2012: A YEAR IN REVIEW

Cooperating

Every Day

Desjardins
Cooperating in building the future
AN EXCEPTIONAL YEAR ALL AROUND

2012 was named the International Year of Cooperatives, and it was also the year the first International Summit of Cooperatives was held. The international event, which Desjardins Group co-hosted, was held in Lévis and Quebec City and was attended by more than 2,800 people from across Canada and over 90 other countries.

It was an opportunity to engage in dialogue and discussions, form new partnerships and develop promising projects. The event was such a success that planning for a second summit, to be held in Quebec City in 2014, is already underway.

Desjardins Group celebrated a number of achievements in 2012:

- We renewed our commitment to putting members and clients first by offering innovative products and services.
- We received a number of awards and honours for our reputation as a first-class employer and our commitment to sustainable development.

2012 also marked the end of our previous strategic planning period. Our new strategic plan is centered on three major priorities:

- Improving the quality of the service we provide our members and clients
- Growing business volumes and attracting more members and clients
- Improving Desjardins Group’s efficiency and maintaining our financial stability

Another important part of the plan is our commitment and determination to become—and remain—a leader in customer satisfaction. First and foremost, Desjardins is a team of thousands of people devoted to satisfying the needs of millions of others.
NEARLY 5.6 MILLION MEMBERS

NAMED BEST CORPORATE CITIZEN IN CANADA

RANKED FOURTH SAFEST FINANCIAL INSTITUTION IN NORTH AMERICA AND 23RD WORLDWIDE
MADE THE LIST OF THE WORLD’S 50 SAFEST BANKS 2013
PUBLISHED BY NEW YORK-BASED MAGAZINE GLOBAL FINANCE

NAMED ONE OF CANADA’S TOP 100 EMPLOYERS

DESJARDINS GROUP IS:
- $196.7 billion in assets
- Nearly 5.6 million members
- The largest cooperative financial group in Canada, with
  - 397 caisses, 897 service centres and 43 business centres across Quebec and Ontario
  - 44,942 employees and 5,268 elected officers
  - A strong advisory team of representatives and experts
- More than $85 million reinvested in the community through sponsorships, scholarships and charitable partnerships
- $1.591 million in surplus earnings
- Tier 1 capital ratio of 16.8%
- $11.3 billion in operating income

THE FIFTH LARGEST COOPERATIVE FINANCIAL GROUP IN THE WORLD
ACCORDING TO THE WORLD CO-OPERATIVES MONITOR, October 2012

ENTHUSIASTIC MEMBER RESPONSE TO OUR CAPITAL SHARE ISSUE

In June 2012, Desjardins Group issued its first capital shares of the Fédération des caisses Desjardins du Québec. Within just six months, we achieved 85% of our objective, with share sales totalling over $1 billion at year-end.
MEMBER AND CLIENT ADVANTAGES

FOR THOSE IN SEARCH OF SIMPLICITY

EVERYTHING UNDER ONE ROOF

Caisse members have access to a full range of financial services—all in one place. Desjardins is the only financial institution in Canada that can offer all of this under one roof: banking services, investment products, life and health insurance, and property and casualty insurance.

THE READY-TO-DRIVE LOAN: ONE OF A KIND IN ITS FIELD

The Desjardins Ready-to-Drive Loan is a financing product for automobiles and recreational vehicles. In addition to having competitive rates and repayment terms, it comes with insurance coverage and some great discounts. That means substantial savings, plus:

• Life insurance included at no additional cost
• Your choice of fixed or variable interest rate
• The option to pay off your loan early, in part or in full, with no penalty
• Free roadside assistance

FOR EXISTING AND FUTURE CO-OPS

FONDS ESSOR ET COOPÉRATION

In 2012, Desjardins joined forces with a number of partners to set up the Fonds Essor et coopération. The purpose of the fund is to provide cooperative and mutualist enterprises with patient capital, which is capital intended to generate long-term growth rather than immediate profit.

