



VALUE
PARTNERS
INVESTMENTS

Q3 2019 | NEWSLETTER

VPI CANADIAN BALANCED POOL

BALANCED GROWTH

WHAT YOU OWN

VS.

WHAT YOU DON'T OWN



What does the business do?

Manufacturer of a range of apparel, including activewear, underwear, socks and legwear



Large-scale and low-cost vertically integrated supply chain, including yarn production and sewing operations



Significant investments in new textile facilities that will support \$500 million in sales



Manufacturer of performance sports apparel, footwear, and accessories



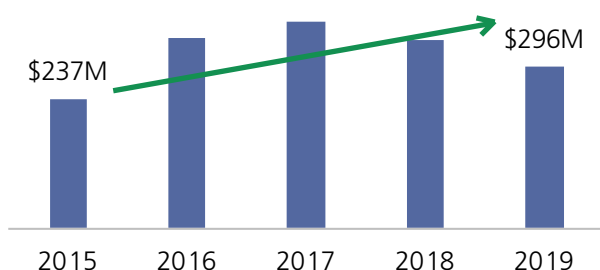
At a disadvantage compared to other athletic apparel competitors - less money available to spend on marketing and brand investment



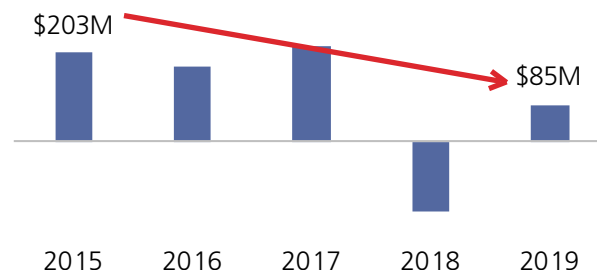
Non-core technology acquisitions have failed and carrying values were written down

Making money?

Net Income (USD)

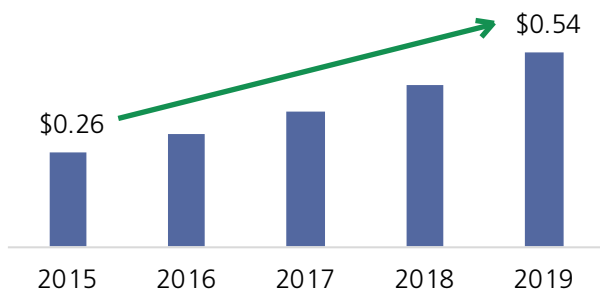


Net Income (USD)

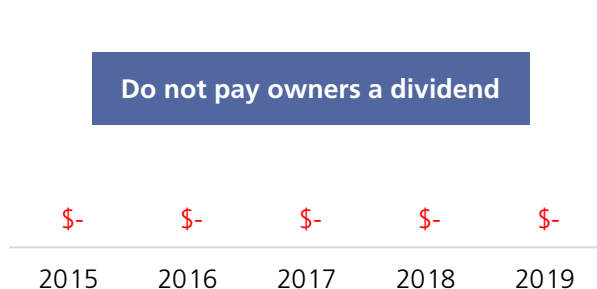


Pays a growing dividend?

Dividends Per Share (USD)



Dividends Per Share (USD)



