

2026/27 First Quarter

**Condensed Interim Financial Statements
For the three-month period ended June 30, 2026**

Including Management Discussion and Analysis (unaudited)



MANITOBA
PUBLIC INSURANCE

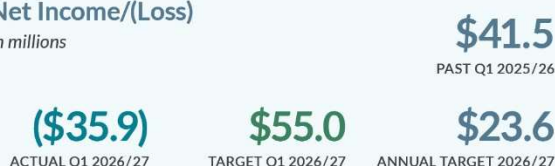
Q1 | Corporate Performance Measures and Targets

For the three months ended June 30, 2026

\$ Financial Performance

Net Income/(Loss)

In millions



Revenue from Premiums

In millions



Incurred Claims before Reinsurance

In millions



Corporate Loss Ratio

(Incurred Claims before Reinsurance/Revenue from Premiums)



+ Organizational Health

Capital Adequacy (Minimum Capital Test)

Basic



Extension



Special Risk Extension



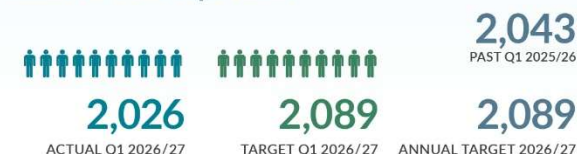
☆ Operational Excellence

Total Expense Ratio

(Corporate Expenses consisting of Maintenance, Acquisition and Operating/Revenue from Premiums)



Total Full-Time Equivalent



26-066-6687 | 05/08/2026

The following management discussion and analysis (MD&A) is the responsibility of management and has been reviewed by the Board of Directors (the Board) for the three-month period ended June 30, 2026. This MD&A is intended to enable the reader to assess our results of operations and financial condition for the three-month period ended June 30, 2026, compared to the corresponding periods in 2025. It should be read in conjunction with our interim condensed financial statements, as well as the MD&A and the 2025/26 annual audited financial statements and supporting notes found in the Corporation's 2025 Annual Report.

"MPI", the "Corporation", "we" and "our" are terms used throughout this document to refer to Manitoba Public Insurance Corporation. Further information about MPI can be found online at mpi.mb.ca.

Cautionary Note Regarding Forward-Looking Statements

Certain of the statements included in this MD&A about MPI's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. Forward-looking statements are based on estimates and assumptions made by management based on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate in the circumstances. In addition to other estimates and assumptions which may be identified herein, estimates and assumptions have been made regarding, among other things, economic and political environments, and industry conditions. Many factors could cause the Corporation's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements.

Results of Operations

The Corporation reported net loss from operations of \$35.9 million for the three-month period ended June 30, 2026, as compared to net income of \$41.5 million for the same period in the prior year. This reflects the underlying performance of the Corporation's individual lines of business. More specifically,

- The Basic insurance line of business reported net loss of \$43.5 million as compared to a net income of \$25.8 million for the same period in the prior year. The Insurance service result was a loss of \$74.2 million as compared to \$26.2 million for the prior year.
- The Extension line of business reported net income of \$0.4 million as compared to a net income of \$20.5 million for the same period in the prior year. The Insurance service result was \$0.8 million as compared to \$19.2 million for the prior year.
- The Special Risk Extension (SRE) line of business reported a net income of \$2.7 million as compared to a net loss of \$4.4 million for the same period in the prior year. The Insurance service result was \$2.1 million as compared to a loss of \$2.1 million for the prior year.
- The Drivers and Vehicles Act operations (DVA) line of business reported a net income of \$4.5 million as compared to a net loss of \$0.4 million for the same period in the prior year.

Insurance Revenue

Insurance revenue is comprised of Revenue from premiums and Other insurance revenue (fees related to policy administration). Insurance revenue for the Corporation increased by 7.5 per cent or \$31.7 million to \$456.2 million for the three-month period ended June 30, 2026, as compared to the prior year. Insurance revenue for the Corporation is comprised of insurance revenue from three lines of business: Basic, Extension and SRE. The revenue reported by each of these lines of business is approximately 77 per cent, 14 per cent and 9 per cent, respectively, of the Insurance revenue for the Corporation.

The Basic insurance line of business is subject to regulation by the Public Utilities Board of Manitoba. Rates and premiums are set annually through a General Rate Application (GRA). The Extension and SRE lines of business are not subject to regulation.

