definity.

Q2-2023 Supplementary Information

Unaudited

Definity Financial Corporation (TSX : DFY)

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Note:

This supplementary information package has been updated to reflect the adoption of IFRS 17 - Insurance Contracts and IFRS 9 - Financial Instruments on January 1, 2023. This document contains Q1-2022, Q2-2022 and Annual 2022 results restated under IFRS 17 and IFRS 9, as applicable. Our 2022 quarterly results for Q3 and Q4 will be restated along with the issuance of our quarterly 2023 results for the same period. Headings have been added in each tab, as applicable, to distinguish amounts reported under IFRS 17 and IFRS 9 and those reported under the previous accounting standards: IFRS 4 – Insurance Contracts and IAS 39 - Financial Instruments: Recognition and Measurement. Financial measures that have been added or renamed as a result of the adoption of IFRS 17 and IFRS 9 have been denoted in blue font. The glossary within this supplementary information package has been updated to include updated definitions, as applicable, to reflect the adoption of the new standards.

FINANCIAL HIGHLIGHTS

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

	IFRS 17 / IFRS 9							IFRS 4 / IAS 39							
	2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
	Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Financial results															
Insurance revenue	954.9	907.5	863.8	814.3	1,862.4	1,678.1	3,485.7								
Insurance service expenses	(805.3)	(782.3)	(751.2)	(664.2)	(1,587.6)	(1,415.4)	(3,028.9)								
Net expenses from reinsurance contracts held	(17.4)	(31.3)	(11.0)	(34.1)	(48.7)	(45.1)	(14.9)								
Insurance service result	**132.2**	**93.9**	**101.6**	**116.0**	**226.1**	**217.6**	**441.9**								
Net earned premiums								**850.6**	**830.0**	**799.6**	**768.4**	**3,248.6**	**2,833.6**	**2,508.7**	**2,343.2**
Net claims and adjustment expenses								500.1	530.9	501.1	455.8	1,987.9	1,721.5	1,562.3	1,713.9
Underwriting expenses (net of other underwriting revenues)[1]								280.3	271.2	264.5	252.4	1,068.4	917.6	810.0	747.6
Underwriting income (loss)								**70.2**	**27.9**	**34.0**	**60.2**	**192.3**	**194.5**	**136.4**	**(118.3)**
Impact of discounting								2.8	15.5	61.3	83.0	162.6	44.7	(114.0)	(29.0)
Underwriting income (loss) after the impact of discounting								**73.0**	**43.4**	**95.3**	**143.2**	**354.9**	**239.2**	**22.4**	**(147.3)**
Net investment income	42.8	41.0	31.8	25.8	83.8	57.6	133.1	39.5	36.0	31.8	25.8	133.1	96.8	100.3	105.4
Recognized (losses) gains on FVTPL investments / Recognized (losses) gains on investments	(62.7)	91.7	(227.2)	(197.8)	29.0	(425.0)	(446.1)	(4.9)	(23.6)	(97.5)	(102.3)	(228.3)	(20.8)	79.8	68.3
Finance income (expenses) from insurance contracts issued	18.6	(64.5)	29.8	52.7	(45.9)	82.5	96.3								
Finance (expenses) income from reinsurance contracts held	(1.6)	5.6	(1.9)	(3.2)	4.0	(5.1)	(5.2)								
Distribution revenues	32.0	25.5	-	-	57.5	-	19.9	19.9	-	-	-	19.9	-	-	-
Other (expenses) income	(65.5)	(59.4)	(41.8)	(41.0)	(124.9)	(82.8)	(125.5)	39.6	(4.7)	(4.8)	(3.9)	26.2	(34.0)	(1.9)	(6.0)
Interest expense	(1.3)	(0.6)	-	-	(1.9)	-	(0.6)	(0.6)	-	-	-	(0.6)	-	-	-
Restructuring recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8
Income (loss) before income taxes	**94.5**	**133.2**	**(107.7)**	**(47.5)**	**227.7**	**(155.2)**	**113.8**	**166.5**	**51.1**	**24.8**	**62.8**	**305.2**	**281.2**	**200.6**	**21.2**
Income tax (expense) recovery	(22.3)	(31.1)	30.5	14.9	(53.4)	45.4	(2.3)	(24.3)	(10.0)	(3.8)	(14.5)	(52.6)	(68.0)	(46.7)	(3.8)
Effective tax rate	*23.6%*	*23.5%*	*28.3%*	*31.4%*	*23.5%*	*29.2%*	*2.0%*	*14.6%*	*19.4%*	*15.5%*	*23.1%*	*17.2%*	*24.2%*	*23.3%*	*18.0%*
Net income (loss)	**72.2**	**102.1**	**(77.2)**	**(32.6)**	**174.3**	**(109.8)**	**111.5**	**142.2**	**41.1**	**21.0**	**48.3**	**252.6**	**213.2**	**153.9**	**17.4**
Net income (loss) attributable to common shareholders	**71.6**	**100.9**	**(77.2)**	**(32.6)**	**172.5**	**(109.8)**	**110.9**	**141.6**	**41.1**	**21.0**	**48.3**	**252.0**	**213.2**	**153.9**	**17.4**
Net income attributable to non-controlling interests	**0.6**	**1.2**	**-**	**-**	**1.8**	**-**	**0.6**	**0.6**	**-**	**-**		**0.6**	**-**	**-**	**-**
Gross written premiums[1]	**1,085.1**	**846.9**	**995.8**	**760.1**	**1,932.0**	**1,755.9**	**3,662.3**	**951.9**	**954.5**	**995.8**	**760.1**	**3,662.3**	**3,258.1**	**2,829.2**	**2,533.9**
Change YOY	*9.0%*	*11.4%*	*13.4%*	*14.1%*	*10.0%*	*13.7%*	*12.4%*	*11.0%*	*11.5%*	*13.4%*	*14.1%*	*12.4%*	*15.2%*	*11.7%*	*1.5%*
Net underwriting revenue/ **Net earned premiums**[1]	**877.5**	**839.1**	**803.1**	**765.3**	**1,716.6**	**1,568.4**	**3,251.2**	**850.6**	**830.0**	**799.6**	**768.4**	**3,248.6**	**2,833.6**	**2,508.7**	**2,343.2**
Change YOY	*9.3%*	*9.6%*	*N/A*	*N/A*	*9.4%*	*N/A*	*N/A*	*14.2%*	*14.5%*	*14.7%*	*15.3%*	*14.6%*	*13.0%*	*7.1%*	*4.4%*
Operating income (loss)															
Underwriting income (loss)[3]	41.2	39.5	37.8	57.8	80.7	95.6	189.5	70.2	27.9	34.0	60.2	192.3	194.5	136.4	(118.3)
Net investment income	42.8	41.0	31.8	25.8	83.8	57.6	133.1	39.5	36.0	31.8	25.8	133.1	96.8	100.3	105.4
Distribution income[1]	9.8	9.5	2.9	4.7	19.3	7.6	14.1	4.8	1.7	2.9	4.7	14.1	8.0	4.1	3.5
Interest expense	(1.3)	(0.6)	-	-	(1.9)	-	(0.6)	(0.6)	-	-	-	(0.6)	-	-	-
Other operating (expenses) income	(7.5)	(8.8)	(6.2)	(5.7)	(16.3)	(11.9)	(28.4)	(9.2)	(7.3)	(6.1)	(5.8)	(28.4)	(8.4)	1.3	(0.5)
Operating income (loss)[1]	**85.0**	**80.6**	**66.3**	**82.6**	**165.6**	**148.9**	**307.7**	**104.7**	**58.3**	**62.6**	**84.9**	**310.5**	**290.9**	**242.1**	**(9.9)**
Operating income tax (expense) recovery	(20.2)	(17.2)	(15.2)	(19.3)	(37.4)	(34.5)	(70.9)	(25.7)	(11.8)	(13.8)	(20.3)	(71.6)	(70.5)	(57.7)	4.5
Operating effective tax rate	*23.8%*	*21.3%*	*23.0%*	*23.4%*	*22.6%*	*23.2%*	*23.0%*	*24.5%*	*20.2%*	*22.0%*	*23.9%*	*23.1%*	*24.2%*	*23.8%*	*45.5%*
Operating net income (loss)[1]	**64.8**	**63.4**	**51.1**	**63.3**	**128.2**	**114.4**	**236.8**	**79.0**	**46.5**	**48.8**	**64.6**	**238.9**	**220.4**	**184.4**	**(5.4)**
Underwriting ratios															
Claims ratio[1]	63.7%	62.6%	63.3%	59.1%	63.2%	61.2%	61.7%	58.8%	64.0%	62.7%	59.3%	61.2%	60.8%	62.3%	73.1%
Expense ratio[1]	31.6%	32.7%	32.0%	33.3%	32.1%	32.7%	32.5%	32.9%	32.6%	33.1%	32.9%	32.9%	32.3%	32.3%	31.9%
Combined ratio[1]	**95.3%**	**95.3%**	**95.3%**	**92.4%**	**95.3%**	**93.9%**	**94.2%**	**91.7%**	**96.6%**	**95.8%**	**92.2%**	**94.1%**	**93.1%**	**94.6%**	**105.0%**
Return on equity (for the last 12 months)															
ROE[1]	15.5%	9.5%			15.5%		4.3%	10.6%	6.8%	7.6%	8.8%	10.6%	10.7%	9.0%	1.1%
Operating ROE[1]	9.8%	9.3%			9.8%		9.4%	10.0%	9.7%	10.7%	11.2%	10.0%	11.5%	11.0%	(0.3%)
Financial position															
Total investments	4,758.2	4,881.5	4,914.6	5,141.8	4,758.2	4,914.6	4,897.2	4,897.9	4,854.9	4,915.5	5,142.9	4,897.9	5,365.8	4,366.3	4,191.0
Total assets	6,863.0	6,739.5	6,351.2	6,252.5	6,863.0	6,351.2	6,819.7	8,316.8	7,943.4	7,770.5	7,519.0	8,316.8	7,891.4	6,620.3	5,956.5
Total equity	2,850.3	2,746.8	2,389.9	2,506.9	2,850.3	2,389.9	2,658.3	2,480.4	2,240.9	2,244.7	2,359.7	2,480.4	2,396.3	1,818.0	1,611.0
Minimum capital test (MCT) ratio[2]	213%	219%			213%			204%	204%	206%	215%	204%	275%	268%	239%
Financial capacity[1]	665.4	845.9			665.4			658.5	884.4	909.5	1,020.9	658.5	1,057.8	n/a	n/a
Per share (in $) and share data (in 000's)															
Earnings (loss) per common share, basic	$ 0.62	$ 0.88	$ (0.67)	$ (0.28)	$ 1.50	$ (0.95)	$ 0.96	$ 1.23	$ 0.36	$ 0.18	$ 0.42	$ 2.19	$ 2.03	$ 1.48	$ 0.17
Earnings (loss) per common share, diluted	$ 0.61	$ 0.87	$ (0.67)	$ (0.28)	$ 1.48	$ (0.95)	$ 0.95	$ 1.21	$ 0.35	$ 0.18	$ 0.41	$ 2.15	$ 2.02	$ 1.48	$ 0.17
Operating earnings (loss) per common share[1]	$ 0.56	$ 0.54	$ 0.44	$ 0.54	$ 1.10	$ 0.98	$ 2.03	$ 0.67	$ 0.40	$ 0.42	$ 0.55	$ 2.04	$ 2.09	$ 1.77	$ (0.05)
Book value per share[1]	$ 23.42	$ 22.90	$ 20.78	$ 21.68	$ 23.42	$ 20.78	$ 22.30	$ 20.74	$ 19.54	$ 19.51	$ 20.41	$ 20.74	$ 20.68	$ 17.48	$ 15.49
Dividends paid per share	$ 0.138	$ 0.138	$ 0.125	$ 0.175	$ 0.275	$ 0.300	$ 0.550	$ 0.125	$ 0.125	$ 0.125	$ 0.175	$ 0.550	n/a	n/a	n/a
Weighted average common shares outstanding, diluted	116,736	116,443	117,241	117,523	116,591	117,356	116,929	116,357	116,774	117,241	117,523	116,929	105,405	103,976	103,976

1 This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q2-2023 Management's Discussion and Analysis dated August 3, 2023 for further details, which is available on the Company's website at www.definityfinancial.com and on SEDAR at www.sedar.com. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4-2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tab 14 for the composition and reconciliation to the most directly comparable GAAP measure.