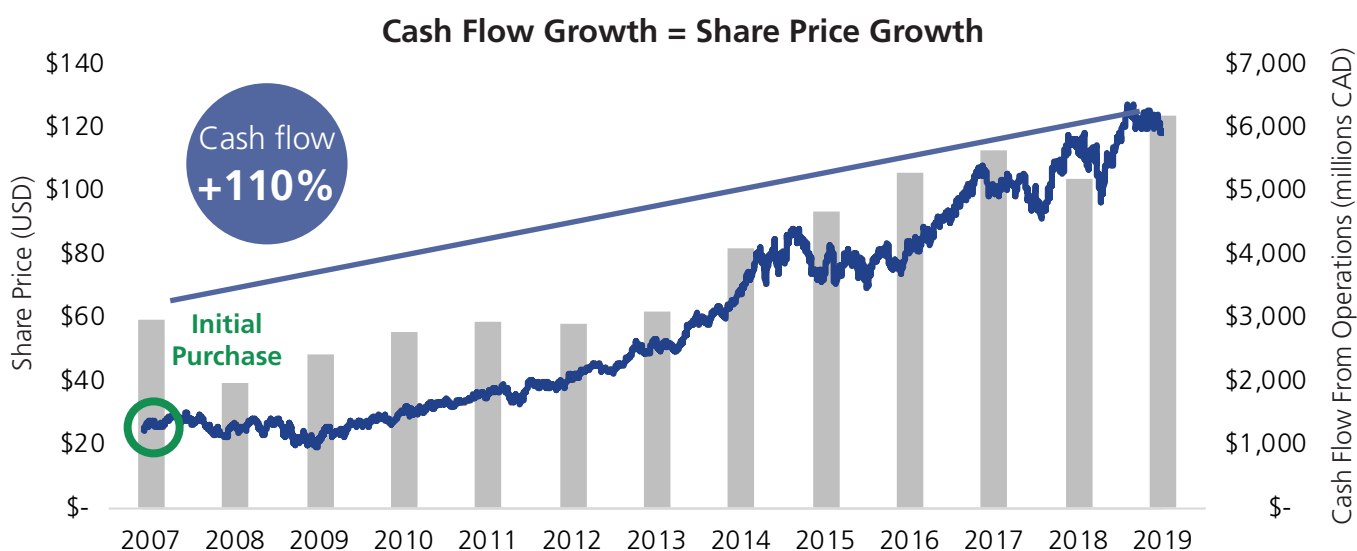
Net income and dividends per share for the trailing twelve month periods ending June 30. Sources: S&P Capital IQ, Company Investor Relations, Dixon Mitchell Investment Counsel.



A \$12 MILLION GAIN*...SO FAR



Amount Invested	Market Value	Market Gain (Unrealized)	Dividends Collected	Total Gain* (Unrealized & Dividends)
\$5,712,787	\$16,563,416	\$10,850,629	\$1,608,925	\$12,459,554



Difficult to Live Without, Compete With & Replicate

- ✓ Canada's #1 railway network operator with over 25,000 employees in Canada and the U.S.
- ✓ Operates approximately 20,000 miles of track that cover Canada from coast to coast and central U.S. via Chicago to the Gulf of Mexico
- ✓ Transports a wide range of goods that touch people's everyday lives, from automobiles to shipping containers to bulk goods to crude oil to the latest iPhone from China or grain from the Prairies
- ✓ Provide a significant cost advantage versus other rail competitors and alternative transportation modes (eg. trucking)

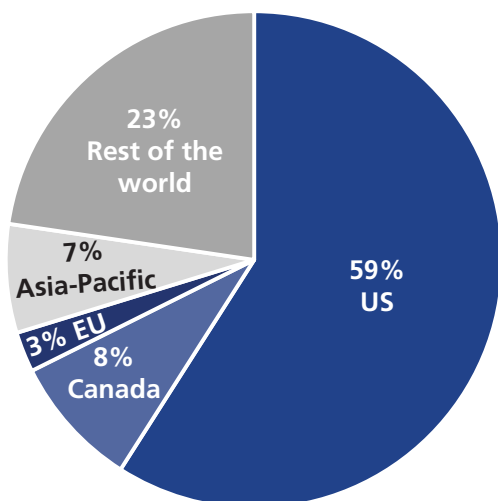


Amount invested, market value, market gain, dividends collected and total gain as of October 4, 2019 in CAD. Initial purchase on October 3, 2007. Cash flow from operations are trailing twelve months ending June 30. Cash flow growth from June 30, 2007 to June 30, 2019. Sources: CNR Investor Relations, Value Partners Investments, S&P Capital IQ, Dixon Mitchell Investment Counsel

