

Intact Financial Corporation reports Q2-2025 results



Toronto (TSX: IFC) – July 29, 2025

(in Canadian dollars except as otherwise noted)

Highlights

- Operating DPW^{1,2} growth of 4% improved sequentially, primarily attributable to Personal lines
- Combined ratio¹ was strong at 86.1% with solid performance across all geographies
- Net operating income per share¹ of \$5.23 (EPS of \$4.70) reflected robust underwriting performance and stable contributions from investment and distribution income
- BVPS¹ increased 12% from last year to \$98.67 driven by solid earnings growth, with operating ROE¹ of 16.3% (ROE¹ of 14.0%)
- Robust balance sheet with total capital margin¹ of \$3.1 billion and adjusted debt-to-total capital ratio¹ decreasing to 18.4%

Charles Brindamour, Chief Executive Officer, said:

"I'm pleased to see our platform continuing to prove its strength in the current economic and geopolitical environment. We delivered another quarter of solid underlying results, while growing our premium base in Personal lines and remaining disciplined in Commercial and Specialty lines. We did not experience significant CAT losses in the quarter, but our business is well positioned to help our customers deal with the deep trend of increased natural disasters. With our resilient balance sheet, we remain ready to capture opportunities as they arise, while staying on track to continue delivering on our financial objectives of exceeding the industry ROE by 500 basis points and growing NOIPS by 10% annually over time."

Consolidated Highlights	(in millions of Canadian dollars except as otherwise noted)					
	Q2-2025	Q2-2024	Change	H1-2025	H1-2024	Change
Operating direct premiums written^{1,2}	7,031	6,655	4%	12,395	11,765	4%
Combined ratio¹	86.1%	87.1%	(1.0) pt	88.7%	89.1%	(0.4) pts
Underwriting income (loss) ¹	784	681	15%	1,269	1,140	11%
Operating net investment income	400	387	3%	815	767	6%
Distribution income ¹	165	169	(2)%	282	269	5%
Net operating income attributable to common shareholders ¹	935	866	8%	1,652	1,513	9%
Net income	867	758	14%	1,543	1,431	8%
Per share measures (in dollars)						
Net operating income per share (NOIPS) ^{1,3}	\$5.23	\$4.86	8%	\$9.25	\$8.48	9%
Earnings per share (EPS) – diluted ³	\$4.70	\$4.04	16%	\$8.39	\$7.72	9%
Book value per share ¹	\$98.67	\$88.00	12%			
Return on equity for the last 12 months						
Operating ROE ¹	16.3%	17.0%	(0.7) pts			
Adjusted ROE ¹	16.5%	16.7%	(0.2) pts			
ROE ¹	14.0%	13.7%	0.3 pts			
Capital management						
Total capital margin ¹	\$3,136	2,884	252			
Adjusted debt-to-total capital ratio ¹	18.4%	19.8%	(1.4) pts			

12-Month Industry Outlook

We expect favourable market conditions overall, though varying by segment:

- In Personal auto and Personal property, we expect high-single-digit to low-double-digit premium growth; and
- In Commercial and Specialty lines across all geographies, we expect mid-single-digit premium growth.

¹ This release contains Non-GAAP financial measures, Non-GAAP ratios and other financial measures (each as defined in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure"). Refer to Section 15 – Non-GAAP and other financial measures in the Q2-2025 Management's Discussion and Analysis for further details.

² DPW change (growth) is presented in constant currency.

³ Per share metric is calculated based on the weighted-average diluted number of common shares.

