

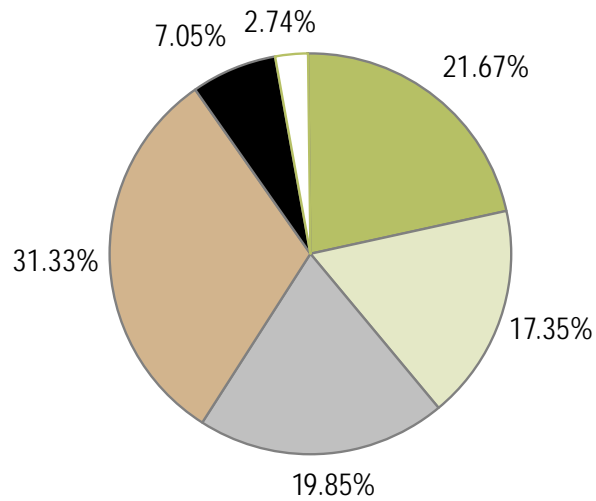
Nova Scotia Teachers' Pension Plan – Second Quarter Ended June 30, 2009

Pension Investment & Administration

- Asset Mix
- Index Returns
- Top 20 Holdings
- Fund Performance
- Member Services
- Investment Commentary



Asset Mix



	Quarters Ended	
	June 30/09	June 30/08
Canadian Equity	21.67%	30.54%
US Equity	17.35%	13.68%
International Equity	19.85%	16.16%
Fixed Income	31.33%	31.97%
Canadian Real Estate	7.05%	5.93%
Money Market	<u>2.74%</u>	<u>1.72%</u>
	<u>100.00%</u>	<u>100.00%</u>

Index Returns

(%) (C\$)	Qtr June 30/09	1 Year June 30/09	4 Year June 30/09	10 Year June 30/09
S&P/TSX Equity	19.84%	-25.12%	4.35%	6.34%
S&P/TSX 60	20.11%	-24.64%	5.61%	6.48%
S&P/TSX Equity Completion	17.99%	-30.16%	-1.02%	N/A
DEX Universe	1.25%	7.02%	4.44%	6.30%
DEX Canadian T-Bill 30 Day	0.08%	1.38%	3.10%	3.29%
S&P 500	7.01%	-15.54%	-5.54%	-4.47%
S&P Mid Cap 400	9.61%	-17.61%	-4.07%	2.11%
Russell 2000 TR	11.40%	-14.16%	-5.57%	-0.07%
MSCI EAFE	15.78%	-21.42%	-1.66%	-1.25%

Top 20 Public Equity Holdings at June 30, 2009

Stock	Value	% of Portfolio
Toronto-Dominion Bank	\$44,915,651	2.06%
Royal Bank of Canada	\$39,556,569	1.81%
Bank of Nova Scotia	\$38,306,816	1.76%
Encana Corp	\$30,079,573	1.38%
Canadian Natural Resources	\$28,277,694	1.30%
Manulife Financial Corp	\$25,673,131	1.18%
Potash Corp of Saskatchewan	\$19,449,729	0.89%
Petro-Canada	\$19,284,338	0.88%
Suncor Energy Inc.	\$18,889,961	0.87%
Exxon Mobil Corp	\$18,854,902	0.87%
Canadian National Railway Co.	\$16,567,581	0.76%
Talisman Energy Inc.	\$16,456,974	0.76%
Transcanada Corp	\$16,000,244	0.73%
Goldcorp Inc.	\$15,592,697	0.72%
Research in Motion	\$15,304,486	0.70%
Canadian Tire Corp-CL A	\$15,022,478	0.69%
Sun Life Financial Inc.	\$14,953,457	0.69%
SNC-Lavalin Group Inc.	\$14,295,716	0.66%
Nexen Inc.	\$13,476,560	0.62%
Rogers Communication- CL B	\$13,233,460	0.61%

Fund Performance

The primary objective of the Plan's investment portfolio is to maximize returns on both an absolute and relative basis, within acceptable levels of volatility and risk. The absolute return is measured with respect to the actuarial assumed rate of return of 6.86% (compounded). The relative return and risk of the portfolio is measured against the Benchmark.

	Annualized			
	Qtr Ended June 30/09	1 Year June 30/09	4 Year June 30/09	10 Year June 30/09
NS Teachers' Pension Fund Return	8.84%	-11.61%	1.37%	4.66%
Benchmark Return ¹	10.12%	-12.70%	1.86%	4.12%

¹ In consideration of the decision to implement a currency hedging program, the benchmark was changed in June 2008 to reflect a passive 50% hedge on all international equities and a 100% hedge on all international fixed income.

Member Services – Pension Activities

Our Member Services division works hard to provide you with prompt, reliable pension information and services. These are a few of the most common transactions for the quarter ended June 30, 2009.	❖ Data Changes	371
	❖ Retirements	348
	❖ Inquiries	283
	❖ Pension Estimates	98
	❖ Retirement Packages	86
	❖ Terminations	60

Investment Commentary

Global equities posted double digit gains during the second quarter of 2009 picking up where financial markets left off in late March. As risk indicators and credit conditions improved and optimism grew that the worst of the global recession was over, investors moved monies into higher risk assets that had fallen the farthest during the market correction of 2008. Many money managers termed the phrase a “move to junk” as lower quality assets led the rally.

Given the Fund's focus on higher quality investments with strong fundamentals, the Fund's 8.84% return underperformed its market benchmark during the second quarter.

The largest detractor to Fund performance relative to its market benchmark was in the Canadian Large Cap equities portfolio where investment manager portfolios focused on defensive, quality stocks.