**2009
FINANCIAL
REPORT**

entrepreneurship shareholders dreams cooperatives resource regi

Invest in Québec

vision

SME business ownership transfer movement sustainable prosperity employee – shareholder cooperatives future

The Financial Report includes:

> Management Discussion and Analysis
> Management's Report
> Complete audited financial statements, including the notes and the Auditors' Report
> 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

Desjardins
Capital régional
et coopératif

Capital régional et coopératif Desjardins

Management Discussion and Analysis

This annual management discussion and analysis complements and supplements the financial statements and contains financial highlights but does not contain the Company's complete financial statements. It is a through the eyes of management narrative explanation of how the Company performed during the period covered by the financial statements, the Company's financial position and any material changes to it.

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 the Company's operations, the associated risks and uncertainties could cause actual results to differ from those anticipated in forward-looking statements. The Company disclaims any intention or obligation to update or revise such statements based on any new information or on new events that may occur.

You can obtain a copy of the annual financial statements free of charge, on request, by calling 514 281-2322 or (toll free) 1 866 866-7000, extension 2322, by writing to us at 2 Complexe Desjardins, P.O Box 760, Desjardins Station, Montréal, Québec H5B 1B8, or by visiting our website at www.capitalregional.com or SEDAR at www.sedar.com.

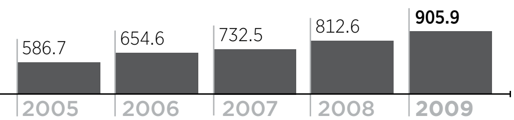
You can also obtain a copy of the interim documents in this manner.

Financial Highlights as at December 31

The following charts report the Company's key financial data and are intended to assist in understanding the financial results for the preceding five fiscal years. This information is drawn from the Company's audited annual financial statements.

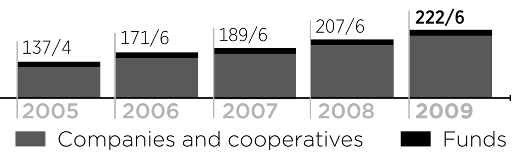
Ratios and supplemental data

01 NET ASSETS (IN $M)



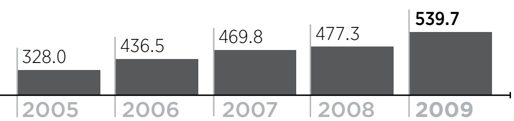
02 NUMBER OF PARTNER COMPANIES AND COOPERATIVES/FUNDS

(including funds committed but not disbursed)

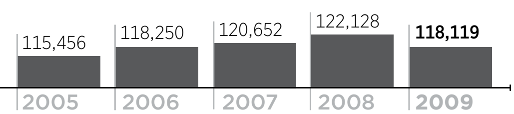


03 INVESTMENTS AT COST (IN $M)

(including funds committed but not disbursed)



04 NUMBER OF SHAREHOLDERS



	2009	2008	2007	2006	2005
Revenue (in thousands of $)	**39,900**	39,520	32,015	27,386	21,717
Net income (net loss) (in thousands of $)	**17,145**	(29,347)	(22,243)	(10,238)	6,751
Shares outstanding (in thousands)	**93,142**	85,159	74,097	64,139	56,600
Total operating expense ratio (%)	**2.8**	3.1	3.4	3.5	3.6
Portfolio turnover rate:					
> Investments impacting the Québec economy (%)	**9**	9	11	7	17
> Other investments (%)	**84**	83	33	38	47
Trading expense ratio[1] (%)	**0.0**	0.0	0.0	0.0	0.0
Issues of shares (in thousands of $)	**129,443**	126,440	101,763	79,544	100,605
Redemptions of shares (in thousands of $)	**53,273**	17,016	1,611	1,401	1,234
Fair value of investments impacting the Québec economy committed and disbursed (in thousands of $)	**465,228**	412,854	434,406	419,571	313,466

[1] Trading expense includes brokerage fees and other portfolio transaction costs. These expenses are not of material importance to the Company.

Changes in net assets per share

	2009 ($)	2008 ($)	2007 ($)	2006 ($)	2005 ($)
Net assets per share, beginning of year	**9.54**	**9.89**	**10.21**	**10.37**	**10.25**
Increase (decrease) attributable to operations	**0.19**	**(0.35)**	**(0.33)**	**(0.17)**	**0.12**
Interest, dividends and negotiation fees	**0.43**	0.47	0.47	0.40	0.35
Operating expenses	**(0.27)**	(0.30)	(0.35)	(0.34)	(0.33)
Income taxes and capital tax	**(0.06)**	0.04	0.10	0.00	(0.04)
Gains (losses) realized	**0.13**	(0.20)	(0.24)	(0.19)	0.16
Unrealized losses	**(0.04)**	(0.36)	(0.31)	(0.04)	(0.02)
Difference attributable to share issues and redemptions	**0.00**	**0.00**	**0.01**	**0.01**	**0.00**
Net assets per share as at December 31 of year indicated	**9.73**	**9.54**	**9.89**	**10.21**	**10.37**

Overview

The Company ended fiscal 2009 with net income of $17.1 million (net loss of $29.3 million in 2008), and a return of 2.0% (negative return of 3.6% in 2008), thereby increasing net assets per common share to $9.73 based on the number of common shares outstanding at year-end from $9.54 compared with the end of fiscal 2008. For information purposes, at the price of $9.73, shareholders who invested seven years earlier obtain an annual after-tax return of 9.3% taking into account their income tax credit of 50%.

The Company's return is mainly attributable to the contribution of the Investments impacting the Québec economy and Other investments activities. Assets allocated to Investments impacting the Québec economy are focused on the Company's mission of promoting the economic development of Québec cooperatives and resource regions. Assets are allocated across four lines of business and consist mainly of equities and debentures. This activity posted a return of 6.1% for 2009 compared with a negative return of 6.5% in 2008. During the fiscal year, improved corporate credit conditions produced a gain for this portfolio and revenue rose. However, difficult economic conditions contributed to a reduction in the value of certain asset classes within the portfolio, particularly for partner companies in the information technology/telecommunication and healthcare/biotechnology sectors. The cost of Investments impacting the Québec economy made or committed totalled $539.7 million, of which $475.8 million were disbursed.

The Other investments activity represents the balance of funds not invested in partner companies. This portfolio was established to provide security for the Company's returns and ensure the necessary liquidity to fund share redemptions and investments. It consists primarily of bonds and preferred shares. This activity generated a return of 5.2% for 2009 compared with a return of 4.7% in 2008. This increase in returns is due mainly to improved credit conditions which allowed the bonds and preferred shares of companies and financial institutions to generate substantial gains and, to a lesser degree, the performance of the overlay portfolio.

Capital subscriptions during the year reached $129.4 million while share redemptions totalled $53.3 million. Since the first shares became eligible for redemption at the end of the minimum seven-year holding period, approximately one third of eligible shares have been redeemed. Net assets reached $905.9 million, up 11.5% compared with 2008. The number of shareholders was 118,119 as at December 31, 2009, a light drop of 3.3% from December 31, 2008.

Economic Background

Looking back on 2009

2009 opened against a backdrop of financial and economic crisis. Forceful action by the central banks, which pulled their key rates back to historic lows and injected massive amounts of cash, gradually reduced tensions in the financial markets. Stimulus packages announced by governments across the globe also helped to bring an end to the recession in most of the industrialized countries by the close of 2009.

The U.S. economy, which was at the centre of the mortgage credit and liquidity crisis, was hit hard. The meltdown of the U.S. real estate market, however, was replaced by a certain degree of stability by the end of the year as consumer spending began to recover. The Obama Administration's various incentive programs, in particular the Cash for Clunkers plan and the tax credit for first-time homebuyers, produced results. Not raising the Federal Funds rate above 0.25% also allowed the U.S. economy to start on the road to recovery last summer.

In Canada, the recession wreaked less havoc than in the United States. The real estate market was shaken up to a lesser degree due to stricter credit practices on this side of the border. Property prices have already regained all the ground they lost after the financial crisis struck and residential construction returned to growth. In the world of business, credit conditions have begun to soften and investment has turned around. Exports remain vulnerable to a rise in the Canadian dollar. That being said, the upswing in domestic demand has allowed the country to set its foot on the road to recovery. The federal and provincial government stimulus packages combined with key interest rates at never-before lows have helped to put the economy back on track. Québec began its recovery last summer, after experiencing a less pronounced recession than the rest of Canada. Job losses were relatively smaller, and the unemployment rate fell below the Canadian average of 8.5% at the end of the year.

The early days of 2009 were extremely challenging for stock markets. The collapse begun in 2008 continued to deepen, particularly on North American exchanges, which found the bottom of the cycle in March 2009. The subsequent rally was impressive, leading the S&P 500 to close the year up 23.5%. In Canada, the S&P/TSX rose 30.7% in 2009. Raw materials prices finished the year on a strong note after a free-fall that began mid-way through 2008. Oil prices reached US$80 per barrel at the end of December, while a barrel of oil had opened the year at around US$30. The rise in value favoured the Canadian dollar, which also rose against the weakness of the greenback. The loonie, which was worth US$0.80 in January 2009, came close to par and closed the year at US$0.95.

Looking forward to 2010

Having come through a time of extreme volatility, the financial markets will take a year to consolidate. The U.S. Federal Reserve will likely maintain its key rates unchanged throughout the year in order not to stifle recovery, while the Bank of Canada will do the same at least into autumn. The recovery that has begun in North America will strengthen during 2010. Stimulus packages will continue to have their effect, and the job market will see some improvement. Convalescence will be especially lengthy in the United States, which lost more than seven million jobs due to the recession.

At home, economic renewal will be modest, notably in Central Canada. Exports will continue to struggle due to the loonie's rise in value. This will put Québec and Ontario at a disadvantage, while Western Canada will see rewards from the rise in oil prices and the positive spinoffs of the Winter Olympic Games. In Québec, recovery took hold through summer 2009. Consumer spending has at last come out of the doldrums and the real estate market is refreshingly strong. The outlook, nonetheless, is dampened by the bleak state of the public purse. Serious effort must be made in 2010 to bring the budget back into balance in 2013-2014. Beyond improved control over spending, more tax hikes are to be expected for individuals, which might leave consumers with less and, by the same token, slow down Québec's economic recovery.

Venture capital market

Québec venture capital activity increased in 2009 compared with the previous year, with investments totalling $431 million. When compared with the rest of North America, these results of reflect the strength of the Québec economy. For Canada as a whole, investment has fallen off by 27%. The Canadian province most heavily affected by the economic situation is Ontario, where investment dropped by half to close at a total of $288 million. Increased investment volume in Québec and the reductions in the rest of the country mean that, for 2009, investment activity in Québec represents more than 43% of investment in Canada as a whole.

Information technology investment in Québec also rose, reaching close to $200 million. Life sciences sectors continued to pull back as in recent years with investments of $88 million, which represents a decrease of 26% compared with 2008.

With a high volume of activity in the first half of the year, investment in the more traditional sectors rose 65 % to end 2009 at approximately $129 million.

Investments in expanding Québec businesses represent close to 54% of all activity for 2009. Investment activity in start-up companies and businesses at the beginning of the growth cycle continued to increase, growing by 59% compared with 2008 to reach almost 46% of all investments in Québec.

U.S. and foreign investors came back in force in 2009. The percentage of their investments in Québec rose 50% to reach approximately $125 million.

Montréal once again attracted the lion's share of investment in Québec. However, for the first time in five years, the level was under 70%, representing about 56% of Québec investment. Québec City made considerable inroads on the usual breakdown of investments by attracting over 31% of all investments, as compared with 6% in 2008 and 10% in 2007.

Management's Discussion of Financial Performance

On the initiative of Desjardins Group, Capital régional et coopératif Desjardins was founded on July 1, 2001 following the adoption of the Act constituting Capital régional et coopératif Desjardins (the "Act") by Québec's National Assembly on June 21, 2001. Desjardins Venture Capital Inc. manages the Company's activities.

The Company aims to participate in a more prosperous Québec by providing ongoing support to companies and cooperatives and reflecting regional economic realities. It gives meaning to the cooperative spirit by supporting the continuity of companies and growing the collective wealth of the regions.

Mission, objectives and strategies of the Company

Mission

The Company's mission is to:

> Contribute to Québec's economic development and take an active part in the growth of the following regions: Abitibi-Témiscamingue, Bas-Saint-Laurent, Côte-Nord, Gaspésie — Îles-de-la-Madeleine, Mauricie, Nord-du-Québec and Saguenay — Lac-Saint-Jean (the "resource regions");

> Inject venture capital into companies and cooperatives and provide expert advice to support their start-up, growth and expansion; and

> Generate returns that will encourage shareholders to reinvest.

The Act contains certain criteria that define this mission. Since fiscal 2006, the portion of the Company's average eligible investments must represent at least 60% of its average net assets for the preceding year. Furthermore, at least 35% of that percentage (60%) must be invested in entities in Québec's resource regions or in eligible cooperatives. If these criteria were not met, the Company could be subject to penalties. As at December 31, 2009, no penalty was owing by the Company.

The Company expects to meet its investment objectives, in particular by maintaining a presence in all Québec regions, working closely with the Business Centres via its manager's twenty-some business offices, and by promoting the establishment of employee-shareholder cooperatives.

Objectives

To fulfill its mission, the Company pursues three main goals:

> 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 maximize shareholder value.

Company strategies

To appropriately fulfill its mandate of driving regional and cooperative development and Québec's economic development in general, the Company's manager has allocated its Investments impacting the Québec economy activities across four business lines.

> The Venture Capital line covers the healthcare and biotechnology, the information technology and the telecommunication sectors.
> The Cooperatives and Resource Regions business line covers all investments in cooperatives as well as investments of less than $5 million in the industrial sector of the resource regions.
> The Development Capital business line is made up of investments of less than $5 million in the industrial sector in all of Québec's other administrative regions.
> Last, the Major Investments and Company Buyout business line brings together investments of more than $5 million in the industrial sector across all Québec regions. Major Investments focuses on investments between $5 million and $20 million to support businesses with growth or acquisition projects. Major Investments are expressed as a minority interest in the equity capital of these businesses. Company Buyout is investment as a majority interest in the equity capital of a business with a view to allowing either a potential acquirer or an existing management team to continue to operate the business.