Q2-2025 Consolidated Performance

- Operating DPW growth was 4%, attributable to rate actions and continued unit growth in Personal lines. Within Commercial lines, growth was tempered by continued pressures in large accounts, as well as remediation actions in the UK&I.
- Combined ratio remained strong and improved by 1 point to 86.1%, despite higher catastrophe activity compared to last year's low level. This reflected solid performance across all geographies, as well as strong favourable prior year development, notably in Canada Commercial lines.
- Operating net investment income increased 3% from last year to \$400 million, due to slightly higher book yields and favourable foreign currency movements.
- Distribution income of \$165 million reflected solid M&A activities in BrokerLink, offset by slower growth in other parts of the business, including On Side.
- Net operating income attributable to common shareholders of \$935 million reflected strong underwriting performance, as well as stable contributions from investment and distribution income.
- Earnings per share increased 16% to \$4.70 in the quarter, driven by strong operating income and higher mark-to-market gains on our equity securities.
- Solid operating ROE of 16.3% reflected a robust performance across our lines of business and geographies, despite the impact of higher-than-expected catastrophe losses over the last 12 months. Adjusted ROE of 16.5% included lower exited lines losses and restructuring costs over the last 12 months.

Segment Underwriting Performance

(in millions of Canadian dollars except as otherwise noted)	Q2 2025	Q2 2024	Change	H1-2025	H1-2024	Change
Operating direct premiums written¹ <i>(growth in constant currency)</i>						
Canada	4,908	4,563	8%	8,388	7,815	7%
UK&I	1,330	1,315	(5)%	2,583	2,560	(5)%
US	793	777	-%	1,424	1,390	(1)%
Total	7,031	6,655	4%	12,395	11,765	4%
Combined ratio¹						
Canada	83.8%	85.4%	(1.6) pts	87.0%	88.1%	(1.1) pts
UK&I	92.9%	92.2%	0.7 pts	95.2%	93.4%	1.8 pts
US	87.8%	88.5%	(0.7) pts	87.2%	88.3%	(1.1) pts
Combined ratio	86.1%	87.1%	(1.0) pt	88.7%	89.1%	(0.4) pts

Canada

- Personal auto operating DPW increased by 11%, reflecting rate actions and 2% unit growth in hard market conditions. The combined ratio was strong at 90.3% in a seasonally favourable quarter, reflecting the benefits of our profitability actions.
- Personal property operating DPW grew by 10%, primarily due to rates and 2% unit growth in hard market conditions. The combined ratio remained strong at 84.5% despite increasing 6.5 points from last year, as the prior period benefitted from benign weather activity.
- Commercial lines operating DPW growth was 1%, driven by low-to-mid-single-digit rates overall. We continue to see elevated competition in large accounts. The combined ratio was very strong at 74.0%, driven by our continued underwriting discipline and very healthy favourable prior-year development.

UK&I

- Operating DPW decreased 5% reflecting continued remediation actions in the DLG portfolio, as well as strategic exits, primarily within certain delegated relationships. Excluding these items, growth was 3% as we continue to see competition in large accounts. The combined ratio of 92.9% remained solid despite higher large losses, reflecting performance improvements in the DLG portfolio.

US

- Operating DPW growth was flat, including a 3-point negative impact from a specific business line. Rates remained healthy overall. The combined ratio was solid at 87.8%, reflecting year-over-year improvements in our underlying performance, tempered by higher expenses.

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Balance Sheet

- The Company ended the quarter in a strong financial position and solid regulatory capital ratios in all jurisdictions. Total capital margin was \$3.1 billion, and in line with Q1-2025, due to strong operating earnings.
- Adjusted debt-to-total capital ratio stood at 18.4% as at June 30, 2025, a reduction vs. Q1-2025, driven by strong capital generation and the repayment of commercial paper in the quarter.
- IFC's book value per share (BVPS) of \$98.67 as at June 30, 2025 increased 12% year-over-year due to robust earnings over the last 12 months and favourable market movements. BVPS was 3% higher than Q1-2025, driven by strong operating earnings, tempered by foreign exchange impacts.

Common Share Dividend

- The Board of Directors approved the quarterly dividend of \$1.33 per share on the Company's outstanding common shares. The common share dividends are payable on September 29, 2025, to shareholders of record on September 15, 2025.

