

## Desjardins Financial Security reports an excellent start to the year

- *Quarterly net income up 24.2% to \$99.1 million*
- *Gross insurance premiums at \$980.2 million*
- *Big jump in gross investment sales, which now stand at \$4.3 billion*
- *Group and business insurance sales up 34.4%*

**Lévis (QC) May 18, 2016** – At the end of the first quarter of 2016, [Desjardins Financial Security](#) (DFS), a subsidiary of Desjardins Group specializing in life insurance, health insurance and retirement savings, posted net income of \$99.1 million, compared to \$79.8 million for the same period last year.

On January 1, 2016, DFS acquired all of the shares of two companies under common control: Desjardins Investments Inc., whose operations include designing and administering individual and group investment products, and Desjardins Investment Product Operations Management Inc., whose operations include the processing and administration of savings and investment accounts for specialized products. Together, these two new subsidiaries contributed \$17.3 million to DFS's Q1 net income, which is the primary reason for the growth compared to 2015.

Gross insurance premiums grew to \$980.2 million for the period, an increase of \$14.2 million or 1.5%. Return on shareholder equity was 15.0% compared to 13.3%.

With the acquisition of the two new companies, assets under management and administration nearly doubled from \$45.7 billion as at December 31, 2015 to stand at \$89.9 billion as at March 31, 2016.

“We’re off to an excellent start to the year, with steady growth in both gross investment sales and gross insurance premiums,” said Denis Berthiaume, President and Chief Operating Officer of DFS. “We’re particularly happy to see that all our operations, Canada-wide, are actively contributing to our growth.”

### Highlights

(In millions of dollars, unless otherwise indicated)	Q1 2016	Q1 2015	Variance
Net income	99.1	79.8	24.2%
Gross insurance premiums	980.2	966.0	1.5%
	As at March 31, 2016	As at December 31, 2015	As at March 31, 2015
Return on shareholder equity	15.0%	16.5%	13.3%
Assets under management and administration	\$89.9B	\$45.7B	\$46.3B

Note: Assets under management and administration from the acquisition of Desjardins Investments, Inc. represent \$42.5 billion as at March 31, 2016.

**Q1 2016 business sector results**

Gross investment sales grew significantly, ending the quarter at \$4.3 billion, or \$3.6 billion above Q1 2015, an increase of more than 500.0%. This growth is attributable to a large contract signed in Q1 2016 and to sales generated by new subsidiary Desjardins Investments Inc.

Group and business insurance sales stood at \$84.3 million, up \$21.6 million from March 31, 2015. Sales for plans offered in financial institutions, including the Desjardins caisses, ended the quarter at \$29.4 million, an increase of \$0.6 million. In individual insurance, sales stood at \$17.4 million, which is comparable to the sales results recorded for the same quarter last year.

**About Desjardins Financial Security**

Desjardins Financial Security, 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. The company employs over 4,700 people and administers \$89.9 billion in assets from several cities across the country, including Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Lévis, Halifax and St. John's. For more information, visit the company's website at [www.desjardinslifeinsurance.com](http://www.desjardinslifeinsurance.com).

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