Insurance revenue for the Basic line of business increased by 9.4 per cent or \$30.2 million to \$352.5 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. The Public Utilities Board has sole authority over reviewing and approving premiums and service fee charges for the Basic line of business. To this end, MPI participates in an annual GRA process beginning in June each year, to establish rates and fees that are effective for the subsequent fiscal year. On December 19, 2025, the Public Utilities Board issued Order No. 126/25 that included a 1.77 per cent rate increase to Basic insurance for policies taking effect on or after April 1, 2026. The PUB also extended the Driver Safety Rating system to +20 as of April 1, 2026; and increased the vehicle premium discounts for all levels above +2, to a maximum of 53 per cent for Levels +19 and +20.

Insurance revenue for the Extension line of business increased by 4.9 per cent or \$2.9 million to \$62.4 million for the three-month period ended June 30, 2026, as compared to the same period last year. The increased revenue in the Extension line of business reflects an overall stronger demand for certain products such as reduction to deductible, loss of use coverage and maximum insured vehicle coverage.

Insurance revenue for the SRE line of business decreased 3.1 per cent or \$1.3 million to \$41.3 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. The decreased revenue in the SRE line of business reflects a decrease in premiums and exposures underwritten, driven in part by deliberate non renewals of accounts with adverse claims experience.

Incurred Claims

Incurred claims are a function of both frequency (the number of claims made) and severity (how expensive are the actual or expected injuries, repairs, or total loss), as well as the timing of when claims are settled and paid. Frequency is affected by several factors, such as driving patterns, weather, and individual decisions to advance a claim or not. Severity is impacted by several factors such as supply chain availability of parts and service, prevailing market conditions for new and used vehicle pricing, and complexity of the vehicle requiring repair. Timing related to claims settlement is impacted by several factors, such as inflation, discount rates, risk adjustments, and investment yields.

Incurred claims for the Corporation increased by 143.2 per cent or \$417.6 million to \$709.2 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. This increase is primarily attributable to catastrophic storms experienced in June 2026, which drove increases in both claims paid and claims reported during the quarter and an increase in the estimated ultimate cost of claims not yet settled, resulting in significant increases to incurred claims recognized in the Basic and Extension lines of business.

Basic Line of Business

Incurred claims for the Basic line of business increased 162.8 per cent or \$380.7 million to \$614.6 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. The loss ratio for the three-month period increased to 177.8 per cent as compared to 74.4 per cent for the same period in the prior year.

Physical damage incurred claims (excluding discount rate impact and risk adjustment) increased by 206.8 per cent or \$361.2 million to \$535.9 million for the three-month period ended June 30, 2026, as compared to the prior year. More specifically,

- Collision increased by 5.3 per cent or \$6.4 million to \$126.2 million. For the three-month period ended June 30, 2026, the estimated cost for collision claims is 36.5 per cent of the Revenue from premiums.
- Comprehensive non-hail decreased by 13.1 per cent or \$5.4 million.
- Comprehensive hail increased by \$358.4 million due to the catastrophic storms experienced in June. The Corporation received more than 37,000 claims related to severe weather events in the month of June, in particular, a hail storm on June 9, 2026, resulted in the largest volume of claims reported from any single weather event in the Corporation's history.
- Property damage incurred claims increased by 11.3 per cent or \$1.8 million.

Bodily injury claims (excluding inflation, discount rate impact and risk adjustment) increased 2.9 per cent or \$2.2 million to \$77.4 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. The impact of inflation increased outstanding bodily injury obligations by \$7.3 million for the three-month period ended June 30, 2026, as compared to an increase of \$15.0 million in the same period of the prior year.

Impacts from discount rates were favourable by \$9.7 million and impacts from risk adjustments were unfavourable by \$34.6 million, as compared to the same period of the prior year.

Extension Line of Business

Incurred claims for the Extension line of business increased by 182.8 per cent or \$43.5 million to \$67.3 million for the three-month period ended June 30, 2026, as compared to the prior year. The loss ratio for the three-month period was 110.9 per cent as compared to 41.0 per cent for the same period in the prior year. The current year results include significant impacts from weather-related events in the first quarter.

Special Risk Extension Line of Business

Incurred claims for the SRE line of business decreased by 19.8 per cent or \$6.7 million to \$27.2 million for the three-month period ended June 30, 2026, as compared to the prior year. More specifically,

- Public liability (excluding discount rate impact and risk adjustment) decreased by 34.1 per cent or \$8.4 million to \$16.2 million.
- Physical damage (excluding discount rate impact and risk adjustment) increased by 14.9 percent or \$1.7 million to \$13.1 million.

