

# INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

## Specialized Funds

# National Bank Strategic Yield Class

For the period ended June 30, 2011

This interim management report of fund performance contains financial highlights, but does not contain interim or annual financial statements of the mutual fund.

A copy of the interim or annual financial statements can be obtained on request, and at no cost, by calling 1-888-270-3941 or 514-871-2082, by writing to us at National Bank Securities Advisory Service, 500, Place d'Armes, 12th floor, Montreal, Quebec, H2Y 2W3, by visiting our website at [www.nbc.ca/financial\\_reports](http://www.nbc.ca/financial_reports), by visiting SEDAR's website at [www.sedar.com](http://www.sedar.com), or by contacting your investment advisor.

You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

## Management Discussion of Fund Performance

### Results of Operations

For the six-month period ended June 30, 2011, the National Bank Strategic Yield Class Investor Series units returned 0.14% compared to 0.52% for the Fund's benchmark, the DEX 91 Day T-Bill Index (CA\$). Unlike the index, the Fund's performance is calculated after fees and expenses. Please see the *Past Performance* section for returns of the Advisor Series, the Institutional Series and the M Series. Returns of the Advisor Series, the Institutional Series and the M Series may vary mainly because of fees and expenses.

The first half of 2011 was dominated by concerns over the global economic recovery, especially in China and the U.S., however fears of a new financial crisis in Europe spread fast late in the period, in reaction to the worsening situation in Portugal, Ireland, Greece and Spain.

On the policy front, monetary conditions were kept loose in both Canada and the U.S., as central banks on both sides opted for caution. Here at home, the Bank of Canada enjoyed ample leeway on the inflation front during the first four months of the year, which allowed it to wait and see how things would evolve in Europe. However, since May, acceleration in the inflation trend has closed that leeway. In the U.S., weak economic conditions, especially housing and employment kept the pressure up on the Federal Reserve to keep interest rates at zero and to fully implement its bond buying program dubbed QE2 (quantitative easing).

As was the case in 2010, interest rates climbed during the first three months of the year in anticipation of tighter monetary policies across the globe. However, the possibility of an economic relapse and sovereign default reclaimed center stage during the back half of the period and caused a reversal that sent rates back below where they started the year.

Given that short-term interest rates were below the threshold that allows the Fund to conduct its strategy, the Fund was invested in money market instruments throughout the period, which explains the underperformance.

## Recent Developments

The Bank of Canada has kept its key rate unchanged throughout the first half of 2011, on concerns about Canadian economic growth in the face of a strong Canadian dollar and the U.S. economic soft patch. Meanwhile, the debate in the U.S. has revolved around the possibility that the Federal Reserve may conduct another round of liquidity injections, given that unemployment remains stubbornly high.

According to economists, any policy move on either side of the border is contingent on developments in Europe and economic evolution across a number of emerging economies. Into the second half of 2011, the Bank of Canada is expected to increase short-term interest rates. Indeed, with the inflation on the rise and the economy continuing to grow at a healthy pace, the central bank could resume the upward movement late in the third quarter of 2011. However, if the economic recovery in the United States continues to stagnate and if the European economy relapses, the Bank of Canada may opt to keep its key rate unchanged.

If the Bank of Canada decides to boost its key lending rate, the portfolio manager will keep the Fund's average duration between 70 and 75 days. In contrast, if the global economy stagnates and rates are kept unchanged, the portfolio manager will extend the maturity securities held within the Fund to take advantage of higher interest rates prevailing in 9 months to 1-year part of the yield curve.

The portfolio manager's main objective is to hold corporate paper with maturities between 6 months and one year, while keeping the weight in treasury bills of Canada and the provinces as at present, in order to invest in assets with higher returns. Conversely, his strategy is to maintain duration of about 85 and 90 days during a significant portion of the second half and to gradually reduce it over time to between 70 and 75 days, as the Bank of Canada begins to increase interest rates.

