

Semi-Annual Financial Statements

FOR THE PERIOD ENDED JUNE 30, 2017

The Fiera Capital Mutual Funds

Fiera Capital Bond Fund
Fiera Capital Balanced Fund
Fiera Capital High Income Fund
Fiera Capital Core Canadian Equity Fund
Fiera Capital Equity Growth Fund
Fiera Capital U.S. Equity Fund
Fiera Capital International Equity Fund
Fiera Capital Global Equity Fund
Fiera Capital Defensive Global Equity Fund



FIERACAPITAL

Semi-Annual Financial Statements (unaudited) | Notice

The following Funds' Semi-Annual Financial Statements have not been subject to a review by the Funds' external auditors.

Table of contents

Financial statements

Fiera Capital Bond Fund	1
Fiera Capital Balanced Fund	16
Fiera Capital High Income Fund	31
Fiera Capital Core Canadian Equity Fund	45
Fiera Capital Equity Growth Fund	60
Fiera Capital U.S. Equity Fund	76
Fiera Capital International Equity Fund	92
Fiera Capital Global Equity Fund	108
Fiera Capital Defensive Global Equity Fund	126

Fiera Capital Bond Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	49,598,172	53,058,773
Receivable for investments sold	4,748,437	—
Accounts receivable for units sold	—	300,000
Interest receivable	277,387	386,209
Other receivables	5,295	4,981
Total assets	54,629,291	53,749,963
Liabilities		
Current liabilities		
Bank indebtedness	12,213	37,089
Accounts payable for units redeemed	255,906	1,316
Payable for investments purchased	1,228,251	1,058,559
Management fees payable	note 6 8,566	10,088
Accrued liabilities	note 6 61,810	67,700
Total liabilities	1,566,746	1,174,752
Net assets attributable to holders of redeemable units	53,062,545	52,575,211
Net assets attributable to holders of redeemable units per class		
Class A	1,637,954	2,284,673
Class B	7,875,749	7,362,352
Class F	4,989,832	5,533,779
Class O	38,559,010	37,394,407
	53,062,545	52,575,211
Number of redeemable units outstanding per class		
Class A	note 4 127,481	181,585
Class B	609,276	580,562
Class F	412,250	466,239
Class O	3,222,940	3,186,416
Net assets attributable to holders of redeemable units per unit per class		
Class A	12.85	12.58
Class B	12.93	12.68
Class F	12.10	11.87
Class O	11.96	11.74

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	882,456	822,461
Securities lending income	note 11 1,472	2,433
Other changes in fair value of investments		
Net realized gain (loss) on investments	21,470	542,027
Net change in unrealized appreciation (depreciation) on investments	1,072,004	750,021
Total income (loss)	1,977,402	2,116,942
Expenses		
Management fees	note 5 note 6 56,559	60,954
Custodian fees	5,822	3,126
Audit fees	8,255	9,389
Legal fees	5,392	964
Securityholder reporting costs	22,828	36,586
Filing fees	8,705	14,142
Fund accounting fees	note 6 3,064	3,218
Independent review committee fees	4,285	6,415
Interest expense	88	437
Fund valuation fees	24,504	13,240
Total expenses	139,502	148,471
Increase (decrease) in net assets attributable to holders of redeemable units	1,837,900	1,968,471
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	60,608	84,612
Class B	242,752	275,047
Class F	179,161	168,604
Class O	1,355,379	1,440,208
	1,837,900	1,968,471
Weighted average redeemable units outstanding during the period per class		
Class A	158,957	187,042
Class B	590,137	594,736
Class F	442,231	378,131
Class O	3,175,895	2,860,990
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	0.38	0.45
Class B	0.41	0.46
Class F	0.41	0.45
Class O	0.43	0.50

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

Fiera Capital Bond Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class B \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	2,284,673	2,500,526	7,362,352	8,003,202
Increase (decrease) in net assets attributable to holders of redeemable units	60,608	84,612	242,752	275,047
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	30,958	60,457	842,691	638,164
Reinvestments of distributions to holders of redeemable units	8,634	21,607	94,522	86,320
Redemption of redeemable units	(732,085)	(180,330)	(567,723)	(1,060,411)
	(692,493)	(98,266)	369,490	(335,927)
Distributions to holders of redeemable units	note 4			
From net investment income	14,834	24,699	98,845	89,636
	14,834	24,699	98,845	89,636
Net increase (decrease) in net assets attributable to holders of redeemable units	(646,719)	(38,353)	513,397	(150,516)
Net assets attributable to holders of redeemable units — End of period	1,637,954	2,462,173	7,875,749	7,852,686
	2017 Class F \$	2016 \$	2017 Class O \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	5,533,779	4,896,592	37,394,407	35,037,988
Increase (decrease) in net assets attributable to holders of redeemable units	179,161	168,604	1,355,379	1,440,208
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	1,083,936	1,609,923	1,951,867	2,953,420
Reinvestments of distributions to holders of redeemable units	62,513	37,302	620,589	571,954
Redemption of redeemable units	(1,803,731)	(3,261,734)	(2,132,357)	(2,492,828)
	(657,282)	(1,614,509)	440,099	1,032,546
Distributions to holders of redeemable units	note 4			
From net investment income	65,826	39,263	630,875	580,103
	65,826	39,263	630,875	580,103
Net increase (decrease) in net assets attributable to holders of redeemable units	(543,947)	(1,485,168)	1,164,603	1,892,651
Net assets attributable to holders of redeemable units — End of period	4,989,832	3,411,424	38,559,010	36,930,639
			2017 Total \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period			52,575,211	50,438,308
Increase (decrease) in net assets attributable to holders of redeemable units			1,837,900	1,968,471
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued			3,909,452	5,261,964
Reinvestments of distributions to holders of redeemable units			786,258	717,183
Redemption of redeemable units			(5,235,896)	(6,995,303)
			(540,186)	(1,016,156)
Distributions to holders of redeemable units	note 4			
From net investment income			810,380	733,701
			810,380	733,701
Net increase (decrease) in net assets attributable to holders of redeemable units			487,334	218,614
Net assets attributable to holders of redeemable units — End of period			53,062,545	50,656,922

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

Fiera Capital Bond Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	1,837,900	1,968,471
Adjustments for:		
Net realized (gain) loss on investments	(21,470)	(542,027)
Net change in unrealized (appreciation) depreciation on investments	(1,072,004)	(750,021)
Purchases of investments	(162,178,606)	(158,152,739)
Proceeds from sale and maturity of investments	162,153,936	158,244,968
Interest receivable	108,822	18,849
Other receivables	(314)	2,036
Accrued liabilities	(5,890)	2,068
Management fees payable	(1,522)	(1,166)
Net cash from (used in) operating activities	820,852	790,439
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(24,122)	(15,498)
Proceeds from redeemable units issued	4,209,452	5,224,464
Redemption of redeemable units	(4,981,306)	(6,130,620)
Net cash from (used in) financing activities	(795,976)	(921,654)
Net increase (decrease) in cash	24,876	(131,215)
Cash (Bank indebtedness) – Beginning of period	(37,089)	59,001
Cash (Bank indebtedness) – End of period	(12,213)	(72,214)
Included in cash flows from operating activities		
Interest received, net of withholding taxes	991,278	841,310
Interest paid	88	437

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

Fiera Capital Bond Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	September 7, 2017	0.565%	605,000	604,280	604,280	
				604,280	604,280	1.1
Total money market securities				604,280	604,280	1.1
Bonds and debentures						
Federal government bonds and guarantees						
Canadian government bond	August 1, 2018	0.500%	2,979,000	2,965,855	2,962,299	
Canadian government bond	June 1, 2025	2.250%	533,000	569,106	557,508	
Canadian government bond	December 1, 2048	2.750%	2,301,000	2,675,560	2,627,001	
PSP Capital Inc.	August 18, 2021	1.340%	405,000	400,727	397,543	
PSP Capital Inc.	April 4, 2024	3.290%	249,000	262,146	265,649	
Royal Office Finance LP	November 12, 2032	5.209%	2,058,830	2,122,057	2,345,405	
				8,995,451	9,155,405	17.3
Provincial and guaranteed bonds						
Cadillac Fairview Finance Trust	May 9, 2018	3.640%	1,045,000	1,106,579	1,065,204	
Cadillac Fairview Finance Trust	January 25, 2021	4.310%	1,188,000	1,229,754	1,288,162	
CDP Financial Inc.	July 15, 2020	4.600%	668,000	718,351	725,301	
OPB Finance Trust	July 4, 2042	3.890%	510,000	550,055	560,398	
Province of Alberta	June 1, 2026	2.200%	646,000	646,805	632,606	
Province of Alberta	December 1, 2046	3.300%	250,000	253,361	260,850	
Province of Manitoba	June 2, 2024	3.300%	654,000	667,259	698,518	
Province of Manitoba	September 5, 2046	2.850%	631,000	623,729	601,863	
Province of New Brunswick	May 4, 2022	1.550%	353,000	343,533	346,856	
Province of Nova Scotia	June 1, 2025	2.150%	697,000	689,136	686,993	
Province of Nova Scotia	June 1, 2042	4.400%	600,000	730,845	740,719	
Province of Ontario	September 8, 2018	2.100%	134,000	137,365	135,494	
Province of Ontario	June 2, 2024	3.500%	1,766,000	1,944,180	1,914,023	
Province of Ontario	June 2, 2041	4.650%	671,000	854,425	866,597	
Province of Ontario	June 2, 2045	3.450%	575,000	646,359	628,392	
Province of Ontario	June 2, 2048	2.800%	539,000	539,370	524,330	
Province of Quebec	December 1, 2018	4.500%	1,376,000	1,535,492	1,439,107	
Province of Quebec	December 1, 2022	3.500%	834,000	911,553	899,195	
Province of Quebec	September 1, 2025	2.750%	986,000	1,034,198	1,018,920	
Province of Quebec	December 1, 2043	4.250%	806,000	1,001,131	997,839	
Province of Quebec	December 1, 2048	3.500%	1,690,000	1,891,791	1,890,021	
Province of Saskatchewan	June 2, 2048	3.300%	258,000	258,356	273,193	
				18,313,627	18,194,581	34.4
Municipal bonds and subsidized issuers						
TCHC Issuer Trust	May 11, 2037	4.877%	1,758,000	1,909,169	2,144,925	
				1,909,169	2,144,925	4.0
Corporate bonds						
AT&T Inc.	November 25, 2020	3.825%	533,000	543,810	557,857	
Bank of Nova Scotia, FRN	October 18, 2024	3.036%	614,000	620,550	628,836	
bclMC Realty Corp.	August 11, 2022	2.150%	303,000	305,184	301,621	
BP LP	January 9, 2020	3.244%	1,281,710	1,288,654	1,301,776	
Canadian Imperial Bank of Commerce	October 28, 2024	3.000%	549,000	549,513	559,080	
Canadian Western Bank	December 17, 2024	3.463%	505,000	505,480	512,555	
Capital City Link General Partnership	March 31, 2046	4.386%	820,768	861,203	902,301	
Capital Desjardins Inc.	May 5, 2020	5.187%	670,000	767,552	727,991	
CIBC Capital Trust, FRN	June 30, 2108	9.976%	575,000	749,986	657,834	
CU Inc.	November 19, 2046	3.763%	181,000	182,278	192,788	
Enbridge Pipelines Inc.	November 30, 2022	2.930%	415,000	416,006	425,442	
Health Montreal Collective LP	September 30, 2049	6.721%	715,000	734,149	983,596	

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Bond Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Corporate bonds (continued)						
Hospital Infrastructure Partners NOH Partnership	January 31, 2045	5.439%	684,243	809,156	810,063	
HSBC Bank Canada	September 29, 2021	2.908%	555,000	574,771	571,390	
IGM Financial Inc.	January 26, 2027	3.440%	208,000	208,717	212,137	
Leisureworld Senior Care LP	February 3, 2021	3.474%	783,000	800,622	816,752	
Manufacturers Life Insurance Co.	June 1, 2025	2.100%	573,000	572,995	574,021	
Metropolitan Life Global Funding I Prvt.	April 16, 2020	1.875%	540,000	540,451	539,608	
North West Redwater Partnership	June 1, 2027	2.800%	759,000	757,019	745,169	
Royal Bank of Canada	July 17, 2024	3.040%	631,000	640,031	642,302	
Royal Bank of Canada	September 29, 2026	3.450%	760,000	761,298	786,317	
SEC LP and Arci Ltd.	August 29, 2033	5.188%	522,307	527,275	548,541	
SNC-Lavalin Innisfree McGill Finance Inc.	June 30, 2044	6.632%	626,975	780,697	830,160	
SP LP / SPI LP	June 15, 2019	3.210%	1,071,701	1,059,121	1,085,184	
TD Capital Trust IV, FRN	June 30, 2049	9.523%	1,164,000	1,544,487	1,322,035	
Toronto-Dominion Bank	December 22, 2021	2.621%	528,000	541,940	540,486	
Toronto-Dominion Bank, FRN	June 24, 2025	2.692%	349,000	349,219	352,959	
Toronto-Dominion Bank	March 4, 2031	4.859%	309,000	347,550	347,788	
Wells Fargo & Co.	May 21, 2025	3.874%	564,000	568,706	586,905	
West Edmonton Mall Property Inc.	February 13, 2024	4.056%	421,063	422,717	435,487	
				19,331,137	19,498,981	36.7
Total bonds and debentures				48,549,384	48,993,892	92.4
Total investments				49,153,664	49,598,172	93.5
Net other assets (liabilities)					3,464,373	6.5
Net assets attributable to holders of redeemable units				49,153,664	53,062,545	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Bond Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Bond Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on August 22, 2016 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to provide safety of capital and high current income primarily through investment in Canadian income securities. The Fund will primarily invest in short and long-term debt securities issued or guaranteed by Federal, Provincial, and Municipal governments, as well as those issued by Canadian companies.

Effective August 28, 2017, the name of the Fund has been changed to Fiera Capital Diversified Bond Fund, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in "Distributions from underlying funds" and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in its normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board ("IASB") issued the complete and final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 "Significant accounting policies" for further information about the fair value measurement of the Fund's financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the "units") within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class F units are available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class's net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	181,585	2,372	672	(57,148)	127,481
2016	190,094	4,544	1,603	(13,530)	182,711
Class B					
2017	580,562	65,262	7,312	(43,860)	609,276
2016	603,604	47,622	6,354	(79,468)	578,112
Class F					
2017	466,239	89,792	5,165	(148,946)	412,250
2016	394,799	128,506	2,932	(258,103)	268,134
Class O					
2017	3,186,416	163,751	51,872	(179,099)	3,222,940
2016	2,853,477	236,109	45,468	(198,862)	2,936,192

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution type	Distribution basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Effective September 30, 2017, the Semi-Annually distributions will become quarterly. Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A	1.00	1.00
Class B	0.75	0.75
Class F	0.50	0.50
Class O	—	—

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Expenses		
Management fees	56,559	60,954
Fund accounting fees	3,064	3,218
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	8,566	10,088
Accrued liabilities		
Fund accounting fees payable	1,153	1,447

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017	December 31, 2016
	%	%
Class A	0.08	0.06

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, no soft dollars were included in the transaction costs presented in the statements of comprehensive income, as the Fund did not pay any soft dollars to brokers.

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	604,280	—	—	604,280
Bonds and debentures	27,349,986	21,643,906	—	48,993,892
Total assets	27,954,266	21,643,906	—	49,598,172

	Financial assets at fair value through profit or loss as at December 31, 2016			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	1,618,199	—	—	1,618,199
Bonds and debentures	30,509,489	20,931,085	—	51,440,574
Total assets	32,127,688	20,931,085	—	53,058,773

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

The following table summarizes the Fund's exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value, categorized by the earlier of contractual re-pricing or maturity dates. The table also illustrates the impact on the net assets attributable to holders of redeemable units, had prevailing interest rates increased or decreased by 1% as at June 30, 2017 and December 31, 2016, assuming a parallel shift in the yield curve, with all other variables held constant.

	Less than 1 Year \$	1 to 5 Years \$	5 to 10 Years \$	Greater than 10 Years \$	Total \$	Impact on net assets attributable to holders of redeemable units \$
June 30, 2017	1,669,484	13,435,809	13,436,242	21,056,637	49,598,172	+/-4,008,000
December 31, 2016	1,618,199	11,706,045	12,570,753	27,163,776	53,058,773	+/-5,231,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to price risk.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	1.1	2.9
Government bonds	—	0.2
Bonds and debentures		
Federal government bonds and guarantees	17.3	26.3
Provincial and guaranteed bonds	34.4	31.7
Municipal bonds and subsidized issuers	4.0	3.6
Corporate bonds	36.7	36.2
Net other assets (liabilities)	6.5	(0.9)
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

The Fund invests in financial assets whose ratings are obtained first from S&P Global Ratings ("S&P"), then Moody's if a rating from S&P is not available, then Dominion Bond Rating Service ("DBRS") if a rating from Moody's is not available. Generally, the greater the credit rating of a security, the lower the probability of it defaulting on its obligations.

Portfolio's securities by rating category

	Percentage of fixed income securities	
	June 30, 2017 %	December 31, 2016 %
Credit Rating		
AAA/Aaa/AAA/Bonds A++	19.8	30.8
AA/Aa/AA/Bonds A+	17.5	16.8
A/A/A/Bonds A	43.8	41.8
BBB/Baa/BBB/Bonds/B++	12.4	11.5
	93.5	100.9

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, the Fund has no capital and non-capital losses available to be carried forward.

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017 and December 31, 2016, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

Fiera Capital Bond Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	6,186,486	4,085,758
Collateral amount	6,495,813	4,290,049
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	2,453	4,055
Securities lending charges	981	1,622
Net securities lending income	1,472	2,433
Withholding taxes on securities lending income	—	—
Net securities lending income received by the fund	1,472	2,433
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital Balanced Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	79,686,124	78,396,576
Cash	353	107,635
Accounts receivable for units sold	110,500	278,777
Interest receivable	1,736	1,305
Other receivables	9,863	84,378
Total assets	79,808,576	78,868,671
Liabilities		
Current liabilities		
Accounts payable for units redeemed	138,211	13,849
Payable for investments purchased	—	800,000
Management fees payable	note 6 32,449	85,539
Accrued liabilities	note 6 70,518	77,453
Total liabilities	241,178	976,841
Net assets attributable to holders of redeemable units	79,567,398	77,891,830
Net assets attributable to holders of redeemable units per class		
Class A	767,334	1,024,872
Class AV	1,549,351	1,870,826
Class B	70,865,164	68,975,258
Class F	868,419	396,791
Class FV	3,131,686	2,906,878
Class O	2,385,444	2,717,205
	79,567,398	77,891,830
Number of redeemable units outstanding per class note 4		
Class A	38,731	53,600
Class AV	74,184	92,913
Class B	3,361,048	3,399,801
Class F	40,149	19,082
Class FV	142,879	138,172
Class O	98,424	117,183
Net assets attributable to holders of redeemable units per unit per class		
Class A	19.81	19.12
Class AV	20.89	20.14
Class B	21.08	20.29
Class F	21.63	20.79
Class FV	21.92	21.04
Class O	24.24	23.19

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	11,279	8,494
Securities lending income	note 11 304	369
Distributions from underlying funds	note 6 796,997	1,542,187
Foreign exchange gain (loss) on cash	(405)	(822)
Other changes in fair value of investments		
Net realized gain (loss) on investments	1,540,021	(1,585,152)
Net change in unrealized appreciation (depreciation) on investments	1,505,209	1,922,001
Total income (loss)	3,853,405	1,887,077
Expenses		
Management fees	note 6 409,442	477,292
Custodian fees	2,976	1,556
Audit fees	8,255	9,389
Legal fees	5,386	964
Securityholder reporting costs	38,693	48,774
Filing fees	9,018	14,142
Fund accounting fees	note 6 4,474	4,429
Independent review committee fees	4,280	6,415
Interest expense	307	88
Fund valuation fees	30,508	13,915
Total expenses	513,339	576,964
Increase (decrease) in net assets attributable to holders of redeemable units	3,340,066	1,310,113
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	34,265	17,449
Class AV	69,371	79,284
Class B	2,957,014	1,082,731
Class F	12,058	2,912
Class FV	133,999	60,549
Class O	133,359	67,188
	3,340,066	1,310,113
Weighted average redeemable units outstanding during the period per class		
Class A	46,679	44,491
Class AV	82,895	174,917
Class B	3,377,077	3,148,200
Class F	24,706	7,900
Class FV	142,597	105,792
Class O	111,137	127,851
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	0.73	0.39
Class AV	0.84	0.45
Class B	0.88	0.34
Class F	0.49	0.37
Class FV	0.94	0.57
Class O	1.20	0.53

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

Fiera Capital Balanced Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A	2016	2017 Class AV	2016
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	1,024,872	677,538	1,870,826	2,752,591
Increase (decrease) in net assets attributable to holders of redeemable units	34,265	17,449	69,371	79,284
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	188,721	221,790	49,601	941,182
Reinvestments of distributions to holders of redeemable units	576	18,274	2,141	70,964
Redemption of redeemable units	(480,521)	(50,108)	(440,411)	(441,472)
	(291,224)	189,956	(388,669)	570,674
Distributions to holders of redeemable units	note 4			
From net investment income	579	18,435	2,177	70,964
	579	18,435	2,177	70,964
Net increase (decrease) in net assets attributable to holders of redeemable units	(257,538)	188,970	(321,475)	578,994
Net assets attributable to holders of redeemable units — End of period	767,334	866,508	1,549,351	3,331,585
	2017	2016	2017	2016
	Class B		Class F	
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	68,975,258	60,804,435	396,791	158,108
Increase (decrease) in net assets attributable to holders of redeemable units	2,957,014	1,082,731	12,058	2,912
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	3,414,294	4,127,517	582,853	10,000
Reinvestments of distributions to holders of redeemable units	245,751	1,315,370	2,021	3,188
Redemption of redeemable units	(4,454,181)	(2,387,017)	(123,095)	(1,662)
	(794,136)	3,055,870	461,779	11,526
Distributions to holders of redeemable units	note 4			
From net investment income	272,972	1,275,464	2,209	3,188
	272,972	1,275,464	2,209	3,188
Net increase (decrease) in net assets attributable to holders of redeemable units	1,889,906	2,863,137	471,628	11,250
Net assets attributable to holders of redeemable units — End of period	70,865,164	63,667,572	868,419	169,358
	2017	2016	2017	2016
	Class FV		Class O	
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	2,906,878	1,768,202	2,717,205	2,845,250
Increase (decrease) in net assets attributable to holders of redeemable units	133,999	60,549	133,359	67,188
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	227,569	960,111	—	—
Reinvestments of distributions to holders of redeemable units	7,186	40,661	7,882	51,548
Redemption of redeemable units	(135,865)	(199,011)	(465,120)	(59,487)
	98,890	801,761	(457,238)	(7,939)
Distributions to holders of redeemable units	note 4			
From net investment income	8,081	43,635	7,882	51,548
	8,081	43,635	7,882	51,548
Net increase (decrease) in net assets attributable to holders of redeemable units	224,808	818,675	(331,761)	7,701
Net assets attributable to holders of redeemable units — End of period	3,131,686	2,586,877	2,385,444	2,852,951

