

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

*This interim management report of fund performance contains financial highlights, but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling us toll free at 1-866-378-7119, by writing to us at NGAM Canada LP (the "Manager"), 145 King Street West, Suite 1500, Toronto, ON, M5H 1J8, or by visiting our website at [ngam.natixis.ca](http://ngam.natixis.ca) or SEDAR at [www.sedar.com](http://www.sedar.com). Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.*

#### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements about the Fund, including its strategy, expected performance and conditions. Forward-looking statements are statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.*

*Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, capital markets, business competition, technological changes, changes in government regulations, unexpected judicial or regulatory proceedings and catastrophic events.*

*We stress that the above-mentioned list is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.*

## **Management Discussion of Fund Performance**

### ***Investment Objective and Strategies***

The investment objective of the Natixis Strategic Balanced Class (the "Fund" or the "Tax Class Fund") is to provide a combination of capital preservation, income generation and long-term capital growth primarily through investment in a diversified portfolio of Canadian securities. The Fund will pursue the investment objective primarily through investment in publicly traded common and preferred equity and income trust securities and in government issued or guaranteed bonds, corporate debentures, mortgages, REITs, convertible debentures, asset backed securities and treasury bills.

Cidel Asset Management Inc. ("Cidel"), the sub advisor of the Fund, seeks to invest in a broadly diversified portfolio of fixed income investments and equity securities of companies with attractive cash flow and valuation profiles, a track record of returning rising levels of cash flow to securityholders with a conservative bias. Cidel seeks to invest in companies with quality management, a practice of increasing dividends or share buybacks, and identifiable growth opportunities. Cidel utilizes a blend of interest rate anticipation, yield curve management, sector allocation, and credit analysis to reduce volatility and generate income and more consistent returns with a view to meeting the Fund's investment objectives. For the equity securities component, Cidel follows a security selection process consisting of company screening, bottom up fundamental research/valuation and a final decision making phase based on perceived margin of safety and portfolio and risk management considerations. For the fixed income component, Cidel seeks to be diversified by industry sectors, types of issues, as well as individual issuers.

On December 15, 2016, changes to Canadian Federal tax rules cause exchanges or "switches" between classes within a mutual fund corporation to be treated as a taxable disposition. This change applies to switches of shares that occur on and after January 1<sup>st</sup>, 2017. Previously, investors could switch their shares between classes of the same mutual fund corporation on a tax-deferred basis, allowing them to defer accrued capital gains. All mutual fund corporations in Canada are affected by these provisions. As a result of the 2016 Federal Budget, while taxable investors who switch between series of a class of a Tax Class Fund will not trigger a disposition for tax purposes, all other switches of shares of a Tax Class Fund will be a disposition of the securities switched for proceeds of disposition equal to the fair market value thereof and taxable investors will be required to include any resulting capital gain in computing income for tax purposes.

### ***Risk***

No changes affecting the overall level of risk associated with investing in the Fund were made during the period. The risks of this Fund remain as discussed in the Fund's most recent simplified prospectus or any amendments and fund facts.

### ***Results of Operations***

The Fund's net asset value decreased during the period from \$128,148,000 to \$127,975,000. This increase was a result of positive return on investments and the proceeds of a fund merger offset by net redemptions.

The Series A of the Return of Capital class of the Fund returned 4.5% compared to a 3.1% return on its benchmark, a 25% S&P/TSX Capped Composite Index / 25% MSCI World Index / 50% FTSE TMX Canada Universe Bond Index (the "Benchmark"), from which fees and expenses are not deducted. See the section titled "Past Performance" for a detailed summary of the performance of the Fund.

The Fund's overall asset allocation was a positive factor on its performance through the first half of the year. A slight over allocation to Global and Canadian Equities versus the benchmark and the underlying performance of both strategies was the main driver of the Fund's outperformance versus the benchmark through the first half of the year.

Relating to the Global Equity portion of the Fund, performance has been broad based, with many key European, U.S. and Asian equity markets all rising by similar mid to high single digit rates (in local currency terms) through the first six months of the year. Sector leadership is markedly different thus far in 2017 vs. 2016. In 2016 Energy and Materials were the top two

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performing of the 11 GICS sectors in the MSCI World Index, while Health Care and Real Estate were the two worst. Thus far in 2017, Information Technology and Health Care are MSCI World's top two performers; Energy is now the worst. The fund's global equity holdings - designed in part to offer Canadian investors exposure to sectors like Information Technology and Health Care that are hard to come by in the TSX - has accordingly benefited, outperforming the MSCI World index. The fund's Global holdings including Cineworld PLC, Heineken NV, and Techtronic Industries Co. were positive factors on performance. Some of the funds US based Energy names were detractors from performance including Occidental Petroleum and Phillips 66.

The fund's Canadian holdings in the Materials and Industrials sectors were key contributors to the portfolio's performance while its underexposure to the Energy sector continued to create positive relative performance. CCL Industries and Stella Jones Inc., both in the Materials sector, were the best two performing stocks. Stella Jones' stock price reacted well to an improvement in the outlook for the railway tie market while the addition of CCL to the S&P/TSX 60 Index created additional demand for the stock. From a dividend growth perspective, eight Canadian companies increased their dividends during the second quarter.

The bond market managed to turn in a positive return for the first half of the year despite the significant sell off in the last two weeks of June.

### *Recent Developments*

We still expect to see synchronized and improving global economic growth, which argues for improving corporate profits and rising equity markets. The environment should remain reasonably positive until either inflation rises to concerning levels, which has not happened, causing central banks to put on the brakes, or until one of the many risks we discussed in previous quarterly reports damage confidence and eventually the economy. Overall, the odds of recession occurring over the next two years seem low, which makes sense given that employment is strong, central banks have just started removing monetary stimulus, the yield curve is still upward sloping, the purchasing managers index is well over 50 at 57.8, and there is still lots of capacity. As a result, reducing our equity exposure seems premature as there are few signs that a recession is on the horizon.

On the inflation front, our view is that nominal GDP is still too weak for inflation to start to feed on itself. If it turns out that the weak inflation data we see now is not temporary as the Fed believes it is, we may be presented with an opportunity to add to bonds, but for now we will remain underweight bonds because both the Fed and the Bank of Canada remain on a path to increase rates, hoping to build some ammunition for the next recession. Overall, the Fund's asset mix is tilted towards equities over bonds, a position we view as reasonable. There currently is a small cash position in the Fund, which we will deploy when we see market weakness in either bonds or equities.

### *Change of Securities Offerings*

Effective May 9, 2017, the securities of Ultra High Net Worth Series and all series of Capital Gains class are no longer available for purchase.

Investors may continue to own these securities, redeem their investment, or switch their investment to securities of the Fund or another Natixis Fund that is available for purchase and for which they qualify.

Effective June 12, 2017, the securities of Regular Front End Load, Deferred Load and Low Load series are no longer available for purchase.

Effective June 12, 2017, commenced offering securities of Series A.

On July 18, 2017 all the assets attributable to Regular Front End Load, Deferred Load and Low Load were re-designated to Series A.

### *Distributions*

Effective June 9, 2017, the Return of Capital class of the Fund increased its distribution rate from \$0.40 to \$0.48, annually, paid monthly.

Effective June 9, 2017, the Dividend class of the Fund increased its distribution rate from \$0.40 to \$0.48, annually, paid monthly.