A TEAM OF EXPERTS HELPING QUEBEC COOPERATIVES

As a preferred partner of Quebec’s 3,300 cooperatives, Desjardins put together a team dedicated to supporting cooperative groups and ensuring their long-term growth. They provide a range of services for cooperatives and their members, including payroll services, card and payment services, life and health insurance, property and casualty insurance, development capital, and other specialized services.

FOR TECH-SAVVY CONSUMERS

A GROWING SOCIAL MEDIA PRESENCE

Desjardins joined the world of social media in 2009 and is continuing to increase its presence.

• With nearly 141,000 “likes” on December 31, 2012, Desjardins Group’s Facebook page ranked second among financial institutions in Canada (www.facebook.com/desjardins).
• Desjardins has the third most-visited YouTube account among Canadian financial institutions, with more than 350,000 views on its videos on December 31, 2012.

TOUCH SCREEN ATMs: YOUR ACCOUNT AT YOUR FINGERTIPS

Desjardins introduced a new generation of touchscreen ATMs in 2012 that allow members to view information about their accounts, read personalized messages from their caisse, and have their transaction receipts emailed to them.

MOBILE APPS: STAY CONNECTED ON THE GO

In 2012, Desjardins introduced new mobile apps and smartphone features. Members can now view and manage pending transactions, add new service providers for bill payments, manage their budgets, and program payment reminder alerts.

FOR THE BUSINESS-MINDED

PRÊT À ENTREPRENDRE: A PROGRAM FOR PEOPLE WHO WANT TO START THEIR OWN BUSINESS

Prêt à entreprendre is a financing program with a three-year budget of $7 million that provides new entrepreneurs with interest-free loans, technical support and mentorship. It is designed to assist entrepreneurs during the first five years of their business—the most critical stage.

CAPITAL CROISSANCE PME

The Capital croissance PME program reached a milestone in 2012: providing assistance to its 125th Quebec business. The program is designed to help small- and medium-sized businesses pursue their development and growth goals in Quebec, other parts of Canada and abroad.
CLOSE TO OUR MEMBERS AND CLIENTS

14,776 EXPERTS TO SERVE OUR MEMBERS AND CLIENTS

A ONE-OF-A-KIND ADVISORY TEAM AT YOUR SERVICE

As a member or client of Desjardins, you have access to the expertise and support of:

• More than 1,400 financial planners
• 313 investment advisors
• Nearly 7,500 group savings representatives
• 3,000 personal finance advisors
• 259 life insurance representatives
• 212 mortgage representatives
• 892 business account managers
• Close to 1,200 general insurance agents

INVESTMENT PRODUCTS THAT PROMOTE CORPORATE SOCIAL RESPONSIBILITY

Desjardins Group offers investment products from companies that ascribe to socially responsible and environmentally friendly practices. In 2012, the assets of our socially responsible funds made up 5.5% of total Desjardins Fund assets, surpassing our 2010–2012 objective of 4.7%.

Value of our socially responsible funds: $831.2 million

GLOBAL EQUITY GUARANTEED INVESTMENT

The Global Equity Guaranteed Investment is an investment product whose criteria have been taking into account the effects of climate change since March 2009. It is composed of stocks of environmentally conscious companies that are actively working to combat climate change.

Value of the Global Equity Guaranteed Investment: $130.5 million

SOCIALLY INSPIRED FINANCIAL PRODUCTS

In addition to the range of traditional financial products we offer our members and clients, Desjardins also has a selection of solidarity-based financial products. Some examples:

DESJARDINS MUTUAL ASSISTANCE FUNDS

These funds are designed to help individuals in financial difficulty who don’t have access to mainstream credit by giving them access to:

• Independent advisory services from budgeting consultants
• Emergency interest-free loans, repayable within 24 months, ranging from $500 to $1,500

THE CRÉAvenir PROGRAM

CRÉAvenir is a financing program that supports 18- to 35-year-olds who have a business idea by providing start-up assistance and flexible financing, tailored to the specific needs of each entrepreneur.

