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**Intact Financial Corporation Announces \$600 million Medium Term Note Private
Placement to Finance a Portion of the Purchase Price for RSA Insurance Group
PLC (“RSA”)**

December 11, 2020 – Intact Financial Corporation (TSX: IFC) (“Intact” or the “Company”) announced today that it intends to issue \$300 million principal amount of Series 9 unsecured medium term notes (the “Series 9 Notes”) and \$300 million principal amount of Series 10 unsecured medium term notes (the “Series 10 Notes”) (collectively, the “Notes”). The Notes will be direct unsecured obligations of Intact and will rank equally with all other unsecured and unsubordinated indebtedness of Intact. The Series 9 Notes will bear interest at a fixed annual rate of 1.928% until maturity on December 16, 2030. The Series 10 Notes will bear interest at a fixed annual rate of 2.954% until maturity on December 16, 2050. The Notes are being offered by way of private placement to accredited investors in Canada (the “Private Placement”). The net proceeds from the Private Placement will be used by Intact to fund a portion of the purchase price for its previously announced proposed acquisition (the “Acquisition”) of the entire issued and to be issued share capital of RSA, to be carried out by the Company together with Tryg A/S.

If (i) closing of the Acquisition has not occurred prior to 11:59 p.m. (London UK local time) on December 31, 2021, or (ii) in certain circumstances where: (a) the scheme of arrangement for the Acquisition lapses or is withdrawn, or (b) if the Acquisition is implemented by way of a takeover offer, such takeover offer lapses, terminates or is withdrawn, then Intact will be required to redeem the Notes at a redemption price equal to 100% of the aggregate principal amount of the Notes, plus accrued and unpaid interest, if any, up to, but excluding, the date of redemption.

The Notes, offered on a best efforts basis through a syndicate co-led by CIBC World Markets Inc., TD Securities Inc., and National Bank Financial Inc., are expected to be issued on or about December 16, 2020.

The securities to be offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“U.S. Securities Act”), and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy such securities in the United States or in any other jurisdiction where such offer is unlawful.

The closing of the Acquisition is expected to occur in the second quarter of 2021 subject to receipt of the relevant approvals or clearances from RSA shareholders and the relevant regulatory and antitrust authorities and the satisfaction or (where capable of waiver) waiver of other conditions to closing.

Additional information on the Acquisition is available at Intact’s website at <https://www.intactfc.com/English/investors/>.

About Intact Financial Corporation

Intact Financial Corporation 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 \$11 billion in total annual premiums. The Company has approximately 16,000 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. Frank Cowan Company, a leading MGA, distributes public entity insurance programs including risk and claims management services in Canada.

In the U.S., Intact Insurance Specialty Solutions provides a range of specialty insurance products and services through independent agencies, regional and national brokers, wholesalers and managing general agencies. Products are underwritten by the insurance company subsidiaries of Intact Insurance Group USA, LLC.

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Cautionary note regarding forward-looking statements

Certain of the statements included in this press release about the Private Placement, the Acquisition or any other future events or developments constitute forward-looking statements. The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely”, “potential” or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. Unless otherwise indicated, all forward-looking statements in this press release are made as of December 11, 2020 and are subject to change after that date.

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. In addition to other estimates and assumptions which may be identified herein, estimates and assumptions have been made regarding, among other things, the anticipated closing of the Private Placement, the receipt of all requisite approvals relating to the Acquisition in a timely manner and on terms acceptable to the Company. However, the completion of the Private Placement and the Acquisition is each subject to customary closing conditions, termination rights and other risks and uncertainties, including, without limitation, in the case of the Acquisition, regulatory approvals, and there can be no assurance that the Private Placement and the Acquisition will be completed within anticipated timeframes or at all.

All of the forward-looking statements included in this press release are qualified by these cautionary statements and those made in the section entitled Risk Management (Sections 22-27) of our MD&A for the year ended December 31, 2019, the section entitled Risk Management (sections 17-18) of our MD&A for the quarter ended September 30, 2020 and the section entitled Risk Factors - Risks Related to the Acquisition of our presentation entitled "Building a Leading P&C Insurer" dated November 18, 2020 and available on our website. 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. Investors should not rely on forward-looking statements to make decisions, and investors should ensure the preceding information is carefully considered when reviewing forward-looking statements contained herein. The Company and management have no intention and undertake 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.

Disclaimer

This press release does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The information contained in this press release concerning the Company does not purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company. The information is qualified entirely by reference to the Company's publicly disclosed information and the cautionary note regarding forward-looking statements included in this press release.

No representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its the directors, officers or employees as to the accuracy, completeness or fairness of the information or opinions contained in this press release and no responsibility or liability is accepted by any person for such information or opinions. In furnishing this press release, the Company does not undertake or agree to any obligation to provide investors with access to any additional information or to update this press release or to correct any inaccuracies in, or omissions from, this press release that may become apparent. The information and opinions contained in this press release are provided as at the date of this press release. The contents of this press release are not to be construed as legal, financial or tax advice. Each investor should contact his, her or its own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice.