(0.3)	(0.1)	(0.9)	(22.9)	(1.8)
Currency translation account											
Unrealized gains (losses) on currency translation in foreign operations	128.4	(27.1)	16.1	(26.1)	(24.7)	56.6	(16.9)	18.9	27.0	(61.8)	85.6
Hedges of net investment in foreign operations	(110.2)	21.3	(13.1)	20.9	19.8	(47.2)	14.3	(16.8)	(21.0)	48.9	(70.7)
Items that will not be reclassified subsequently to net income											
Remeasurement of post-employment benefits	68.9	48.5	(12.7)	(35.2)	(21.8)	(50.6)	2.4	52.9	(14.3)	(21.2)	(9.6)
Total other comprehensive income (loss)	40.8	14.6	(14.9)	(28.3)	40.5	(26.8)	(28.0)	45.3	(26.5)	11.9	(36.0)
Comprehensive income	86.8	180.4	174.2	158.7	198.0	131.0	142.9	211.1	117.0	711.3	602.0
Comprehensive income attributed to shareholders	85.5	191.1	174.2	158.8	197.3	128.2	142.5	210.5	116.5	721.4	597.7
Comprehensive income attributed to participating policyholders	1.3	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	(10.1)	4.3

DETAIL OF ACCUMULATED OTHER COMPREHENSIVE INCOME

	2020		2019			2018				2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>											
Accumulated other comprehensive income (loss)											
Balance at beginning of period	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9	22.5	48.9
Transfer of post-employment benefits to retained earnings	(68.9)	(48.5)	12.7	35.2	21.8	50.6	(2.4)	(52.9)	14.3	21.2	9.6
Total other comprehensive income	40.8	14.6	(14.9)	(28.3)	40.5	(26.8)	(28.0)	45.3	(26.5)	11.9	(36.0)
Balance at end of period	27.5	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	55.6	22.5
Sources of accumulated other comprehensive income (loss)											
Bonds	19.7	72.5	85.9	90.5	68.7	5.7	(25.2)	3.5	10.7	72.5	5.7
Stocks	(81.4)	(8.4)	(14.4)	(14.2)	(5.5)	(10.5)	5.5	4.3	6.7	(8.4)	(10.5)
Cash-flow hedge	56.6	(22.9)	(2.2)	(1.8)	(0.8)	—	0.5	0.8	0.9	(22.9)	—
Currency translation account	32.6	14.4	20.2	17.2	22.4	27.3	17.9	20.5	18.4	14.4	27.3
Total	27.5	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	55.6	22.5

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FINANCIAL POSITION

	2020		2019			2018			
<i>(In millions of dollars, unless otherwise indicated)</i>	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets									
Invested assets									
Cash and short-term investments	2,992.0	1,107.7	1,009.6	873.5	917.2	1,045.6	1,185.8	846.9	912.9
Bonds	27,708.3	27,508.5	27,767.3	26,291.8	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4
Stocks	2,752.0	3,023.5	2,920.1	2,810.3	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9
Mortgages and other loans	3,814.8	3,870.2	3,853.4	3,795.7	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8
Derivative financial instruments	911.9	1,003.4	1,208.0	1,205.2	657.1	224.9	295.4	360.9	305.1
Policy loans	927.1	900.4	904.5	906.7	946.0	950.6	934.2	923.7	923.9
Other invested assets	433.4	428.9	420.1	375.9	337.1	328.9	322.5	315.5	309.4
Investment properties	2,021.7	2,076.6	1,773.8	1,728.8	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0
Total investments	41,561.2	39,919.2	39,856.8	37,987.9	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4
Other assets ¹	2,666.8	2,192.6	2,359.2	2,232.6	2,758.8	2,172.2	2,215.2	2,258.9	2,336.0
Reinsurance assets	1,258.1	1,030.2	1,112.0	1,059.2	1,042.3	1,000.8	887.0	898.9	885.6
Fixed assets	398.9	394.1	396.7	402.5	415.1	277.5	271.5	270.0	265.8
Deferred income tax assets	66.3	27.9	28.1	28.5	27.9	26.0	26.2	26.3	28.0
Intangible assets	1,200.1	1,109.5	1,098.7	1,092.5	1,083.4	1,071.4	1,053.4	1,039.9	994.9
Goodwill	660.0	606.1	607.3	628.9	630.8	632.7	620.2	620.6	630.3
General fund assets	47,811.4	45,279.6	45,458.8	43,432.1	42,530.9	39,759.5	39,067.5	39,920.0	39,133.0
Segregated funds net assets	25,460.1	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1
Total assets	<u>73,271.5</u>	<u>73,147.5</u>	<u>72,435.2</u>	<u>69,820.8</u>	<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>

