



Q1-2022 Supplementary Information

Unaudited

Definity Financial Corporation (TSX : DFY)

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FINANCIAL HIGHLIGHTS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Financial results

		2022	2021				2020				2021	2020	2019	2018
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Gross written premiums	1	742.5	846.6	851.5	874.6	658.7	755.9	753.9	728.7	576.2	3,231.4	2,814.7	2,511.0	2,456.3
Change YOY	2	12.7%	12.0%	12.9%	20.0%	14.3%	13.3%	11.7%	10.5%	13.0%	14.8%	12.1%	2.2%	7.4%
Net written premiums	3	747.7	777.1	788.7	815.0	610.5	702.6	708.3	688.3	540.5	2,991.3	2,639.8	2,331.0	2,380.7
Change YOY	4	22.5%	10.6%	11.4%	18.4%	13.0%	12.4%	11.2%	20.1%	9.1%	13.3%	13.2%	(2.1%)	7.3%
Net earned premiums	5	768.4	745.0	725.1	697.2	666.3	665.5	645.0	607.7	590.5	2,833.6	2,508.7	2,343.2	2,244.6
Change YOY	6	15.3%	11.9%	12.4%	14.7%	12.8%	13.7%	8.6%	6.7%	(0.6%)	13.0%	7.1%	4.4%	3.6%
Net claims and adjustment expenses	7	455.8	470.2	439.0	422.5	389.8	379.9	398.3	377.0	407.0	1,721.5	1,562.3	1,713.9	1,694.7
Underwriting expenses (net of other underwriting revenues)	8	252.4	234.5	231.0	233.5	218.5	212.9	207.6	193.8	195.8	917.6	810.0	747.6	815.5
Underwriting income (loss)	9	60.2	40.3	55.1	41.2	58.0	72.7	39.1	36.9	(12.3)	194.5	136.4	(118.3)	(265.6)
Impact of discounting	10	83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	(55.9)	(34.3)	44.7	(114.0)	(29.0)	4.3
Underwriting income (loss) after the impact of discounting	11	143.2	49.7	57.0	31.1	101.4	62.6	25.4	(19.0)	(46.6)	239.2	22.4	(147.3)	(261.3)
Net investment income	12	25.8	25.1	24.6	24.2	22.9	23.7	25.0	25.1	26.5	96.8	100.3	105.4	102.6
Recognized (losses) gains on investments	13	(102.3)	(9.2)	(7.1)	5.0	(9.5)	4.0	7.7	55.0	13.1	(20.8)	79.8	68.3	58.9
Other (expenses) income	14	(3.9)	(20.5)	(5.0)	(3.6)	(4.9)	(1.5)	-	(1.2)	0.8	(34.0)	(1.9)	(6.0)	(0.4)
Restructuring recovery (expense)	15	-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
Income (loss) before income taxes	16	62.8	45.1	69.5	56.7	109.9	88.8	58.1	59.9	(6.2)	281.2	200.6	21.2	(117.5)
Income tax (expense) recovery	17	(14.5)	(11.4)	(16.2)	(12.8)	(27.5)	(22.1)	(12.5)	(15.1)	3.0	(68.0)	(46.7)	(3.8)	44.5
Effective tax rate	18	23.1%	25.3%	23.3%	22.6%	25.1%	24.8%	21.6%	25.2%	48.3%	24.2%	23.3%	18.0%	37.9%
Net income (loss)	19	48.3	33.7	53.3	43.9	82.4	66.7	45.6	44.8	(3.2)	213.2	153.9	17.4	(73.0)
Non-operating (losses) gains	20	(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(3.0)	(21.7)	(9.7)	(41.5)	31.1	37.6
Operating income (loss)	21	84.9	62.4	79.6	68.5	80.3	97.9	65.9	62.9	15.5	290.9	242.1	(9.9)	(155.1)
Operating net income (loss)	22	64.6	46.5	60.7	52.6	60.6	73.4	51.3	47.0	12.7	220.4	184.4	(5.4)	(100.5)

Underwriting ratios

Claims ratio	23	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	68.9%	60.8%	62.3%	73.1%	75.5%
Expense ratio	24	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	31.9%	33.2%	32.3%	32.3%	31.9%	36.3%
Combined ratio	25	92.2%	94.6%	92.4%	94.1%	91.3%	89.1%	93.9%	93.9%	102.1%	93.1%	94.6%	105.0%	111.8%

Return on equity (for the last 12 months)

ROE	26	8.8%	10.7%	13.1%	13.2%	14.1%	9.0%	5.7%	2.5%	1.1%	10.7%	9.0%	1.1%	(4.4%)
Operating ROE	27	11.2%	11.5%	13.6%	13.5%	13.5%	11.0%	7.0%	3.4%	1.2%	11.5%	11.0%	(0.3%)	(6.2%)

Financial position

Total investments	28	5,142.9	5,365.8	4,969.8	4,828.6	4,601.0	4,366.3	4,430.9	4,285.7	4,066.2	5,365.8	4,366.3	4,191.0	3,940.7
Total assets	29	7,519.0	7,891.4	7,251.6	6,941.1	6,547.9	6,620.3	6,432.8	6,176.1	5,818.6	7,891.4	6,620.3	5,956.5	5,710.4
Total equity	30	2,359.7	2,396.3	2,029.8	1,961.0	1,879.2	1,818.0	1,722.7	1,642.6	1,525.1	2,396.3	1,818.0	1,611.0	1,567.3
Minimum capital test (MCT) ratio ¹	31	215%	275%	272%	272%	275%	268%	253%	242%	223%	275%	268%	239%	227%
Financial capacity	32	1,020.9	1,057.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,057.8	n/a	n/a	n/a

Per share (in \$) and share data (in 000's)

Earnings (loss) per common share, basic	33	\$ 0.42	\$ 0.31	\$ 0.51	\$ 0.42	\$ 0.79	\$ 0.64	\$ 0.44	\$ 0.43	\$ (0.03)	\$ 2.03	\$ 1.48	\$ 0.17	\$ (0.70)
Earnings (loss) per common share, diluted	34	\$ 0.41	\$ 0.31	\$ 0.51	\$ 0.42	\$ 0.79	\$ 0.64	\$ 0.44	\$ 0.43	\$ (0.03)	\$ 2.02	\$ 1.48	\$ 0.17	\$ (0.70)
Operating earnings (loss) per share	35	\$ 0.55	\$ 0.42	\$ 0.58	\$ 0.51	\$ 0.58	\$ 0.71	\$ 0.49	\$ 0.45	\$ 0.12	\$ 2.09	\$ 1.77	\$ (0.05)	\$ (0.97)
Book value per share	36	\$ 20.41	\$ 20.68	\$ 19.52	\$ 18.86	\$ 18.07	\$ 17.48	\$ 16.57	\$ 15.80	\$ 14.67	\$ 20.68	\$ 17.48	\$ 15.49	\$ 15.07
Dividends paid per share	37	\$ 0.175	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Weighted average common shares outstanding, diluted	38	117,523	109,647	103,976	103,976	103,976	103,976	103,976	103,976	103,976	105,405	103,976	103,976	103,976

¹ Consolidated Definity Insurance Company.

