Financial Summary – March 2026

Financial Results

ICBC's corporate net income for the 2025/26 fiscal year (April 1, 2025 to March 31, 2026) was $1,517 million, which was $134 million lower than last fiscal year (2024/25).

The key factors behind the change were primarily lower investment returns, as well as inflationary increases in claims costs. These impacts to net income were partially offset by higher premium revenue driven primarily by higher Optional insurance product demand (which is in competition with private insurers).

The positive net income was largely the result of investment income, as well as the Enhanced Care insurance model implemented in May 2021 continuing to deliver on the promise of providing British Columbians with a financially stable auto insurance system that offers some of the best care, recovery and income replacement benefits available in Canada, along with more affordable premiums.

ICBC's capital levels are measured by the Minimum Capital Test (MCT) ratio. MCT is an important industry measurement used to determine whether a company has sufficient capital to absorb unexpected losses. ICBC's corporate MCT ratio was 255% as at March 31, 2026, which was higher than the prior year (as at March 31, 2025) primarily driven by the positive net income, as explained previously.

Statement of Operations

For the Twelve Months Ended March 31, 2026 and 2025

($ Millions)	Basic 2025/26	Basic 2024/25	Optional 2025/26	Optional 2024/25	Corporate 2025/26	Corporate 2024/25
Premiums written	$ 3,383	$ 2,923	$ 3,226	$ 3,020	$ 6,609	$ 5,943
Insurance revenues						
Premiums earned	3,359	2,892	3,132	2,867	6,491	5,759
Service fees	98	123	86	106	184	229
Total insurance revenues	3,457	3,015	3,218	2,973	6,675	5,988
Insurance service expenses						
Current year claims	2,254	2,226	1,866	1,811	4,120	4,037
Prior years' claims adjustments	(251)	(422)	106	(263)	(145)	(685)
Total claims incurred	2,003	1,804	1,972	1,548	3,975	3,352
Claims services, road safety and loss management services	377	349	184	166	561	515
Total claims and related costs	2,380	2,153	2,156	1,714	4,536	3,867
Operating expenses	61	53	82	70	143	123
Premium taxes, commissions and other acquisition costs	254	232	648	611	902	843
Total insurance service expenses	2,695	2,438	2,886	2,395	5,581	4,833
Net (recovery) expenses from reinsurance contracts	(10)	1	13	10	3	11
Insurance service result	772	576	319	568	1,091	1,144
Realized investment income (loss)	769	1,076	360	474	1,129	1,550
Unrealized (losses) gains on investments	(113)	(97)	(53)	(42)	(166)	(139)
Net investment income (loss)	656	979	307	432	963	1,411
Net insurance finance expenses	123	415	60	161	183	576
Other operating expenses (income), non-attributable[1]	83	78	73	67	156	145
Net insurance and investment result	1,222	1,062	493	772	1,715	1,834
Non-insurance expenses						
Admininstrative and other	43	41	-	-	43	41
Driver licensing	122	112	-	-	122	112
Commissions	43	41	-	-	43	41
Non-insurance other income	(10)	(11)	-	-	(10)	(11)
Total non-insurance expenses	198	183	-	-	198	183
Cost of non-insurance operations	(198)	(183)	-	-	(198)	(183)
Net income (loss)	$ 1,024	$ 879	$ 493	$ 772	$ 1,517	$ 1,651
Net (loss) income attributable to:						
Non-controlling interest[2]	$ (2)	$ (1)	$ (1)	$ -	$ (3)	$ (1)
Owner of the corporation	1,026	880	494	772	1,520	1,652
	$ 1,024	$ 879	$ 493	$ 772	$ 1,517	$ 1,651

Insurance Industry Ratios

%	Basic 2025/26	Basic 2024/25	Optional 2025/26	Optional 2024/25	Corporate 2025/26	Corporate 2024/25
Loss ratio	74.2	88.8	71.0	65.6	72.7	77.3
Expense ratio	18.4	19.8	26.3	26.7	22.1	23.2
Combined ratio	92.6	108.6	97.3	92.3	94.8	100.5

[1] Expenses and income not directly related to ICBC providing insurance coverage.

