

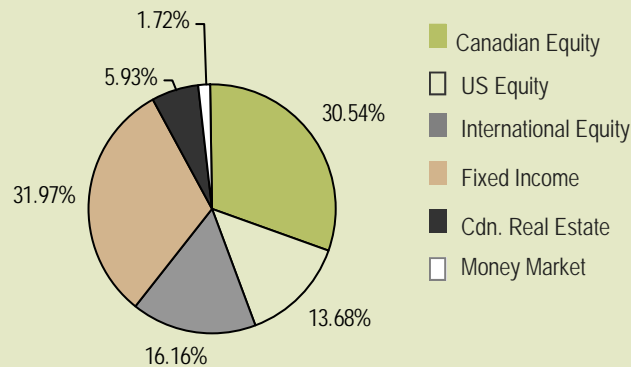
Nova Scotia Teachers' Pension Plan – Quarter Ended June 30, 2008



Pension Investment & Administration

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Asset Mix



Index Returns

(%)(C\$)	Qtr	1 Year	4 Year	10 Year
	June 30/08	June 30/08	June 30/08	June 30/08
S&P TSX Equity	8.13%	5.28%	16.92%	9.10%
S&P TSX 60	10.84%	10.38%	18.57%	9.32%
S&P TSX Mid/Small Cap	0.68%	-8.53%	11.45%	-
DEX Universe	-0.72%	6.81%	5.63%	6.03%
DEX 30 Day T-Bill	0.54%	3.60%	3.34%	3.63%
S&P 500	-3.82%	-17.14%	-2.18%	-0.87%
S&P 400	4.25%	-11.62%	1.72%	5.84%
Russell 2000	-0.54%	-20.07%	-1.91%	1.68%
MSCI EAFE	-3.03%	-14.30%	5.89%	2.36%

Top 20 Holdings

Stock	Value	% of Portfolio
Royal Bank of Canada	\$61,122,827	2.29%
Potash Corp of Saskatchewan	\$60,169,223	2.25%
Encana Corp	\$57,115,141	2.14%
Manulife Financial Corp	\$54,284,128	2.03%
Toronto-Dominion Bank	\$53,609,897	2.01%
Bank of Nova Scotia	\$53,070,506	1.99%
Canadian Natural Resources	\$50,390,333	1.89%
Suncor Energy Inc.	\$39,671,571	1.49%
Talisman Energy Inc.	\$34,923,108	1.31%
Research in Motion	\$33,153,071	1.24%
Nexen Inc.	\$33,137,840	1.24%
Canadian National Railway Co.	\$31,388,919	1.18%
Gold Corp Inc.	\$30,654,513	1.15%
Petro-Canada	\$27,769,759	1.04%
Barrick Gold Corp	\$25,382,261	0.95%
Teck Cominco Ltd.	\$25,310,171	0.95%
Sun Life Financial Inc.	\$24,689,784	0.92%
BCE Inc.	\$23,196,945	0.87%
Imperial Oil Ltd.	\$22,486,946	0.84%
Bank of Montreal	\$20,507,011	0.77%



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 Growth for tomorrow.

Member Services – 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 June 30, 2008.

❖ Data Changes	942
❖ General inquiries	467
❖ Retirements	335
❖ Pension Estimates	123
❖ Requests for Forms	104
❖ Purchases Estimates	91

Fund Performance

	Qtr Ended June 30/08	1 YR June 30/08	4 YR June 30/08	10 YR June 30/08
NS Teachers' Fund Return	0.92%	-2.68%	7.12%	6.24%
Benchmark Return ¹	0.89%	-1.01%	7.87%	6.05%
NS Teachers' Fund Risk ²	-	5.71%	4.84%	7.34%
Benchmark Risk ²	-	5.62%	5.31%	8.53%

¹ The Benchmark was changed for the month ended June 30, 2008 to reflect a passive 50% hedge on all international equities and a 100% hedge on all international fixed income.

² Represented by the standard deviation of returns.

Investment Commentary

For the quarter ended June 30, 2008, the Teachers' Pension Fund experienced a return of 0.92% slightly outperforming the Fund's benchmark of 0.89%.

Global equity markets experienced high levels of volatility during the second quarter of 2008 consistent with slowing global economic growth and a difficult credit environment.

Up until mid-June, the Canadian equity market, as measured by the S&P/TSX Equity Index, rose strongly from its January 2008 low, despite deteriorating capital market situations around the globe. The S&P/TSX continues to outpace other G8 countries and was one of the very few equity markets that provided positive returns during the quarter, mostly driven by the rising oil and commodity prices.

The general trend of both U.S. and global equity markets was negative on both a local and a Canadian dollar basis. Non domestic equity portfolios which represent approximately 30% of the Teachers Pension Fund performed at similar levels.

The largest contributor to the outperformance of the Fund versus the benchmark was the result of the outperformance in the fixed income portfolio which represents approximately 30% of total assets. The primary reason for this outperformance was the portfolio's allocation to US high yield bonds.