PRESS RELEASE
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Results for fiscal 2018

AN ACTIVE AND INVOLVED GROUP. Achievements in the fourth quarter included the official opening of the Tour de Montréal, an award received for being the coolest financial institution according to millennials, and our contribution to support the growth of the *Guilde des développeurs de jeux vidéo indépendants*.

Desjardins Group posts very good performance in 2018 and records $2,326 million in surplus earnings

$389 million returned to members and the community, an increase of 21.6% or an extra $69 million

Lévis (Qc), February 27, 2019 – For the fiscal year ended December 31, 2018, Desjardins Group, Canada's leading financial cooperative group, recorded surplus earnings before member dividends of $2,326 million, up $175 million from fiscal 2017. This result includes a gain of $129 million, net of income taxes, in the second quarter of 2018 realized on the creation of Aviso Wealth. It should also be recalled that fiscal 2017 benefited from a gain net of expenses related to the sale of Western Financial Group Inc. and Western Life Assurance Company. Adjusted surplus earnings[1] were therefore up $295 million or 15.5%. These results allowed Desjardins Group to pursue its cooperative mission for the benefit of its members and clients, and maintain its excellent financial stability.

[1] See "Basis of presentation of financial information".

The amount returned to members and the community was $389 million, including a $253 million provision for member dividends (Q4 2017: $202 million), $94 million in sponsorships, donations and scholarships (Q4 2017: $82 million) and $42 million in Desjardins Member Advantages (Q4 2017: $36 million). There were also commitments related to the $100 million fund, dedicated to regional development, in an amount of $53 million for fiscal 2018.

"I am very proud of Desjardins Group's performance," said Guy Cormier, President and Chief Executive Officer. "Our membership grew at the fastest rate in 10 years, and this includes young adults. Moreover, surplus earnings are growing and living up to our expectations. We also received an award from Corporate Knights for our new ETFs and SocieTerra fund, underscoring Desjardins Group's leadership in achieving the objectives of the Paris Accord. I don't think there is any doubt that efforts to continually strengthen our member and client culture and our digital shift have a lot to do with the remarkable results last year."

Giving back to the community

Since the third quarter, in addition to the sustained commitment of the caisses in the communities they serve, here are some of the other ways that Desjardins is making a positive difference in people's lives.

- *Support for the growth of the Guilde des développeurs de jeux vidéo indépendants in an amount of $750,000.*
- *Official opening of the Montreal offices of AccèsD in the Tour de Montréal. Over 1,000 employees from three different sites now work in an open-concept environment in light-filled spaces and are reinvigorating the neighbourhood.*
- *Contribution of $150,000 to Morrin Centre, a leading English-language cultural hub in Quebec City's old town, for its new educational tourist attraction.*
- *Support, in the form of a $750,000 donation, for the fundraising campaign of the Académie Saint-Louis for the construction of a sports centre that will be open to all the community's residents.*

Innovating

Desjardins is constantly innovating to meet the needs of its members and clients. Here are just a few examples of the financial group's recent initiatives and the recognition it has received for its expertise.

- *Desjardins is the coolest financial institution in Canada according to Quebec millennials! This is according to Leger's 2018 Youth Study.*
- *Installation of a satellite office specialized in information technologies in the commercial spaces of the DigiHub Shawinigan at the* Centre d'entrepreneuriat Alphonse-Desjardins*. This represents a $25 million investment over five years and the creation of close to 30 jobs.*
- *Opening of a new customer relations centre with clients in Rimouski. Ultimately some 40 jobs will be created in the region.*
- *Desjardins ranks among the Top 5 better world funds according to Corporate Knights.*

Fiscal 2018 financial results

- *Surplus earnings of $2,326 million, up $175 million from 2017.*
- *Adjusted surplus earnings[1] up $295 million or 15.5% compared to 2017.*
- *Increase in operating income[1] of $1,111 million or 7.2%.*
- *Provision for member dividends of $253 million, up $51 million compared to fiscal 2017. For 2018, dividends underwent changes to better reward those who hold Desjardins products.*
- *Record growth in 2018 of outstanding loans and acceptances, up $13.1 billion compared to 2017.*
- *Total capital ratio of 17.6% as at December 31, 2018.*

The increase in adjusted surplus earnings[1] was largely due to continuing growth in caisse network activities and payment activities, to a more favourable claims experience in life and health insurance and to higher income as a result of growth in assets under management, offset by a higher claims experience in property and casualty insurance. Additional factors include a reduction in provisions related to the investment portfolio and the impact of changes to the post-retirement benefit plan, which had a favourable impact on non-interest expense.

