



**Press Release  
For immediate release**

**PUBLIC SECTOR PENSION INVESTMENT BOARD  
tables annual results for  
Fiscal year 2004**

**OTTAWA, October 6, 2004** – The Public Sector Pension Investment Board (PSP Investments) tabled in the House of Commons its annual results for its fiscal year ending March 31, 2004. PSP Investments produced a gain of \$2.46 billion and a total portfolio return of 26.1% for the 12 months ended March 31, 2004, exceeding the Policy Benchmark by 0.7%. The latest results compared with a loss of \$920 million and a rate of return of (13.5) % recorded in fiscal year 2003.

“The fiscal year 2004 performance reflected both positive markets and skillful investments by our managers” stated Gordon J. Fyfe, President and Chief Executive Officer.

During fiscal year 2004, PSP Investments received \$3.7 billion in net contributions from the Public Service, Canadian Forces and Royal Canadian Mounted Police pension funds. It completed its fourth year of operation with consolidated net assets of \$14.2 billion at market value, compared with \$8.1 billion a year earlier. On a consolidated basis at the fiscal 2004 year-end, 37.5% of assets were invested in Canadian equities, 27.7% in foreign equities, 34.3% in Canadian fixed income securities, and 0.5% in real estate.

**PLANS TO FURTHER DIVERSIFY MIX OF INVESTMENTS**

Over the course of the fiscal year, strategies were developed for investments in two new asset classes, Private Equities and Real Estate, previously approved by the Board of Directors. As well, there was an allocation made to small and mid-cap U.S. equities.

Looking ahead, Mr. Fyfe said PSP Investments intends to further diversify its mix of investments in order to increase expected returns and take advantage of its long-term, positive net-cash-inflow position (projected at 25 years). “Our aim is to further diversify PSP Investments’ portfolio so that we will be able to perform even when the investment climate is less favorable.”

*The Public Sector Pension Investment Board is a Crown Corporation created to invest in capital markets the net contributions received after April 1, 2000 from the pension plans of the Federal Public Service, Canadian Forces and Royal Canadian Mounted Police. It operates at arm’s length from the federal government. Its statutory objectives are to manage the funds entrusted to it in the best interests of the contributors and beneficiaries of the plans and to maximize investment returns without undue risk of loss. Headquartered in Ottawa, PSP Investments maintains its principal business office in Montreal.*

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**Annual Report, financial statements and supporting documents available at**  
[www.investpsp.ca](http://www.investpsp.ca)

Source: Gordon J. Fyfe  
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