

Performance and Manager Review Second Quarter 2012

The University of Western Ontario Pension Plan

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OCTOBER 5TH, 2012

Executive Summary

Second Quarter 2012

University of Western Ontario Pension Executive Summary Q2 2012 Performance

- In Q2 equity markets saw moderate declines, as macro events once again negatively impacted investor sentiment. The Canadian markets (TSX -5.7% in Q2) gave back Q1 gains (TSX +4.4% in Q1). EAFE and US markets were also down for the quarter but remained positive YTD (MSCI EAFE +3.5%; Russell 3000 +9.4% ytd). Fortunately these poor quarterly equity returns were partially offset by strong bond performance, as the overall DEX Universe increased +2.3% in Q2.
- As a result, in the second quarter of 2012, the UWO Balanced Growth Fund returned -3.30% (-90 bps value lost), while the UWO Balanced Income Fund returned -0.07% (-25 bps value lost). The UWO Diversified Bond Fund in Q2 performed well with a return of +2.35% and value added of +27bps, but this was more than offset by the UWO Diversified Equity Fund which continues to struggle and provided a quarterly return of -5.42%, with -105 bps value lost through active management. The EAFE Equity Fund underperformed again due to poor performance by Alliance Bernstein (-354 bps value lost) and the Global Equity Fund underperformed policy by -447 bps.
- Year to date 2012 however, both the UWO Balanced Growth Fund (+3.64%) and the UWO Balanced Income Fund (+3.30%) are both adding value to their benchmarks (+18 bps and +38 bps value added respectively ytd). Active Canadian equity managers were generally positioned well for the market decline as they outperformed the benchmark by +72 bps in the quarter and +191 bps 2012 year to date.
- Over a four year period ending June 30th 2012 the UWO Diversified Bond Fund provided a positive return of 7.3%, with value added of +0.6%, while The UWO Diversified Equity Fund returned -2.0%, with -1.0% value lost through active management. Alliance Bernstein (since terminated in the Canadian Equity Fund) but still present in the EAFE Fund (-5.7% value lost compounded over 4 years) has been the major source of concern for both equity sub asset classes.

Capital Markets Commentary Second Quarter 2012

All eyes on Europe

The second quarter of 2012 was a period of high volatility for financial markets across the globe. The ongoing European sovereign debt crisis was a key driver of that volatility, with mixed economic news also impacting investor sentiment throughout the period. After a period of uncertainty, Greece elected a political party that backed austerity measures and expressed a desire to stay in the European Union. Spain was also a focus of investor concern after it announced that its banks were struggling, and requested a bailout from its Euro zone partners. In addition, Italy appears to be suffering from banking issues although, at the end of the second quarter, it had not yet asked for financial assistance. These dramatic events weighed on the decisions made by investors and, while there were brief periods of strength in equity markets, the general trend over the period was a "flight to quality" wherein investors turned to assets they perceived to be less risky, such as bonds issued by the Bank of Canada and the U.S. Treasury.

Equities drop, bonds rise in Canada

The Bank of Canada (BoC) kept its key lending rate at 1% over the quarter, maintaining it at the level it has held since October 2010. After earlier hinting at a possible rate increase, BoC Governor Mark Carney held the rate steady, as Canadian inflation numbers dropped and the sovereign debt issues in Europe appeared to be spreading.

The Canadian equity market – as measured by the S&P/TSX Composite Index – dropped over the period (-5.7%), despite a late-June surge. Sector wise the declines in the commodity and resource-related sectors accounted for the majority of the losses. From an individual securities perspective, Research In Motion Ltd. (RIM) was in the headlines throughout the quarter. Far off the company's 2008 high of approximately \$140.00 per share, RIM shares ended the period under \$10.00, after the company reported a first-quarter loss and announced further delays in the release of new BlackBerry products.

Not surprisingly, as the Canadian equity market dropped, the Canadian bond market rose, with yields falling significantly from the first quarter. Government bonds easily outperformed corporate bonds, with provincial issues the best-performers in the period. The DEX Universe Bond Index, which measures the Canadian bond market, rose +2.3% in the quarter.

U.S. economy appears to be weakening

The U.S. Federal Reserve Board (the Fed) held its key lending rate in the 0% to 0.25% range over the period, in keeping with its stated goal of maintaining that level until late 2014. U.S. economic indicators appear to be weakening, as job creation fell below expectations and consumer confidence wavered. Late in the quarter, the U.S. Federal Reserve announced it would extend its bond-buying program known as Operation Twist to pressure long-term rates lower.

The Russell 3000 Index (-1.2%) delivered negative returns over the quarter. As well as the constant stream of negative economic news out of Europe and China, U.S. employment data disappointed, consumer confidence fell and manufacturing activity weakened.

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Capital Markets Commentary Second Quarter 2012

As economies struggle in Europe and Asia, governments take necessary steps to foster growth

After much debate, both inside and outside the country, the people of Greece voted for a party that backed austerity, but it remains to be seen if the newly elected officials will be able to renegotiate some of the terms of the original austerity agreement. The vote for austerity was also a vote by proxy to remain a member of the European Union and to keep the euro rather than return to the Greek drachma. How Greece will meet the demanding austerity measures being imposed by the Euro zone remains to be seen.

Despite taking a strong leadership role while dealing with European sovereign debt and banking issues, Germany's DAX Index was down over the second quarter of 2012, as investors remained concerned about Germany's growth prospects in light of the issues surrounding the broader European economy. However, European leaders sparked a major stock rally on the last trading day of the month after they brokered a deal that addresses a number of the region's issues by allowing greater flexibility in the use of European rescue funds. They also agreed to create a single supervisory body for Euro zone banks by the end of this year, a first step towards a European banking union.

In Asia, financial market volatility due to the economic uncertainty belies investor belief that the strength of the global economy hinges on continued economic growth in China. The People's Bank of China cut its benchmark interest rate and lowered bank reserve requirements during the quarter, as China's economy showed signs of slowing. By reducing the cost of borrowing money, the government of China is trying to boost investment and economic growth in that country. This would benefit not just China's economy, but also the global economy, as China is a significant purchaser of materials from around the world. Emerging markets were one of the worst performers in Q2 (-6.9%), below EAFE (-5.0%) returns.

	2 nd Quarter 2012	1 Year	4 Years
S&P/TSX Composite	-5.67%	-10.25%	-2.53%
Russell 3000	-1.21%	+9.69%	+4.09%
MSCI EAFE	-4.99%	-8.51%	-4.35%
DEX Universe Bonds	+2.25%	+9.50%	+7.00%
CPI (Inflation)	-0.08%	+1.50%	+1.32%

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Capital Market Returns (In Canadian \$) Periods Ending June 30, 2012

	3 Mths		YTD	1 Yr	2 Yrs	Annualized			Rolling One Year		Ending Current Qtr	
						3 Yrs	4 Yrs	5 Yrs	2011	2010	2009	2008
S&P/TSX Composite	(5.67)	(1.53)	(10.25)	4.15	6.69	(2.53)	(0.74)	20.87	11.95	(25.69)	6.75	
MSCI Canada Value	(6.36)	0.10	(7.49)	4.79	8.45	2.36	0.23	18.71	16.17	(13.95)	(7.86)	
MSCI Canada Growth	(5.03)	(2.87)	(14.64)	0.81	0.86	(9.12)	(2.64)	19.05	0.97	(33.52)	28.25	
DEX Universe Bonds	2.25	2.03	9.50	7.06	7.00	7.00	6.96	4.67	6.88	7.02	6.80	
DEX Long Term Bonds	3.95	3.08	18.82	12.75	12.11	10.19	9.53	6.98	10.85	4.62	6.91	
DEX 91 Day T-Bill	0.27	0.48	0.96	0.93	0.73	1.04	1.65	0.89	0.33	1.98	4.13	
BC Aggregate Bd (\$Cdn)	4.11	2.49	13.53	3.50	2.39	6.84	5.89	(5.64)	0.19	21.39	2.17	
S&P 500	(0.81)	9.62	11.39	14.98	11.45	3.99	(0.63)	18.69	4.70	(15.54)	(17.14)	
S&P 500 \$Cdn Hedged	(2.92)	9.42	4.71	16.76	15.44	2.11	(1.33)	30.19	12.85	(29.35)	(13.95)	
S&P 400 MidCap	(3.03)	8.03	3.17	14.28	14.29	5.31	1.68	26.59	14.31	(17.61)	(11.62)	
S&P 400 MidCap \$Cdn Hdgd (1)	(5.09)	7.78	(3.46)	15.72	18.12	2.92	0.56	38.72	23.05	(31.90)	(8.38)	
Russell 1000	(1.18)	9.51	10.25	14.94	11.68	3.98	(0.46)	19.82	5.44	(16.09)	(16.41)	
Russell 2000	(1.54)	8.66	3.44	13.61	12.79	5.35	(0.31)	24.79	11.16	(14.16)	(20.07)	
Russell 3000	(1.21)	9.44	9.69	14.83	11.77	4.09	(0.46)	20.22	5.89	(15.94)	(16.72)	
Russell 3000 \$Cdn Hedged	(3.32)	9.23	3.00	16.53	15.71	2.10	(1.24)	31.82	14.09	(29.85)	(13.55)	
Russell 3000 Value	(0.31)	8.77	8.42	12.76	11.01	2.78	(2.93)	17.27	7.58	(18.42)	(22.76)	
Russell 3000 Growth	(2.10)	10.11	10.96	16.93	12.55	5.35	1.92	23.23	4.27	(13.60)	(10.71)	
MSCI EAFE	(4.99)	3.50	(8.51)	4.30	1.93	(4.35)	(6.43)	18.91	(2.67)	(20.97)	(14.30)	
MSCI EAFE Value	(4.83)	2.61	(9.79)	3.24	0.39	(4.58)	(7.87)	18.15	(5.07)	(18.08)	(19.93)	
MSCI EAFE Growth	(5.20)	4.31	(7.28)	5.29	3.39	(4.18)	(5.06)	19.57	(0.31)	(23.72)	(8.50)	
MSCI EAFE \$Cdn Hedged	(5.07)	4.76	(8.12)	2.42	4.59	(4.13)	(7.76)	14.18	9.07	(26.17)	(20.97)	
MSCI Emerging Mkts	(6.94)	4.24	(10.93)	1.83	5.42	(0.81)	(0.64)	16.40	12.98	(17.38)	0.04	
CPI	(0.08)	1.16	1.50	2.30	1.85	1.32	1.68	3.10	0.96	(0.26)	3.13	

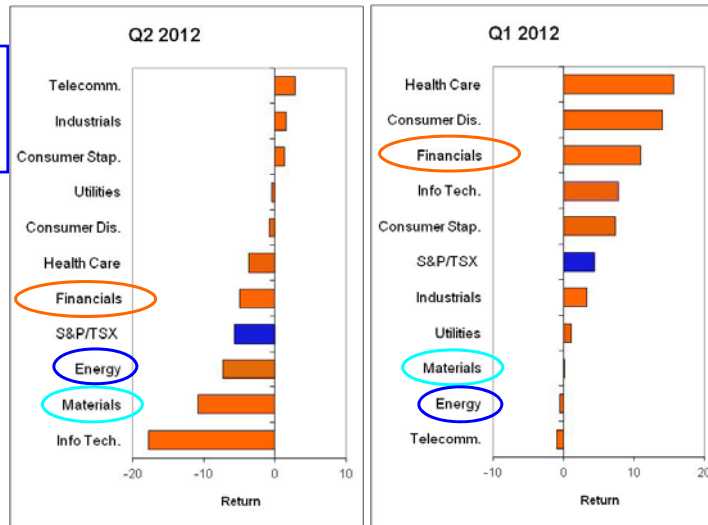
(1) S&P 400 MidCap \$Cdn Hedged Index is the exclusive property of Standard & Poor's Financial Services LLC (S&P). Russell has contracted with S&P to maintain and calculate the Index. S&P and its affiliates shall have no liability for any errors or omissions in calculating the Index.

