



Charles Brindamour, Chief Executive Officer  
Scotia Capital Financials Summit – September 10, 2008

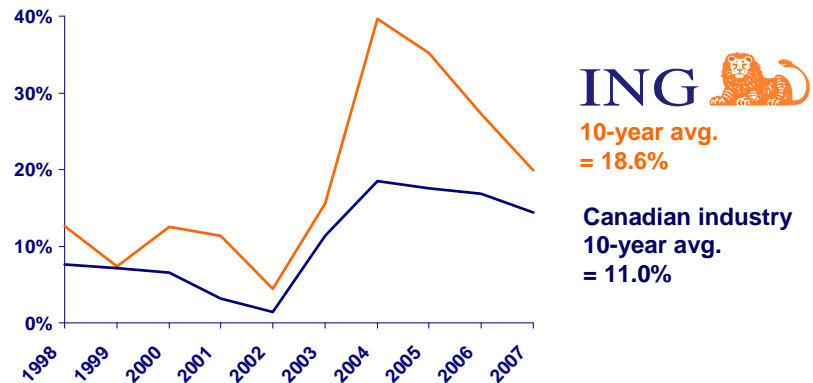




# The leader in property & casualty insurance in Canada

- Largest P&C company in Canada with \$4.1 billion in direct premiums written
- Market leader in Ontario, Alberta, Quebec and Nova Scotia
- Industry consolidator: 11 acquisitions in 19 years
- Multi-channel distributor
- Scale advantage in a fragmented market
- Long-term industry outperformance

## ROE performance of insurance subsidiaries compared to Canadian P&C insurance industry



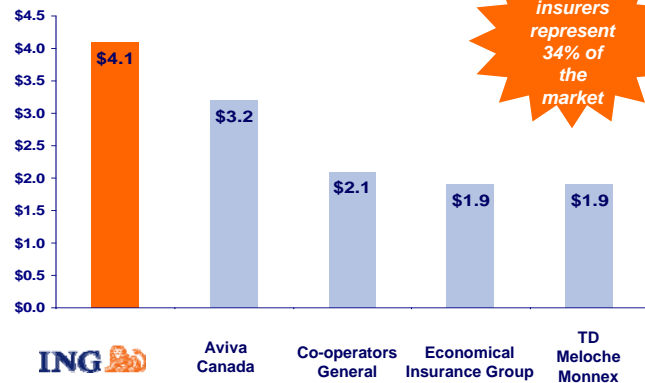
**ING**

10-year avg.  
= 18.6%

Canadian industry  
10-year avg.  
= 11.0%

Source: MSA Research. Reinsurers are included, Lloyd's and ICBC are excluded.

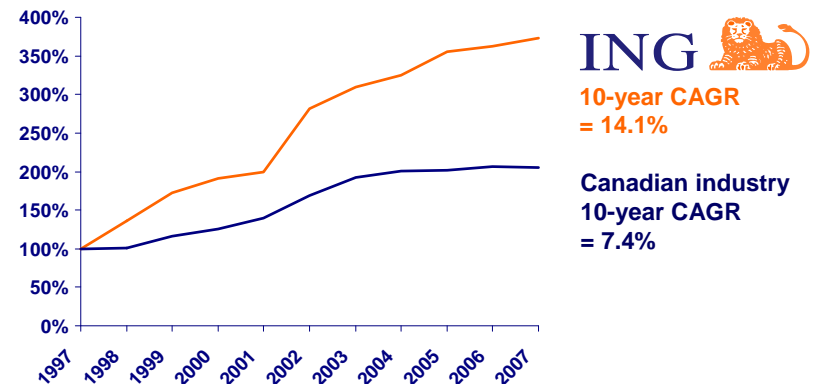
Direct premiums written (\$ billions)



Top five insurers represent 34% of the market

Market share	ING	Aviva Canada	Co-operators General	Economical Insurance Group	TD Meloche Monnex
	11.4%	8.8%	5.8%	5.3%	5.2%

