

Industrial Alliance

Company Profile

Data as at December 31, 2014



Description of iA Financial Group

iA Financial Group is a life and health insurance company featuring four main lines of business: Individual Insurance, Individual Wealth Management, Group Insurance and Group Savings and Retirement. The company also controls a large network of subsidiaries including Industrial Alliance Auto and Home Insurance, iA American Life Insurance Company, iA Clarington Investments and The Excellence Life Insurance Company.

Through its vast distribution network, it offers a wide range of financial products and services including life and health insurance, savings and retirement plans, mutual and segregated funds, securities, auto and home insurance and creditor insurance on both an individual and group basis.

iA Financial Group is listed on the Toronto Stock Exchange under the ticker symbol IAG. At December 31, 2014, the company had 100.8 million issued and outstanding common shares.

Over 120 years of history

1892

Founding

2000

Demutualization and listing on the Toronto Stock Exchange

2003

Expansion in wealth management

2008

Expansion in individual disability insurance

2010

Expansion in the United States and in services for vehicle dealers

2013

Expansion in private wealth management

2015

New "iA" brand in line with the Group's scale

Today



More than
25,000
representatives

More than
4,000,000
clients

More than
5,000
employees



Listed on the
Toronto Stock Exchange
under the ticker symbol IAG

Over
\$109 billion
in assets under management
and administration

Over
\$4 billion
in market capitalization



Full
line of
Insurance
products and
Investment
solutions for individuals
and groups

— Our mission

iA Financial Group's primary mission is to ensure the financial wellbeing of our clients by offering them personal insurance coverage and investment solutions to help them achieve their personal goals.

— Our ambition

To be the company that best meets client expectations, in partnership with our distributors.

The “iA” brand

In March 2015, Industrial Alliance Insurance and Financial Services Inc. and its subsidiaries updated their look and adopted the brand “iA”. Going forward, Industrial Alliance will market its products and services under the name iA Financial Group. This new brand speaks to the scope of the Group and to the diversity of our products.

Our new logo

Our new logo features a clearer, bolder elephant, which remains the symbol of our group's strength and solidity.

The letters “iA” have been enhanced to highlight our new corporate brand.

The forward slant of the elephant and lettering conveys our dedication to innovation and always looking to the future.

Our new website: ia.ca

Also in March 2015, we launched a new website. Featuring simplified navigation and a sleek, modern design adapted for any platform, our website offers an enjoyable, user-friendly experience, complete with easy-to-understand product information to help clients choose what's best for their needs.

Business lines, divisions and subsidiaries

iA Financial Group's four main lines of business are:

- **Individual Insurance and Individual Wealth Management**, addressing the needs of retail customers
- **Group Insurance and Group Savings and Retirement**, addressing the needs of groups and businesses

The company also provides **general insurance** through its Dealer Services division (P&C products) and the **IA Auto and Home** subsidiary.

Corporate growth strategy

iA Financial Group's business model is built on its ability to generate steady organic growth through the diversification of its distribution networks, its geographic presence and its market segments. It also rests on its ability to generate growth through strategic acquisitions. **Since 2000, the company has increased its book value per share at an annually compounded rate of 10% through December 31, 2014.**

To sustain its successful track record, the company employs a variety of growth strategies.

In the Individual Insurance and Wealth Management sectors, it competes head-on with all industry players in all markets and geographic regions in Canada. Its key competitive advantage is the ability to build strong distribution networks for its products and services.

In Group Insurance Employee Plans, Group Savings and Retirement and through IA Auto and Home, the company competes selectively by market and geography where it can leverage corporate relationships and competencies.

In Group Insurance Dealer Services and Special Markets Solutions, it stands out from other industry players in niche markets where it has few competitors and it holds a leading market position.

Finally, iA Financial Group is opportunistic in underserved markets where there are a limited number of players. In the United States, for example, the company's capital strength makes it one of the largest players in its particular market segment. In Canada, it is currently leveraging its country-wide distribution network to grow sales of its adjustable individual disability product outside Quebec.

Distribution network

iA Financial Group's comprehensive distribution network enables it to provide a vast range of products and services in all market segments in Canada and in niche markets in the United States.

In the retail sectors in Canada, the company distributes insurance and wealth management products through dedicated agents (Career network), iA affiliates, managing general agents and independent advisors. In the United States, the company distributes insurance products through independent marketing organizations (IMOs).

In the group sectors, the company's distribution platform includes specialized brokers and actuarial consulting firms as well as automobile and other motor vehicle dealers across Canada.

In the company's general insurance subsidiary (IA Auto and Home), which operates only in Quebec, distribution is carried out through direct sales, together with referrals from the iA network.