### *Fund Class and Series Name Changes*

Effective June 9, 2017, the Fund renamed the following Class and Series:

Previous Name	New Name
Dividend Tax Credit Class	Dividend class
Regular F Series	Series F
High Net Worth Front End Load Series	Series H
High Net Worth F Series	Series HF
Ultra High Net Worth Series	Series U
Institutional Front End Load Series	Series I

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*Inter-Fund Debt*

Under the fund on fund investment structure, the Fund issues debt in the form of limited recourse notes to the Natixis Strategic Balanced Registered Fund (the "Registered Fund"). These limited recourse notes are redeemable on demand by the Registered Fund, and pay interest at a floating rate equal to prime plus 1%. During the period, the maximum inter-fund debt issued was \$9,915,000 and the minimum, \$9,114,000. At the end of the period, the debt represented 14.1% of the Fund's net asset value. This debt is intended to increase the tax efficiency of the Fund and is not used as financial leverage.

*Related Party Transactions*

NGAM Canada LP (the "Manager") provides investment management, distribution and administrative services to the Fund. These services are provided in the normal course of operations and are recorded at the amount of consideration agreed to by the Manager and the Fund. National Instrument 81-107 requires the Fund, to establish an independent review committee ("IRC") to whom the Fund must refer all conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters, and provide assistance to the IRC in carrying out its functions.

*Management Fees*

NGAM Canada LP is the manager of the Fund. In consideration for the investment advisory services provided, the Manager receives a monthly management fee based on the daily average net assets of each series of the Fund, other than Series I. From its management fees, the Manager pays the cost of portfolio manager compensation, and sales and trailing commissions to dealers who distribute securities of the Fund. In consideration for other administrative services provided, the Manager may also charge an administrative fee to the Funds.

From time to time, the Manager may reduce the effective management fee payable by some shareholders by reducing the management fee it charges to the Fund, directing the Fund to make management fee distributions to these shareholders, or by rebating these fees back to the Fund in amounts equal to the management fee reduction. Management fee distributions are automatically reinvested in additional shares of the Fund and are accounted for as distributions for financial statement purposes.

*Tax Management Contingent Fee*

The publicly offered Tax Classes of each Tax Class Fund utilize a variety of value-added proprietary mechanisms designed to enhance their tax efficiency for a variety of financial planning purposes. An annual tax management contingent fee of 0.15% is charged to the Compound Growth class of the applicable Tax Class Fund as the objective of the tax class, being to minimize the amount and frequency of distributions to an investor, is of unique benefit to investors of the class. The annual fee is accrued daily and paid monthly to the Manager, on the same basis as, and in addition to, the management fee. No tax management contingent fee is payable in respect of the remaining Tax Classes.

This fee will be refunded to the Compound Growth class of a Tax Class Fund if the following conditions are not met:

- a) the Compound Growth class has a positive return for the year; and
- b) the class does not pay a taxable distribution of any kind in the calendar year unless its return is in excess of 10% in that year. Furthermore, if the investment return exceeds 10% in the calendar year at least 50% of the return must remain undistributed to shareholders of the class.

*Fund Operating Expenses*

Each Fund is responsible for the payment of all operating expenses including, but not limited to, taxes, accounting fees, legal fees, audit fees, trustee fees, IRC fees, custodial fees, administrative costs, investor servicing costs, broker commissions, interest and bank charges, and costs of reports and prospectuses. In consideration for other administrative services provided, the Manager may also charge an administrative fee to the Funds. The Manager allocates to the Fund certain overhead costs which are directly related to the operation of the Fund (excluding marketing and sales). Those overhead costs would include a portion of the Manager's IT computer software, systems and staff salaries, facilities, insurance (property and liability only), depreciation on fixed assets, data and telephone, printing, office and other general administrative costs.

Operating expenses are attributed to a Fund, or a Fund's series. Common operating expenses of the Funds may be allocated among each fund based on the average number of securityholders or the average daily net assets value of that fund, or other methods of allocation that the Manager deems appropriate, depending on the type of operating expenses being allocated.

*Expenses Absorbed*

The Manager may waive or absorb a portion of the management fees or operating expenses for certain funds. The decision to absorb these expenses is reviewed periodically and determined at the discretion of the Manager, without notice to shareholders.

The related party fees charged are as follows:

	June 30, 2017	June 30, 2016
Management fees	1,103,441	674,233
Tax Management Contingent fees	58,563	34,187
Inter-fund debt interest	173,759	148,909
Administrative services provided by the Manager	32,804	28,502
Fund expenses absorbed by the Manager	(49,909)	(57,394)

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## Management Fees and Class/Series Description

The Fund offers these tax classes: Return of Capital; Dividend; Compound Growth; and a single non-publicly offered Inter-Fund. Each of these classes, excluding the Inter-Fund, have five publicly offered series of shares: Series A, Series F, Series H, Series HF and Series I. The following securities are no longer available for purchase: Series U, Regular Front End Load, Deferred Load, Low Load and all series of the Capital Gains class.

Management fees differ among the Fund's series of shares. The Fund pays the Manager an aggregate management fee. Management fees for Series I shares are negotiated and paid directly by the investor, not by the Fund. From its management fees, the Manager pays the costs of portfolio manager compensation, and sales and trailing commissions to dealers who distribute securities of the Fund.

In addition to a management fee, each series of the Compound Growth class is charged an annual tax management contingent fee of 0.15% which is repayable if certain conditions are not met.

### As a Percentage of Management Fees<sup>^</sup>

Series	Management Fee* (%)	Dealer Compensation (%)	General Administration, Investment Advice and Profit
			(%)
Series A	2.00	39	61
Regular, Deferred and Low Load	2.00	39	61
Series F	1.00	0	100
Series H	1.75	54	46
Series HF	0.75	0	100
Series U	1.50	47	53

\* Applicable to all classes of shares.

<sup>^</sup> Include contingent tax management fees.

\*\*For Series I [Units/Shares (revise as applicable)], separate Series I fees are negotiated and paid by each Series I investor. The combined management, administrative and any service fees charged for Series I Units will not exceed the management fee charged for Series A Shares.

## Summary of Investment Portfolio at June 30, 2017

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. You may obtain monthly updates to the Fund's holdings free of charge by calling us toll free at 1-866-378-7119 or by writing us at NGAM Canada LP, 145 King Street West, Suite 1500, Toronto, ON, M5H 1J8 or by visiting our website at [ngam.natixis.ca](http://ngam.natixis.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

Top 25 Holdings	%*	Sector Allocation	%*
Cash & Cash Equivalents <sup>^</sup>	3.9	Corporate Bonds	28.3
Province of Quebec 3.50% Dec 01/22	2.5	Financials	15.0
Canadian National Railway Company	1.3	Industrials	10.8
Fortis Inc.	1.1	Consumer Discretionary	6.5
CCL Industries Inc. Cl. B	1.1	Energy	5.5
Royal Bank of Canada	1.1	Consumer Staples	5.0
The Bank of Nova Scotia	1.1	Provincial Bonds	4.7
Toromont Industries, Ltd.	1.0	Utilities	4.0
Rogers Communications Inc. Cl. B	1.0	Cash & Cash Equivalents <sup>^</sup>	3.9
Richelieu Hardware, Ltd.	1.0	Health Care	3.8
Canadian Tire Corporation, Limited Cl. A	1.0	Telecommunication	3.7
National Bank of Canada	1.0	Services Federal Bonds	2.7
United Overseas Bank, Ltd.	1.0	Materials	2.6
Bank of Montreal	1.0	Information Technology	2.5
Techtronic Industries Company Limited	1.0	Real Estate	0.8
Algonquin Power Co. 4.09% Feb 17/27	0.9	Municipal Bonds	0.2

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TELUS Corporation	0.9	Total	<u>100.0</u>
Accor SA	0.9		
Koninklijke Philips NV	0.9		
Taiwan Semiconductor Manufacturing Company, Ltd. ADR	0.9	<b>Asset Allocation</b>	<b>%*</b>
Intact Financial Corporation	0.9	Equity	53.2
Saputo Inc.	0.9	Fixed Income	35.8
Johnson & Johnson	0.9	Preferred Share	7.1
Province of New Brunswick 2.60% Aug 14/26	0.9	Cash & Cash Equivalents^	<u>3.9</u>
Deere & Company	0.9	Total	<u>100.0</u>

\*Based on Transactional NAV in which securities are priced at market closing prices on June 30, 2017.