Preferred Share Dividends

- The Board of Directors also approved a quarterly dividend of 30.25625 cents per share on the Company's Class A Series 1 preferred shares, 21.60625 cents per share on the Class A Series 3 preferred shares, 32.5 cents per share on the Class A Series 5 preferred shares, 33.125 cents per share on the Class A Series 6 preferred shares, 37.575 cents per share on the Class A Series 7 preferred shares, 33.75 cents per share on the Class A Series 9 preferred shares, and 32.8125 cents per share on the Class A Series 11 preferred shares. The dividends are payable on September 30, 2025, to shareholders of record on September 15, 2025.

Analysts' Estimates

- The average estimate of earnings per share and net operating income per share for the quarter among the analysts who follow the Company was \$3.79 and \$4.02, respectively.

Management's Discussion and Analysis (MD&A) and Interim Consolidated Financial Statements

This Press Release, which was approved by the Company's Board of Directors on the Audit Committee's recommendation, should be read in conjunction with the Q2-2025 MD&A, as well as the Q2-2025 interim condensed consolidated financial statements, which are available on the Company's website at www.intactfc.com and later today on SEDAR+ at www.sedarplus.ca.

For the definitions of measures and other insurance-related terms used in this Press Release, please refer to the MD&A and to the glossary available in the "Investors" section of the Company's website at www.intactfc.com.

Conference Call Details

Intact Financial Corporation will host a conference call to review its earnings results tomorrow at 11:00 a.m. ET. To listen to the call via live audio webcast and to view the Company's interim condensed consolidated financial statements, MD&A, presentation slides, Supplementary financial information and other information not included in this Press Release, visit the Company's website at www.intactfc.com and link to "Investors". The conference call is also available by dialing 416-945-7677 or 1-888-699-1199 (toll-free in North America). Please call 10 minutes before the start of the call. A replay of the call will be available on July 30, 2025 at 2:00 p.m. ET until 11:59 p.m. ET on August 6, 2025. To listen to the replay, call 289-819-1450 or 1-888-660-6345 (toll-free in North America), entry code 88467. A transcript of the call will also be made available on Intact Financial Corporation's website.

About Intact Financial Corporation

Intact Financial Corporation (TSX: IFC) is the largest provider of Property and Casualty (P&C) insurance in Canada, a leading Specialty lines insurer with international expertise and a leader in Commercial lines in the UK and Ireland. The business has grown organically and through acquisitions to almost \$24 billion of total annual operating direct premiums written (DPW).

In Canada, Intact distributes insurance under the Intact Insurance brand through agencies and a wide network of brokers, including its wholly-owned subsidiary BrokerLink. Intact also distributes directly to consumers through the belairdirect brand and affinity partnerships. Additionally, Intact provides exclusive and tailored offerings to high-net-worth customers through Intact Prestige.

In the US, Intact Insurance Specialty Solutions provides a range of Specialty insurance products and services through independent agencies, regional and national brokers, wholesalers and managing general agencies.

Across the UK, Ireland, and Europe, Intact provides Personal, Commercial and/or Specialty insurance solutions through the RSA, 123.ie, NIG and FarmWeb brands.

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Non-GAAP and other financial measures

Non-GAAP financial measures and Non-GAAP ratios (which are calculated using Non-GAAP financial measures) do not have standardized meanings prescribed by IFRS (or GAAP) and may not be comparable to similar measures used by other companies in our industry. Non-GAAP and other financial measures are used by management and financial analysts to assess our performance. Further, they provide users with an enhanced understanding of our financial results and related trends, and increase transparency and clarity into the core results of the business.

Non-GAAP financial measures and Non-GAAP ratios used in this Press Release and other Company's financial reports include measures related to our consolidated performance, underwriting performance and financial strength.

For more information about these supplementary financial measures, Non-GAAP financial measures, and Non-GAAP ratios, including definitions and explanations of how these measures provide useful information, refer to Section 15 – Non-GAAP and other financial measures in the Q2-2025 MD&A dated July 29th, 2025, which is available on our website at www.intactfc.com and on SEDAR+ at www.sedarplus.ca.

