

## **Desjardins Financial Security ends 2014 with increases in savings sales and insurance premiums**

- *Group retirement savings sales up 37.1%*
- *Total savings sales up 19.6%*
- *Insurance premium volume up 4.7%*
- *Net income of \$295.0 million*
- *Return on shareholder's equity of 13.1%*
- *Assets under management and administration up 12.2% to \$41.3 billion*

**Lévis (QC), March 12, 2015** – For the period ended December 31, 2014, [Desjardins Financial Security](#) (DFS), a subsidiary of Desjardins Group specializing in life insurance, health insurance and retirement savings, posted net income of \$295.0 million, compared to \$382.0 million at year-end 2013. The main contributing factors to this result were a less favourable claims experience in 2014 and adjustments to certain actuarial assumptions made in 2013. By contrast, favourable financial markets improved investment performance and the company's results, particularly during the first half of the year.

DFS saw its gross insurance premiums rise by 4.7% totalling \$3.6 billion. Insurance sales reached \$457.1 million. Savings recorded a 19.6% increase in total sales, ending the year at \$3.1 billion.

DFS continues to enjoy excellent financial strength, boasting a 13.1% return on shareholder's equity. As at December 31, 2014, assets under management and administration were up 12.2% to \$41.3 billion, compared to \$36.8 billion at the end of 2013.

The company was also busy finalizing the acquisition of State Farm's Canadian life and health insurance operations, which closed on January 1, 2015. The transaction will enable DFS to increase its annual volume of gross written premiums by an estimated \$140.0 million and nearly double its individual insurance sales outside Quebec.

"DFS continues to make a name for itself in the Canadian market with initiatives such as the integration of State Farm's Canadian life and health insurance operations," said Monique F. Leroux, Chair of the Board, President and CEO of Desjardins Group and CEO of Desjardins Financial Security. "The market is highly competitive, but the success of our life and health insurance arm and all of its business sectors is proof that the cooperative model is strong."

"This year's results confirm that our long-term vision is working and that we are managing our business effectively," said Denis Berthiaume, President and COO of Desjardins Financial Security. "We are successfully reaching a growing number of members and clients across the country, thanks to the innovative efforts of our teams and our high quality products. We will continue to capitalize on these strengths to ensure the well-being of our members and clients."

### **2014 fourth quarter results**

At the close of the fourth quarter of 2014, net income totalled \$55.6 million compared to \$110.4 million for the same quarter last year. Contributing factors include less favourable claims experience, adjustments to actuarial assumptions in both 2013 and 2014, and weaker financial market performance during the quarter.

Insurance premiums totalled \$924.0 million compared to \$881.8 million in 2013. Insurance sales stood at \$93.8 million compared to \$90.9 million for the same period last year. Total savings sales stood at \$1,295.4 million versus \$531.4 million for the same period in 2013.

### **Results by business sector for the fiscal year ended December 31, 2014**

The savings sector posted 19.6% growth with total sales reaching \$3.1 billion at the end of 2014, versus \$2.6 billion for the same period in 2013. Individual savings recorded total sales of \$351.2 million, up 15.6%. Group retirement savings total sales were up 37.1% to stand at \$1.4 billion.

In group insurance, the volume of premiums from groups and businesses and from plans offered through financial institutions, including the Desjardins caisses, stood at \$2.9 billion compared to \$2.8 billion at the end of 2013. Group and business insurance sales were up 3.9% to stand at \$187.1 million, versus \$180.1 million as at December 31, 2013. Sales for plans offered in financial institutions stood at \$212.7 million.

In individual insurance, the volume of premiums totalled \$672.3 million, compared to \$640.2 million in 2013. Total sales recorded by the financial security advisors assigned to Desjardins caisses and by the SFL network and Desjardins Financial Security Independent Network financial centres were up 4.0%. These sales stood at \$57.3 million, compared to \$55.1 million as at December 31, 2013.

### **About Desjardins Financial Security**

Desjardins Financial Security (DFS), a subsidiary of Desjardins Group, the leading 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 more than 4,000 people and administers \$41.3 billion in assets from offices in several cities across the country, including Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montréal, Québec City, Lévis, Halifax and St. John's. For more information, visit our website at [desjardinslifeinsurance.com](http://desjardinslifeinsurance.com).

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