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Sector Performance: Q2 2012 Sector Returns versus Q1 2012

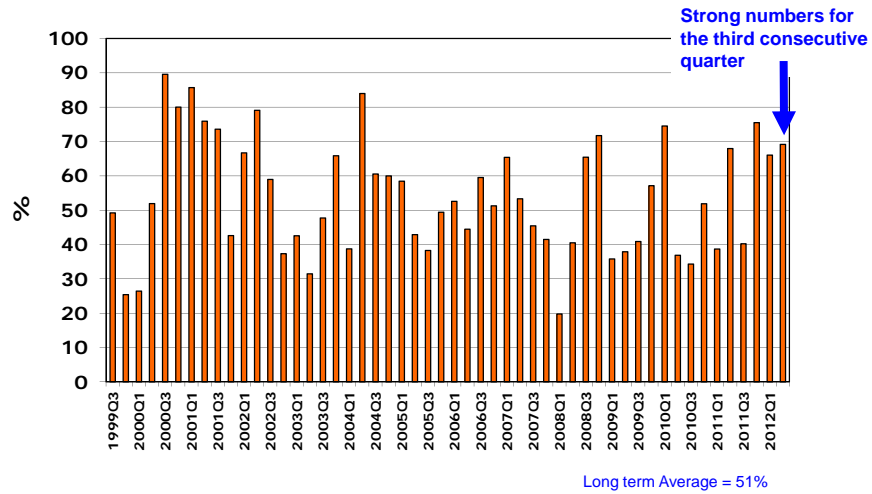
More sector breadth in Q2 with 7 out of 10 ahead of index but key is the underperformance of Energy and Materials again



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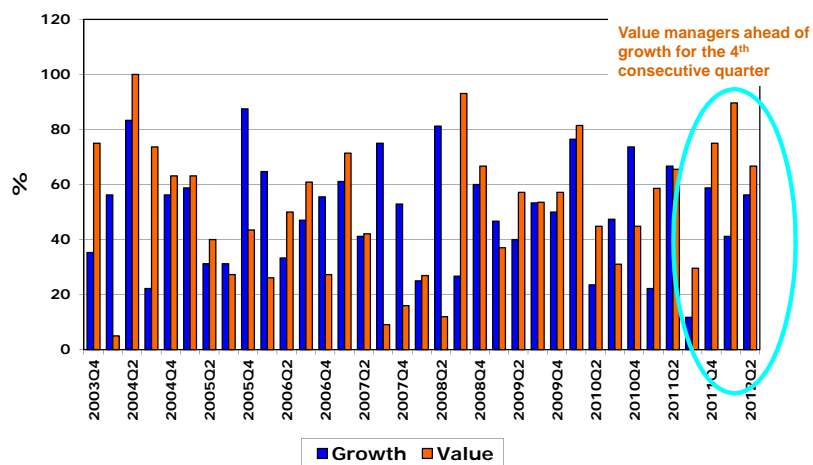
The Active Management Environment: % of Large Cap Managers that Outperformed



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Russell Investments

The Active Management Environment: % Of Growth and Value Managers That Have Outperformed



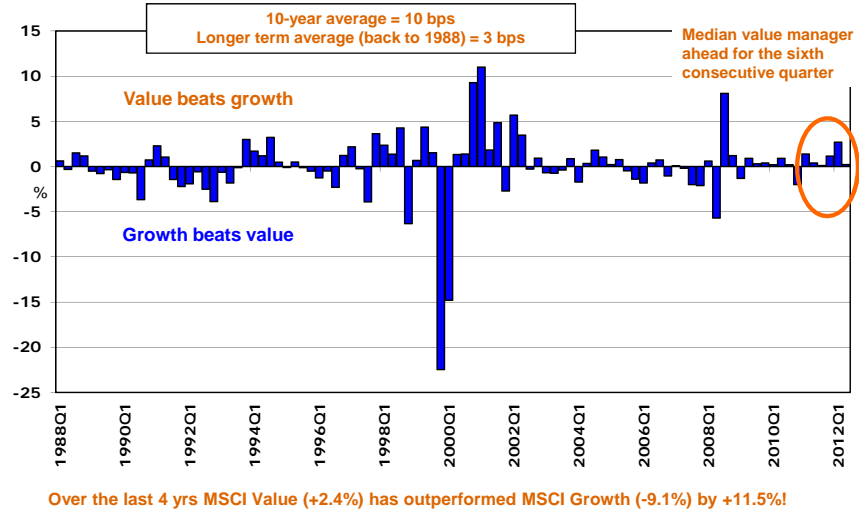
10-Year Average Growth = 50%

10-Year Average Value = 49%

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Russell Investments

Large Cap Median Manager Returns: Value Minus Growth



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Russell Investments

Fund and Manager Review

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4. Fixed Income Funds
5. Money Market Fund
6. Target Date Funds

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Russell Investments

1. Asset and Performance Summary

University of Western Ontario (Pension Plan) Asset Summary As of June 30, 2012

	Total Market Value	% of Total Fund	% of Asset Class	Equity	Fixed Income	Cash & Equivalents	Alternatives				
Total	1,075.39	100.00%	100.0%	\$ 553.3	51.5%	\$ 402.6	37.4%	\$ 110.6	10.3%	\$ -	0.0%
Diversified Equity Fund	437.52	40.69%	100.0%	437.52	100.0%						
Canadian Stocks	129.75	12.07%	100.0%	129.75	100.0%						
Beutel, Goodman Cap	43.36	4.03%	33.4%	43.36	100.0%						
Connor, Clark & Lunn	43.08	4.01%	33.2%	43.08	100.0%						
Greystone Cap.	43.30	4.03%	33.4%	43.30	100.0%						
US Equity	99.24	9.23%	100.0%	99.24	100.0%						
Pan Agora	10.96	1.02%	11.0%	10.96	100.0%						
SSGA S&P 400 Midcap	10.82	1.01%	10.9%	10.82	100.0%						
SSGA S&P 500	77.46	7.20%	78.1%	77.46	100.0%						
Non North American	132.84	12.35%	100.0%	132.84	100.0%						
Alliance Bernstein	65.47	6.09%	49.3%	65.47	100.0%						
McLean Budden	67.37	6.26%	50.7%	67.37	100.0%						
Global Stocks	75.69	7.04%	100.0%	75.69	100.0%						
Harris Assoc.	37.53	3.49%	49.6%	37.53	100.0%						
T Rowe Price	0.42	0.04%	0.6%	0.42	100.0%						
TRP Global Large Cap	37.74	3.51%	49.9%	37.74	100.0%						
Canadian Equity Fund	72.12	6.71%	100.0%	72.12	100.0%						
Beutel, Goodman Cap	24.11	2.24%	33.4%	24.11	100.0%						
Connor, Clark & Lunn	24.06	2.24%	33.4%	24.06	100.0%						
Greystone Cap.	23.95	2.23%	33.2%	23.95	100.0%						
US Equity Hedged	16.21	1.51%	100.0%	16.21	100.0%						
SSGA Northwater Hedged	16.21	1.51%	100.0%	16.21	100.0%						
US Equity Unhedged	11.61	1.08%	100.0%	11.61	100.0%						
SSGA Northwater Unhedged	11.61	1.08%	100.0%	11.61	100.0%						

Source: Northern Trust

University of Western Ontario (Pension Plan)
Asset Summary
As of June 30, 2012

	<u>Total Market Value</u>	<u>% of Total Fund</u>	<u>% of Asset Class</u>	<u>Equity</u>	<u>Fixed Income</u>	<u>Cash & Equivalents</u>	<u>Alternatives</u>
US Equity Unhedged	11.61	1.09%	100.0%	11.61	100.0%		
SSGA Northwater Unhedged	11.61	1.09%	100.0%	11.61	100.0%		
EAFE Fund	12.70	1.19%	100.0%	12.70	100.0%		
Alliance Bernstein	6.17	0.58%	48.6%	6.17	100.0%		
Pyramis/Fidelity	6.53	0.61%	51.4%	6.53	100.0%		
MacKenzie SRI Global	3.13	0.29%	100.0%	3.13	100.0%		
Mackenzie	3.13	0.29%	100.0%	3.13	100.0%		
Target Date Funds	44.39	4.16%	100.0%		44.39	100.0%	
TDF 2012	-0.03	0.00%	-0.1%		-0.03	100.0%	
TDF 2014	25.34	2.38%	57.1%		25.34	100.0%	
TDF 2016	19.07	1.79%	43.0%		19.07	100.0%	
Canadian Bond Fund	72.23	6.77%	100.0%		72.23	100.0%	
SSGA Canadian Bond Fund	72.23	6.77%	100.0%		72.23	100.0%	
Long Term Bond Fund	34.52	3.24%	100.0%		34.52	100.0%	
SSGA Long Term Bond Fund	34.52	3.24%	100.0%		34.52	100.0%	
Diversified Bond Fund	231.35	21.69%	100.0%		231.35	100.0%	
Alliance Bernstein	163.25	15.31%	70.6%		163.25	100.0%	
SSGA	68.10	6.39%	29.4%		68.10	100.0%	
Liquidating Trust	14.18	1.33%	100.0%		14.18	100.0%	
Operating Account	14.18	1.33%	100.0%		14.18	100.0%	

Source: Northern Trust

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University of Western Ontario (Pension Plan)
Asset Summary
As of June 30, 2012

	<u>Total Market Value</u>	<u>% of Total Fund</u>	<u>% of Asset Class</u>	<u>Equity</u>	<u>Fixed Income</u>	<u>Cash & Equivalents</u>	<u>Alternatives</u>
Money Market Fund	70.56	6.62%	100.0%			70.56	100.0%
SSGA MMF	70.56	6.62%	100.0%			70.56	100.0%
Immunized Bond Fund	5.90	0.55%	100.0%		5.90	100.0%	
Acad. Imm. Bd. Fund	4.13	0.39%	70.0%		4.13	100.0%	
Immunized Bond Fund	1.77	0.17%	30.0%		1.77	100.0%	
Cash	77.74	7.29%	100.0%			77.74	100.0%

All dollars in millions, numbers may not add due to rounding

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	3 Mos RoR	Annualized					
			1 Yr RoR	2 Yr RoR	3 Yr RoR	4 Yr RoR	5 Yr RoR	10 Yr RoR
University of Western Ontario	1,075,390,044	-1.93	0.17	6.47	6.67	1.41	0.24	4.60
UWO Balanced Growth Policy		-2.40	-0.52	7.70	7.29	1.56	0.35	4.81
Dev bond universe Index								
Diversified Equity Fund	437,522,747	-4.42	-5.91	6.50	6.69	-2.03	-3.27	3.53
UWO Div. Equity Fund Policy		-4.37	-4.67	7.94	7.28	-1.01	-2.60	4.06
S&P/TSX Equity Index (CAD)								
Canadian Stocks	129,752,164	-4.95	-9.44	4.13	--	--	--	--
S&P / TSX 300 Composite		-6.67	-10.25	4.15	--	--	--	--
Baitel, Goodman Cap	43,363,655	-4.71	-5.17	6.40	--	--	--	--
S&P / TSX 300 Composite		-5.67	-10.25	4.15	--	--	--	--
Connor, Clark & Lunn	43,084,044	-4.90	-8.39	5.96	8.77	-1.09	0.15	--
S&P / TSX 300 Composite		-5.67	-10.25	4.15	6.69	-2.53	-0.74	--
Greystone Cap	43,304,464	-5.24	-14.64	1.31	4.91	-6.33	-3.77	--
S&P / TSX 300 Composite		-5.67	-10.25	4.15	6.69	-2.53	-0.74	--
US Equity	99,243,099	-3.25	3.42	16.15	16.16	3.76	-1.00	3.11
UWO US Equity Policy		-2.99	3.67	16.30	15.48	3.03	-0.99	3.13
S&P 500 CS Hedged								
Pan Agura	10,959,933	-2.50	7.08	15.96	13.97	5.54	-3.68	--
Russell 2000		-1.54	3.44	13.61	12.79	5.35	-0.31	--
SSGA S&P 400 Midcap	10,821,564	-5.25	-4.25	15.16	--	--	--	--
S&P 400 Hgd CAD		-5.09	-3.46	15.72	--	--	--	--
SSGA S&P 500	77,461,602	-3.07	4.00	16.31	15.80	--	--	--
S&P 500 CS Hedged		-2.92	4.70	16.70	15.41	--	--	--
Non North American	132,340,567	-6.34	-11.21	2.00	0.02	-7.06	-3.77	0.27
MSCI EAFE GD		-4.99	-8.81	4.30	1.93	-4.35	-6.43	1.48
Alliance Bernstein	65,471,180	-8.53	-15.81	-1.71	-3.31	-10.20	-12.33	-0.35
McLean Budden	67,369,687	--	--	--	--	--	--	--
Global Stocks	75,696,617.00	-7.42	-2.26	6.15	5.88	--	--	--
MSCI World GD		-2.95	0.97	9.68	6.83	--	--	--
Harris Assoc.	37,528,875	-7.76	-2.32	6.75	7.72	--	--	--
T Rowe Price	421,134	-7.08	-2.36	5.49	3.94	--	--	--
TSP Global Large Cap	37,756,607	--	--	--	--	--	--	--