In keeping with its mission of support for the cooperative movement, the Company's manager, Desjardins Venture Capital, encourages the establishment of employee-shareholder cooperatives, an initiative that allows employees to become co-owners in their companies together with the existing management team and Capital régional et coopératif Desjardins. This gives employees the opportunity to participate in the economic development of their regions, and to enjoy a share of the resources of their respective environments.

The Company also has the mandate to maximize total shareholder returns while maintaining their capital value. Using a global approach to managing its financial assets, the Company manages its portfolio of Investments impacting the Québec economy jointly with its Other investments portfolio. This allows the Company to balance its overall investment portfolio and limit volatility in share value due to changing economic conditions over the entire holding period.

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

> The Company 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 portfolio.
> The objective is to optimize the after tax risk/return ratio of the Company's financial assets in compliance with its role as an economic development agent, to limit six-month fluctuations in the value of its shares and to secure returns that will encourage shareholders to reinvest.
> A sufficient portion of the Company's financial assets must be invested in liquid securities to meet any share redemption requests that exceed issues of shares.
> A sufficient portion of the Company's financial assets must be invested in securities that generate current income to meet the Company's expenses.

Risk management

Risk governance

To secure the fund's continuity and protect shareholder interests, the Board of Directors ensures that the main risks related to the Company's operations are identified and that the appropriate management controls are in place. The Board of Directors is supported in its duties and responsibilities by four standing committees made up exclusively of members of the Board. Monitoring and control of the different risks are allocated across the committees, which regularly report on their activities to the Board of Directors and make the appropriate recommendations. Some risk governance responsibilities are also assumed by the Company's manager.

Other than specific mandates given to them by the Board of Directors from time to time, the responsibilities of the committees are as follows:

Executive Committee
The Executive Committee exercises all of the Board's powers, except those expressly reserved to the Board by the Company's Incorporating Act and General Bylaws. The Committee is responsible for governance and manages the annual review process of the effectiveness of the Board, its committees, and the directors. The Committee is also mandated to interpret and apply the Purchase-by-Agreement policy and make recommendations to the Board in that regard. Furthermore, it reviews quarterly reports from the Company's manager concerning high-risk files and the corrective measures taken.

Audit Committee
The Audit Committee consists exclusively of independent members of Desjardins Group. It is responsible for monitoring the financial reporting process. To do this, the Committee reviews the quarterly, semi-annual and annual financial statements for approval by the Board of Directors, financial reporting, internal control systems, monitoring of risks related to financial reporting, internal and external audit processes, the procedures applied and regulatory compliance.

At the end of each half year, the Committee receives the certifications by the General Manager and the Chief Financial Officer with respect to the valuation and determination of the fair value of the Investments impacting the Québec economy portfolio.

In addition, the Committee oversees the independence of the external auditors and Desjardins Group's internal auditor on engagements carried out in the Company's behalf.

Financial Asset Management Committee
The Committee's primary mandate is the coordination and matching of the Company's financial assets. To do this, it ensures that the Company maintains all the policies, guidelines and appropriate procedures relating to financial assets and sees that they are reviewed and updated annually. It also ensures optimal use of new products to enhance the Company's returns, risk/return ratio and tax situation. It verifies that financial asset management is carried out proactively while maintaining an acceptable level of risk, and ensures that risk is managed accordingly. In addition, the Committee is responsible for monitoring compliance with the 60% and 35% criteria set out in the Company's constituting act, and monitors the Company's performance.

Ethics and Professional Conduct Committee
The Ethics and Professional Conduct Committee consists exclusively of members who are independent of Desjardins Group. It considers all matters pertaining to the Company's Code of Ethics and Professional Conduct and ensures compliance with the contract awarding and review rules therein. The Committee is responsible for reviewing potential conflicts and making appropriate recommendations to the Board of Directors. It seeks assurances from the Company's manager that the Company's dedicated resources are familiar with the Code's requirements and that the mechanisms are in place to detect and resolve any ethical issues. Last, it assesses candidates' eligibility for the two directorships that must be voted on at the Meeting of Shareholders and determines the independence of each director on an annual basis.

Manager's Committees
The manager has set up investment committees and a Portfolio Valuation Committee. The investment committees are mandated to approve purchases/sales of interests in companies consistent with the policies and strategic plan defined by the Company's Board of Directors. These committees also carry out a quarterly review of Investments impacting the Québec economy portfolio quality and report quarterly on their activities to the Board of Directors. The Portfolio Valuation Committee is responsible for reviewing all relevant information concerning valuation of the Investments impacting the Québec economy portfolio and ensuring compliance with valuation processes under applicable regulations. The Committee reports to the Company's Board of Directors.

Attendance record and compensation
The following table presents the attendance record and compensation of the Company's directors for fiscal 2009.

Name	Board of Directors	Executive Committee (1)	Audit Committee (1)	Financial Asset Management Committee (1)	Ethics and Professional Conduct Committee (1)	Compensation (2)
(Number of meetings)	(8 meetings)	(6 meetings)	(5 meetings)	(4 meetings)	(3 meetings)	
Barrette, Lorrain	8/8		5/5			$19,600
Beaulieu, Gilbert	7/8	4/4		3/3		$20,100
Bourdages, Évangéliste	6/8	4/4			2/2	$21,375
Cousineau, Serge	1/1	2/2				$5,544
Deveaux, Marlène	7/7		3/3			$13,754
Doyon, Maurice	8/8			2/2	1/1	$19,900
Ferland, Francine	7/7				1/1	$13,054
Fortier, Camille	1/1			2/2		$5,874
Fortin, Josée	8/8				2/3	$22,400
Gauvreau, Pierre	8/8	2/2	5/5	4/4		$28,800
Lachapelle, André	8/8	6/6		4/4		$40,500
Lavoie, Yves	1/1	1/1			1/1	$4,700
Morin, Bruno (3)	7/8					$10,000
Roy, Claudine	6/7				1/1	$12,274
St-Aubin, Robert	2/4					$4,274
St-Pierre, Hugues	1/1		1/1			$5,153
Voyzelle, Carole	5/6	4/4			1/1	$16,078
Total Compensation						**$263,380**

(1) The composition of the four (4) committees was reviewed on May 20, 2009.

(2) Includes *ad hoc* committees, welcoming sessions or training sessions, if applicable.

(3) An annual lump sum of $10,000 is allocated to the General Manager and paid to Caisse centrale Desjardins.

Explanatory notes to table

Mr. Serge Cousineau resigned on May 8, 2009.

Mr. Évangéliste Bourdages became a member of the Executive Committee on May 20, 2009 and was replaced by Ms. Josée Fortin as Chair of the Ethics and Professional Conduct Committee on May 21, 2009.

Ms. Claudine Roy and Ms. Francine Ferland were appointed on May 12 and May 20, 2009 respectively and became members of the Ethics and Professional Conduct Committee on May 21, 2009.

Ms. Marlène Deveaux was appointed on May 20, 2009 and became a member of the Audit Committee as of that date.

Mr. Robert St-Aubin served from May 12 to October 20, 2009.

Ms. Carole Voyzelle passed away on November 5, 2009. She was replaced by Mr. Pierre Gauvreau as Vice-chairman of the Board of Directors and member of the Executive Committee on November 18, 2009.

Note to readers

The following sections regarding market risks, credit and counterparty risks and liquidity risks have been reviewed by the Company's auditor within the audit of the financial statements concerning which an auditors' report was issued on February 10, 2010.

Market risks

Market risks pertain to the Company'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 the Company's assets. The various market risks directly impacting the Company are discussed below.

Interest rate risk

Interest rate fluctuations have a significant impact on the market value of fixed-income securities 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 market value of $466.4 million ($420.6 million as at December 31, 2008).

Money market instruments with a fair value of $85.6 million ($20.8 million as at December 31, 2008) have not been valued based on fluctuations in the interest rates due to their very short term maturity and the Company's intention to hold them until maturity.

Bonds with a fair value of $361.1 million ($386.3 million as at December 31, 2008) are directly affected by fluctuations in the interest rates. A 1% increase in interest rates would have resulted in a decrease of $9.6 million in net income, or a 1.1% decrease in the Company's share price as at December 31, 2009 ($9.1 million or 1.1% as at December 31, 2008). Similarly, a 1% decrease in interest rates would have had the opposite effect, resulting in a $10.0 million increase in net income, i.e. a 1.1% increase in share price ($9.4 million or 1.2% as at December 31, 2008). Given that the Company 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.

Preferred shares with a fair value of $19.7 million ($13.5 million as at December 31, 2008) may also be affected by fluctuations in interest rates. However, unlike bonds, there is no perfect correlation between interest rate fluctuations and changes in the fair value of preferred shares. Also, the interest rate risk related to preferred shares is low given the amounts in question.

Following the substantial widening of credit spreads in the markets between June and December 2008, an impairment charge was recognized as at December 31, 2008 on aggregate debenture Investments impacting the Québec economy issued by the Company to its private partner companies. As the situation fully corrected itself during the year, this decline in value was reversed. These investments totalled $192.7 million as at December 31, 2009 ($145.4 million as at December 31, 2008). The fair value of these debentures may therefore be affected by fluctuations in interest rates. However, a number of other factors also impact fair value, undercutting the relevance of sensitivity analysis on this variable alone. The long-term impact of interest rates on results should be limited as the Company expects to hold these debentures until maturity.

Cash bears interest at the average weighted rate of 0.21% (average weighted rate of 1.46% as at December 31, 2008). Accounts receivable and accounts payable and accrued liabilities do not bear interest.

Stock market risk

Stock market trends have a twofold impact on the Company. 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, 2009, the Investments impacting the Québec economy portfolio included five traded companies with a value of $3.6 million, representing 0.4% of net assets (seven companies with a value of $5.2 million as at December 31, 2008, representing 0.6% of net assets). A 10% increase or decrease in the stock markets would have resulted in an increase or decrease in the Company's net income of $0.3 million respectively ($0.4 million as at December 31, 2008).

In accordance with the Company's global asset management approach, the impacts and interrelations of these risks are taken into account when determining overall asset allocation.

Currency risk

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

Currency fluctuations impact the fair value of investments valued in a foreign currency and then converted into Canadian dollars at the current exchange rate. These investments, whose value varies in step with fluctuations in the value of the U.S. dollar, represent a fair value of $53.4 million, or 5.9% of net assets as at December 31, 2009, compared with $50.2 million, or 6.2% of net assets as at December 31, 2008.

In 2008, the Company implemented a systematic hedging policy to manage currency risk for foreign currency valued investments. A $5 million line of credit was granted to the Company for its foreign exchange contract transactions. As at December 31, 2009, the Company held foreign exchange contracts under which it must deliver US$43.8 million on March 31, 2010 at the rate of CAD/USD 1.0656.

This limits the Company's net exposure to the American dollar to US$7.3 million (US$1.0 million as at December 31, 2008). Any fluctuation in the Canadian dollar against its U.S. counterpart will therefore not have a significant impact on the Company's results.

Credit and counterparty risks

In pursuing its Investments impacting the Québec economy mission, the Company is exposed to credit risks related to the potential financial losses of partner companies. By diversifying its investments by sector, company development stage and financial instrument type and by limiting the potential risk of each partner company, the Company has successfully limited portfolio volatility due to negative events.

In almost all cases, the Company does not require guarantees to limit credit risk on its loans. Requiring guarantees would contravene the eligibility rules for Investments impacting the Québec economy.

Investments are first ranked from 1 to 5 based on financial ratios. Companies with a ranking of 5 are reviewed on a monthly basis according to preset qualitative criteria to filter them into ranks 5, 6 and 7.

Ranked by risk, the breakdown of Investments impacting the Québec economy is as follows (fair value amounts):

		As at December 31, 2009	As at December 31, 2008
Rank		(in thousands of $)	(in thousands of $)
1 to 4	Low to higher than average risk	**332,224**	264,189
5	At risk	**58,798**	72,631
6 and 7	High risk and insolvent	**10,299**	11,588

Other investments portfolio risks are managed by diversification across numerous issuers with a BBB credit rating from Standard & Poor's or DBRS, or higher. Counterparty risks arising from cash and purchase/redemption transactions are limited to the immediate short term.

The concentration of the five largest Investments impacting the Québec economy and the five largest Other investments is as follows (percentages are based on asset fair value):

	As at December 31, 2009		As at December 31, 2008	
	% of asset class	% of net assets	% of asset class	% of net assets
Investments impacting the Québec economy	**28.5**	**12.6**	20.4	8.8
Other investments*	**64.1**	**33.1**	59.1	31.1

* Government issuers accounted for 86.4% (92.3% as at December 31, 2008) of the Other investments portfolio's five largest issuers or counterparties.

The portfolio summary presented at the end of this financial review also provides relevant information for assessing credit concentration risk.

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

Liquidity risks

The Company must maintain sufficient liquid assets to fund share redemptions and committed Investments impacting the Québec economy. If it failed to do so, the Company would be dependent on the markets and could be forced to carry out transactions under unfavourable conditions. With liquid investments that should, once the Company's capitalization reaches its maximum limit, represent 35% to 40% of assets under management and using a management approach that ensures that the average bond maturity matches the average maturity of expected outflows, the Company can confirm that its management approach takes into account this risk.

Operating results

Net results and fund returns

The Company recorded net income of $17.1 million for its fiscal year ended December 31, 2009, representing a return of 2.0% compared with a net loss of $29.3 million (negative return of 3.6%) for the preceding year.