[2] Consolidated Definity Insurance Company

CONSOLIDATED RESULTS OF OPERATIONS

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

		IFRS 17 / IFRS 9							IFRS 4 / IAS 39							
		2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
		Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Comprehensive income (loss)																
Net income (loss)	1	**72.2**	**102.1**	**(77.2)**	**(32.6)**	**174.3**	**(109.8)**	**111.5**	**142.2**	**41.1**	**21.0**	**48.3**	**252.6**	**213.2**	**153.9**	**17.4**
Net unrealized gains (losses) on AFS investments	2								5.7	(49.1)	(186.9)	(110.4)	(340.7)	96.6	76.8	73.7
Reclassification to net income (loss) of net recognized losses (gains) on AFS investments	3								7.7	13.4	35.3	10.5	66.9	(49.2)	5.0	(39.2)
Foreign exchange (loss) gain on investments in associates	4	(0.8)	-	0.9	(0.4)	(0.8)	0.5	2.1	(0.5)	2.1	0.9	(0.4)	2.1	(0.3)	(0.5)	(1.5)
Income tax recovery (expense)	5								(3.4)	9.3	39.4	26.6	71.9	(11.2)	(21.6)	(9.6)
Items that may be reclassified subsequently to net income (loss)	6	**(0.8)**	**-**	**0.9**	**(0.4)**	**(0.8)**	**0.5**	**2.1**	**9.5**	**(24.3)**	**(111.3)**	**(73.7)**	**(199.8)**	**35.9**	**59.7**	**23.4**
Recognized (losses) gains on FVTOCI investments	7	(2.0)	2.1	(21.8)	(4.5)	0.1	(26.3)	(55.8)								
Post-employment benefit obligation (loss) gain	8	(0.2)	1.6	6.6	17.5	1.4	24.1	26.4	2.3	-	6.6	17.5	26.4	29.3	(8.8)	4.2
Income tax recovery (expense)	9	0.6	(1.0)	4.1	(3.4)	(0.4)	0.7	7.8	(0.7)	-	(1.7)	(4.6)	(7.0)	(7.6)	2.2	(1.3)
Items that will not be reclassified subsequently to net income (loss)	10	**(1.6)**	**2.7**	**(11.1)**	**9.6**	**1.1**	**(1.5)**	**(21.6)**	**1.6**	**-**	**4.9**	**12.9**	**19.4**	**21.7**	**(6.6)**	**2.9**
Other comprehensive (loss) income	11	**(2.4)**	**2.7**	**(10.2)**	**9.2**	**0.3**	**(1.0)**	**(19.5)**	**11.1**	**(24.3)**	**(106.4)**	**(60.8)**	**(180.4)**	**57.6**	**53.1**	**26.3**
Comprehensive income (loss)	12	**69.8**	**104.8**	**(87.4)**	**(23.4)**	**174.6**	**(110.8)**	**92.0**	**153.3**	**16.8**	**(85.4)**	**(12.5)**	**72.2**	**270.8**	**207.0**	**43.7**
Comprehensive income (loss) attributable to common shareholders	13	**69.2**	**103.6**	**(87.4)**	**(23.4)**	**172.8**	**(110.8)**	**91.4**	**152.7**	**16.8**	**(85.4)**	**(12.5)**	**71.6**	**270.8**	**207.0**	**43.7**
Comprehensive income attributable to non-controlling interests	14	**0.6**	**1.2**	**-**	**-**	**1.8**	**-**	**0.6**	**0.6**	**-**	**-**	**-**	**0.6**	**-**	**-**	**-**
Net investment income																
Total interest income	15	**35.0**	**34.3**	**24.8**	**19.7**	**69.3**	**44.5**	**105.3**	**32.3**	**28.5**	**24.8**	**19.7**	**105.3**	**71.5**	**75.3**	**82.5**
Preferred shares	16	4.7	4.5	4.3	4.3	9.2	8.6	17.2	4.2	4.4	4.3	4.3	17.2	18.2	18.6	17.1
Common shares	17	4.4	3.9	3.9	3.4	8.3	7.3	16.2	4.6	4.3	3.9	3.4	16.2	12.5	10.5	9.9
Total dividend income	18	**9.1**	**8.4**	**8.2**	**7.7**	**17.5**	**15.9**	**33.4**	**8.8**	**8.7**	**8.2**	**7.7**	**33.4**	**30.7**	**29.1**	**27.0**
Investment income, before expenses	19	**44.1**	**42.7**	**33.0**	**27.4**	**86.8**	**60.4**	**138.7**	**41.1**	**37.2**	**33.0**	**27.4**	**138.7**	**102.2**	**104.4**	**109.5**
Investment expenses	20	(1.3)	(1.7)	(1.2)	(1.6)	(3.0)	(2.8)	(5.6)	(1.6)	(1.2)	(1.2)	(1.6)	(5.6)	(5.4)	(4.1)	(4.1)
Net investment income	21	**42.8**	**41.0**	**31.8**	**25.8**	**83.8**	**57.6**	**133.1**	**39.5**	**36.0**	**31.8**	**25.8**	**133.1**	**96.8**	**100.3**	**105.4**
Recognized gains (losses) on investments																
Recognized (losses) gains on FVTPL investments/ Total recognized (losses) gains on investments	22	(62.7)	91.7	(227.2)	(197.8)	29.0	(425.0)	(446.1)	(4.9)	(23.6)	(97.5)	(102.3)	(228.3)	(20.8)	79.8	68.3
Non-operating gains (losses)																
Recognized (losses) gains on FVTPL investments / Total recognized (losses) gains on investments	23	(62.7)	91.7	(227.2)	(197.8)	29.0	(425.0)	(446.1)	(4.9)	(23.6)	(97.5)	(102.3)	(228.3)	(20.8)	79.8	68.3
Discounting in insurance service result / Impact of discounting	24	52.0	16.4	25.8	16.9	68.4	42.7	107.4	2.8	15.5	61.3	83.0	162.6	44.7	(114.0)	(29.0)
Risk adjustment	25	3.7	2.3	1.1	4.1	6.0	5.2	(6.6)								
Finance income (expenses) from insurance contracts issued	26	18.6	(64.5)	29.8	52.7	(45.9)	82.5	96.3								
Finance (expenses) income from reinsurance contracts held	27	(1.6)	5.6	(1.9)	(3.2)	4.0	(5.1)	(5.2)								
Interest on restricted cash, less demutualization and IPO-related expenses	28	2.9	2.5	(0.4)	(1.9)	5.4	(2.3)	0.7	1.7	1.3	(0.4)	(1.9)	0.7	(30.1)	(3.8)	(4.8)
Amortization of intangible assets recognized in business combinations	29	(3.9)	(3.2)	(0.7)	(0.6)	(7.1)	(1.3)	(5.4)	(3.5)	(0.7)	(0.7)	(0.6)	(5.4)	(3.5)	(4.5)	(4.4)
Restructuring recovery	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8
Revaluation gain on acquisition of McDougall Insurance Brokers Limited	31	-	-	-	-	-	-	67.0	67.0	-	-	-	67.0	-	-	-
Other	32	(0.2)	0.1	(0.5)	(0.3)	(0.1)	(0.8)	(2.8)	(2.2)	0.3	(0.5)	(0.3)	(2.8)	-	1.0	0.2
Total non-operating gains (losses)[1]	33	**8.8**	**50.9**	**(174.0)**	**(130.1)**	**59.7**	**(304.1)**	**(194.7)**	**60.9**	**(7.2)**	**(37.8)**	**(22.1)**	**(6.2)**	**(9.7)**	**(41.5)**	**31.1**

1 This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q2-2023 Management's Discussion and Analysis dated August 3, 2023 for further details, which is available on the Company's website at www.definityfinancial.com and on SEDAR at www.sedar.com. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4-2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tab 14 for the composition and reconciliation to the most directly comparable GAAP measure.