The loss ratio for the three-month period was 65.9 per cent compared to 79.5 per cent for the same period in the prior year.

Net Income (Expense) from Reinsurance Contracts

The Corporation follows a practice of obtaining reinsurance coverages for both casualty and catastrophic events to limit its exposure to losses. The Net income from reinsurance contracts increased by \$280.9 million to an income of \$277.6 million for the three-month period ended June 30, 2026, as compared to the same period in the prior year. This reflects the claims incurred volume and eligibility for recovery from reinsurers. Premiums paid for the reinsurance program were \$6.7 million compared to \$9.4 million for the same period of the prior year.

Net Insurance Financial Income (Expense)

Net insurance financial expense was \$49.6 million for the three-month period ended June 30, 2026, as compared to net insurance financial income of \$8.8 million, for the same period in the prior year. This reflects the change in discount rates on claims, along with the unwinding of discount rates (a process of recognizing the increase in the present value of a liability over time as it moves forward in time).

Corporate Operating Expenses

The Corporation leverages an integrated service delivery model wherein its lines of business benefit from sharing costs amongst themselves, resulting in lower costs overall than if each were operated on a stand-alone basis. Corporate operating expenses are reported as a separate line item or in aggregate as Acquisition, Maintenance, and Operating on the Statement of Operations. The table, below, illustrates a traditional view of corporate operating expenses prior to being classified as Acquisition, Maintenance, and Operating.

For the three months ended June 30 in thousands of Canadian dollars	2026	2025
Compensation	60,740	57,957
Data processing	20,396	18,682
Special services	4,367	2,080
Merchant fees and bank charges	3,179	2,968
Buildings	1,778	1,687
Other	1,449	1,489
Postage	1,521	1,344
Printing, stationery and supplies	1,156	866
Furniture and equipment	217	627
Driver education program	1,469	1,345
Regulatory/appeal	1,411	861
Grants in lieu of taxes	472	449
Telephones	495	377
Travel and vehicle	255	202
Public information/advertising	182	203
Safety/loss prevention programs	201	(396)
	99,288	90,741
Commissions-policy	29,086	27,068
Commissions-non-policy	1,693	1,674
Premium taxes	13,651	12,690
	44,430	41,432
Amortization of deferred development costs	1,311	1,608
Depreciation of operating property and equipment	1,735	1,755
	3,046	3,363
Total	146,764	135,536

Total corporate operating expenses including commissions and premium taxes increased 8.3 per cent or \$11.3 million to \$146.8 million.

Capital Management

The Corporation follows the capital management framework of the Office of the Superintendent of Financial Institutions Canada which includes a Minimum Capital Test (MCT). MCT is a standardized measure of capital adequacy for an insurance company and represents the ratio of available capital to required capital as derived from a risk-based formula.

The Corporation has established minimum capital adequacy targets for each of its insurance lines of business that reflects the underlying risk and the competitive nature unique to that line of business. Higher risk equates to a higher minimum capital requirement. The target MCT for each of the lines of business is set out in *The Manitoba Public Insurance Corporation Act*. More specifically,

- The Basic Insurance line of business has a minimum MCT target of 100 per cent. MCT as at June 30, 2026, was 83 per cent.
- The Extension Insurance line of business has an established minimum MCT target of 200 per cent. MCT as at June 30, 2026, was 220 per cent.
- The SRE Insurance line of business has an established minimum MCT target of 300 per cent. MCT as at June 30, 2026, was 244 per cent.

Outlook

The Corporation remains committed to achieving its Corporate goals. Actual results will be monitored, and corrective actions taken, when necessary, to ensure that expected outcomes are realized.

On June 24, 2026, MPI filed its General Rate Application (GRA) with the Public Utilities Board (PUB), requesting an overall 2.38 per cent rate increase. This 2.38 per cent increase consists of a 5.56 per cent increase to vehicle premiums and a 3.01 per cent decrease due to the change in the Driver Safety Rating Scale (the overall increase reflects the compounding of both rate changes). The PUB is expected to release its decision regarding rate changes, if any, in December 2026. Changes to rates will take effect April 1, 2027.