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	3 Mos RoR	Annualized					
			1 Yr RoR	2 Yr RoR	3 Yr RoR	4 Yr RoR	5 Yr RoR	10 Yr RoR
Canadian Equity Fund	72,122,004	-4.96	-9.59	4.06	6.61	-3.52	-2.18	6.56
Baitel, Goodman Cap	34,109,882	-4.69	-8.13	6.45	--	--	--	--
Connor, Clark & Lunn	24,063,160	-4.92	-8.70	5.39	8.72	-1.18	0.09	--
Greystone Cap	23,942,962	-5.27	-14.92	1.15	4.77	-6.33	-3.85	--
US Equity Hedged	16,209,935	-3.16	4.07	16.31	15.44	2.69	-1.48	4.41
S&P 500 CS Hedged		-2.92	4.70	16.70	15.41	2.08	-1.35	4.43
SSGA Northwater Hedged	16,209,935	-3.16	4.07	16.31	15.44	2.68	-1.48	4.41
US Equity Unhedged	11,606,711	-0.81	11.42	15.09	11.60	3.80	-0.97	0.93
S&P 500		-0.81	11.39	14.98	11.45	3.99	-0.63	1.20
SSGA Northwater Unhedged	11,606,711	-0.81	11.42	15.03	11.60	3.80	-0.97	0.93
EAFE Fund	12,702,035	-6.33	-11.27	2.42	0.31	-7.13	-8.64	1.34
Alliance Bernstein	6,167,258	-8.56	-15.95	-0.79	-2.71	-10.00	-11.91	--
Pyramis/Fidelity	6,534,778	-4.11	-6.43	5.52	3.29	-3.77	-4.96	--
Aberdeen Sclv Responsible Glob Fd	3,126,571	--	--	--	--	--	--	--
Aberdeen Sclv Responsible Glob Fd	3,126,571	--	--	--	--	--	--	--
Target Date Funds	53,360,300	0.93	3.97	3.85	3.77	4.68	4.82	4.60
TDF 2012	-31,066	--	--	--	--	--	--	--
TDF 2014	25,343,095	0.81	3.95	4.25	4.69	5.58	--	--
TDF 2016	19,074,099	1.62	7.23	6.48	--	--	--	--
TDF 2018	8,974,271	--	--	--	--	--	--	--
Canadian Bond Fund	72,229,785	2.29	9.56	7.07	6.97	7.06	6.99	--
Dev bond universe Index		2.15	9.50	7.06	7.00	7.00	6.96	--
SSGA Canadian Bond Fund	72,229,785	2.29	9.56	7.07	6.97	7.06	6.99	--
Long Term Bond Fund	34,524,629	3.90	18.74	12.66	12.06	10.19	9.55	--
Dev LTB Overall		3.95	18.82	12.75	12.11	10.19	9.55	--
SSGA Long Term Bond Fund	34,524,629	3.90	18.74	12.66	12.06	10.19	9.55	--
Dev LTB Overall		3.95	18.82	12.75	12.11	10.19	9.55	--
Diversified Bond Fund	231,346,349	2.35	9.48	7.60	8.95	7.32	6.90	6.07
UWO Diversified Bond Policy		2.08	8.89	6.45	6.67	6.76	6.64	5.88

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	Annualized						
		3 Mos RoK	1 Yr RoK	2 Yr RoK	3 Yr RoK	4 Yr RoK	5 Yr RoK	10 Yr RoK
Alliance Bernstein	163,247,035	2.41	9.52	7.88	10.05	7.59	6.97	--
UWO AllianceBernstein		2.00	8.59	6.15	6.51	6.64	6.49	--
SSGA	62,099,313	2.28	9.45	7.04	6.95	7.03	6.96	--
Money Market Fund	70,560,830	0.29	1.24	1.22	1.08	1.30	1.89	--
SSGA MMF	70,560,830	0.29	1.24	1.22	1.08	1.30	1.89	--
Immunized Bond Fund	5,901,789	2.13	8.32	6.38	6.10	6.18	6.32	--
Acad. Imm. Bd. Fund	4,130,082	2.10	8.17	6.23	--	--	--	--
Immunized Bond Fund	1,771,707	2.21	8.67	6.74	6.34	6.36	6.47	--
Balanced Funds	124,708,407	-2.40	0.10	6.80	--	--	--	--
UWO BAL GROWTH FO	88,885,420	-1.30	-1.60	6.70	6.98	0.68	-0.72	4.37
UWO Balanced Growth Policy		-2.40	-0.52	7.70	7.29	1.56	0.35	4.81
UWO INCOME FUND	35,722,888	-0.07	4.72	7.24	8.13	4.65	3.84	5.55
UWO Balanced Income Policy		0.18	4.91	7.10	7.05	4.67	4.05	5.54

* Balanced Funds are not included in the University of Western Ontario total plan market value and return

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	Annual Returns				
		30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
University of Western Ontario	1,075,390,044	0.17	13.16	7.05	-22.84	-4.30
UWO Balanced Growth Policy		-0.52	16.60	6.49	-13.86	-4.36
Dex bond universe Index		9.50	4.67	6.88	7.02	6.80
Diversified Equity Fund	437,522,747	-5.91	20.55	7.07	-24.14	-10.87
UWO Div. Equity Fund Policy		-4.67	22.23	5.96	-22.23	-8.73
S&P/TSX Equity Index (CAD)		-10.92	20.13	10.72	-25.12	5.29
Canadian Stocks	129,752,164	-9.44	19.74	--	--	--
S&P / TSX 300 Composite		-10.25	20.87	--	--	--
Beutel, Goodman Cap	43,363,655	-5.17	19.58	--	--	--
S&P / TSX 300 Composite		-10.25	20.87	--	--	--
Connor, Clark & Lunn	43,084,044	-8.39	21.64	15.48	-25.63	5.25
S&P / TSX 300 Composite		-10.25	20.87	11.95	-25.69	6.75
Greystone Cap.	43,304,464	-14.64	20.24	12.49	-33.05	6.74
S&P / TSX 300 Composite		-10.25	20.87	11.95	-25.69	6.75
US Equity	99,243,099	3.42	30.46	16.17	-26.04	-17.95
UWO US Equity Policy		3.67	30.46	13.87	-26.83	-15.56
S&P 500 C\$ Hedged		4.70	30.08	12.87	-29.35	-13.96
Pan Agora	10,959,933	7.08	25.35	10.28	-16.19	-33.18
Russell 2000		3.44	24.79	11.16	-14.16	-20.07
SSGA S&P 400 Midcap	10,821,564	-4.25	38.49	--	--	--
S&P 400 Hgd CAD		-3.46	38.72	--	--	--
SSGA S&P 500	77,461,602	4.00	30.07	14.78	--	--
S&P 500 C\$ Hedged		4.70	30.08	12.87	--	--
Non North American	132,840,867	-11.21	17.17	-3.83	-25.44	-15.31
MSCI EAFE GD		-8.51	18.91	-2.67	-20.97	-14.30
Alliance Bernstein	65,471,180	-15.81	14.76	-6.44	-28.05	-20.36
McLean Budden	67,369,687	--	--	--	--	--
Global Stocks	75,686,617	-2.26	15.30	5.32	--	--
MSCI World GD		0.97	19.15	1.36	--	--

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	Annual Returns				
		30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
Harris Assoc.	37,528,875	-2.32	16.67	5.67	--	--
T Rowe Price	421,134	-2.26	13.86	0.90	--	--
TRP Global Large Cap	37,736,607	--	--	--	--	--
Canadian Equity Fund	72,122,004	-9.59	19.75	11.90	-28.50	3.37
Beutel, Goodman Cap	24,109,882	-5.13	19.45	--	--	--
Connor, Clark & Lunn	24,063,160	8.70	21.66	15.70	-25.79	5.35
Greystone Cap.	23,948,962	-14.92	20.25	12.40	-33.04	6.72
US Equity Hedged	16,209,935	4.07	30.00	13.72	-27.75	-16.51
S&P 500 CS Hedged	16,209,935	4.70	30.08	12.87	-29.35	-13.96
SSGA Northwater Hedged	16,209,935	4.07	30.00	13.72	-27.75	-16.51
US Equity Unhedged	11,606,711	11.42	18.76	5.05	-16.49	-17.97
S&P 500	11,606,711	11.39	18.69	4.70	-15.54	-17.14
SSGA Northwater Unhedged	11,606,711	11.42	18.76	5.05	-16.49	-17.97
EAFE Fund	12,702,035	-11.27	18.24	-3.78	-26.31	-14.42
Alliance Bernstein	6,167,258	-15.95	17.11	-6.45	-28.75	-19.18
Pyramis/Fidelity	6,534,778	-6.43	19.00	-1.02	-22.19	-9.56
Aberdeen Sclj Rpsnble Gbl Fd	3,126,571	--	--	--	--	--
Aberdeen Sclj Rpsnble Gbl Fd	3,126,571	--	--	--	--	--
Target Date Funds	53,360,300	3.97	3.72	3.61	7.45	5.40
TDF 2012	-31,066	--	--	--	--	--
TDF 2014	25,343,005	3.95	4.61	5.51	8.29	--
TDF 2016	19,074,090	7.23	5.75	--	--	--
TDF 2018	8,974,271	--	--	--	--	--
Canadian Bond Fund	72,229,785	9.56	4.65	6.77	7.32	6.72
Dex bond universe index	72,229,785	9.50	4.67	6.88	7.02	6.80
SSGA Canadian Bond Fund	72,229,785	9.56	4.65	6.77	7.32	6.72
Long Term Bond Fund	34,524,629	18.74	6.89	10.86	4.78	7.02

Source: Northern Trust

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University of Western Ontario
Performance Summary
Period Ending June 30, 2012

Account / Group Name	Market Value	Annual Returns				
		30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
Dex LTB Overall		18.82	6.98	10.85	4.62	6.91
SSGA Long Term Bond Fund	34,524,629	18.74	6.89	10.86	4.78	7.02
Dex LTB Overall		18.82	6.98	10.85	4.62	6.91
Diversified Bond Fund	231,346,349	9.48	5.74	11.72	2.58	5.22
UWO Diversified Bond Policy		8.89	4.06	7.12	7.03	6.18
Alliance Bernstein	163,247,035	9.52	6.27	14.51	0.55	4.50
UWO AllianceBernstein		8.59	3.76	7.24	7.03	5.88
SSGA	68,099,313	9.45	4.68	6.77	7.29	6.68
Money Market Fund	70,560,830	1.24	1.21	0.78	1.97	4.29
SSGA MMF	70,560,830	1.24	1.21	0.78	1.97	4.29
Immune Bond Fund	5,901,789	8.32	4.48	5.55	6.41	6.90
Acad. Imm. Bd. Fund	4,130,082	8.17	4.33	--	--	--
Immune Bond Fund	1,771,707	8.67	4.85	5.55	6.41	6.90
Balanced Funds	124,708,407	0.10	13.95	--	--	--
UWO BAL GROWTH FD	88,985,420	-1.60	15.70	7.53	-16.06	-6.12
UWO Balanced Growth Policy		-0.52	16.60	6.49	-13.86	-4.36
UWO INCOME FUND	35,722,988	4.72	9.82	9.94	-5.13	0.64
UWO Balanced Income Policy		4.91	9.33	6.95	-2.14	1.61

