HEXAVEST

Quarterly Bulletin

March 31, 2009

International Equities

Performance (see notes on reverse side)

As of 03/31/09 (CAD$)	QTR	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Composite	**-12.83%**	**-12.83%**	**-25.43%**	**-8.64%**	**-0.92%**	**1.19%**	**6.76%**
MSCI EAFE Net	-12.29%	-12.29%	-34.40%	-12.29%	-3.03%	-2.65%	3.66%
Value added	**-0.54%**	**-0.54%**	**8.97%**	**3.65%**	**2.11%**	**3.84%**	**3.10%**

Positive factors (Quarter)

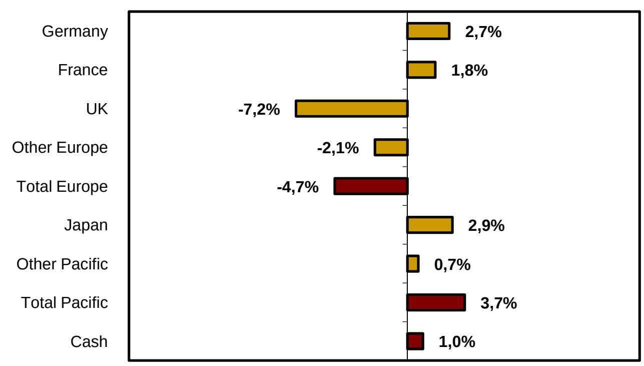
- Regions/Countries: Overweight position in the Pacific region which outperformed Europe.
- Currencies: Underweight position in the Yen, one of the weakest currencies in the quarter.
- Sectors/Industries: Overweight position in Materials (both regions).
- Stocks: In Europe, overweight position in Roche, Sanofi-Aventis (Healthcare). In Asia, overweight positions in Rio Tinto, Shin-Etsu Chem. (Materials) and Murata, Hoya (Tech.).

Negative factors (Quarter)

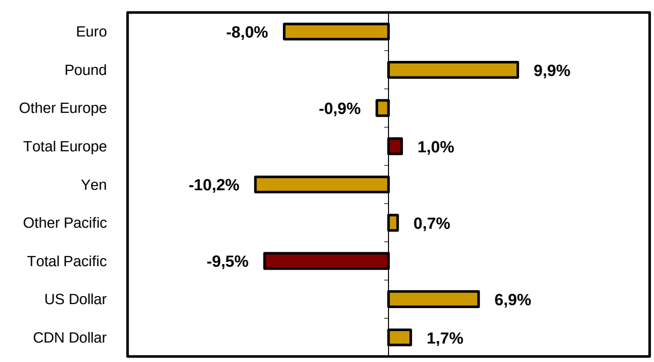
- Regions/Countries: Slight overweight position in Germany.
- Currencies: Overweight position in the Swiss Franc.
- Sectors/Industries: Underweight position in Energy. Overweight position in Financials.
- Stocks: In Europe, overweight positions in Nokia (Tech.) and TUI, JCDecaux (Cons. Discr.). In Asia, overweight positions in Chubu Electric Power (Utilities) and Kao, FamilyMart (Staples).

Model Portfolio

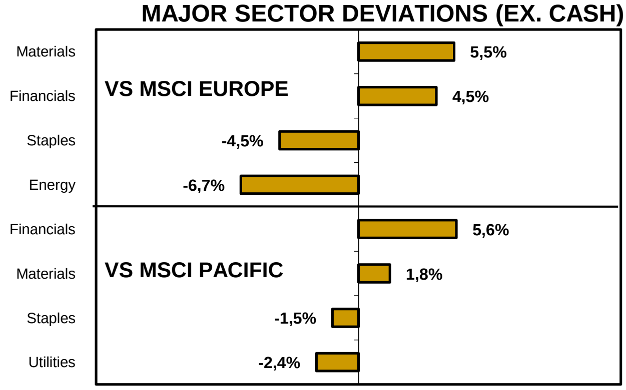
COUNTRY DEVIATIONS VS MSCI EAFE



CURRENCY DEVIATIONS VS MSCI EAFE



MAJOR SECTOR DEVIATIONS (EX. CASH)



TOP 10 STOCK HOLDINGS

Description	Country/Region	Sector	% of Portfolio
BHP Billiton	Australia	Materials	1.8%
Nestlé	Switzerland	Staples	1.6%
Rio Tinto	UK	Materials	1.6%
Nokia	Finland	Technology	1.4%
Toyota Motors	Japan	Cons. Discr.	1.4%
Roche Holdings	Switzerland	Healthcare	1.4%
Mitsubishi UFJ	Japan	Financials	1.3%
Siemens	Germany	Industrials	1.2%
BHP Billiton	UK	Materials	1.2%
Novartis	Switzerland	Healthcare	1.1%

