

GLOBAL EQUITIES

Performance (see notes on reverse side)

As of 09/30/07 (US\$)	QTR	YTD	1 year	3 years	5 years	Since inception
Hexavest Composite	2.27%	7.03%	13.27%	16.89%	20.73%	9.34%
MSCI World Net	2.36%	11.74%	21.09%	18.03%	19.28%	5.68%
Value added	-0.09%	-4.71%	-7.82%	-1.14%	1.45%	3.66%

Positive factors (Quarter)

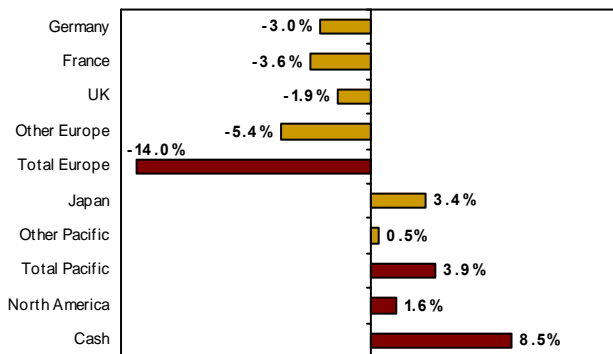
- Country allocation: Slight overweight position in Hong Kong and underweight positions in France and Ireland.
- Currencies: Overweight position in the Yen; one of the strongest currencies with the Canadian Dollar.
- Sector allocation: Underweight position in Financials, both in Europe and in the US.
- Stock selection: McDonald's (Cons. Discr.) and Emerson Electric (Industrials).

Negative factors (Quarter)

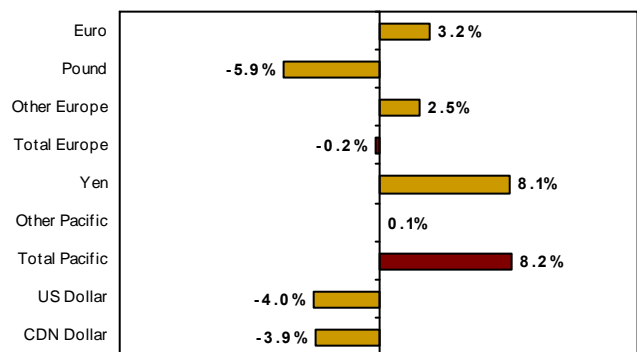
- Sector/Industry allocation: Underweight position in Energy (all three regions) and underweight positions in Asian Industrials and Materials.
- Stock selection: In Europe, Alcatel and STMicroelectronics (Technology), Siemens and EADS (Industrials). In Asia, Sumitomo Mitsui, Mizuho, and Mitsubishi UFJ (large Japanese banks) and Kyocera, Canon (Technology).

Model Portfolio

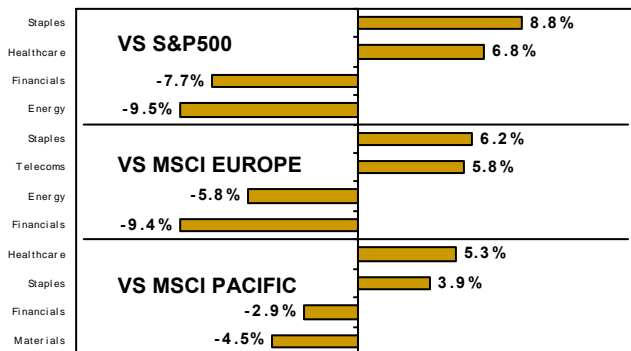
COUNTRY DEVIATIONS VS MSCI WORLD



CURRENCY DEVIATIONS VS MSCI WORLD



MAJOR SECTOR DEVIATIONS (EX. CASH)



TOP 10 STOCK HOLDINGS

Description	Country/Region	% of Portfolio
Intel	United States	1.6%
Pfizer	United States	1.6%
Johnson & Johnson	United States	1.5%
General Electric	United States	1.5%
Procter & Gamble	United States	1.4%
Altria Group	United States	1.4%
Merck & Co.	United States	1.3%
Emerson Electric	United States	1.2%
IBM	United States	1.1%
iShares Global Gold Index	United States	1.1%