## Future Accounting Standards

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that all publicly accountable enterprises would be required to report under International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB") for fiscal years beginning on or after January 1, 2011. However, in January 2011, the AcSB approved a deferral of the effective date of entry in force of IFRS from January 1, 2011 to January 1, 2013 for investment companies that are currently applying Accounting Guideline AcG-18, "Investment Companies".

The deferral of the transition date to IFRS has been put in place to ensure that investment companies will not have to modify their actual accounting treatment for entities in which they have control while the IASB is completing the standard about investment companies.

Consequently, the Funds will publish their first audited financial statements in accordance with IFRS for the year ended December 31, 2013 and will present comparative figures in accordance with IFRS for the year ended December 31, 2012, including an opening balance sheet as at January 1, 2012.

Given the deferral of the effective transition date to IFRS, management is closely monitoring the evolution of the standards and is adjusting its project consequently. In the periods preceding the first fiscal year in which IFRS will be adopted, the impact of transitioning to IFRS on the financial statements of the Funds will be disclosed as they become known.

## **Related Party Transactions**

National Bank of Canada (“the Bank”) and its affiliated companies’ roles and responsibilities related to the Fund are as follows:

### **Fund Manager**

The Fund is managed by National Bank Securities Inc. (“NBS”), which is a wholly-owned subsidiary of the Bank. Therefore, NBS provides or ensures the provision of all general management and administrative services required by the Fund’s current operations, including investment consulting, the arrangement of brokerage contracts for the purchase and sale of the investment portfolio, bookkeeping and other administrative services required by the Fund.

The Fund reimbursed the Fund Manager for operating expenses, at cost, incurred in administering the Fund, including trustee, record-keeping, custodial, legal, audit, investor servicing, and securityholder reporting fees.

As described under the heading Management Fees, the Fund pays annual management fees to NBS as consideration for its services.

### **Portfolio Advisor**

Management of the Fund’s portfolio has been delegated by NBS to Natcan Investment Management Inc. (“Natcan”), a corporation of which the Bank is the majority shareholder. In that capacity, Natcan provides the Fund with portfolio management services, including trading, carrying out transactions and brokerage services. The fees payable to Natcan are calculated by applying a percentage to the average net asset value under management for each month.

Performance fees may be payable by NBS if the performance criteria set for certain National Bank Funds are met.

### **Distribution of Fund Units**

NBS acts as Distributor for the Fund. In this capacity, NBS buys, sells and swaps securities through Bank branches and the National Bank Securities Advisory Service in Canadian provinces and territories, and through external registered representatives. Fund units are also offered by National Bank Direct Brokerage Inc., CABN Investments Inc. National Bank Financial Inc. and other affiliated entities. Each month, brokers receive a commission representing a percentage of the average daily value of the securities held by their clients.

### **Transfer Agent and Custodian**

NTC acts as registrar for the Fund’s securities and the names of unitholders. NTC also acts as the Fund’s custodian. The fees for NTC’s custodial services are based on the standard rates in effect at NTC.

### **Registered Plan Trust Services**

NTC receives a fixed amount per registered account for services provided as trustee for registered plans.

### **Administrative and Operating Services**

The Bank provides the Fund with certain services, including accounting, reporting and portfolio valuation services. The costs incurred for these services are paid by the manager to the Bank.

# Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period ended June 30, 2011 and the past five years.

