



2015 ANNUAL FINANCIAL REPORT



Desjardins
Capital régional
et coopératif

THE FINANCIAL REPORT INCLUDES:

- MANAGEMENT DISCUSSION AND ANALYSIS
- MANAGEMENT'S REPORT
- COMPLETE AUDITED SEPARATE FINANCIAL STATEMENTS, INCLUDING THE NOTES AND THE INDEPENDANT AUDITOR'S REPORT
- AUDITED SCHEDULE OF COST OF INVESTMENTS IMPACTING THE QUÉBEC ECONOMY
- STATEMENT OF OTHER INVESTMENTS
- INDEX OF THE COMPANY'S SHARE IN INVESTMENTS MADE BY SPECIALIZED FUNDS AND PARTNER FUNDS, AT COST

CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS

MANAGEMENT DISCUSSION AND ANALYSIS

This annual management discussion and analysis (MD&A) supplements the financial statements and contains financial highlights but does not reproduce the full annual financial statements of Capital régional et coopératif Desjardins (CRCD). It presents management's assessment of CRCD's results for the period reported in the financial statements, as well as its financial position and any material changes to it.

CRCD's annual compounded returns expressed in this MD&A are net of expenses and income taxes while returns by activity or investment profile represent returns before expenses and income taxes.

This disclosure document contains management's analysis of forward-looking statements. Caution should be exercised in the interpretation of this analysis and these statements since management often makes reference to objectives and strategies that contain risks and uncertainties. Due to the nature of CRCD's operations, the associated risks and uncertainties could cause actual results to differ from those anticipated in forward-looking statements. CRCD disclaims any intention or obligation to update or revise such statements based on any new information or new event that may occur after the reporting date.

Copies of the annual financial statements may be obtained free of charge, on request, by calling 514 281-2322 or (toll free) 1 866 866-7000, extension 5552322, by writing to 2 Complexe Desjardins, P.O. Box 760, Desjardins Station, Montréal, Québec H5B 1B8, or from our website at capitalregional.com or SEDAR at www.sedar.com.

Interim financial information may be obtained in the same way.

FINANCIAL HIGHLIGHTS AS AT DECEMBER 31

The following charts present key financial data and are intended to assist in understanding CRCDC's financial results for the preceding five fiscal years. This information is derived from CRCDC's audited separate annual financial statements. Financial information for fiscal years 2015, 2014 and 2013 is presented in accordance with International Financial Reporting Standards ("IFRS"). Financial information for fiscal years 2012 and 2011 is presented in accordance with Canadian generally accepted accounting principles ("GAAP") then in effect.

RATIOS AND SUPPLEMENTAL DATA

(in thousands of \$, unless indicated otherwise)

	2015 (IFRS)	2014 (IFRS)	2013 (IFRS)	2012 (GAAP)	2011 (GAAP)
Revenue	45,269	44,422	51,982	53,491	46,894
Gains (losses) on investments	64,035	42,884	10,670	42,376	117,757
Net earnings	74,806	49,245	24,950	53,435	122,588
Net assets	1,642,076	1,502,462	1,470,576	1,356,446	1,220,427
Common shares outstanding (number, in thousands)	130,183	124,665	126,165	118,243	110,776
Total operating expense ratio ⁽¹⁾ (%)	1.9	2.1	2.0	2.4	3.0
Total expense and common share issue expense ratio ⁽¹⁾ (%)	2.0	2.2	2.2	2.4	3.0
Portfolio turnover rate:					
– Investments impacting the Québec economy (%)	19	19	16	23	28
– Other investments (%)	131	102	108	67	110
Trading expense ratio ⁽²⁾ (%)	0.0	0.0	0.0	0.0	0.0
Number of shareholders (number)	102,222	96,236	100,861	103,052	106,577
Issues of common shares	149,882	62,906	149,995	149,994	153,955
Common share issue expenses, net of related taxes	1,750	764	1,739	–	–
Redemption of common shares	83,324	79,501	59,075	67,410	75,962
Investments impacting the Québec economy at cost	738,596	675,355	671,547	625,414	498,984
Fair value of investments impacting the Québec economy	817,199	710,923	733,907	659,045	541,909
Funds committed but not disbursed	171,082	193,764	227,593	142,350	151,822

⁽¹⁾ Total operating expense ratio is calculated by dividing total expenses (before income taxes) as shown on the separate statements of comprehensive income by average net assets for the fiscal year, pursuant to Section 68 of the *Regulation respecting Development Capital Investment Fund Continuous Disclosure*.

The total operating expense and common share issue expense ratio is computed on the same basis but adding the common share issue expenses as shown on the separate statements of changes in net assets to total expenses.

⁽²⁾ Trading expense includes brokerage fees and other portfolio transaction costs. These expenses are not material to CRCDC.

CHANGES IN NET ASSETS PER COMMON SHARE

	2015 (IFRS)	2014 (IFRS)	2013 (IFRS)	2012 (GAAP)	2011 (GAAP)
	(\$)	(\$)	(\$)	(\$)	(\$)
Net assets per common share, beginning of year	12.05	11.66	11.47	11.02	9.91
Increase attributable to operations	0.59	0.40	0.20	0.46	1.15
Interest, dividends and negotiation fees	0.35	0.36	0.41	0.46	0.43
Operating expenses	(0.23)	(0.25)	(0.23)	(0.28)	(0.31)
Income taxes	(0.03)	(0.06)	(0.07)	(0.09)	(0.07)
Realized gains (losses)	0.29	0.52	0.03	0.48	0.20
Unrealized gains (losses)	0.21	(0.17)	0.06	(0.11)	0.90
Difference attributable to common share issues and redemptions	(0.03)	(0.01)	(0.01)	(0.01)	(0.04)
Net assets per common share, end of year	12.61	12.05	11.66	11.47	11.02

OVERVIEW

CRCD closed fiscal 2015 with net earnings of \$74.8 million (\$49.2 million in 2014), representing a return of 4.9% (3.4% in 2014), resulting in an increase of net assets per share to \$12.61 based on the number of common shares outstanding at the end of the fiscal year, compared with \$12.05 at the end of fiscal 2014. CRCD aims to strike an appropriate balance between shareholder return and its mission of Québec economic development. The financial asset management strategy adopted by CRCD several years ago provides the benefits of strong complementarity between the Investments impacting the Québec economy and Other investments portfolios and limits volatility in periods of substantial market turbulence. CRCD has generated positive annual returns for the last seven years.

The Investments impacting the Québec economy portfolio posted a return of 12.8% in 2015, compared with a return of 7.3% in 2014, through increased contributions from most investment profiles. As at December 31, 2015, the cost of Investments impacting the Québec economy totalled \$738.6 million and investments made during fiscal 2015 reached \$199.7 million. As at December 31, 2015, commitments made but not disbursed, which represent investments already agreed upon with companies, cooperatives or funds and that will be disbursed by CRCD at a later date, amount to \$171.1 million. New commitments for the year came to \$177.0 million.

Other investments generated a return of 2.3% for fiscal 2015, compared with a return of 5.4% for fiscal 2014. Lower return in 2015 resulted mainly from the decrease in value of preferred shares, mitigated by appreciation in the bond portfolio.

During the year, issues of common shares totalled \$150 million, or the authorized maximum. Share redemptions totalled \$83 million. The balance of shares eligible for redemption as at December 31, 2015 amounted to over \$491 million. Net assets stood at \$1,642.1 million, up 9.3% compared with the previous year. The number of shareholders as at December 31, 2015 was 102,222.

CRCD'S VISION FOR QUÉBEC ENTREPRENEURSHIP

A study¹ conducted in 2014 states that various indicators show Québec's performance lagging behind that of other Canadian provinces in terms of entrepreneurship. Among the reasons cited, a culture less inclined toward entrepreneurship and a heavy administrative burden are stressed in particular. Québec must devote significant effort to developing the entrepreneurial spirit and culture of Québécois.

Business transfers and the survival of existing businesses are also key issues. So deploying entrepreneurial energy to take over the helm for a business is crucial for Québec.

Last, Québec faces a huge challenge – developing and growing existing businesses. Businesses in Québec tend to remain too small and to overleverage themselves, putting a healthier capital structure at risk. Undercapitalization has serious repercussions on their performance, including low productivity and a low level of activity in international markets, which ultimately lowers Québec's ability to create and retain its fair share of highly paid jobs – jobs that are needed for the tax base to maintain healthy public finances for the province.

In carrying out its mission, CRCD aims to stand tall and play a unique role on these diverse issues that guide its actions every day.

CRCD — STANDING TALL FOR OUR PARTNERS

From the support, networking or training we offer our partner companies through to enhancing our product offering and sharing our business network, CRCD acts on many levels to grow Québec SMEs and cooperatives.

In response to a series of consultations carried out in 2015 with our partner companies, CRCD developed an innovative offering with particular focus on simplifying and streamlining our process and documentation to achieve enhanced flexibility.

A real catalyst in the business development process of our existing and potential partners, CRCD successfully completed an extensive tour of the province with the aim, among others, of providing entrepreneurs with an overview of the economic outlook for their regions and testimonials by local businesspeople. Close to 1,000 people took part in the activities surrounding the tour which visited some dozen cities across Québec in 2015.

CRCD's partner companies had the opportunity to showcase their expertise and promote their products and services through activities or networking platforms aimed at broad spectrum target audiences. And strategic use of such tools in 2015 led to the creation of many highly profitable alliances or networks for all of the businesses involved.

Because governance contributes to building strong foundations for companies to grow on, CRCD has once again been very active in that field. We stepped up our efforts in 2015 with strategic support for our partner companies from our external directors. Rich in experience and carefully handpicked, these individuals provide support for companies in their business decisions. And to further enrich their roles within these companies, they received more than 15 training sessions from either CRCD or our collaborators, such as Collège des administrateurs de sociétés and the Institute of Corporate Directors. By the same token, several business leaders also benefited from the training provided free of cost by École d'Entrepreneurship de Beauce, another key partner for CRCD.

¹ Desjardins Group and CIRANO, *For a more entrepreneurial and prosperous Quebec*, April 2014.

ECONOMIC ENVIRONMENT

THE ECONOMIC CLIMATE IN 2015

Global economic growth was weak in 2015. It is estimated to be only 3.1%. Real GDP in the main industrialized countries advanced more rapidly, but that performance was offset by slower GDP gains in the emerging economies. Inside the eurozone, lending activities started to move at a quicker pace in the wake of measures taken by the European Central Bank. A weak euro was favourable for net exports. Growth in Japan continued to be erratic, with GDP pulling back in the spring and then advancing later on. Imports of emerging countries shrink for the first time since the last financial crisis. In addition, the Chinese economy's lack of strength worried international capital markets even though the slowdown in China's real GDP was contained in 2015, with annual real GDP growing slightly less than 7%. Of the other main emerging economies, India turned in excellent results, while Brazil and Russia saw their economies contract in 2015.

The financial markets were volatile in 2015. After a first half of the year that was good to investors, growing concerns surrounding the emerging countries and a further decline in commodities prices caused most stock markets to pull back in the second half. The S&P 500 closed 2015 with a slight drop of 0.7% while the Toronto Stock Exchange, battered by a further pullback in commodities prices, posted a decline of 11.1%. The lack of inflationary pressure and expansionary monetary policies of the industrialized countries kept bond rates at very low levels. In Canada, the pullback in economic activity in the first half of the year prompted the Bank of Canada to lower its key rates in January and July of 2015, which resulted in a further significant decrease in the value of the Canadian dollar.

The United States was impacted by a hard winter in 2015. While the situation was temporary, in combination with a labour conflict in the west coast ports, a strong U.S. dollar and troubles in the oil industry, it contributed to slower growth early in the year. Consumption in the United States grew, visible mainly through sales of automobiles. Several economic indicators, including data for the manufacturing industry, which was left struggling due to the strength of the greenback and sagging investment in the oil industry, were soft at mid-year, prompting the Fed to delay before starting to raise its key rates in December. The housing sector continued to grow, driven mainly by multi-unit housing, but remained volatile.

In Canada, a technical recession occurred in the first half of 2015 as GDP pulled back slightly in the winter and spring. This recession was different from the other episodes of recession the country has been through. First, the scale of the pullback in real GDP was very low compared with the other recessions. And second, the troubles were not generalized, but were instead concentrated by region and in certain sectors. Triggered by the sharp drop in energy prices, the pullback was mainly confined to non-residential investments in the energy sector, where several expansion projects were cancelled or postponed. This resulted in some spinoff into other industries, primarily machinery and equipment manufacturers. The effects of the recession were felt particularly in the oil producing provinces of Alberta, Saskatchewan and Newfoundland and Labrador. The effect on the other provinces was weaker, and their economic growth was somewhat more robust. The summer of 2015 saw the Canadian economy rebound. Among others, stronger U.S. demand and the depreciation of the Canadian dollar were particularly favourable for foreign trade, which contributed positively to real GDP. However, a new round of falling commodities prices in tandem with temporary difficulties in the United States significantly slowed Canadian economic growth in late 2015. When the official data are released, we expect that Canadian real GDP will show growth of 1.2% in 2015. Last, the challenges facing Canada's economy and the two key rate reductions announced by the Bank of Canada resulted in significantly lower Canadian bond rates last year, unlike U.S. rates, which rose slightly in 2015.

In Québec, the year started out with higher than expected economic growth, but that weakened later on. The increase in economic activity was slightly over 1.0%, compared with 1.5% in 2014. Households showed caution when making purchases in spite of the headway opened up by soft gas prices. A heavy tax burden and high debt levels dampened spending. Retail sales in 2015 saw practically no growth. The period of adjustment in the residential sector continued. Housing starts declined, condo properties in particular, where the market is showing considerable oversupply. Tighter control over government spending also reined in economic growth in Québec. Exports, however, continued to rise, but businesses did not begin to step up their investments.

ECONOMIC OUTLOOK FOR 2016

Global economic growth is expected to be somewhat stronger in 2016, without picking up any real steam. The situation in the eurozone should continue to improve, helped along by a currency that will likely remain weak. The economy in the United Kingdom should be solid enough for the Bank of England to contemplate preliminary hikes in the key rates as the Fed has done. Japan's economy is expected to grow somewhat more quickly in 2015. In China, the slow shift of the economy will continue and real GDP for 2016 is expected to grow 6.5%, which is the Chinese government's new growth target. Global GDP growth should reach 3.3% in 2016.

Real GDP growth in the United States for 2016 is expected to be slightly higher than for 2015, coming in at 2.5% against 2.4%. Certain factors that weighed on growth in 2015 are expected to continue exerting an adverse effect. Growth in consumption should remain relatively fast-paced, supported by strong job creation, lower prices for imported goods, high household confidence and continuing low gas prices. Despite the fact that rate hikes have begun, investments in housing should be able to grow at a good pace, although less rapidly than in 2015. Corporate investment is expected to pick up some strength. That being said, exports will likely suffer due to a strong greenback. Last, the budget agreement in the fall of 2015 means that the public sector should keep up with growth during 2016. That would mark the first increase in real federal spending since 2010. Inflation will likely grow by 0.9% in 2016. The hikes in the U.S. key rates begun in December 2015 are expected to be made gradually, with two 25-basis point increases forecast for 2016. In conjunction with an unstable international environment, that will likely strongly inhibit increases in bond rates.

In Canada, after disappointing growth estimated at only 1.2% in 2015, the economy is expected to advance slightly more strongly in 2016, with a forecast gain of 1.5%. Oil prices should eventually become more stable so that the adverse effects of adjustments in the energy sector will gradually taper off. Foreign trade will likely contribute positively to real GDP as stronger U.S. demand and a weaker Canadian dollar are expected to provide a favourable climate. Growth in consumer spending is expected to keep pace with income growth. After slowing down in Atlantic Canada, Québec and the Prairies, investments in housing could also begin to slow down in Ontario and British Columbia. Governments are also likely to contribute more to economic growth in 2016, in particular starting in the middle of the year, as the first federal government budget is expected to include a boost in public investment. An income tax rate rollback for the middle class has also been announced, which should be beneficial for consumer spending. Given the conditions, the Bank of Canada will likely leave its key rates unchanged throughout 2016. A further reduction in Canadian key rates is also possible and could come ahead of gradually tighter money towards the end of 2017. That means a low interest rate environment is likely to prevail in Canada for quite some time, which will keep bond rates relatively low. The Canadian dollar is expected to remain weak and could even pull back further over the short term. It will likely rise somewhat starting in mid-2016 mirroring oil prices. Looking at the stock

market, after the 11.1% decline the S&P TSX Index posted in 2015 and a very difficult start to 2016, the expected resurgence in energy prices in the second half of the year together with stronger demand and a downward adjustment in supply, the Toronto Stock Exchange should be in a position to regain its lost ground and show a positive return at the close of 2016.

For Québec, 2016 is expected to be somewhat more favourable. Growth in the U.S. and Ontario economies and a Canadian dollar, which will likely remain around US\$0.70, should drive exports and stimulate renewed industrial investments. An improved job market and certain tax changes could provide some relief for households and thereby promote spending. Injecting public funds into infrastructures and contributions from foreign trade could drive real GDP growth of 1.3% in 2016, compared with the 1.1% estimated for 2015.

MANAGEMENT'S DISCUSSION OF FINANCIAL PERFORMANCE

OPERATING RESULTS

CRCD NET RESULTS AND RETURNS

CRCD closed its fiscal year ended December 31, 2015 with net earnings of \$74.8 million, or a return of 4.9%, compared with net earnings of \$49.2 million (return of 3.4%) for the preceding year. Based on the number of common shares outstanding, this performance brings net assets per share to \$12.61 as at year-end, compared with \$12.05 at the end of fiscal 2014. For information purposes, at a price of \$12.61 effective February 18, 2016, shareholders who invested seven years earlier would obtain an annual after-tax return of more than 12.6%, taking into account the 50% income tax credit as per the rate applicable on February 18, 2009.

CRCD's performance is driven primarily by Investments impacting the Québec economy and Other investments, which generated returns of 12.8% and 2.3%,

respectively, while expenses, net of administrative charges and income taxes had an impact of 2.4% on CRCD's performance.

CRCD's financial asset management strategy allows it to enjoy a more balanced overall portfolio profile, while actively contributing to Québec's economic development. This should limit the volatility of CRCD's returns in periods of substantial market turbulence.

INVESTMENTS IMPACTING THE QUÉBEC ECONOMY

Investments of \$199.7 million and disposals of \$162.1 million were made for a net balance of \$37.6 million. Combined with realized and unrealized net gains of \$69.1 million, these net investments brought the fair value of the investment portfolio, including foreign exchange contracts, to \$817.6 million as at December 31, 2015 (\$710.9 million as at December 31, 2014). Investments in the funds comprising the entrepreneurial ecosystem, as described below, in the amount of \$35.9 million, and a \$108.5 million aggregate investment in four companies, mainly accounted for the investments of \$199.7 million made during the fiscal year.

Investments impacting the Québec economy should also be measured taking into account funds committed but not disbursed, which amounted to \$171.1 million as at December 31, 2015, compared with \$193.8 million as at December 31, 2014. Total commitments at cost as at December 31, 2015 amounted to \$909.7 million in 110 companies, cooperatives and funds, of which \$738.6 million was disbursed. As at December 31, 2015, backed by its entrepreneurial ecosystem, CRCD directly supported growth in 402 companies, cooperatives and funds.

Notes payable and financial liabilities with a fair value of \$26.3 million (\$22.1 million as at December 31, 2014) were mainly attributable to the November 30, 2010 acquisition of certain investments from Desjardins Venture Capital L.P. Their fair value is adjusted according to changes in the fair value of these investments held by CRCD. During the year ended December 31, 2015, CRCD repaid \$0.1 million in notes and the fair value of notes and financial liabilities was adjusted upwards by \$4.2 million, arising from gains generated on underlying investments.

RETURN BY ACTIVITY	2015				2014			
	Average assets under management (\$M)	Weighting (%)	Return 1 year (%)	Contribution 1 year (%)	Average assets under management (\$M)	Weighting (%)	Return 1 year (%)	Contribution 1 year (%)
Activities related to Investments impacting the Québec economy *	766	49.2	12.8	6.1	704	48.5	7.3	3.6
Other investments and cash	792	50.8	2.3	1.2	746	51.5	5.4	2.6
	1,558	100.0	7.3	7.3	1,450	100.0	6.2	6.2
Expenses, net of administrative charges			(2.1)	(2.1)			(2.3)	(2.3)
Income taxes			(0.3)	(0.3)			(0.5)	(0.5)
CRCD return			4.9	4.9			3.4	3.4

* Includes Investments impacting the Québec economy, amounts receivable on investments, notes payable and foreign exchange contracts.

During fiscal 2015, Investments impacting the Québec economy generated a contribution of \$93.3 million, a 12.8% return, compared with \$51.6 million in 2014 (a return of 7.3%).

CONTRIBUTION GENERATED BY INVESTMENTS IMPACTING THE QUÉBEC ECONOMY (in thousands of \$)	2015	2014
Revenue	28,234	26,720
Gains and losses	65,076	24,832
	93,310	51,552

Revenue, consisting of interest, dividends and negotiation fees related to Investments impacting the Québec economy, provides a solid income base that promotes overall portfolio profitability. Negotiation fees, which amounted to \$3.2 million for fiscal 2015 (\$2.5 million in 2014), are earned by Desjardins Venture Capital Inc. (DVC), the manager, and a credit for that amount is applied against the management fees paid to DVC by CRCD. Negotiation fees are included in the contribution generated by the Investments impacting the Québec economy as they are included in the profitability analysis of the investments. The profile of the investments held by CRCD is changing over time and the amounts earmarked for the funds in its ecosystem are increasingly larger (refer to the following section for further information). Therefore, investments held by these ecosystem funds generate revenue in addition to the revenue generated by CRCD. This revenue, of which CRCD's share amounted to \$11.8 million for fiscal 2015 (\$10.8 million in 2014), is reported as Gains and losses as it makes a positive contribution to the fair value of CRCD's interest in these funds.

