

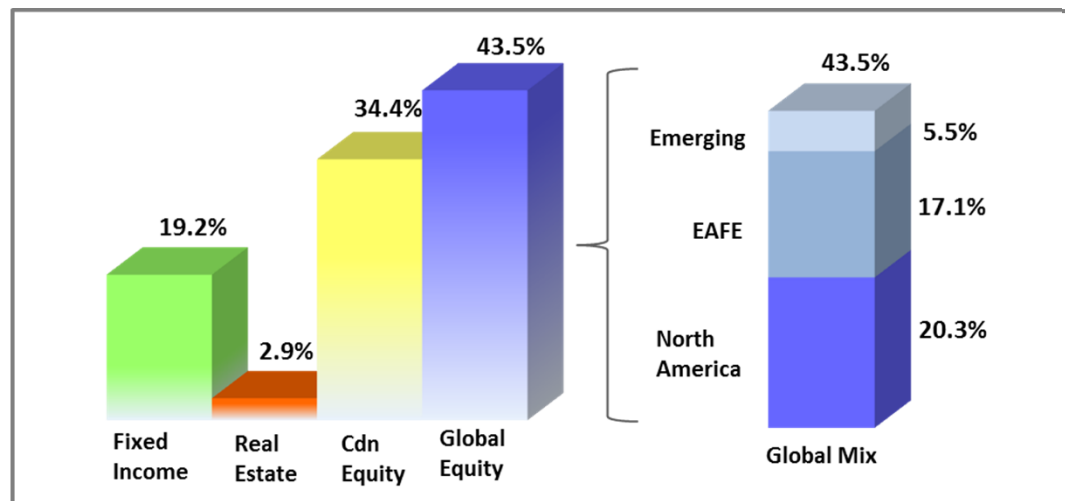
Newfoundland & Labrador Pooled Pension Fund

Quarterly Update – Third Quarter Ended September 30, 2014



Asset Mix

Current



Asset Breakdown by Pension Plan

As of September 30, 2014, net assets in the five plans participating in the Province of Newfoundland and Labrador Pooled Pension Fund were as follows:

Pension Plan	Net Assets (\$M)
Public Service Pension Plan	5,153.5
Teachers' Pension Plan	2,941.3
Uniformed Services Pension Plan	181.7
Members of the House of Assembly	20.1
Provincial Court Judges' Pension Plan	6.8
Total Assets	8,303.4

Fund Performance and Global Market Index Returns at September 30, 2014

The primary objective of the Plan's investment portfolio is to maximize returns in order to secure the promised pension benefits of the Fund.

	Quarter	YTD	Annualized Return to September 30, 2014 (%)		
			1 Year	4 year	10 year
NL Pooled Pension Fund	1.0	9.3	18.5	10.8	8.1
<i>Policy Benchmark Return</i>	<i>1.1</i>	<i>9.5</i>	<i>17.3</i>	<i>9.9</i>	<i>7.4</i>
S&P / TSX Composite Index	-0.6	12.2	20.4	7.9	8.5
S&P 500	6.1	14.0	30.2	20.0	6.8
MSCI EAFE Index	-1.2	4.1	13.8	10.2	5.5
MSCI All Country World Index	2.6	9.6	21.7	13.5	6.5
FTSE TMX Canada Universe Bond Index	1.1	5.9	6.3	4.2	5.4
ICREIM/IPD Cdn Property Index	1.4	4.3	6.8	12.0	11.5

