

Final Terms & Book Analysis

Issuer:	PSP Capital Inc.	Issuance Spread:	+ 64.5 bps versus CAN 2.25% June 2029
Format:	Fixed Rate Notes	Total Book Size:	Over C\$1.2 billion
Rating:	Aaa / AAA / AAA (All Stable) Moody's / S&P / DBRS	# of Investors:	46 Investors
Issue Amount:	C\$750 million	# Orders ≥ \$25 million:	15 Orders
Coupon:	2.05%	% of International Participation:	~10%
Maturity:	January 15, 2030	Joint Lead Managers:	RBC / CIBC / DESJ / NBF

Transaction Overview

- On December 3rd, 2019, RBC, CIBC, DESJ and NBF acted as joint leads and bookrunners on a C\$750 million offering of 2.05% Series 12 Notes, due January 15, 2030
- PSP Capital Inc. last accessed the market in September 2019 with a C\$500 million re-offering of its 3.29% Series 7 Notes due April 4, 2024

About the Issuer

- PSP Capital Inc. is a wholly-owned subsidiary of Public Sector Pension Investment Board ("PSP Investments")
- PSP Investments is one of Canada's largest public investment managers with C\$168 billion of net assets under management as at March 31, 2019
- First accessed the market in 2008
- PSP Capital Inc. now has C\$9.0 billion of term debt outstanding

Key Transaction Highlights

Execution **Transaction Announced:** Officially launched on the morning of Monday, December 2nd. Books opened with initial price thoughts in the area of +64.0 bps versus CAN 2.25% June 2029, reflecting market context

Book Build: Order book for North American and International investors became subject at 9 a.m. on Tuesday. During North American hours, PSP Capital Inc. gathered ~C\$1.0 billion of interest. Incremental demand of ~C\$200 million was added during the overnight session

Pricing: The transaction priced on the morning of Tuesday, December 3 at C\$99.672 with a yield of 2.086% for a spread +64.5 bps versus CAN 2.25% June 2029 (using C\$107.15 / 1.441%). The spread was set initially at +64.0 bps around 10 a.m. but was then widened by 0.5 bps to reflect challenging market conditions at the time of pricing (11:25 a.m.)

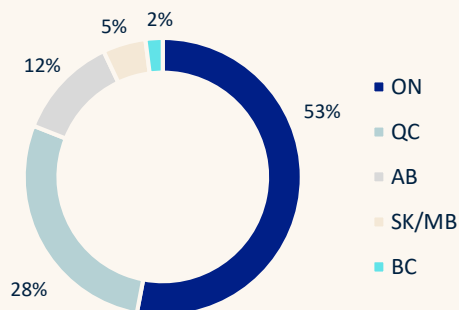
Book Analysis

- Order book over C\$1.2 billion with 46 orders
- Order book was anchored by notable interest from asset managers and insurers while interest from bank treasuries was lesser due to the longer tenor of the offering

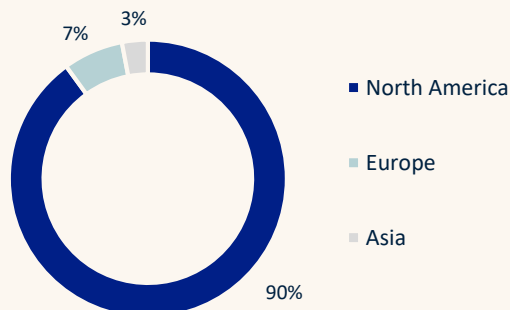
Highlights

- Continued international investor participation
- The PSP spread was priced at +23 bps versus equivalent CMB maturity
- The offering traded on the break at least 0.5 bps tighter into the close and closed at the end of the day at +64.0 bps
- 3 additional new buyers
- Since its inaugural transaction in December 2008, PSP Capital Inc. has issued 12 different Series of Notes with C\$12.15 billion raised in aggregate, including 5 re-openings

Distribution by Province



Distribution by Region



Distribution by Investor Type