CRCD accounts for its Investments impacting the Québec economy at fair value. Two comprehensive portfolio reviews are carried out each year, with one covering the six-month period ending June 30 and the other covering the six-month period ending December 31.

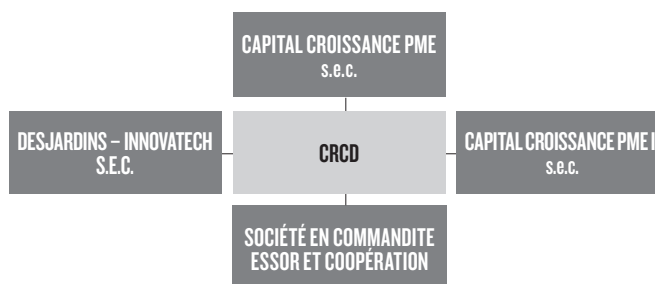
CRCD recorded a realized and unrealized gain of \$65.1 million in its results for the fiscal year compared with a gain of \$24.8 million for fiscal 2014. For more information, please see Entrepreneurial ecosystem performance in the following section.

As at December 31, 2015, the overall risk level of the Investments impacting the Québec economy portfolio had improved compared with its December 31, 2014 level, as discussed in the Credit and counterparty risk section.

ENTREPRENEURIAL ECOSYSTEM

CRCD invests directly in Québec companies and also fulfils its economic development role via investments through the funds it has helped create, each of which has a specific mission. With this approach of seeking capital from various partners, CRCD can leverage its resources, thereby enhancing its positive impact on Québec's economic development.

Main funds of the entrepreneurial ecosystem



These funds, which are also managed by CRCD's manager, DVC, are:

- Capital croissance PME s.e.c. (CCPME), created on July 1, 2010, whose main goal is to invest in Québec's small- and medium-sized businesses, primarily in the form of subordinated debt securities for amounts not exceeding \$5 million. CRCD and the Caisse de dépôt et placement du Québec (CDPQ), as sponsors of the fund, agreed to invest equal amounts totalling a maximum of \$220 million. As at December 31, 2015, CRCD had disbursed \$102.5 million of its total commitment of \$110 million. As CCPME's investment period closed on December 31, 2013, funds committed but not disbursed totalling \$7.5 million will be used for reinvestment and to pay the fund's operating expenses until its scheduled winding up date of July 1, 2021. As at December 31, 2015, CCPME had committed \$101.6 million to support a total of 146 companies and funds. Since its inception, the fund has disbursed \$189.1 million to support a total of 183 companies.
- In 2013, CRCD announced the renewal of the partnership agreement with CDPQ, establishing the Capital croissance PME II s.e.c. fund (CCPME II) as of January 1, 2014. A maximum additional amount of \$230 million, most of which will be invested over a three-year period, will allow the two partners to continue supporting small- and medium-sized enterprises in Québec. CRCD's interest in CCPME II is 50%. As at December 31, 2015, CRCD had disbursed \$65.5 million of its total commitment of \$115 million. As at that date, CCPME II had committed \$130.5 million to support a total of 131 companies and funds. Since its inception, the fund has disbursed \$124.3 million to support a total of 127 companies.
- CRCD is also the sponsor of the Desjardins-Innovatech S.E.C. fund (DI). DI has undertaken to inject a total of \$85 million to support Québec technology or innovation businesses through each stage of their development. DI has participated in the creation of innovative business accelerators in partnership with specialized organizations located in various regions of Québec, enabling it to support businesses from the embryonic stage through commercialization. As at December 31, 2015, DI had committed \$61.6 million to support a total of 41 companies and funds. CRCD's interest in DI is 54.5%.
- The objective of the Société en commandite Essor et Coopération (Essor et Coopération) is to support the creation, growth and capitalization of cooperatives in Québec. In 2013, CRCD and another partner made commitments to invest \$40 million and \$4 million, respectively. Furthermore, during the year, CRCD confirmed its commitment of an additional amount of \$45 million, raising total capitalization to \$89 million. Since inception of the Essor et Coopération fund on January 1, 2013, CRCD has disbursed \$20.3 million of its total commitment of \$85 million to support the development of cooperatives. As at December 31, 2015, Essor et Coopération had committed \$23.4 million in 13 cooperatives.

As at December 31, 2015, CRCDD and its ecosystem supported the growth of 402 companies, cooperatives and funds in various industries spanning all Québec regions with commitments of \$940.4 million, while helping to create and retain 67,500 jobs.

The investments earmarked for these funds are increasing over time. To better manage and keep track of its operations, CRCDD monitors changes in asset allocation and performance by investment profile.

Each investment profile includes the assets held by CRCDD and similar assets held by the funds in its ecosystem according to their respective interests.

The investment profiles related to Investments impacting the Québec economy are:

- Debt: investments in the form of advances and/or mainly unsecured loans and/or preferred shares;
- Equity: investments comprising common shares that may be combined with advances and/or mainly unsecured loans in companies other than those included under the Venture capital profile;
- External funds: investments in funds outside CRCDD's entrepreneurial ecosystem;
- Venture capital: investments in companies specializing in technological innovations.

Entrepreneurial ecosystem performance

The entrepreneurial ecosystem's sound performance stems primarily from the Equity and Debt investment profiles, which posted gains of 10.0% and 8.2%, respectively. These returns are due to the sound performance of a number of portfolio companies, some of which benefited from a weak Canadian dollar and increased exports. Furthermore, as CRCDD's portfolio has little exposure to commodities and financials, the difficulties those sectors encountered in 2015 had limited impact on CRCDD's results. This year, the External funds profile also contributed to returns through gains on transactions involving investments held by certain specialized funds.

OTHER INVESTMENTS

Managing the Other investments portfolio involves the portion of assets not earmarked for Investments impacting the Québec economy, including temporarily available cash resources prior to their investment in companies.

This portfolio, consisting primarily of bonds, money market instruments, real estate funds and preferred shares, provides stable current revenue for CRCDD and ensures the necessary liquidity to fund common share redemptions and investments.

As at December 31, 2015, CRCDD's Other investments portfolio, including cash but excluding foreign exchange contracts, totalled \$792.1 million compared with \$778.7 million as at December 31, 2014. These funds were invested mainly in the fixed-income securities market in highly liquid, low-credit risk instruments. As at December 31, 2015, 70% of portfolio bond securities were government-guaranteed (66% as at December 31, 2014).

The Other investments portfolio accounted for 49% of total net assets as at the end of fiscal 2015 (52% as at December 31, 2014). This percentage is expected to decrease as CRCDD identifies new and attractive investment opportunities. Commitments already made but not disbursed of \$171.1 million, representing 10% of net assets, will eventually be covered from CRCDD's Other investments portfolio and allocated to Investments impacting the Québec economy.

CRCDD expects the Other investments portfolio over the long term to represent around 35% of total net assets. In keeping with its core mission, this will allow an increase in funds allocated to Investments impacting the Québec economy.

CRCDD has implemented management strategies for the Other investments portfolio to optimize potential return while retaining the required liquidities to meet liquidity needs arising from redemption requests from shareholders and Investments impacting the Québec economy it expects to make.

RETURN BY INVESTMENT PROFILE	2015				2014			
	Average assets under management (\$M)	Weighting (%)	Return 1 year (%)	Contribution 1 year (%)	Average assets under management (\$M)	Weighting (%)	Return 1 year (%)	Contribution 1 year (%)
Debt	255	16.4	8.2	1.3	212	14.6	5.5	0.7
Equity	397	25.5	10.0	2.4	395	27.3	9.3	2.8
External funds	51	3.2	96.3	2.4	34	2.4	0.8	0.0
Venture capital	29	1.9	0.6	0.0	17	1.1	(4.8)	0.0
Investment profiles Subtotal	732	47.0	13.7	6.1	658	45.4	7.5	3.5
Other asset items held by ecosystem funds	34	2.2	0.9	0.0	46	3.1	4.4	0.1
Ecosystem Total	766	49.2	12.8	6.1	704	48.5	7.3	3.6

CONTRIBUTION GENERATED BY OTHER INVESTMENTS (in thousands of \$)	2015	2014
Revenue	19,457	19,778
Gains and losses	(1,041)	18,052
	18,416	37,830

Revenue consists mainly of interest, dividends and trading activities related to Other investments. Interest income (primarily from bonds) is recognized at the bond rate in effect at the acquisition date.

Other investments made a contribution of \$18.4 million in fiscal 2015 compared with a contribution of \$37.8 million in 2014. Current revenue was comparable with 2014.

For fiscal 2015, CRCDC recorded a loss of \$1.0 million on its Other investments portfolio. On the one hand, the preferred share portfolio posted a loss of \$10.0 million as a result of a massive market sell-off of adjustable rate securities as a result of the anticipated reduction in bond interest rates and the downgrading of the credit rating of one of the portfolio issuers. On the other, the bond portfolio recorded a solid gain of \$8.8 million due mainly to lower bond rates during the year. Five-year Government of Canada benchmark bonds posted yields of 0.73% as at December 31, 2015, due to a sharp decline of 61 basis points during fiscal 2015.

Over the last few years, the fair value of the bond portfolio benefited from repeated interest rate decreases. A potential rise in rates will have a negative impact on unrealized changes in value. CRCDC's financial asset management strategy is to match the average maturity of Other investments with the average maturity of expected cash outflows, thereby limiting the long-term effect of bond rates on CRCDC's results.

Given the low bond yield environment, CRCDC has reviewed its asset allocation strategy and intends to broaden the diversification of its Other investments portfolio with the addition of global equities in particular, starting in fiscal 2016.

CAPITAL RAISING

CRCDC offers its common shares exclusively through the Desjardins caisse network in Québec.

CRCDC reached its capitalization limit as of February 28, 2014. Consistent with the new provisions of its constituting act, CRCDC was entitled to raise a maximum of \$150 million for the 2015 issue. The Québec government set the rate for the tax credit it grants for purchasing shares at 45%.

To allow as many shareholders as possible to buy CRCDC shares, the maximum annual allowable was capped at \$3,000 per investor for the 2015 issue, for a tax credit of \$1,350.

This tax credit was 50% for shares purchased from November 10, 2007 to February 28, 2014, inclusively and before March 24, 2006, and 35% for shares purchased from March 24, 2006 to November 9, 2007, inclusively.

The minimum holding period for shares of CRCDC before a shareholder would normally be eligible for a redemption is seven years to the day from the date of purchase. Note however that shareholders who withdraw some or all of their shares after the seven-year holding period may no longer claim a tax credit for any subscription for which the tax credit would apply in the current tax year or in any subsequent tax year.

Each 12-month capitalization period begins on March 1 of each year. A special tax is payable by CRCDC if it fails to comply with the authorized issuance amounts, and it has implemented control mechanisms to ensure compliance. No special tax was paid for fiscal 2015 and 2014.

As at December 31, 2015, CRCDC had \$1,357.7 million in share capital for 130,182,509 common outstanding shares.

For fiscal 2015, CRCDC has accepted subscriptions of \$150 million, or the authorized maximum for its 2015 issue. For comparison purposes, in 2014, CRCDC also raised the authorized maximum of \$63 million for that year's issue.

During fiscal 2015, share redemptions totalled \$83 million (\$80 million in 2014).

As at December 31, 2015, the balance of shares eligible for redemption totalled over \$491 million. During fiscal 2016, additional shares with an approximate value of \$167 million will also become eligible for redemption, bringing potential redemptions close to \$658 million for fiscal 2016. CRCDC feels that the current economic conditions and low interest rates in particular are behind the low volume of redemptions in the last few years.

Subscriptions and redemptions for fiscal 2015 brought the number of shareholders to 102,222 as at December 31, 2015, compared with 96,236 as at December 31, 2014.

CRCDC's policy is to reinvest income from operations rather than pay dividends to its shareholders in order to increase the capital available for investment in eligible entities and to create share value appreciation.

EXPENSES AND INCOME TAXES

EXPENSES (in thousands of \$)	2015	2014
Management fees	25,431	24,623
Other operating expenses	2,690	4,008
Shareholder services	2,099	2,155
	30,220	30,786

CRCDC has entrusted DVC with its management and operations, in accordance with the strategies and objectives approved by the Board of Directors. The five-year management agreement is effective January 1, 2013. The agreement provides for the invoicing of separate fees for the Desjardins caisse network's contribution in issuing CRCDC's shares. Negotiation fees, which amounted to \$3.2 million for the fiscal year ended December 31, 2015, are earned by DVC and a credit for that amount is applied against the management fees paid by CRCDC.

Under this agreement, CRCD is committed until December 31, 2015 to pay management fees equal to 2.02% of CRCD's annual average asset value, less any amounts payable related to Investments impacting the Québec economy and Other investments. An adjustment is made to the management fees charged to CRCD to avoid double billing relative to CRCD's interest in some funds. These fees will be renegotiated between CRCD and its manager for 2016.

The \$1.3 million decrease in Other operating expenses results mainly from the reduction in investment-related professional fees compared with 2014. The difference also stems from the reduction in costs for implementing new investment management software. This system, implemented in November 2014, manages increases in direct and indirect investments.

CRCD has appointed Desjardins Trust Inc. as shareholder registrar and share transfer agent. Desjardins Trust also acts as an intermediary for various shareholder support services. Since CRCD began operations, Desjardins Trust has represented the largest component of shareholder service expenses. The agreement, which expired on December 31, 2015, was renewed at the same conditions until June 30, 2016 except for the fee rate, which was adjusted on January 1, 2015 and will continue to apply to any renewal or new agreement until December 31, 2019.

CRCD has appointed Fédération des caisses Desjardins du Québec to distribute its shares through the Desjardins caisse network. The term of the agreement is one year, unless terminated by agreement of the parties. It will be renewed from year to year, unless written notice is given by one or the other of the parties three months in advance. Moreover, share issue expenses of \$1.7 million payable to the Desjardins caisse network for the 2015 issue have been recognized as a reduction of share capital.

Income taxes for fiscal 2015 amounted to \$4.3 million, compared with \$7.3 million for the same period in 2014. Revenue type has a significant impact since, unlike interest income, dividends are generally not taxable and capital gains are eligible for deductions and mechanisms allowing for income tax refunds.

LIQUIDITY AND CAPITAL RESOURCES

For fiscal 2015, cash inflows from subscriptions net of redemptions and share issue expense totalled \$62.4 million (cash outflows from redemptions net of subscriptions totalled \$16.6 million in 2014). Operating activities generated net cash outflows of \$82.3 million, compared with net cash inflows of \$48.9 million for the same period in 2014.

Cash acquisitions in Investments impacting the Québec economy amounted to \$168.5 million for fiscal 2015 (\$132.8 million in 2014) while proceeds on disposals totalled \$136.8 million (\$189.4 million in 2014). The Other investments portfolio, which posted net investments of \$63.9 million for fiscal 2015 compared with net investments of \$16.8 million for fiscal 2014.

As at December 31, 2015, cash and cash equivalents totalled \$32.6 million (\$52.5 million as at December 31, 2014).

CRCD has an authorized line of credit of \$10 million. In the event that liquidity needs exceed expectations, this line of credit could be used on a temporary basis to cover CRCD's obligations. This additional flexibility optimizes cash levels held and reduces the risk of having to dispose of assets hastily under potentially less advantageous conditions. The line of credit was not used during fiscal 2015 and fiscal 2014.

Given the management approach for Other investments of matching the average maturity of CRCD's total assets with the average maturity of its expected cash outflows, CRCD does not anticipate any shortfall in liquidities in the short or medium terms and expects to be able to repurchase shares issued at least seven years earlier from those shareholders who make such a request.

CRCD VISION, MISSION, OBJECTIVES AND STRATEGIES

CRCD was founded on July 1, 2001 following adoption of the *Act constituting Capital régional et coopératif Desjardins* by Québec's National Assembly on June 21, 2001, on the initiative of Desjardins Group. DVC manages CRCD's activities.

VISION AND MISSION

CRCD strives to value and nurture the best of Québec entrepreneurship that is part of the collective wealth that is ours to have and to hold. Accordingly, CRCD has defined its vision as follows:

Making our economic future take root, here and now. That's... capital.

With that in mind, CRCD's mission will be to:

Energize our entrepreneurship. Prioritize Québec ownership. Grow our collective wealth and make it last for generations to come. By crossing over our walkways to tomorrow, together we can contribute to the vitality of an entire economy.

OBJECTIVES

To fulfil its mission, CRCD pursues three main objectives:

- Offering financial packages and development strategies tailored to new business needs such as transfers or buyouts to keep jobs and retain business ownership in Québec;
- Growing its partner companies;
- Ensuring integrated management of financial assets to generate reasonable shareholder return.

CRCD expects to meet its investment objectives, in particular by maintaining a presence in all Québec regions via its manager's twenty-some business offices, and by supporting the growing need for business transfers.

CRCD'S STRATEGIES

Carrying out CRCD's mission and vision is driven by the following four strategic goals:

- Strengthen regional economic development;
- Ensure reasonable return on capital;
- Ensure adequate capitalization to meet our business objectives;
- Optimize the impact of our distribution network.

To achieve this, CRCD's manager organizes its teams to optimize efficiency and management fee control. This administrative organization aims to appropriately fulfil our mandate of driving regional and cooperative development and Québec's economic development in general.

As discussed previously, to better manage and keep track of its operations, CRCD now monitors changes in asset allocation and performance by investment profile. Each investment profile includes the assets held by CRCD and similar assets held by the funds in its ecosystem according to their respective interests.

CRCD aims for a balance between its mission to drive regional economic development and reasonable long-term return for the shareholders. Using a global approach to managing its financial assets, CRCD manages its portfolio of Investments impacting the Québec economy jointly with its Other investments portfolio. This allows CRCD to balance its overall investment portfolio and limit volatility in share price due to changing economic conditions over the entire holding period.

To do this, CRCD's strategy for managing financial assets is as follows:

- CRCD takes an integrated and overall approach to managing its financial assets, which means that target asset allocation must include diversification to reduce the risks inherent in certain asset classes within the investment portfolios.
- The objective is to optimize the after tax risk/return ratio of CRCD's financial assets in compliance with its role as an economic development agent, to limit six-month fluctuations in the price of its shares and secure reasonable returns for shareholders.
- A sufficient portion of CRCD's financial assets must be invested in liquid securities to meet any share redemption requests that exceed issues of shares.
- A sufficient portion of CRCD's financial assets must be invested in securities that generate current income to meet its expenses.

Last, CRCD must fulfil its mission within certain guidelines that include investing 60% of its average net assets in eligible Québec companies while 35% of those investments must be in Québec's resource regions or in eligible cooperatives. If these criteria were not met, CRCD could be subject to penalties. As at December 31, 2015 and 2014, no amount was owing under these criteria.

The eligibility criteria were amended as of January 1, 2016. For further information, see Recent Events.

RISK MANAGEMENT

RISK GOVERNANCE

The Board of Directors (the "Board") is made up of 13 members, the majority of whom are independent, and chaired by an independent director. The Board manages CRCD's business and oversees the fulfilment of its mission. To do so, its primary duties are twofold: guiding and overseeing all of CRCD's activities and the risks to which it is exposed.

Its guidance duties consist in particular of ensuring adherence to CRCD's mission and approving broad strategic directions. Its oversight duties involve, among others, ensuring that significant risks are managed by the different committees and monitoring strategic and reputational risks related to investment.

To do this, the Board is supported by eight committees that regularly report to it and make appropriate recommendations. Also, the manager reports on outsourced activities through its executives who attend meetings of the Board and the committees.

Other than specific mandates given to them by the Board from time to time, the main responsibilities of the committees are presented below.

Executive Committee

The Executive Committee is made up of six directors, a majority of whom are independent. The Committee is authorized to exercise all of the Board's powers, except those statutory powers that must be exercised exclusively by the Board and any powers expressly reserved to it.

The Committee's duties contemplate seven main areas: (i) governance and performance measurement, (ii) risk management, (iii) board and committee functions, (iv) subscriptions, (v) investment (credit and counterparty risk), (vi) share ownership (accountability to shareholders and disclosure) and (vii) other functions (operational risks).

More specifically, in addition to having responsibility for the overall risk management process, its duties include monitoring the following special risks: strategic, dependence related to partnership with Desjardins, litigation, reputational (general), non-compliance with laws and regulations, non-compliance in connection with subscriptions and redemptions and outsourcing, excluding Desjardins Global Asset Management (DGAM), securities advisor.

Audit Committee

The Audit Committee consists of four exclusively independent directors who have sufficient financial literacy to discharge their duties and who collectively represent an appropriate range of expertise.

The Committee's general mandate is to assist the Board in its oversight and accountability roles with aspects relating to the quality, reliability and integrity of financial reporting and continuous disclosure. Its role also includes a component related to the work, performance, independence, appointment and compensation of the independent auditor.

More specifically, it oversees operational risks related to accountability to shareholders and public disclosure, transaction processing, internal and external fraud and information system malfunctions.

Financial Asset Management Committee

The Financial Asset Management Committee is currently made up of six directors, a majority of whom are independent, who have a range of complementary expertise and sufficient literacy in finance, accounting and economics to properly understand the nature of the financial assets held by CRCD and the related financial risks.

The Committee's primary mandate is the coordination and matching of CRCD's financial assets to optimize overall risk/return ratio. The Committee monitors CRCD's performance and ensures its compliance with regulatory targets.

It also has oversight duties with respect to the following risks: market (interest rate, currency and stock market), credit and counterparty (Other investments), concentration (geographic and sector), liquidity and outsourcing to DGAM.

Governance and Ethics Committee

The Governance and Ethics Committee is currently made up exclusively of three independent directors who represent a range of complementary expertise and experience in governance, ethics, professional conduct or law.

