

## Quarterly Financial Report

September 30, 2015

### Assets Under Management

as at September 30, 2015  
as at June 30, 2015

\$32,547 million  
\$32,862 million

### Valuation and Asset Mix

Policy Asset Mix	Sept. 30/15		Jun. 30/15		
	(\$ m)	(%)	(\$ m)	(%)	
Fixed Income	30.5%	9,843	30.2	10,516	32.2
Inflation Sensitive & Alternatives	32.0%	7,383	22.7	7,235	22.0
Canadian Equity	9.0%	3,731	11.5	3,780	11.5
Global Developed Equity*	16.0%	7,944	24.4	7,434	22.6
Emerging Markets Equity	3.5%	1,092	3.4	1,180	3.6
Global Small Cap Equity	3.0%	1,048	3.2	1,115	3.4
Private Equity	6.0%	1,318	4.0	1,295	3.9
Overlays	0.0%	187	0.6	306	0.9
	100%	32,547	100.0	32,862	100.0

\*Includes PAUS

### Performance Summary

	Q3 2015	Year to Date	1 Year	4 Years*
LAPP	-1.8%	3.3%	5.2%	10.7%
Policy Benchmark	-1.9%	2.9%	6.2%	10.5%
Excess Returns	0.1	0.4	(1.0)	0.2

NOTE: Unaudited Performance net of fees.

## Comparative Investment Performance by Calendar Years

Asset Category	Asset/Sub-asset Category	2015		Calendar Years		
	Benchmark	QTD	YTD	2014	2013	2012
Total	<b>Fund</b>	<b>(1.8)</b>	<b>3.3</b>	<b>11.4</b>	<b>11.3</b>	<b>11.1</b>
	<b>Policy</b>	(1.9)	2.9	12.9	11.0	9.5
	CPI (one month lag)	0.3	1.5	2.0	0.9	0.8
Fixed Income	<b>Asset Category Total</b>	<b>(0.0)</b>	<b>2.5</b>	<b>14.6</b>	<b>(2.8)</b>	<b>5.4</b>
	Asset Category Benchmark	0.0	2.5	14.5	(5.0)	3.9
	<b>Short Term and Cash</b>	<b>0.2</b>	<b>0.7</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>
	FTSE TMX Canada 91 day T Bill Index	0.1	0.5	0.9	1.0	1.0
	<b>Universe Bonds</b>	<b>0.4</b>	<b>3.1</b>	<b>9.8</b>	<b>0.6</b>	<b>7.5</b>
	FTSE TMX Canada Universe Bond Index	0.1	2.5	8.8	(1.2)	3.6
	<b>Long Bonds</b>	<b>(0.7)</b>	<b>2.0</b>	<b>18.8</b>	<b>(5.0)</b>	<b>5.3</b>
	FTSE TMX Canada L.T. Govt. Bond Index	(0.0)	2.5	17.9	(7.0)	4.0
	<b>Private Debt &amp; Loan</b>	<b>1.6</b>	<b>4.5</b>	<b>7.0</b>	-	-
