INVESTOR PRESENTATION

Intact Financial Corporation (TSX:IFC)

March 2016

Canada's P&C insurance leader

Leading market share

17%

estimated market share, making us almost twice as large as our nearest competitor

Strong brands

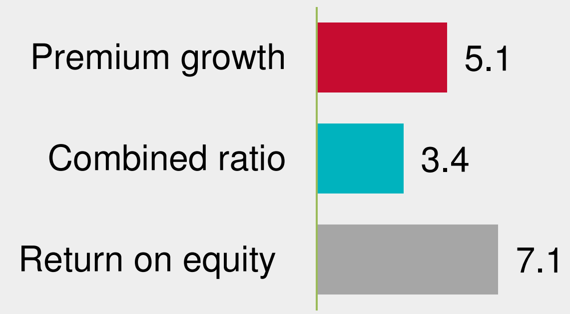
intact INSURANCE

belairdirect.

BrokerLink

Consistent outperformer

10-year outperformance IFC vs. P&C industry



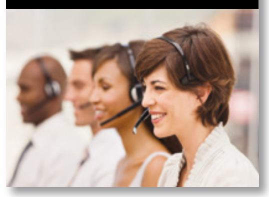
Industry data: IFC estimates based on MSA Research excluding Lloyd's, ICBC, SGI, SAF, MPI, Genworth and IFC. All data as at December 31, 2014

Consistent outperformance

Significant scale advantage

Sophisticated pricing and underwriting

In-house claims expertise



Broker relationships

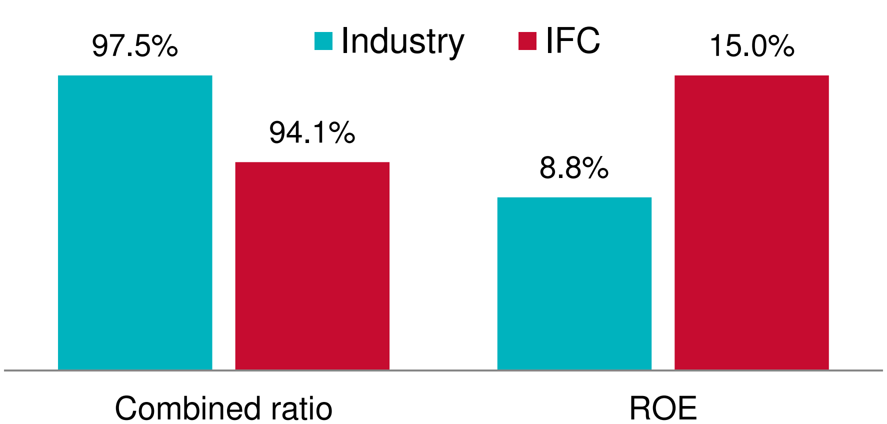
Multi-channel distribution

Proven acquisition strategy

Tailored investment management

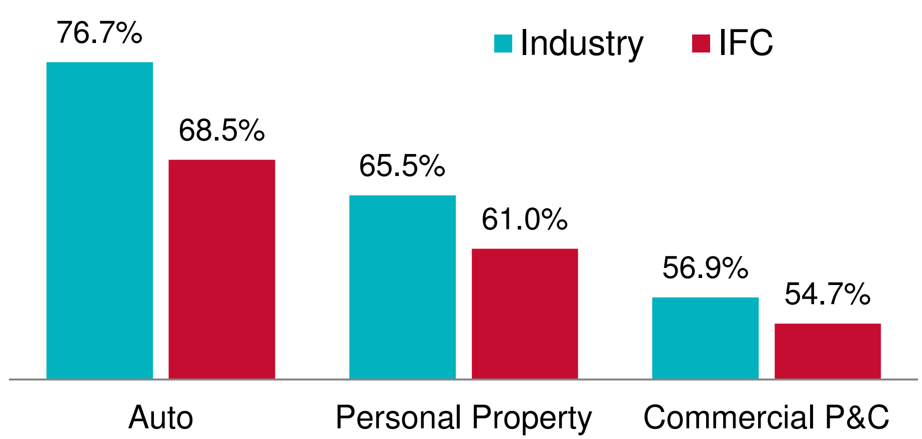
YTD Q3-2015 outperformance

(for the period ended September 30, 2015)



Five-year average loss ratios

(for the period ended December 31, 2014)



Industry data: IFC estimates based on MSA Research excluding Lloyd's, ICBC, SGI, SAF, MPI, Genworth and IFC.
Combined ratio includes market yield adjustment (MYA)
IFC's ROE corresponds to the AROE

How we will achieve our objectives

Beat industry ROE by ***5 points*** *every year*

- Claims management
  3 points
- Investments & Capital Mgmt
  2 points
- Pricing & Segmentation
  2 points

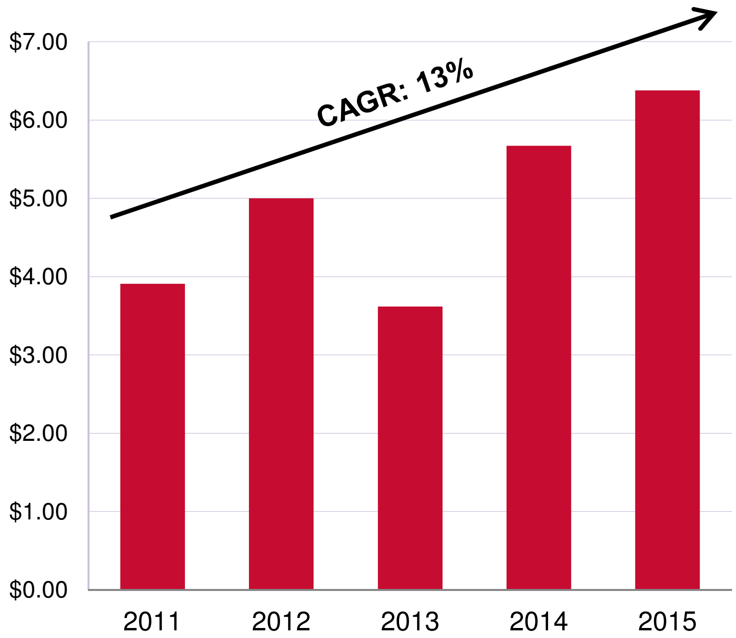
NOIPS growth of ***10%*** *per year over time*