## Premium growth – direct premiums written for 10 years (indexed to 1997)



**ING**

10-year CAGR  
= 14.1%

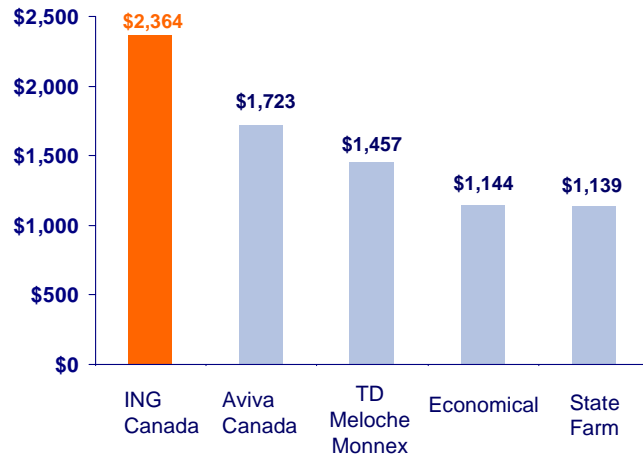
Canadian industry  
10-year CAGR  
= 7.4%

**ING**

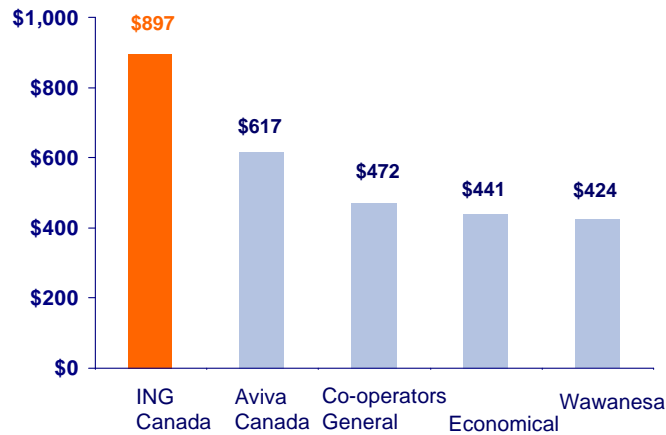


# Scale drives superior performance in personal lines

**2007 Automobile direct premiums written (DPW) – personal and commercial (\$ millions)**



**2007 Personal property DPW (\$ millions)**



Loss ratio = Claims / Net earned premiums



**Superior loss ratio gap to the industry (percentage points)**

	<b>Favourable gap (5-year average)</b>
Automobile*	8.1
Personal property	1.4

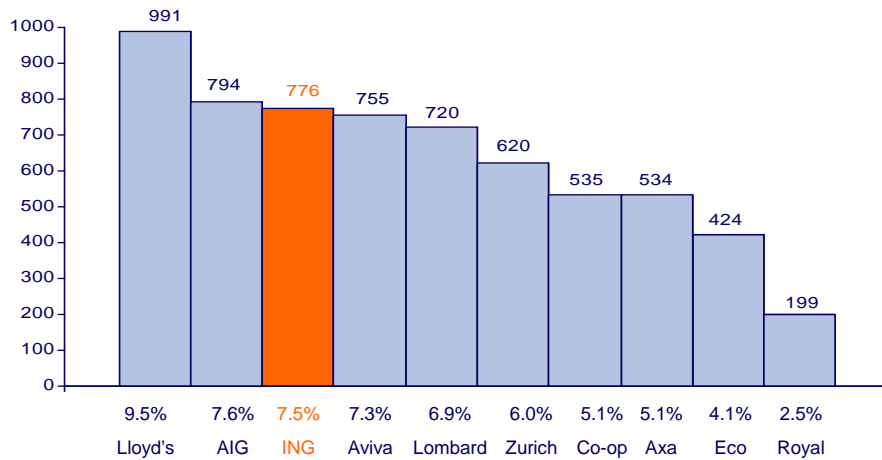
\*Includes personal and commercial auto



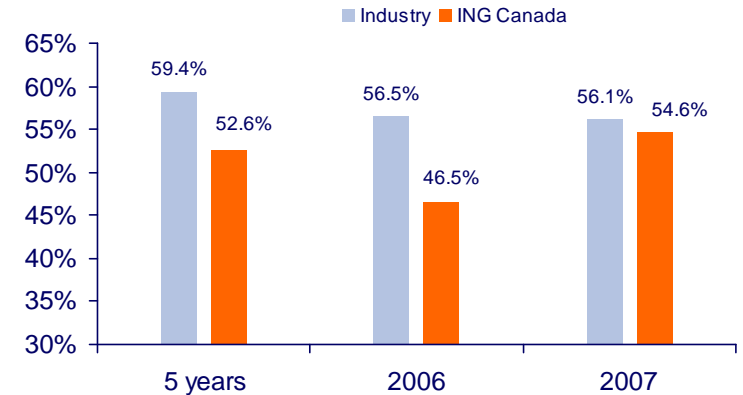


# Long-term industry outperformance in commercial

**DPW and market share versus key competitors 2007 – Commercial property and liability combined (\$ millions)**



**ING Canada commercial non-auto net loss ratio gap versus industry (bps)**

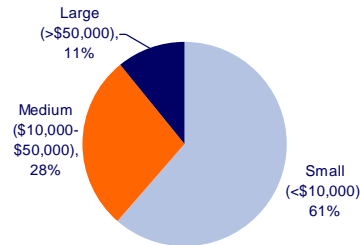


Source: MSA Research. Excludes Lloyd's, ICBC and unreported companies.

**ING is #1 in small to medium-sized commercial accounts**



**% of DPW by size of commercial account**



**Superior loss ratio gap to the industry (percentage points)**

<b>Favourable gap (5-year average)</b>	
Commercial non-auto	6.8





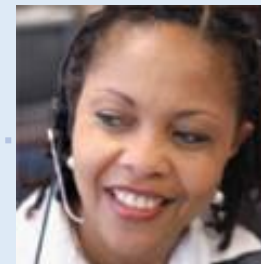
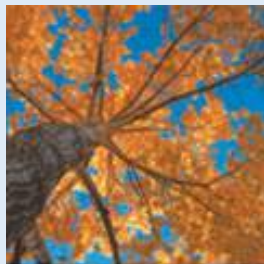
## Benefits of scale advantage

### Superior pricing and underwriting

- More sophisticated pricing segmentation
- Large proprietary experience database