Condensed Interim Statement of Financial Position

	Notes	June 30, 2026	March 31, 2026
Assets			
Cash and cash equivalents	5	200,020	220,193
Accounts receivable		145,751	162,072
Prepaid expenses		3,045	2,052
Investments	5	3,798,206	3,652,594
Investment property	5	11,928	12,026
Reinsurance contract assets	7	346,222	57,094
Property and equipment		173,309	175,550
Deferred development costs		39,252	39,351
		4,717,733	4,320,932
Liabilities			
Accounts payable and accrued liabilities		46,487	47,819
Deferred revenue		29,056	32,352
Lease obligation		6,759	6,781
Provision for onerous contracts		36,025	37,341
Provision for employee current benefits		34,909	33,341
Provision for employee future benefits		498,664	479,855
Insurance contract liabilities	7	3,307,546	2,875,836
		3,959,446	3,513,325
Equity			
Retained earnings		741,328	777,227
Accumulated other comprehensive income		16,959	30,380
		758,287	807,607
		4,717,733	4,320,932

The accompanying notes are an integral part of these financial statements.

Condensed Interim Statement of Operations

	Notes	For the 3 months ended June 30, 2026	For the 3 months ended June 30, 2025
Revenue from premiums		447,764	415,028
Other insurance revenue		8,481	9,489
Insurance revenue		456,245	424,517
Incurring claims		709,180	291,614
Maintenance expense		49,915	44,017
Acquisition expense:			
Commission		29,086	27,068
Premium taxes		13,651	12,690
Other		3,382	2,541
Total insurance service expense		805,214	377,930
Insurance service result before reinsurance contracts		(348,969)	46,587
Net income (expense) from reinsurance contracts held		277,608	(3,273)
Insurance service result		(71,361)	43,314
Investment income	6	116,013	22,394
Insurance finance income (expense)	6	(51,339)	8,599
Reinsurance finance income (expense)	6	1,703	152
Net insurance financial result		(49,636)	8,751
Net insurance and investment result		(4,984)	74,459
Service fees and other revenue		6,325	6,384
<i>The Drivers and Vehicles Act</i> operations recovery		13,500	10,050
Total other revenues		19,825	16,434
Commission expense - non-policy		1,693	1,674
Operating expenses		49,037	47,546
Total other expenses		50,730	49,220
Loss on disposal of property and equipment		(10)	(166)
Net income (loss) attributable to Owner of the Corporation		(35,899)	41,507

Condensed Interim Statement of Comprehensive Income

	For the 3 months ended June 30, 2026	For the 3 months ended June 30, 2025
Net income (loss) attributable to Owner of the Corporation	(35,899)	41,507
Other comprehensive income		
Items that will not be reclassified to income		
Remeasurement of employee future benefits	(13,421)	8,682
Other comprehensive income (loss) for the period	(13,421)	8,682
Total comprehensive income (loss) attributable to Owner of the Corporation	(49,320)	50,189

The accompanying notes are an integral part of these financial statements.

Condensed Interim Statement of Changes in Equity

	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Equity
Balance as at April 1, 2025	721,620	4,368	725,988
Net income attributable to Owner of the Corporation	41,507	-	41,507
Other comprehensive income for the period	-	8,682	8,682
Balance as at June 30, 2025	763,127	13,050	776,177
Balance as at April 1, 2026	777,227	30,380	807,607
Net loss attributable to Owner of the Corporation	(35,899)	-	(35,899)
Other comprehensive loss for the period	-	(13,421)	(13,421)
Balance as at June 30, 2026	741,328	16,959	758,287

The accompanying notes are an integral part of these financial statements.