[2] Non-controlling interest net income is income that is attributable to the minority shareholder of a joint venture who has no control over decisions. Under IFRS, ICBC, as the parent, has to reflect 100% of the net income and disclose separately the portion related to non-controlling interest.

Statement of Financial Position

As at March 31, 2026 and 2025

($ Millions)	March 31 2026	March 31 2025
Assets		
Cash and cash equivalents	$ 25	$ 18
Accrued interest	-	21
Assets held for sale	5	18
Financial investments	18,253	18,052
Other receivables	182	318
Reinsurance contract assets	43	39
Investment properties	122	179
Property, equipment, intangible and lease assets	336	296
Accrued pension benefits	236	300
Prepaids	48	49
	$ 19,250	$ 19,290
Liabilities and Equity		
Liabilities		
Current liabilities	$ 439	$ 470
Bond repurchase agreements and investment-related liabilities	241	396
Premiums and fees received in advance	84	77
Lease liabilities	159	50
Insurance contract liabilities[1]	9,411	10,892
Pension and post-retirement benefits	180	209
	10,514	12,094
Equity		
Retained earnings	8,121	6,600
Other components of equity	615	593
Equity attributable to parent corporation	8,736	7,193
Non-controlling interest	-	3
	8,736	7,196
	$ 19,250	$ 19,290
Minimum Capital Test ("MCT") ratio		
Corporate	255%	212%
Basic	268%	221%
Optional	230%	193%

[1] Insurance contract liabilities is made up of:

Provision for unpaid claims	$ 7,855	$ 9,103
Unearned premiums	3,139	3,021
Claims related payables	192	157
Premiums receivable	(1,775)	(1,389)
	$ 9,411	$ 10,892

Glossary – March 2026

Premiums Written
Amount of total premiums of all the auto insurance policies issued during the fiscal year.

Premiums Earned
Premiums earned are the portion of the premiums written for which coverage has already been provided based on the period the policy has been in effect. For example, a 12-month policy will have one twelfth of the total policy premium earned each month, over the life of the policy.

Current year claims
Current year claims expense is the total costs (paid and expected) to settle claims occurring in the current year. Current year claims includes loss events that have occurred during the year but are not yet reported to ICBC.

Prior years' claims adjustments
Prior years' claims adjustments are the change in the reserve to settle claims that occurred in prior years.

Unrealized gains (losses)
Unrealized gains (losses) are the increase (decrease) in the value of an investment asset that is not yet sold ("paper" gains/losses).

Net insurance finance expenses
Net insurance finance expense represents changes in the amount of discount applied to show future payments on claims at their present value. This change can occur for two reasons: a reduction due to the passage of time, known as discount unwinding; and an update in the rate used for discounting. Prior to the change in accounting rules for insurance entities that ICBC began using on April 1, 2023, these amounts were included as part of total claims incurred.

Non-controlling interest
ICBC's financial reporting standards attribute the total comprehensive income of investment partnerships between the majority and minority partners based on their respective ownership interests. Non-controlling interest represents the portion of ICBC's net income and assets that are attributable to minority partners.

Expense ratio
The ratio of operating expenses (excluding claims costs and claims-related costs), premium taxes, commissions and other acquisition costs to premiums earned. A lower expense ratio is better, as a smaller portion of premium revenue is absorbed by operating expenses.

Loss ratio
The loss ratio is an industry measure of claims and claims-related costs (claims services, road safety and loss management services) to premiums earned. A lower loss ratio is better, as a smaller portion of premium revenue is absorbed by claims and claims-related costs.

Combined ratio
A key measure of overall financial peformance within the insurance industry. It compares total costs (claims, claims-related costs, operating expenses, premium taxes, commissions and other acquisition costs) to premiums earned. A lower combined ratio is better, as it reflects lower costs relative to premiums.

Minimum Capital Test ("MCT") ratio
An industry measure used to determine whether a company has sufficient capital levels, commensurate with the risks within its business. The measure is based on guidelines set by the Office of the Superintendent of Financial Institutions.