Strategy

- At the beginning of the year many market participants were expecting the stabilization of the US housing market in 2007, but since then they have all thrown in the towel, with good reason. Each new housing statistic is worse than the previous one. The investors' consensus however, did not foresee any signs of contagion. That hypothesis fell apart when this past summer, several European, Asian, and North American banks admitted having exposure to subprime loans. These admissions led to a crisis of confidence, and a significant market downturn. The Fed, by simply stepping in and lowering its discount rate and Fed fund rate, was able to allay fears; a move that has sent clouds of uncertainty scattering and one that has also energized the markets at quarter's end. This upswing puzzles us: the source of the problem has not yet been addressed and its dire consequences on the global financial market have already been felt. **We are therefore maintaining our defensive bias.**
- In light of the recent economic soft patch, **we reduced our overweight position in Japan to increase cash** during the 3rd quarter. Japanese corporations, however, are attractive and investors' bleak sentiment could change rapidly on the heels of better economic news. If this happens, we will increase our positions.
- Financial institutions are reeling from the current credit crunch. In fact, these firms have already incurred billions of dollars in losses after being stuck with subprime mortgages and leveraged buyout loans. The credit market is still in a very precarious state, and if the situation doesn't change, losses could increase. Given the current environment, **we are maintaining our underweight position in Financials, both in Europe and in the US.**

GLOBAL EQUITIES

Investment Team



Vital Proulx, CFA
Overall Portfolio Strategy



Marc Veilleux, Ph. D.
Pacific Rim
Director of Research
Currency Management
Quantitative Models



Denis Rivest, CFA
Europe
Risk Management



Frédéric Imbeault, M.Sc., CFA
Pacific Rim
Quantitative Models



Marc Lavoie, M.Sc., CA, CFA
Europe



Jean-René Adam, M.Sc., CFA
North America



Robert Brunelle, ASA, CFA
Chair of Investment Committee
Client Servicing

Distinctive Elements

Exceptional performance and risk/return profile

Experienced, stable, and highly motivated team

- Team built steadily over 15 years
- All portfolio managers are shareholders

Clearly defined Philosophy and Style

- Consistently applied for over 10 years

Proprietary process, rigorous and well tested

- Fundamental research supported by proprietary quantitative models
- Continuous risk management
- Internally developed

Client servicing suited to your needs

Philosophy



Style

We believe that by actively managing all drivers of performance we maximize our chances of success and diversify our risks.



Core portfolio

We strive to protect the capital of our clients.



Value bias

Our competitive edge lies in our analysis of macro-economic factors.



Top-down approach

The vast quantity of economic and financial data requires a structured process.



Proprietary quantitative models supporting fundamental research

Summary

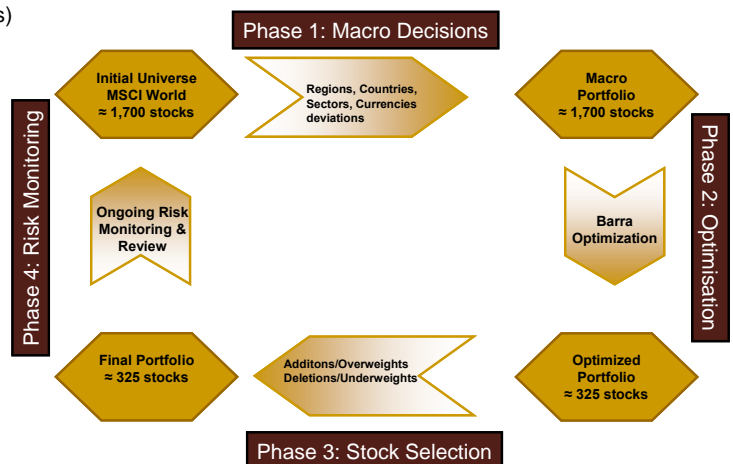
Benchmark:	MSCI WORLD
Value added objective:	2% (4-year moving periods)
Tracking error:	3% to 5%
# of holdings:	325 on average
Derivatives exposure:	0% to 40%
Active currency management:	Yes
Cash:	0% to 10%

Deviations vs Benchmark

Regions:	± 15%*
Countries:	± 15%*
Currencies:	± 15%*
Sectors:	± 10%*

* With minor variations as outlined in the investment guidelines.

Process



For more information, please contact Robert Brunelle at (514) 390-1225 or rbrunelle@hexavest.com

Notes on performance

The performance shown is that of a composite of Global Equity mandates managed by Mr. Vital Proulx and his team at Natcan (1999 to 2004) and Hexavest (since May 2004).

Performance results are presented gross of investment management fees.

The inception date of the composite is January 1, 1999.

Hexavest is a registered investment adviser specializing in international equity investment management. Hexavest claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Hexavest's composite and/or presentation that complies with the GIPS, contact Robert Brunelle at 514-390-1225.