Condensed Interim Statement of Cash Flows

	For the 3 months ended June 30, 2026	For the 3 months ended June 30, 2025
Cash Flows from (to) Operating Activities:		
Net income (loss) attributable to Owner of the Corporation	(35,899)	41,507
Non-cash items:		
Depreciation of property and equipment, and investment property	1,838	1,858
Amortization of deferred development costs	1,311	1,608
Amortization of bond discount and premium	(1,385)	(1,285)
Gain on sale of investments	(8,836)	(33,451)
Unrealized (gain) loss on investments	(83,418)	34,904
Loss on disposal of property and equipment	10	166
	(126,379)	45,307
Net change in non-cash balances:		
Accounts receivable	16,321	(26,306)
Prepaid expenses	(993)	(2,903)
Reinsurance contract assets	(289,128)	10,603
Accounts payable and accrued liabilities	(4,164)	(18,460)
Deferred revenue	(3,296)	(5,438)
Provision for onerous contracts	(1,316)	-
Provision for employee current benefits	1,568	1,566
Provision for employee future benefits	5,388	5,229
Insurance contract liabilities	431,710	(43,462)
	156,090	(79,171)
	29,711	(33,864)
Cash Flows from (to) Investment Activities:		
Purchase of investments	(342,401)	(452,966)
Proceeds from sale of investments	290,428	495,285
Acquisition of property and equipment	491	(559)
Proceeds from disposal of property and equipment	-	(166)
Lease obligation	(22)	(21)
Deferred development costs incurred	(1,212)	(955)
	(52,716)	40,618
Increase (decrease) in cash and cash equivalents	(23,005)	6,754
Cash and cash equivalents beginning of period	220,193	188,683
Impact of the application of IFRS 9 amendments on April 1, 2026	2,832	-
Adjusted cash and cash equivalents beginning of period	223,025	188,683
Cash and cash equivalents end of period	200,020	195,437

The accompanying notes are an integral part of these financial statements.

1. Corporate Information

The Manitoba Public Insurance Corporation (the Corporation) was incorporated as a Crown corporation under *The Automobile Insurance Act* in 1970. The Corporation is owned by the Province of Manitoba, and the financial results of the Corporation are included in the consolidated financial statements of the Province of Manitoba. In 1974, *The Automobile Insurance Act* was revised and became *The Manitoba Public Insurance Corporation Act* (Chapter A180 of the continuing consolidation of the Statutes of Manitoba). In 1988, the Act was re-enacted in both official languages as Chapter P215 of the Statutes of Manitoba. The address of the Corporation's registered office is 234 Donald Street, Winnipeg, Manitoba.

Under the provisions of its Act and regulations, the Corporation operates an automobile insurance division and a discontinued general insurance division. The lines of business for the automobile insurance division provide for Basic Universal Compulsory Automobile Insurance, Extension and Special Risk Extension (SRE) coverages. For financial accounting purposes, the lines of business for the automobile insurance division and the discontinued general insurance division are regarded as separate operations and their revenues and expenses are allocated on a basis described in the summary of material accounting policies. For financial reporting purposes, due to the immateriality of the financial results of the discontinued general insurance operations, the operations are reported as part of the SRE line of business. The Basic Universal Compulsory Automobile Insurance line of business rates are approved by the Public Utilities Board of Manitoba.

Under *The Drivers and Vehicles Act* (DVA), the Corporation is responsible for DVA operations pertaining to driver safety, vehicle registration and driver licensing, including all related financial, administrative and data processing services.

2. Basis of Presentation

These unaudited interim financial statements have been prepared based on principles and guidance provided under International Financial Reporting Standards (IFRS).

These unaudited interim financial statements do not include all of the note disclosures normally included in the annual financial statements. As such, these unaudited financial statements should be read in conjunction with the Corporation's annual financial statements for the fiscal year ended March 31, 2026. These financial statements have been prepared using the same accounting policies and methods applied in the annual audited financial statements except for the amendments to existing standards adopted on April 1, 2026, described in Note 4.

These financial statements are presented in thousands of Canadian dollars which is the Corporation's functional and presentation currency. The Corporation presents its Statement of Financial Position broadly in order of liquidity and, Statement of Financial Position line items may include both current and non-current balances, as applicable.

2.1 Seasonality

The automobile insurance business, which reflects the primary business of the Corporation, is seasonal in nature. While Revenue from premiums is generally stable from quarter to quarter, the Insurance service result from insurance contracts is typically highest in the first and second

quarter of each year and lowest in the fourth quarter of each year. This is driven mainly by weather conditions which may vary significantly between quarters.

2.2 Material Estimates, Assumptions and Judgments

The preparation of these financial statements in accordance with IFRS requires management to use estimates, assumptions and judgments that affect the amount reported for certain assets, liabilities, and disclosures as at the reporting date, as well as recognized amounts of revenues and expenses during the reporting period. Actual results could differ significantly from these estimates and assumptions.

3. Summary of Material Accounting Policies

A summary of the material accounting policies followed by the Corporation is provided in Note 3 to the annual financial statements for the fiscal year ended March 31, 2026, as provided in the Corporation's 2025 Annual Report. The accounting policies have been applied consistently to the periods presented, except for the new standards and amendments to existing standards adopted on April 1, 2026, as described in Note 4.