^Including other working capital.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Updates are available quarterly.

## Past Performance

The past performance shows historical performance of each class and series of shares of the Fund. This information is provided to show the past performance only and does not necessarily indicate how the Fund will perform in the future. The past performance information assumes that all distributions were reinvested in additional shares of the same class and series of the Fund. The past performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

On November 30, 2012, NexGen Canadian Growth and Income Tax Managed Fund, after obtaining all necessary approvals, was merged into the Fund.

On October 17, 2016, Cidel was appointed as the sub-advisor for the Fund and the investment strategies of these Funds were changed as a result of the sub-advisor change.

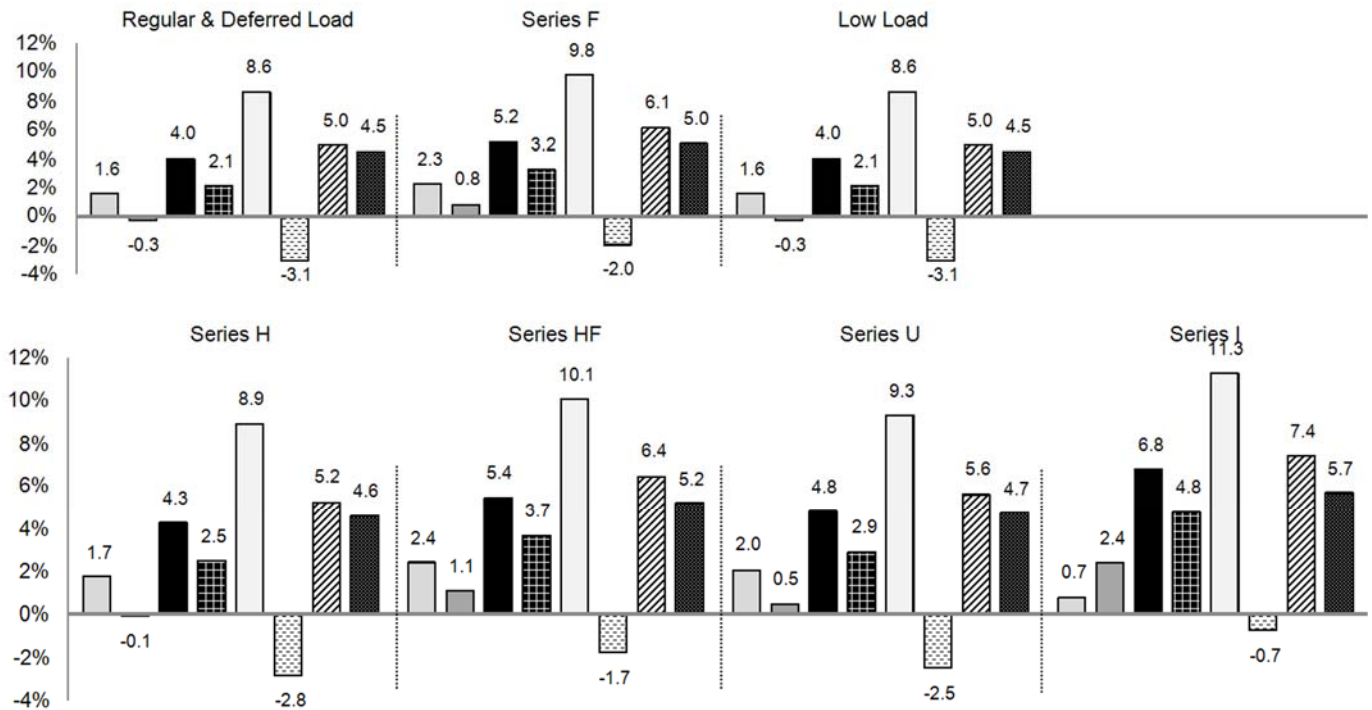
On December 9, 2016, NexGen Canadian Diversified Income Tax Managed Fund, after obtaining all necessary approvals, was merged into the Fund

These changes could have affected the performance of the Fund had they been in effect throughout the performance measurement periods presented.

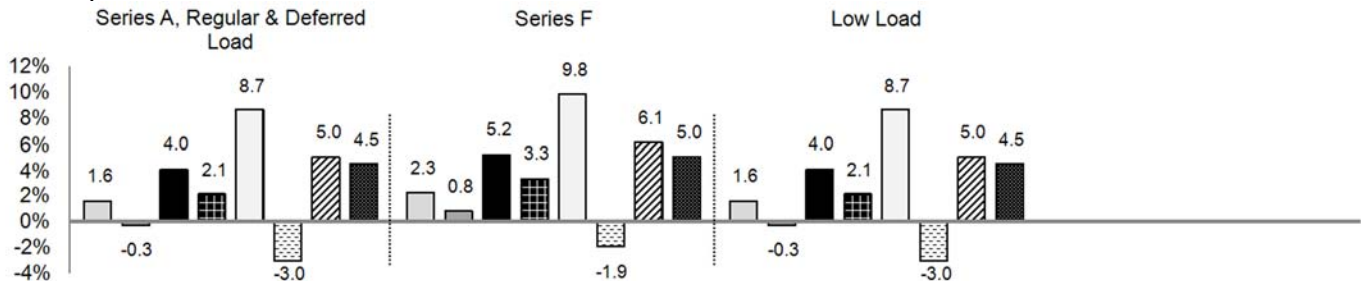
## Year-by-Year Returns

The following charts illustrate the annual performance of each class and series of shares of the Fund since its retail inception date - May 31, 2010. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have increased or decreased by the last day of each financial period. *Performance of Series A reflects the past performance of the Regular Front End Load Series. Performance for Series I for 2010 covers the period from December 1, 2010 to December 31, 2010.*

