

IDEAL, CPPIB and Ontario Teachers' Expand Mexican Infrastructure Partnership with Pacifico Sur Toll Road

Mexico City, Mexico/Toronto, Canada (October 2, 2018): Impulsora del Desarrollo y el Empleo en América Latina, S.A.B. de C.V. (IDEAL), Canada Pension Plan Investment Board (CPPIB) and Ontario Teachers' Pension Plan (Ontario Teachers') announced today that they have entered into a definitive agreement to invest in Pacifico Sur, a 309-kilometre toll road in Mexico. The investment will enhance the partnership that formed to acquire Arco Norte, a Mexican toll road, in 2016.

Under the terms of the agreement, IDEAL will retain a 51% ownership of the Guadalajara-Tepic, S.A. de C.V. highway concession (CAGT), the concessionaire of the Pacifico Sur toll road. CPPIB and Ontario Teachers' together will acquire a 49% minority ownership position for an initial Ps\$4,539 million (C\$314 million), with the possibility of a second payment of up to Ps\$3,141 million (C\$218 million). CPPIB will hold a 29% stake and Ontario Teachers' will hold a 20% stake, which is consistent with the ownership structure in Arco Norte.

Pacifico Sur connects Mexico's central valley with the country's northwest region, acting as a critical link between the cities of Guadalajara and Tepic for both commercial transport vehicles and tourism-driven light traffic. The toll road extension also includes two recently opened bypasses around the two cities.

IDEAL, CPPIB and Ontario Teachers' are committed to the responsible, long-term ownership and development of Pacifico Sur and are pleased to expand this partnership with a further investment in the infrastructure sector in Mexico.

"Pacifico Sur toll road offers CPPIB a resilient income stream underpinned by a highly diversified traffic base and a strategic location within the country," said Scott Lawrence, Managing Director, Head of Infrastructure, CPPIB. "Broadening our partnership with IDEAL and Ontario Teachers' through our second investment in Mexican infrastructure will allow us to build on our track record of care and good governance."

"The Pacifico Sur toll road represents an important addition to our Latin American portfolio of long-term, inflation-linked infrastructure assets," said Dale Burgess, Ontario Teachers' Senior Managing Director, Infrastructure and Natural Resources. "We are excited to be building further on our partnership with IDEAL and CPPIB with this second shared investment in core infrastructure in Mexico."

CAGT holds title to Pacifico Sur's concession granted by the Secretary of Communications and Transport to build, operate, administer, conserve and maintain the Guadalajara-Tepic highway, the Sur de Guadalajara (South Guadalajara) bypass and the Tepic bypass in the states of Jalisco and Nayarit, in the Mexican Republic. The Pacifico Sur concession agreement has 23 years remaining, with the possibility of an extension of up to 30 additional years.

The transaction is subject to customary closing conditions.



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ABOUT IDEAL

IDEAL is an independent publicly traded company listed on the Mexican Stock Exchange (Ticker: IDEALB1.MX). IDEAL engages in the development, promotion, operation and administration of infrastructure projects in Mexico and Latin America. IDEAL is one of the largest infrastructure companies in Latin America with 21 infrastructure concessions in different sectors including toll roads, water, energy, social infrastructure and logistic terminals.

ABOUT CANADA PENSION PLAN INVESTMENT BOARD

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits in the best interests of 20 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2018, the CPP Fund totalled C\$366.6 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#), [Facebook](#) or [Twitter](#).

ABOUT ONTARIO TEACHERS' PENSION PLAN

The Ontario Teachers' Pension Plan (Ontario Teachers') is Canada's largest single-profession pension plan, with \$193.9 billion in net assets at June 30, 2018. It holds a diverse global portfolio of assets, approximately 80% of which is managed in-house, and has earned an average annualized rate of return of 9.9% since the plan's founding in 1990, to December 31, 2017. Ontario Teachers' is an independent organization headquartered in Toronto. Its Asia-Pacific region office is located in Hong Kong and its Europe, Middle East & Africa region office is in London. The defined-benefit plan, which was fully funded as at December 31, 2017, invests and administers the pensions of the province of Ontario's 323,000 active and retired teachers. For more information, visit otpp.com and follow us on Twitter [@OtpplInfo](#).

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