4. Changes in Accounting Policies

4.1 Adoption of Amended Accounting Standards

4.1.1 Amendments to IFRS 7 – Financial Instruments: Disclosures (IFRS 7) and IFRS 9 – Financial Instruments (IFRS 9)

In May 2024, the IASB issued amendments to IFRS 7 – *Financial Instruments: Disclosures* and IFRS 9 – *Financial Instruments*. The amendments clarify the classification of certain financial assets and the derecognition of a financial liability including an accounting policy option for the derecognition of financial liabilities settled through electronic transfer if certain conditions are met. The amendments also add disclosure requirements for certain financial instruments. Restatement of comparative periods is not required, in accordance with transition requirements for amendments to the Standard.

The Corporation has elected to apply these amendments to all payments, excluding contracts in the scope of IFRS 17 – Insurance contracts. Comparative figures have not been restated, accordingly, the impact of the application of the amendments to IFRS 9 is recognized in the Statement of Financial Position and the Statement of Cash Flows as at April 1, 2026, the effective date of the amendments.

4.2 Future Changes in Accounting Policy and Disclosure

Certain new standards, interpretations, amendments and improvements to existing standards have been issued by the International Accounting Standards Board (IASB) over the past year. The standards that may be applicable to the Corporation are:

4.2.1 IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 – *Presentation and Disclosure in Financial Statements* which will replace IAS 1 – *Presentation of Financial Statements*. The standard provides a defined structure for the statement of profit or loss, with three main categories for reporting revenue and expenses (operating, investing, and financing). IFRS 18 is effective for annual reporting

periods beginning on or after January 1, 2027, with earlier application permitted. The Corporation is assessing the impact of this new standard on the presentation and disclosure of its financial statements.

5. Cash, Cash Equivalents and Investments

Cash and cash equivalents are comprised of cash, current operating accounts, provincial short-term deposits with maturities of 90 days or less from the date of acquisition, and funds held in trust on behalf of other insurance companies.

Cash equivalent investments have a total principal amount of \$106.6 million (March 31, 2026—\$114.5 million) comprised of provincial short-term deposits with effective interest rates of 1.99 per cent to 2.16 per cent (March 31, 2026—2.14 per cent to 2.22 per cent), with interest receivable at varying dates.

The Corporation has an unsecured operating line of credit with its principal banker in the amount of \$10.0 million (March 31, 2026—\$10.0 million). The unsecured operating line of credit remained unutilized as of June 30, 2026 (March 31, 2025—nil).

Cash, Cash Equivalents and Investments

The following tables present the carrying values of cash, cash equivalents and investments held by the Corporation, according to their classification as defined by IFRS.

As at June 30, 2026	Financial Instruments		Non-Financial Instruments	Total Carrying Value
	Classified as FVTPL	Designated as FVTPL		
Cash and cash equivalents	200,020	-	-	200,020
Bonds				
Federal	-	107,436	-	107,436
Manitoba:				-
Provincial	14,088	107,990	-	122,078
Municipal	-	141,249	-	141,249
Schools	-	228,917	-	228,917
Other provinces:				-
Provincial	91,218	791,197	-	882,415
Municipal	3,544	64,873	-	68,417
Corporations	85,297	624,640	-	709,937
Total bonds	194,147	2,066,302	-	2,260,449
Private debt	276,551	-	-	276,551
Other investments	587	-	-	587
Infrastructure	254,577	-	-	254,577
Equity investments	485,636	-	-	485,636
Pooled commercial mortgage fund	115,295	-	-	115,295
Pooled real-estate fund	405,111	-	-	405,111
Investments	1,731,904	2,066,302	-	3,798,206
Investment property	-	-	11,928	11,928
Total	1,931,924	2,066,302	11,928	4,010,154