Its general mandate is to report to the Board concerning all matters pertaining to the application of CRCD's Code of Professional Conduct that the Board has submitted to it and takes an advocacy role with respect to such code towards the Board members, committee members and the manager's resources. With the Board, the Committee oversees compliance with CRCD's mission and values. It updates the governance policy and committee charters, assesses conflict of interest situations and monitors governance regulations and trends.

The Committee also oversees related party transaction risk (associates) and non-compliance risk related to governance and the independence of directors and committee members.

Portfolio Valuation Committee

The Portfolio Valuation Committee is made up of five members, who include two of CRCD's independent directors, one of whom is the chair, and three external members. The majority of the members are qualified independent valuers collectively representing a range of expertise appropriate to their mandate.

The Committee's general mandate is to provide oversight of operational risk related to non-compliance with the portfolio valuation rules. Its role consists in reviewing all relevant information concerning valuation of CRCD's Investments impacting the Québec economy portfolio in order to provide reasonable assurance that the valuation process complies with the regulations applicable to CRCD.

Investment committees

The Subordinated Debt Investment Committee is made up of seven members (two directors of CRCD and five external members), the Equity Investment

Committee is made up of eight members (three directors of CRCD and five external members), and the Innovation Investment Committee is made up of five members (two directors of CRCD and three external members).

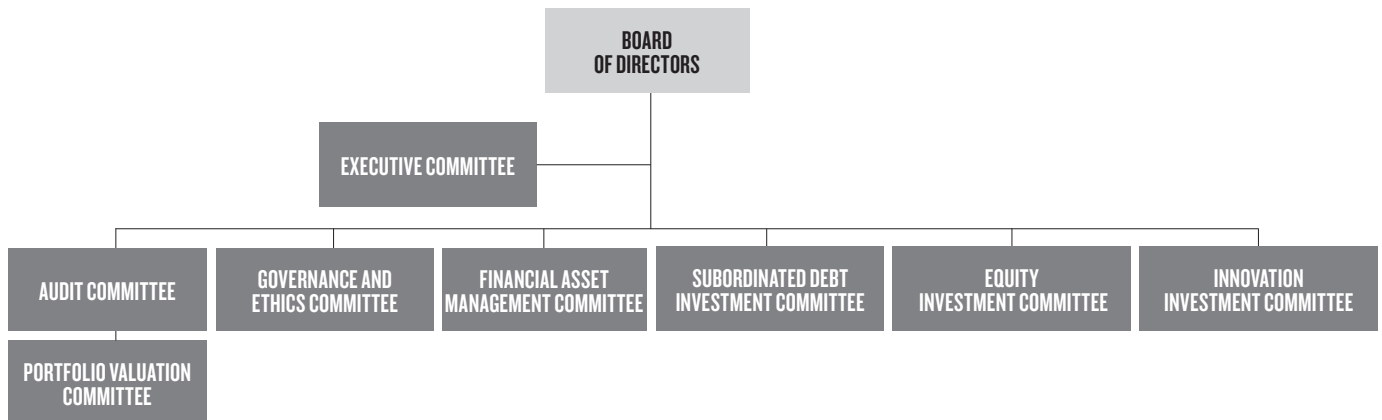
The Chair of each committee must be a director of CRCD and a majority of the members are independent. The members are appointed on the basis of their understanding and their knowledge of the sectors targeted under the various policies governing the investment activities, and for their ability to assess the quality of a transaction and detect any related risks.

The general mandate of these committees is, within the limits of the decision-making process approved by the Board, to authorize or make recommendations on the investment, re-investment or divestment transactions presented by CRCD's manager.

The Subordinated Debt Investment Committee reviews transactions requiring hybrid financing which combines equity and traditional financing. The Equity Investment Committee reviews companies requiring equity or a combination of equity and subordinated debt. The Innovation Investment Committee reviews the files of companies requiring equity or any file requiring a combination of equity and subordinated debt and which promote technological or industrial innovation or advance new uses for existing technologies.

These committees also have an oversight role with respect to the following risks: reputational (investment related), credit and counterparty (Investments impacting the Québec economy), selection and monitoring of directors of companies in which CRCD is a direct or indirect investor, environmental non-compliance, and operational (investment process related).

The governance framework for 2016 is as follows:



ATTENDANCE RECORD AND COMPENSATION

The following table presents the attendance record and compensation of CRCD's directors and external committee members for fiscal 2015.

NAME	BOARD OF DIRECTORS	EXECUTIVE COMMITTEE	AUDIT COMMITTEE	FINANCIAL ASSET MANAGEMENT COMMITTEE	GOVERNANCE AND ETHICS COMMITTEE	PORTFOLIO VALUATION COMMITTEE	SUBORDINATED DEBT INVESTMENT COMMITTEE	EQUITY INVESTMENT COMMITTEE	INNOVATION INVESTMENT COMMITTEE	COMPENSATION
(Number of meetings and welcoming or training sessions)	11	10	6	4	8	3	15	17	7	(\$)
Chantal Bélanger	9/11	6/6	6/6		8/8	2/3				41,450
Ève-Lyne Biron	10/11			1/1	5/6		10/12			31,200
Évangéliste Bourdages	3/3	1/1			2/2					8,325
Joane Demers	8/8		4/4							19,200
Roger Demers	11/11	6/6		2/3				16/17		42,375
Marlène Deveaux	11/11	9/10	5/6				15/15			43,175
Maurice Doyon	11/11	10/10		4/4			2/3		7/7	43,900
André Gabias	11/11				7/8					29,775
André Lachapelle	3/3	3/4		2/2						22,850
Jean-Claude Loranger	11/11			4/4						24,600
Bruno Morin	11/11	10/10		4/4				16/17		60,000
Jacques Plante	11/11	10/10	2/2	3/3		3/3				53,800
Claudine Roy	10/11			4/4						23,400
Xavier Simard	9/11		6/6						6/7	26,100
Louis-Régis Tremblay	8/8							11/11		24,900
Pierre Barnès*								15/17		14,700
Marie-Claude Boulanger*							13/15			11,400
Guy Delisle*							13/15			12,000
Marc-André Dionne*								16/17		14,400
Michel Duchesne*							14/15			12,300
Marie-Claude Gévry*								15/17		15,000
Yves Lavoie*							15/15			12,900
Lynn McDonald*								17/17		16,200
Muriel McGrath*									7/7	8,700
Sébastien Mailhot*						3/3				6,700
Michel Martineau*						3/3				6,700
Marcel Ostiguy*								17/17		15,900
George Rossi*						3/3				6,700
Michel Rouleau*							15/15			13,200
Thom Skinner*									7/7	8,700
Normand Tremblay*									7/7	8,700
Total compensation										679,250

* External committee member

EXPLANATORY NOTES TO TABLE:

Compensation includes retainers and fees paid to directors for attending meetings of the Board of Directors and the committees, welcoming sessions, training sessions and working meetings of the special committees.

Bruno Morin, General Manager, has received a fixed salary of \$60,000 per year since January 1, 2014.

Évangéliste Bourdages served as a Director until March 27, 2015.

André Lachapelle served as Chairman of the Board until March 27, 2015.

Jacques Plante has served as Chairman of the Board since March 27, 2015.

Louis-Régis Tremblay et Joane Demers have served as Directors since March 27, 2015.

Muriel McGrath, Normand Tremblay and Thom Skinner have served as external members of the Innovation Investment Committee since April 9, 2015.

NOTE TO THE READER

The following sections regarding market risks, credit and counterparty risks, concentration risks and liquidity risks have been reviewed by CRCD's independent auditor as part of the audit of the separate financial statements concerning which an independent auditor's report was issued on February 18, 2016.

MARKET RISKS

Market risks pertain to CRCD's role in the capital markets and, indirectly, to general changes in economic conditions. They also pertain to the impact of capital market movements on the value of CRCD's assets. The various risks that make up market risks directly impacting CRCD are listed below.

In accordance with CRCD's global financial asset management approach, the impact of these interest rate and stock market risks and their interrelatedness are taken into account when determining overall asset allocation.

Interest rate risk

Interest rate fluctuations have an impact on the market value of fixed-income securities and real estate funds held in the portfolio for which fair value is determined based on market conditions. Fixed-income securities held in the Other investments portfolio include money market instruments, bonds and preferred shares with a total fair value of \$779.9 million (\$766.5 million as at December 31, 2014). Fixed-income securities held in the Investments impacting the Québec economy portfolio include loans and advances and preferred shares with a fair value of \$291.2 million (\$257.7 million as at December 31, 2014).

Money market instruments with a fair value of \$37.6 million (\$46.4 million as at December 31, 2014) have not been valued based on fluctuations in the interest rates due to their very short term maturity and CRCD's intention to hold them until maturity.

Bonds with a fair value of \$664.5 million (\$648.1 million as at December 31, 2014) are directly affected by fluctuations in the interest rates. A 1% increase in interest rates would have resulted in a decrease of \$33.8 million in net income, a 2.1% decrease in CRCD's share price as at December 31, 2015 (\$24.5 million for 1.6% as at December 31, 2014). Similarly, a 1% decrease in interest rates would have had the opposite effect, resulting in a \$35.9 million increase in net earnings, representing a 2.2% increase in share price (\$25.7 million for 1.7% as at December 31, 2014). Given that CRCD matches the maturities of bonds held in its portfolio with the average maturity of expected cash outflows, the long-term effect of interest rates on results should be limited.

Real estate funds and preferred shares with a fair value of \$13.1 million (\$3.0 million as at December 31, 2014) and \$77.8 million (\$72.1 million as at December 31, 2014), respectively, may also be affected by interest rate fluctuations. However, unlike bonds, there is not necessarily a correlation between interest rate fluctuations and changes in the fair value of these two classes of assets.

The loans and advances and preferred shares held in the Investments impacting the Québec economy portfolio, for which CRCD also holds participating shares in the same business as well as those that have been discounted, with a total fair value of \$114.0 million (\$105.4 million as at December 31, 2014), are not sensitive to fluctuations in interest rates. Conversely, the other loans and advances and preferred shares held in the portfolio with a total fair value of \$177.1 million (\$152.3 million as at December 31, 2014) are sensitive to interest rate fluctuations. However, the interest rate risk related to the other loans and advances and preferred shares held in the portfolio is limited given the amounts in question.

Stock market risk

Stock market trends have a twofold impact on CRCD. In addition to the direct impact on the market values of publicly traded stocks, the valuations of some private portfolio companies may also be affected by changes in stock prices.

As at December 31, 2015, the Investments impacting the Québec economy portfolio included listed equities in the amount of \$0.8 million (\$0.9 million as at December 31, 2014). As a result, stock market fluctuations did not have a significant direct impact on CRCD's net income.

Currency risk

Changes in currency values have an impact on the activities of a number of CRCD's partner companies. The net effect of an appreciation in the Canadian dollar is not necessarily always negative for these companies, nor is a depreciation necessarily positive. However, rapid fluctuations in the Canadian dollar heighten the difficulties faced by these companies.

Currency fluctuations impact the fair value of assets valued initially in a foreign currency and subsequently translated into Canadian dollars at the prevailing rate of exchange. These assets, whose value varies in step with fluctuations in the value of a foreign currency, represent a fair value of \$85.8 million, or 5.2% of net assets as at December 31, 2015, compared with \$78.6 million, or 5.2% of net assets as at December 31, 2014.

CRCD aims to systematically hedge currency risk for assets measured in foreign currency. A \$5 million line of credit has been granted to CRCD for its foreign exchange contract transactions. As at December 31, 2015, CRCD held foreign exchange contracts under which it must deliver US\$62.7 million (US\$70.5 million as at December 31, 2014) at the rate of CAD/USD 1.3927 (CAD/USD 1.1629 as at December 31, 2014) on March 31, 2016.

As at December 31, 2015, CRCD's net exposure to foreign currencies is limited to \$1.0 million (\$3.2 million as at December 31, 2014). Any fluctuation in the Canadian dollar will therefore not have a significant impact on CRCD's results.

CREDIT AND COUNTERPARTY RISKS

In pursuing its Investments impacting the Québec economy mission, CRCD is exposed to credit and counterparty risks related to potential financial losses if a partner company fails to fulfill its commitments or experiences a deterioration of its financial position. By diversifying its investments by investment profile, and by limiting the potential risk of each partner company, CRCD has limited portfolio volatility due to the possibility of negative events.

CRCD does not generally require guarantees to limit credit risk on its loans. Requiring guarantees would contravene the eligibility rules for Investments impacting the Québec economy.

The maximum credit risk is the carrying amount of the financial instruments at the end of the reporting period, in addition to funds committed but not disbursed.

Investments impacting the Québec economy, except those carried out through funds, are first ranked by risk from 1 to 9 based on the criteria defined by Moody's RiskAnalyst tool. Companies with a ranking of 7 and above are reviewed on a monthly basis to spread them across ranks 7 to 12.

Investments impacting the Québec economy made as funds are presented in the Low to acceptable risk category due to the structure of this type of product, and because they generally involve no leverage.

The table below shows an overall improvement in the Investments impacting the Québec economy portfolio. Ranked by risk, the percentage breakdown is as follows (fair value amounts):

Rank	AS AT DECEMBER 31, 2015		AS AT DECEMBER 31, 2014	
	(in thousands of \$)	(as a %)	(in thousands of \$)	(as a %)
1 to 6.5 Low to acceptable risk	798,758	97.7	671,168	94.4
7 to 9 At risk	9,081	1.1	17,265	2.4
10 to 12 High risk and insolvent	9,360	1.2	22,490	3.2

Furthermore, CRCD is exposed to credit risk on financial instruments not recognized in assets, which are funds committed but not disbursed in connection with the Investments impacting the Québec economy portfolio. The table below shows the breakdown, ranked by risk, of funds committed but not disbursed as at the reporting date:

Rank	AS AT DECEMBER 31, 2015		AS AT DECEMBER 31, 2014	
	(in thousands of \$)	(as a %)	(in thousands of \$)	(as a %)
1 to 6.5 Low to acceptable risk	171,082	100.0	193,764	100.0

For the bond portfolio, which represents 83.7% of the fair value of the Other investments portfolio, credit risk is managed by diversification across numerous issuers with credit ratings as follows:

Rank	AS AT DECEMBER 31, 2015		AS AT DECEMBER 31, 2014	
	(in thousands of \$)	(in thousands of \$)	(in thousands of \$)	(in thousands of \$)
AAA	336,401		301,901	
AA	122,857		100,851	
A	137,323		190,205	
BBB	64,781		51,878	
BB	3,181		3,238	

Credit risk ratings are established by recognized credit agencies.

Consistent with the global financial asset management policy, preferred shares and money market instruments have a minimum credit rating of Pfd-2 (low), and A-2 or R-1 (low), respectively. Such high credit ratings limit the credit risk associated with these financial instruments.

Counterparty risk is limited to the immediate short term and is associated with CRCD's counterparty when entering into cash transactions.

Counterparty risk is low for foreign exchange contracts given the amounts in question and that the contract counterparty is Caisse centrale Desjardins.

CONCENTRATION RISKS

Concentration risks arise from the possibility that a significant portion of the Investments impacting the Québec economy portfolio or the Other investments portfolio might become concentrated in a single entity, region or financial product, which could render CRCD vulnerable to any financial difficulties experienced by such entity, region or financial product.

Risk of concentration in an entity

Pursuant to its constituting act, policies and internal guidelines, the amount that CRCD may invest in any one entity or in a group of associates is limited to a percentage of its assets for both the Investments impacting the Québec economy and Other investments portfolios.

The concentration of the five largest Investments impacting the Québec economy and the five largest Other investments is as follows (percentages are based on fair asset value and funds committed but not disbursed):

	AS AT DECEMBER 31, 2015		AS AT DECEMBER 31, 2014	
	% of portfolio	% of net assets	% of portfolio	% of net assets
Investments impacting the Québec economy	38.0	22.9	37.4	22.5
Other investments*	44.0	22.0	41.2	22.1

* Government issuers accounted for 90% (100% as at December 31, 2014) of the Other investments portfolio's five largest issuers or counterparties.

Risk of concentration by region

In keeping with its mission of Québec economic development, the Investments impacting the Québec economy portfolio chiefly comprises businesses whose employees are, in the majority, residents of Québec. Furthermore, at least 35% of its investments must be made in companies located in the resource regions or in cooperatives. Portfolio performance therefore depends heavily on economic conditions in Québec and the resource regions. As at December 31, 2015, the Investments impacting the Québec economy profile represented 50.0% of net assets (47.3% as at December 31, 2014).

CRCD has adopted a global financial asset management and investment guidelines policy to govern the Other investments portfolio activities which currently limits the option of holding foreign securities. As at December 31, 2015, the Other investments portfolio was made up 100% of Canadian securities (100% as at December 31, 2014). Other investments portfolio performance therefore depends heavily on economic conditions in Canada. As at December 31, 2015, the Other investments profile represented 49.0% of net assets (51.8% as at December 31, 2014).

Risk of concentration in a financial product

The global financial asset management policy favours global integrated management of the Investments impacting the Québec economy and Other investments portfolios. The policy establishes limits by asset class and these limits are applied by the manager. As at December 31, 2015, bond securities represented 40.5% of net assets (43.1% as at December 31, 2014). The high percentage of holdings in this asset class aims to strike an overall balance for the portfolio between risk and return as well as meet CRCD's cash requirements.

The portfolio summary presented at the end of this MD&A also provides relevant information for assessing concentration risk.

LIQUIDITY RISKS

CRCD must maintain sufficient liquid assets to fund share redemptions and committed Investments impacting the Québec economy. If it failed to do so, CRCD would be dependent on the markets and could be forced to carry out transactions under unfavourable conditions. With liquid investments which over the long term should represent nearly 30% of assets under management and using a management approach which ensures that the average maturity of bonds is close to the average maturity of expected outflows, CRCD can

confirm that liquidity risks are adequately covered. Furthermore, credit facilities have been put in place to provide greater cash management flexibility. The credit facilities were not used during fiscal 2015 and fiscal 2014.

RECENT EVENTS

Investments - eligibility

At the end of each fiscal year, the portion of CRCD's investments in eligible entities and other eligible investments which do not entail any security or hypothec and are made as first purchaser, must represent on average at least 60% of the average adjusted net assets of CRCD for the preceding year. Furthermore, a portion representing at least 35% of that percentage must be invested in entities situated in resource regions of Québec or in eligible cooperatives.

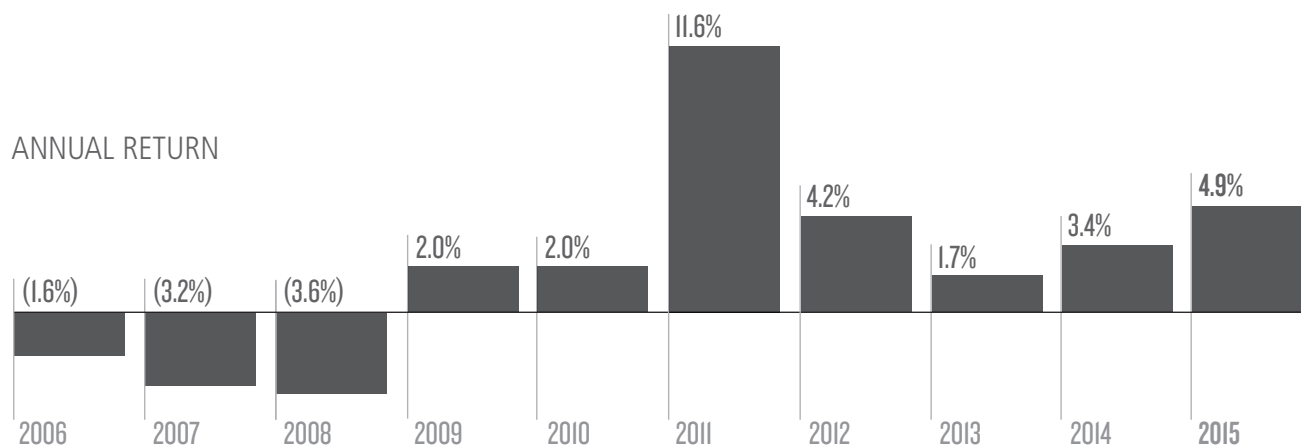
Pursuant to the provincial budget of March 2015, beginning in 2016, penalties will no longer be payable if these targets are not met. They will be replaced by a reduction of the authorized issue of capital for the capitalization period following the end of the fiscal year. The budget also stipulated an annual 1% increase in the current target of 60% for each of the next five years to reach 65% in 2020. The target for entities located in Québec's resource regions and in eligible cooperatives must remain at 35% of that percentage as it rises from 60% to 65% by 2020.

PAST PERFORMANCE

This section presents the CRCD's historical returns. These returns do not include the \$50 administration fee paid by shareholders or the tax credit they enjoy as a result of their investment. Past performance is not necessarily indicative of future returns.

ANNUAL RETURNS

The following chart shows CRCD's annual returns and illustrates the change in returns from one period to the next for the past ten fiscal years. Annual return is calculated by dividing earnings (loss) per share for the period by the share price at the beginning of the period.



COMPOUNDED RETURN OF THE COMMON SHARE AS AT DECEMBER 31, 2015

The compounded return is calculated based on the annualized change in the price of the share over each of the periods shown.