- Disciplined and automated risk selection process
- Ability to identify and exploit profit pockets in the market

### Strategic claims and expense management

- Strong in-house claims expertise
- 95% of claims in 2007 handled by internal claims personnel
- Preferred provider relationships (Rely Networks) to increase quality and speed of service
- Leveraging buying power to reduce material costs





# Diverse business model maximizes growth

## Our family of insurance brands



**ING Insurance:** provides insurance products and services through a network of 1,800 independent brokerages

**belairdirect.**

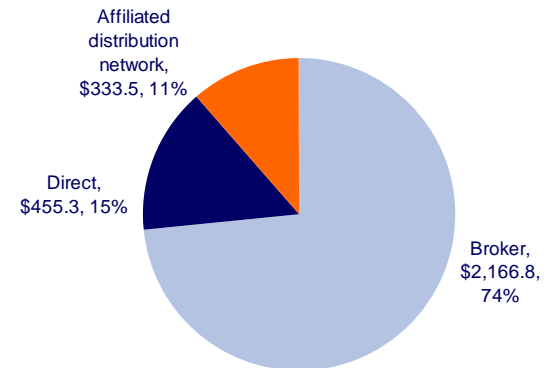
**belairdirect:** offers insurance products and services directly to consumers via the Internet and call centres



**Affiliated Distribution Networks:** includes brokerages in which we have an ownership interest – Equisure, Canada Brokerlink, GreyPower

**GREY POWER**

Personal lines – 2007 direct premiums written by distribution channel (\$ millions)



**Strong growth in direct-to-consumer channel**

**belairdirect** has grown at an annual rate of **10%** over the last five years





# Strategic capital management

Strong capital base allows us to pursue our growth objectives while returning capital to our shareholders

As of Q2-2008 (in \$ millions):

Excess capital <sup>1</sup>	\$ 642
Debt capacity <sup>2</sup>	\$ 768
<b>Total capacity for acquisitions and other capital initiatives</b>	<b>\$ 1,410</b>

<sup>1</sup> Includes cash and receivables from subsidiaries at holding company level. Assumes MCT of 170%.