## Investor/Advisor Series

The Fund's shareholder's equity per share<sup>(1)</sup>

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Shareholder's equity, beginning of year	\$105.65	\$105.57	\$106.04	\$105.50	\$103.50	\$102.08
<b>Increase (decrease) from operations</b>						
Total revenue	\$ 0.57	\$ 0.72	\$ 0.57	\$ 0.48	\$ 0.45	\$ 0.46
Total expenses	\$ (0.43)	\$ (0.57)	\$ (0.36)	\$ (0.63)	\$ (0.46)	\$ (0.85)
Realized gains (losses)	\$ —	\$ —	\$ 1.16	\$ 4.51	\$ 3.28	\$ 1.96
Unrealized gains (losses)	\$ 0.04	\$ (0.08)	\$ 2.45	\$ (1.59)	\$ (0.05)	\$ 0.98
Transaction costs on purchase and sale investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 0.18</b>	<b>\$ 0.07</b>	<b>\$ 1.50</b>	<b>\$ 2.77</b>	<b>\$ 3.22</b>	<b>\$ 2.55</b>
<b>Distributions:</b>						
From income (excluding dividends)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From dividends	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From capital gains	\$ —	\$ —	\$ 1.35	\$ 2.23	\$ 1.06	\$ 1.12
Return of capital	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1.35</b>	<b>\$ 2.23</b>	<b>\$ 1.06</b>	<b>\$ 1.12</b>
<b>Shareholder's equity as at June 30, 2011 and last day of years shown</b>	<b>\$105.83</b>	<b>\$105.65</b>	<b>\$105.57</b>	<b>\$106.04</b>	<b>\$105.50</b>	<b>\$103.50</b>

<sup>(1)</sup> This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements. The net assets value per security presented in the financial statements differs from the net asset value calculated for security pricing purposes. The differences are explained in the notes to the financial statements.

<sup>(2)</sup> Shareholder's equity and distributions are based on the actual number of shares outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of shares outstanding over the financial period.

<sup>(3)</sup> Distributions were paid in cash or reinvested in additional shares of the Fund, or both.

## Ratios and Supplemental Data

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Total net asset value (000's) <sup>(1)</sup>	\$ 4,237	\$ 6,748	\$ 8,521	\$ 38,836	\$ 47,145	\$ 25,628
Number of shares outstanding <sup>(1)</sup>	40,047	63,868	80,720	365,361	446,513	247,619
Management expense ratio <sup>(2)</sup>	0.82 %	0.50 %	0.66 %	0.78 %	0.80 %	0.83 %
Management expense ratio before waivers or absorptions	1.61 %	1.53 %	1.45 %	1.11 %	1.14 %	1.18 %
Trading expense ratio <sup>(3)</sup>	— %	— %	— %	— %	— %	— %
Portfolio turnover rate <sup>(4)</sup>	N/A	N/A	341.84 %	N/A	N/A	N/A
Net asset value per share	\$105.80	\$105.66	\$ 105.57	\$106.29	\$105.58	\$103.50

<sup>(1)</sup> This information is provided as at June 30, 2011 and last day of years shown.

<sup>(2)</sup> Management expense ratio is based on total expenses for the period indicated (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of the daily average net asset value during the period.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>(4)</sup> The Fund's portfolio's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the period, and the greater the chance of a shareholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

# Financial Highlights

## Institutional Series

The Fund's shareholder's equity per share<sup>(1)</sup>

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Shareholder's equity, beginning of year	\$107.96	\$107.68	\$107.82	\$106.99	\$104.66	\$102.95
<b>Increase (decrease) from operations</b>						
Total revenue	\$ 0.59	\$ 0.69	\$ 0.64	\$ 0.48	\$ 0.46	\$ 0.51
Total expenses	\$ (0.27)	\$ (0.34)	\$ (0.40)	\$ (0.64)	\$ (0.47)	\$ (0.57)
Realized gains (losses)	\$ —	\$ —	\$ (1.30)	\$ 4.58	\$ 3.63	\$ 1.91
Unrealized gains (losses)	\$ 0.04	\$ (0.06)	\$ 2.75	\$ (1.61)	\$ (0.06)	\$ 0.96
Transaction costs on purchase and sale investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 0.36</b>	<b>\$ 0.29</b>	<b>\$ 1.69</b>	<b>\$ 2.81</b>	<b>\$ 3.56</b>	<b>\$ 2.81</b>
<b>Distributions:</b>						
From income (excluding dividends)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From dividends	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From capital gains	\$ —	\$ —	\$ 1.38	\$ 2.26	\$ 1.08	\$ 1.13
Return of capital	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1.38</b>	<b>\$ 2.26</b>	<b>\$ 1.08</b>	<b>\$ 1.13</b>
<b>Shareholder's equity as at June 30, 2011 and last day of years shown</b>	<b>\$108.32</b>	<b>\$107.96</b>	<b>\$107.68</b>	<b>\$107.82</b>	<b>\$106.99</b>	<b>\$104.66</b>

<sup>(1)</sup> This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements. The net assets value per security presented in the financial statements differs from the net asset value calculated for security pricing purposes. The differences are explained in the notes to the financial statements.