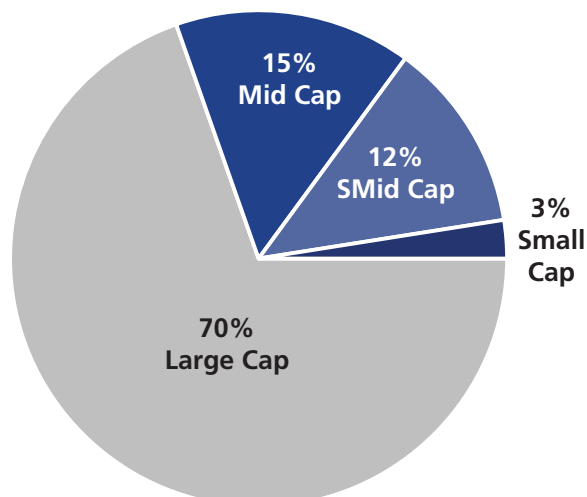


DIVERSIFIED IN MANY WAYS

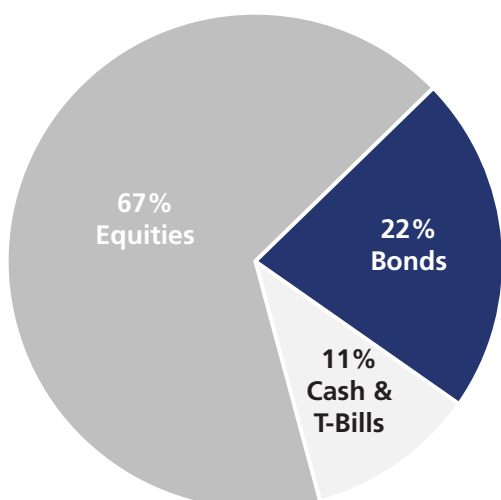
Global Revenue Streams



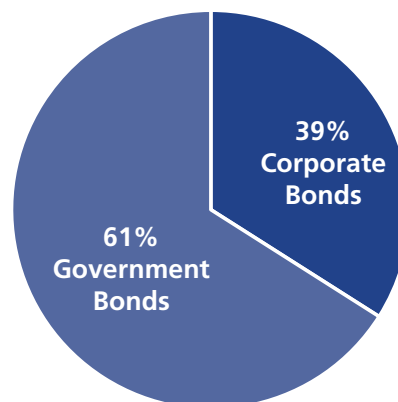
Market Capitalization



Portfolio Allocation



Bond Allocation



Global revenue streams data as of fiscal 2018 and weighted by position size for holdings in the portfolio as of September 30, 2019. Market capitalization as of September 30, 2019. Large Cap = > \$50 billion, Mid Cap = \$10 billion to \$50 billion, SMid cap = \$2 billion to \$10 billion, Small Cap = <\$2 billion. Market capitalization brackets based on CDN\$. Portfolio allocation and bond allocation as of September 30, 2019. Sources: Dixon Mitchell Investment Counsel, Value Partners Investments.

STANDARD PERFORMANCE INFORMATION

Q3 2019



	1 YEAR	3 YEARS	5 YEARS	10 YEARS
SERIES A	4.0%	6.7%	5.5%	6.7%

Note: Annualized returns as of September 30, 2019.

DISCLAIMER

This brochure has been prepared based on information that is publicly available or that has been provided by Value Partners Investments Inc. (Value Partners). The information provided includes views or opinions of Value Partners, in its capacity as the fund manager of VPI Canadian Balanced Pool (the Pool), and does not constitute individual, legal, investment, or tax advice about the Pool or the issuers discussed therein. Information about specific issuers of securities has been made available by Value Partners for the sole purpose of providing additional background information on the holdings in the Pool, and is not intended to be investment advice about the merits of investing directly in these issuers. The comparison of specific stocks as "What You Own" and "What You Don't Own" is provided to illustrate the key characteristics that Value Partners uses in its investment process to identify great businesses at reasonable prices. Please consult your own legal, investment, and/or tax advisor prior to making a decision to invest in the Pools.

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 has engaged Dixon Mitchell Investment Counsel Inc., a registered portfolio manager, to make decisions about the investments made by the Pool – these investment decisions are not made by Value Partners.

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 may not be repeated.

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