



**Press Release  
For Immediate Release**

## **PSP Investments Reports Fiscal Year 2010 Results**

**Montréal, July 22, 2010** – The Public Sector Pension Investment Board (PSP Investments) announced today that it recorded an investment return of 21.5% for the fiscal year ended March 31, 2010 (fiscal year 2010), exceeding the Policy Benchmark return of 19.8% by 1.7%. The 2010 performance is one of PSP Investments' best performances to date and reflects a return to fundamentals from the distressed valuations resulting from the liquidity crisis of the past two years.

In fiscal year 2010, consolidated net assets increased by \$12.5 billion, or 37%, to reach \$46.3 billion, a new high which exceeds the previous peak of \$38.9 billion recorded at the end of March 2008. During fiscal year 2010, PSP investments generated net income from operations of \$7.5 billion and received \$5.0 billion in net contributions.

"PSP Investments' 2010 results demonstrate the resilience of our long-term investment strategy, which began in fiscal year 2004. At that time, we identified the corporation's strongest competitive advantage to be long-term liquidity provided from the large annual cash inflows expected to continue beyond 2020," said Gordon J. Fyfe, President and CEO. "It allows PSP Investments to buy and hold Private Equity, Real Estate and Infrastructure assets for the long term, even during periods of extreme stress as we have just experienced. Unlike other investors, we were not forced to sell high-quality assets at the most distressed time," concluded Mr. Fyfe.

The overall performance for fiscal year 2010 was driven primarily by strong results in Public Market equities and the Private Equity portfolio. Investment returns for the public equity portfolios ranged from 20.1% for the US Large Cap Equity portfolio to 47.4% for the Emerging Markets Equity portfolio, while the Private Equity portfolio recorded an investment return of 28.8%. The Real Estate portfolio recorded an investment return of 0.6% while the Infrastructure portfolio achieved a 7.2% investment return for fiscal year 2010.

The asset mix as at March 31, 2010 was as follows: Canadian Equity 29.2%, Real-Return Assets 20.2%, Foreign Equity 19.8%, Nominal Fixed Income 19.1% and Private Equity 11.7%.

For more information about PSP Investments' fiscal year 2010 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 a Canadian crown corporation established to invest the amounts transferred by the federal government equal to the proceeds of the net contributions since April 1, 2000, for the pension plans of the Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, for the Reserve Force Pension Plan.

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, having regard to the funding, policies and requirements of the Plans and their ability to meet their financial obligations.

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