UNDERWRITING PERFORMANCE

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

	IFRS 17							IFRS 4							
	2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
	Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Underwriting results															
Net underwriting revenue / Net earned premiums[1]	1	877.5	839.1	803.1	765.3	1,716.6	1,568.4	3,251.2	850.6	830.0	799.6	768.4	3,248.6	2,833.6	2,508.7	2,343.2
Net claims and adjustment expenses[1]	2	559.1	525.1	508.0	452.0	1,084.2	960.0	2,004.5	500.1	530.9	501.1	455.8	1,987.9	1,721.5	1,562.3	1,713.9
Net underwriting expenses[1] / Underwriting expenses (net of other underwriting revenues)[1]	3	277.2	274.5	257.3	255.5	551.7	512.8	1,057.2	280.3	271.2	264.5	252.4	1,068.4	917.6	810.0	747.6
Underwriting income (loss)[1]	4	**41.2**	**39.5**	**37.8**	**57.8**	**80.7**	**95.6**	**189.5**	**70.2**	**27.9**	**34.0**	**60.2**	**192.3**	**194.5**	**136.4**	**(118.3)**
Claims ratio[1]	5	63.7%	62.6%	63.3%	59.1%	63.2%	61.2%	61.7%	58.8%	64.0%	62.7%	59.3%	61.2%	60.8%	62.3%	73.1%
Expense ratio[1]	6	31.6%	32.7%	32.0%	33.3%	32.1%	32.7%	32.5%	32.9%	32.6%	33.1%	32.9%	32.9%	32.3%	32.3%	31.9%
Combined ratio[1]	7	**95.3%**	**95.3%**	**95.3%**	**92.4%**	**95.3%**	**93.9%**	**94.2%**	**91.7%**	**96.6%**	**95.8%**	**92.2%**	**94.1%**	**93.1%**	**94.6%**	**105.0%**
Net claims and adjustment expenses																
Core accident year claims and adjustment expenses[1]	8	533.9	512.8	480.4	456.6	1,046.7	937.0	1,970.9	519.6	510.3	480.8	460.8	1,971.5	1,705.8	1,498.8	1,685.4
Catastrophe losses[1]	9	47.6	20.0	49.4	17.3	67.6	66.7	119.9	4.3	45.8	41.5	17.3	108.9	91.7	93.1	66.4
Prior year favourable claims development[1]	10	(22.4)	(7.7)	(21.8)	(21.9)	(30.1)	(43.7)	(86.3)	(23.8)	(25.2)	(21.2)	(22.3)	(92.5)	(76.0)	(29.6)	(37.9)
Net claims and adjustment expenses[1]	11	**559.1**	**525.1**	**508.0**	**452.0**	**1,084.2**	**960.0**	**2,004.5**	**500.1**	**530.9**	**501.1**	**455.8**	**1,987.9**	**1,721.5**	**1,562.3**	**1,713.9**
Core accident year claims ratio[1]	12	60.9%	61.1%	59.8%	59.7%	61.1%	59.7%	60.7%	61.1%	61.3%	59.5%	59.9%	60.4%	60.2%	59.8%	71.9%
Catastrophe losses ratio[1,2]	13	5.4%	2.4%	6.2%	2.3%	3.9%	4.3%	3.7%	0.5%	5.7%	5.8%	2.3%	3.6%	3.3%	3.7%	2.8%
Prior year favourable claims development ratio[1]	14	(2.6%)	(0.9%)	(2.7%)	(2.9%)	(1.8%)	(2.8%)	(2.7%)	(2.8%)	(3.0%)	(2.6%)	(2.9%)	(2.8%)	(2.7%)	(1.2%)	(1.6%)
Claims ratio[1]	15	**63.7%**	**62.6%**	**63.3%**	**59.1%**	**63.2%**	**61.2%**	**61.7%**	**58.8%**	**64.0%**	**62.7%**	**59.3%**	**61.2%**	**60.8%**	**62.3%**	**73.1%**
Net underwriting expenses																
Net commissions[1]	16	127.4	124.8	121.3	122.9	252.2	244.2	503.5	136.3	130.3	127.2	126.6	520.4	426.5	379.6	361.3
Operating expenses / Operating expenses (net of other underwriting revenues)[1]	17	116.0	118.4	105.8	104.2	234.4	210.0	433.3	112.4	110.0	107.6	97.6	427.6	384.2	337.3	300.1
Premium taxes	18	33.8	31.3	30.2	28.4	65.1	58.6	120.4	31.6	30.9	29.7	28.2	120.4	106.9	93.1	86.2
Net underwriting expenses[1] / Underwriting expenses (net of other underwriting revenues)[1]	19	**277.2**	**274.5**	**257.3**	**255.5**	**551.7**	**512.8**	**1,057.2**	**280.3**	**271.2**	**264.5**	**252.4**	**1,068.4**	**917.6**	**810.0**	**747.6**
Net commissions ratio[1]	20	14.5%	14.9%	15.1%	16.1%	14.7%	15.6%	15.5%	16.0%	15.7%	15.9%	16.5%	16.0%	15.0%	15.1%	15.4%
Operating expenses ratio[1] / Operating expenses (net of other underwriting revenues) ratio[1]	21	13.2%	14.1%	13.1%	13.5%	13.6%	13.4%	13.3%	13.2%	13.2%	13.5%	12.7%	13.2%	13.5%	13.5%	12.8%
Premium taxes ratio[1]	22	3.9%	3.7%	3.8%	3.7%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.8%	3.7%	3.7%
Expense ratio[1]	23	**31.6%**	**32.7%**	**32.0%**	**33.3%**	**32.1%**	**32.7%**	**32.5%**	**32.9%**	**32.6%**	**33.1%**	**32.9%**	**32.9%**	**32.3%**	**32.3%**	**31.9%**

1 This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q2-2023 Management's Discussion and Analysis dated August 3, 2023 for further details, which is available on the Company's website at www.definityfinancial.com and on SEDAR at www.sedar.com. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4-2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tab 14 for the composition and reconciliation to the most directly comparable GAAP measure.

[2] 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)