- Organic Growth
  3-5%
- Capital Mgmt & Deployment
  3-5%
- Margin Improvement
  0-3%

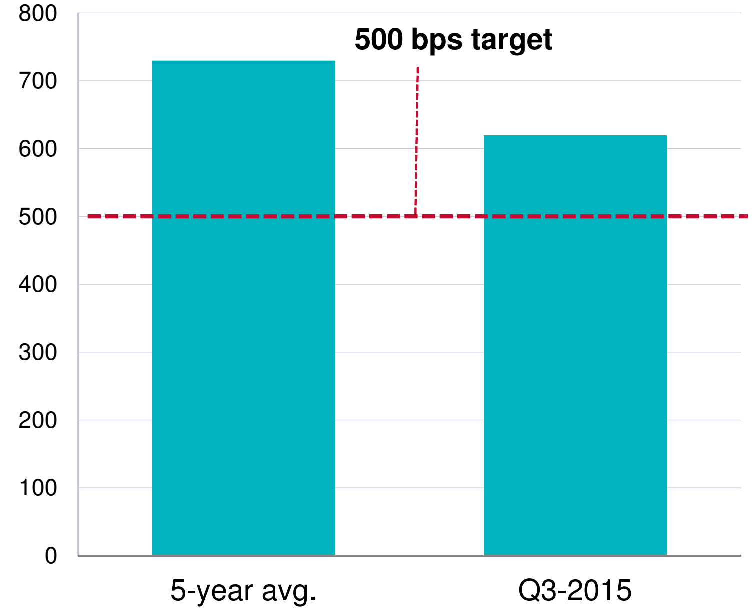
** Leaves* ***2 points*** *to reinvest in customer experience (price, product, service, brand)*

Achieving and outperforming our objectives

We will continue to target NOIPS growth of 10% per year over time



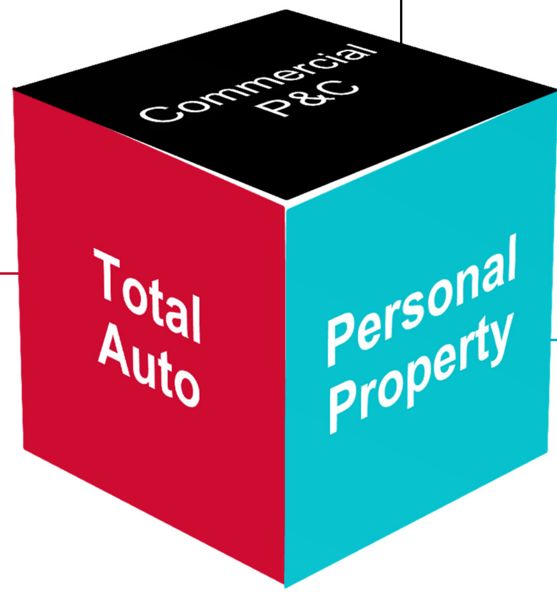
We have consistently exceeded our 500 bps ROE outperformance target versus the industry



Industry data: IFC estimates based on MSA Research excluding Lloyd's, ICBC, SGI, SAF, MPI, Genworth and IFC.

Industry outlook is conducive to our strategies

Rational regulatory environment



LTM growth: **2.3%**

Next 12 months:

- Expect mid single-digit growth
- Firmer market conditions with rates stabilizing

LTM growth: **0.8%**

Next 12 months:

- Expect low single digit growth in personal auto
- Some segments firming in commercial auto

