

echelon
Insurance



Financial Highlights

Alvin Sharma

Chief Financial Officer

Forward-looking Statements

This presentation contains “forward-looking statements” which reflect the current expectations of the Company. These statements reflect management’s current beliefs with respect to future events and are based on information currently available to management.

Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including, without limitation, those listed under the heading “Risk Factors” in the Company’s Annual Information Form and other filings. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements in this presentation.

All forward-looking statements presented herein should be considered in conjunction with such filings. Except as required by Canadian securities laws, the Company does not undertake to update any forward-looking statements; such statements speak only as of the date made.

Echelon at a Glance

CANADIAN PROPERTY & CASUALTY INSURER

Share Price to April 28, 2016



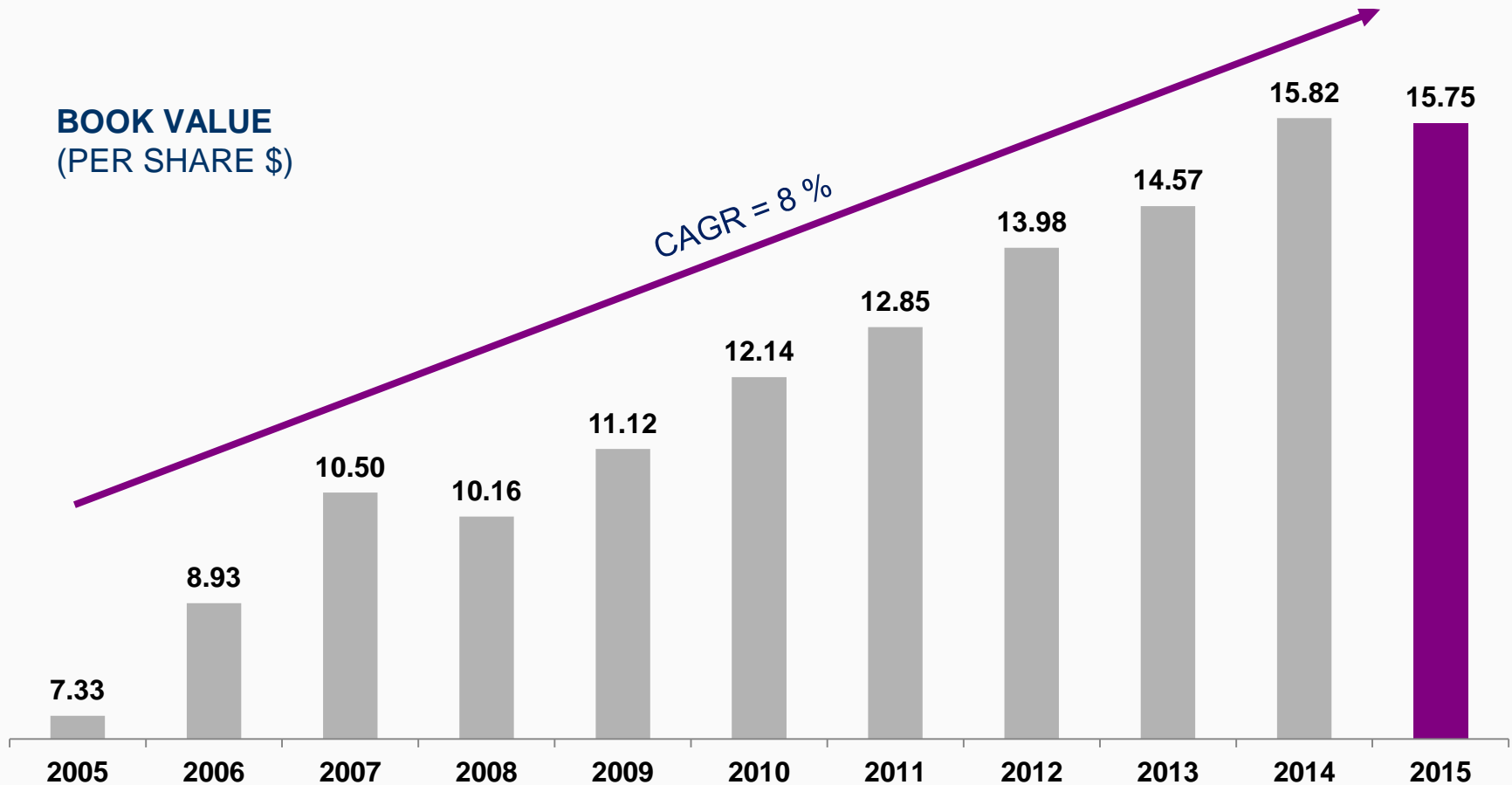
Proven Approach

- Expanding insurance for small to mid-sized businesses.
- Focused on creating solutions that fill market gaps.

2015 Financial Overview

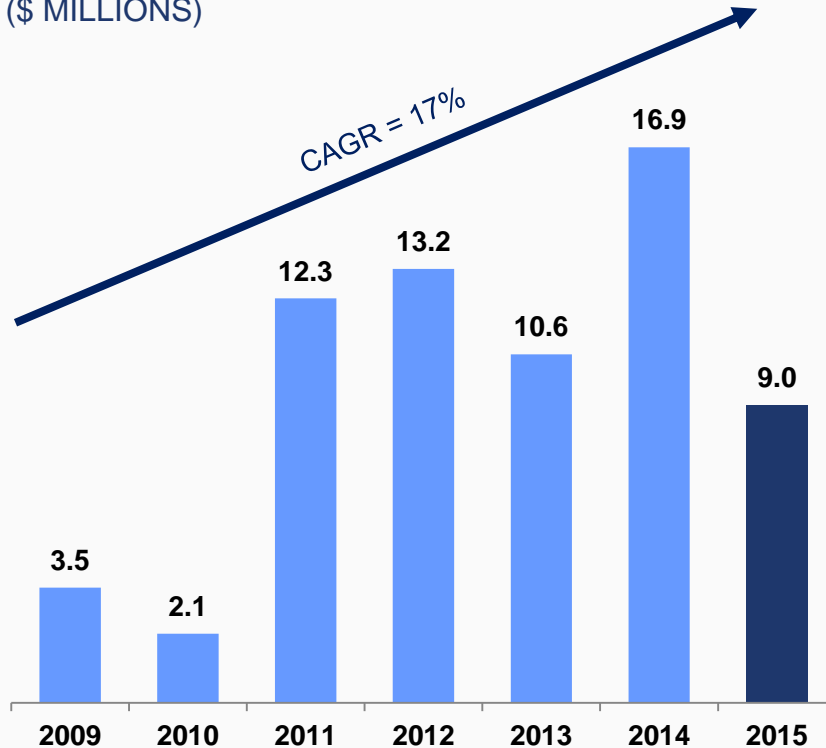
BVPS	\$15.75	-0.4%
Direct Written Premium	\$495M	+36%
Personal Lines - Combined Ratio	97.5%	7% deterioration
Commercial Lines - Combined Ratio	88.3%	8% improvement
International - Combined ratio	104.2%	1% deterioration
Total Company Combined Ratio	102.0%	4% deterioration
Total Return on Invested Assets	2.6%	-3%
Net Operating Income	\$9M	-46%
Quarterly Common Share Dividend	\$0.12	+9%

