

PRESS RELEASE

**For Immediate Release
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Desjardins Financial Security remains focused on growth with record net income of \$382M at the end of fiscal 2013

- *Group retirement savings sales clear the \$1B mark, up 145.3%*
- *Total savings sales up 20.4%*
- *Insurance premium volume up 7.4%*
- *Net income of \$382.0, up 81.4%*
- *Return on shareholder's equity of 21.9%*
- *Assets under administration and management up 6.8% to \$36.7B*

Lévis (Qc), March 11, 2014 – At the close of the fiscal year ended December 31, 2013, [Desjardins Financial Security](#) (DFS), a Desjardins Group subsidiary that specializes in life and health insurance, and retirement savings, reported growth of 81.4% in net income, which stood at \$382.0M versus \$210.6M at the end of fiscal 2012. The Company's improved profitability was driven mainly by favourable market conditions throughout 2013, experience gains and some revised actuarial assumptions.

Desjardins Financial Security saw its gross insurance premiums rise by 7.4% in 2013, for a total of \$3.5B. Insurance sales, which stood at \$462.8M, were in line with last year's results of \$463.5, while the savings sector posted total sales of \$2.6B for growth of 20.4%.

DFS enjoys excellent financial strength

DFS' return on shareholder's equity rose to 21.9% from 10.1% in 2012, which is one of the best results in the Canadian life and health insurance industry. As of December 31, 2013, assets under management and administration were up 6.8%, totalling \$36.7B versus \$34.3B at the end of 2012.

In 2013, DFS' primary focus was on the acquisition of State Farm's Canadian life and health insurance operations. These operations represent one component of the [transaction](#) announced by Desjardins Group on January 15, 2014. The transaction is expected to be finalized in January 2015, increasing DFS' annual volume of gross written premiums by approximately \$140M and nearly doubling its individual insurance sales outside Quebec.

"Desjardins Financial Security has experienced remarkable growth and continues to assert itself in the Canadian market," stated Monique F. Leroux, Chair of the Board, President and Chief Executive Officer of Desjardins Group and Chief Executive Officer of Desjardins Financial Security. "The recently announced addition of State Farm's Canadian life and health insurance operations will reinforce DFS' fourth place position in the Canadian market and strengthen our presence across the country for the benefit of all our members and clients."

“We’re extremely pleased with the excellent results our organization has been posting throughout the year. Desjardins Financial Security’s place among the top life and health insurers in Canada has been confirmed by the vitality of all our activity sectors, the quality of our offer and the strength of our teams. They work very hard to help the Company stand out in a highly competitive field and offer its individual and business clients with innovative products and services,” said DFS President and Chief Operating Officer, Denis Berthiaume.

2013 fourth quarter results

At the close of the fourth quarter ended December 31, 2013, net income was up 76.4% totalling \$110.4M, compared to \$62.6M for the same quarter in 2012. Insurance premiums totalled \$881.9M versus \$835.7M in 2012. Insurance sales stood at \$92.6M compared to \$84.4M for the last quarter of 2012. The savings sector had total sales of \$539.6M versus \$462.6M for the same period in 2012.

Results by business sector for the fiscal year ended December 31, 2013

The savings sector posted a 20.4% increase with total sales reaching \$2.6B at the end of fiscal 2013, versus \$2.2B for the same period in 2012. Individual savings recorded total sales of \$303.8M and individual savings brokerage had sales of \$1.3B compared to \$1.2B, for a 3.2% improvement. In group retirement savings, total sales rose by 145.3% to stand at \$1.0B.

In group insurance, the volume of premiums from groups and businesses and from plans offered through financial institutions, including the Desjardins caisses, stood at \$2.8B compared to \$2.6B at the end of 2012. Group and business insurance sales totalled \$180.1M versus \$184.1M as at December 31, 2012.

In individual insurance, the volume of premiums totalled \$640.2M compared to \$617.6M in 2012. Total sales recorded by DFS financial security advisors assigned to the Desjardins caisses and by SFL network and Desjardins Financial Security Independent Network financial centres stood at \$55.1M versus \$59.0M as at December 31, 2012.

About Desjardins Financial Security

Desjardins Financial Security (DFS), a subsidiary of Desjardins Group, the largest cooperative financial group in Canada, specializes in providing life insurance, health insurance and retirement savings products to individuals and groups. Every day, over five million Canadians rely on DFS to ensure their financial security. DFS employs almost 4 000 people and administers \$36.7B in assets from offices in several cities across the country, including Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Lévis, Halifax and St. John’s. For more information, visit our website at desjardinslifeinsurance.com.

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