The returns obtained for the same period by certain market indexes for the classes of financial instruments the Company holds are presented for information purposes in the following table:

	As at December 31, 2009			As at December 31, 2008		
Financial instruments	Weighting of the Company's net assets (%)	1-year return – Company (%)	1-year return – Index (%)	Weighting of the Company's net assets (%)	1-year return – Company (%)	1-year return – Index (%)
Ownership equity interest (1)	**25.0**	**0.2**	**35.1 (4)**	28.2	(11.5)	(33.0) (4)
Fixed-income securities (2)	**72.6**	**7.4**	**5.4 (5)**	68.3	4.2	6.4 (5)
Weighted		**5.6 (3)**	**16.1**		(0.4) (3)	(5.1)

(1) For the purposes of this section, this class includes shares of the Investments impacting the Québec economy portfolio.
(2) For the purposes of this section, this class includes fixed-income securities of the Investments impacting the Québec economy and Other investments portfolios.
(3) The difference between the average weighted return of the asset classes and the Company's return of 2.0% (-3.6% as at December 31, 2008) is due essentially to operating expenses.
(4) S&P/TSX
(5) DEX Universe

The Company's return on ownership equity interests shows a significant difference from the corresponding market index. In keeping with its mission, the Company's equity portfolio is comprised mainly of the securities of private companies. As at December 31, 2009, public companies represented only 0.4% of this portfolio. For this reason, the Company did not benefit from the substantial stock market upturn. The Company's returns on fixed-income securities outperformed the index due to the significant weighting in corporate securities in its Investments impacting the Québec economy portfolio.

The Company's asset allocation strategy allows it to enjoy a more balanced overall portfolio profile that limits volatility while actively carrying out its mission to contribute to the economic development of cooperatives and Québec's resource regions.

In periods of substantial market turbulence, the Company should therefore experience milder variability as illustrated by its weighted returns relative to the weighted indices for 2008 and 2009.

The Company's performance results essentially from its Investments impacting the Québec economy activity and from the Other investments portfolio, which generated contributions of 2.6% and 2.9% respectively. Expenses, net of administrative charges, income taxes and capital tax affected the Company's return with a negative contribution of 3.4%.

Return by activity	**2009**				**2008**			
	Average assets under management	**Weighting**	**Return 1 year**	**Contribution 1 year**	Average assets under management	Weighting	Return 1 year	Contribution 1 year
	$M	**%**	**%**	**%**	$M	%	%	%
Investments impacting the Québec economy	**375**	**44.5**	**6.1**	**2.6**	355	47.1	(6.5)	(3.2)
Other investments and cash	**467**	**55.5**	**5.2**	**2.9**	399	52.9	4.7	2.3
	842	**100.0**	**5.6**	**5.5**	754	100.0	(1.0)	(0.9)
Expenses, net of administrative charges			**(2.8)**	**(2.8)**			(2.9)	(3.0)
Income taxes and capital tax			**(0.6)**	**(0.6)**			0.4	0.4
Company's return			**2.0**	**2.0**			(3.6)	(3.6)

Return by asset class	**2009**				**2008**			
	Average assets under management	**Weighting**	**Return 1 year**	**Contribution 1 year**	Average assets under management	Weighting	Return 1 year	Contribution 1 year
	$M	**%**	**%**	**%**	$M	%	%	%
Investments impacting the Québec economy								
Major Investments and Company Buyout	**94**	**11.1**	**18.7**	**1.9**	87	11.5	(4.8)	(0.6)
Development Capital	**75**	**8.9**	**8.8**	**0.7**	60	8.0	13.3	1.0
Cooperatives and Resource Regions	**105**	**12.5**	**8.1**	**1.0**	104	13.8	(0.8)	(0.1)
Venture Capital	**101**	**12.0**	**(8.4)**	**(1.0)**	104	13.8	(23.2)	(3.5)
Other investments and cash								
Bonds, preferred shares, money market and cash	**463**	**55.0**	**5.3**	**2.9**	387	51.4	6.1	2.8
Fund of hedge funds	**4**	**0.5**	**0.5**	**0.0**	12	1.5	(25.3)	(0.5)
	842	**100.0**	**5.6**	**5.5**	754	100.0	(1.0)	(0.9)

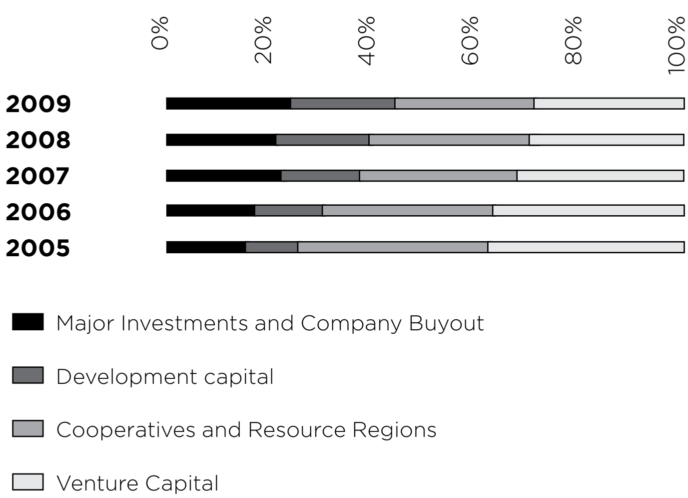
Investments impacting the Québec economy

Disbursements of $94.0 million during 2009, proceeds from sale of $38.4 million and losses of $1.7 million brought the total fair value of the Company's investment portfolio, including exchange contracts, to $402.0 million as at December 31, 2009 ($348.1 million as at December 31, 2008).

The Company's manager has allocated its Investments impacting the Québec economy activities across four lines of business. As part of its business development activities, it focuses from time to time on different economic sectors or lines of business to ensure portfolio balance. In order to generate both short and long-term returns for the Company's shareholders, the range of financial instruments used may also vary.

Portfolio diversification is valued by adding funds committed but not disbursed to investments at fair value. Over the last five fiscal years, the Investments impacting the Québec economy portfolio has been allocated by line of business as follows:

Investments and funds committed but not disbursed at fair value by line of business 2005-2009 (in %)



Investment activities should also be measured taking into account the change in funds committed but not disbursed, which amounted to $63.9 million as at December 31, 2009, down lightly by $0.5 million from December 31, 2008. During fiscal 2009, new commitments totalled $94.5 million compared with $65.0 million in 2008. Cash outflows of $94.0 million in 2009 rounded out the factors behind this variance.

As at December 31, 2009, total commitments at cost amounted to $539.7 million in 228 companies, cooperatives and funds, of which $475.8 million was disbursed to 225 companies, cooperatives and funds within the portfolio.

Contribution generated by Investments impacting the Québec economy (in thousands of $)

	2009	2008
Revenue	**24,136**	22,441
Gains and losses	**(1,719)**	(48,923)
	22,417	(26,482)

Revenue consists of interest, dividends and negotiation fees related to Investments impacting the Québec economy. The increase in contribution was mainly attributable to improvement in gains and losses resulting from increased stability in the economy and narrower credit spreads.

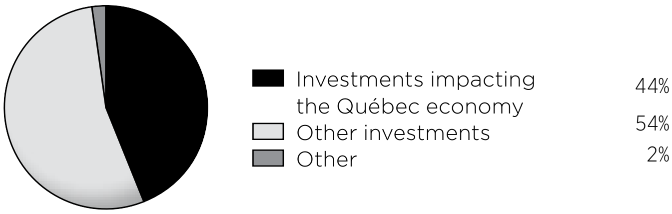
The Company accounts for its Investments impacting the Québec economy at fair value. Two comprehensive portfolio reviews are carried out each year, with one covering the six-month period ending June 30 and the other covering the six-month period ending December 31. As a result of these reviews, 104 investments were remeasured to reflect a $9.1 million unrealized decline in value. At the end of fiscal 2008, the Company recorded a decline in value in its debentures portfolio due to tighter credit conditions and higher financing costs in the marketplace in the second half of 2008. As a result of the improvement in credit conditions during 2009, the $13.7 million decline in value recorded in 2008 was fully reversed. Including the $7.4 million impact of the gain on disposal of Investments impacting the Québec economy and on foreign exchange contracts, the Company recorded $1.7 million in realized and unrealized losses in its results.

The gloomier economic conditions in the first half of 2009 had a limited impact on overall Investments impacting the Québec economy portfolio risk levels, which remained satisfactory through the last fiscal year, due primarily to the manager's sustained focus on adding value to partner companies within the portfolio. The negative impact of the fair-value valuation of the Investments impacting the Québec economy portfolio on the Company's results is gradually declining, which indicates that the investment portfolio is more mature and its asset allocation is more balanced. Even without a reversal of the decline in value resulting from credit conditions, in 2009, the portfolio made a positive contribution to income and the Company expects its contribution to grow over the next few fiscal years.

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.

Breakdown of net assets as at December 31, 2009



As at December 31, 2009, the Company's Other investments portfolio, including cash but excluding exchange contracts, totalled $490.6 million compared with $444.1 million as at December 31, 2008. These funds were invested mainly in the fixed-income securities market in highly liquid, low-credit risk instruments. As at December 31, 2009, nearly 74% of portfolio bonds were government-guaranteed. The portion of the Other investments portfolio in relation to total net assets was 54% at the close of fiscal 2009, compared with 55% as at December 31, 2008. The excess of net subscriptions over net realized Investments impacting the Québec economy contributed to this increase. The Company anticipates that this ratio will continue to decrease in coming years and will gradually stabilize between 35% and 40% as capitalization reaches the maximum limit and the pace of redemptions levels off; in keeping with its core mission, this will allow an increase in funds allocated to Investments impacting the Québec economy.

To enhance total portfolio returns, the Company's manager is also authorized to take market positions using purchase/redemption transactions. Such trades are made in an overlay portfolio and their potential risk limits are defined and overseen by the Company's Financial Asset Management Committee and tracked daily by the Company's manager. As at December 31, 2009, the Company had no market positions.

The orderly liquidation of the fund of hedge funds that began in 2008 following the swift collapse of stock prices continued in 2009. Accordingly, the Company has received a total amount of $7.0 million, and the fair value of the remaining shares as at December 31, 2009, amounted to $0.7 million. In light of the crisis this asset class experienced in 2008, and its inherent higher than expected risk, it is no longer included in the Company's asset allocation strategy.

Contribution generated by Other investments (in thousands of $)

	2009	2008
Revenue	**15,109**	16,797
Gains and losses	**9,441**	1,895
	24,550	**18,692**

Revenue consists of interest, dividends and trading activities on Other investments. Interest income (primarily from bonds) is recognized at the bond rate in effect at the acquisition date. Realized gains (losses) are recorded at the date of sale and correspond to the difference between the proceeds on disposal and the unamortized cost, regardless of the unrealized gains (losses) from prior years, which are reversed and reflected in the unrealized gains (losses) for the current period.

Other investments continues to provide the Company with a major source of income even though interest rates are low. The portfolio's contribution totalled $24.6 million in 2009 compared with $18.7 million in 2008. The decline in revenue compared with the same period of 2008 resulted mainly from a lower effective average interest rate in the bond portfolio. Lastly, in 2009, the Company recorded a $9.4 million gain in its Other investments portfolio stemming primarily from the significant narrowing of credit spreads that caused value gains of $10.3 million in bonds and in preferred shares of companies and financial institutions. Also, in 2009, the overlay portfolio enhanced bond class performance, driving it above its benchmark.

Capital raising

The Company offers share subscriptions exclusively through participating Desjardins caisses. As at December 31, 2009, this distribution network consisted of some 430 Desjardins caisses and more than 880 service centres, totalling some 1,310 points of service.

The Company may raise a maximum of $150 million per capitalization period until it has reached at least $1 billion in share capital for the first time by the end of a capitalization period. Beginning with the capitalization period following that, per period, the Company may raise the lesser of $150 million and the amount of the reduction in share capital attributable to the Company's redemptions or purchases by agreement during the preceding capitalization period. Each 12-month capitalization period begins on March 1 of each year. A special tax is payable by the Company if it fails to comply with these limits, and control mechanisms have been implemented by the Company to ensure compliance. The maximum allowable subscription of $150 million for the 2008 issue, ended February 28, 2009, was not reached owing mainly to more challenging economic conditions. Under the 2009 issue, the deadline for purchasing shares of the Company falls on February 28, 2010, or earlier, if the authorized capitalization of $150 million is reached before that date.

Subscription of shares of the Company entitles the shareholder to receive a non-refundable tax credit, which applies to Québec tax only, for an amount equal to 50% of all amounts subscribed, up to a maximum tax credit of $2,500 per capitalization period. A minimum holding period of seven years to the day, starting on the purchase date, applies before shareholders can normally redeem their shares. Note however that shareholders who request a redemption to withdraw all or a portion of their shares after the seven-year holding period may not claim a tax credit for any subscription for which the tax credit would apply in the current or any subsequent tax year.

Subscriptions totalled $129.4 million during fiscal 2009 compared with $126.4 million for fiscal 2008. During 2009, the Company's redemptions and purchases by agreement totalled $53.3 million compared with $17.0 million for the preceding year.

Note that the first shareholders reached the end of the minimum seven-year holding period in November 2008. As at December 31, 2009, with nearly $200 million in shares eligible for redemption following the minimim holding period, shareholders had exercised their redemption rights, for one third of that amount, that is, nearly $66 million. During 2010, approximately $155 million in additional shares will become eligible for redemption, increasing potential redemptions to about $288 million.

Breakdown of shareholders' equity by issue as at December 31, 2009

Issue	Issue price ($)	Balance* ($M)	Eligible for redemption
2001	10.00	42.8	2008
2002	10.00	161.0	2009
2003	10.12 and 10.24	84.9	2010
2004	10.25	95.4	2011
2005	10.25	94.6	2012
2006	10.37 and 10.21	77.3	2013
2007	10.21 and 9.92	94.8	2014
2008	9.89 and 9.83	138.8	2015
2009	9.54 and 9.62	116.3	2016
Shareholders' equity		**905.9**	

* Calculated at net asset value per share as at December 31, 2009

As at December 31, 2009, the Company had $933.5 million in share capital consisting of 93,142,217 shares outstanding. The number of shareholders eased slightly lower to 118,119 compared with 122,128 as at December 31, 2008.

The Company's policy is to reinvest its annual 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.

Operating expenses

Expenses (in thousands of $)

	2009	2008
Management fees	**21,231**	22,545
Other operating expenses	**2,081**	985
Shareholder services	**1,835**	1,847
Capital tax	**209**	344
	25,356	**25,721**

Management fees

Management fees in fiscal 2009 amounted to $21.2 million or 83.7% of total operating expenses, compared with $22.5 million or 87.7% of total operating expenses in 2008. Effective January 1, 2009, the annual management fees paid to Desjardins Venture Capital Inc. by the Company amount to 2.5% of the Company's annual average assets' net value, less any amounts payable to acquire other investments, instead of the 3% paid previously. The management agreement provided for this percentage decrease effective the fiscal year following the year in which the Company's annual net asset value reached $750 million. This threshold was crossed in fiscal 2008. Lastly, as in the past, the management fees incurred by the Company are adjusted to avoid double billing as regards the Company's holdings in certain investment funds.