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

Fiera Capital Balanced Fund

Statements of changes in net assets attributable to holders of redeemable units (continued) (unaudited)

For the six-month periods ended June 30,

	2017 Total \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	77,891,830	69,006,124
Increase (decrease) in net assets attributable to holders of redeemable units	3,340,066	1,310,113
Redeemable unit transactions	note 4	
Proceeds from redeemable units issued	4,463,038	6,260,600
Reinvestments of distributions to holders of redeemable units	265,557	1,500,005
Redemption of redeemable units	(6,099,193)	(3,138,757)
	(1,370,598)	4,621,848
Distributions to holders of redeemable units	note 4	
From net investment income	293,900	1,463,234
	293,900	1,463,234
Net increase (decrease) in net assets attributable to holders of redeemable units	1,675,568	4,468,727
Net assets attributable to holders of redeemable units — End of period	79,567,398	73,474,851

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

Fiera Capital Balanced Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	3,340,066	1,310,113
Adjustments for:		
Foreign exchange (gain) loss on cash	405	822
Net realized (gain) loss on investments	(1,540,021)	1,585,152
Net change in unrealized (appreciation) depreciation on investments	(1,505,209)	(1,922,001)
Non-cash distribution from investments	(796,997)	(1,542,187)
Purchases of investments	(16,531,151)	(39,761,498)
Proceeds from sale and maturity of investments	18,283,830	37,010,531
Interest receivable	(431)	(127)
Other receivables	74,515	55,458
Accrued liabilities	(6,935)	925
Management fees payable	(53,090)	2,918
Net cash from (used in) operating activities	1,264,982	(3,259,894)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(28,343)	—
Proceeds from redeemable units issued	4,631,315	6,210,344
Redemption of redeemable units	(5,974,831)	(3,083,648)
Net cash from (used in) financing activities	(1,371,859)	3,126,696
Foreign exchange gain (loss) on cash	(405)	(822)
Net increase (decrease) in cash	(107,282)	(134,020)
Cash (Bank indebtedness) – Beginning of period	107,635	(22,195)
Cash (Bank indebtedness) – End of period	353	(156,215)
Included in cash flows from operating activities		
Interest received, net of withholding taxes	10,848	8,367
Interest paid	307	88

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

Fiera Capital Balanced Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	July 13, 2017	0.480%	315,000	314,710	314,710	
Canadian T-bills	July 27, 2017	0.499%	655,000	654,376	654,376	
Canadian T-bills	August 10, 2017	0.485%	820,000	819,214	819,214	
Canadian T-bills	August 24, 2017	0.658%	85,000	84,915	84,915	
				1,873,215	1,873,215	2.4
Government bonds						
Canadian government bond	September 7, 2017	0.535%	3,275,000	3,270,972	3,270,972	
				3,270,972	3,270,972	4.1
Total money market securities				5,144,187	5,144,187	6.5
Underlying funds						
Bond funds						
Fiera Capital Bond Fund, Class O			1,866,162	23,066,217	22,326,577	
				23,066,217	22,326,577	28.0
Canadian equity funds						
Fiera Capital Core Canadian Equity Fund, Class O			947,795	22,924,802	25,713,193	
Fiera Capital Equity Growth Fund, Class O			47,233	5,645,117	5,822,083	
				28,569,919	31,535,276	39.6
Global equity funds						
Fiera Capital Global Equity Fund, Class O			503,796	11,893,880	20,680,084	
				11,893,880	20,680,084	26.0
Total underlying funds				63,530,016	74,541,937	93.6
Total investments				68,674,203	79,686,124	100.1
Net other assets (liabilities)					(118,726)	(0.1)
Net assets attributable to holders of redeemable units				68,674,203	79,567,398	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Balanced Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Balanced Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on August 22, 2016 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario M5C 2V9.

The objective of the Fund is to achieve over a longer-term investment horizon, the highest possible return consistent with a fundamental investment philosophy which emphasizes broad diversification across and within all major security classes. The Fund invests primarily in Canadian equity and fixed-income securities.

Effective March 10, 2017, Classes AV and FV were closed for new business.

Effective August 28, 2017, the name of the Fund has been changed to Fiera Capital Income & Growth Fund, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in “Distributions from underlying funds” and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board (“IASB”) issued the complete and final version of IFRS 9, Financial Instruments (“IFRS 9”), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 “Significant accounting policies” for further information about the fair value measurement of the Fund’s financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the “units”) within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class AV units was available for investors primarily through group plan arrangements with dealer advisers, however this class closed for new business on March 10, 2017. Class F units are available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs. Class FV units was available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs, however this class closed for new business on March 10, 2017. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class AV and FV may be converted to other classes, except in Class O units, of the same fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class’s net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	53,600	9,383	29	(24,281)	38,731
2016	36,139	12,224	995	(2,709)	46,649
Class AV					
2017	92,913	2,447	103	(21,279)	74,184
2016	140,093	49,502	3,681	(22,625)	170,651
Class B					
2017	3,399,801	162,199	11,667	(212,619)	3,361,048
2016	3,087,106	212,570	67,886	(122,860)	3,244,702
Class F					
2017	19,082	26,548	93	(5,574)	40,149
2016	7,859	497	161	(84)	8,433
Class FV					
2017	138,172	10,634	328	(6,255)	142,879
2016	87,190	48,167	2,035	(9,847)	127,545
Class O					
2017	117,183	—	325	(19,084)	98,424
2016	128,539	—	2,357	(2,731)	128,165

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution basis
Distribution of net income and/or return of capital	Monthly
Distribution of net realized capital gains	Annually

Effective August 31, 2016, the monthly distribution rate was modified from a fixed rate distribution equal to a yield of 5% per annum to a variable rate. Effective September 30, 2017, the amount of the monthly distribution per unit will be reset at the beginning of each calendar year. Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A	2.00	2.00
Class AV	1.70	1.70
Class B	1.25	1.25
Class F*	1.00	1.00
Class FV	0.70	0.70
Class O	—	—

* Effective August 28, 2017, the management fees for Class F have been reduced by 0.15%, from 1.00% to 0.85%.

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017 \$	June 30, 2016 \$
Income		
Income from underlying funds		
Distributions from underlying funds	796,997	1,542,187
Expenses		
Management fees	409,442	477,292
Fund accounting fees	4,474	4,429
	As at June 30, 2017 \$	As at December 31, 2016 \$
Payable		
Management fees payable	32,449	85,539
Accrued liabilities		
Fund accounting fees payable	1,714	2,074

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017 %	December 31, 2016 %
Class A	0.24	0.17
Class AV	0.07	0.06
Class F	0.19	0.40
Class FV	0.04	0.04

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, no soft dollars were included in the transaction costs presented in the statements of comprehensive income, as the Fund did not pay any soft dollars to brokers.

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	5,144,187	—	—	5,144,187
Underlying funds	74,541,937	—	—	74,541,937
Total assets	79,686,124	—	—	79,686,124

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

	Financial assets at fair value through profit or loss as at December 31, 2016			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	4,666,067	—	—	4,666,067
Underlying funds	73,730,509	—	—	73,730,509
Total assets	78,396,576	—	—	78,396,576

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
Weighted Average Blended Benchmarks	+/-10	+/-4,914,000	+/-4,808,000
FTSE TMX Canada Universe Bond Index (35%)			
S&P TSX Composite Index (32.5%)			
MSCI World Index (27.5%)			
FTSE TMX Canada 91 Day T-Bill Index (5%)			

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	2.4	5.9
Government bonds	4.1	0.1
Underlying funds		
Bond funds	28.0	25.5
Canadian equity funds	39.6	42.3
Global equity funds	26.0	26.9
Net other assets (liabilities)	(0.1)	(0.7)
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct credit risk.

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

Fiera Capital Balanced Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

9. Income tax and capital gains tax

As at December 31, 2016, the Fund has no capital and non-capital losses available to be carried forward.

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017 and December 31, 2016, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	1,434,378	1,185,775
Collateral amount	1,506,098	1,245,068
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	507	615
Securities lending charges	203	246
Net securities lending income	304	369
Withholding taxes on securities lending income	—	—
Net securities lending income received by the fund	304	369
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital High Income Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	26,550,220	27,848,179
Cash	33,758	31,974
Dividends receivable	136,257	122,303
Other receivables	1,826	25,840
Total assets	26,722,061	28,028,296
Liabilities		
Current liabilities		
Accounts payable for units redeemed	49,934	9,481
Management fees payable	note 6 24,183	26,723
Accrued liabilities	note 6 60,890	66,844
Total liabilities	135,007	103,048
Net assets attributable to holders of redeemable units	26,587,054	27,925,248
Net assets attributable to holders of redeemable units per class		
Class A	310,474	308,392
Class B	21,289,099	22,402,424
Class F	277,664	201,405
Class O	4,709,817	5,013,027
	26,587,054	27,925,248
Number of redeemable units outstanding per class		
Class A	note 4 18,767	18,640
Class B	1,208,683	1,276,847
Class F	15,367	11,173
Class O	234,595	252,168
Net assets attributable to holders of redeemable units per unit per class		
Class A	16.54	16.54
Class B	17.61	17.55
Class F	18.07	18.03
Class O	20.08	19.88

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	43,989	54,558
Securities lending income	note 11 2,958	2,875
Dividends	535,889	550,997
Foreign exchange gain (loss) on cash	164	(574)
Other changes in fair value of investments		
Net realized gain (loss) on investments	854,693	(918,890)
Net change in unrealized appreciation (depreciation) on investments	(732,204)	3,933,903
Total income (loss)	705,489	3,622,869
Expenses		
Management fees	note 5 note 6 135,748	151,969
Custodian fees	3,512	2,625
Audit fees	8,255	9,387
Legal fees	5,388	963
Securityholder reporting costs	25,990	42,577
Filing fees	8,705	14,137
Fund accounting fees	note 6 1,703	1,685
Independent review committee fees	4,281	6,413
Interest expense	102	244
Withholding taxes	1,203	53
Transaction costs	note 6, 7 10,604	24,769
Fund valuation fees	26,276	11,578
Total expenses	231,767	266,400
Increase (decrease) in net assets attributable to holders of redeemable units	473,722	3,356,469
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	3,132	37,952
Class B	359,716	2,662,227
Class F	3,317	8,907
Class O	107,557	647,383
	473,722	3,356,469
Weighted average redeemable units outstanding during the period per class		
Class A	18,685	20,769
Class B	1,258,876	1,390,258
Class F	12,800	9,818
Class O	248,929	292,348
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	0.17	1.83
Class B	0.29	1.91
Class F	0.26	0.91
Class O	0.43	2.21

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

Fiera Capital High Income Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class B \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	308,392	296,610	22,402,424	20,448,965
Increase (decrease) in net assets attributable to holders of redeemable units	3,132	37,952	359,716	2,662,227
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	12,881	20,162	418,710	127,933
Reinvestments of distributions to holders of redeemable units	2,622	6,972	218,278	537,550
Redemption of redeemable units	(13,376)	(78,116)	(1,849,701)	(1,528,687)
	2,127	(50,982)	(1,212,713)	(863,204)
Distributions to holders of redeemable units	note 4			
From net investment income	3,177	8,301	260,328	572,991
	3,177	8,301	260,328	572,991
Net increase (decrease) in net assets attributable to holders of redeemable units	2,082	(21,331)	(1,113,325)	1,226,032
Net assets attributable to holders of redeemable units — End of period	310,474	275,279	21,289,099	21,674,997
	2017 Class F \$	2016 \$	2017 Class O \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	201,405	232,169	5,013,027	5,001,624
Increase (decrease) in net assets attributable to holders of redeemable units	3,317	8,907	107,557	647,383
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	117,394	36,642	148,860	68,837
Reinvestments of distributions to holders of redeemable units	2,202	1,965	58,379	116,536
Redemption of redeemable units	(43,489)	(114,792)	(559,600)	(927,146)
	76,107	(76,185)	(352,361)	(741,773)
Distributions to holders of redeemable units	note 4			
From net investment income	3,165	4,000	58,406	116,582
	3,165	4,000	58,406	116,582
Net increase (decrease) in net assets attributable to holders of redeemable units	76,259	(71,278)	(303,210)	(210,972)
Net assets attributable to holders of redeemable units — End of period	277,664	160,891	4,709,817	4,790,652
			2017 Total \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period			27,925,248	25,979,368
Increase (decrease) in net assets attributable to holders of redeemable units			473,722	3,356,469
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued			697,845	253,574
Reinvestments of distributions to holders of redeemable units			281,481	663,023
Redemption of redeemable units			(2,466,166)	(2,648,741)
			(1,486,840)	(1,732,144)
Distributions to holders of redeemable units	note 4			
From net investment income			325,076	701,874
			325,076	701,874
Net increase (decrease) in net assets attributable to holders of redeemable units			(1,338,194)	922,451
Net assets attributable to holders of redeemable units — End of period			26,587,054	26,901,819

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

Fiera Capital High Income Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	473,722	3,356,469
Adjustments for:		
Foreign exchange (gain) loss on cash	(164)	574
Net realized (gain) loss on investments	(854,693)	918,890
Net change in unrealized (appreciation) depreciation on investments	732,204	(3,933,903)
Purchases of investments	(5,658,874)	(10,919,311)
Proceeds from sale and maturity of investments	7,079,322	13,063,100
Dividends receivable	(13,954)	54,791
Other receivables	24,014	25,916
Accrued liabilities	(5,954)	2,136
Management fees payable	(2,540)	(31)
Net cash from (used in) operating activities	1,773,083	2,568,631
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(43,595)	(38,735)
Proceeds from redeemable units issued	697,845	256,591
Redemption of redeemable units	(2,425,713)	(2,745,750)
Net cash from (used in) financing activities	(1,771,463)	(2,527,894)
Foreign exchange gain (loss) on cash	164	(574)
Net increase (decrease) in cash	1,784	40,163
Cash (Bank indebtedness) – Beginning of period	31,974	(11,306)
Cash (Bank indebtedness) – End of period	33,758	28,857
Included in cash flows from operating activities		
Interest received, net of withholding taxes	43,989	54,558
Interest paid	102	244
Dividends received, net of withholding taxes	520,949	605,788

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

Fiera Capital High Income Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Equities				
Consumer discretionary				
Corus Entertainment Inc.	25,300	332,948	344,839	
Shaw Communications Inc.	37,600	988,124	1,063,704	
		1,321,072	1,408,543	5.3
Energy				
Enbridge Inc.	45,125	2,334,384	2,331,157	
Keyera Corp.	16,750	675,237	683,735	
Pembina Pipeline Corp.	36,799	1,460,488	1,580,517	
Peyto Exploration & Development Corp.	24,575	627,590	578,004	
TransCanada Corp.	31,905	1,560,077	1,972,367	
Vermilion Energy Inc.	11,309	609,134	465,252	
		7,266,910	7,611,032	28.7
Financials				
Bank of Montreal	10,900	1,057,649	1,037,898	
Bank of Nova Scotia	27,275	1,780,445	2,127,723	
Canadian Imperial Bank of Commerce	7,000	593,661	737,730	
Great-West Lifeco Inc.	22,975	852,063	807,571	
Power Financial Corp.	27,706	954,132	921,779	
Royal Bank of Canada	20,000	1,476,785	1,883,200	
Toronto-Dominion Bank	6,275	346,966	410,071	
		7,061,701	7,925,972	29.8
Industrials				
WSP Global Inc.	11,935	329,943	642,222	
		329,943	642,222	2.4
Materials				
Agrium Inc.	8,265	1,008,789	971,385	
Chemtrade Logistics Income Fund	22,300	445,465	405,637	
		1,454,254	1,377,022	5.2
Real estate				
Brookfield Property Partners LP	30,425	923,856	933,439	
Canadian Apartment Properties REIT	9,400	245,697	315,558	
First Capital Realty Inc.	25,875	520,175	511,290	
Northview Apartment Real Estate Investment Trust	24,344	488,786	512,198	
RioCan REIT	35,925	956,183	864,715	
		3,134,697	3,137,200	11.8
Telecommunication services				
BCE Inc.	11,172	598,339	652,445	
Rogers Communications Inc.	8,525	434,600	522,156	
TELUS Corp.	23,600	1,074,873	1,056,572	
		2,107,812	2,231,173	8.4
Utilities				
Algonquin Power & Utilities Corp.	53,250	605,993	726,863	
Brookfield Renewable Energy Partners LP	22,000	665,068	909,700	
Fortis Inc.	9,725	387,787	443,266	
		1,658,848	2,079,829	7.8
Total equities		24,335,237	26,412,993	99.4
Index-based investments				
Canadian equities				
iShares S&P/TSX 60 Index ETF	6,118	137,685	137,227	
		137,685	137,227	0.5
Total index-based investments		137,685	137,227	0.5
Total investments		24,472,922	26,550,220	99.9
Transaction costs		(23,590)		
Net other assets (liabilities)			36,834	0.1
Net assets attributable to holders of redeemable units		24,449,332	26,587,054	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital High Income Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital High Income Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on August 22, 2016 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to provide a high level of income along with moderate capital growth by primarily investing in a diversified portfolio of Canadian securities, including real estate investment trusts (REITs), income trusts, fixed-income securities and high-yielding equities.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in “Distributions from underlying funds” and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board (“IASB”) issued the complete and final version of IFRS 9, Financial Instruments (“IFRS 9”), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 “Significant accounting policies” for further information about the fair value measurement of the Fund’s financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the “units”) within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class F units are available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class’s net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units’ discretion.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	18,640	767	157	(797)	18,767
2016	21,471	1,419	480	(5,214)	18,156
Class B					
2017	1,276,847	23,530	12,314	(104,008)	1,208,683
2016	1,409,285	8,456	35,024	(98,742)	1,354,023
Class F					
2017	11,173	6,421	121	(2,348)	15,367
2016	15,630	2,201	124	(8,157)	9,798
Class O					
2017	252,168	7,364	2,907	(27,844)	234,595
2016	309,746	4,253	6,791	(54,657)	266,133

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution basis
Distribution of net income and/or return of capital	Monthly
Distribution of net realized capital gains	Annually

Effective August 31, 2016, the monthly distribution rate was modified from a fixed rate distribution equal to a yield of between 5% and 7% per annum to a variable rate. Effective September 30, 2017, the amount of the monthly distribution per unit will be reset at the beginning of each calendar year. Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A	2.00	2.00
Class B	1.25	1.25
Class F*	1.00	1.00
Class O	—	—

* Effective August 28, 2017, the management fees for Class F have been reduced by 0.15%, from 1.00% to 0.85%.

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Expenses		
Management fees	135,748	151,969
Fund accounting fees	1,703	1,685
Transaction costs	2,349	1,899
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	24,183	26,723
Accrued liabilities		
Fund accounting fees payable	582	747
	June 30, 2017	December 31, 2016
	%	%
Class A	0.72	0.72
Class F	0.62	0.84

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017	June 30, 2016
	\$	\$
	2,019	5,388

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Equities	26,412,993	—	—	26,412,993
Index-based investments	137,227	—	—	137,227
Total assets	26,550,220	—	—	26,550,220
	Financial assets at fair value through profit or loss as at December 31, 2016			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Equities	27,710,075	—	—	27,710,075
Index-based investments	138,104	—	—	138,104
Total assets	27,848,179	—	—	27,848,179

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
S&P TSX Composite High Dividend Index (CAD)	+/- 10	+/-2,598,000	+/-2,714,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017	December 31, 2016
	%	%
Equities		
Consumer discretionary	5.3	5.8
Energy	28.7	29.9
Financials	29.8	29.5
Industrials	2.4	2.0
Materials	5.2	2.9
Real estate	11.8	12.7
Telecommunication services	8.4	7.5
Utilities	7.8	8.9
Index-based investments		
Canadian equities	0.5	0.5
Net other assets (liabilities)	0.1	0.3
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to credit risk.