CRÉAvenir provides:

• Up to $7,200 in grants
• Up to $15,000 in loans, repayable in three to five years, with no payments due in the first year

$831.2 MILLION IN SOCIALLY RESPONSIBLE FUNDS
INTERNATIONAL BUSINESS DEVELOPMENT AND KNOWLEDGE SHARING

BUSINESS DEVELOPMENT

A FOOTHOLD IN EUROPE THROUGH OUR PARTNERSHIP WITH CRÉDIT MUTUEL

In early 2012, Desjardins opened a European representative office in Paris. Operating out of the offices of Crédit Mutuel, our Paris team provides expertise to Canadian companies who need support for their business development activities in Europe. In reciprocation, Desjardins also offers support to European companies that want to do business in North America.

PART OF A CONSORTIUM EYEING TORONTO STOCK EXCHANGE PURCHASE

Desjardins Group has joined the Maple Group Acquisition Corporation, a consortium interested in acquiring all the shares of TMX Group Inc., which owns the Toronto Stock Exchange. Keeping the Toronto Stock Exchange in Canadian hands is important to Desjardins, as it will contribute to maintaining and developing advanced expertise here at home, in Canada’s flourishing financial industry. In addition, TMX derivatives are currently traded on the Montreal Exchange, which puts Quebec in a unique leadership position in the international derivatives market.

STAPLES/BUREAU EN GROS CREDIT CARD PORTFOLIO INTEGRATION

After signing an agreement to acquire the Staples/Bureau en Gros credit card portfolio in 2011, Desjardins Group integrated its operations in 2012. As part of the integration, Desjardins began introducing Accord D financing in Staples/Bureau en Gros stores across Canada, providing our new business partner’s customers with innovative credit solutions.

GLOBAL KNOWLEDGE SHARING

DÉVELOPPEMENT INTERNATIONAL DESJARDINS (DID)

When DID was created, it was a pioneer in the distribution and development of microfinance. Today, DID is a worldwide leader in the burgeoning field, with roughly 100 employees. The approach taken by DID ensures local communities maintain control over their own development projects, which is what sets it apart from other microfinance organizations.

In 2012
• 8,836,983: the number of DID partner institution members and clients
• $2,645 million: savings volume held by these institutions
• $3,158 million: volume of credit granted
• Nearly $22 million has been invested in the various funds managed by DID.

Since 2006, DID’s community finance institution partners have been part of the Proxfin international network. With the support of the Canadian International Development Agency and network facilitation services provided by DID, Proxfin works to:
• Foster communication and exchange among its 29 member institutions
• Advance microfinance best practices

Proxfin members played an active role in the International Summit of Cooperatives, where five of their representatives were invited to speak about their innovations.
OUR CO-OPME EDUCATION PROGRAM

We launched the Co-opme Program two years ago as a way to reinforce our commitment to education and cooperation, for the benefit of our members and clients. In 2012, close to $18 million was invested in supporting and improving Co-opme initiatives.

CO-OPME’S KEY AREAS OF ACTION

<table>
<thead>
<tr>
<th>Area</th>
<th>Amount Invested in 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fondation Desjardins and personal commitment</td>
<td>$1.9</td>
</tr>
<tr>
<td>Education and people development</td>
<td>$7.4</td>
</tr>
<tr>
<td>Products and services for responsible finance habits</td>
<td>$2.4</td>
</tr>
<tr>
<td>Promotion, recognition and contribution</td>
<td>$5.5</td>
</tr>
</tbody>
</table>

FONDATION DESJARDINS

In 2012, Fondation Desjardins handed out more than $956,000 in scholarships and awards:

- 364 academic scholarships awarded to young people across all fields of study and at all grade levels
- 75 Fondation Desjardins prizes for volunteer involvement given to individuals and organizations that are active in their communities

DESJARDINS MUTUAL ASSISTANCE CAMPAIGN

Thanks to the efforts of the campaign, which was launched in 2012, over $1.9 million was raised for the United Way and Fondation Desjardins.

EDUCATION AND PEOPLE DEVELOPMENT

In 2012, Desjardins accepted 274 interns into its internship program, which has been designed to help qualified interns further their training and gain experience. It also aims at helping work teams carry out their assignments.