10 YEARS	7 YEARS	5 YEARS	3 YEARS	1 YEAR
2.0%	4.1%	4.9%	3.2%	4.6%

PORTFOLIO SUMMARY

CORE INVESTMENT PROFILES

As at December 31, 2015, assets in CRCD's Investments impacting the Québec economy and Other investments portfolios were allocated on a fair value basis as follows:

INVESTMENT PROFILE	% OF NET ASSETS
Investments impacting the Québec economy*	
Debt	16.7
Equity	26.6
External funds	3.9
Venture capital	1.5
Other asset items held by ecosystem funds	1.3
Total – Investments impacting the Québec economy	50.0
Other investments	
Cash and money market instruments	3.0
Bonds	40.5
Preferred shares	4.7
Real estate funds	0.8
Total – Other investments	49.0

* Including foreign exchange contracts

MAIN INVESTMENTS HELD

As at December 31, 2015, on a fair value basis, the issuers of the 25 main investments held by CRCD were as follows:

Issuer	% OF NET ASSETS
Investments impacting the Québec economy – 15 issuers*	34.5
Canada Housing Trust	7.4
Toronto – Dominion Bank NHA (CMHC guaranteed)	5.5
Hydro-Québec	3.6
Merrill Lynch Canada, Inc. NHA	3.2
Royal Bank of Canada	2.2
The Toronto-Dominion Bank	2.0
Scotiabank	1.8
Province of Ontario	1.4
Province of Alberta	1.3
Government of Canada	1.2

* The 15 issuers who collectively represent 34.5% of CRCD's net assets are:

- A. & D. Prévost inc.
- ACCEO Solutions inc.
- Agropur Coopérative
- Atis Group Inc.
- Avjet Holding inc.
- Camso inc.
- Capital croissance PME s.e.c.
- Capital croissance PME II s.e.c.
- Congebec Logistic Inc.
- Desjardins – Innovatech S.E.C.
- Exo-s Inc.
- Fonds d'investissement MSBI, s.e.c.
- Fournier Industries Inc.
- La Coop fédérée
- TELECON Group

This summary of CRCD's portfolio may change at any time due to transactions carried out by CRCD.

February 18, 2016

February 18, 2016

MANAGEMENT'S REPORT

CRCD's separate financial statements together with the financial information contained in this annual report are the responsibility of the Board of Directors, which delegates the preparation thereof to management.

In discharging its responsibility for the integrity and fairness of the financial statements, management has ensured that the manager maintains an internal control system to provide reasonable assurance that the financial information is reliable, that it provides an adequate basis for the preparation of the financial statements and that the assets are properly accounted for and safeguarded.

Furthermore, CRCD's General Manager and Chief Financial Officer have certified that the method used to determine the fair value of each of the Investments impacting the Québec economy complies with the requirements of the Autorité des marchés financiers and have confirmed the reasonableness of the aggregate fair value of the portfolio of Investments impacting the Québec economy.

The Board of Directors fulfils its responsibility for the financial statements principally through its Audit Committee. The Committee meets with the independent auditor appointed by the shareholders with and without management present to review the financial statements, discuss the audit and other related matters and make appropriate recommendations to the Board of Directors. The Committee also analyzes the management discussion and analysis to ensure that the information therein is consistent with the financial statements.

The financial statements present the financial information available as at February 18, 2016. These statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board and audited by PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l.

The Board of Directors has approved the financial statements, together with the information in the management discussion and analysis. The financial information presented elsewhere in this report is consistent with CRCD's financial statements.

(signed) Yves Calloc'h, CPA, CA

Chief Financial Officer

Capital régional et coopératif Desjardins

Separate Financial Statements
December 31, 2015 and 2014
(in thousands of Canadian dollars)



February 18, 2016

Independent Auditor's Report

To the Shareholders of Capital régional et coopératif Desjardins

We have audited the accompanying separate financial statements of Capital régional et coopératif Desjardins (the financial statements), which comprise the balance sheets as at December 31, 2015 and December 31, 2014 and the statements of comprehensive income, changes of net assets and cash flows for the year ended December 31, 2015 and 2014, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

*PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l.
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We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Capital régional et coopératif Desjardins as at December 31, 2015 and December 31, 2014, its financial performance and its cash flows for the year ended December 31, 2015 and 2014 in accordance with International Financial Reporting Standards.

(signed) PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. ¹

¹ CPA auditor, CA, public accountancy permit N°. A111799

Capital régional et coopératif Desjardins

Separate Balance Sheets

As at December 31, 2015 and 2014

(in thousand of Canadian dollars, except number of common shares and net asset value per common share)

	Note	2015 \$	2014 \$
Assets			
Investments impacting the Québec economy	7	817,199	710,923
Other investments	8	793,604	769,545
Income taxes	18	13,737	17,399
Accounts receivable	10	36,145	30,232
Cash	11	12,244	9,174
		<u>1,672,929</u>	<u>1,537,273</u>
Liabilities			
Notes payable and financial liabilities	12	26,309	22,148
Accounts payable	13	4,544	8,746
Income taxes	18	-	3,917
		<u>30,853</u>	<u>34,811</u>
Net assets	15	<u>1,642,076</u>	<u>1,502,462</u>
Number of common shares outstanding		<u>130,182,509</u>	<u>124,664,633</u>
Net asset value per common share		12.61	12.05

Approved by the Board of Directors of Capital régional et coopératif Desjardins

(signed) Jacques Plante, CPA, CA Director

(signed) Chantal Bélanger, FCPA, FCGA Director

The accompanying notes are an integral part of these separate financial statements.

Capital régional et coopératif Desjardins

Separate Statements of Comprehensive Income

For the years ended December 31, 2015 and 2014

(in thousand of Canadian dollars, except weighted average number of common shares and net earnings per common share)

	Note	2015 \$	2014 \$
Revenue			
Interest	7	30,284	35,509
Dividends		14,167	8,455
Administrative charges		818	458
		<u>45,269</u>	<u>44,422</u>
Gains (losses) on investments			
Realized		37,242	63,942
Unrealized		26,793	(21,058)
		<u>64,035</u>	<u>42,884</u>
Total revenue and gains (losses) on investments		<u>109,304</u>	<u>87,306</u>
Expenses			
Management fees		25,431	24,623
Other operating expenses	17	2,690	4,008
Shareholder services	17	2,099	2,155
		<u>30,220</u>	<u>30,786</u>
Earnings before income taxes		<u>79,084</u>	<u>56,520</u>
Income taxes	18	4,278	7,275
Net earnings for the year		<u>74,806</u>	<u>49,245</u>
Weighted average number of common shares		<u>127,500,449</u>	<u>123,772,429</u>
Net earnings per common share		<u>0.59</u>	<u>0.40</u>

The accompanying notes are an integral part of these separate financial statements.

Capital régional et coopératif Desjardins

Separate Statements of Changes in Net Assets

For the years ended December 31, 2015 and 2014

(in thousands of Canadian dollars)

	Share capital (note 15)		Retained earnings \$	Net assets \$
	Number	\$		
Balance – December 31, 2014	124,664,633	1,278,650	223,812	1,502,462
Net earnings for the year	-	-	74,806	74,806
Share capital transactions*				
Issuance of common shares	12,425,691	149,882	-	149,882
Share issue expenses, net of \$1,162 in taxes	-	(1,750)	-	(1,750)
Redemption of common shares	(6,907,815)	(69,093)	(14,231)	(83,324)
Balance – December 31, 2015	130,182,509	1,357,689	284,387	1,642,076
Balance – December 31, 2013	126,164,932	1,285,213	185,363	1,470,576
Net earnings for the year	-	-	49,245	49,245
Share capital transactions*				
Issuance of common shares	5,277,360	62,906	-	62,906
Share issue expenses, net of \$507 in taxes	-	(764)	-	(764)
Redemption of common shares	(6,777,659)	(68,705)	(10,796)	(79,501)
Balance – December 31, 2014	124,664,633	1,278,650	223,812	1,502,462

* This data does not include the redemption requests made within 30 days of subscription.

The accompanying notes are an integral part of these separate financial statements.

Capital régional et coopératif Desjardins

Separate Statements of Cash Flows

For the years ended December 31, 2015 and 2014

(in thousands of Canadian dollars)

	Note	2015 \$	2014 \$
Cash flows from (used in) operating activities			
Net earnings for the year		74,806	49,245
Non-cash items:			
Losses (gains) on investments		(64,035)	(42,884)
Amortization of premiums and discounts on other investments		2,002	2,587
Deferred taxes		(924)	1,903
Capitalized interest and other non-cash items		(1,440)	(2,394)
Changes in operating assets and liabilities:			
Income taxes recoverable		5,167	(1,724)
Accounts receivable		799	(1,231)
Income taxes payable		(3,336)	3,336
Accounts payable		308	223
Acquisitions of investments impacting the Québec economy		(168,525)	(132,790)
Proceeds from disposals of investments impacting the Québec economy		136,776	189,400
Acquisitions of other investments		(1,071,912)	(751,149)
Proceeds on disposal of other investments		1,007,986	734,337
		<u>(82,328)</u>	<u>48,859</u>
Cash flows from (used in) financing activities			
Issuance of common shares		145,699	62,906
Redemption of common shares		(83,324)	(79,501)
		<u>62,375</u>	<u>(16,595)</u>
Net change in cash and cash equivalents during the year		(19,953)	32,264
Cash and cash equivalents – beginning of the year		<u>52,548</u>	<u>20,284</u>
Cash and cash equivalents – end of the year		<u>32,595</u>	<u>52,548</u>
Supplemental information about cash flows from operating activities			
Interest received		30,771	35,283
Dividend received		14,020	8,467
Income taxes paid		3,371	3,760

The accompanying notes are an integral part of these separate financial statements.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

1 Governing statute, administration and investments

Governing statute

Capital régional et coopératif Desjardins (“CRCD”) is constituted by an Act of the National Assembly of Québec (C.Q.L.R. chapter C-6.1) (the “Act”) and is deemed to have been constituted by the filing of articles on July 1, 2001. CRCD began its activities on November 5, 2001 and is a legal person with share capital. CRCD has business offices at 2 Complexe Desjardins, East Tower, Suite 1717, Montréal, Québec, Canada, and its head office is located at 100 Rue des Commandeurs, Lévis, Québec, Canada.

Administration

The affairs of CRCD are administered by a Board of Directors consisting of 13 members:

- Eight persons appointed by the Chair of the Board, President and CEO of Desjardins Group;
- Two persons elected by the General Meeting of Shareholders;
- Two persons appointed by the aforementioned 10 members from among the persons considered by those members to be representative of the eligible entities described in the Act;
- The Chief Executive Officer of CRCD.

Investments

CRCD may make investments with or without a guarantee or security, mainly in eligible entities. Eligible entities include eligible cooperatives and partnerships or a legal person actively operating an enterprise, the majority of whose employees are resident in Québec and whose assets are less than \$100 million or whose net equity is less than or equal to \$50 million.

CRCD may invest up to 5% of its assets (as established on the basis of the latest valuation by the chartered professional accountants) in the same eligible company or cooperative, and the investment is generally planned for a period of five to eight years. The percentage may be increased up to 10% to enable CRCD to acquire securities in an entity carrying on business in Québec but that is not an eligible entity. In such a case, CRCD may not, directly or indirectly, acquire or hold shares carrying more than 30% of the voting rights that may be exercised under any circumstances.

Pursuant to the Act, other investments may qualify, such as investments in certain investment funds, provided the required specific conditions set out in the Act have been met.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

At the end of each fiscal year, the portion of CRCD's investments in eligible entities, as well as other eligible investments which do not entail any security or hypothec and are made as first purchaser, must represent on average at least 60% of the adjusted average net assets of CRCD for the preceding year. Furthermore, a portion representing at least 35% of that percentage must be invested in entities situated in the resource regions of Québec or in eligible cooperatives. Failure to comply with those rules can expose CRCD to penalties. As at December 31, 2015 and 2014, no amount was payable under those rules. Pursuant to the provincial budget in March 2015, beginning in 2016, changes will be made to the eligibility rules as discussed on page 17 of the Management Discussion and Analysis.

Investments made by CRCD otherwise than as first purchaser for the acquisition of securities issued by an eligible entity can also be taken into account in the calculations for determining eligible investments. For investments made prior to November 10, 2007, those investments should not represent more than one third of the total investments made by CRCD as first purchaser in this entity. For investments made on or after November 10, 2007, this restriction is lifted, but CRCD may not make investments otherwise than as first purchaser totalling more than 20% of its net assets as at the preceding year-end for those investments to be eligible.

2 Basis of presentation

Statement of compliance

CRCD has prepared its separate financial statements (the "financial statements") in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"). These financial statements were approved by the Board of Directors on February 18, 2016.

Basis of measurement

These financial statements have been prepared on a fair value basis, except with respect to the financial instruments classified as loans and receivables and other financial liabilities, as well as taxes, which are measured at amortized cost and at cost.

Investment entity

CRCD has several shareholders that are not related parties and holds a number of investments directly or indirectly in underlying funds. Ownership interests in CRCD are in the form of redeemable shares, subject to certain conditions, which are reported in net assets, in accordance with the puttable instrument exemption under IAS 32, *Financial Instruments: Presentation*.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

CRCD has concluded that it constitutes an investment entity within the meaning of IFRS 10, *Consolidated Financial Statements*, as it obtains funds from multiple shareholders, commits to its shareholders to invest funds for returns from capital appreciation, and measures and evaluates the performance of its investments on a fair value basis. Accordingly, investments in subsidiaries and associates reported in investments impacting the Québec economy are measured at fair value.

3 Significant accounting policies

The significant accounting policies used in preparing these financial statements are set out below.

Financial instruments

CRCD accounts for its financial instruments at fair value on initial recognition. Purchases and sales of financial assets are recognized at the trade date. Financial assets and liabilities are classified into various categories based on their characteristics and CRCD's intention upon their acquisition and issuance. Investments impacting the Québec economy, other investments, amounts receivable on disposal of investments impacting the Québec economy and notes payable and financial liabilities are designated at fair value through profit or loss. Those financial instruments are part of a portfolio managed in accordance with a documented investment management strategy and whose performance is evaluated on a fair value basis. In addition, information about the portfolio is provided internally on that basis to CRCD's key management personnel.

Cash and other accounts receivable are classified in loans and receivables, and accounts payable, in other financial liabilities. Those financial instruments are recognized at amortized cost, which approximates their fair value.

Financial liabilities are derecognized when the liability is extinguished, that is when the obligation specified in the contract is discharged or cancelled, or expires.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value of assets and liabilities traded in a market

The fair value of assets and liabilities traded in a market considered as active is based on the quoted price within the bid-ask spread that is most representative of fair value in the circumstances. In certain cases, if the market is not considered an active market, the most recent quoted price between the bid-ask spread may be adjusted to adequately reflect fair value.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Fair value of assets and liabilities not traded in a market

When assets and liabilities are not market traded, fair value is determined using valuation techniques chosen based on set criteria and prevailing market conditions at each reporting date. The principal financial instruments not traded in a market are included in investments impacting the Québec economy. The techniques used are based on valuation principles including guidelines generally used in the industry by business valuation professionals. Those valuation principles have been approved by CRCDD's Board of Directors. The valuation method for a financial instrument is generally consistent from period to period, except where a change will result in more accurate estimates of fair value. Given the evolving environment specific to each entity underlying the financial instruments, changes to valuation techniques occur in each reporting period.

Loans and advances, non-participating shares

The fair value of loans and advances and non-participating shares is determined by discounting CRCDD's expected contractual cash flows using a discount rate reflecting the return it would demand in light of entity-specific credit risk.

Participating shares

The main technique used to determine the fair value of participating shares is the capitalization of cash flows. Two key variables used in that technique are representative cash flow and the capitalization rate. To determine representative cash flow, recurring cash flows are estimated using the entity's historical results and/or financial forecasts. A risk weight is subsequently applied to each of the cash flows thus determined to reflect its probability of occurrence. The rate used to capitalize the representative cash flow thus obtained reflects the way in which the entity could fund its operations and the risks associated with the occurrence of that representative cash flow.

Where the price of a recent arm's length market transaction between knowledgeable, willing parties is available, this valuation technique is used. It may also be appropriate to use a technique based on a third party purchase offer when deemed bona fide and credible. The use of judgment is required in determining whether the fair value of the recent transaction or purchase offer is the best evidence of fair value at the measurement date. The period during which it is deemed appropriate to refer to a past transaction or purchase offer depends on the circumstances specific to each investment.

Another valuation technique used is adjusted net assets, which consists in remeasuring all assets and liabilities on the balance sheet of the entity or fund at their fair value at the measurement date. The key adjustments made are related to the fair value of assets and liabilities, newly available information and significant events that occurred between the balance sheet date of the entity or the fund and the measurement date.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Guarantee

When it is probable that CRCDD is required to make a payment under guarantee it has provided, the liability to be recognized is estimated using an asset-based approach and a liquidation value method.

Notes payable and financial liabilities

Notes payable and financial liabilities are related to acquisitions of certain investments impacting the Québec economy and are recognized at fair value, which represents the amount payable by CRCDD under the notes and financial liabilities' underlying contractual agreements at the reporting date.

Obligations related to securities sold short

Securities sold short as part of trading activities, which represent CRCDD's obligation to deliver securities which were not owned at the time of sale, are recorded as liabilities and measured at fair value using the quoted price within the bid-ask spread that is most representative of fair value in the circumstances at the reporting date. Realized and unrealized gains and losses thereon are recorded in profit or loss under "Interest". Due to regulatory changes, CRCDD's manager decided to discontinue as of December 22, 2014 the use of securities sold short.

Securities purchased under reverse repurchase agreements and securities sold under repurchase agreements

CRCDD enters into short-term purchases and sales of securities with simultaneous commitments to sell and buy back those securities at a specified price and on a specified date. Those reverse repurchase agreements and repurchase agreements are accounted for as collateralized lending and borrowing transactions, and are recorded on the Balance Sheets at the selling or repurchase price specified under the agreement. The difference between the purchase price and specified selling price and the difference between the selling price and the specified repurchase price are recorded using the accrual method in "Interest". Due to regulatory changes, CRCDD's manager decided to discontinue as of December 22, 2014 the use of securities purchased under reverse repurchase agreements and securities sold under repurchase agreements.

Amounts receivable on disposal of investments impacting the Québec economy

The fair value of amounts receivable on disposal of investments impacting the Québec economy is determined by discounting contractual cash flows and considers the debtor's credit risk in particular. Typically, estimating the amounts receivable and the timing of their collection depends on whether specified future events occur or conditions are met.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Cash and cash equivalents

Cash and cash equivalents consist of cash and money market instruments with purchased maturities of less than 90 days.

Share capital

The shares of CRCD are redeemable at the holder's option subject to certain conditions and therefore constitute financial liabilities. However, they are reported in net assets, as they have all of the following features:

- They entitle the shareholder to a pro rata share of CRCD's net assets in the event of CRCD's liquidation;
- They are in the class of instruments that is subordinate to all other classes of instruments of CRCD;
- They have identical features to all other instruments in that class;
- Apart from the contractual obligation for CRCD to repurchase or redeem the instrument for cash or another financial asset, they do not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to CRCD, and it is not a contract that will or may be settled in CRCD's shares;
- The total expected cash flows attributable to the shares over their life are based substantially on net earnings, the change in recognized net assets or the change in fair value of the recognized and unrecognized net assets of CRCD over the life of the shares (excluding any effects of the shares).

Share issuance costs, net of taxes, are reported in the Statements of Changes in Net Assets.

Revenue recognition

Interest and dividends

For investments impacting the Québec economy, interest is recognized at the contractual rate, as collection is reasonably assured. For other investments, interest is recognized using the effective interest method. Amortization of premiums and discounts, calculated using the effective interest method, is recognized in profit or loss under "Interest."

Dividends are recognized as at the holder-of-record date and when they are declared or received by the issuing companies.

Administrative charges

Administrative charges are recognized at the time of a shareholder's initial subscription and on the closure of that account by the shareholder.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Gains and losses

Realized gains and losses on investments are recognized at the time of sale and represent the difference between sales proceeds and cost. Variations in the fair value of amounts receivable on disposal of investments are considered adjustments to sales proceeds and are therefore recorded as realized gains and losses. Realized gains and losses on a note payable or financial liability are recognized when paid and represent the difference between the amount CRCD paid to settle the note or financial liability and its initial value. The realized gains and losses do not take into account the unrealized gains and losses recognized in previous years, which are reversed and reported in unrealized gains and losses for the current year.

Functional currency and foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars, CRCD's functional currency, at the exchange rate prevailing at the end of the reporting period. Revenues and expenses are translated at the exchange rate prevailing on the transaction date. Realized and unrealized gains and losses on investments arising from those translations are accounted for in the Statements of Comprehensive Income under "Gains (losses) on investments". For other monetary assets and liabilities denominated in foreign currencies, changes related to foreign currency translation are reported under "Other operating expenses" in the Statements of Comprehensive Income. CRCD uses foreign exchange contracts that aim to systematically hedge currency risk for assets valued in foreign currency. CRCD has decided not to apply hedge accounting.

Taxes

The income tax expense comprises current taxes and deferred taxes. Income taxes are recognized in the Statements of Comprehensive Income, unless they relate to items that were recognized outside earnings directly in the Statements of Changes in Net Assets. In such cases, income taxes are also recognized outside profit or loss directly in net assets.

Current tax is the tax payable on the taxable income for the reporting period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except for deferred tax on unrealized gains, discussed in the following paragraph. Deferred tax is calculated on an undiscounted basis using enacted or substantively enacted tax rates and legislation at the end of the reporting period that are expected to apply in the period in which the deferred tax asset will be realized and the deferred tax liability will be settled. Deferred tax assets are generally recognized only to the extent that it is probable that future taxable income will be available against which temporary differences can be utilized.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

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(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

CRCD is subject to federal and Québec income taxes. It is also subject to the tax rules applicable to mutual fund corporations. For federal tax purposes, CRCD may, in particular, obtain a refund of its tax paid on capital gains through the redemption of its shares. CRCD considers it is, in substance, exempt from federal income tax related to capital gains (losses) for the purposes of applying IFRS and, accordingly, does not recognize any deferred taxes relating to unrealized gains (losses) on investments or deferred taxes related to unrealized recoveries resulting from tax mechanisms related to refundable capital gains tax on hand. For Québec tax purposes, realized capital gains (losses) are not taxable (deductible).

Net earnings per common share

Net earnings per common share are computed by dividing net earnings by the weighted average number of common shares outstanding during the period.