* Balanced Funds are not included in the University of Western Ontario total plan market value and return

Source: Northern Trust

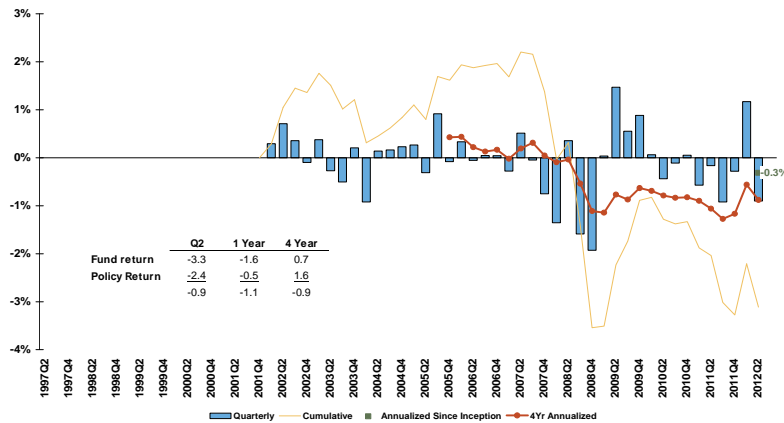
20



2. Balanced Funds

Balanced Growth Fund

Value Added Over Policy*
Value lost in the second quarter of -90 bps



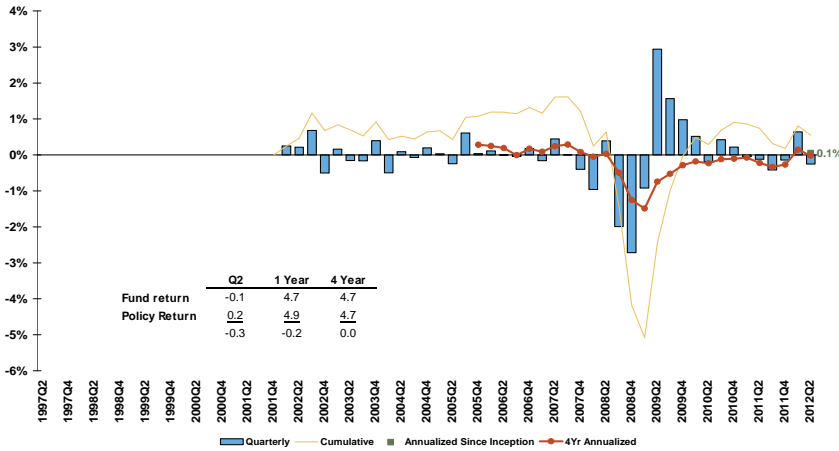
- Value lost of -1.1% versus benchmark for the year
- Although below benchmark over 3 yrs (-0.3%), the absolute return of 7.0% was encouraging
- Value lost of -0.9% for 4 years and -0.3% since inception

* Policy: 70% Diversified Equity Fund Policy, 30% Diversified Bond Fund Policy

Balanced Income Fund

Value Added Over Policy*

Value lost over the quarter of -25 bps



- › Value lost of -19 bps over one year
- › Strong value added of +1.1% over 3 years
- › Performance in line with the benchmark over 4 years (1st quartile) and since inception

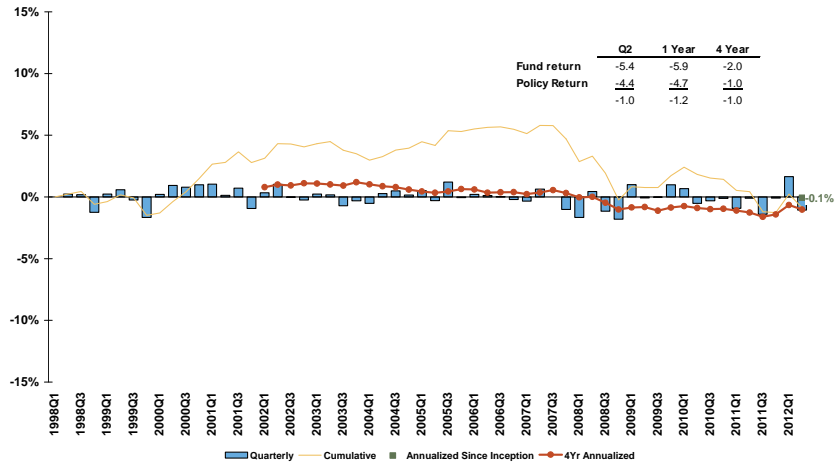
* Policy: 30% Diversified Equity Fund Policy, 70% Diversified Bond Fund Policy

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› 3. Equity Funds

Diversified Equity Fund Value Added from Policy*



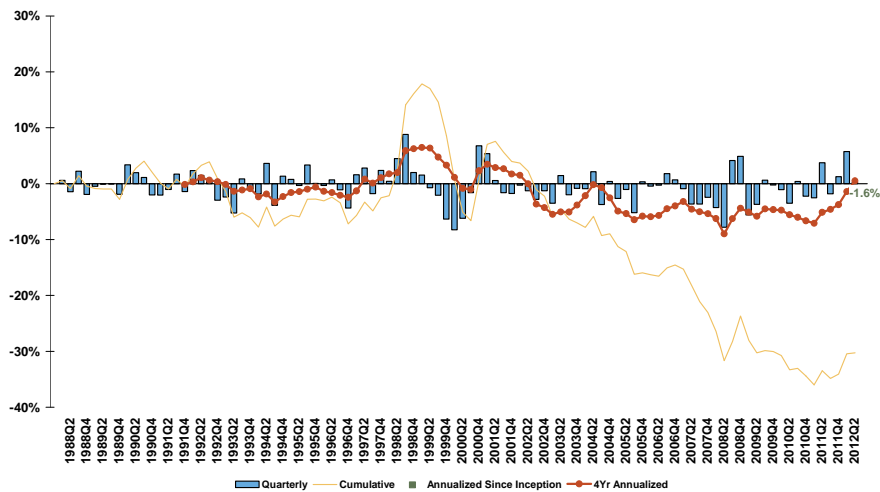
- Under performed policy return for the quarter by -105 bps
- Value lost of -1.2% for the year and -1.0% over 4 years

* Policy as of Q4 2008 is 30% S&P/TSX Composite, 17.5% S&P 500 Hedged, 2.5% S&P 400 Hedged, 2.5% Russell 2000, 30% MSCI EAFE and 17.5% MSCI World. Previously 30% S&P/TSX Composite, 32% S&P 500 (50% hedged), 4% S&P 400 (hedged), 4% Russell 2000, 30% EAFE

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Diversified Equity Fund Value Added Over S&P/TSX Composite



- Chart is for reference; TSX is not a performance benchmark
- Outperformed by +25 bps in Q2 and by +4.34% over the last year

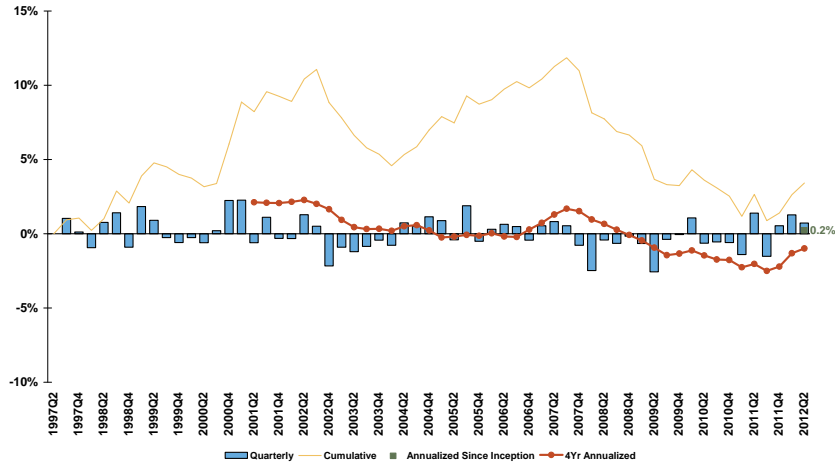
26



Canadian Equity Fund

Value Added Over S&P/TSX Composite

Lost -1.0% from benchmark over 4 years but below benchmark risk



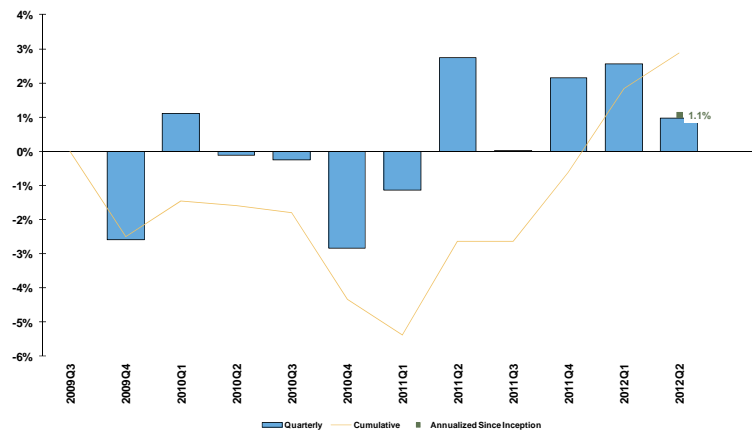
- › Combined Canadian equity managers outperformed S&P/TSX Composite by +72 bps in the 2nd quarter and +191 bps year to date
- › Since inception added value of +0.2% over the benchmark

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Russell Investments

Canadian Stocks–Beutel, Goodman

Value Added Over S&P/TSX Composite



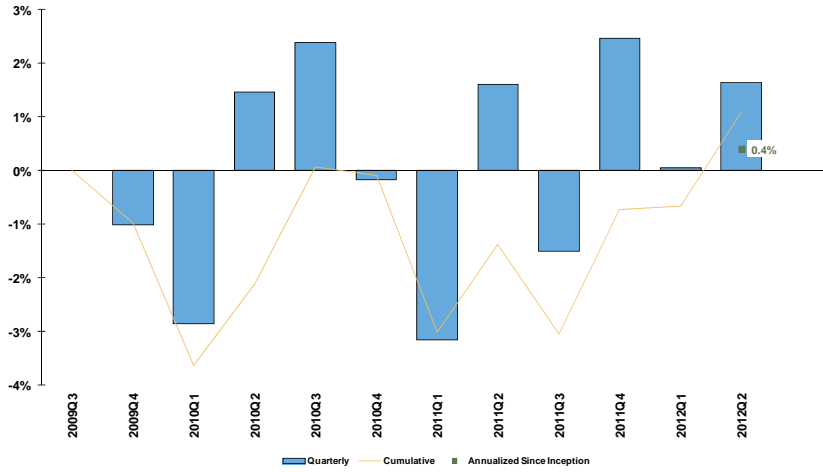
- › Outperformed the benchmark by +98 bps in Q2 (2nd quartile)
- › Outperformed the benchmark by +5.1% for the year (2nd quartile)
- › Overweight Consumers, Telecom, Industrials and Financials; underweight Materials and Energy
- › Russell rank: Retain

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Russell Investments

Canadian Stocks – Beutel, Goodman

Value Added Over MSCI Canada Value Index



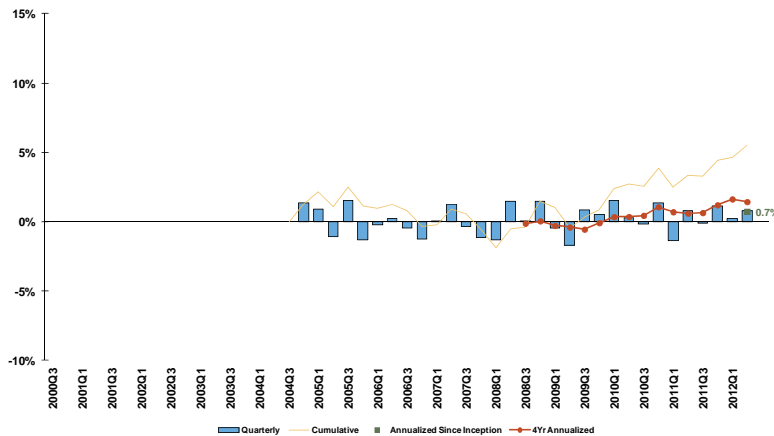
› Outperformed +1.65% in the quarter

29



Canadian Stocks – Connor, Clark & Lunn

Value Added Over S&P/TSX Composite
Above benchmark by +0.9% over 5 years (2nd Quartile)