	IFRS 17							IFRS 4							
	2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
	Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Personal insurance															
Policies in force (in '000)	**1,630.1**	**1,626.7**	**1,596.0**	**1,576.4**	**1,630.1**	**1,596.0**	**1,622.6**	**1,622.6**	**1,611.1**	**1,596.0**	**1,576.4**	**1,622.6**	**1,550.7**	**1,416.1**	**1,341.8**
Change YOY	*2.1%*	*3.2%*	*7.4%*	*9.4%*	*2.1%*	*7.4%*	*4.6%*	*4.6%*	*5.5%*	*7.4%*	*9.4%*	*4.6%*	*9.5%*	*5.5%*	*0.6%*
Gross written premiums[1]	**743.9**	**583.1**	**699.8**	**540.2**	**1,327.0**	**1,240.0**	**2,591.8**	**654.6**	**697.2**	**699.8**	**540.2**	**2,591.8**	**2,347.8**	**2,100.6**	**1,917.1**
Change YOY	*6.3%*	*7.9%*	*11.6%*	*12.3%*	*7.0%*	*11.9%*	*10.4%*	*8.4%*	*9.7%*	*11.6%*	*12.3%*	*10.4%*	*11.8%*	*9.6%*	*5.5%*
Broker channel gross written premiums[1]	**642.1**	**488.8**	**592.7**	**452.0**	**1,130.8**	**1,044.7**	**2,168.1**	**544.7**	**578.7**	**592.7**	**452.0**	**2,168.1**	**1,974.2**	**1,795.3**	**1,652.4**
Change YOY	*8.3%*	*8.1%*	*11.0%*	*10.6%*	*8.2%*	*10.9%*	*9.8%*	*8.4%*	*9.3%*	*11.0%*	*10.6%*	*9.8%*	*10.0%*	*8.6%*	*2.1%*
Direct channel gross written premiums[1]	**101.8**	**94.3**	**107.1**	**88.2**	**196.2**	**195.3**	**423.7**	**109.9**	**118.5**	**107.1**	**88.2**	**423.7**	**373.6**	**305.3**	**264.7**
Change YOY	*(4.9%)*	*6.9%*	*14.7%*	*21.7%*	*0.5%*	*17.7%*	*13.4%*	*8.4%*	*11.5%*	*14.7%*	*21.7%*	*13.4%*	*22.4%*	*15.3%*	*32.8%*
Net underwriting revenue / Net earned premiums[1]	**632.8**	**606.7**	**587.2**	**561.7**	**1,239.5**	**1,148.9**	**2,373.7**	**619.5**	**607.3**	**585.3**	**565.6**	**2,377.7**	**2,093.7**	**1,892.9**	**1,747.4**
Change YOY	*7.8%*	*8.0%*	*N/A*	*N/A*	*7.9%*	*N/A*	*N/A*	*13.0%*	*14.0%*	*13.1%*	*14.2%*	*13.6%*	*10.6%*	*8.3%*	*9.6%*
Underwriting income (loss)[1]	**2.8**	**18.3**	**19.7**	**29.0**	**21.1**	**48.7**	**102.9**	**45.4**	**13.6**	**18.0**	**30.7**	**107.7**	**127.6**	**114.2**	**(108.4)**
Combined ratio[1]	**99.6%**	**97.0%**	**96.7%**	**94.8%**	**98.3%**	**95.8%**	**95.7%**	**92.7%**	**97.7%**	**96.9%**	**94.6%**	**95.5%**	**93.9%**	**94.0%**	**106.2%**
Personal auto															
Policies in force (in '000)	**782.6**	**784.2**	**778.6**	**770.5**	**782.6**	**778.6**	**785.0**	**785.0**	**785.1**	**778.6**	**770.5**	**785.0**	**761.6**	**727.0**	**718.8**
Change YOY	*0.5%*	*1.8%*	*4.0%*	*5.1%*	*0.5%*	*4.0%*	*3.1%*	*3.1%*	*3.4%*	*4.0%*	*5.1%*	*3.1%*	*4.8%*	*1.1%*	*(4.4%)*
Gross written premiums[1]	**442.1**	**357.8**	**431.1**	**339.8**	**799.9**	**770.9**	**1,579.1**	**386.6**	**421.6**	**431.1**	**339.8**	**1,579.1**	**1,453.2**	**1,349.9**	**1,284.8**
Change YOY	*2.6%*	*5.3%*	*10.5%*	*9.6%*	*3.8%*	*10.1%*	*8.7%*	*5.4%*	*9.1%*	*10.5%*	*9.6%*	*8.7%*	*7.7%*	*5.1%*	*1.7%*
Net underwriting revenue / Net earned premiums[1]	**382.0**	**365.7**	**362.7**	**346.2**	**747.7**	**708.9**	**1,457.8**	**379.4**	**375.5**	**366.7**	**349.1**	**1,470.7**	**1,332.5**	**1,251.2**	**1,195.6**
Change YOY	*5.3%*	*5.6%*	*N/A*	*N/A*	*5.5%*	*N/A*	*N/A*	*10.2%*	*11.4%*	*10.5%*	*9.3%*	*10.4%*	*6.5%*	*4.7%*	*8.8%*
Core accident year claims[1]	271.5	266.4	245.5	234.4	537.9	479.9	1,011.8	267.5	259.3	244.9	237.9	1,009.6	895.6	847.4	1,015.3
Catastrophe losses[1]	1.9	0.3	3.8	0.4	2.2	4.2	5.4	(0.1)	1.3	3.0	0.4	4.6	6.1	11.0	3.5
Prior year favourable claims development[1]	(6.4)	(2.0)	(13.9)	(3.9)	(8.4)	(17.8)	(45.0)	(20.9)	(12.1)	(15.0)	(6.6)	(54.6)	(72.6)	(11.3)	(25.7)
Net claims and adjustment expenses[1]	**267.0**	**264.7**	**235.4**	**230.9**	**531.7**	**466.3**	**972.2**	**246.5**	**248.5**	**232.9**	**231.7**	**959.6**	**829.1**	**847.1**	**993.1**
Net underwriting expenses[1] / Underwriting expenses (net of other underwriting revenues)[1]	105.8	104.2	101.0	102.3	210.0	203.3	415.8	110.6	111.5	107.1	104.2	433.4	386.6	358.9	341.9
Underwriting income (loss)[1]	**9.2**	**(3.2)**	**26.3**	**13.0**	**6.0**	**39.3**	**69.8**	**22.3**	**15.5**	**26.7**	**13.2**	**77.7**	**116.8**	**45.2**	**(139.4)**
Core accident year claims ratio[1]	71.1%	72.9%	67.7%	67.7%	71.9%	67.7%	69.4%	70.5%	69.1%	66.8%	68.2%	68.6%	67.1%	67.7%	84.9%
Catastrophe losses ratio[1,2]	0.5%	0.1%	1.0%	0.1%	0.3%	0.6%	0.4%	-	0.3%	0.8%	0.1%	0.3%	0.5%	0.9%	0.3%
Prior year favourable claims development ratio[1]	(1.7%)	(0.6%)	(3.8%)	(1.1%)	(1.1%)	(2.5%)	(3.1%)	(5.5%)	(3.2%)	(4.1%)	(1.9%)	(3.7%)	(5.4%)	(0.9%)	(2.1%)
Claims ratio[1]	**69.9%**	**72.4%**	**64.9%**	**66.7%**	**71.1%**	**65.8%**	**66.7%**	**65.0%**	**66.2%**	**63.5%**	**66.4%**	**65.2%**	**62.2%**	**67.7%**	**83.1%**
Net commissions ratio[1]	10.5%	11.2%	11.0%	12.6%	10.8%	11.7%	11.8%	12.6%	12.7%	12.5%	13.5%	12.8%	11.8%	11.8%	12.1%
Operating expenses ratio[1] / Operating expenses (net of other underwriting revenues) ratio[1]	13.7%	14.0%	13.4%	13.6%	13.8%	13.6%	13.4%	13.3%	13.7%	13.4%	13.0%	13.4%	13.8%	13.5%	13.1%
Premium taxes ratio[1]	3.5%	3.3%	3.5%	3.3%	3.5%	3.4%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	3.4%	3.4%
Expense ratio[1]	**27.7%**	**28.5%**	**27.9%**	**29.5%**	**28.1%**	**28.7%**	**28.5%**	**29.2%**	**29.7%**	**29.2%**	**29.8%**	**29.5%**	**29.0%**	**28.7%**	**28.6%**
Combined ratio[1]	**97.6%**	**100.9%**	**92.8%**	**96.2%**	**99.2%**	**94.5%**	**95.2%**	**94.2%**	**95.9%**	**92.7%**	**96.2%**	**94.7%**	**91.2%**	**96.4%**	**111.7%**
Personal property[3]															
Policies in force (in '000)	**847.5**	**842.5**	**817.4**	**805.9**	**847.5**	**817.4**	**837.6**	**837.6**	**826.0**	**817.4**	**805.9**	**837.6**	**789.1**	**689.1**	**623.0**
Change YOY	*3.7%*	*4.5%*	*10.9%*	*13.9%*	*3.7%*	*10.9%*	*6.1%*	*6.1%*	*7.7%*	*10.9%*	*13.9%*	*6.1%*	*14.5%*	*10.6%*	*7.0%*
Gross written premiums[1]	**301.8**	**225.3**	**268.7**	**200.4**	**527.1**	**469.1**	**1,012.7**	**268.0**	**275.6**	**268.7**	**200.4**	**1,012.7**	**894.6**	**750.7**	**632.3**
Change YOY	*12.3%*	*12.4%*	*13.4%*	*17.1%*	*12.4%*	*14.9%*	*13.2%*	*13.0%*	*10.5%*	*13.4%*	*17.1%*	*13.2%*	*19.2%*	*18.7%*	*14.1%*
Net underwriting revenue / Net earned premiums[1]	**250.8**	**241.0**	**224.5**	**215.5**	**491.8**	**440.0**	**915.9**	**240.1**	**231.8**	**218.6**	**216.5**	**907.0**	**761.2**	**641.7**	**551.8**
Change YOY	*11.7%*	*11.8%*	*N/A*	*N/A*	*11.8%*	*N/A*	*N/A*	*17.9%*	*18.4%*	*17.7%*	*23.0%*	*19.2%*	*18.6%*	*16.3%*	*11.6%*
Core accident year claims and adjustment expenses[1]	127.2	122.1	125.2	113.7	249.3	238.9	491.3	121.4	129.9	124.8	113.2	489.2	406.4	322.8	299.6
Catastrophe losses[1]	42.7	9.2	30.4	15.4	51.9	45.8	80.8	8.1	24.5	24.0	15.4	72.1	69.9	28.8	37.0
Prior year (favourable) adverse claims development[1]	(1.1)	(0.7)	(4.4)	(9.5)	(1.8)	(13.9)	(20.8)	(2.7)	(4.6)	(3.4)	(7.8)	(18.5)	3.5	(6.7)	(6.9)
Net claims and adjustment expenses[1]	**168.8**	**130.6**	**151.2**	**119.6**	**299.4**	**270.8**	**551.3**	**126.8**	**149.8**	**145.4**	**120.8**	**542.8**	**479.8**	**344.9**	**329.7**
Net underwriting expenses[1] / Underwriting expenses (net of other underwriting revenues)[1]	88.4	88.9	79.9	79.9	177.3	159.8	331.5	90.2	83.9	81.9	78.2	334.2	270.6	227.8	191.1
Underwriting income (loss)[1]	**(6.4)**	**21.5**	**(6.6)**	**16.0**	**15.1**	**9.4**	**33.1**	**23.1**	**(1.9)**	**(8.7)**	**17.5**	**30.0**	**10.8**	**69.0**	**31.0**
Core accident year claims ratio[1]	50.7%	50.7%	55.8%	52.7%	50.7%	54.4%	53.7%	50.5%	55.7%	55.5%	52.3%	53.4%	53.1%	50.2%	54.4%
Catastrophe losses ratio[1,2]	17.0%	3.8%	13.5%	7.2%	10.6%	10.4%	8.8%	3.4%	10.9%	12.5%	7.1%	8.4%	9.4%	4.5%	6.7%
Prior year (favourable) adverse claims development ratio[1]	(0.4%)	(0.3%)	(2.0%)	(4.4%)	(0.4%)	(3.2%)	(2.3%)	(1.1%)	(2.0%)	(1.5%)	(3.6%)	(2.0%)	0.5%	(1.0%)	(1.3%)
Claims ratio[1]	**67.3%**	**54.2%**	**67.3%**	**55.5%**	**60.9%**	**61.6%**	**60.2%**	**52.8%**	**64.6%**	**66.5%**	**55.8%**	**59.8%**	**63.0%**	**53.7%**	**59.8%**
Net commissions ratio[1]	19.3%	19.7%	19.7%	20.3%	19.5%	20.0%	20.0%	20.7%	19.6%	20.2%	20.2%	20.2%	18.6%	18.3%	18.1%
Operating expenses ratio[1] / Operating expenses (net of other underwriting revenues) ratio[1]	11.7%	13.4%	11.9%	12.8%	12.5%	12.3%	12.2%	12.8%	12.5%	13.2%	11.9%	12.6%	12.8%	13.1%	12.4%
Premium taxes ratio[1]	4.2%	3.9%	4.0%	4.0%	4.0%	4.0%	4.0%	4.1%	4.1%	4.1%	4.0%	4.1%	4.2%	4.1%	4.1%
Expense ratio[1]	**35.2%**	**36.9%**	**35.6%**	**37.1%**	**36.0%**	**36.3%**	**36.2%**	**37.6%**	**36.2%**	**37.5%**	**36.1%**	**36.9%**	**35.6%**	**35.5%**	**34.6%**
Combined ratio[1]	**102.5%**	**91.1%**	**102.9%**	**92.6%**	**96.9%**	**97.9%**	**96.4%**	**90.4%**	**100.8%**	**104.0%**	**91.9%**	**96.7%**	**98.6%**	**89.2%**	**94.4%**

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

3 Includes Petline

COMMERCIAL INSURANCE

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

		IFRS 17							IFRS 4							
		2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
		Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Commercial insurance																
Gross written premiums[1]	1	**341.2**	**263.8**	**296.0**	**219.9**	**605.0**	**515.9**	**1,070.5**	**297.3**	**257.3**	**296.0**	**219.9**	**1,070.5**	**910.3**	**728.6**	**616.8**
Change YOY	2	*15.3%*	*20.0%*	*17.9%*	*19.0%*	*17.3%*	*18.4%*	*17.6%*	*17.0%*	*16.7%*	*17.9%*	*19.0%*	*17.6%*	*24.9%*	*18.1%*	*(9.0%)*
Net underwriting revenue / Net earned premiums[1]	3	**244.7**	**232.4**	**215.9**	**203.6**	**477.1**	**419.5**	**877.5**	**231.1**	**222.7**	**214.3**	**202.8**	**870.9**	**739.9**	**615.8**	**595.8**
Change YOY	4	*13.3%*	*14.1%*	*19.3%*	*N/A*	*13.7%*	*N/A*	*N/A*	*17.3%*	*15.7%*	*19.3%*	*18.7%*	*17.7%*	*20.2%*	*3.4%*	*(8.5%)*
Core accident year claims and adjustment expenses[1]	5	135.2	124.3	109.7	108.5	259.5	218.2	467.8	130.7	121.1	111.1	109.7	472.7	403.8	328.6	370.5
Catastrophe losses[1]	6	3.0	10.5	15.2	1.5	13.5	16.7	33.7	(3.7)	20.0	14.5	1.5	32.2	15.7	53.3	25.9
Prior year favourable claims development[1]	7	(14.9)	(5.0)	(3.5)	(8.5)	(19.9)	(12.0)	(20.5)	(0.2)	(8.5)	(2.8)	(7.9)	(19.4)	(6.9)	(11.6)	(5.3)
Net claims and adjustment expenses[1]	8	**123.3**	**129.8**	**121.4**	**101.5**	**253.1**	**222.9**	**481.0**	**126.8**	**132.6**	**122.8**	**103.3**	**485.5**	**412.6**	**370.3**	**391.1**
Net underwriting expenses[1] / Underwriting expenses (net of other underwriting revenues)[1]	9	83.0	81.4	76.4	73.3	164.4	149.7	309.9	79.5	75.8	75.5	70.0	300.8	260.4	223.3	214.6
Underwriting income (loss)[1]	10	**38.4**	**21.2**	**18.1**	**28.8**	**59.6**	**46.9**	**86.6**	**24.8**	**14.3**	**16.0**	**29.5**	**84.6**	**66.9**	**22.2**	**(9.9)**
Core accident year claims ratio[1]	11	55.3%	53.5%	50.8%	53.4%	54.5%	52.0%	53.3%	56.6%	54.3%	51.7%	54.1%	54.2%	54.4%	53.3%	62.2%
Catastrophe losses ratio[1,2]	12	1.2%	4.5%	7.0%	0.7%	2.8%	4.0%	3.8%	(1.6%)	9.1%	6.9%	0.7%	3.7%	2.3%	8.7%	4.3%
Prior year favourable claims development ratio[1]	13	(6.1%)	(2.1%)	(1.6%)	(4.2%)	(4.2%)	(2.9%)	(2.3%)	(0.1%)	(3.8%)	(1.3%)	(3.9%)	(2.2%)	(0.9%)	(1.9%)	(0.9%)
Claims ratio[1]	14	**50.4%**	**55.9%**	**56.2%**	**49.9%**	**53.1%**	**53.1%**	**54.8%**	**54.9%**	**59.6%**	**57.3%**	**50.9%**	**55.7%**	**55.8%**	**60.1%**	**65.6%**
Net commissions ratio[1]	15	16.0%	15.8%	17.2%	17.6%	15.9%	17.4%	17.0%	16.8%	16.6%	17.4%	17.7%	17.1%	17.3%	18.6%	19.5%
Operating expenses ratio[1] / Operating expenses (net of other underwriting revenues) ratio[1]	16	13.8%	15.2%	14.2%	14.5%	14.4%	14.3%	14.3%	13.5%	13.3%	13.8%	12.9%	13.5%	13.9%	13.8%	12.8%
Premium taxes ratio[1]	17	4.1%	4.0%	4.0%	3.9%	4.1%	4.0%	4.0%	4.0%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	3.8%
Expense ratio[1]	18	**33.9%**	**35.0%**	**35.4%**	**36.0%**	**34.4%**	**35.7%**	**35.3%**	**34.3%**	**34.0%**	**35.2%**	**34.6%**	**34.6%**	**35.2%**	**36.3%**	**36.1%**
Combined ratio[1]	19	**84.3%**	**90.9%**	**91.6%**	**85.9%**	**87.5%**	**88.8%**	**90.1%**	**89.2%**	**93.6%**	**92.5%**	**85.5%**	**90.3%**	**91.0%**	**96.4%**	**101.7%**

