



Caisse de dépôt et placement
du Québec

PRESS RELEASE

SKion and la Caisse partner to Acquire Ovivo for Cash Consideration of \$4.00 per Share; 38% 30-day VWAP Premium

Key Transaction Highlights

- Purchase Price of \$4.00 in cash per Share represents a premium of 28.2% to the SVS closing price on July 12, 2016, a premium of 38.1% to the 30-day volume weighted average SVS price and a premium of 64.1% to the 90-day volume weighted average on the TSX and equivalent to approximately 11x fiscal 2016 EBITDA⁽¹⁾.
- Board of Ovivo unanimously recommends that holders of SVS and MVS (other than la Caisse) vote in favor of the transaction.
- SKion is an investment company owned by German entrepreneur Susanne Klatten with a strong track record of investing in water technology companies, and is partnering with la Caisse, a long-time shareholder of Ovivo, which is increasing its ownership to 30% post-transaction.
- Ovivo will continue to be operated as a standalone company while leveraging SKion's water treatment expertise with its other portfolio companies.
- Strong commitment from SKion to maintain Ovivo's head office in Québec for the long term and to keep the current management team in place, led by Marc Barbeau, President and Chief Executive Officer.

Montréal, Canada, July 13, 2016 -

(All amounts are in Canadian dollars)

Ovivo Inc. (TSX:OVI.A, TSX:OVI.B) ("Ovivo" or the "Corporation"), a global provider of equipment, technology and systems dedicated to the treatment of water and wastewater, announced today that it has entered into a definitive arrangement agreement (the "Arrangement Agreement") whereby SKion GmbH ("SKion"), via its 100% owned subsidiary SKion Water International GmbH ("SKWI"), will acquire all of the issued and outstanding Class A subordinate voting shares (the "SVS") and Class B multiple voting shares (the "MVS" and, collectively with the SVS, the "Shares") of Ovivo for \$4.00 in cash per Share (the "Purchase Price"). Following the transaction, Caisse de dépôt et placement du Québec ("la Caisse"), Ovivo's largest equity shareholder, will increase its existing 18.7% ownership in the Corporation to a 30% equity interest by acquiring additional Shares from SKion at the purchase price. Upon completion of the transactions, Ovivo will be privately owned by SKion (70%) and la Caisse (30%). The Verreault family, la Caisse, Fonds de solidarité FTQ and all directors and officers of Ovivo have agreed to vote all the Shares they respectively control in favour of the transaction.

⁽¹⁾ see Section 14, "Reconciliation of non-IFRS financial measures" of Management's Discussion and Analysis. As no restructuring costs were recorded in fiscal 2016, there is no difference between EBITDA and adjusted EBITDA.

The offer of \$4.00 per Share represents a premium of 28.2% to the closing price of \$3.12 per SVS on the TSX on July 12, 2016, a premium of 38.1% over the 30-day volume weighted average SVS price of \$2.90 on the TSX, up to and including July 12, 2016 and a premium of 64.1% over the 90-day volume weighted average SVS price of \$2.44 on the TSX, up to and including July 12, 2016. The Purchase Price represents a premium of 17.6% to the closing price of \$3.40 per MVS on the TSX on July 11, 2016, a premium of 36.9% over the 30-day volume weighted average MVS price of \$2.92 on the TSX, up to and including July 11, 2016 and a premium of 67.0% over the 90-day volume weighted average MVS price of \$2.40 on the TSX, up to and including July 11, 2016. The transaction total enterprise value is approximately \$185 million, including the assumption of indebtedness, which is equivalent to approximately 11x last twelve months EBITDA⁽¹⁾ and a price earnings ratio of 31x as at March 31, 2016.

SKion is an investment company of German entrepreneur Susanne Klatten (its main holdings being ALTANA, SGL Carbon, Nordex, AVISTA OIL, EnviroChemie, ELIQUO WATER GROUP and Paques). Ms. Klatten is also an anchor shareholder of BMW and makes long-term investments in companies with forward-looking technologies and innovative business models in the industrial and the service sectors. To date, SKion has invested into seven companies in the water sector.

“SKion understands and has a deep respect for Ovivo’s Québec entrepreneurship heritage which has been a key component of the Corporation’s historic success and will remain a highly important factor in the future”, said Laurent Verreault, Founder and Chairman of the Board of Ovivo. “Our Board is pleased to recommend this transaction to our Shareholders at a cash consideration that represents fair market value for their shares and at a significant premium.”

“Over the years Ovivo has built a great global platform and we intend to expand on that achievement”, said Marc Barbeau, President and Chief Executive Officer of Ovivo. “The water treatment industry requires long-term investments in technologies and expertise in order to compete and grow. SKion and la Caisse’s resources and long-term vision will provide us with the ability to invest in innovation, talented resources, market development and business acquisitions. We look forward to working with SKion and la Caisse, and take Ovivo to a new level to realize its full potential.”