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, capital and non-capital losses available to be carried forward are as follows:

	Capital losses	Non-capital losses	
	Amounts \$	Amounts \$	Year of expiry
December 31, 2016	3,035,518	—	—

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017 and December 31, 2016, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

Fiera Capital High Income Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	4,851,780	6,863,190
Collateral amount	5,094,373	7,206,357
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	4,930	4,791
Securities lending charges	1,972	1,916
Net securities lending income	2,958	2,875
Withholding taxes on securities lending income	217	53
Net securities lending income received by the fund	2,741	2,822
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital Core Canadian Equity Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	84,133,033	89,273,242
Cash	—	51,232
Accounts receivable for units sold	528,000	915,000
Interest receivable	507	260
Dividends receivable	140,514	150,130
Other receivables	6,204	8,152
Total assets	84,808,258	90,398,016
Liabilities		
Current liabilities		
Bank indebtedness	2,980	—
Accounts payable for units redeemed	258,066	704,125
Management fees payable	note 6 9,236	9,328
Accrued liabilities	note 6 55,808	65,266
Total liabilities	326,090	778,719
Net assets attributable to holders of redeemable units	84,482,168	89,619,297
Net assets attributable to holders of redeemable units per class		
Class A	1,782	1,760
Class B	7,793,931	8,034,365
Class F	773,714	29,981
Class O	75,912,741	81,553,191
	84,482,168	89,619,297
Number of redeemable units outstanding per class		
Class A	note 4 76	76
Class B	305,549	319,604
Class F	29,994	1,172
Class O	2,798,169	3,049,417
Net assets attributable to holders of redeemable units per unit per class		
Class A	23.24	22.96
Class B	25.51	25.14
Class F	25.80	25.57
Class O	27.13	26.74

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	6,799	3,734
Securities lending income	note 11 3,365	3,577
Dividends	817,930	764,156
Distributions from underlying funds	note 6 6,343	—
Foreign exchange gain (loss) on cash	211	165
Other changes in fair value of investments		
Net realized gain (loss) on investments	2,011,372	(1,295,635)
Net change in unrealized appreciation (depreciation) on investments	(613,350)	3,607,380
Total income (loss)	2,232,670	3,083,377
Expenses		
Management fees	note 6 55,606	50,891
Custodian fees	7,278	4,507
Audit fees	8,255	9,390
Legal fees	5,397	964
Securityholder reporting costs	21,123	34,894
Filing fees	8,705	14,142
Fund accounting fees	note 6 4,852	3,457
Independent review committee fees	4,288	6,415
Interest expense	269	26
Withholding taxes	431	567
Transaction costs	note 6, 7 28,193	52,086
Fund valuation fees	23,362	13,777
Total expenses	167,759	191,116
Increase (decrease) in net assets attributable to holders of redeemable units	2,064,911	2,892,261
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	22	41
Class B	141,723	209,360
Class F	1,793	842
Class O	1,921,373	2,682,018
	2,064,911	2,892,261
Weighted average redeemable units outstanding during the period per class		
Class A	77	77
Class B	313,278	329,399
Class F	3,382	1,172
Class O	2,880,162	2,560,518
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	0.29	0.53
Class B	0.45	0.64
Class F	0.53	0.72
Class O	0.67	1.05

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

Fiera Capital Core Canadian Equity Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A	2016	2017 Class B	2016
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	1,760	1,559	8,034,365	7,296,899
Increase (decrease) in net assets attributable to holders of redeemable units	22	41	141,723	209,360
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	—	—	196,474	568,717
Reinvestments of distributions to holders of redeemable units	—	—	14,758	16,194
Redemption of redeemable units	—	—	(576,834)	(607,007)
	—	—	(365,602)	(22,096)
Distributions to holders of redeemable units	note 4			
From net investment income	—	—	16,555	16,698
	—	—	16,555	16,698
Net increase (decrease) in net assets attributable to holders of redeemable units	22	41	(240,434)	170,566
Net assets attributable to holders of redeemable units — End of period	1,782	1,600	7,793,931	7,467,465
	2017	2016	2017	2016
	Class F		Class O	
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	29,981	26,409	81,553,191	46,286,684
Increase (decrease) in net assets attributable to holders of redeemable units	1,793	842	1,921,373	2,682,018
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	749,635	—	3,078,489	33,582,018
Reinvestments of distributions to holders of redeemable units	6,751	4	695,477	644,244
Redemption of redeemable units	(7,500)	—	(10,640,279)	(10,422,785)
	748,886	4	(6,866,313)	23,803,477
Distributions to holders of redeemable units	note 4			
From net investment income	6,946	98	695,510	644,637
	6,946	98	695,510	644,637
Net increase (decrease) in net assets attributable to holders of redeemable units	743,733	748	(5,640,450)	25,840,858
Net assets attributable to holders of redeemable units — End of period	773,714	27,157	75,912,741	72,127,542
			2017	2016
			Total	
			\$	\$
Net assets attributable to holders of redeemable units — Beginning of period			89,619,297	53,611,551
Increase (decrease) in net assets attributable to holders of redeemable units			2,064,911	2,892,261
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued			4,024,598	34,150,735
Reinvestments of distributions to holders of redeemable units			716,986	660,442
Redemption of redeemable units			(11,224,613)	(11,029,792)
			(6,483,029)	23,781,385
Distributions to holders of redeemable units	note 4			
From net investment income			719,011	661,433
			719,011	661,433
Net increase (decrease) in net assets attributable to holders of redeemable units			(5,137,129)	26,012,213
Net assets attributable to holders of redeemable units — End of period			84,482,168	79,623,764

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

Fiera Capital Core Canadian Equity Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	2,064,911	2,892,261
Adjustments for:		
Foreign exchange (gain) loss on cash	(211)	(165)
Net realized (gain) loss on investments	(2,011,372)	1,295,635
Net change in unrealized (appreciation) depreciation on investments	613,350	(3,607,380)
Non-cash distribution from investments	(6,343)	—
Purchases of investments	(20,850,962)	(54,409,444)
Proceeds from sale and maturity of investments	27,395,536	28,607,586
Interest receivable	(247)	127
Dividends receivable	9,616	(72,162)
Other receivables	1,948	5,532
Accrued liabilities	(9,458)	1,505
Management fees payable	(92)	(111)
Net cash from (used in) operating activities	7,206,676	(25,286,616)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(2,025)	(559)
Proceeds from redeemable units issued	4,411,598	35,541,735
Redemption of redeemable units	(11,670,672)	(10,293,076)
Net cash from (used in) financing activities	(7,261,099)	25,248,100
Foreign exchange gain (loss) on cash	211	165
Net increase (decrease) in cash	(54,212)	(38,351)
Cash (Bank indebtedness) – Beginning of period	51,232	355,237
Cash (Bank indebtedness) – End of period	(2,980)	316,886
Included in cash flows from operating activities		
Interest received, net of withholding taxes	6,552	3,861
Interest paid	269	26
Dividends received, net of withholding taxes	827,546	691,994

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

Fiera Capital Core Canadian Equity Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	July 13, 2017	0.517%	125,000	124,864	124,864	
Canadian T-bills	July 27, 2017	0.501%	50,000	49,950	49,950	
Canadian T-bills	August 10, 2017	0.506%	220,000	219,798	219,798	
Canadian T-bills	August 24, 2017	0.658%	95,000	94,906	94,906	
Canadian T-bills	September 7, 2017	0.562%	1,285,000	1,283,431	1,283,431	
				1,772,949	1,772,949	2.1
Total money market securities				1,772,949	1,772,949	2.1
Equities						
Consumer discretionary						
Cineplex Inc.			35,132	1,635,236	1,857,078	
Dollarama Inc.			21,041	1,317,349	2,607,190	
Restaurant Brands International Inc.			29,162	2,356,275	2,366,205	
				5,308,860	6,830,473	8.1
Consumer staples						
Alimentation Couche Tard Inc., Class B			49,052	2,059,082	3,049,071	
				2,059,082	3,049,071	3.6
Energy						
ARC Resources Ltd.			42,489	993,059	720,613	
Canadian Natural Resources Ltd.			80,032	3,031,905	2,994,797	
CES Energy Solutions Corp.			204,276	1,069,402	1,180,715	
Parex Resources Inc.			50,840	860,223	749,890	
Seven Generations Energy Ltd.			36,591	820,491	812,686	
Tourmaline Oil Corp.			42,978	1,400,065	1,198,227	
TransCanada Corp.			38,419	2,018,478	2,375,063	
Vermilion Energy Inc.			26,575	1,220,640	1,093,296	
				11,414,263	11,125,287	13.2
Financials						
Bank of Nova Scotia			46,953	2,796,231	3,662,804	
Element Financial Corp.			118,832	1,369,873	1,057,605	
Manulife Financial Corp.			71,790	1,488,600	1,745,215	
Onex Corp.			19,136	1,391,558	1,986,508	
Royal Bank of Canada			69,271	4,752,632	6,522,556	
Sun Life Financial Inc.			20,517	1,055,010	951,168	
Toronto-Dominion Bank			84,177	4,116,136	5,500,967	
Trisura Group Ltd.			1	17	22	
				16,970,057	21,426,845	25.4
Industrials						
Brookfield Business Partners LP			1,274	32,725	44,679	
Canadian National Railway Co.			23,990	1,415,876	2,524,228	
Canadian Pacific Railway Ltd.			13,019	2,519,594	2,716,414	
Stantec Inc.			27,384	906,723	894,088	
Waste Connections Inc.			42,828	2,720,480	3,577,423	
				7,595,398	9,756,832	11.5
Information technology						
CGI Group Inc.			29,129	1,469,646	1,930,088	
Kinaxis Inc.			19,586	1,325,657	1,581,374	
Open Text Corp.			41,353	1,389,092	1,692,578	
Shopify Inc.			6,089	590,701	685,621	
				4,775,096	5,889,661	7.0
Materials						
Franco-Nevada Corp.			31,479	2,573,782	2,945,490	
Lundin Mining Corp.			106,125	839,071	782,141	

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Core Canadian Equity Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Materials (continued)				
Methanex Corp.	31,262	1,478,838	1,789,750	
West Fraser Timber Co Ltd.	29,831	1,417,917	1,831,027	
		6,309,608	7,348,408	8.7
Real estate				
Brookfield Asset Management Inc., Class A	81,849	2,925,952	4,165,296	
FirstService Corp.	9,906	844,883	824,278	
		3,770,835	4,989,574	5.9
Telecommunication services				
TELUS Corp.	39,705	1,604,290	1,777,593	
		1,604,290	1,777,593	2.1
Utilities				
Brookfield Infrastructure Partners LP	38,789	1,352,385	2,057,369	
Emera Inc.	17,896	852,869	862,766	
		2,205,254	2,920,135	3.4
Total equities		62,012,743	75,113,879	88.9
Underlying funds				
Canadian equity funds				
Fiera Capital Equity Growth Fund, Class O	58,786	7,213,426	7,246,205	
		7,213,426	7,246,205	8.6
Total underlying funds		7,213,426	7,246,205	8.6
Total investments		70,999,118	84,133,033	99.6
Transaction costs		(49,465)		
Net other assets (liabilities)			349,135	0.4
Net assets attributable to holders of redeemable units		70,949,653	84,482,168	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Core Canadian Equity Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on August 22, 2016 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to achieve over the longer term the highest possible return that is consistent with a conservative investment philosophy encompassing a diversified portfolio approach. Investing primarily in equity securities of large and medium sized Canadian companies with a focus on high quality, solid companies with financial strength and growth prospects.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in "Distributions from underlying funds" and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in its normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board ("IASB") issued the complete and final version of IFRS 9, *Financial Instruments* ("IFRS 9"), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 "Significant accounting policies" for further information about the fair value measurement of the Fund's financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the "units") within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class F units are available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class's net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	76	—	—	—	76
2016	76	—	—	—	76
Class B					
2017	319,604	7,683	579	(22,317)	305,549
2016	329,470	26,060	711	(28,281)	327,960
Class F					
2017	1,172	28,848	262	(288)	29,994
2016	1,172	—	—	—	1,172
Class O					
2017	3,049,417	112,363	25,635	(389,246)	2,798,169
2016	1,965,148	1,415,698	26,599	(429,522)	2,977,923

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A	2.00	2.00
Class B	1.25	1.25
Class F	1.00	1.00
Class O	—	—

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Income		
Income from underlying funds		
Distributions from underlying funds	6,343	—
Expenses		
Management fees	55,606	50,891
Fund accounting fees	4,852	3,457
Transaction costs	1,771	587
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	9,236	9,328
Accrued liabilities		
Fund accounting fees payable	1,769	2,349

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017	December 31, 2016
	%	%
Class A	100.00	100.00
Class F	0.18	4.57

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017	June 30, 2016
	\$	\$
	10,333	30,059

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	1,772,949	—	—	1,772,949
Equities	75,113,879	—	—	75,113,879
Underlying funds	7,246,205	—	—	7,246,205
Total assets	84,133,033	—	—	84,133,033
	Financial assets at fair value through profit or loss as at December 31, 2016			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	724,302	—	—	724,302
Equities	79,830,354	—	—	79,830,354
Underlying funds	8,718,586	—	—	8,718,586
Total assets	89,273,242	—	—	89,273,242

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
S&P TSX Composite Index	+/- 10	+/-7,824,000	+/-8,535,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	2.1	0.4
Government bonds	—	0.4
Equities		
Consumer discretionary	8.1	7.1
Consumer staples	3.6	3.7
Energy	13.2	15.3
Financials	25.4	26.3
Industrials	11.5	9.5
Information technology	7.0	5.7
Materials	8.7	9.1
Real estate	5.9	7.6
Telecommunication services	2.1	2.1
Utilities	3.4	2.7
Underlying funds		
Canadian equity funds	8.6	9.7
Net other assets (liabilities)	0.4	0.4
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct credit risk.

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to direct liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, capital and non-capital losses available to be carried forward are as follows:

	Capital losses	Non-capital losses	
	Amounts \$	Amounts \$	Year of expiry
December 31, 2016	8,361,758	—	—

Fiera Capital Core Canadian Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017 and December 31, 2016, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	8,919,514	18,242,265
Collateral amount	9,365,494	19,154,386
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	5,608	5,962
Securities lending charges	2,243	2,385
Net securities lending income	3,365	3,577
Withholding taxes on securities lending income	431	567
Net securities lending income received by the fund	2,934	3,010
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital Equity Growth Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	390,205,000	444,459,476
Cash	45,356	—
Receivable for investments sold	485,009	3,730,505
Accounts receivable for units sold	99	173,803
Interest receivable	88	96
Dividends receivable	630,652	851,453
Other receivables	59,371	67,059
Total assets	391,425,575	449,282,392
Liabilities		
Current liabilities		
Bank indebtedness	—	25,400
Accounts payable for units redeemed	325,154	949,515
Payable for investments purchased	932,184	5,957,243
Management fees payable	note 6 358,509	417,357
Accrued liabilities	note 6 77,215	149,572
Total liabilities	1,693,062	7,499,087
Net assets attributable to holders of redeemable units	389,732,513	441,783,305
Net assets attributable to holders of redeemable units per class		
Class A	2,689,187	3,384,786
Class AV	973	47,588
Class B	295,516,101	349,368,788
Class F	9,238,804	8,670,432
Class FV	207,134	678,304
Class O	82,080,314	79,633,407
	389,732,513	441,783,305
Number of redeemable units outstanding per class		
Class A	note 4 27,160	31,822
Class AV	9	415
Class B	2,726,719	3,013,547
Class F	82,659	72,620
Class FV	1,839	5,647
Class O	665,888	607,689
Net assets attributable to holders of redeemable units per unit per class		
Class A	99.01	106.37
Class AV	106.97	114.78
Class B	108.38	115.93
Class F	111.77	119.39
Class FV	112.61	120.12
Class O	123.26	131.04

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	69,419	106,035
Securities lending income	note 11 284,770	253,249
Dividends	2,726,775	3,069,699
Foreign exchange gain (loss) on cash	221	(41)
Other changes in fair value of investments		
Net realized gain (loss) on investments	(738,831)	19,889,555
Net change in unrealized appreciation (depreciation) on investments	(25,946,318)	10,909,206
Total income (loss)	(23,603,964)	34,227,703
Expenses		
Management fees	note 5 note 6 2,338,329	2,397,314
Custodian fees	26,057	11,871
Audit fees	8,255	9,397
Legal fees	5,389	1,171
Securityholder reporting costs	139,765	183,904
Filing fees	9,018	14,153
Fund accounting fees	note 6 22,495	26,564
Independent review committee fees	4,282	6,420
Interest expense	2,577	456
Withholding taxes	50,874	37,871
Transaction costs	note 6, 7 979,771	540,006
Fund valuation fees	42,365	26,263
Total expenses	3,629,177	3,255,390
Increase (decrease) in net assets attributable to holders of redeemable units	(27,233,141)	30,972,313
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	(225,637)	196,584
Class AV	(2,831)	3,405
Class B	(21,730,866)	24,535,484
Class F	(616,198)	526,447
Class FV	(40,440)	34,381
Class O	(4,617,169)	5,676,012
	(27,233,141)	30,972,313
Weighted average redeemable units outstanding during the period per class		
Class A	30,501	29,170
Class AV	348	414
Class B	2,874,709	2,929,766
Class F	80,334	55,753
Class FV	5,339	2,783
Class O	608,035	551,128
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	(7.40)	6.74
Class AV	(8.14)	8.22
Class B	(7.56)	8.37
Class F	(7.67)	9.44
Class FV	(7.57)	12.35
Class O	(7.59)	10.30

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

Fiera Capital Equity Growth Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class AV \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	3,384,786	3,192,309	47,588	46,818
Increase (decrease) in net assets attributable to holders of redeemable units	(225,637)	196,584	(2,831)	3,405
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	89,750	319,921	—	—
Reinvestments of distributions to holders of redeemable units	1,106	1,260	—	—
Redemption of redeemable units	(560,134)	(439,395)	(43,784)	—
	(469,278)	(118,214)	(43,784)	—
Distributions to holders of redeemable units	note 4			
From net investment income	684	—	—	—
	684	—	—	—
Net increase (decrease) in net assets attributable to holders of redeemable units	(695,599)	78,370	(46,615)	3,405
Net assets attributable to holders of redeemable units — End of period	2,689,187	3,270,679	973	50,223
	2017 Class B \$	2016 \$	2017 Class F \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	349,368,788	340,034,932	8,670,432	6,259,508
Increase (decrease) in net assets attributable to holders of redeemable units	(21,730,866)	24,535,484	(616,198)	526,447
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	1,188,146	2,649,136	1,912,045	900,377
Reinvestments of distributions to holders of redeemable units	156	192	1,068	2,090
Redemption of redeemable units	(33,285,318)	(15,514,758)	(727,435)	(353,970)
	(32,097,016)	(12,865,430)	1,185,678	548,497
Distributions to holders of redeemable units	note 4			
From net investment income	24,805	—	1,108	2,173
	24,805	—	1,108	2,173
Net increase (decrease) in net assets attributable to holders of redeemable units	(53,852,687)	11,670,054	568,372	1,072,771
Net assets attributable to holders of redeemable units — End of period	295,516,101	351,704,986	9,238,804	7,332,279
	2017 Class FV \$	2016 \$	2017 Class O \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	678,304	249,399	79,633,407	70,514,383
Increase (decrease) in net assets attributable to holders of redeemable units	(40,440)	34,381	(4,617,169)	5,676,012
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	141,047	137,200	11,956,548	4,226,000
Reinvestments of distributions to holders of redeemable units	—	3	46,115	139,872
Redemption of redeemable units	(571,777)	(120)	(4,866,714)	(4,936,315)
	(430,730)	137,083	7,135,949	(570,443)
Distributions to holders of redeemable units	note 4			
From net investment income	—	373	71,873	140,770
	—	373	71,873	140,770
Net increase (decrease) in net assets attributable to holders of redeemable units	(471,170)	171,091	2,446,907	4,964,799
Net assets attributable to holders of redeemable units — End of period	207,134	420,490	82,080,314	75,479,182

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

Fiera Capital Equity Growth Fund

Statements of changes in net assets attributable to holders of redeemable units (continued) (unaudited)

For the six-month periods ended June 30,

	2017 Total \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	441,783,305	420,297,349
Increase (decrease) in net assets attributable to holders of redeemable units	(27,233,141)	30,972,313
Redeemable unit transactions	note 4	
Proceeds from redeemable units issued	15,287,536	8,232,634
Reinvestments of distributions to holders of redeemable units	48,445	143,417
Redemption of redeemable units	(40,055,162)	(21,244,558)
	(24,719,181)	(12,868,507)
Distributions to holders of redeemable units	note 4	
From net investment income	98,470	143,316
	98,470	143,316
Net increase (decrease) in net assets attributable to holders of redeemable units	(52,050,792)	17,960,490
Net assets attributable to holders of redeemable units — End of period	389,732,513	438,257,839

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

Fiera Capital Equity Growth Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(27,233,141)	30,972,313
Adjustments for:		
Foreign exchange (gain) loss on cash	(221)	41
Net realized (gain) loss on investments	738,831	(19,889,555)
Net change in unrealized (appreciation) depreciation on investments	25,946,318	(10,909,206)
Purchases of investments	(242,378,085)	(159,083,461)
Proceeds from sale and maturity of investments	268,167,849	171,623,908
Interest receivable	8	(38)
Dividends receivable	220,801	37,940
Other receivables	7,688	22,876
Accrued liabilities	(72,357)	(8,924)
Management fees payable	(58,848)	(1,251)
Net cash from (used in) operating activities	25,338,843	12,764,643
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(50,025)	435
Proceeds from redeemable units issued	15,461,240	8,139,155
Redemption of redeemable units	(40,679,523)	(21,054,742)
Net cash from (used in) financing activities	(25,268,308)	(12,915,152)
Foreign exchange gain (loss) on cash	221	(41)
Net increase (decrease) in cash	70,756	(150,550)
Cash (Bank indebtedness) – Beginning of period	(25,400)	234,674
Cash (Bank indebtedness) – End of period	45,356	84,124
Included in cash flows from operating activities		
Interest received, net of withholding taxes	69,427	105,997
Interest paid	2,577	456
Dividends received, net of withholding taxes	2,940,748	3,107,639

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

Fiera Capital Equity Growth Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	August 24, 2017	0.607%	555,000	554,456	554,456	
Canadian T-bills	September 7, 2017	0.565%	300,000	299,643	299,643	
				854,099	854,099	0.2
Total money market securities				854,099	854,099	0.2
Equities						
Consumer discretionary						
Aritzia Inc.			414,839	6,966,775	6,230,882	
AutoCanada Inc.			86,013	2,193,235	1,641,128	
Freshii Inc.			154,816	2,019,272	1,904,237	
Park Lawn Corp.			293,097	5,407,540	5,516,086	
Sleep Country Canada Holdings Inc.			294,613	9,381,139	12,123,325	
Spin Master Corp.			200,876	5,060,405	7,773,901	
Stingray Digital Group Inc.			584,442	4,313,883	4,605,403	
Uni-Select Inc.			340,075	11,565,843	10,651,149	
				46,908,092	50,446,111	12.9
Consumer staples						
AGT Food & Ingredients Inc.			109,382	3,295,913	2,546,413	
Clearwater Seafoods Inc.			162,374	1,638,710	1,854,311	
Premium Brands Holdings Corp.			80,003	6,667,304	7,443,479	
				11,601,927	11,844,203	2.9
Energy						
CES Energy Solutions Corp.			1,357,606	10,321,406	7,846,963	
Enerflex Ltd.			445,602	7,503,225	8,386,230	
Gran Tierra Energy Inc.			790,923	3,032,536	2,277,858	
Kelt Exploration Ltd.			760,900	5,352,601	4,778,452	
NuVista Energy Ltd.			825,810	5,572,479	5,409,056	
Parex Resources Inc.			816,108	11,759,732	12,037,593	
Spartan Energy Corp.			198,471	1,639,794	1,220,595	
Tidewater Midstream and Infrastructure Ltd.			4,445,878	6,427,833	5,824,100	
ZCL Composites Inc.			213,134	2,748,150	2,775,005	
				54,357,756	50,555,852	13.0
Financials						
Acasta Enterprises Inc., Class B restricted voting shares			748,861	7,445,206	5,751,252	
Acasta Enterprises Inc., Warrants (September 8, 2020)			215,601	43,120	187,573	
Canadian Western Bank			147,749	4,137,286	4,045,368	
Equitable Group Inc.			177,456	10,524,368	10,555,083	
				22,149,980	20,539,276	5.3
Health care						
CRH Medical Corp.			524,058	3,971,538	3,867,548	
Knight Therapeutics Inc.			625,245	3,245,100	6,433,771	
				7,216,638	10,301,319	2.6
Industrials						
AG Growth International Inc.			138,170	6,052,756	7,975,172	
Badger Daylighting Ltd.			455,875	11,070,144	12,135,393	
Black Diamond Group Ltd.			297,151	1,312,355	820,137	
Boyd Group Income Fund			122,429	3,152,212	11,771,548	
Cargojet Inc.			216,261	7,099,992	10,274,560	
DIRTT Environmental Solutions			896,415	4,036,575	6,140,443	
New Flyer Industries Inc.			225,524	7,898,758	12,232,421	

