



VPI CANADIAN EQUITY POOL

GROWTH THROUGH BUSINESS OWNERSHIP

WHAT YOU OWN



- Highly diversified integrated energy company
- One of the highest quality balance sheets in the industry
- A low-cost operator; can survive lower oil prices
- Strong cash flows with capacity for dividends



2016

2018

TRAILING TWELVE MONTHS AS OF

	Q3 2016	Q3 2017	% CHANGE
REVENUES	\$12,977	\$16,906	30%
CASH FROM OPERATIONS	\$2,618	\$2,972	14%
DIVIDENDS	\$292	-	-100%
SHARE PRICE	\$16.29	\$17.75	9%

Revenues, cash from operations and dividends stated in millions CDN\$; share price stated in CDN\$; share prices as of December 31, 2016 & 2017. Source: S&P Capital IQ.

HIGHLY DIVERSIFIED | **STRONG BALANCE SHEET** | **DIVIDENDS COMING SOON**

WHAT YOU DON'T OWN



- A struggling industrial behemoth
- High degree of uncertainty of business future
- Spun off highly profitable financing division
- Recently cut dividend by 50%



2016

2018

TRAILING TWELVE MONTHS AS OF

	Q3 2016	Q3 2017	% CHANGE
INDUSTRIAL REVENUES	\$112,984	\$115,432	2%
INDUSTRIAL CASH FLOWS	\$9,530	\$9,820	3%
DIVIDENDS	\$8,139	\$8,325	2%
SHARE PRICE	\$31.60	\$17.45	-45%

Revenues, cash flows and dividends stated in millions US\$; share price stated in US\$; share prices as of December 31, 2016 & 2017. Industrial cash flows excludes Appliances deal taxes & pension plan funding. Source: S&P Capital IQ, GE Financial Statements.

WEAK GROWTH PROSPECTS | **UNCERTAIN FUTURE** | **CUTTING DIVIDENDS**



ACHIEVING GOOD RETURNS BY INVESTING CONSERVATIVELY

10.7%

Total Return
(net of fees)*

15.6%

Average Cash
Balance

17

Focused on
the Best
Investment
Ideas

*Series A units

A PROCESS YOU CAN CONTINUE TO COUNT ON

1
Determine
the Best
Businesses
in the World

2
Invest at
Reasonable
Prices

3
Communicate
& Be
Accountable
to You

YOUR
INVESTMENTS
GREW EARNINGS,
CASH FLOW &
DIVIDENDS

+65.9%

Average Energy
Company Cash Flow
Growth

+10.4%

Average Earnings
Growth

+8.2%

Average Dividend
Growth

YOUR
INVESTMENTS
ARE INVESTING
FOR GROWTH

\$40 B

Invested in Capital
Expenditures

\$96 B

Invested in Acquisitions

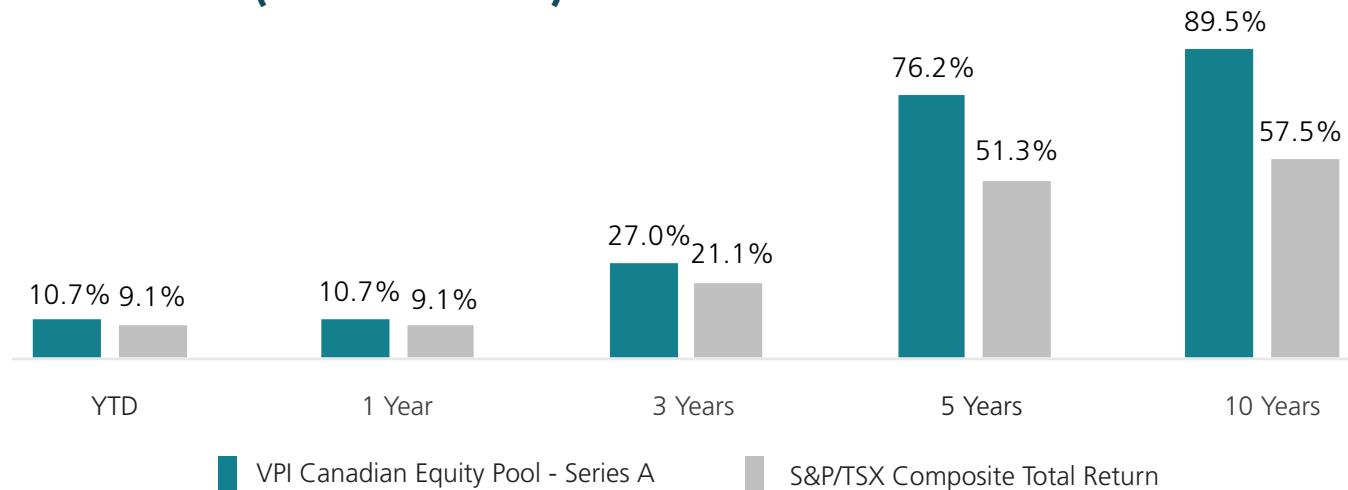
Total return shown of 10.7% is for Series A units of the VPI Canadian Equity Pool, including reinvestment of distributions. Average Cash Balance represents simple average month-end cash balance as a percentage of AUM, in \$CAD, for calendar 2017. Capital Expenditure & Acquisition figures are combined totals of equity holdings in VPI Canadian Equity Pool, and represent the most recently available trailing 12-month data as of December 31, 2017, and are cash figures as listed on each company's Statement of Cash Flows. Capital Expenditures figure excludes all banks. Average Earnings & Cash Flow Growth (Energy) represent simple average change in diluted earnings per share & cash flow from operations per share (respectively) using most recently available trailing 12-month data as of December 31, 2017. Dividend growth represents average of geometric averages of quarter/quarter dividend per share increases for companies in the pool, in dividend payment currency, as at December 31, 2017. Source: S&P Capital IQ, Value Partners Investments.