	FTSE TMX Canada Universe Bond Index	0.1	2.5	8.8	-	-
	<b>Private Mortgages</b>	<b>1.5</b>	<b>4.2</b>	<b>9.9</b>	<b>0.4</b>	<b>4.7</b>
	FTSE TMX Canada Universe Bond Index	0.1	2.5	8.8	(1.2)	3.6
Inflation Sensitive & Alternatives	<b>Asset Category Total</b>	<b>0.8</b>	<b>4.5</b>	<b>8.3</b>	<b>6.6</b>	<b>10.5</b>
	Asset Category Benchmark	1.5	4.2	11.4	6.9	10.9
	<b>Real Return Bonds</b>	<b>(1.3)</b>	<b>2.2</b>	<b>13.5</b>	<b>(12.5)</b>	<b>3.1</b>
	FTSE TMX Canada Real Return Bond Index	(1.3)	2.0	13.2	(13.1)	2.9
	<b>Real Estate</b>	<b>1.7</b>	<b>4.5</b>	<b>8.5</b>	<b>12.3</b>	<b>15.4</b>
	IPD Cdn Bnchmk: Portfolios Valued > C\$1.5bn <sup>1</sup>	1.7	4.4	7.1	10.9	13.8
	<b>Private Income</b>	<b>0.7</b>	<b>6.6</b>	<b>7.3</b>	<b>4.2</b>	<b>7.7</b>
	Private Income Index <sup>2</sup>	3.2	4.2	20.7	17.7	10.9
	<b>Timberlands</b>	<b>0.9</b>	<b>5.7</b>	<b>(2.9)</b>	<b>28.3</b>	<b>(0.4)</b>
	Timberlands Index <sup>3</sup>	3.4	8.3	13.7	8.0	11.0
Short Horizon	<b>Asset Category Total</b>	<b>(4.0)</b>	<b>4.6</b>	<b>12.7</b>	<b>27.3</b>	<b>15.3</b>
	Asset Category Benchmark	(4.8)	2.5	12.2	24.8	11.6
	<b>Canadian Equity</b>	<b>(7.1)</b>	<b>(6.4)</b>	<b>12.4</b>	<b>15.2</b>	<b>12.1</b>
	S&P/TSX Capped Composite Index	(7.9)	(7.0)	10.6	13.0	8.2
	<b>Global Developed Equity</b>	<b>(1.2)</b>	<b>10.7</b>	<b>13.4</b>	<b>36.4</b>	<b>17.6</b>
	MSCI World Index	(1.7)	8.8	14.4	35.3	13.2
	<b>Emerging Markets</b>	<b>(10.8)</b>	<b>1.2</b>	<b>10.4</b>	<b>5.4</b>	<b>17.0</b>
	MSCI Emerging Markets Index	(11.8)	(2.2)	6.6	4.0	15.7
	<b>Small Cap Equity</b>	<b>(6.1)</b>	<b>5.7</b>	<b>9.8</b>	<b>41.9</b>	<b>1.5</b>
	Small Cap Equity Index <sup>4</sup>	(7.2)	1.9	6.6	29.3	1.8
Long Horizon	<b>Private Equity</b>	<b>(6.3)</b>	<b>(6.2)</b>	<b>7.3</b>	<b>2.0</b>	<b>12.8</b>
	Private Equity Index <sup>5</sup>	(7.1)	(1.8)	13.7	33.4	18.9
Overlays	<b>Overlays</b>	<b>3.8</b>	<b>(15.1)</b>	<b>(28.3)</b>	<b>(0.0)</b>	<b>93.7</b>

