

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 7,000 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

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
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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

2020 First quarter - May 7, 2020
2020 Second quarter - July 30, 2020
2020 Third quarter - November 4, 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 December 31			Twelve months ended December 31		
	2019	2018	Variation	2019	2018	Variation
PROFITABILITY						
Net income attributed to shareholders	176.5	155.0	14%	709.5	633.7	12%
Dividends attributed to preferred shares issued by a subsidiary	5.3	5.5	(4%)	22.1	21.0	5%
Net income attributed to common shareholders	<u>171.2</u>	<u>149.5</u>	<u>15%</u>	<u>687.4</u>	<u>612.7</u>	<u>12%</u>
Earnings per common share						
Basic	\$1.60	\$1.37	\$0.23	\$6.43	\$5.61	\$0.82
Diluted	\$1.59	\$1.36	\$0.23	\$6.40	\$5.59	\$0.81
Diluted, core ¹	\$1.62	\$1.39	\$0.23	\$6.26	\$5.55	\$0.71
Return on common shareholders' equity ^{1,2}						
Quarter annualized	12.5%	11.7%	80 bps	—	—	—
Trailing 12 months	12.9%	12.5%	40 bps	—	—	—
Trailing 12 months, core	12.6%	12.4%	20 bps	—	—	—
BUSINESS GROWTH						
Sales by line of business ¹						
Individual Insurance	51.3	47.3	8%	187.5	190.8	(2%)
Individual Wealth Management						
General fund	176.7	104.8	69%	545.8	400.6	36%
Segregated funds	633.4	460.0	38%	2,365.5	1,987.9	19%
Mutual funds	566.3	481.8	18%	2,063.7	2,137.9	(3%)
Total	<u>1,376.4</u>	<u>1,046.6</u>	<u>32%</u>	<u>4,975.0</u>	<u>4,526.4</u>	<u>10%</u>
Group Insurance						
Employee Plans	6.2	7.2	(14%)	49.1	92.5	(47%)
Dealer Services - Creditor Insurance	75.0	87.0	(14%)	328.7	374.2	(12%)
Dealer Services - P&C	55.9	54.8	2%	253.4	242.2	5%
Non-Prime Loan originations	110.1	98.9	11%	438.2	346.5	26%
Special Markets Solutions	76.3	76.2	—%	273.9	255.6	7%
Group Savings and Retirement	593.2	438.3	35%	2,073.6	1,666.9	24%
US Operations (\$CAN)						
Individual Insurance	38.7	28.2	37%	131.5	105.2	25%
Dealer Services - P&C	141.9	105.2	35%	596.0	485.9	23%
General Insurance						
iAAH (Auto & Home)	76.2	68.5	11%	351.0	322.8	9%
Net premiums, premium equivalent and deposits by line of business						
Individual Insurance	409.9	399.4	3%	1,586.5	1,554.4	2%
Individual Wealth Management	1,376.4	1,046.6	32%	4,975.0	4,526.4	10%
Group Insurance	449.1	464.8	(3%)	1,788.2	1,789.1	—%
Group Savings and Retirement	586.2	432.1	36%	2,046.5	1,642.0	25%
US Operations						
Individual Insurance	107.1	92.9	15%	405.1	347.9	16%
Dealer Services - P&C	68.7	39.9	72%	246.0	185.8	32%
General Insurance ³	82.3	75.3	9%	314.2	294.5	7%
Total	<u>3,079.7</u>	<u>2,551.0</u>	<u>21%</u>	<u>11,361.5</u>	<u>10,340.1</u>	<u>10%</u>
Assets under management and administration	<u>189,487.6</u>	<u>168,771.5</u>	<u>12%</u>	<u>189,487.6</u>	<u>168,771.5</u>	<u>12%</u>

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

HIGHLIGHTS (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	December 31, 2019	September 30, 2019	December 31, 2018
QUALITY OF INVESTMENTS			
Impaired investments and provisions (excluding insured loans)			
Net impaired investments	10.9	12.9	15.9
Net impaired investments as a % of investment portfolio	0.03%	0.03%	0.05%
Provisions for impaired investments (specific)	10.5	11.1	8.6
As a % of gross impaired investments	49.1%	46.3%	35.1%
Bonds			
Rated BB and lower	0.87%	0.82%	0.78%
Mortgages			
Delinquency rate	0.08%	0.08%	0.09%
Occupancy rate on investment properties	94.0%	93.0%	95.0%
SOLVENCY RATIO CARLI^{1,2,3}	133%	134%	126%
BOOK VALUE PER OUTSTANDING COMMON SHARE³	\$51.99	\$50.73	\$47.34

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 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	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Net income												
Net income	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	138.2	699.4	638.0	533.4
Net income attributed to participating policyholders	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	1.6	(10.1)	4.3	2.0
Net income attributed to shareholders	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	136.6	709.5	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	3.8	22.1	21.0	15.9
Net income attributed to common shareholders	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	132.8	687.4	612.7	515.5
Earnings per common share												
Basic	\$1.60	\$1.73	\$1.70	\$1.41	\$1.37	\$1.50	\$1.45	\$1.30	\$1.25	\$6.43	\$5.62	\$4.84
Diluted	\$1.59	\$1.72	\$1.69	\$1.40	\$1.36	\$1.50	\$1.44	\$1.29	\$1.24	\$6.40	\$5.59	\$4.81
Diluted, core ^{1,2}	\$1.62	\$1.77	\$1.61	\$1.28	\$1.39	\$1.46	\$1.38	\$1.32	\$1.27	\$6.26	\$5.55	\$4.86
Return on common shareholders' equity^{1,3,4,5}												
Quarter annualized	12.5%	13.8%	13.8%	11.7%	11.7%	13.0%	12.9%	11.7%	11.5%	—	—	—
Trailing 12 months	12.9%	12.7%	12.6%	12.4%	12.5%	12.3%	12.2%	11.8%	11.4%	—	—	—
Trailing 12 months, core	12.6%	12.4%	12.1%	12.0%	12.4%	12.2%	12.2%	11.9%	11.6%	—	—	—
Net income attributed to common shareholders by line of business												
Individual Insurance	92.7	94.3	92.7	79.8	40.5	80.6	85.3	63.7	52.4	359.5	270.1	258.0
Individual Wealth Management	41.9	52.0	44.0	34.4	33.5	50.0	36.9	39.5	39.8	172.3	159.9	149.3
Group Insurance	8.9	17.9	21.5	17.3	24.7	20.5	18.3	19.0	17.5	65.6	82.5	54.4
Group Savings and Retirement	9.6	7.9	7.4	7.1	37.6	4.6	4.5	6.1	15.2	32.0	52.8	30.4
US Operations	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	7.9	58.0	47.4	23.4
Total	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	132.8	687.4	612.7	515.5

SPECIFIED ITEMS¹

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	YTD	Annual	Annual
Impact on net income to common shareholders												
Macro-related impact on expected earnings ⁶												
Increase (decrease) in income on UL policies	5.3	1.2	(0.3)	12.7	(17.3)	1.7	5.0	(5.6)	5.7	18.9	(16.2)	5.0
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	N/A	5.7	N/A	N/A
Higher (lower) than expected management fees ⁸	0.7	—	0.4	3.6	(2.9)	0.2	0.3	(1.0)	1.3	4.7	(3.4)	2.1
Impact of dynamic hedging	5.1	4.2	3.5	(0.4)	(9.7)	2.5	(0.1)	2.1	3.1	12.4	(5.2)	22.0
Other												
Changes in assumptions and management actions ⁹	2.9	(8.5)	—	—	(0.3)	—	—	—	(10.6)	(5.6)	(0.3)	(10.6)

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 In Q3-2019, it includes PPI's contingent consideration settlement and goodwill impairment