Business overview

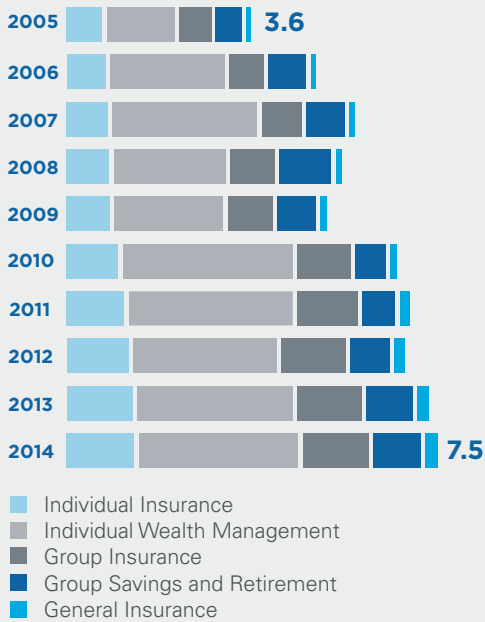
	Activities	Products and services	Distribution networks
Personal Financial Services	■ Individual Insurance	– Life (Universal, permanent and term) – Critical illness – Short and long-term disability – Accidental death and dismemberment (AD&D) – Creditor (life and disability)	– Career (iA) – Managing General Agents – National Accounts – Michel Rhéaume et Associés Ltée – Solicour Inc. – Independent marketing organizations (US) – Independent advisors
	■ Individual Wealth Management	– Segregated funds – Mutual funds – Securities – Life and fixed-term annuities – Registered savings and disbursement plans (RRSP, RESP, TFSA and RRIF) – Investment advice – Private wealth management	– Career (iA) – Managing General Agents – Professional associations – National Accounts – iA affiliated entities – Independent advisors
	General Insurance	– Auto and home insurance	– Direct sales – Referrals from iA networks
Group Products and Services	■ Group Insurance:		
	● Employee Plans	– Life and health, AD&D, dental care, short and long-term disability, critical illness and home care insurance – Voluntary benefits (life, AD&D and critical illness) – Out-of-Canada medical insurance	– Specialized brokers – Actuarial consulting firms
	● Dealer Services	– Creditor insurance (life, disability and critical illness) – Replacement insurance, extended warranties and other ancillary products – Car loans	– Direct distribution with automobile and other motor vehicle dealers
	● Special Markets Solutions	– AD&D, travel medical, term life, critical illness, disability – Other specialized products	– Distribution partners – Specialized insurance brokers – Actuarial consulting firms – Mortgage brokers – Direct sales
	■ Group Savings and Retirement	– Capital accumulation products – Insured annuities	– Specialized advisors – Actuarial consulting firms – Career (iA) – Managing General Agents

■ Business Line ● Division

Business growth

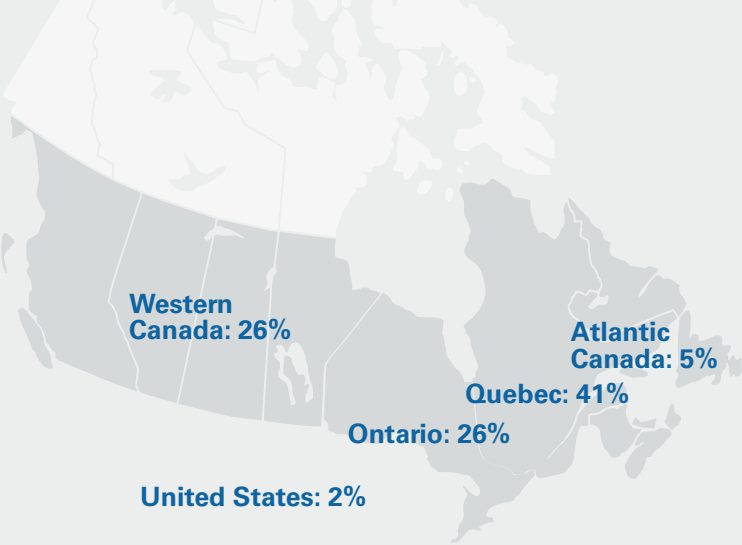
Premiums and deposits

(In billions of dollars)



Geographic distribution of premiums and deposits

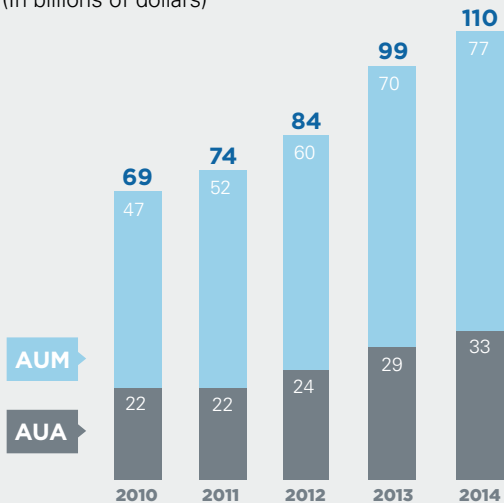
iA Financial Group has operations throughout Canada and stands out through the size and diversity of its Canada-wide distribution channels. The company also has operations in the United States.