<sup>(2)</sup> Shareholder's equity and distributions are based on the actual number of shares outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of shares outstanding over the financial period.

<sup>(3)</sup> Distributions were paid in cash or reinvested in additional shares of the Fund, or both.

## Ratios and Supplemental Data

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Total net asset value (000's) <sup>(1)</sup>	\$ 11,836	\$ 16,379	\$ 32,717	\$ 107,057	\$ 56,155	\$ 26,377
Number of shares outstanding <sup>(1)</sup>	109,292	151,691	303,847	990,598	524,482	252,021
Management expense ratio <sup>(2)</sup>	0.50 %	0.27 %	0.38 %	0.53 %	0.52 %	0.55 %
Management expense ratio before waivers or absorptions	0.85 %	0.84 %	0.81 %	0.85 %	0.87 %	0.90 %
Trading expense ratio <sup>(3)</sup>	— %	— %	— %	— %	— %	— %
Portfolio turnover rate <sup>(4)</sup>	N/A	N/A	341.84 %	N/A	N/A	N/A
Net asset value per share	\$108.30	\$107.98	\$107.68	\$108.07	\$107.07	\$104.66

<sup>(1)</sup> This information is provided as at June 30, 2011 and last day of years shown.

<sup>(2)</sup> Management expense ratio is based on total expenses for the period indicated (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of the daily average net asset value during the period.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>(4)</sup> The Fund's portfolio's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the period, and the greater the chance of a shareholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

# Financial Highlights

## M Series

The Fund's shareholder's equity per share<sup>(1)</sup>

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Shareholder's equity, beginning of year	\$109.48	\$109.06	\$108.98	\$107.97	\$105.46	\$103.59
<b>Increase (decrease) from operations</b>						
Total revenue	\$ 0.59	\$ 0.70	\$ 0.84	\$ 0.53	\$ 0.68	\$ 0.47
Total expenses	\$ (0.18)	\$ (0.19)	\$ (0.53)	\$ (0.70)	\$ (0.70)	\$ (0.38)
Realized gains (losses)	\$ —	\$ —	\$ (1.70)	\$ 5.02	\$ 3.85	\$ 1.86
Unrealized gains (losses)	\$ 0.03	\$ (0.07)	\$ 3.59	\$ (1.77)	\$ (0.09)	\$ 0.94
Transaction costs on purchase and sale investments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>\$ 0.44</b>	<b>\$ 0.44</b>	<b>\$ 2.20</b>	<b>\$ 3.08</b>	<b>\$ 3.74</b>	<b>\$ 2.89</b>
<b>Distributions:</b>						
From income (excluding dividends)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From dividends	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
From capital gains	\$ —	\$ —	\$ 1.39	\$ 2.29	\$ 1.59	\$ 1.14
Return of capital	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Total annual distributions<sup>(3)</sup></b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1.39</b>	<b>\$ 2.29</b>	<b>\$ 1.59</b>	<b>\$ 1.14</b>
<b>Shareholder's equity as at June 30, 2011 and last day of years shown</b>	<b>\$109.94</b>	<b>\$109.48</b>	<b>\$109.06</b>	<b>\$108.98</b>	<b>\$107.97</b>	<b>\$105.46</b>

<sup>(1)</sup> This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements. The net assets value per security presented in the financial statements differs from the net asset value calculated for security pricing purposes. The differences are explained in the notes to the financial statements.

<sup>(2)</sup> Shareholder's equity and distributions are based on the actual number of shares outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of shares outstanding over the financial period.