Net interest income was $4,894 million, up $437 million from fiscal 2017. This increase was due to growth in the entire average portfolio of loans and acceptances outstanding and, to a lesser extent, due to higher interest rates.

Net premiums were $8,823 million (Q4 2017: $8,049 million), up 9.6%. This increase was due to growth in the activities of both life and health insurance and property and casualty insurance, combined with the impact of the reinsurance treaty signed as part of the acquisition of State Farm's Canadian operations.

Excluding the gross gain realized on the creation of Aviso Wealth in April 2018 and the gross gain realized on the sale of subsidiaries in 2017, other operating income[1] was $2,727 million, up slightly by $46 million from fiscal 2017. It should be noted that the increase was in part due to higher income derived from assets under management, from fees related to payment activities, and from business growth, including the acquisition and setting up of new Canada-wide credit card portfolios. The increase was partly offset by the decline in commission income following the sale of Western Financial Group Inc. and the transaction involving Qtrade Canada Inc., as well as the reduction in deposit service charges.

The provision for credit losses was up $35 million compared to 2017 and totalled $384 million, mainly due to the increase in loans outstanding. The gross credit-impaired loans ratio, expressed as a percentage of the total gross loans and acceptances portfolio, was 0.54% as at December 31, 2018, up from the figure recorded in 2017, mainly due to the adoption of IFRS 9. The adoption of IFRS 9 on January 1, 2018 has made the provision for credit losses more volatile. Despite this increase, Desjardins Group continued to present a quality loan portfolio in 2018.

[1] See "Basis of presentation of financial information".

Non-interest expense was $7,485 million (Q4 2017: $7,400 million), a slight 1.1% increase that reflects the implementation of productivity initiatives in a context of operations growth. Also noteworthy is the decrease in investment portfolio provisions and the impact of changes to the post-retirement benefits plan, which had a favourable impact on non-interest expense. However, it should be noted that the impact of the reinsurance treaty signed as part of the acquisition of the Canadian operations of State Farm as well as business growth, particularly in assets under management, contributed to the increase in non-interest expense.

Assets of $295.5 billion, an increase of $20.4 billion

As at December 31, 2018, Desjardins Group had total assets of $295.5 billion, up $20.4 billion or 7.4% since December 31, 2017. This growth was largely due to the increase in net loans and acceptances as well as securities, including securities borrowed or purchased under reverse purchase agreements.

Strong capital base

Desjardins Group maintains very good capitalization levels in compliance with Basel III rules. Its Tier 1A and total capital ratios were 17.3% and 17.6%, respectively, as at December 31, 2018 compared to 18.0% and 18.4%, respectively, as at December 31, 2017.

Results for the fourth quarter of 2018

For the fourth quarter ended December 31, 2018, surplus earnings before member dividends stood at $578 million (2017: $429 million), up $149 million or 34.7%. The increase was mainly due to higher net interest income in the Personal and Business Services segment and a more favourable claims experience in the Wealth Management and Life and Health Insurance segment, and it is offset by a higher claims experience in the Property and Casualty Insurance segment. Additional factors include a reduction in provisions related to the investment portfolio and the impact of changes to the post-retirement benefits plan, which had a favourable impact on non-interest expense and contributed to higher surplus earnings for the quarter.

Segment results for fiscal 2018

Personal and Business Services

For fiscal 2018, the Personal and Business Services segment reported surplus earnings before member dividends of $1,272 million (2017: $1,108 million). The increase was largely due to good performance by the caisse network, related in particular to the growth in net interest income, as well as payment activities and rigorous cost control.

Surplus earnings for the fourth quarter were $329 million (2017: $286 million). The results for the quarter increased for the same reasons as those given for the segment for the year.

