Intact Financial Corporation (IFC)

Investor Presentation
September 2009

Forward-looking statement disclaimer

Certain statements in this report or included by reference about the company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments are forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other similar or comparable words or phrases identify such forward-looking statements. 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. Many factors could cause the company's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. These factors include, without limitation, the following: the company's ability to implement its strategy or operate its business as management currently expects; its ability to accurately assess the risks associated with the insurance policies that the company writes; unfavourable capital market developments or other factors which may affect the company's invested assets and its pension plans funding obligations; the cyclical nature of the P&C insurance industry; management's ability to accurately predict future claims frequency; government regulations; litigation and regulatory actions; periodic negative publicity regarding the insurance industry; intense competition; the company's reliance on brokers and third parties to sell its products; the company's ability to successfully pursue its acquisition and business strategies; the company's participation in the Facility Association (a mandatory pooling arrangement among all industry participants); terrorist attacks and ensuing events; the occurrence of catastrophic events; the company's ability to maintain its financial strength ratings; the company's ability to alleviate risk through reinsurance; the company's ability to successfully manage credit risk; the company's reliance on information technology and telecommunications systems; the company's dependence on key employees; general economic, financial and political conditions; the company's dependence on the results of operations of its subsidiaries; the accuracy of analyst earnings estimates or the consensus figure based upon such estimates; the volatility of the stock market and other factors affecting the company's share price; the limited trading history of its common shares; and future sales of a substantial number of its common shares. These factors are not intended to represent a complete list of the factors that could affect the Company and should be considered carefully, by readers who should not place undue reliance on the company's forward-looking statements. The Company and Management have no intention and accept no responsibility to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

[intact]

Leader in auto, home and business insurance in Canada

Who we are

- Dominant P&C insurer in Canada
- Over $4 billion in direct premiums written
- #1 in Ontario, Québec, Alberta, Nova Scotia
- Substantial size and scale advantage
- 11 successful acquisitions in 20 years
- $7.0 billion cash and invested assets

Distinct brands

intact INSURANCE

belairdirect.

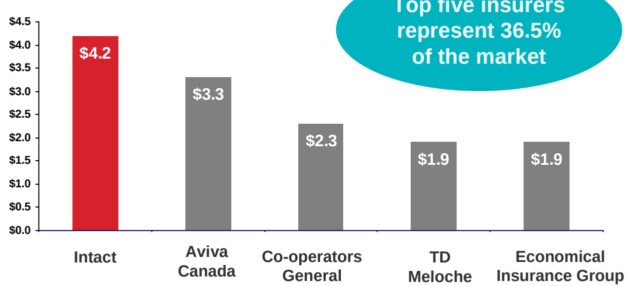
GREY POWER

CANADA BROKERLINK INC.

Scale advantage

2008 Direct premiums written[1]
($ billions)

Top five insurers represent 36.5% of the market



	Intact	Aviva Canada	Co-operators General	TD Meloche	Economical Insurance Group
Market share	11.1%	8.8%	6.2%	5.2%	5.2%

Industry outperformer

10-year performance – IFC vs. P&C Industry[1]	IFC Outperformance
Premium growth	2.8 pts
Combined ratio[2]	3.8 pts
Return on equity[3]	7.8 pts

[1] Industry data source: MSA Research excluding Lloyds, ICBC, SGI, SAF, MPI, Genworth and Mutuals in Quebec
[2] Combined ratio includes the market yield adjustment (MYA)
[3] ROE is for Intact's P&C insurance subsidiaries.