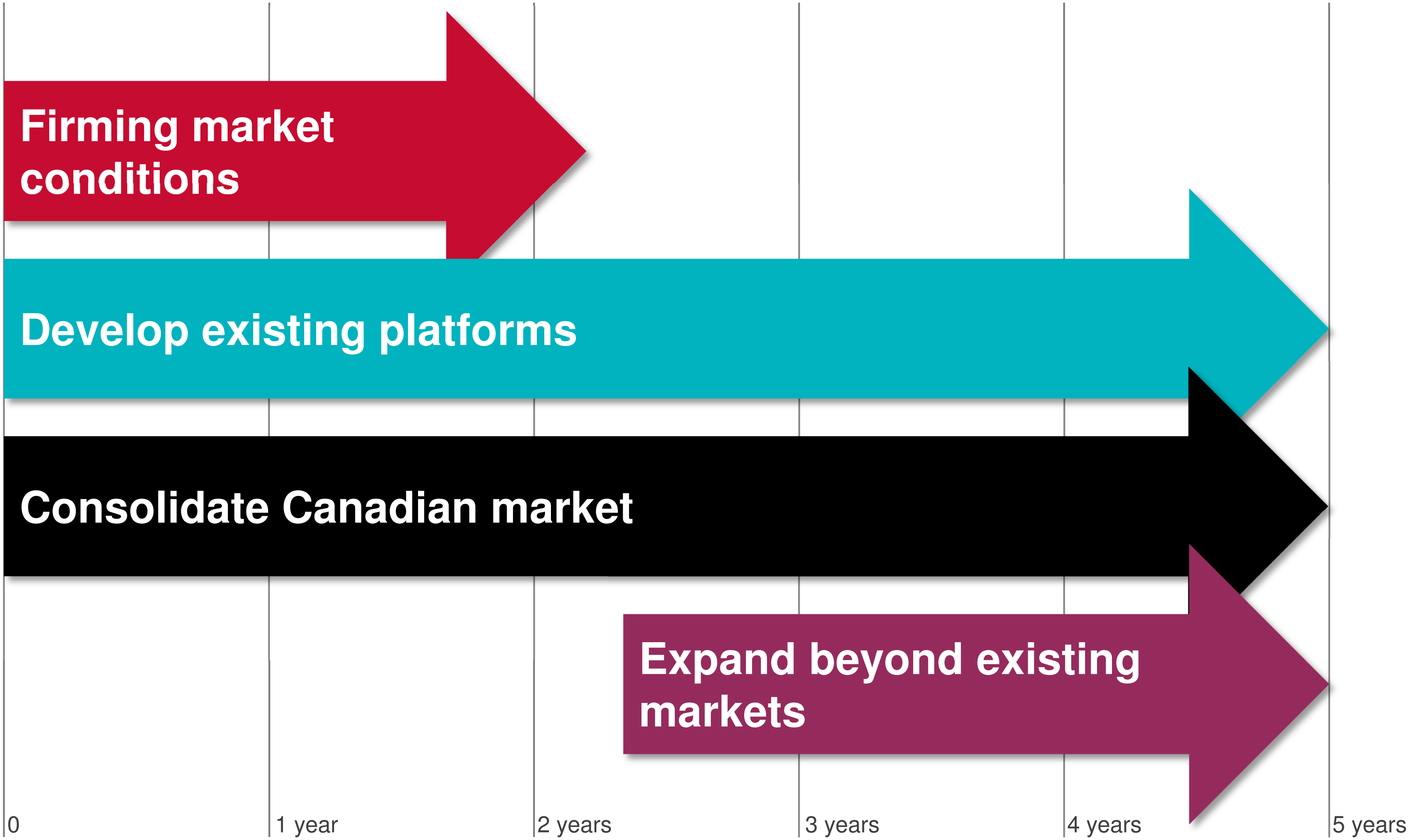
LTM growth: **6.6%**

Next 12 months:

- Expect upper single-digit growth
- Hard market conditions likely to continue

Growth numbers reflect Industry Top 20 (excluding IFC) for the 12 month period ended September 30, 2015

Four avenues of growth



Strong financial position

Our balance sheet is solid

$625
million in total excess capital

203%
Minimum Capital Test (MCT)

16.6%
debt-to-capital ratio, below our target level of 20%

Low sensitivity to capital markets volatility

3 pts
of MCT per 1% change in rates

1 pts
of MCT per 10% change in common shares

2 pts
of MCT per 5% change in preferred share prices

Credit ratings[1]	A.M. Best	DBRS	Moody's	Fitch
Long-term issuer credit ratings of IFC	a-	A	Baa1	A-
IFC's principal insurance subsidiaries	A+	AA (low)	A1	AA-

* All data as of December 31, 2015
[1] Refer to Section 14.2 – Credit ratings of the Q4-2015 MD&A for additional commentary..

Strategic capital management

Capital management framework

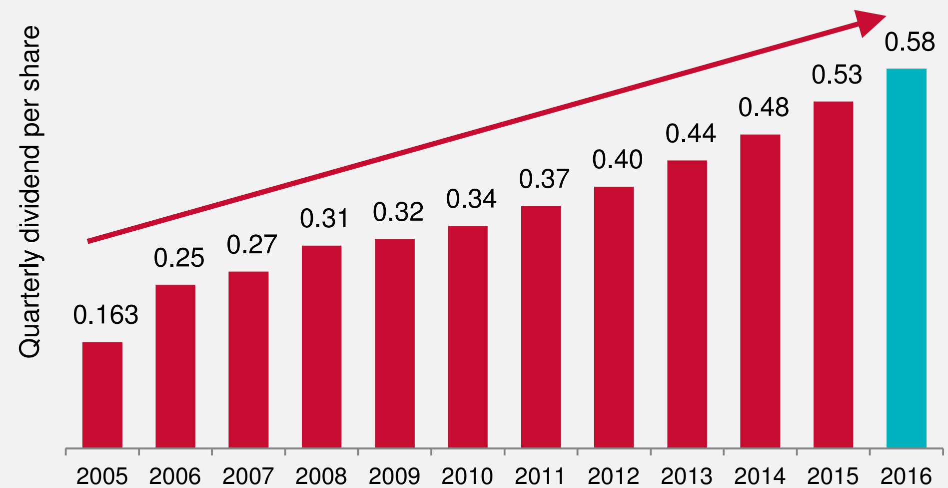
Strong capital base has allowed us to pursue our growth objectives while returning capital to shareholders

Excess capital

- Maintain leverage ratio (target 20% debt-to-total capital)
- Maintain existing dividends
- Increase dividends
- Invest in growth initiatives
- Share buybacks

History of dividend growth

- We have increased our dividend each year since our IPO



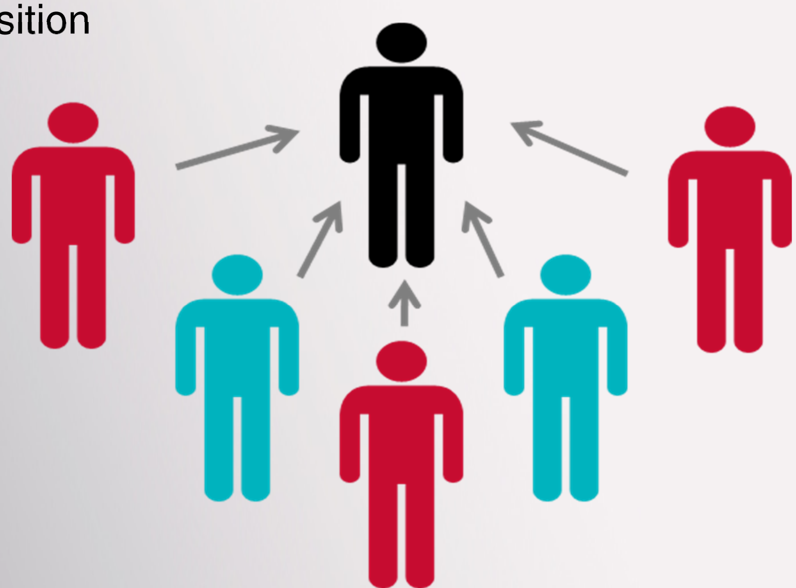
- We believe we have organic growth opportunities within our multi-brand offering
- We have a track record of 15 accretive acquisitions, the most recent being AXA Canada, Jevco, Metro General and CDI

Our people advantage

Deep executive talent pool

Executive Committee members have an average of **17 years** experience with the organization in various roles

We have identified approximately **5 successors** for each Executive Committee position



Being a best employer

Our efforts have been recently recognized by:

AON
BEST EMPLOYER
PLATINUM | CANADA | 2016

GREATER TORONTO'S TOP EMPLOYERS

Canada's Top 100 Employers 2016

CATALYST
Changing workplaces. Changing lives.