PRODUCTS AND SERVICES FOR RESPONSIBLE FINANCE HABITS

PERSONAL FINANCE INDEX

The Desjardins Personal Finance Index is an innovative assessment tool that helps you:

- Evaluate your personal finance skills
- See how you compare to others

MY BUDGET: A BUDGET MANAGEMENT TOOL ON ACCÉSD

My Budget is an innovative and easy-to-use personal finance management tool that automatically analyzes and categorizes your expenses using transaction data from your Desjardins and Visa Desjardins accounts. It gives you an overview of your expenses and income, which changes based on your habits.

In 2012, My Budget had nearly 145,000 monthly users.

PROMOTION, RECOGNITION AND CONTRIBUTION

FINANCIAL SUPPORT FOR COOPERATIVE ORGANIZATIONS

At Desjardins Group, we share our cooperative expertise and contribute financially to a number of national and international cooperative groups that:

- Promote cooperation
- Are dedicated to furthering the cooperative economic model
- Encourage cooperative education

Nearly $4.4 million in financial support has been given out to cooperative organizations in Quebec, other parts of Canada, and around the world.

SOCIÉTÉ HISTORIQUE ALPHONSE-DESAJARDINS (SHAD)

Since 1979, the SHAD has been carrying out its mission to preserve and promote the history of Desjardins Group and its founders, for the benefit of present and future generations. In 2012, the SHAD upgraded its permanent collection, entitled “L’empreinte d’un couple” (a couple’s legacy), to fully illustrate the impact that the caisses populaires founded by Alphonse and Dorimène Desjardins had on both the economy and society in Quebec.

(1) These amounts do not include financial contributions made by the caisses to those cooperatives or to other local/regional cooperatives.
COMMUNITY WELL-BEING

SPONSORSHIPS AND CHARITABLE PARTNERSHIPS

Every year, Desjardins Group maintains strong involvement in the communities we serve. In 2012, more than $85 million was reinvested in the community in the form of sponsorships, scholarships and charitable partnerships, including $41.3 million from the Community Development Fund in support of local initiatives.

VOLUNTEERISM – OUR EMPLOYEES STEP UP!

The volunteer spirit is alive and well in Desjardins employees, many of whom are involved in humanitarian causes, such as:

DESMADRINS CARD AND PAYMENT SERVICES’ COOPÉRATION PROGRAM

Launched in 2011, the Coopération Program promotes cooperation and recognizes employees who work with charitable organizations. In 2012, more than $151,000 in donations was collected by Card and Payment Services and distributed among 62 charities.

MONTREAL CANADIENS CHILDREN’S FOUNDATION

For the past 10 years, Desjardins Securities has been a partner of the Montreal Canadiens Children’s Foundation, which helps and supports children in need. In 2012, Desjardins Securities held its annual fundraising day for the charity, raising nearly $342,000 and bringing the total amount raised in the past decade to more than $3 million.

ECONOMIC BENEFITS

In addition to the direct benefits of its primary activities, Desjardins also creates economic benefits by:

- Paying income and other taxes, which are redistributed to society by the government
- Providing its employees with fringe benefits and paying them salaries, which they reinvest in a variety of products and services, in both outlying areas and urban centres

<table>
<thead>
<tr>
<th>INDIRECT ECONOMIC BENEFITS</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income taxes</td>
<td>$489</td>
<td>$471</td>
<td>$438</td>
</tr>
<tr>
<td>Indirect taxes</td>
<td>817</td>
<td>751</td>
<td>780</td>
</tr>
<tr>
<td>Salaries paid</td>
<td>2,396</td>
<td>2,321</td>
<td>2,173</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>486</td>
<td>461</td>
<td>428</td>
</tr>
</tbody>
</table>

SUPPORT FOR ENTREPRENEURS

Desjardins runs a number of programs that provides entrepreneurs with business support. For example:

- Investment in development capital, offered primarily through Capital régional et coopératif Desjardins, a public fund whose shares are distributed through the Desjardins caisse network
- The Prêt à entreprendre program
- Support programs for young farmers
- The Desjardins Entrepreneur Awards