Wealth Management and Life and Health Insurance

Net surplus earnings generated by the Wealth Management and Life and Health Insurance segment were $894 million at the end of fiscal 2018 (2017: $612 million). Adjusted net surplus earnings(1) were up $153 million. This increase was due to higher gains on the disposal of real estate investments in 2018, a more favourable claims experience and increased income related to the growth in assets under management. On the other hand, adjustments made to actuarial assumptions in the normal course of business had a less favourable impact.

Surplus earnings for the fourth quarter were $183 million (2017: $159 million). This increase was due to the same reasons used to explain the surplus earnings for the year in Wealth Management and Life and Health Insurance, except for gains on the disposal of securities and real estate investments, which were the source of a higher contribution to surplus earnings in the first quarter of 2018.

Property and Casualty Insurance

The Property and Casualty Insurance segment recorded $173 million in net surplus earnings in fiscal 2018 (2017: $446 million). It should be recalled that in fiscal 2017, the segment posted a gain net of expenses related to the sale of Western Financial Group Inc. and Western Life Assurance Company. Adjusted net surplus earnings(1) were therefore down $32 million. This decrease in adjusted net surplus earnings(1) stems in part from a higher claims experience when compared to fiscal 2017 and the impact of sales of subsidiaries in 2017, which were partly offset by higher investment income.

Surplus earnings for the fourth quarter were $25 million (2017: $48 million). The lower surplus earnings compared to Q4 2017 was in large part due to a higher claims experience, which was offset by a decline in the contingent consideration payable as part of acquisition of the Canadian businesses of State Farm as well as the increase in investment income.

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[1] See “Basis of presentation of financial information”.

Key Financial Data

FINANCIAL POSITION AND INDICATORS

(in millions of dollars and as a percentage)	As at December 31, 2018[1]	As at December 31, 2017
Balance Sheets		
Assets	**$ 295,465**	$ 275,095
Residential mortgage loans	**$ 120,113**	$ 113,146
Consumer, credit card and other personal loans	**$ 26,210**	$ 24,044
Business and government loans[2]	**$ 45,066**	$ 40,769
Total gross loans[2]	**$ 191,389**	$ 177,959
Equity	**$ 25,649**	$ 24,773
Indicators		
Assets under administration	**$ 373,558**	$ 411,548
Assets under management[3]	**$ 57,448**	$ 58,220
Tier 1A capital ratio	**17.3%**	18.0%
Tier 1 capital ratio	**17.3%**	18.0%
Total capital ratio	**17.6%**	18.4%
Leverage ratio	**8.3%**	8.5%
Liquidity coverage ratio[4]	**122.1%**	121.4%
Gross impaired loans[5]/gross loans and acceptances[6]	**0.54%**	0.25%

(1) The information presented as at December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

(2) Includes acceptances.

(3) Assets under management may also be administered by Desjardins Group. When this is the case, they are included in assets under administration.

(4) Average for the quarters ended December 31 of each year indicated.

(5) Further to the adoption of IFRS 9 on January 1, 2018, all loans included in Stage 3 of the impairment model are considered to be credit-impaired. The criteria for considering a loan to be impaired were different under IAS 39. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

(6) See "Basis of presentation of financial information".

COMBINED INCOME

	For the three-month periods ended		**For the years ended**	
(in millions of dollars and as a percentage)	December 31, 2018[1]	December 31, 2017	December 31, 2018[1]	December 31, 2017
Operating income[2]	**$ 4,145**	$ 3,734	**$ 16,576**	$ 15,465
Surplus earnings before member dividends	**$ 578**	$ 429	**$ 2,326**	$ 2,151
Adjusted surplus earnings before member dividends[2]	**$ 578**	$ 429	**$ 2,197**	$ 1,902
Return on equity[2]	**9.0%**	7.0%	**9.3%**	9.1%
Adjusted return on equity[2]	**9.2%**	7.0%	**8.9%**	8.0%
Credit loss provisioning rate[2]	**0.19%**	0.20%	**0.21%**	0.20%

(1) The information presented for the three-month period ended December 31, 2018 and for fiscal 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

(2) See "Basis of presentation of financial information".