Key takeaways

- ✓ We have a **sustainable competitive edge** due to our disciplined approach and scale advantage
- ✓ Our **broad distribution platform** positions us well for organic growth
- ✓ We have a **strong financial position** and a proven track record of consolidation
- ✓ **Deep bench** in place to ensure the sustainability of our performance

Contact Investor Relations

General Contact Info

Website:
http://www.intactfc.com
Click on "Investor Relations" tab

Email:
ir@intact.net

Phone:
416.941.5336
1.866.778.0774 (toll-free)

Samantha Cheung, MBA, M.Sc.Eng., P.Eng.
Vice President, Investor Relations
Phone: 416.344.8004
Email: samantha.cheung@intact.net

Maida Sit, CFA
Director, Investor Relations
Phone: 416.341.1464 ext 45153
Email: maida.sit@intact.net

To access our 2014 online annual report featuring interactive photos, videos, dynamic charts, and additional media, please scan the QR code or visit **reports.intactfc.com/2014**.

Appendices

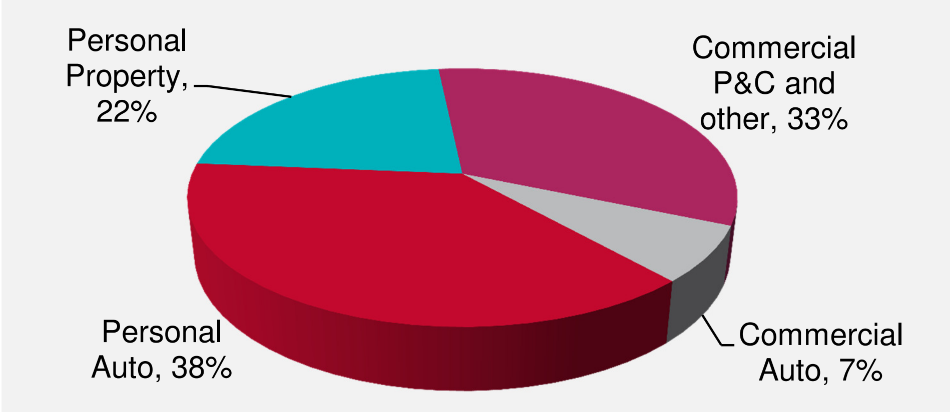
P&C insurance in Canada

A $45 billion market representing approximately 3% of GDP

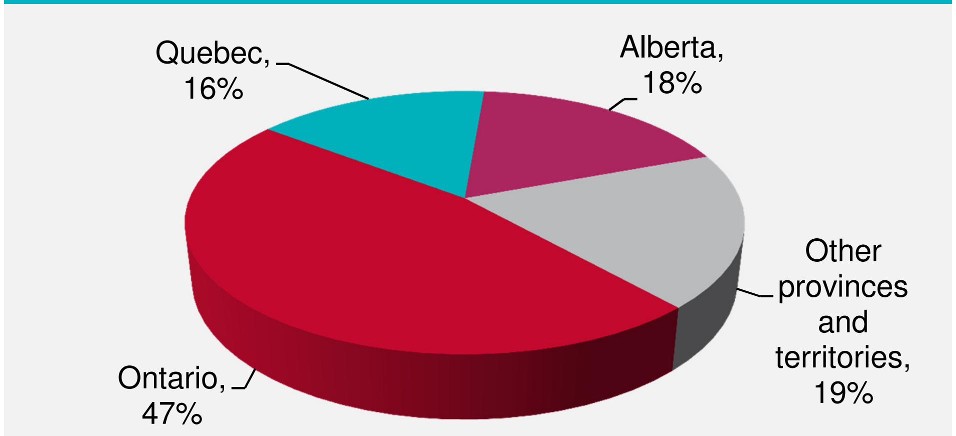
- Fragmented market:
  - Top five represent 47%, versus bank/lifeco markets which are closer to 65-75%
  - IFC is largest player with approx. 17% market share, versus largest bank/lifeco with 22-25% market share
  - P&C insurance shares the same regulator as the banks and lifecos
- Barriers to entry: scale, regulation, manufacturing capability, market knowledge
- Home and commercial insurance rates unregulated; personal auto rates regulated in some provinces
- Capital is regulated nationally by OSFI
- Brokers continue to own commercial lines and a large share of personal lines in Canada; direct-to-consumer channel is growing (distribution = brokers 65.1% and direct/agency 34.9%)
- Industry has grown at 6% CAGR and delivered ROE of approximately 10% over the last 30 years

Industry data: IFC estimates based on IBC and MSA Research excluding Lloyd's, ICBC, SAF, SGI, MPI and Genworth. Data as at the end of 2014.
OSFI = Office of the Superintendent of Financial Institutions Canada