### Capital Gains

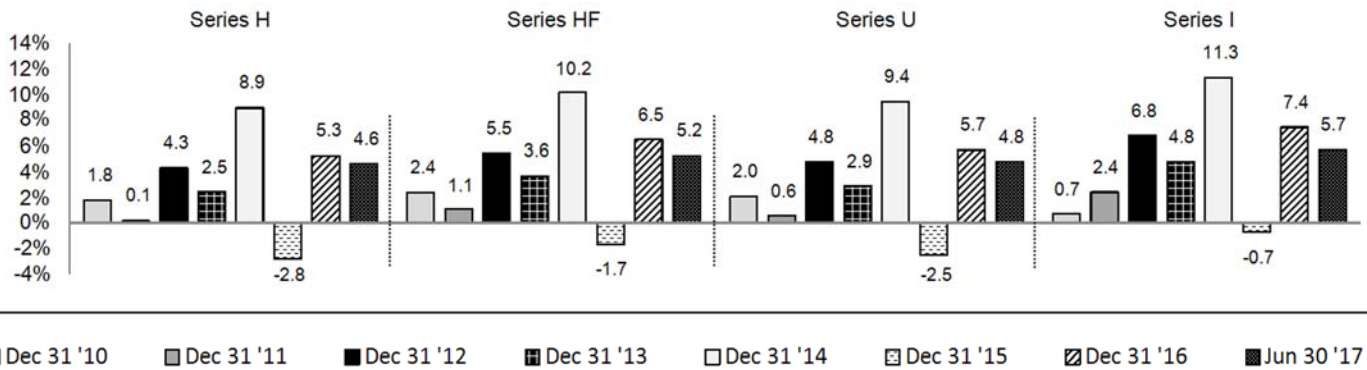


### Return of Capital

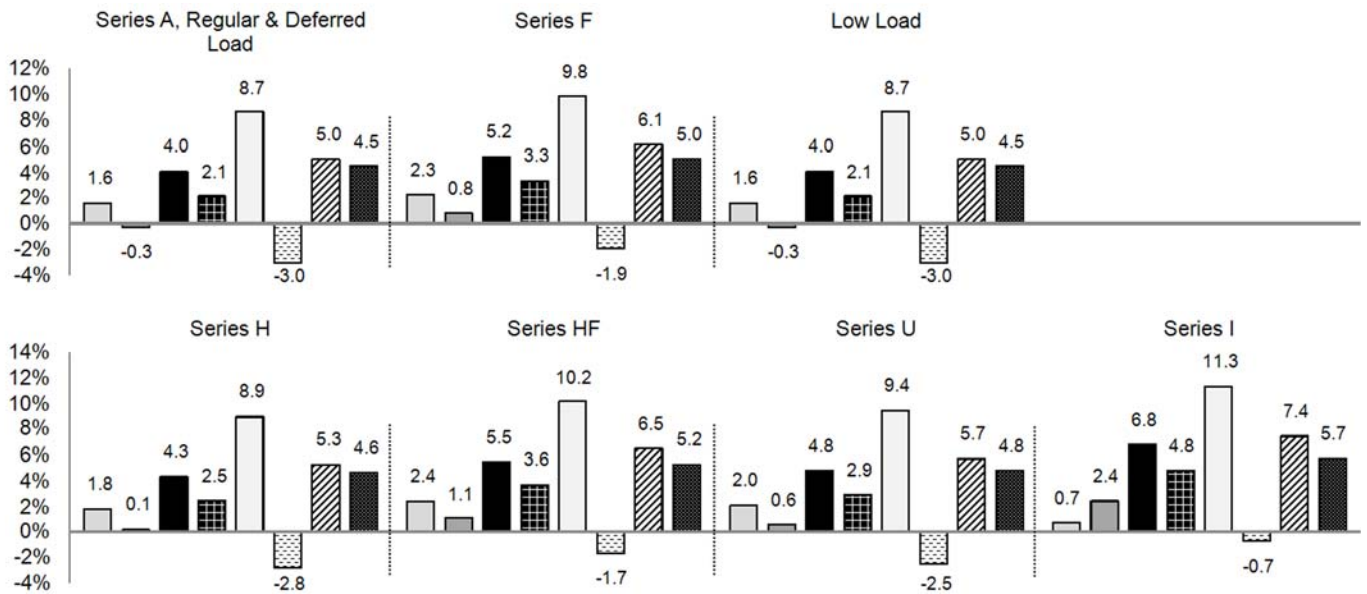


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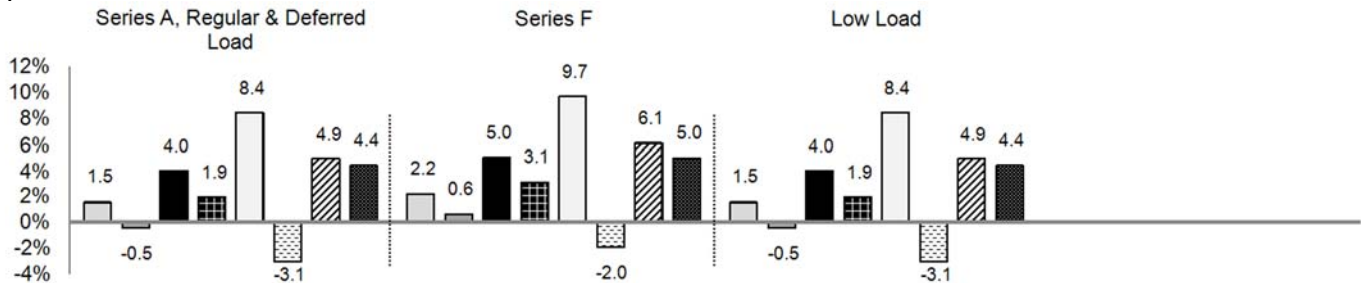
For the period ended June 30, 2017



*Dividend*



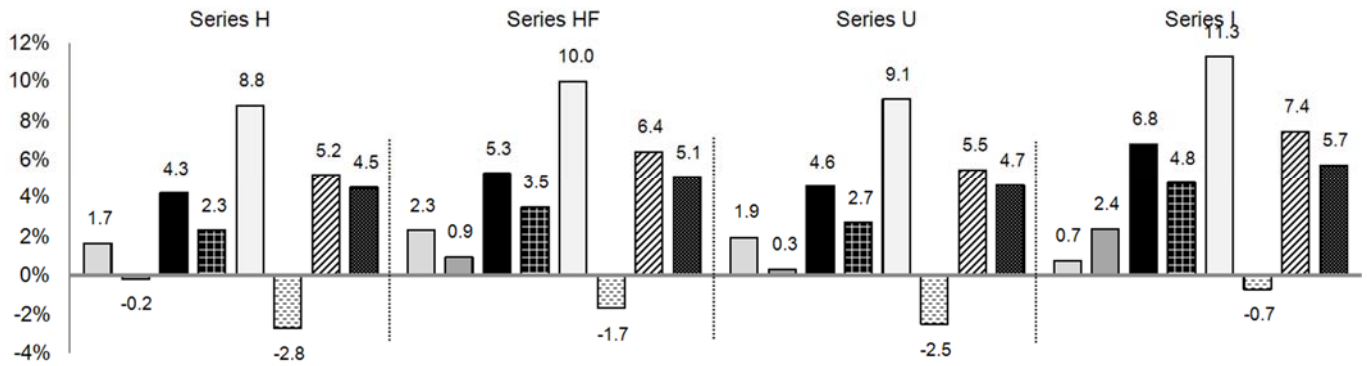
*Compound Growth*



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Dec 31 '10
  Dec 31 '11
  Dec 31 '12
  Dec 31 '13
  Dec 31 '14
  Dec 31 '15
  Dec 31 '16
  Jun 30 '17



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## Financial Highlights<sup>†</sup>

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the year or period ending dates indicated.

