

# ANNUAL PUBLIC MEETING

Michael P. Mueller - Chairman of the Board

André Bourbonnais - President and CEO

Ottawa, November 22, 2017



# AGENDA

**01**

**Update from the Board** – Michael P. Mueller

**02**

**Strategy and Vision 2021 Update** - André Bourbonnais

**03**

**Financial Update** - André Bourbonnais

# **UPDATE FROM THE BOARD OF DIRECTORS**

**Michael P. Mueller**

**Chair, Board of Directors**

## THE BOARD

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# BOARD OF DIRECTORS

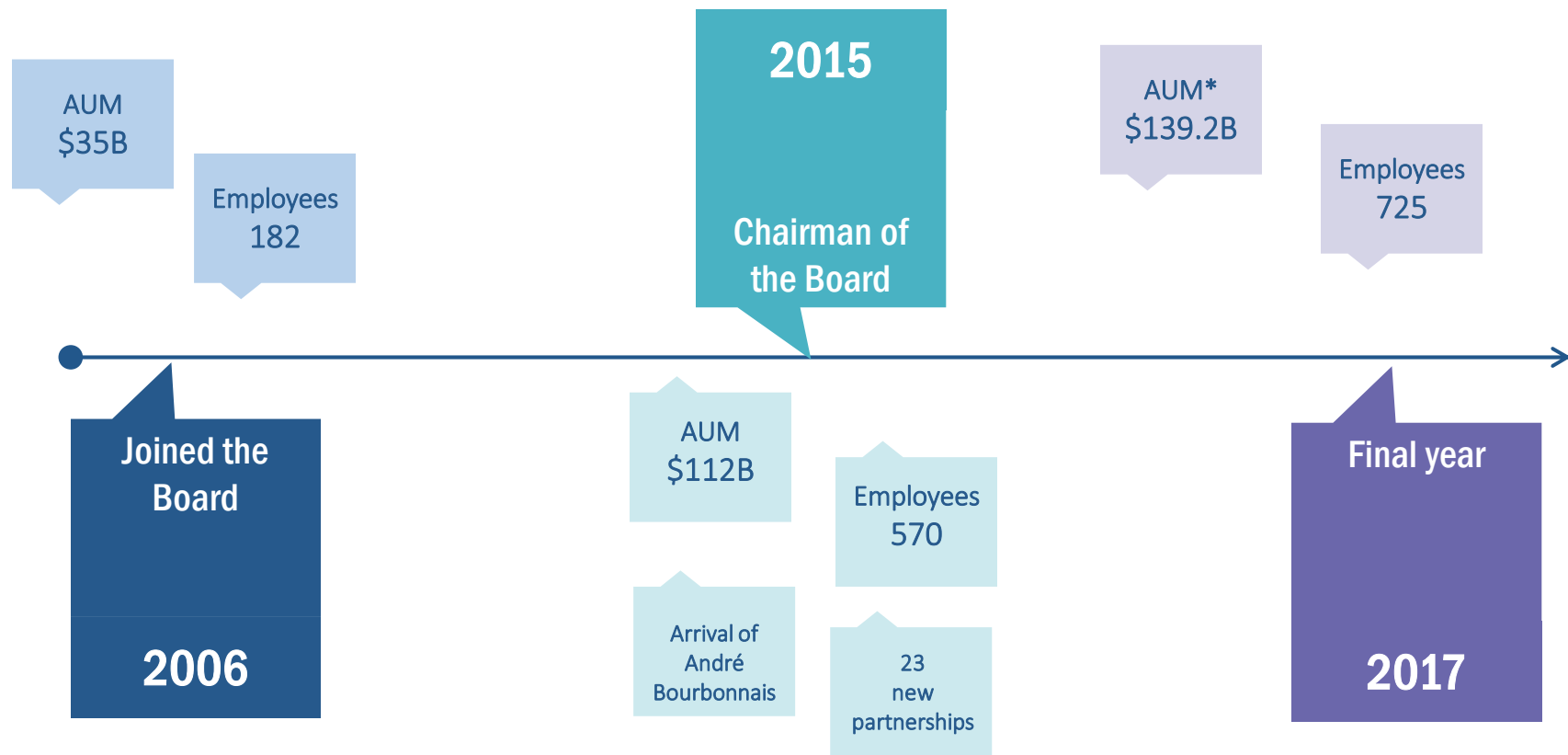
HRCC  
(Human Resources & Compensation Committee)