4 Significant judgments, estimates and assumptions

The preparation of financial statements in accordance with IFRS requires CRCD to make judgments, estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenue and expenses and the related disclosures. Changes in assumptions can have a material effect on the financial statements for the period in which those assumptions were changed. CRCD considers the assumptions used to be appropriate and accordingly that its financial statements present fairly its financial position and its results.

The significant accounting policy that required CRCD to make subjective or complex judgments, often about matters that are inherently uncertain, pertains to the fair value measurement of assets and liabilities not traded in an active market.

A significant judgment is made in the assumptions used in the valuation techniques. While those techniques make as much use as possible of observable inputs, fair value is also determined based on internal inputs and estimates (unobservable inputs) that take into account the features specific to the financial instrument and any relevant measurement factor. The use of unobservable inputs requires CRCD to exercise judgment to ensure that those inputs reflect the assumptions that market participants would use to determine fair value based on the best information available in the circumstances. CRCD considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Fair value reflects market conditions on a given date and, for that reason, may not be representative of future fair values.

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In accordance with the requirements contained in the *Regulation respecting Development Capital Investment Fund Continuous Disclosure* issued by the Autorité des marchés financiers, CRCD has implemented various controls and procedures to ensure that financial instruments are appropriately and reliably measured. The valuations have been prepared by a team of qualified valuers relying on a structured process composed of several validation and review stages. The Portfolio Valuation Committee, whose members consist mainly of independent qualified valuers, monitors operational risk related to non-compliance with the portfolio valuation methodology and reports to the Board of Directors semi-annually. More specifically, its role consists in performing semi-annual reviews of all relevant information regarding the valuations of CRCD's portfolio of investments impacting the Québec economy to provide reasonable assurance that the valuation process meets regulatory requirements.

5 Accounting standards issued but not yet adopted

The accounting standards to be applied by CRCD that have been issued by the IASB but were not yet effective on December 31, 2015 are discussed below.

IFRS 15, *Revenue from Contracts with Customers*

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers*, which establishes a single comprehensive accounting model for all contracts with customers except for contracts within the scope of other standards, such as insurance contracts and financial instruments. IFRS 15 supersedes the two main revenue recognition standards, IAS 18, *Revenues*, and IAS 11, *Construction Contracts*, as well as the related interpretations. The core principle of this new standard is that revenue recognition should depict the transfer of goods or services in an amount that reflects the value of the consideration received or expected to be received in exchange for those goods or services. The new standard also provides more guidance on certain types of transactions and will result in enhanced revenue disclosures.

In September 2015, the IASB issued an amendment to IFRS 15 to defer its effective date to January 1, 2018. CRCD is currently assessing the impact of adopting IFRS 15, which will be effective for annual periods beginning on or after January 1, 2018.

IFRS 9, *Financial Instruments*

In July 2014, the IASB issued the complete and final version of IFRS 9, *Financial Instruments*, which will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 covers requirements related to the classification and measurement of financial assets and liabilities, impairment of financial assets, and general hedge accounting requirements.

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IFRS 9 establishes a new classification and measurement model for financial assets to determine whether a financial asset must be classified as measured at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the characteristics of the contractual cash flows of the financial asset and on the business model under which it is held. For the classification and measurement of financial liabilities, the new standard essentially follows the current requirements under IAS 39.

The standard also introduces a single impairment model for financial assets that requires recognizing expected credit losses instead of incurred losses, which is the requirement under the current impairment model. The model provides for recognition of 12-month expected credit losses from the date of the initial recognition of the financial asset and to recognize lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition.

Lastly, IFRS 9 includes a new hedge accounting model to align hedge accounting more closely with risk management activities. However, IFRS 9 allows the existing hedge accounting requirements under IAS 39 to continue in place of the hedge accounting requirements under IFRS 9.

The effective date of IFRS 9 is set for annual periods beginning on or after January 1, 2018. CRCD is currently assessing the impact of adopting this standard.

6 Risks associated with financial instruments

The risks associated with financial instruments that affect CRCD's financial position are discussed in detail in the audited sections "Market Risks," "Credit and Counterparty Risk," "Concentration Risk" and "Liquidity Risk" on pages 15 to 17 of CRCD's Management's Discussion and Analysis and are an integral part of these audited financial statements.

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7 Investments impacting the Québec economy

The Audited Schedule of Cost of Investments Impacting the Québec Economy is available on written request to CRCDC's head office or on our website at capitalregional.com and on SEDAR at www.sedar.com. The Schedule does not form an integral part of the financial statements.

	2015		
	Cost	Unrealized	Fair
	\$	gain (loss)	value
		\$	\$
Unsecured			
Common shares	269,092	21,041	290,133
Preferred shares	169,966	10,888	180,854
Fund units	188,195	47,715	235,910
Loans and advances	104,455	(416)	104,039
Secured			
Loans and advances	6,888	(625)	6,263
	738,596	78,603	817,199
			2014
	Cost	Unrealized	Fair
	\$	gain (loss)	value
		\$	\$
Unsecured			
Common shares	227,529	26,302	253,831
Preferred shares	137,712	3,818	141,530
Fund units	188,864	10,548	199,412
Loans and advances	116,999	(4,502)	112,497
Secured			
Loans and advances	4,251	(598)	3,653
	675,355	35,568	710,923

Investments impacting the Québec economy include investments measured in U.S. dollars with a fair value of \$58.4 million (\$58.2 million as at December 31, 2014).

Agreements related to investments impacting the Québec economy may include clauses providing conversion and redemption options.

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Loans and advances bear interest at a weighted average rate of 11.1% (10.9% as at December 31, 2014). The interest rate is fixed for substantially all interest-bearing loans and advances. For the year ended December 31, 2015, interest income recognized at the contractual rate amounted to \$13.9 million (\$19.3 million for the year ended December 31, 2014). Substantially all of the change in the fair value of loans and advances resulted from changes in credit risk.

Loans and advances have an annual residual maturity of 4.0 years (4.0 years as at December 31, 2014) and the fair market value of the current portion is \$4.0 million (\$11.8 million as at December 31, 2014)

Allocation of investments and funds committed by segment

Investments and funds committed are allocated by segment as follows:

2015					
Segment	Investments at cost \$	Unrealized gain (loss) \$	Fair value \$	Funds committed but not disbursed* \$	Total commitment \$
Manufacturing	328,212	57,078	385,290	7,947	393,237
Services	196,540	(1,863)	194,677	9,400	204,077
Technological innovations	25,649	(24,327)	1,322	-	1,322
Funds	188,195	47,715	235,910	153,735	389,645
Total	738,596	78,603	817,199	171,082	988,281
2014					
Segment	Investments at cost \$	Unrealized gain (loss) \$	Fair value \$	Funds committed but not disbursed* \$	Total commitment \$
Manufacturing	268,718	41,551	310,269	3,216	313,485
Services	183,510	(10,484)	173,026	39,941	212,967
Technological innovations	34,264	(6,048)	28,216	-	28,216
Funds	188,863	10,549	199,412	150,607	350,019
Total	675,355	35,568	710,923	193,764	904,687

* Funds committed but not disbursed are not included in CRCD's assets.

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Funds committed but not disbursed

Funds committed but not disbursed represent investments that have already been agreed upon and for which amounts have been committed but not disbursed by CRCD at the reporting date. Future disbursements are subject to certain conditions. Assuming that the conditions are met, the estimated instalments over the coming years ended December 31 will be as follows:

2016	2017	2018	2019	2020 and thereafter	Total
\$	\$	\$	\$	\$	\$
75,424	20,179	14,581	11,983	48,915	171,082

Investments in subsidiaries and associates

Subsequent to quantitative and qualitative analyses, CRCD has determined that it has control (subsidiaries) or exercises significant influence (associates) over the following number of entities:

	2015		2014	
	Number	Fair value \$	Number	Fair value \$
Subsidiaries	10	197,018	10	165,582
Partner companies				
Associates				
Partner companies	18	140,217	16	127,610
Funds	7	211,194	7	173,785

The principal place of business of these entities is in Québec, and the country of incorporation is Canada. The increase in the number of partner companies as at December 31, 2015 resulted from the sale of a subsidiary, the acquisition of two new associates and the increase in equity securities of two entities, one of which became a subsidiary and the other an associate.

Interests in the share capital of these partner companies comprise common shares and preferred shares. The percentage of equity securities held by CRCD in each of the partner companies is equal to or over 50% for the subsidiaries, and between 15% and 49% for associates. Except for a subsidiary (one subsidiary as at December 31, 2014) and an associate (one associate as at December 31, 2014), the voting rights for these partner companies are equivalent to the proportion of interests held.

As sponsor, CRCD has invested in certain funds over which it exercises significant influence. The interests are made up of units and the holding percentage varies from 20% to 90.9% (20% to 90.9% as at December 31, 2014).

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8 Other investments

The Unaudited Statement of Other Investments is available on written request to CRCD's head office or on our website at capitalregional.com and on SEDAR at www.sedar.com. The Statement does not form an integral part of the financial statements.

	2015		
	Cost	Unrealized	Fair
	\$	gain (loss)	value
		\$	\$
Bonds			
Federal or guaranteed	304,466	2,670	307,136
Provincial, municipal or guaranteed	155,934	1,112	157,046
Financial institutions	136,165	1,939	138,104
Companies	61,232	1,025	62,257
	657,797	6,746	664,543
Preferred shares	87,935	(10,179)	77,756
Money market instruments ⁽¹⁾	37,607	-	37,607
Real estate funds	12,790	346	13,136
Foreign exchange contracts ⁽²⁾	-	562	562
Total	796,129	(2,525)	793,604

Breakdown of bonds by maturity date

	2015			
	Under	1 to 5	Over	Total
	1 year	years	5 years	\$
	\$	\$	\$	
Cost	6,694	325,056	326,047	657,797
Par value	6,634	320,614	339,960	667,208
Fair value	6,756	328,289	329,498	664,543
Average nominal rate ⁽³⁾	3.64%	2.52%	2.45%	2.49%
Average effective rate	2.66%	2.05%	2.34%	2.20%

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	2014		
	Cost \$	Unrealized gain (loss) \$	Fair value \$
Bonds			
Federal or guaranteed	266,507	2,814	269,321
Provincial, municipal or guaranteed	171,456	5,313	176,769
Financial institutions	146,086	3,882	149,968
Companies	50,325	1,690	52,015
	634,374	13,699	648,073
Preferred shares	72,948	(859)	72,089
Money market instruments ⁽¹⁾	46,361	-	46,361
Real estate funds	2,977	9	2,986
Foreign exchange contracts ⁽²⁾	-	36	36
Total	756,660	12,885	769,545

Breakdown of bonds by maturity date

	2014			
	Under 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
Cost	31,881	422,342	180,151	634,374
Par value	31,806	416,776	173,562	622,144
Fair value	31,898	429,486	186,689	648,073
Average nominal rate ⁽³⁾	1.59%	2.78%	3.59%	2.94%
Average effective rate	1.28%	2.35%	2.94%	2.47%

⁽¹⁾ Money market instruments consist of term deposits, Treasury bills and strip bonds with an original maturity of less than a year. As at December 31, 2015, all money market instruments had an original maturity of less than 12 months (less than 12 months as at December 31, 2014).

⁽²⁾ Foreign exchange contracts to sell US\$62.7 million have three-month maturities (US\$70.5 million as at December 31, 2014).

⁽³⁾ Substantially all bonds bear interest at a fixed rate.

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Funds committed but not disbursed

Funds committed but not disbursed represent investments in the real estate funds that have been agreed upon and for which amounts have been committed by CRCDD but not yet disbursed at the reporting date. The estimated instalments over the coming years ended December 31 are as follows:

2016 \$	2017 \$	2018 \$	2019 \$	2020 and thereafter \$	Total \$
27,000	-	-	-	-	27,000

9 Fair value of financial instruments

Hierarchy levels of financial instruments measured at fair value

CRCDD categorizes its financial instruments according to the following three hierarchical levels:

- Level 1 – Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the breakdown by level of the fair value measurements of financial instruments recognized at fair value in the Balance Sheets.

	Level 1 \$	Level 2 \$	Level 3 \$	2015 Total \$
Financial assets				
Investments impacting the Québec economy	826	-	816,373	817,199
Other investments	525,929	254,539	13,136	793,604
Amounts receivable on disposal of investments impacting the Québec economy	-	-	28,846	28,846
Total financial assets	526,755	254,539	858,355	1,639,649
Financial liabilities				
Notes payable and financial liabilities	-	-	26,309	26,309

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	2014			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets				
Investments impacting the Québec economy	894	-	710,029	710,923
Other investments	500,269	266,290	2,986	769,545
Amounts receivable on disposal of investments impacting the Québec economy	-	-	22,134	22,134
Total financial assets	501,163	266,290	735,149	1,502,602
Financial liabilities				
Notes payable and financial liabilities	-	-	22,148	22,148

Transfers between hierarchy levels of financial instruments measured at fair value are made at the reporting date. No transfers between hierarchy levels took place during the years ended December 31, 2015 and 2014.

Level 3 financial instruments

The following table presents the reconciliation between the beginning and ending balances of Level 3 financial instruments:

	2015			
	Investments impacting the Québec economy	Other investments	Amounts receivable on disposal of investments impacting the Québec economy	Notes payable and financial liabilities
	\$	\$	\$	\$
Fair value as at December 31, 2014	710,029	2,986	22,134	(22,148)
Realized gains (losses)	22,971	-	13,853	(3,390)
Unrealized gains (losses)	43,104	337	-	(833)
Acquisitions/issuances	169,965	10,186	5,392	-
Disposals/repayments	(129,696)	(373)	(12,533)	62
Fair value as at December 31, 2015	816,373	13,136	28,846	(26,309)
Unrealized gains (losses) in comprehensive income on investments, notes payable and financial liabilities as at December 31, 2015	56,948	337	-	(976)

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	2014			
	Investments impacting the Québec economy \$	Other investments \$	Amounts receivable on disposal of investments impacting the Québec economy \$	Notes payable and financial liabilities \$
Fair value as at December 31, 2013	732,372	-	15,234	(15,000)
Realized gains (losses)	51,295	-	4,154	(4,522)
Unrealized gains (losses)	(26,167)	9	-	(6,334)
Acquisitions/issuances	135,148	3,000	2,903	-
Disposals/repayments	(182,619)	(23)	(157)	3,708
Fair value as at December 31, 2014	710,029	2,986	22,134	(22,148)
Unrealized gains (losses) in comprehensive income on investments, notes payable and financial liabilities as at December 31, 2014	31,728	9	-	(8,524)

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The following tables present the main techniques and inputs used to measure the fair value of Level 3 financial instruments:

				2015
	Fair value \$	Main valuation techniques	Unobservable inputs	Input value range (weighted average)
Investments impacting the Québec economy				
Loans and advances	49,283	Discounted cash flows	Required return	7.3% to 26.3% (11.2%)
Non-participating shares	129,168	Discounted cash flows	Required return	5.2% to 10.2% (5.8%)
Participating controlling shares	165,286	Capitalized cash flows	Capitalization rate	8.5% to 12.1% (9.6%)
			% of representative cash flows ⁽¹⁾	8.4% to 17.4% (10.9%)
Participating non-controlling shares	31,733	Recent transactions and bids	Paid/bid price	-
			Capitalization rate	7.2% to 16.4% (9.8%)
	124,171	Capitalized cash flows	% of representative cash flows ⁽¹⁾	1.4% to 28.5% (12.1%)
			Recent transactions and bids	-
	60,073	Restated net assets	Entity's net assets	_(2)
	17,973	Other ⁽³⁾	-	-
	2,775	Restated net assets	Fund's net assets	_(2)
Fund units	<u>235,911</u>			
	<u>816,373</u>			
Other investments – Real estate fund	13,136	Restated net assets	Fund's net assets	_(2)
Amounts receivable on disposal of investments impacting the Québec economy	28,846	Discounted cash flows	Required return	0.5% to 12.0% (6.2%)
Notes payable and financial liabilities	(26,309)	Miscellaneous	-	-

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				2014
	Fair value \$	Main valuation techniques	Unobservable inputs	Input value range (weighted average)
Investments impacting the Québec economy				
Loans and advances	58,181	Discounted cash flows	Required return	3.9% to 26.1% (11.9%)
Non-participating shares	95,180	Discounted cash flows	Required return	5.5% to 30.0% (7.0%)
Participating controlling shares	159,155	Capitalized cash flows	Capitalization rate	9.1% to 12.5% (10.3%)
			% of representative cash flows ⁽¹⁾	7.5% to 23.1% (12.2%)
	6,427	Other ⁽³⁾	-	-
Participating non-controlling shares	124,802	Capitalized cash flows	Capitalization rate	7.8% to 16.7% (9.8%)
			% of representative cash flows ⁽¹⁾	1.3% to 20.1% (13.3%)
	40,481	Recent transactions and bids	Paid/bid price	-
	25,708	Restated net assets	Entity's net assets	_(2)
	683	Other ⁽³⁾	-	-
Fund units	<u>199,412</u>	Restated net assets	Fund's net assets	_(2)
	<u>710,029</u>			
Other investments – Real estate fund	2,986	Restated net assets	Fund's net assets	_(2)
Amounts receivable on disposal of investments impacting the Québec economy	22,134	Discounted cash flows	Required return	0.9% to 14.0% (7.4%)
Notes payable and financial liabilities	(22,148)	Miscellaneous	-	-

⁽¹⁾ As the entities comprising the portfolio vary widely in size, representative cash flows are presented as a percentage of sales.

⁽²⁾ As the entities and funds comprising the portfolio vary widely in size, no input value range is provided for the net assets of the entity/fund.

⁽³⁾ Other valuation techniques include discounted transaction value, redemption value and liquidation value methods.

The main valuation techniques used for participating shares take into account investments made in a single entity in the form of loans and advances, and non-participating shares. Accordingly, the fair value of participating shares includes these mixed investments.

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Sensitivity of fair value to unobservable inputs

Although CRCD considers that fair value estimates made for the financial statements are appropriate, if different assumptions were used for unobservable inputs, the results could be different.

Loans and advances, non-participating shares – Discounted cash flows

An increase (decrease) in the required return, all other factors remaining constant, generally results in a decrease (increase) in fair value. According to CRCD, changing one or more reasonably possible assumptions could result in a change in the required return of about 0.5%. However, such a change in the required return would not have a direct material impact on the fair value of loans and advances, and non-participating shares.

Participating shares – Capitalized cash flows

If different assumptions were used for the two unobservable inputs, namely representative cash flows and capitalization rate, to measure a given investment, the fair value of the investment could increase or decrease. However, since these two unobservable inputs are interrelated, the use of different assumptions for one of these inputs generally leads to a revised assumption for the other input, thereby limiting the impact on fair value.

Typically, CRCD determines a range of acceptable fair values for each investment measured and uses the mid-point of the range for financial statement reporting purposes. If all the ranges are summed up, the cumulative difference between the top and bottom acceptable fair values and the investment fair value expressed as a percentage of CRCD's net assets is approximately:

	2015	2014
Participating controlling shares	+/- 0.3%	+/- 0.6%
Participating non-controlling shares	+/- 0.4%	+/- 0.4%

According to CRCD, for each investment subject to measurement, the impact of a change in the two unobservable inputs to reflect other reasonably possible assumptions should be less than this percentage on the net assets of CRCD.

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Participating shares – Recent transactions and bids

According to these techniques, the fair value of participating shares is based on an observable input, namely the price of a recent transaction negotiated between unrelated parties or the price of a bid received. CRCDC must use judgment to determine whether the recent transaction is still representative of the fair value as at the measurement date or whether the bid is serious and credible. CRCDC may also, if necessary, make any adjustments considered required and include unobservable inputs in the fair value measurement. The amount of the adjustments is generally immaterial compared with the related transaction or bid price used. CRCDC considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not be materially different from the fair value used.

Fund units – Restated net assets

According to this technique, the fair value of fund units is based on an observable input, namely the net assets reported in the most recent audited financial statements of each fund held and adjusted if necessary to reflect the acquisitions or disposals of fund units made by CRCDC between the financial statement reporting date for each fund and the valuation date. In certain circumstances, CRCDC must make certain other adjustments that are more judgmental in nature. CRCDC considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not have been materially different from the fair value used.

Other valuation techniques

Since the fair value of assets measured using other techniques is not significant, CRCDC considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not have been materially different from the fair value used.

10 Accounts receivable

	2015	2014
	\$	\$
Interest, dividends and distributions receivable on investments	7,299	8,098
Amounts receivable on disposal of investments impacting the Québec economy	28,846	22,134
	<u>36,145</u>	<u>30,232</u>

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The change in fair value of amounts receivable on disposal of investments impacting the Québec economy is not attributable to changes in credit risk. These amounts receivable include amounts denominated in U.S. dollars for \$27.3 million (\$20.3 million as at December 31, 2014).

Based on the information available as at the reporting date and the assumptions made as to the timing of collection, CRCD expects to collect accounts receivable with a fair value of \$26.9 million (\$23.0 million as at December 31, 2014) no later than 12 months after the reporting date.

11 Cash and cash equivalents

	2015 \$	2014 \$
Cash	12,244	9,174
Money market instruments	20,351	43,374
	<u>32,595</u>	<u>52,548</u>

12 Notes payable and financial liabilities

On November 30, 2010, CRCD acquired from Desjardins Venture Capital L.P., a subsidiary of Fédération des caisses Desjardins du Québec, investments impacting the Québec economy with a fair value of \$17.6 million as consideration for notes of an equal initial value. Each note payable is related to one of the acquired investments and contains a provision under which the amount payable shall be adjusted based on the amounts received by CRCD on the sale of the related investment. If the amount received by CRCD at the time of sale is less than the initial cost of the investment, the amount of the note will be adjusted based on the amount received. However, if the amount received by CRCD at the time of disposal is more than the initial cost of the investment, the amount of the note will be increased by 70% of the realized gain. Management fees assumed by CRCD in respect of investments between their dates of acquisition and their dates of disposal are deducted from the amount of the related note.