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Equity Growth Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Industrials (continued)				
Richelieu Hardware Ltd.	227,577	3,686,313	6,838,689	
Russel Metals Inc.	235,050	6,357,987	6,101,898	
Savaria Corp.	267,726	1,967,242	4,267,552	
StorageVault Canada Inc.	2,103,696	3,954,468	5,553,757	
		56,588,802	84,111,570	21.6
Information technology				
DealNet Capital Corp.	5,210,466	2,798,998	1,589,192	
Descartes Systems Group Inc.	320,121	10,045,351	10,099,818	
Enghouse Systems Ltd.	222,771	10,129,922	11,706,615	
Kinaxis Inc.	131,960	9,463,427	10,654,450	
Solium Capital Inc.	367,639	2,667,663	3,606,539	
Sylogist Ltd.	403,441	3,835,046	3,635,003	
		38,940,407	41,291,617	10.6
Materials				
Asanko Gold Inc.	1,587,166	6,288,406	3,158,460	
Endeavour Mining Corp.	325,927	8,204,150	7,294,246	
HudBay Minerals Inc.	790,767	7,201,682	5,930,753	
Interfor Corp.	490,074	6,406,352	9,105,575	
Intertape Polymer Group Inc.	524,280	12,503,945	12,944,473	
Major Drilling Group International Inc.	454,696	3,544,241	3,860,369	
Osisko Mining Inc.	810,995	2,482,162	3,325,080	
Stella-Jones Inc.	136,455	3,387,075	6,039,498	
Wesdome Gold Mines Ltd.	369,900	1,217,379	1,128,195	
Winpak Ltd.	104,572	5,887,755	6,088,182	
		57,123,147	58,874,831	15.2
Real estate				
Altus Group Ltd.	225,162	4,745,083	6,311,291	
Colliers International Group Inc.	99,433	3,189,660	7,288,439	
FirstService Corp.	36,346	803,567	3,024,351	
InterRent REIT	1,171,548	7,271,520	9,477,822	
Killam Apartment Real Estate Investment Trust	241,769	2,557,897	3,080,137	
Pure Multi-Family REIT LP	537,593	4,896,610	4,677,059	
Tricon Capital Group Inc.	1,244,535	9,381,149	14,461,497	
		32,845,486	48,320,596	12.4
Utilities				
Boralex Inc., Class A	427,286	6,621,976	9,383,201	
Crius Energy Trust	355,094	2,563,937	3,682,325	
		9,185,913	13,065,526	3.4
Total equities		336,918,148	389,350,901	99.9
Total investments		337,772,247	390,205,000	100.1
Transaction costs		(588,203)		
Net other assets (liabilities)			(472,487)	(0.1)
Net assets attributable to holders of redeemable units		337,184,044	389,732,513	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Equity Growth Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Equity Growth Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on August 22, 2016 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario M5C 2V9.

The objective of the Fund is to achieve over the longer term the highest possible return that is consistent with a fundamental investment philosophy. The Fund invests primarily in Canadian equity securities issued by Canadian companies, with a significant bias toward small to medium capitalization stocks.

Effective March 10, 2017, Classes AV and FV were closed for new business.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in "Distributions from underlying funds" and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act* (Canada), the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board (“IASB”) issued the complete and final version of IFRS 9, Financial Instruments (“IFRS 9”), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 “Significant accounting policies” for further information about the fair value measurement of the Fund’s financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the “units”) within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class AV units was available for investors primarily through group plan arrangements with dealer advisers, however this class closed for new business on March 10, 2017. Class F units are available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs. Class FV units was available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs, however this class closed for new business on March 10, 2017. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class AV and FV may be converted to other classes, except in Class O units, of the same fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class’s net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units’ discretion.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	31,822	865	11	(5,538)	27,160
2016	30,352	3,027	12	(4,364)	29,027
Class AV					
2017	415	—	—	(406)	9
2016	414	—	—	—	414
Class B					
2017	3,013,547	10,470	1	(297,299)	2,726,719
2016	2,990,818	23,514	2	(138,439)	2,875,895
Class F					
2017	72,620	16,399	10	(6,370)	82,659
2016	53,582	7,723	17	(3,036)	58,286
Class FV					
2017	5,647	1,169	—	(4,977)	1,839
2016	2,126	1,200	—	(1)	3,325
Class O					
2017	607,689	95,877	384	(38,062)	665,888
2016	554,650	33,582	1,018	(40,148)	549,102

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution Basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A	2.00	2.00
Class AV	1.75	1.75
Class B	1.25	1.25
Class F	1.00	1.00
Class FV	0.75	0.75
Class O	—	—

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Expenses		
Management fees	2,338,329	2,397,314
Fund accounting fees	22,495	26,564
Transaction costs	65,960	50,145
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	358,509	417,357
Accrued liabilities		
Fund accounting fees payable	8,191	12,128

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017	December 31, 2016
	%	%
Class A	0.10	0.09
Class AV	100.00	2.19
Class F	0.02	0.02
Class FV	0.48	0.16

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017	June 30, 2016
	\$	\$
	184,556	113,695

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	854,099	—	—	854,099
Equities	389,350,901	—	—	389,350,901
Total assets	390,205,000	—	—	390,205,000

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

	Financial assets at fair value through profit or loss as at December 31, 2016			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	3,344,294	—	—	3,344,294
Equities	437,372,622	3,742,560	—	441,115,182
Total assets	440,716,916	3,742,560	—	444,459,476

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017, there was a transfer of investment of \$3,680,000 from Level 2 to Level 1 following the initial public offering of a common shares security on the Toronto Stock Exchange on January 6, 2017. During the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
S&P TSX Smallcap Index	+/-10	+/-28,448,000	+/-31,119,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	0.2	0.8
Equities		
Consumer discretionary	12.9	7.5
Consumer staples	2.9	4.4
Energy	13.0	25.9
Financials	5.3	8.9
Health care	2.6	2.2
Industrials	21.6	19.9
Information technology	10.6	4.0
Materials	15.2	13.1
Real estate	12.4	11.5
Utilities	3.4	2.4
Net other assets (liabilities)	(0.1)	(0.6)
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to credit risk.

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

Fiera Capital Equity Growth Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

9. Income tax and capital gains tax

As at December 31, 2016, the Fund has no capital and non-capital losses available to be carried forward.

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017 and December 31, 2016, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	49,161,050	131,024,490
Collateral amount	51,619,107	137,575,732
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	474,616	422,082
Securities lending charges	189,846	168,833
Net securities lending income	284,770	253,249
Withholding taxes on securities lending income	44,046	37,871
Net securities lending income received by the fund	240,724	215,378
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital U.S. Equity Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	46,441,261	42,812,600
Forward currency contracts, at fair value	—	740
Cash	132,798	40,750
Due from manager	18,011	—
Accounts receivable for units sold	232,940	90,055
Interest receivable	—	31
Dividends receivable	18,718	53,136
Other receivables	626	238
Total assets	46,844,354	42,997,550
Liabilities		
Current liabilities		
Forward currency contracts, at fair value	—	809
Accounts payable for units redeemed	107,597	13,400
Payable for investments purchased	—	91,254
Management fees payable	6,952	7,951
Accrued liabilities	69,458	71,548
Total liabilities	184,007	184,962
Net assets attributable to holders of redeemable units	46,660,347	42,812,588
Net assets attributable to holders of redeemable units per class		
Class A	296,779	182,952
Class AV	266,307	341,240
Class AVH	—	981
Class B	925,070	603,719
Class F	3,346,288	489,854
Class FV	3,068,353	8,679,429
Class FVH	—	975
Class O	38,757,550	32,513,438
	46,660,347	42,812,588
Number of redeemable units outstanding per class		
Class A	13,202	8,814
Class AV	12,171	16,888
Class AVH	—	101
Class B	41,622	29,490
Class F	147,155	23,359
Class FV	133,541	411,349
Class FVH	—	101
Class O	1,662,932	1,516,748
Net assets attributable to holders of redeemable units per unit per class		
Class A	22.48	20.76
Class AV	21.88	20.21
Class AVH	—	9.68
Class B	22.23	20.47
Class F	22.74	20.97
Class FV	22.98	21.10
Class FVH	—	9.62
Class O	23.31	21.44

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	969	420
Securities lending income	2,020	431
Dividends	370,444	207,832
Foreign exchange gain (loss) on cash	(36,912)	(7,488)
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	1,526,409	160,144
Net realized gain (loss) on forward currency contracts	(1,532)	—
Net change in unrealized appreciation (depreciation) on investments	2,366,973	(496,560)
Net change in unrealized appreciation (depreciation) on forward currency contracts	69	—
Total income (loss)	4,228,440	(135,221)
Expenses		
Management fees	44,029	13,353
Custodian fees	5,180	2,986
Audit fees	8,255	9,386
Legal fees	7,803	963
Securityholder reporting costs	19,009	25,842
Filing fees	11,129	14,136
Fund accounting fees	2,657	1,500
Independent review committee fees	4,271	6,412
Interest expense	367	152
Withholding taxes	56,016	31,178
Transaction costs	4,635	3,659
Fund valuation fees	28,103	14,972
Total expenses	191,454	124,539
Net investment income before waived/absorbed expenses	4,036,986	(259,760)
Expenses waived/absorbed by manager	18,011	—
Increase (decrease) in net assets attributable to holders of redeemable units	4,054,997	(259,760)
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	15,676	(7,936)
Class AV*	24,473	(6,127)
Class AVH*	87	—
Class B	56,201	(11,537)
Class F	34,698	54
Class FV*	722,686	(28,068)
Class FVH*	91	—
Class O	3,201,085	(206,146)
	4,054,997	(259,760)
Weighted average redeemable units outstanding during the period per class		
Class A	9,569	11,763
Class AV*	13,896	16,681
Class AVH*	101	—
Class B	36,482	24,476
Class F	74,191	15,605
Class FV*	287,685	31,029
Class FVH*	101	—
Class O	1,600,291	1,157,736
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	1.64	(0.67)
Class AV*	1.76	(0.37)
Class AVH*	0.86	—
Class B	1.54	(0.47)
Class F	0.47	—
Class FV*	2.51	(0.90)
Class FVH*	0.90	—
Class O	2.00	(0.18)

* Classes AVH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

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

Fiera Capital U.S. Equity Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class AV* \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	182,952	246,224	341,240	297,684
Increase (decrease) in net assets attributable to holders of redeemable units	15,676	(7,936)	24,473	(6,127)
Redeemable unit transactions				
Proceeds from redeemable units issued	98,151	16,000	—	215,546
Redemption of redeemable units	—	(95,367)	(99,406)	(104,170)
	98,151	(79,367)	(99,406)	111,376
Net increase (decrease) in net assets attributable to holders of redeemable units	113,827	(87,303)	(74,933)	105,249
Net assets attributable to holders of redeemable units — End of period	296,779	158,921	266,307	402,933
	2017 Class AVH* \$	2016 \$	2017 Class B \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	981	—	603,719	485,468
Increase (decrease) in net assets attributable to holders of redeemable units	87	—	56,201	(11,537)
Redeemable unit transactions				
Proceeds from redeemable units issued	—	—	276,452	10,875
Reinvestments of distributions to holders of redeemable units	—	—	1,930	383
Redemption of redeemable units	(1,068)	—	(11,293)	—
	(1,068)	—	267,089	11,258
Distributions to holders of redeemable units				
From net investment income	—	—	1,939	—
	—	—	1,939	—
Net increase (decrease) in net assets attributable to holders of redeemable units	(981)	—	321,351	(279)
Net assets attributable to holders of redeemable units — End of period	—	—	925,070	485,189
	2017 Class F \$	2016 \$	2017 Class FV* \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	489,854	180,208	8,679,429	841,078
Increase (decrease) in net assets attributable to holders of redeemable units	34,698	54	722,686	(28,068)
Redeemable unit transactions				
Proceeds from redeemable units issued	3,161,893	220,000	354,703	18,400
Reinvestments of distributions to holders of redeemable units	4,498	—	—	—
Redemption of redeemable units	(330,207)	(1,035)	(6,688,465)	(261,818)
	2,836,184	218,965	(6,333,762)	(243,418)
Distributions to holders of redeemable units				
From net investment income	14,448	—	—	—
	14,448	—	—	—
Net increase (decrease) in net assets attributable to holders of redeemable units	2,856,434	219,019	(5,611,076)	(271,486)
Net assets attributable to holders of redeemable units — End of period	3,346,288	399,227	3,068,353	569,592

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

Fiera Capital U.S. Equity Fund

Statements of changes in net assets attributable to holders of redeemable units (continued)

(unaudited)

For the six-month periods ended June 30,

	2017 Class FVH*	2016	2017 Class O	2016
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	975	—	32,513,438	19,948,802
Increase (decrease) in net assets attributable to holders of redeemable units	91	—	3,201,085	(206,146)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	—	—	5,497,729	7,137,151
Reinvestments of distributions to holders of redeemable units	—	—	222,772	83,163
Redemption of redeemable units	(1,066)	—	(2,452,300)	(1,003,439)
	(1,066)	—	3,268,201	6,216,875
Distributions to holders of redeemable units	note 4			
From net investment income	—	—	225,174	83,831
	—	—	225,174	83,831
Net increase (decrease) in net assets attributable to holders of redeemable units	(975)	—	6,244,112	5,926,898
Net assets attributable to holders of redeemable units — End of period	—	—	38,757,550	25,875,700
			2017	2016
			Total	
			\$	\$
Net assets attributable to holders of redeemable units — Beginning of period			42,812,588	21,999,464
Increase (decrease) in net assets attributable to holders of redeemable units			4,054,997	(259,760)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued			9,388,928	7,617,972
Reinvestments of distributions to holders of redeemable units			229,200	83,546
Redemption of redeemable units			(9,583,805)	(1,465,829)
			34,323	6,235,689
Distributions to holders of redeemable units	note 4			
From net investment income			241,561	83,831
			241,561	83,831
Net increase (decrease) in net assets attributable to holders of redeemable units			3,847,759	5,892,098
Net assets attributable to holders of redeemable units — End of period			46,660,347	27,891,562

* Classes AVH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

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

Fiera Capital U.S. Equity Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	4,054,997	(259,760)
Adjustments for:		
Foreign exchange (gain) loss on cash	36,912	7,488
Net realized (gain) loss on investments	(1,526,409)	(160,144)
Net realized (gain) loss on forward currency contracts	1,532	—
Net change in unrealized (appreciation) depreciation on investments	(2,366,973)	496,560
Net change in unrealized (appreciation) depreciation on forward currency contracts	(69)	—
Purchases of investments	(11,448,389)	(13,737,041)
Proceeds from sale and maturity of investments	11,620,324	7,517,350
Due from manager	(18,011)	—
Interest receivable	31	17
Dividends receivable	34,418	2,760
Other receivables	(388)	459
Accrued liabilities	(2,090)	7,600
Management fees payable	(999)	(224)
Net cash from (used in) operating activities	384,886	(6,124,935)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(12,361)	(285)
Proceeds from redeemable units issued	9,246,043	7,620,772
Redemption of redeemable units	(9,489,608)	(1,456,614)
Net cash from (used in) financing activities	(255,926)	6,163,873
Foreign exchange gain (loss) on cash	(36,912)	(7,488)
Net increase (decrease) in cash	92,048	31,450
Cash (Bank indebtedness) – Beginning of period	40,750	15,822
Cash (Bank indebtedness) – End of period	132,798	47,272
Included in cash flows from operating activities		
Interest received, net of withholding taxes	1,000	437
Interest paid	367	152
Dividends received, net of withholding taxes	349,295	179,418

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

Fiera Capital U.S. Equity Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Equities				
Consumer discretionary				
AutoZone Inc.	1,944	1,649,573	1,440,226	
Lowe's Cos. Inc.	12,167	928,577	1,225,075	
NIKE Inc., Class B	18,398	1,056,969	1,409,717	
Tiffany & Co.	6,877	664,442	838,369	
TJX Cos. Inc.	17,330	1,350,220	1,624,294	
Tractor Supply Co.	13,414	1,228,290	944,380	
		6,878,071	7,482,061	16.0
Consumer staples				
Colgate-Palmolive Co.	16,029	1,299,017	1,543,156	
PepsiCo Inc.	12,820	1,590,347	1,922,834	
		2,889,364	3,465,990	7.4
Financials				
CME Group Inc.	8,102	1,192,423	1,317,785	
FactSet Research Systems Inc.	4,389	920,429	947,226	
Moody's Corp.	19,273	2,068,296	3,045,634	
MSCI Inc.	11,945	923,190	1,597,683	
U.S. Bancorp	28,829	1,362,714	1,943,898	
Wells Fargo & Co.	18,484	1,092,071	1,330,128	
		7,559,123	10,182,354	21.8
Health care				
Becton Dickinson and Co.	8,707	1,498,045	2,206,262	
Johnson & Johnson	15,808	1,994,357	2,715,896	
Mettler-Toledo International Inc.	2,309	870,598	1,764,856	
UnitedHealth Group Inc.	7,919	1,024,436	1,906,936	
Varian Medical Systems Inc.	7,963	703,059	1,067,145	
		6,090,495	9,661,095	20.7
Industrials				
3M Co.	6,900	1,255,172	1,865,599	
Graco Inc.	9,876	787,444	1,401,622	
Middleby Corp.	8,352	1,064,372	1,317,989	
United Technologies Corp.	11,601	1,386,719	1,839,738	
		4,493,707	6,424,948	13.8
Information technology				
Analog Devices Inc.	14,638	1,353,056	1,479,008	
Mastercard Inc., Class A	13,981	1,450,874	2,205,185	
Oracle Corp.	26,673	1,252,062	1,736,863	
		4,055,992	5,421,056	11.6
Materials				
Ecolab Inc.	5,767	761,995	994,246	
Praxair Inc.	5,653	802,742	973,124	
Sherwin-Williams Co.	4,029	1,314,037	1,836,387	
		2,878,774	3,803,757	8.2
Total equities		34,845,526	46,441,261	99.5
Total investments		34,845,526	46,441,261	99.5
Transaction costs		(15,500)		
Net other assets (liabilities)			219,086	0.5
Net assets attributable to holders of redeemable units		34,830,026	46,660,347	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital U.S. Equity Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital U.S. Equity Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on February 3, 2017 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to achieve over the longer term the highest possible return that is consistent with a fundamental investment philosophy through investment primarily in U.S. equity securities. Also to provide long-term capital appreciation through a portfolio of broadly diversified securities, by industry, invested primarily in the U.S. market.

Classes AVH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in “Distributions from underlying funds” and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board ("IASB") issued the complete and final version of IFRS 9, Financial Instruments ("IFRS 9"), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 "Significant accounting policies" for further information about the fair value measurement of the Fund's financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the "units") within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class AV units was available for investors primarily through group plan arrangements with dealer advisers, however this class closed for new business on March 10, 2017. Class F units are available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs. Class FV units was available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs, however this class closed for new business on March 10, 2017. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class AV and FV may be converted to other classes, except in Class O units, of the same fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class's net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	8,814	4,388	—	—	13,202
2016	11,975	801	—	(4,818)	7,958
Class AV					
2017	16,888	—	—	(4,717)	12,171
2016	14,922	11,302	—	(5,460)	20,764
Class AVH					
2017	101	—	—	(101)	—
Class B					
2017	29,490	12,546	87	(501)	41,622
2016	24,145	577	20	—	24,742
Class F					
2017	23,359	137,753	198	(14,155)	147,155
2016	8,775	11,180	—	(53)	19,902
Class FV					
2017	411,349	16,347	—	(294,155)	133,541
2016	40,720	925	—	(13,450)	28,195
Class FVH					
2017	101	—	—	(101)	—
Class O					
2017	1,516,748	242,012	9,558	(105,386)	1,662,932
2016	954,087	355,577	4,063	(49,667)	1,264,060

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution Basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A*	1.75	2.00
Class AV	1.75	1.75
Class AVH	—	1.77
Class B*	1.00	1.25
Class F*	0.75	1.00
Class FV	0.75	0.75
Class FVH	—	0.77
Class O	—	—

* Effective February 3, 2017, the management fees for Classes A, B and F have been reduced by 0.25%.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Expenses		
Management fees	44,029	13,353
Fund accounting fees	2,657	1,500
Expenses waived/absorbed by manager	(18,011)	—
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	6,952	7,951
Accrued liabilities		
Fund accounting fees payable	1,041	1,000
Receivable		
Due from Manager	18,011	—

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017	December 31, 2016
	%	%
Class A	0.01	0.01
Class AV	0.57	0.41
Class AVH	—	100.00
Class FV	0.05	0.02
Class FVH	—	100.00

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017	June 30, 2016
	\$	\$
	297	197

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Equities	46,441,261	—	—	46,441,261
Total assets	46,441,261	—	—	46,441,261
	Financial assets (liabilities) at fair value through profit or loss as at December 31, 2016			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	469,466	—	—	469,466
Equities	42,343,134	—	—	42,343,134
Forward currency contracts	—	740	—	740
Total assets	42,812,600	740	—	42,813,340
Liabilities				
Forward currency contracts	—	(809)	—	(809)
Total liabilities	—	(809)	—	(809)

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return. The risks presented in the following tables, if any, represent the global risk of the Fund and might be different for each class resulting from the hedging strategy of the class.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The following tables indicate the foreign currencies to which the Fund had significant exposure, in Canadian dollars terms, and the notional amounts of forward contracts and futures contracts, if any. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

Currency	As at June 30, 2017			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
U.S. Dollar	46,618,596	—	46,618,596	+/- 2,331,000
Net exposure is composed of:				
Non-Monetary items			46,441,261	
Monetary items			177,335	

Currency	As at December 31, 2016			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
U.S. Dollar	42,403,715	91,254	42,312,461	+/-2,116,000
Net exposure is composed of:				
Non-Monetary items			42,343,134	
Monetary items			(30,673)	

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

Benchmarks	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
S&P 500 Index	+/-10	+/-4,454,000	+/-4,119,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	—	1.1
Equities		
Consumer discretionary	16.0	17.9
Consumer staples	7.4	7.8
Financials	21.8	20.7
Health care	20.7	21.1
Industrials	13.8	13.6
Information technology	11.6	10.0
Materials	8.2	7.8
Net other assets (liabilities)	0.5	—
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund has no significant investments in either fixed income securities or money market securities. However, the Fund is exposed to credit risk arising from derivative financial instruments.