SOURCES OF EARNINGS BY LINE OF BUSINESS

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Individual Insurance												
Operating profit (loss) ¹												
Expected profit on in-force	88.8	91.1	86.9	84.1	82.2	80.2	78.8	76.0	80.8	350.9	317.2	317.9
Experience gain (loss)	(6.3)	7.8	8.9	8.9	(35.4)	5.2	21.2	(1.7)	1.2	19.3	(10.7)	(25.7)
Strain on sales	2.5	0.6	(0.1)	(3.0)	(0.8)	(4.6)	(4.3)	(7.0)	(5.0)	—	(16.7)	(13.9)
Changes in assumptions and management actions ²	2.4	(8.5)	—	—	(41.9)	—	—	—	(31.9)	(6.1)	(41.9)	(31.9)
Total	87.4	91.0	95.7	90.0	4.1	80.8	95.7	67.3	45.1	364.1	247.9	246.4
Income on capital ¹	19.8	28.6	25.1	19.1	37.1	22.4	17.9	12.7	19.0	92.6	90.1	74.2
Income taxes ¹	(10.2)	(20.9)	(23.6)	(24.8)	3.4	(18.7)	(24.1)	(13.5)	(9.5)	(79.5)	(52.9)	(52.9)
Net income (loss) attributed to shareholders	97.0	98.7	97.2	84.3	44.6	84.5	89.5	66.5	54.6	377.2	285.1	267.7
Dividends attributed to preferred shares issued by a subsidiary	4.3	4.4	4.5	4.5	4.1	3.9	4.2	2.8	2.2	17.7	15.0	9.7
Net income (loss) attributed to common shareholders	92.7	94.3	92.7	79.8	40.5	80.6	85.3	63.7	52.4	359.5	270.1	258.0
Individual Wealth Management												
Operating profit (loss) ¹												
Expected profit on in-force	60.6	61.8	58.6	46.7	56.3	57.2	56.2	49.6	52.4	227.7	219.3	186.8
Experience gain (loss)	(3.0)	6.1	0.5	2.9	(3.4)	8.2	(1.8)	4.7	1.2	6.5	7.7	25.1
Strain on sales	—	—	—	—	—	—	—	(0.1)	—	—	(0.1)	—
Changes in assumptions and management actions	(1.0)	—	—	—	(13.7)	—	—	—	6.1	(1.0)	(13.7)	6.1
Total	56.6	67.9	59.1	49.6	39.2	65.4	54.4	54.2	59.7	233.2	213.2	218.0
Income on capital ¹	0.4	3.2	0.9	(1.7)	6.9	4.7	2.8	(1.6)	(3.1)	2.8	12.8	(9.1)
Income taxes ¹	(14.5)	(18.4)	(15.4)	(12.9)	(11.5)	(18.9)	(18.8)	(12.3)	(15.7)	(61.2)	(61.5)	(55.4)
Net income (loss) attributed to shareholders	42.5	52.7	44.6	35.0	34.6	51.2	38.4	40.3	40.9	174.8	164.5	153.5
Dividends attributed to preferred shares issued by a subsidiary	0.6	0.7	0.6	0.6	1.1	1.2	1.5	0.8	1.1	2.5	4.6	4.2
Net income (loss) attributed to common shareholders	41.9	52.0	44.0	34.4	33.5	50.0	36.9	39.5	39.8	172.3	159.9	149.3
Group Insurance												
Operating profit (loss) ¹												
Expected profit on in-force	25.6	32.3	27.6	22.6	21.7	26.1	20.3	16.3	20.2	108.1	84.4	74.5
Experience gain (loss)	(8.5)	(9.9)	1.0	0.7	6.0	1.2	7.3	7.3	4.6	(16.7)	21.8	(4.0)
Strain on sales	—	—	—	—	—	—	—	—	—	—	—	—
Changes in assumptions and management actions	(6.7)	—	—	—	4.3	—	—	—	(2.3)	(6.7)	4.3	(2.3)
Total	10.4	22.4	28.6	23.3	32.0	27.3	27.6	23.6	22.5	84.7	110.5	68.2
Income on capital ¹	1.2	2.3	1.2	1.2	2.5	1.6	1.0	0.6	2.1	5.9	5.7	7.8
Income taxes ¹	(2.4)	(6.5)	(8.0)	(6.7)	(9.6)	(8.0)	(9.9)	(5.0)	(6.7)	(23.6)	(32.5)	(20.0)
Net income (loss) attributed to shareholders	9.2	18.2	21.8	17.8	24.9	20.9	18.7	19.2	17.9	67.0	83.7	56.0
Dividends attributed to preferred shares issued by a subsidiary	0.3	0.3	0.3	0.5	0.2	0.4	0.4	0.2	0.4	1.4	1.2	1.6
Net income (loss) attributed to common shareholders	8.9	17.9	21.5	17.3	24.7	20.5	18.3	19.0	17.5	65.6	82.5	54.4

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

² In Q3-2019, it includes PPI's contingent consideration settlement and goodwill impairment

SOURCES OF EARNINGS BY LINE OF BUSINESS (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Group Savings and Retirement												
Operating profit (loss) ¹												
Expected profit on in-force	6.3	6.3	6.4	7.1	5.8	5.9	5.7	6.0	6.9	26.1	23.4	26.8
Experience gain (loss)	0.5	4.4	3.1	2.1	(3.4)	—	1.3	1.6	1.6	10.1	(0.5)	1.7
Strain on sales	(0.5)	(0.6)	0.1	0.1	0.1	(0.1)	0.1	0.3	(0.8)	(0.9)	0.4	(1.9)
Changes in assumptions and management actions	5.9	—	—	—	49.7	—	—	—	12.6	5.9	49.7	12.6
Total	12.2	10.1	9.6	9.3	52.2	5.8	7.1	7.9	20.3	41.2	73.0	39.2
Income on capital ¹	0.7	0.9	1.0	0.5	0.4	0.4	—	(0.3)	0.5	3.1	0.5	2.2
Income taxes ¹	(3.2)	(3.1)	(2.9)	(2.6)	(14.9)	(1.5)	(2.6)	(1.5)	(5.5)	(11.8)	(20.5)	(10.6)
Net income (loss) attributed to shareholders	9.7	7.9	7.7	7.2	37.7	4.7	4.5	6.1	15.3	32.5	53.0	30.8
Dividends attributed to preferred shares issued by a subsidiary	0.1	—	0.3	0.1	0.1	0.1	—	—	0.1	0.5	0.2	0.4
Net income (loss) attributed to common shareholders	9.6	7.9	7.4	7.1	37.6	4.6	4.5	6.1	15.2	32.0	52.8	30.4
US Operations												
Operating profit (loss) ¹												
Expected profit on in-force	11.5	15.4	14.9	14.0	11.3	11.4	11.3	11.2	8.3	55.8	45.2	33.3
Experience gain (loss)	6.0	(3.4)	2.1	1.6	(0.6)	0.9	7.7	(1.4)	0.7	6.3	6.6	(1.0)
Strain on sales	(1.7)	(2.3)	(1.3)	(3.2)	(2.3)	(2.5)	(2.3)	(2.9)	(1.8)	(8.5)	(10.0)	(8.8)
Changes in assumptions and management actions	2.3	—	—	—	1.2	—	—	—	1.0	2.3	1.2	1.0
Total	18.1	9.7	15.7	12.4	9.6	9.8	16.7	6.9	8.2	55.9	43.0	24.5
Income on capital ¹	4.9	5.1	4.2	3.5	7.7	1.4	1.3	6.5	1.6	17.7	16.9	8.9
Income taxes ¹	(4.9)	(3.2)	(4.1)	(3.4)	(4.1)	(2.0)	(3.9)	(2.5)	(1.9)	(15.6)	(12.5)	(10.0)
Net income (loss) attributed to shareholders	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	7.9	58.0	47.4	23.4
Dividends attributed to preferred shares issued by a subsidiary	—	—	—	—	—	—	—	—	—	—	—	—
Net income (loss) attributed to common shareholders	18.1	11.6	15.8	12.5	13.2	9.2	14.1	10.9	7.9	58.0	47.4	23.4
Total Company												
Operating profit (loss) ¹												
Expected profit on in-force	192.8	206.9	194.4	174.5	177.3	180.8	172.3	159.1	168.6	768.6	689.5	639.3
Experience gain (loss)	(11.3)	5.0	15.6	16.2	(36.8)	15.5	35.7	10.5	9.3	25.5	24.9	(3.9)
Strain on sales	0.3	(2.3)	(1.3)	(6.1)	(3.0)	(7.2)	(6.5)	(9.7)	(7.6)	(9.4)	(26.4)	(24.6)
Changes in assumptions and management actions ²	2.9	(8.5)	—	—	(0.4)	—	—	—	(14.5)	(5.6)	(0.4)	(14.5)
Total	184.7	201.1	208.7	184.6	137.1	189.1	201.5	159.9	155.8	779.1	687.6	596.3
Income on capital ¹	27.0	40.1	32.4	22.6	54.6	30.5	23.0	17.9	20.1	122.1	126.0	84.0
Income taxes ¹	(35.2)	(52.1)	(54.0)	(50.4)	(36.7)	(49.1)	(59.3)	(34.8)	(39.3)	(191.7)	(179.9)	(148.9)
Net income (loss) attributed to shareholders	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	136.6	709.5	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	3.8	22.1	21.0	15.9
Net income (loss) attributed to common shareholders	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	132.8	687.4	612.7	515.5

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

² In Q3-2019, it includes PPI's contingent consideration settlement and goodwill impairment