Consistent industry outperformance

Significant scale advantage

Sophisticated pricing and underwriting

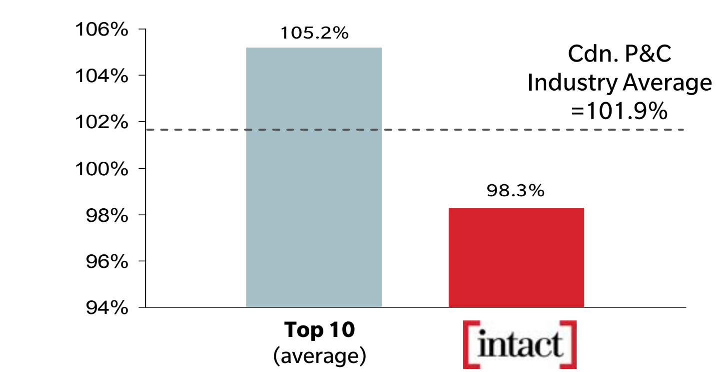
In-house claims expertise

Broker relationships

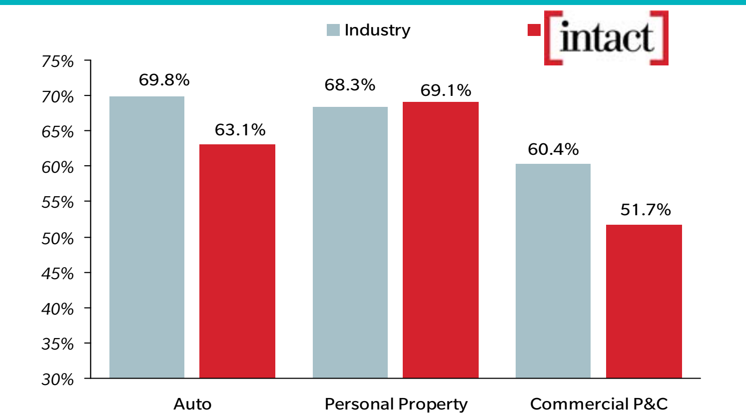
Multi-channel distribution

Proven acquisition track record

2008 combined ratios



Five-year average loss ratios



Source: MSA Research 2008
Data in both charts are for the year ended December 31, 2008
Industry results exclude Lloyds, ICBC, SAF, SGI, MPI, Genworth and Mutuals in Quebec
Includes market yield adjustment (MYA)

Strong organic growth potential through multi-channel distribution

#1 Broker insurance company in Canada

intact INSURANCE

- Network of more than 1,800 brokers in Canada
- Brokers in Canada own the commercial market and maintain large share of personal lines
- Many customers prefer the personalized service and choice offered by a broker or agent

Targeting growing 50+ population

GREY POWER

Where Experience Counts.

- Operating in ON and AB
- Double-digit growth in 2008
- Web and call centers

In 10 yrs, 25% of the Canadian population will be 50yrs+

1/3 Canadians to buy insurance online[1]

belairdirect.

- #1 brand awareness in ON and PQ
- Growing at 10%+ per year
- Operating in ON and PQ
- Leveraging explosive growth of the internet
- Geographic expansion potential

[1] World Insurance Report, Capgemini. 1 in 10 customers say they use the internet to buy insurance, 1 in 3 wants to use it to buy insurance within 3 years

Leveraging scale in distribution

CANADA BROKERLINK INC.

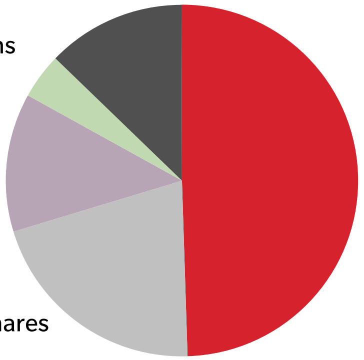
- Proprietary brokers with $400 million in direct written premiums and approximately 180,000 customers
- More than 50 offices in Ontario and Alberta
- Transforming to leverage scale in sales, marketing and technology

Strong financial position and excess capital

Strong balance sheet

- 211.1% MCT (minimum capital test)
- $466 million excess capital over MCT of 170%
- Additional $250 million raised through MTN offering in August
- $150 million unsecured committed credit facility
- Solid financial strength ratings from A.M. Best, Moody's and DBRS
- Adequate claims reserves evidenced by consistent favourable development

$7.0 billion in cash and invested assets



Acquisition capacity ($ millions)

Excess capital at June 30, 2009[1]	$466
MTN offering in August 2009	$250
Remaining debt capacity[2]	over $400
Total acquisition capacity (without issuing equity)	> $1 billion

Quality investment portfolio

- 98.1% of bonds are rated A or better
- 80.2% of preferred shares are rated P1 or P2
- Minimal US exposure
- No leveraged investments
- Investment income of more than $145 million in the first half of 2009

All figures as at June 30, 2009 unless otherwise noted

[1] Excess capital over MCT of 170%

[2] At 20% debt-to-total capital. Remaining debt capacity at August 30, 2009

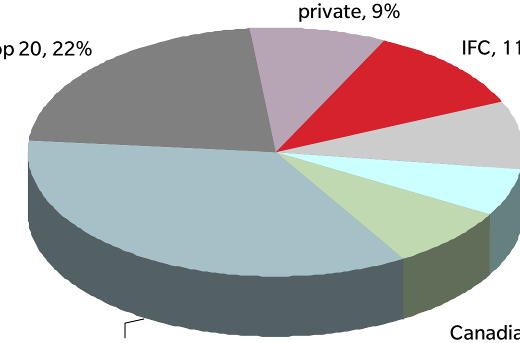
Further consolidation in P&C market likely

