Quarterly Bulletin

June 30, 2005

International Equities

Performance (see notes on reverse side)

As at 06/30/05 (US$)	QTR	1 year	3 years	5 years	10 years
Hexavest Composite	**-2.07%**	**12.13%**	**15.92%**	**4.49%**	**8.86%**
MSCI EAFE	-1.01%	13.65%	12.06%	-0.55%	5.22%
Value added	**-1.06%**	**-1.52%**	**3.86%**	**5.04%**	**3.64%**

Positive contributors (quarter)

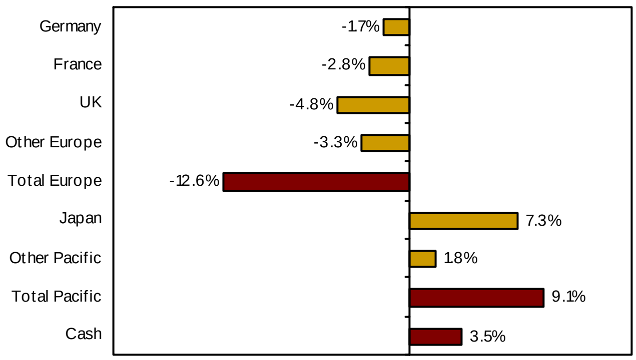
- Sector allocation: Underweight position in Financials and Information Technology.
- Currencies: Underweight in British pounds and overweight in Canadian dollars.

Negative contributors (quarter)

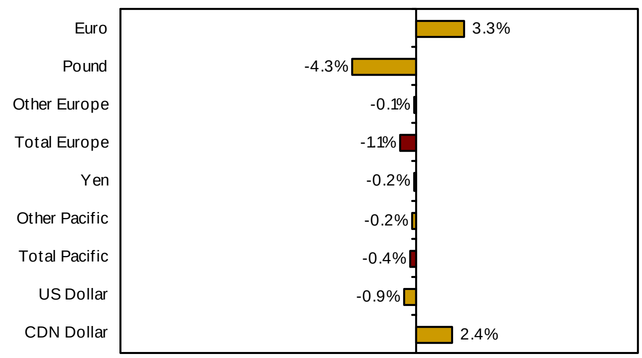
- Country allocation: Underweight position in Europe which outperformed Asia (Japan).
- Sector allocation: Underweight position in Energy and Utilities and overweight position in Telecommunications.
- Currencies: Overweight in Euros.

Model Portfolio

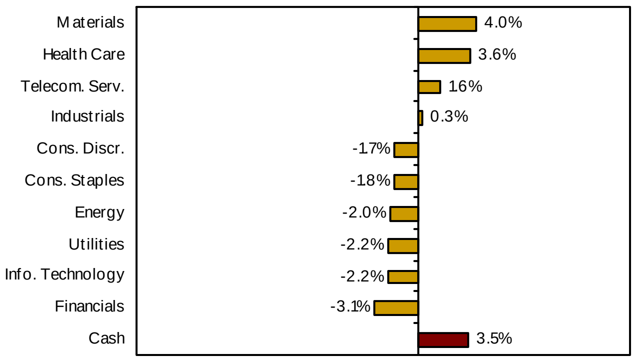
COUNTRY DEVIATIONS VS MSCI EAFE



CURRENCY DEVIATIONS VS MSCI EAFE



SECTOR DEVIATIONS VS MSCI EAFE



TOP 10 HOLDINGS

Description	Country/Region	% of Portfolio
FTSE 100	UK	5.7%
TOPIX	Japan	3.7%
Glaxosmithkline	UK	2.7%
Total	France	1.9%
Deutsche Telekom	Germany	1.7%
Mitsubishi Tokyo Financial	Japan	1.7%
Astrazeneca	UK	1.6%
Novartis AG	Switzerland	1.6%
UPM-Kymmene OY	Finland	1.5%
Telefonica	Spain	1.5%

Strategy

- Almost all developed market saw their expected profits revised downward. Although sales growth is slowing down in Europe, consumer spending is gaining momentum in Asia, especially in Japan. Japanese companies, now more profitable after restructurings, are giving back profits with wage increases and dividends, and deflation seems to be abating. **We are therefore maintaining our underweight position in European markets and our overweight position in Japan**.

- Even while **pharmaceutical companies'** revenues are expected to grow steadily, these companies are making great efforts to reduce costs. Since their financial ratios are at historically attractive levels, **we are overweighting this industry**.

- In our opinion, the reduction in interest rates and the economic slowdown that began in the UK will have a negative effect on its currency. **Therefore, we are underweighting the Pound in favour of the Euro and Canadian dollar**.

QUARTERLY BULLETIN

JUNE 30, 2005

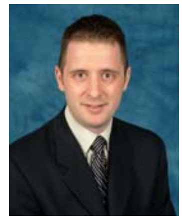
INTERNATIONAL EQUITIES

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
Japan
Quantitative Models

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

Robert Brunelle, ASA, CFA
Business Development
Client Servicing

Distinctive Elements

Exceptional performance and risk/return profile

Experienced, stable and highly motivated team

- Team built steadily over 15 years
- All investment team members 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

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 and excess management at the security decision level.	**Top-down approach**
The vast quantity of economic and financial data requires a structured process.	**Proprietary quantitative models supporting fundamental research**

Summary

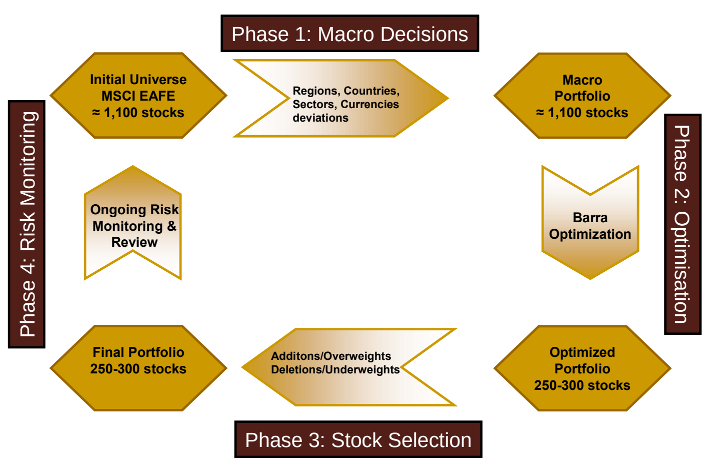
Benchmark:	MSCI EAFE
Value added objective:	2% (4-year moving periods)
Tracking error:	3% to 5%
# of holdings:	250 to 300
Derivatives:	0% to 40%
Active currency management:	Yes
Cash:	0% to 10%

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). Despite changes in the accounts' structure, the investment decision-making process has not undergone any significant changes between 1991 and 2004. Performance results are presented gross of custodial fees. These represent approximately 45 basis points annually from 1991 to 1998, approximately 12 basis points annually from 1998 to May 2004 and 20 basis point thereafter.
Hexavest is a registered investment adviser specializing in international equity investment management. Hexavest claims compliance with AIMR standards. To receive a complete list and description of Hexavest's composite and/or presentation that complies with AIMR standards, contact Robert Brunelle at 514-390-1225.

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