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2 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)

		IFRS 17							IFRS 4							
		2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
		Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
By line of business																
Personal auto	1	1.9	0.3	3.8	0.4	2.2	4.2	5.4	(0.1)	1.3	3.0	0.4	4.6	6.1	11.0	3.5
Personal property	2	42.7	9.2	30.4	15.4	51.9	45.8	80.8	8.1	24.5	24.0	15.4	72.1	69.9	28.8	37.0
Commercial lines	3	3.0	10.5	15.2	1.5	13.5	16.7	33.7	(3.7)	20.0	14.5	1.5	32.2	15.7	53.3	25.9
Total catastrophe losses	4	**47.6**	**20.0**	**49.4**	**17.3**	**67.6**	**66.7**	**119.9**	**4.3**	**45.8**	**41.5**	**17.3**	**108.9**	**91.7**	**93.1**	**66.4**
By line of business, as % of NEP[1,2]																
Personal auto	5	0.5%	0.1%	1.0%	0.1%	0.3%	0.6%	0.4%	-	0.3%	0.8%	0.1%	0.3%	0.5%	0.9%	0.3%
Personal property	6	17.0%	3.8%	13.5%	7.2%	10.6%	10.4%	8.8%	3.4%	10.9%	12.5%	7.1%	8.4%	9.4%	4.5%	6.7%
Commercial lines	7	1.2%	4.5%	7.0%	0.7%	2.8%	4.0%	3.8%	(1.6%)	9.1%	6.9%	0.7%	3.7%	2.3%	8.7%	4.3%
Total catastrophe losses	8	**5.4%**	**2.4%**	**6.2%**	**2.3%**	**3.9%**	**4.3%**	**3.7%**	**0.5%**	**5.7%**	**5.8%**	**2.3%**	**3.6%**	**3.3%**	**3.7%**	**2.8%**

HISTORICAL PRIOR YEAR CLAIMS DEVELOPMENT

By line of business																
Personal auto	9	(6.4)	(2.0)	(13.9)	(3.9)	(8.4)	(17.8)	(45.0)	(20.9)	(12.1)	(15.0)	(6.6)	(54.6)	(72.6)	(11.3)	(25.7)
Personal property	10	(1.1)	(0.7)	(4.4)	(9.5)	(1.8)	(13.9)	(20.8)	(2.7)	(4.6)	(3.4)	(7.8)	(18.5)	3.5	(6.7)	(6.9)
Commercial lines	11	(14.9)	(5.0)	(3.5)	(8.5)	(19.9)	(12.0)	(20.5)	(0.2)	(8.5)	(2.8)	(7.9)	(19.4)	(6.9)	(11.6)	(5.3)
Total favourable claims development[1]	12	**(22.4)**	**(7.7)**	**(21.8)**	**(21.9)**	**(30.1)**	**(43.7)**	**(86.3)**	**(23.8)**	**(25.2)**	**(21.2)**	**(22.3)**	**(92.5)**	**(76.0)**	**(29.6)**	**(37.9)**
By line of business, as % of NEP[1]																
Personal auto	13	(1.7%)	(0.6%)	(3.8%)	(1.1%)	(1.1%)	(2.5%)	(3.1%)	(5.5%)	(3.2%)	(4.1%)	(1.9%)	(3.7%)	(5.4%)	(0.9%)	(2.1%)
Personal property	14	(0.4%)	(0.3%)	(2.0%)	(4.4%)	(0.4%)	(3.2%)	(2.3%)	(1.1%)	(2.0%)	(1.5%)	(3.6%)	(2.0%)	0.5%	(1.0%)	(1.3%)
Commercial lines	15	(6.1%)	(2.1%)	(1.6%)	(4.2%)	(4.2%)	(2.9%)	(2.3%)	(0.1%)	(3.8%)	(1.3%)	(3.9%)	(2.2%)	(0.9%)	(1.9%)	(0.9%)
Total favourable claims development[1]	16	**(2.6%)**	**(0.9%)**	**(2.7%)**	**(2.9%)**	**(1.8%)**	**(2.8%)**	**(2.7%)**	**(2.8%)**	**(3.0%)**	**(2.6%)**	**(2.9%)**	**(2.8%)**	**(2.7%)**	**(1.2%)**	**(1.6%)**

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[2] The impact of reinsurance reinstatement premiums on the claims ratio is fully reflected in catastrophe losses. Prior to the adoption of IFRS 17, reinstatement premiums were included in net earned premiums.

INVESTMENT PORTFOLIO

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

	IFRS 9					IAS 39							
	2023		2022		2022	2022				2022	2021	2020	2019
	Q2	Q1	Q2	Q1	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Total portfolio													
By class													
Short-term investments 1	144.7	58.6	112.9	74.5	89.3	89.3	175.2	112.9	74.5	89.3	88.8	218.2	228.1
Bonds 2	3,679.1	3,906.3	3,897.6	4,033.7	3,923.7	3,923.7	3,808.8	3,897.6	4,033.7	3,923.7	4,233.8	3,400.7	3,223.8
Preferred stocks 3	299.9	305.2	349.6	390.9	298.0	298.0	327.4	349.6	390.9	298.0	405.7	336.6	345.1
Common stocks 4	559.1	544.2	492.5	570.1	517.7	517.7	488.6	492.5	570.1	517.7	570.5	329.8	296.8
Pooled funds 5	64.9	56.3	40.3	45.3	57.2	57.2	40.3	40.3	45.3	57.2	42.7	43.4	44.4
Commercial loans 6	10.5	10.9	21.7	27.3	11.3	12.0	14.6	22.6	28.4	12.0	24.3	37.6	52.8
Total 7	**4,758.2**	**4,881.5**	**4,914.6**	**5,141.8**	**4,897.2**	**4,897.9**	**4,854.9**	**4,915.5**	**5,142.9**	**4,897.9**	**5,365.8**	**4,366.3**	**4,191.0**
Region of issuer													
Canada 8	4,445.3	4,642.5	4,700.4	4,895.9	4,669.9	4,669.9	4,645.4	4,700.4	4,895.9	4,669.9	5,112.6	4,205.5	4,034.2
United States 9	236.5	162.2	139.5	158.2	152.8	152.8	141.6	139.5	158.2	152.8	164.6	86.2	69.0
Europe 10	40.0	42.9	30.3	35.3	36.9	36.9	31.6	30.3	35.3	36.9	37.0	25.2	25.6
Other 11	25.9	23.0	22.7	25.1	26.3	26.3	21.7	22.7	25.1	26.3	27.3	11.8	9.4
Total 12	**4,747.7**	**4,870.6**	**4,892.9**	**5,114.5**	**4,885.9**	**4,885.9**	**4,840.3**	**4,892.9**	**5,114.5**	**4,885.9**	**5,341.5**	**4,328.7**	**4,138.2**
Credit quality													
Fixed-income securities													
AAA 13	1,299.8	1,303.2	1,139.2	1,157.7	1,325.4	1,325.4	1,346.0	1,139.2	1,157.7	1,325.4	1,072.6	1,102.9	1,189.3
AA 14	1,089.7	1,125.8	1,322.0	1,509.7	1,034.1	1,034.1	1,139.0	1,322.0	1,509.7	1,034.1	1,800.5	1,170.3	980.5
A 15	784.7	870.9	1,140.0	1,059.8	926.9	926.9	1,048.0	1,140.0	1,059.8	926.9	1,080.1	854.3	767.8
BBB 16	475.8	570.4	296.4	306.5	606.0	606.0	275.3	296.4	306.5	606.0	280.6	273.2	286.2
BB 17	29.1	36.0	-	-	31.4	31.3	0.5	-	-	31.4	-	-	-
Total 18	**3,679.1**	**3,906.3**	**3,897.6**	**4,033.7**	**3,923.8**	**3,923.7**	**3,808.8**	**3,897.6**	**4,033.7**	**3,923.8**	**4,233.8**	**3,400.7**	**3,223.8**
Preferred shares													
P1 19	-	3.8	6.0	12.5	5.4	5.4	5.5	6.0	12.5	5.4	11.9	-	-
P2 20	238.7	247.5	273.0	308.4	236.0	236.0	250.2	273.0	308.4	236.0	305.4	272.9	288.5
P3 or not rated 21	61.2	53.9	70.6	70.0	56.6	56.6	71.7	70.6	70.0	56.6	88.4	63.7	56.6
Total 22	**299.9**	**305.2**	**349.6**	**390.9**	**298.0**	**298.0**	**327.4**	**349.6**	**390.9**	**298.0**	**405.7**	**336.6**	**345.1**
Investment portfolio sector mix													
Government 23	50%	48%	49%	48%	48%	48%	49%	49%	48%	48%	49%	49%	46%
Financials 24	22%	23%	28%	28%	24%	24%	28%	28%	28%	24%	29%	29%	32%
Energy 25	6%	6%	4%	4%	6%	6%	4%	4%	4%	6%	4%	4%	5%
Communication services 26	5%	5%	3%	3%	6%	6%	3%	3%	3%	6%	2%	2%	3%
Industrials 27	5%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Utilities 28	3%	4%	5%	5%	4%	4%	5%	5%	5%	4%	4%	5%	4%
Consumer discretionary 29	2%	3%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	1%
Materials 30	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Consumer staples 31	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Information technology 32	2%	2%	1%	2%	1%	1%	1%	1%	2%	1%	2%	1%	1%
Health care 33	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Real estate 34	2%	2%	1%	1%	2%	2%	1%	1%	1%	2%	1%	1%	1%
Total 35	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