Dr. Reinhard Hübner, Investment Manager at SKion, stated: “Over the last five years, we have built a significant portfolio in the water sector and thus have a deep understanding of this industry. Combined with our financial strength and long-term outlook, we are in a good position to support the further development and growth of Ovivo. We are firm believers in Ovivo’s business model, portfolio of technologies, expertise and talented management team. We are delighted that we can help further develop Ovivo into a global leader in its markets and look forward to working with la Caisse for the years to come.”

The Arrangement Agreement provides strong commitment from SKion to maintain Ovivo’s head office in Quebec for the long term as witnessed by a new office lease in downtown Montreal for a term of at least ten years.

“Through this transaction, Ovivo will become the cornerstone of a global water treatment platform anchored in Québec which will open a range of new opportunities for the company. La Caisse decided to increase its stake in Ovivo to support the company as it develops in a very promising industry through innovation and business acquisitions”, emphasized Christian Dubé, Executive Vice-President, Québec of la Caisse.

(1) see Section 14, “Reconciliation of non-IFRS financial measures” of Management’s Discussion and Analysis. As no restructuring costs were recorded in fiscal 2016, there is no difference between EBITDA and adjusted EBITDA.

The transaction has been approved unanimously (Mr. François R. Roy who is a director of Ovivo and la Caisse abstained from voting) by the Board of Directors of Ovivo following the unanimous recommendation of a Special Committee of Independent Directors composed of Mr. Marc Courtois, Ms. Sylvie Lalande and Mr. Pierre Seccareccia. The Board of Directors of Ovivo also unanimously (Mr. François R. Roy abstaining) recommends that shareholders (other than la Caisse) vote in favor of the transaction at the special meeting (the “Meeting”) of shareholders to be called to approve the transaction.

The Verreault family, la Caisse, Fonds de solidarité FTQ, and all directors and officers of Ovivo have agreed to vote all of the Shares they respectively control in favor of the transaction. Consequently, Shareholders holding approximately 32.2% of the SVS and approximately 78.8% of the MVS (representing approximately 34.5% of the total Shares), have agreed to vote their Shares in favor of the transaction.

Fairness Opinions and Formal Valuation

National Bank Financial Inc. (“National Bank”), acted as financial advisor to Ovivo. Richter LLP (“Richter”) was retained by the Special Committee to prepare a formal valuation (the “Valuation”) and has advised the Special Committee that it has concluded that, as at June 30, 2016, subject to the assumptions, limitations and qualifications contained therein, the fair market value of the Shares of Ovivo ranged from \$3.51 to \$4.03 per Share.

Both National Bank and Richter have each also provided the Special Committee with an opinion (collectively the “Fairness Opinions”) that as of the date hereof, subject to the assumptions, qualifications and limitations provided therein, the consideration to be received by the Shareholders (other than la Caisse) pursuant to the Arrangement Agreement is fair, from a financial point of view, to Shareholders (other than la Caisse).

The Fairness Opinions and the Valuation will be included in the management information circular to be mailed to Shareholders of the Corporation in connection with the approval of the transaction.

Transaction Details

The transaction will be implemented by way of a statutory plan of arrangement under the Canada Business Corporations Act and is subject to court approval and to the approval of at least 66^{2/3}% of the votes cast by holders of SVS and MVS present in person or represented by proxy at the Special Meeting, voting by category. The transaction will also be subject to the approval of more than 50% of the votes cast by Shareholders, being holders of SVS (other than la Caisse) and MVS present in person or represented by proxy at the Special Meeting, voting by category.

The Arrangement Agreement provides that Ovivo is subject to a non-solicitation covenant with customary “fiduciary out” provisions allowing Ovivo’s Board of Directors to accept an unsolicited superior proposal in certain circumstances. A termination fee of \$6.25 million would be payable by Ovivo to SKion in certain circumstances, including if it fails to exercise its right to match in the context of a superior proposal supported by Ovivo. The transaction is also subject to customary closing conditions, including receipt of all regulatory approvals, of court approval pursuant to the Canada Business Corporation Act and the approval of Ovivo’s Shareholders. The transaction is not subject to any financing condition and is expected to close before the end of September 2016.

(1) see Section 14, “Reconciliation of non-IFRS financial measures” of Management’s Discussion and Analysis. As no restructuring costs were recorded in fiscal 2016, there is no difference between EBITDA and adjusted EBITDA.

Ovivo intends to mail a management information circular in the upcoming weeks to its Shareholders for a meeting expected to be held before September 15, 2016. Details of the transaction as well as the rationale for the Board of Directors' support of the transaction will be set out in the management information circular.