Assets and market share

Assets under management and administration

(In billions of dollars)



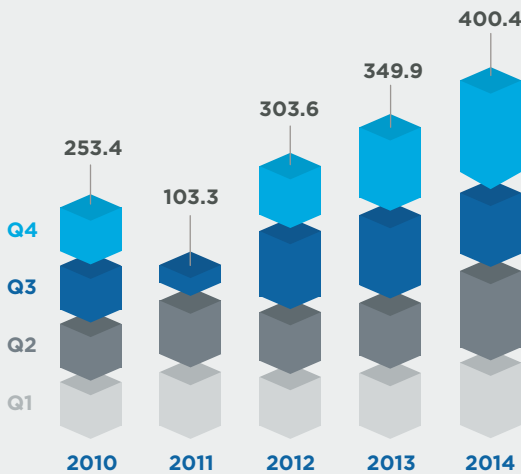
Our ranking in the canadian industry

- 4th Individual Insurance
- 4th Segregated Funds
- 7th Group Savings and Retirement
- 6th Group Insurance (Employee Plans)

Financial strength

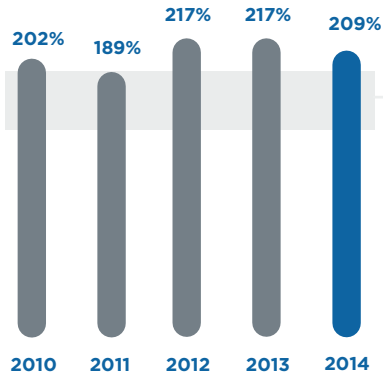
Net income to common shareholders

(In millions of dollars)



Solvency ratio

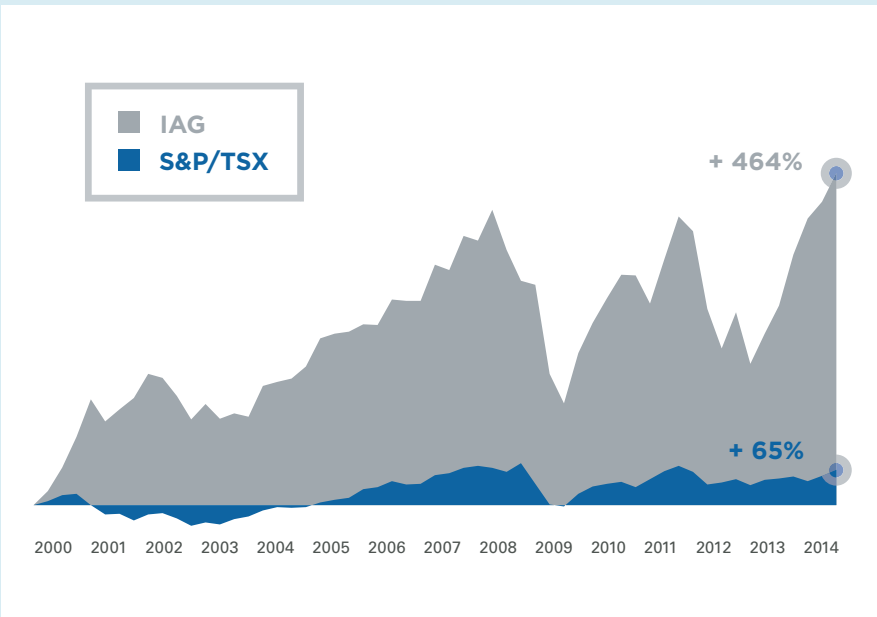
(%)



Above the 175%–200% target range

Stock performance

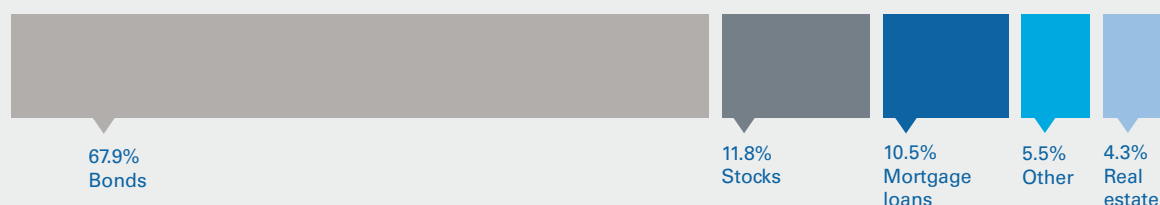
Since February 3, 2000, the date Industrial Alliance was listed on the Toronto Stock Exchange, IAG stock has grown 464%, compared to 65% for the S&P/TSX benchmark index of the Toronto Stock Exchange.



A conservatively managed investment portfolio

Total investment assets: \$27.4 billion

Distribution of investments by asset category



84%

Bonds rated A or higher

0%

Credit losses over three years

91%

Real estate occupancy rate

Credit ratings

— Standard & Poor's	A+ (Strong)
— DBRS	IC-2
— A.M. Best	A+ (Superior)

Our Corporate Values

Teamwork

High-performance environment

Continuous improvement

Respect for individuals

Service oriented

**Customer Service**

— 418-684-5000 or 1-800-463-6236
— clientele@ia.ca

Public Relations

— 418-684-5000, extension 1660
— public.relations@ia.ca

Investor Relations

— 418-684-5000, extension 5862
— investors@ia.ca

See the back pages of our *2014 Annual Report*, available on our website, for a complete list of offices for iA Group and its subsidiaries.



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ia.ca

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