

PRESS RELEASE

December 20, 2017

For immediate distribution

GROUPE SOLMAX SHAKES UP GLOBAL GEOSYNTHETICS INDUSTRY BY ACQUIRING LEADING PLAYER, GSE ENVIRONMENTAL, FROM LITTLEJOHN & CO. AND STRATEGIC VALUE PARTNERS, LLC.

Montreal, Québec, Canada (December 20, 2017) – Groupe Solmax, a Canadian-based company and an industry leader in the production of high-quality polyethylene geomembranes for industrial and environmental applications has acquired GSE Environmental based in Houston, Texas from Littlejohn & Co., LLC and certain funds and accounts managed by Strategic Value Partners, LLC, both Greenwich, Connecticut-based private investment firms. Both Solmax and GSE operate globally in the geosynthetic products sector, supplying large industrial players with high-quality containment systems for domestic, hazardous or industrial waste burial sites, retention ponds, fracking and heap leaching pads. The Caisse de dépôt et placement du Québec (CDPQ) and the Fonds de solidarité FTQ are Solmax’s financial partners for this transaction. Both will have equity positions in the company.

“This acquisition and the combination of Solmax and GSE creates a true global industry leader. In a highly fragmented market of polyethylene geomembrane manufacturing, we will have the opportunity to lead and help reshape the industry, based on competitive drivers such as operational excellence and efficiency, superior quality products and deep R&D capabilities,” explained Jean-Louis Vangeluwe, President of Solmax. “Merging GSE with Solmax will also give us a broader manufacturing footprint and an expanded world-wide commercial network which will in turn enable us to work more closely and cohesively with customers, including local service companies and specialized installers who require customized attention. Furthermore, we believe our size and industry leadership will help us work more effectively with global corporations that seek suppliers with manufacturing capabilities around the world and financial means.”

“La Caisse is pleased to take an equity stake in Solmax as it acquires one of the largest companies in its industry and creates the undisputed global leader in geomembrane manufacturing,” stated Christian Dubé, Executive Vice-President, Québec at Caisse de dépôt et placement du Québec. “In addition to supporting a company from Québec as it grows internationally, la Caisse is investing in a company that is making a difference for the environment.”

“Once again, the Fonds de solidarité FTQ is investing in Solmax to support the growth of this Québec-based flagship company, and a Fonds partner company since 1996. With the leadership of its management team, as well as dedicated employees and quality products, Solmax will become a worldwide leader in its field. This transaction will put the Varennes-based company in

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a good position to lead the global geomembrane market,” said Normand Chouinard, Executive Vice-President, Investments at the Fonds de solidarité FTQ.

“On behalf of my management team, I would like to thank the Caisse de dépôt et placement du Québec and the Fonds de solidarité FTQ who have been incredibly supportive business partners through this negotiation process. We clearly saw their commitment to enable Québec entrepreneurs who strive for defining growth and value creation on a world-wide scale,” added Jacques Côté, Solmax Founder and Chairman.

Solmax drew on the guidance and services of the following firms to complete this strategic acquisition: McCarthy Tétrault LLP acted as Canadian legal advisors and Jones Day as international legal advisors; PricewaterhouseCoopers Corporate Finance inc. acted as financial advisor. National Bank of Canada and The Toronto-Dominion Bank acted as joint underwriters for the senior credit facilities.

The financial terms and conditions of the transaction were not disclosed.

ABOUT GROUPE SOLMAX

Groupe Solmax is a worldwide leader in the manufacturing of PE geomembranes and offers high-standard containment solutions. Its products are sold in over 60 countries. They are used by the major industrial companies in the mining, energy, waste management, water, and civil engineering sectors. Solmax’s products are used to protect soils from contamination in applications as critical as the landfills of the world’s most populated cities to the tailings or heap leach pads of mining operating in environmentally fragile ecosystems.

ABOUT GSE ENVIRONMENTAL

GSE Environmental is a global manufacturer and marketer of geosynthetic barrier systems, stabilization products, and drainage systems used for the containment and management of solids, liquids and gases for organizations engaged in civil engineering projects, waste management, mining, water, wastewater and aquaculture. GSE's principal products are polyethylene-based geomembranes, geonets, geocomposites, geosynthetic clay liners, concrete protection liners and vertical barriers. Headquartered in Houston, Texas, USA, GSE maintains sales offices throughout the world and manufacturing facilities in the US, Germany, Thailand, China and Egypt.

PRESS RELEASE**ABOUT CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC**

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at June 30, 2017, it held \$286.5 billion in net assets. As one of Canada's leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure, real estate and private debt. For more information, visit cdpq.com, follow us on Twitter @LaCDPQ or consult our Facebook or LinkedIn pages.

ABOUT FONDS DE SOLIDARITÉ FTQ

The Fonds de solidarité FTQ is a development capital investment fund that channels the savings of Quebecers into investments. As at May 31, 2017, the organization had C\$13.1 billion in net assets, and through its current portfolio of investments has helped create and protect 186,440 jobs. The Fonds is a partner in more than 2,700 companies and has 645,664 shareholder-savers.

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For more information:

Groupe SOLMAX:

Andreea Sasu
Marketing Manager
+1 450 929 1234, ext: 247
asasu@solmax.com

Caisse de dépôt et placement du Québec:

Jean-Benoît Houde
Senior Advisor, Media Relations
[+1 514 847 5394](tel:+15148475394)
jbhoude@cdpq.com

Fonds de solidarité FTQ :

Patrick McQuilken
Senior Advisor for Media Relations and Communications
[1 514 850-4835](tel:15148504835)
Cellulaire : [514 703-5587](tel:5147035587)
pmcquilken@fondsfq.com