

## **iA Financial Group Concludes the Acquisition of US-based Vehicle Warranty Business**

**Quebec City, May 22, 2020** – iA Financial Corporation Inc. (TSX: IAG), the holding company of iA Financial Group, announces that it has concluded the acquisition of the American company IAS Parent Holdings, Inc. and its subsidiaries (collectively “IAS”). The agreement to acquire IAS was announced December 4, 2019.

Based in Austin, Texas, IAS is one of the largest independent providers of solutions in the U.S. vehicle warranty market with over 35 years of history. IAS provides a comprehensive portfolio of vehicle warranties and related software and services sold through one of the industry’s broadest and most diverse distribution networks consisting of over 4,300 dealers in all fifty states.

“We are pleased to announce the completion of the acquisition of IAS and to welcome its high-quality management team within iA Financial Group,” said Denis Ricard, President and Chief Executive Officer of iA Financial Group. “By combining the complementary strengths of IAS and of our existing warranty business in the U.S., we will be well positioned for the growth opportunities that may arise in this highly fragmented market.”

“I am proud of our entire team and their hard work and growth over the last few years,” added Patrick Brown, President and Chief Executive Officer of IAS. “With the strength and resources of iA, we look forward to continuing to grow and providing the best products and services in the industry to our long-standing partners and customers. We’re excited for the opportunities that lie ahead as a part of the iA family and can’t wait to get to work.”

The purchase price of US\$720 million, for which a currency hedge was put in place, has been funded by iA Financial Group’s excess capital. Following closing of the acquisition and of iA Investment Counsel’s sale which is expected to close during the second quarter of 2020, iA Financial Group will maintain a sound capital position with a pro forma solvency ratio as at March 31, 2020 of 121%, above its target range of 110 to 116%.

### **Forward-looking Statements**

This news release may contain statements relating to strategies used by iA Financial Group or statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “may”, “will”, “could”, “should”, “would”, “suspect”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “estimate”, and “continue” (or the negative thereof), as well as words such as “objective” or “goal” or other similar words or expressions. Such statements constitute forward looking statements within the meaning of securities laws. In this news release, forward-looking statements include, but are not limited to, information concerning possible or assumed future operating results. These statements are not historical facts; they represent only expectations, estimates and projections regarding future events.

Although iA Financial Group believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties including the risk of the iA Investment Counsel transaction, which is subject to closing conditions not be completed, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Factors that could cause actual results to differ materially from expectations include, but are not limited to: general business and economic conditions; level of competition and consolidation; changes in laws and regulations, including tax laws; liquidity of iA Financial Group, including the availability of financing to meet existing financial commitments on their expected maturity dates when required; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; accuracy of accounting policies and actuarial methods used by iA

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Financial Group; insurance risks such as mortality, morbidity, longevity and policyholder behaviour, including the occurrence of natural or man made disasters, pandemic diseases (such as the current COVID-19 pandemic) and acts of terrorism.

Additional information about the material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the “Risk Management” section of the Management’s Discussion and Analysis for 2019, the “Management of Risks Associated with Financial Instruments” note to the audited consolidated financial statements for the year ended December 31, 2019, the “Risk Update” section of the Management's Discussion and Analysis for the 1st quarter of 2020 and elsewhere in iA Financial Group’s filings with the Canadian Securities Administrators, which are available for review at [sedar.com](http://sedar.com).

The forward-looking statements in this news release reflect iA Financial Group’s expectations as of the date of this document. iA Financial Group does not undertake to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as required by law.

### **About iA Financial Group**

iA Financial Group is one of the largest insurance and wealth management groups in Canada, with operations in the United States. Founded in 1892, it is one of Canada’s largest public companies and is listed on the Toronto Stock Exchange under the ticker symbols IAG (common shares) and IAF (preferred shares).

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