EXPERIENCE AND SPECIFIC ITEMS¹

(Earnings per diluted weighted average number of common share)	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Specific gains and losses												
Changes in assumptions and management actions	0.02	—	—	—	—	—	—	—	(0.10)	0.02	—	(0.10)
Unusual income tax gain and loss	0.08	—	0.04	—	0.05	—	(0.07)	0.03	—	0.12	0.01	(0.01)
Tax on premiums and HollisWealth integration	—	—	—	—	—	—	—	—	(0.02)	—	—	(0.12)
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's contingent consideration settlement and goodwill impairment	—	(0.08)	—	—	—	—	—	—	—	(0.08)	—	—
Software writedowns (mortgages and corporate)	(0.07)	—	—	—	—	—	—	—	—	(0.07)	—	—
Litigation provision increase	(0.14)	—	—	—	—	—	—	—	—	(0.09)	—	—
PAR account adjustment	(0.02)	—	—	—	—	—	—	—	—	(0.02)	—	—
Total	(0.13)	(0.08)	0.04	—	0.29	—	(0.07)	0.03	(0.12)	(0.17)	0.25	(0.23)
Macro-related gains and losses²												
Increase (decrease) in income on UL policies	0.05	0.01	—	0.12	(0.16)	0.02	0.05	(0.05)	0.05	0.18	(0.14)	0.04
Macroeconomic impact on level of assets backing LT liabilities ³	0.03	0.02	—	—	—	N/A	N/A	N/A	N/A	0.05	N/A	N/A
Higher (lower) than expected management fees ⁴	—	—	—	0.03	(0.03)	—	—	(0.01)	0.01	0.03	(0.04)	0.01
Impact of dynamic hedging	0.05	0.04	0.03	—	(0.09)	0.02	—	0.02	0.03	0.12	(0.05)	0.21
Total	0.13	0.07	0.03	0.15	(0.28)	0.04	0.05	(0.04)	0.09	0.38	(0.23)	0.26
Policyholder experience gains and losses⁵												
Individual Insurance ³	0.03	0.02	0.06	(0.06)	(0.08)	0.02	0.10	0.04	(0.04)	0.05	0.08	(0.18)
Individual Wealth Management	(0.06)	—	(0.03)	(0.01)	—	0.03	(0.01)	0.02	(0.01)	(0.10)	0.04	0.04
Group Insurance	(0.05)	(0.07)	0.01	—	0.04	0.01	0.05	0.05	0.03	(0.11)	0.15	(0.03)
Group Savings and Retirement	0.01	0.03	0.02	0.02	(0.02)	—	0.01	0.01	0.01	0.08	—	0.02
US Operations	0.04	(0.02)	0.01	0.01	(0.01)	0.01	0.05	(0.01)	—	0.04	0.04	(0.02)
Total	(0.03)	(0.04)	0.07	(0.04)	(0.07)	0.07	0.20	0.11	(0.01)	(0.04)	0.31	(0.17)
Other experience gains and losses												
Strain on sales (in Ind. Insurance and US Operations)	0.02	0.01	0.03	0.01	(0.01)	(0.02)	(0.02)	(0.01)	(0.02)	0.07	(0.06)	0.03
iAA Auto and Home	0.01	0.05	0.01	0.02	0.01	—	0.02	—	—	0.09	0.03	(0.06)
Income on capital (excluding iAAH)	0.02	0.02	0.04	0.01	0.04	0.01	(0.01)	0.03	—	0.09	0.07	0.10
Usual income tax gain and loss	(0.01)	0.01	(0.05)	(0.05)	—	—	—	—	—	(0.10)	—	—
Total gains and losses	0.01	0.04	0.17	0.10	(0.02)	0.10	0.17	0.12	(0.06)	0.32	0.37	(0.07)

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 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

⁴ Expected profit on in-force for the wealth management businesses is updated on a quarterly basis to reflect market growth and net sales.

⁵ 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	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Reported earnings												
Earnings per common share - diluted	1.59	1.72	1.69	1.40	1.36	1.50	1.44	1.29	1.24	6.40	5.59	4.81
Return on common shareholders' equity - trailing 12 months ^{1,2}	12.9%	12.7%	12.6%	12.4%	12.5%	12.3%	12.2%	11.8%	11.4%	—	—	—
EPS adjustments (non-core items)¹												
Specific gains and losses												
Changes in assumptions and management actions	(0.02)	—	—	—	—	—	—	—	0.10	(0.02)	—	0.10
Unusual income tax gain and loss	(0.08)	—	(0.04)	—	(0.05)	—	0.07	—	—	(0.12)	0.02	—
Tax on premiums and HollisWealth integration	—	—	—	—	—	—	—	—	0.02	—	—	0.12
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	—	—
Software writedowns (mortgages and corporate)	0.07	—	—	—	—	—	—	—	—	0.07	—	—
Litigation provision increase	0.14	—	—	—	—	—	—	—	—	0.14	—	—
PAR account adjustment	0.02	—	—	—	—	—	—	—	—	0.02	—	—
Total	0.13	0.08	(0.04)	—	(0.29)	—	0.07	—	0.12	0.17	(0.22)	0.22
Macro-related gains and losses⁵	(0.13)	(0.07)	(0.03)	(0.15)	0.28	(0.04)	(0.05)	0.04	(0.09)	(0.38)	0.23	(0.26)
Policyholder experience gains and losses in excess of \$0.04 EPS^{3,4}												
Individual Insurance	—	—	(0.02)	0.02	0.04	—	(0.06)	—	—	—	(0.02)	0.09
Individual Wealth Management	0.02	—	—	—	—	—	—	—	—	0.02	—	—
Group Insurance	0.01	0.03	—	—	—	—	(0.01)	(0.01)	—	0.04	(0.02)	—
Group Savings and Retirement	—	—	—	—	—	—	—	—	—	—	—	—
US Operations	—	—	—	—	—	—	(0.01)	—	—	—	(0.01)	—
Total	0.03	0.03	(0.02)	0.02	0.04	—	(0.08)	(0.01)	—	0.06	(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	—	(0.01)	—	—	—	—	—	—	—	(0.01)	—	—
Income on capital (excluding iAAH)	—	—	—	—	—	—	—	—	—	—	—	—
Usual income tax gain and loss	—	—	0.01	0.01	—	—	—	—	—	0.02	—	—
Total adjustments⁴	0.03	0.03	(0.08)	(0.12)	0.03	(0.04)	(0.06)	0.03	0.03	(0.14)	(0.04)	0.05
Core earnings^{1,4}												
Core earnings per common share - diluted ⁵	1.62	1.75	1.61	1.28	1.39	1.46	1.38	1.32	1.27	6.26	5.55	4.86
Core return on common shareholders' equity - trailing 12 months ^{2,6}	12.6%	12.4%	12.1%	12.0%	12.4%	12.2%	12.2%	11.9%	11.6%	—	—	—

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 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

⁶ 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	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Individual Insurance												
Sales ¹												
Minimum Premiums	48.5	45.8	43.1	39.0	44.7	43.7	44.3	41.0	46.2	176.4	173.7	170.2
Excess Premiums	2.8	1.2	4.9	2.2	2.6	5.7	3.1	5.7	6.6	11.1	17.1	23.8
Total	51.3	47.0	48.0	41.2	47.3	49.4	47.4	46.7	52.8	187.5	190.8	194.0
Net premiums	409.9	397.5	391.3	387.8	399.4	384.5	378.7	391.8	394.7	1,586.5	1,554.4	1,492.5
Number of policies issued												
Life insurance only	31,485	32,379	30,711	27,713	31,230	30,442	30,720	26,941	32,067	122,288	119,333	121,583
Life, critical illness, disability	47,995	49,160	46,714	41,858	46,729	45,125	45,145	41,035	48,244	185,727	178,034	178,724
Individual Wealth Management												
Sales ¹												
General fund	176.7	162.0	97.9	109.2	104.8	88.1	98.0	109.7	83.7	545.8	400.6	316.5
Segregated funds	633.4	576.4	544.8	610.9	460.0	464.4	445.9	617.6	451.9	2,365.5	1,987.9	1,883.4
Mutual funds	566.3	465.2	485.9	546.3	481.8	442.1	543.9	670.1	559.7	2,063.7	2,137.9	2,365.4
Total	1,376.4	1,203.6	1,128.6	1,266.4	1,046.6	994.6	1,087.8	1,397.4	1,095.3	4,975.0	4,526.4	4,565.3
Net investment fund sales ¹												
Segregated funds	243.6	167.8	106.2	145.2	76.1	63.1	63.4	219.7	101.9	662.8	422.3	509.9
Mutual funds	(54.4)	(127.9)	(136.8)	(88.5)	(117.9)	(82.3)	(3.2)	45.8	30.7	(407.6)	(157.6)	329.2
Total	189.2	39.9	(30.6)	56.7	(41.8)	(19.2)	60.2	265.5	132.6	255.2	264.7	839.1
Assets under management ²												
General fund ³	1,807.5	1,731.4	1,644.9	1,613.4	1,531.9	1,463.1	1,430.3	1,384.7	1,345.5	1,807.5	1,531.9	1,345.5
Segregated funds	16,391.9	15,748.3	15,431.7	15,135.6	13,993.5	14,913.8	14,837.3	14,426.6	14,466.2	16,391.9	13,993.5	14,466.2
Mutual funds	11,594.2	11,360.2	11,431.0	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,723.2	11,594.1	10,832.8	11,723.2
Other	4,509.0	4,515.7	4,513.1	4,518.3	4,173.6	4,503.4	4,482.4	4,404.4	4,345.9	4,509.0	4,173.6	4,345.9
Total	34,302.6	33,355.6	33,020.7	32,734.3	30,531.8	32,640.4	32,490.3	31,718.9	31,880.8	34,302.6	30,531.8	31,880.8
Assets under administration ^{4,5}												
Total	122,444.7	119,782.1	119,382.1	117,633.4	108,945.9	117,392.3	116,617.2	114,347.1	111,181.2	122,444.7	108,945.9	111,181.2
Group Insurance												
Sales ¹												
Employee Plans	6.2	12.9	4.1	25.9	7.2	9.4	56.4	19.5	7.2	49.1	92.5	107.3
Dealers Services												
Creditor Insurance	75.0	97.6	91.3	64.8	87.0	108.3	106.6	72.3	99.0	328.7	374.2	401.4
P&C	55.9	70.6	74.3	52.6	54.8	66.1	71.4	49.9	49.0	253.4	242.2	233.4
Non-Prime Loan originations	110.1	131.5	104.5	92.1	98.9	90.5	82.7	74.4	62.2	438.2	346.5	236.7
Total	241.0	299.7	270.1	209.5	240.7	264.9	260.7	196.6	210.2	1,020.3	962.9	871.5
Special Markets Solutions	76.3	62.9	61.1	73.6	76.2	57.6	56.8	65.0	79.1	273.9	255.6	231.2
Total sales	323.5	375.5	335.3	309.0	324.1	331.9	373.9	281.1	296.5	1,343.3	1,311.0	1,210.0
Car loans ¹												
Dealer Services - Non-Prime Finance receivables	727.0	685.1	614.3	572.7	529.9	474.5	425.3	381.6	343.2	727.0	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.

