

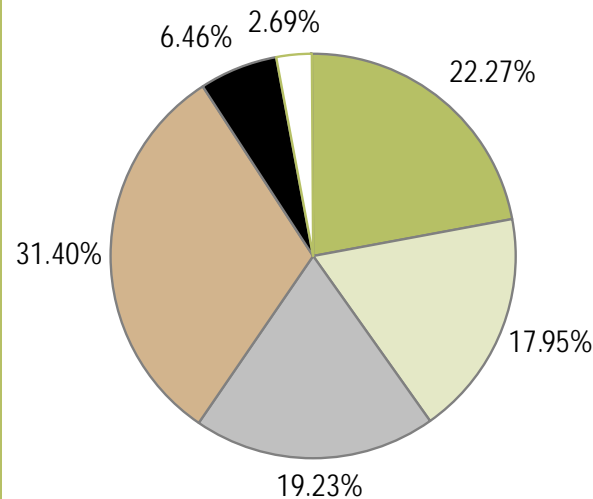
Nova Scotia Teachers' Pension Plan – Third Quarter Ended September 30, 2009

Pension Investment & Administration

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Asset Mix



	Quarters Ended	
	Sept 30/09	Sept 30/08
Canadian Equity	22.27%	21.45%
US Equity	17.95%	15.27%
International Equity	19.23%	18.73%
Fixed Income	31.40%	34.73%
Canadian Real Estate	6.46%	6.62%
Money Market	<u>2.69%</u>	<u>3.20%</u>
	<u>100.00%</u>	<u>100.00%</u>

Index Returns

(%)(C\$)	Average Annual			
	Qtr Sept 30/09	1 Year Sept 30/09	4 Year Sept 30/09	10 Year Sept 30/09
S&P/TSX Equity	10.31%	1.20%	4.04%	7.43%
S&P/TSX 60	8.76%	-0.53%	4.80%	7.39%
S&P/TSX Equity Completion	18.93%	6.91%	0.75%	N/A
DEX Universe	2.71%	10.34%	5.11%	6.59%
DEX Canadian T-Bill 30 Day	0.04%	0.86%	2.95%	3.18%
S&P 500	6.84%	-6.02%	-3.52%	-3.24%
S&P Mid Cap 400	10.89%	-2.19%	-1.41%	4.15%
Russell 2000 TR	10.24%	-8.69%	-3.05%	1.64%
MSCI EAFE	10.41%	4.21%	-0.32%	-0.64%

Top 20 Public Equity Holdings at September 30, 2009

Stock	Value	% of Portfolio
Royal Bank of Canada	\$53,200,622	2.30%
Toronto-Dominion Bank	\$48,057,327	2.08%
Suncor Energy Inc.	\$37,514,194	1.62%
Bank of Nova Scotia	\$36,225,441	1.57%
Canadian Natural Resources	\$33,286,182	1.44%
Encana Corp.	\$26,041,819	1.13%
Manulife Financial Corp.	\$24,949,171	1.08%
Transcanada Corp.	\$18,120,962	0.78%
Canadian National Railway Co.	\$17,340,356	0.75%
Exxon Mobil Corp.	\$16,683,306	0.72%
Sun Life Financial Inc.	\$16,272,882	0.70%
SNC-Lavalin Group Inc.	\$16,042,775	0.69%
Canadian Tire Corp – CL A	\$14,700,790	0.64%
Great-West Lifeco Inc.	\$14,110,010	0.61%
Goldcorp Inc.	\$14,011,228	0.61%
Talisman Energy Inc.	\$13,864,105	0.60%
Thomson Reuters Corp.	\$13,824,607	0.60%
Research in Motion	\$13,774,434	0.60%
Barrick Gold Corp	\$13,194,883	0.57%
Rogers Communications – CL B	\$12,899,400	0.56%

Fund Performance

The primary objective of the Plan's investment portfolio is to maximize returns on both an absolute and a 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.

	Average Annual			
	Qtr Sept 30/09	1 Year Sept 30/09	4 Year Sept 30/09	10 Year Sept 30/09
NS Teachers' Pension Fund Return	7.26%	2.67%	2.07%	5.42%
Benchmark Return ¹	8.37%	3.36%	3.00%	5.02%

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 September 30, 2009.

❖ Inquiries	300
❖ Data Changes	294
❖ Pension Estimates	117
❖ Retirements	68
❖ Purchase Estimates	60
❖ Deaths	53

Investment Commentary

For the second consecutive quarter, global equities posted double digit gains as potentially higher-yielding assets like corporate bonds and Global equities continued to rally in the third quarter amid increasing signs that the global economy is improving. Governments and central banks around the world increased their economic forecasts, while

companies reported better-than-expected results and analysts upgraded their future earnings estimates.

Given the Fund's defensive focus on higher quality investments with strong fundamentals, the Fund's 7.26% return underperformed the benchmark during the third quarter.