CANADIAN EQUITY AT A GLANCE

DECEMBER 31, 2017

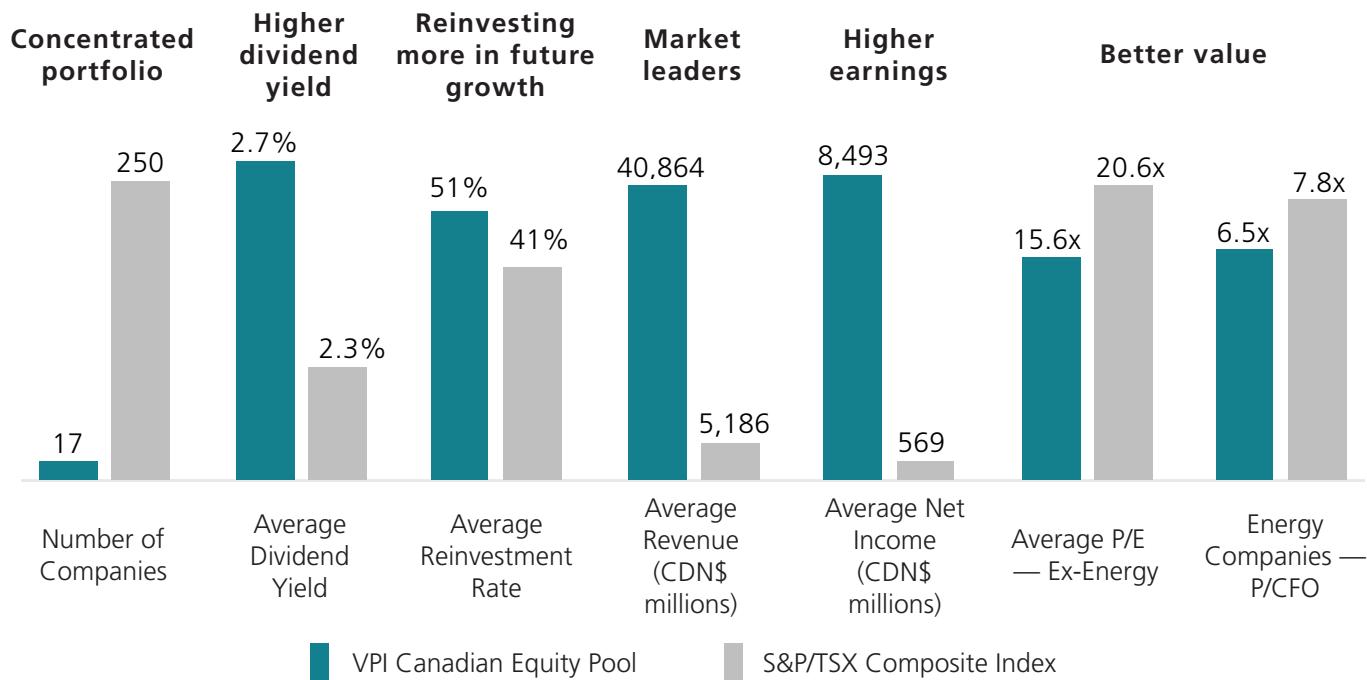


ABSOLUTE (CUMULATIVE) PERFORMANCE



Source: S&P Capital IQ, Value Partners Investments Inc., Morningstar. Absolute (cumulative) performance ending December 31, 2017.

OWN THE BEST, LEAVE THE REST



Average dividend yield pertains to equity holdings held by the pool. Average P/E & P/CFO reflect forward consensus estimates. Average P/E excludes companies classified as operating in the "Energy" industry by S&P, or with negative P/E, and P/E > 100. Average P/CFO excludes companies with negative P/CFO and P/CFO > 100. Average Reinvestment Rate excludes non-dividend paying companies, and for companies with DPS > EPS, payout set to 100%. CFO refers to Cash Flow from Operating Activities. Sources: S&P Capital IQ, Value Partners Investments Inc., as of December 31, 2017.

STANDARD PERFORMANCE INFORMATION

DECEMBER 31, 2017



	1 YEAR	3 YEARS	5 YEARS	10 YEARS
SERIES A	10.7%	8.3%	12.0%	6.6%

Note: Annualized returns as of December 31, 2017.

DISCLAIMER

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The complete holdings of the Pool are disclosed in its Statement of Investment Portfolio semi-annually. On a quarterly basis, the Pool discloses its top 25 holdings in its Summary of Investment Portfolio. Both these documents are available on our website at www.valuepartnersinvestments.ca. Value Partners is a registered investment fund manager, portfolio manager, and exempt market dealer and is responsible for making decisions about the investments in the Pool.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the fund facts document and the prospectus before investing. The indicated returns represent historical annual compounded total returns, including changes in share or unit value and reinvestment of all dividends, and do not take into account sales, redemption, distribution, or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance will not tell you how the Pool will perform in the future, particularly since the investment objectives of the Pool changed effective December 1, 2013 and the portfolio manager of the Pool changed effective January 5, 2015.

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