<sup>(3)</sup> Distributions were paid in cash or reinvested in additional shares of the Fund, or both.

## Ratios and Supplemental Data

	Period ended June 30, 2011	2010 December 31	2009 December 31 (15 months)	2008 September 30	2007 September 30	2006 September 30
Total net asset value (000's) <sup>(1)</sup>	\$ 7,821	\$ 27,625	\$ 47,988	\$ 192,278	\$ 111,322	\$ 51,130
Number of shares outstanding <sup>(1)</sup>	71,158	252,304	440,008	1,760,225	1,030,284	484,816
Management expense ratio <sup>(2)</sup>	0.33 %	0.13 %	0.24 %	0.36 %	0.36 %	0.37 %
Management expense ratio before waivers or absorptions	0.57 %	0.56 %	0.55 %	0.57 %	0.60 %	0.64 %
Trading expense ratio <sup>(3)</sup>	— %	— %	— %	— %	— %	— %
Portfolio turnover rate <sup>(4)</sup>	N/A	N/A	341.84 %	N/A	N/A	N/A
Net asset value per share	\$109.91	\$109.49	\$ 109.06	\$109.24	\$108.05	\$105.46

<sup>(1)</sup> This information is provided as at June 30, 2011 and last day of years shown.

<sup>(2)</sup> Management expense ratio is based on total expenses for the period indicated (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of the daily average net asset value during the period.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>(4)</sup> The Fund's portfolio's turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the period, and the greater the chance of a shareholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Management Fees

The Fund pays annual management fees to the Manager for its management services. The fees are calculated based on a percentage of the Fund's daily net asset value before applicable taxes and are paid on a monthly basis. A portion of the management fees paid by the Fund covers trailer fees and sales commissions paid to brokers. The remainder of the management fees primarily cover investment management and general administration services. The breakdown of major services provided in consideration of the management fees, expressed as an approximate percentage of the management fees is as follows:

Series	Management Fee	Distribution	Others <sup>†</sup>
Investor Series	1.00%	25.00%	75.00%
Advisor Series*	1.00%	25.00%	75.00%
		25.00%	75.00%
		25.00%	75.00%
M Series	0.50%	30.00%	70.00%
Institutional Series	0.75%	33.33%	66.67%

<sup>(\*)</sup> Excluding sales commissions paid on the Advisor Series with low load and back end fees, which are not paid for out of the management fees.

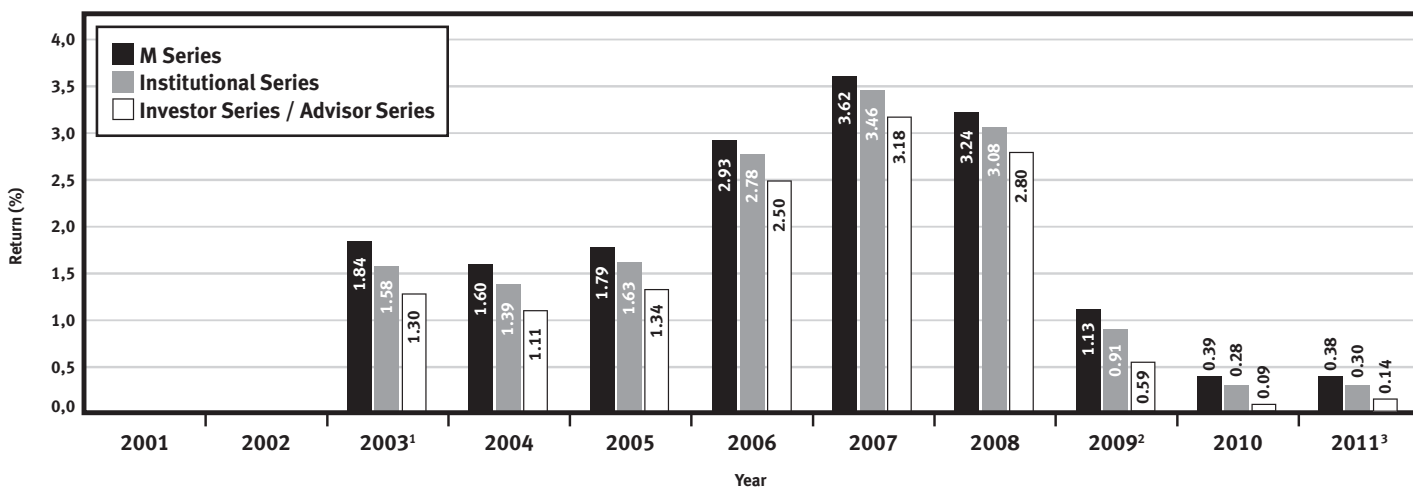
<sup>(†)</sup> Includes all costs related to management, investment advisory services, general administration and profit.

