



Statement of Operations

For the Six Months Ended September 30, 2018 and 2017

(\$ Millions)

	<u>2018/19</u> <u>YTD Actual</u>	<u>2017/18</u> <u>YTD Actual</u>
Premiums written	\$ 3,205	\$ 2,905
Premiums earned	2,913	2,667
Service fees	61	56
TOTAL EARNED REVENUES	<u>2,974</u>	<u>2,723</u>
Net claims incurred	3,067	2,433
Claims services and road safety	202	191
Total claims and related costs	<u>3,269</u>	<u>2,624</u>
Administrative and insurance expenses	122	115
Transformation program	16	15
Premium taxes and commissions	344	312
Deferred premium acquisition cost adjustment	(86)	50
Total claims and expenses	<u>3,665</u>	<u>3,116</u>
UNDERWRITING LOSS	(691)	(393)
Investment income	<u>172</u>	<u>220</u>
LOSS - INSURANCE OPERATIONS	<u>(519)</u>	<u>(173)</u>
PROVINCIAL LICENCES AND FINES	<u>322</u>	<u>316</u>
LESS:		
Licences and fines transferable to the Province	322	316
Non-insurance operating expenses	51	51
Commissions	16	16
Non-insurance other income	(4)	(3)
Total non-insurance expenses	<u>385</u>	<u>380</u>
LOSS - NON-INSURANCE OPERATIONS	<u>(63)</u>	<u>(64)</u>
NET LOSS	<u>\$ (582)</u>	<u>\$ (237)</u>
Minimum capital test	10%	31% ¹

¹ As at March 31, 2018