

International Equities

Performance (see notes on reverse side)

As of 09/30/09 (USD)	QTR	YTD	1 year	3 years	5 years	10 years	Since inception
Hexavest Composite	18.46%	30.90%	8.58%	1.22%	8.86%	6.71%	8.54%
MSCI EAFE Net	19.47%	28.97%	3.23%	-3.60%	6.07%	2.55%	5.34%
Value added	-1.01%	1.93%	5.35%	4.82%	2.79%	4.16%	3.20%

Positive factors (Quarter)

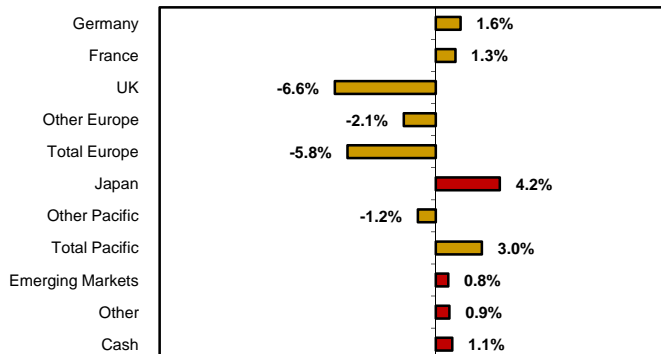
- Currencies: Overweight in the Canadian dollar (at the start of the quarter).
- Sectors/Industries: Overweight Financials and underweight Energy (Europe).
- Stocks: In Europe, overweight Novartis (Healthcare) and UBS (Financials), and underweight Total (Energy).

Negative factors (Quarter)

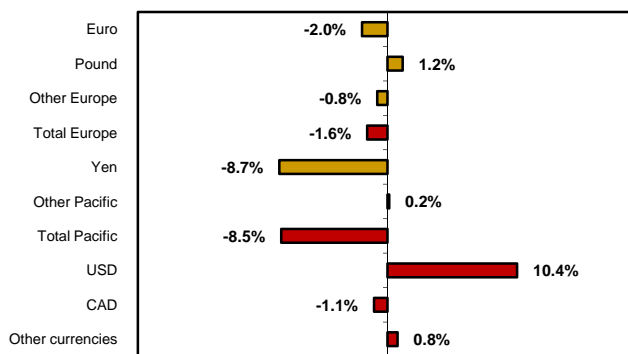
- Regions/Countries: Overweight Japan and underweight the UK.
- Currencies: Underweight the Yen and overweight the US dollar.
- Sectors/Industries: In Asia, overweight Consumer Discretionary.
- Stocks: In Asia, overweight Mazda Motor (Cons. Disc.), Seven Bank and Sumitomo Trust (Financials).

Model Portfolio

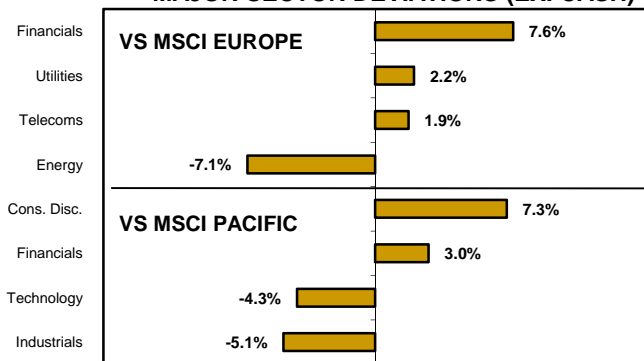
COUNTRY DEVIATIONS VS MSCI EAFE



CURRENCY DEVIATIONS VS MSCI EAFE



MAJOR SECTOR DEVIATIONS (EX. CASH)



TOP 10 STOCK HOLDINGS

Description	Country/Region	Sector	% of Portfolio
Nestlé SA	Switzerland	Cons. Staples	2.5%
HSBC Holdings	United Kingdom	Financials	2.4%
Toyota Motor Corp.	Japan	Cons. Disc.	2.0%
Vodafone Group	United Kingdom	Telecoms	1.6%
Novartis AG	Switzerland	Healthcare	1.3%
Vivendi SA	France	Cons. Disc.	1.3%
Roche Holding AG	Switzerland	Healthcare	1.3%
E.On AG	Germany	Utilities	1.3%
Crédit Suisse AG	Switzerland	Financials	1.2%
UBS AG	Switzerland	Financials	1.2%