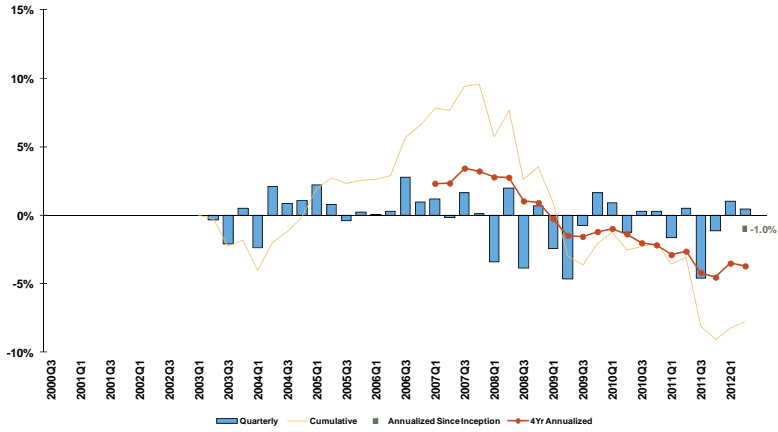
› Outperformed by +77 bps in the quarter, by +1.9% for the year & +1.4% for 4 yrs
 › Underweight Energy
 › Russell Rank: Hire

30



Canadian Stocks – Greystone

Value Added Over S&P/TSX Composite
Value lost of -3.7% over 4 years



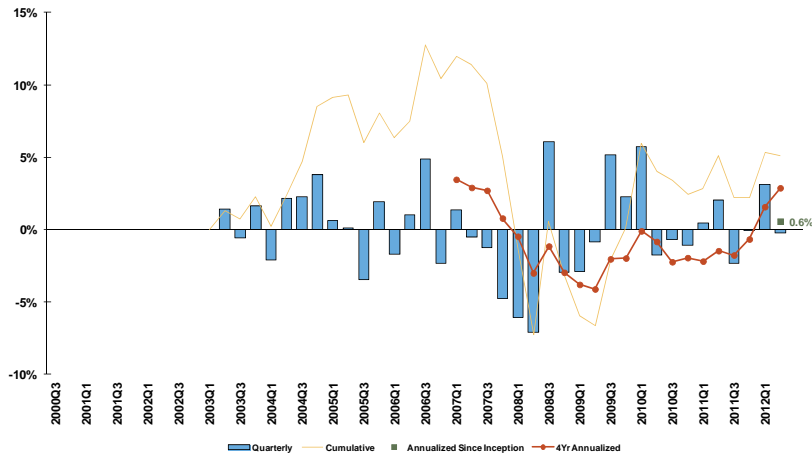
- › Value added of +43 bps in the quarter and +141 bps ytd 2012
- › Value lost since inception of -1.0%
- › Overweight Technology and Consumers; underweight Financials and Telecommunication
- › Russell rank: Retain

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Russell Investments

Canadian Stocks – Greystone

Value Added Over MSCI Canada Growth Index
Above style index over 4 years (+2.9%)



- › Value lost of -21 bps in the quarter but +275 bps value added ytd
- › Since inception value added of +0.6%

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Russell Investments

Canadian Stock Profile at June 30, 2012

	Beutel, Goodman	CC&L	Greystone	Composite	S&P/TSX Comp.
Portfolio Allocations					
Portfolio Size (\$M)	67.5	67.2	67.2	201.9	471.0
% of structure	33.4%	33.3%	33.3%	42.9%	142.9%
Cash	2.3%	0.8%	2.2%	1.6%	0.0%
Style					
					STYLE NEUTRAL
Price/Book	1.8 x	1.7 x	1.8 x	1.8 x	1.7 x
Price/Earnings (Exc. Neg. Earnings)	12.9 x	13.1 x	14.4 x	13.8 x	13.4 x
Dividend Yield	2.9%	2.7%	2.2%	2.6%	2.7%
Price/Cash Flow	6.1 x	7.2 x	8.0 x	7.6 x	7.5 x
Company Size					
					CAP NEUTRAL
Large Cap (Over \$12.8B)	68.2%	56.5%	52.9%	54.8%	58.1%
Medium Cap (\$2.9B - \$12.8B)	21.6%	21.0%	38.5%	30.6%	26.9%
Small Cap (Under \$ 2.9B)	10.2%	22.1%	6.6%	13.4%	15.0%
Market Cap Average Nlog (\$Bil)	17.3	12.0	16.7	14.4	14.8
Sector Weights (Red = 3% or more below index, Green = 3% or more above index)					
					MODEST SECTOR BETS
Information Technology	1.1	2.6	5.2	4.0	1.1
Health Care	0.0	2.2	3.4	2.0	1.6
Consumer Discretionary	10.9	3.1	8.4	6.2	4.6
Consumer Staples	8.7	3.3	4.0	3.8	3.1
Energy	15.2	22.1	23.3	22.7	25.6
Materials	7.4	17.0	18.3	17.5	19.0
Industrials	10.2	9.0	6.8	7.8	6.0
Financial	35.8	33.3	28.5	30.7	31.6
Telecommunication Services	10.7	5.7	0.0	2.7	5.3
Utilities	0.0	1.3	0.0	0.6	2.0
Sector Deviation	20	6	9	6	---
Concentration					
% in Ten Largest Holdings	54.6	35.0	46.0	36.7	33.8
Number of Holdings	35	199	39	218	246

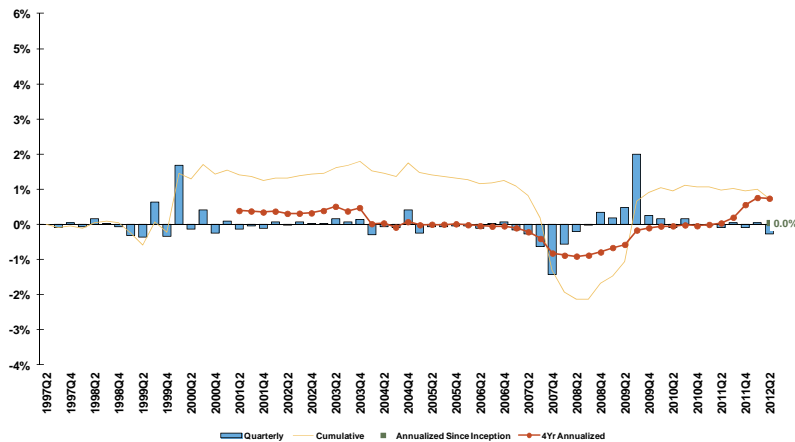
33



Total U.S. Equity

Value Added over US Equity Benchmark*

Outperformed benchmark by +0.7% over 4 years but flat against policy over 5 years



- › Trailed benchmark (-26 bps) in 2nd quarter and -25 bps over one year
- › Absolute return of 16.2% over the last 3 years

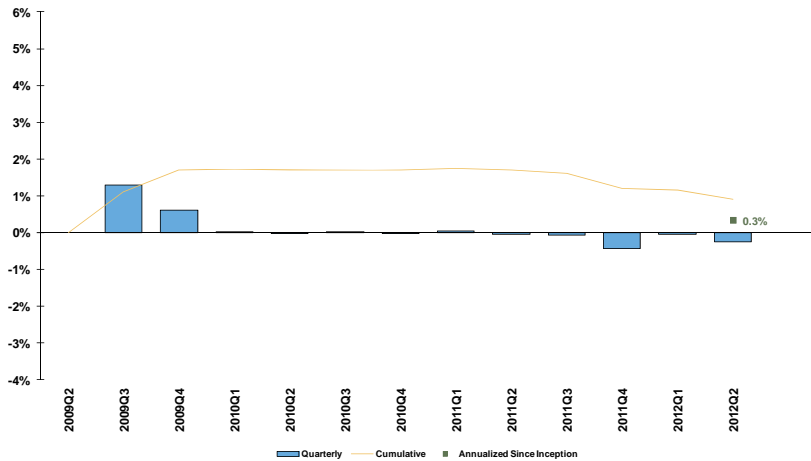
*Inception date of benchmark is 6/30/1997

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U.S. Equity Hedged – SSgA S&P 500

Value Added vs. S&P 500 C\$ Hedged
Value Added of +0.3% since inception



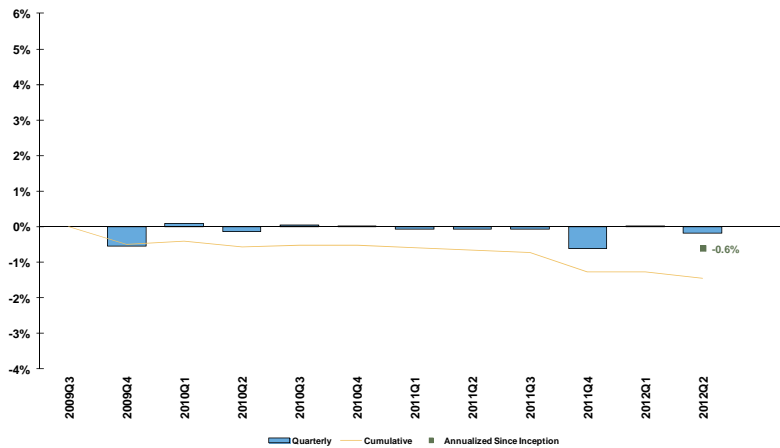
› Underperformed benchmark in 2nd quarter and for the year, -15 bps and -70 bps respectively

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Russell Investments

U.S. Mid-Cap Equity Hedged – SSgA

Value Added vs. S&P 400 C\$ Hedged Index
Value lost of -0.6% since inception



› Underperformed benchmark in 2nd quarter and for the year, -16 bps and -79 bps respectively

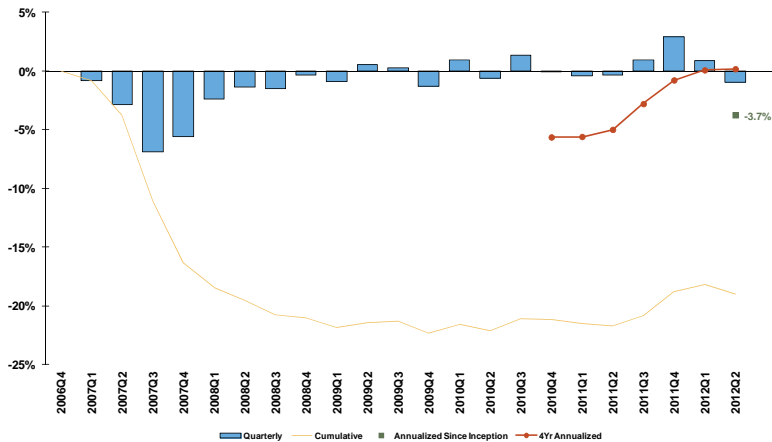
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Russell Investments

U.S. SC Equity Unhedged – PanAgora

Value Added vs. Russell 2000

Value add of +0.2% over 4 years, and 1.2% over 3 years



- › Underperformed by -96 bps in the 2nd quarter and by +3.6% for the year
- › Overweight Consumer Discretionary; underweight Financials
- › Russell rank: Review