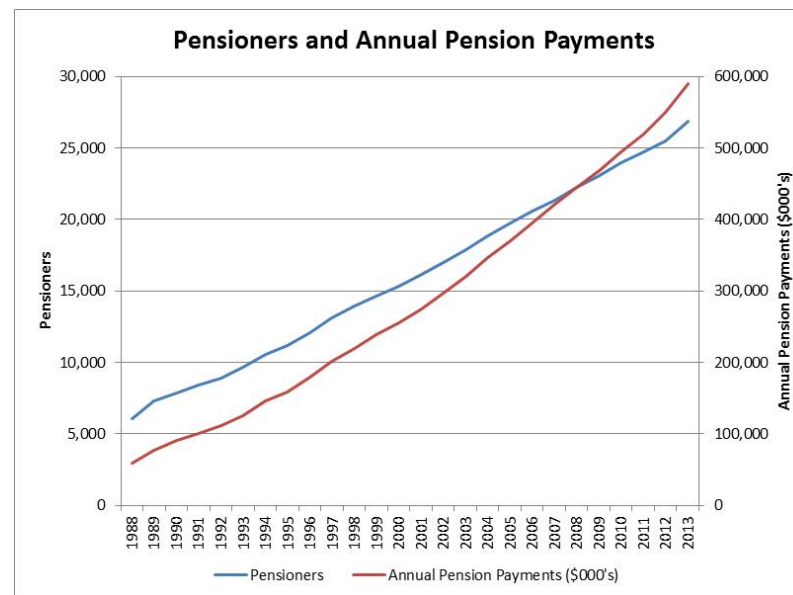
Note: The Policy Benchmark Return is defined as the return that would have been achieved had each individual asset allocation earned a return equivalent to their respective benchmark.

Top 20 Public Equity Holdings at September 30, 2014

Stock	Country	\$Million	%
TORONTO DOMINION BANK	Canada	199	2.40
ROYAL BANK OF CANADA	Canada	180	2.17
BANK OF NOVA SCOTIA	Canada	157	1.90
CANADIAN NATURAL RESOURCES	Canada	100	1.21
CANADIAN NATIONAL RAILWAY	Canada	94	1.13
CANADIAN PACIFIC RAILWAY	Canada	73	0.88
MAGNA INTL	Canada	73	0.87
MANULIFE FINANCIAL	Canada	71	0.85
TELUS	Canada	65	0.78
BROOKFIELD ASSET MGMT	Canada	62	0.74
ROGERS COMMUNICATIONS	Canada	58	0.70
CANADIAN IMPERIAL BK OF COMM	Canada	57	0.69
SUNCOR ENERGY	Canada	54	0.65
LOBLAW COMPANIES	Canada	51	0.62
CANADIAN TIRE CORP	Canada	45	0.54
VALEANT PHARMACEUTICALS INTL	Canada	44	0.53
AMAZON.COM	United States	44	0.53
POTASH CORP OF SASKATCHEWAN	Canada	42	0.51
MARKEL CORP	United States	40	0.48
SNC-LAVALIN GROUP	Canada	39	0.47

Fund Info: Historical Growth in Pensioners and Annual Pension Payments

The chart below outlines the historical growth in the number of pensioners and the annual pension payments relating to the Province of Newfoundland and Labrador Pooled Pension Fund. Since 1988, the number of pensioners has increased from 6,064 to 26,873. Pension payments have grown from \$59M to \$590M over the same period.



Investment Commentary

Despite further signs of economic strength, bond yields throughout North America continued to head lower again this quarter, resulting in healthy bond market returns. The FTSE TMX Canada Universe Bond Index posted a return of 1.1% for the quarter with the Municipal and Provincial sectors both outperforming the index and Corporate and Federal bonds underperforming. Following two quarters of strong performance, the S&P/TSX Composite Index posted a -0.6% return in the third quarter as a result of significant declines in the Energy and Materials sectors. The Consumer Staples sector outperformed the index showing a return of 12.5%. Global equity markets were fairly flat during the quarter, with the impact of the strengthening of the U.S. dollar balanced by an increase in Russian sanctions and concerns that the Eurozone recovery may be faltering. The MSCI All Country World Index posted a 2.6% return, with Health Care and Information Technology being the only positive sectors during the quarter. As a result of a five cent gain by the U.S. dollar relative to the loonie, the S&P 500 Index showed a return of 6.1% for the quarter (in Canadian dollar terms), the highest return of the indices. The ICREIM/IPD Canadian Property Index return was 1.4% for the quarter, while the one year return is strong at 6.8%.

For the quarter, the Newfoundland and Labrador Pooled Pension Fund had a positive return of 1.0%, but underperformed its benchmark by 18 basis points. For the twelve months ended September 30, 2014, the Fund generated a 18.5% return, exceeding its benchmark by 1.2% due to strong performance in the Canadian equity markets over that time frame.