Industry DPW by line of business



Industry – premiums by province

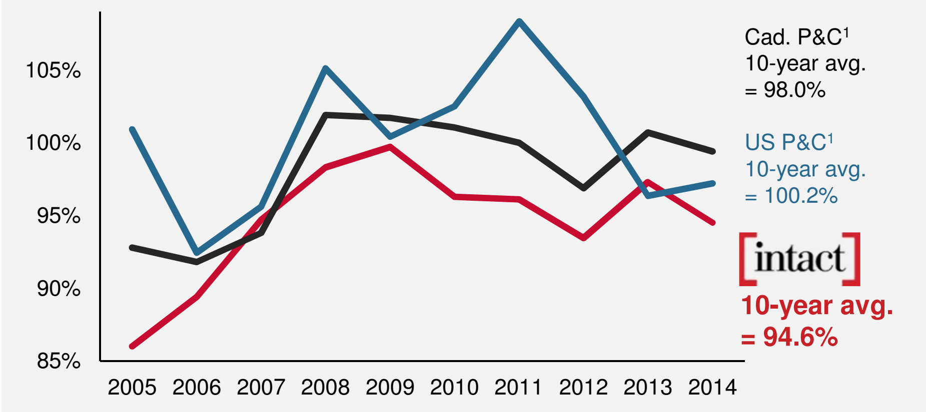


P&C industry 10-year performance versus IFC

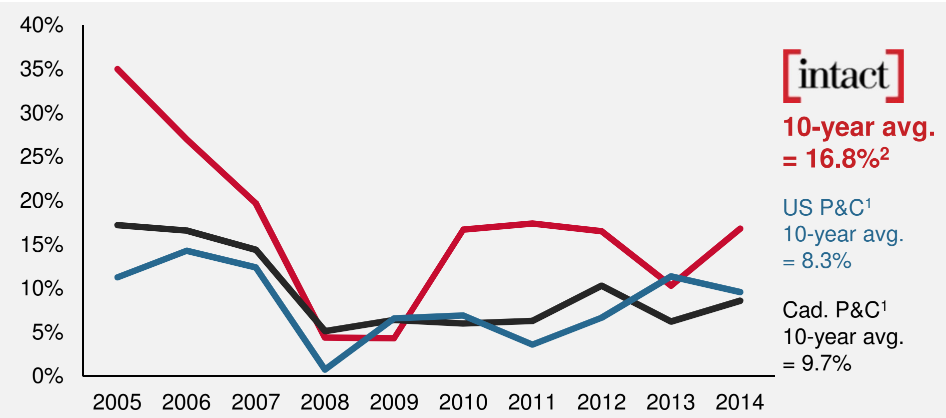
IFC's competitive advantages

- Scale advantage
- Sophisticated pricing and underwriting discipline
- In-house claims expertise
- Broker relationships
- Solid investment returns
- Strong organic growth potential

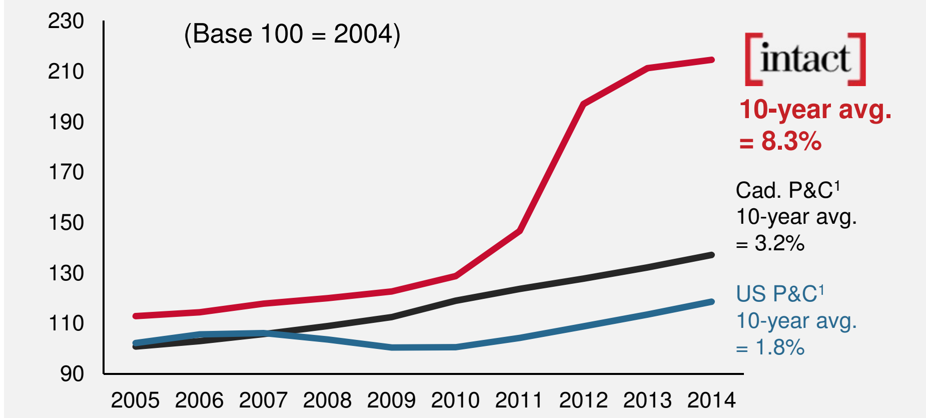
Combined ratio



Return on equity



Direct premiums written growth

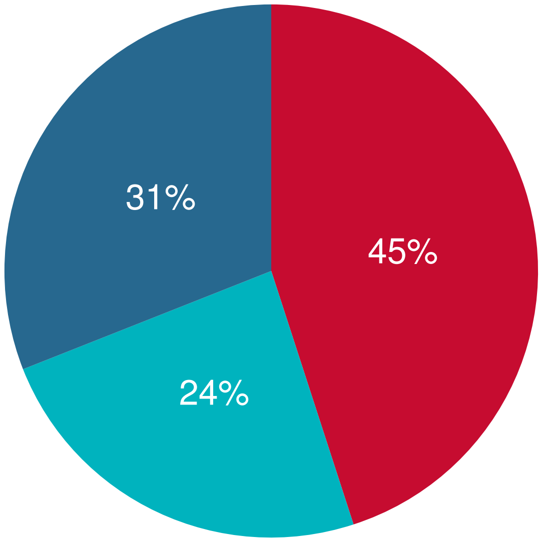


[1] Industry data: IFC estimates based on MSA Research excluding Lloyd's, ICBC, SGI, SAF, MPI, Genworth and IFC. US industry data based on SNL Financial data. All data as at Dec 31, 2014.
[2] ROEs reflect IFRS beginning in 2010. Since 2011, IFC's ROE is adjusted return on common shareholders' equity (AROE).

Operational snapshot

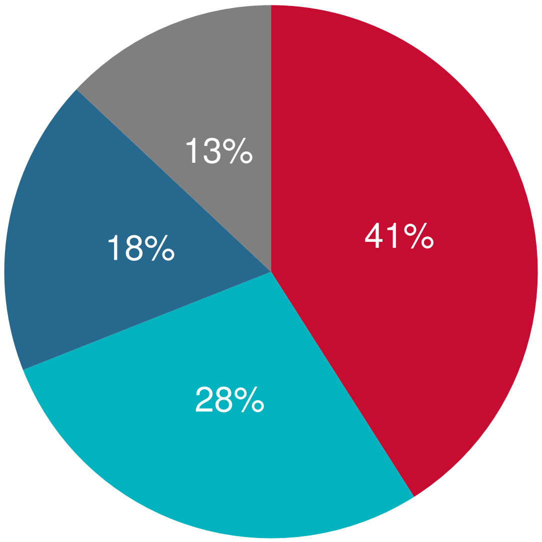
A strong and diversified base for growth