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U.S. Stock Profile

at June 30, 2012

	PanAgora	Russell 2000
Portfolio Allocations		
Portfolio Size (\$M)	11.0 M	1.2 T
Cash	0.5%	0.0%
Style		
SLIGHT VALUE TILT		
Price/Book	1.8 x	1.8 x
Price/Earnings (Exc. Neg. Earnings)	14.7 x	16.8 x
Dividend Yield	1.1%	1.4%
Price/Cash Flow	9.5 x	12.8 x
Company Size		
SMALL CAP		
Large Cap (Over \$56.7B)	0.0%	0.0%
Medium Cap (\$5.2 B -- \$56.7B)	0.0%	0.0%
Small Cap (Under \$5.2 B)	100.0%	100.0%
Market Cap Average Nlog (\$Bil)	1.0	1.0
Sector Weights (Red = 3% or more below index, Green = 3% or more above index)		
MODEST SECTOR BETS		
Information Technology	17.4	17.6
Health Care	13.9	13.5
Consumer Discretionary	15.8	13.8
Consumer Staples	2.2	3.7
Energy	7.9	6.0
Materials	4.6	4.7
Industrials	15.4	15.0
Financial	20.6	21.3
Telecommunication Services	0.6	0.9
Utilities	1.7	3.6
Sector Deviation	4	---
Concentration		
% in Ten Largest Holdings	11.3	2.4
Number of Holdings	301	2002

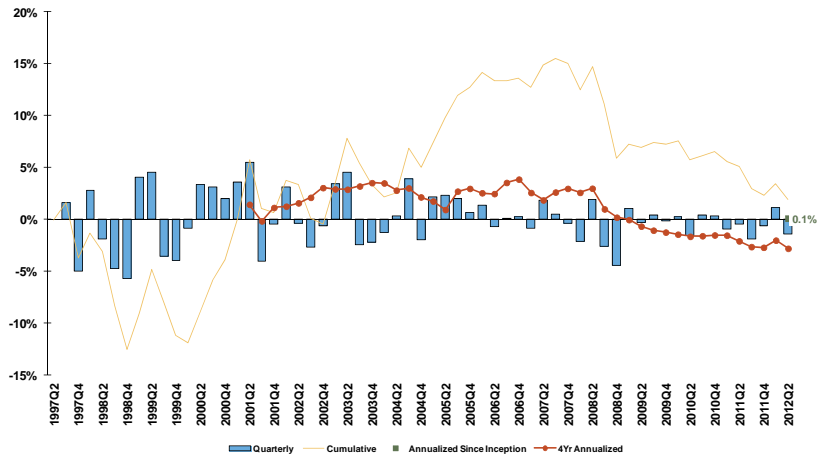
38



Non-North American Equity (EAFE) Fund

Value Added over MSCI EAFE Index

Long term value added (+0.1%), but -2.8% value lost over 4 years



Underperformed MSCI EAFE in 2nd quarter by -135 bps and -2.8% for the year

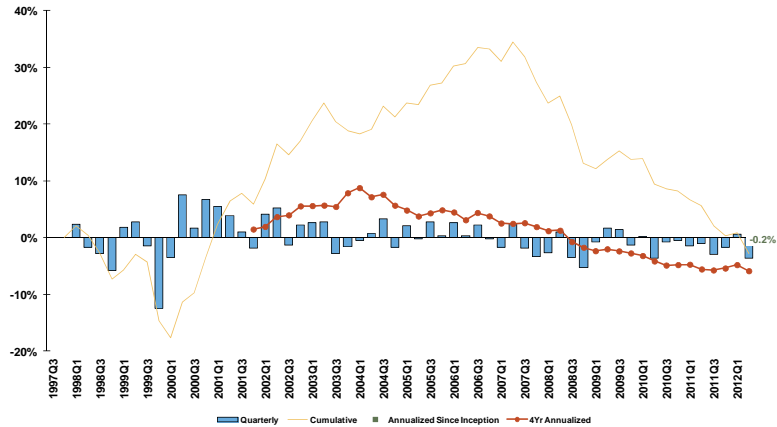
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Russell Investments

NNA Stocks - Alliance Bernstein

Value Added Over MSCI EAFE

Slightly under benchmark since inception (-0.2%)



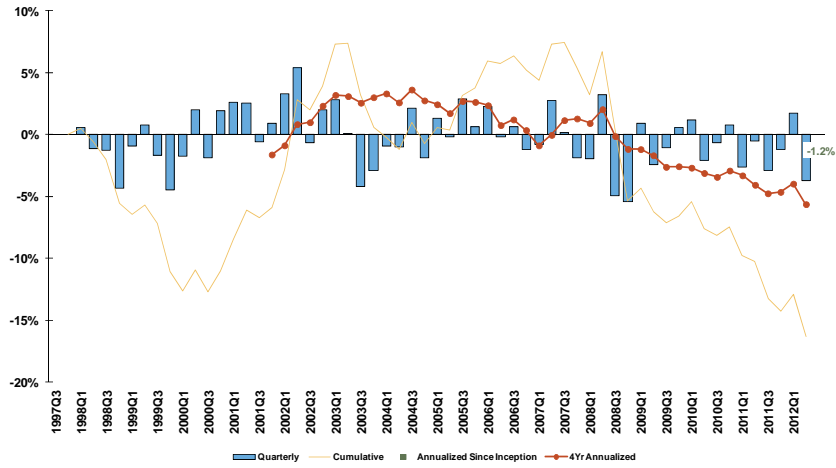
- › Underperformed by -354 bps in the quarter and by -7.3% over one year
- › Underperformed by -5.9% over last 4 years (4th quartile)
- › Overweight Telecom & Energy; underweight Consumer Staples & Industrials
- › Russell rank: Review

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Russell Investments

NNA Stocks - Alliance Bernstein

Value Added Over MSCI EAFE Value Index



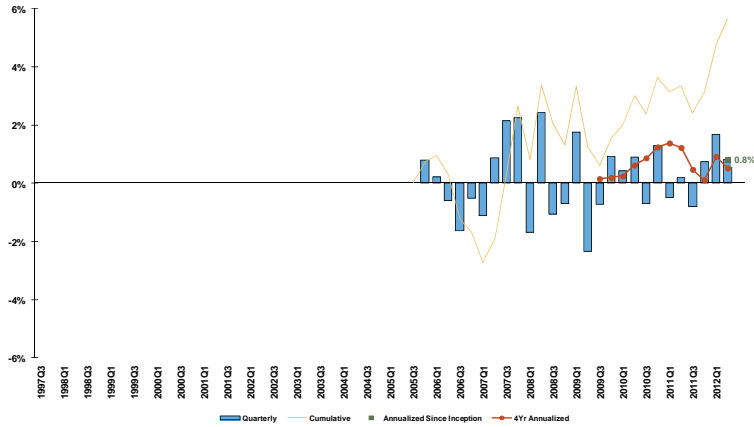
- > Underperformed by -354 bps in the quarter
- > Below value index over last 4 years (-5.8%)

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Russell Investments

NNA Stocks – Pyramis / Fidelity

Value Added Over MSCI EAFE Index
Above benchmark since inception by +0.8%



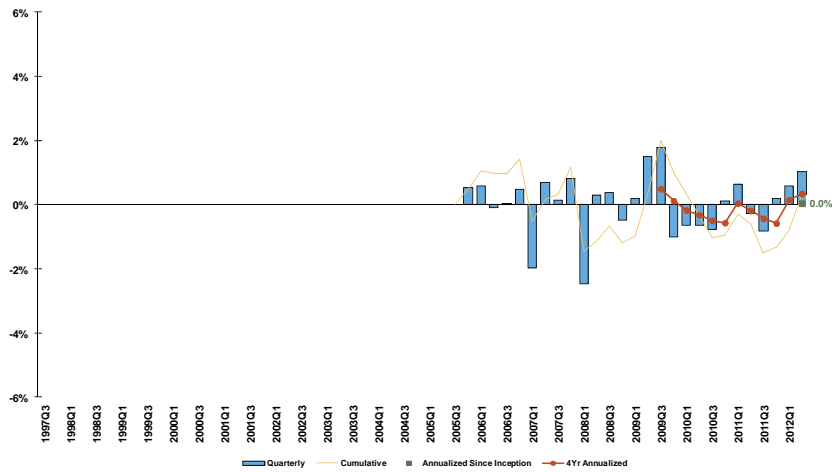
- > Value lost of -83 bps in the 2nd quarter
- > Exceeded benchmark by +0.5% over 4 years

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Russell Investments

NNA Stocks – Pyramis / Fidelity

Value Added Over MSCI EAFE Growth Index
About Benchmark since Inception and over 4 years (+35 bps)



› Outperformed by +104 bps in the 2nd quarter

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Russell Investments

EAFE Stock Profile*

at June 30, 2012

	AllianceBernstein (EAFE Fund)	MSCI EAFE
Portfolio Allocations		
Portfolio Size (\$M)	71.6	9.8 T
% of structure	100.0%	---
Cash	1.5%	0.0%
Style		
Price/Book	0.9 x	1.3 x
Price/Earnings (Exc. Neg. Earnings)	8.7 x	11.8 x
Dividend Yield	4.0%	3.8%
Price/Cash Flow	4.0 x	6.2 x
Cap Size		
Large Cap (Over \$20.1B)	57.4%	62.6%
Medium Cap (\$12.9B – \$20.1B)	37.4%	34.9%
Small Cap (Under \$2.9 B)	4.4%	2.4%
Market Cap Average Nlog (SBI)	27.3	29.1
Sector Weights (Red = 3% or more below index, Green = 3% or more above index)		
Information Technology	4.6	4.5
Health Care	9.7	10.1
Consumer Discretionary	11.9	10.6
Consumer Staples	6.3	11.9
Energy	13.0	8.4
Materials	9.7	9.6
Industrials	9.2	12.5
Financial	22.7	22.6
Telecommunication Services	9.0	5.6
Utilities	4.0	4.2
Sector Deviation	9	---
Country Allocation		
United Kingdom	26.4	23.2
Total Europe Ex United Kingdom	33.5	40.7
Japan	26.3	21.8
Pacific Basin Ex Japan	10.0	13.7
% in Emerging Market Countries	8.2	0.0
Country Deviation (Equity MV)	9.9	---
% in Non Index Countries	8.3	---
Concentration		
% in Ten Largest Holdings	25.1	13.8
Number of Holdings	118	919

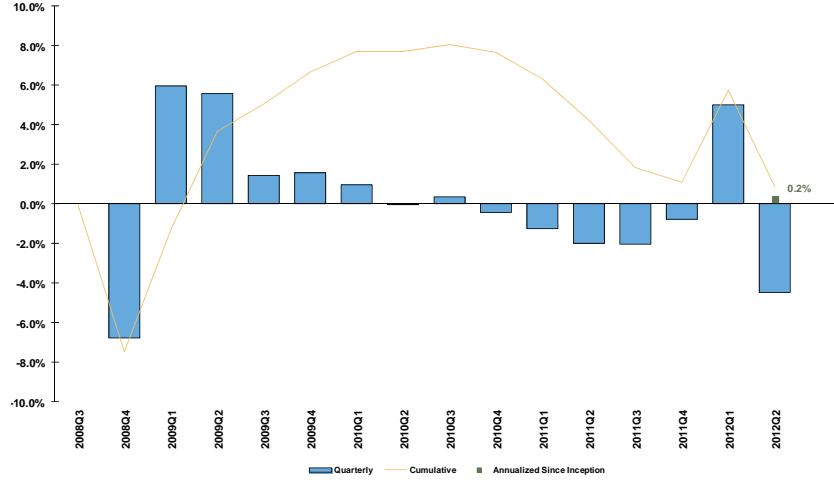
* Note that Fidelity has been removed as the equity holdings have been liquidated.