Governance  
Committee

Investment Committee

Audit Committee

# TIMELINE





Board of Directors at Moisson Montréal

# **STRATEGY AND VISION 2021 UPDATE**

**André Bourbonnais**

**President & CEO**

# PSP INVESTMENTS

## Financial Highlights – FY17



TOTAL NET PORTFOLIO RETURN



FIVE-YEAR ANNUALIZED NET RETURN



TEN-YEAR ANNUALIZED RETURN



POLICY PORTFOLIO RETURN



FIVE-YEAR POLICY PORTFOLIO RETURN



TEN-YEAR REFERENCE PORTFOLIO RETURN

8 All figures are as at March 31, 2017.





# SELECT KEY UNDERTAKINGS IN THE PAST YEAR



**InvestPSP**  
@InvestPSP



**Cerba**  
Date : April 20, 2017    € 1,8 B  
Partners Group and PSP Investments  
Finalize acquisition of Cerba HealthCare, a leading European operator of clinical pathology laboratories.



**InvestPSP**  
@InvestPSP



**AlbaCore**  
Date : November 2016    €500 M  
PSP Investments commits €500 million  
In newly-created European credit Platform AlbaCore Capital, a European Investment firm and solutions provider, Focusing on private debt and opportunistic Credit investments.



**InvestPSP**  
@InvestPSP



**Keter**  
Date : July 2016  
BC Partners and PSP Investments  
Acquire majority stake in the Keter Group, the world's largest producer of Quality resin consumer products.



**InvestPSP**  
@InvestPSP



**Vantage**  
Date : March 27, 2017  
Consortium of digital Bridge, PSP Investments And TIAA Investments acquires Vantage Data Centres, a leading provider of data center Solutions in support of mission-critical Applications.



**InvestPSP**  
@InvestPSP



**AlixPartners**  
Date : November 2016    US \$ 2,5 B  
CDPQ, PSP Investments, Investcorp and Jay Alix Acquire ownership stakes from CVC Capital Partners. AlixPartners works with clients to help them restore, grow and create sustainable value, in high-impact situations.



**InvestPSP**  
@InvestPSP



**TeamHealth**  
Date : February 2017    US \$ 6,1 B  
Blackstone, CDPQ and PSP Investments Complete acquisition of TeamHealth, a leading Physician services organization.