Notes payable had an initial maturity of three years and were renewed up to May 31, 2017.

Financial liabilities are amounts that CRCD would have to pay under contractual agreements and whose fair value is determined according to changes in fair value of certain underlying investments impacting the Québec economy.

As at December 31, 2015, notes payable and financial liabilities with a fair value of \$24.1 million were related to investments impacting the Québec economy measured in U.S. dollars (\$20.2 million as at December 31, 2014).

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The payment of notes payable and financial liabilities is directly related to receipts in connection with disposals of certain investments impacting the Québec economy. Given that the timing of such receipts is contingent on whether future events occur or specific conditions are met, CRCD is not in a position to determine the period during which it will pay the notes payable and financial liabilities. However, as payment typically follows receipts, liquidity risk is low.

13 Accounts payable

	2015 \$	2014 \$
Trade payables and accrued liabilities	1,817	3,220
Amount payable on acquisitions of other investments	-	3,397
Other	2,727	2,129
	<u>4,544</u>	<u>8,746</u>

CRCD expects to pay its accounts payable no later than 12 months after the reporting date.

14 Line of credit

CRCD has an authorized line of credit of \$10 million with Caisse centrale Desjardins, bearing interest at the operating credit rate of Caisse centrale Desjardins plus 0.5%. This line of credit is secured by a portion of the money market instruments and bonds recorded in other investments and is renewable annually. As at December 31, 2015 and 2014, the line of credit was undrawn and was not used during the years then ended.

15 Share capital

Authorized

CRCD is authorized to issue common shares and fractions of common shares without par value, participating, voting, with the right to elect two representatives to the Board of Directors, redeemable under certain conditions prescribed by the Act, so that its capital increases by a maximum of \$150 million annually.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

According to the Act, as of the capitalization period following the one at the end of which CRCD first reaches capitalization of at least \$1.25 billion, CRCD may raise, per capitalization period, the lesser of \$150 million and the amount corresponding to the reduction in paid-up capital attributable to all the shares and fractions of shares redeemed or purchased by agreement by CRCD during the preceding capitalization period.

Each capitalization period, which lasts 12 months, begins on March 1 of each year. A special tax is payable by CRCD if it fails to comply with these limits, and control mechanisms have been implemented by CRCD to ensure compliance.

On February 28, 2014, CRCD reached its capitalization limit. Despite the provisions of its constituting act in respect of CRCD's capitalization, the Minister of Finance of Québec in his Budget Speech of June 4, 2014, authorized CRCD exceptionally to raise a maximum of \$150 million for the 2015 issue and simultaneously set the provincial tax credit granted for purchasing shares at 45%.

To allow as many shareholders as possible to buy CRCD shares, purchases will be capped at \$3,000 per investor for each of the 2014 and 2015 issues.

CRCD is required to pay share issuance costs. For the year ended December 31, 2015, share issuance costs amounted to \$1.7 million (\$0.8 million for the year ended December 31, 2014), net of taxes, and are presented as a deduction from share capital.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Issued

The net assets of CRCD as at December 31, 2015 totalled \$1,642.1 million broken down by issue as follows:

Issue	Issue price \$	Balance* \$M	Eligible for redemption
2001	10.00	28.2	2008
2002	10.00	78.4	2009
2003	10.12 and 10.24	39.4	2010
2004	10.25	48.9	2011
2005	10.25	54.2	2012
2006	10.37 and 10.21	52.9	2013
2007	10.21 and 9.92	75.0	2014
2008	9.89 9.83 and 9.54	133.8	2015
2009	9.54 9.62 and 9.73	193.8	2016
2010	9.73 and 9.80	191.1	2017
2011	9.91 and 10.02	188.8	2018
2012	11.02	170.5	2019
2013	11.47	164.1	2020
2014	11.92	66.4	2021
2015	12.05	156.6	2022
Net assets		1,642.1	

* Calculated as net asset value per share as at December 31, 2015

Redemption criteria

CRCD is bound to redeem a whole common share or a fraction of a common share in the following circumstances:

- At the request of the person who acquired it from CRCD at least seven years prior to redemption;
- At the request of a person to whom it has been devolved by succession;
- At the request of the person who acquired it from CRCD if that person applies to CRCD in writing within 30 days of subscription date;
- At the request of a person who acquired it from CRCD if that person is declared to have a severe and permanent mental or physical disability that makes him/her incapable of working.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Moreover, CRCD may purchase a common share or a fraction of a common share by agreement in the cases and to the extent permitted by a policy adopted by the Board of Directors and approved by the Québec Minister of Finance.

The redemption price of the common shares is set twice a year, at dates that are six months apart, by CRCD's Board of Directors on the basis of CRCD's value as determined in the audited financial statements.

Tax credit

The purchase of shares of CRCD entitles the investor to receive a non-refundable tax credit, for Québec tax purposes only, determined as follows:

- For purchases prior to March 24, 2006: 50% tax credit;
- For purchases from March 24, 2006 to November 9, 2007: 35% tax credit;
- For purchases from November 10, 2007 to February 28, 2014: 50% tax credit;
- For purchases from March 1st, 2014: 45% tax credit.

Investors who withdraw some or all of their shares as part of a redemption after a seven-year holding period will not be able to claim the tax credit for any purchase for which the tax credit could be applied in the current or subsequent taxation years.

16 Capital disclosures

CRCD's objective with respect to capital management is to ensure the availability of sufficient cash resources to fund investments in line with its mission and meet shareholders' demands for share redemptions. CRCD's capital consists of its net assets.

CRCD is not subject to any external capital requirements other than those governing the issuance and redemption of its shares, as indicated in note 15.

CRCD's policy is to reinvest the annual earnings generated by its operations and not to pay dividends to its shareholders, with a view to increasing the capital available for investment and enhancing share valuations.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

17 Expenses

	2015 \$	2014 \$
Other operating expenses		
Audit fees	201	197
Compensation of members of the Board of Directors and its committees	679	589
Custodial and trustee fees	134	105
IT expenses	889	1,317
Other expenses	787	1,800
	2,690	4,008
Shareholder services		
Trustee fees	1,553	1,406
Reporting to shareholders	343	401
Other expenses	203	348
	2,099	2,155

18 Income taxes

Income tax expense

Income tax expense is detailed as follows:

	2015		2014	
	Statement of Comprehensive Income \$	Statement of Changes in Net Assets \$	Statement of Comprehensive Income \$	Statement of Changes in Net Assets \$
Current	5,202	(578)	5,372	(354)
Deferred	(924)	(584)	1,903	(153)
	4,278	(1,162)	7,275	(507)

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Reconciliation of the income tax rate

The actual income tax rate differs from the basic income tax rate for the following reasons:

	2015 \$	2014 \$
Income taxes at the combined basic tax rate of 39.9%	31,555	22,552
Permanent differences between earnings before income taxes and taxable income and other items		
Realized and unrealized losses (gains) on investments	(21,614)	(12,195)
Non-taxable dividends	(5,653)	(3,374)
Other	(10)	292
	<u>4,278</u>	<u>7,275</u>

Income tax balance

The actual income tax rate differs from the basic income tax rate for the following reasons:

	2015 \$	2014 \$
Assets		
Deferred taxes – Share issue expenses	1,702	-
Deferred taxes – Other	(775)	-
Refundable tax on hand	12,119	17,399
Income taxes recoverable	691	-
	<u>13,737</u>	<u>17,399</u>
Liabilities		
Deferred taxes – Share issue expenses	-	(1,118)
Deferred taxes – Other	-	1,699
Income taxes payable	-	3,336
	<u>-</u>	<u>3,917</u>

CRCD expects to recover \$2.4 million (\$1.9 million payable as at December 31, 2014) in income taxes no later than 12 months after the reporting date.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

19 Related party transactions

Related parties include Desjardins Venture Capital (“DVC”), CRCD’s manager, which is a subsidiary of Fédération des caisses Desjardins du Québec and is part of Desjardins Group. CRCD is therefore indirectly related to Desjardins Group. Related parties also include CRCD’s key management personnel.

- CRCD has entrusted DVC with its management and operations, in accordance with the strategies and objectives approved by the Board of Directors. The five-year management agreement, effective January 1, 2013, provides for the invoicing of separate fees for the Desjardins caisse network’s contribution in distributing CRCD’s shares. Under the management agreement, certain governance expenses are allocated to CRCD. Negotiation fees are earned by DVC with a credit of an equal amount applied against CRCD’s management fees.

Under this agreement, CRCD was committed until December 31, 2015 to pay management fees equal to 2.02% of CRCD’s annual average asset value, less any amounts payable related to investments impacting the Québec economy and other investments. An adjustment is made to the management fees charged to CRCD to avoid double billing relative to CRCD’s interest in some funds. These fees will be renegotiated between CRCD and its manager for fiscal 2016.

- CRCD has appointed Desjardins Trust Inc. (“Desjardins Trust”) as shareholder registrar and share transfer agent. Desjardins Trust also acts as an intermediary for various shareholder support services. Since CRCD began its operations, Desjardins Trust has represented the largest component of CRCD’s shareholder service expenses. This agreement, which expired on December 31, 2015, was renewed under the same conditions until June 30, 2016 except for the fee rate, which was adjusted on January 1, 2015 and will apply to any renewal and any new agreement until December 31, 2019.
- CRCD has centralized custody services for its assets with Desjardins Trust. The custody and administration agreement became effective on May 1, 2009. Its term is indefinite unless one or the other of the parties, on prior written notice of at least 90 days, decides to terminate it.
- CRCD has appointed Fédération des caisses Desjardins du Québec to distribute its shares through the Desjardins caisse network. This agreement is effective for one year and, unless the parties agree to terminate it, will be automatically renewed each year unless one of the parties gives written notice to the contrary three months before the expiry date of the agreement.
- CRCD has entrusted the Desjardins caisse network with issuing its shares.
- CRCD has entrusted Caisse centrale Desjardins with the banking operations related to its day-to-day activities.
- CRCD has appointed Desjardins Securities as its full service broker, to serve as an intermediary for buying and selling shares traded on public markets.
- CRCD has entrusted Groupe Technologies Desjardins with the implementation of a new investment management software
- CRCD holds securities issued by Capital Desjardins in its other investments portfolio.

Capital régional et coopératif Desjardins

Notes to Separate Financial Statements

December 31, 2015 and 2014

(tabular amounts are in thousands of Canadian dollars, unless otherwise specified)

Related party transactions

CRCD has entered into transactions with other Desjardins Group entities in the normal course of business, and all these transactions are measured at the exchange amount. Unless otherwise indicated, none of the transactions incorporated special terms or conditions. The balances are generally settled in cash. The transactions and balances are detailed as follows:

	2015			2014		
	DVC \$	Other related parties* \$	Total \$	DVC \$	Other related parties* \$	Total \$
Balance Sheets						
Assets						
Other investments	-	9,653	9,653	-	16,100	16,100
Interest and dividends receivable on investments	-	73	73	-	73	73
Cash	-	12,387	12,387	-	9,282	9,282
Liabilities						
Notes payable and financial liabilities	-	20,556	20,556	-	19,773	19,773
Accounts payable	2,727	397	3,124	1,979	405	2,384
	2015			2014		
	DVC \$	Other related parties * \$	Total \$	DVC \$	Other related parties * \$	Total \$
Statements of Comprehensive Income						
Revenue						
Interest	-	166	166	-	172	172
Gains (losses) on investments	-	(12,134)	(12,134)	-	(14,626)	(14,626)
Expenses						
Management fees	25,431	-	25,431	24,623	-	24,623
Other operating expenses	-	1,466	1,466	-	2,358	2,358
Shareholder services	-	1,553	1,553	-	1,406	1,406
Statement of Changes in Net Assets						
Share issue expenses	-	2,845	2,845	-	1,197	1,197

* Other related parties include Fédération des caisses Desjardins du Québec and its subsidiaries, namely Caisses centrale Desjardins, Capital Desjardins, Desjardins Securities, Desjardins Venture Capital L.P., and Desjardins Trust. They also include the Desjardins Group Pension Plan.

Key management personnel compensation

CRCD's key management personnel are the members of the Board of Directors. For the year ended December 31, 2015, compensation of key management personnel comprised solely short-term benefits in the amount of \$495,000 (\$435,000 for the year ended December 31, 2014).

Capital régional et coopératif Desjardins

Audited schedule of cost of investments
impacting the Québec economy

As at December 31, 2015

(in thousands of Canadian dollars)



February 18, 2016

To the Shareholders of Capital régional et coopératif Desjardins

We have audited the accompanying schedule of cost of investments impacting the Quebec economy (the schedule) of Capital régional et coopératif Desjardins as at December 31, 2015. The financial information has been prepared by management of Capital régional et coopératif Desjardins based on the dispositions of article 18 of the Regulation respecting development capital investment fund continuous disclosure.

Management's responsibility for the schedule

Management is responsible for the preparation of the schedule in accordance with the dispositions of article 18 of the Regulation respecting development capital investment fund continuous disclosure, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to management's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of management's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the schedule of cost of investments impacting the Quebec economy of Capital régional et coopératif Desjardins as at December 31, 2015 is prepared, in all material respects, in accordance with the dispositions of article 18 of the Regulation respecting development capital investment fund continuous disclosure.

(signed) PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. ¹

¹ CPA auditor, CA, public accountancy permit N°. A111799

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting the Québec economy

As at December 31, 2015

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total \$
			Common and preferred shares and funds units	Loans and advances	Loans and advances	
Abitibi-Témiscamingue						
Norbell Électrique inc.	2010	S	-	96	-	96
Trim-Line de l'Abitibi inc.	2009	S	125	21	-	146
VCC-Massénoir inc.	2010	S	-	106	-	106
Vézeau et frères inc.	2009	S	-	256	-	256
Total Abitibi-Témiscamingue			125	479	-	604
Bas-Saint-Laurent						
Fonderie BSL inc.	2010	M	-	48	-	48
Gestion Alain Hébert inc.	2009	S	-	89	-	89
Groupe Fillion Sport inc.	2008	S	-	-	60	60
Leblanc Environnement inc.	2008	S	250	-	-	250
Société d'exploitation des ressources de la Vallée inc.	2010	S	-	21	-	21
Télécommunications Denis Gignac inc.	2010	S	-	500	-	500
Total Bas-Saint-Laurent			250	658	60	968
Capitale-Nationale						
Boutique Le Pentagone inc.	2008	S	3,262	-	312	3,574
Congébec Logistique inc.	2004	S	26,589	5,144	-	31,733
Frima Studio inc.	2008	S	-	-	500	500
Groupe conseil NOVO SST inc.	2013	S	750	2,043	-	2,793
Groupe Humagade inc. (Bandsintown Canada inc.)	2006	TI	11,190	38	-	11,228
Jobillico inc.	2015	S	1,020	5,580	-	6,600
Obzerv Technologies inc.	2010	M	1,500	-	-	1,500
OptoSecurity inc.	2007	TI	-	939	-	939
Simard Suspensions inc.	2009	M	-	285	-	285
Total Capitale-Nationale			44,311	14,029	812	59,152
Centre-du-Québec						
A.C.M. Composites (1993) inc.	2013	M	-	-	1,500	1,500
Avjet Holding inc	2009	S	3,731	4,783	-	8,514
CBR Laser inc.	2012	M	-	15,200	-	15,200
Farinart inc.	2010	M	250	-	-	250
Groupe Anderson inc.	2007	M	2,337	-	-	2,337
Service funéraire coopératif Drummond	2007	S	-	287	-	287
Total Centre-du-Québec			6,318	20,270	1,500	28,088

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting the Québec economy

As at December 31, 2015

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total \$
			Common and preferred shares and funds units	Loans and advances	Loans and advances	
Chaudière - Appalaches						
CIF Métal Itée	2005	M	3,976	-	-	3,976
Distribution Eugène Gagnon inc.	2006	S	-	-	687	687
Groupe Filgo inc.	2012	S	13,961	1,950	-	15,911
Horisol Coopérative de travailleurs	2008	M	-	282	-	282
Hortau inc.	2010	M	1,605	-	-	1,605
Industries Fournier inc. (Les)	2013	M	17,000	3,224	-	20,224
Marquis Book Printing inc.	2007	M	2,970	1,252	-	4,222
Produits de plancher Finitec inc.	2007	M	-	242	-	242
Total Chaudière - Appalaches			39,512	6,950	687	47,149
Côte-Nord						
9274-4192 Québec inc. (Boisaco)	2013	M	791	-	-	791
Total Côte-Nord			791	-	-	791
Eastern Townships						
Balances M. Dodier inc. (Les)	2011	S	-	208	-	208
Camso inc. (Camoplast solideal inc.)	2002	M	7,709	-	-	7,709
Coopérative de travailleurs actionnaire Filage Sherbrooke (FilSpec)	2004	M	-	574	-	574
Coopérative funéraire de l'Estrie	2006	S	-	653	-	653
Éco-Pak inc. (2948-4292 Québec inc.)	2008	S	-	488	-	488
Électro-5 inc.	2009	S	-	62	-	62
Engrenages Sherbrooke inc. (Les)	2013	M	-	500	-	500
Exo-s-inc.	2012	M	5,572	8,765	-	14,337
FilSpec inc.	2004	M	1,113	-	-	1,113
FilSpec inc. (9120-0782 Québec inc. / Gesco)	2004	M	-	227	-	227
Imprimerie Précis-Grafik inc.	2009	M	1,500	652	-	2,152
Kemestrie inc.	2010	TI	528	-	-	528
L.P. Royer inc.	2010	M	-	1,990	-	1,990
Multi X inc.	2006	M	-	43	-	43
Ocera Therapeutics inc.	2003	TI	10,569	-	-	10,569
Total Eastern Townships			26,991	14,162	-	41,153

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting the Québec economy

As at December 31, 2015

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total \$
			Common and preferred shares and funds units \$	Loans and advances \$	Loans and advances \$	
Gaspésie-Îles-de-la-Madeleine						
Construction L.F.G. inc.	2009	S	-	569	-	569
Éocycle Technologies inc.	2004	M	2,402	-	-	2,402
Total Gaspésie-Îles-de-la-Madeleine			2,402	569	-	2,971
Lanaudière						
Groupe Composites VCI inc.	2007	M	2,250	-	-	2,250
Total Lanaudière			2,250	-	-	2,250
Mauricie						
Classement Luc Beaudoin inc. (9289-8907 Qc inc.)	2013	S	-	522	-	522
Groupe Telecon	2011	S	48,389	5,212	-	53,601
Innovations Voltflex inc.	2006	M	17	80	-	97
Louiseville Specialty Products inc.	2004	M	-	1,803	-	1,803
Total Mauricie			48,406	7,617	-	56,023
Montérégie						
A. & D. Prévost inc.	2011	M	9,472	7,500	-	16,972
A.T.L.A.S. Aéronautique inc.	2010	M	6,000	-	-	6,000
Agropur Coopérative	2014	M	74,947	-	-	74,947
Atis Group inc.	2015	M	28,000	1,828	-	29,828
Câbles Ben-Mor inc. (Les)	2009	M	-	2,867	-	2,867
Complexe sportif Interplus	2007	S	-	446	-	446
Groupe Dagenais M.D.C. inc.	2010	S	-	75	-	75
Groupe Jafaco Gestion inc.	2009	S	-	188	-	188
Investissements Brasco inc.	2009	M	-	809	-	809
Knowlton Development Corporation inc.	2006	M	3,478	-	-	3,478
Mirazed inc.	2007	M	-	-	1,319	1,319
NSE Automatech inc.	2013	M	3,000	-	-	3,000
Plomberie Piché & Richard inc.	2010	S	-	21	-	21
Reproductions BLB inc. (Les)	2004	M	-	79	-	79
Spectra Premium Industries inc.	2006	M	2,779	179	-	2,958
Urecon Ltd.	2012	M	4,500	4,081	-	8,581
Total Montérégie			132,176	18,073	1,319	151,568

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting the Québec economy

As at December 31, 2015

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total \$
			Common and preferred shares and funds units \$	Loans and advances \$	Loans and advances \$	
Montréal						
8973822 Canada inc. (ex-Vision Globale A.R. ltée)	2012	S	10,580	-	-	10,580
9232-4250 Québec inc. (Flexo Labels inc.)	2011	M	-	-	-	-
ACCEO Solutions inc.	2012	S	15,000	6,562	-	21,562
Alithya Group inc.	2015	S	8,750	-	-	8,750
Arbell Electronics inc.	2008	S	1,257	886	203	2,346
Cavalía inc.	2010	S	-	-	1,925	1,925
Courchesne, Larose ltée	2015	M	-	12,000	-	12,000
Elfiq inc.	2013	M	-	242	-	242
Emballages Deltapac inc. (Les)	2005	M	356	250	-	606
Groupe API inc.	2009	S	-	140	-	140
Groupe Graham International inc.	2011	M	7,147	539	-	7,686
Groupe Solotech inc.	2013	S	21,250	-	-	21,250
La Coop fédérée	2005	M	50,000	-	-	50,000
Negotium Technologies	2008	TI	-	-	25	25
Phildan inc.	2015	M	8,250	-	-	8,250
Textiles Amalgamated inc.	2015	M	5,652	-	-	5,652
Totem recruiting inc. (ex. Nicole Giguère Placement de personnel)	2013	S	-	248	-	248
Total Montréal			128,242	20,867	2,153	151,262
Outside of Canada						
Pharmaxis Ltd	2010	TI	2,360	-	-	2,360
Total Outside of Canada			2,360	-	-	2,360
Saguenay-Lac-Saint-Jean						
Démolition et excavation Démex inc.	2008	S	-	184	-	184
Groupe Canmec inc.	2004	M	3,286	-	-	3,286
Groupe Nokamic inc.	2005	S	-	83	-	83
Nokamic inc.	2010	M	-	-	356	356
Produits sanitaires Lépine inc. (Les)	2010	M	1,431	-	-	1,431
Senneco inc.	2013	S	-	515	-	515
Vitrierie A. & E. Fortin inc.	2010	M	207	-	-	207
Total Saguenay-Lac-Saint-Jean			4,924	782	356	6,062

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting the Québec economy

As at December 31, 2015

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total
			Common and preferred shares and funds units	Loans and advances	Loans and advances	
					\$	
Funds						
Capital croissance PME s.e.c.	2010	F	33,247	-	-	33,247
Capital croissance PME II s.e.c.	2014	F	58,110	-	-	58,110
Desjardins - Innovatech S.E.C.	2005	F	55,153	-	-	55,153
FIER Partenaires, s.e.c.	2005	F	8,496	-	-	8,496
Fonds d'investissement MSBI, s.e.c.	2004	F	5,036	-	-	5,036
Fonds d'investissement pour la relève agricole (FIRA)	2011	F	5,367	-	-	5,367
Fonds Relève Québec, s.e.c.	2011	F	3,188	-	-	3,188
Novacap Industries III, s.e.c.	2007	F	1,324	-	-	1,324
Novacap Technologies III, s.e.c.	2007	F	-	-	-	-
Société en commandite Essor et Coopération	2013	F	18,274	-	-	18,274
Total Funds			188,195	-	-	188,195
Total cost			627,253	104,456	6,887	738,596

Industry segment legend

M: Manufacturing

S: Services

IT: Technological innovations

F: Funds

This audited schedule of cost of investments impacting the Québec economy provides details, per entity, of the sums invested by Capital régional et coopératif Desjardins. This amount appears in note 7 to the financial statements of the Company.

