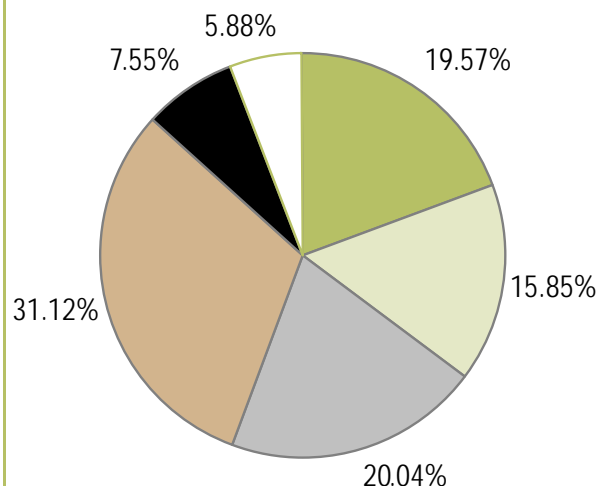


Nova Scotia Public Service Superannuation Plan – Third Quarter Ended December 31, 2008

Pension Investment & Administration

Asset Mix
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Asset Mix



	Quarter Ended		
	Dec 31/08	Sept 30/08	June 30/08
Canadian Equity	19.57%	21.91%	29.79%
US Equity	15.85%	15.71%	13.88%
International Equity	20.04%	19.57%	16.39%
Fixed Income	31.12%	32.98%	30.65%
Canadian Real Estate	7.55%	6.97%	6.30%
Money Market	5.88%	2.86%	2.99%

Index Returns

(%)(C\$)	Qtr	1 Year	4 Year	10 Year	Qtr	Qtr
	Dec 31/08	Dec 31/08	Dec 31/08	Dec 31/08	Sept 30/08	June 30/08
S&P/TSX Equity	-22.13	-33.85	2.13	5.51	-18.37	8.13
S&P/TSX 60	-22.68	-31.17	3.59	5.74	-17.60	10.84
TSX Small/Mid Cap Index	-21.45	-42.79	-3.48	N/A	-22.32	0.68
TSX DEX Univ Overall Bond	4.49	6.41	5.15	5.99	-0.37	-0.72
TSX DEX 30 Day TBill	0.54	2.57	3.33	3.49	0.56	0.54
S&P 500 CAD	-9.37	-21.20	-4.50	-3.51	-3.98	-3.82
S&P MidCap 400 CAD	-13.56	-20.24	-3.12	2.20	-6.59	4.25
Russell 2000 USD CAD	-14.21	-17.18	-4.52	0.80	3.63	-0.54
MSCI EAFE CAD	-6.99	-28.78	-1.34	-1.01	-16.69	-3.03



Strength today.
 Growth for tomorrow.

Note: The Public Service Superannuation Plan has a fiscal year end of March 31.

Top 20 Public Equity Holdings at December 31, 2008

Stock	Value	% of Portfolio
Encana Corp	\$26,347,551	1.63%
Toronto-Dominion Bank	\$26,171,943	1.62%
Bank of Nova Scotia	\$22,598,138	1.40%
Canadian Natural Resources	\$20,557,897	1.27%
Manulife Financial Corp	\$19,914,356	1.23%
Royal Bank of Canada	\$18,134,792	1.12%
Novartis AG-REG	\$16,054,539	0.99%
Talisman Energy Inc.	\$15,824,354	0.98%
Exxon Mobil Corp	\$15,416,925	0.95%
Sun Life Financial Inc.	\$14,745,888	0.91%
Canadian National Railway Co.	\$14,284,993	0.88%
Imperial Oil Ltd.	\$13,572,954	0.84%
Potash Corp of Saskatchewan	\$13,132,409	0.81%
Goldcorp Inc.	\$11,853,503	0.73%
Nestle SA-REG	\$11,579,163	0.72%
Rogers Communications – CL B	\$11,560,199	0.71%
Petro-Canada	\$11,071,975	0.68%
Metro Inc – A	\$10,323,213	0.64%
Barrick Gold Corp	\$10,073,830	0.62%
Canadian Tire Corp – CL A	\$10,042,562	0.62%

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.

	Qtr Ended Dec 31/08	1 Year Dec 31/08	4 Year Dec 31/08	10 Year Dec 31/08
NS Public Service Fund Return	-8.61%	-16.54%	1.57%	4.64%
Benchmark Return ¹	-9.72%	-18.43%	1.67%	4.09%

¹ The Benchmark was changed for the month ended Sept. 30, 2007 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 December 31, 2008.

❖ Inquiries	600
❖ Data Changes	443
❖ Pension Estimates	290
❖ Purchase Estimates	190
❖ Termination Packages	150
❖ Terminations	129

Investment Commentary

Global equity markets suffered steep declines during the three months ended December 31st, making 2008 the worst year on record for financial markets since the Great Depression.

For the quarter ended December 31st, the Public Service Superannuation Plan had investment performance of -8.61%. The Plan performed better than its benchmark for the quarter, which was -9.72%. For the twelve months ended December 31st, the Plan had investment performance of -16.54%. The Plan performed better than its benchmark for the period, which was -18.43%.

The Plan continued to adhere to its disciplined investment policies that emphasize diversification in high quality assets. During the quarter, the Plan reduced its exposure to equities and increased its cash position. These steps were taken to preserve the value of Plan assets and to minimize risk during this very challenging quarter.

The Plan operates on a fiscal year ending March 31st. Plan financial information for the fiscal year ending March 31, 2009 will be made available as soon as routine year end processes and reports are completed by the Plan's auditor and actuary and have been approved by the Minister of Finance in his capacity as Trustee of the Plan.

Note: The Public Service Superannuation Plan has a fiscal year end of March 31.