Strategy

- The macro-economic environment still supports a market upturn in the short term, owing to strong measures taken by governments and central banks around the world. However, the effect of these measures should abate eventually and, as such, we are concerned about the second half of 2010. On the valuation front, stock markets appear fairly valued according to the earnings growth consensus for 2010, but we feel that these estimates are a bit on the optimistic side. In terms of sentiment, investors are still nervous but appear more bullish than in previous quarters. Our sentiment vector is still favourable to stock markets, but positive and negative factors are more balanced than before. **Consequently, we are maintaining our bullish positioning but to a lesser degree than earlier in the year.**
- In the UK, the growth in government spending, combined with a drastic decline in revenues in the Financials and Real Estate sectors, have resulted in a deficit of 13% of GDP – the highest since World War II. The next government will likely have to cut spending and consumers will have to continue their deleveraging process. This should lead to a difficult environment for sustained growth in the economy. **We therefore maintain our underweight position in the UK stock market.**
- With its high sensitivity to international growth and its tight connections to Asia, Japan could be the G7 country that recovers from the crisis the fastest – an outcome that would be very beneficial for its financial system. Moreover, Japanese banks are among the most exposed to capital markets through their clients' equity holdings and have thus benefited from the recent international market rally. In our view, the cost of bad debt has peaked and is 4 to 6 times lower than in recent crises with expected credit write-offs for 2009 that are 4 times lower than in the U.S. and 2 times lower than in Europe. **We remain positive on Japanese banks given the strong economic recovery in Japan, an attractive stock market valuation combined with a potential for positive earning revisions, as well as the general underperformance of the sector since March of this year.**



HEXAVEST

Quarterly Bulletin

September 30, 2009

International Equities

Investment Team



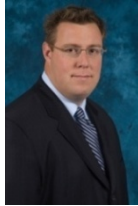
Vital Proulx, CFA
Overall Portfolio
Strategy



J.-R. Adam, M.Sc., CFA
PM - North America



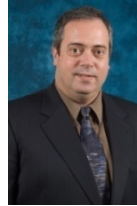
Denis Rivest, CFA
PM - Europe



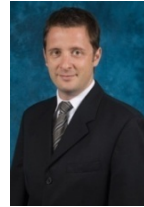
Marc Lavoie, M.Sc., CA, CFA
PM - Europe



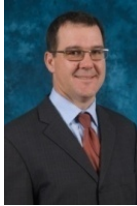
J.-B. Leblanc, M.Sc., CFA
Analyst - Europe



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



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



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

Distinctive Elements

Exceptional performance and risk/return profile

Experienced, stable, and highly motivated team

- Team built steadily over 18 years
- Responsibilities clearly outlined
- Efficient decision making process

Clearly defined Philosophy and Style

- Consistently applied for over 18 years

Proprietary process, rigorous and well tested

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

Client service suited to your needs

Philosophy

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

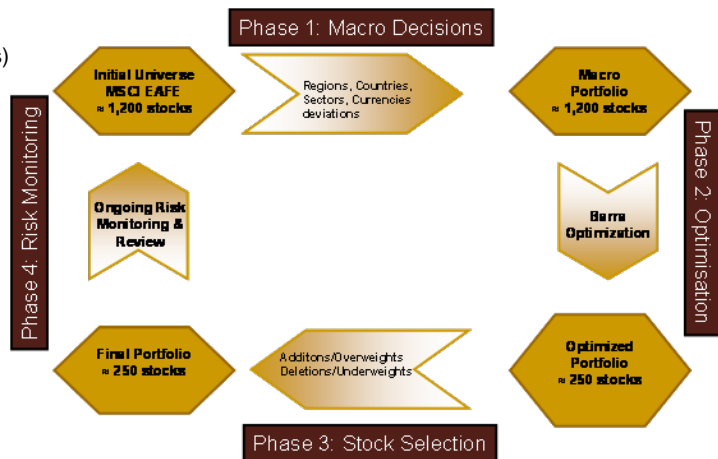
Benchmark:	MSCI EAFE
Value added objective:	2% (4-year moving periods)
Tracking error:	3% to 5%
# of holdings:	250 on average
Derivatives exposure:	0% to 40%
Active currency management:	Yes
Cash:	0% to 10%

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

As of June 30, 2009, fund expenses were 0.09%.