CONTRIBUTION TO COMBINED SURPLUS EARNINGS BY BUSINESS SEGMENT

	For the three-month periods ended		For the years ended	
(in millions of dollars)	**December 31, 2018[1]**	December 31, 2017	**December 31, 2018[1]**	December 31, 2017
Personal and Business Services	**$ 329**	$ 286	**$ 1,272**	$ 1,108
Wealth Management and Life and Health Insurance[2]	**183**	159	**894**	612
Property and Casualty Insurance[2]	**25**	48	**173**	446
Other	**41**	(64)	**(13)**	(15)
Desjardins Group[2]	**$ 578**	$ 429	**$ 2,326**	$ 2,151

[1] The information presented for the three-month period ended December 31, 2018 and for fiscal 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

[2] Adjusted surplus earnings are presented in "Basis of presentation of financial information".

CREDIT RATINGS OF SECURITIES ISSUED

	DBRS	STANDARD & POOR'S	MOODY'S	FITCH
Fédération des caisses Desjardins du Québec				
Short-term	**R-1 (high)**	**A-1**	**P-1**	**F1+**
Senior medium- and long-term	**AA**	**A+**	**Aa2**	**AA-**
Desjardins Capital Inc.				
Senior medium- and long-term	**AA (low)**	**A**	**A2**	**A+**

More detailed financial information can be found in Desjardins Group's 2018 Management's Discussion and Analysis (MD&A), which will be available on the SEDAR website on March 1, 2019 under the Desjardins Capital Inc. profile.

About Desjardins Group

Desjardins Group is the leading cooperative financial group in Canada and the fifth largest cooperative financial group in the world, with assets of $295.5 billion. It has been rated one of Canada's Top 100 Employers by Mediacorp. To meet the diverse needs of its members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, online platforms and subsidiaries across Canada. Ranked among the world's strongest banks according to *The Banker* magazine, Desjardins has one of the highest capital ratios and credit ratings in the industry.

Caution concerning forward-looking statements

Certain statements made in this press release may be forward-looking. By their very nature, forward-looking statements involve assumptions, uncertainties and inherent risks, both general and specific. It is therefore possible that, due to many factors, these assumptions, predictions, forecasts or other forward-looking statements, as well as Desjardins Group's objectives and priorities, may not materialize or may prove to be inaccurate and that actual results differ materially. Various factors that are beyond Desjardins Group's control and whose impacts on Desjardins are therefore difficult to predict could influence the accuracy of the forward-looking statements in this press release. Additional information on these and other factors are available under the risk management section of Desjardins Group's 2018 MD&A. Although Desjardins Group believes that the expectations expressed in these forward-looking statements are reasonable, it cannot guarantee that these expectations will prove to be correct. Desjardins Group cautions readers against placing undue reliance on these forward-looking statements when making decisions, given that actual results, conditions, actions or future events could differ significantly from the targets, expectations, estimates or intentions advanced in them, explicitly or implicitly. Desjardins Group does not undertake to update any verbal or written forward-looking statements that may be made from time to time by or on behalf of Desjardins Group, except as required under applicable securities legislation.

Basis of presentation of financial information

The financial information in this document comes primarily from the 2018 combined annual financial statements. Those statements have been prepared by Desjardins Group's management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, and the accounting requirements of the Autorité des marchés financiers in Quebec, which do not differ from IFRS. Desjardins Group modified certain accounting policies following the adoption of IFRS 9, "Financial instruments", IFRS 15, "Revenue from contracts with customers", and amendments to IFRS 4, "Insurance contracts", on January 1, 2018. Unless otherwise indicated, all amounts are in Canadian dollars ($) and come mainly from the Combined Financial Statements of Desjardins Group.

To assess its performance, Desjardins Group uses IFRS measures and various non-IFRS financial measures. Non-IFRS financial measures, other than the regulatory ratios, do not have standardized definitions and are not directly comparable to similar measures used by other companies, and may not be directly comparable to any IFRS measures. Investors, among others, may find these non-IFRS measures useful in analyzing financial performance. The measures used are defined as follows:

Adjusted surplus earnings of Desjardins Group before member dividends

The concept of adjusted surplus earnings is used to exclude specific items in order to present financial performance based on operating activities. These specific items, such as acquisitions and disposals, are unrelated to operations.