INVESTMENT PORTFOLIO (cont'd)

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

		2023		2022				2022	2021	2020	2019
		Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Sector mix by asset class											
Short-term investments and bonds											
Government	1	62%	59%	59%	60%	60%	61%	59%	61%	60%	56%
Financials	2	18%	20%	20%	25%	25%	24%	20%	25%	25%	29%
Energy	3	4%	4%	4%	2%	2%	2%	4%	2%	2%	2%
Communication services	4	4%	5%	5%	2%	2%	2%	5%	2%	1%	2%
Industrials	5	4%	3%	3%	3%	3%	3%	3%	3%	4%	4%
Utilities	6	3%	3%	4%	5%	4%	5%	4%	4%	5%	3%
Consumer discretionary	7	2%	3%	2%	1%	2%	1%	2%	1%	1%	1%
Materials	8	-	-	-	-	-	-	-	-	-	-
Consumer staples	9	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Information technology	10	-	-	-	-	-	-	-	-	-	-
Health care	11	-	-	-	-	-	-	-	-	-	1%
Real estate	12	2%	2%	2%	1%	1%	1%	2%	1%	1%	1%
Total	13	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
								-			
Preferred stocks								-			
Government	14	-	-	-	-	-	-	-	-	-	-
Financials	15	66%	68%	68%	67%	67%	71%	68%	70%	75%	77%
Energy	16	17%	17%	17%	17%	17%	16%	17%	16%	14%	15%
Communication services	17	5%	4%	4%	4%	4%	4%	4%	4%	2%	2%
Industrials	18	-	-	-	-	-	-	-	-	-	-
Utilities	19	11%	10%	10%	10%	10%	7%	10%	8%	7%	6%
Consumer discretionary	20	-	-	-	-	-	-	-	-	-	-
Materials	21	-	-	-	-	-	-	-	-	-	-
Consumer staples	22	-	-	-	-	-	-	-	-	-	-
Information technology	23	-	-	-	-	-	-	-	-	-	-
Health care	24	-	-	-	-	-	-	-	-	-	-
Real estate	25	1%	1%	1%	2%	2%	2%	1%	2%	2%	-
Total	26	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
								-			
Common stocks								-			
Government	27	-	-	-	-	-	-	-	-	-	-
Financials	28	29%	29%	29%	29%	30%	32%	29%	29%	27%	28%
Energy	29	13%	14%	15%	15%	15%	13%	15%	11%	10%	18%
Communication services	30	7%	7%	6%	6%	6%	6%	6%	6%	6%	7%
Industrials	31	13%	12%	12%	12%	11%	11%	12%	11%	11%	10%
Utilities	32	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Consumer discretionary	33	6%	6%	5%	5%	5%	5%	5%	6%	6%	6%
Materials	34	8%	8%	8%	9%	8%	9%	8%	8%	11%	11%
Consumer staples	35	5%	6%	6%	6%	6%	5%	6%	5%	4%	5%
Information technology	36	11%	10%	10%	10%	10%	11%	10%	15%	16%	7%
Health care	37	4%	4%	4%	4%	5%	4%	4%	5%	5%	5%
Real estate	38	1%	1%	2%	1%	1%	1%	2%	1%	1%	-
Total	39	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
								-			
Pooled funds								-			
Government	40	-	-	-	-	-	-	-	-	-	-
Financials	41	8%	9%	9%	10%	10%	10%	9%	11%	14%	16%
Energy	42	3%	3%	3%	3%	3%	3%	3%	3%	3%	7%
Communication services	43	6%	7%	7%	8%	8%	8%	7%	10%	10%	6%
Industrials	44	16%	6%	6%	7%	7%	7%	6%	8%	9%	9%
Utilities	45	12%	15%	15%	2%	2%	2%	15%	2%	10%	15%
Consumer discretionary	46	8%	9%	9%	10%	10%	11%	9%	13%	7%	6%
Materials	47	2%	2%	2%	2%	2%	2%	2%	3%	5%	4%
Consumer staples	48	4%	5%	5%	5%	5%	5%	5%	6%	11%	12%
Information technology	49	30%	31%	31%	38%	38%	37%	31%	28%	16%	8%
Health care	50	9%	11%	11%	12%	12%	12%	11%	13%	12%	13%
Real estate	51	2%	2%	2%	3%	3%	3%	2%	3%	3%	4%
Total	52	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

CONSOLIDATED BALANCE SHEET

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

		IFRS 17 / IFRS 9			IFRS 4 / IAS 39							
		2023		2022	2022				2022	2021	2020	2019
		Q2	Q1	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Balance sheet												
Cash and investments												
Cash and cash equivalents	1	185.7	164.2	200.5	200.5	193.9	268.3	252.5	200.5	387.3	510.3	94.7
Short-term investments	2	144.7	58.6	89.3	89.3	175.2	112.9	74.5	89.3	88.8	218.2	228.1
Bonds	3	3,679.1	3,906.3	3,923.7	3,923.7	3,808.8	3,897.6	4,033.7	3,923.7	4,233.8	3,400.7	3,223.8
Preferred stocks	4	299.9	305.2	298.0	298.0	327.4	349.6	390.9	298.0	405.7	336.6	345.1
Common stocks	5	559.1	544.2	517.7	517.7	488.6	492.5	570.1	517.7	570.5	329.8	296.8
Pooled funds	6	64.9	56.3	57.2	57.2	40.3	40.3	45.3	57.2	42.7	43.4	44.4
Commercial loans	7	10.5	10.9	11.3	12.0	14.6	22.6	28.4	12.0	24.3	37.6	52.8
Total cash and investments	8	**4,943.9**	**5,045.7**	**5,097.7**	**5,098.4**	**5,048.8**	**5,183.8**	**5,395.4**	**5,098.4**	**5,753.1**	**4,876.6**	**4,285.7**
Restricted cash	9	268.8	286.7	302.1	302.1	310.3	319.1	116.8	302.1	110.8	-	-
Cash held in escrow	10	-	-	-	-	203.1	-	-	-	-	-	-
Premiums receivable	11				1,188.8	1,160.1	1,133.9	1,018.4	1,188.8	1,075.9	958.7	850.7
Income taxes receivable	12	21.3	45.8	81.7	81.7	103.4	103.1	46.8	81.7	0.2	2.1	3.0
Reinsurance receivable and recoverable	13				255.8	247.7	185.9	147.6	255.8	179.2	95.6	95.1
Reinsurance contract assets	14	302.2	315.0	305.1								
Deferred policy acquisition expenses	15				327.0	319.1	307.9	282.5	327.0	295.1	260.2	235.6
Property and equipment	16	104.6	82.8	83.8	83.8	62.1	62.4	56.1	83.8	57.0	56.9	61.1
Deferred income tax assets	17	22.2	22.5	25.2	55.0	59.3	56.8	56.8	55.0	62.5	40.2	89.8
Goodwill and intangible assets	18	1,005.5	771.1	771.6	771.6	234.5	229.0	227.2	771.6	219.7	211.6	210.9
Other assets	19	194.5	169.9	152.5	152.6	195.0	188.6	171.4	152.6	137.9	118.4	124.6
Total assets	20	**6,863.0**	**6,739.5**	**6,819.7**	**8,316.8**	**7,943.4**	**7,770.5**	**7,519.0**	**8,316.8**	**7,891.4**	**6,620.3**	**5,956.5**
Unearned premiums	21				1,765.4	1,725.2	1,665.7	1,533.5	1,765.4	1,599.2	1,433.1	1,294.5
Claim liabilities	22				3,254.3	3,323.2	3,246.8	3,239.4	3,254.3	3,336.1	3,026.3	2,808.2
Insurance contract liabilities	23	3,381.6	3,463.6	3,577.7								
Accounts payable and other liabilities	24	124.8	109.1	139.0	405.7	343.8	294.2	269.6	405.7	393.4	324.2	240.6
Income taxes payable	25	2.7	0.6	-	-	-	-	-	-	55.6	18.7	2.2
Deferred income tax liabilities	26	120.5	94.6	103.5	69.8	-	-	-	69.8	-	-	-
Debt outstanding	27	114.3	38.1	39.1	39.1	-	-	-	39.1	-	-	-
Demutualization amounts outstanding	28	268.8	286.7	302.1	302.1	310.3	319.1	116.8	302.1	110.8	-	-
Total liabilities	29	**4,012.7**	**3,992.7**	**4,161.4**	**5,836.4**	**5,702.5**	**5,525.8**	**5,159.3**	**5,836.4**	**5,495.1**	**4,802.3**	**4,345.5**
Share capital	30	2,281.6	2,281.6	2,254.2	2,254.2	2,267.4	2,279.9	2,299.7	2,254.2	2,307.8	-	-
Contributed surplus	31	30.1	24.4	40.2	40.2	34.4	28.2	23.6	40.2	19.3	-	-
Retained earnings (deficit)	32	417.7	362.1	287.8	179.3	50.4	23.6	12.1	179.3	(28.8)	1,755.9	1,608.6
Accumulated other comprehensive (loss) income (AOCI)	33	(33.2)	(30.9)	(32.4)	(101.8)	(111.3)	(87.0)	24.3	(101.8)	98.0	62.1	2.4
Equity attributable to common shareholders	34	2,696.2	2,637.2	2,549.8	2,371.9	2,240.9	2,244.7	2,359.7	2,371.9	2,396.3	1,818.0	1,611.0
Non-controlling interests	35	154.1	109.6	108.5	108.5	-	-	-	108.5	-	-	-
Total equity	36	**2,850.3**	**2,746.8**	**2,658.3**	**2,480.4**	**2,240.9**	**2,244.7**	**2,359.7**	**2,480.4**	**2,396.3**	**1,818.0**	**1,611.0**
Total liabilities and equity	37	**6,863.0**	**6,739.5**	**6,819.7**	**8,316.8**	**7,943.4**	**7,770.5**	**7,519.0**	**8,316.8**	**7,891.4**	**6,620.3**	**5,956.5**

