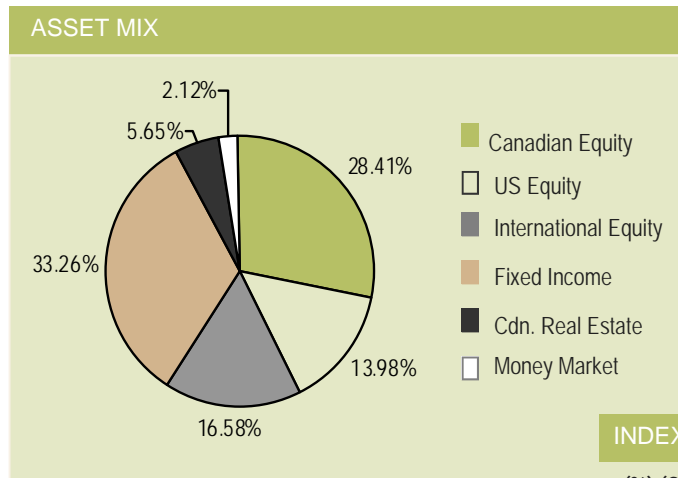


Nova Scotia Teachers' Pension Plan – Quarter Ended March 31, 2008



Pension Investment & Administration

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TOP 20 HOLDINGS

STOCK	VALUE	% OF PORTFOLIO
Manulife Financial Corp	\$58,929,874	1.32%
Bank of Nova Scotia	\$50,859,828	1.14%
Encana Group	\$49,966,497	1.12%
Royal Bank of Canada	\$45,719,920	1.02%
Canadian Natural Resources	\$40,575,867	0.91%
Potash Corp of Saskatchewan	\$38,045,228	0.85%
Talisman Energy Inc.	\$32,037,014	0.72%
Toronto-Dominion Bank	\$30,726,962	0.69%
Canadian National Railway Co.	\$29,814,050	0.67%
Petro-Canada	\$24,102,836	0.54%
Suncor Energy Inc.	\$23,822,473	0.53%
Nexen Inc.	\$23,427,500	0.52%
Barrick Gold Corporation	\$22,936,516	0.51%
Imperial Oil Ltd.	\$21,021,061	0.47%
Canadian Imperial Bk of Comm	\$20,553,211	0.46%
Sun Life Financial Inc.	\$20,222,747	0.45%
BCE Inc.	\$19,575,880	0.44%
Teck Cominco Ltd.	\$19,311,237	0.43%
Research in Motion	\$17,959,930	0.40%
Bank of Montreal	\$17,956,751	0.40%

INDEX RETURNS

(%) (C\$)	Qtr Mar 31/08	1 Year Mar 31/08	4 Year Mar 31/08	10 Year Mar 31/08
S&P TSX Equity	-3.76%	3.21%	14.66%	8.01%
S&P TSX 60	-2.53%	6.40%	15.54%	8.04%
S&P TSX Mid/Small Cap	-6.88%	-5.55%	11.29%	-
DEX Universe	2.95%	5.78%	5.28%	6.28%
DEX 30 Day T-Bill	0.90%	4.11%	3.32%	3.68%
S&P 500	-5.86%	-15.58%	-0.31%	0.17%
S&P 400	-5.24%	-17.26%	1.41%	5.52%
Russell 2000	-6.33%	-22.62%	-1.16%	1.59%
MSCI EAFE	-5.21%	-13.08%	7.36%	3.13%



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Investment Commentary

For the quarter ended March 31, 2008, the Teachers' Pension Plan experienced a loss of 2.03%. Consolidated performance lagged the Plan's blended benchmark of negative 1.72%.

Throughout the first quarter of 2008 global equity markets experienced unprecedented levels of volatility. Although the TSX generated a return of negative 3.76%, this performance was linked to a narrow group of companies with a heavy emphasis on the energy sector. The Teachers Pension Plan is approximately 60% invested in equities. The Plan's allocation to equity focuses on managers that emphasize broad industry diversification and value investing. During the quarter, value investments tended to underperform the TSX, which was heavily driven by the energy sector.

In particular, the US equity markets were negatively impacted by the slowing US economy and the credit crisis. The S&P index sustained a negative 5.86% return during the first quarter. US equity portfolios, which represent approximately 15% of the consolidated Teachers Pension Plan, performed at similar levels, serving to impair overall Plan performance.

Member Services – Your Pension Activities

Our Member Service 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 March 31, 2008.

❖ General inquiries	464
❖ Requests for forms	73
❖ Pension estimates	340
❖ Purchases	4
❖ Terminations	46
❖ Reciprocal transfers	28

FUND PERFORMANCE

	Qtr Ended Mar 31/08	1 YR Mar 31/08	4 YR Mar 31/08	10 YR Mar 31/08
NS Teachers' Fund Return	-2.05%	-2.96%	7.01%	6.27%
Benchmark Return	-1.72%	-1.12%	7.74%	5.91%
Actuarial Assumed Rate of Return	-	6.86%	7.38% ¹	7.38% ¹
NS Teachers' Fund Risk	-	4.11%	4.45%	7.26%
Benchmark Risk	-	4.03%	4.98%	8.46%

¹ The actuarial assumed discount rate was 7.38% until it changed at year-end March 31, 2007.

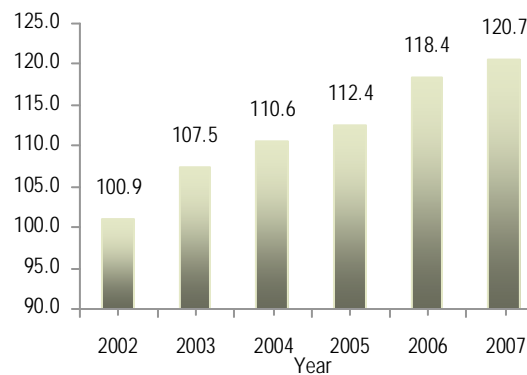
Plan Governance

The Trustee of the Teachers' Pension Fund is the Nova Scotia Teachers' Pension Plan Trustee Inc. This Board of nine directors manages the Trustee. The Board is composed of four persons appointed by the Nova Scotia Teachers' Union, four persons appointed by the Minister of Finance, plus, a neutral chair chosen by mutual agreement between the parties.

Contributions to Your Pension Plan

In addition to investment income, pension benefits are funded by contributions made to the Plan. Both you and your school board contribute to the pension plan at a rate of 8.3% on your earnings up to and including the YMPE, and 9.9% on earnings in excess of the YMPE. The following bar chart shows employee and employer contributions to the Plan for the year ended December 31, 2008.

\$ Millions as at Dec 31



Your Plan's Funded Status

The funded ratio is equal to assets divided by liabilities, expressed as a percentage. A funded ratio of 100% or more means that the Plan is fully funded and assets are sufficient to cover liabilities. The Plan's liabilities are equal to the present value of what the Plan is expected to pay out in future benefits.

% at Dec 31