CONSOLIDATED RESULTS OF OPERATIONS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Comprehensive income (loss)

Net income (loss)

Net unrealized (losses) gains on AFS investments	
Reclassification to net income (loss) of net recognized losses (gains) on AFS investments	
Foreign exchange (loss) gain on investments in associates	
Income tax recovery (expense)	

Items that may be reclassified subsequently to net income (loss)

Post-employment benefit obligation gain (loss)	
Income tax (expense) recovery	

Items that may not be reclassified subsequently to net income (loss)

Other comprehensive (loss) income

Comprehensive (loss) income

Net investment income

Total interest income

Preferred shares

Common shares

Total dividend income

Investment income, before expenses

Investment expenses

Net investment income

Recognized gains (losses) on investments

Realized (losses) gains on AFS investments

Realized (losses) gains on FVTPL investments

Unrealized (losses) gains on FVTPL investments

Impairment losses on AFS investments

Total recognized (losses) gains on investments

Non-operating gains (losses)

Recognized (losses) gains on investments

Realized (losses) gains on sale of AFS investments

Net (losses) gains on FVTPL investments

Impairment losses on AFS investments

Impact of discounting

Demutualization and IPO-related expenses

Amortization of intangible assets recognized in business combinations

Gain on sale of investments in associates

Restructuring recovery (expenses)

Other

Total non-operating (losses) gains

2022	2021				2020				2021	2020	2019	2018
Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
48.3	33.7	53.3	43.9	82.4	66.7	45.6	44.8	(3.2)	213.2	153.9	17.4	(73.0)
(110.4)	24.8	3.9	53.3	14.6	51.9	48.6	99.4	(123.4)	96.6	76.8	73.7	(90.3)
10.5	(2.8)	(2.2)	(1.1)	(43.0)	(2.5)	(0.2)	(0.2)	8.0	(49.2)	5.0	(39.2)	(58.9)
(0.4)	(0.1)	0.6	(0.4)	(0.5)	(1.2)	(0.6)	(1.0)	2.5	(0.3)	(0.5)	(1.5)	2.4
26.6	(4.6)	(0.4)	(13.9)	7.7	(13.0)	(13.3)	(25.5)	30.2	(11.2)	(21.6)	(9.6)	40.2
(73.7)	17.3	1.9	37.9	(21.2)	35.2	34.5	72.7	(82.7)	35.9	59.7	23.4	(106.6)
17.5	10.9	18.4	-	-	(8.8)	-	-	-	29.3	(8.8)	4.2	22.6
(4.6)	(2.9)	(4.8)	-	-	2.2	-	-	-	(7.6)	2.2	(1.3)	(6.1)
12.9	8.0	13.6	-	-	(6.6)	-	-	-	21.7	(6.6)	2.9	16.5
(60.8)	25.3	15.5	37.9	(21.2)	28.6	34.5	72.7	(82.7)	57.6	53.1	26.3	(90.1)
(12.5)	59.0	68.8	81.8	61.2	95.3	80.1	117.5	(85.9)	270.8	207.0	43.7	(163.1)
19.7	18.5	18.0	17.6	17.4	17.7	18.4	19.0	20.3	71.5	75.3	82.5	71.8
4.3	4.6	4.5	4.6	4.5	4.6	4.7	4.7	4.6	18.2	18.6	17.1	16.5
3.4	3.9	3.2	3.0	2.4	2.8	2.6	2.5	2.6	12.5	10.5	9.9	18.9
7.7	8.5	7.7	7.6	6.9	7.4	7.3	7.2	7.2	30.7	29.1	27.0	35.4
27.4	27.0	25.7	25.2	24.3	25.1	25.7	26.2	27.5	102.2	104.4	109.5	107.2
(1.6)	(1.9)	(1.1)	(1.0)	(1.4)	(1.4)	(0.7)	(1.1)	(1.0)	(5.4)	(4.1)	(4.1)	(4.6)
25.8	25.1	24.6	24.2	22.9	23.7	25.0	25.1	26.5	96.8	100.3	105.4	102.6
(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	0.4	5.6	49.7	12.6	39.5	74.6
(3.8)	(2.5)	0.9	(0.8)	(2.9)	(1.0)	(0.7)	(0.2)	2.1	(5.3)	0.2	12.6	(22.4)
(88.0)	(9.5)	(10.2)	4.7	(49.6)	2.5	8.2	55.0	19.0	(64.7)	84.6	16.5	22.4
-	(0.5)	-	-	-	(2.0)	(1.9)	(0.2)	(13.6)	(0.5)	(17.6)	(0.3)	(15.7)
(102.3)	(9.2)	(7.1)	5.0	(9.5)	4.0	7.7	55.0	13.1	(20.8)	79.8	68.3	58.9
(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	0.4	5.6	49.7	12.6	39.5	74.6
(91.8)	(12.0)	(9.3)	3.9	(52.5)	1.5	7.5	54.8	21.1	(70.0)	84.8	29.1	-
-	(0.5)	-	-	-	(2.0)	(1.9)	(0.2)	(13.6)	(0.5)	(17.6)	(0.3)	(15.7)
83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	(55.9)	(34.3)	44.7	(114.0)	(29.0)	4.3
(1.9)	(16.7)	(4.7)	(5.2)	(3.5)	(1.6)	(0.5)	(0.8)	(0.9)	(30.1)	(3.8)	(4.8)	(9.7)
(0.6)	(0.6)	(0.8)	(1.1)	(1.0)	(1.2)	(1.1)	(1.1)	(1.1)	(3.5)	(4.5)	(4.4)	(4.3)
-	-	-	-	-	-	-	-	-	-	-	-	5.5
-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
(0.3)	(0.2)	0.6	(0.4)	0.2	(0.2)	(0.2)	(0.2)	1.5	-	1.0	0.2	0.2
(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(3.0)	(21.7)	(9.7)	(41.5)	31.1	37.6

UNDERWRITING PERFORMANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Underwriting results

		2022	2021				2020				2021	2020	2019	2018
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Net earned premiums	1	768.4	745.0	725.1	697.2	666.3	665.5	645.0	607.7	590.5	2,833.6	2,508.7	2,343.2	2,244.6
Net claims and adjustment expenses	2	455.8	470.2	439.0	422.5	389.8	379.9	398.3	377.0	407.0	1,721.5	1,562.3	1,713.9	1,694.7
Underwriting expenses (net of other underwriting revenues)	3	252.4	234.5	231.0	233.5	218.5	212.9	207.6	193.8	195.8	917.6	810.0	747.6	815.5
Underwriting income (loss)	4	60.2	40.3	55.1	41.2	58.0	72.7	39.1	36.9	(12.3)	194.5	136.4	(118.3)	(265.6)
Claims ratio	5	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	68.9%	60.8%	62.3%	73.1%	75.5%
Expense ratio	6	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	31.9%	33.2%	32.3%	32.3%	31.9%	36.3%
Combined ratio	7	92.2%	94.6%	92.4%	94.1%	91.3%	89.1%	93.9%	93.9%	102.1%	93.1%	94.6%	105.0%	111.8%

Net claims and adjustment expenses

Core accident year claims	8	460.8	469.3	416.9	417.7	401.8	369.1	387.1	340.1	402.3	1,705.8	1,498.8	1,685.4	1,608.4
Catastrophe losses	9	17.3	33.8	37.0	12.6	8.3	19.5	9.8	46.1	17.7	91.7	93.1	66.4	105.1
Prior year (favourable) adverse claims development	10	(22.3)	(32.9)	(14.9)	(7.8)	(20.3)	(8.7)	1.4	(9.2)	(13.0)	(76.0)	(29.6)	(37.9)	(18.8)
Net claims and adjustment expenses	11	455.8	470.2	439.0	422.5	389.8	379.9	398.3	377.0	407.0	1,721.5	1,562.3	1,713.9	1,694.7
Core accident year claims ratio	12	59.9%	62.7%	57.5%	59.9%	60.4%	55.5%	60.1%	55.9%	68.1%	60.2%	59.8%	71.9%	71.6%
Catastrophe losses ratio ¹	13	2.3%	4.8%	5.1%	1.8%	1.2%	2.9%	1.5%	7.6%	3.0%	3.3%	3.7%	2.8%	4.7%
Prior year (favourable) adverse claims development ratio	14	(2.9%)	(4.4%)	(2.1%)	(1.1%)	(3.1%)	(1.3%)	0.2%	(1.5%)	(2.2%)	(2.7%)	(1.2%)	(1.6%)	(0.8%)
Claims ratio	15	59.3%	63.1%	60.5%	60.6%	58.5%	57.1%	61.8%	62.0%	68.9%	60.8%	62.3%	73.1%	75.5%