2015 DPW by Business Line



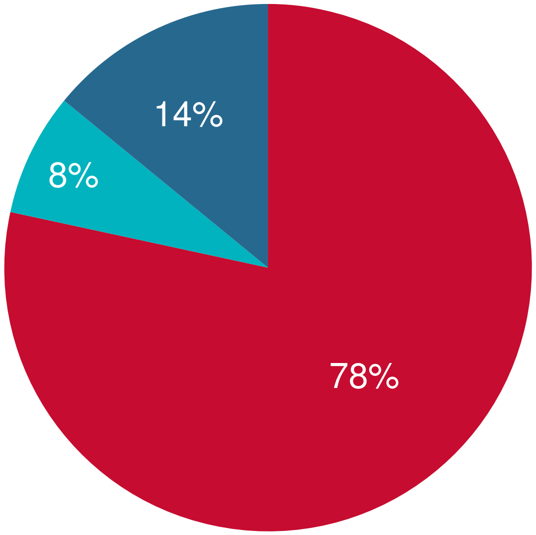
- Personal Auto
- Personal Property
- Commercial Lines

2015 DPW by Geography



- Ontario
- Quebec
- Alberta
- Rest of Canada

2015 DPW by Distribution Channel



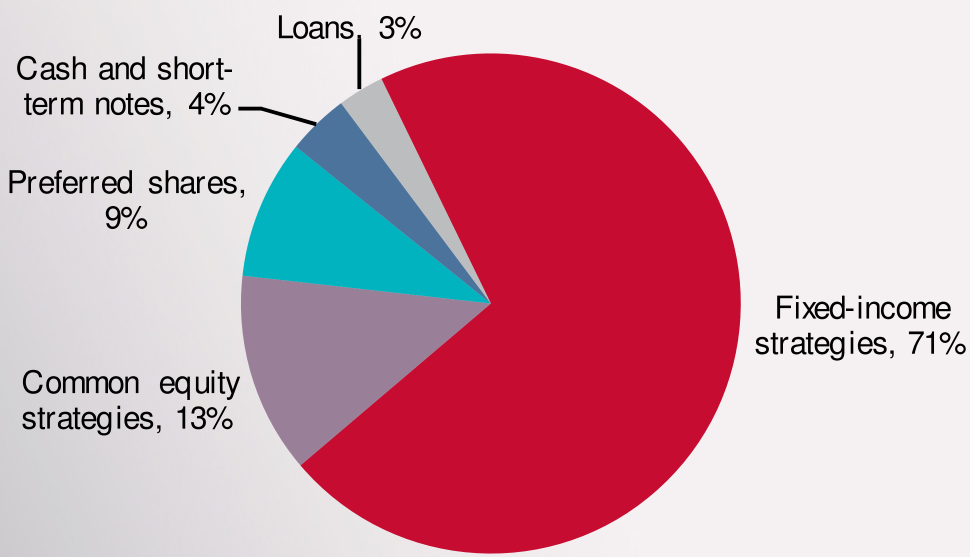
- Intact Insurance
- BrokerLink
- Direct to consumer

* Excluding pools, as of December 31, 2015

High quality investment portfolio

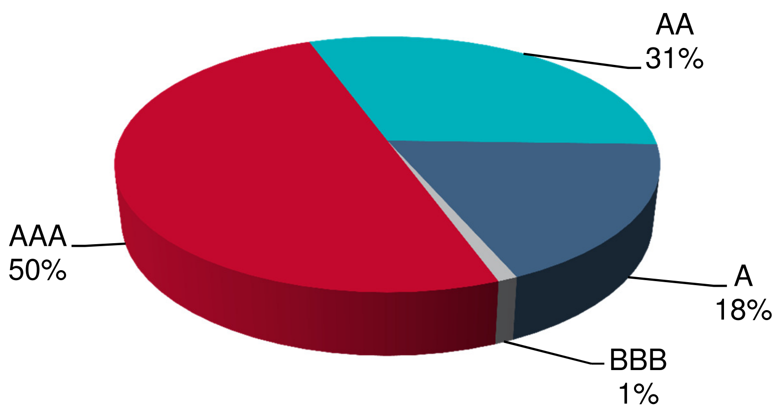
$13.5 billion of high quality investments - strategically managed

Investment mix (as of December 31, 2015)

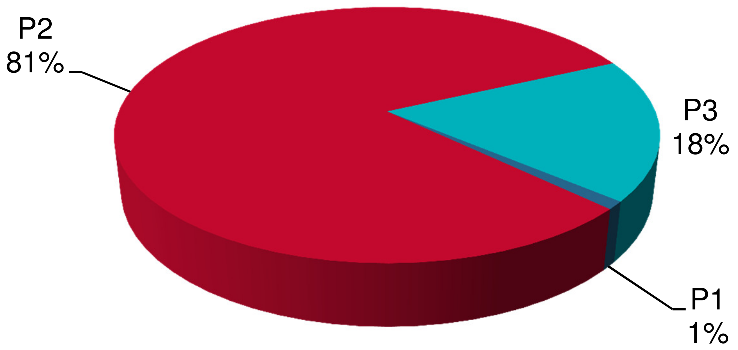


- 99% of fixed-income securities are rated ‘A-’ or better
- 82% of preferred shares are rated at least ‘P2L’
- No leveraged investments

