



## News Release

October 4, 2013

# Manitoba Public Insurance reports second-quarter results

Manitoba Public Insurance has completed its first six months of the 2013 fiscal year, returning to profitability with a net income of \$41.9 million — an increase of \$20.7 million over the same time period last year.

“Our six-month results are satisfactory,” said Heather Reichert, Vice-President of Finance and Chief Financial Officer. “Our revenue, claims costs and investment income are well within expectations — which means we’re heading into the fall and winter months in a stable financial position.”

Investment income increased \$20.5 million from first six months of last year primarily due to gains on the sale of equities, offset by the impact of increasing interest rates which decreased the value of the corporation’s bond portfolio. Claims incurred for the six months, ending August 31, decreased by \$4.5 million compared to last year due to a decrease of \$11.2 million — 8.5 per cent — in bodily injury claims incurred. This was offset by an increase of \$6.7 million in physical damage claims incurred.

“The corporation will continue to closely monitor its financial results,” said Reichert. “While no one can predict the impact that future weather may have on claims costs, all other factors are expected to track well to budget.”

MPI is committed to rate stability for Manitoba drivers — for 14 of the last 15 years, the Corporation has either held the line, or reduced rates. This has resulted in a cumulative, total rate decrease of 17.8 per cent for Manitoba vehicle owners. Earlier this year, Manitoba Public Insurance applied for a modest rate increase of 1.8 per cent. Nearly 70 per cent of vehicles will increase or decrease by \$20 or less for the 2014/15 insurance year which takes effect March 1, 2014.

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