Table 1 Reconciliation of NOI, NOIPS and OROE to Net income attributable to shareholders

	Q2-2025	Q2-2024	H1-2025	H1-2024
Net income attributable to shareholders, as reported under IFRS	867	750	1,543	1,423
Remove: pre-tax non-operating results	93	128	167	140
Remove: non-operating tax expense (benefit)	3	16	(13)	(5)
NOI attributable to shareholders	963	894	1,697	1,558
Remove: preferred share dividends and other equity distribution	(28)	(28)	(45)	(45)
NOI attributable to common shareholders	935	866	1,652	1,513
Divided by weighted-average diluted number of common shares (in millions)	178.7	178.5	178.7	178.5
NOIPS (in dollars)	5.23	4.86	9.25	8.48
NOI attributable to common shareholders for the last 12 months	2,715	2,575		
Adjusted average common shareholders' equity, excluding AOCI	16,636	15,151		
OROE for the last 12 months	16.3%	17.0%		

Table 2 Reconciliation of underwriting results on a MD&A basis with the interim consolidated financial statements (quarterly)

Financial statements	F/S	1	2	3	4	5	6	7	8	9	Total	MD&A	MD&A
Quarter ended June 30, 2025													
Insurance revenue	6,616	(598)	(225)	-	-	-	-	(111)	(57)	5	(986)	5,630	Operating net underwriting revenue
Insurance service expense	(5,083)	257	232	(150)	7	(58)	(215)	112	57	(5)	237	(4,846)	Sum of: Operating net claims (\$2,917 million) and Operating net underwriting expenses (\$1,929 million)
Expense from reinsurance contracts	(598)	598	-	-	-	-	-	-	-	-	598	-	n/a
Income from reinsurance contracts	257	(257)	-	-	-	-	-	-	-	-	(257)	-	n/a
Insurance service result	1,192	-	7	(150)	7	(58)	(215)	1	-	-	(408)	784	Underwriting income (loss)
Quarter ended June 30, 2024													
Insurance revenue	6,488	(619)	(356)	-	-	-	-	(207)	(12)	7	(1,187)	5,301	Operating net underwriting revenue
Insurance service expense	(5,196)	365	370	(114)	8	(44)	(237)	223	12	(7)	576	(4,620)	Sum of: Operating net claims (\$2,812 million) and Operating net underwriting expenses (\$1,808 million)
Expense from reinsurance contracts	(619)	619	-	-	-	-	-	-	-	-	619	-	n/a
Income from reinsurance contracts	365	(365)	-	-	-	-	-	-	-	-	(365)	-	n/a
Insurance service result	1,038	-	14	(114)	8	(44)	(237)	16	-	-	(357)	681	Underwriting income (loss)

Reconciling items in the table above:

1	Adjustment to present results net of reinsurance
2	Adjustment to exclude net underwriting revenue, net claims, net underwriting expenses from exited lines (treated as non-operating)
3	Adjustment to include indirect underwriting expenses (from Other income and expense under IFRS)
4	Adjustment to exclude the non-operating pension expense
5	Adjustment to reclassify intercompany commissions (to Distribution income & Other operating income (expense))
6	Adjustment to exclude discount build on claims liabilities (treated as non-operating)
7	Adjustment to exclude Net insurance service results from claims acquired in a business combination (treated as non-operating)
8	Adjustment to reclassify Assumed (ceded) commissions and premium adjustments
9	Adjustment to reclassify Net insurance revenue from retroactive reinsurance contracts

Table 3 Reconciliation of underwriting results on a MD&A basis with the interim consolidated financial statements (year-to-date)