Other operating expenses

The increase in other operating expenses resulted in part from the amortization of the information system development for the processing of redemptions that began when the system was brought online in November 2008. In addition, under the management agreement, the Company began to incur certain fees related to information systems in fiscal 2009 to enable its manager to support the Company's growth while maintaining quality services.

Shareholder services

The Company 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 the Company began operations, Desjardins Trust has represented the largest component of the Company's shareholder services expenses. For fiscal 2009, the cost of Desjardins Trust's services totalled $1.5 million, down 6.9% compared with 2008. Desjardins Trust granted the Company a three-year unit price freeze as well as a reduction of $250,000 in management fees applicable to Company shareholder accounts. Lastly, the decision to send annual and interim financial reports to shareholders on request only rather than systematically to all shareholders has generated significant savings.

The Company has entrusted the Fédération des caisses Desjardins du Québec with the activities related to the distribution of the Company's shares across the Desjardins caisse network. Other than reimbursing certain direct expenses, no commissions or other forms of compensation are payable to any person by the Company as regards the distribution of its shares.

Capital tax and income taxes
The Company invests in securities eligible for a deduction for Québec capital tax purposes to minimize its tax expense while ensuring diversification and security in Other investments. The Company's capital tax expense is insignificant.

Income taxes totalled $5.1 million in 2009 compared with a tax reduction of $3.9 million in 2008. In addition to current income taxes, future income taxes represent a major component of the Company's tax liability. Revenue type also has a significant impact since capital gains and business income are taxed at different rates.

Liquidity and capital resources
For fiscal 2009, cash flows from capital raising initiatives net of redemptions totalled $76.2 million ($109.4 million in 2008) while operating activities generated liquidities of $17.3 million ($15.5 million in 2008). Funds of $106.7 million were used in the Company's investment activities in 2009 compared with $126.4 million in 2008. Despite a difficult start to the year, improved economic conditions in the second half allowed for a cash outflow on Investments impacting the Québec economy of $94.0 million in fiscal 2009 compared with $68.5 million in 2008. In accordance with the Company's asset management strategy, a portion of the excess liquidities generated by operating and financing activities was allocated to the Other investments portfolio, which posted net use of funds of $45.3 million in 2009 compared with $97.7 million in 2008.

As at December 31, 2009, cash and cash equivalents totalled $23.4 million ($36.7 million as at December 31, 2008). The Company's Other investments portfolio as at that date also included $85.6 million in other securities with maturities of less than one year ($107.2 million as at December 31, 2008). This cash level is maintained to cover redemption requests that might occur at a different pace than the issue of new shares and due to significant anticipated cash outflows on the Investments impacting the Québec economy portfolio.

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

Recent events
Reorganization of the manager
In 2009, Desjardins Group reorganized a number of its business lines, the Company's manager among them. The Company does not expect that this reorganization will have any significant effect on its operations.

Accounting policies
Change in accounting policies
At the beginning of fiscal 2009, the Company adopted certain new accounting standards. Note 3 to the financial statements lists these changes. None of these new standards affected the Company's financial results.

International Financial Reporting Standards (IFRS)
Effective January 1, 2011, the Company will publish its financial statement in accordance with IFRS. The Accounting Standards Board of Canada confirmed in 2008 that IFRS would replace the Canadian generally accepted accounting principles in effect for certain companies, including public companies. An exposure draft was published by the Canadian Institute of Chartered Accountants ("CICA") in this respect.

The Company is still assessing the effects of the new standards on the compilation and presentation of its financial statements. In their current form, adoption of IFRS would have significant effects on the Company, as it would have to begin consolidating the activities of certain portfolio companies. These changes, by modifying the recognition and measurement of certain investments, would have an impact on the Company's share price. In response to this issue, the Québec National Assembly passed a law in early June 2009 to amend the Company's constituting act. Under this amendment, the Company may calculate its share price based on adjusted IFRS, if need be, to reflect the fair value of investments and cancel the effects of consolidation.

Discussions with regulatory authorities are underway to enable the Company to issue financial statements in accordance with adjusted IFRS on the same basis described above.

Throughout this process, the Company will benefit from the support and expertise of a specialized Desjardins Group team put together for the transition to IFRS, as well as assistance from external firms on certain aspects.

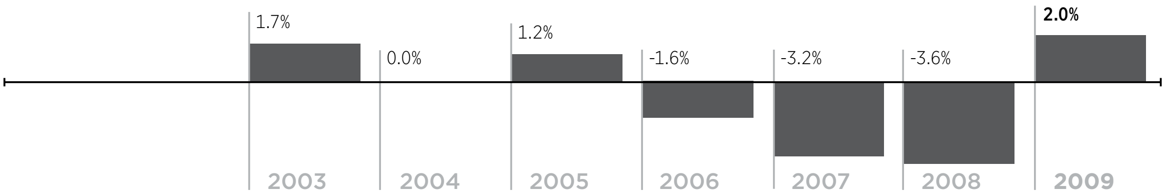
Related party transactions
In its day-to-day activities, the Company carries out certain transactions with companies that are related to it. These transactions are described in note 14 to the Company's financial statements.

Past Performance

This section presents the Company's historical returns. These returns do not take into account shareholder administrative charges of $50 or the tax credit shareholders enjoy as a result of their investment. Past performance is not necessarily indicative of future returns.

Annual returns
The following chart shows the Company's annual returns and illustrates the variation in returns from one fiscal year to the next for the last seven years. Annual return is calculated by dividing income (loss) per share for the year by the share price at the beginning of the year.

Annual returns



Compounded return of the share as at December 31, 2009

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

7 years	5 years	3 years	1 year
-0.6%	-1.0%	-1.6%	2.0%

Portfolio summary

As at December 31, 2009, the assets in Other investments and Investments impacting the Québec economy portfolios were allocated as follows.

Main asset classes

Asset classes	% of net assets
Investments impacting the Québec economy *	
Major Investments and Company Buyout	11.8
Development Capital	9.1
Cooperatives and Resource Regions	12.0
Venture Capital	11.5
Total – Investments impacting the Québec economy	**44.4**
Other investments	
Cash and money market instruments	12.0
Bonds	39.9
Preferred shares	2.2
Fund of hedge funds	0.1
Total – Other investments	**54.2**

* Including foreign exchange contracts

As at December 31, 2009, the issuers of the 25 main investments held by the Company were the following:

Main investments held

Issuer	% of net assets
Investments impacting the Québec economy – 13 issuers *	21.2
Canada Mortgage and Housing Corporation	15.2
Province of Québec	6.8
Caisse centrale Desjardins	4.5
Financement Québec	3.7
Hydro-Québec	2.8
Province of Ontario	2.7
Royal Bank	1.6
The Toronto-Dominion Bank	1.3
Bank of Nova Scotia	1.2
Export Development Canada	1.1
Bank of Montreal	0.8
GE Capital	0.8

* The 13 issuers who, collectively, represent 21.2% of the Company's net assets are:

> Aegera Therapeutics Inc.
> Alyotech Canada inc.
> Avjet Holding Inc.
> Boutique Le Pentagone inc.
> Camoplast inc.
> Coradiant (Canada) inc.
> Corporation de Développement Knowlton inc.
> Creaform Inc.
> Desjardins – Innovatech S.E.C.
> Enobia Pharma inc.
> Fempro I inc.
> Groupe Canmec
> La Coop fédérée

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

February 10, 2010

February 10, 2010

Management's report

The Company's 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, the Company'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 regulations and have confirmed the reasonableness of the aggregate fair value of the portfolio of Investments impacting the Québec economy.

The Board of Directors carries out its responsibility for the financial statements principally through its Audit Committee. The Committee meets with the external auditors 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. In addition, the Committee meets with the Company's internal auditors. 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 10, 2010. These statements have been prepared in accordance with Canadian generally accepted accounting principles and audited by PricewaterhouseCoopers LLP.

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 the Company's financial statements.

(signed) Catherine Lenfant, CA, CBV
Chief Financial Officer

Capital régional et coopératif Desjardins

Financial Statements
December 31, 2009

PricewaterhouseCoopers
PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l.
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1250 René-Lévesque Boulevard West
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Facsimile +1 514 876 1502

February 10, 2010

Auditors' Report

To the Shareholders of
Capital régional et coopératif Desjardins

We have audited the balance sheets of **Capital régional et coopératif Desjardins** (the "Company") as at December 31, 2009 and 2008 and the statements of earnings, shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(signed) PricewaterhouseCoopers LLP[1]

[1] Chartered accountant auditor permit n^{o} 19653

Capital régional et coopératif Desjardins

Balance Sheets

As at December 31, 2009 and 2008

(in thousands of dollars, except number of shares and net value per common share)

	2009 $	2008 $
Assets		
Investments impacting the Québec economy (note 4)	401,321	348,408
Other investments (note 5)	467,765	427,897
Cash	23,448	15,848
Accounts receivable (note 6)	6,866	7,898
Software (net of accumulated amortization of $3,675; December 31, 2008 – $3,299)	687	1,002
Future income taxes (note 12)	12,342	13,437
	912,429	814,490
Liabilities		
Accounts payable (note 7)	872	978
Income taxes payable	5,636	906
	6,508	1,884
Net assets	905,921	812,606
Number of outstanding common shares	93,142,217	85,159,435
Net value per common share	9.73	9.54

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

Approved by the Board of Directors

(signed) André Lachapelle, Director (signed) Pierre Gauvreau, Director

Capital régional et coopératif Desjardins

Statements of Shareholders' Equity

For the years ended December 31, 2009 and 2008

(in thousands of dollars)

2009

	Share capital (note 8) $	Contributed surplus (note 8) $	Retained earnings (deficit) Realized $	Unrealized $	Total $	Shareholders' equity $
Balance – December 31, 2008	859,467	306	5,915	(53,082)	(47,167)	812,606
Results for the year						
Net earnings realized and unrealized, net of income taxes of $5,906 and ($785) respectively	-	-	20,294	(3,149)	17,145	17,145
Share capital operations						
Shares issued	129,443	-	-	-	-	129,443
Redemption of shares	(55,377)	2,104	-	-	-	(53,273)
	74,066	2,104	20,294	(3,149)	17,145	93,315
Balance – December 31, 2009	933,533	2,410	26,209	(56,231)	(30,022)	905,921

2008

	Share capital (note 8) $	Contributed surplus (note 8) $	Retained earnings (deficit) Realized $	Unrealized $	Total $	Shareholders' equity $
Balance – December 31, 2007	750,345	4	11,295	(29,115)	(17,820)	732,529
Results for the year						
Net loss realized and unrealized, net of income taxes of $2,091 and ($5,973) respectively	-	-	(5,380)	(23,967)	(29,347)	(29,347)
Share capital operations						
Shares issued	126,440	-	-	-	-	126,440
Redemption of shares	(17,318)	302	-	-	-	(17,016)
	109,122	302	(5,380)	(23,967)	(29,347)	80,077
Balance – December 31, 2008	859,467	306	5,915	(53,082)	(47,167)	812,606

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

Capital régional et coopératif Desjardins

Statements of Earnings (Loss)

For the years ended December 31, 2009 and 2008

(in thousands of dollars, except number of shares and net earnings (loss) per common share)

	2009 $	2008 $
Revenue		
Interest	34,451	33,619
Dividends	2,675	3,753
Negotiation fees	2,119	1,866
Administrative charges	655	282
	39,900	39,520
Expenses		
Management fee	21,231	22,545
Other operating expenses (note 11)	2,081	985
Shareholder services (note 11)	1,835	1,847
Capital tax	209	344
	25,356	25,721
Net investment income	14,544	13,799
Gains and losses on investments		
Realized	11,656	(17,088)
Unrealized	(3,934)	(29,940)
	7,722	(47,028)
Income taxes (recovery) (note 12)	5,121	(3,882)
Net earnings (loss) for the year	17,145	(29,347)
Weighted average number of common shares	90,224,815	83,406,967
Net earnings (loss) per common share	0.19	(0.35)

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

Capital régional et coopératif Desjardins

Statements of Cash Flows

For the years ended December 31, 2009 and 2008

(in thousands of dollars)	2009 $	2008 $
Cash flows from		
Operating activities		
Net earnings (loss) for the year	17,145	(29,347)
Adjustments for		
Realized losses (gain) on investments	(11,656)	17,088
Unrealized losses on investments	3,934	29,940
Amortization of software	376	59
Amortization of premiums and discounts on investments	1,785	554
Future income taxes	1,095	(5,265)
Capitalized interest and other non-cash items	-	(1,564)
	12,679	11,465
Changes in non-cash operating working capital balances (note 13)	4,627	4,029
	17,306	15,494
Investing activities		
Acquisition of investments impacting the Québec economy	(94,022)	(68,495)
Acquisition of other investments	(385,285)	(368,379)
Proceeds on disposal of investments impacting the Québec economy	32,658	40,837
Proceeds on disposal of other investments	340,027	270,728
Software	(61)	(1,061)
	(106,683)	(126,370)
Financing activities		
Issuance of common shares	129,443	126,440
Redemption of shares	(53,273)	(17,016)
	76,170	109,424
Net changes in cash and cash equivalents during the year	(13,207)	(1,452)
Cash and cash equivalents – Beginning of the year	36,655	38,107
Cash and cash equivalents – End of the year (note 10)	23,448	36,655
Supplementary information		
Income taxes received	839	552

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

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

1 Governing statutes, mission, administration and investments

Governing statutes and mission

Capital régional et coopératif Desjardins (the "Company") is constituted by an Act of the Québec National Assembly (R.S.Q. c. C-6.1) and is deemed to have been incorporated by the filing of statutes on July 1, 2001. The Company began its activities on November 5, 2001 and is a legal person with share capital whose mission is to:

- Raise venture capital for the benefit of Québec resource regions (Abitibi-Témiscamingue, Bas-Saint-Laurent, Côte-Nord, Gaspésie–Îles-de-la-Madeleine, Mauricie, Nord-du-Québec and Saguenay–Lac Saint-Jean) and the cooperative sector;
- Promote economic development in the resource regions through investments in eligible entities operating in those regions;
- Support the cooperative movement throughout Québec by investing in eligible cooperatives;
- Support eligible entities in their start-up phase and their development;
- Stimulate the Québec economy through investments in all parts of the territory of Québec.