## Comparative Investment Performance by Annualized Years

Asset Category	Asset/Sub-asset Category	2015 YTD	Annualized Years			
	Benchmark		1	2	3	4
Total	<b>Fund</b>	<b>3.3</b>	<b>5.2</b>	<b>10.2</b>	<b>9.6</b>	<b>10.7</b>
	<b>Policy</b>	2.9	6.2	10.5	9.7	10.5
	CPI (one month lag)	1.5	1.3	1.7	1.5	1.4
Fixed Income	<b>Asset Category Total</b>	<b>2.5</b>	<b>6.8</b>	<b>8.5</b>	<b>4.7</b>	<b>5.7</b>
	Asset Category Benchmark	2.5	7.2	8.2	3.7	4.8
	<b>Short Term and Cash</b>	<b>0.7</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>
	FTSE TMX Canada 91 day T Bill Index	0.5	0.8	0.8	0.9	0.9
	<b>Universe Bonds</b>	<b>3.1</b>	<b>5.9</b>	<b>6.8</b>	<b>4.8</b>	<b>5.5</b>
	FTSE TMX Canada Universe Bond Index	2.5	5.3	5.8	3.4	3.9
	<b>Long Bonds</b>	<b>2.0</b>	<b>7.6</b>	<b>10.2</b>	<b>4.9</b>	<b>6.2</b>
	FTSE TMX Canada L.T. Govt. Bond Index	2.5	8.3	9.6	3.9	5.3
	<b>Private Debt &amp; Loan</b>	<b>4.5</b>	<b>6.6</b>	-	-	-
	FTSE TMX Canada Universe Bond Index	2.5	5.3	-	-	-
	<b>Private Mortgages</b>	<b>4.2</b>	<b>7.1</b>	<b>7.2</b>	<b>5.0</b>	<b>5.2</b>
	FTSE TMX Canada Universe Bond Index	2.5	5.3	5.8	3.4	3.9
Inflation Sensitive & Alternatives	<b>Asset Category Total</b>	<b>4.5</b>	<b>8.5</b>	<b>9.2</b>	<b>7.8</b>	<b>10.0</b>
	Asset Category Benchmark	4.2	7.4	9.5	8.7	10.2
	<b>Real Return Bonds</b>	<b>2.2</b>	<b>3.5</b>	<b>6.7</b>	<b>0.5</b>	<b>3.0</b>
	FTSE TMX Canada Real Return Bond Index	2.0	3.4	6.5	0.1	2.7
	<b>Real Estate</b>	<b>4.5</b>	<b>9.8</b>	<b>10.0</b>	<b>10.2</b>	<b>13.8</b>
	IPD Cdn Bnchmk: Portfolios Valued > C#1.5bn <sup>1</sup>	4.4	7.4	8.2	9.5	10.9
	<b>Private Income</b>	<b>6.6</b>	<b>10.9</b>	<b>8.9</b>	<b>7.6</b>	<b>7.3</b>
	Private Income Index <sup>2</sup>	4.2	8.4	14.9	14.7	14.8
	<b>Timberlands</b>	<b>5.7</b>	<b>6.1</b>	<b>11.0</b>	<b>10.3</b>	<b>8.1</b>
	Timberlands Index <sup>3</sup>	8.3	11.4	13.0	10.6	12.5
Short Horizon	<b>Asset Category Total</b>	<b>4.6</b>	<b>5.4</b>	<b>14.1</b>	<b>15.9</b>	<b>16.1</b>
	Asset Category Benchmark	2.5	4.7	12.3	14.0	13.8
	<b>Canadian Equity</b>	<b>(6.4)</b>	<b>(7.7)</b>	<b>6.5</b>	<b>7.6</b>	<b>8.9</b>
	S&P/TSX Capped Composite Index	(7.0)	(8.4)	5.0	5.7	6.9
	<b>Global Developed Equity</b>	<b>10.7</b>	<b>12.4</b>	<b>18.8</b>	<b>21.1</b>	<b>20.9</b>
	MSCI World Index	8.8	13.9	17.9	20.4	19.0
	<b>Emerging Markets</b>	<b>1.2</b>	<b>2.5</b>	<b>7.9</b>	<b>7.9</b>	<b>9.2</b>
	MSCI Emerging Markets Index	(2.2)	(3.2)	4.8	5.0	6.4
	<b>Small Cap Equity</b>	<b>5.7</b>	<b>7.1</b>	<b>14.6</b>	<b>19.9</b>	-
	Small Cap Equity Index <sup>4</sup>	1.9	3.1	9.1	12.9	-
Long Horizon	<b>Private Equity</b>	<b>(6.2)</b>	<b>(11.0)</b>	<b>(1.3)</b>	<b>1.6</b>	<b>1.8</b>
	Private Equity Index <sup>5</sup>	(1.8)	2.4	10.6	15.5	17.8
Overlays	<b>Overlays</b>	<b>(15.1)</b>	<b>(35.1)</b>	<b>(18.1)</b>	<b>(8.9)</b>	<b>12.6</b>

1. *IPD Large Institutional Index: one quarter lag.*
2. *Private Income Index: S&P Global Infrastructure (Hedged C\$)+1%*
3. *Timberlands Index: 50% DEX Real Return Bond/50% MSCI World (Hedged C\$)+1.5%*
4. *Small Cap Equity Index: 1/3 S&P/TSX Small + 2/3 MSCI Small Cap.*
5. *Private Equity Index: MSCI World (Hedged C\$)+3%.*