### Net Assets Per Share (\$) <sup>1</sup>

CAPITAL GAINS	Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	10.42	10.37	10.70	10.62	10.40	9.99	10.91	10.84	11.06	10.98	10.64	10.10
Increase (decrease) from operations:												
Total revenue	0.23	0.26	0.28	0.25	0.24	0.27	0.26	0.27	0.24	0.26	0.25	0.28
Total expenses (excluding distributions)	(0.13)	(0.27)	(0.28)	(0.30)	(0.28)	(0.29)	(0.08)	(0.16)	(0.16)	(0.18)	(0.17)	(0.18)
Realized gains (losses) for the period	0.10	0.34	0.15	0.70	0.15	0.03	0.11	0.40	0.33	0.74	0.17	(0.10)
Unrealized gains (losses) for the period	0.31	0.23	(0.58)	0.21	0.06	0.39	0.25	0.15	(0.52)	0.25	0.05	0.43
<b>Total increase (decrease) from operations<sup>2</sup></b>	0.51	0.56	(0.43)	0.86	0.17	0.40	0.54	0.66	(0.11)	1.07	0.30	0.43
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	(0.46)	-	(0.84)	-	-	-	(0.60)	-	(1.00)	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	-	(0.46)	-	(0.84)	-	-	-	(0.60)	-	(1.00)	-	-
<b>Net assets, end of period *</b>	10.88	10.42	10.37	10.70	10.62	10.39	11.46	10.91	10.84	11.06	10.98	10.63

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	10.54	10.48	10.79	10.71	10.45	10.01	11.04	10.98	11.17	11.09	10.70	10.13
Increase (decrease) from operations:												
Total revenue	0.24	0.26	0.28	0.25	0.25	0.26	0.27	0.28	(0.34)	0.26	0.25	0.27
Total expenses (excluding distributions)	(0.12)	(0.24)	(0.25)	(0.27)	(0.25)	(0.26)	(0.06)	(0.13)	(0.12)	(0.16)	(0.13)	(0.15)
Realized gains (losses) for the period	0.10	0.31	0.20	0.67	(0.18)	0.05	0.11	0.51	(0.36)	0.74	0.25	0.05
Unrealized gains (losses) for the period	0.29	0.24	(0.65)	0.36	1.14	0.37	0.27	0.09	0.08	0.27	(0.13)	0.38
<b>Total increase (decrease) from operations<sup>2</sup></b>	0.51	0.57	(0.42)	1.01	0.96	0.42	0.59	0.75	(0.74)	1.11	0.24	0.55
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	(0.49)	-	(0.88)	-	-	-	(0.64)	-	(1.03)	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	-	(0.49)	-	(0.88)	-	-	-	(0.64)	-	(1.03)	-	-
<b>Net assets, end of period *</b>	11.02	10.54	10.48	10.79	10.71	10.44	11.61	11.04	10.98	11.17	11.09	10.68

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	10.73	10.67	10.94	10.87	10.56	10.06	11.58	11.51	11.60	11.51	10.98	10.27
Increase (decrease) from operations:												
Total revenue	0.24	0.26	0.49	0.28	0.25	0.26	0.28	0.29	0.26	0.27	0.25	0.28
Total expenses (excluding distributions)	(0.11)	(0.21)	(0.22)	(0.23)	(0.21)	(0.21)	(0.01)	(0.02)	(0.02)	(0.03)	(0.01)	(0.02)
Realized gains (losses) for the period	0.09	0.44	0.54	0.79	0.17	0.06	0.11	0.43	0.14	0.77	0.22	0.04
Unrealized gains (losses) for the period	0.26	0.07	(1.00)	0.06	0.05	0.37	0.28	0.18	(0.60)	0.28	(0.03)	0.39
<b>Total increase (decrease) from operations<sup>2</sup></b>	0.48	0.56	(0.19)	0.90	0.26	0.48	0.66	0.88	(0.22)	1.29	0.43	0.69
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	-	-	-	-	-	-	-	-	-	-
From capital gains	-	(0.54)	-	(0.93)	-	-	-	(0.78)	-	(1.20)	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	-	(0.54)	-	(0.93)	-	-	-	(0.78)	-	(1.20)	-	-
<b>Net assets, end of period *</b>	11.24	10.73	10.67	10.94	10.87	10.55	12.24	11.58	11.51	11.60	11.51	10.97

Please refer to the footnotes on the last page of this document.

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

Net Assets Per Share (\$) <sup>1</sup> (cont'd)

RETURN OF CAPITAL	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	8.96	8.96	9.65	9.26	9.46	9.47	9.61	9.61	10.20	9.66	9.75	9.65
Increase (decrease) from operations:												
Total revenue	0.21	0.23	0.20	0.22	0.21	0.25	0.24	0.21	0.32	0.22	0.22	0.26
Total expenses (excluding distributions)	(0.12)	(0.23)	(0.22)	(0.26)	(0.25)	(0.27)	(0.07)	(0.12)	(0.17)	(0.15)	(0.16)	(0.17)
Realized gains (losses) for the period	0.10	0.31	0.19	0.62	0.13	(0.01)	0.09	0.31	0.27	0.64	0.14	0.05
Unrealized gains (losses) for the period	0.23	0.20	(0.47)	0.25	0.09	0.37	0.21	0.13	(0.73)	0.23	0.12	0.37
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.42</b>	<b>0.51</b>	<b>(0.30)</b>	<b>0.83</b>	<b>0.18</b>	<b>0.34</b>	<b>0.47</b>	<b>0.53</b>	<b>(0.31)</b>	<b>0.94</b>	<b>0.32</b>	<b>0.51</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	(0.05)	-	-	-	-	-	(0.05)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.20</b>	<b>9.01</b>	<b>8.96</b>	<b>9.65</b>	<b>9.26</b>	<b>9.45</b>	<b>10.08</b>	<b>9.79</b>	<b>9.61</b>	<b>10.20</b>	<b>9.66</b>	<b>9.74</b>

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	9.13	9.13	9.80	9.37	9.54	9.53	9.78	9.78	10.35	9.77	9.82	9.69
Increase (decrease) from operations:												
Total revenue	0.22	0.19	0.25	0.20	1.31	0.28	0.25	0.24	0.27	0.24	0.20	0.32
Total expenses (excluding distributions)	(0.11)	(0.17)	(0.22)	(0.21)	(1.33)	(0.27)	(0.06)	(0.10)	(0.15)	(0.14)	(0.10)	(0.16)
Realized gains (losses) for the period	0.09	0.29	0.21	0.54	0.89	(0.06)	0.11	0.30	0.19	0.66	0.10	(0.09)
Unrealized gains (losses) for the period	0.23	0.12	(0.61)	0.19	0.22	0.44	0.20	0.23	(0.68)	0.17	0.17	0.55
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.43</b>	<b>0.43</b>	<b>(0.37)</b>	<b>0.72</b>	<b>1.09</b>	<b>0.39</b>	<b>0.50</b>	<b>0.67</b>	<b>(0.37)</b>	<b>0.93</b>	<b>0.37</b>	<b>0.62</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	(0.05)	-	-	-	-	-	(0.05)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.42</b>	<b>9.21</b>	<b>9.13</b>	<b>9.80</b>	<b>9.37</b>	<b>9.53</b>	<b>10.32</b>	<b>10.01</b>	<b>9.78</b>	<b>10.35</b>	<b>9.77</b>	<b>9.81</b>

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	9.39	9.39	10.03	9.54	9.67	9.60	10.52	10.52	10.99	10.25	10.17	9.89
Increase (decrease) from operations:												
Total revenue	0.23	(0.09)	0.13	0.17	0.15	0.27	0.26	-	0.09	0.24	0.23	0.25
Total expenses (excluding distributions)	(0.09)	0.06	(0.15)	(0.14)	(0.12)	(0.21)	(0.01)	-	(0.01)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	0.09	(0.09)	0.09	0.39	0.09	(0.13)	0.10	-	(0.07)	0.68	0.20	0.03
Unrealized gains (losses) for the period	0.26	(0.11)	(0.42)	0.44	0.05	0.51	0.26	-	(0.16)	0.24	(0.02)	0.37
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.49</b>	<b>(0.23)</b>	<b>(0.35)</b>	<b>0.86</b>	<b>0.17</b>	<b>0.44</b>	<b>0.61</b>	<b>-</b>	<b>(0.15)</b>	<b>1.14</b>	<b>0.40</b>	<b>0.64</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	-	(0.05)	-	-	-	-	-	(0.05)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.35)	(0.40)	(0.40)	(0.40)
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.76</b>	<b>9.52</b>	<b>9.39</b>	<b>10.03</b>	<b>9.54</b>	<b>9.66</b>	<b>11.30</b>	<b>10.89</b>	<b>10.52</b>	<b>10.99</b>	<b>10.25</b>	<b>10.16</b>

Please refer to the footnotes on the last page of this document.