Administration

The affairs of the Company are administered by a Board of Directors typically composed of 13 members, as follows:

- Eight people appointed by the President of the Desjardins Group;
- Two people elected by the General Meeting of shareholders of the Company;
- Two people appointed by the above-mentioned ten members, selected from a group of people whom they deem to be representative of eligible entities as described in the Act;
- The General Manager of the Company.

Investments

The Company may acquire minority interests, mainly in eligible entities, with or without a guarantee or security. 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 with less than $100 million of assets and net equity of not more than $50 million.

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

The Company may invest up to 5% of its assets (as established on the basis of the last accountants' valuation) in the same eligible enterprise or cooperative, and the investment is generally planned for a period of five to eight years. This percentage may be increased to 10% to allow the Company to acquire securities in an entity operating in Québec but which is not an eligible entity. In such case, the Company may, directly or indirectly, acquire or hold shares representing up to a maximum of 30% of the voting rights, which can be exercised in all 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.

At the end of each fiscal year, the portion of the Company'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 average net assets of the Company 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. If these criteria were not met, the Company could be subject to penalties. As at December 31, 2008 and 2009, no amount was owing by the Company under these rules.

In its eligibility calculations, the Company also takes into account the investments it has made other than as first purchaser for the acquisition of securities issued by an eligible entity. For investments made prior to November 10, 2007, these investments should not represent more than one third of the total investments made by the Company as first purchaser in this entity. For investments made on or after November 10, 2007, this restriction is lifted, but the Company may not make investments other 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 Significant accounting policies

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and contingent liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting year. The principal estimates are related to the determination of the fair value of investments impacting the Québec economy. Actual results could differ from those estimates. Those estimates are reviewed periodically and adjustments as they become necessary, are reported in earnings (loss) in the year in which they are known.

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

Comprehensive income

The statement of comprehensive income is not provided since net earnings and comprehensive income are the same.

Investments impacting the Québec economy

Listed shares

The investments in listed shares are recorded at their fair value. Fair value is established using the bid-side level at market closing on the balance sheet date when an active market is available. The value of the shares with trading or transfer restrictions is adjusted by a discount. The Company determines the amount of this discount based on the nature and duration of the restriction, the relative volatility of the share's performance, as well as the importance of the interest held in the overall float of outstanding shares and the volume of trades. Otherwise, the fair value may be established using unlisted share valuation techniques.

Unlisted shares, debentures and advances

Unlisted shares, debentures and advances are valued at their fair value, determined in accordance with appropriate methods of valuation, primarily including comparison to arm's-length transactions or takeover bids and the capitalization of representative earnings before interest, taxes, amortization and capitalization or discounting of cash flows.

Significant assumptions used in the determination of fair value can include the discount or capitalization rate, the rate of return and the weighting of forecasted earnings.

Sureties

When it is likely that an amount will be disbursed by the Company in relation to a pledged surety, the amount to be recognized in liabilities is estimated using an asset-based approach and a liquidation value method.

Other investments

Other investments consist of temporary investments, bonds, preferred shares, foreign exchange contracts and units of funds of hedge funds recorded at fair value. Units of funds of hedge funds are recorded at fair value estimated by their respective managers at the balance sheet date. The foreign exchange contracts are measured using the difference between the contract's rate and the rate of an identical contract (same maturity and notional amount) that would have been agreed to at the balance sheet date. For all other investments, fair value is calculated according to market value, which is the bid-side level at market closing on the balance sheet date.

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

Obligations related to securities sold short

Securities sold short as part of trading activities, which represent the Company's obligation to deliver securities sold which were not owned at the time of sale, are recorded as liabilities offsetting the investments and are carried at fair value measured using the sell-side level at market closing on the balance sheet date. Realized and unrealized gains and losses thereon are recorded in revenue in Interest. As at December 31, 2009 and 2008, the Company had no securities sold short.

Securities purchased under resale agreements and securities sold under repurchase agreements

The Company enters into short-term purchases and sales of securities with simultaneous agreements to sell and buy back those securities at a specified price and on a specified date. Those agreements are accounted for as collateralized lending and borrowing transactions, and are recorded on the balance sheet 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. As at December 31, 2009 and 2008, the Company had no securities purchased under resale agreements or securities sold under repurchase agreements.

Cash, cash and cash equivalents, accounts receivable and accounts payable

The cash consist of bank balances. Cash and cash equivalents consit of cash and short-term deposits with original terms to maturity of three months or less.

The fair value of accounts receivable, cash, and accounts payable approximates their carrying value given their current maturities.

Software

Software is recorded at cost and amortized on a straight-line basis over a period of three years.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange in effect at the balance sheet date. In the statement of earnings, realized or unrealized gains or losses on investments are presented under Gains and losses on investments.

For the other assets and liabilities denominated in foreign currencies, the changes related to foreign exchange rates are presented under Other operating expenses.

Revenues and expenses denominated in foreign currencies are translated at the exchange rate prevailing on the transaction date.

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

Income taxes

The Company uses the liability method in accounting for income taxes. According to this method, future income taxes are determined using the difference between the accounting and tax bases of assets and liabilities. The tax rate in effect when these differences are expected to reverse is used to calculate future income taxes at the balance sheet date. Future income tax assets are recognized when it is more likely than not that the assets will be realized.

Revenue recognition

Interest and dividends

Interest is recorded on an accrual basis when collection is considered probable. Dividends are recorded as at the holder-of-record date and when they are declared by the issuing companies.

Administrative charges

Membership dues are recorded at the time of a shareholder’s initial subscription and on the closure of that shareholder’s last account.

Negotiation fees

Negotiation fees are recorded when the service is performed and when collection is considered probable.

Gains and losses on investments

Gains and losses on disposal of investments are recorded at the date of sale and represent the difference between the sale proceeds and the unamortized cost, without taking into consideration the unrealized gain (loss) recorded in previous years, which is reversed and taken into account in change in unrealized gain (loss) for the year.

Premiums and discounts

Premiums and discounts on fixed-term maturity of other investments are amortized using the internal rate of return method up to the maturity date of these investments. Amortization of premiums and discounts are recorded in Interest.

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

3 Changes in accounting policies

In 2009, the Company adopted the following accounting policies:

Credit risk and the fair value of financial assets and financial liabilities

In January 2009, the Emerging Issues Committee (“EIC”) of the Canadian Institute of Chartered Accountants (“CICA”) issued Abstract EIC-173, *Credit Risk and the Fair Value of Financial Assets and Financial Liabilities* . Under this new standard, the fair value of financial instruments (including derivative financial instruments) should take into account the credit risk of the counterparty with regard to assets and the Company’s own credit risk with regard to liabilities.This Abstract has no impact on the Company’s financial statements since those elements are already taken into account in determining the fair value of its financial instruments.

Financial instrument disclosures

The CICA issued amendments to CICA Handbook Section 3862, *Financial Instruments – Disclosures* , which apply to years ending after September 30, 2009. These amendments require the disclosure, in the notes to the financial statements, of fair values of financial instruments broken down using the following three levels: (1) fair values based on quoted prices for the instrument; (2) fair values based on quoted prices for a similar instrument or fair values based on valuation techniques for which all significant inputs are based on observable market data and (3) fair values based on valuation techniques for which significant inputs are not all based on observable market data. A reconciliation of opening and closing balances is required for Level 3.

This standard, which affects disclosure only, has been applied by the Company to its financial statements as at December 31, 2009 without any impact on the Company’s financial results.

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

4 Investments impacting the Québec economy

The *Schedule of cost of investments impacting the Québec economy* is available at the Company's head office, on its Web site at capitalregional.com and on SEDAR at www.sedar.com.

			2009
	Cost	Unrealized gain (loss)	Fair value
	$	$	$
Unsecured			
Common shares	139,663	(24,792)	114,871
Preferred shares	123,941	(30,164)	93,777
Debentures and advances	210,727	(19,212)	191,515
Secured			
Debentures and advances	1,454	(296)	1,158
	475,785	(74,464)	401,321

			2008
	Cost	Unrealized gain (loss)	Fair value
	$	$	$
Unsecured			
Common shares	138,058	(20,699)	117,359
Preferred shares	110,040	(24,370)	85,670
Debentures and advances	163,153	(19,256)	143,897
Secured			
Debentures and advances	1,577	(95)	1,482
	412,828	(64,420)	348,408

Investments impacting the Québec economy included investments valued in US dollars for a fair value of $53.4 million (December 31, 2008 – $50.2 million).

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

Debentures and advances bear interest at a weighted average rate of 10.8% (December 31, 2008 – 10.6%) and have an average residual maturity of 4.7 years (December 31, 2008 – 4.7 years). For substantially all the interest-bearing debentures and advances, the interest rate is fixed.

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

a) Allocation of investments and funds committed by industry segment

						2009
Industry segment	**Investments at cost $**	**Unrealized gain (loss) $**	**Fair value $**	**Funds committed but not disbursed [1] $**	**Sureties [1] $**	**Total commitment $**
Major Investments and Company Buyout	116,353	(10,104)	106,249	5,155	-	111,404
Development Capital	85,011	(2,246)	82,765	8,348	-	91,113
Cooperatives and Resource Regions	120,023	(11,602)	108,421	18,709	-	127,130
Venture Capital - Information Technology and Communications	90,031	(14,138)	75,893	28,668	-	104,561
Venture Capital - Health	64,367	(36,374)	27,993	3,027	-	31,020
Total	475,785	(74,464)	401,321	63,907	-	465,228

						2008
Industry segment	**Investments at cost $**	**Unrealized gain (loss) $**	**Fair value $**	**Funds committed but not disbursed [1] $**	**Sureties [1] $**	**Total commitment $**
Major Investments and Company Buyout	92,869	(11,556)	81,313	4,737	-	86,050
Development Capital	67,273	321	67,594	8,050	-	75,644
Cooperatives and Resource Regions	116,738	(15,395)	101,343	26,538	-	127,881
Venture Capital - Information Technology and Communications	75,682	(5,062)	70,620	19,627	-	90,247
Venture Capital - Health	60,266	(32,728)	27,538	5,494	-	33,032
Total	412,828	(64,420)	348,408	64,446	-	412,854

[1] Funds committed but not disbursed and sureties are not included in the Company's assets.

b) Funds committed but not disbursed represent investments that have been agreed upon and which have been committed but not disbursed at the balance sheet 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:

2010	2011	2012	2013	Total
43,948	11,459	4,000	4,500	63,907

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

5 Other investments

The unaudited *Statement of other investments* is available at the Company's head office, on its Web site at capitalregional.com and on SEDAR at www.sedar.com.

			2009
	Cost	**Unrealized gain (loss)**	**Fair value**
	$	**$**	**$**
Bonds			
Federal	148,398	2,841	151,239
Provincial and guaranteed	112,883	2,694	115,577
Financial institutions	69,388	2,058	71,446
Companies	19,912	812	20,724
Supranational entities	2,008	107	2,115
	352,589	8,512	361,101
Money market instruments [1]	85,631	-	85,631
Foreign exchange contracts [2]	-	640	640
Preferred shares	21,366	(1,711)	19,655
Units of fund of hedge funds [3]	4,511	(3,773)	738
Total	464,097	3,668	467,765

Allocation of bonds by maturity date

				2009
Maturity	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
	$	**$**	**$**	**$**
Unamortized cost	101	248,011	104,477	352,589
Par value	100	241,031	102,535	343,666
Fair value	102	254,712	106,287	361,101
Average nominal rate [4]	7.20%	4.56%	4.15%	4.44%
Average effective rate	3.89%	3.54%	3.85%	3.63%

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

			2008
	Cost	**Unrealized gain (loss)**	**Fair value**
	$	**$**	**$**
Bonds			
Federal	89,230	5,820	95,050
Provincial and guaranteed	179,436	2,935	182,371
Financial institutions	69,002	(1,059)	67,943
Companies	39,659	(847)	38,812
Supranational entities	2,010	112	2,122
	379,337	6,961	386,298
Money market instruments [1]	20,807	-	20,807
Foreign exchange contracts [2]	-	(330)	(330)
Preferred shares	18,713	(5,233)	13,480
Units of fund of hedge funds [3]	11,462	(3,820)	7,642
Total	430,319	(2,422)	427,897

Allocation of bonds by maturity date

				2008
Maturity	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
	$	**$**	**$**	**$**
Unamortized cost	107,019	198,616	73,702	379,337
Par value	106,000	196,572	74,394	376,966
Fair value	107,169	204,103	75,026	386,298
Average nominal rate [4]	3.32%	4.64%	4.63%	4.26%
Average effective rate	2.26%	4.21%	4.77%	3.77%

[1] Money market instruments consist of term deposits, Treasury bills or bankers' acceptances with an original maturity of less than a year. As at December 31, 2009, all money market instruments have an original maturity of six to eleven months while as at December 31, 2008, they all had an original maturity of less than three months.

[2] Foreign exchange contracts to sell USD 43.8 M have three-month maturities.

[3] The fund of hedge funds is in the process of orderly liquidation.

[4] Substantially all bonds are fixed-interest rate issues.

All portfolio securities of other investments are denominated in Canadian dollars except foreign exchange contracts.

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

6 Accounts receivable

	2009	2008
Interest and dividends receivable on investments	5,502	4,731
Sales taxes receivable	391	922
Amounts receivable on disposal of investments	541	1,570
Other accounts receivable	432	675
	6,866	7,898

7 Accounts payable

Accounts payable consist of accounts payable and accrued liabilities.

8 Shareholders' equity

Share capital authorized

The Company 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 provided in the Act, so that its capital increases by a maximum of $150 million annually.

As of the capitalization period following the one at the end of which the Company first reaches capitalization of at least $1 billion, the Company may collect, 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 the Company during the preceding capitalization period.