DEVELOPMENT CAPITAL INVESTMENTS MANAGED BY DESJARDINS VENTURE CAPITAL (DVC)

<table>
<thead>
<tr>
<th>Development capital investments (at cost) in Quebec</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>$804.0 million</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investments (at cost) in cooperatives or other businesses located in resource regions</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>$165.3 million</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of businesses, cooperatives and funds supported in Quebec</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>380</td>
<td></td>
</tr>
</tbody>
</table>
OUR EMPLOYEES, OUR DRIVING FORCE

A STIMULATING WORK ENVIRONMENT

A career at Desjardins means excellent work conditions and exciting advancement opportunities.

Desjardins has been named:

• One of Canada’s Top Family-Friendly Employers
• One of Canada’s Top Employers for Young People
• One of the Top Employers for Canadians Over 40

We make every effort to create a stimulating work environment, and it shows in our employee retention and promotion rates.

RETENTION RATE FOR MANAGEMENT AND NON-MANAGEMENT EMPLOYEES
(as a percentage)

| Percentage of the workforce retained | 2012 | 95.7% |
| Promotion rate for managers and employees | 70% |

Desjardins takes great pride in the skills and expertise of its workforce.

AGE DISTRIBUTION
(as a percentage)

<table>
<thead>
<tr>
<th>Age Category</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30</td>
<td>16.3%</td>
<td>16.7%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Age 30 to 45</td>
<td>38.5</td>
<td>35.3</td>
<td>35.2</td>
</tr>
<tr>
<td>Over 45</td>
<td>45.2</td>
<td>48.0</td>
<td>47.9</td>
</tr>
</tbody>
</table>

PROPORTION OF WOMEN
(as a percentage)

<table>
<thead>
<tr>
<th>Category</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive management</td>
<td>23.1%</td>
<td>22.3%</td>
<td>20.7%</td>
</tr>
<tr>
<td>Other management</td>
<td>58.6</td>
<td>57.2</td>
<td>58.3</td>
</tr>
<tr>
<td>Employees</td>
<td>75.8</td>
<td>76.7</td>
<td>77.7</td>
</tr>
</tbody>
</table>

TRAINING AND DEVELOPMENT

The Desjardins Cooperative Institute (DCI) provides professional development training to Desjardins Group officers, managers and employees. The DCI offers programming that’s tailored to Desjardins’s priority issues and needs.

In 2012, in collaboration with the Conseil québécois de la coopération et de la mutualité, the DCI launched an initiative to develop practical university-level courses on the cooperative model. For the first time, the DCI also opened its courses up to officers from other cooperative groups.

In 2012, $62.7 million, or 2.46%, of total payroll, was invested in training and personal development activities.
PROTECTING THE ENVIRONMENT

One of the sources Desjardins Group turns to for guidance on its environmental decisions and actions is its sustainable development policy.

We also strive to incorporate life cycle thinking into our business and management practices, which is why we have renewed our partnership with the Polytechnique Montréal International Life Cycle Chair for the next five years. Desjardins is a founding organization of the Chair, which is one of the world’s largest research centres in the life cycle field.

REPORT ON GREENHOUSE GAS EMISSIONS

Every year, we evaluate the climate-change impact of our activities based on the ISO 14064 standard. Some figures from our 2012 report on direct and indirect emissions:

Total greenhouse gas emissions: 37,342 tonnes of CO2 equivalent
Intensity of emissions: 0.86 tonne of CO2 equivalent per employee
Reduction in emission intensity since 2008: 9%

BUILDING EFFICIENCY

Four of our buildings are certified by BOMA BEST (Building Environmental Standards), a voluntary national program designed to evaluate the environmental performance and management of existing buildings.

Additionally, 48 of our work sites met the criteria of the ICI ON RECYCLE! program, a provincial government initiative that recommends implementing measures based on the 4 Rs (reduce, reuse, recycle and recover) and organizing information and awareness activities.