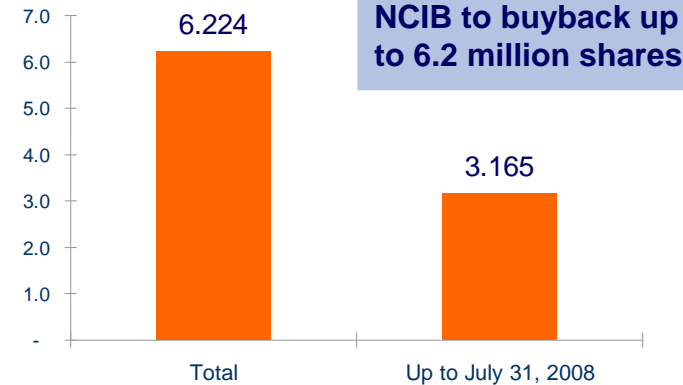
<sup>2</sup> Assumes 20% debt to total capital.

## Strategic capital priorities:

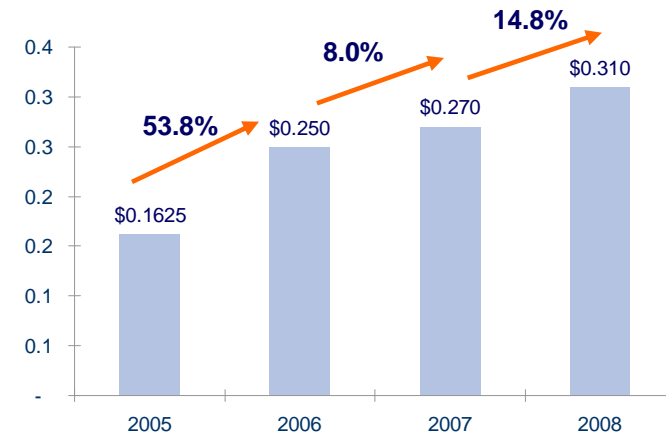
- Acquisitions
- Share buybacks
- Continued dividend increases

## Share buyback up to July 31, 2008

(in millions)



## Quarterly dividend

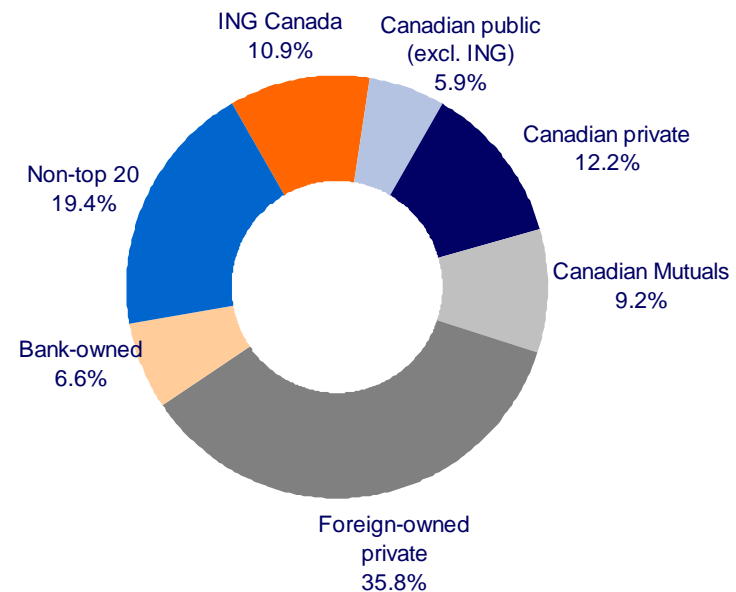




## Future consolidation in a fragmented industry

- P&C industry in Canada is highly fragmented compared to other financial services
- Current environment more likely to create opportunity as:
  - Industry ROEs are down from recent record highs
  - Foreign parent companies are generally in less favourable capital position compared to one year ago

Top 20 P&C insurers  
Market share (by DPW in 2007)  
Total = 80.6%



Source: Scotia Capital, April 2008 report





## Conclusion



### Largest property & casualty insurer in Canada

- Consistent industry outperformer and consolidator
- Scale advantage drives benefits that are difficult to emulate by new entrants or existing players
- Disciplined pricing strategy in personal and commercial lines
- Multi-channel distribution strategy maximizes long-term growth
- Strong capital position to pursue growth opportunities while returning capital to shareholders
- Fragmented industry likely to consolidate in the mid-term



## Forward-looking statement disclaimer

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