

ABOUT **EQUITABLE LIFE**

Canadians have turned to Equitable Life® since 1920 to protect what matters most. We work with independent advisors across Canada to offer individual insurance, savings and retirement and group benefits solutions to meet your needs.

But we're not your typical financial services company. We have the knowledge, experience and ability to find solutions that work for you. We're friendly, caring and interested in helping. And we're owned by our participating policyholders, not shareholders. So we can focus on your interests and provide you with personalized service, security and wellbeing.

CONTACT US

| | |
|------------------------------|--|
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2014 Financial highlights



FINANCIAL HIGHLIGHTS

As at December 31, 2014

(In \$ millions unless otherwise indicated)

| | 2014 | 2013 |
|---|---------|---------|
| Net income | 52.4 | 58.6 |
| Net premium revenue | 521.4 | 476.3 |
| Segregated funds deposits | 159.7 | 137.7 |
| ASO/HCSA premium equivalents & investment contracts | 77.1 | 68.4 |
| Total premiums and deposits | 758.3 | 682.4 |
| Dividends to participating policyholders | 15.6 | 13.0 |
| Assets | | |
| General fund | 2,334.0 | 2,119.6 |
| Segregated funds | 972.6 | 913.5 |
| Assets under administration | 3,306.6 | 3,033.1 |
| Participating policyholders' equity | 446.4 | 394.1 |
| Life insurance in force (billions \$) | 84.7 | 80.7 |
| MCCSR | 210% | 228% |
| Return on policyholders' equity | 12.5% | 16.1% |
| Sales | | |
| Individual | 51.6 | 45.9 |
| Savings and Retirement | 223.5 | 185.0 |
| Group | 23.5 | 48.8 |

THE YEAR IN REVIEW

Equitable Life of Canada had a solid year in 2014, demonstrating the Company's financial strength and stability, as well as its ability to deliver on its strategic plan.

Equitable Life realized earnings of \$52.4 million which resulted in a return on policyholders' equity of 12.5%. These earnings also led to a continued high Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio of 210%, evidence of Equitable Life's strong and stable capital position.

As in previous years, Equitable Life's investment portfolio performed extremely well in 2014. Our conservative approach continues to provide ongoing stability and growth.

"In 2014, we continued to demonstrate that we are a strong and stable company, capable of achieving key targets," said Ron Beettam, President and Chief Executive Officer. "Our results for the past year speak to our commitment to our plan, and to our ability to deliver strong earnings, to maintain a stable capital position, and to grow in a highly competitive marketplace."

Equitable Life's financial strength and stability was matched by solid growth. The Company realized a new high of \$758 million for premiums and deposits and surpassed \$3.3 billion in assets under administration.

On the sales front, the Individual line of business hit a record high of \$51.6 million in new annualized premiums, a 12% increase from \$45.9 million in 2013. The Group line of business faced a challenging year, bringing in \$23.5 million in sales. The Savings and Retirement line of business had a successful year, with sales increasing by 21% over the prior year to \$223 million.

"We are proud of our achievements in 2014," said Beettam. "Our focus for the year ahead and into the future will be on efforts that allow for strong results, as well as on efforts that allow us to better serve our growing policyholder base. With a proven plan in place, we have confidence that we've created a foundation for success in 2015, and beyond."

2014 Financial Highlights

- Net income of \$52.4 million, for a return on policyholders' equity of 12.5%.
- Participating policyholders' equity increased to \$446 million.
- Capital strength, as measured by the MCCSR ratio, ended the year at 210%.
- Premiums and deposits increased by 11.1% to \$758 million.
- Assets under administration grew 9.0% to \$3.3 billion.

