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Saint Mary's University Pension Plans

March 31, 2007 Investment Performance Report

June 12, 2007





Saint Mary's University Pension Plans Highlights

For the year ending March 31, 2007:

- Pension Plans assets grew by 10.4%, to \$106.4M from \$96.4M
 - Growth due to contributions and overall positive market performance



Gross Performance to March 31, 2007

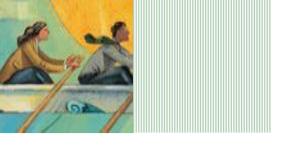
Money Market (McLean Budden) (2.8% of funds)

Period	Fund Return	Value Added	Quartile Ranking
1 Year	4.1%	-0.1%	Q3
3 Years	3.1%	0.1%	Q3
5 Years	3.0%	0.1%	Q2



Gross Performance to March 31, 2007 Canadian Equity (Barclays Global Investors) (24.7% of funds)

Period	Fund Return	Value Added	Quartile Ranking
1 Year	12.1%	-2.1%	Q3
3 Years	19.6%	+0.8%	Q2
5 Years	14.8%	+1.1%	Q2



Gross Performance to March 31, 2007

International Equity (UBS) (16.9% of funds)

Period	Fund Return	Value Added	Quartile Ranking
1 Year	17.3%	-2.1%	Q3
3 Years	12.4%	-2.8%	Q4
5 Years	6.7%	-2.2%	Q4



Gross Performance to March 31, 2007

Index (passive) Funds (bonds: 31.8%; US equity: 16.4% of funds)

Period	Fixed Income (Bonds)	US Equity
1 Year	5.5%	10.6%
3 Years	5.1%	5.4%
5 Years	7.0%	-0.4%



But what about net performance?

- As per our last fee analysis, total annual fees average approximately 0.37% of assets invested
- Based on comparison with other similar plans in Mercer database, fees are competitive
- Compared to what is typically charged for retail mutual funds, fees are very competitive



Saint Mary's University Pension Plans Highlights

Changes to the pension plan:

EAFE Equity
Money Market
US Equity

Prior to
March 26, 2007

UBS

McLean Budden

BGI US Taxable version

March 26, 2007

Acadian

Connor, Clark & Lunn

BGI Registered
Investors version

After



Changes to the Investment Platform

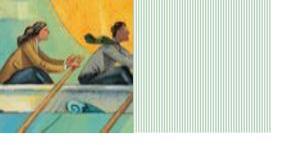
- International equity manager was replaced due to poor performance
- Money market manager was replaced to achieve more competitive investment management fees
- The U.S. Equity Fund has been changed to the "registered investors version":
 - Investors will obtain a tax advantage by not paying to US tax on dividends
 - More competitive investment management fees



Saint Mary's University Pension Plans Highlights

Changes to the SMU Portfolios:

- Equity/Fixed Income weights reviewed
- Domestic/foreign equity weight reviewed
- Money Market Fund removed



Changes to the SMU Portfolios Fixed Income/Equity allocation review

- Why revise Fixed Income/Equity allocation?
 - Optimize risk return trade off
 - Better match member's typical risk profiles



Changes to the SMU Portfolios Domestic/foreign equity allocation review

- Why revise domestic/foreign equity allocation?
 - Canadian equities represent 4% of global equity capitalization
 - Canadian market is sector and stock concentrated
 - Foreign exposure (equity and currency) adds diversification benefits



Changes to the SMU Portfolios Domestic/foreign equity allocation review

 The Canadian market has much higher exposure to commodity related industries and financial services relative to the global economy.

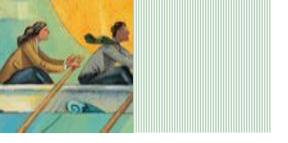
	Percent (%)				
30-Jun-06	S&P/TSX	S&P 500	MSCI EAFE	MSCI World	
Energy	30.9%	10.2%	8.1%	9.9%	
Materials 76.8%	16.8%	3.1%	8.5%	6.1%	
Industrials	5.4%	11.7%	10.8%	10.8%	
Consumer Discretionary \	4.8%	10.2%	11.9%	11.3%	
Consumer Staples	2.7%	9.6%	7.6%	8.0%	
Health Care	1.1%	12.3%	7.8%	9.7%	
Financials	29.1%	21.4%	29.3%	25.6%	
Information Technology	3.3%	14.9%	5.7%	10.4%	
Telecommunications	4.4%	3.3%	5.2%	4.2%	
Utilities	1.4%	3.4%	5.1%	4.1%	



Changes to the SMU Portfolios Domestic/foreign equity allocation review

Canada is also noticeably more concentrated at the individual security level.

	Percent (%) of Total Index			
	TSX	S&P 500	MSCI EAFE	MSCI World
30-Jun-06				
Top 5 holdings:	19.2	12.0	8.0	5.9
Top 10 holdings:	31.5	19.3	13.6	9.8
31-Dec-04				
Top 5 holdings:	20.9	13.2	9.4	7.1
Top 10 holdings:	34.7	21.4	15.7	11.4
31-Dec-02				
Top 5 holdings:	22.0	14.5	11.4	8.5
Top 10 holdings:	35.6	23.7	19.1	14.2
31-Dec-99				
Top 5 holdings:	36.4	16.8	10.2	9.9
Top 10 holdings:	45.9	35.4	17.1	15.5
31-Dec-96				
Top 5 holdings:	17.1	N/A	7.5	6.0



Overall changes to the SMU Portfolios

Old Asset Allocation

New Asset Allocation

Conservative Portfolio	37% Money Market 43% Bond 10% Canadian Equity 5% US Equity 5% EAFE Equity	FI: 80% Eq.: 20%	0% Money Market 70% Bond 10% Canadian Equity 10% US Equity 10% EAFE Equity	FI: 70% Eq.: 30%
Moderate Portfolio	7% Money Market 53% Bond 22% Canadian Equity 9% US Equity 9% EAFE Equity	FI: 60% Eq.: 40%	0% Money Market 50% Bond 16% Canadian Equity 17% US Equity 17% EAFE Equity	FI: 50% Eq.: 50%
Balanced Portfolio	5% Money Market 35% Bond 32% Canadian Equity 14% US Equity 14% EAFE Equity	FI: 40% Eq.: 60%	0% Money Market 40% Bond 20% Canadian Equity 20% US Equity 20% EAFE Equity	FI: 40% Eq.: 60%



Overall changes to the SMU Portfolios

Old Asset Allocation New Asset Allocation

Growth Portfolio	0% Money Market 20% Bond 52% Canadian Equity 14% US Equity 14% EAFE Equity	FI: 20% Eq.: 80%	0% Money Market 30% Bond 22% Canadian Equity 24% US Equity 24% EAFE Equity	FI: 30% Eq.: 70%
Aggressive Portfolio	0% Money Market 0% Bond 72% Canadian Equity 14% US Equity 14% EAFE Equity	FI: 0% Eq.: 100%	0% Money Market 20% Bond 26% Canadian Equity 27% US Equity 27% EAFE Equity	FI: 20% Eq.: 80%



Risk Warning

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