## FOLLOW US ON



# FIVE-YEAR STRATEGIC PLAN: VISION 2021



**ANNUAL RESULTS FOR FISCAL YEAR 2017**

**SEMI-ANNUAL RESULTS FOR THE SIX-MONTH  
PERIOD ENDING SEPTEMBER 30, 2017**

# PSP INVESTMENTS

## Financial Highlights – FY17



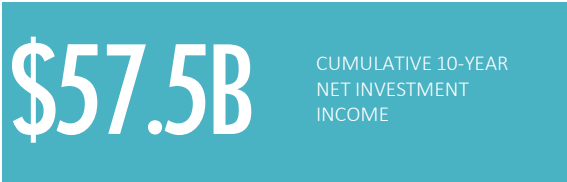
TOTAL NET PORTFOLIO RETURN



FIVE-YEAR ANNUALIZED NET RETURN



TEN-YEAR ANNUALIZED NET RETURN

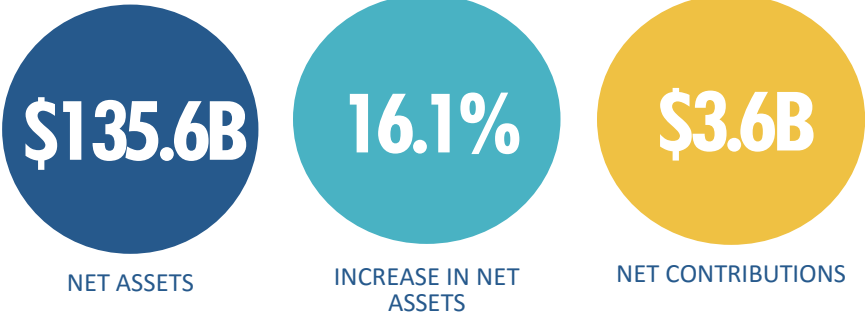


12 All figures are as at March 31, 2017.

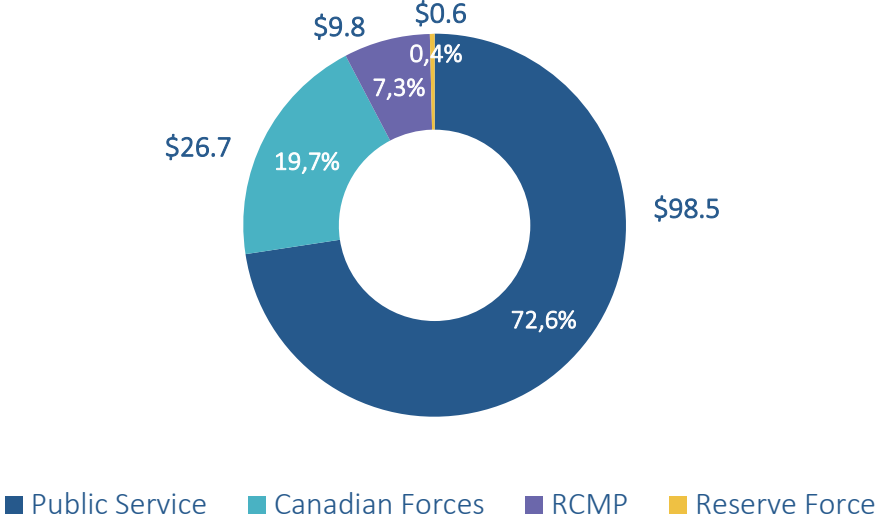


# PSP INVESTMENTS

## Financial Highlights – FY17



NET ASSETS PER PENSION PLAN ACCOUNT (\$B)



13 All figures are as at March 31, 2017.



# PSP INVESTMENTS

## Asset Class Performance

**\$135.6B**

### PUBLIC MARKETS

- \$77.2B** IN NET ASSETS
- 56.9%** OF TOTAL NET ASSETS
- 16.0%** ONE-YEAR RATE RETURN
- 10.9%** FIVE-YEAR RATE RETURN

### INFRASTRUCTURE

- \$11.1B** IN NET ASSETS
- 8.2%** OF TOTAL NET ASSETS
- 14.4%** ONE-YEAR RATE RETURN
- 11.7%** FIVE-YEAR RATE RETURN

### REAL ESTATE

- \$20.6B** IN NET ASSETS
- 15.2%** OF TOTAL NET ASSETS
- 10.8%** ONE-YEAR RATE RETURN
- 12.3%** FIVE-YEAR RATE RETURN

### PRIVATE DEBT

- \$4.4B** IN NET ASSETS
- 3.3%** OF TOTAL NET ASSETS
- 27.5%** ONE-YEAR RATE RETURN
- 23.2%** SINCE INCEPTION ANNUALIZED RETURN (1.3 years)