CAPITAL AND LIQUIDITY RESOURCES

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

		IFRS 17/9		IFRS 4 / IAS 39							
		2023		2022				2022	2021	2020	2019
		Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
Capital management[3]											
Capital available[2]	1	1,459.7	1,489.1	1,323.6	1,285.5	1,278.7	1,368.1	1,323.6	1,789.1	1,477.8	1,217.3
Capital required[2]	2	684.2	680.3	647.5	629.7	621.0	636.1	647.5	651.6	550.8	509.2
Minimum capital test (MCT) ratio[2]	3	213%	219%	204%	204%	206%	215%	204%	275%	268%	239%
Excess capital at 190% for Definity Insurance Company (200% in 2022 and prior)	4	159.8	196.5	28.7	26.1	36.7	95.8	28.7	485.9	376.3	198.8
Additional capital at Definity Financial Corporation	5	283.5	357.9	357.5	567.0	585.0	636.5	357.5	273.4	n/a	n/a
Total excess capital	6	**443.3**	**554.4**	**386.2**	**593.1**	**621.7**	**732.3**	**386.2**	**759.3**	**376.3**	**198.8**
Leverage capacity[1]	7	222.1	291.5	272.3	291.3	287.8	288.6	272.3	298.5	n/a	n/a
Financial capacity[1]	8	**665.4**	**845.9**	**658.5**	**884.4**	**909.5**	**1,020.9**	**658.5**	**1,057.8**	**n/a**	**n/a**
Liquidity											
Cash provided by (used in) operating activities	9	**97.3**	**(90.6)**	**112.5**	**173.0**	**113.7**	**(93.4)**	**305.8**	**655.2**	**490.2**	**138.5**
Investments sold, net of investments purchased	10	61.7	112.2	(35.6)	(7.1)	(30.6)	19.1	(54.2)	(1,008.1)	(47.0)	(204.5)
Commercial loans collected, net of commercial loans advanced	11	0.9	0.4	2.6	8.0	5.8	(4.1)	12.3	13.3	15.2	48.7
Purchases of intangible assets and property and equipment	12	(15.7)	(28.3)	(20.4)	(18.5)	(23.9)	(28.0)	(90.8)	(49.4)	(42.8)	(23.3)
Business acquisitions, net of cash acquired	13	(182.8)	(8.2)	(227.0)	-	(15.0)	-	(242.0)	-	-	-
Cash provided by (used in) investing activities	14	**(135.9)**	**76.1**	**(280.4)**	**(17.6)**	**(63.7)**	**(13.0)**	**(374.7)**	**(1,044.2)**	**(74.6)**	**(179.1)**
Net proceeds from the issuance of common shares	15	-	-	-	-	-	-	-	2,285.7	-	-
Dividends paid on common shares	16	(15.8)	(15.8)	(14.3)	(14.3)	(14.4)	(20.3)	(63.3)	-	-	-
Dividends paid to non-controlling interests	17	(0.3)	(0.1)	-	-	-	-	-	-	-	-
Common shares purchased and held in trust	18	-	(4.9)	(13.2)	(12.5)	(19.8)	(8.1)	(53.6)	-	-	-
Change in demutualization amounts outstanding	19	(17.9)	(15.4)	(8.3)	(8.7)	202.3	6.0	191.3	(1,908.9)	-	-
Borrowing on credit facility	20	114.3	-	-	-	-	-	-	-	-	-
Repayment of demand loans	21	(38.1)	(1.0)	(1.0)	-	-	-	(1.0)	-	-	-
Cash provided by (used in) financing activities	22	**42.2**	**(37.2)**	**(36.8)**	**(35.5)**	**168.1**	**(22.4)**	**73.4**	**376.8**	**-**	**-**
Net increase (decrease) in cash and cash equivalents, restricted cash, and held in escrow	23	**3.6**	**(51.7)**	**(204.7)**	**119.9**	**218.1**	**(128.8)**	**4.5**	**(12.2)**	**415.6**	**(40.6)**
Balance, beginning of the period	24	450.9	502.6	707.3	587.4	369.3	498.1	498.1	510.3	94.7	135.3
Balance, end of the period	25	454.5	450.9	502.6	707.3	587.4	369.3	502.6	498.1	510.3	94.7

1 This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q2-2023 Management's Discussion and Analysis dated August 3, 2023 for further details, which is available on the Company's website at www.definityfinancial.com and on SEDAR at www.sedar.com. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4-2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9. For non-GAAP financial measures, refer to tab 14 for the composition and reconciliation to the most directly comparable GAAP measure.

[2] Consolidated Definity Insurance Company.

[3] Results prior to 2023 do not reflect the adoption of IFRS 17 and IFRS 9, and have not been restated for OSFI's MCT 2023 guidelines.

SHAREHOLDER INFORMATION

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

		2023		2022				2022	2021
		Q2	Q1	Q4	Q3	Q2	Q1	Annual	Annual
Number of shares outstanding (in 000's)									
Common shares									
End of period	1	115,893	115,893	115,893	115,893	115,893	115,893	115,893	115,893
Weighted average common shares outstanding (Basic)	2	115,139	114,659	114,455	114,855	115,317	115,855	115,123	105,249
Weighted average common shares outstanding (Diluted)	3	116,736	116,443	116,357	116,774	115,317	117,523	116,929	105,405
Common share performance									
Common share price (in $)									
High	4	37.90	39.05	40.42	40.84	35.56	33.18	40.84	30.27
Low	5	33.78	33.34	37.72	32.35	30.60	27.00	27.00	26.00
Close	6	35.15	35.27	38.48	38.82	33.27	31.93	38.48	29.53
Market capitalization ($ millions)	7	4,074	4,088	4,460	4,499	3,856	3,700	4,460	3,422
Dividends									
Common shares									
Dividends declared per share (in $)	8	0.138	0.138	0.125	0.125	0.125	0.175	0.550	n/a
Dividends paid per share (in $)	9	0.138	0.138	0.125	0.125	0.125	0.175	0.550	n/a
Rating information									
Financial strength ratings (FSR)[1]									
AM Best	10	A- (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)	A- (Excellent)
DBRS	11	A	A (low)	A (low)	A (low)	A (low)	A (low)	A (low)	A (low)
Issuer rating[2]									
DBRS	12	BBB (high)	BBB	BBB	BBB	BBB	BBB	BBB	BBB

[1] Definity Insurance Company.

[2] Definity Financial Corporation.