Acquisition strategy

- Targeting large-scale acquisitions of $500 million or more (direct written premiums)
- Pursuing acquisitions in lines of business where we have expertise
- Acquisition target IRR of 15%
- Targets:
  - Bring loss ratio of acquired book of business to our average loss ratio in 18-24 months
  - Bring expense ratio to 2pts below IFC ratio

Acquisition	Year of Acquisition	Approximate Size of Acquisition (DPW) [1] ($ millions)
Allianz Canada (Personal and Small to Medium Commercial Lines)	**2004**	**600**
Zurich (Personal and Small Commercial Lines)	**2001**	**510**
Pafco (Niche Products)	1999	40
Guardian	**1998**	**630**
Canada Surety Personal Lines (Selected Provinces)	1997	30
Wellington	**1995**	**370**
St. Maurice	1994	30
Constitution	1992	30
Metropolitan General	1991	10
Commerce Group/belair	**1989**	**290**
Western Union	1988	60

Top 20 P&C insurers = 80% of market



Source: Scotia Capital, April 2009 report, measured by DPW in 2008

M&A environment

Environment more conducive to acquisitions now than one year ago:

- Industry ROEs are down from recent record highs
- Foreign parent companies are generally in less favourable capital position

12-month outlook:
Industry pricing environment firming up in Canada

Personal lines	• Premiums in personal lines increasing due to cost inflation ▸ Industry auto rate increases picking up speed in Ontario ▸ Home insurance premiums increasing due to higher volume of water-related claims
Commercial lines	• Evidence of price hardening continued in second quarter in Ontario and will likely begin to harden in other provinces as well
Capital	• Pressure on industry capital will likely continue over the next 12 months • Lower excess capital levels could set stage for industry consolidation

[intact]

- Personal lines growth picking up speed
- Organic growth potential in commercial as pricing hardens and industry capacity shrinks
- Strong capital base to participate in industry consolidation

Conclusion

Disciplined pricing, underwriting, investment and capital management have positioned us well for the future

- Largest P&C insurance company with substantial scale advantage in the market
- Strong financial position
- Excellent long-term earnings power
- Organic growth platforms easily expandable
- M&A environment more conducive to consolidation
- Well-positioned as industry conditions begin to firm up over the next 12 months

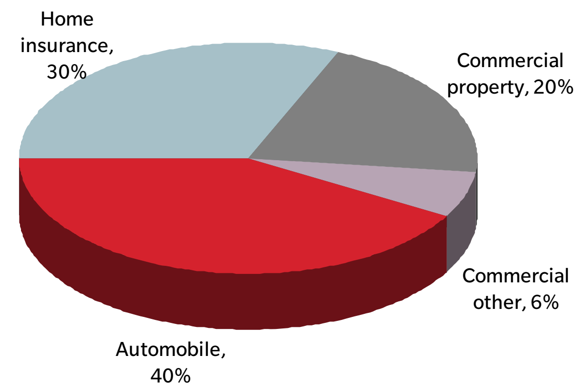
Appendices

P&C insurance is a $36 billion market in Canada

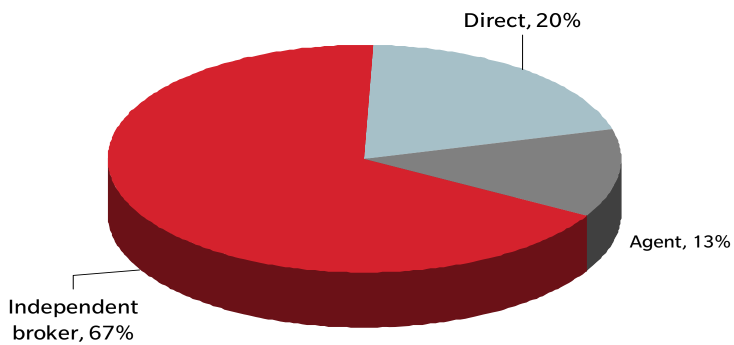
3.8% of GDP in Canada

- Fragmented market – top five less than 37% -- vs. bank/lifeco markets which are closer to oligopoly
- Brokers continue to own commercial lines and large share of personal lines in Canada; direct-to-consumer channel growing
- Barriers to entry – scale, regulation, manufacturing capability, market knowledge
- Home/business insurance rates unregulated; personal auto rates regulated in some provinces
- Capital is regulated nationally by OSFI
- 30-year ROE for the industry is approximately 10%