Derivative financial instruments

	June 30, 2017	December 31, 2016
The counterparties to derivative financial instruments, if any, have a credit rating of at least:	n/a	A

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund may, from time to time, invest in derivative financial instruments traded over the counter, which are not traded in an organized market and may be illiquid. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, the Fund has no capital and non-capital losses available to be carried forward.

10. Offsetting of derivative assets and derivative liabilities

The Fund entered into certain master netting arrangements or similar agreements that do not meet the criteria for offsetting in the statements of financial position in the normal course of business. However, these agreements still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. As at June 30, 2017 and December 31, 2016, the Fund has no significant and/or no derivative assets and derivative liabilities positions to offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to

Fiera Capital U.S. Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	6,848,825	3,760,844
Collateral amount	7,191,270	3,948,889
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	3,366	718
Securities lending charges	1,346	287
Net securities lending income	2,020	431
Withholding taxes on securities lending income	449	4
Net securities lending income received by the fund	1,571	427
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital International Equity Fund

Statement of financial position

(unaudited)

	As at June 30, 2017	\$
Assets		
Current assets		
Investments, at fair value through profit or loss	11,941,702	
Forward currency contracts, at fair value	104	
Cash	10,944	
Due from manager	note 6	65,386
Accounts receivable for units sold		15,000
Dividends receivable		18,445
Other receivables		4,740
Total assets		12,056,321
Liabilities		
Current liabilities		
Management fees payable	note 6	9,958
Accrued liabilities	note 6	34,123
Total liabilities		44,081
Net assets attributable to holders of redeemable units		12,012,240
Net assets attributable to holders of redeemable units per class		
Class A	309,792	
Class AH	1,127	
Class B	60,501	
Class F	11,623,433	
Class FH	16,234	
Class O	1,153	
		12,012,240
Number of redeemable units outstanding per class		
Class A	note 4	27,146
Class AH		100
Class B		5,309
Class F		1,016,690
Class FH		1,429
Class O		101
Net assets attributable to holders of redeemable units per unit per class		
Class A		11.41
Class AH		11.27
Class B		11.40
Class F		11.43
Class FH		11.36
Class O		11.48

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statement of comprehensive income

(unaudited)

For the period ended June 30,

	2017*	\$
Income		
Interest for distribution purposes	note 6	99
Dividends	note 6	89,289
Distributions from underlying funds	note 6	13
Foreign exchange gain (loss) on cash		2,140
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	note 6	(2,537)
Net realized gain (loss) on forward currency contracts		158
Net realized gain (loss) on futures contracts		73
Net change in unrealized appreciation (depreciation) on investments		69,480
Net change in unrealized appreciation (depreciation) on forward currency contracts		104
Total income (loss)		158,819
Expenses		
Management fees	note 5	
Custodian fees	note 6	24,313
Audit fees		15,716
Legal fees		8,255
Securityholder reporting costs		806
Filing fees		8,567
Fund accounting fees	note 6	15,566
Independent review committee fees		491
Interest expense		3,946
Withholding taxes		71
Transaction costs	note 6, 7	8,801
Fund valuation fees		26,170
Total expenses		18,265
Total expenses		130,967
Net investment income before waived/absorbed expenses		27,852
Expenses waived/absorbed by manager	note 6	65,386
Increase (decrease) in net assets attributable to holders of redeemable units		93,238
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A		17,203
Class AH		127
Class B		(1,598)
Class F		77,519
Class FH		(166)
Class O		153
		93,238
Weighted average redeemable units outstanding during the period per class		
Class A		17,158
Class AH		100
Class B		1,590
Class F		383,230
Class FH		398
Class O		100
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A		1.00
Class AH		1.27
Class B		(1.01)
Class F		0.20
Class FH		(0.42)
Class O		1.53

* Fund was launched on January 3, 2017.

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

Fiera Capital International Equity Fund

Statement of changes in net assets attributable to holders of redeemable units

(unaudited)

For the period ended June 30,

		2017* Class A \$	2017* Class AH \$
Net assets attributable to holders of redeemable units — Beginning of period		—	—
Increase (decrease) in net assets attributable to holders of redeemable units		17,203	127
Redeemable unit transactions	note 4		
Proceeds from redeemable units issued		292,595	1,000
Reinvestments of distributions to holders of redeemable units		121	—
		292,716	1,000
Distributions to holders of redeemable units	note 4		
From net investment income		127	—
		127	—
Net increase (decrease) in net assets attributable to holders of redeemable units		309,792	1,127
Net assets attributable to holders of redeemable units — End of period		309,792	1,127
		2017* Class B \$	2017* Class F \$
Net assets attributable to holders of redeemable units — Beginning of period		—	—
Increase (decrease) in net assets attributable to holders of redeemable units		(1,598)	77,519
Redeemable unit transactions	note 4		
Proceeds from redeemable units issued		62,099	11,597,417
Reinvestments of distributions to holders of redeemable units		256	15,746
Redemption of redeemable units		—	(21,066)
		62,355	11,592,097
Distributions to holders of redeemable units	note 4		
From net investment income		256	46,183
		256	46,183
Net increase (decrease) in net assets attributable to holders of redeemable units		60,501	11,623,433
Net assets attributable to holders of redeemable units — End of period		60,501	11,623,433
		2017* Class FH \$	2017* Class O \$
Net assets attributable to holders of redeemable units — Beginning of period		—	—
Increase (decrease) in net assets attributable to holders of redeemable units		(166)	153
Redeemable unit transactions	note 4		
Proceeds from redeemable units issued		16,400	1,000
Reinvestments of distributions to holders of redeemable units		73	6
		16,473	1,006
Distributions to holders of redeemable units	note 4		
From net investment income		73	6
		73	6
Net increase (decrease) in net assets attributable to holders of redeemable units		16,234	1,153
Net assets attributable to holders of redeemable units — End of period		16,234	1,153

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

Fiera Capital International Equity Fund

Statement of changes in net assets attributable to holders of redeemable units (continued) (unaudited)

For the period ended June 30,

		2017* Total \$
Net assets attributable to holders of redeemable units — Beginning of period		—
Increase (decrease) in net assets attributable to holders of redeemable units		93,238
Redeemable unit transactions	note 4	
Proceeds from redeemable units issued		11,970,511
Reinvestments of distributions to holders of redeemable units		16,202
Redemption of redeemable units		(21,066)
		11,965,647
Distributions to holders of redeemable units	note 4	
From net investment income		46,645
		46,645
Net increase (decrease) in net assets attributable to holders of redeemable units		12,012,240
Net assets attributable to holders of redeemable units — End of period		12,012,240

* Fund was launched on January 3, 2017.

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

Fiera Capital International Equity Fund

Statement of cash flows

(unaudited)

For the period ended June 30,

	2017*
	\$
Cash flows from operating activities	
Increase (decrease) in net assets attributable to holders of redeemable units	93,238
Adjustments for:	
Foreign exchange (gain) loss on cash	(2,140)
Net realized (gain) loss on investments	2,537
Net realized (gain) loss on forward currency contracts	(158)
Net realized (gain) loss on futures contracts	(73)
Net change in unrealized (appreciation) depreciation on investments	note 6 (69,480)
Net change in unrealized (appreciation) depreciation on forward currency contracts	(104)
Non-cash distribution from investments	(13)
Purchases of investments	(14,102,890)
Proceeds from sale and maturity of investments	2,228,375
Due from manager	(65,386)
Dividends receivable	(18,445)
Other receivables	(4,740)
Accrued liabilities	34,123
Management fees payable	9,958
Net cash from (used in) operating activities	(11,895,198)
Cash flows from financing activities	
Distributions paid to holders of redeemable units, net of reinvested distributions	(30,443)
Proceeds from redeemable units issued	11,955,511
Redemption of redeemable units	(21,066)
Net cash from (used in) financing activities	11,904,002
Foreign exchange gain (loss) on cash	2,140
Net increase (decrease) in cash	10,944
Cash (Bank indebtedness) – Beginning of period	—
Cash (Bank indebtedness) – End of period	10,944
Included in cash flows from operating activities	
Interest received, net of withholding taxes	99
Interest paid	71
Dividends received, net of withholding taxes	62,043

* Fund was launched on January 3, 2017.

Fiera Capital International Equity Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	August 24, 2017	0.658%	55,000	54,946	54,946	
				54,946	54,946	0.5
Total money market securities				54,946	54,946	0.5
Equities						
Consumer discretionary						
Cie Financiere Richemont SA			2,479	271,778	265,587	
InterContinental Hotels Group PLC			7,215	518,424	519,347	
Shimano Inc.			1,751	361,286	359,845	
				1,151,488	1,144,779	9.5
Consumer staples						
Diageo PLC			12,630	495,439	483,327	
Hengan International Group Co Ltd.			18,664	187,613	178,847	
L'Oreal SA			1,704	455,461	460,384	
Nestle SA			5,433	573,628	614,848	
Unicharm Corp.			5,908	196,442	192,706	
Unilever NV			8,291	579,525	593,416	
				2,488,108	2,523,528	21.0
Financials						
Commonwealth Bank of Australia			5,244	446,117	432,590	
HDFC Bank Ltd.			3,166	337,613	357,594	
Svenska Handelsbanken AB, Class A			22,070	413,252	409,824	
				1,196,982	1,200,008	10.0
Health care						
Essilor International SA			1,759	297,547	290,253	
Novartis AG			4,156	427,711	449,760	
Novo Nordisk A/S			6,351	324,216	352,757	
Roche Holding AG			1,317	460,190	436,148	
				1,509,664	1,528,918	12.7
Industrials						
Bunzl PLC			6,216	252,302	239,920	
FANUC Corp.			1,494	406,609	373,944	
Geberit AG			606	360,281	367,517	
Howden Joinery Group PLC			29,863	226,636	205,085	
IHS Markit Ltd.			6,575	383,545	376,056	
Intertek Group PLC			6,844	478,200	486,869	
Rational AG			189	125,039	130,459	
Rotork PLC			88,965	372,980	353,285	
Schindler Holding AG			1,607	432,922	442,182	
Spirax-Sarco Engineering PLC			4,079	355,535	368,135	
				3,394,049	3,343,452	27.8
Information technology						
Keyence Corp.			1,359	757,495	775,025	
SAP SE			3,187	429,547	431,709	
Taiwan Semiconductor Manufacturing Co. Ltd., ADR			9,026	411,147	409,804	
				1,598,189	1,616,538	13.5
Materials						
Chr Hansen Holding A/S			2,369	207,368	223,474	
Fuchs Petrolub SE			4,334	297,261	306,059	
				504,629	529,533	4.4
Total equities				11,843,109	11,886,756	98.9
Total investments				11,898,055	11,941,702	99.4

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital International Equity Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Maturity date	Average cost \$	Fair value \$	Percentage of net asset value %
Forward currency contracts, at fair value				
Buy CAD 229 Sell GBP 135 @ 1.69689	September 20, 2017		1	
Buy CAD 233 Sell CHF 170 @ 1.36812	September 20, 2017		1	
Buy CAD 1,926 Sell GBP 1,135 @ 1.6969	September 20, 2017		9	
Buy CAD 2,971 Sell EUR 2,000 @ 1.4857	September 20, 2017		—	
Buy CAD 2,269 Sell JPY 189,000 @ 0.0120	September 20, 2017		79	
Buy CAD 2,969 Sell CHF 2,170 @ 1.36812	September 20, 2017		14	
			104	—
Total forward currency contracts, at fair value			104	—
Transaction costs		(25,833)		
Net other assets (liabilities)			70,434	0.6
Net assets attributable to holders of redeemable units		11,872,222	12,012,240	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital International Equity Fund

Notes to the financial statements

June 30, 2017 (unaudited)

1. Organization of Fund

The Fiera Capital International Equity Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on January 3, 2017 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

To achieve over the longer term the highest possible return that is consistent with a fundamental investment philosophy through capital appreciation by investing primarily in foreign equity securities. The Fund will invest mainly in equity securities of established companies across the world markets, generally excluding North-America.

The Fund was launched on January 3, 2017.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio and the statement of financial position as at June 30, 2017 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the period ended June 30, 2017.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statement of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statement of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statement of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in “Distributions from underlying funds” and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statement of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statement of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statement of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statement of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statement of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statement of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statement of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statement of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statement of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statement of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statement of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statement of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statement of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statement of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statement of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statement of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statement of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statement of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statement of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statement of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statement of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the period divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act* (Canada), the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statement of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board (“IASB”) issued the complete and final version of IFRS 9, Financial Instruments (“IFRS 9”), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 “Significant accounting policies” for further information about the fair value measurement of the Fund’s financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the “units”) within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A, AH and B units are available to all investors. Class F and FH units are available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, AH, B, F and FH may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class’s net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units’ discretion.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 3)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A 2017	—	27,135	11	—	27,146
Class AH 2017	—	100	—	—	100
Class B 2017	—	5,287	22	—	5,309
Class F 2017	—	1,017,040	1,377	(1,727)	1,016,690
Class FH 2017	—	1,423	6	—	1,429
Class O 2017	—	100	1	—	101

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution Basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statement of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %
Class A	1.90
Class AH	1.92
Class B	1.15
Class F	0.90
Class FH	0.92
Class O	—

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statement of comprehensive income.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares.

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statement of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statement of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statement of comprehensive income and payables and/or receivables presented in the statement of financial position incurred by the Fund with these related parties:

	June 30, 2017
	\$
Income	
Income from underlying funds	
Distributions from underlying funds	13
Expenses	
Management fees	24,313
Fund accounting fees	491
Expenses waived/absorbed by manager	(65,386)
	As at June 30, 2017
	\$
Payable	
Management fees payable	9,958
Accrued liabilities	
Fund accounting fees payable	237
Receivable	
Due from Manager	65,386

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017
	%
Class A	55.28
Class AH	100.00
Class B	1.89
Class F	0.01
Class FH	7.03
Class O	99.51

7. Other Commissions Paid to Brokers

During the six-month period ended June 30, 2017, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statement of comprehensive income are:

	June 30, 2017
	\$
	18

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets at fair value through profit or loss as at June 30, 2017			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Money market securities	54,946	—	—	54,946
Equities	11,886,756	—	—	11,886,756
Forward currency contracts	—	104	—	104
Total assets	11,941,702	104	—	11,941,806

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

The following table indicates the foreign currencies to which the Fund had significant exposure, in Canadian dollars terms, and the notional amounts of forward contracts and futures contracts, if any. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

As at June 30, 2017				
Currency	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
Australian Dollar	434,466	—	434,466	+/-22,000
British Pound	2,659,228	1,915	2,657,313	+/-133,000
Danish Krone	576,319	—	576,319	+/-29,000
Euro	2,214,766	2,962	2,211,804	+/-111,000
Hong Kong Dollar	178,847	—	178,847	+/-9,000
Japanese Yen	1,703,376	2,185	1,701,191	+/-85,000
Swedish Krona	409,841	—	409,841	+/-20,000
Swiss Franc	2,578,065	2,943	2,575,122	+/-129,000
U.S. Dollar	1,156,151	—	1,156,151	+/-58,000
Net exposure is composed of:				
Non-Monetary items			11,886,757	
Monetary items			14,297	

In practice, actual trading results may differ from this sensitivity analysis and the difference could be significant.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in the market, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units	
	Change in price %	June 30, 2017 \$
Benchmarks		
n/a	+/-10	+/-1,189,000

In practice, actual trading results may differ from this sensitivity analysis, and the difference could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %
Money market securities	
Canadian T-bills	0.5
Equities	
Consumer discretionary	9.5
Consumer staples	21.0
Financials	10.0
Health Care	12.7
Industrials	27.8
Information technology	13.5
Materials	4.4
Net other assets (liabilities)	0.6
	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017, the Fund has no significant investments in either fixed income securities or money market securities. However, the Fund is exposed to credit risk arising from derivative financial instruments.

Derivative financial instruments

	June 30, 2017
The counterparties to derivative financial instruments, if any, have a credit rating of at least:	AAA

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund may, from time to time, invest in derivative financial instruments traded over the counter, which are not traded in an organized market and may be illiquid. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Fiera Capital International Equity Fund

Notes to the financial statements (continued)

June 30, 2017 (unaudited)

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As the Fund started its operations after December 31, 2016, the Fund has no capital and non-capital losses available to be carried forward.

10. Offsetting of derivative assets and derivative liabilities

As at June 30, 2017, the Fund has not entered into any master netting arrangements or other similar agreements allowing for offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017
	\$
Outstanding loans	387,111
Collateral amount	406,468
Collateral percentage of securities loaned	105.0%

12. Other financial instruments

As at June 30, 2017, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital Global Equity Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	274,230,034	218,895,206
Forward currency contracts, at fair value	34,414	—
Cash	361,484	21,126
Accounts receivable for units sold	1,374,647	540,217
Interest receivable	112	86
Dividends receivable	269,198	101,950
Other receivables	510,519	292,334
Total assets	276,780,408	219,850,919
Liabilities		
Current liabilities		
Forward currency contracts, at fair value	562	470
Accounts payable for units redeemed	383,985	142,539
Management fees payable	note 6 171,614	148,731
Distributions payable	14,864	—
Accrued liabilities	note 6 57,331	120,304
Total liabilities	628,356	412,044
Net assets attributable to holders of redeemable units	276,152,052	219,438,875
Net assets attributable to holders of redeemable units per class		
Class A	26,083,902	22,006,632
Class AH	1,111	971
Class AV	10,087,958	9,105,758
Class AVH	—	973
Class B	17,863,571	14,196,352
Class F	43,187,868	21,269,531
Class FH	2,158,796	67,236
Class FV	70,378,962	64,494,750
Class FVH	—	977
Class O	106,389,884	88,295,695
	276,152,052	219,438,875
Number of redeemable units outstanding per class		
Class A	note 4 792,651	752,904
Class AH	100	100
Class AV	296,825	302,000
Class AVH	—	100
Class B	519,707	465,471
Class F	1,106,461	613,443
Class FH	193,446	6,908
Class FV	1,801,076	1,861,182
Class FVH	—	100
Class O	2,591,809	2,425,818
Net assets attributable to holders of redeemable units per unit per class		
Class A*	32.91	29.23
Class AH	11.11	9.71
Class AV	33.99	30.15
Class AVH	—	9.72
Class B	34.37	30.50
Class F*	39.03	34.67
Class FH	11.16	9.73
Class FV	39.08	34.65
Class FVH	—	9.75
Class O	41.05	36.40

* Class A and F units may be purchased in U.S. dollars ("U.S. Dollar Option"), the Net assets attributable to holders of redeemable units per unit per class attributable to the units purchased in U.S. dollars are 25.34usd and 30.06usd respectively.

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	11,102	5,531
Securities lending income	20,286	20,047
Dividends	note 11 3,250,652	3,355,428
Foreign exchange gain (loss) on cash	(28,855)	(38,369)
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	329,737	(132,683)
Net realized gain (loss) on forward currency contracts	(10,701)	—
Net change in unrealized appreciation (depreciation) on investments	27,812,140	(6,905,924)
Net change in unrealized appreciation (depreciation) on forward currency contracts	34,322	—
Total income (loss)	31,418,683	(3,695,970)
Expenses		
Management fees	note 5 note 6 917,128	855,872
Custodian fees	21,701	20,138
Audit fees	8,255	9,396
Legal fees	7,819	11,856
Securityholder reporting costs	83,343	111,405
Filing fees	12,874	14,153
Fund accounting fees	note 6 17,619	11,033
Independent review committee fees	4,279	6,420
Interest expense	306	1,707
Withholding taxes	396,367	337,289
Transaction costs	note 7 41,097	52,811
Fund valuation fees	35,394	25,268
Total expenses	1,546,182	1,457,348
Increase (decrease) in net assets attributable to holders of redeemable units	29,872,501	(5,153,318)
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	2,695,636	(946,106)
Class AH	140	—
Class AV	1,165,716	(274,424)
Class AVH	89	—
Class B	1,816,816	(514,853)
Class F	2,968,367	(963,736)
Class FH	128,202	—
Class FV	8,740,902	(1,480,772)
Class FVH	94	—
Class O	12,356,539	(973,427)
	29,872,501	(5,153,318)
Weighted average redeemable units outstanding during the period per class		
Class A	755,021	796,982
Class AH	100	—
Class AV	302,326	261,414
Class AVH	100	—
Class B	474,674	459,409
Class F	789,542	706,469
Class FH	114,085	—
Class FV	1,867,429	1,656,100
Class FVH	100	—
Class O	2,489,939	1,731,521
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A**	3.57	(1.19)
Class AH*	1.40	—
Class AV*	3.86	(1.05)
Class AVH*	0.89	—
Class B	3.83	(1.12)
Class F**	3.76	(1.36)
Class FH*	1.12	—
Class FV*	4.68	(0.89)
Class FVH*	0.94	—
Class O	4.96	(0.56)

* Classes AH, AVH, FH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

** Class A and F units may be purchased in U.S. dollars ("U.S. Dollar Option"), the Increase (decrease) in net assets attributable to holders of redeemable units per unit per class attributable to the units purchased in U.S. dollars are 2.68usd and 2.82usd respectively.