Financial statements	F/S	1	2	3	4	5	6	7	8	9	Total	MD&A	MD&A
Six-month ended June 30, 2025													
Insurance revenue	13,269	(1,196)	(502)	-	-	-	-	(308)	(105)	26	(2,085)	11,184	Operating net underwriting revenue
Insurance service expense	(10,670)	650	514	(269)	15	(120)	(433)	319	105	(26)	755	(9,915)	Sum of: Operating net claims (\$6,125 million) and Operating net underwriting expenses (\$3,790 million)
Expense from reinsurance contracts	(1,196)	1,196	-	-	-	-	-	-	-	-	1,196	-	n/a
Income from reinsurance contracts	650	(650)	-	-	-	-	-	-	-	-	(650)	-	n/a
Insurance service result	2,053	-	12	(269)	15	(120)	(433)	11	-	-	(784)	1,269	Underwriting income (loss)
Six-month ended June 30, 2024													
Insurance revenue	12,999	(1,292)	(715)	-	-	-	-	(488)	(32)	22	(2,505)	10,494	Operating net underwriting revenue
Insurance service expense	(10,554)	679	790	(262)	16	(93)	(465)	525	32	(22)	1,200	(9,354)	Sum of: Operating net claims (\$5,757 million) and Operating net underwriting expenses (\$3,597 million)
Expense from reinsurance contracts	(1,292)	1,292	-	-	-	-	-	-	-	-	1,292	-	n/a
Income from reinsurance contracts	679	(679)	-	-	-	-	-	-	-	-	(679)	-	n/a
Insurance service result	1,832	-	75	(262)	16	(93)	(465)	37	-	-	(692)	1,140	Underwriting income (loss)

Reconciling items in the table above:

1	Adjustment to present results net of reinsurance
2	Adjustment to exclude net underwriting revenue, net claims, net underwriting expenses from exited lines (treated as non-operating)
3	Adjustment to include indirect underwriting expenses (from Other income and expense under IFRS)
4	Adjustment to exclude the non-operating pension expense
5	Adjustment to reclassify intercompany commissions (to Distribution income & Other operating income (expense))
6	Adjustment to exclude discount build on claims liabilities (treated as non-operating)
7	Adjustment to exclude Net insurance service results from claims acquired in a business combination (treated as non-operating)
8	Adjustment to reclassify Assumed (ceded) commissions and premium adjustments
9	Adjustment to reclassify Net insurance revenue from retroactive reinsurance contracts

Table 4 Reconciliation of ROE to Net income attributable to shareholders

	Q2-2025	Q2-2024	H1-2025	H1-2024
Net income attributable to shareholders, as reported under IFRS	867	750	1,543	1,423
Remove: preferred share dividends and other equity distribution	(28)	(28)	(45)	(45)
Net income attributable to common shareholders	839	722	1,498	1,378
Divided by weighted-average basic number of common shares (in millions)	178.3	178.3	178.3	178.3
EPS, basic (in dollars)	4.71	4.05	8.40	7.73
Divided by weighted-average diluted number of common shares ¹ (in millions)	178.7	178.5	178.7	178.5
EPS, diluted (in dollars)	4.70	4.04	8.39	7.72
Net income attributable to common shareholders for the last 12 months	2,327	2,020		
Adjusted average common shareholders' equity	16,647	14,698		
ROE for the last 12 months	14.0%	13.7%		

¹ Includes the net effect of the exercise of stock options. See *Note 16 – Earnings per share* to the interim condensed consolidated financial statements for more details.

Table 5 Reconciliation of consolidated results on a MD&A basis with the interim condensed consolidated financial statements (quarterly)

As presented in the Financial statements	MD&A captions				Pre-tax			
	Distribution income	Total finance costs	Other operating income (expense)	Operating net investment income	Total income taxes	Non-operating results	Underwriting income (loss)	Total F/S caption
For the quarter ended June 30, 2025								
Insurance service result	43	-	15	-	-	200	934	1,192
Net investment income	-	-	-	400	-	-	-	400
Net gains (losses) on investment portfolio	-	-	-	-	-	136	-	136
Net insurance financial result	-	-	-	-	-	(197)	-	(197)
Share of profits from investments in associates and joint ventures	42	(4)	(2)	-	(9)	(9)	-	18
Other net gains (losses)	-	-	-	-	-	(16)	-	(16)
Other income and expense	80	-	(65)	-	-	(80)	(150)	(215)
Other finance costs	-	(57)	-	-	-	-	-	(57)
Acquisition, integration and restructuring costs	-	-	-	-	-	(127)	-	(127)
Income tax benefit (expense)	-	-	-	-	(267)	-	-	(267)
Total, as reported in MD&A	165	(61)	(52)	400	(276)	(93)	784	
For the quarter ended June 30, 2024								
Insurance service result	28	-	16	-	-	199	795	1,038
Net investment income	-	-	-	387	-	-	-	387
Net gains (losses) on investment portfolio	-	-	-	-	-	(34)	-	(34)
Net insurance financial result	-	-	-	-	-	(195)	-	(195)
Share of profits from investments in associates and joint ventures	52	(3)	(1)	-	(11)	(9)	-	28
Other net gains (losses)	-	-	-	-	-	74	-	74
Other income and expense	89	-	(75)	-	-	(73)	(114)	(173)
Other finance costs	-	(54)	-	-	-	-	-	(54)
Acquisition, integration and restructuring costs	-	-	-	-	-	(90)	-	(90)
Income tax benefit (expense)	-	-	-	-	(223)	-	-	(223)
Total, as reported in MD&A	169	(57)	(60)	387	(234)	(128)	681	