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>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Group Insurance (continued)												
Net premiums and premium equivalents												
Employee Plans	245.4	245.0	248.8	246.5	247.7	251.1	244.3	238.5	237.2	985.7	981.6	906.8
Dealer Services - Creditor Insurance	54.2	75.9	67.9	43.4	64.5	75.4	73.9	43.3	66.3	241.4	257.1	264.3
Dealer Services - P&C	39.2	38.6	40.1	37.3	35.2	35.5	31.3	31.4	36.5	155.2	133.4	120.0
Special Markets Solutions	71.8	58.6	56.3	69.5	72.2	53.8	52.3	61.2	75.4	256.2	239.5	216.4
Total net premiums	410.6	418.1	413.1	396.7	419.6	415.8	401.8	374.4	415.4	1,638.5	1,611.6	1,507.5
Premium equivalents and deposits												
Administrative services only contracts (ASO)	17.9	16.2	18.5	18.3	18.3	16.5	15.9	15.9	13.9	70.9	66.6	53.9
Investment contracts	20.6	20.3	15.8	22.1	26.9	32.2	19.6	32.2	15.5	78.8	110.9	60.0
Total	449.1	454.6	447.4	437.1	464.8	464.5	437.3	422.5	444.8	1,788.2	1,789.1	1,621.4
Group Savings and Retirement												
Sales ¹												
Accumulation contracts												
General fund	10.7	16.0	11.7	11.6	17.7	10.6	17.8	14.8	8.3	50.0	60.9	48.2
Segregated funds	372.0	324.5	316.8	336.7	394.1	276.1	323.9	346.4	264.6	1,350.0	1,340.5	1,319.7
Total	382.7	340.5	328.5	348.3	411.8	286.7	341.7	361.2	272.9	1,400.0	1,401.4	1,367.9
Insured annuities (general fund)	197.3	95.0	17.3	318.0	9.8	22.7	21.0	164.9	45.9	627.6	218.4	122.2
Deposits	13.2	11.0	12.6	9.2	16.7	13.9	7.3	9.2	15.9	46.0	47.1	55.0
Total sales	593.2	446.5	358.4	675.5	438.3	323.3	370.0	535.3	334.7	2,073.6	1,666.9	1,545.1
Net premiums and deposits												
Net premiums	573.0	428.5	338.7	660.3	415.4	303.3	356.4	519.8	312.4	2,000.5	1,594.9	1,463.9
Deposits	13.2	11.0	12.6	9.2	16.7	13.9	7.3	9.2	15.9	46.0	47.1	55.0
Total	586.2	439.5	351.3	669.5	432.1	317.2	363.7	529.0	328.3	2,046.5	1,642.0	1,518.9
Assets under management												
Accumulation contracts												
General fund	232.5	240.8	233.2	233.4	231.1	226.3	219.4	215.9	220.2	232.5	231.1	220.2
Segregated funds	11,476.0	11,228.1	10,957.0	10,623.9	9,787.1	10,119.8	10,050.3	9,673.5	9,650.8	11,476.0	9,787.1	9,650.8
Other	865.0	899.1	896.5	887.6	850.4	845.3	840.2	831.5	836.9	865.0	850.4	836.9
Total	12,573.5	12,368.0	12,086.7	11,744.9	10,868.6	11,191.4	11,109.9	10,720.9	10,707.9	12,573.5	10,868.6	10,707.9
Insured annuities (general fund)	3,929.2	3,791.2	3,709.7	3,658.3	3,246.1	3,314.8	3,360.1	3,370.5	3,246.6	3,929.2	3,246.1	3,246.6
Total	16,502.7	16,159.2	15,796.4	15,403.2	14,114.7	14,506.2	14,470.0	14,091.4	13,954.5	16,502.7	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	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
US Operations¹												
Sales (\$US) ²												
Individual Insurance	29.4	25.9	24.7	19.2	21.5	21.0	21.5	17.3	17.5	99.2	81.2	72.9
Dealer Services - P&C ³	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	38.7	34.3	33.1	25.4	28.2	27.5	27.7	21.8	22.1	131.5	105.2	94.5
Dealer Services - P&C ³	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	107.1	102.0	100.5	95.5	92.9	88.5	85.5	81.0	79.5	405.1	347.9	309.8
Dealer Services - P&C ³	24.0	25.5	19.1	19.3	9.4	17.1	10.5	20.5	—	87.9	57.5	—
Total	131.1	127.5	119.6	114.8	102.3	105.6	96.0	101.5	79.5	493.0	405.4	309.8
Premium Equivalents - P&C	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	175.8	160.6	163.5	151.2	132.8	140.7	131.6	128.6	79.5	651.1	533.7	309.8
General Insurance												
Sales ²												
iAAH (Auto & Home)	76.2	96.2	112.4	66.2	68.5	87.3	104.8	62.2	64.2	351.0	322.8	308.8
Net premiums, premium equivalents and deposits by line of business												
Individual Insurance	409.9	397.5	391.3	387.8	399.4	384.5	378.7	391.8	394.7	1,586.5	1,554.4	1,492.5
Individual Wealth Management	1,376.4	1,203.6	1,128.6	1,266.4	1,046.6	994.6	1,087.8	1,397.4	1,095.3	4,975.0	4,526.4	4,565.3
Group Insurance	449.1	454.6	447.4	437.1	464.8	464.5	437.3	422.5	444.8	1,788.2	1,789.1	1,621.4
Group Savings and Retirement	586.2	439.5	351.3	669.5	432.1	317.2	363.7	529.0	328.3	2,046.5	1,642.0	1,518.9
US Operations ^{1,4}	175.8	160.6	163.5	151.2	132.8	140.7	131.6	128.6	79.5	651.1	533.7	309.8
General Insurance ⁵	82.3	79.5	77.3	75.1	75.3	74.3	73.2	71.7	72.8	314.2	294.5	280.5
Total	3,079.7	2,735.3	2,559.4	2,987.1	2,551.0	2,375.8	2,472.3	2,941.0	2,415.4	11,361.5	10,340.1	9,788.4
Distribution of net premiums, premium equivalents and deposits by region												
Atlantic provinces	3.2%	3.6%	4.0%	7.1%	3.7%	3.9%	3.8%	3.8%	4.1%	4.5%	3.8%	4.0%
Quebec	36.2%	40.3%	40.8%	35.3%	38.2%	42.0%	46.7%	38.8%	36.2%	38.0%	41.3%	38.4%
Ontario	31.4%	28.6%	25.8%	32.3%	30.3%	27.1%	28.6%	26.3%	29.2%	29.7%	28.0%	29.0%
Western provinces	23.4%	21.5%	22.9%	20.2%	22.6%	21.1%	15.5%	26.7%	27.2%	22.0%	21.7%	25.4%
Outside Canada	5.8%	6.0%	6.5%	5.1%	5.2%	5.9%	5.4%	4.4%	3.3%	5.8%	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%	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>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Assets under management and administration¹												
Assets under management												
General fund ²	45,279.6	45,458.8	43,432.1	42,530.9	39,759.5	39,067.5	39,920.0	39,133.0	37,789.4	45,279.6	39,759.5	37,789.4
Segregated funds	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0	27,867.9	23,780.6	24,117.0
Mutual funds	11,594.2	11,360.2	11,431.0	11,467.0	10,832.8	11,760.1	11,740.3	11,503.2	11,723.2	11,594.2	10,832.8	11,723.2
Other ³	15,500.1	15,666.6	15,421.8	15,199.0	14,721.1	15,127.5	15,194.1	15,096.8	15,123.1	15,500.1	14,721.1	15,123.1
Total	100,241.8	99,462.0	96,673.6	94,956.4	89,094.0	90,988.7	91,742.0	89,833.1	88,752.7	100,241.8	89,094.0	88,752.7
Assets under administration ⁴	89,245.8	87,592.0	87,566.7	86,114.1	79,677.5	86,056.1	85,510.8	84,063.9	80,787.1	89,245.8	79,677.5	80,787.1
Total	189,487.6	187,054.0	184,240.3	181,070.5	168,771.5	177,044.8	177,252.8	173,897.0	169,539.8	189,487.6	168,771.5	169,539.8
Human resources												
Number of employees	7,018	6,904	6,873	6,917	6,877	6,849	6,764	6,548	6,115	7,018	6,877	6,115
Number of Career representatives	1,973	2,220	2,125	2,189	2,233	2,173	2,139	2,200	2,270	1,973	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.

