



**Press Release  
For Immediate Release**

## **PSP Investments Reports Fiscal Year 2014 Results**

**Montréal, July 17, 2014**– The Public Sector Pension Investment Board (PSP Investments) announced today that it recorded an investment return of 16.3% for the fiscal year ended March 31, 2014 (fiscal year 2014). The solid overall performance was driven primarily by strong results in Public Market Equities as well as in the Private Equity, Renewable Resources, Real Estate and Infrastructure portfolios. The fiscal year 2014 investment return exceeded the Policy Portfolio return of 13.9%, representing \$1.8 billion of value added over the benchmark return.

Consolidated net assets reached a record \$93.7 billion, an increase of \$17.6 billion or 23% over the previous year. PSP Investments generated net investment income of \$12.6 billion for fiscal year 2014 and received \$5.0 billion in net contributions.

For the most recent four-year period, PSP Investments recorded an annualized investment return of 11.0% and generated \$28.9 billion in investment income and \$4.9 billion of value added over the benchmark.

PSP Investments' 10-year annualized net return is 7.0% or 5.2% after inflation, exceeding the net long-term rate of return for the public section pension plans used by the Chief Actuary of Canada which averaged 4.3% after inflation for the period and is currently 4.1% after inflation.

"Once again, performance was strong across the board with all investment teams contributing to value added over benchmark returns," said John Valentini, Interim President and CEO, and Chief Financial Officer. "Most notably from a performance perspective we have outperformed the long-term rate of return objective used by the Chief Actuary by 0.9% per year over the past 10 years." This excess return per year translates into a cumulative \$7.7 billion of investments gains when taking into account the size and timing of cash inflows.

For fiscal year 2014, returns on Public Markets Equities ranged from 6.1% for the Emerging Markets Equity portfolio to 38.7% for the Small Cap Equity portfolio. The Fixed Income portfolio generated a return of 4.0% while the return for the World Inflation-Linked Bonds portfolio was 6.9%.

In Private Markets, all asset classes posted solid investment returns for fiscal year 2014 led by Private Equity and Renewable Resources with returns of 24.0% and 20.0% respectively. Real Estate recorded a 12.2% investment return while the Infrastructure portfolio earned an investment return of 9.4%. The private asset returns reflect the currency hedging of these assets.

The asset mix as at March 31, 2014 was as follows: Public Markets Equities 52.8%, Nominal Fixed Income and World Inflation-Linked Bonds 17.7%, Real Estate 11.4%, Private Equity 9.0%; Infrastructure 6.4%; Cash and Cash Equivalents 1.9% and Renewable Resources 0.8%.

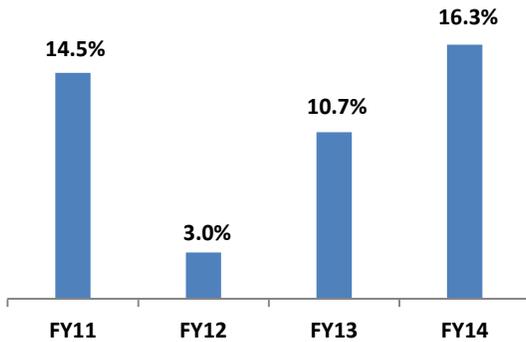
T. 514.937.2772  
F. 514.937.3155  
[www.investpsp.ca](http://www.investpsp.ca)

1250, boul. René-Lévesque Ouest, bureau 900  
Montréal (Québec) Canada H3B 4W8

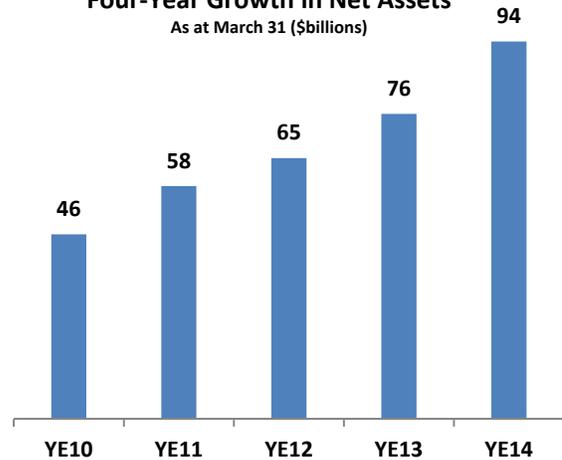
1250 René-Lévesque Blvd. West, Suite 900  
Montréal, Québec, Canada H3B 4W8



**Four-Year Annual Performance**  
As at March 31



**Four-Year Growth in Net Assets**  
As at March 31 (\$billions)



The four-year growth in assets since the end of fiscal year 2010 is comprised of \$28.9 billion of investment income and \$19.2 billion in net contributions.

For more information about PSP Investments' fiscal year 2014 performance, consult PSP Investments' Annual Report available at [www.investpsp.ca](http://www.investpsp.ca).

**About PSP Investments**

The Public Sector Pension Investment Board (PSP Investments) is one of Canada's largest pension investment managers with \$93.7 billion of net assets under management as of March 31, 2014. Its highly-skilled and dedicated team of professionals manages a diversified global portfolio including public equities, private equity, bonds and other fixed-income securities, real estate, infrastructure and renewable resources. PSP Investments is a Crown corporation established to manage employer and employee net contributions since April 1, 2000, to the pension funds of the federal Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, of the Reserve Force. PSP Investments' head office is located in Ottawa, Ontario, and its principal business office is in Montréal, Québec. For more information about PSP Investments, visit [www.investpsp.ca](http://www.investpsp.ca).

For more information:

Mark Boutet  
 Vice President, Communications and Government Relations  
 Tel.: 514 925-5431  
[mboutet@investpsp.ca](mailto:mboutet@investpsp.ca)