Fixed-income securities credit quality



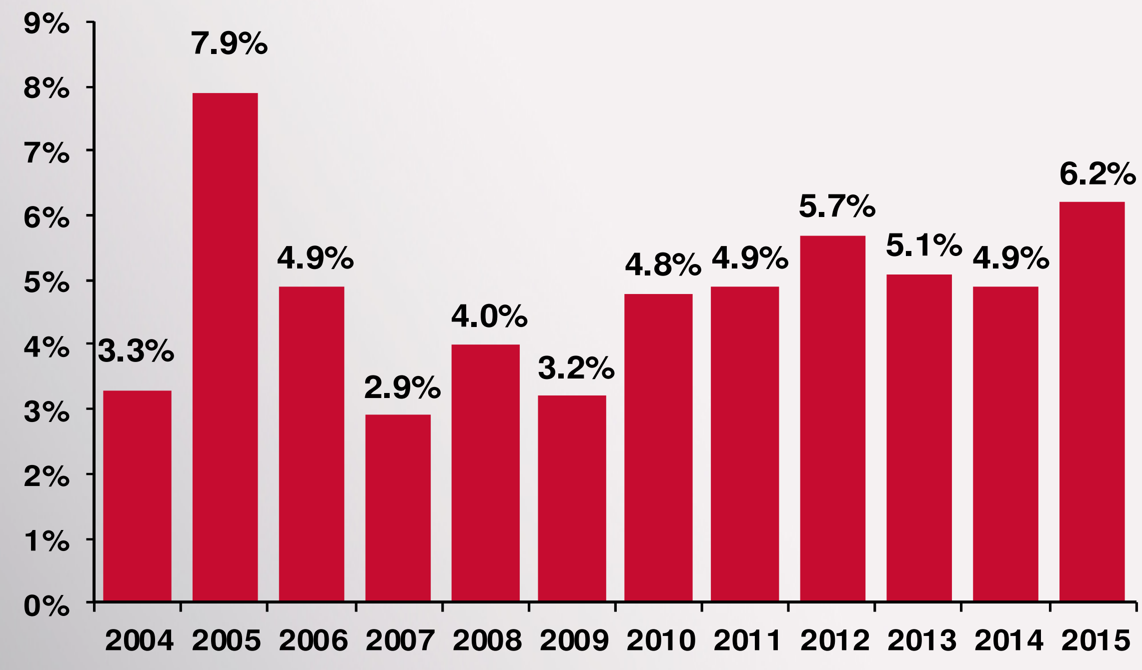
Preferred shares credit quality



Track record of prudent reserving practices

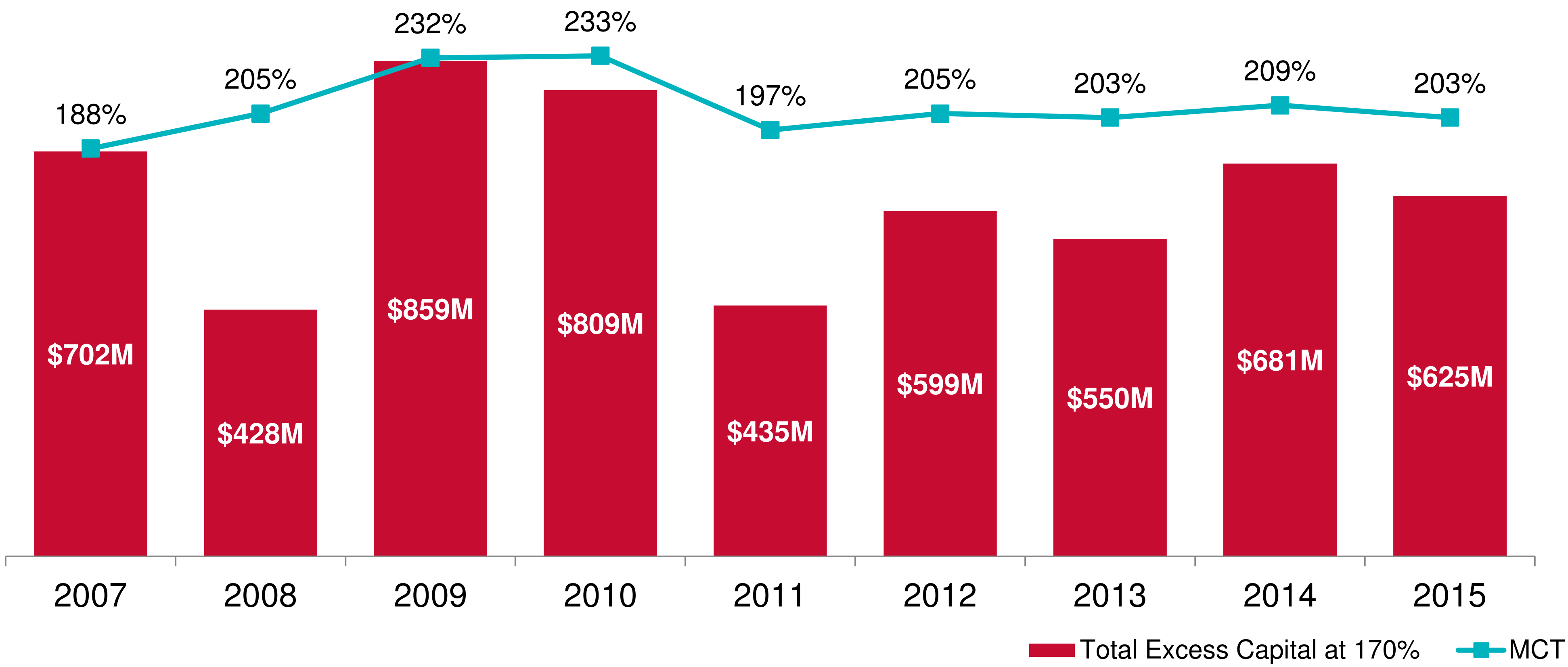
- Quarterly and annual fluctuations in reserve development are normal
- 2005 reserve development was unusually high due to the favourable effects of certain auto insurance reforms
- Our consistent track record of positive reserve development reflects our preference to take a conservative approach to establishing and managing claims reserves

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



Strong capital base

Excess capital levels are maintained to ensure a **very low probability** of breaching a MCT of 170%



** Total excess capital at 170% includes net liquid assets of the non regulated entities*

Further industry consolidation ahead

Our domestic acquisition strategy

- Targeting large-scale acquisitions of $500 million or more in direct premiums written
- 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 within 18 to 24 months
  - Bring expense ratio to 2 pts below IFC ratio