## Past Performance

Information on the Fund's past performance is presented in the graphs below. The graphs assume that fund distributions during the periods presented were reinvested in full in additional fund securities and do not take into account sales, redemption charges, distributions, or optional charges that would have reduced returns. Past performance of a Fund or series of a Fund does not necessarily indicate how it will perform in the future.

## Annual Returns

The following bar chart shows the Fund's annual performance in each of the last years shown and illustrates how the Fund's performance has changed from year to year. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 for each year.



<sup>1</sup> Returns for the Investors Series for the period from October 16, 2002 (inception date) to September 30, 2003 and for the Advisor Series, for the period from October 8, 2002 (inception date) to September 30, 2003.

<sup>2</sup> Returns for the 15-month period from October 1, 2008 to December 31, 2009.

<sup>3</sup> Returns for the period from January 1, 2011 to June 30, 2011.

# Summary of Investment Portfolio

## Portfolio Top Holdings

	% of Net Asset Value
Government of Canada**	59.9
Canadian Wheat Board**	13.7
Toronto-Dominion Bank**	8.4
Province of Newfoundland and Labrador**	6.3
Bank of Montreal**	2.9
Bank of Nova Scotia**	2.9
Province of Nova Scotia**	2.1
Société de transport de Montreal**	2.1
Province of British Columbia**	1.7
	100.0

Fund Net Asset Value ..... \$23,893,894

\*\* Debt Instruments

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available. Consult our Web site [www.nbc.ca/financial\\_reports](http://www.nbc.ca/financial_reports).

## Portfolio by Category

	% of Net Asset Value
Treasury Bills	66.1
Government Guaranteed Investments	15.8
Bank Deposit Note	8.3
Bankers' Acceptances	5.8
Promissory Notes	3.8
Cash & Cash Equivalents	0.2

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### Notes on forward-looking statements

This report may contain forward-looking statements concerning the Fund, its future performance, its strategies or prospects or about future events or circumstances. Such forward-looking statements include, among others, statements with respect to our beliefs, plans, expectations, estimates and intentions. The use of the expressions "foresee", "intend", "anticipate", "estimate", "assume", "believe" and "expect" and other similar terms and expressions indicate forward-looking statements.

By their very nature, forward-looking statements imply the use of assumptions and necessarily involve inherent risks and uncertainties. Consequently, there is a significant risk that the explicit or implicit forecasts contained in these forward-looking statements might not materialize or that they may not prove to be accurate in the future. A number of factors could cause future results, conditions or events to differ materially from the objectives, expectations, estimates or intentions expressed in such forward-looking statements. Such differences might be caused by several factors, including changes in Canadian and worldwide economic and financial conditions (in particular interest and exchange rates and the prices of other financial instruments), market trends, new regulatory provisions, competition, changes in technology and the potential impact of conflicts and other international events.

The foregoing list of factors is not exhaustive. Before making any investment decision, investors and others relying on our forward-looking statements should carefully consider the foregoing factors and other factors. We caution readers not to rely unduly on these forward-looking statements. We assume no obligation to update forward-looking statements in the light of new information, future events or other circumstances unless applicable legislation so provides.