Strategy

- We anticipate that the stock market rebound that began in mid-March will continue on its upward path over the coming months. **As a result, we are maintaining our more bullish positioning.** Given the unprecedented size and scope of the stimulus packages around the world, it is difficult to predict their long-term effect on the economy. However, on a short-term basis, their impact, combined with a rebuilding of depleted inventories, should allow a recovery in the economy in the next few quarters. Encouraging news about the economy plus financial systems out of intensive care should propel stock markets into positive territory before the end of the second quarter.
- The BoE cut its rates aggressively and was one of the first central banks to adopt quantitative easing policies. The perilous economic picture called for such aggressive action. Recent economic data tend to point towards a stabilization. However, the market is facing marked deleveraging and ROE is likely to fall from its recent level of 18% to 8%. We believe that earnings revisions will be downgraded again in the coming weeks. **We are currently underweighting UK stocks.**
- In Asia, Consumer electronic manufacturers face a cyclical storm with lower volumes, a lack of pricing power, high inventories, and a credit crisis. However, despite a tough environment for sales and profits, the three main players (Sony, Sharp, and Panasonic) have historical low valuations at P/Sales at 0.4x. Also, they have strong balance sheets which gives them the flexibility to finance acquisitions or restructure. Within this industry, **we favour Sony for its restructuring potential. We also like Panasonic for its defensive products portfolio and for the long-term development of its lithium-ion car battery business acquired from Sanyo.**

Quarterly Bulletin

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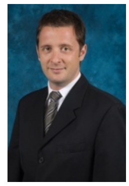
International Equities

Investment Team

Vital Proulx, CFA
Overall Portfolio Strategy

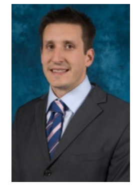
Marc Veilleux, Ph. D.
Director of Research,
PM - Asia

Denis Rivest, CFA
PM - Europe



Frédéric Imbeault, M.Sc., CFA
PM - Asia

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



Jean-René Adam, M.Sc., CFA
PM - 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
- Responsibilities clearly outlined
- Efficient decision making process

Clearly defined Philosophy and Style
- Consistently applied for over 15 years

Proprietary process, rigorous and well tested
- Fundamental research supported by proprietary quantitative models
- Continuous risk management

Client servicing suited to your needs

Philosophy ⇨ Style

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

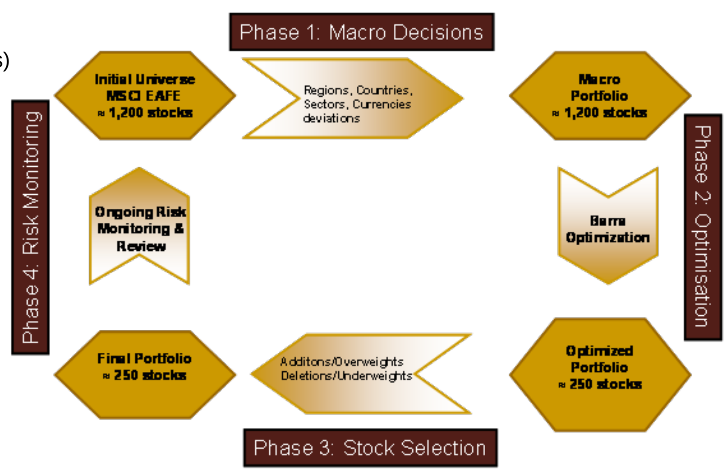
Benchmark:	MSCI EAFE
Value added objective:	2% (4-year moving periods)
Tracking error:	3% to 5%
# of holdings:	250 on average
Derivatives exposure:	0% to 40%
Active currency management:	Yes
Cash:	0% to 10%

Deviations vs Benchmark

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

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

Process



Notes on performance

The performance shown is that of a composite of EAFE mandates managed by Mr. Vital Proulx and his team at St. Lawrence Financial Consultants (from 1991 to 1996), Kogeva (from 1997 to 1998), Natcan (1998 to April 2004) and Hexavest (Since May 2004).

The inception date of the composite is May 1, 1991.

Performance results are presented gross of management and custodial fees. Management fees for pooled fund mandates are:

0 to $10 M:	0.60%
$10 M to $40 M:	0.50%
> $40 M:	0.40%

As of December 31, 2008, custodial fees were 0.10%.