Desjardins Group's surplus earnings before member dividends are adjusted to exclude the following specific items: the gain and expenses, net of income taxes, related to the sale of the subsidiaries Western Financial Group Inc. and Western Life Assurance Company, completed on July 1, 2017, as well as the gain, net of income taxes, related to the transaction involving Qtrade Canada Inc. and the interest in the associate Northwest & Ethical Investments L.P., completed on April 1, 2018, as part of the creation of Aviso Wealth.

	For the years ended	
(in millions of dollars)	**December 31, 2018[1]**	December 31, 2017[2]
Presentation of the surplus earnings before member dividends in the Combined Financial Statements	**$ 2,326**	$ 2,151
Specific items, net of income taxes		
Gain net of expenses related to the sale of Western Financial Group Inc. and Western Life Assurance Company	**-**	(249)
Gain related to the transaction involving Qtrade Canada Inc. and the interest in Northwest & Ethical Investments L.P.	**(129)**	-
Presentation of the adjusted surplus earnings before member dividends	**$ 2,197**	$ 1,902

(1) The information presented for the year ended December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

(2) Data for 2017 have been reclassified to conform to the current year's presentation notwithstanding the standards and amendments adopted on January 1, 2018.

Adjusted net surplus earnings of the Wealth Management and Life and Health Insurance segment

The net surplus earnings of the Wealth Management and Life and Health Insurance segment have been adjusted to exclude the following specific item: the gain, net of income taxes, related to the transaction involving Qtrade Canada Inc. and the interest in the associate Northwest & Ethical Investments L.P., completed on April 1, 2018, as part of the creation of Aviso Wealth.

	For the years ended	
(in millions of dollars)	**December 31, 2018[1]**	December 31, 2017
Presentation of the net surplus earnings of the Wealth Management and Life Insurance segment in the Combined Financial Statements	**$ 894**	$ 612
Specific item, net of income taxes		
Gain related to the transaction involving Qtrade Canada Inc. and the interest in Northwest & Ethical Investments L.P.	**(129)**	-
Presentation of the adjusted net surplus earnings of the Wealth Management and Life Insurance segment	**$ 765**	$ 612

(1) The information presented for the year ended December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

Adjusted net surplus earnings of the Property and Casualty Insurance segment

The net surplus earnings of the Property and Casualty Insurance segment are adjusted to exclude the following specific item: the gain and expenses, net of income taxes, related to the sale of the subsidiaries Western Financial Group Inc. and Western Life Assurance Company, completed on July 1, 2017.

(in millions of dollars)	**For the years ended** **December 31, 2018[1]**	December 31, 2017[2]
Presentation of the net surplus earnings of the Property and Casualty Insurance segment in the Combined Financial Statements	**$ 173**	$ 446
Specific item, net of income taxes		
Gain net of expenses related to the sale of Western Financial Group Inc. and Western Life Assurance Company[3]	**-**	(241)
Presentation of the net surplus earnings of the Property and Casualty Insurance segment	**$ 173**	$ 205

[1] The information presented for the year ended December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

[2] Data for 2017 have been reclassified to conform to the current year's presentation notwithstanding the standards and amendments adopted on January 1, 2018.

[3] The difference with the data presented in the table for adjusted surplus earnings of Desjardins Group before member dividends is related to intersegment transaction expenses.

Gross credit-impaired loans/gross loans and acceptances ratio

The gross credit-impaired loans/gross loans and acceptances ratio is used to measure loan portfolio quality and is equal to gross credit-impaired loans expressed as a percentage of total gross loans and acceptances. Further to the adoption of IFRS 9 on January 1, 2018, all loans included in Stage 3 of the impairment model are considered to be credit-impaired. The criteria for considering a loan to be impaired were different under IAS 39.

Return on equity and adjusted return on equity

Return on equity is used to measure profitability resulting in value creation for members and clients. Expressed as a percentage, it is equal to surplus earnings before member dividends, excluding the non-controlling interests' share, divided by average equity before non-controlling interests.