Table 6 Reconciliation of consolidated results on a MD&A basis with the interim condensed consolidated financial statements (year-to-date)

As presented in the Financial statements	MD&A captions			Operating net investment income	Pre-tax			Total F/S caption
	Distribution income	Total finance costs	Other operating income (expense)		Total income taxes	Non-operating results	Underwriting income (loss)	
For the six-month period ended June 30, 2025								
Insurance service result	108	-	12	-	-	395	1,538	2,053
Net investment income	-	-	-	815	-	-	-	815
Net gains (losses) on investment portfolio	-	-	-	-	-	222	-	222
Net insurance financial result	-	-	-	-	-	(437)	-	(437)
Share of profits from investments in associates and joint ventures	84	(7)	(1)	-	(18)	(18)	-	40
Other net gains (losses)	-	-	-	-	-	24	-	24
Other income and expense	90	-	(90)	-	-	(157)	(269)	(426)
Other finance costs	-	(112)	-	-	-	-	-	(112)
Acquisition, integration and restructuring costs	-	-	-	-	-	(196)	-	(196)
Income tax benefit (expense)	-	-	-	-	(440)	-	-	(440)
Total, as reported in MD&A	282	(119)	(79)	815	(458)	(167)	1,269	
For the six-month period ended June 30, 2024								
Insurance service result	71	-	22	-	-	337	1,402	1,832
Net investment income	-	-	-	767	-	-	-	767
Net gains (losses) on investment portfolio	-	-	-	-	-	(74)	-	(74)
Net insurance financial result	-	-	-	-	-	(292)	-	(292)
Share of profits from investments in associates and joint ventures	90	(8)	1	-	(18)	(15)	-	50
Other net gains (losses)	-	-	-	-	-	254	-	254
Other income and expense	108	-	(111)	-	-	(147)	(262)	(412)
Other finance costs	-	(111)	-	-	-	-	-	(111)
Acquisition, integration and restructuring costs	-	-	-	-	-	(203)	-	(203)
Income tax benefit (expense)	-	-	-	-	(380)	-	-	(380)
Total, as reported in MD&A	269	(119)	(88)	767	(398)	(140)	1,140	

Table 7 Reconciliation of AEPS and AROE to Net income attributable to shareholders

	Q2-2025	Q2-2024	H1-2025	H1-2024
Net income attributable to shareholders, as reported under IFRS	867	750	1,543	1,423
Remove acquisition-related items, after tax				
Amortization of acquired intangible assets	61	56	122	113
Acquisition and integration costs	56	41	86	96
Tax adjustments on acquisition-related items	7	3	8	3
Net result from claims acquired in a business combination	1	(1)	1	1
Adjusted net income attributable to shareholders	992	849	1,760	1,636
Remove: preferred share dividends and other equity distribution	(28)	(28)	(45)	(45)
Adjusted net income attributable to common shareholders	964	821	1,715	1,591
Divided by weighted-average diluted number of common shares (in millions)	178.7	178.5	178.7	178.5
AEPS (in dollars)	5.39	4.61	9.59	8.91
Adjusted net income attributable to common shareholders for the last 12 months	2,744	2,453		
Adjusted average common shareholders' equity	16,647	14,698		
AROE for the last 12 months	16.5%	16.7%		

