

## 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 providing you with personalized service, security and wellbeing.



## FINANCIAL HIGHLIGHTS

### CONTACT US

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| 2017

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# FINANCIAL HIGHLIGHTS

As at December 31

(Dollar amounts in millions except where otherwise indicated)

	2017	2016
Net income	106.1	80.0
Return on policyholders' equity	16.8%	14.8%
MCCSR ratio	231%	226%
Participating policyholders' equity	686	580
Premiums and deposits		
Individual	496	409
Savings and Retirement	310	277
Group	428	391
Total premiums and deposits	1,234	1,077
Sales		
Individual	100.6	93.0
Savings and Retirement	311	278
Group	44.6	66.2
Assets (billions \$)		
General fund	2.9	2.6
Segregated funds	1.2	1.1
Assets under administration	4.1	3.7
Dividends to participating policyholders	27.2	20.6
Benefits and payments to policyholders	694	646
Life insurance in-force (billions \$)	114.1	102.7

# THE YEAR IN REVIEW

Equitable Life of Canada had an outstanding year in 2017, surpassing previous records on almost all financial fronts and achieving several significant milestones over the course of the year.

Most notably, Equitable Life realized earnings of \$106 million, an increase of 33% over last year's net income of \$80 million, resulting in a return on policyholders' equity of 16.8%. These excellent results were driven by business growth, investment gains and positive claims experience. As in past years, Equitable Life's investment portfolio performed very well in 2017; a conservative approach continues to serve the Company, providing ongoing stability.

The Company also experienced exceptional growth, having achieved a new high of \$1.2 billion for premiums and deposits and reaching \$4.1 billion in assets under administration. Total life insurance in-force grew by 11% during the year to \$114 billion, compared to \$103 billion at the end of 2016.

In 2017, Equitable Life maintained a strong capital position, reporting a total Minimum Continuing Capital and Surplus Requirements (MCCSR) ratio of 231%. As well, participating policyholders' equity, one of the key measures of a mutual life insurer's financial stability, increased by 18% to \$686 million from \$580 million at the end of 2016. We were proud to have received a Financial Strength Rating of "A" from DBRS Limited.

The Company issued a record \$27.2 million in dividends to participating policyholders in 2017 and made benefit payments to policyholders of \$694 million.

Equitable Life's Individual line of business experienced an outstanding year. Sales exceeded the previous year, reaching \$101 million in new annualized premiums, up 8%. This growth was primarily due to increased sales of traditional participating whole life insurance, momentum generated from the January 1, 2017 policyholder tax change. The Individual line of business achieved net income of \$71.2 million in 2017, achieved largely due to very strong sales results and positive investment experience from increasing equity markets. Earnings were also positively impacted by favourable claims and expense experience.

The Group Benefits line of business recorded sales of \$45 million in 2017, down from \$66 million in 2016. Lower sales in 2017 can be attributed to several factors including exiting the Creditor business, selling fewer large cases than the prior year and from the competitiveness in the market place. Group Benefits delivered earnings of \$12 million in 2017 driven by good claims experience, retention of in-force business and favourable investment performance.

Savings and Retirement finished the year with record earnings of \$6.7 million, and sales of \$311 million, a 12% increase from 2016. These increases were driven by significant sales gains in our guaranteed interest account and segregated fund product lines, which allowed this line of business to eclipse \$300 million in sales for the first time ever and increased our total Savings and Retirement assets under administration to a record \$1.7 billion.

The Company's growth in sales has been driven by our ability to implement our strategic plan, placing a priority on products, service and execution. Our financial success reflects our continued commitment to profitable growth and our ability to navigate a changing regulatory and economic environment.



MCCSR RATIO FINISHED  
THE YEAR AT

231%



ASSETS UNDER  
ADMINISTRATION  
INCREASED BY

11.0%



LIFE INSURANCE  
IN FORCE GREW BY

11.0%



ACHIEVED A RETURN  
ON POLICYHOLDERS'  
EQUITY OF

16.8%