Underwriting expenses (net of other underwriting revenues)

Net commissions	16	126.6	100.8	109.3	110.8	105.5	97.9	100.8	90.9	89.9	426.5	379.6	361.3	381.0
Operating expenses (net of other underwriting revenues)	17	97.6	105.4	94.3	96.5	88.0	90.1	82.9	80.4	84.1	384.2	337.3	300.1	353.8
Premium taxes	18	28.2	28.3	27.4	26.2	25.0	24.9	23.9	22.5	21.8	106.9	93.1	86.2	80.7
Underwriting expenses (net of other underwriting revenues)	19	252.4	234.5	231.0	233.5	218.5	212.9	207.6	193.8	195.8	917.6	810.0	747.6	815.5
Net commissions, %	20	16.5%	13.5%	15.1%	15.9%	15.8%	14.7%	15.6%	15.0%	15.2%	15.0%	15.1%	15.4%	17.0%
Operating expenses (net of other underwriting revenues), %	21	12.7%	14.2%	13.0%	13.8%	13.2%	13.6%	12.8%	13.2%	14.3%	13.5%	13.5%	12.8%	15.7%
Premium taxes, %	22	3.7%	3.8%	3.8%	3.8%	3.8%	3.7%	3.7%	3.7%	3.7%	3.8%	3.7%	3.7%	3.6%
Expense ratio	23	32.9%	31.5%	31.9%	33.5%	32.8%	32.0%	32.1%	31.9%	33.2%	32.3%	32.3%	31.9%	36.3%

¹ The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

PERSONAL INSURANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Personal insurance

Policies in force (in '000)

Change YOY

Gross written premiums

Change YOY

Broker channel gross written premiums

Change YOY

Direct channel gross written premiums¹

Change YOY

Net written premiums

Change YOY

Net earned premiums

Change YOY

Underwriting income (loss)

Combined ratio

Personal auto

Policies in force (in '000)

Change YOY

Gross written premiums

Change YOY

Net written premiums

Change YOY

Net earned premiums

Change YOY

Core accident year claims

Catastrophe losses

Prior year (favourable) adverse claims development

Net claims and adjustment expenses

Underwriting expenses (net of other underwriting revenues)

Underwriting income (loss)

Core accident year claims ratio

Catastrophe losses ratio

Prior year (favourable) adverse claims development ratio

Claims ratio

Net commissions, %

Operating expenses (net of other underwriting revenues), %

Premium taxes, %

Expense ratio

Combined ratio

Personal property¹

Policies in force (in '000)

Change YOY

Gross written premiums

Change YOY

Net written premiums

Change YOY

Net earned premiums

Change YOY

Core accident year claims

Catastrophe losses

Prior year (favourable) adverse claims development

Net claims and adjustment expenses

Underwriting expenses (net of other underwriting revenues)

Underwriting income (loss)