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

Fiera Capital Global Equity Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class AH* \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	22,006,632	23,274,487	971	—
Increase (decrease) in net assets attributable to holders of redeemable units	2,695,636	(946,106)	140	—
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	4,532,041	2,965,949	—	—
Reinvestments of distributions to holders of redeemable units	604	33,892	—	—
Redemption of redeemable units	(3,148,821)	(2,701,128)	—	—
	1,383,824	298,713	—	—
Distributions to holders of redeemable units	note 4			
From net investment income	2,190	29,825	—	—
	2,190	29,825	—	—
Net increase (decrease) in net assets attributable to holders of redeemable units	4,077,270	(677,218)	140	—
Net assets attributable to holders of redeemable units — End of period	26,083,902	22,597,269	1,111	—
	2017 Class AV* \$	2016 \$	2017 Class AVH* \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	9,105,758	7,414,339	973	—
Increase (decrease) in net assets attributable to holders of redeemable units	1,165,716	(274,424)	89	—
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	448,603	1,304,128	—	—
Reinvestments of distributions to holders of redeemable units	—	30,652	—	—
Redemption of redeemable units	(632,119)	(714,242)	(1,062)	—
	(183,516)	620,538	(1,062)	—
Distributions to holders of redeemable units	note 4			
From net investment income	—	33,746	—	—
	—	33,746	—	—
Net increase (decrease) in net assets attributable to holders of redeemable units	982,200	312,368	(973)	—
Net assets attributable to holders of redeemable units — End of period	10,087,958	7,726,707	—	—
	2017 Class B \$	2016 \$	2017 Class F \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	14,196,352	13,867,722	21,269,531	25,116,056
Increase (decrease) in net assets attributable to holders of redeemable units	1,816,816	(514,853)	2,968,367	(963,736)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	3,359,265	769,156	22,627,314	4,388,845
Reinvestments of distributions to holders of redeemable units	58,020	72,788	199,113	115,317
Redemption of redeemable units	(1,486,326)	(573,482)	(3,626,631)	(5,641,994)
	1,930,959	268,462	19,199,796	(1,137,832)
Distributions to holders of redeemable units	note 4			
From net investment income	80,556	73,925	249,826	149,685
	80,556	73,925	249,826	149,685
Net increase (decrease) in net assets attributable to holders of redeemable units	3,667,219	(320,316)	21,918,337	(2,251,253)
Net assets attributable to holders of redeemable units — End of period	17,863,571	13,547,406	43,187,868	22,864,803

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

Fiera Capital Global Equity Fund

Statements of changes in net assets attributable to holders of redeemable units (continued)

(unaudited)

For the six-month periods ended June 30,

	2017 Class FH*	2016	2017 Class FV*	2016
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	67,236	—	64,494,750	51,893,916
Increase (decrease) in net assets attributable to holders of redeemable units	128,202	—	8,740,902	(1,480,772)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	1,967,723	—	7,248,275	14,070,440
Reinvestments of distributions to holders of redeemable units	15,096	—	334,382	551,656
Redemption of redeemable units	(4,365)	—	(10,073,766)	(4,198,046)
	1,978,454	—	(2,491,109)	10,424,050
Distributions to holders of redeemable units	note 4			
From net investment income	15,096	—	365,581	608,927
	15,096	—	365,581	608,927
Net increase (decrease) in net assets attributable to holders of redeemable units	2,091,560	—	5,884,212	8,334,351
Net assets attributable to holders of redeemable units — End of period	2,158,796	—	70,378,962	60,228,267
	2017 Class FVH*	2016	2017 Class O	2016
	\$	\$	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	977	—	88,295,695	48,760,185
Increase (decrease) in net assets attributable to holders of redeemable units	94	—	12,356,539	(973,427)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	—	—	10,939,884	27,196,300
Reinvestments of distributions to holders of redeemable units	—	—	979,695	965,310
Redemption of redeemable units	(1,071)	—	(5,195,246)	(4,316,352)
	(1,071)	—	6,724,333	23,845,258
Distributions to holders of redeemable units	note 4			
From net investment income	—	—	986,683	974,755
	—	—	986,683	974,755
Net increase (decrease) in net assets attributable to holders of redeemable units	(977)	—	18,094,189	21,897,076
Net assets attributable to holders of redeemable units — End of period	—	—	106,389,884	70,657,261
			2017 Total	2016
			\$	\$
Net assets attributable to holders of redeemable units — Beginning of period			219,438,875	170,326,705
Increase (decrease) in net assets attributable to holders of redeemable units			29,872,501	(5,153,318)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued			51,123,105	50,694,818
Reinvestments of distributions to holders of redeemable units			1,586,910	1,769,615
Redemption of redeemable units			(24,169,407)	(18,145,244)
			28,540,608	34,319,189
Distributions to holders of redeemable units	note 4			
From net investment income			1,699,932	1,870,863
			1,699,932	1,870,863
Net increase (decrease) in net assets attributable to holders of redeemable units			56,713,177	27,295,008
Net assets attributable to holders of redeemable units — End of period			276,152,052	197,621,713

* Classes AH, AVH, FH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

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

Fiera Capital Global Equity Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	29,872,501	(5,153,318)
Adjustments for:		
Foreign exchange (gain) loss on cash	28,855	38,369
Net realized (gain) loss on investments	(329,737)	132,683
Net realized (gain) loss on forward currency contracts	10,701	—
Net change in unrealized (appreciation) depreciation on investments	(27,812,140)	6,905,924
Net change in unrealized (appreciation) depreciation on forward currency contracts	(34,322)	—
Purchases of investments	(58,291,777)	(57,589,903)
Proceeds from sale and maturity of investments	31,088,125	23,122,257
Interest receivable	(26)	264
Dividends receivable	(167,248)	(229,794)
Other receivables	(218,185)	(142,922)
Accrued liabilities	(62,973)	12,928
Management fees payable	22,883	(419)
Net cash from (used in) operating activities	(25,893,343)	(32,903,931)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(98,158)	(92,712)
Proceeds from redeemable units issued	50,288,675	50,930,095
Redemption of redeemable units	(23,927,961)	(18,039,653)
Net cash from (used in) financing activities	26,262,556	32,797,730
Foreign exchange gain (loss) on cash	(28,855)	(38,369)
Net increase (decrease) in cash	340,358	(144,570)
Cash (Bank indebtedness) – Beginning of period	21,126	112,355
Cash (Bank indebtedness) – End of period	361,484	(32,215)
Included in cash flows from operating activities		
Interest received, net of withholding taxes	11,076	5,795
Interest paid	306	1,707
Dividends received, net of withholding taxes	2,687,845	2,788,352

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

Fiera Capital Global Equity Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities						
Canadian T-bills						
Canadian T-bills	August 24, 2017	0.658%	125,000	124,876	124,876	
Canadian T-bills	September 7, 2017	0.562%	625,000	624,244	624,244	
				749,120	749,120	0.3
Total money market securities				749,120	749,120	0.3
Equities						
Consumer discretionary						
AutoZone Inc.			6,898	6,484,407	5,110,433	
Cie Financiere Richemont SA			49,005	4,708,361	5,250,132	
InterContinental Hotels Group PLC			100,758	5,693,853	7,252,727	
NIKE Inc., Class B			80,310	4,374,642	6,153,623	
TJX Cos Inc.			80,014	6,296,235	7,499,494	
Tractor Supply Co.			55,754	5,385,070	3,925,226	
				32,942,568	35,191,635	12.7
Consumer staples						
Colgate-Palmolive Co.			68,790	5,687,477	6,622,601	
Diageo PLC			205,557	7,202,653	7,866,294	
Hengan International Group Co. Ltd.			56,964	684,540	545,856	
Nestle SA			80,145	7,124,296	9,069,963	
PepsiCo Inc.			43,776	6,296,045	6,565,831	
Unilever NV			132,672	7,031,601	9,495,802	
				34,026,612	40,166,347	14.5
Financials						
CME Group Inc.			27,036	4,371,279	4,397,388	
HDFC Bank Ltd.			210,606	5,261,902	6,833,678	
Moody's Corp.			89,757	10,121,556	14,183,937	
MSCI Inc., Class A			56,593	4,236,175	7,569,497	
Svenska Handelsbanken AB, Class A			369,712	6,415,122	6,865,283	
U.S. Bancorp			124,654	6,493,408	8,405,241	
				36,899,442	48,255,024	17.5
Health care						
Becton Dickinson and Co.			41,238	6,698,470	10,449,281	
Johnson & Johnson			69,968	8,838,498	12,020,867	
Mettler-Toledo International Inc.			8,726	4,023,619	6,669,610	
Novartis AG			52,391	5,232,905	5,669,729	
Roche Holding AG			19,934	6,287,268	6,601,504	
Varian Medical Systems Inc.			37,395	3,322,219	5,011,416	
				34,402,979	46,422,407	16.8
Industrials						
3M Co.			32,421	5,913,622	8,765,881	
FANUC Corp.			20,700	4,343,724	5,181,149	
Geberit AG			10,011	4,315,533	6,071,304	
Graco Inc.			44,453	3,770,776	6,308,862	
Middleby Corp.			34,505	4,633,448	5,445,068	
Schindler Holding AG			26,742	4,974,469	7,358,320	
Spirax-Sarco Engineering PLC			46,197	2,667,203	4,169,334	
United Technologies Corp.			44,000	5,564,536	6,977,714	
				36,183,311	50,277,632	18.2
Information technology						
Intertek Group PLC			107,050	5,580,513	7,615,342	
Keyence Corp.			21,260	6,403,401	12,124,391	
Mastercard Inc., Class A			66,126	7,005,193	10,429,874	

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Global Equity Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Maturity date	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Information technology (continued)					
Oracle Corp.		125,629	6,181,085	8,180,569	
Taiwan Semiconductor Manufacturing Co. Ltd., ADR		140,502	3,664,733	6,379,156	
			28,834,925	44,729,332	16.2
Materials					
Sherwin-Williams Co.		18,514	5,972,584	8,438,537	
			5,972,584	8,438,537	3.1
Total equities			209,262,421	273,480,914	99.0
Total investments			210,011,541	274,230,034	99.3
Forward currency contracts, at fair value					
Buy CAD 605 Sell USD 458 @ 1.32101	September 20, 2017			11	
Buy CAD 186,652 Sell GBP 110,000 @ 1.69684	September 20, 2017			851	
Buy CAD 6,787 Sell GBP 4,000 @ 1.69684	September 20, 2017			31	
Buy CAD 57,960 Sell EUR 39,000 @ 1.48615	September 20, 2017			13	
Buy CAD 129,290 Sell JPY 10,773,000 @ 0.0120	September 20, 2017			4,467	
Buy CAD 221,675 Sell CHF 162,000 @ 1.36836	September 20, 2017			1,088	
Buy CAD 10,949 Sell CHF 8,000 @ 1.36859	September 20, 2017			56	
Buy CAD 56,092 Sell CHF 41,000 @ 1.36811	September 20, 2017			265	
Buy CAD 1,194,416 Sell USD 900,916 @ 1.32578	September 20, 2017			25,872	
Buy CAD 82,178 Sell USD 62,000 @ 1.32545	September 20, 2017			1,760	
				34,414	—
Buy CAD 38,527 Sell SEK 253,000 @ 0.15228	September 20, 2017			(562)	
				(562)	—
Total forward currency contracts, at fair value				33,852	—
Transaction costs			(245,958)		
Net other assets (liabilities)				1,888,166	0.7
Net assets attributable to holders of redeemable units			209,765,583	276,152,052	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Global Equity Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Global Equity Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on February 3, 2017 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to achieve over the longer term the highest possible return that is consistent with a fundamental investment philosophy through investment primarily in foreign equity securities. Also, to provide long-term capital appreciation through a portfolio of broadly diversified securities, by region and industry, invested primarily in the U.S. and international markets.

Classes AH, AVH, FH and FVH, hedged classes, were launched on August 23, 2016. Effective March 10, 2017, Classes AV, AVH, FV and FVH were closed for new business and, subsequently, Classes AVH and FVH were closed on April 6, 2017.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, and the Series B units have been redesignated into Series D units.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. RBC Investor Services Trust is the custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in “Distributions from underlying funds” and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called “Non-cash distribution from investments” on the Statement of Cash Flows and its equivalent has been removed from the “Purchases of investments” line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under “Margin Deposited (Payable) on futures contracts” and “Futures contracts, at fair value” in the statements of financial position. Gains or losses arising from futures contracts are recorded as “Net change in unrealized appreciation (depreciation) on futures contracts” in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on futures contracts” in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as “Income from derivatives” or “Loss from derivatives”. Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as “Margin Deposited (Payable) on futures contracts”.

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under “Net realized gain (loss) on forward currency contracts”. The forward currency contracts’ fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in “Net realized gain (loss) on forward currency contracts” and “Net change in unrealized appreciation (depreciation) on forward currency contracts” in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under “Bond forward contracts, at fair value” in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as “Net change in unrealized appreciation (depreciation) on bond forward contracts” in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as “Net realized gain (loss) on bond forward contracts” in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as “Net change in unrealized appreciation (depreciation) on option contracts” in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in “Net realized gain (loss) on option contracts” in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in “Securities lending income” in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in “Cash collateral for securities on loan” and “Payable for cash collateral for securities on loan” in the statements of financial position.

Refer to Note 11 “Securities lending” for the value of securities lent and the value of collateral received.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund’s statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Refer to Note 8 "Financial instrument disclosures" for further information about investments in entities.

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board ("IASB") issued the complete and final version of IFRS 9, Financial Instruments ("IFRS 9"), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 "Significant accounting policies" for further information about the fair value measurement of the Fund's financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the "units") within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A, AH and B units are available to all investors. Class AV units was available for investors primarily through group plan arrangements with dealer advisers, however this class closed for new business on March 10, 2017. Class F and FH units are available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs. Class FV units was available to investors who participate in dealer-sponsored "fee-for-service" or wrap programs, however this class closed for new business on March 10, 2017. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, AH, B, F and FH may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class AV and FV may be converted to other classes, except in Class O units, of the same fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager's approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option. Class A and F units may be purchased in U.S. dollars ("U.S. Dollar Option").

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class's net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	752,904	138,916	18	(99,187)	792,651
2016	790,648	107,176	1,204	(97,524)	801,504
Class AH					
2017	100	—	—	—	100
Class AV					
2017	302,000	14,119	—	(19,294)	296,825
2016	244,889	45,640	1,057	(25,087)	266,499
Class AVH					
2017	100	—	—	(100)	—
Class B					
2017	465,471	97,843	1,688	(45,295)	519,707
2016	453,432	26,570	2,485	(20,023)	462,464
Class F					
2017	613,443	583,693	5,101	(95,776)	1,106,461
2016	723,623	133,513	3,468	(173,048)	687,556
Class FH					
2017	6,908	185,579	1,353	(394)	193,446
Class FV					
2017	1,861,182	201,115	8,557	(269,778)	1,801,076
2016	1,497,051	429,325	16,623	(128,160)	1,814,839
Class FVH					
2017	100	—	—	(100)	—
Class O					
2017	2,425,818	270,780	23,867	(128,656)	2,591,809
2016	1,341,808	785,341	27,733	(124,898)	2,029,984

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution Basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A*	1.90	2.25
Class AH*	1.92	2.27
Class AV	1.75	1.75
Class AVH	—	1.77
Class B*	1.15	1.50
Class F*	0.90	1.25
Class FH*	0.92	1.27
Class FV	0.75	0.75
Class FVH	—	0.77
Class O	—	—

* Effective February 3, 2017, the management fees for Classes A, AH, B, F and FH have been reduced by 0.35%.

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017 \$	June 30, 2016 \$
Expenses		
Management fees	917,128	855,872
Fund accounting fees	17,619	11,033
	As at June 30, 2017 \$	As at December 31, 2016 \$
Payable		
Management fees payable	171,614	148,731
Accrued liabilities		
Fund accounting fees payable	5,941	5,812

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017 %	December 31, 2016 %
Class A	0.02	0.01
Class AH	100.00	100.00
Class AV	0.01	0.01
Class AVH	—	100.00
Class FH	0.05	1.45
Class FVH	—	100.00

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017 \$	June 30, 2016 \$
	1,929	3,685

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets (liabilities) at fair value through profit or loss as at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	749,120	—	—	749,120
Equities	273,480,914	—	—	273,480,914
Forward currency contracts	—	34,414	—	34,414
Total assets	274,230,034	34,414	—	274,264,448
Liabilities				
Forward currency contracts	—	(562)	—	(562)
Total liabilities	—	(562)	—	(562)

	Financial assets (liabilities) at fair value through profit or loss as at December 31, 2016			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities	614,380	—	—	614,380
Equities	218,280,826	—	—	218,280,826
Total assets	218,895,206	—	—	218,895,206
Liabilities				
Forward currency contracts	—	(470)	—	(470)
Total liabilities	—	(470)	—	(470)

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return. The risks presented in the following tables, if any, represent the global risk of the Fund and might be different for each class resulting from the hedging strategy of the class.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

The following tables indicate the foreign currencies to which the Fund had significant exposure, in Canadian dollars terms, and the notional amounts of forward contracts and futures contracts, if any. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

As at June 30, 2017				
Currency	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
Australian Dollar	96,301	—	96,301	+/-5,000
British Pound	26,904,171	192,312	26,711,859	+/-1,336,000
Euro	9,508,754	57,768	9,450,986	+/-473,000
Hong Kong Dollar	554,568	—	554,568	+/-28,000
Indian Rupee	6,833,678	—	6,833,678	+/-342,000
Japanese Yen	17,305,563	124,518	17,181,045	+/-859,000
Swedish Krona	6,865,283	38,955	6,826,328	+/-341,000
Swiss Franc	40,423,509	286,144	40,137,365	+/-2,007,000
U.S. Dollar	165,871,567	1,250,539	164,621,028	+/-8,231,000
Net exposure is composed of:				
Non-Monetary items			273,480,917	
Monetary items			(1,067,759)	

As at December 31, 2016				
Currency	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
Australian Dollar	3,610,468	—	3,610,468	+/-181,000
British Pound	22,827,816	—	22,827,816	+/-1,141,000
Euro	6,948,562	—	6,948,562	+/-347,000
Hong Kong Dollar	2,236,531	—	2,236,531	+/-112,000
Indian Rupee	4,882,770	—	4,882,770	+/-244,000
Japanese Yen	12,956,140	—	12,956,140	+/-648,000
Swedish Krona	5,703,092	—	5,703,092	+/-285,000
Swiss Franc	32,577,196	—	32,577,196	+/-1,629,000
U.S. Dollar	126,911,587	39,505	126,872,082	+/-6,344,000
Net exposure is composed of:				
Non-Monetary items			218,280,825	
Monetary items			333,832	

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
MSCI World Index	+/- 10	+/-26,340,000	+/-18,048,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017 %	December 31, 2016 %
Money market securities		
Canadian T-bills	0.3	0.3
Equities		
Consumer discretionary	12.7	15.1
Consumer staples	14.5	14.7
Financials	17.5	16.2
Health care	16.8	17.0
Industrials	18.2	18.8
Information technology	16.2	14.8
Materials	3.1	2.8
Net other assets (liabilities)	0.7	0.3
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund also engages in securities lending transactions. Credit risk related to securities lending transactions is considered minimal as the value of cash or securities held as collateral by the Fund in connection with these transactions must be at least 102% of the fair value of the securities loaned.

As at June 30, 2017 and December 31, 2016, the Fund has no significant investments in either fixed income securities or money market securities. However, the Fund is exposed to credit risk arising from derivative financial instruments.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Derivative financial instruments

	June 30, 2017	December 31, 2016
The counterparties to derivative financial instruments have a credit rating of at least:	A	A

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund may, from time to time, invest in derivative financial instruments traded over the counter, which are not traded in an organized market and may be illiquid. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, capital and non-capital losses available to be carried forward are as follows:

	Capital losses	Non-capital losses	
	Amounts \$	Amounts \$	Year of expiry
December 31, 2016	31,670,219	—	—

10. Offsetting of derivative assets and derivative liabilities

The Fund entered into certain master netting arrangements or similar agreements that do not meet the criteria for offsetting in the statements of financial position in the normal course of business. However, these agreements still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. As at June 30, 2017 and December 31, 2016, the Fund has no significant and/or no derivative assets and derivative liabilities positions to offset.

11. Securities lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. Credit risk associated with these transactions is considered minimal, as the value of the collateral must be no less than 102% of the value of the securities loaned; the collateral to be held may consist only of cash, qualified securities (including debt obligations of the Government of Canada and U.S. treasury bills) or securities that can be immediately converted into securities identical to those that are on loan; and the Fund cannot loan more than 50% of the total value of its assets through securities lending transactions. The securities on loan continue to be included in the Schedule of Investment Portfolio.