As at March 31, 2026	Financial Instruments		Non-Financial Instruments	Total Carrying Value
	Classified as FVTPL	Designated as FVTPL		
Cash and cash equivalents	220,193	-	-	220,193
Bonds				
Federal	-	112,385	-	112,385
Manitoba:				-
Provincial	13,997	106,816	-	120,813
Municipal	-	134,834	-	134,834
Schools	-	239,172	-	239,172
Other provinces:				-
Provincial	78,800	756,755	-	835,555
Municipal	3,514	44,914	-	48,428
Corporations	82,908	600,374	-	683,282
Total bonds	179,219	1,995,250	-	2,174,469
Private debt	271,728	-	-	271,728
Other investments	587	-	-	587
Infrastructure	251,805	-	-	251,805
Equity investments	449,422	-	-	449,422
Pooled commercial mortgage fund	114,063	-	-	114,063
Pooled real-estate fund	390,520	-	-	390,520
Investments	1,657,344	1,995,250	-	3,652,594
Investment property	-	-	12,026	12,026
Total	1,877,537	1,995,250	12,026	3,884,813

6. Investment Income and Net Insurance Financial Result

The tables below provide analysis of investment income recognized in the period and comparison with the same period prior year as well as the composition of the net reinsurance financial result reported in the Statement of Operations.

Investment Income and Net Insurance Financial Result

For the three months ended June 30	2026	2025
Investment income from interest, dividends and investment property	25,745	25,616
Net gain (loss) on investments	92,261	(1,453)
Investment management fees	(1,993)	(1,769)
Investment income	116,013	22,394
Insurance finance income (expense)	(51,339)	8,599
Reinsurance finance income	1,703	152
Net insurance financial result	(49,636)	8,751
Net insurance financial result and investment result	66,377	31,145

Investment Income

For the three months ended June 30	2026	2025
Interest and similar income from securities classified as FVTPL	248	807
Interest and similar income from securities designated as FVTPL	22,347	21,012
Interest income	22,595	21,819
Dividend income from equities at FVTPL	2,920	3,499
Income from investment property	230	298
Investment income from interest, dividends and investment property	25,745	25,616
Net unrealized gain (loss) from financial instruments classified as FVTPL	49,241	(4,506)
Net unrealized gain (loss) from financial instruments designated as FVTPL	34,176	(30,398)
Net unrealized gain (loss) on investments	83,417	(34,904)
Net realized gain from financial instruments classified as FVTPL	10,936	33,975
Net realized loss from financial instruments designated as FVTPL	(2,092)	(524)
Net realized gain on investments	8,844	33,451
Net gain (loss) on investments	92,261	(1,453)
Investment management fees	(1,993)	(1,769)
Investment income	116,013	22,394

Net Insurance Financial Result

Net insurance financial result is comprised of insurance finance income (expense) from insurance contracts issued and reinsurance contract held and are provided in the table below.

Changes in the carrying value of insurance contracts that arise from the unwinding of discounting and changes in financial assumptions (including discount rates) applied in measuring insurance contracts, are reported as insurance finance income (expense). Changes in the carrying value of reinsurance contracts that arise from the unwinding of discounting and changes in financial assumptions (including discount rates) applied to measuring reinsurance contracts, are reported as reinsurance finance income (expense).

For the three months ended June 30	2026	2025
Change in carrying amount of insurance contracts issued due to:		
Unwinding of discounting	(25,057)	(20,733)
Changes in discount rate and other financial assumptions	(26,282)	29,332
Insurance finance income (expense) from insurance contracts issued	(51,339)	8,599
Change in carrying amount of reinsurance contracts held due to:		
Unwinding of discounting	1,480	354
Changes in discount rate and other financial assumptions	223	(202)
Reinsurance finance income	1,703	152
Net insurance financial result	(49,636)	8,751

7. Insurance and Reinsurance Contracts

The net carrying amounts of insurance and reinsurance contracts are as follows:

	June 30, 2026	March 31, 2026
Liability for remaining coverage	427,963	424,857
Liability for incurred claims	2,879,583	2,450,979
Insurance contract liabilities	3,307,546	2,875,836
Asset for remaining coverage	7,017	2,160
Asset for reinsured claims	339,205	54,934
Reinsurance contract assets	346,222	57,094
Net insurance and reinsurance contracts	2,961,324	2,818,742

Insurance Contract Liabilities

Insurance contracts analysis by remaining coverage and incurred claims

The following tables present the change in the net liability reported for insurance contracts, showing the movement in the liability for remaining coverage and the liability for incurred claims over the period. The insurance contracts are measured under the Premium Allocation Approach (PAA), and the Corporation applies the accounting policy choice to expense acquisition cash flows as they arise.

