

NBI Jarislowsky Fraser Select Canadian Equity Fund

Financial Statements

Statements Interim of Financial Position (Unaudited) (in thousands Canadian dollars, except per unit amounts)

	Note	June 30, 2018	December 31, 2017
Assets		\$	\$
Current assets			
Investments	5	104,108	105,676
Cash		1,649	1,943
Subscriptions receivable		116	90
Dividends receivable		194	171
Total assets		106,067	107,880
Liabilities			
Current liabilities			
Redeemed units payable		64	64
Accrued expenses		104	109
Total liabilities (excluding net assets attributable to holders of redeemable units)		168	173
Net assets attributable to holders of redeemable units		105,899	107,707
Net assets attributable to holders of redeemable units per series	2		
Advisor Series		34,492	36,331
Series F/E		49,728	56,204
Series F5		75	59
Series T5		75	79
Private Series		21,529	15,034
		105,899	107,707
Net assets attributable to holders of redeemable units per unit, per series	2		
Advisor Series		16.11	15.91
Series F/E		16.61	16.31
Series F5		10.14	10.21
Series T5		9.69	9.83
Private Series		12.15	11.93

Approved on behalf of the board of directors of National Bank Investments Inc.
Jonathan Durocher
President and Chief Executive Officer
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Director

Statements Interim of Comprehensive Income for the 6-Month Periods Ended June 30 (Unaudited) (in thousands Canadian dollars, except per unit amounts)

	Note	2018	2017
Income	2	\$	\$
Interest income for distribution purposes		7	7
Dividends income		1,448	1,292
Other income		-	23
Net realized gains (losses) on sale of investments		3,339	(1,385)
Net realized gains (losses) on foreign currencies		15	(6)
Net realized gains (losses) on forwards currency		(1)	3
Change in net unrealized appreciation/depreciation on investments		(2,406)	241
Change in unrealized gains/losses on foreign currencies		3	(42)
Total income		2,405	133
Expenses	8		
Management fees		622	615
Custodial fees		7	13
Audit fees		3	1
Legal fees		1	1
Rights and deposits		35	11
Securityholder reporting costs		-	26
Professional fees		3	3
Fees paid by the manager		(31)	(5)
Withholding taxes	2	58	39
Transaction costs on purchase and sale of investments	7	8	14
Total expenses		706	718
Increase (decrease) in net assets attributable to holders of redeemable units		1,699	(585)
Increase (decrease) in net assets attributable to holders of redeemable units per series	2		
Advisor Series		405	(295)
Series F/E		767	(205)
Series F5		3	-
Series T5		1	-
Private Series		523	(85)
		1,699	(585)
Increase (decrease) in net assets attributable to holders of redeemable units per unit, per series	2		
Advisor Series		0.18	(0.13)
Series F/E		0.24	(0.06)
Series F5		0.31	(0.02)
Series T5		0.12	(0.07)
Private Series		0.34	(0.14)

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

**Statements Interim of Changes in Net Assets Attributable to Holders of Redeemable Units per Series
for the 6-Month Periods Ended June 30 (Unaudited)
(In thousands Canadian dollars)**