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

Each capitalization period, which lasts twelve months, begins on March 1 of each year. The maximum the Company can raise in the capitalization period ending on February 28, 2010 is $150 million. As at December 31, 2009, the Company is in compliance with this limit.

Share capital issued and fully paid

	2009	2008
	$	$
93,142,217 common shares (December 31, 2008 – 85,159,435)	933,533	859,467

During the year, the Company issued 13,519,588 common shares (2008 – 12,792,143) for a cash consideration of $129.4 million (2008 – $126.4 million).

During the year, the Company redeemed 5,536,806 common shares (2008 – 1,730,148) for a cash consideration of $53.3 million (2008 – $17.0 million).

These data do not include the redemption requests made within 30 days of subscription.

The contributed surplus results from the excess of the shares’ issuance price over the price payable for their repurchase.

Redemption criteria

The Company 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 the Company 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 the Company if the person applies to the Company therefor in writing within 30 days of subscribing it;
- At the request of a person who acquired it from the Company if that person is declared to have a severe and permanent mental or physical disability which makes this person incapable of pursuing his or her work.

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

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

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

Tax credit

The purchase of shares of the Company entitles the investor to receive a non-refundable tax credit, for Québec tax purposes only, for an amount equal to:

For purchases prior to March 24, 2006: 50% tax credit, $1,250 maximum.
For purchases from March 24, 2006 to November 9, 2007: 35% tax credit, $875 maximum.
For purchases subsequent to November 9, 2007: 50% tax credit, $2,500 maximum.

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 same or subsequent taxation years.

9 Capital disclosures

The Company’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 repurchases. The Company’s capital consists of shareholders’ equity.

The Company is not subject to any external capital requirements other than those governing the issuance and repurchase of its shares, as indicated in note 8.

The Company’s policy is to reinvest the annual revenue 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.

10 Cash and cash equivalents

	2009 $	2008 $
Cash	23,448	15,848
Money market instruments of three months or less	-	20,807
	23,448	36,655

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

11 Expenses

	2009	2008
	$	$
Other operating expenses		
Audit fees	229	145
Directors' compensation	263	282
Professional fees	570	479
Financials expenses (revenues)	45	(175)
Custodial fees and trustees' fees	47	-
Other expenses	551	195
Amortization of software	376	59
	2,081	985

	2009	2008
Shareholder services		
Trustee fees	1,521	1,634
Reporting to shareholders	139	138
Other expenses	175	75
	1,835	1,847

12 Income taxes

The Company is subject to federal and provincial income taxes.

a) Income tax expense is detailed as follows:

	2009	2008
	$	$
Current income taxes	4,026	1,383
Future income taxes	1,095	(5,265)
	5,121	(3,882)

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

b) The actual income tax rate differs from the combined basic income tax rate and is explained as follows:

	2009	**2008**
	$	**$**
Income taxes by applying the combined basic tax rate of 39.90% (2008 – 39.40%)	8,884	(13,092)
Permanent differences between earnings before income taxes and taxable income and other items		
Realized and unrealized gains (losses) on investments	(1,609)	9,761
Untaxable dividends	(1,307)	(1,654)
Others discrepencies	(847)	1,103
	5,121	(3,882)

c) Future income taxes relate to the following items:

	2009	**2008**
	$	**$**
Future income tax assets		
Unrealized losses on investments	12,482	13,231
Premiums on bonds	114	315
Taxes losses carryforwards	-	275
Other	43	54
	12,639	13,875
Future income tax liabilities		
Software	(297)	(438)
Future income tax assets, net	12,342	13,437

13 Cash flows

The changes in non-cash working capital items consist of the following:

	2009	**2008**
	$	**$**
Decrease (increase) in accounts receivable	3	(711)
Increase in income taxes payable	4,730	4,916
Decrease in accounts payable	(106)	(176)
	4,627	4,029

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

14 Related party transactions

The Company is related to Desjardins Group. Major agreements with the Company and Desjardins Group entities are as follows :

- The Company has entrusted the management of its operations, including management of its portfolio, to Desjardins Venture Capital Inc. (“DVC”), in accordance with the strategies and objectives approved by the Board of Directors. The management contract signed by DVC and the Company is in effect until December 31, 2011, unless the parties agree to terminate the contract by mutual agreement. Thereafter, the contract shall be automatically renewed for a five-year period unless either party decides to terminate the contract by giving written notice of at least 18 months.

  Under this contract, the Company is required to pay an annual management fee equal to 3% of its annual average assets’ net value reduced by any amount payable for the acquisition of investments. This percentage is reduced to 2.5% as of the fiscal year following that in which the Company’s net asset value reaches $750 million. Since this threshold was reached during 2008, the management fees are reduced to 2.5% for 2009. An adjustment is made to the management fee charged to the Company to avoid double billing relative to the Company’s interest in some funds.

- The Company has appointed Desjardins Trust Inc. to act as its registrar and transfer agent with respect to shareholder transactions. The agreement has a three-year term starting on January 1, 2008.

- The Company has centralized custody services for its assets with Desjardins Trust Inc. The contract started on May 1, 2009 and has no predetermined ending date. Prior to the centralization, custody was shared between DVC, Desjardins Securities, Desjardins Trust Inc. and Caisse centrale Desjardins.

- The Company 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 will be automatically renewed each year under the same terms and conditions unless one of the parties gives written notice to the contrary three months before the expiry date of the agreement.

The Company entered into transactions with other Desjardins Group entities in the normal course of business. All of these transactions are measured at the exchange amount. The transactions and balances are detailed as follows:

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

	2009	**2008**
	$	**$**
Balance sheets		
Caisse centrale Desjardins		
Cash	22,411	1,753
Other investments	40,640	17,986
Capital Desjardins inc.		
Other investments	5,733	3,423
Interest and dividends receivable on investments	76	31
Desjardins Global Asset Management		
Other investments	738	7,642
Accounts receivable	-	125
Desjardins Securities		
Cash	-	14,095
Desjardins Trust Inc.		
Cash	1,037	-
Other investments	-	2,821
Accounts payable	609	687
Desjardins Venture Capital Inc.		
Accounts receivable	37	568
Statements of earnings		
Caisse centrale Desjardins		
Interest	239	2,684
Realized gains on investments	6,666	(6,995)
Unrealized gains on investments	970	(330)
Capital Desjardins inc.		
Interest	184	299
Realized losses on investments	157	(103)
Unrealized gains (losses) on investments	154	277
Fédération des caisses Desjardins du Québec		
Other operating expenses	396	364
Desjardins Global Asset Management		
Unrealized gains (losses) on investments	47	(4,448)
Desjardins Securities		
Interest	41	346
Desjardins Trust Inc.		
Custodial fees and trustees' fees	47	-
Shareholder services	1,521	1,634
Desjardins Venture Capital Inc.		
Management fees	21,231	22,545

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

15 Financial instruments and associated risks

Financial instruments

The Company's financial instruments are recorded at their fair value. Fair value is used to determine the values at which these instruments could be traded in a current transaction between willing parties. When these financial instruments are not traded in public markets, their fair value is established based on a set of predetermined criteria, which minimizes the subjectivity of the valuation. The Company categorizes its financial instruments according to the three following hierarchical levels:

- Level 1 – Measurement based on quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – Valuation techniques based primarily on observable market data; and
- Level 3 – Valuation techniques not based primarily on observable market data.

The following table shows the breakdown of the fair-value valuation of the financial instruments among the three levels.

				2009
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Investments impacting the Québec economy	3,590	-	397,731	401,321
Other investments	243,725	223,302	738	467,765
Cash	23,448	-	-	23,448

When fair-value valuations of interests in private companies are not entirely based on observable data, the estimates are qualified as Level 3. This takes into account that, beyond external variables such as interest rate levels, economic growth and income tax rates to name only a few, whose impacts are generally reflected in valuation, there are also internal variables which affect fair-value estimates. The valuation of interests is also dependent on information or factors that have a particular influence on a business (outlook, competition, human or financial resources, etc.).

While the goal of valuation is to rely as much as possible on observable data, the choice of relevant elements and their impact on establishing fair value is influenced by the judgment of the valuator. That being said, although another valuator looking at the same business might weigh certain specific factors differently, the impact on the overall portfolio will be marginal.

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

The following table presents the reconciliation between the beginning and ending balances of Level 3 for fiscal year 2009.

	2009		
	Investments impacting the Québec economy $	**Other investments $**	**Total $**
Balance – December 31, 2008	344,602	7,642	356,050
Realized gains on investments	3,052	-	689
Unrealized gains on investments	(12,732)	47	(9,997)
Acquisition	94,022	-	94,022
Proceeds on disposal	(31,213)	(6,951)	(39,609)
Balance – December 31, 2009	397,731	738	398,469

Financial instruments and associated risks

The risks associated with financial instruments that affect the Company's financial position are discussed in detail in the audited sections "Market Risk," "Credit and Counterparty Risk" and "Liquidity Risk" of the Company's MD&A on pages 8 and 9.

Capital régional et coopératif Desjardins

Schedule of cost of investments
impacting the Québec economy
As at December 31, 2009

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February 10, 2010

Auditors' Report on schedule of cost of investments impacting the Québec economy accompanying the financial statements

To the Shareholders of
Capital régional et coopératif Desjardins

On February 10, 2010, we reported on the balance sheets of **Capital régional et coopératif Desjardins** (the "Company") as at December 31, 2009 and 2008 and the statements of earnings, shareholders' equity and cash flows for the years then ended.

In our audits of the financial statements referred to above, we also performed audit procedures on the schedule of cost of investments impacting the Québec economy as at December 31, 2009. This schedule is the responsibility of the Company's management.

In our opinion, this schedule presents fairly, in all material respects, the cost of investments impacting the Québec economy when read in conjunction with the Company's financial statements.

(signed) PricewaterhouseCoopers LLP[1]

[1] Chartered accountant auditor permit n^{o} 19653

Capital régional et coopératif Desjardins

Schedule of cost of investments impacting the Québec economy

As at December 31, 2009

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments: Common and Preferred shares $	Unsecured investments: Debentures and advances $	Secured investments: Debentures and advances $	Total $
Abitibi-Témiscamingue						
Complexe funéraire Ste-Bernadette	2007	C & RR	170	153	-	323
Équipement JexPlore inc.	2007	C & RR	-	150	-	150
Héli Explore inc.	2007	C & RR	125	123	-	248
Hôtel des Eskers inc.	2007	C & RR	200	197	-	397
Hôtel des Gouverneurs	2007	C & RR	200	143	-	343
Hôtel Forestel Val d'Or inc.	2007	C & RR	225	173	-	398
Industries Béroma inc. (Les)	2009	C & RR	-	353	-	353
Manufacture Adria inc.	2005	C & RR	-	106	-	106
Transport scolaire R.N. ltée	2008	C & RR	200	200	-	400
Trim-Line de l'Abitibi inc.	2009	C & RR	125	125	-	250
Vézeau et frères inc.	2009	C & RR	-	240	-	240
Total Abitibi-Témiscamingue			1,245	1,963	-	3,208
Bas-Saint-Laurent						
Aqua-Biokem BSL inc.	2002	C & RR	1,903	-	296	2,199
Bâtitech ltée	2007	C & RR	70	334	-	404
Bois-Franc inc.	2006	C & RR	-	316	-	316
Boutique Le Pentagone inc.	2008	MI & B	1,288	8,462	-	9,750
Campor inc.	2006	C & RR	-	200	-	200
Équipements J.P.L. inc. (Les)	2008	C & RR	-	139	-	139
Fruits de Mer de l'Est du Québec (1998) ltée (Les)	2006	C & RR	-	150	-	150
Gestion Alain Hébert inc.	2009	C & RR	-	500	-	500
Gestion Gilles D'Amours - 9159-0026 Québec inc.	2005	C & RR	-	1,373	-	1,373
Groupe Composites VCI inc.	2007	C & RR	2,250	1,166	-	3,416
Groupe Fillion Sport inc.	2008	C & RR	-	348	-	348
Industries Desjardins ltée (Les)	2005	C & RR	-	143	-	143
Leblanc Environnement inc.	2008	C & RR	250	250	-	500
Planchers Ancestral (2007) inc. (9184-7376 Québec inc.)	2007	C & RR	80	-	-	80
Produits métalliques Pouliot Machinerie inc.	2007	C & RR	-	-	185	185
Trans-Plus Express J.L. inc.	2007	C & RR	125	173	-	298
Transport Sébastien Sirois inc.	2009	C & RR	-	250	-	250
Total Bas-Saint-Laurent			5,966	13,804	481	20,251
Capitale-Nationale						
Base 4 inc.	2009	DevC	-	364	-	364
Céramica-Concept inc.	2005	DevC	-	67	-	67
Congébec Logistique inc.	2004	DevC	3,800	-	-	3,800
Coopérative de travailleurs actionnaire du Groupe Congébec	2005	C & RR	-	350	-	350
Creaform inc.	2009	VC - ITC	500	8,000	-	8,500
Cross Match Technologies , Inc.	2008	VC - ITC	2,353	1,628	-	3,981
Engrenage Provincial inc.	2005	DevC	-	2,028	-	2,028
Frima Studio inc.	2008	DevC	-	417	-	417
Gestion Placage RMH inc.	2006	DevC	-	297	-	297
Groupe Humagade inc.	2006	VC - ITC	11,191	38	-	11,229
H2O Innovation inc.	2009	DevC	-	2,000	-	2,000
Labcal Technologies inc.	2004	VC - ITC	1,589	-	-	1,589
Logiciels Dynagram inc. (Les)	2002	VC - ITC	-	-	198	198
Maison Orthésis inc. (La)	2006	DevC	-	355	-	355
OptoSecurity inc.	2007	VC - ITC	3,500	2,140	-	5,640
Oricom Internet inc.	2005	DevC	-	89	-	89
Piscines Pro et Patios N.V. inc.	2009	DevC	-	380	-	380
Piscines Soucy inc.	2006	DevC	-	163	-	163
Pneus Ratté inc.	2009	DevC	-	250	-	250
Poste Express	2006	DevC	-	213	-	213

