

Intact Financial Corporation announces first quarter 2019 impact from severe winter weather on Canadian operations

TORONTO, April 8, 2019 /CNW/ - Intact Financial Corporation (TSX: IFC) today announced that severe winter weather resulted in net catastrophe¹ and non-catastrophe weather¹ losses of approximately \$165 million pre-tax above expectations for a first quarter (8 points on the Canada combined ratio, or \$0.87 per share after-tax).



Catastrophe losses, net of reinsurance, totaled approximately \$128 million pre-tax, representing \$95 million above expectations based on first quarter historical averages. 60% of total catastrophe losses impacted personal property with the remainder in commercial lines.

Non-catastrophe weather losses were above expected seasonal patterns by approximately \$70 million pre-tax, with 40% impacting commercial lines, 40% in personal auto and the balance in personal property.

Personal auto experienced approximately six points of elevated weather-related claims, approximately double seasonal patterns for a first quarter.

This past quarter saw heavy snowfall, freezing rain, and rain while snow and ice were on the ground, which led to elevated property damage from water infiltration and record numbers of roof collapses, mostly in eastern Canada. Freezing rain and intense cold also led to higher frequency of auto collisions.

"Our teams have worked hard during these unusually difficult winter months to get customers back on track as we were again reminded of the impact severe weather can have on our operations. These events are likely to sustain the firm market conditions we are seeing. With a dedicated team and strong fundamentals across all our businesses, we are positioned well to maintain service excellence and take advantage of market opportunities." said Louis Gagnon, President, Canadian Operations.

¹ For a definition of catastrophe losses and non-catastrophe weather losses, please refer to the "Important notes" section on page 2 of our [2018 Annual Management's Discussion and Analysis](#).

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 over \$10 billion in total annual premiums. The Company has approximately 14,000 full- and part-time employees who serve more than five million personal, business and public sector 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, catastrophe losses and non-catastrophe losses caused by severe weather, the anticipated effect on combined ratio as well as on a per share basis and by line of business, the estimated impact of reinsurance, 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 are based on estimates and assumptions made by management based on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate in the circumstances. Many factors could cause the Company's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. 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.

All of the forward-looking statements included in this press release are qualified by these cautionary statements, those made in the "Risk Management" section of our 2018 Annual Management's Discussion and Analysis. These factors are not intended to represent a complete list of the factors that could affect the Company. These factors should, however, be considered carefully.

Although the forward-looking statements are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. When relying on forward-looking statements to make decisions, investors should ensure the preceding information is carefully considered. Undue reliance should not be placed on forward-looking statements made in this press release. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

SOURCE Intact Financial Corporation

<https://newsroom.intactfc.com/2019-04-08-Intact-Financial-Corporation-announces-first-quarter-2019-impact-from-severe-winter-weather-on-Canadian-operations>