Core accident year claims ratio

Catastrophe losses ratio²

Prior year (favourable) adverse claims development ratio

Claims ratio

Net commissions, %

Operating expenses (net of other underwriting revenues), %

Premium taxes, %

Expense ratio

Combined ratio

	2022	2021				2020				2021	2020	2019	2018
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
	1,576.4	1,550.7	1,526.4	1,485.4	1,441.2	1,416.1	1,390.4	1,363.6	1,345.4	1,550.7	1,416.1	1,341.8	1,334.0
	9.4%	9.5%	9.8%	8.9%	7.1%	5.5%	3.2%	0.3%	(1.2%)	9.5%	5.5%	0.6%	7.5%
	522.6	592.6	631.0	623.6	473.9	540.3	578.5	534.2	433.1	2,321.1	2,086.1	1,894.2	1,778.5
	10.3%	9.7%	9.1%	16.7%	9.4%	9.7%	9.0%	8.8%	13.9%	11.3%	10.1%	6.5%	15.7%
	439.8	497.0	526.0	531.6	405.4	458.4	492.5	458.2	378.1	1,960.1	1,787.2	1,632.8	1,595.3
	8.5%	8.4%	6.8%	16.0%	7.2%	9.2%	8.6%	7.4%	13.6%	9.7%	9.5%	2.4%	13.4%
	82.8	95.6	105.0	92.0	68.5	81.9	86.0	76.0	55.0	361.0	298.9	261.4	183.2
	20.9%	16.7%	22.1%	21.1%	24.5%	12.5%	11.6%	18.4%	16.3%	20.8%	14.3%	42.7%	41.1%
	555.2	559.1	597.6	593.0	448.9	513.5	550.7	507.6	410.5	2,198.5	1,982.2	1,764.9	1,752.5
	23.7%	8.9%	8.5%	16.8%	9.4%	10.0%	8.9%	21.6%	9.4%	10.9%	12.3%	0.7%	16.3%
	565.6	548.0	532.7	517.6	495.4	500.7	486.9	457.2	448.1	2,093.7	1,892.9	1,747.4	1,593.8
	14.2%	9.4%	9.4%	13.2%	10.6%	13.0%	8.5%	9.4%	2.4%	10.6%	8.3%	9.6%	11.4%
	30.7	31.5	28.9	21.2	46.1	54.2	32.2	29.8	(2.0)	127.6	114.2	(108.4)	(173.3)
	94.6%	94.3%	94.6%	95.9%	90.7%	89.2%	93.4%	93.5%	100.5%	93.9%	94.0%	106.2%	110.9%
	770.5	761.6	759.4	748.6	733.4	727.0	719.1	711.8	710.1	761.6	727.0	718.8	751.8
	5.1%	4.8%	5.6%	5.2%	3.3%	1.1%	(2.1%)	(5.6%)	(7.3%)	4.8%	1.1%	(4.4%)	8.4%
	322.2	355.5	381.7	386.6	302.7	339.2	369.2	337.0	290.0	1,426.5	1,335.4	1,261.9	1,224.4
	6.4%	4.8%	3.4%	14.7%	4.4%	5.1%	3.6%	4.4%	11.4%	6.8%	5.8%	3.1%	17.6%
	347.8	341.0	366.2	370.9	290.1	325.5	354.5	322.9	277.8	1,368.1	1,280.8	1,183.5	1,219.9
	19.9%	4.8%	3.3%	14.9%	4.4%	5.5%	3.7%	18.0%	7.1%	6.8%	8.2%	(3.0%)	17.6%
	349.1	344.3	337.0	331.8	319.4	327.4	321.7	302.2	299.9	1,332.5	1,251.2	1,195.6	1,099.2
	9.3%	5.2%	4.8%	9.8%	6.5%	9.9%	4.2%	5.4%	(0.9%)	6.5%	4.7%	8.8%	12.1%
	237.9	260.5	217.8	207.4	209.7	215.0	207.9	182.6	241.9	895.6	847.4	1,015.3	905.3
	0.4	0.3	5.0	0.6	0.2	3.0	-	8.0	-	6.1	11.0	3.5	12.7
	(6.6)	(31.4)	(10.8)	(15.7)	(14.6)	-	2.1	(4.0)	(9.4)	(72.6)	(11.3)	(25.7)	(44.9)
	231.7	229.4	212.0	192.3	195.3	218.0	210.0	186.6	232.5	829.1	847.1	993.1	873.1
	104.2	97.2	95.5	101.0	92.9	93.3	90.8	86.3	88.5	386.6	358.9	341.9	381.3
	13.2	17.7	29.5	38.5	31.2	16.1	20.9	29.3	(21.1)	116.8	45.2	(139.4)	(155.2)
	68.2%	75.7%	64.6%	62.5%	65.7%	65.7%	64.7%	60.3%	80.6%	67.1%	67.7%	84.9%	82.3%
	0.1%	0.1%	1.5%	0.2%	-	0.9%	-	2.7%	-	0.5%	0.9%	0.3%	1.2%
	(1.9%)	(9.1%)	(3.2%)	(4.7%)	(4.6%)	-	0.6%	(1.3%)	(3.1%)	(5.4%)	(0.9%)	(2.1%)	(4.1%)
	66.4%	66.7%	62.9%	58.0%	61.1%	66.6%	65.3%	61.7%	77.5%	62.2%	67.7%	83.1%	79.4%
	13.5%	10.3%	11.8%	12.5%	12.5%	11.6%	12.3%	11.0%	12.4%	11.8%	11.8%	12.1%	13.7%
	13.0%	14.5%	13.2%	14.5%	13.2%	13.5%	12.5%	14.2%	13.7%	13.8%	13.5%	13.1%	17.7%
	3.3%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.3%
	29.8%	28.2%	28.4%	30.4%	29.1%	28.5%	28.2%	28.6%	29.5%	29.0%	28.7%	28.6%	34.7%
	96.2%	94.9%	91.3%	88.4%	90.2%	95.1%	93.5%	90.3%	107.0%	91.2%	96.4%	111.7%	114.1%
	805.9	789.1	767.0	736.8	707.8	689.1	671.3	651.8	635.3	789.1	689.1	623.0	582.2
	13.9%	14.5%	14.3%	13.0%	11.4%	10.6%	9.5%	7.7%	6.6%	14.5%	10.6%	7.0%	6.3%
	200.4	237.1	249.3	237.0	171.2	201.1	209.3	197.2	143.1	894.6	750.7	632.3	554.1
	17.1%	17.9%	19.1%	20.2%	19.6%	18.4%	20.0%	17.3%	19.3%	19.2%	18.7%	14.1%	11.8%
	207.4	218.1	231.4	222.1	158.8	188.0	196.2	184.6	132.6	830.4	701.4	581.4	532.7
	30.6%	16.0%	17.9%	20.3%	19.8%	18.7%	19.9%	28.6%	14.5%	18.4%	20.6%	9.1%	13.2%
	216.5	203.7	195.7	185.8	176.0	173.3	165.2	155.0	148.2	761.2	641.7	551.8	494.6
	23.0%	17.5%	18.5%	19.9%	18.8%	19.4%	17.8%	17.9%	9.8%	18.6%	16.3%	11.6%	10.0%
	113.2	95.6	100.1	116.0	94.8	71.4	93.2	85.6	72.5	406.4	322.8	299.6	268.2
	15.4	24.5	30.4	12.0	3.0	4.1	0.7	17.2	6.8	69.9	28.8	37.0	54.6
	(7.8)	1.4	(3.1)	6.2	(1.0)	(1.6)	1.0	(1.9)	(4.1)	3.5	(6.7)	(6.9)	(7.6)
	120.8	121.5	127.4	134.2	96.8	73.9	94.9	100.9	75.2	479.8	344.9	329.7	315.2
	78.2	68.4	68.9	68.9	64.3	61.3	59.0	53.6	53.9	270.6	227.8	191.1	197.5
	17.5	13.8	(0.6)	(17.3)	14.9	38.1	11.3	0.5	19.1	10.8	69.0	31.0	(18.1)
	52.3%	46.2%	51.2%	62.3%	53.9%	41.3%	56.4%	55.2%	48.9%	53.1%	50.2%	54.4%	54.2%
	7.1%	12.7%	15.5%	6.5%	1.7%	2.4%	0.4%	11.1%	4.6%	9.4%	4.5%	6.7%	11.0%
	(3.6%)	0.7%	(1.6%)	3.4%	(0.6%)	(1.0%)	0.6%	(1.2%)	(2.8%)	0.5%	(1.0%)	(1.3%)	(1.5%)
	55.8%	59.6%	65.1%	72.2%	55.0%	42.7%	57.4%	65.1%	50.7%	63.0%	53.7%	59.8%	63.7%
	20.2%	16.4%	18.9%	20.0%	19.4%	17.6%	19.3%	18.3%	17.8%	18.6%	18.3%	18.1%	20.5%
	11.9%	13.0%	12.1%	13.0%	13.0%	13.6%	12.4%	12.2%	14.5%	12.8%	13.1%	12.4%	15.5%
	4.0%	4.2%	4.2%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.2%	4.1%	4.1%	4.0%
	36.1%	33.6%	35.2%	37.1%	36.5%	35.3%	35.8%	34.6%	36.4%	35.6%	35.5%	34.6%	40.0%
	91.9%	93.2%	100.3%	109.3%	91.5%	78.0%	93.2%	99.7%	87.1%	98.6%	89.2%	94.4%	103.7%

¹ Includes Petline

² The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

COMMERCIAL INSURANCE

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Commercial insurance

		2022	2021					2020					2021	2020	2019	2018
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual	Annual
Gross written premiums	1	219.9	254.0	220.5	251.0	184.8	215.6	175.4	194.5	143.1	910.3	728.6	616.8	677.8		
Change YOY	2	19.0%	17.8%	25.7%	29.0%	29.1%	23.6%	21.8%	15.5%	10.2%	24.9%	18.1%	(9.0%)	(9.6%)		
Net written premiums	3	192.5	218.0	191.2	222.0	161.6	189.1	157.7	180.8	129.9	792.8	657.5	566.1	628.2		
Change YOY	4	19.1%	15.3%	21.2%	22.8%	24.4%	19.5%	19.9%	15.9%	8.0%	20.6%	16.1%	(9.9%)	(11.6%)		
Net earned premiums	5	202.8	197.0	192.4	179.6	170.9	164.8	158.1	150.5	142.4	739.9	615.8	595.8	650.8		
Change YOY	6	18.7%	19.5%	21.7%	19.3%	20.0%	15.6%	8.8%	(0.5%)	(9.2%)	20.2%	3.4%	(8.5%)	(11.5%)		
Core accident year claims	7	109.7	113.2	99.0	94.4	97.3	82.7	86.0	71.9	88.0	403.8	328.6	370.5	434.9		
Catastrophe losses	8	1.5	9.0	1.6	-	5.1	12.4	9.1	20.9	10.9	15.7	53.3	25.9	37.8		
Prior year (favourable) adverse claims development	9	(7.9)	(2.9)	(1.0)	1.7	(4.7)	(7.1)	(1.7)	(3.3)	0.5	(6.9)	(11.6)	(5.3)	33.7		
Net claims and adjustment expenses	10	103.3	119.3	99.6	96.1	97.7	88.0	93.4	89.5	99.4	412.6	370.3	391.1	506.4		
Underwriting expenses (net of other underwriting revenues)	11	70.0	68.9	66.6	63.5	61.3	58.3	57.8	53.9	53.3	260.4	223.3	214.6	236.7		
Underwriting income (loss)	12	29.5	8.8	26.2	20.0	11.9	18.5	6.9	7.1	(10.3)	66.9	22.2	(9.9)	(92.3)		
Core accident year claims ratio	13	54.1%	57.0%	51.5%	52.4%	57.0%	50.2%	54.4%	47.8%	61.8%	54.4%	53.3%	62.2%	66.8%		
Catastrophe losses ratio ¹	14	0.7%	5.0%	0.8%	-	3.0%	7.5%	5.8%	13.9%	7.6%	2.3%	8.7%	4.3%	5.8%		
Prior year (favourable) adverse claims development ratio	15	(3.9%)	(1.5%)	(0.5%)	1.0%	(2.8%)	(4.3%)	(1.1%)	(2.2%)	0.4%	(0.9%)	(1.9%)	(0.9%)	5.2%		
Claims ratio	16	50.9%	60.5%	51.8%	53.4%	57.2%	53.4%	59.1%	59.5%	69.8%	55.8%	60.1%	65.6%	77.8%		
Net commissions, %	17	17.7%	16.2%	17.0%	17.9%	18.4%	17.8%	18.5%	19.4%	18.6%	17.3%	18.6%	19.5%	19.9%		
Operating expenses (net of other underwriting revenues), %	18	12.9%	14.8%	13.6%	13.6%	13.4%	13.6%	14.2%	12.6%	15.0%	13.9%	13.8%	12.8%	12.7%		
Premium taxes, %	19	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.8%	3.8%	3.8%	4.0%	3.9%	3.8%	3.8%		
Expense ratio	20	34.6%	35.0%	34.6%	35.5%	35.8%	35.4%	36.5%	35.8%	37.4%	35.2%	36.3%	36.1%	36.4%		
Combined ratio	21	85.5%	95.5%	86.4%	88.9%	93.0%	88.8%	95.6%	95.3%	107.2%	91.0%	96.4%	101.7%	114.2%		