Capital régional et coopératif Desjardins

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(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments: Common and Preferred shares $	Unsecured investments: Debentures and advances $	Secured investments: Debentures and advances $	Total $
Souris Mini inc.	2005	DevC	-	555	-	555
Usital Canada inc.	2002	DevC	240	168	-	408
Total Capitale-Nationale			23,173	19,502	198	42,873
Centre-du-Québec						
Autobus Thomas inc	2007	DevC	-	512	-	512
Avjet Holding inc.	2009	MI & B	3,800	16,183	-	19,983
Bluberi Group inc.	2007	MI & B	-	4,068	-	4,068
CDM Papiers Décors inc.	2006	DevC	-	1,420	-	1,420
Coopérative de travailleurs actionnaire de Fempro	2008	C & RR	-	245	-	245
Demtec inc.	2005	DevC	-	1,249	-	1,249
Distribution Pro-Excellence inc.	2008	DevC	-	260	-	260
Fempro I inc.	2007	MI & B	3,000	6,500	-	9,500
Groupe Anderson inc. (anc. Novatek Laser)	2007	DevC	-	1,992	-	1,992
Groupe S.G. Ameublements commerciaux inc.	2008	DevC	-	530	-	530
Investissements Brasco - Farinart inc.	2009	DevC	-	500	-	500
Métalus inc.	2008	DevC	-	2,121	-	2,121
Service funéraire coopératif Drummond	2007	C & RR	-	470	-	470
Total Centre-du-Québec			6,800	36,050	-	42,850
Chaudière - Appalaches						
Acier Majeau inc.	2008	DevC	-	1,475	-	1,475
Chariots élévateurs du Québec inc. (Les)	2009	DevC	-	300	-	300
CHEQ FM 101,3 (9174-8004 Québec inc.)	2007	DevC	200	233	-	433
CIF Métal ltée	2005	MI & B	4,870	-	-	4,870
Delta Stell Joist inc.	2006	DevC	-	240	-	240
Distribution Eugène Gagnon inc.	2006	DevC	-	206	-	206
Ebi-tech inc.	2007	DevC	-	300	-	300
Émile Bilodeau & Fils inc.	2008	DevC	-	152	-	152
Horisol Coopérative de travailleurs	2008	C & RR	-	297	-	297
K-2 Portes d'acier inc.	2008	DevC	-	203	-	203
Marquis Book Printing inc.	2007	DevC	500	858	-	1,358
Matiss inc.	2002	DevC	-	469	-	469
MTI Canada inc.	2008	DevC	-	3,107	-	3,107
Portes Patio Résiver inc.	2003	DevC	290	38	-	328
Produits de plancher Finitec inc.	2007	DevC	-	333	-	333
Services Bivac St-Georges inc.	2009	DevC	-	312	-	312
Structures D.L.D. ltée	2008	DevC	-	345	-	345
Tibetral Système inc.	2006	DevC	400	338	-	738
Transfab Énergie inc.	2006	DevC	-	130	-	130
Transport de l'Amiante	2006	DevC	-	100	-	100
Trimax Steel inc.	2009	DevC	-	1,000	-	1,000
Total Chaudière - Appalaches			6,260	10,436	-	16,696
Côte-Nord						
Granulco inc.	2009	C & RR	-	238	-	238
Interconnect inc.	2006	C & RR	-	119	-	119
Simard Suspensions inc.	2009	C & RR	-	1,000	-	1,000
Solugaz inc. (formerly Propane Charlevoix inc.)	2007	C & RR	-	570	-	570
Total Côte-Nord			-	1,927	-	1,927

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Eastern Townships						
Camoplast inc.	2002	MI & B	23,171	-	-	23,171
Cogiscan inc.	2002	VC - ITC	849	1,215	321	2,385
Complexe sportif Interplus	2007	DevC	-	291	-	291
Coopérative de travailleurs actionnaire Filage Sherbrooke (FilSpec)	2004	C & RR	-	1,626	-	1,626
Coopérative funéraire de l'Estrie	2006	C & RR	-	1,560	-	1,560
CoopTel, coop de télécomminication	2009	C & RR	-	3,000	-	3,000
Éco-Pak inc. (2948-4292 Québec inc.)	2008	DevC	-	1,000	-	1,000
Électro-5 inc.	2009	DevC	-	400	-	400
Extermination Cameron inc.	2005	DevC	-	196	-	196
FilSpec inc.	2004	DevC	1,138	-	-	1,138
FilSpec inc. (9120-0782 Québec inc. / Gesco)	2004	DevC	440	84	-	524
Imprimerie Préci-Grafik inc.	2009	DevC	-	400	-	400
IPS Thérapeutique inc.	2002	DevC	80	-	-	80
Mésotec inc.	2005	DevC	2,104	-	-	2,104
Mirazed inc.	2007	DevC	330	1,095	-	1,425
Multi X inc.	2006	DevC	-	726	-	726
Pétroles O. Archambault et Fils inc. (Les)	2008	DevC	-	352	-	352
Roulottes R.G. inc. (Les)	2009	DevC	-	250	-	250
Société Industrielle de Décolletage et d'Outillage (S.I.D.O.) ltée	2005	MI & B	2,419	2,641	-	5,060
Tranzyme Pharma inc.	2003	VC - Health	6,065	1,700	-	7,765
Total Eastern Townships			36,596	16,536	321	53,453
Gaspésie-Îles-de-la-Madeleine						
Ateliers CFI Métal inc. (Les)	2009	C & RR	-	300	-	300
Azentic inc.	2006	C & RR	-	289	-	289
Construction L.F.G. inc.	2009	C & RR	-	500	-	500
Éocycle Technologies inc.	2004	C & RR	1,255	-	-	1,255
Gestion C.T.M.A. inc.	2007	C & RR	-	1,750	-	1,750
Groupe alimentaire RT ltée	2005	C & RR	-	243	-	243
Hôtel Baker ltée	2007	C & RR	-	253	-	253
Pesca Conseillers en biologie inc.	2007	C & RR	-	413	-	413
Total Gaspésie-Îles-de-la-Madeleine			1,255	3,748	-	5,003
Lanaudière						
9210-7614 Québec inc. (Promotion SDM)	2009	DevC	-	500	-	500
Management P.R. Maintenance inc.	2006	DevC	-	283	-	283
Nicorp inc.	2006	DevC	-	116	-	116
Ravenco (1991) inc.	2006	DevC	300	325	-	625
Total Lanaudière			300	1,224	-	1,524
Laurentians						
Coopérative Forestière des Hautes-Laurentides	2002	C & RR	-	134	-	134
J.L. Brissette ltée	2008	DevC	125	125	-	250
Triton Électronique inc.	2003	MI & B	2,533	-	-	2,533
Total Laurentians			2,658	259	-	2,917
Laval						
20-20 Technologies inc.	2002	VC - ITC	864	-	-	864
Canadian Lebanese Investment Corp. Ltd	2007	DevC	-	3,000	-	3,000
NuEra Air inc.	2005	DevC	-	1,487	-	1,487
Total Laval			864	4,487	-	5,351

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Mauricie						
Atelier d'usinage Tifo inc.	2006	C & RR	-	164	-	164
Ébénisterie St-Tite inc.	2005	C & RR	-	173	-	173
Groupe Soucy inc.	2008	C & RR	-	442	-	442
Innovations Voltflex inc.	2006	C & RR	17	300	50	367
Louiseville Specialty Products inc.	2004	MI & B	-	8,419	-	8,419
Morand Excavation inc.	2007	C & RR	-	403	-	403
Plomberie René Gilbert ltée	2009	C & RR	-	422	-	422
Premier Aviation Centre de révision inc.	2005	C & RR	-	1,611	-	1,611
RGF Électrique inc.	2009	C & RR	-	850	-	850
Solus Safety inc.	2006	C & RR	-	1,455	-	1,455
Total Mauricie			17	14,239	50	14,306
Montérégie						
Acema Importations inc.	2008	DevC	-	260	-	260
Approvisionnement populaire inc.	2009	DevC	-	469	-	469
Câbles Ben-Mor inc. (Les)	2009	DevC	-	4,900	-	4,900
Climatisation Mixair inc.	2008	DevC	-	230	-	230
Équipement militaire Mil-Quip inc.	2007	DevC	-	469	-	469
Galenova inc.	2006	DevC	-	825	-	825
Groupe Jafaco Gestion inc.	2009	DevC	-	2,812	-	2,812
Knowlton Development Corporation inc.	2006	MI & B	5,827	8,739	-	14,566
Maçonnerie Rainville et Frères inc.	2007	DevC	-	410	-	410
Mini-Centrales de l'Est inc.	2006	DevC	-	200	-	200
Miss Arachew inc.	2006	DevC	-	321	-	321
Reproductions BLB inc. (Les)	2004	DevC	163	1,044	-	1,207
Ricardo Média inc.	2009	DevC	-	800	-	800
Salerno Plastic Film and Bags (Canada) inc.	2007	DevC	353	1,668	-	2,021
Sun Marketing Communications ltd	2007	DevC	-	180	-	180
Total Montérégie			6,343	23,327	-	29,670
Montréal						
3CI inc.	2007	DevC	1,500	2,375	-	3,875
9031-1671 Québec inc. (Fondations Prétech)	2008	DevC	-	500	-	500
9217-0935 Québec inc.	2009	VC - ITC	-	176	-	176
Acti-Menu inc.	2005	DevC	1,010	-	-	1,010
Active Tech Electronics Inc.	2008	DevC	1,250	2,250	-	3,500
Aegera Therapeutics Inc.	2002	VC - Health	6,382	-	-	6,382
Alyotech Canada inc.	2006	VC - ITC	6,886	-	-	6,886
Ambrilia Biopharma inc.	2003	VC - Health	3,317	1,683	-	5,000
APTITUDE, Service de consultation en réadaptation profession	2006	DevC	-	-	162	162
Artificial Mind and Movement inc. (A2M)	2002	VC - ITC	1,186	-	-	1,186
Aurelium BioPharma inc.	2003	VC - Health	2,869	40	-	2,909
Bioaxone Thérapeutique inc.	2002	VC - Health	2,000	1,057	-	3,057
Canadian Bureau of Investigations and Adjustments (CBIA) inc.	2009	DevC	1,500	2,500	-	4,000
Coopérative de travailleurs actionnaire de TEC	2005	C & RR	-	1,503	-	1,503
Coopérative travailleurs actionnaire de Magnus Poirier	2009	C & RR	-	775	-	775
Coradiant (Canada) inc.	2004	VC - ITC	11,050	-	-	11,050
Emballages Deltapac inc. (Les)	2005	DevC	290	467	-	757
Enobia Pharma inc.	2005	VC - Health	10,494	-	-	10,494
ExelTech Aerospace inc.	2004	DevC	753	-	-	753
Formédica ltée.	2009	DevC	4,200	-	-	4,200
GES Technologies inc.	2007	DevC	-	370	-	370
Groupe Tapico inc.	2009	DevC	-	260	-	260

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	Initial investment year	Industry segment	Unsecured investments: Common and Preferred shares $	Unsecured investments: Debentures and advances $	Secured investments: Debentures and advances $	Total $
Industries Spectra Premium inc. (Les)	2006	MI & B	3,000	3,813	-	6,813
La Coop fédérée	2005	C & RR	-	25,000	-	25,000
LiquidXStream Systems inc	2007	VC - ITC	5,000	1,000	-	6,000
LxData inc.	2002	VC - ITC	10,917	-	-	10,917
Maison de distribution Colac (2008) inc.	2008	MI & B	850	1,987	-	2,837
Manutention Québec inc.	2007	DevC	-	1,990	-	1,990
My Virtual Model inc.	2005	VC - ITC	13	2,000	243	2,256
Negotium Technologies	2008	VC - ITC	-	48	-	48
Nstein Technologies inc.	2004	VC - ITC	310	-	-	310
Osprey Pharmaceuticals Limited	2003	VC - Health	2,877	137	-	3,014
PainCeptor Pharma Corporation	2004	VC - Health	3,800	4,033	-	7,833
Resonant Medical inc.	2004	VC - Health	7,414	-	-	7,414
STC Footwear inc.	2009	DevC	-	967	-	967
Technologies Miranda inc.	2002	VC - ITC	1,997	-	-	1,997
Topigen Pharmaceuticals inc.	2004	VC - Health	10,500	-	-	10,500
Tungle Corporation	2007	VC - ITC	1,661	-	-	1,661
Total Montréal			103,026	54,931	405	158,362
Outaouais						
Cactus Commerce inc.	2004	VC - ITC	800	-	-	800
Coopérative forestière de l'Outaouais	2006	C & RR	-	184	-	184
Evolutel inc.	2008	DevC	-	261	-	261
Expertronic (3573851 Canada inc.)	2008	DevC	-	483	-	483
Groupement forestier du Pontiac inc.	2006	DevC	-	135	-	135
Service domicile Outaouais (3130606 Canada inc.)	2007	DevC	-	39	-	39
Total Outaouais			800	1,102	-	1,902
Saguenay-Lac-Saint-Jean						
Alutrans Canada inc.	2008	C & RR	150	150	-	300
Charcuterie L. Fortin ltée	2008	C & RR	-	323	-	323
Constructions P3L (9137-1666 Québec inc.)	2007	C & RR	-	861	-	861
Constructions Proco inc.	2007	C & RR	500	428	-	928
Coopérative Forestière de Girardville	2007	C & RR	-	411	-	411
Démolition et excavation Demex inc.	2008	C & RR	-	437	-	437
Ébénisterie André Potvin inc.	2008	C & RR	125	125	-	250
Entreprises Alfred Boivin inc. (Les)	2007	C & RR	-	314	-	314
Entreprises Forestières N.T. inc. (Les)	2005	C & RR	-	18	-	18
Environnement Sanivac inc.	2009	C & RR	-	500	-	500
Frigon Électrique inc.	2005	C & RR	-	31	-	31
Groupe Canmec inc.	2004	MI & B	3,389	825	-	4,214
Groupe Nokamic inc.	2005	C & RR	-	222	-	222
Luzerne Belcan Lac-Saint-Jean inc. (Les)	2002	C & RR	527	55	-	582
Nature 3M inc.	2002	C & RR	-	55	-	55
Scierie Gauthier ltée	2006	C & RR	-	462	-	462
Services de soins de santé Opti-Soins inc. (Les)	2008	C & RR	400	400	-	800
Services Nolitrex inc.	2008	C & RR	500	500	-	1,000
Thermo-Tech (9132-8716 Québec inc.)	2003	C & RR	18	502	-	520
Transports Réjean Fortin inc.	2006	C & RR	-	80	-	80
Végétolab inc.	2003	C & RR	32	108	-	140
Viandes C.D.S. inc. (Les)	2006	C & RR	405	210	-	615
Vieille Garde inc. (La)	2009	C & RR	-	175	-	175
Total Saguenay-Lac-Saint-Jean			6,046	7,192	-	13,238

Capital régional et coopératif Desjardins

Schedule of cost of investments impacting the Québec economy

As at December 31, 2009

(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments: Common and Preferred shares $	Unsecured investments: Debentures and advances $	Secured investments: Debentures and advances $	Total $
Investment Funds						
Desjardins - Innovatech S.E.C.	2005	C & RR	42,186	-	-	42,186
Fier Parteners, Limited Partnership	2005	C & RR	7,141	-	-	7,141
iNovia Capital inc. (formely MSBI Management inc.)	2004	VC - ITC	154	-	-	154
MSBI Investissement Fund, Limited Partnership	2004	VC - ITC	8,211	-	-	8,211
Novacap Industries III s.e.c.	2007	MI & B	569	-	-	569
Novacap Technologies III s.e.c.	2007	VC - ITC	3,993	-	-	3,993
Total Investment Funds			**62,254**	**-**	**-**	**62,254**
Total cost			**263,603**	**210,727**	**1,455**	**475,785**

Industry segment legend

MI & B:	Major Investments and Company Buyout
DevC:	Development Capital
C & RR:	Cooperatives and Resource Regions
VC - ITC:	Venture Capital Information Technology and Telecommunications
VC - Health:	Venture Capital Health and Biotechnology

This 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 4 to the financial statements of the Company.