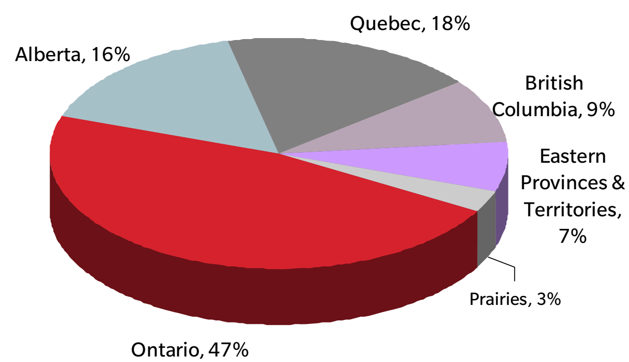
Industry - Personal lines 70% of DWP



Brokers dominate; direct growing[1]



Industry - DWP by province



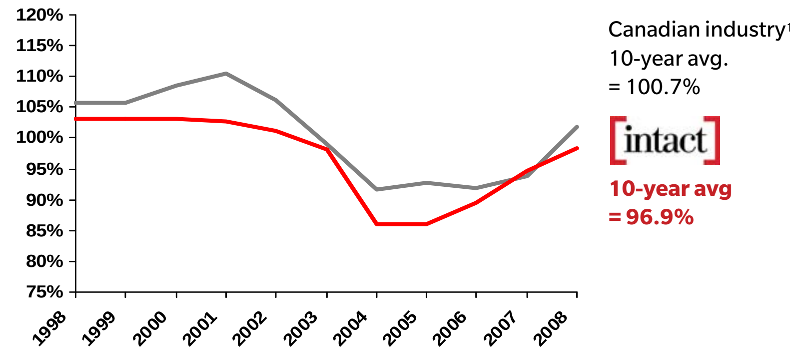
DWP = direct written premiums
OSFI = Office of the Superintendent of Financial Institutions
[1] Industry data source: MSA data excluding Lloyds, ICBC, SAF, SGI, MPIC, Genworth, Promutual Re and Mutuals in Quebec.

P&C industry 10-year performance vs. IFC

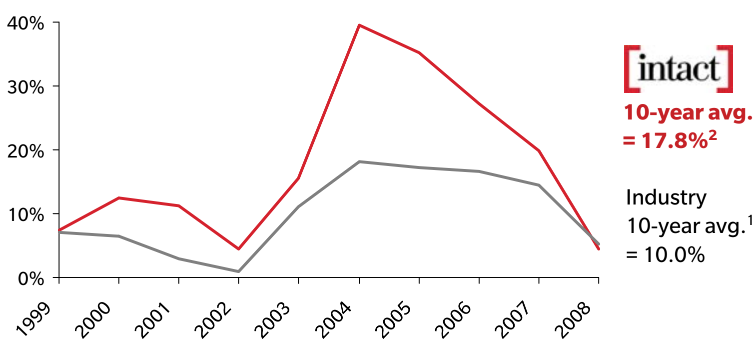
IFC competitive advantages

- Significant scale advantage
- Sophisticated pricing and underwriting
- In-house claims expertise
- Multi-channel distribution
- Broker relationships
- Investment expertise
- Management continuity

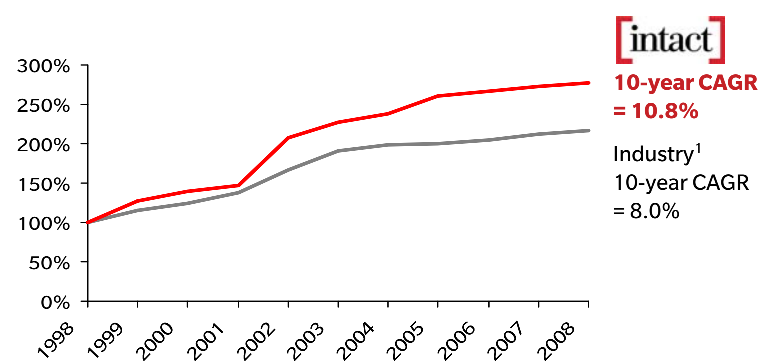
Combined ratio



Return on equity



Direct written premium growth



Data in all charts as at December 31, 2008
DWP = direct written premiums
OSFI = Office of the Superintendent of Financial Institutions
[1]Industry data source: MSA Research. excluded Lloyds, ICBC, SGI, SAF, MPI, Genworth and Mutuals in Qc.
[2]ROE is for Intact's P&C insurance subsidiaries.

Appendix

Historical financial performance

Historical financials

	2008	2007	2006	2005	2004
Income statement highlights					
Direct written premiums (excluding pools)	$ 4,146	$ 4,109	$ 3,994	$ 3,906	$ 3,501
Underwriting income (excluding MYA*)	117	189	404	538	470
Net operating Income (excluding MYA*)	361	457	531	612	532
Net operating EPS (excluding MYA*)	2.96	3.61	3.97	4.58	5.55
Balance sheet highlights					
Total invested assets	$ 6,094	$ 7,223	$ 7,227	$ 6,707	$ 6,285
Debt	0	0	0	127	256
Total shareholders' equity (ex-AOCI)	3,079	3,290	3,421	2,893	2,060
Performance metrics					
Loss ratio (excluding MYA*)	68.2 %	66.2 %	59.1 %	56.3 %	56.6 %
Expense ratio	28.9 %	29.0%	30.3%	29.7%	29.4%
Combined ratio (excluding MYA*)	97.1%	95.2%	89.4%	86.0%	86.0%
Net operating ROE (excl. AOCI)	11.3%	13.6%	16.8%	24.7%	34.9%
Debt / Capital	0.0%	0.0%	0.0%	4.2%	11.1%
Combined ratios by line of business (excl. MYA)					
Personal auto	95.9%	94.5%	87.3%	78.8%	82.9%
Personal property	113.6%	102.2%	100.0%	104.0%	92.5%
Commercial auto	87.2%	93.7%	86.9%	87.0%	81.2%
Commercial non-auto	85.3%	90.1%	85.2%	86.4%	89.6%

* The market yield adjustment (MYA) reflects the impact of changes in the discount rate applied to the company's claims liabilities, as determined by the market-based yield of the underlying assets.

[intact]

Strategic capital management

- Strong capital base has allowed us to pursue our growth objectives while returning capital to shareholders

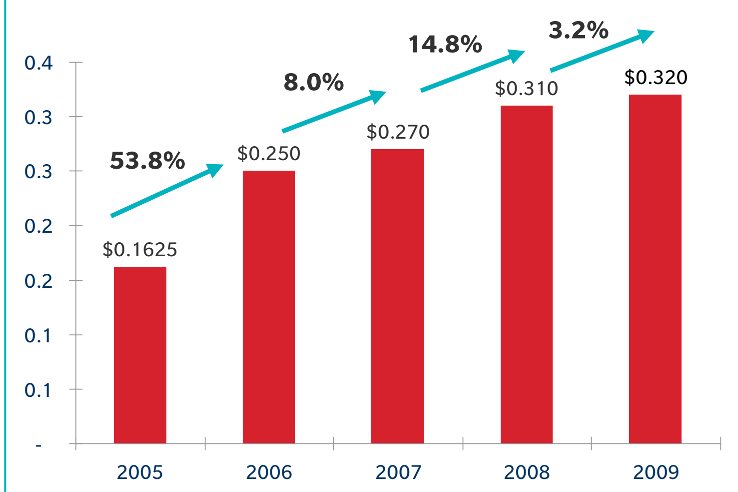
Capital priorities

- Acquisitions
- Dividends

Share buyback history

- 2008 – Repurchased 4.6 million shares for a total of $176 million
- 2007 – $500 million Substantial Issuer Bid

Quarterly dividend



Cash and invested assets

Asset class

Fixed income

Federal government and agency	36.8%
Corporate	25.1%
Provincial and municipal	21.9%
Supranational and foreign	8.8%
ABS/MBS	6.8%
Private placements	0.7%
TOTAL	100%

Canadian	84%
United States	2%
Int'l (excl. U.S.)	14%
TOTAL	100%

Quality: 98% rated A or better

Preferred shares

Fixed perpetual	52%
Perpetual and callable floating and reset	24%
Fixed callable	24%
TOTAL	100%

Quality:
Approx. 80% rated P1 or P2

100% Canadian

Common shares

High-quality, dividend paying Canadian companies. Objective is to capture non-taxable dividend income

100% Canadian

As of June 30, 2009

intact

Appendix

Leadership team

Experienced and united leadership team

		Years In Industry	Years With IFC
Brindamour, Charles	President & CEO	17	17
Beaulieu, Martin	SVP, Personal Lines	21	21
Black, Susan	SVP, Strategic Planning & Chief HR Officer	2	2
Blair, Alan	SVP, Atlantic Canada	25	14
Coull-Cicchini, Debbie	SVP, Ontario	5	5
Désilets, Claude	Chief Risk Officer	28	20
Gagnon, Louis	President, Intact Insurance	17	3
Garneau, Denis	SVP, Quebec	21	7
Guénette, Françoise	SVP, Corporate & Legal Services	21	12
Guertin, Denis	SVP, belairdirect	24	24
Hindle, Byron	SVP, Commercial Lines	31	10
Iles, Derek	SVP, Western Canada	37	18
Lincoln, David	SVP, Corporate Audit Services (Canada)	31	12
Ott, Jack	SVP, Chief Information Officer	28	13
Pontbriand, Marc	Executive Vice President	11	11
Provost, Marc	SVP & Managing Director IIM and Chief Investment Officer	26	12
Randall, Roger	SVP, Affiliated Distribution Networks	29	19
Tullis, Mark	Chief Financial Officer	31	10
Weightman, Peter	SVP, Claims	23	23

Appendix

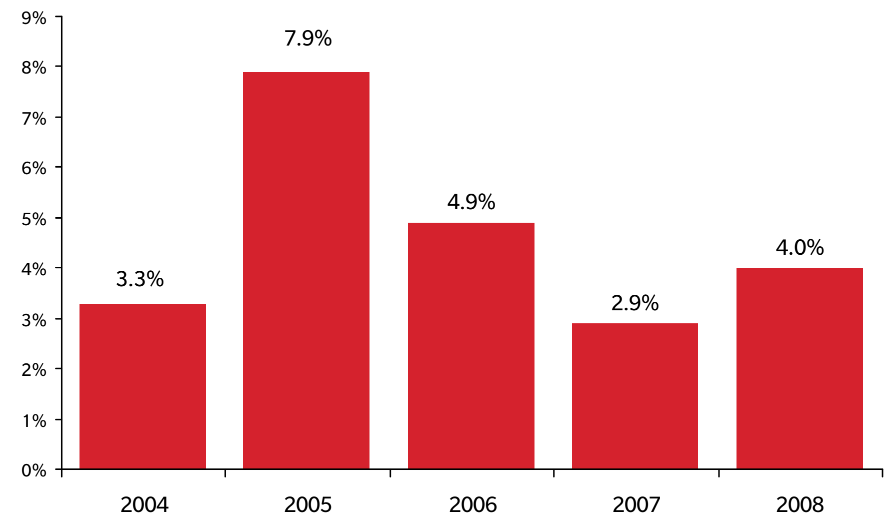
Other performance metrics

Long-term track record of prudent reserving practices

- Quarterly and annual fluctuations in reserve development are normal
- 2005/2006 reserve development was unusually high due to the favourable effects of certain auto insurance reforms introduced during that time period
- This reflects our preference to take a conservative approach to managing claims reserves

Rate of claims reserve development

(favourable prior year development as a % of opening reserves)



Historical long-term average has been 3% to 4% per year

Value creation opportunity in home insurance

Industry loss ratio advantage*
(percentage points)

	Favourable gap (five-year average)
Automobile**	6.7
Personal property	-0.8
Commercial non-auto	8.7
Commercial liability	16.8

Opportunity to create loss ratio advantage similar to other business lines

- Rate increases
- Segmentation
- Insurance-to-Value
- Management of water damage
- Limit exposure to sewer back-up
- Claims review
- Customer education and incentives on loss control and prevention

Target

- Double-digit premium increases through higher rates and insured amounts

+

- Lower indemnity costs by 5%

* Source: MSA Research; as of Dec. 31, 2008
** Includes personal and commercial auto
Based on net loss ratio and includes MYA

Investor Relations contact information

Michelle Dodokin
Vice President, Investor Relations
Tel: (416) 344-8044
Email: michelle.dodokin@intact.net

e-mail: ir@intact.net
phone: (416) 941-5336 or 1-866-778-0774 (toll-free within North America)
fax: (416) 941-0006
www.intactfc.com/Investor Relations

intact