

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	010	11,453		15,170		
		Assets held for sale	020			0		
21.012		Short Term Investments	040	147,072		182,326		
21.150 or/ou 21.155		Accrued Investment Income	070	339		603		
		Accounts Receivable	100	13,923		16,237		
		Policy/Certificate Loans	200			0		
21.012		Bonds and Debentures	250	0		1,065		
21.050		Mortgage Loans	300	0		0		
21.012		Preferred Shares	420	124,568		194,961		
21.012		Common Shares	440	41,124		40,375		
21.012		Investment Properties	510	38,233		39,518		
		Derivative Financial Instruments	520			0		
22.020		Reinsurance Assets	530	75,452		74,306		
21.080		Property and Equipment	540	9,021		5,752		
		Interests in Associates & Joint Ventures	550	0		0		
60.010		Segregated Funds Net Assets	560			0		
21.100		Other Loans and Invested Assets	600	70,733		80,972		
		Investments in Subsidiaries	750			0		
		Current Tax Assets	780	8,143		3,850		
		Deferred Tax Assets	800			0		
		Goodwill	820			0		
		Intangible Assets	830	528		621		
		Defined Benefit Pension Plan	840			0		
21.155		Other Assets	880	1,064		1,588		
		TOTAL ASSETS	899	541,653		657,344		0

CONSOLIDATED FINANCIAL STATEMENTS

**LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT
(\$'000)**

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		Liabilities			
		Liabilities held for sale	005	0	
22.020		Actuarial Liabilities for Insurance Contracts	010	119,208	117,062
22.020		Other Contract Liabilities	040	72,741	73,668
		Trust and Banking Deposits	070	0	
22.030 or/ou		Accounts Payable	100	90,169	91,085
21.080		Mortgage Loans and Other Real Estate Encumbrances	130	10,661	11,000
		Derivative Financial Instruments	140	0	
		Defined Benefit Pension Plan	145	0	
		Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above)	150	0	
22.030		Provisions and Other Liabilities	160	844	1,096
		Segregated Fund Liabilities	420	0	
		Current Tax Liabilities	430	0	
		Deferred Tax Liabilities	250	8,312	16,671
		Subordinated Debt	280	0	
		Other Debt	310	74,504	102,747
		Total Liabilities	389	376,439	413,329
		Policyholders' Equity			
20.040		Participating Account	510		
		Participating Account - Accumulated OCI (Loss)	520		
20.040		Non-Participating Account (Mutual Companies Only)	540		
		Non-Participating Account - Accumulated OCI (Loss)	550		
		Total Policyholders' Equity	589	0	
		Shareholders' Equity			
		Capital Stock	610		
		Other Capital	640		
		Contributed Surplus	670		
20.040		Retained Earnings	700		
		Accumulated Other Comprehensive Income (Loss)	740		
		Total Shareholders' Equity	779	165,214	244,015
		Non-controlling Interests	829	0	0
		Total Equity	839	165,214	244,015
		TOTAL LIABILITIES AND EQUITY	899	541,653	657,344
20.044		Head Office Account	800		
20.042		Accumulated Other Comprehensive Income (Loss)	840		
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME	999		

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		Revenue		
35.020		Gross Premiums	30,640	34,339
35.020		Premiums ceded	21,324	23,912
45.020		Net Premiums	9,316	10,427
35.020		Gross Investment Income	8,633	(394)
35.020		Less: Investment Expenses and Taxes	1,166	788
23.010		Net Investment Income	7,467	(1,182)
35.020		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	0	
35.020		Share of Income/Loss of Associates & Joint Ventures	0	0
		Fee Income	2,247	2,529
23.030		Other Revenue	0	0
35.020		Fraternal and Other Fund Revenues	0	0
		Total Revenue	19,030	11,774
		Policy/Certificate Benefits and Expenses		
35.020		Policyholder/Certificateholder Benefits	6,811	6,464
35.020		Benefits ceded	3,618	3,826
		Gross Changes to Actuarial Liabilities		
35.020		Normal	(12,171)	(11,340)
35.020		Basis Change	0	0
		Gross Changes to Other Contract Liabilities		
35.020		Normal	0	0
35.020		Basis Change	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded		
35.020		Normal	(11,667)	(9,937)
35.020		Basis Change	0	0
35.020		Policyholder/Certificateholder Dividends	0	0
35.020		Experience Rating Refunds	0	0
35.020		Transfer to and (Transfer from) Other Funds	0	0
35.020		Gross Commissions	16,365	18,172
35.020		Commissions Ceded	13,214	13,385
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	0	0
23.030		Interest Expense and Finance costs	6	479
23.030		General Expenses and Taxes (excl. income taxes)	6,013	8,266
23.030		Other Expenses	243	216
35.020		Fraternal and Other Fund Expenses	0	0
		Total Benefits and Expenses	12,102	14,983
		Income Before Income Tax	6,928	(3,209)
		Provision for Income Taxes		
		Current	1,733	(886)
		Deferred		0
		Income Before the following:	5,195	(2,323)
35.020		Discontinued Operations (net of Income Taxes of \$)	0	0
		Net Income	5,195	(2,323)
35.020		Attributable to Participating Policyholders/Certificateholders	0	0
35.020		Net Income after Attribution to Participating Policyholders/Certificateholders	5,195	(2,323)
35.020		Attributable to Fraternal and Other Fund Account	0	0
35.020		Insurance Fund	5,195	(2,323)
		Attributable to:		
		Non-controlling Interests		0
		Equity Holders	5,195	(2,323)
			(99)	
			830	0

* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT
(\$'000)

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year		0
		Adjustments		0
		(Specify)		0
20.030		Share of Net Income (Loss)		0
20.040		Transfer from (to) Retained Earnings (Stock companies only)		0
20.040		Transfer from (to) Non-Par Account (Mutual companies only)		0
		End of Year	0	0

STATEMENT OF NON-PARTICIPATING ACCOUNT
Mutual Companies Only
(\$'000)

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year		0
		Adjustments		0
		(Specify)		0
20.030		Share of Net Income (Loss)		0
20.040		Transfer from (to) Par Account	0	0
		Dividends to Preferred Shareholders		0
		End of Year	0	0

STATEMENT OF RETAINED EARNINGS
Stock Companies Only
(\$'000)

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year		214,993
20.030		Share of Net Income (Loss)	5,195	(2,323)
20.040		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred		0
		Common		10,000
		Impact of adoption of IFRS 9		3,345
		(Specify)		0
		(Specify)		
		End of Year	127,214	206,015

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Reference Page	FS Notes Reference Reference		Current Period	Prior Period	
			(01)	(03)	
20.030		Comprehensive Income (Loss)			
		Net Income	010	5,195	(2,323)
		Other Comprehensive Income (Loss):			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Loans	110		0
		- Bonds and Debentures	140		0
		- Equities (IAS 39)	170		0
		Reclassification of (Gains) Losses to Net Income	210		0
		Overlay approach *			
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments			
		Unrealized Gains and Losses	220		
		Reclassification of (Gains) Losses from Net Income	225		
		Derivatives Designated as Cash Flow Hedges			
		Change in Unrealized Gains and Losses	310		0
		Reclassification of (Gains) Losses to Net Income	340		0
		Foreign Currency Translation			
		Change in Unrealized Gains and Losses	410		0
		Impact of Hedging	440		0
		Share of Other Comprehensive Income of Associates & Joint Ventures	460		0
		Other	445		0
		Subtotal of items that may be reclassified subsequently to Net Income	449	0	0
		Items that will not be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Equities (IFRS 9)	465		0
		Revaluation Surplus	455		0
		Remeasurements of Defined Benefit Plans	470		0
		Other	480		0
Subtotal of items that will not be reclassified subsequently to Net Income	489	0	0		
Total Other Comprehensive Income (Loss)	510	0	0		
Total Comprehensive Income (Loss)	589	5,195	(2,323)		
Attributable to:					
Participating Policyholders/Certificateholders	615		0		
Non-controlling Interests	600		0		
Equity Holders	620	5,195	(2,323)		
Reference Page	FS Notes Reference Reference		Current Period (01)	Prior Period (03)	
		Accumulated Other Comprehensive Income (Loss)			
		Accumulated Gains (Losses), net of tax, on:			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		- Loans	710	0	
		- Bonds and Debentures	740	0	
		- Equities (IAS 39)	770	0	
		Overlay Approach *	775		
		Derivatives Designated as Cash Flow Hedges	810	0	
		Foreign Currency (Net of Hedging Activities)	840	0	
		Share of Other Comprehensive Income of Associates & Joint Ventures	860	0	
		Other	845	0	
		Subtotal of items that may be reclassified subsequently to Net Income	849	0	
		Items that will not be reclassified subsequently to Net Income:			
		FVOCI:			
		- Equities (IFRS 9)	865	0	
		Revaluation Surplus	855	0	
		Remeasurements of Defined Benefit Plans	870	0	
		Other	880	0	
		Subtotal of items that will not be reclassified subsequently to Net Income	889	0	
		Balance at end of Year	899	0	

* These lines only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

First Canadian Insurance Corporation
Insurer31/03/2019
Period Ending Date

10.100

LICAT Ratios
Summary Calculations

(thousands of dollars, except percentages)

<i>Tier 1 Capital (20.100)</i>	(A)	1010010040	160,298
<i>Tier 2 Capital (20.200)</i>	(B)	1010010050	4,388
Available Capital (A + B)	(C)	1010010030	164,686
Surplus Allowance	(D)	1010010060	23,559
Eligible Deposits	(E)	1010010070	
Credit Risk (30.000)		1010010080	2,931
Market Risk (50.000)		1010010160	59,809
Credit and Market for P&C Insurance (per MCT)		1010010350	
Insurance Risk (60.000)		1010010220	51,383
<i>Capital Requirements: Before Credits and Non-Diversified Risks</i>	(F)	1010010290	114,123
Participating, Adjustable and Policyholder Deposits and Group Business Credits (90.000)		1010010300	0
Diversification Credit (110.000)		1010010310	16,053
<i>Credits</i>	(G)	1010010320	16,053
Segregated Fund Guarantees (70.100)		1010010280	
Operational Risk (80.000)		1010010340	10,242
<i>Capital Requirements: Non-Diversified Risks</i>	(H)	1010010330	10,242
Base Solvency Buffer ((F - G + H) x Scalar [1.05])	(I)	1010010360	113,727
Core Ratio (%)	[(A + 70% D + 70% E) / I] x 100	1010010010	155.45%
Total Ratio (%)	[(C + D + E) / I] x 100	1010010020	165.52%