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

Net Assets Per Share (\$) <sup>1</sup> (cont'd)

DIVIDEND	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	8.96	8.96	9.65	9.26	9.46	9.47	9.61	9.61	10.20	9.66	9.75	9.65
Increase (decrease) from operations:												
Total revenue	0.21	0.22	0.24	0.20	0.22	0.25	0.24	0.28	0.21	0.23	0.21	0.26
Total expenses (excluding distributions)	(0.11)	(0.22)	(0.26)	(0.24)	(0.26)	(0.27)	(0.07)	(0.16)	(0.12)	(0.16)	(0.15)	(0.17)
Realized gains (losses) for the period	0.08	0.29	0.23	0.57	0.13	(0.01)	0.09	0.42	0.18	0.65	0.13	0.05
Unrealized gains (losses) for the period	0.22	0.18	(0.57)	0.23	0.10	0.38	0.21	0.17	(0.48)	0.24	0.11	0.37
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.40</b>	<b>0.47</b>	<b>(0.36)</b>	<b>0.76</b>	<b>0.19</b>	<b>0.35</b>	<b>0.47</b>	<b>0.71</b>	<b>(0.21)</b>	<b>0.96</b>	<b>0.30</b>	<b>0.51</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.20</b>	<b>9.01</b>	<b>8.96</b>	<b>9.65</b>	<b>9.26</b>	<b>9.45</b>	<b>10.08</b>	<b>9.79</b>	<b>9.61</b>	<b>10.20</b>	<b>9.66</b>	<b>9.74</b>

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	9.13	9.13	9.80	9.37	9.54	9.53	9.78	9.78	10.35	9.77	9.82	9.69
Increase (decrease) from operations:												
Total revenue	0.20	0.28	0.25	0.24	0.21	0.25	0.22	0.27	0.03	0.23	0.24	0.08
Total expenses (excluding distributions)	(0.10)	(0.25)	(0.22)	(0.25)	(0.22)	(0.24)	(0.05)	(0.12)	(0.02)	(0.13)	(0.13)	(0.04)
Realized gains (losses) for the period	0.08	0.42	0.21	0.65	0.15	(0.05)	0.08	0.34	0.02	0.64	0.13	(0.02)
Unrealized gains (losses) for the period	0.21	0.18	(0.61)	0.22	0.03	0.39	0.18	0.27	(0.07)	0.15	0.23	0.14
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.39</b>	<b>0.63</b>	<b>(0.37)</b>	<b>0.86</b>	<b>0.17</b>	<b>0.35</b>	<b>0.43</b>	<b>0.76</b>	<b>(0.04)</b>	<b>0.89</b>	<b>0.47</b>	<b>0.16</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.42</b>	<b>9.21</b>	<b>9.13</b>	<b>9.80</b>	<b>9.37</b>	<b>9.53</b>	<b>10.32</b>	<b>10.01</b>	<b>9.78</b>	<b>10.35</b>	<b>9.77</b>	<b>9.81</b>

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
<b>Net assets, beginning of period</b>	9.39	9.39	10.03	9.54	9.67	9.60	10.52	10.52	10.99	10.25	10.17	9.89
Increase (decrease) from operations:												
Total revenue	0.21	0.61	0.17	0.21	0.22	0.25	0.26	0.29	0.27	0.24	0.23	0.27
Total expenses (excluding distributions)	(0.09)	(0.36)	(0.19)	(0.18)	(0.19)	(0.19)	(0.01)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)
Realized gains (losses) for the period	0.09	0.57	0.12	0.50	0.13	(0.12)	0.11	0.38	(0.21)	0.68	0.20	0.03
Unrealized gains (losses) for the period	0.24	0.69	(0.57)	0.56	0.11	0.47	0.26	0.18	(0.48)	0.24	(0.04)	0.38
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.45</b>	<b>1.51</b>	<b>(0.47)</b>	<b>1.09</b>	<b>0.27</b>	<b>0.41</b>	<b>0.62</b>	<b>0.83</b>	<b>(0.44)</b>	<b>1.14</b>	<b>0.38</b>	<b>0.67</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)	(0.21)	(0.40)	(0.40)	(0.40)	(0.40)	(0.40)
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.21)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.40)</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>9.76</b>	<b>9.52</b>	<b>9.39</b>	<b>10.03</b>	<b>9.54</b>	<b>9.66</b>	<b>11.30</b>	<b>10.89</b>	<b>10.52</b>	<b>10.99</b>	<b>10.25</b>	<b>10.16</b>

Please refer to the footnotes on the last page of this document.

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

Net Assets Per Share (\$) <sup>1</sup> (cont'd)

COMPOUND GROWTH	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of period	11.76	11.23	11.62	10.71	10.51	10.09	12.63	11.93	12.20	11.13	10.79	10.27
Increase (decrease) from operations:												
Total revenue	0.28	0.29	0.28	0.25	0.24	0.27	0.30	0.30	0.29	0.26	0.24	0.28
Total expenses (excluding distributions)	(0.16)	(0.28)	(0.30)	(0.32)	(0.30)	(0.30)	(0.10)	(0.17)	(0.17)	(0.20)	(0.19)	(0.20)
Realized gains (losses) for the period	0.11	0.37	0.25	0.71	0.15	0.02	0.12	0.46	0.21	0.73	0.14	0.04
Unrealized gains (losses) for the period	0.29	0.25	(0.63)	0.27	0.10	0.40	0.31	0.16	(0.70)	0.28	0.16	0.44
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.52</b>	<b>0.63</b>	<b>(0.40)</b>	<b>0.91</b>	<b>0.19</b>	<b>0.39</b>	<b>0.63</b>	<b>0.75</b>	<b>(0.37)</b>	<b>1.07</b>	<b>0.35</b>	<b>0.56</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	(0.02)	(0.03)	-	-	-	-	(0.03)	(0.04)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>12.27</b>	<b>11.76</b>	<b>11.23</b>	<b>11.62</b>	<b>10.71</b>	<b>10.50</b>	<b>13.25</b>	<b>12.63</b>	<b>11.93</b>	<b>12.20</b>	<b>11.13</b>	<b>10.78</b>

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of period	11.98	11.41	11.77	10.82	10.58	10.13	12.88	12.13	12.38	11.25	10.87	10.31
Increase (decrease) from operations:												
Total revenue	0.28	0.29	0.28	0.26	0.24	0.28	0.32	0.31	0.28	0.27	0.24	0.29
Total expenses (excluding distributions)	(0.15)	(0.27)	(0.26)	(0.29)	(0.27)	(0.27)	(0.08)	(0.14)	(0.14)	(0.17)	(0.15)	(0.17)
Realized gains (losses) for the period	0.12	0.41	0.23	0.73	0.15	(0.05)	0.13	0.36	0.22	0.80	0.15	(0.01)
Unrealized gains (losses) for the period	0.30	0.19	(0.68)	0.26	0.04	0.40	0.27	0.38	(0.71)	0.35	0.18	0.42
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.55</b>	<b>0.62</b>	<b>(0.43)</b>	<b>0.96</b>	<b>0.16</b>	<b>0.36</b>	<b>0.64</b>	<b>0.91</b>	<b>(0.35)</b>	<b>1.25</b>	<b>0.42</b>	<b>0.53</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	(0.02)	(0.03)	-	-	-	-	(0.03)	(0.04)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>12.52</b>	<b>11.98</b>	<b>11.41</b>	<b>11.77</b>	<b>10.82</b>	<b>10.56</b>	<b>13.54</b>	<b>12.88</b>	<b>12.13</b>	<b>12.38</b>	<b>11.25</b>	<b>10.86</b>