Capital régional et coopératif Desjardins

Statement of other investments

As at December 31, 2015

(in thousands of Canadian dollars)

Capital régional et coopératif Desjardins

Statement of other investments (unaudited)

As at December 31, 2015

(in thousands of dollars)

Description		Par value \$	Cost \$	Fair Value \$
Bonds (83.7%)				
Federal and guaranteed bonds (38.7%)				
Canada Housing Trust	12-15-2020, 1.25%	16,800	16,700	16,781
	03-15-2022, 2.65%	9,000	9,427	9,615
	12-15-2022, 2.40%	21,350	21,712	22,434
	09-15-2023, 2.35%	21,260	22,214	22,189
	06-15-2024, 2.90%	9,500	10,096	10,278
	12-15-2025, 1.95%	40,900	40,425	40,519
Government of Canada	06-01-2026, 1.50%	20,000	19,787	19,943
NHA Bank of Montreal ¹	09-01-2017, 2.10%	9,173	9,171	9,306
NHA Merrill Lynch Canada Inc. ¹	09-01-2019, 1.85%	28,720	29,092	29,085
	05-01-2020, 1.35%	24,377	24,238	24,274
NHA Toronto Dominion Bank ¹	03-01-2018, 1.40%	17,498	17,477	17,575
	04-01-2018, 1.65%	71,921	71,932	72,554
PSP Capital	10-22-2020, 3.03%	4,550	4,829	4,868
	04-04-2024, 3.29%	7,150	7,366	7,715
Total federal and guaranteed bonds		302,199	304,466	307,136
Provincial, municipal or guaranteed bonds (19.8%)				
Cadillac Fairview Finance Trust	05-09-2018, 3.64%	7,175	7,458	7,570
City of Montreal	09-01-2025, 3.00%	2,500	2,512	2,536
City of Toronto	06-27-2018, 4.95%	3,000	3,140	3,280
Hydro-Québec	08-15-2022, 0.00%	17,010	14,856	14,863
	02-15-2023, 0.00%	20,000	17,108	17,159
	02-15-2024, 0.00%	32,800	26,982	27,058
Municipal Finance Authority of British Columbia	06-01-2021, 4.15%	2,000	2,128	2,244
	06-01-2022, 3.35%	1,100	1,099	1,189
	10-14-2024, 2.95%	2,000	2,127	2,078
	10-02-2025, 2.65%	3,000	3,008	3,009
OPB Finance Trust	02-24-2022, 1.88%	3,650	3,591	3,610
	05-24-2023, 2.90%	3,750	3,754	3,900
Province of Alberta	06-01-2025, 2.35%	20,800	20,606	20,744
Province of Manitoba	06-02-2023, 2.55%	2,000	1,946	2,065
	06-02-2025, 2.45%	5,732	5,731	5,734
Province of New Brunswick	06-02-2023, 2.85%	600	588	628
Province of Nova Scotia	06-01-2025, 2.15%	2,500	2,419	2,436
Province of Ontario	12-03-2018, 0.99%	1,595	1,595	1,596
	12-02-2022, 0.00%	21,800	19,023	18,914
Province of Québec	06-01-2023, 0.00%	17,400	14,718	14,764
Regional Municipality of York	06-30-2021, 4.00%	1,500	1,545	1,669
Total provincial, municipal or guaranteed bonds		171,912	155,934	157,046
Financial institutions bonds (17.4%)				
Bank of Montreal	03-28-2018, 6.17%	4,000	4,259	4,377
	10-06-2020, 2.10%	3,800	3,811	3,819
	03-16-2022, 2.12%	4,300	4,271	4,251
Caisse centrale Desjardins	10-05-2017, 3.50%	4,200	4,180	4,353
Canadian Imperial Bank of Commerce	06-14-2016, 0.97%	1,000	1,000	1,000
	06-06-2018, 6.00%	2,000	2,103	2,193
	07-14-2020, 1.85%	2,155	2,151	2,150
Canadian Tire Real Estate Investment Trust	03-09-2025, 3.53%	900	900	889
Capital Desjardins	05-05-2020, 5.19%	4,750	4,910	5,301

¹ This security is guaranteed by the Canada Mortgage and Housing Corporation.

Capital régional et coopératif Desjardins

Statement of other investments (unaudited)

As at December 31, 2015

(in thousands of dollars)

Description		Par value \$	Cost \$	Fair Value \$
Financial institutions bonds (cont.)				
Choice Properties REIT	02-08-2021, 3.50%	2,000	2,088	2,088
	06-20-2022, 3.60%	1,175	1,205	1,214
Cominar REIT	06-21-2019, 3.62%	1,725	1,745	1,737
Crombie Real Estate Investment Trust	06-01-2021, 3.96%	160	161	164
Daimler Canada Finance	03-26-2018, 2.27%	385	384	388
	10-02-2018, 1.42%	4,600	4,585	4,540
First Capital Realty	10-30-2023, 3.90%	1,700	1,732	1,759
Ford Credit Canada	05-07-2020, 2.45%	2,950	2,945	2,908
General Motors Financial Company	05-22-2020, 3.08%	750	750	750
Great-West Lifeco	03-21-2018, 6.14%	1,500	1,515	1,649
IGM Financial	04-08-2019, 7.35%	1,850	2,014	2,162
Industrial Alliance Insurance and Financial Services	02-23-2022, 2.64%	300	300	299
Intact Financial Corporation	08-18-2021, 4.70%	1,000	1,098	1,113
Manufacturers Life Insurance Company	06-01-2017, 4.17%	2,000	2,050	2,068
	11-29-2018, 2.93%	400	400	410
	02-21-2019, 2.81%	2,500	2,556	2,556
Manulife Financial	04-08-2019, 7.77%	2,200	2,421	2,596
National Bank of Canada	06-22-2016, 1.00%	1,000	1,000	1,000
	04-11-2017, 3.26%	1,100	1,101	1,120
	10-28-2019, 2.40%	2,300	2,347	2,348
	03-03-2020, 1.74%	1,300	1,300	1,291
	03-18-2022, 2.11%	1,200	1,200	1,181
NBC Capital Trust	06-30-2020, 7.45%	1,000	1,117	1,186
RBC Trust Capital Securities	06-30-2018, 6.82%	2,250	2,393	2,499
Riocan Real Estate Investment Trust	05-30-2022, 3.75%	775	775	804
Royal Bank of Canada	03-12-2018, 2.26%	5,500	5,593	5,596
	12-11-2018, 2.77%	6,300	6,488	6,510
	07-17-2020, 1.92%	7,200	7,198	7,191
	03-02-2022, 1.97%	1,900	1,900	1,859
Scotiabank	08-03-2017, 2.90%	3,000	3,015	3,056
	03-22-2018, 2.24%	75	74	76
	05-01-2018, 1.33%	10,359	10,358	10,320
	09-09-2020, 2.09%	3,000	2,995	3,004
Sunlife Financial	03-02-2017, 4.38%	1,000	1,027	1,029
	07-02-2019, 5.70%	1,000	1,037	1,129
	08-23-2021, 4.57%	400	400	446
TD Capital Trust	12-31-2018, 7.24%	2,000	2,168	2,283
Toronto Dominion Bank	12-14-2016, 4.78%	4,634	4,694	4,757
	04-02-2018, 2.17%	5,000	5,052	5,085
	07-09-2018, 5.83%	4,000	4,222	4,387
	06-24-2020, 2.69%	2,300	2,300	2,264
	12-22-2021, 2.62%	4,400	4,433	4,491
	07-24-2024, 3.23%	2,500	2,595	2,605
Toyota Credit Canada	02-19-2020, 1.80%	2,450	2,449	2,445
	05-20-2020, 2.05%	1,400	1,400	1,408
Total financial institutions bonds		133,643	136,165	138,104
Corporate bonds (7.8%)				
Algonquin Power & Utilities Corp.	02-15-2022, 4.65%	750	781	788
Alimentation Couche-Tard	03-02-2025, 3.60%	1,625	1,625	1,630
Alliance Pipeline	12-16-2019, 4.93%	1,000	1,057	1,077
AltaLink	11-06-2023, 3.67%	1,000	1,027	1,080
Bell Canada	06-12-2020, 3.54%	2,300	2,359	2,417
	05-19-2021, 4.95%	3,335	3,386	3,733
	09-03-2022, 3.00%	3,200	3,191	3,224
BMW Canada	11-26-2018, 2.27%	2,000	2,024	2,026

Capital régional et coopératif Desjardins

Statement of other investments (unaudited)

As at December 31, 2015

(in thousands of dollars)

Description		Par value \$	Cost \$	Fair Value \$
Corporate bonds (cont.)				
Brookfield Asset Management	03-31-2023, 4.54%	1,053	1,074	1,120
	12-08-2023, 5.04%	1,700	1,699	1,850
Brookfield Renewable Energy	03-02-2025, 3.75%	750	750	741
BRP Finance	11-05-2018, 5.25%	2,425	2,608	2,620
Canadian Natural Resources	08-14-2020, 2.89%	2,000	2,035	2,008
Canadian Utilities	11-09-2022, 3.12%	775	751	816
Dollarama	11-05-2018, 3.10%	220	223	226
Enbridge	02-22-2019, 4.10%	1,000	1,031	1,037
	09-02-2019, 4.77%	60	65	64
	12-05-2022, 3.19%	400	387	384
FortisAlberta	06-30-2024, 3.30%	250	250	262
Hydro One	04-30-2020, 1.62%	2,000	1,989	2,000
Inter Pipeline	12-24-2024, 3.17%	1,000	1,000	965
Loblaw Companies	06-12-2023, 4.86%	2,200	2,409	2,465
Lower Mattagami Energy	05-18-2021, 4.33%	300	319	335
Magna International Inc.	11-15-2022, 3.10%	1,000	1,000	1,011
North West Redwater Partnership	01-23-2022, 2.10%	1,000	983	983
Pembina Pipeline Corporation	10-24-2022, 3.77%	900	918	922
Precision Drilling Corporation	03-15-2019, 6.50%	1,250	1,280	1,100
Reliance	03-15-2019, 5.19%	1,600	1,687	1,689
	09-15-2020, 3.81%	700	703	703
Rogers Communications	09-29-2020, 4.70%	4,200	4,594	4,618
	12-13-2023, 4.00%	800	797	837
Shaw Communications	12-07-2020, 5.50%	1,000	1,111	1,119
Sobeys	08-08-2018, 3.52%	400	403	414
Superior Plus LP	12-09-2017, 6.50%	1,000	1,049	985
TELUS Corporation	12-04-2019, 5.05%	3,000	3,071	3,321
	02-28-2022, 2.35%	2,250	2,187	2,190
	01-02-2024, 3.35%	1,000	1,017	1,001
Teranet Income Fund	12-16-2020, 4.81%	1,050	1,138	1,150
Thomson Reuters	09-30-2020, 4.35%	4,300	4,583	4,643
Toronto Hydro Corporation	01-10-2023, 2.91%	1,000	1,026	1,041
Videotron	03-15-2025, 5.63%	1,100	1,085	1,096
West Coast Energy Inc.	09-08-2025, 3.77%	560	560	566
Total corporate bonds		59,453	61,232	62,257
Total bonds		667,207	657,797	664,543

Money market instruments (4.7%)

Canadian Imperial Bank of Commerce	03-16-2016, 0.67%	1,800	1,797	1,797
	12-07-2016, 0.93%	1,000	991	992
Gaz Métro	01-18-2016, 0.79%	1,800	1,799	1,799
	02-03-2016, 0.80%	2,164	2,162	2,162
Inter Pipeline	01-04-2016, 0.82%	2,000	2,000	2,000
	02-23-2016, 0.81%	2,000	1,998	1,997
Lower Mattagami Energy	01-04-2016, 0.87%	4,000	4,000	4,000
National Bank of Canada	01-14-2016, 0.77%	2,000	1,999	1,999
	02-25-2016, 0.67%	1,000	999	999
Omers Finance Trust	02-18-2016, 0.75%	1,707	1,705	1,705
Province of British Columbia	04-22-2016, 0.79%	1,975	1,971	1,971
Province of Ontario	06-22-2016, 0.58%	1,325	1,321	1,321
	12-07-2016, 0.67%	700	696	695
Province of Québec	09-23-2016, 0.61%	23	23	23
Royal Bank of Canada	01-14-2016, 0.77%	1,100	1,100	1,100
	03-02-2016, 1.00%	1,500	1,497	1,498
	06-28-2016, 0.86%	1,342	1,336	1,336

Capital régional et coopératif Desjardins

Statement of other investments (unaudited)

As at December 31, 2015

(in thousands of dollars)

Description		Par value \$	Cost \$	Fair Value \$
Money market instruments (cont.)				
Scotiabank	01-12-2016, 0.80%	2,590	2,589	2,589
Société de transport de Montréal	02-16-2016, 0.85%	1,000	999	999
Toronto Dominion Bank	11-10-2016, 0.94%	3,865	3,834	3,834
Wells Fargo Financial Canada	05-13-2016, 0.95%	2,800	2,791	2,791
Total money market instruments		37,691	37,607	37,607
Foreign exchange contracts (0.1%)				
Caisse centrale Desjardins	03-31-2016, 1,39267 CAD/USD	62,700	0	562
Total foreign exchange contracts			0	562
				Number of units
Real Estate Funds (1.7%)				
Fonds CORE Fiera Immobilier		9,446	9,853	10,037
Fonds immobilier canadien de prestige Bentall Kennedy		409,733	2,937	3,099
Total real estate funds			12,790	13,136
				Number of shares
Preferred shares (9.8%)				
Bank of Montreal	Perpetual, 5.20%	173,400	4,439	4,274
Brookfield Asset Management	Perpetual, 4.20%	80,000	1,752	1,647
	Perpetual, 4.50%	112,860	2,491	2,492
	Perpetual, 4.75%	23,800	466	477
	Perpetual, 4.80%	20,000	519	437
	Perpetual, 4.50%	120,000	3,006	2,750
Canadian Utilities	Perpetual, 4.90%	40,000	1,018	890
	Perpetual, 4.00%	280,000	7,258	4,750
Enbridge	Perpetual, 4.00%	9,300	203	179
	Perpetual, 4.10%	111,000	2,759	2,320
	Perpetual, 4.75%	12,300	260	280
	Perpetual, 5.25%	40,000	877	739
Great-West Lifeco	Perpetual, 3.65%	40,000	629	560
	Perpetual, 4.50%	45,000	1,084	954
	Perpetual, 4.85%	50,000	1,185	1,110
	Perpetual, 5.20%	145,000	3,816	3,400
Husky Energy	Perpetual, 4.45%	4,500	73	59
	Perpetual, 4.60%	100,000	2,471	2,007
Industrial Alliance Insurance and Financial Services	Perpetual, 4.60%	15,000	243	322
Intact Financial Corporation	Perpetual, 4.20%	45,600	1,119	953
Manulife Financial	Perpetual, 3.90%	75,000	1,729	1,569
	Perpetual, 4.20%	132,500	3,365	2,164
	Perpetual, 4.40%	25,400	675	594
	Perpetual, 4.50%	35,900	867	761
	Perpetual, 4.60%	36,300	761	874

Capital régional et coopératif Desjardins

Statement of other investments (unaudited)

As at December 31, 2015

(in thousands of dollars)

Description		Number of shares	Cost \$	Fair Value \$
Preferred shares (cont.)				
Power Corporation fo Canada	Perpetual, 5.00%	55,400	1,212	1,257
Power Financial Corporation	Perpetual, 1.63%	77,800	1,970	1,011
	Perpetual, 4.20%	29,700	757	711
	Perpetual, 4.95%	25,000	658	558
	Perpetual, 5.10%	10,000	263	227
	Perpetual, 5.75%	10,000	220	254
	Perpetual, 6.00%	95,000	2,528	2,444
Royal Bank of Canada	Perpetual, 4.45%	61,000	1,562	1,513
	Perpetual, 4.50%	118,600	2,965	2,956
	Perpetual, 4.60%	92,100	2,346	2,314
	Perpetual, 4.70%	15,700	394	394
	Perpetual, 5.00%	131,100	3,352	3,220
	Perpetual, 5.50%	30,000	750	774
Scotiabank	Perpetual, 3.70%	130,000	3,267	2,720
	Perpetual, 4.50%	50,200	1,289	1,241
	Perpetual, 5.00%	50,000	1,270	1,228
	Perpetual, 5.25%	16,000	412	408
	Perpetual, 5.60%	170,000	4,458	4,340
Sunlife Financial	Perpetual, 4.75%	137,500	3,050	3,020
	Perpetual, 4.80%	60,300	1,482	1,325
	Perpetual, 4.97%	25,000	565	525
	Perpetual, 5.01%	10,000	223	208
Toronto Dominion Bank	Perpetual, 3.60%	40,000	963	848
	Perpetual, 3.70%	20,000	391	447
	Perpetual, 3.75%	118,300	2,780	2,319
	Perpetual, 3.80%	54,500	1,355	1,074
	Perpetual, 3.90%	4,500	106	89
	Perpetual, 4.90%	50,000	1,123	1,151
TransCanada Corporation	Perpetual, 4.00%	50,400	1,152	966
	Perpetual, 4.25%	83,600	1,607	1,652
Total preferred shares			87,935	77,756
Total other investments (100.0%)			796,129	793,604

Capital régional et coopératif Desjardins

Index of the Company's share in investments
made by specialized funds and partner
funds, at cost

As at December 31, 2015

(in thousands of Canadian dollars)

Capital régional et coopératif Desjardins

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at December 31, 2015

(in thousands of dollars)

Information from Annual Financial Report dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME s.e.c.	50.00			
	Abitibi-Témiscamingue				
	2637-1914 Québec inc. (Télévision J.R.)	-	50	-	50
	9207-6553 Québec inc. (Pizzeria Noranda)	-	56	-	56
	9265-0381 Québec inc. (Barbin Sport)	-	64	-	64
	Abitibi Géophysique inc.	-	242	-	242
	Agence de sécurité Mirado inc.	-	51	-	51
	Cartier Resources inc.	150	-	-	150
	Centre du ressort Lamarche inc.	-	44	-	44
	Groupe Minier CMAC - Thyssen Mining Group	-	164	-	164
	Hôtel Forestel Val d'Or inc.	-	915	-	915
	Integra Gold Corp.	139	-	-	139
	Location Lauzon inc.	-	148	-	148
	Total Abitibi-Témiscamingue	289	1,734	-	2,023
	Bas-Saint-Laurent				
	9048-3538 Québec inc. (Matane Honda) (9244-9396 Qc inc.)	-	141	-	141
	Autobus Dionne inc. (Transport A.S.D.)	-	-	85	85
	Entreprises d'Auteuil & fils inc. (Les)	-	77	-	77
	Gestion Rima 2013 inc. (Sani-Manic inc.)	-	40	386	426
	Groupe Fillion Sport inc.	-	-	315	315
	Impressions Soleil (Les) - 3089-8522 Québec inc.	-	-	77	77
	Matane Motosport inc.	-	-	296	296
	Total Bas-Saint-Laurent	-	258	1,159	1,417
	Capitale-Nationale				
	9101-2492 Québec inc. (Centre médical Le Mesnil)	-	139	-	139
	Collection Papillon Gemme inc.	-	-	118	118
	Éditions Gladius International inc.	-	-	48	48
	Institut privé de chirurgie inc. (9276-9678 Québec inc.)	-	-	332	332
	Institut privé d'ophtalmologie de Québec inc. (9276-9710 Québec inc.)	-	-	204	204
	LA VUE par Laforce inc.	-	-	116	116
	Pavages Nordic inc.	-	275	-	275
	Planifika inc.	-	-	204	204
	Radio-Onde inc.	750	-	-	750
	Total Capitale-Nationale	750	414	1,022	2,186

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Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at December 31, 2015

(in thousands of dollars)