	Liability for Remaining Coverage	Liability for Incurred Claims Present Value of Future Cash Flows	Risk Adjustment	Total
For the three months ended June 30, 2026				
Insurance contract liabilities, beginning of period	424,857	2,336,319	114,660	2,875,836
Changes in comprehensive income (loss):				
Insurance revenue	(456,245)	-	-	(456,245)
Insurance service expense:				
Incurred claims and other insurance expenses	-	791,503	50,946	842,449
Changes to liabilities for incurred claims prior year	-	(20,796)	(16,439)	(37,235)
Insurance service expense	-	770,707	34,507	805,214
Insurance service result from insurance contracts	(456,245)	770,707	34,507	348,969
Insurance finance expense	-	51,339	-	51,339
Total changes in comprehensive income (loss)	(456,245)	822,046	34,507	400,308
Cash flows:				
Premiums received	459,351	-	-	459,351
Claims and other expenses paid	-	(427,949)	-	(427,949)
Total cash flows	459,351	(427,949)	-	31,402
Insurance contract liabilities, end of period	427,963	2,730,416	149,167	3,307,546

	Liability for Remaining Coverage	Liability for Incurred Claims		Total
		Present Value of Future Cash Flows	Risk Adjustment	
For the three months ended March 31, 2026				
Insurance contract liabilities, beginning of period	379,647	2,406,519	119,731	2,905,897
Changes in comprehensive income (loss):				
Insurance revenue	(1,738,517)	-	-	(1,738,517)
Insurance service expense:				
Incurred claims and other insurance expenses	-	1,682,173	38,048	1,720,221
Changes to liabilities for incurred claims prior year	-	(80,445)	(43,119)	(123,564)
Insurance service expense	-	1,601,728	(5,071)	1,596,657
Insurance service result from insurance contracts	(1,738,517)	1,601,728	(5,071)	(141,860)
Insurance finance expense	-	10,171	-	10,171
Total changes in comprehensive income (loss)	(1,738,517)	1,611,899	(5,071)	(131,689)
Cash flows:				
Premiums received	1,783,727	-	-	1,783,727
Claims and other expenses paid	-	(1,682,099)	-	(1,682,099)
Total cash flows	1,783,727	(1,682,099)	-	101,628
Insurance contract liabilities, end of period	424,857	2,336,319	114,660	2,875,836

Reinsurance Contract Assets

The Corporation applies PAA to measure reinsurance contracts in holds. The following tables present the change in the net asset reported for reinsurance contracts, showing the movement in the assets for remaining coverage and the assets for incurred claims over the period.

	Assets for Remaining Coverage	Assets for Incurred Claims		Total
		Present Value of Future Cash Flows	Risk Adjustment	
For the three months ended June 30, 2026				
Reinsurance contract assets, beginning of year	2,160	51,426	3,508	57,094
Changes in comprehensive income (loss):				
Allocation of reinsurance premiums	(6,732)	-	-	(6,732)
Recoveries of incurred claims and other reinsurance service expenses	-	260,599	24,125	284,724
Prior period development	-	(274)	(110)	(384)
Net income from reinsurance contracts	(6,732)	260,325	24,015	277,608
Reinsurance finance income	-	1,703	-	1,703
Total changes in comprehensive income (loss)	(6,732)	262,028	24,015	279,311
Cash flows:				
Premiums paid	11,589	-	-	11,589
Amounts received	-	(1,772)	-	(1,772)
Total cash flows	11,589	(1,772)	-	9,817
Reinsurance contract assets, end of year	7,017	311,682	27,523	346,222

	Assets for Remaining Coverage	Assets for Incurred Claims Present Value of Future Cash Flows	Risk Adjustment	Total
For the three months ended March 31, 2026				
Reinsurance contract assets, beginning of year	1,740	68,041	4,262	74,043
Changes in comprehensive income (loss):				
Allocation of reinsurance premiums	(37,679)	-	-	(37,679)
Recoveries of incurred claims and other reinsurance service expenses	-	9,007	553	9,560
Prior period development	-	9,295	(1,307)	7,988
Net income from reinsurance contracts	(37,679)	18,302	(754)	(20,131)
Reinsurance finance income	-	1,050	-	1,050
Total changes in comprehensive income (loss)	(37,679)	19,352	(754)	(19,081)
Cash flows:				
Premiums paid	38,099	-	-	38,099
Amounts received	-	(35,967)	-	(35,967)
Total cash flows	38,099	(35,967)	-	2,132
Reinsurance contract assets, end of year	2,160	51,426	3,508	57,094