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Net assets, beginning of period	12.26	11.65	11.99	10.99	10.70	10.21	13.63	12.71	12.84	11.54	11.02	10.30
Increase (decrease) from operations:												
Total revenue	0.27	0.29	0.26	0.26	0.25	0.27	0.38	0.73	0.29	0.27	0.26	0.27
Total expenses (excluding distributions)	(0.13)	(0.24)	(0.25)	(0.26)	(0.23)	(0.23)	(0.01)	(0.01)	(0.03)	(0.03)	(0.01)	(0.02)
Realized gains (losses) for the period	0.11	0.39	0.32	0.72	0.18	(0.05)	0.14	0.22	0.16	0.77	0.19	0.04
Unrealized gains (losses) for the period	0.36	0.31	(0.68)	0.32	0.04	0.40	(0.03)	(0.51)	(0.66)	0.29	0.01	0.40
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.61</b>	<b>0.75</b>	<b>(0.35)</b>	<b>1.04</b>	<b>0.24</b>	<b>0.39</b>	<b>0.48</b>	<b>0.43</b>	<b>(0.24)</b>	<b>1.30</b>	<b>0.45</b>	<b>0.69</b>
Distributions:												
From net investment income (excluding dividends)	-	-	-	-	-	-	-	-	-	-	-	-
From eligible dividends	-	(0.03)	(0.03)	-	-	-	-	(0.03)	(0.04)	-	-	-
From capital gains	-	-	-	-	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets, end of period<sup>4</sup></b>	<b>12.83</b>	<b>12.26</b>	<b>11.65</b>	<b>11.99</b>	<b>10.99</b>	<b>10.68</b>	<b>14.40</b>	<b>13.63</b>	<b>12.71</b>	<b>12.85</b>	<b>11.54</b>	<b>11.00</b>

Please refer to the footnotes on the last page of this document.

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

Ratios and Supplemental Data <sup>1</sup>

CAPITAL GAINS	Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	3,078,645	3,730,569	2,275,639	2,002,817	2,119,523	2,113,374	941,194	817,228	991,015	290,380	392,647	447,308
Number of shares outstanding	282,848	358,010	219,515	187,250	199,523	203,162	82,161	74,933	91,381	26,244	35,747	42,046
Management expense ratio (%) <sup>3</sup>	2.51	2.50	2.59	2.71	2.70	2.80	1.39	1.42	1.47	1.58	1.60	1.71
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.55	2.59	2.62	2.73	2.71	2.80	1.43	1.50	1.50	1.60	1.61	1.71
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	10.88	10.42	10.37	10.70	10.62	10.40	11.46	10.91	10.84	11.06	10.98	10.64

	Series H					Series HF						
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	370,084	445,088	327,036	203,378	456,254	8,757	754,383	351,707	152,597	1,799	1,635	11,689
Number of shares outstanding	33,580	42,235	31,197	18,854	42,594	838	64,960	31,861	13,903	161	147	1,093
Management expense ratio (%) <sup>3</sup>	2.27	2.26	2.32	2.42	2.36	2.57	1.07	1.11	1.11	1.29	1.22	1.44
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.31	2.34	2.34	2.44	2.36	2.57	1.11	1.19	1.13	1.33	1.23	1.44
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	11.02	10.54	10.48	10.79	10.71	10.45	11.61	11.04	10.98	11.17	11.09	10.70

	Series U					Series I						
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	284,786	637,447	724,617	604,062	23,264	32,559	5,397	5,107	3,495	1,747	1,570	3,611
Number of shares outstanding	25,338	59,394	67,882	55,196	2,141	3,083	441	441	304	151	136	329
Management expense ratio (%) <sup>3</sup>	1.99	1.91	2.02	2.04	1.96	2.06	0.17	0.20	0.21	0.16	0.12	0.14
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.03	2.00	2.05	2.06	1.97	2.06	0.21	0.28	0.23	0.18	0.13	0.14
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	11.24	10.73	10.67	10.94	10.87	10.56	12.24	11.58	11.51	11.60	11.51	10.98

RETURN OF CAPITAL	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	5,203,339	5,720,367	3,093,951	3,330,964	4,096,584	5,164,186	2,036,058	1,658,272	732,255	654,048	903,285	524,412
Number of shares outstanding	565,676	635,221	345,127	345,295	442,466	545,876	202,067	169,343	76,202	64,122	93,465	53,779
Management expense ratio (%) <sup>3</sup>	2.51	2.49	2.55	2.65	2.68	2.82	1.40	1.38	1.44	1.57	1.57	1.71
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.54	2.57	2.57	2.67	2.69	2.82	1.44	1.47	1.47	1.59	1.58	1.71
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.20	9.01	8.96	9.65	9.26	9.46	10.08	9.79	9.61	10.20	9.66	9.75

	Series H					Series HF						
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	2,224,788	2,839,013	873,278	815,662	24,235	3,452	3,706,109	2,563,316	1,347,754	312,999	61,554	126,443
Number of shares outstanding	236,098	308,364	95,617	83,241	2,585	362	359,123	256,112	137,755	30,239	6,297	12,871
Management expense ratio (%) <sup>3</sup>	2.20	2.23	2.32	2.40	2.36	2.54	1.08	1.07	1.15	1.29	1.23	1.42
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.24	2.31	2.35	2.42	2.36	2.54	1.12	1.16	1.18	1.31	1.23	1.42
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.42	9.21	9.13	9.80	9.37	9.54	10.32	10.01	9.78	10.35	9.77	9.82

	Series U					Series I						
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	627,609	855,109	3,392	1,730	1,584	6,160	932,547	903,270	442,812	1,748	1,570	3,613
Number of shares outstanding	64,279	89,859	362	173	166	637	82,546	82,946	42,104	159	153	355
Management expense ratio (%) <sup>3</sup>	1.85	1.80	1.99	1.90	1.95	2.05	0.17	0.17	0.17	0.16	0.12	0.14
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	1.89	1.88	2.02	1.92	1.96	2.05	0.21	0.25	0.19	0.18	0.13	0.14
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.76	9.52	9.39	10.03	9.54	9.67	11.30	10.89	10.52	10.99	10.25	10.17

Please refer to the footnotes on the last page of this document.

