Desjardins, the leading cooperative financial group in Canada, inspires trust around the world through the commitment of its people, its financial strength and its contribution to sustainable prosperity.

**HIGHLIGHTS**

- More than 7 million members and clients
- Close to 48,000 employees
- 293 caisses and 767 service centres in Quebec and Ontario
- 2,097 ATMs in Quebec and Ontario
- Total assets of $272B
- Surplus earnings after taxes of $964M for the first semester of 2017
- Tier 1A capital ratio of 17.1%
- Total capital ratio of 17.5%
- Gross impaired loans ratio of 0.28%
- Productivity index of 72.7% for the first semester of 2017

**BUSINESS SEGMENT OVERVIEW**

- Quebec’s leader in residential mortgages and a leading player in consumer credit, including point-of-sale financing, with respective market shares of 35.9% and 22.7%.
- Largest credit and debit card issuer in Quebec (6.6 million credit card holders and 5.9 million debit card holders in Canada).
- Leader in personal savings, with 41.9% of the market in Quebec.
- Desjardins offers property and automobile insurance to consumers as well as businesses.
- Offices in a number of Canadian cities, including Lévis, Quebec City, Montreal, Laval, Brossard, Ottawa, Mississauga, Aurora and Calgary.
- One of Canada’s insurance leaders, second largest P&C insurer in Quebec and third largest P&C insurer in Canada.
- More than 85% ownership of Qtrade Financial Group which provides comprehensive brokerage and wealth management services.
- Fifth largest life and health insurer in Canada and largest in Quebec (ex æquo and in terms of written premiums) with net insurance and annuity premiums of $4.2 billion\(^1\) and assets under management and administration of $96.5 billion\(^1\).
- Present in major Canadian cities, including Vancouver, Calgary, Winnipeg, Toronto, Ottawa, Montreal, Quebec City, Halifax and St. John’s.
- Over 5 million\(^1\) individual, group and business clients.

**BANKING ACTIVITIES IN QUEBEC**

- Personal savings 41.9%
- Residential mortgages 35.9%
- Farm loans 39.0%
- Consumer credit 22.7%
- Commercial & industrial loans 22.4%

**INSURANCE AND BROKERAGE ACTIVITIES**

- Life & Health Insurance
  - 1\(^{st}\) insurer in Quebec (ex æquo)
  - 5\(^{th}\) insurer in Canada
- General Insurance
  - 2\(^{nd}\) insurer in Quebec
  - 3\(^{rd}\) insurer in Canada
- Securities Brokerage
  - 6\(^{th}\) fixed income group in Canada

**DEBT RATINGS**

<table>
<thead>
<tr>
<th>FCDQ</th>
<th>MOODY'S</th>
<th>S&amp;P</th>
<th>DBRS</th>
<th>FITCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Term</td>
<td>P-1</td>
<td>A-1</td>
<td>R-1 (high)</td>
<td>F1+</td>
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<tr>
<td>Mid-Long Term</td>
<td>Aa2</td>
<td>A+</td>
<td>AA</td>
<td>AA-</td>
</tr>
<tr>
<td>Covered bonds</td>
<td>Aaa</td>
<td>--</td>
<td>--</td>
<td>AAA</td>
</tr>
<tr>
<td>Outlook</td>
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<td>Stable</td>
<td>Negative</td>
<td>Stable</td>
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</table>

<table>
<thead>
<tr>
<th>CDI</th>
<th>MOODY'S</th>
<th>S&amp;P</th>
<th>DBRS</th>
<th>FITCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subordinated debt</td>
<td>A2</td>
<td>A</td>
<td>AA (low)</td>
<td>A+</td>
</tr>
<tr>
<td>Outlook</td>
<td>Stable</td>
<td>Stable</td>
<td>Negative</td>
<td>--</td>
</tr>
</tbody>
</table>

\(^1\) As at December 31, 2016
Desjardins Group can issue securities via Fédération des caisses Desjardins du Québec or Capital Desjardins inc.:

- Fédération des caisses Desjardins du Québec (FCDQ) acts as treasurer to the Desjardins Group, obtaining funds principally from depositors and note holders from the short, medium and long-term Canadian and international capital markets.
- Capital Desjardins Inc. (CDI) sole purpose is to offer its own securities in the financial markets and acts as a bridge between the Desjardins caisses and institutional investors by consolidating the securities they issue.

**TOTAL ASSETS ($B)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Q2 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>153</td>
<td>157</td>
<td>179</td>
<td>190</td>
<td>197</td>
<td>212</td>
<td>229</td>
<td>248</td>
<td>258</td>
<td>272</td>
</tr>
</tbody>
</table>

**SURPLUS EARNINGS ($M)**

- Q2 2017: 272
- 2016: 258
- 2015: 248
- 2014: 229
- 2013: 212
- 2012: 197
- 2011: 190
- 2010: 179
- 2009: 157
- 2008: 153

**SURPLUS EARNINGS BY BUSINESS SEGMENT (6 MONTHS)**

- Wealth Management and Life & Health Insurance ($332M; 34%)
- Property and Casualty Insurance ($80M; 8%)
- Other ($34M; 4%)
- Personal Services, Business and Institutional Services ($518M; 54%)

**CAPITAL MANAGEMENT**

- Risk-weighted assets ($B)
  - 2013: 1,593
  - 2014: 1,959
  - 2015: 1,772
  - 2016: 809
  - Q2 2017: 964

**LONG-TERM WHOLESALE FUNDING SOURCES**

- Global MTN (US & Euro) ($6.7B; 26%)
- Covered Bonds ($4.4B; 17%)
- Subordinated Debt (CDI) ($1.4B; 5%)
- Mortgage Securitization ($8.6B; 33%)
- CDN MTN ($5.1B; 19%)

**LONG-TERM WHOLESALE FUNDING MATURITY PROFILE**

**PRESENCE IN CAPITAL MARKETS**

Desjardins Group can issue securities via Fédération des caisses Desjardins du Québec or Capital Desjardins inc.:

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**Notes**

1. Data for 2012, 2011 and 2010 have been restated in accordance with the application of new accounting policies that took effect on January 1, 2013. Financial data prior to 2010 are presented in accordance with GAAP before the adoption of IFRS.
2. Data have been calculated pursuant to the Autorité des marchés financiers (AMF) guideline on the adequacy of capital base standards intended for financial services cooperatives under Basel III.

**A Note about Forward-Looking Statements**

Certain statements herein, including, but not limited to “financial targets,” constitute forward-looking statements within the meaning of certain securities laws. By their nature, these statements require us to make assumptions and are subject to inherent risks and uncertainties that may be general or specific. A variety of factors, many of which are beyond our control, affect our operations, performance and results and could cause actual results to differ materially from the expectations expressed in any of our forward-looking statements. These factors include notably credit, market, liquidity, strategic, operational, reputation and legal, regulatory and environmental risks. This list is not exhaustive of the factors that may affect any of our forward-looking statements. There can be no assurance as to the materialization of the results as expressed herein. The reader is cautioned not to place undue reliance on such forward-looking statements. Unless required to do so under applicable securities legislation, we do not assume any obligation to update forward-looking statements to reflect new information, future events or other changes.