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

FINANCIAL POSITION (continued)

	2020		2019			2018			
	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	29,464.8	30,001.9	30,314.7	29,138.1	27,631.1	25,306.4	24,965.9	25,334.9	24,955.4
Provisions for dividends to policyholders and experience rating refunds	49.4	30.6	50.9	52.1	52.9	40.2	45.0	47.2	41.4
Benefits payable and provision for unreported claims	300.8	283.0	273.0	274.9	271.8	260.3	289.8	282.9	278.3
Policyholders' amounts on deposit	359.9	349.1	328.0	324.6	327.7	332.9	310.3	304.7	300.9
Total	30,174.9	30,664.6	30,966.6	29,789.7	28,283.5	25,939.8	25,611.0	25,969.7	25,576.0
Investment contract liabilities									
	632.2	629.5	628.0	618.2	627.8	630.1	615.8	615.2	607.9
Derivative financial instruments									
	1,755.9	454.8	387.7	262.0	237.1	429.2	278.0	265.5	250.9
Other liabilities¹									
	7,359.4	6,063.5	6,162.2	5,981.1	6,424.5	5,875.1	5,668.3	6,172.5	6,006.9
Deferred income tax liabilities²									
	277.8	287.5	274.8	271.0	270.0	265.8	308.0	304.4	264.5
Debentures									
	1,447.9	1,049.7	1,049.5	651.5	901.5	901.4	901.0	1,000.8	1,000.4
General fund liabilities									
	41,648.1	39,149.6	39,468.8	37,573.5	36,744.4	34,041.4	33,382.1	34,328.1	33,706.6
Liabilities related to segregated funds net assets									
	25,460.1	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1
Equity									
Participating policyholders' accounts ¹	43.3	41.9	52.6	52.6	52.7	52.3	49.5	49.1	48.5
Share capital									
Common shares	1,671.9	1,666.5	1,652.3	1,632.3	1,634.5	1,655.5	1,671.6	1,669.9	1,668.0
Preferred shares issued by a subsidiary	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0
Total	2,196.9	2,191.5	2,177.3	2,157.3	2,159.5	2,180.5	2,196.6	2,194.9	2,193.0
Contributed surplus	17.2	17.5	19.1	22.5	22.5	22.8	21.5	20.9	20.2
Retained earnings ^{1,2,3}	3,878.4	3,823.5	3,651.5	3,534.5	3,467.0	3,440.0	3,419.1	3,297.9	3,128.0
Accumulated other comprehensive income	27.5	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7
Total shareholders' equity	6,120.0	6,088.1	5,937.4	5,806.0	5,733.8	5,665.8	5,635.9	5,542.8	5,377.9
Total equity	6,163.3	6,130.0	5,990.0	5,858.6	5,786.5	5,718.1	5,685.4	5,591.9	5,426.4
Total liabilities and equity									
	73,271.5	73,147.5	72,435.2	69,820.8	68,290.4	63,540.1	64,101.1	64,807.6	63,233.1

¹ In Q4 2019, an adjustment has been made retroactively to January 1, 2018 transferring \$7 from retained earnings to the participating policyholders' accounts.

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 In Q3-2018, an adjustment has 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.