¹ The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

CATASTROPHE LOSSES BY LINE OF BUSINESS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

By line of business

		2022	2021				2020				2021	2020	2019	2018
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Personal auto	1	0.4	0.3	5.0	0.6	0.2	3.0	-	8.0	-	6.1	11.0	3.5	12.7
Personal property	2	15.4	24.5	30.4	12.0	3.0	4.1	0.7	17.2	6.8	69.9	28.8	37.0	54.6
Commercial lines	3	1.5	9.0	1.6	-	5.1	12.4	9.1	20.9	10.9	15.7	53.3	25.9	37.8
Total catastrophe losses (excluding reinstatement premiums)	4	17.3	33.8	37.0	12.6	8.3	19.5	9.8	46.1	17.7	91.7	93.1	66.4	105.1

By line of business, as % of NEP¹

Personal auto	5	0.1%	0.1%	1.5%	0.2%	-	0.9%	-	2.7%	-	0.5%	0.9%	0.3%	1.2%
Personal property	6	7.1%	12.7%	15.5%	6.5%	1.7%	2.4%	0.4%	11.1%	4.6%	9.4%	4.5%	6.7%	11.0%
Commercial lines	7	0.7%	5.0%	0.8%	-	3.0%	7.5%	5.8%	13.9%	7.6%	2.3%	8.7%	4.3%	5.8%
Total catastrophe losses	8	2.3%	4.8%	5.1%	1.8%	1.2%	2.9%	1.5%	7.6%	3.0%	3.3%	3.7%	2.8%	4.7%

HISTORICAL PRIOR YEAR CLAIMS DEVELOPMENT

By line of business

Personal auto	9	(6.6)	(31.4)	(10.8)	(15.7)	(14.6)	-	2.1	(4.0)	(9.4)	(72.6)	(11.3)	(25.7)	(44.9)
Personal property	10	(7.8)	1.4	(3.1)	6.2	(1.0)	(1.6)	1.0	(1.9)	(4.1)	3.5	(6.7)	(6.9)	(7.6)
Commercial lines	11	(7.9)	(2.9)	(1.0)	1.7	(4.7)	(7.1)	(1.7)	(3.3)	0.5	(6.9)	(11.6)	(5.3)	33.7
Total (favourable) adverse claims development	12	(22.3)	(32.9)	(14.9)	(7.8)	(20.3)	(8.7)	1.4	(9.2)	(13.0)	(76.0)	(29.6)	(37.9)	(18.8)

By line of business, as % of NEP

Personal auto	13	(1.9%)	(9.1%)	(3.2%)	(4.7%)	(4.6%)	-	0.6%	(1.3%)	(3.1%)	(5.4%)	(0.9%)	(2.1%)	(4.1%)
Personal property	14	(3.6%)	0.7%	(1.6%)	3.4%	(0.6%)	(1.0%)	0.6%	(1.2%)	(2.8%)	0.5%	(1.0%)	(1.3%)	(1.5%)
Commercial lines	15	(3.9%)	(1.5%)	(0.5%)	1.0%	(2.8%)	(4.3%)	(1.1%)	(2.2%)	0.4%	(0.9%)	(1.9%)	(0.9%)	5.2%
Total (favourable) adverse claims development	16	(2.9%)	(4.4%)	(2.1%)	(1.1%)	(3.1%)	(1.3%)	0.2%	(1.5%)	(2.2%)	(2.7%)	(1.2%)	(1.6%)	(0.8%)

Total YTD (favourable) adverse claims development as % of prior year closing unpaid claim liabilities, undiscounted

	17	(0.7%)	(2.8%)	(1.6%)	(1.0%)	(0.7%)	(1.1%)	(0.8%)	(0.8%)	(0.5%)	(2.8%)	(1.1%)	(1.5%)	(0.8%)
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¹ The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses.

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Total portfolio

By class	
Short-term investments	
Bonds	
Preferred stocks	
Common stocks	
Pooled funds	
Commercial loans	
Total	

Region of issuer

Canada
United States
Europe
Other
Total

Credit quality

Fixed-income securities

AAA
AA
A
BBB
Total

Preferred shares

P1	
P2	
P3 or not rated	
Total	

Unrealized gains (losses) on AFS securities

Short-term investments	
Bonds	
Preferred stocks	
Common stocks	
Pooled funds	
Total	

Investment portfolio sector mix

Government
Financials
Energy
Communication services
Industrials
Utilities
Consumer discretionary
Materials
Consumer staples
Information technology
Health care
Real estate
Total

2022	2021				2020				2021	2020	2019	2018	
Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	

74.5	88.8	148.1	173.1	153.9	218.2	266.1	171.1	192.4	88.8	218.2	228.1	329.7
4,033.7	4,233.8	3,826.6	3,744.8	3,598.6	3,400.7	3,442.2	3,449.2	3,290.5	4,233.8	3,400.7	3,223.8	2,792.4
390.9	405.7	404.1	384.4	388.1	336.6	338.6	298.8	262.4	405.7	336.6	345.1	334.0
570.1	570.5	522.2	487.6	420.9	329.8	304.1	280.9	241.9	570.5	329.8	296.8	329.9
45.3	42.7	34.2	3.1	2.9	43.4	40.9	39.7	36.8	42.7	43.4	44.4	53.2
28.4	24.3	34.6	35.6	36.6	37.6	39.0	46.0	42.2	24.3	37.6	52.8	101.5
5,142.9	5,365.8	4,969.8	4,826.6	4,601.0	4,366.3	4,430.9	4,285.7	4,066.2	5,365.8	4,366.3	4,191.0	3,940.7

4,895.9	5,112.6	4,729.3	4,621.7	4,421.2	4,205.5	4,276.6	4,129.2	3,931.7	5,112.6	4,205.5	4,034.2	3,636.5
158.2	164.6	145.0	123.4	103.1	86.2	79.5	75.1	61.0	164.6	86.2	69.0	142.2
35.3	37.0	34.1	31.7	26.2	25.2	24.1	21.9	21.2	37.0	25.2	25.6	35.1
25.1	27.3	26.8	16.2	13.9	11.8	11.7	13.5	10.1	27.3	11.8	9.4	25.4
5,114.5	5,341.5	4,935.2	4,793.0	4,564.4	4,328.7	4,391.9	4,239.7	4,024.0	5,341.5	4,328.7	4,138.2	3,839.2

1,157.7	1,072.6	1,034.2	1,125.2	1,027.3	1,102.9	1,180.3	1,156.8	1,215.8	1,072.6	1,102.9	1,189.3	1,642.5
1,509.7	1,800.5	1,578.4	1,416.1	1,381.0	1,170.3	1,028.5	1,021.0	981.6	1,800.5	1,170.3	980.5	358.7
1,059.8	1,080.1	974.9	948.1	916.3	854.3	960.7	990.1	800.8	1,080.1	854.3	767.8	589.3
306.5	280.6	239.1	255.4	274.0	273.2	272.7	281.3	292.3	280.6	273.2	286.2	201.9
4,033.7	4,233.8	3,826.6	3,744.8	3,598.6	3,400.7	3,442.2	3,449.2	3,290.5	4,233.8	3,400.7	3,223.8	2,792.4