Table 8 Calculation of BVPS and BVPS (excluding AOCI)

As at June 30,	2025	2024
Equity attributable to shareholders, as reported under IFRS	19,216	17,315
Remove: Preferred shares and other equity, as reported under IFRS	(1,619)	(1,619)
Common shareholders' equity	17,597	15,696
Remove: AOCI, as reported under IFRS	(260)	238
Common shareholders' equity (excluding AOCI)	17,337	15,934
Number of common shares outstanding at the same date (in millions)	178.3	178.4
BVPS	98.67	88.00
BVPS (excluding AOCI)	97.21	89.33

Table 9 Adjusted average common shareholders' equity and Adjusted average common shareholders' equity, excluding AOCI

As at June 30,	2025	2024
Ending common shareholders' equity	17,597	15,696
Remove: significant capital transaction in the last 12 months	-	(557)
Ending common shareholders' equity, excluding significant capital transaction	17,597	15,139
Beginning common shareholders' equity	15,696	13,370
Average common shareholders' equity, excluding significant capital transaction	16,647	14,255
Weighted impact of significant capital transactions ¹	-	443
Adjusted average common shareholders' equity	16,647	14,698
Ending common shareholders' equity, excluding AOCI	17,337	15,934
Remove: significant capital transaction in the last 12 months	-	(557)
Ending common shareholders' equity, excluding AOCI and significant capital transaction	17,337	15,377
Beginning common shareholders' equity, excluding AOCI	15,934	14,040
Average common shareholders' equity, excluding AOCI and significant capital transaction	16,636	14,708
Weighted impact of significant capital transactions ¹	-	443
Adjusted average common shareholders' equity, excluding AOCI	16,636	15,151

¹ June 30, 2024 figure represents the net weighted impact of the September 13, 2023 significant capital transaction.

Table 10 Reconciliation of Total debt outstanding before hybrid subordinated notes and Total capital to Debt outstanding, Equity attributable to shareholders and Equity attributable to NCI

As at	June 30, 2025	March 31, 2025	December 31, 2024
Debt outstanding, as reported under IFRS	4,643	4,728	4,681
Remove: hybrid subordinated notes	(247)	(247)	(247)
Total debt outstanding before hybrid subordinated notes	4,396	4,481	4,434
Debt outstanding, as reported under IFRS	4,643	4,728	4,681
Equity attributable to shareholders, as reported under IFRS	19,216	18,768	18,148
Adjusted total capital	23,859	23,496	22,829
Total debt outstanding before hybrid subordinated notes	4,396	4,481	4,434
Adjusted total capital	23,859	23,496	22,829
Adjusted debt-to-total capital ratio	18.4%	19.1%	19.4%
Debt outstanding, as reported under IFRS	4,643	4,728	4,681
Preferred shares and other equity, as reported under IFRS	1,619	1,619	1,619
Debt outstanding and preferred shares (including NCI)	6,262	6,347	6,300
Adjusted total capital	23,859	23,496	22,829
Total leverage ratio	26.2%	27.0%	27.6%
Adjusted debt-to-total capital ratio	18.4%	19.1%	19.4%
Preferred shares and hybrids	7.8%	7.9%	8.2%

Forward Looking Statements

Certain statements made in this news release are forward-looking statements. These statements include, without limitation, statements relating to the outlook for the Property and Casualty insurance industry in Canada, the U.S. and the U.K., the Company's business outlook, the Company's growth prospects and the integration of Direct Line Insurance Group plc's brokered Commercial lines operations. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements as a result of various factors, including those discussed in the Company's most recently filed Annual Information Form dated February 11, 2025 and available on SEDAR+ at www.sedarplus.ca. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this news release, whether as a result of new information, future events or otherwise. Please read the cautionary note at the beginning of the Q2-2025 MD&A.