

Intact Financial Corporation announces first quarter 2018 impact from severe winter weather

TORONTO, April 10, 2018 /CNW/ - Intact Financial Corporation (TSX: IFC) today announced that severe winter conditions in Canada in the first quarter of 2018 resulted in catastrophe and non-catastrophe weather related losses that were higher than expected by approximately \$130 million pre-tax, or \$0.70 per share after tax. This represents an increase in weather related losses of approximately \$40 million over first quarter 2017 which also experienced difficult winter conditions. The increase impacted equally personal auto and commercial lines in Canada.

Catastrophe losses in the first quarter of 2018 totalled approximately \$36 million, almost twice expected levels. The winter conditions observed in January and February this year also brought significantly higher than expected non-catastrophe weather related losses, due to severe cold, frequent shifts in temperature and increased days with precipitation, both rain and snowfall. These conditions led to higher frequency of auto collisions, water damage from frozen pipes and large fire losses.

"Our claims teams have been working hard to get our customers back on track during these exceptionally difficult winter months," said Louis Gagnon, President, Canadian Operations. "We continue our efforts to ensure the sustainability of the protection we offer Canadians."

About Intact Financial Corporation

Intact Financial Corporation (TSX: IFC) is the largest provider of property and casualty (P&C) insurance in Canada and a leading provider of specialty insurance in North America, with approximately \$10 billion in total annual premiums. The Company has over 13,000 full- and part-time employees who serve more than five million personal, business, public sector and institutional clients through offices in Canada and the U.S. In Canada, Intact distributes insurance under the Intact Insurance brand through a wide network of brokers, including its wholly-owned subsidiary BrokerLink, and directly to consumers through belairdirect. In the U.S., OneBeacon Insurance Group, a wholly-owned subsidiary, provides specialty insurance products through independent agencies, brokers, wholesalers and managing general agencies.

Forward Looking Statements

Certain statements made in this news release are forward-looking statements. These statements include, without limitation, statements relating to claims and catastrophe losses caused by severe weather and the anticipated effect of applicable and future federal and provincial tax regulations. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements as a result of various factors, including those discussed in the Company's most recently filed Annual Information Form and annual MD&A and the additional risks of the Company following completion of the acquisition of OneBeacon described in the section entitled Risk Factors (pp S-43 to S-53) of the Company's Prospectus Supplement dated May 4, 2017. In the case of estimated claims and losses, due to the preliminary nature of the information available to prepare estimates, future estimates and the actual amount of claims and losses associated with events described above may be materially different from current estimates. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against unduly relying on any of these forward-looking statements. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this news release, whether as a result of new information, future events or otherwise. Please refer to the cautionary note of the Company's most recently filed MD&A.

SOURCE Intact Financial Corporation

Media Inquiries: Anna Rajpat, Vice President, Corporate Affairs & Communications, 416 341 1464 ext. 43014, anna.rajpat@intact.net; Investor Inquiries: Ken Anderson, Vice President, Investor Relations & Treasurer, 855 646 8228 ext. 87383, kenneth.anderson@intact.net

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