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Russell Investments

Global Stocks

Value Added Over MSCI World Index
Since inception value added of +0.2%



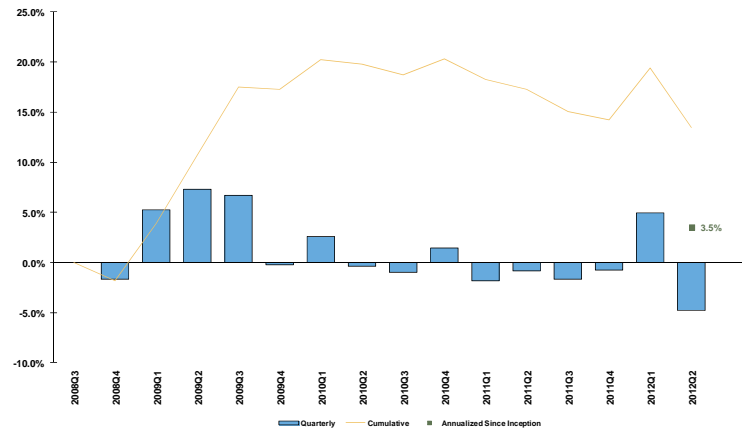
- > Value lost of -447 bps in the 2nd quarter
- > Value lost of -1.0% over three years

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Russell Investments

Global Stocks – Harris

Value Added Over MSCI World Index
Significant value added of +3.5% since inception



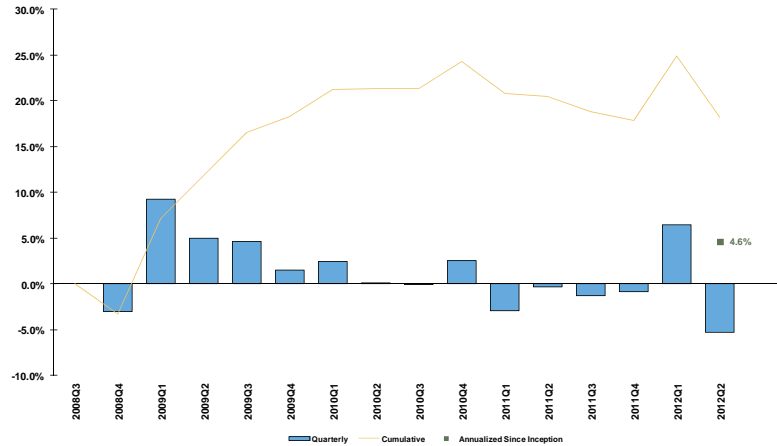
- > Value lost of -481 bps in 2nd quarter and -3.3% for one year
- > Value added of +0.9% over three years (2nd quartile)
- > Overweight Technology, Consumer Discretionary and Financials; underweight Health Care, Consumer Staples, Energy, Utilities and Telecom
- > Russell Rank: Hire

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Russell Investments

Global Stocks – Harris

Value Added Over MSCI World Value Index
 Significant value added of +4.6% since inception



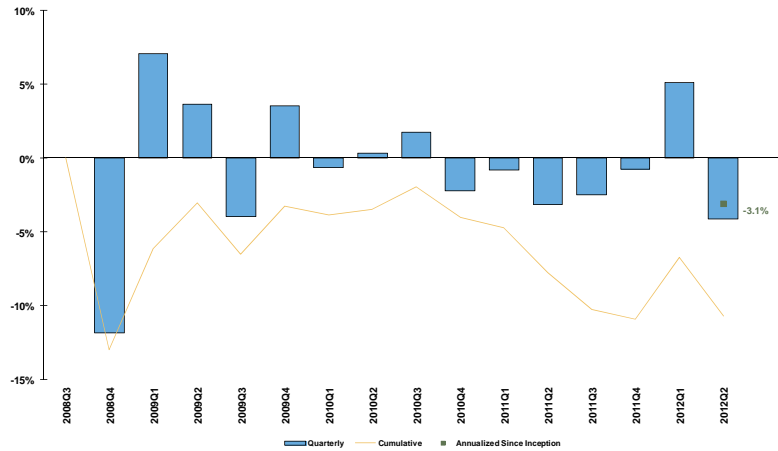
› Value lost of -527 bps in 2nd quarter but adding +26 bps year to date 2012

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Russell Investments

Global Stocks – T. Rowe Price

Value Added Over MSCI World Index
 Value lost of -3.1% since inception



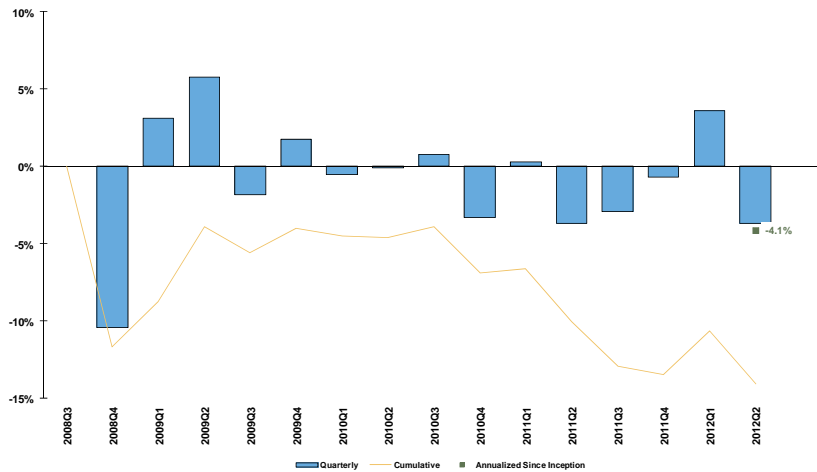
- › Value lost of -413 bps in 2nd quarter and -3.2% for the year
- › Overweight Technology
- › Russell Rank: Hire

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Russell Investments

Global Stocks – T. Rowe Price

Value Added Over MSCI World Growth Index
Value lost of -4.1% since inception



Value lost of -366 bps in the quarter and -4.6% for the year

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Global Stock Profile

at June 30, 2012

	Harris Associates	T. Rowe Price	Global Equity Comp.	Aberdeen	MSCI World Index
Portfolio Allocations					
Portfolio Size (\$B)	37.5	37.8	75.3	3.1	24.0 T
% of structure	49.8%	50.2%	100.0%	---	---
Cash	6.7%	4.2%	5.5%	3.0%	0.0%
Style					
			SLIGHT GROWTH BIAS	NEUTRAL	
Price/Book	1.4 x	2.3 x	1.8 x	1.9 x	1.7 x
Price/Earnings (Exc. Neg. Earnings)	13.5 x	15.6 x	14.5 x	12.7 x	13.4 x
Dividend Yield	2.7%	1.6%	2.1%	3.3%	2.9%
Price/Cash Flow	7.7 x	10.2 x	8.8 x	6.2 x	7.9 x
Cap Size					
			MC OVERWEIGHT	MC UNDERWEIGHT	
Large Cap (Over \$20.1B)	62.7%	57.2%	60.0%	85.5%	66.7%
Medium Cap (\$2.9B -- \$20.1B)	37.3%	41.4%	39.4%	0.0%	32.0%
Small Cap (Under \$2.9 B)	0.0%	0.0%	0.0%	0.0%	1.1%
Market Cap Average Nlog (\$B)	57.8	66.3	62.1	90.6	81.4
Sector Weights (Red = 3% or more below index, Green = 3% or more above index)					
			SIGNIFICANT SECTOR BETS		
Information Technology	24.1	19.2	20.1	12.0	12.6
Health Care	1.6	11.4	6.6	12.6	10.7
Consumer Discretionary	24.5	12.0	18.2	1.1	10.8
Consumer Staples	4.7	11.0	7.9	19.5	11.0
Energy	1.9	8.8	5.4	14.7	10.6
Materials	6.0	4.1	5.0	4.7	6.8
Industrials	10.1	9.9	10.0	7.7	10.9
Financial	27.1	21.0	24.0	20.0	18.6
Telecommunication Services	0.0	3.6	1.8	5.7	4.2
Utilities	0.0	1.9	1.0	2.0	3.8
Sector Deviation	25	6	14	14	---
Country Allocation					
			MODERATE BETS	LARGE BETS	
United Kingdom	1.8	12.8	6.9	18.2	9.5
Total Europe Ex United Kingdom	36.1	13.0	24.5	23.9	16.6
Japan	11.8	1.5	6.5	6.4	8.9
Pacific Basin Ex Japan	---	19.2	9.6	14.3	5.6
United States	46.4	42.9	45.4	24.0	54.3
% in Emerging Market Countries	1.1	22.5	11.8	15.7	0.0
Country Deviation (Equity MV)	22.3	16.0	14.2	34.7	---
% in Non Index Countries	1.2	23.5	12.5	19.1	---
Concentration					
% in Ten Largest Holdings	40.8	16.8	22.1	35.7	11.0
Number of Holdings	39	135	165	45	1626

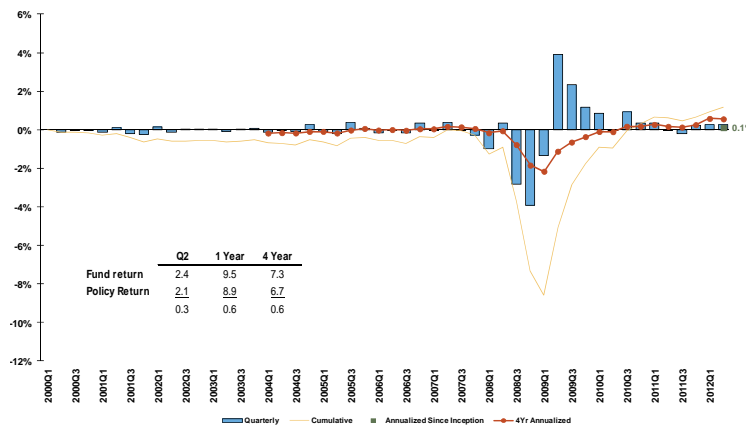
50



4. Fixed Income Funds

Diversified Bond Fund

Value Added Over Policy*
 Added Value of +2.3% over 3 years (1st Quartile)



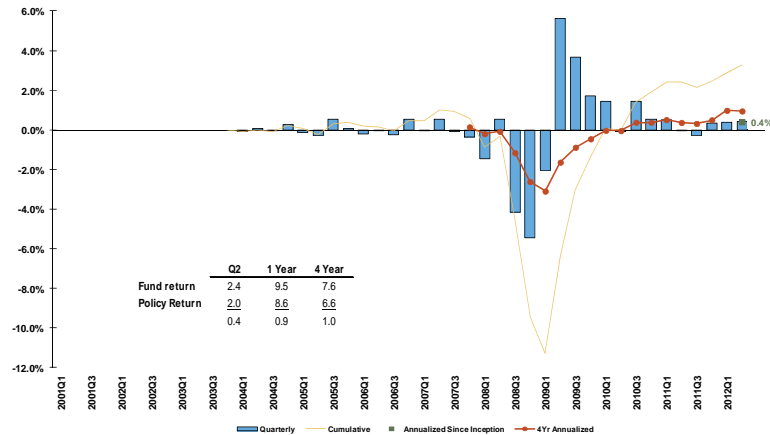
- › Outperformed the benchmark by +27 bps in Q2 and by +0.6% over the past year
- › Added value over benchmark by +0.6% over 4 years

* Policy: 66.5% DEX Universe Index, 33.5% BC Global Aggregate Hdq CAD since 01/31/07

Bonds – AllianceBernstein Core+

Value Added Over AllianceBernstein Benchmark*

Value added of +0.9% over 4 years



- › Outperformed the benchmark by +41bps over the quarter
- › Outperformed by +0.9% for the year
- › Russell rank: Hire

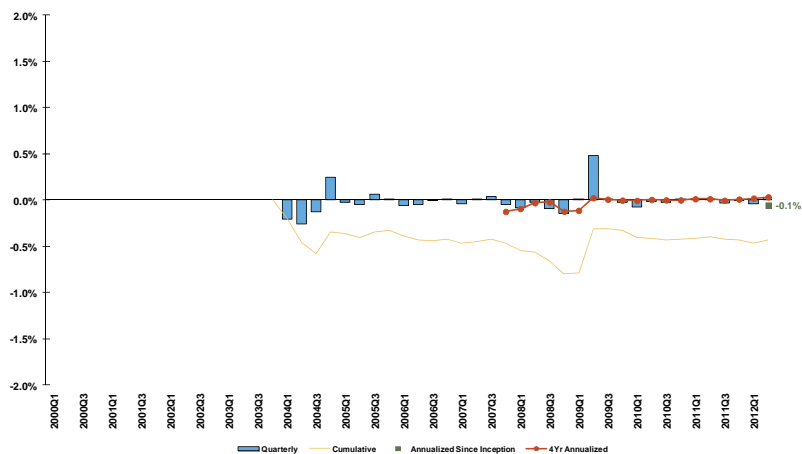
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Bonds (State Street)