12.5	11.9	12.3	8.6	4.2	-	-	-	-	11.9	-	-	3.2
308.4	305.4	304.4	294.8	297.1	272.9	281.6	248.6	217.9	305.4	272.9	288.5	278.3
70.0	88.4	87.4	81.0	86.8	63.7	57.0	50.2	44.5	88.4	63.7	56.6	52.5
390.9	405.7	404.1	384.4	388.1	336.6	338.6	298.8	262.4	405.7	336.6	345.1	334.0

-	0.1	0.1	0.1	0.2	0.3	0.8	0.9	1.4	0.1	0.3	1.9	0.8
(65.9)	9.3	12.3	17.6	8.7	54.8	56.6	52.7	18.5	9.3	54.8	(0.2)	(5.6)
(1.0)	10.9	14.6	4.6	(11.9)	(48.2)	(77.1)	(109.1)	(141.4)	10.9	(48.2)	(58.6)	(56.1)
97.0	106.8	77.8	79.9	53.3	71.9	53.4	41.8	11.0	106.8	71.9	53.7	27.0
(2.8)	0.1	0.4	1.3	1.1	1.0	(3.4)	(4.5)	(6.9)	0.1	1.0	1.2	(2.6)
27.3	127.2	105.2	103.5	51.4	79.8	30.3	(18.2)	(117.4)	127.2	79.8	(2.0)	(36.5)

[illegible]

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Sector mix by asset class

CONSOLIDATED BALANCE SHEET

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Balance sheet

Cash and investments

		2022	2021					2020					2021	2020	2019	2018
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual	Annual	Annual
Cash and cash equivalents	1	252.5	387.3	339.9	257.4	231.9	510.3	251.3	171.6	87.6	387.3	510.3	94.7	135.3		
Short-term investments	2	74.5	88.8	148.1	173.1	153.9	218.2	266.1	171.1	192.4	88.8	218.2	228.1	329.7		
Bonds	3	4,033.7	4,233.8	3,826.6	3,744.8	3,598.6	3,400.7	3,442.2	3,449.2	3,290.5	4,233.8	3,400.7	3,223.8	2,792.4		
Preferred stocks	4	390.9	405.7	404.1	384.4	388.1	336.6	338.6	298.8	262.4	405.7	336.6	345.1	334.0		
Common stocks	5	570.1	570.5	522.2	487.6	420.9	329.8	304.1	280.9	241.9	570.5	329.8	296.8	329.9		
Pooled funds	6	45.3	42.7	34.2	3.1	2.9	43.4	40.9	39.7	36.8	42.7	43.4	44.4	53.2		
Commercial loans	7	28.4	24.3	34.6	35.6	36.6	37.6	39.0	46.0	42.2	24.3	37.6	52.8	101.5		
Total cash and investments	8	5,395.4	5,753.1	5,309.7	5,086.0	4,832.9	4,876.6	4,682.2	4,457.3	4,153.8	5,753.1	4,876.6	4,285.7	4,076.0		
Restricted cash	9	116.8	110.8	-	-	-	-	-	-	-	110.8	-	-	-		
Accrued investment income	10	25.4	21.3	23.3	18.1	23.0	16.8	23.2	18.1	22.6	21.3	16.8	18.8	15.5		
Premiums receivable	11	1,018.4	1,075.9	1,052.0	1,014.1	908.0	958.7	920.9	885.9	804.2	1,075.9	958.7	850.7	837.0		
Income taxes receivable	12	46.8	0.2	0.9	2.6	3.6	2.1	2.8	4.2	4.0	0.2	2.1	3.0	13.0		
Reinsurance receivable and recoverable	13	147.6	179.2	140.4	127.9	115.1	95.6	111.3	104.8	101.4	179.2	95.6	95.1	64.7		
Deferred policy acquisition expenses	14	282.5	295.1	288.4	275.2	250.8	260.2	253.9	242.3	226.1	295.1	260.2	235.6	230.1		
Property and equipment	15	56.1	57.0	54.8	56.6	57.4	56.9	58.0	57.7	58.5	57.0	56.9	61.1	38.9		
Deferred income tax assets	16	56.8	62.5	42.5	43.3	39.7	40.2	55.1	81.9	122.5	62.5	40.2	89.8	105.0		
Goodwill and intangible assets	17	227.2	219.7	213.6	210.5	216.1	211.6	215.5	214.4	211.7	219.7	211.6	210.9	225.6		
Other assets	18	146.0	116.6	126.0	106.8	101.3	101.6	109.9	109.5	113.8	116.6	101.6	105.8	104.6		
Total assets	19	7,519.0	7,891.4	7,251.6	6,941.1	6,547.9	6,620.3	6,432.8	6,176.1	5,818.6	7,891.4	6,620.3	5,956.5	5,710.4		
Unearned premiums	20	1,533.5	1,599.2	1,564.0	1,498.6	1,374.9	1,433.1	1,394.6	1,329.2	1,245.0	1,599.2	1,433.1	1,294.5	1,268.5		
Claim liabilities	21	3,239.4	3,336.1	3,246.5	3,124.8	3,023.3	3,026.3	3,024.1	2,942.6	2,842.0	3,336.1	3,026.3	2,808.2	2,670.6		
Accounts payable and other liabilities	22	269.6	393.4	363.8	322.1	257.3	324.2	288.4	258.9	204.2	393.4	324.2	240.6	204.0		
Income taxes payable	23	-	55.6	47.5	34.6	13.2	18.7	3.0	2.8	2.3	55.6	18.7	2.2	-		
Demutualization amounts outstanding	24	116.8	110.8	-	-	-	-	-	-	-	110.8	-	-	-		
Total liabilities	25	5,159.3	5,495.1	5,221.8	4,980.1	4,668.7	4,802.3	4,710.1	4,533.5	4,293.5	5,495.1	4,802.3	4,345.5	4,143.1		
Share capital	26	2,299.7	2,307.8	-	-	-	-	-	-	-	2,307.8	-	-	-		
Contributed surplus	27	23.6	19.3	-	-	-	-	-	-	-	19.3	-	-	-		
Retained earnings (deficit)	28	12.1	(28.8)	1,949.1	1,882.2	1,838.3	1,755.9	1,695.8	1,650.2	1,605.4	(28.8)	1,755.9	1,608.6	1,588.3		
Accumulated other comprehensive income (loss) (AOCI)	29	24.3	98.0	80.7	78.8	40.9	62.1	26.9	(7.6)	(80.3)	98.0	62.1	2.4	(21.0)		
Total equity	30	2,359.7	2,396.3	2,029.8	1,961.0	1,879.2	1,818.0	1,722.7	1,642.6	1,525.1	2,396.3	1,818.0	1,611.0	1,567.3		
Total liabilities and equity	31	7,519.0	7,891.4	7,251.6	6,941.1	6,547.9	6,620.3	6,432.8	6,176.1	5,818.6	7,891.4	6,620.3	5,956.5	5,710.4		