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>	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Value and distribution of investments									
Book value of investment portfolio	39,919.2	39,856.8	37,987.9	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4	33,821.9
Distribution of investments by financial instrument category									
Fair value through profit or loss (FVTPL)	63.9%	64.5%	65.1%	63.3%	60.8%	61.6%	62.7%	62.8%	63.1%
Loans and receivables	19.1%	18.9%	19.2%	19.5%	21.0%	20.4%	19.3%	19.7%	20.0%
Available for sale	10.7%	11.1%	10.1%	11.6%	12.3%	12.9%	13.2%	12.6%	12.0%
Investment properties	5.2%	4.5%	4.6%	4.7%	5.0%	4.2%	3.9%	4.0%	4.0%
Other	1.1%	1.0%	1.0%	0.9%	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	68.8%	69.6%	69.1%	69.0%	68.3%	67.8%	69.8%	69.2%	67.8%
Mortgages and other loans	9.7%	9.7%	10.0%	10.0%	10.6%	10.2%	9.6%	9.7%	9.7%
Stocks	7.6%	7.3%	7.4%	8.5%	8.8%	9.8%	9.7%	9.9%	10.3%
Investment properties	5.2%	4.5%	4.6%	4.7%	5.0%	4.2%	3.9%	4.0%	4.0%
Policy loans	2.3%	2.3%	2.4%	2.6%	2.7%	2.7%	2.7%	2.7%	2.8%
Cash and short-term investments	2.8%	2.5%	2.3%	2.5%	3.0%	3.5%	2.4%	2.7%	3.4%
Other	3.6%	4.1%	4.2%	2.7%	1.6%	1.8%	1.9%	1.8%	2.0%
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%	3.0%	2.9%	3.1%	3.1%	3.2%	3.1%	3.1%	3.2%
Quebec	27.3%	27.1%	26.9%	26.8%	27.8%	27.9%	28.2%	28.8%	29.7%
Ontario	30.8%	32.3%	32.8%	32.4%	32.7%	32.3%	33.1%	32.1%	31.8%
Western provinces	18.2%	18.2%	18.5%	18.7%	18.4%	18.5%	18.1%	18.3%	18.4%
Outside Canada	20.8%	19.4%	18.9%	19.0%	18.0%	18.1%	17.5%	17.7%	16.9%
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)	21.4	24.0	23.9	24.2	24.5	24.6	24.7	27.3	30.9
Provisions for impaired investments (specific)	10.5	11.1	11.1	8.6	8.6	6.0	6.1	6.9	7.5
As a % of gross impaired investments	49.1%	46.3%	46.4%	35.5%	35.1%	24.4%	24.7%	25.3%	24.3%
Net impaired investments (excluding insured loans)									
Bonds	10.1	10.2	10.2	12.8	12.8	15.1	15.1	15.1	15.1
Mortgages and other loans	0.8	2.7	2.6	2.8	3.1	3.5	3.5	5.3	8.3
Total	10.9	12.9	12.8	15.6	15.9	18.6	18.6	20.4	23.4
Net impaired investments as a % of investment portfolio	0.03%	0.03%	0.03%	0.04%	0.05%	0.05%	0.05%	0.06%	0.07%
Provisions for losses (collective and specific)									
At beginning of period	20.8	19.7	16.8	16.7	13.9	13.5	13.4	13.9	11.8
Increase for the period	11.4	9.5	11.0	8.3	10.4	6.0	6.1	5.7	7.4
Decrease for the period	(11.5)	(8.4)	(8.1)	(8.2)	(7.6)	(5.6)	(6.0)	(6.2)	(5.3)
At end of period	20.7	20.8	19.7	16.8	16.7	13.9	13.5	13.4	13.9
Provisions for losses by type of investment (collective and specific)									
Bonds	10.4	10.4	10.4	7.9	7.9	5.7	5.7	5.7	5.7
Mortgages	—	0.6	0.6	0.6	0.6	0.2	0.3	1.0	1.8
Car loans	10.3	9.8	8.7	8.3	8.2	8.0	7.5	6.7	6.4
Total	20.7	20.8	19.7	16.8	16.7	13.9	13.5	13.4	13.9
Other quality measure									
Car loans - Average credit loss rate (non-prime) ¹	5.4%	5.3%	5.4%	5.3%	5.2%	5.2%	5.4%	5.7%	5.9%

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)									
(In millions of dollars, unless otherwise indicated)	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Real estate acquired to settle loans									
Real estate held for resale	0.6	0.6	0.6	0.6	0.6	4.6	4.7	4.6	10.2
Bonds									
Book value of the bond portfolio	27,508.5	27,767.3	26,291.8	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4	22,944.1
Distribution by financial instrument category									
Available for sale	13.7%	14.1%	12.8%	15.0%	16.2%	17.1%	17.0%	16.3%	15.8%
Fair value through profit or loss (FVTPL)	77.8%	77.8%	78.6%	76.4%	74.7%	73.7%	74.5%	74.9%	75.3%
Loans and receivables	8.5%	8.1%	8.6%	8.6%	9.1%	9.2%	8.5%	8.8%	8.9%
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	6.78%	5.54%	4.56%	6.14%	5.21%	5.20%	5.05%	5.70%	4.85%
Rating - AA	47.62%	34.48%	35.53%	34.82%	35.41%	34.17%	35.20%	33.81%	34.19%
Rating - A	28.94%	42.01%	42.25%	41.28%	41.89%	42.76%	42.37%	43.19%	43.63%
Rating - BBB	15.79%	17.15%	16.80%	16.84%	16.71%	17.05%	16.57%	16.44%	16.34%
Rating - BB and lower	0.87%	0.82%	0.86%	0.92%	0.78%	0.82%	0.81%	0.86%	0.99%
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	49.7%	50.4%	50.2%	50.4%	50.7%	49.6%	51.3%	51.5%	52.0%
Municipalities	4.8%	4.8%	5.1%	5.1%	5.1%	5.0%	4.9%	4.9%	5.0%
Corporates - Public issues	28.2%	28.2%	27.5%	27.0%	26.3%	27.5%	26.7%	26.7%	26.1%
Corporates - Private issues	17.3%	16.6%	17.2%	17.5%	17.9%	17.9%	17.1%	16.9%	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	3,870.2	3,853.4	3,795.7	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8	3,288.1
Book value of mortgages	3,076.2	3,085.9	3,080.7	2,984.3	2,999.4	2,826.5	2,720.4	2,719.5	2,718.5
Book value of other loans	794.0	767.5	715.0	686.6	661.9	630.0	604.1	585.3	569.6
Distribution by financial instrument category									
Held for trading	2.4%	2.5%	2.6%	2.5%	2.5%	2.2%	2.4%	2.0%	1.9%
Loans and receivables	97.6%	97.5%	97.4%	97.5%	97.5%	97.8%	97.6%	98.0%	98.1%
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	37.0%	37.4%	36.7%	36.5%	36.0%	37.0%	35.3%	35.2%	35.5%
Multi-residential	54.6%	54.1%	54.5%	55.1%	55.4%	55.6%	56.8%	57.2%	56.7%
Non-residential	8.4%	8.5%	8.8%	8.4%	8.6%	7.4%	7.9%	7.6%	7.8%
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	37.8%	39.2%	38.1%	39.7%	37.2%	37.6%	39.7%	41.1%	40.3%
Insured	36.0%	35.8%	37.4%	36.9%	39.3%	38.9%	36.5%	35.8%	37.9%
Uninsured	26.2%	25.0%	24.5%	23.4%	23.5%	23.5%	23.8%	23.1%	21.8%
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
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Mortgages									
Other quality measures									
Delinquency rate ¹									
Securitized and insured ²	0.01%	—	0.05%	0.05%	—	—	—	0.07%	0.02%
Insured	0.21%	0.21%	0.20%	0.21%	0.11%	0.12%	0.16%	0.14%	0.13%
Uninsured	—	—	—	—	—	—	—	0.36%	1.10%
Total	0.08%	0.08%	0.10%	0.10%	0.09%	0.09%	0.12%	0.19%	0.34%
Delinquency rate, including real estate acquired to settle loans	0.10%	0.09%	0.11%	0.12%	0.11%	0.25%	0.29%	0.36%	0.71%
Stocks									
Book value of the stock portfolio	3,023.5	2,920.1	2,810.3	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9	3,467.0
Distribution by financial instrument category									
Available for sale	17.0%	17.6%	16.4%	14.5%	14.2%	13.5%	13.3%	12.7%	12.8%
Fair value through profit or loss (FVTPL)	83.0%	82.4%	83.6%	85.5%	85.8%	86.5%	86.7%	87.3%	87.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Distribution by category									
Common	54.8%	53.1%	53.6%	58.9%	59.7%	58.6%	56.1%	54.3%	53.7%
Preferred	18.5%	18.9%	19.8%	16.7%	16.3%	18.7%	18.7%	18.3%	18.3%
Market indices	10.3%	11.2%	9.5%	9.9%	10.2%	8.7%	11.0%	13.8%	14.3%
Investment fund units and other	16.4%	16.8%	17.1%	14.5%	13.8%	14.0%	14.2%	13.6%	13.7%
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	49.7%	48.4%	48.0%	54.1%	55.9%	55.5%	55.9%	57.8%	57.2%
Backing UL accounts	29.4%	30.0%	31.0%	27.9%	26.2%	26.8%	26.7%	25.4%	25.8%
Backing capital	20.9%	21.6%	21.0%	18.0%	17.9%	17.7%	17.4%	16.8%	17.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Real estate									
Investment properties	2,076.6	1,773.8	1,728.8	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0	1,340.8
Linearization of rents	22.2	19.6	18.6	18.3	17.4	15.0	14.2	13.8	13.0
Fair value of investment properties	2,098.8	1,793.4	1,747.4	1,738.8	1,737.9	1,431.0	1,371.0	1,356.8	1,353.8
Occupancy rate on investment properties	94.0%	93.0%	96.0%	96.0%	95.0%	93.0%	92.0%	92.0%	93.0%
Other									
Provision for potential loss on fixed-income securities contained in the policy liabilities	408.0	394.6	363.7	332.5	289.6	323.0	346.7	335.3	335.7