Capital régional et coopératif Desjardins

Statement of other investments
As at December 31, 2009

Capital régional et coopératif Desjardins
Statement of other investments (unaudited)
As at December 31, 2009

(in thousands of dollars)

Description		Par value $	Cost $	Fair value $
Bonds (77.2%)				
Federal and guaranteed bonds (32.3%)				
Canada Mortgage and Housing Corporation	2011-06-01, 6.00%	3,000	3,068	3,199
	2012-06-01, 3.40%	43,000	42,763	44,449
	2012-12-15, 4.55%	28,800	30,746	30,700
	2013-09-15, 3.55%	2,000	2,076	2,069
	2013-12-01, 4.90%	11,000	11,161	11,896
	2015-03-15, floating rate	10,500	10,510	10,506
	2016-02-01, 4.25%	10,700	11,022	11,266
	2017-02-01, 4.35%	7,500	7,629	7,823
	2018-12-15, 4.10%	15,700	16,257	15,983
Export Development Canada	2011-06-01, 5.75%	9,037	9,442	9,608
Gouvernment of Canada	2019-06-01, 3.75%	175	180	177
	2041-06-01, 4.00%	2,000	1,977	1,973
PSP Capital inc.	2013-12-09, 4.57%	1,500	1,567	1,590
Total federal and guaranteed bonds		144,912	148,398	151,239
Provincial and guaranteed bonds (24.7%)				
British Columbia province	2018-12-18, 4.65%	600	612	623
Financement-Québec	2014-03-01, 4.25%	22,897	23,648	24,146
	2015-12-01, 4.25%	9,000	8,972	9,392
Hydro-Québec	2011-02-15, 3.65%	20,000	19,922	20,579
	2012-07-16, 3.90%	5,000	4,955	5,208
Municipal Finance Authority of British Columbia	2016-04-19, 4.65%	3,500	3,632	3,698
	2019-06-03, 4.875%	2,000	2,123	2,068
Ontario province	2013-06-02, 4.75%	21,025	22,253	22,532
	2016-03-08, 4.40%	1,500	1,565	1,579
Ontario School Boards Financing Corporation	2011-10-19, 5.90%	1,000	1,060	1,072
Ontario Strategic Infrastructure Financing Authority	2015-06-01, 4.60%	3,000	3,047	3,141
Ontrea inc.	2011-10-31, 5.70%	300	310	321
	2013-04-09, 5.57%	2,000	2,066	2,169
Quebec province	2017-12-01, 4.50%	13,045	13,324	13,529
	2018-12-01, 4.50%	2,550	2,571	2,606
Town of Laval	2015-03-12, 4.30%	1,156	1,145	1,197
Town of Montreal	2017-12-01, 5.00%	1,500	1,524	1,559
Town of Vancouver	2011-02-21, 5.85%	150	154	158
Total provincial and guaranteed bonds		110,223	112,883	115,577
Financial institutions bonds (15.3%)				
Bank HSBC	2011-03-28, 4.59%	200	207	207
Bank of Montreal	2012-06-21, 5.20%	2,000	1,990	2,128
	2016-04-21, 5.10%	3,500	3,655	3,700
	2018-05-02, 6.02%	1,650	1,787	1,849
Bank of Nova Scotia	2013-03-27, 4.99%	9,480	9,971	10,075
BNS Capital Trust	2010-12-31, 7.31%	1,000	1,007	1,054
Capital Desjardins	2014-04-01, 5.76%	5,300	5,608	5,733
Caterpillar Financial Services	2012-06-01, 4.94%	400	394	420
GE Capital	2011-05-02, 4.75%	1,300	1,305	1,344
	2012-08-17, 5.29%	1,500	1,474	1,588
	2013-06-06, 5.15%	3,000	3,012	3,164
	2015-02-11, 4.65%	1,000	982	1,022
	2017-01-17, 4.55%	400	381	394
Great-West Lifeco inc.	2018-03-21, 6.14%	1,000	979	1,085

Capital régional et coopératif Desjardins
Statement of other investments (unaudited)
As at December 31, 2009

(in thousands of dollars)

Description		Par value $	Cost $	Fair value $
Financial institutions bonds				
Honda Canada Finance	2012-09-26, 5.68%	400	395	427
	2013-05-09, 5.08%	800	780	841
Industrial Alliance	2014-03-27, 8.25%	335	382	379
	2014-06-30, 5.13%	140	136	143
JP Morgan Chase & Co	2016-02-22, 5.06%	750	724	742
Manulife Financial	2011-02-16, 6.24%	2,625	2,659	2,754
	2019-04-08, 7.77%	500	574	594
National Bank of Canada	2014-12-22, 4.93%	1,200	1,227	1,263
RBC Capital	2013-12-31, 5.81%	1,000	983	1,079
Royal Bank	2013-03-11, 4.84%	10,000	10,620	10,591
	2013-11-04, 5.45%	920	927	995
	2014-12-22, 4.71%	1,645	1,640	1,750
Sun Life Financial	2012-06-30, 6.15%	935	957	1,005
	2018-01-30, 5.59%	1,000	1,001	1,026
TD Capital	2017-12-18, 5.76%	600	575	625
Toronto Dominion Bank	2011-10-28, 4.87%	2,500	2,507	2,625
	2012-11-01, 5.38%	1,500	1,620	1,611
	2013-06-03, 5.69%	6,400	6,725	6,964
Wells Fargo Financial	2012-09-13, 5.20%	1,565	1,628	1,658
	2013-12-06, 4.33%	100	97	103
	2015-06-30, 4.38%	500	479	508
Total financial institutions bonds		67,145	69,388	71,446
Companies bonds (4.4%)				
Bell Canada	2014-06-30, 4.85%	1,000	1,058	1,050
British Columbia Ferry Service inc.	2014-05-27, 5.74%	100	105	109
Canadian Natural Resources	2015-06-01, 4.95%	500	485	521
CU inc.	2017-11-22, 6.15%	500	537	564
Enbridge inc.	2013-03-25, 4.67%	250	247	264
	2014-01-29, 5.57%	250	253	273
Encana inc.	2012-03-12, 4.30%	1,000	986	1,044
	2018-01-18, 5.80%	450	451	479
Epcor Utilities	2018-01-31, 5.80%	489	450	525
Greater Toronto Airport	2012-12-13, 6.25%	1,000	1,061	1,101
	2017-06-01, 4.85%	605	595	625
Hydro One inc.	2012-11-15, 5.77%	3,439	3,705	3,754
Hydro Ottawa	2015-02-09, 4.93%	115	117	122
Loblaws	2011-01-19, 6.50%	500	514	525
Montreal Airports	2012-04-16, 6.35%	80	83	87
NAV Canada	2016-02-24, 4.71%	500	492	527
Nova Scotia Power	2013-10-01, 5.75%	500	500	544
Ottawa Airport	2017-05-02, 4.73%	150	149	153
Rogers Communications	2016-05-26, 5.80%	1,000	998	1,068
Shoppers Drug Mart	2012-01-20, 4.80%	600	611	631
	2013-06-03, 4.99%	90	91	96
Suncor Energy	2018-05-22, 5.80%	400	343	419
Talisman Energy	2011-01-27, 4.44%	100	99	103
Telus inc.	2013-06-03, 5.00%	472	464	498
	2014-05-15, 4.95%	500	502	525
	2019-12-04, 5.05%	1,000	994	975
Thomson Reuters Corp	2015-07-15, 5.70%	1,500	1,641	1,643
Toronto Hydro	2013-05-07, 6.11%	250	259	274
Transcanada Pipeline	2014-01-15, 5.65%	1,000	1,029	1,098
Union Gas Ltd.	2010-06-01, 7.20%	100	101	102
	2011-05-04, 6.65%	118	122	126

Capital régional et coopératif Desjardins
Statement of other investments (unaudited)
As at December 31, 2009

(in thousands of dollars)

Description		Par value $		Cost $	Fair value $
Companies bonds					
Westcoast Energy	2013-12-30, 8.30%	428		476	503
Yellow Pages Group	2014-04-21, 5.71%	400		394	396
Total companies bonds		19,386		19,912	20,724
Supranational entities bonds (0.5%)					
International Bank for Reconstruction and Development	2012-12-15, 4.30%	2,000		2,008	2,115
Total obligations supranationales		2,000		2,008	2,115
Total bonds		**343,666**		**352,589**	**361,101**
Money market instruments (18.3%)					
Caisse centrale Desjardins	2010-01-06, 0.50%	40,000		40,000	40,000
Québec's T-Bills	2010-02-26, 0.47%	10,000		9,993	9,993
	2010-10-28, 0.55%	35,800		35,638	35,638
Total money market instruments		85,800		85,631	85,631
Foreign exchange contracts (0.1%)					
Caisse centrale Desjardins Hedge on investments impacting the Québec economy	2010-03-31, 1.0656 CAD/USD	43,750	USD	n/a	640
Total foreign exchange contracts		43,750	USD	n/a	640
		Number of shares			
Preferred shares (4.2%)					
Canadian Imperial Bank of Commerce	Perpetual, 5.75%	17,000		454	417
	Perpetual, 5.50%	15,000		401	353
	Perpetual, 5.60%	15,000		401	359
Bank of Nova Scotia	Perpetual, 5.60%	20,000		505	497
Great-West Lifeco inc.	Perpetual, floating rate	145,000		3,815	3,176
	Perpetual, 5.20%	30,000		737	818
Industrial Alliance	Perpetual, floating rate	16,700		415	459
	Perpetual, 6.00%	20,000		500	500
	Perpetual, 4.60%	15,000		243	292
Manulife Financial	Perpetual, 4.10%	75,500		2,037	2,008
National Bank of Canada	Perpetual, 5.85%	6,200		165	156
Power Financial Corporation	Perpetual, 5.75%	10,000		220	244
	Perpetual, 6.00%	95,000		2,528	2,382
	Perpetual, 4.95%	25,000		658	535
	Perpetual, 5.10%	10,000		263	220
	Perpetual, floating rate	77,800		1,970	1,614
Power Corporation fo Canada	Perpetual, 5.00%	45,400		1,011	943
Royal Bank	Perpetual, floating rate	20,000		500	558
	Perpetual, 4.50%	50,000		1,260	1,017

Capital régional et coopératif Desjardins
Statement of other investments (unaudited)
As at December 31, 2009

(in thousands of dollars)

Description		Number of shares	Cost $	Fair value $
Preferred shares				
Sun Life Financial	Perpetual, 4.75%	82,000	1,755	1,676
	Perpetual, 4.80%	30,300	782	626
Toronto Dominion Bank	Perpetual, 4.85%	35,000	746	805
Total preferred shares			21,366	19,655

	Number of units		
Fund of hedge funds (0.2%)			
DGAM ASF, class B	145,047	4,511	738
Total fund of hedge funds		4,511	738
Total other investments (100.0%)		464,097	467,765

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, 2009

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, 2009

(in thousands of dollars)

Information from Annual Financial Report dated		Equity Interest of the Company %	Unsecured investments: Common and Preferred shares $	Unsecured investments: Debentures and advances $	Secured investments: Debentures and advances $	Total $
12-31-2009	**Desjardins - Innovatech S.E.C.**	**57.4**				
	AAT inc.		14	728	-	742
	Albert Perron inc.		653	747	-	1,400
	Aqua-Biokem BSL inc.		936	-	293	1,229
	Boisaco inc.		1,723	-	-	1,723
	Concept Mat inc. and 9200-7848 Québec inc.		-	335	-	335
	Éocycle Technologies inc.		716	51	-	767
	Équipements Comact inc.		287	716	-	1,003
	Groupe Minier CMAC - Thyssen Mining Group		-	-	806	806
	Groupe Ohméga inc.		98	115	-	213
	Gyro-Trac Côte Ouest inc.		-	-	408	408
	Gyro-Trac inc. (9163-2521 Québec inc.)		1,311	-	-	1,311
	KGI Systèmes automobiles inc.		-	-	445	445
	Marinard Biotech inc.		29	207	-	236
	Menu-Mer ltée		-	211	-	211
	Produits forestiers Lamco inc.		328	-	-	328
	Rocmec Mining inc.		-	-	460	460
	Other companies (9) less than 175 000 $		188	260	484	932
			6,283	3,370	2,896	12,549
	Funds commited but not disbursed					287
						12,836

This unaudited index provides details of investments made by specialty funds and partner funds in which Capital régional et coopératif Desjardins has invested more than $10M.