CAPITAL AND LIQUIDITY RESOURCES

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Capital management

Capital available ¹	1	1,368.1	1,789.1	1,711.4	1,652.6	1,555.3	1,477.8	1,356.3	1,250.7	1,094.4	1,789.1	1,477.8	1,217.3	1,146.4
Capital required ¹	2	636.1	651.6	629.1	607.9	566.5	550.8	535.6	516.6	489.9	651.6	550.8	509.2	504.9
Minimum capital test (MCT) ratio ¹	3	215%	275%	272%	272%	275%	268%	253%	242%	223%	275%	268%	239%	227%
Excess capital at 200% for Definity Insurance Company	4	95.8	485.9	453.2	436.8	422.3	376.3	285.1	217.5	114.5	485.9	376.3	198.8	136.5
Additional capital at Definity Financial Corporation	5	636.5	273.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	273.4	n/a	n/a	n/a
Total excess capital	6	732.3	759.3	453.2	436.8	422.3	376.3	285.1	217.5	114.5	759.3	376.3	198.8	136.5
Leverage capacity ²	7	288.6	298.5	n/a	n/a	n/a	n/a	n/a	n/a	n/a	298.5	n/a	n/a	n/a
Financial capacity	8	1,020.9	1,057.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,057.8	n/a	n/a	n/a

Liquidity

Cash (used in) provided by operating activities	9	(93.4)	176.7	256.2	206.8	15.5	158.3	186.0	166.5	(20.4)	655.2	490.2	138.5	44.6
Investments sold, net of investments purchased	10	19.1	(399.3)	(152.7)	(177.0)	(279.1)	111.1	(101.2)	(66.0)	9.1	(1,008.1)	(47.0)	(204.5)	(38.9)
Commercial loans advanced, net of commercial loans collected	11	(4.1)	10.3	1.0	1.0	1.0	1.4	7.0	(3.8)	10.6	13.3	15.2	48.7	(5.3)
Other assets purchased	12	(28.0)	(6.3)	(22.0)	(5.3)	(15.8)	(11.8)	(12.1)	(12.7)	(6.4)	(49.4)	(42.8)	(23.3)	(49.5)
Business dispositions	13	-	-	-	-	-	-	-	-	-	-	-	-	18.0
Cash (used in) provided by investing activities	14	(13.0)	(395.3)	(173.7)	(181.3)	(293.9)	100.7	(106.3)	(82.5)	13.3	(1,044.2)	(74.6)	(179.1)	(75.7)
Net proceeds from the issuance of common shares	15	-	2,285.7	-	-	-	-	-	-	-	2,285.7	-	-	-
Dividends paid on common shares	16	(20.3)	-	-	-	-	-	-	-	-	-	-	-	-
Common shares purchased and held in trust	17	(8.1)	-	-	-	-	-	-	-	-	-	-	-	-
Change in demutualization amounts outstanding	18	6.0	(1,908.9)	-	-	-	-	-	-	-	(1,908.9)	-	-	-
Cash (used in) provided by financing activities	19	(22.4)	376.8	-	-	-	-	-	-	-	376.8	-	-	-
Net (decrease) increase in cash and cash equivalents, and restricted cash	20	(128.8)	158.2	82.5	25.5	(278.4)	259.0	79.7	84.0	(7.1)	(12.2)	415.6	(40.6)	(31.1)
Balance, beginning of the period	21	498.1	339.9	257.4	231.9	510.3	251.3	171.6	87.6	94.7	510.3	94.7	135.3	166.4
Balance, end of the period	22	369.3	498.1	339.9	257.4	231.9	510.3	251.3	171.6	87.6	498.1	510.3	94.7	135.3

¹ Consolidated Definity Insurance Company.

² Leverage capacity is monitored prospectively from the date of the IPO. Of this amount, approximately \$17.1 million of the 2% debt limit under the ICA was utilized as at March 31, 2022.

SHAREHOLDER INFORMATION

(in millions of Canadian dollars, except as otherwise noted - unaudited)

Number of shares outstanding (in 000's)

Common shares	
End of period	
Weighted average common shares outstanding (Basic)	
Weighted average common shares outstanding (Diluted)	

Common share performance

Common share price (in \$)	
High	
Low	
Close	
Market capitalization (\$ millions)	

Dividends

Common shares	
Dividends declared per share (in \$)	
Dividends paid per share (in \$)	

Rating information

Financial strength ratings (FSR) ¹	
AM Best	
DBRS	
Issuer rating ²	
DBRS	

2022	2021	2021
Q1	Q4	Annual

1	115,893	115,893	115,893
2	115,855	109,028	105,249
3	117,523	109,647	105,405

4	33.18	30.27	30.27
5	27.00	26.00	26.00
6	31.93	29.53	29.53
7	3,700	3,422	3,422

8	0.175	n/a	n/a
9	0.175	n/a	n/a

10	A- (Excellent)	A- (Excellent)	A- (Excellent)
11	A (low)	A (low)	A (low)
12	BBB	BBB	BBB

¹ Definity Insurance Company.
² Definity Financial Corporation.

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RATIOS

(in millions of Canadian dollars, except as otherwise noted - unaudited)

ROE

Net income (loss)	1	48.3	33.7	53.3	43.9	82.4	66.7	45.6	44.8	(3.2)	213.2	153.9	17.4	(73.0)
Net income (loss) - last 12 months	2	179.2	213.2	246.3	238.5	239.5	153.9	94.0	40.9	18.0	213.2	153.9	17.4	(73.0)
Average adjusted total equity	3	2,037.1	1,993.3	1,876.2	1,801.8	1,702.2	1,714.5	1,661.5	1,626.5	1,563.0	1,993.3	1,714.5	1,589.2	1,648.9
ROE for the last 12 months	4	8.8%	10.7%	13.1%	13.2%	14.1%	9.0%	5.7%	2.5%	1.1%	10.7%	9.0%	1.1%	(4.4%)

Operating net income, Operating EPS, and Operating ROE

Net income (loss)	5	48.3	33.7	53.3	43.9	82.4	66.7	45.6	44.8	(3.2)	213.2	153.9	17.4	(73.0)
Remove: income tax (expense) recovery	6	(14.5)	(11.4)	(16.2)	(12.8)	(27.5)	(22.1)	(12.5)	(15.1)	3.0	(68.0)	(46.7)	(3.8)	44.5
Remove: non-operating gains (losses)														
Recognized (losses) gains on investments														
Realized (losses) gains on sale of AFS investments	7	(10.5)	3.3	2.2	1.1	43.0	4.5	2.1	0.4	5.6	49.7	12.6	39.5	74.6
Net (losses) gains on FVTPL investments	8	(91.8)	(12.0)	(9.3)	3.9	(52.5)	1.5	7.5	54.8	21.1	(70.0)	84.8	29.1	-
Impairment losses on AFS investments	9	-	(0.5)	-	-	-	(2.0)	(1.9)	(0.2)	(13.6)	(0.5)	(17.6)	(0.3)	(15.7)
Impact of discounting	10	83.0	9.4	1.9	(10.1)	43.4	(10.1)	(13.7)	(55.9)	(34.3)	44.7	(114.0)	(29.0)	4.3
Demutualization and IPO-related expenses	11	(1.9)	(16.7)	(4.7)	(5.2)	(3.5)	(1.6)	(0.5)	(0.8)	(0.9)	(30.1)	(3.8)	(4.8)	(9.7)
Amortization of intangible assets recognized in business combinations	12	(0.6)	(0.6)	(0.8)	(1.1)	(1.0)	(1.2)	(1.1)	(1.1)	(1.1)	(3.5)	(4.5)	(4.4)	(4.3)
Gain on sale of investments in associates	13	-	-	-	-	-	-	-	-	-	-	-	-	5.5
Restructuring recovery (expenses)	14	-	-	-	-	-	-	-	-	-	-	-	0.8	(17.3)
Other	15	(0.3)	(0.2)	0.6	(0.4)	0.2	(0.2)	(0.2)	(0.2)	1.5	-	1.0	0.2	0.2
Non-operating (losses) gains	16	(22.1)	(17.3)	(10.1)	(11.8)	29.6	(9.1)	(7.8)	(3.0)	(21.7)	(9.7)	(41.5)	31.1	37.6
Operating income (loss)	17	84.9	62.4	79.6	68.5	80.3	97.9	65.9	62.9	15.5	290.9	242.1	(9.9)	(155.1)
Operating income tax (expense) recovery	18	(20.3)	(15.9)	(18.9)	(15.9)	(19.7)	(24.5)	(14.6)	(15.9)	(2.8)	(70.5)	(57.7)	4.5	54.6
Operating net income (loss)	19	64.6	46.5	60.7	52.6	60.6	73.4	51.3	47.0	12.7	220.4	184.4	(5.4)	(100.5)
Weighted average common shares outstanding, diluted (in millions)	20	117.5	109.6	104.0	104.0	104.0	104.0	104.0	104.0	104.0	105.4	104.0	104.0	104.0
Operating EPS, diluted (in \$)	21	0.55	0.42	0.58	0.51	0.58	0.71	0.49	0.45	0.12	2.09	1.77	(0.05)	(0.97)

