



NEWS RELEASE

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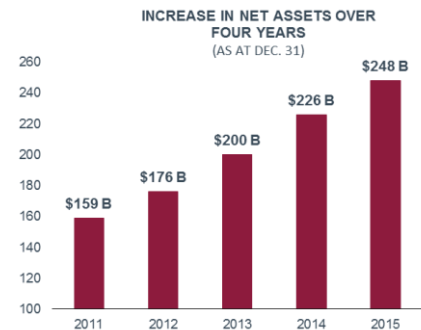
Four-year annualized return reaches 10.9% 9.1% return for 2015

Clients' net assets reach \$248.0 billion

Montréal, February 24, 2016 – Caisse de dépôt et placement du Québec today released its financial results for the year ended December 31, 2015. The annualized weighted average return on its clients' funds reached 10.9% over four years and 9.1% in 2015.

At year-end, net assets totalled \$248.0 billion, compared to \$159.0 billion as at December 31, 2011, an increase of \$89.0 billion over four years. During that period, la Caisse posted net investment results of \$81.6 billion and net deposits of \$7.4 billion.

In 2015, net investment results totalled \$20.1 billion and net deposits \$2.1 billion. Public Equity portfolios generated close to half of these investment results, while less-liquid portfolios – Real Estate, Private Equity and Infrastructure – contributed \$5.6 billion.



"In 2015, our strategy was put to the test. Uncertainty in the face of monetary policy, disorderly currency movements and collapsing oil prices all fueled market volatility, particularly in the second half," said Michael Sabia, President and Chief Executive Officer of la Caisse. "The market environment was also affected by anemic growth in developed countries and an overall slowdown in emerging markets.

"In this context, the quality of the assets in our portfolio allowed us to deliver solid results, confirming the soundness of our strategy. While not immunizing our portfolio against market movements, our strategy makes it more resilient in turbulent times.

Going forward, we need to look through market volatility to focus on creating real value. We will stay the course and continue to invest capital selectively. We will also continue to develop partnerships with world-class institutions and build value by focusing on the operational efficiency of businesses in our portfolio."

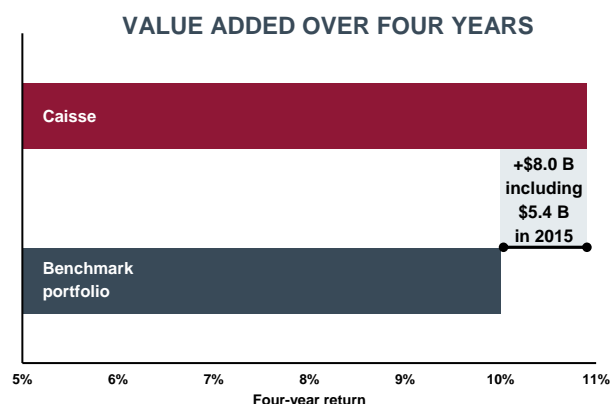
RETURNS BY ASSET CLASS

	At Dec. 31, 2015	4 years		2015	
	Net assets (\$ billions)	Net investment results (\$ billions)	Return (%)	Net investment results (\$ billions)	Return (%)
Fixed Income	86.1	11.4	4.0	3.1	3.9
Inflation-Sensitive Investments	41.0	13.1	11.3	3.8	10.6
Equity	117.6	51.4	14.9	11.6	11.0
Caisse return¹	248.0	81.6	10.9	20.1	9.1

¹The total includes ABTN, Asset Allocation, Active Overlay Strategies portfolios and customized overlay operations, cash activities of the individual funds and completed activities.

Over four years, la Caisse's annualized return is 0.9 percentage points higher than that of its benchmark portfolio, which stands at 10.0%. This difference represents \$8.0 billion of value added, with \$5.4 billion generated in 2015.

During the same period, the annualized returns of la Caisse's eight largest clients range from 9.3% to 12.2%, and in the year 2015, from 8.1% to 10.5%.



Longer-term results

Over five years, la Caisse's annualized return is 9.5%. Over 10 years, it is 6.0%. These returns are aligned with our clients' long-term requirements and primarily reflect la Caisse's performance since 2009.

HIGHLIGHTS – INVESTMENT STRATEGY

Benchmark-agnostic management

La Caisse's investment strategy focuses on a benchmark-agnostic approach based on a fundamental and rigorous analysis of investments. Portfolios are built on the basis of our investment beliefs, irrespective of benchmark indexes. Indexes serve only to retroactively assess portfolio performance.

The **Global Quality Equity** portfolio constitutes a cornerstone of this strategy. It reached \$33.9 billion in net assets as at December 31, 2015. From its inception in 2013, it has generated annualized returns of 24.0%. The portfolio's extensive international diversification, its strong focus on more stable and predictable securities and positions in promising sectors, such as healthcare and consumer products have greatly contributed to this performance.