Growth in Shareholder Value

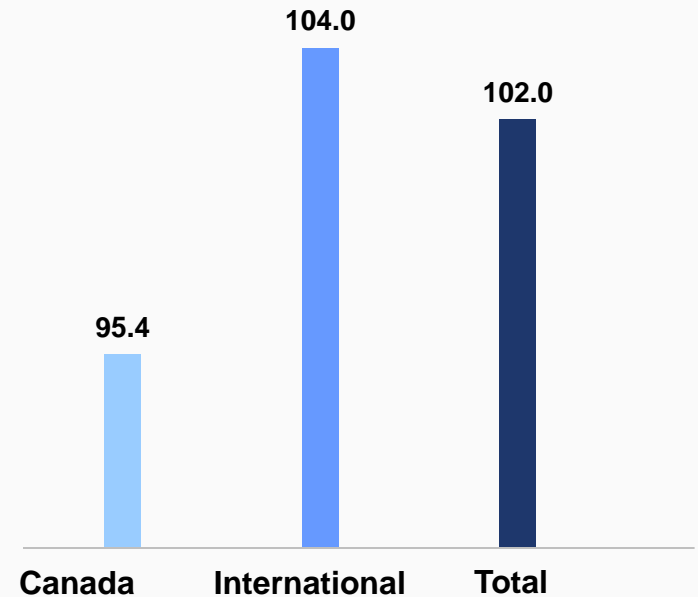


Profitability Metrics

NET OPERATING INCOME
(\$ MILLIONS)



COMBINED RATIOS (%)



Solid results in Canada offset by a challenging environment in Europe.

Solid Balance Sheet (Q1, 2016)

Echelon MCT

225%

ICPEI MCT

291%

Qudos Solvency II

118%

A.M. Best Rating

B++ (stable)

Excess Capital

\$5 Million

No Debt

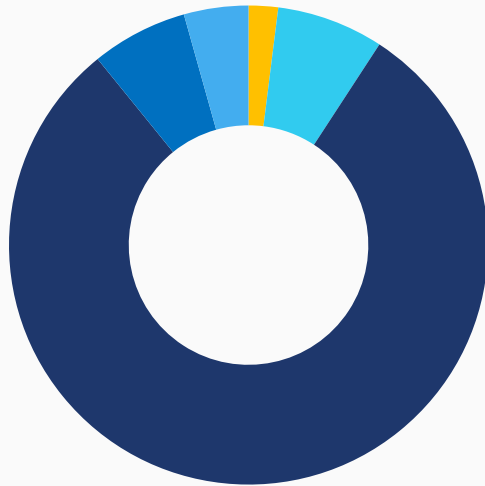
Consistently redundant
reserves 3-5% range
from 2002 to 2015

**No level 3
assets**

2015 Investment Portfolio

CONSERVATIVE & DIVERSIFIED

INVESTMENT PORTFOLIO ASSET MIX



80% Fixed Income
7% Preferred Shares
7% Commercial Mortgages and
Fixed Income Pool Fund
4% Cash & Short Term Deposits
2% Common Shares

BOND RATINGS



31% AAA
21% AA
18% A
19% BBB
11% BB or
lower

2016 Q1 Highlights

BVPS	\$15.16	-6%
Direct Written Premium	\$94M	+4%
Personal Lines - Combined Ratio	97.8%	13% improvement
Commercial Lines - Combined Ratio	107.6%	12% deterioration
International - Combined ratio	120.5%	27% deterioration
Total Company Combined Ratio	111.9%	7% deterioration
Total Return on Invested Assets	-0.6%	-2.3%
Net Operating Income	-\$4M	-294%



What's Next for Echelon

Serge Lavoie

President & Chief Executive Officer

What's Next for Echelon?

FOCUSED GROWTH



HERE IS HOW WE PLAN TO GET THERE.

We're building
on our strengths

We're expanding
on our products

We're Investing
in technology



We're Building


ON OUR STRENGTHS

Proven Approach

- Expanding insurance for small to mid-sized businesses
- Focused on creating solutions that fill market gaps

Solely Focused on Brokers

- One of few remaining markets working exclusively with brokers
- We offer an alternative for brokers in need of a new market
- We're nimble, responsive and collaborative.



We're Expanding

ON OUR PRODUCTS

Commercial Insurance

- Customized Coverage and convenient packages for small to mid-sized businesses
- Long haul trucking coverage focused on owner operators

Surety Solutions

- Focused on small to mid-sized contractors across Canada
- Team of experts with 75 years of combined surety experience

We're Expanding

ON OUR PRODUCTS



Products in More Provinces

- Habitational products now in Quebec

Ongoing Enhancements

- New auto endorsements



We're Investing

IN INNOVATION & TECHNOLOGY

Adopting New Technologies

- Transitioning to a new policy management system
- Introducing a new extranet site for brokers

Enhancing Connectivity

- Expanding our eServices offering, including upload and download to support seamless

Questions?