Operating net income (loss) - last 12 months	22	224.4	220.4	247.4	237.9	232.3	184.4	115.6	55.0	19.1	220.4	184.4	(5.4)	(100.5)
Average adjusted total equity, excluding AOCI	23	2,004.4	1,913.3	1,822.4	1,766.2	1,721.9	1,682.3	1,647.3	1,628.4	1,595.0	1,913.3	1,682.3	1,598.5	1,616.6
Operating ROE for the last 12 months	24	11.2%	11.5%	13.6%	13.5%	13.5%	11.0%	7.0%	3.4%	1.2%	11.5%	11.0%	(0.3%)	(6.2%)

Underwriting expenses (net of other underwriting revenues)

Net claims and underwriting expenses	25	710.4	706.7	672.1	658.0	610.4	594.8	607.7	572.8	604.5	2,647.3	2,379.8	2,471.6	2,525.6
Remove: net claims and adjustment expenses	26	455.8	470.2	439.0	422.5	389.8	379.9	398.3	377.0	407.0	1,721.5	1,562.3	1,713.9	1,694.7
Remove: other underwriting revenues	27	2.2	2.0	2.1	2.0	2.1	2.0	1.8	2.0	1.7	8.2	7.5	10.1	15.4
Underwriting expenses (net of other underwriting revenues)	28	252.4	234.5	231.0	233.5	218.5	212.9	207.6	193.8	195.8	917.6	810.0	747.6	815.5

Operating expenses (net of other underwriting revenues)

Operating expenses	29	99.8	107.4	96.4	98.5	90.1	92.1	84.7	82.4	85.8	392.4	344.8	310.2	369.2
Remove: other underwriting revenues	30	2.2	2.0	2.1	2.0	2.1	2.0	1.8	2.0	1.7	8.2	7.5	10.1	15.4
Operating expenses (net of other underwriting revenues)	31	97.6	105.4	94.3	96.5	88.0	90.1	82.9	80.4	84.1	384.2	337.3	300.1	353.8

SUPPLEMENTARY FINANCIAL MEASURES AND NON-GAAP FINANCIAL MEASURES AND RATIOS

We measure and evaluate performance of our business using a number of financial measures. Among these measures are the “supplementary financial measures”, “non-GAAP financial measures”, and “non-GAAP ratios” (as such terms are defined under Canadian Securities Administrators’ National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure), and in each case are not standardized financial measures under GAAP. The supplementary financial measures, non-GAAP financial measures, and non-GAAP ratios in this supplementary information may not be comparable to similar measures presented by other companies. These measures should not be considered in isolation or as a substitute for analysis of our financial information reported under GAAP. These measures are used by financial analysts and others in the P&C insurance industry and facilitate management’s comparisons to our historical operating results in assessing our results and strategic and operational decision-making. For more information about these supplementary financial measures, non-GAAP financial measures, and non-GAAP ratios, including (where applicable) definitions and explanations of how these measures provide useful information, refer to Section 11 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q1-2022 Management’s Discussion and Analysis dated May 12, 2022, which is available on our website at www.definityfinancial.com and on SEDAR at www.sedar.com.

GLOSSARY

Terms	Definitions
Book value per share¹	1 The Company’s total equity divided by the total common shares outstanding, net of shares held in trust, as at the balance sheet date.
Catastrophe losses¹	2 An event causing gross losses in excess of \$2 million, and generally greater than 100 claims, or a single claim with a gross loss in excess of \$3 million.
Claims development	3 The difference between prior year-end estimates of ultimate undiscounted claim costs and the current estimates for the same block of claims. A favourable development represents a reduction in the estimated ultimate claim costs during the period for that block of claims.
Claims ratio¹	4 Net claims and adjustment expenses during a defined period expressed as a percentage of net earned premiums for the same period.
Combined ratio¹	5 The total of our net claims and adjustment expenses and underwriting expenses (net of other underwriting revenues) during a defined period expressed as a percentage of net earned premiums for the same period.
Core accident year claims ratio¹	6 Net claims and adjustment expenses less catastrophe losses and prior year claims development during a defined period expressed as a percentage of net earned premiums for the same period.
Discounting	7 To reflect the time value of money, the expected future payments of claim liabilities are discounted back to present value using the market yield rate of the investments used to support those liabilities. Provisions for adverse deviation are also included when determining the discounted value.
Expense ratio¹	8 The total of our net commissions, operating expenses (net of other underwriting revenues), and premium taxes during a defined period, expressed as a percentage of net earned premiums for the same period.
Financial capacity¹	9 The sum of excess capital at 200% and leverage capacity.
Gross written premiums (GWP)	10 The total premiums from the sale of insurance during a specific period.
Leverage capacity¹	11 The amount of financial leverage that can be assumed, comprised of the Company’s current debt limit as an ICA (2% of total assets) and a target capitalization level of 5% in preferred shares and hybrids.
Minimum capital test (MCT)	12 A regulatory formula defined by the Office of the Superintendent of Financial Institutions, that is a risk-based test of capital available relative to capital required.
Net earned premiums (NEP)	13 The portion of NWP equal to the expired period of time an insurance policy is in effect in the current period presented.
Net written premiums (NWP)	14 GWP less the cost of reinsurance coverage.
Non-operating gains (losses)¹	15 Recognized gains (losses) on investments, impact of discounting, demutualization and IPO-related expenses, amortization of intangible assets recognized in business combinations, transaction costs in business combinations, restructuring costs, and other expenses or revenues that in the view of management are not part of our insurance operations.
Operating earnings per share¹	16 Operating net income for the 12 months ended at a specified date divided by the Company’s weighted average diluted common shares outstanding during the period.
Operating net income¹	17 Net income less (or plus) non-operating gains (losses) net of applicable income taxes.
Operating return on equity (Operating ROE)¹	18 Operating net income for the 12 months ended at a specified date divided by the average of total equity, excluding accumulated OCI, adjusted for significant capital transactions if applicable, over the same 12-month period.
Policies in force (PIF)	19 The number of insurance policies that are in effect at a specified date.
Provision for adverse deviation (PfAD)	20 An amount that is added to claim liabilities to reduce the uncertainty of potential adverse effects that are inherent in the assumptions and data used to estimate such liabilities.
Return on equity (ROE)¹	21 Net income (loss) for the 12 months ended at a specific date divided by the average total equity, adjusted for significant capital transactions if applicable, over the same 12-month period.
Underwriting income (loss)	22 Net earned premiums for a defined period less the sum of net claims and adjustment expenses, net commissions, operating expenses (net of other underwriting revenues), and premium taxes during the same period.
Underwriting expenses (net of other underwriting revenues) / Operating expenses (net of other underwriting revenues)¹	23 Underwriting expenses consist of net commissions, operating expenses (net of other underwriting revenues), and premium taxes. When calculating our combined ratio and expense ratio, we deduct other underwriting revenues (which consist of various customer service fees).

¹ This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio.