

Intact Financial Corporation
(TSX: IFC)

IFC's acquisition of JEVCO:
Continuing our journey towards
building a world-class P&C insurer

May 2, 2012





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Forward looking statements and disclaimer

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IFC's acquisition of JEVCO:

Continuing our journey towards building a world-class P&C insurer

Strategic Fit	Financially Compelling
<ul style="list-style-type: none">• Strengthens offer for brokers and customers• Expands existing product offering:<ul style="list-style-type: none">• Recreational vehicles• Non-standard auto• Strengthens commercial and specialty lines capabilities	<ul style="list-style-type: none">• IRR¹ estimated above 20%• Book value per share accretion estimated at 2.6%• Accretive to NOIPS² beginning in 2013• Purchase price reflects a P/B multiple of 1.3x³
Opportunities	Financial Position
<ul style="list-style-type: none">• Improve performance by implementing IFC's risk selection and claims management expertise• Offer new products across IFC distribution• Strengthen growth profile of existing products	<ul style="list-style-type: none">• Attractive deployment of our excess capital• Estimated MCT above 200% in the near term• Debt-to-total-capital ratio estimated to remain below our target of 20%

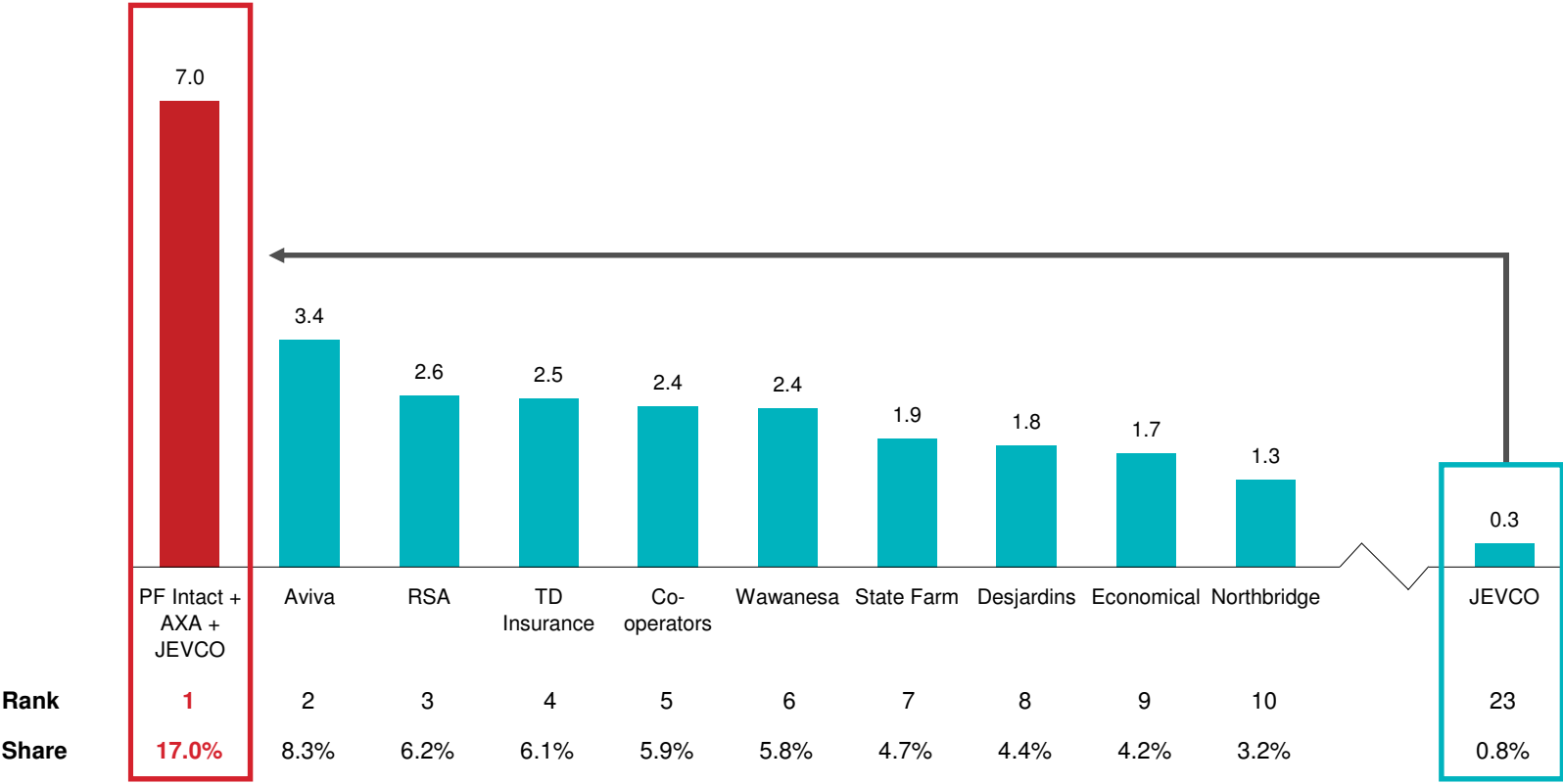
¹ Internal Rate of Return, based on equity returns.

² NOIPS = net operating income per share. A non-IFRS measure.

³ Based on JEVCO's book value per share as at December 31, 2011.

Leading position in Canadian P&C insurance

Top 10 Canadian P&C Insurance Companies by 2011 Direct Premiums Written (\$ billions)

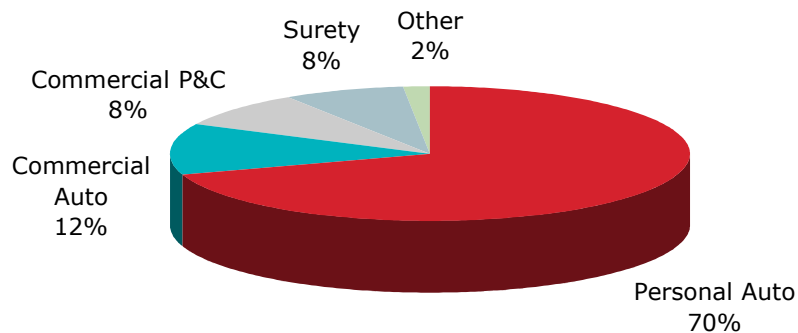


Source: MSA Research for the 12 months ended December 31, 2011. Each insurers' market share listed above includes all subsidiary entities consolidated under the parent company. Data excludes Lloyd's, ICBC, SGI, SAF, and Genworth.

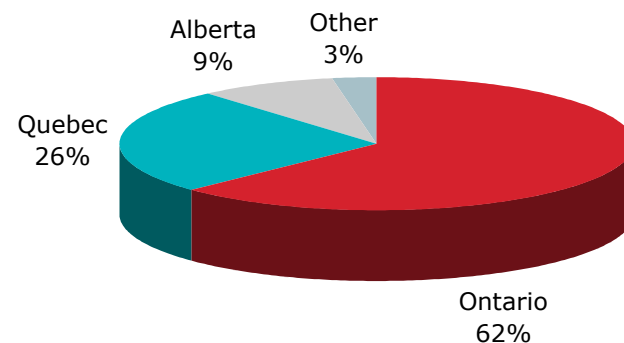
Broadening our offer to brokers and customers

- JEVCO Insurance Company is a leading provider of specialty and niche insurance products for individuals and businesses across Canada
- Insurance products are distributed through a network of independent insurance brokers; JEVCO had approximately \$350 million in direct premiums written in 2011
- JEVCO's business lines consist of non-standard auto, recreational vehicles (motorcycles, snowmobiles, ATVs) and commercial specialty lines

2011 JEVCO DPW by Line of Business



2011 JEVCO DPW by Geography



Source: Westaim public disclosure and other industry data for the 12 months ended December 31, 2011.



A financially compelling transaction

Purchase Price	\$530 million cash consideration¹
Key Components	Specialty lines Recreational vehicles Non-standard auto
Purchase Metrics	$P/BV^2 = 1.3x$ $P/E^3 = 13.2x$
Transaction Economics	Estimated IRR above 20%⁴ Accretive to BVPS by 2.6%
Financing	Excess capital + Debt \$205M Equity proceeds \$225M JEVCO excess capital \$100M⁵
Regulatory Capital Impact	Estimated MCT above 200% in the near term
Approvals	Westaim shareholders Customary regulatory approvals
Expected Closing Date	Fall of 2012

¹ Excludes transaction costs.

² Price to book value. Based on book value as at December 31, 2011.

³ Based on JEVCO's 2011 net income.

⁴ Internal rate of return. Based on equity returns.

⁵ Represents a portion of JEVCO's capital in excess of 200% MCT as at December 31, 2011. Source: Westaim public disclosure.



Strong financial position maintained

Ultimate Sources of Funding*

➤ IFC excess capital + debt	\$205 million
➤ Equity proceeds	\$225 million
➤ JEVCO excess capital	\$100 million
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	\$530 million

* Represents funding structure following the close of the acquisition.

Debt-to-total-capital ratio estimated to remain below 20% upon closing of the acquisition





Conclusion

Strong strategic fit

- Strengthens offer for brokers and customers
- Expands existing product offering into complementary lines
- Strengthens commercial and specialty lines capabilities

Opportunity to acquire a leading specialty and niche insurer in a financially compelling manner

- Estimated internal rate of return above 20%
- Book value per share accretion estimated at 2.6%

Strong financial position maintained

- Attractive deployment of our excess capital
- Estimated MCT above 200% in the near term
- Debt-to-total-capital ratio estimated to remain below our target of 20%





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