Note	Advisor Series		Series F/E		Series F5		Series T5		Private Series	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net assets attributable to holders of redeemable units, beginning of the period	36,331	35,896	56,204	49,611	59	15	79	82	15,034	3,774
Increase (decrease) in net assets attributable to holders of redeemable units	405	(295)	767	(205)	3	-	1	-	523	(85)
Redeemable units transactions										
6 Proceeds from redeemable units issued	3,075	4,854	3,041	10,216	15	-	-	-	8,312	5,981
Reinvestments of distributions to holders of redeemable units	1	2	4	3	-	-	2	2	-	-
Redemption of redeemable units	(5,319)	(5,340)	(10,284)	(5,008)	-	-	(5)	(4)	(2,340)	(309)
Total redeemable units transactions	(2,243)	(484)	(7,239)	5,211	15	-	(3)	(2)	5,972	5,672
Distributions to investors										
2 Net investment income	-	-	-	-	1	-	-	-	-	-
Return of capital	-	-	-	-	1	-	2	2	-	-
Management fees rebate	1	2	4	3	-	-	-	-	-	-
Total distributions to investors	1	2	4	3	2	-	2	2	-	-
Net increase (decrease) in net assets attributable to holders of redeemable units	(1,839)	(781)	(6,476)	5,003	16	-	(4)	(4)	6,495	5,587
Net assets attributable to holders of redeemable units, end of the period	34,492	35,115	49,728	54,614	75	15	75	78	21,529	9,361
Redeemable units transaction										
Redeemable units outstanding, beginning of the period	2,283,489	2,332,866	3,445,436	3,151,205	5,801	1,462	8,059	8,198	1,260,644	329,995
Redeemable units issued	197,713	312,059	188,760	639,976	1,530	-	-	-	709,824	517,019
Redeemable units issued on reinvestments	94	100	249	208	23	3	208	202	-	-
Redeemable units redeemed	(339,757)	(343,750)	(639,910)	(313,171)	-	-	(510)	(348)	(198,089)	(26,672)
Redeemable units outstanding, end of the period	2,141,539	2,301,275	2,994,535	3,478,218	7,354	1,465	7,757	8,052	1,772,379	820,342

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

**Statements Interim of Cash Flows
for the 6-Month Periods Ended June 30 (Unaudited)
(In thousands Canadian dollars)**

Note	2018	2017
	\$	\$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	2 1,699	(585)
Adjustments for:		
Net realized (gains) losses on sale of investments	(3,339)	1,385
Net realized (gains) losses on foreign currencies	(15)	6
Net realized (gains) losses on forwards currency	1	(3)
Change in net unrealized appreciation/depreciation on investments	2,406	(241)
Change in unrealized gains/losses on foreign currencies	(3)	42
Purchases of investments	(11,975)	(16,995)
Proceeds from sale and maturity of investments	14,475	6,208
Dividends receivable	(23)	(59)
Accrued expenses	(5)	5
Net cash from operating activities	3,221	(10,237)
Cash flows used in financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	2 (2)	-
Proceeds from issuances of redeemable units	14,417	20,811
Amounts paid on redemption of redeemable units	(17,948)	(10,589)
Net cash used in financing activities	(3,533)	10,222
Net realized gains (losses) on foreign currencies	15	(6)
Change in unrealized gains/losses on foreign currencies	3	(42)
Net increase (decrease) for the period	(312)	(15)
Cash (bank overdraft), beginning of the period	1,943	2,513
Cash (bank overdraft), end of the period	1,649	2,450
Included in cash flows from operating activities		
Interest received	7	7
Dividends received, net of withholding taxes	1,367	1,194

Funds' Specific Notes

General Information

Date Operations Commenced (Note 1)	Distribution of Net Income (Note 2)	Distribution of Gains (Note 2)	Annual Management Fees (Maximum) (Note 8)	Administration Fees (Note 8)
Advisor Series	October 7, 2010	A	A	1.75 %
Series E	October 7, 2010	A	A	0.75 %
Series F	October 7, 2010	A	A	0.75 %
Series F5	September 30, 2014	M	A	0.75 %
Series T5	September 30, 2014	M	A	1.75 %
Private Series	March 11, 2016	A	A	*

* This series is private series

Net Assets/Equity Attributable to Holders of Redeemable Securities per Securities (Note 2)

As at June 30, 2018		
Transactional Net Asset Value Per Unit	Adjustment Per Unit	Net Asset Per Unit
\$	\$	\$
Advisor Series	16.11	-
Series F/E	16.61	-
Series F5	10.14	-
Series T5	9.69	-
Private Series	12.15	-
		16.11
		16.61
		10.14
		9.69
		12.15
As at December 31, 2017		
Transactional Net Asset Value Per Unit	Adjustment Per Unit	Net Asset Per Unit
\$	\$	\$
Advisor Series	15.91	-
Series F/E	16.31	-
Series F5	10.21	-
Series T5	9.83	-
Private Series	11.92	0.01
		15.91
		16.31
		10.21
		9.83
		11.93