Information from Annual Financial Report dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME s.e.c. (cont.)	50.00			
	Centre-du-Québec				
	2543-6205 Québec inc. (Groupe MBI)	-	-	754	754
	2681871 Canada inc. (Voyages Escapades Victoriaville)	-	126	-	126
	9224-7519 Québec inc. (Peinture Can-Lak inc.)	-	-	728	728
	Fromagerie L'Ancêtre inc.	-	276	-	276
	Gestion TYT inc.	-	-	532	532
	Total Centre-du-Québec	-	402	2,014	2,416
	Chaudière - Appalaches				
	3R Com inc. (8580430 Canada inc.)	-	202	-	202
	Autobus Fleur de Lys inc.	-	-	220	220
	Décoplex inc.	-	-	389	389
	Entreprises de services BCE Pharma inc. (Les)	-	87	-	87
	Fenêtres Sélection inc.	-	89	-	89
	Gesdix inc.	-	207	-	207
	Gypotech Acoustique inc.	-	208	-	208
	Investissements Mika inc. (Les)	-	-	311	311
	Plomberie Ste-Croix inc.	-	-	120	120
	Productions Horticoles Demers (Les)	250	-	-	250
	Serres Demers inc. (Les)	-	-	400	400
	Ultima Fenestration inc.	-	135	-	135
	Umano Medical inc.	-	133	-	133
	Total Chaudière - Appalaches	250	1,061	1,440	2,751
	Côte-Nord				
	9269-4603 Québec inc. - Gestion Patrick Ferreri	-	-	637	637
	9304-8254 Québec inc. (anc. Benoit Vigneault ltée)	404	-	-	404
	Alimentation Francis Gravel inc.	-	113	-	113
	Carrosserie Baie-Comeau inc.	-	-	102	102
	Centre des congrès de Sept-Iles	-	-	105	105
	Construction Leclerc et Pelletier inc.	-	84	-	84
	Entreprises G.M. Mallet inc. (Les)	-	120	-	120
	Express Havre St-Pierre Ltd.	-	-	316	316
	Hôtel Motel Le Q'Artier des Îles inc.	-	159	-	159
	LA VUE Pierre-Bertrand inc.	-	-	61	61
	LA VUE Thetford Mines inc.	-	-	48	48
	Location Paul Boudreau inc.	-	623	-	623
	Santerre Électrique inc.	-	21	172	193
	Sécurgence inc.	-	248	-	248
	Total Côte-Nord	404	1,368	1,441	3,213

Capital régional et coopératif Desjardins

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

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(in thousands of dollars)

Information from Annual Financial Report dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME s.e.c. (cont.)	50.00			
	Eastern Townships				
	6358331 Canada inc. (Sherbrooke OEM Ltd.)	459	57	-	516
	Certi Auto inc.	-	-	246	246
	Innotex inc.	-	281	-	281
	L.P. Royer inc.	-	995	-	995
	Pieux Vistech - Postech inc.	-	562	-	562
	Plastech inc.	-	-	120	120
	S.E.2 inc.	-	-	121	121
	Total Eastern Townships	459	1,895	487	2,841
	Funds				
	Fonds Prêt à Entreprendre, s.e.c.	471	-	-	471
	Total Funds	471	-	-	471
	Gaspésie-Îles-de-la-Madeleine				
	CFI Metal inc.	-	213	-	213
	Total Gaspésie-Îles-de-la-Madeleine	-	213	-	213
	Laval				
	8376905 Canada inc. (Paramedic)	-	259	-	259
	Total Laval	-	259	-	259
	Mauricie				
	9210-3563 Québec inc. (Groupe E. Morel)	-	-	233	233
	Ateliers de l'électro-ménager R. Vallée inc.	-	186	-	186
	Investissements Bédard-Hallé inc.	-	-	672	672
	Louis Lafrance & fils ltée	-	141	-	141
	Louiseville Specialty Products inc.	-	851	-	851
	Résidence Le Soleil Levant inc.	-	99	-	99
	RGF Électrique inc.	-	12	-	12
	Total Mauricie	-	1,289	905	2,194

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME s.e.c. (cont.)	50.00			
	Montérégie				
	3087-9894 Québec inc. (Habitations Trigone)	-	-	1,172	1,172
	4304047 Canada inc. (RX Santé)	-	83	-	83
	9008-7826 Québec inc. (Habitations Trigone)	-	-	1,173	1,173
	9120-6094 Québec inc. (Lanla)	-	150	-	150
	9223-5845 Québec inc. (Autobus Dufresne)	-	-	315	315
	Budget Propane (1998) inc.	-	-	275	275
	C.R.S./Vamic inc.	-	79	-	79
	Câbles Ben-Mor inc. (Les)	-	-	1,223	1,223
	Comax, coopérative agricole	1,500	-	-	1,500
	Direct Forest Products inc.	-	-	531	531
	Fibres Serden inc. (Les)	-	84	-	84
	Galenova inc. et Gentes et Bolduc Pharmaciens inc.	-	-	1,241	1,241
	Groupe Loiselle inc.	-	80	-	80
	Groupe Rogers Ltée	-	123	-	123
	Hygie Canada inc.	-	-	550	550
	Industries M.R. inc. (Les)	-	-	164	164
	Plomberie St-Luc inc.	-	605	-	605
	Pneus Langelier inc.	-	111	-	111
	Ressorts Foster Ltée (Les)	-	12	-	12
	Station Skyspa inc.	-	-	284	284
	VIF Mould and Plastics Industries Ltd	-	92	-	92
	Total Montérégie	1,500	1,419	6,928	9,847
	Montréal				
	9106-7645 Québec inc. (Vidéo MTL)	-	1,479	-	1,479
	9228-6384 Québec inc. (Sid Lee Technologies)	-	-	1,200	1,200
	9273-3443 Québec inc. (CLS Info)	-	63	-	63
	Aéronav inc.	-	121	-	121
	Alta Précision inc.	1,250	700	-	1,950
	Balcon Idéal inc.	-	374	-	374
	Bugatti group inc. (ex Bugatti-Sedona inc.)	-	300	-	300
	Cime Décor inc.	-	-	416	416
	CTA de Negotium	-	1,050	-	1,050
	DEK Canada inc.	-	1,405	-	1,405
	Ge-ber Transport inc.	-	110	-	110
	GME Experts en sinistres inc.	-	-	107	107
	LVL Studio inc.	626	-	691	1,317
	M.C. Crystal inc.	-	-	77	77
	Peds Legwear inc.	-	-	611	611
	Senez & Associés CPA inc.	-	-	193	193
	Sid Lee inc.	-	-	978	978
	Source Évolution inc.	-	-	979	979
	STC Footwear inc.	-	-	991	991
	Total Montréal	1,876	5,602	6,243	13,721

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME s.e.c. (cont.)	50.00			
	Nord-du-Québec				
	9223-3196 Québec inc. (Rona)	-	198	-	198
	Critical Elements Corporation	25	-	-	25
	Geomega Resources inc.	20	-	-	20
	Midland Exploration inc.	137	-	-	137
	Némaska Lithium inc.	24	-	-	24
	Nouveau Monde Mining Enterprises	50	-	-	50
	Sirios Resources inc.	32	-	-	32
	Sphinx Ressources Ltd.	-	31	-	31
	Total Nord-du-Québec	288	229	-	517
	Outaouais				
	Gestion S. Kelly (Métro Kelly)	300	-	500	800
	Jacques Poirier et Fils Ltée	-	-	171	171
	Total Outaouais	300	-	671	971
	Saguenay-Lac-Saint-Jean				
	2737-2895 Québec inc. (Distribution Fromagerie Boivin)	-	-	437	437
	4145275 Canada inc. (Chlorophylle)	599	-	211	810
	8439117 Canada inc. (Récupère Sol)	-	624	-	624
	9244-7770 Québec inc. (La Voie Maltée)	-	-	209	209
	Ambulance Médilac inc.	-	206	-	206
	Cervo-Polygaz inc.	-	-	100	100
	Clinique médicale privée Opti-Soins inc.	150	575	-	725
	Cuisines G.B.M. inc. (Les)	-	-	81	81
	Denis Lavoie & fils Ltée	-	-	295	295
	Garage Georges Beaudoin inc.	-	-	88	88
	Institut d'échafaudage du Québec (9020-4983 Québec inc.)	-	-	311	311
	Location A.L.R. inc.	198	-	-	198
	Matelas Lion d'or inc.	-	40	-	40
	Messagerie du Fjord inc.	-	340	-	340
	Métatube (1993) inc.	-	214	-	214
	Pog inc.	-	-	-	-
	Sécuor inc.	-	223	-	223
	Sports Guy Dumas inc.	36	-	-	36
	Théka Industries inc.	-	216	-	216
	Transport Réal Villeneuve inc. (9280-3162 Québec inc.)	-	78	-	78
	Total Saguenay-Lac-Saint-Jean	983	2,516	1,732	5,231
		7,570	18,659	24,042	50,271
	Funds committed but not disbursed				529
	Total Capital croissance PME s.e.c.				50,800

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME II s.e.c.	50.00			
	Abitibi-Témiscamingue				
	9222-0201 Québec inc. (Location Dumco)	-	195	-	195
	Abitibi Géophysique inc.	-	185	-	185
	Ace services mécaniques inc.	-	100	-	100
	Adventure Gold inc.	100	-	-	100
	Autobus Maheux Itée (Les)	-	1,350	-	1,350
	Cartier Resources inc.	38	-	-	38
	Centre du ressort Lamarque inc.	-	93	-	93
	Construction Gaston Proulx et Frères inc.	-	-	175	175
	Falco Resources Ltd.	75	-	-	75
	Gestion Martin Dandurand inc.	-	114	-	114
	Groupe Minier CMAC - Thyssen Mining Group	-	250	-	250
	Menuiserie Jalbert inc.	-	125	-	125
	Service Mécanique Gilbert inc.	-	-	100	100
	Total Abitibi-Témiscamingue	213	2,412	275	2,900
	Bas-Saint-Laurent				
	9164-1134 Québec inc. (Kia Matane)	-	-	206	206
	9188-1441 Québec inc. (Caravane Rimouski)	-	188	-	188
	Bouffard Sanitaire inc.	-	-	389	389
	Gestion AFM-Séma inc.	529	-	-	529
	Gestion Brasa inc.	-	353	1,250	1,603
	Gestion Rima 2013 inc. (Sani-Manic inc.)	-	-	100	100
	Location Jesna inc.	-	-	200	200
	Total Bas-Saint-Laurent	529	541	2,145	3,215
	Capitale-Nationale				
	9265-1934 Québec inc. (Centurion Fondation)	-	-	320	320
	9295-4874 Québec inc. (Maison de l'homéopathie de Québec)	-	232	-	232
	Capilex-Beauté Itée	-	-	589	589
	Lasertech industries inc.	-	300	-	300
	Matériaux Blanchet inc.	-	-	2,398	2,398
	Menuiserie R. Légaré inc.	-	-	200	200
	Multi Options Nursing inc.	-	200	-	200
	Pol R Entreprises inc.	2,362	-	-	2,362
	Ruchers Promiel inc. (Les)	-	459	-	459
	Total Capitale-Nationale	2,362	1,191	3,507	7,060

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME II s.e.c. (cont.)	50.00			
	Centre-du-Québec				
	9324-9605 Québec inc. (Préscolaire Vision)	84	-	-	84
	Advantag Canada inc.	-	-	500	500
	Davinci Compass inc.	-	-	450	450
	Distribution Pro-Excellence	-	500	-	500
	NMédia Solutions inc.	-	140	-	140
	Reflec inc.	-	500	-	500
	Sipromac II inc.	-	-	404	404
	Total Centre-du-Québec	84	1,140	1,354	2,578
	Chaudière - Appalaches				
	Acriart inc.	-	-	165	165
	Équipements Supérieurs inc.	-	709	-	709
	F. Charest Itée	-	958	-	958
	Gyptech Acoustique inc.	-	246	-	246
	I. Thibault Inc.	-	250	-	250
	Industries et équipements Laliberté Itée (Les)	-	700	-	700
	Techno-Moules P.L.C. inc.	-	-	89	89
	Total Chaudière - Appalaches	-	2,863	254	3,117
	Côte-Nord				
	9074-9664 Québec inc.	-	-	139	139
	Total Côte-Nord	-	-	139	139
	Eastern Townships				
	Éco-Pak inc. (9316-3251 Québec inc.)	-	-	600	600
	Industries C.P.G. Gagné Itée	-	133	-	133
	Innotex inc.	-	118	-	118
	Khrome Product - Transport (KPT) inc.	-	212	-	212
	Nautic & Art inc.	-	-	422	422
	Perron Pallets & Wood Products inc.	-	250	-	250
	Pieux Vistech inc.	-	125	-	125
	Réparations SOS Lift inc.	-	-	100	100
	S.E.2 inc.	-	25	-	25
	Sherlic inc.	-	-	350	350
	Spécialités industrielles Sherbrooke inc.	-	180	-	180
	Total Eastern Townships	-	1,043	1,472	2,515
	Gaspésie-Îles-de-la-Madeleine				
	9088-6086 Québec inc. (Subaru New Richmond)	-	-	200	200
	Total Gaspésie-Îles-de-la-Madeleine	-	-	200	200

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME II s.e.c. (cont.)	50.00			
	Lanaudière				
	Artotech Integration inc.	-	125	-	125
	Centre Nouvelle-Vie (Pavillon Lanaudière)	-	270	-	270
	Total Lanaudière	-	395	-	395
	Laurentians				
	Jean Jacques Campeau inc.	2,000	-	-	2,000
	Technoflex ESR Entreprise inc.	350	506	-	856
	Total Laurentians	2,350	506	-	2,856
	Laval				
	Groupe Lumain inc.	-	-	2,320	2,320
	Marina Del Rey Foods inc.	-	500	-	500
	Norseco inc.	-	500	-	500
	Total Laval	-	1,000	2,320	3,320
	Mauricie				
	9256-9037 Québec inc.	-	-	147	147
	Maison Isabelle inc.	-	225	-	225
	Placements Le Belvédère inc.	-	1,206	-	1,206
	Premont Foods Inc.	-	-	175	175
	Total Mauricie	-	1,431	322	1,753
	Montérégie				
	3087-9894 Québec inc. (Habitations Trigone)	-	-	675	675
	9008-7826 Québec inc. (Habitations Trigone)	-	-	675	675
	9020-5758 Québec inc. (AVRIL)	-	1,000	-	1,000
	Acema Importations inc.	-	175	-	175
	Alarme S.P.P. inc.	-	-	137	137
	Autobus Dufresne inc.	-	150	-	150
	Brosses Lacasse inc. (Les)	-	-	225	225
	Contek Shilstone inc.	-	307	-	307
	Éclairages Électroniques C.B.M. inc. (Les)	-	250	-	250
	Habitations Deschênes et Pépin inc. (Les)	-	402	-	402
	Helios Group inc.	1,500	1,000	-	2,500
	Industries B. Rainville inc.	-	-	400	400
	Logicmed inc.	-	-	116	116
	MTL Technologies inc.	-	490	-	490
	Placements F.I. inc.	-	492	-	492
	Pro Action Diesel inc.	-	-	260	260
	Total Montérégie	1,500	4,266	2,488	8,254

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Information from Annual Financial Report dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME II s.e.c. (cont.)	50.00			
	Montréal				
	9168-5909 Québec inc. (Piknic Électronik inc.)	-	-	250	250
	9303-6408 Québec inc. (Atelier d'usinage de précision Innova)	-	-	175	175
	C.R.H. Oral Design inc.	-	500	-	500
	C.T.M. Adhesive inc.	-	739	-	739
	Datsit Studios inc.	-	250	-	250
	Éditions Info Presse inc.	-	400	-	400
	Gorski Group Ltd.	-	500	-	500
	JSS Medical Research inc.	2,000	500	-	2,500
	Leeza Distributing inc.	500	1,000	-	1,500
	Masdel inc.	725	1,337	-	2,062
	Oboxmedia inc.	-	375	-	375
	Peds Legwear inc.	-	-	662	662
	Reftech international inc.	-	-	300	300
	TV5 Québec Canada	-	-	1,946	1,946
	Total Montréal	3,225	5,601	3,333	12,159
	Nord-du-Québec				
	Beaufield Resources inc.	50	-	-	50
	Dios Exploration inc.	50	-	-	50
	Geomega Resources inc.	129	-	-	129
	Midland Exploration inc.	75	-	-	75
	Monarques Gold Corporation	105	-	-	105
	Nouveau Monde Mining Enterprises	60	-	-	60
	Sirios Resources inc.	134	-	-	134
	Tomagold Corporation	80	-	-	80
	Total Nord-du-Québec	683	-	-	683

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015	Capital croissance PME II s.e.c. (cont.)	50.00			
	Saguenay-Lac-Saint-Jean				
	130395 Canada Inc. (Nordex)	1,875	-	-	1,875
	2526-0100 Québec inc. (Terrassement J. Fortin)	-	-	500	500
	2737-2895 Québec inc. (Distribution Fromagerie Boivin)	-	-	208	208
	2956-7062 Québec inc. (NAPA La Baie)	-	100	-	100
	9216-3146 Québec inc. (Micro Brasserie du Saguenay)	-	-	130	130
	9244-7770 Québec inc. (La Voie Maltée)	-	-	82	82
	9283-9034 Québec inc. (Pexal Tecalum Canada)	-	175	-	175
	9328-9486 Qc inc.	390	470	-	860
	Cervo-Polygaz inc.	-	-	263	263
	Fenêtres Réjean Tremblay inc. (Les)	-	350	-	350
	Flash Néon inc. - Enseignes Ste-Marie	-	-	200	200
	Foresco Holding inc.	-	250	-	250
	Gestion R. et G.G. inc.	2,000	-	-	2,000
	Industries G.R.C. inc. (Les)	-	182	-	182
	Marché Guy Bergeron inc.	-	-	161	161
	Mermax inc.	-	-	200	200
	Messagerie du Fjord inc.	-	48	-	48
	Sécuor inc.	-	62	-	62
	Taimi R & D inc.	-	308	-	308
	Total Saguenay-Lac-Saint-Jean	4,265	1,945	1,744	7,954
		15,211	24,334	19,553	59,098
	Funds committed but not disbursed				6,156
	Total Capital croissance PME II s.e.c.				65,254

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		Common and preferred shares and fund units \$	Loans and advances \$	Loans and advances \$	
31/12/2015 Desjardins – Innovatech S.E.C.	54.49				
7525443 Canada inc. (Inflotrolix)		221	317	-	538
9274-4192 Québec inc. (Boisaco)		1,293	-	-	1,293
Achronix Semiconductor Corporation		-	-	-	-
Airex Énergie inc.		545	-	-	545
Albert Perron inc.		695	-	-	695
AxesNetwork Solutions inc.		1,933	-	-	1,933
Biocéan Canada inc.		272	54	-	326
Bouffard Sanitaire inc. et Acier Bouffard inc.		-	65	-	65
Cadens Imagerie Medicale inc (Microsystemes DOG inc.)		-	1,172	-	1,172
CmLabs Simulations inc.		817	-	-	817
E2Metrix inc.		272	-	50	322
Emerillon Capital s.e.c.		3,822	-	-	3,822
Éocycle Technologies inc.		1,304	-	-	1,304
Fonds Entrepia Nord, s.e.c. (Le)		305	-	-	305
Global LVL inc.		191	-	368	559
Groupe Icible inc.		-	163	-	163
Groupe Minier CMAC - Thyssen Mining Group		-	304	-	304
Gullivert Technologies inc.		109	-	-	109
Handyem inc.		409	136	-	545
Hortau inc.		-	-	294	294
Innomalt inc.		-	110	-	110
Inocucor Technologies inc.		-	-	681	681
Interactive Validated Solutions 88 Inc.		272	-	-	272
Kanwal inc.		-	-	488	488
Laboratoire M2 inc.		-	545	-	545
Laserax inc.		-	381	-	381
LeddarTech inc.		831	-	-	831
Mayer Intégration inc.		-	126	-	126
Nippon Dragon Resources inc.		163	-	136	299
Novidév Santé active inc.		-	381	163	544
Ocera Therapeutics inc.		94	-	-	94
OptoSecurity inc.		-	100	-	100
Prevtec Microbia inc.		1,173	-	-	1,173
Produits forestiers LAMCO inc.		312	-	-	312
Solutions Extenway inc.		1,409	-	-	1,409
SweetIQ Analytics Corp.		545	-	-	545
Technologies Intelia inc.		136	-	-	136
TSO3 inc.		772	-	-	772
Vantrix Corporation		-	-	-	-
VIMAC Early Stage Fund L.P.		610	-	-	610
		18,505	3,854	2,180	24,539
Funds committed but not disbursed					9,027
Total Desjardins - Innovatech S.E.C.					33,566

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		Common and preferred shares and fund units	Loans and advances	Loans and advances	
31/12/2015 Société en commandite Essor et Coopération	90.91				
Agropur Coopérative		4,546	-	-	4,546
Central Café - Coop de solidarité		182	-	-	182
Citadelle, Coopérative de producteurs de sirop d'érable		2,727	-	-	2,727
Club coopératif de consommation d'Amos		909	-	-	909
Coop d'analyse sociale et environnementale		-	18	-	18
Coopérative Actionnaire Les Paramédics d'Urgence Bois-Francs		-	878	-	878
Coopérative de travailleurs actionnaire de TEC		-	565	-	565
Fédération des coopératives funéraires du Québec		364	-	-	364
La Coop fédérée		4,546	-	-	4,546
La Coop Uniforce		909	-	-	909
Magasin Général Saint-Fidèle, Coop de solidarité		-	51	-	51
Québec Federation of Forestry Cooperatives		114	-	-	114
Vivaco Groupe coopératif (ex-Société coopérative agricole des Appalaches)		909	-	-	909
		15,206	1,512	-	16,718
Funds committed but not disbursed					4,568
Total Société en commandite Essor et Coopération					21,286

This unaudited index provides details of investments made by specialized funds and partner funds in which Capital régional et coopératif Desjardins has invested more than \$10M and by partner funds, in which it holds an equity interest of more than or equal to 50%, that respect the criteria stated in the *Regulation respecting Development Capital Investment Fund Continuous Disclosure*.



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