Further details regarding the terms of the transaction are set out in the Arrangement Agreement and will be provided in the management information circular which will be available under the profile of Ovivo at www.sedar.com and on Ovivo's website (www.ovivowater.com).

Advisors

National Bank Financial is acting as financial advisor to Ovivo, Gowling WLG (Canada) LLP is acting as Ovivo's legal counsel and Fasken Martineau DuMoulin LLP is acting as legal counsel to the Special Committee. Kingsdale Shareholder Services is acting as Ovivo's strategic advisor, proxy solicitor and communications advisor. McCarthy Tétrault LLP is acting as legal counsel to SKion. Stikeman Elliott LLP is acting as legal counsel to la Caisse.

About Ovivo Inc.

Ovivo is a global provider of equipment, technology and systems producing among the purest water and treating some of the most challenging wastewater in the industry. Ovivo is a powerful global brand with renowned trademarks, possessing more than 150 years of expertise and references in water treatment, supported by its proprietary products, advanced technologies and extensive system integration knowhow. Ovivo delivers conventional to highly technological water treatment solutions for the industrial and municipal markets, and leverages its large installed base of equipment around the world to offer parts and services to its customers. Ovivo is dedicated to innovation in an industry that is in constant evolution and offers water treatment solutions that are cost-effective, energy-efficient and environmentally sustainable.

Ovivo operates an integrated global platform in over 15 countries, with 800 employees that are worldwide experts in water treatment. Ovivo is a public company whose shares trade on the Toronto Stock Exchange under the ticker symbols OVI.A and OVI.B. For more information, visit our website at www.ovivowater.com.

About SKion

SKion GmbH is the investment company of German entrepreneur Susanne Klatten. Via SKion Ms. Klatten owns 100 % of ALTANA AG (specialty chemicals). In addition, with roughly 28 percent of the shares, SKion is the major shareholder of SGL Carbon SE (carbon products and materials). Furthermore, SKion owns shares in Nordex SE (wind energy), AVISTA OIL AG (used oil recycling) and Gemalto N.V. (digital security). In the water sector, SKion is a shareholder of Paques B. V. (anaerobic industrial waste water treatment and biological gas desulphurization), EnviroChemie GmbH (industrial water and waste water solution provider), ELIQUO WATER GROUP (municipal water and wastewater solutions), Miranda A.S. (decentral, energy-efficient waste water treatment solutions), Microvi Inc. (advanced biological treatment technologies), MattenPlant Pte. Ltd (process water solutions) and Evodos B.V. (advanced separation technology). www.skion.de

About CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

(1) see Section 14, "Reconciliation of non-IFRS financial measures" of Management's Discussion and Analysis. As no restructuring costs were recorded in fiscal 2016, there is no difference between EBITDA and adjusted EBITDA.

Caisse de dépôt et placement du Québec (la Caisse) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at December 31, 2015, it held \$248.0 billion in net assets. As one of Canada's leading institutional fund managers, la Caisse invests globally in major financial markets, private equity, infrastructure and real estate. For more information, visit cdpq.com, follow us on Twitter @LaCDPQ or consult our Facebook or LinkedIn pages.

Notice regarding forward-looking statements

Certain statements in this press release and other public communications regarding management's objectives, projections, estimates, expectations or forecasts may constitute forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements are recognized by the use of terms such as "forecast," "project," "could," "plan," "aim," "estimate" and other similar terms, possibly used in the future or conditional, particularly with regard to certain assumptions. The management of Ovivo would like to point out that forward looking statements involve a number of uncertainties and known and unknown risks such that the actual and future results of Ovivo could differ considerably from those stated. There can be no assurance as to the materialization of the results, performance or achievements as expressed in or underlying the forward-looking statements. The forward-looking statements included in this press release were made as of the date hereof, and unless required to do so pursuant to applicable securities legislation, management of Ovivo assumes no obligation to update them.

Information about the risk factors to which Ovivo Inc. is exposed is provided under sections entitled "Risks and Uncertainties" in the management's discussion and analysis for the fiscal year ended March 31, 2016, available on SEDAR (www.sedar.com) and Ovivo's website (www.ovivowater.com).

CONFERENCE CALL

Date and time: Wednesday, July 13, 2016, at 10:00 a.m. (ET)

Dial-in number: 1-888-231-8191 (North America)

1-647-427-7450 (International)

Webcast: www.ovivowater.com/en/investors

An audio recording will be accessible on demand from 1:00 p.m. (ET), Wednesday, July 13, 2016 until 11:59 p.m. (ET) Tuesday, July 26, 2016 at 1-416-849-0833 or 1-855-859-2056 (toll-free), access code: #49777511.

FOR INFORMATION

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(1) see Section 14, "Reconciliation of non-IFRS financial measures" of Management's Discussion and Analysis. As no restructuring costs were recorded in fiscal 2016, there is no difference between EBITDA and adjusted EBITDA.

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