

CEO Jim Leech on 2012 performance.

Jim Leech

2012 is a very strong year for Teacher's. From the investment perspectives we earned 13%. That's 2% higher than if we invested generally in the market. Our 10 year record is 9.6% and you have to remember that includes 2008 the financial crisis. A fantastic recovery by our investment team over the last 4 years. We started 2012 with a preliminary deficit of approximately 10 billion dollars, the sponsors addressed that, eliminated it by expanding conditional inflation protection to 100%. Going forward, we can expect that the economic headwinds and the change in demographic will continue to challenge the fund. In fact in 2013 we have reported that there is a small deficit. I'm very confident that this Plan is in the strong position. We have 130 billion dollars of assets that are widely diversified. We have the investment team that has an outstanding record, a global record of being able to produce returns for the member and finally we have two sponsors that the Ontario Teacher's Federation and the Ontario government whose are actively engaged, proactively taking actions to address the challenges that this fund may face in the future. Therefore I'm very confident that we're on a solid footing.