

CPPIB Increases Investment in 407 International Inc.

Increased 407 ETR investment deepens CPPIB commitment to core infrastructure

Toronto, Canada (August 15, 2019) – A company controlled by Canada Pension Plan Investment Board (CPPIB) has acquired a 10.01% equity stake of 407 International Inc. (407 International), which holds a concession over the 407 Express Toll Route (407 ETR), from SNC-Lavalin Group Inc. (SNC-Lavalin). Under the terms of the agreement, CPPIB agreed to pay \$3.0 billion to SNC-Lavalin on closing, with an additional \$250 million set to be paid over 10 years, conditional on achieving certain financial targets related to the performance of the toll highway.

CPPIB has been an investor in 407 International since 2010, when it acquired control of a 40% holding in the business through two separate transactions. Located in Ontario, Canada, 407 ETR is the world's first all-electronic, barrier-free toll highway, stretching 108 km and serving more than 400,000 drivers each weekday.

“CPPIB invests in global infrastructure assets that offer predictable, resilient income streams in attractive locations. Toll roads provide CPPIB the opportunity to benefit from urbanization trends and invest in assets that benefit from the growth of a region,” said Scott Lawrence, Managing Director, Head of Infrastructure, CPPIB. “The 407 ETR continues to be an attractive infrastructure investment for all these reasons, and remains a good strategic fit with CPPIB’s portfolio and exceptionally long investment horizon. We are pleased to increase our investment in a company with great management, dedicated to delivering a valuable service to so many.”

CPPIB has a diversified, global portfolio of infrastructure assets and makes direct investments through many of its eight offices worldwide. CPPIB’s Infrastructure group is focused on investing in quality, large-scale core opportunities with dependable, like-minded partners.

Upon completion of the transaction, CPPIB controls a 50.01% stake in 407 International.

About CPPIB

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 interest of 20 million contributors and beneficiaries. In order to build diversified portfolios of 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, San Francisco, 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, 2019, the CPP Fund totalled \$400.6 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#), [Facebook](#) or [Twitter](#).

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