In a context of a broad-based decline in Canadian markets, our **Canadian Equity** portfolio demonstrated its resilience by outperforming its index both over the four-year period and in 2015. The portfolio, more focused on high-quality securities, places a special emphasis on Canadian companies poised to benefit from the growth of

the U.S. economy. It also has limited exposure to the materials sector, especially gold securities, which yielded negative returns in 2015.

Our benchmark-agnostic approach is now applied to close to a third of our **Emerging Markets Equity** portfolio. This explains its above-market performance. By selecting partners who share our investment philosophy and have deep knowledge of these markets, la Caisse was able to generate a higher return while reducing risk.

Less-liquid assets

La Caisse focuses on less-liquid assets that generate more stable and predictable current yields over the long term. The increased volatility in public equity markets and the low yields expected in bond markets reinforce the importance of these more resilient assets in la Caisse's overall portfolio.

All three portfolios – Real Estate, Private Equity and Infrastructure – generate strong results over time, with a 12.4% return over four years.

In **Real Estate**, 2015 was a defining year for Ivanhoé Cambridge, la Caisse's subsidiary. Transaction volume reached \$18.2 billion, including \$12.4 billion in acquisitions and \$5.8 billion in dispositions. In the office sector, Ivanhoé Cambridge became the leading foreign institutional investor in the United States in 2015 with major investments in New York, Chicago, Los Angeles, Boston, Denver and Seattle. With the acquisition of Three Bryant Park and Stuyvesant Town/Peter Cooper Village, Ivanhoé Cambridge became the seventh largest property owner in Manhattan.

In **Private Equity**, la Caisse invested \$15.6 billion over four years, including \$5.6 billion in 2015. One of this year's main transactions was its participation in the acquisition of O2 by Three UK, which contributed to the creation of the leading wireless operator in the United Kingdom. This investment was made in partnership with other large institutional investors, including Hutchison Whampoa Limited, the largest company listed on the Hong Kong Stock Exchange. In 2015, la Caisse also invested USD 1.5 billion in Bombardier Transportation, a global leader in rail transportation with significant growth potential.

In **Infrastructure**, la Caisse carried out investments of \$7.4 billion over four years, including \$3.5 billion in 2015 alone. Acquisitions include an interest of close to 25% in Transgrid, the electricity-transmission network of the State of New South Wales in Australia. It also acquired a 30% interest in Eurostar, the high-speed train linking London to continental Europe through the Channel Tunnel.

Impact in Québec

Over the past year, la Caisse continued its investments to contribute to the development of strong Québec companies capable of competing with the best in their industry. It also made networks of partners and teams of experts available to companies to further their global expansion.

As a partner of the company since 2011, la Caisse reinvested in WSP last year to finance the acquisition of a Canadian engineering consulting firm. In 2015, la Caisse reinvested in D-BOX, a company with which it has been a partner for five years and facilitated its entry into China through its teams in Asia. It also reinvested in Agropur to strengthen its position as one of the leading North American dairy processors.

In a world where competitiveness is tied to innovation, la Caisse expects to play a greater role in accelerating Québec companies' adaptation to the digital era. It is targeting innovative industries (technology, electric

transportation, etc.), and companies turning to innovation to increase their productivity and operational efficiency and better serve their markets. In 2015, la Caisse invested in Lightspeed, a business specializing in cloud technology, to optimize its technological infrastructure and to further develop its e-commerce offering.

In infrastructure, our new subsidiary, CDPQ Infra, is studying two major projects identified as priorities: the electric public transit system on the new Champlain Bridge, and the one linking downtown Montréal to the Montréal-Trudeau International Airport and the West Island. Substantial progress has been made over the past few months, including the establishment of a team of experts, the launch of traffic studies and the creation of engineering offices. A consultation process will be launched in the spring of 2016, in collaboration with the main municipal partners in the Montréal metropolitan region.

In real estate, Ivanhoé Cambridge continues with its \$1-billion investment plan for downtown Montréal by focusing in particular on Place Ville Marie, Fairmont The Queen Elizabeth hotel and Maison Manuvie. In Québec City, it began the modernization of the Place Ste-Foy and Laurier Québec shopping centres and is completing Phase 1 of the Quartier QB residential project.

To support entrepreneurship, a pillar of our Québec strategy, la Caisse announced the creation of Espace CDPQ, designed to bring together key stakeholders in the entrepreneurial ecosystem to foster innovation and globalization. Created for the 50th anniversary of la Caisse, this facility is slated to open in spring 2016.

At the end of 2015, assets of la Caisse in Québec totalled \$59.7 billion. New investments and commitments total \$11.2 billion over the past four years, including \$2.2 billion in 2015 (this figure excludes the investment in Bombardier Transportation). At year-end, through its direct investments and specialized funds, la Caisse was a partner to approximately 550 Québec SMEs.