Currency Risk (Note 5)

Currency	June 30, 2018		December 31, 2017	
	Exposure	Net assets attributable to holders of redeemable units	Exposure	Net assets attributable to holders of redeemable units
American Dollar	\$ 19,335,972	% 18.3	\$ 17,849,120	% 16.6
Euro	1,019,068	1.0	2,480,616	2.3
Swiss Franc	(42)	-	423,815	0.4

This fund has no investments in other mutual funds and/or exchange traded funds.

Numbers shown include monetary and non-monetary instruments, if appropriate.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net asset and results of the fund would have varied by approximately \$1,017,750 (\$1,037,678 as at December 31, 2017).

Price Risk (Note 5)

The Fund's Benchmark Composition	June 30, 2018		December 31, 2017	
	Impact on Net Assets and Results	Percentage of Net Assets	Impact on Net Assets and Results	Percentage of Net Assets
S&P/TSX Index Capped TR (100%)	± 9,244,983	8.7 %	± 9,456,683	8.8 %

The impact is presented in the event that the benchmark's performance would rise or fall by 10%, with all variables held constant. This impact is presented on a 36-month historical correlation between the fund's fluctuating performance and the reference index.

Concentration Risk (Note 5)

Asset Mix	Percentage of Net Assets as at	
	June 30, 2018	December 31, 2017
Canadian Equity	79.3 %	78.9 %
Cash, Money Market and Other Net Assets	1.7	1.9
International Equity	6.0	5.7
US Equity	13.0	13.5

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

Fair Value of Financial Instruments Table (Note 5)

June 30, 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common shares	104,107,849	n/a	n/a	104,107,849

During the period ended June 30, 2018, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

December 31, 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Common shares	105,675,892	n/a	n/a	105,675,892

During the year ended December 31, 2017, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

Brokerage Commissions and Soft Dollars (Note 7)

(in thousands Canadian dollars)

	June 30, 2018	June 30, 2017
	\$	\$
Total Commissions	8	14
Related Entities	1	-

Positions Held by Related Parties (Note 8)

	June 30, 2018		December 31, 2017	
	Units	%	Units	%
Series F5	121	2	118	2
Series T5	122	2	118	1
Private Series	101	-	101	-

Losses (Note 9)

(in thousands Canadian dollars)

	2017	2016
	\$	\$
Capital Losses	2,073	107

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

Schedule of Investments as at June 30, 2018

(In Canadian dollars)

