

## **Desjardins General Insurance Group reports second quarter results**

- Direct written premiums of \$1,133.1 million, reflecting the addition of State Farm's Canadian P&C insurance operations
- Net income of \$184.8 million and a combined ratio excluding MYA of 72.6%, due in part to very favourable weather conditions across much of the country
- Integration of State Farm's Canadian operations on schedule

**LEVIS (QC), August 27, 2015** – [Desjardins General Insurance Group](#) (DGIG), a Desjardins Group subsidiary specializing in property and casualty insurance, reported a net income of \$184.8 million for the quarter ended June 30, 2015 compared to \$49.4 million in the corresponding period in 2014. Direct written premiums were \$1,133.1 million, up from \$616.4 million in the same quarter in 2014. Both increases reflected the addition of State Farm's Canadian P&C insurance operations.

The combined ratio for the quarter, excluding market yield adjustment (MYA), was 72.6%. This excellent performance was due to low loss ratios in all lines of business, which were the result in part of favourable weather conditions across much of the country.

### **Half year results**

For the first six months of the year, net income was \$258.5 million, up from \$66.2 million in the same period in 2014, while direct written premiums increased from \$1,127.6 million in 2014 to \$2,041.8 million this year. The combined ratio excluding MYA was 88.2%, an improvement of 10.6 points from the same period last year.

Half year net income included a \$55.1 million non-taxable gain on business acquisition which, net of associated charges recognized in the period, had a \$32.6 million after-tax impact on cumulative results. Excluding these items and costs related to integration of State Farm P&C operations, DGIG's net income would have been \$243.6 million.

"This was an excellent quarter, both in terms of profitability and growth," said Sylvie Paquette, President and Chief Operating Officer of DGIG. "Despite a very competitive market, we've continued our record of strong organic growth. Excluding the State Farm transaction, we achieved an organic growth of 8.0% in the quarter, and 7.5% in the first six months. In addition, the integration of State Farm's Canadian operations is progressing according to plan, despite its complexity."

## Consolidated Financial Results as of June 30, 2015

(In millions of dollars, unless otherwise indicated)

	Q2 2015	Q2 2014	YTD 2015	YTD 2014
Direct Written Premiums	1,133.1	616.4	2,041.8	1,127.6
Underwriting income excluding MYA	200.7	17.3	191.5	11.3
Investment income (excluding G/L on matched bonds)	71.7	49.7	111.7	77.0
Net income	184.8	49.4	258.5	66.2
Return on equity	39.3%	17.1%	28.1%	11.5%
Combined ratio excluding MYA	72.6%	96.7%	88.2%	98.8%

  

	June 30, 2015	June 30, 2014
Total Assets	13,203.6	5,003.9

### About Desjardins General Insurance Group

A subsidiary of Desjardins Group, [Desjardins General Insurance Group](#) (DGIG) is Canada's third largest provider of property and casualty insurance. The company distributes insurance under the Desjardins Insurance, The Personal, and State Farm Canada brands. DGIG is also a leader in Canada in white label distribution.

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### For further information (*media inquiries only*):

Valérie Lamarre

Public Relations, Desjardins Group

514-281-7275 or 1-866-866-7000, ext. 5557275

[valerie.lamarre@desjardins.com](mailto:valerie.lamarre@desjardins.com) / [media@desjardins.com](mailto:media@desjardins.com)