MANAGEMENT REPORT OF FUND PERFORMANCE  
**NATIXIS STRATEGIC BALANCED CLASS**  
**(FORMERLY NATIXIS STRATEGIC BALANCED TAX MANAGED FUND)**

For the period ended June 30, 2017

Ratios and Supplemental Data <sup>1</sup> (cont'd)

DIVIDEND	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	7,891,217	8,382,251	3,806,209	2,612,172	2,567,945	1,908,552	1,890,533	1,710,217	701,380	841,973	598,431	558,785
Number of shares outstanding	857,892	930,810	424,578	270,784	277,360	201,742	187,624	174,648	72,989	82,547	61,921	57,304
Management expense ratio (%) <sup>3</sup>	2.51	2.49	2.55	2.65	2.68	2.82	1.40	1.38	1.44	1.57	1.57	1.71
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.54	2.57	2.57	2.67	2.69	2.82	1.44	1.47	1.47	1.59	1.58	1.71
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.20	9.01	8.96	9.65	9.26	9.46	10.08	9.79	9.61	10.20	9.66	9.75

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	2,150,091	2,056,170	907,979	512,345	654,832	805,684	1,452,881	749,618	262,654	398,063	232,416	114,510
Number of shares outstanding	228,170	223,335	99,416	52,286	69,850	84,421	140,785	74,897	26,846	38,456	23,777	11,656
Management expense ratio (%) <sup>3</sup>	2.20	2.23	2.32	2.40	2.36	2.54	1.08	1.07	1.15	1.29	1.23	1.42
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.24	2.31	2.35	2.42	2.36	2.54	1.12	1.16	1.18	1.31	1.23	1.42
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.42	9.21	9.13	9.80	9.37	9.54	10.32	10.01	9.78	10.35	9.77	9.82

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	1,324,648	1,287,472	293,385	1,731	348,654	354,530	2,696,213	2,620,351	1,107,962	1,748	1,570	3,621
Number of shares outstanding	135,667	135,294	31,243	172	36,529	36,661	238,659	240,626	105,347	159	153	356
Management expense ratio (%) <sup>3</sup>	1.85	1.80	1.99	1.90	1.95	2.05	0.17	0.17	0.17	0.16	0.12	0.14
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	1.89	1.88	2.02	1.92	1.96	2.05	0.21	0.25	0.19	0.18	0.13	0.14
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	131.40	97.44	67.84	86.60	102.15	15.86	131.40	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	9.76	9.52	9.39	10.03	9.54	9.67	11.30	10.89	10.52	10.99	10.25	10.17

COMPOUND GROWTH	Series A, Regular, Deferred and Low Load Series						Series F					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	33,866,035	35,497,122	18,245,561	16,810,365	20,059,689	22,300,120	8,392,820	8,327,868	4,204,907	3,203,572	3,697,543	3,222,123
Number of shares outstanding	2,759,813	3,019,173	1,624,803	1,446,883	1,872,223	2,121,988	633,277	659,498	352,562	262,574	332,350	298,572
Management expense ratio (%) <sup>3</sup>	2.67	2.46	2.58	2.85	2.86	2.98	1.55	1.36	1.42	1.73	1.75	1.88
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.71	2.55	2.61	2.87	2.87	2.98	1.59	1.44	1.45	1.75	1.76	1.88
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	100.53	97.44	67.84	86.60	102.15	15.86	100.53	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	12.27	11.76	11.23	11.62	10.71	10.51	13.25	12.63	11.93	12.20	11.13	10.79

	Series H						Series HF					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	11,048,459	11,463,472	9,728,487	6,894,283	6,288,344	4,197,748	14,045,268	9,987,412	5,281,221	3,119,151	4,843,574	3,773,406
Number of shares outstanding	882,126	956,683	852,422	585,710	581,065	396,878	1,037,217	775,137	435,294	251,946	430,392	347,110
Management expense ratio (%) <sup>3</sup>	2.38	2.26	2.25	2.55	2.50	2.72	1.28	1.08	1.17	1.40	1.33	1.60
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.41	2.34	2.27	2.57	2.51	2.72	1.32	1.17	1.19	1.42	1.34	1.60
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	100.53	97.44	67.84	86.60	102.15	15.86	100.53	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	12.52	11.98	11.41	11.77	10.82	10.58	13.54	12.88	12.13	12.38	11.25	10.87

	Series U						Series I					
	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	30-Jun-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12
Total net asset value (\$) <sup>2</sup>	3,857,328	5,244,810	3,969,872	4,580,334	4,373,349	6,541,829	883,793	463,712	3,497	1,747	1,570	3,605
Number of shares outstanding	300,568	427,690	340,701	382,078	398,076	611,598	61,353	34,022	275	136	136	327
Management expense ratio (%) <sup>3</sup>	2.13	2.03	2.05	2.22	2.12	2.23	0.15	0.08	0.21	0.16	0.11	0.14
Management expense ratio before waivers or absorptions (%) <sup>3</sup>	2.17	2.11	2.08	2.24	2.13	2.23	0.19	0.17	0.23	0.18	0.12	0.14
Trading expense ratio (%) <sup>4</sup>	0.05	0.20	0.12	0.12	0.09	0.14	0.05	0.20	0.12	0.12	0.09	0.14
Portfolio turnover rate (%) <sup>5</sup>	15.86	100.53	97.44	67.84	86.60	102.15	15.86	100.53	97.44	67.84	86.60	102.15
Net asset value per share (\$) <sup>2</sup>	12.83	12.26	11.65	11.99	10.99	10.70	14.40	13.63	12.71	12.85	11.54	11.02

Please refer to the footnotes on the last page of this document.

## Financial Highlights

<sup>†</sup> For financial periods beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in compliance with International Financial Reporting Standards ("IFRS"). For the comparative 2013 financial period, beginning and ending Net Assets per share have been changed to reflect the adoption of IFRS, and for financial periods preceding January 1, 2013, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Net Assets per share, for the periods prior to January 1, 2013, are calculated in accordance with GAAP, and Net Asset Value in the Ratios and Supplemental Data table is presented based on that used for transactional purposes. All other calculations for the purposes of this MRFP are made using Net Asset Value. As at June 30, 2017 there was no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

## Net Assets Per Share footnotes

- <sup>1</sup> This information is derived from the Fund's audited annual financial statements as at December 31 of the years shown and the interim statements as at June 30, 2017. The net assets per share for periods preceding January 1, 2013 presented in the financial statements may differ from the net asset value calculated for fund pricing purposes as a result of adopting the requirements under Section 3855 of the CICA Handbook, Financial Instruments – Recognition and Measurement.
- <sup>2</sup> Net assets and distributions are based on the actual amount of shares at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period.
- <sup>3</sup> Distributions were reinvested in additional shares of the Fund, unless the investor requested payment in cash.
- <sup>\*</sup> This is not a reconciliation of the beginning and ending net assets per share as the increase (decrease) from operations data is based on the weighted average number of shares during the period rather than actual share amounts at the relevant time.

## Ratios and Supplemental Data footnotes

- <sup>1</sup> The information is provided as at June 30, 2017 and December 31 of the years shown.
- <sup>2</sup> Total Net Asset Value and Net Asset Value per share for periods preceding January 1, 2013, are presented based on transactional NAV which may differ from amounts in the financial statements as a result of adopting the requirements under Section 3855 of the CICA Handbook, Financial Instruments – Recognition and Measurement.
- <sup>3</sup> The management expense ratio (MER) is calculated in accordance with National Instrument 81-106 and is based on total expenses (excluding distributions, commissions, portfolio transaction costs and forward fees as applicable) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In a period where a series is established, the management fee ratio is annualized from the date of inception to the end of the period.  
  
The Manager may authorize a reduction in the management fees and/or operating expense rates generally for certain investors of the Fund who pay or incur distribution or other expenses normally paid by the Fund or the Manager. In this case, if the Manager reduces or rebates a portion of the management fee, the Fund or the Manager pays an amount equal to the reduction either as a distribution or as a direct rebate. The MER does not take this type of reduction into account.  
  
The Manager may temporarily reduce or absorb all or any portion of the management fee and/or operating expenses of the Fund and can terminate the reduction or absorption at any time. The Manager expects to continue to absorb these fees or expenses until such time as the Fund is of sufficient size to reasonably absorb all fees and expenses.
- <sup>4</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Transactional NAV during the period.
- <sup>5</sup> The Fund's portfolio turnover rate indicates how the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher the Fund's portfolio turnover rate in the period, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.