	Number of shares	Average Cost \$	Fair Value \$		Number of shares	Average Cost \$	Fair Value \$
Canadian Equities (79.3%)				Hong Kong (0.8%)			
Consumer Discretionary (6.0%)				AIA Group Ltd., ADR			
Canadian Tire Ltd., Class A	11,325	1,062,104	1,943,370		17,430	787,658	802,545
Gildan Activewear Inc.	59,315	2,298,477	2,196,434	Mexico (0.2%)			
Thomson Reuters Corp.	41,610	1,839,325	2,207,410	Fomento Economico Mexicano SAB de CV, ADR			
		5,199,906	6,347,214		1,780	210,913	205,428
Consumer Staples (8.4%)				Netherlands (1.2%)			
Alimentation Couche-Tard Inc., Class B	50,185	2,874,591	2,866,065	ASML Holding N.V.			
Loblaw Companies Ltd.	26,448	1,331,249	1,787,885	Unilever NV, ADR			
Metro Inc.	43,155	977,424	1,928,597		2,400	544,291	624,509
Saputo Inc.	54,030	2,339,966	2,358,410		8,942	648,997	655,115
		7,523,230	8,940,957	Switzerland (0.6%)			
Energy (14.7%)				Roche Holding AG, ADR			
ARC Resources Ltd.	83,715	1,706,333	1,136,850		18,540	705,669	673,417
Canadian Natural Resources Ltd.	91,886	3,610,635	4,359,991	United Kingdom (0.4%)			
Crescent Point Energy Corp.	56,279	992,290	543,655	RELX PLC, ADR			
Enbridge Inc.	102,755	4,956,486	4,829,485		14,900	410,459	425,833
Keyera Corp.	34,595	1,041,133	1,265,485	United States (13.0%)			
Pembina Pipeline Corporation	50,510	1,921,431	2,299,720	Alphabet Inc., Class A			
Vermilion Energy Inc.	24,165	1,476,502	1,145,663		641	759,220	951,522
		15,704,810	15,580,849	Alphabet Inc., Class C			
Financials (25.3%)				Becton Dickinson and Co.			
Bank of Nova Scotia	67,579	4,216,098	5,030,581		321	90,338	470,789
Great-West Lifeco Inc.	45,775	1,354,927	1,479,448	Berkshire Hathaway Inc., Class B			
Industrial Alliance, Insurance & Financial Services Inc.	30,345	1,327,959	1,540,009		5,360	1,223,583	1,315,395
Intact Financial Corp.	21,055	1,577,465	1,963,379	Booking Holdings Inc.			
Manulife Financial Corp.	120,150	2,251,689	2,837,943		300	691,473	799,444
Royal Bank of Canada	60,343	4,086,630	5,973,354	CA Technologies Inc.			
Toronto-Dominion Bank	104,055	4,979,267	7,917,545		16,795	612,687	787,106
		19,794,035	26,742,259	Comcast Corp., Class A			
Industrials (10.8%)				DaVita Inc.			
CAE Inc.	82,590	1,158,797	2,255,533		9,370	923,073	855,348
Canadian National Railway Co.	43,900	2,628,749	4,720,567	EOG Resources Inc.			
SNC-Lavalin Group Inc.	47,005	2,462,334	2,729,110		4,040	541,266	660,952
Stantec Inc.	50,580	1,551,110	1,710,110	IQVIA Holdings Inc.			
		7,800,990	11,415,320		7,269	709,353	953,385
Information Technology (7.7%)				Microsoft Corp.			
CGI Group Inc., Class A	33,710	1,965,292	2,808,380		10,270	529,019	1,331,328
Descartes Systems Group Inc.	49,460	871,732	2,118,372	Noble Energy Inc.			
Open Text Corp.	69,210	1,779,004	3,202,347		17,345	878,621	804,445
		4,616,028	8,129,099	PepsiCo Inc.			
Materials (5.4%)				US Bancorp			
CCL Industries Inc., Class B	33,565	1,713,492	2,163,264		11,355	489,594	746,663
Nutrien Ltd.	50,356	3,480,884	3,601,461	Verisk Analytics Inc.			
		5,194,376	5,764,725		6,220	591,160	880,152
Utilities (1.0%)				Walgreens Boots Alliance Inc.			
Innervex Renewable Energy Inc.	76,360	838,461	1,054,532		11,200	695,406	883,632
				10,324,618			
Total Canadian Equities		66,671,836	83,974,955	16,386,115			
International Equities (19.0%)				Total International Equities			
Belgium (0.5%)				83,057,951*			
Anheuser-Busch InBev NV, ADR							104,107,849
	4,390	640,378	581,553	Cash and Other Net Assets (1.7%)			
France (1.0%)				1,791,159			
AXA							105,899,008
	31,590	976,281	1,019,070	Net Assets (100%)			
Germany (1.3%)				105,899,008			
Bayer AG, ADR							
	12,740	421,940	461,910				
Siemens Ag, ADR							
	10,780	714,911	933,682				
		1,136,851	1,395,592				

*Average cost of Investments as of December 31, 2017 is \$82,220,021.

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