We are also working toward achieving LEED (Leadership in Energy and Environmental Design) Gold certification for our new Lévis office. Construction will be completed in 2013. LEED certification is an international standard for evaluating the design, construction and operation of high-performance green buildings.

A NEW ROUTE FOR YOUR COMMUTE!

Our alternative transportation program, “A new route for your commute!” encourages employees to use other modes of transportation, such as carpooling or public transit, and to limit work-related travel.

In 2012:

- 460 discount codes were handed out to BIXI users, giving them 25% off an annual membership
- 61 drivers were given three-month free trial transit passes
- 105 carpool-only parking spots were added at the Lévis office (pilot project)
- 15,416 employees travelled between Montreal and Lévis on the Desjardins shuttle. If each of these employees had made the trip in their own vehicle, more than 585 tonnes of greenhouse gas would have been released into the atmosphere.

ECO-FRIENDLY EVENTS

In 2012, Desjardins Group held 11 eco-friendly events certified under Quebec standard BNQ 9700:

- More than 760 leftover meals were distributed to community organizations through our partnership with La Tablée des chefs
- 81.4% of waste was recycled or recovered
- 357 tonnes of greenhouse gases were offset by carbon credits

INTERNATIONAL SUMMIT OF COOPERATIVES: A CARBON-NEUTRAL EVENT

Following the International Summit of Cooperatives in October 2012, we purchased carbon credits from Carbone Boréal to offset the 741 tonnes of greenhouse gases produced by Desjardins and other event partners that had not already offset their own emissions. These credits are certified as compliant with the ISO 14064-3 standard by the Bureau de normalisation du Québec. The total of the offset emissions is equivalent to taking 741 cars off the road for one year.

(2) Life cycle thinking involves looking at the environmental, economic and social considerations of a product or service for the duration of its lifecycle.

NAMED BEST CORPORATE CITIZEN IN CANADA
FINANCIAL POSITION AS AT DECEMBER 31

2012 HIGHLIGHTS

- Annual growth of 3.5% in total assets, which amounted to $196.7 billion
- Residential mortgage loans outstanding up $6.2 billion over the year, to total $85.9 billion
- Increase of 5.0% in savings recruitment, which amounted to $129.6 billion
- A year-over-year growth of $32.1 billion in assets under administration, to total $313.1 billion
- Sales of capital shares of the Federation reached $1.0 billion during fiscal 2012
- US$1.5 billion in medium-term covered bonds issued by Caisse centrale Desjardins on the U.S. market
- $800 million in medium-term notes issued by Caisse centrale Desjardins on the Canadian market
- Tier 1 capital ratio of 16.8%
- Quality loan portfolio, with a gross impaired loans ratio of 0.35%

FINANCIAL POSITION AND RATIOS
(in millions of dollars, as a percentage and as a coefficient)

<table>
<thead>
<tr>
<th>Balance sheet</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>$196,706</td>
<td>$190,137</td>
<td>$178,931</td>
</tr>
<tr>
<td>Loans</td>
<td>132,576</td>
<td>125,154</td>
<td>118,238</td>
</tr>
<tr>
<td>Deposits</td>
<td>129,824</td>
<td>123,403</td>
<td>116,663</td>
</tr>
<tr>
<td>Equity</td>
<td>16,041</td>
<td>14,027</td>
<td>12,396</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ratios</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 capital ratio</td>
<td>16.8%</td>
<td>17.3%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Total capital ratio</td>
<td>19.3%</td>
<td>19.3%</td>
<td>18.7%</td>
</tr>
<tr>
<td>Gross impaired loans/gross loans ratio</td>
<td>0.35%</td>
<td>0.41%</td>
<td>0.43%</td>
</tr>
<tr>
<td>Gross loans/deposits</td>
<td>1.03</td>
<td>1.02</td>
<td>1.04</td>
</tr>
</tbody>
</table>