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>	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Capital structure									
Debentures	1,049.7	1,049.5	651.5	901.5	901.4	901.0	1,000.8	1,000.4	996.3
Participating policyholders' accounts ¹	41.9	52.6	52.6	52.7	52.3	49.5	49.1	48.5	41.0
Equity									
Common shares	1,666.5	1,652.3	1,632.3	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	525.0	525.0	525.0	375.0
Contributed surplus	17.5	19.1	22.5	22.5	22.8	21.5	20.9	20.2	19.5
Retained earnings ^{1,2,3}	3,823.5	3,651.5	3,534.5	3,467.0	3,440.0	3,419.1	3,297.9	3,128.0	3,072.8
Accumulated other comprehensive income	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9
Total shareholders' equity	6,088.1	5,937.4	5,806.0	5,733.8	5,665.8	5,635.9	5,542.8	5,377.9	5,037.1
Total capital structure	7,179.7	7,039.5	6,510.1	6,688.0	6,619.5	6,586.4	6,592.7	6,426.8	6,074.4
Debt measures									
Debentures/capital structure ³	14.6%	14.9%	10.0%	13.5%	13.6%	13.7%	15.2%	15.6%	16.4%
Debentures and preferred shares issued by a subsidiary/capital structure ²	21.9%	22.4%	18.1%	21.3%	21.5%	21.7%	23.1%	23.7%	22.6%
Coverage ratio (in number of times) ⁴	16.6	16.8	15.9	14.8	14.6	14.5	14.4	14.1	13.3
Credit ratings									
				Standard & Poor's		DBRS		A.M. Best	
iA Financial Corporation Inc.									
Issuer credit rating				A				A (low)	not rated
Industrial Alliance Insurance and Financial Services inc.									
Financial strength rating				AA-				A (high)	A+ (Superior)
Issuer credit rating				AA-				A (high)	aa-
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)	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
iA Financial Corporation Inc.									
Solvency ratio CARL^{1,2}									
Available capital									
Tier 1 Capital:									
Common shares	1,666.5	1,652.3	1,632.3	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	525.0	525.0	525.0	375.0
Other Tier 1 capital instruments	—	—	—	—	—	—	—	—	—
Adjusted Retained Earnings ^{3,4,5}	3,814.4	3,642.9	3,530.0	3,462.8	3,435.4	3,404.2	3,284.3	3,119.4	3,067.5
Other ⁵	140.0	164.9	170.2	162.3	98.4	74.3	103.9	108.8	107.9
Gross Tier 1	6,145.9	5,985.1	5,857.5	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	(1,226.9)	(1,218.2)	(1,239.3)	(1,223.6)	(1,208.1)	(1,167.3)	(1,176.0)	(1,120.1)	(853.9)
Other Tier 1 Deductions ³	(1,706.3)	(1,602.3)	(1,590.1)	(1,478.3)	(1,429.3)	(1,282.3)	(1,211.3)	(1,212.4)	(1,165.3)
Tier 1	3,212.7	3,164.6	3,028.1	3,082.7	3,076.9	3,225.5	3,195.8	3,088.7	3,052.1
Tier 2 Capital									
Subordinated debt	1,045.7	1,045.5	647.7	897.6	897.4	897.1	996.8	996.6	996.3
Other Tier 2 capital instruments	—	—	—	—	—	—	—	—	—
Other	802.4	812.4	810.5	764.9	743.1	597.3	589.2	634.5	612.9
Gross Tier 2	1,848.1	1,857.9	1,458.2	1,662.5	1,640.5	1,494.4	1,586.0	1,631.1	1,609.2
Tier 2 Deductions	(251.7)	(262.0)	(257.0)	(259.1)	(248.5)	(241.5)	(231.7)	(256.2)	(197.1)
Tier 2	1,596.4	1,595.9	1,201.2	1,403.4	1,392.0	1,252.9	1,354.3	1,374.9	1,412.1
Available capital	4,809.1	4,760.5	4,229.3	4,486.1	4,468.9	4,478.4	4,550.1	4,463.6	4,464.2
Surplus Allowance and Eligible Deposits	4,461.8	4,419.9	4,294.1	4,268.2	4,045.6	3,797.0	4,007.8	4,063.8	4,155.0
Base Solvency Buffer									
Credit Risk	973.5	1,027.5	953.9	901.4	800.3	760.3	824.3	846.7	822.1
Market Risk	2,232.4	2,223.5	2,210.5	2,614.3	2,481.7	2,616.5	2,622.4	2,707.9	2,870.8
Insurance Risk	3,813.5	3,648.5	3,608.0	3,561.6	3,518.9	3,403.9	3,387.9	3,339.6	3,303.8
Segregated Fund Guarantees Risk	228.3	227.1	225.3	224.3	224.4	426.1	453.6	449.6	442.9
Operational Risk	573.7	557.4	550.2	567.3	544.1	528.8	530.6	527.3	533.2
Diversification and Other Credits	(1,173.6)	(1,151.0)	(1,147.9)	(1,156.4)	(1,135.9)	(1,103.2)	(1,112.5)	(1,102.7)	(1,105.9)
Base Solvency Buffer ⁶	6,980.2	6,859.7	6,720.0	7,048.1	6,755.2	6,964.0	7,041.6	7,106.8	7,210.2
Total Ratio ⁶	133%	134%	127%	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	8,766.6	8,613.8	8,425.9	8,695.5	8,514.5	8,275.4	8,557.9	8,527.4	8,619.2
Base Solvency Buffer ⁶	6,971.9	6,858.3	6,718.8	7,047.5	6,755.2	6,964.0	7,041.6	7,106.8	7,210.2
Total Ratio ⁶	126%	126%	125%	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 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

SOLVENCY AND CAPITALIZATION (continued)

(In millions of dollars, unless otherwise indicated)	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
iA Financial Corporation Inc.									
Solvency ratio CAR^{1,2}									
Available capital									
Tier 1									
Common shares	—	—	—	—	—	—	—	—	1,520.9
Preferred shares	—	—	—	—	—	—	—	—	375.0
Innovative instruments in Tier 1 capital	—	—	—	—	—	—	—	—	—
Retained earnings	—	—	—	—	—	—	—	—	3,079.5
Other	—	—	—	—	—	—	—	—	(127.3)
Gross Tier 1 capital	—	—	—	—	—	—	—	—	4,848.1
Less:									
Goodwill and other intangible assets	—	—	—	—	—	—	—	—	1,157.8
Adjustment for intangible assets	—	—	—	—	—	—	—	—	(245.3)
Adjustment for negative reserves	—	—	—	—	—	—	—	—	107.4
Other	—	—	—	—	—	—	—	—	7.7
Net Tier 1 capital	—	—	—	—	—	—	—	—	3,820.5
Less: deductions and adjustments	—	—	—	—	—	—	—	—	123.7
Adjusted Net Tier 1 capital	—	—	—	—	—	—	—	—	3,696.8
Tier 2									
Limited life instruments allowed (subordinated debt) (Tier 2B)	—	—	—	—	—	—	—	—	996.3
Other (Tier 2A and Tier 2C)	—	—	—	—	—	—	—	—	281.5
Less: deductions	—	—	—	—	—	—	—	—	123.7
Total Tier 2 capital allowed	—	—	—	—	—	—	—	—	1,154.1
Total Tier 1 and Tier 2 capital	—	—	—	—	—	—	—	—	4,850.9
Less: deductions and adjustments (total of Tier 1 and Tier 2)	—	—	—	—	—	—	—	—	—
Total available capital	—	—	—	—	—	—	—	—	4,850.9
Required capital									
Asset default risk and market risk	—	—	—	—	—	—	—	—	1,194.3
Insurance risk	—	—	—	—	—	—	—	—	744.9
Interest rate risk	—	—	—	—	—	—	—	—	414.1
Total required capital	—	—	—	—	—	—	—	—	2,353.3
Solvency ratio	—	—	—	—	—	—	—	—	206%

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.

MACROECONOMIC SENSITIVITY¹

	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Equity Market Sensitivity									
Reference index (S&P/TSX Index (in points)) ²	17,063	16,659	16,382	16,102	14,323	16,073	16,278	15,367	16,209
Level of S&P/TSX before reserves require strengthening for future policy benefits (in points) ¹	13,000	12,500	12,300	11,900	11,500	11,700	11,800	11,400	11,300
Variation	(24%)	(25%)	(25%)	(26%)	(20%)	(27%)	(28%)	(26%)	(30%)
Solvency ratio (CARLI ³) ^{1,4}	133%	134%	127%	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	1,500	1,200	4,200	4,400	5,000	—	—	—	—
Variation	(91%)	(93%)	(74%)	(73%)	(65%)	—	—	—	—
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in equity markets ⁶									
30% increase	(1%)	—	—	—	(1%)	—	—	5%	—
20% increase	(1%)	—	—	—	(1%)	—	—	4%	—
10% increase	(1%)	—	—	—	(1%)	—	—	1%	—
10% decrease	1%	—	—	—	0%	—	—	0%	—
20% decrease	2%	—	—	—	1%	—	—	(1%)	—
30% decrease	1%	—	—	—	(2%)	—	—	(4%)	—
Impact on net income to common shareholders of a sudden 10% decrease in equity markets (in \$M) ⁷									
	(31)	(33)	(32)	(32)	(30)	(32)	(32)	(31)	(32)
Interest Rate Sensitivity									
Impact on net income (in \$M)									
10 bps decrease in initial reinvestment rate (IRR)	2	(12)	(12)	(13)	(10)	(8)	(11)	(13)	(18)
10 bps decrease in ultimate reinvestment rate (URR)	(61)	(67)	(64)	(68)	(66)	(67)	(70)	(70)	(71)
Total	(59)	(79)	(76)	(81)	(76)	(75)	(81)	(83)	(89)
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in interest rate ^{8,9}									
50 bps increase	(2)%	—	—	—	0%	—	—	1%	—
25 bps increase	(1)%	—	—	—	0%	—	—	0%	—
25 bps decrease	1%	—	—	—	0%	—	—	0%	—
50 bps decrease	2%	—	—	—	(1%)	—	—	0%	—
Impact on Solvency ratio (CARLI ³) ¹ of a sudden change in credit spread ⁹									
50 bps increase	2%	—	—	—	3%	—	—	—	—
25 bps increase	1%	—	—	—	1%	—	—	—	—
25 bps decrease	(1)%	—	—	—	(2%)	—	—	—	—
50 bps decrease	(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