The fair value of the securities loaned is determined at the close of business on each valuation date and any additional required collateral is delivered to the Fund on the next business day. The aggregate fair values of securities loaned and collateral held under securities lending transactions are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Outstanding loans	25,445,412	17,183,790
Collateral amount	26,717,688	18,042,990
Collateral percentage of securities loaned	105.0%	105.0%

Securities lending income are as follows:

	June 30, 2017	June 30, 2016
	\$	\$
Gross securities lending income	33,810	33,411
Securities lending charges	13,524	13,364
Net securities lending income	20,286	20,047
Withholding taxes on securities lending income	808	7
Net securities lending income received by the fund	19,478	20,040
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

Fiera Capital Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

Fiera Capital Defensive Global Equity Fund

Statements of financial position

(unaudited)

	As at June 30, 2017 \$	As at December 31, 2016 \$
Assets		
Current assets		
Investments, at fair value through profit or loss	36,914,942	33,911,809
Forward currency contracts, at fair value	276,427	5,076
Futures contracts, at fair value	28,377	—
Option contracts, at fair value	10,000	196,495
Cash	343,237	222,533
Due from manager	77,908	34,530
Accounts receivable for units sold	75,154	64,783
Margins receivable	76,770	9,588
Interest receivable	11,050	5,100
Dividends receivable	39,776	12,192
Other receivables	101,885	66,760
Total assets	37,955,526	34,528,866
Liabilities		
Current liabilities		
Investments, at fair value through profit or loss	1,988,100	1,988,100
Forward currency contracts, at fair value	—	127,229
Futures contracts, at fair value	28,474	—
Option contracts, at fair value	—	33,652
Accounts payable for units redeemed	128,097	12,771
Payable for investments purchased	72,766	—
Management fees payable	39,520	40,653
Accrued liabilities	95,595	90,777
Total liabilities	2,352,552	2,293,182
Net assets attributable to holders of redeemable units	35,602,974	32,235,684
Net assets attributable to holders of redeemable units per class		
Class A	7,508,895	6,321,422
Class AV	5,336,377	6,215,668
Class B	1,438,545	1,102,625
Class F	7,635,535	6,522,286
Class FV	13,562,486	11,965,802
Class O	121,136	107,881
	35,602,974	32,235,684
Number of redeemable units outstanding per class		
Class A	563,989	527,350
Class AV	395,769	512,546
Class B	105,669	90,340
Class F	557,034	531,449
Class FV	976,378	963,196
Class O	8,521	8,521
Net assets attributable to holders of redeemable units per unit per class		
Class A	13.31	11.99
Class AV	13.48	12.13
Class B	13.61	12.21
Class F	13.71	12.27
Class FV	13.89	12.42
Class O	14.22	12.66

Signed on behalf of
Fiera Capital Corporation, Fund Manager



John Valentini, Executive Vice President, Global Chief Financial Officer and President of the Private Alternative Investments division



Jean-Guy Desjardins, Chairman of the Board, President and Chief Executive Officer

Statements of comprehensive income

(unaudited)

For the six-month periods ended June 30,

	2017 \$	2016 \$
Income		
Interest for distribution purposes	6,482	3,579
Dividends	434,092	572,704
Foreign exchange gain (loss) on cash	4,519	29,087
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	496,497	(27,654)
Net realized gain (loss) on forward currency contracts	(169,106)	—
Net realized gain (loss) on option contracts	(493,630)	(12,362)
Net realized gain (loss) on futures contracts	(299,618)	(86,003)
Net change in unrealized appreciation (depreciation) on investments	3,579,281	(913,576)
Net change in unrealized appreciation (depreciation) on forward currency contracts	398,580	—
Net change in unrealized appreciation (depreciation) on futures contracts	(97)	—
Net change in unrealized appreciation (depreciation) on option contracts	50,401	(168,882)
Total income (loss)	4,007,401	(603,107)
Expenses		
Management fees	note 5 236,348	256,007
Custodian fees	note 6 9,283	11,141
Audit fees	8,255	9,247
Legal fees	6,941	949
Securityholder reporting costs	51,244	12,294
Filing fees	10,817	13,928
Fund accounting fees	note 6 2,003	1,830
Independent review committee fees	4,236	6,318
Interest expense	—	1,476
Withholding taxes	56,849	56,549
Transaction costs	note 7 4,984	11,979
Fund valuation fees	27,893	30,599
Total expenses	418,853	412,317
Net investment income before waived/absorbed expenses	3,588,548	(1,015,424)
Expenses waived/absorbed by manager	note 6 77,908	8,900
Increase (decrease) in net assets attributable to holders of redeemable units	3,666,456	(1,006,524)
Increase (decrease) in net assets attributable to holders of redeemable units per class		
Class A	670,401	(293,620)
Class AV	625,841	(190,623)
Class B	126,022	(51,419)
Class F	759,605	(230,316)
Class FV	1,471,332	(239,440)
Class O	13,255	(1,106)
	3,666,456	(1,006,524)
Weighted average redeemable units outstanding during the period per class		
Class A	515,569	632,142
Class AV	440,080	588,373
Class B	94,028	113,288
Class F	530,129	593,320
Class FV	995,914	762,589
Class O	8,521	8,206
Increase (decrease) in net assets attributable to holders of redeemable units per unit per class		
Class A	1.30	(0.46)
Class AV	1.42	(0.32)
Class B	1.34	(0.45)
Class F	1.43	(0.39)
Class FV	1.48	(0.31)
Class O	1.56	(0.13)

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

Fiera Capital Defensive Global Equity Fund

Statements of changes in net assets attributable to holders of redeemable units

(unaudited)

For the six-month periods ended June 30,

	2017 Class A \$	2016 \$	2017 Class AV \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	6,321,422	6,568,063	6,215,668	5,227,674
Increase (decrease) in net assets attributable to holders of redeemable units	670,401	(293,620)	625,841	(190,623)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	1,163,683	2,139,690	89,084	2,938,583
Redemption of redeemable units	(646,611)	(697,502)	(1,594,216)	(359,164)
	517,072	1,442,188	(1,505,132)	2,579,419
Net increase (decrease) in net assets attributable to holders of redeemable units	1,187,473	1,148,568	(879,291)	2,388,796
Net assets attributable to holders of redeemable units — End of period	7,508,895	7,716,631	5,336,377	7,616,470
	2017 Class B \$	2016 \$	2017 Class F \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	1,102,625	1,309,366	6,522,286	6,041,995
Increase (decrease) in net assets attributable to holders of redeemable units	126,022	(51,419)	759,605	(230,316)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	215,061	157,687	3,458,636	2,328,727
Reinvestments of distributions to holders of redeemable units	16	62	41	—
Redemption of redeemable units	(4,315)	(41,448)	(3,105,033)	(1,346,048)
	210,762	116,301	353,644	982,679
Distributions to holders of redeemable units	note 4			
From net investment income	864	—	—	—
	864	—	—	—
Net increase (decrease) in net assets attributable to holders of redeemable units	335,920	64,882	1,113,249	752,363
Net assets attributable to holders of redeemable units — End of period	1,438,545	1,374,248	7,635,535	6,794,358
	2017 Class FV \$	2016 \$	2017 Class O \$	2016 \$
Net assets attributable to holders of redeemable units — Beginning of period	11,965,802	7,350,882	107,881	93,808
Increase (decrease) in net assets attributable to holders of redeemable units	1,471,332	(239,440)	13,255	(1,106)
Redeemable unit transactions	note 4			
Proceeds from redeemable units issued	1,058,721	3,673,962	—	91,000
Redemption of redeemable units	(933,369)	(721,358)	—	(80,000)
	125,352	2,952,604	—	11,000
Net increase (decrease) in net assets attributable to holders of redeemable units	1,596,684	2,713,164	13,255	9,894
Net assets attributable to holders of redeemable units — End of period	13,562,486	10,064,046	121,136	103,702

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

Fiera Capital Defensive Global Equity Fund

Statements of changes in net assets attributable to holders of redeemable units (continued) (unaudited)

For the six-month periods ended June 30,

	2017 Total	2016
	\$	\$
Net assets attributable to holders of redeemable units — Beginning of period	32,235,684	26,591,788
Increase (decrease) in net assets attributable to holders of redeemable units	3,666,456	(1,006,524)
Redeemable unit transactions	note 4	
Proceeds from redeemable units issued	5,985,185	11,329,649
Reinvestments of distributions to holders of redeemable units	57	62
Redemption of redeemable units	(6,283,544)	(3,245,520)
	(298,302)	8,084,191
Distributions to holders of redeemable units	note 4	
From net investment income	864	—
	864	—
Net increase (decrease) in net assets attributable to holders of redeemable units	3,367,290	7,077,667
Net assets attributable to holders of redeemable units — End of period	35,602,974	33,669,455

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

Fiera Capital Defensive Global Equity Fund

Statements of cash flows

(unaudited)

For the six-month periods ended June 30,

	2017	2016
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	3,666,456	(1,006,524)
Adjustments for:		
Foreign exchange (gain) loss on cash	(4,519)	(29,087)
Net realized (gain) loss on investments	(496,497)	27,654
Net realized (gain) loss on forward currency contracts	169,106	—
Net realized (gain) loss on option contracts	493,630	12,362
Net realized (gain) loss on futures contracts	299,618	86,003
Net change in unrealized (appreciation) depreciation on investments	(3,579,281)	913,576
Net change in unrealized (appreciation) depreciation on forward currency contracts	(398,580)	—
Net change in unrealized (appreciation) depreciation on futures contracts	97	—
Net change in unrealized (appreciation) depreciation on option contracts	(50,401)	168,882
Purchases of investments	(3,542,861)	(9,031,952)
Proceeds from sale and maturity of investments	3,929,162	763,874
Margins receivable	(67,182)	1,836
Due from manager	(43,378)	211,746
Interest receivable	(5,950)	(3,376)
Dividends receivable	(27,584)	(49,286)
Other receivables	(35,125)	(26,313)
Accrued liabilities	4,818	(24,127)
Management fees payable	(1,133)	8,029
Net cash from (used in) operating activities	310,396	(7,976,703)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(807)	62
Proceeds from redeemable units issued	5,974,814	11,326,409
Redemption of redeemable units	(6,168,218)	(3,079,837)
Net cash from (used in) financing activities	(194,211)	8,246,634
Foreign exchange gain (loss) on cash	4,519	29,087
Net increase (decrease) in cash	120,704	299,018
Cash (Bank indebtedness) – Beginning of period	222,533	94,160
Cash (Bank indebtedness) – End of period	343,237	393,178
Included in cash flows from operating activities		
Interest received, net of withholding taxes	532	203
Interest paid	—	1,476
Dividends received, net of withholding taxes	349,659	466,869

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

Fiera Capital Defensive Global Equity Fund

Schedule of investment portfolio

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Money market securities – Long						
Canadian T-bills						
Canadian T-bills	July 27, 2017	0.600%	2,000,000	1,988,100	1,988,100	
				1,988,100	1,988,100	5.6
Total money market securities – Long				1,988,100	1,988,100	5.6
Equities						
Consumer discretionary						
AutoZone Inc.			896	849,246	663,808	
Cie Financiere Richemont SA			6,592	680,567	706,231	
InterContinental Hotels Group PLC			12,924	802,636	930,291	
NIKE Inc.			10,444	756,909	800,255	
TJX Cos Inc.			10,204	927,352	956,393	
Tractor Supply Co.			7,255	763,402	510,771	
				4,780,112	4,567,749	12.8
Consumer staples						
Colgate-Palmolive Co.			8,872	783,521	854,132	
Diageo PLC			27,688	1,014,792	1,059,570	
Hengan International Group Co Ltd.			7,917	99,067	75,864	
Nestle SA			10,230	986,586	1,157,723	
PepsiCo Inc.			5,825	837,014	873,674	
Unilever NV			16,971	992,741	1,214,674	
				4,713,721	5,235,637	14.7
Financials						
CME Group Inc.			3,332	539,351	541,948	
HDFC Bank Ltd.			7,925	615,368	895,113	
Moody's Corp.			11,308	1,502,875	1,786,958	
MSCI Inc.			7,038	583,995	941,355	
Svenska Handelsbanken AB, Class A			48,605	891,423	902,560	
U.S. Bancorp			15,635	898,057	1,054,246	
				5,031,069	6,122,180	17.2
Health care						
Becton Dickinson and Co.			5,178	981,914	1,312,051	
Johnson & Johnson			8,755	1,194,509	1,504,154	
Mettler-Toledo International Inc.			1,116	478,763	853,001	
Novartis AG			6,703	783,401	725,396	
Roche Holding AG			2,634	914,750	872,297	
Varian Medical Systems Inc.			4,804	457,830	643,798	
				4,811,167	5,910,697	16.6
Industrials						
3M Co.			4,043	831,386	1,093,133	
FANUC Corp.			2,554	594,806	639,259	
Geberit AG			1,270	588,277	770,208	
Graco Inc.			5,398	522,930	766,095	
Middleby Corp/The			4,116	624,771	649,526	
Schindler Holding AG			3,457	735,977	951,227	
Spirax-Sarco Engineering PLC			6,062	396,285	547,103	
United Technologies Corp.			5,709	782,868	905,358	
				5,077,300	6,321,909	17.8
Information technology						
Intertek Group PLC			13,661	729,790	971,819	
Keyence Corp.			2,726	931,745	1,554,614	
Mastercard Inc.			8,540	1,033,914	1,346,991	
Oracle Corp.			15,506	805,527	1,009,702	
Taiwan Semiconductor Manufacturing Co. Ltd., ADR			18,450	549,875	837,678	
				4,050,851	5,720,804	16.1

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Defensive Global Equity Fund

Schedule of investment portfolio (continued)

As at June 30, 2017 (unaudited)

	Maturity date	Coupon rate	Number of shares/ units/par value	Average cost \$	Fair value \$	Percentage of net asset value %
Materials						
Sherwin-Williams Co.			2,299	812,795	1,047,866	
				812,795	1,047,866	2.9
Total equities				29,277,015	34,926,842	98.1
Total investments – Long				31,265,115	36,914,942	103.7
Money market securities – Short						
Canadian T-bills						
Canadian T-bills	July 27, 2017	0.600%	(2,000,000)	(1,988,100)	(1,988,100)	
				(1,988,100)	(1,988,100)	(5.6)
Total money market securities – Short				(1,988,100)	(1,988,100)	(5.6)
Total investments – Short				(1,988,100)	(1,988,100)	(5.6)
Total investments				29,277,015	34,926,842	98.1
Forward currency contracts, at fair value						
Buy CAD 1,620,626 Sell GBP 956,000 @ 1.69522	July 19, 2017				7,477	
Buy CAD 1,072,401 Sell JPY 89,501,000 @ 0.01198	July 19, 2017				37,401	
Buy CAD 763,732 Sell CHF 560,000 @ 1.36381	July 19, 2017				3,606	
Buy CAD 1,752,352 Sell CHF 1,285,000 @ 1.3637	July 19, 2017				8,133	
Buy CAD 10,210,328 Sell USD 7,695,651 @ 1.32677	July 19, 2017				219,810	
					276,427	0.8
Total forward currency contracts, at fair value					276,427	0.8
Futures contracts, at fair value						
E-mini MSCI EAFE Index Future	September 15, 2017		(6)		7,714	
E-mini S&P 500 Index Future	September 15, 2017		(14)		6,647	
E-mini S&P 500 Index Future	September 15, 2017		(6)		6,039	
E-mini S&P 500 Index Future	September 15, 2017		(5)		3,409	
E-mini S&P 500 Index Future	September 15, 2017		(5)		2,386	
E-mini MSCI EAFE Index Future	September 15, 2017		(3)		1,208	
E-mini S&P 500 Index Future	September 15, 2017		(5)		974	
					28,377	0.1
E-mini MSCI EAFE Index Future	September 15, 2017		(11)		(1,162)	
E-mini MSCI EAFE Index Future	September 15, 2017		(5)		(2,240)	
E-mini S&P 500 Index Future	September 15, 2017		(11)		(2,581)	
E-mini MSCI EAFE Index Future	September 15, 2017		7		(5,071)	
E-mini S&P 500 Index Future	September 15, 2017		7		(8,068)	
E-mini MSCI EAFE Index Future	September 15, 2017		(24)		(9,352)	
					(28,474)	(0.1)
Total futures contracts, at fair value					(97)	—
Option contracts, at fair value						
SPDR S&P 500 TRUST @231 Put option	July 21, 2017		220		10,000	
					10,000	—
Total option contracts, at fair value					10,000	—
Transaction costs				(26,871)		
Net other assets (liabilities)					389,802	1.1
Net assets attributable to holders of redeemable units				29,250,144	35,602,974	100.0

Percentages relate investments as fair value to total net assets attributable to holder of redeemable units of the Fund.

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

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements

June 30, 2017 and 2016 (unaudited)

1. Organization of Fund

The Fiera Capital Defensive Global Equity Fund (the "Fund") is an open-end trust established under the laws of the Province of Ontario pursuant to an Amended and Restated Master Declaration of Trust dated September 8, 2000, amended and restated on February 3, 2017 by Fiera Capital Corporation. The address of the Fund's registered office is 1 Adelaide Street, Suite 600, Toronto, Ontario, M5C 2V9.

The objective of the Fund is to achieve over the longer term the highest possible return that is consistent with a fundamental investment philosophy through investment primarily in foreign equity securities. Also to provide long-term capital appreciation through a portfolio of broadly diversified securities, by region and industry, invested primarily in the U.S. and international markets. The Fund will, through the use of risk and portfolio management techniques, reduce the draw down potential that is typical of long only equity portfolios. This active management is expected to provide a margin of safety and, over the long term, smooth out the returns in comparison to long only equity portfolios.

Effective March 10, 2017, Classes AV and FV were closed for new business.

Effective August 28, 2017, all "Classes" of units of the Fund have been redesignated as "Series" of units of the Fund, the Series B units have been redesignated into Series D units and the Series AH and FH will be launched.

Fiera Capital Corporation ("Fiera" or the "Manager") is the manager, the trustee and the portfolio manager of the Fund. NBCN inc. is the prime broker and custodian of the Fund.

The financial statements of the Fund are comprised of the schedule of investment portfolio as at June 30, 2017 and the statements of financial position as at June 30, 2017 and December 31, 2016 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the periods ended June 30, 2017 and 2016.

2. Significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These interim financial statements were authorized for issue by the Manager on August 24, 2017.

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial instruments

The Fund's financial assets and financial liabilities consist of investments in non-derivatives financial instruments and/or derivative financial instruments presented in the schedule of investment portfolio.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss ("FVTPL"). Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's derivative assets and liabilities and securities sold short are classified as held for trading and are measured at FVTPL, while all debt and equity investments have been designated at FVTPL. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders, except where the closing price for financial assets and liabilities is not within the bid-ask spread.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the valuation date. The Fund uses the closing price for both financial assets and financial liabilities where this price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Valuation of unlisted securities and other investments

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on existing market conditions at each valuation date. Valuation techniques include available quotations from recognized dealers, the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs. Refer to Note 8 "Financial instrument disclosures" for further information about the Fund's fair value measurements.

Investment transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which cost is determined using the First-In, First-Out method. Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund are recognized in the statements of comprehensive income. The difference between the fair value and cost of investments at the beginning and at the end of the period is included in "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income. The difference between the fair value and cost from the sale of investments is included in "Net realized gain (loss) on investments" in the statements of comprehensive income.

Cash

Cash (bank indebtedness) is classified as loans and receivables (and other liabilities) respectively, and recorded at cost which closely approximates fair value.

Income

Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund and is accounted as it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

income securities except for stripped bonds which are amortized on a straight line basis. Realized gain (loss) on investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in "Distributions from underlying funds" and are presented as a separate line item in the Statement of Comprehensive Income. Previously, those amounts were split between the different types of revenues. For the purposes of presentation, the comparative information has been reclassified accordingly.

Distributions received in the form of units from underlying funds are presented as a separate line item called "Non-cash distribution from investments" on the Statement of Cash Flows and its equivalent has been removed from the "Purchases of investments" line item. For the purposes of presentation, the comparative information has been revised accordingly.

Income, realized gains (losses) and unrealized gains (losses) are allocated among the classes, if any, on a pro rata basis based on the weighted average NAV for each class.

Derivative financial instruments

The Fund may use an array of derivative financial instruments such as futures contracts, forward contracts, options and swaps for hedging purposes or purposes other than hedging, or both. The fair value of derivative financial instruments takes into account the impact of legally binding master netting agreements if applicable.

a) Futures contracts

To gain exposure to different financial markets, the Fund can enter into futures contracts that are presented under "Margin Deposited (Payable) on futures contracts" and "Futures contracts, at fair value" in the statements of financial position. Gains or losses arising from futures contracts are recorded as "Net change in unrealized appreciation (depreciation) on futures contracts" in the statements of comprehensive income until the contracts are closed out or expire, at which time the gains (losses) are realized and are recorded as "Net realized gain (loss) on futures contracts" in the statements of comprehensive income. The futures contracts are carried at fair value based on closing price.

The Fund may also enter into futures contracts with daily cash settlements, in which case any difference between the value at the close of business on the current valuation day and that of the previous valuation day is recorded in the statements of comprehensive income as "Income from derivatives" or "Loss from derivatives". Any amounts receivable (payable) from settlement of these futures contracts are reflected in the statements of financial position as "Margin Deposited (Payable) on futures contracts".

b) Forward currency contracts

The Fund can also enter into forward currency contracts. The gains or losses on these forward currency contracts are reported on the statements of comprehensive income under "Net realized gain (loss) on forward currency contracts". The forward currency contracts' fair value corresponds to the gains (losses) that would be realized if they were liquidated at the valuation date. Realized and unrealized foreign exchange gains and losses are presented in "Net realized gain (loss) on forward currency contracts" and "Net change in unrealized appreciation (depreciation) on forward currency contracts" in the statements of comprehensive income.

c) Bond forward contracts

Bond forward contracts are valued at the gain or loss, if any, that would be realized if the position in the contracts were to be closed out on the valuation date and the resulting unrealized appreciation (depreciation) is presented under "Bond forward contracts, at fair value" in the statements of financial position. Gains or losses arising from bond forward contracts are recorded as "Net change in unrealized appreciation (depreciation) on bond forward contracts" in the statements of comprehensive income until the contracts close or are delivered, at which time the gains (losses) are realized and are recorded as "Net realized gain (loss) on bond forward contracts" in the statements of comprehensive income.

d) Purchased options

Options held are valued at the closing price. Premiums paid for purchasing options which expire unexercised are recorded at the date of maturity as a realized loss. Gains or losses arising from purchasing options are recorded as "Net change in unrealized appreciation (depreciation) on option contracts" in the statements of comprehensive income until the contracts are exercised or expired. The Fund may sell options held before the exercise date. The difference between the premium paid and the sale proceeds is recorded as realized gain or loss. When the Fund exercises a call option, the premium paid is added to the cost of the underlying securities purchased. When the Fund exercises a put option, the difference between the proceeds from the sale of the underlying securities reduces the premium paid and the cost of these securities is recorded as realized gain or loss. These gains or losses are included in "Net realized gain (loss) on option contracts" in the statements of comprehensive income.

e) Written options

The obligations arising from the sale of options are presented as a decrease of the portfolio. Equities are evaluated at the closing price on valuation date. Premiums received for selling options that expire unexercised are recorded at the maturity date as a realized gain. Gains or losses arising from written options are recorded as "Net change in unrealized appreciation (depreciation) on option contracts" in the statements of comprehensive income until the contracts are exercised or expired. The Fund can be released from its obligation before the exercise of the option by liquidating its position. The difference between the amount of the premium received and the amount paid at the time of the closing transaction is recorded as realized gain or loss. Where the holder of stock options exercises its right to buy the underlying securities, the Fund must deliver the securities or cash at the exercise price. The difference between proceeds from the sale of securities and the premium and cost of these securities is recorded as a realized gain or loss. Where the holder of the put option exercises its right to sell the underlying securities, the Fund must buy these securities at the strike price. The cost of these securities corresponds to the strike price minus the premium received. These gains or losses are included in "Net realized gain (loss) on option contracts" in the statements of comprehensive income.

Securities lending

The Fund may engage in securities lending programs in which case, income from securities lending is presented in "Securities lending income" in the statements of comprehensive income and any cash collateral received or cash collateral payable is presented in "Cash collateral for securities on loan" and "Payable for cash collateral for securities on loan" in the statements of financial position.

Refer to Note 11 "Securities lending" for the value of securities lent and the value of collateral received.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset in the Fund's statements of financial position if and only if the Fund has:

- a legally enforceable and unconditional right to offset the recognized amounts and;
- an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Fund has a legally enforceable and unconditional right to offset a financial asset and liability when it meets the following criteria:

- the right is enforceable in the normal course of business and
- the right is enforceable in the event of default, insolvency or bankruptcy.

Over-the-counter derivatives financial instruments may also be subject to master netting or similar agreements that do not meet the criteria for offsetting in the statements of financial position, but still allow related amounts to be offset in certain circumstances such as default, insolvency or bankruptcy.

