

INSURANCE (C\$ MM)	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08	Q4/07	Q3/07	2009	2008	2008	2007	2006
										9 months	9 months			
Income Statement														
Net earned premiums ¹	986	1,005	800	752	761	689	662	636	660	2,791	2,112	2,864	2,593	2,595
Investment income ²	522	173	488	(697)	49	63	127	202	(97)	1,183	239	(458)	402	535
Fee income	67	51	58	56	48	49	51	49	27	176	148	204	197	218
Total revenue	1,575	1,229	1,346	111	858	801	840	887	590	4,150	2,499	2,610	3,192	3,348
Insurance policyholder benefits, claims and acquisition expense (PBCAE)	1,253	958	1,076	(86)	553	548	616	637	343	3,287	1,717	1,631	2,173	2,509
Non-interest expense	135	138	141	154	145	142	135	137	137	414	422	576	537	517
Other ³	20	20	17	(16)	23	7	-	11	7	57	30	14	40	20
Net income	167	113	112	59	137	104	89	102	103	392	330	389	442	302
Total Revenue by business														
Canadian Insurance	726	534	717	(60)	485	515	460	493	291	1,977	1,460	1,400	1,733	1,799
U.S. Insurance	495	351	327	(118)	53	49	162	178	87	1,173	264	146	601	805
International and Other Insurance	354	344	302	289	320	237	218	216	212	1,000	775	1,064	858	744
Total	1,575	1,229	1,346	111	858	801	840	887	590	4,150	2,499	2,610	3,192	3,348
Financial ratios														
Return on equity (ROE)	48.0%	33.4%	33.7%	20.1%	44.6%	34.1%	31.7%	29.1%	28.7%	38.5%	37.0%	32.8%	31.2%	20.5%
Return on risk capital (RORC)	55.4%	39.2%	38.3%	23.0%	50.1%	38.1%	36.0%	32.2%	31.9%	44.5%	41.6%	37.1%	34.7%	22.8%
Average balances														
Total assets	13,000	13,000	12,600	12,800	12,600	12,700	12,400	12,200	12,400	12,900	12,600	12,600	12,500	11,600
Attributed capital	1,350	1,350	1,300	1,150	1,200	1,250	1,100	1,350	1,400	1,350	1,200	1,150	1,400	1,450
Risk capital	1,200	1,150	1,150	1,000	1,100	1,100	950	1,200	1,250	1,150	1,050	1,050	1,250	1,350
Additional information														
Premiums and deposits ^{1,4}	1,267	1,235	1,080	1,004	1,014	898	945	860	889	3,582	2,857	3,861	3,460	3,406
Canadian Insurance	501	470	480	490	485	461	479	447	438	1,451	1,425	1,915	1,746	1,639
U.S. Insurance	299	298	142	109	94	95	97	96	117	739	286	395	463	635
International and Other Insurance	467	467	458	405	435	342	369	317	334	1,392	1,146	1,551	1,251	1,132
Insurance policyholder benefits and claims	1,097	789	922	(230)	413	374	472	506	189	2,808	1,259	1,029	1,588	1,939
Insurance policyholder acquisition expense	156	169	154	144	140	174	144	131	154	479	458	602	585	570
Insurance claims and policy benefit liabilities	8,256	8,002	7,880	7,385	7,608	7,556	7,558	7,283	7,533	8,256	7,608	7,385	7,283	7,337
Fair value changes on investments backing policyholder liabilities ⁵	338	9	341	(748)	(74)	(58)	10	78	(211)	688	(122)	(870)	(108)	61
Business information														
Assets under management	200	200	100	400	300	300	300	300	300	200	300	400	300	300
Other earnings measures														
Net income	167	113	112	59	137	104	89	102	103	392	330	389	442	302
After-tax effect of amortization of other intangibles ⁶	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Net income	167	113	112	59	137	104	89	102	103	392	330	389	442	302
Capital charge	(39)	(39)	(37)	(30)	(32)	(32)	(29)	(37)	(37)	(115)	(93)	(123)	(147)	(153)
Economic Profit	128	74	75	29	105	72	60	65	66	277	237	266	295	149

¹ Premium and deposits equals net earned premiums excluding the cost of premiums to other institutions for reinsurance coverage, plus segregated fund deposits.

² Investment income can experience volatility arising from quarterly fluctuation in the fair value of held-for-trading assets. The investments which support actuarial liabilities are predominantly designated as held-for-trading, and consequently changes in fair values of these assets are recorded in investment income in the consolidated statements of income. Changes in fair values of these assets are largely offset by changes in the fair value of the actuarial liabilities.

³ Includes income taxes and non-controlling interest in net income of subsidiaries.

⁴ Premiums and deposits include premiums on risk-based insurance and annuity products, and deposits on individual and group segregated fund deposits, consistent with insurance industry practices.

⁵ Includes revenue impact of the change in fair value on investments backing policyholder liabilities is reflected in Investment income and largely offset in PBCAE.

⁶ Excludes the amortization of computer software intangibles.