LOAN DISTRIBUTION BY BORROWER CATEGORY
As at December 31, 2012

COMPOSITION OF DEPOSIT PORTFOLIO
As at December 31, 2012
FINANCIAL RESULTS
AS AT DECEMBER 31

2012 HIGHLIGHTS

• Combined surplus earnings before member dividends of $1,591 million
• A total of $364 million returned to members and the community, which includes member dividends, sponsorships and donations
• Growth of 3.3% in operating income, which totalled $11.3 billion
• Net premium growth of $275 million, or 5.7%
• An $895 million, or 16.9%, decrease in expenses related to claims, benefits, annuities and changes in insurance and investment contract liabilities
• A $137 million, or 2.4%, increase in non-interest expense
• Productivity index of 71.3%

RESULTS AND RATIOS
(in millions of dollars and as a percentage)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>$3,848</td>
<td>$3,921</td>
<td>$3,892</td>
</tr>
<tr>
<td>Net premiums</td>
<td>5,126</td>
<td>4,851</td>
<td>4,360</td>
</tr>
<tr>
<td>Other operating income</td>
<td>499</td>
<td>512</td>
<td>535</td>
</tr>
<tr>
<td>Deposit and payment service charges</td>
<td>499</td>
<td>512</td>
<td>535</td>
</tr>
<tr>
<td>Lending fees and credit card service revenues</td>
<td>517</td>
<td>483</td>
<td>461</td>
</tr>
<tr>
<td>Brokerage, investment fund and trust services</td>
<td>700</td>
<td>676</td>
<td>658</td>
</tr>
<tr>
<td>Other</td>
<td>610</td>
<td>493</td>
<td>240</td>
</tr>
<tr>
<td>Operating income</td>
<td>11,300</td>
<td>10,938</td>
<td>10,134</td>
</tr>
<tr>
<td>Investment income</td>
<td>1,178</td>
<td>2,289</td>
<td>1,408</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>12,478</td>
<td>13,225</td>
<td>11,543</td>
</tr>
<tr>
<td>Provision for credit losses</td>
<td>241</td>
<td>237</td>
<td>203</td>
</tr>
<tr>
<td>Claims, benefits, annuities and changes in insurance and investment contract liabilities</td>
<td>4,397</td>
<td>5,292</td>
<td>4,138</td>
</tr>
<tr>
<td>Non-interest expense</td>
<td>5,760</td>
<td>5,623</td>
<td>5,380</td>
</tr>
<tr>
<td>Income taxes on surplus earnings</td>
<td>489</td>
<td>471</td>
<td>438</td>
</tr>
<tr>
<td>Surplus earnings before member dividends</td>
<td>$1,591</td>
<td>$1,582</td>
<td>$1,386</td>
</tr>
<tr>
<td>Amount returned to members and the community</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for member dividends</td>
<td>$279</td>
<td>$320</td>
<td>$299</td>
</tr>
<tr>
<td>Sponsorships and donations</td>
<td>85</td>
<td>81</td>
<td>80</td>
</tr>
<tr>
<td><strong>Ratios</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on equity</td>
<td>10.4%</td>
<td>12.2%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Productivity index</td>
<td>71.3</td>
<td>71.1</td>
<td>72.6</td>
</tr>
</tbody>
</table>
FINANCIAL RESULTS BY SEGMENT

2012 HIGHLIGHTS

- Personal Services and Business and Institutional Services
  - Residential mortgage loans grew by $6.3 billion, helping Desjardins keep its Quebec market share at 35.8%
  - On-balance sheet savings grew by $2.3 billion in Quebec, helping Desjardins keep its Quebec market share at 42.7%
  - desjardins.com is a pioneer and leader in online services in Quebec, holding the title of most visited financial website in Quebec and one of the most visited in Canada

- Property and Casualty Insurance
  - Increase of $197 million, or 11.0%, in net premiums, to total $1,982 million
  - Loss ratio of 69.1% for the segment, compared to 73.1% in 2011

- Wealth Management and Life and Health Insurance
  - Increase of 5.1% in insurance premium volume and 5.9% in group insurance sales
  - In-force group insurance premiums hit the $2.0 billion mark
  - Assets under management in the group retirement savings sector exceeded $5.0 billion and assets under management in the private management sector exceeded $3.0 billion
  - Increase of 178% in net sales of Desjardins funds in the caisse network