Value Added Over DEX Universe

Slightly trailing benchmark since inception



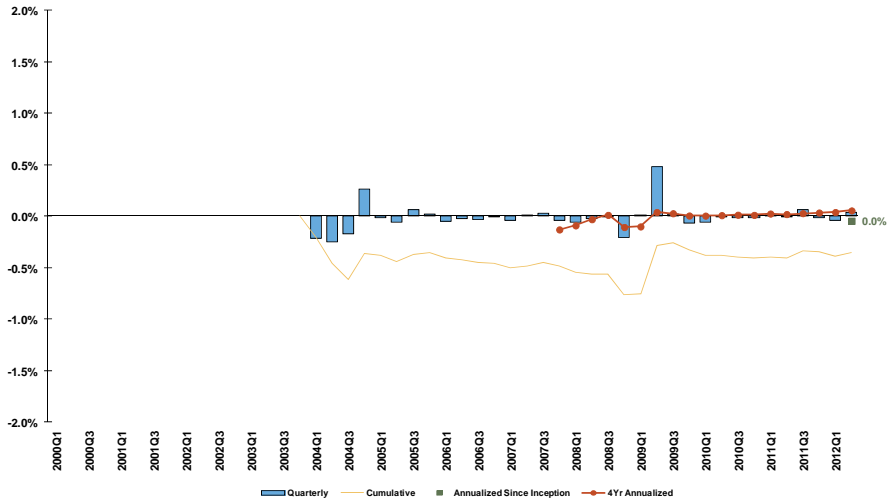
- › Just above benchmark in 2nd quarter (+3 bps)
- › Russell rank: Retain

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Russell Investments

Canadian Bond Fund - State Street

Value Added Over DEX Universe



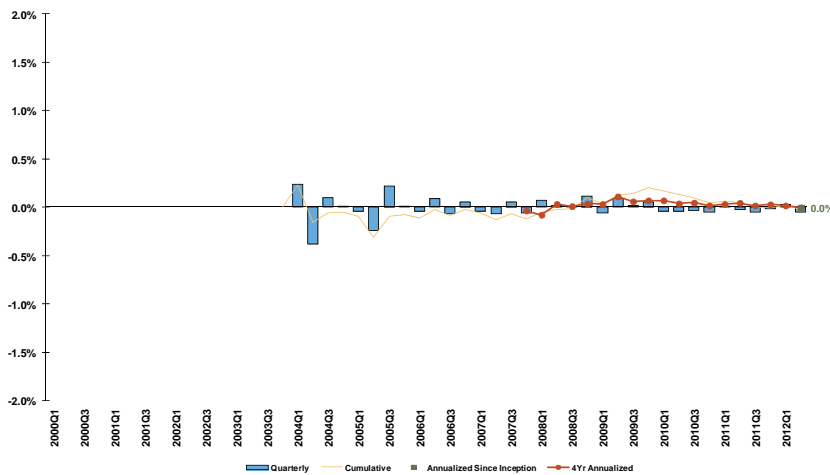
› Matched benchmark since inception

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Long Term Bond Fund – State Street

Value Added Over DEX Long Term Index
Keeping pace with the benchmark



› Russell rank: Moderate Interest

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Canadian Bond Profile* at June 30, 2012

	AllianceBernstein	StateStreet	Fund Composite**	DEX Universe
Portfolio Allocations				
Portfolio Size (\$M)	\$163.2	\$72.2	\$235.4	\$1,179.5B
% of Structure	69%	31%	100%	--
Number of Holdings	292	801	n/a	1,167
Characteristics				
	HIGHER YIELD / LOWER DURATION			
Modified Duration (Yrs)	6.3	7.0	6.5	7.0
Yield to Maturity	3.1%	2.4%	2.9%	2.3%
Term Structure (%)				
	MID TERM OVERWEIGHT			
Cash	9	0	6	0
Short (1-5 years)	36	48	39	45
Medium (5-10 years)	41	22	35	26
Long (10+ years)	15	31	20	29
Sector Weights (% of Portfolio)				
	SLIGHT CORPORATE OVERWEIGHT			
Federal Bonds	40	39	40	43
Provincial & Municipal Bonds	12	33	19	31
Corporate Bonds	31	28	30	27
Foreign Government	5	0	4	0
Foreign Corporate	2	0	1	0
Other (MBS, CMBS, ABS, etc.)	6	0	3	0
Cash	4	0	3	0
Quality:				
	LOWER QUALITY BIAS			
AAA	54	44	51	48
AA	9	23	13	21
A	19	26	21	23
BBB	17	6	14	7
Lower than BBB	2	0	1	0

*Manager supplied data

**Fund composite represents a dollar-weighted combination of the manager supplied information

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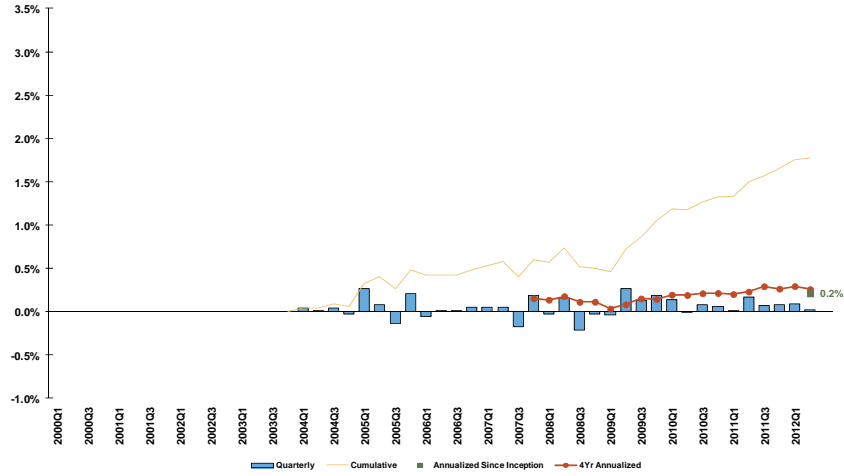
 Russell Investments

 Russell Investments

5. Money Market Fund

Money Market – State Street

Value Added Over DEX 91 Day T-Bills



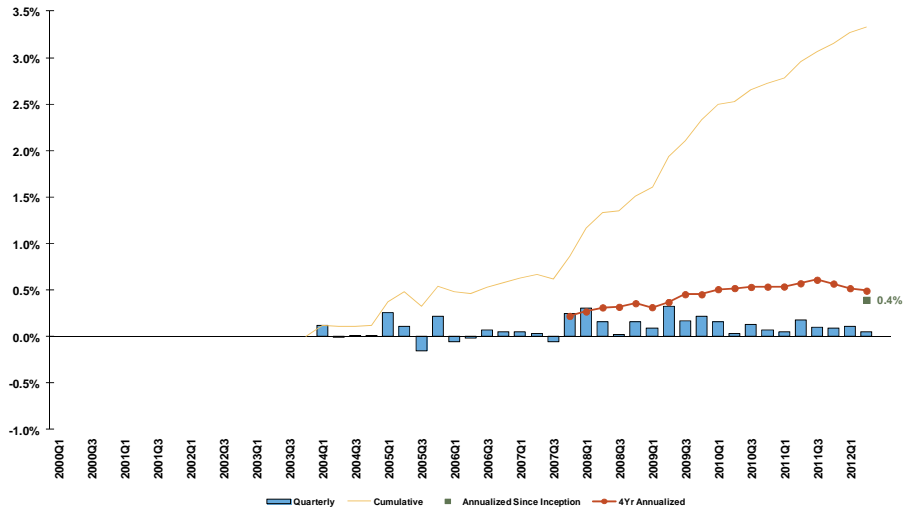
- › Slightly outperformed the benchmark by +2 bps for the quarter
- › Value added of +0.2% since inception

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Money Market – State Street

Value Added Over DEX 30 Day T-Bills



- › Secondary benchmark

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6. Target Date Funds

Target Date Funds

Portfolio Positions: June 30, 2012

A. Duration

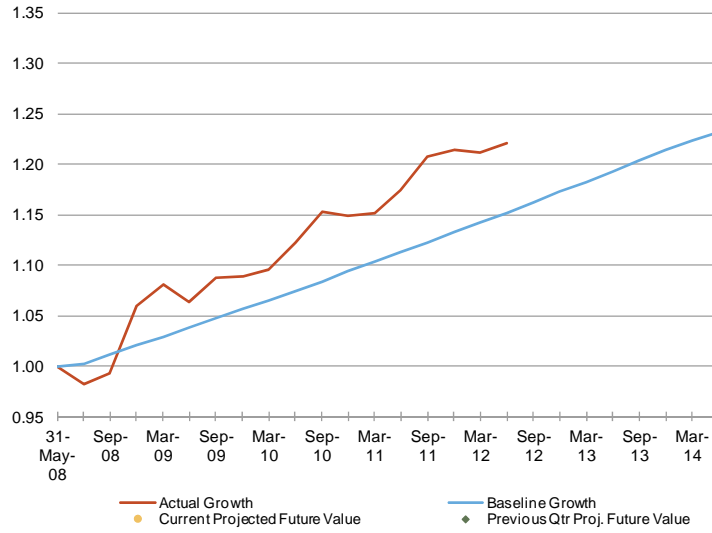
Fund	Duration		Deviation	
	Target	Actual	Actual	Maximum
June 1, 2014	1.92	1.99	0.07	0.10
June 1, 2016	3.92	3.96	0.04	0.20
June 1, 2018	5.92	5.84	-0.08	0.30

B. Dispersion

Fund	Years to Maturity	Short Term Holdings	
		Actual	Maximum
June 1, 2014	1.92	1.3%	25%
June 1, 2016	3.92	0.2%	25%
June 1, 2018	5.92	0.2%	25%

Target Date Fund Performance Tracking

June 1, 2014 Fund – Growth of a dollar

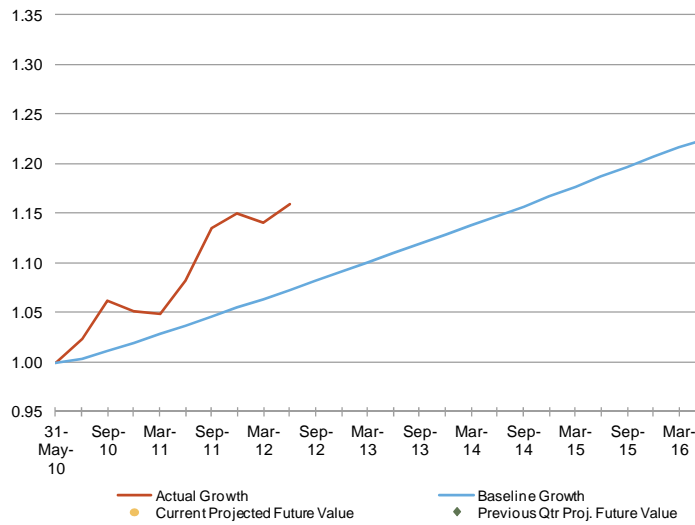


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Target Date Fund Performance Tracking

June 1, 2016 Fund – Growth of a dollar

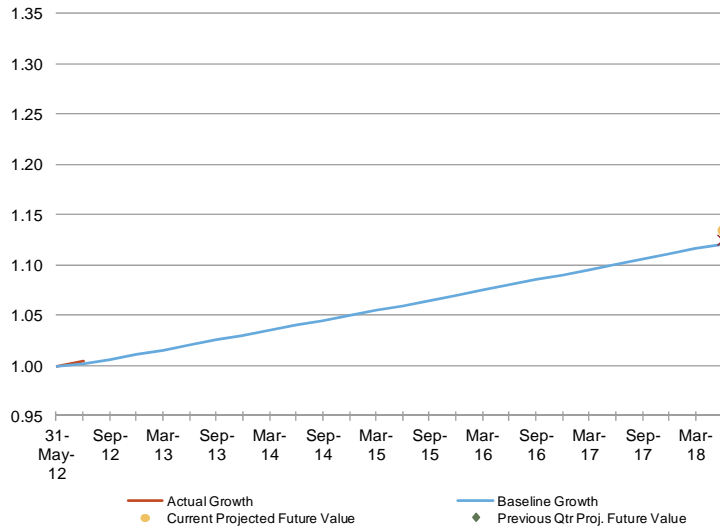


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Target Date Fund Performance Tracking

June 1, 2018 Fund – Growth of a dollar



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