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Common shares												
Share price												
High	\$71.81	\$61.51	\$54.20	\$52.07	\$52.20	\$55.05	\$55.03	\$62.01	\$61.73	\$71.81	\$62.01	\$61.73
Low	\$58.15	\$51.45	\$49.42	\$42.79	\$41.32	\$49.89	\$48.67	\$51.34	\$55.90	\$42.79	\$41.32	\$48.74
Close	\$71.49	\$60.29	\$53.34	\$49.28	\$43.57	\$51.65	\$50.75	\$53.00	\$59.82	\$71.49	\$43.57	\$59.82
Average share price	\$65.87	\$56.01	\$51.96	\$49.11	\$46.77	\$52.56	\$52.52	\$56.21	\$59.04	\$56.15	\$51.61	\$55.98
Number of common shares outstanding (in millions)												
At beginning of period	106.7	106.4	106.9	108.6	109.7	109.6	109.6	106.8	106.6	108.6	106.8	106.2
Common shares issued ¹	0.3	0.6	0.2	0.1	—	0.1	—	2.8	0.2	1.2	2.9	0.6
Common shares repurchased and cancelled	—	(0.3)	(0.7)	(1.8)	(1.1)	—	—	—	—	(2.8)	(1.1)	—
At end of period	107.0	106.7	106.4	106.9	108.6	109.7	109.6	109.6	106.8	107.0	108.6	106.8
Weighted average number of common shares (in millions)												
Basic	106.8	106.4	106.7	107.6	109.4	109.6	109.6	107.5	106.6	106.9	109.0	106.5
Diluted	107.4	106.9	107.2	108.0	109.8	110.2	110.2	108.2	107.5	107.4	109.6	107.3
Dividends												
Common dividends paid	48.0	47.8	48.0	44.5	45.4	45.5	41.6	40.6	40.6	188.4	173.1	152.3
Dividend paid per common share in the period	\$0.4500	\$0.4500	\$0.4500	\$0.4150	\$0.4150	\$0.4150	\$0.3800	\$0.3800	\$0.3800	\$1.7650	\$1.5900	\$1.4300
Dividend payout ratio ²	28%	26%	26%	29%	30%	28%	26%	29%	30%	27%	28%	30%
Dividend yield (annualized) ³	2.5%	3.0%	3.4%	3.4%	3.8%	3.2%	3.0%	2.9%	2.5%	2.5%	3.6%	2.4%
Stock options												
Number of stock options outstanding (in millions)												
At beginning of period	2.3	2.8	3.0	2.9	2.9	2.9	3.0	2.7	2.9	2.9	2.7	2.8
Options granted	—	0.1	—	0.3	—	—	—	0.3	—	0.3	0.3	0.5
Options exercised, cancelled or expired	(0.3)	(0.6)	(0.2)	(0.2)	—	—	(0.1)	—	(0.2)	(1.3)	(0.1)	(0.6)
At end of period	2.0	2.3	2.8	3.0	2.9	2.9	2.9	3.0	2.7	2.0	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)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Valuation												
Price-to-earnings multiple (trailing 12 months) ^{1,2} (in number of times)	11.8	9.7	8.9	8.5	7.8	9.5	9.6	10.5	12.5	11.8	7.8	12.5
Market capitalization	7,647.0	6,432.0	5,676.5	5,270.2	4,730.6	5,663.5	5,562.7	5,807.2	6,386.2	7,647.0	4,730.6	6,386.2
Book value per common share ^{3,4,5}	\$51.99	\$50.73	\$49.63	\$48.73	\$47.34	\$46.59	\$45.78	\$44.28	\$43.65	\$51.99	\$47.40	\$43.65
Market value to book value ratio (in number of times) ^{3,4,5}	1.4	1.2	1.1	1.0	0.9	1.1	1.1	1.2	1.4	1.4	0.9	1.4
Total payout ratio (trailing 12 months) ⁶	48%	56%	55%	50%	36%	28%	28%	29%	30%	48%	36%	30%
Capital yield (trailing 12 months) ⁷	4.3%	5.8%	6.3%	5.9%	4.7%	3.0%	2.9%	2.7%	2.4%	4.3%	4.7%	2.4%
Total return on common shares (trailing 12 months) ⁸	68.1%	20.1%	8.5%	(3.9%)	(24.5%)	(5.8%)	(7.1%)	(5.5%)	14.7%	68.1%	(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	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	10,000
Series I	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	125
Series G	250	250	250	250	250	250	250	250	250	250	250	250
Series I	150	150	150	150	150	150	150	150	—	150	150	—
Dividends paid per preferred share												
Series B	\$0.2875	\$0.5750	\$0.2875	—	\$0.5750	\$0.2875	\$0.2875	—	\$0.2875	\$1.1500	\$1.1500	\$1.1500
Series G	\$0.2360625	\$0.4721250	\$0.2360625	—	\$0.472125	\$0.2360625	\$0.2360625	—	\$0.2360625	\$0.9442500	\$0.94425	\$1.00963
Series I	\$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.

⁷ 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.

⁸ 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	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
<i>(In millions of dollars, unless otherwise indicated)</i>												
Revenues												
Net premiums	2,417.0	2,189.5	1,982.7	2,354.8	1,976.8	1,836.0	1,850.0	2,186.5	1,810.1	8,944.0	7,849.3	7,253.8
Investment income												
Investment income	371.8	352.1	331.6	329.2	391.0	314.4	329.0	326.9	340.1	1,384.7	1,361.3	1,220.5
Variation in the market value of investment properties	43.5	11.0	(2.5)	(7.9)	10.0	3.6	31.7	(2.5)	(28.0)	44.1	42.8	(39.7)
Realized gains (losses) on assets available for sale	2.0	4.6	8.3	4.7	(33.7)	1.2	1.1	3.1	0.4	19.6	(28.3)	1.1
Change in fair value of financial assets designated at FVTPL	(707.4)	751.5	1,344.9	1,844.1	(186.7)	(608.0)	128.5	(372.1)	1,145.8	3,233.1	(1,038.3)	1,420.4
Change in provisions for losses	(11.4)	(9.4)	(10.8)	(8.3)	(10.3)	(6.2)	(5.4)	(4.8)	(7.3)	(39.9)	(26.7)	(21.4)
Total	(301.5)	1,109.8	1,671.5	2,161.8	170.3	(295.0)	484.9	(49.4)	1,451.0	4,641.6	310.8	2,580.9
Other revenues	428.4	416.2	424.5	410.4	440.3	439.2	437.8	435.0	419.1	1,679.5	1,752.3	1,441.4
Total	2,543.9	3,715.5	4,078.7	4,927.0	2,587.4	1,980.2	2,772.7	2,572.1	3,680.2	15,265.1	9,912.4	11,276.1
Policy benefits and expenses												
Net benefits and claims on contracts	1,433.3	1,265.0	1,316.9	1,377.0	1,191.9	1,196.1	1,201.2	1,280.8	1,134.2	5,392.2	4,870.0	4,500.5
Net transfer to segregated funds	234.6	261.9	195.5	224.5	221.5	113.9	170.6	315.1	168.0	916.5	821.1	1,020.7
Increase (decrease) in insurance contract liabilities	(283.0)	1,156.0	1,550.0	2,350.1	261.3	(346.2)	350.8	(49.9)	873.2	4,773.1	216.0	1,726.0
Increase (decrease) in investment contract liabilities	(1.0)	6.7	7.5	13.9	8.2	(2.5)	2.1	1.4	7.9	27.1	9.2	14.0
Decrease (increase) in reinsurance assets	68.1	(32.2)	(40.8)	(39.3)	(31.9)	9.5	32.5	66.1	553.6	(44.2)	76.2	579.8
Commissions	433.8	425.4	409.5	385.1	341.5	421.0	410.9	408.8	417.7	1,653.8	1,582.2	1,448.7
General expenses	410.7	347.0	353.1	361.1	352.8	320.2	331.9	323.9	300.0	1,471.9	1,328.8	1,121.4
Premium and other taxes	33.3	31.4	31.9	31.6	32.1	32.8	31.0	31.0	31.1	128.2	126.9	118.1
Financing charges	17.0	13.3	14.2	15.0	14.5	15.4	16.5	16.6	16.4	59.5	63.0	64.0
Total	2,346.8	3,474.5	3,837.8	4,719.0	2,391.9	1,760.2	2,547.5	2,393.8	3,502.1	14,378.1	9,093.4	10,593.2
Income before income taxes	197.1	241.0	240.9	208.0	195.5	220.0	225.2	178.3	178.1	887.0	819.0	682.9
Income taxes	31.3	51.9	53.9	50.5	37.7	49.1	59.4	34.8	39.9	187.6	181.0	149.5
Net income	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	138.2	699.4	638.0	533.4
Net income attributed to participating policyholders	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	1.6	(10.1)	4.3	2.0
Net income attributed to shareholders	176.5	189.1	187.1	156.8	155.0	170.5	165.2	143.0	136.6	709.5	633.7	531.4
Dividends attributed to preferred shares issued by a subsidiary	5.3	5.4	5.7	5.7	5.5	5.6	6.1	3.8	3.8	22.1	21.0	15.9
Net income attributed to common shareholders	171.2	183.7	181.4	151.1	149.5	164.9	159.1	139.2	132.8	687.4	612.7	515.5

CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
COMPREHENSIVE INCOME

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Comprehensive income statements												
Net income	165.8	189.1	187.0	157.5	157.8	170.9	165.8	143.5	138.2	699.4	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	(11.2)	(0.8)	28.7	65.5	17.0	(27.9)	(7.1)	(13.0)	13.6	82.2	(31.0)	(0.3)
Stocks	5.2	(0.3)	(8.6)	4.6	(27.1)	1.4	(1.7)	(2.0)	4.5	0.9	(29.4)	23.4
Reclassification of losses (gains) included in net income												
Bonds	(2.2)	(3.8)	(6.9)	(2.5)	13.9	(0.8)	(0.1)	(4.0)	(0.1)	(15.4)	9.0	(1.8)
Stocks	0.8	0.1	(0.1)	0.4	11.1	(0.2)	(0.7)	1.7	(0.5)	1.2	11.9	0.7
Change in unrealized gains (losses) on available for sale financial assets	(7.4)	(4.8)	13.1	68.0	14.9	(27.5)	(9.6)	(17.3)	17.5	68.9	(39.5)	22.0
Cash-flow hedge	(20.7)	(0.4)	(1.0)	(0.8)	(0.5)	(0.3)	(0.1)	(0.9)	3.3	(22.9)	(1.8)	1.9
Currency translation account												
Unrealized gains (losses) on currency translation in foreign operations	(27.1)	16.1	(26.1)	(24.7)	56.6	(16.9)	18.9	27.0	0.6	(61.8)	85.6	(44.4)
Hedges of net investment in foreign operations	21.3	(13.1)	20.9	19.8	(47.2)	14.3	(16.8)	(21.0)	0.1	48.9	(70.7)	29.3
Items that will not be reclassified subsequently to net income												
Remeasurement of post-employment benefits	48.5	(12.7)	(35.2)	(21.8)	(50.6)	2.4	52.9	(14.3)	(14.0)	(21.2)	(9.6)	(28.1)
Total other comprehensive income (loss)	14.6	(14.9)	(28.3)	40.5	(26.8)	(28.0)	45.3	(26.5)	7.5	11.9	(36.0)	(19.3)
Comprehensive income	180.4	174.2	158.7	198.0	131.0	142.9	211.1	117.0	145.7	711.3	602.0	514.1
Comprehensive income attributed to shareholders	191.1	174.2	158.8	197.3	128.2	142.5	210.5	116.5	144.1	721.4	597.7	512.1
Comprehensive income attributed to participating policyholders	(10.7)	—	(0.1)	0.7	2.8	0.4	0.6	0.5	1.6	(10.1)	4.3	2.0

DETAIL OF ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017	2019	2018	2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Annual	Annual	Annual
Accumulated other comprehensive income (loss)												
Balance at beginning of period	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9	27.4	22.5	48.9	40.1
Transfer of post-employment benefits to retained earnings	(48.5)	12.7	35.2	21.8	50.6	(2.4)	(52.9)	14.3	14.0	21.2	9.6	28.1
Total other comprehensive income	14.6	(14.9)	(28.3)	40.5	(26.8)	(28.0)	45.3	(26.5)	7.5	11.9	(36.0)	(19.3)
Balance at end of period	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9	55.6	22.5	48.9
Sources of accumulated other comprehensive income (loss)												
Bonds	72.5	85.9	90.5	68.7	5.7	(25.2)	3.5	10.7	27.7	72.5	5.7	27.7
Stocks	(8.4)	(14.4)	(14.2)	(5.5)	(10.5)	5.5	4.3	6.7	7.0	(8.4)	(10.5)	7.0
Cash-flow hedge	(22.9)	(2.2)	(1.8)	(0.8)	—	0.5	0.8	0.9	1.8	(22.9)	—	1.8
Currency translation account	14.4	20.2	17.2	22.4	27.3	17.9	20.5	18.4	12.4	14.4	27.3	12.4
Total	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9	55.6	22.5	48.9

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FINANCIAL POSITION

	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(In millions of dollars, unless otherwise indicated)</i>									
Assets									
Invested assets									
Cash and short-term investments	1,107.7	1,009.6	873.5	917.2	1,045.6	1,185.8	846.9	912.9	1,140.7
Bonds	27,508.5	27,767.3	26,291.8	25,229.3	23,592.3	23,064.3	24,314.1	23,514.4	22,944.1
Stocks	3,023.5	2,920.1	2,810.3	3,094.5	3,054.8	3,319.3	3,363.0	3,378.9	3,467.0
Mortgages and other loans	3,870.2	3,853.4	3,795.7	3,670.9	3,661.3	3,456.5	3,324.5	3,304.8	3,288.1
Derivative financial instruments	1,003.4	1,208.0	1,205.2	657.1	224.9	295.4	360.9	305.1	395.0
Policy loans	900.4	904.5	906.7	946.0	950.6	934.2	923.7	923.9	946.2
Other invested assets	428.9	420.1	375.9	337.1	328.9	322.5	315.5	309.4	300.0
Investment properties	2,076.6	1,773.8	1,728.8	1,720.5	1,720.5	1,416.0	1,356.8	1,343.0	1,340.8
Total investments	39,919.2	39,856.8	37,987.9	36,572.6	34,578.9	33,994.0	34,805.4	33,992.4	33,821.9
Other assets ¹	2,192.6	2,359.2	2,232.6	2,758.8	2,172.2	2,215.2	2,258.9	2,336.0	1,903.0
Reinsurance assets	1,030.2	1,112.0	1,059.2	1,042.3	1,000.8	887.0	898.9	885.6	481.5
Fixed assets	394.1	396.7	402.5	415.1	277.5	271.5	270.0	265.8	256.5
Deferred income tax assets	27.9	28.1	28.5	27.9	26.0	26.2	26.3	28.0	21.9
Intangible assets	1,109.5	1,098.7	1,092.5	1,083.4	1,071.4	1,053.4	1,039.9	994.9	827.1
Goodwill	606.1	607.3	628.9	630.8	632.7	620.2	620.6	630.3	477.5
General fund assets	45,279.6	45,458.8	43,432.1	42,530.9	39,759.5	39,067.5	39,920.0	39,133.0	37,789.4
Segregated funds net assets	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0
Total assets	<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>	<u>61,906.4</u>

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

FINANCIAL POSITION (continued)

<i>(In millions of dollars, unless otherwise indicated)</i>	2019				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Liabilities									
Insurance contract liabilities									
Provisions for future policy benefits	30,001.9	30,314.7	29,138.1	27,631.1	25,306.4	24,965.9	25,334.9	24,955.4	24,963.6
Provisions for dividends to policyholders and experience rating refunds	30.6	50.9	52.1	52.9	40.2	45.0	47.2	41.4	34.0
Benefits payable and provision for unreported claims	283.0	273.0	274.9	271.8	260.3	289.8	282.9	278.3	261.8
Policyholders' amounts on deposit	349.1	328.0	324.6	327.7	332.9	310.3	304.7	300.9	304.1
Total	30,664.6	30,966.6	29,789.7	28,283.5	25,939.8	25,611.0	25,969.7	25,576.0	25,563.5
Investment contract liabilities	629.5	628.0	618.2	627.8	630.1	615.8	615.2	607.9	587.0
Derivative financial instruments	454.8	387.7	262.0	237.1	429.2	278.0	265.5	250.9	195.0
Other liabilities¹	6,063.5	6,162.2	5,981.1	6,424.5	5,875.1	5,668.3	6,172.5	6,006.9	5,152.0
Deferred income tax liabilities²	287.5	274.8	271.0	270.0	265.8	308.0	304.4	264.5	217.5
Debentures	1,049.7	1,049.5	651.5	901.5	901.4	901.0	1,000.8	1,000.4	996.3
General fund liabilities	39,149.6	39,468.8	37,573.5	36,744.4	34,041.4	33,382.1	34,328.1	33,706.6	32,711.3
Liabilities related to segregated funds net assets	27,867.9	26,976.4	26,388.7	25,759.5	23,780.6	25,033.6	24,887.6	24,100.1	24,117.0
Equity									
Participating policyholders' accounts ¹	41.9	52.6	52.6	52.7	52.3	49.5	49.1	48.5	41.0
Share capital									
Common shares	1,666.5	1,652.3	1,632.3	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	525.0	525.0	525.0	375.0
Total	2,191.5	2,177.3	2,157.3	2,159.5	2,180.5	2,196.6	2,194.9	2,193.0	1,895.9
Contributed surplus	17.5	19.1	22.5	22.5	22.8	21.5	20.9	20.2	19.5
Retained earnings ^{1,2,3}	3,823.5	3,651.5	3,534.5	3,467.0	3,440.0	3,419.1	3,297.9	3,128.0	3,072.8
Accumulated other comprehensive income	55.6	89.5	91.7	84.8	22.5	(1.3)	29.1	36.7	48.9
Total shareholders' equity	6,088.1	5,937.4	5,806.0	5,733.8	5,665.8	5,635.9	5,542.8	5,377.9	5,037.1
Total equity	6,130.0	5,990.0	5,858.6	5,786.5	5,718.1	5,685.4	5,591.9	5,426.4	5,078.1
Total liabilities and equity	73,147.5	72,435.2	69,820.8	68,290.4	63,540.1	64,101.1	64,807.6	63,233.1	61,906.4

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.