Income

Operating income

The concept of operating income is used to analyze financial results. This concept allows for better structuring of financial data and makes it easier to compare operating activities from one period to the next by excluding the volatility of results specific to investments, particularly regarding the extent of life and health insurance and P&C insurance operations, for which a very large proportion of investments are recognized at fair value through profit or loss. The analysis therefore breaks down Desjardins Group's income into two parts, namely operating income and investment income, which make up total income. This measure is not directly comparable to similar measures used by other companies.

Operating income includes net interest income, generated mainly by the Personal and Business Services segment and the Other category, net premiums and other operating income such as deposit and payment service charges, lending fees and credit card service revenues, income from brokerage and investment fund services, management and custodial service fees, foreign exchange income as well as other income. These items, taken individually, correspond to those presented in the Combined Financial Statements.

Investment income

Investment income includes net investment income on securities classified and designated as being at fair value through profit or loss, net investment income on securities classified as being at fair value through other comprehensive income, and net investment income on securities measured at amortized cost and other investment income included in the Combined Statement of Income under "Net investment income". It also includes the overlay approach adjustment for insurance operations financial assets. The life and health insurance and P&C insurance subsidiaries' matching activities, which include changes in fair value, gains and losses on disposals and interest and dividend income on securities, are presented with investment income, given that these assets back insurance liabilities, which are recognized under expenses related to claims, benefits, annuities and changes in insurance contract liabilities in the Combined Financial Statements. In addition, this investment income includes changes in the fair value of investments for the Personal and Business Services segment, recognized at fair value through profit or loss. The presentation of 2017 investment income does not take into account the standards and amendments adopted on January 1, 2018 and is therefore compliant with IAS 39.

(in millions of dollars)	For the years ended December 31, 2018[1]	December 31, 2017[2]
Presentation of income in the Combined Financial Statements		
Net interest income	**$ 4,894**	$ 4,457
Net premiums	**8,823**	8,049
Other income		
Deposit and payment service charges	**433**	458
Lending fees and credit card service revenues	**697**	660
Brokerage and investment fund services	**905**	1,030
Management and custodial service fees	**551**	485
Net investment income[3]	**211**	1,688
Overlay approach adjustment for insurance operations financial assets	**523**	N/A
Foreign exchange income	**91**	77
Other	**182**	249
Total income	**$ 17,310**	$ 17,153
Presentation of income in the MD&A		
Net interest income	**$ 4,894**	$ 4,457
Net premiums	**8,823**	8,049
Other operating income		
Deposit and payment service charges	**433**	458
Lending fees and credit card service revenues	**697**	660
Brokerage and investment fund services	**905**	1,030
Management and custodial service fees	**551**	485
Foreign exchange income	**91**	77
Other	**182**	249
Operating income	**16,576**	15,465
Investment income		
Net investment income[3]	**211**	1,688
Overlay approach adjustment for insurance operations financial assets	**523**	N/A
	734	1,688
Total income	**$ 17,310**	$ 17,153

[1] The information presented for the year ended December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, "Basis of presentation and significant accounting policies", to the Combined Financial Statements.

[2] Data for 2017 have been reclassified to conform to the current year's presentation notwithstanding the standards and amendments adopted on January 1, 2018.

[3] The breakdown of this line item is presented in Note 25, "Net interest income and net investment income", to the Combined Financial Statements.

Credit loss provisioning rate

The credit loss provisioning rate is used to measure loan portfolio quality, and is equal to the provision for credit losses divided by average gross loans and acceptances.

The following table presents the calculation of the credit loss provisioning rate as presented in the MD&A.

(in millions of dollars and as a percentage)	**For the years ended** **December 31, 2018[(1)]**	December 31, 2017
Provision for credit losses	**$ 384**	$ 349
Average gross loans	**184,382**	171,737
Average gross acceptances	**105**	69
Average gross loans and acceptances	**$ 184,487**	$ 171,806
Credit loss provisioning rate	**0.21%**	0.20%

(1) The information presented for the year ended December 31, 2018 takes into account the standards and amendments adopted on January 1, 2018. The comparative data have not been restated. For more information, see Note 2, “Basis of presentation and significant accounting policies”, to the Combined Financial Statements.

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