### PRIVATE EQUITY

- \$15.9B** IN NET ASSETS
- 11.7%** OF TOTAL NET ASSETS
- (3.4)%** ONE-YEAR RATE RETURN
- 7.8%** FIVE-YEAR RATE RETURN

### NATURAL RESOURCES

- \$3.7B** IN NET ASSETS
- 2.7%** OF TOTAL NET ASSETS
- 19.5%** ONE-YEAR RATE RETURN
- 14.1%** FIVE-YEAR RATE RETURN

14 All figures are as at March 31, 2017. Assets under management do not include cash and cash equivalents.



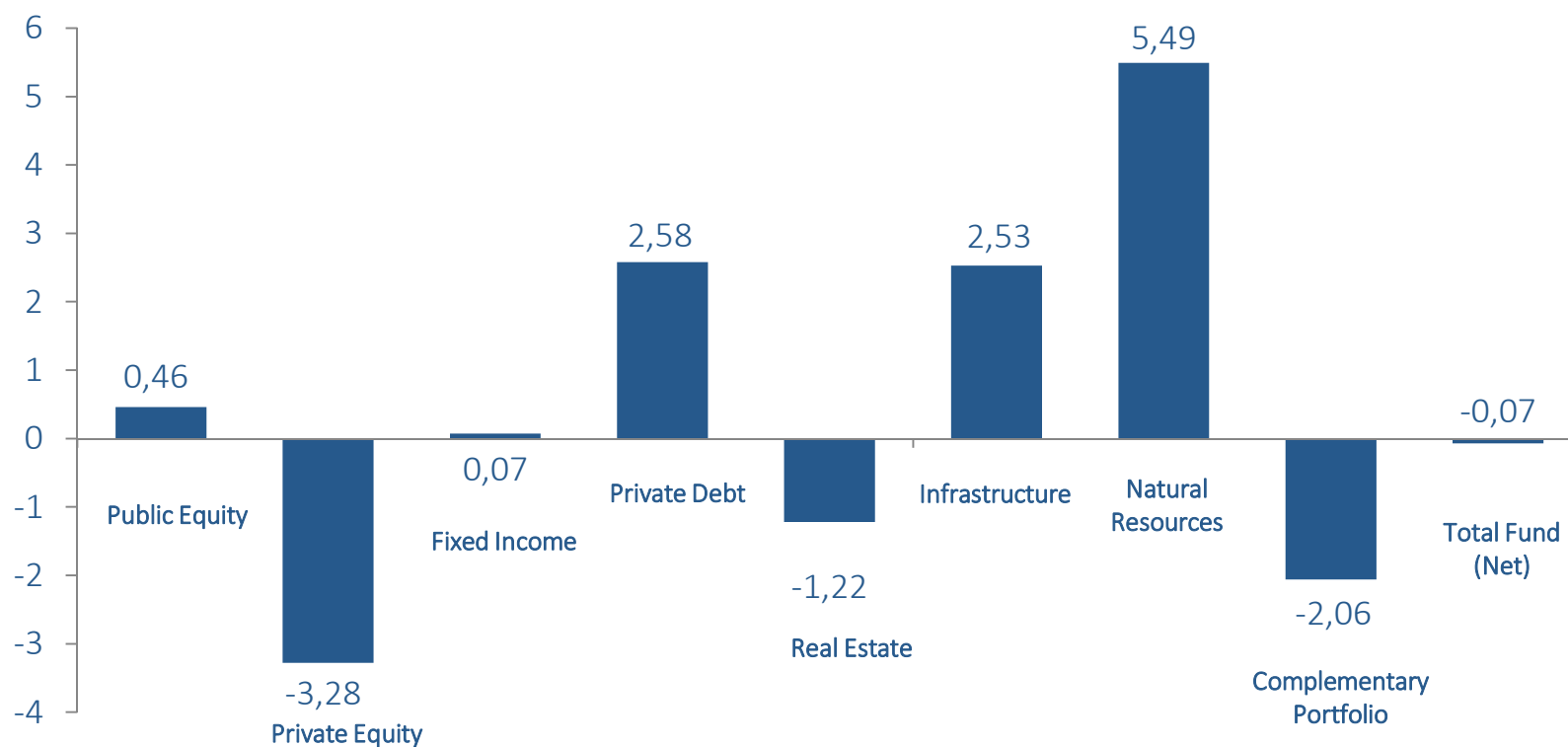
## **FY2018 – FIRST SIX MONTHS (1)**

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- Total net portfolio return: 1.04%
- Policy portfolio return: 1.11%
- Net assets: \$139.2B
- Contributions: \$1.8 billion

# FY2018 – FIRST SIX MONTHS (1)

Total PSP Excess Return (%)





# STRATEGY GOING FORWARD

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- Long-term perspective
- Opportunistic
- Agile with the capacity to seize more complex transactions such as the recent Equis Energy deal



**QUESTIONS?**

