



News Release

TORONTO, CANADA, April 27, 2006

FIRST QUARTER FINANCIAL RESULTS AND DIVIDEND DECLARATION

(Note: All dollar amounts in this news release are expressed in Canadian dollars)

Northbridge Financial Corporation (TSX:NB) today announced net earnings for the first quarter of 2006 of \$61.8 million (\$1.22 per share), an increase of 8.8% over net earnings of \$56.8 million (\$1.12 per share) for the first quarter of 2005. Underwriting profit for the first quarter increased 6.9% year-over-year to \$26.3 million from \$24.6 million, resulting in a combined ratio¹ of 91.0% for the first quarter of 2006 compared to 91.4% for the same period one year earlier. Total investment income was \$68.2 million in the first quarter of 2006 compared to \$57.1 million in the first quarter of 2005, and included net realized gains on sales of portfolio investments of \$44.0 million compared to \$39.9 million in the first quarter of 2005.

Northbridge also announced that its Board of Directors has declared a dividend of \$0.165 per share on its outstanding common shares, payable on June 30, 2006 to shareholders of record on May 31, 2006.

The following table presents a summary of the first quarter financial results:

For The Periods Ended March 31 (in \$ millions except per share amounts and percentages)	First Quarter	
	2006	2005
Total revenue ²	359.1	346.4
Underwriting profit	26.3	24.6
Combined ratio ¹	91.0%	91.4%
Net earnings	61.8	56.8
Net earnings per share	\$1.22	\$1.12
Net earnings per diluted share	\$1.21	\$1.11

¹The combined ratio is the sum of two components: the loss ratio, which represents claims and loss adjustment expenses ("LAE") incurred, net of reinsurance, expressed as a percentage of net premiums earned, and the expense ratio, which represents expenses including commissions, premium taxes and all general and administrative expenses incurred in operating the business during a period, expressed as a percentage of net premiums earned during that period. A combined ratio below 100% indicates profitable underwriting, while a combined ratio over 100% indicates unprofitable underwriting. The combined ratio does not include consideration of investment income. The underwriting ratios (the loss and expense ratios and the combined ratio) are all non-GAAP measures and do not have standard meanings prescribed by GAAP. They may not be comparable to similar measures used by other companies.

²Total revenue consists of net premiums earned, interest and dividend income, net realized gains on the sale of investments and, in 2005, a net pre-tax gain on the sale of our Federated Life subsidiary.

As previously announced, Northbridge will hold a conference call and webcast at 9:30 am EDT on Friday, April 28, 2006 to discuss its first quarter results, available on the Company's website at www.norfin.com under "Financial Information". The call, consisting of a presentation by management followed by a question period, will be broadcast live on the internet through the Company's website or may be accessed by telephone at (416) 695-6622 or (877) 667-7774. Presentation materials will be posted on the Company's website under "Financial Information" prior to the call. A replay will be available following the call on the same website or via telephone at (416) 695-5275 or (888) 509-0082 (passcode 619453) until midnight on Friday, May 12, 2006.

Northbridge is the leading commercial property and casualty insurance group in Canada, providing property and casualty insurance products through its subsidiaries primarily in the Canadian market as well as in selected U.S. and international markets. Northbridge common shares are listed and traded under the symbol NB on the Toronto Stock Exchange. Visit Northbridge's website at www.norfin.com for more information.

Forward-Looking Information

Statements in this release about future plans, intentions, results, levels of activity, performance, goals, achievements or other future events constitute forward-looking statements. In some cases forward-looking statements may be identified by the use of words such as "may", "will", "should", "could", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts" or "potential" or the negative or other variations of these words, or other comparable words or phrases. Although Northbridge believes that the expectations reflected in its forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements or other future events. Readers should not place undue reliance on forward-looking statements as they involve known and unknown risks, uncertainties and other factors about Northbridge, the economy and the insurance industry generally that may cause actual results or events to differ materially from those expressed, implied or anticipated in such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, the following factors which are more fully described in Northbridge's Annual Information Form and other filings with Canadian securities regulators (accessible on SEDAR – System for Electronic Document Analysis and Retrieval – at www.sedar.com): the adequacy of claims reserves; unpredictable catastrophic events; ability to alleviate risk through reinsurance coverage; credit risks associated with reinsurers and certain insureds; ability to achieve investment returns; the cyclical nature of the property and casualty insurance industry; subsidiaries' ability to maintain their financial strength ratings; competitive market environment; changes in the business, economic and political environment; changes in government regulation; periodic negative publicity regarding the insurance industry; litigation and regulatory actions; reliance on independent brokers and third parties to sell certain products; reliance on information technology and telecommunications systems; dependence on operating management; dependence on the financial performance of subsidiaries; critical accounting estimates; and foreign currency fluctuations. Northbridge is under no obligation and has no intention to update or alter any of its forward-looking statements as a result of new information, future events or otherwise, except as required by law.

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