Our track record of acquisitions

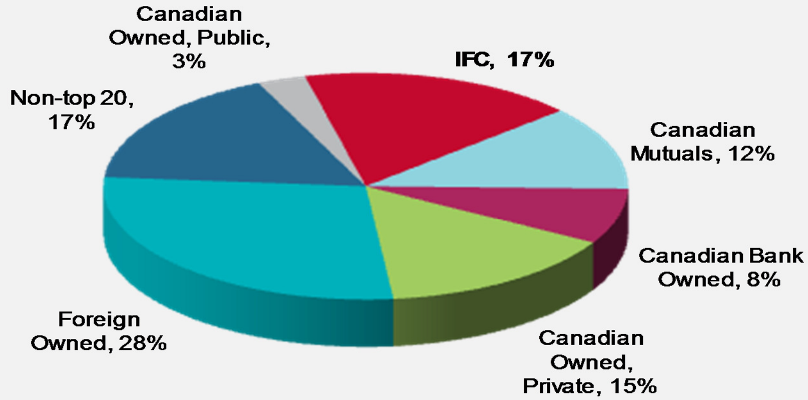
Year	Company	DPW
2015	**Canadian Direct Insurance**	$143 million
2014	**Metro General**	$27 million
2012	**Jevco**	$350 million
2011	**AXA Canada**	$2 billion
2004	**Allianz**	$798 million
2001	**Zurich**	$510 million
1999	**Pafco**	$40 million
1998	**Guardian**	$630 million
1997	**Canadian Surety**	$30 million
1995	**Wellington**	$311 million

Canadian M&A environment

Environment more conducive to acquisitions now than in recent years:

- Industry ROEs, although slightly improved from trough levels of mid-2009, are well below prior peak
- Foreign parent companies are generally in less favourable capital position
- Demutualization likely for P&C insurance industry

Top 20 P&C insurers = **83%** of market



Industry data: IFC estimates based on MSA Research excluding Lloyd's, ICBC, SGI, SAF, MPI, and Genworth.
Desjardins direct premiums written in 2014 is pro forma State Farm for a full year. All data as at Dec 31, 2014.

Historical financials

Track record of stable financial performance

(in $ millions, except as otherwise noted)	2015	2014	2013	2012	2011
Income statement highlights					
Direct premiums written	$7,907	$7,349	$7,319	$6,868	$5,099
Underwriting income	628	519	142	451	273
Net investment income	424	427	406	389	326
Net operating income (NOI)	860	767	500	675	460
NOIPS to common shareholders (in dollars)	6.38	5.67	3.62	5.00	3.91
Balance sheet highlights					
Total investments	$13,504	$13.440	$12,261	$12,959	$11,828
Debt outstanding	1,143	1,143	1,143	1,143	1,293
Total shareholders' equity (excl. AOCI)	5,749	5,310	4,842	4,710	4,135
Performance metrics					
Claims ratio	61.3%	62.6%	66.9%	61.6%	63.9%
Expense ratio	30.4%	30.2%	31.1%	31.5%	30.5%
Combined ratio	91.7%	92.8%	98.0%	93.1%	94.4%
Operating ROE (excl. AOCI)	16.6%	16.3%	11.2%	16.8%	15.3%
Debt / Capital	16.6%	17.3%	18.7%	18.9%	22.9%
Combined ratios by line of business					
Personal auto	95.4%	94.5%	93.2%	95.7%	90.9%
Personal property	85.9%	89.0%	104.4%	93.5%	103.5%
Commercial auto	99.0%	89.6%	93.3%	81.5%	86.5%
Commercial P&C	86.8%	94.2%	103.9%	91.6%	95.6%

Forward-looking statements

Certain of the statements included in this presentation 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 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.

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, including, without limitation, the following factors: 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 investments and funding obligations under its pension plans; the cyclical nature of the P&C insurance industry; management's ability to accurately predict future claims frequency; government regulations designed to protect policyholders and creditors rather than investors; 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 to clients; the Company's ability to successfully pursue its acquisition strategy; the Company's ability to execute its business strategy; the Company's ability to achieve synergies arising from successful integration plans relating to acquisitions, including its acquisition of Canadian Direct Insurance Inc. ("CDI"), as well as management's estimates and expectations in relation to resulting accretion, internal rate of return and debt-to-capital ratio; the Company's participation in the Facility Association (a mandatory pooling arrangement among all industry participants) and similar mandated risk-sharing pools; terrorist attacks and ensuing events; the occurrence of catastrophe events; the Company's ability to maintain its financial strength and issuer credit ratings; access to debt financing and the Company's ability to compete for large commercial business; the Company's ability to alleviate risk through reinsurance; the Company's ability to successfully manage credit risk (including credit risk related to the financial health of reinsurers); the Company's reliance on information technology and telecommunications systems and potential disruption to those systems, including evolving cyber-attack risk; the Company's dependence on key employees; changes in laws or regulations; general economic, financial and political conditions; the Company's dependence on the results of operations of its subsidiaries; the volatility of the stock market and other factors affecting the Company's share price; and future sales of a substantial number of its common shares.

All of the forward-looking statements included in this presentation are qualified by these cautionary statements and those made in *Risk management* (Sections 16-19) of the MD&A. 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. When relying on forward-looking statements to make decisions, investors should ensure the preceding information is carefully considered. Undue reliance should not be placed on forward-looking statements made 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 Presentation 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 Presentation concerning the Company does not purport to be all-inclusive or to contain all the information that a prospective purchaser or 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.

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 Presentation and no responsibility or liability is accepted by any person for such information or opinions. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the attendees with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation that may become apparent. The information and opinions contained in this Presentation are provided as at the date of this Presentation. The contents of this Presentation are not to be construed as legal, financial or tax advice. Each prospective purchaser should contact his, her or its own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice.

The Company uses both International Financial Reporting Standards ("IFRS") and certain non-IFRS measures to assess performance. Non-IFRS measures do not have any standardized meaning prescribed by IFRS and are unlikely to be comparable to any similar measures presented by other companies. Management analyzes performance based on underwriting ratios such as combined, expense, loss and claims ratios, MCT, and debt-to-capital, as well as other non-IFRS financial measures, namely DPW (underlying), Underlying current year loss ratio, Underwriting income, NOI, NOIPS, OROE, ROE, AROE, Non-operating results, AEPS, Cash flow available for investment activities, and Market-based yield. These measures and other insurance related terms are defined in the Company's glossary available on the Intact Financial Corporation web site at www.intactfc.com in the "Investor Relations" section. Additional information about the Company, including the Annual Information Form, may be found online on SEDAR at www.sedar.com.