Global footprint

Seeking greater exposure to global growth and better diversification of its portfolio, la Caisse expanded its global footprint by more than 13 percentage points over the past four years. Today, close to 54% of its exposure is outside Canada.

The United States represents a key market for la Caisse where it invested close to \$18 billion in real estate, \$6.8 billion in private equity, and \$2.6 billion in infrastructure over four years. Today this exposure has a total value of over \$73.4 billion.

La Caisse is well aware of the challenges in growth markets and continues to apply a selective and rigorous approach when investing in these markets. It targets specific countries, such as Mexico and India, where promising reforms are under way, relying on partnerships with investors and operators whose extensive local market knowledge complements la Caisse's expertise.

La Caisse made its first infrastructure investment in Mexico in 2015, through a co-investment platform in partnership with a consortium of Mexican institutional investors, including Mexico's three largest pension plans. The consortium intends to jointly invest \$2.8 billion in transportation and energy infrastructure projects over the next five years.

In Asia, Ivanhoé Cambridge continued to build its presence with a significant investment in Chongbang, a developer, owner and operator of real estate projects in Shanghai. It also invested in an investment vehicle of LOGOS, a company specialized in logistics facilities well established in Shanghai and Asia-Pacific.

In the context of its globalization strategy, la Caisse has opened offices in Singapore, Washington, Mexico City and Sydney. It has also bolstered its investment and research teams in New York. In 2016, la Caisse plans to open offices in London and Delhi.

FINANCIAL REPORTING

Over the past year, la Caisse pursued efforts to improve efficiency. Including external management fees, its operating expenses totalled \$424 million in 2015. The ratio of expenses was 18.0 cents per \$100 of average net assets, a level that compares favourably to that of its industry.

Finally, the credit rating agencies reaffirmed la Caisse's investment-grade ratings with a stable outlook, namely AAA (DBRS), AAA (S&P) and Aaa (Moody's).

ABOUT CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at December 31, 2015, it held \$248.0 billion in net assets. As one of Canada's leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure and real estate. For more information, visit cdpq.com, follow us on Twitter [@LaCDPQ](https://twitter.com/LaCDPQ) or consult our [Facebook](#) or [LinkedIn](#) pages.

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Returns

(for the period ended December 31, 2015)

Specialized portfolio	Net assets at Dec. 31, 2015 \$ millions ¹	4 years			2015		
		Net investment results \$ millions ¹	Return %	Index %	Net investment results \$ millions ¹	Return %	Index %
Fixed Income							
Bonds	67,860	8,794	4.1	3.7	2,390	3.8	3.7
Real Estate Debt	11,300	1,955	5.5	3.6	536	5.1	3.5
Short Term Investments	4,584	261	1.0	0.9	49	0.7	0.6
Long Term Bonds	2,390	416	4.6	4.7	106	4.7	4.8
Subtotal	86,134	11,426	4.0	3.5	3,081	3.9	3.6
Inflation-Sensitive Investments							
Real Estate	26,955	10,031	12.6	13.8	3,052	13.1	15.4
Infrastructure	12,957	3,006	9.8	12.9	705	6.6	(5.1)
Real Return Bonds	1,090	18	1.0	1.0	29	2.8	2.8
Subtotal	41,002	13,055	11.3	12.7	3,786	10.6	8.1
Equity							
Global Quality Equities ²	33,918	12,480	24.0	17.3	5,964	21.5	14.6
Canadian Equities	22,389	6,567	7.8	6.4	(925)	(3.9)	(7.3)
Emerging Markets Equities	13,705	3,107	8.6	7.9	750	5.8	3.6
U.S. Equities	10,580	9,063	24.7	24.7	2,117	21.7	21.6
EAFE Equities	10,862	6,210	17.1	16.7	1,852	19.3	19.0
Public Equity	91,454	41,621	15.3	13.4	9,758	11.6	7.8
Private Equity	26,099	9,771	13.4	13.2	1,828	8.4	4.1
Subtotal	117,553	51,392	14.9	13.4	11,586	11.0	7.2
Active Overlay Strategies	454	272	N/A	N/A	42	N/A	N/A
Asset Allocation	1,721	1,325	N/A	N/A	534	N/A	N/A
ABTNs	102	2,623	N/A	N/A	72	N/A	N/A
Total³	248,025	81,589	10.9	10.0	20,109	9.1	6.7

¹ Net assets and net investment results are net of operating expenses.

² The portfolio was created on January 1, 2013. For the four-year period, the return corresponds to the period from January 1, 2013, to December 31, 2015.

³ The total includes Overlay Strategies, cash activities of individual funds and completed activities.

N.B.: As of 2016, la Caisse will disclose its one-year, five-year and ten-year results. This adjustment, aimed at extending the period based on which la Caisse measures its performance, better reflects its benchmark-agnostic strategy.