Refer to Note 10 "Offsetting of derivative assets and derivative liabilities" for further information on financial assets and liabilities that are offset or not offset in the statements of financial position and subject to a master netting agreement or similar agreement.

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Realized foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are included in "Net realized gain (loss) on investments" and "Net change in unrealized appreciation (depreciation) on investments" in the statements of comprehensive income.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units during the periods divided by the weighted average number of outstanding redeemable units during that period.

Income taxes

Under the *Income Tax Act (Canada)*, the Fund is defined as a mutual fund trust and its fiscal year-end is December 15.

The Fund is not taxable on net income and net capital gains which are distributed to holders of redeemable units. All the Fund's investment income and sufficient net capital gains realized in any fiscal year are required to be distributed to holders of redeemable units to ensure no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

Capital losses can be carried forward indefinitely and used to reduce future capital gains. Non-capital losses can be carried forward 20 years and used to reduce future investment income and capital gains. Refer to Note 9 "Income tax and capital gains tax" for further information on taxation.

Issuance and redemption of redeemable units

Redeemable units are issued or redeemed at the NAV on the last business day of each valuation period during which the deposit for the purchase of units was received, or the redemption of units request was received by the trustee within the deadlines stipulated in the Trust Agreement.

Distributions to holders of redeemable units

Distributions to holders of redeemable units are recorded by the Fund when declared.

Investments entities

The Fund has determined that it is an investment entity per IFRS 10, *Consolidated Financial Statements*, as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- c) The performance of investments are measured and evaluated on a fair value basis.

As such, any investments in subsidiaries, associates and joint ventures have been designated at FVTPL.

According to IFRS 12, *Disclosure of Interests in Other Entities*, the Fund must disclose specific information on its investment in other entities, such as subsidiaries, associates and structured entities.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to, variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without however, exercising control.

Structured entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds, limited partnerships, index-based investments, master asset vehicles, mortgage-backed securities and asset-backed securities are investments in structured entities, unless the specified relationship is different.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Refer to Note 8 “Financial instrument disclosures” for further information about investments in entities.

Accounting standards issued but not yet adopted

In July 2014, the International Accounting Standards Board (“IASB”) issued the complete and final version of IFRS 9, Financial Instruments (“IFRS 9”), which will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 includes, among others, the requirements for the classification and measurement of financial assets and liabilities.

IFRS 9 sets out a new classification and measurement model for financial assets to determine whether a financial asset should be classified at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income. This model is based on the contractual cash flow characteristics of the financial asset and the business model under which the financial asset is held. The valuation basis of financial assets, namely amortized cost or fair value, may need to be changed, as well as the recognition of unrealized gains and losses arising from changes in fair value. For the classification and measurement of financial liabilities, the new standard essentially carries forward the current requirements under IAS 39.

The Funds will have to adopt IFRS 9 retrospectively for annual periods beginning on or after January 1, 2018. However, the restatement of comparative periods is not mandatory as an exemption from applying the standard allows comparative periods to be presented in accordance with the previous GAAP under certain conditions. The Manager continues to assess the impact of adopting IFRS 9.

3. Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives financial instruments and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives financial instruments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 2 “Significant accounting policies” for further information about the fair value measurement of the Fund’s financial instruments.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for the financial assets under IAS 39. The most significant judgment made includes the determination that certain investments are held-for-trading and if the fair value option can be applied to those which are not.

4. Redeemable units

Capital structure

The Fund is authorized to issue an unlimited number of redeemable unit classes, as well as an unlimited number of redeemable units (the “units”) within each class. Each class unit enables its bearer to participate equally in the allocations the Fund completes for the given class. Unit fractions may also be issued.

Class A and B units are available to all investors. Class AV units was available for investors primarily through group plan arrangements with dealer advisers, however this class closed for new business on March 10, 2017. Class F units are available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs. Class FV units was available to investors who participate in dealer-sponsored “fee-for-service” or wrap programs, however this class closed for new business on March 10, 2017. Class O units are designed for institutional and high net worth investors, who are entitled to reduced management fees because of the lower cost of servicing large dollar investments.

Class A, B and F may be converted to other classes, except in Class O units, of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class AV and FV may be converted to other classes, except in Class O units, of the same fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. Class O may be converted to other classes of the same fund or another fund subject to the Manager’s approval and the eligibility requirements (where applicable) and upon the agreement of the unitholder. However, Class A Units purchased under the low load sales charge option may be converted only to Class A Units of another fund if such fund offers Class A Units under the low load sales charge option.

Each unit entitles its holder to one vote and, in the case of a fund liquidation, in the allocation of the unit class’s net assets attributable to holders of units after all liabilities have been paid.

The rights and conditions attached to the units may be modified only in accordance with the provisions of the securities legislation applicable to such units and the provisions of the Declaration of Trust.

The Manager manages the capital of the Fund in accordance with its investment objective. The Fund seeks to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

Issued and outstanding units

Units of the Fund are composed of:

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Authorized

An unlimited number of units. The units are issued and redeemable as per the net asset value for transactional purposes, at the holders of units' discretion.

Issued and outstanding

	Number of redeemable units – beginning of period (January 1)	Redeemable units issued	Redeemable units reinvested	Redeemable units redeemed	Number of redeemable units – end of period (June 30)
Class A					
2017	527,350	87,023	—	(50,384)	563,989
2016	537,221	184,520	—	(60,542)	661,199
Class AV					
2017	512,546	7,083	—	(123,860)	395,769
2016	425,042	252,870	—	(30,973)	646,939
Class B					
2017	90,340	15,666	1	(338)	105,669
2016	106,069	13,584	5	(3,530)	116,128
Class F					
2017	531,449	255,479	3	(229,897)	557,034
2016	488,154	198,885	—	(115,160)	571,879
Class FV					
2017	963,196	81,880	—	(68,698)	976,378
2016	590,050	310,449	—	(61,281)	839,218
Class O					
2017	8,521	—	—	—	8,521
2016	7,451	7,643	—	(6,573)	8,521

Valuation of redeemable units

On a daily basis for each class of units, the Manager calculates the net assets attributable to holders of redeemable units per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

Distributions to holders of redeemable units

Net investment income and net realized capital gains of the Fund are distributed and reinvested as additional units, unless the unitholder has made other arrangements with the Manager, on the following basis:

Distribution Type	Distribution basis
Distribution of net income	Semi-Annually
Distribution of net realized capital gains	Annually

Annual distributions take place in December of each year.

The Fund's units are classified as financial liabilities on the statements of financial position, since the Fund has an obligation to distribute its income to minimize taxes such that it has no discretion to avoid cash distributions, as well as the fact that the Fund has multiple classes with features that are not identical.

5. Management fees and other expenses

The Manager is responsible for the management, supervision and administration of the Fund, and makes all investment decisions.

Management fees

The management fee rates for June 30, 2017 and December 31, 2016 are set out in the following table. The rate is an annual percentage of the average NAV of the class:

	June 30, 2017 %	December 31, 2016 %
Class A*	1.95	2.25
Class AV	1.75	1.75
Class B*	1.20	1.50
Class F*	0.95	1.25
Class FV	0.75	0.75
Class O	—	—

* Effective February 3, 2017, the management fees for Classes A, B and F have been reduced by 0.30%.

Management fees are not charged to Class O units of the Fund. For its services in managing these assets, the Manager receives a management fee from each unitholder under the terms of an investment management contract based on a fee applied to the unitholder's total assets managed. Such fees may decrease, in percentage terms, as the assets under management increase.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Performance fees

The Fund is not subject to performance fees.

Other expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund. Operating expenses include audit, custodian, legal, transfer agent, trustee, administration, fund accounting fees, and filing expenses specific to the Fund. The Fund also bears the cost of the Independent Review Committee ("IRC") which was established pursuant to National Instrument 81-107 "Independent Review Committee for underlying funds". Operating expenses and the IRC expenses are allocated between the classes of units based on the services used by each class. This allocation is based on the proportionate NAV of each class. The Manager may absorb at its discretion all or a portion of the Fund's obligations where the aggregate expenses exceed a certain percentage of the average daily NAV per class of the Fund. This absorption of expenses may be terminated at any time by the Manager. Amounts absorbed by the Manager, if any, are reported in "Expenses waived/absorbed by manager" in the statements of comprehensive income.

6. Related party transactions

Fiera is the Manager and portfolio advisor of the Fund pursuant to the administration agreement. The Manager ensures the daily administration of the Fund. It provides or ensures the Fund is provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly.

As at June 30, 2017, National Bank of Canada and Fédération des caisses Desjardins du Québec respectively own 20.68% and 8.83% of Fiera's voting shares (21.09% and 9.00% as at December 31, 2016 and 21.00% and 9.34% as at June 30, 2016).

The Fund may have received income from underlying funds and limited partnerships, which have the same Manager.

Prime broker fees and custodian fees presented in the statements of comprehensive income, if any, are incurred by the Fund with NBCN inc., a wholly owned subsidiary of National Bank of Canada.

Management, performance and fund accounting fees presented in the statements of comprehensive income, if any, are incurred by the Fund with Fiera.

Transaction costs presented in the statements of comprehensive income, if any, may include brokerage fees paid to subsidiaries of National Bank of Canada and Fédération des caisses Desjardins du Québec.

The following table presents, if any, the income and/or expenses presented in the statements of comprehensive income and payables and/or receivables presented in the statements of financial position incurred by the Fund with these related parties:

	June 30, 2017	June 30, 2016
	\$	\$
Expenses		
Management fees	236,348	256,007
Custodian fees	9,283	11,141
Fund accounting fees	2,003	1,830
Expenses waived/absorbed by manager	(77,908)	(8,900)
	As at June 30, 2017	As at December 31, 2016
	\$	\$
Payable		
Management fees payable	39,520	40,653
Accrued liabilities		
Fund accounting fees payable	737	973
Receivable		
Due from Manager	77,908	34,530

The Manager provides funding of seed capital for the Fund and as a result, the Manager holds some of the Fund's units.

	June 30, 2017	December 31, 2016
	%	%
Class AV	0.03	0.02
Class B	0.10	0.11
Class F	0.02	0.02
Class FV	0.01	0.01
Class O	1.18	1.18

7. Other Commissions Paid to Brokers

During the six-month periods ended June 30, 2017 and 2016, the amount of soft dollars, which represents the amount paid or payable for goods and services other than order execution, included in the transaction costs presented in the statements of comprehensive income are:

	June 30, 2017	June 30, 2016
	\$	\$
	103	68

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

8. Financial instrument disclosures

Hierarchy of financial instruments measured at fair value

Fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Valuation techniques based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Classification within the Fair Value Hierarchy

A change in the fair value measurement method could result in a transfer between Levels. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Money market securities

Money market securities primarily include public sector and corporate securities, which are valued using models with inputs including interest rate curves, credits spreads and volatilities. Since the inputs that are significant to valuation are generally observable, money market securities have been classified as Level 2. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1.

Bonds and debentures

Public sector bonds and debentures guaranteed by the federal or provincial government are classified as Level 1, other public sector bonds and debentures are classified as Level 2. Corporate bonds and debentures are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of corporate bonds and debentures are generally observable, they are usually classified as Level 2.

Equities

Equities, which may include warrants and subscription receipts, are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently, in such cases, the fair value is determined using observable market data and the fair value is classified as Level 2. Unlisted warrants and subscription receipts are valued using the Black-Scholes model or other valuation methods and techniques generally recognized as standard within the industry and are generally classified as Level 2.

Index-based investments

Index-based investments are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain index-based investments do not trade frequently, in such cases, fair value is determined using observable market data and the fair value is classified as Level 2.

Loans

Loans consist primarily of term loans and corporate loans.

Term loans are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation of term loans are generally observable, they are usually classified as Level 2.

Corporate loans consist primarily of private loans to corporation, which are usually valued at the nominal value. Since the inputs that are significant to valuation are generally non-observable, corporate loans are usually classified as Level 3. In the case that inputs might be observable, they will be classified as Level 2.

Asset-backed securities, mortgage-backed securities and master asset vehicle

Assets-backed securities, mortgage-backed securities and master asset vehicle consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs, for asset-backed securities and mortgage-backed securities, that are significant to valuation are generally observable, they are usually classified as Level 2. Inputs for master asset vehicle are generally non-observable and consequently are classified as Level 3, in the case that inputs might be observable, they will be classified as Level 2.

Underlying funds and limited partnerships

Public underlying funds and limited partnerships are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some underlying funds and limited partnerships are not public, their price is determined using observable market data and fair value is classified as Level 2.

Derivative financial instruments

Derivative financial instruments consists of forward currency contracts, bond forward contracts, futures contracts, options contracts and credit default swap contracts. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2. Exchange traded options and futures are classified as level 1. Unlisted options are generally classified as Level 2.

Regardless of the type of investments, the financial instruments for which the fair value measurement requires the use of significant unobservable inputs are classified as Level 3. Financial instruments may also be classified Level 3 if their prices are no longer based on observable inputs.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The following tables categorize the Fund's financial assets (liabilities) fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The fair value measurement is described in Note 2 "Significant accounting policies".

	Financial assets (liabilities) at fair value through profit or loss as at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities – Long	1,988,100	—	—	1,988,100
Equities	34,926,842	—	—	34,926,842
Forward currency contracts	—	276,427	—	276,427
Futures contracts	—	28,377	—	28,377
Options contracts	10,000	—	—	10,000
Total assets	36,924,942	304,804	—	37,229,746
Liabilities				
Money market securities – Short	(1,988,100)	—	—	(1,988,100)
Futures contracts	—	(28,474)	—	(28,474)
Total liabilities	(1,988,100)	(28,474)	—	(2,016,574)

	Financial assets (liabilities) at fair value through profit or loss as at December 31, 2016			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Money market securities – Long	1,988,100	—	—	1,988,100
Equities	31,923,709	—	—	31,923,709
Forward currency contracts	—	5,076	—	5,076
Options contracts	196,495	—	—	196,495
Total assets	34,108,304	5,076	—	34,113,380
Liabilities				
Money market securities – Short	(1,988,100)	—	—	(1,988,100)
Forward currency contracts	—	(127,229)	—	(127,229)
Options contracts	(33,652)	—	—	(33,652)
Total liabilities	(2,021,752)	(127,229)	—	(2,148,981)

Transfers between Levels 1 and 2

During the six-month period ended June 30, 2017 and the year ended December 31, 2016, there were no transfers of investments between Level 1 and Level 2.

Structured entities

Fair values of index-based investments, asset-backed securities, mortgage-backed securities, master asset vehicles, underlying funds and limited partnerships in the tables "Financial assets (liabilities) at fair value through profit or loss" also represent the maximum exposure to loss arising from investments in structured entities.

Financial instrument risks

The Fund's activities expose it to a variety of financial risks, among which are market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The Fund's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's rate of return.

The Manager is responsible for the risk management of the Fund. The Manager compares the Fund's performance to its benchmark on a monthly basis. This analysis is also conducted every month by the Chief Investment Officer and his CIO office team. Furthermore, the Manager ensures that the Fund's investment policies are rigorously followed and writes a quarterly compliance report, which is reviewed on a quarterly basis by the Chief Investment Officer.

If the Fund invests in underlying funds or limited partnerships, it may be indirectly exposed to the financial instrument risks of the underlying funds or limited partnerships, depending on the type of securities held by the underlying funds or limited partnerships. The decision to buy or sell, an underlying fund or limited partnerships, is based on the Fund's investment objective generally within a specific asset allocation strategy. Only direct exposure to risk arising from the Fund's financial instruments is presented.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in the relevant risk variables, such as exchange rates, interest rates and equity prices.

The Fund's market risk is managed through diversification of the investment portfolio's exposure ratios.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed income and money market securities) and non-monetary items (usually including investments in equities and underlying funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Fund is exposed to currency risk in holding assets and/or liabilities denominated in currencies other than the Canadian dollar, the Fund's functional currency, as the value of the securities denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. Generally, when the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Fund's exposure to currency risk is disclosed based on the carrying value of financial assets and financial liabilities (including the notional amount of forward contracts and futures contracts, if any). For the notional amount of forward contracts and futures contracts, a long position is shown under "Financial assets at fair value through profit or loss", and a short position under "Financial liabilities at fair value through profit or loss".

The following tables indicate the foreign currencies to which the Fund had significant exposure, in Canadian dollars terms, and the notional amounts of forward contracts and futures contracts, if any. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

Currency	As at June 30, 2017			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
Australian Dollar	20,443	—	20,443	+/- 1,000
British Pound	3,508,782	1,612,721	1,896,061	+/- 95,000
Euro	1,217,879	—	1,217,879	+/- 61,000
Hong Kong Dollar	75,864	—	75,864	+/- 4,000
Japanese Yen	2,194,106	1,034,487	1,159,619	+/- 58,000
Swedish Krona	902,560	—	902,560	+/- 45,000
Swiss Franc	5,239,431	2,502,064	2,737,367	+/- 137,000
U.S. Dollar	22,060,834	10,685,630	11,375,204	+/- 569,000
Net exposure is composed of:				
Non-Monetary items			34,926,842	
Monetary items			(15,541,845)	

Currency	As at December 31, 2016			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Impact on net assets attributable to holders of redeemable units \$
Australian Dollar	485,522	—	485,522	+/- 24,000
British Pound	3,120,481	1,570,901	1,549,580	+/- 77,000
Euro	1,033,869	503,552	530,317	+/- 27,000
Hong Kong Dollar	364,996	—	364,996	+/- 18,000
Japanese Yen	1,953,975	1,070,218	883,757	+/- 44,000
Swedish Krona	818,652	—	818,652	+/- 41,000
Swiss Franc	4,859,818	2,375,058	2,484,760	+/- 124,000
U.S. Dollar	19,748,743	10,072,520	9,676,223	+/- 484,000
Net exposure is composed of:				
Non-Monetary items			32,086,955	
Monetary items			(15,293,148)	

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk occurs if the Fund invests in interest-bearing financial instruments. Generally, the fair value of these securities increases if interest rates decrease and decreases if interest rates increase. The Manager manages this risk by calculating and monitoring the average effective duration of the portfolio of these securities.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to interest rate risk.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices other than those arising from currency risk or interest rate risk.

All securities investments present a risk of loss. The Manager intends to manage this risk through a careful selection of securities and other financial instruments in compliance with the specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's financial instruments are exposed to market price risk arising from uncertainties about the future prices of the instruments.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

As at June 30, 2017 and December 31, 2016, the Manager's estimate of the impact on net assets attributable to holders of redeemable units as a result of a reasonably possible change in benchmarks, using a predicted or historical beta coefficient (a measure of the sensitivity of a security/fund in comparison to the market) between the Fund's return as compared to the return of the Fund's benchmark, with all other variables held constant, is included in the following table:

	Impact on net assets attributable to holders of redeemable units		
	Change in price %	June 30, 2017 \$	December 31, 2016 \$
Benchmarks			
MSCI World Index	+/- 10	+/-2,572,000	+/-2,556,000

In practice, actual trading results may differ from these sensitivity analyses, and the differences could be significant.

b) Concentration risk

The concentration risk is described as being the risk of having one or more elements, such as a geographical location, product type, industry sector or counterparty type, which dictates the major part of the performance and/or the volatility of the Fund. During the formulation of the investment's policy, the risk is reduced by requiring a minimal diversification at the level of the securities, issuers, sectors, assets classes if any. Management determines the concentration based on the investment objective of the Fund.

The following table summarizes the Fund's concentration risk as a percentage of the Fund's net assets attributable to holders of redeemable units:

Market Segment	June 30, 2017	December 31, 2016
	%	%
Money market securities – Long		
Canadian T-bills	5.6	6.2
Money market securities – Short		
Canadian T-bills	(5.6)	(6.2)
Equities		
Consumer discretionary	12.8	14.2
Consumer staples	14.7	15.2
Financials	17.2	16.1
Health care	16.6	17.5
Industrials	17.8	18.3
Information technology	16.1	15.1
Materials	2.9	2.6
Forward currency contracts	0.8	(0.4)
Option contracts	—	0.5
Net other assets (liabilities)	1.1	0.9
	100.0	100.0

c) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will be unable to pay the full amount upon maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/Portfolio Manager, in addition to credit rating agencies analysis.

Financial Instrument Transactions

The Fund is exposed to credit risk. The Fund's and the counterparty's respective credit risks are taken into account when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

As at June 30, 2017 and December 31, 2016, the Fund has no significant investments in either fixed income securities or money market securities. However, the Fund is exposed to credit risk arising from derivative financial instruments.

Derivative financial instruments

	June 30, 2017	December 31, 2016
The counterparties to derivative financial instruments have a credit rating of at least:	A	A

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund may, from time to time, invest in derivative financial instruments traded over the counter, which are not traded in an organized market and may be illiquid. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed will be representative of the actual cash outflows, as holders of the instruments typically retain them for a longer period.

Fiera Capital Defensive Global Equity Fund

Notes to the financial statements (continued)

June 30, 2017 and 2016 (unaudited)

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at June 30, 2017 and December 31, 2016, the Fund is not significantly exposed to liquidity risk. However, on each valuation day, the Fund is exposed to redemptions of units. It therefore invests the majority of its assets in liquid investments (i.e., investments that trade in an active market and that can be readily disposed of).

9. Income tax and capital gains tax

As at December 31, 2016, capital and non-capital losses available to be carried forward are as follows:

	<u>Capital losses</u>	<u>Non-capital losses</u>	
	Amounts \$	Amounts \$	Year of expiry
December 31, 2016	11,328	169,166	2035

10. Offsetting of derivative assets and derivative liabilities

The Fund entered into certain master netting arrangements or similar agreements that do not meet the criteria for offsetting in the statements of financial position in the normal course of business. However, these agreements still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. As at June 30, 2017 and December 31, 2016, the Fund has no significant and/or no derivative assets and derivative liabilities positions to offset.

11. Securities lending

As at June 30, 2017 and December 31, 2016, the Fund did not participate in a securities lending program.

12. Other financial instruments

As at June 30, 2017 and December 31, 2016, the Fund has no other financial instruments other than those previously specified.

13. Obligations and contingencies

As at June 30, 2017 and December 31, 2016, the Fund has no obligations and no contingencies.

14. Reconciliation between net assets value and net assets attributable to holders of redeemable units per unit

As at June 30, 2017 and December 31, 2016, there are no differences between the NAV per unit for transactions and the net assets attributable to holders of redeemable units per unit in accordance with IFRS.

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With offices across Canada, the United States¹, the United Kingdom² and Europe², the firm has over 600 employees and is dedicated to servicing our highly diversified clientele. To see the locations, please visit fieracapital.com

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