

# MEDIA RELEASE



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## **CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC AND DESJARDINS GROUP, IN COLLABORATION WITH CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS, JOIN FORCES TO INVEST \$600 MILLION IN QUÉBEC SMBs**

*Funds to be used for growth and development of promising small and mid-sized businesses over the next three years*

**Montréal, January 19, 2010**— Desjardins Group and the Caisse de dépôt et placement du Québec (the “Caisse”) today announced they have concluded an agreement aimed at supporting the growth and development of small and mid-sized businesses (SMBs) in Québec. Under this agreement, established in partnership with Capital régional et coopératif Desjardins (CRCD), investments totaling \$600 million will be made over the next three years.

The purpose of this agreement is to provide support for SMBs so they can undertake projects with good profitability prospects, such as expansions, research and development, acquisitions and optimization of productivity. With their long-standing experience of cooperation in this field, Desjardins Group and the Caisse plan to set up an effective and diligent decision-making process to respond to financing requests from SMBs.

“Our economic vitality is predicated largely on the dynamism and capacity for innovation of businesses in all regions of Québec,” said Monique F. Leroux, Chair of the Board, President and CEO of Desjardins Group. “We’re pleased to join forces with the Caisse de dépôt et placement du Québec to further stimulate the Québec economy, with a view to sustainable prosperity.”

“This agreement supplements the efforts the Caisse is already making to back promising Québec companies. It will allow us to build on our expertise and our distinctive competitive advantages in Québec to generate returns for our clients, the depositors. We’re very proud to team up with Desjardins Group to provide SMBs with an enhanced long-term financing offering, which will enable them to meet the challenges of global markets,” said Michael Sabia, President and CEO of the Caisse de dépôt et placement du Québec.

### **A two-pronged comprehensive financial offering**

The agreement to support Québec SMBs comprises two distinct components: one for small businesses and one for mid-sized businesses.

#### Support for small businesses

The first component of the agreement, which involves CRCD and the Caisse, targets promising small businesses. The two partners have agreed to set up a \$200 million fund to meet financing needs of less than \$3 million, primarily in the form of subordinated loans. The Caisse and CRCD will be equal partners in this fund. Desjardins Venture Capital, a subsidiary of Desjardins Group, will be the general partner and will manage the fund based on an investment policy similar to that of CRCD.

### Support for mid-sized businesses

The second component is aimed at providing financing solutions for mid-sized companies that perform well and have good prospects for growth and profitability. The budget allocation for this component will total \$400 million.

Under this agreement, Desjardins Group and the Caisse will allocate \$300 million to these companies over the next three years to meet financing needs of more than \$5 million, in the form of conventional five- to seven-year term loans.

The Caisse and CRCD also plan to invest about \$100 million in mid-sized companies in the form of equity and quasi-equity. For both the Caisse and CRCD, the \$50 million each intends to invest will be over and above their other initiatives aimed at supporting Québec mid-sized businesses, notably through partnerships with various financial players.

### **About the Caisse de dépôt et placement du Québec**

The Caisse de dépôt et placement du Québec is a financial institution that manages funds primarily for public and private pension and insurance plans. At December 31, 2008, it held \$120.1 billion of net assets. As one of the leading institutional fund managers in Canada, the Caisse invests in the main financial markets as well as in private equity and real estate. For more information: [www.lacaisse.com](http://www.lacaisse.com).

### **About Capital régional et coopératif Desjardins**

Founded in 2001, Capital régional et coopératif Desjardins is a publicly traded company managed by Desjardins Venture Capital. With over 122,000 shareholders, the Company contributes to Québec's economic development while driving the growth of cooperatives and the resource regions. Capital régional et coopératif Desjardins currently supports more than 200 companies and cooperatives in various industries spanning all Québec regions. ([www.capitalregional.com](http://www.capitalregional.com))

### **About Desjardins**

Desjardins Group is the largest cooperative financial group in Canada, and the sixth largest in the world, with overall assets of \$163 billion. Drawing on the strength of its caisse network in Québec and Ontario, as well as its subsidiaries, several of which are active throughout Canada, Desjardins offers a full range of financial products and services to its 5.8 million individual and business members and clients. Desjardins Group is also home to a wealth of expertise in property and casualty insurance, life and health insurance, wealth management, services for businesses of all sizes, securities brokerage, venture capital, asset management and secure leading-edge virtual access methods, all part of an integrated offer that is the only one of its kind in Canada. One of the largest employers in the country, Desjardins is backed by the knowledge and skills of its 42,000 employees and the commitment of its 6,300 elected officers. To find out more, consult [www.desjardins.com](http://www.desjardins.com).

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### **Sources and information:**

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