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RATIO

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

	IFRS 17 / IFRS 9							IFRS 4 / IAS 39							
	2023		2022		2023	2022	2022	2022				2022	2021	2020	2019
	Q2	Q1	Q2	Q1	YTD	YTD	Annual	Q4	Q3	Q2	Q1	Annual	Annual	Annual	Annual
ROE															
Net income (loss) attributable to common shareholders 1	**71.6**	**100.9**	**(77.2)**	**(32.6)**	**172.5**	**(109.8)**	**110.9**	**141.6**	**41.1**	**21.0**	**48.3**	**252.0**	**213.2**	**153.9**	**17.4**
Net income (loss) - last 12 months 2	**393.2**	**244.4**			**393.2**		**110.9**	**252.0**	**144.1**	**156.3**	**179.2**	**252.0**	**213.2**	**153.9**	**17.4**
Average adjusted equity attributable to common shareholders 3	2,543.1	2,572.0			2,543.1		2,552.1	2,384.1	2,116.8	2,052.2	2,037.1	2,384.1	1,993.3	1,714.5	1,589.2
ROE for the last 12 months 4	**15.5%**	**9.5%**			**15.5%**		**4.3%**	**10.6%**	**6.8%**	**7.6%**	**8.8%**	**10.6%**	**10.7%**	**9.0%**	**1.1%**
Operating net income, Operating EPS, and Operating ROE															
Net income (loss) attributable to common shareholders 5	**71.6**	**100.9**	**(77.2)**	**(32.6)**	**172.5**	**(109.8)**	**110.9**	**141.6**	**41.1**	**21.0**	**48.3**	**252.0**	**213.2**	**153.9**	**17.4**
Remove: income tax expense (recovery) 6	22.2	30.6	(30.5)	(14.9)	52.8	(45.4)	2.1	24.0	10.0	3.8	14.5	52.3	68.0	46.7	3.8
Remove: non-operating gains (losses)															
Recognized (losses) gains on FVTPL investments / Total recognized (losses) gains on investments 7	(62.7)	91.7	(227.2)	(197.8)	29.0	(425.0)	(446.1)	**(4.9)**	**(23.6)**	**(97.5)**	**(102.3)**	**(228.3)**	**(20.8)**	**79.8**	**68.3**
Discounting in insurance service result / Impact of discounting 8	52.0	16.4	25.8	16.9	68.4	42.7	107.4	2.8	15.5	61.3	83.0	162.6	44.7	(114.0)	(29.0)
Risk adjustment 9	3.7	2.3	1.1	4.1	6.0	5.2	(6.6)								
Finance income (expenses) from insurance contracts issued 10	18.6	(64.5)	29.8	52.7	(45.9)	82.5	96.3								
Finance (expenses) income from reinsurance contracts held 11	(1.6)	5.6	(1.9)	(3.2)	4.0	(5.1)	(5.2)								
Interest on restricted cash, less demutualization and IPO-related expenses 12	2.9	2.5	(0.4)	(1.9)	5.4	(2.3)	0.7	1.7	1.3	(0.4)	(1.9)	0.7	(30.1)	(3.8)	(4.8)
Amortization of intangible assets recognized in business combinations 13	(3.9)	(3.2)	(0.7)	(0.6)	(7.1)	(1.3)	(5.4)	(3.5)	(0.7)	(0.7)	(0.6)	(5.4)	(3.5)	(4.5)	(4.4)
Restructuring recovery 14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8
Revaluation gain on acquisition of McDougall 15	-	-	-	-	-	-	67.0	67.0	-	-	-	67.0			
Other 16	(0.2)	0.1	(0.5)	(0.3)	(0.1)	(0.8)	(2.8)	(2.2)	0.3	(0.5)	(0.3)	(2.8)	-	1.0	0.2
Non-operating gains (losses) 17	8.8	50.9	(174.0)	(130.1)	59.7	(304.1)	(194.7)	60.9	(7.2)	(37.8)	(22.1)	(6.2)	(9.7)	(41.5)	31.1
Operating income (loss) 18	**85.0**	**80.6**	**66.3**	**82.6**	**165.6**	**148.9**	**307.7**	**104.7**	**58.3**	**62.6**	**84.9**	**310.5**	**290.9**	**242.1**	**(9.9)**
Operating income tax (expense) recovery 19	(20.2)	(17.2)	(15.2)	(19.3)	(37.4)	(34.5)	(70.9)	(25.7)	(11.8)	(13.8)	(20.3)	(71.6)	(70.5)	(57.7)	4.5
Operating net income (loss) 20	**64.8**	**63.4**	**51.1**	**63.3**	**128.2**	**114.4**	**236.8**	**79.0**	**46.5**	**48.8**	**64.6**	**238.9**	**220.4**	**184.4**	**(5.4)**
Weighted average common shares outstanding, diluted (in millions) 21	116.7	116.4	117.2	117.5	116.6	117.4	116.9	116.4	116.8	117.2	117.5	116.9	105.4	104.0	104.0
Operating EPS, diluted (in $) 22	**0.56**	**0.54**	**0.44**	**0.54**	**1.10**	**0.98**	**2.03**	**0.67**	**0.40**	**0.42**	**0.55**	**2.04**	**2.09**	**1.77**	**(0.05)**
Operating net income (loss) - last 12 months 23	**250.6**	**236.9**			**250.6**		**236.8**	**238.9**	**206.3**	**220.6**	**224.4**	**238.9**	**220.4**	**184.4**	**(5.4)**
Average adjusted equity attributable to common shareholders, excluding AOCI 24	2,549.0	2,536.1			2,549.0		2,515.3	2,386.0	2,132.2	2,056.4	2,004.4	2,386.0	1,913.3	1,682.3	1,598.5
Operating ROE for the last 12 months 25	**9.8%**	**9.3%**			**9.8%**		**9.4%**	**10.0%**	**9.7%**	**10.7%**	**11.2%**	**10.0%**	**11.5%**	**11.0%**	**(0.3%)**
Underwriting income															
Net underwriting revenue 26	877.5	839.1	803.1	765.3	1,716.6	1,568.4	3,251.2								
Net claims and adjustment expenses 27	559.1	525.1	508.0	452.0	1,084.2	960.0	2,004.5								
Net commissions 28	127.4	124.8	121.3	122.9	252.2	244.2	503.5								
Operating expenses 29	116.0	118.4	105.8	104.2	234.4	210.0	433.3								
Premium taxes 30	33.8	31.3	30.2	28.4	65.1	58.6	120.4								
Underwriting income 31	**41.2**	**39.5**	**37.8**	**57.8**	**80.7**	**95.6**	**189.5**								
Net underwriting revenue															
Insurance revenue 32	954.9	907.5	863.8	814.3	1,862.4	1,678.1	3,485.7								
Earned reinsurance premiums ceded 33	(77.4)	(68.4)	(60.7)	(49.0)	(145.8)	(109.7)	(234.5)								
Net underwriting revenue 34	**877.5**	**839.1**	**803.1**	**765.3**	**1,716.6**	**1,568.4**	**3,251.2**								
Net claims and adjustment expenses															
Claims and adjustment expenses 35	613.5	557.5	548.3	460.7	1,171.0	1,009.0	2,198.2								
Impact of onerous insurance contracts 36	(1.3)	(1.2)	1.1	(0.7)	(2.5)	0.4	1.4								
Claims recoverable from reinsurers for incurred claims 37	(53.1)	(31.2)	(41.4)	(8.0)	(84.3)	(49.4)	(195.1)								
Net claims and adjustment expenses 38	**559.1**	**525.1**	**508.0**	**452.0**	**1,084.2**	**960.0**	**2,004.5**								
Net commissions															
Commissions 39	140.6	136.5	131.4	131.6	277.1	263.0	538.7								
Commissions earned on ceded reinsurance 40	(13.2)	(11.7)	(10.1)	(8.7)	(24.9)	(18.8)	(35.2)								
Net commissions 41	**127.4**	**124.8**	**121.3**	**122.9**	**252.2**	**244.2**	**503.5**								
Prior year claims development															
Changes in fulfilment cash flows relating to the liabilities for incurred claims 42	(32.7)	(10.8)	(49.4)	(50.8)	(43.5)	(100.2)	(142.1)								
Changes to amounts recoverable for incurred claims 43	(9.3)	3.1	9.6	10.5	(6.2)	20.1	4.0								
Remove: discounting included above 44	4.9	(16.0)	6.0	(0.7)	(11.1)	5.3	17.1								
Remove: risk adjustment included above 45	14.7	16.0	12.0	19.1	30.7	31.1	34.7								
Prior year claims development 46	**(22.4)**	**(7.7)**	**(21.8)**	**(21.9)**	**(30.1)**	**(43.7)**	**(86.3)**								
Net underwriting expenses															
Net commissions 47	127.4	124.8	121.3	122.9	252.2	244.2	503.5								
Operating expenses 48	116.0	118.4	105.8	104.2	234.4	210.0	433.3								
Premium taxes 49	33.8	31.3	30.2	28.4	65.1	58.6	120.4								
Net underwriting expenses 50	**277.2**	**274.5**	**257.3**	**255.5**	**551.7**	**512.8**	**1,057.2**								
Distribution income															
Distribution revenues 51	32.0	25.5	-	-	57.5	-	19.9	19.9	-	-	-	19.9	-	-	-
Distribution business expenses 52	(22.2)	(16.0)	-	-	(38.2)	-	(15.1)	(15.1)	-	-	-	(15.1)	-	-	-
Share of distribution profit from investments in associates 53	-	-	2.2	3.4	-	5.6	6.9	-	1.3	2.2	3.4	6.9	6.4	3.8	3.4
Remove: Income taxes included in share of distribution profit from investments in associates 54	-	-	0.7	1.3	-	2.0	2.4	-	0.4	0.7	1.3	2.4	1.6	0.3	0.1
Distribution income 55	**9.8**	**9.5**	**2.9**	**4.7**	**19.3**	**7.6**	**14.1**	**4.8**	**1.7**	**2.9**	**4.7**	**14.1**	**8.0**	**4.1**	**3.5**
Other operating income (expenses															
Public company expenses 56	(5.5)	(6.8)	(5.3)	(6.5)	(12.3)	(11.8)	(26.5)	(8.2)	(6.5)	(5.3)	(6.5)	(26.5)	(7.3)	-	-
Share of operating profit (loss) from investments in other associates 57	0.1	1.0	(0.5)	1.1	1.1	0.6	(0.5)	(1.7)	0.5	(0.5)	1.1	(0.5)	(0.4)	2.8	(0.6)
Other 58	0.1	(0.4)	(0.4)	(0.3)	(0.3)	(0.7)	0.4	2.4	(1.2)	(0.4)	(0.3)	0.4	(0.7)	(1.5)	-
Less: NCI 59	(2.2)	(2.6)	-	-	(4.8)	-	(1.8)	(1.8)	-	-	-	(1.8)	-	-	-
Other operating (expenses) income 60	**(7.5)**	**(8.8)**	**(6.2)**	**(5.7)**	**(16.3)**	**(11.9)**	**(28.4)**	**(9.3)**	**(7.2)**	**(6.2)**	**(5.7)**	**(28.4)**	**(8.4)**	**1.3**	**(0.6)**
Underwriting expenses (net of other underwriting revenues)															
Net claims and underwriting expenses 61								781.1	804.5	767.8	710.4	3,063.7	2,647.3	2,379.8	2,471.6
Remove: net claims and adjustment expenses 62								500.1	530.9	501.1	455.8	1,987.9	1,721.5	1,562.3	1,713.9
Remove: other underwriting revenues 63								0.7	2.4	2.2	2.2	7.4	8.2	7.5	10.1
Underwriting expenses (net of other underwriting revenues) 64								**280.3**	**271.2**	**264.5**	**252.4**	**1,068.4**	**917.6**	**810.0**	**747.6**
Operating expenses (net of other underwriting revenues)															
Operating expenses 65								113.1	112.4	109.8	99.8	435.0	392.4	344.8	310.2
Remove: other underwriting revenues 66								0.7	2.4	2.2	2.2	7.4	8.2	7.5	10.1
Operating expenses (net of other underwriting revenues) 67								**112.4**	**110.0**	**107.6**	**97.6**	**427.6**	**384.2**	**337.3**	**300.1**

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 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q2-2023 Management's Discussion and Analysis dated August 3, 2023 which is available on our website at www.definityfinancial.com and on SEDAR at www.sedar.com. Refer to Section 12 – Supplementary financial measures and non-GAAP financial measures and ratios in the Q4-2022 Management's Discussion and Analysis dated February 9, 2023 for further details of non-GAAP financial measures and ratios prior to the adoption of IFRS 17 and IFRS 9.

GLOSSARY

Terms		Definitions
Book value per share[1]	1	The Company's equity attributable to common shareholders divided by the total common shares outstanding, net of shares held in trust, as at the balance sheet date.
Catastrophe losses[1]	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. Catastrophe losses are presented net of reinsurance recoveries.
Claims ratio[1]	3	Net claims and adjustment expenses during a defined period expressed as a percentage of net underwriting revenue for the same period.
Combined ratio[1]	4	The total of our net claims and adjustment expenses and net underwriting expenses during a defined period expressed as a percentage of net underwriting revenue for the same period.
Core accident year claims and adjustment expenses[1]	5	Net claims and adjustment expenses less catastrophe losses and prior year claims development.
Discounting	6	To reflect the time value of money, the expected future payments of claim liabilities are discounted back to present value using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The risk-free yield curves are adjusted by an illiquidity premium using a reference portfolio to reflect the liquidity characteristics of the insurance contracts.
Distribution income[1]	7	Income before taxes, amortization of intangible assets recognized in business combinations from our consolidated brokers and broker associates, and acquisition-related expenses. Distribution income is calculated using distribution revenue earned on commissions from external insurance companies, and components of other (expenses) income (Distribution business expenses and share of distribution profit from investments in associates).
Expense ratio[1]	8	The total of our net commissions, operating expenses, and premium taxes during a defined period, expressed as a percentage of net underwriting revenue for the same period.
Financial capacity[1]	9	The sum of excess capital over 190% MCT (200% prior to 2023) and leverage capacity.
Gross written premiums (GWP)[1]	10	The total premiums from the sale of insurance during a specific period including premiums assumed.
Leverage capacity[1]	11	The amount of financial leverage that can be assumed, comprised of the Company's current debt limit as an entity established under the ICA (2.5% 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 claims and adjustment expenses[1]	13	Claims and adjustment expenses (excluding the impact of discounting and risk adjustment) and the impact of onerous insurance contracts, net of amounts recoverable from reinsurers for incurred claims.
Net commissions[1]	14	Commissions expense less commissions ceded to reinsurers.
Net underwriting expenses[1]	15	Net underwriting expenses consist of net commissions, operating expenses, and premium taxes.
Net underwriting revenue[1]	16	Insurance revenue less earned reinsurance premiums.
Non-operating gains (losses)[1]	17	Recognized gains (losses) on FVTPL investments, discounting income or expense, risk adjustment income or expense, interest on restricted cash, less 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 share[1]	18	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 income[1]	19	Net income (loss) attributable to common shareholders less (or plus) income tax expense (recovery) and non-operating gains (losses). This financial measure is used to calculate operating net income.
Operating net income[1]	20	Net income (loss) attributable to common shareholders less (or plus) non-operating gains (losses) net of applicable income taxes.
Operating return on equity (Operating ROE)[1]	21	Operating net income for the 12 months ended at a specified date divided by the average of equity attributable to common shareholders, excluding accumulated OCI and excluding unrealized gains or losses on FVTPL equity instruments, adjusted for significant capital transactions if applicable, over the same 12-month period.
Policies in force (PIF)	22	The number of insurance policies that are in effect at a specified date.
Prior year claims development[1]	23	The difference between prior year-end estimates of ultimate claim costs excluding the effects of discounting and the risk adjustment for non-financial risk, 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.
Return on equity (ROE)[1]	24	Net income (loss) attributable to common shareholders for the 12 months ended at a specific date divided by the average equity attributable to common shareholders, adjusted for significant capital transactions if applicable, over the same 12-month period.
Risk adjustment	25	The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows arising from non-financial risk as the Company fulfils insurance contracts.
Underwriting income[1]	26	Net underwriting revenue for a defined period less the sum of net claims and adjustment expenses, net commissions, operating expenses, and premium taxes during the same period.

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