- Other
  - Surplus earnings of $256 million for the year, mainly as a result of the change in the fair value of financial products and cash flow activities

SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS
(in millions of dollars)

<table>
<thead>
<tr>
<th>Contribution to combined surplus earnings by business segment</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services and Business and Institutional Services</td>
<td>$ 889</td>
<td>$ 987</td>
<td>$ 934</td>
</tr>
<tr>
<td>Wealth Management and Life and Health Insurance</td>
<td>241</td>
<td>280</td>
<td>249</td>
</tr>
<tr>
<td>Property and Casualty Insurance</td>
<td>205</td>
<td>144</td>
<td>131</td>
</tr>
<tr>
<td>Other</td>
<td>256</td>
<td>171</td>
<td>72</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 1,591</strong></td>
<td><strong>$ 1,582</strong></td>
<td><strong>$ 1,386</strong></td>
</tr>
</tbody>
</table>

SEGMENT CONTRIBUTION TO SURPLUS EARNINGS BEFORE MEMBER DIVIDENDS IN 2012

- Personal Services and Business and Institutional Services
- Wealth Management and Life and Health Insurance
- Property and Casualty
- Other
DESJARDINS GROUP’S CREDIT RATINGS AND FINANCIAL TARGETS

CREDIT RATINGS OF SECURITIES ISSUED BY DESJARDINS GROUP

<table>
<thead>
<tr>
<th></th>
<th>DBRS</th>
<th>STANDARD &amp; POOR’S</th>
<th>MOODY’S</th>
<th>FITCH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caisse centrale Desjardins</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term</td>
<td>R-1 (high)</td>
<td>A-1</td>
<td>P-1</td>
<td>F1+</td>
</tr>
<tr>
<td>Medium- and long-term senior</td>
<td>AA</td>
<td>A+</td>
<td>Aa2</td>
<td>AA-</td>
</tr>
<tr>
<td>Capital Desjardins inc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium- and long-term senior</td>
<td>AA (Low)</td>
<td>A</td>
<td>A2</td>
<td>A+</td>
</tr>
</tbody>
</table>

Despite the downgrading of its ratings by Standard & Poor’s and Moody’s, Desjardins Group is of the opinion that these decisions have more to do with the agencies’ concerns about Canada’s economic situation than with the quality of Desjardins Group’s loan portfolio or balance sheet.

Even after the downgrade, the ratings of Caisse centrale Desjardins and Capital Desjardins inc. remain among the best in Canada and compare favourably with those of many large international and Canadian financial institutions.

FINANCIAL TARGETS AND COMPARISON WITH 2012 RESULTS
(as a percentage)

<table>
<thead>
<tr>
<th></th>
<th>Results 2012</th>
<th>Financial targets 2013-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth and development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth in operating income</td>
<td>3.3%</td>
<td>Between 5% and 10%</td>
</tr>
<tr>
<td>Profitability and productivity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity index</td>
<td>71.3</td>
<td>Under 70% in 2016</td>
</tr>
<tr>
<td>Gap between income growth and expense growth</td>
<td>(0.3)</td>
<td>Over 2%</td>
</tr>
<tr>
<td>Growth in surplus earnings after income taxes</td>
<td>0.6</td>
<td>Between 5% and 10%</td>
</tr>
<tr>
<td>Return on equity</td>
<td>10.4</td>
<td>Over 8%</td>
</tr>
<tr>
<td>Financial stability and risk management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1 capital ratio</td>
<td>16.8</td>
<td>Over 15%</td>
</tr>
</tbody>
</table>

In January 2013, the Board of Directors adopted Desjardins Group’s strategic goals for 2013–2016, which were established to contribute to Desjardins’s business development by focusing on service, growth and efficiency as major priorities.

In these still uncertain economic conditions, the current low interest rate environment will last for some time and put pressure on net interest income and, consequently, on Desjardins Group’s surplus earnings.
Cooperating in building the future