

2011 Spring Information Meeting, April 19, 2011

Thank you John ... and good morning everyone.

My purpose today is to assure you that the OMERS management team is focused on the Plan's core objective ... to deliver risk-adjusted investment returns and best – in - class plan member services to meet the pension promise ... that is our commitment to you.

To meet this core objective OMERS continues to build an efficient and effective business model ... that includes an investment strategy ... a member services program... innovation initiatives ... and best in class governance.

On the investment side, our strategy is based on prudent leverage to achieve returns in the 7 to 11 % range.

To achieve this range of investment returns, the business model is shaped by our asset mix policy which treats private market investments with the same attention as public market investments.

The business model is also shaped by a commitment to direct drive active management of OMERS investments ... which means we have direct control of our portfolio investments.

[PAUSE]

Is this investment strategy working?

OMERS progress is best measured over the seven years since the Board approved a policy target that allocated 37.5% of capital to private markets in 2004, which was then increased to 47% in 2009 ... and a commitment to direct drive active management.

Shifting capital from public to private markets takes time ... quality private market assets are difficult to source and harder to investigate and structure.

Also changes in annual asset mix occur slowly when increased investments in private market assets are offset by significant growth in the public markets ... and a significant in-flow of cash flow from our existing private market investments.

As a result of this change in asset mix and the shift to active management since 2004, underpinned by the prudent use of leverage,

- private market assets have more than doubled from 18% to 40%;
- the private market assets have outperformed the public market assets; and
- the 7-year annualized return is 8.1%, including the impact of our negative 15% return in 2008 as a result of the global credit crisis ... well above the plan's long-term funding requirement.

[PAUSE]

Many investors have followed OMERS lead in allocating a larger portion of capital to private market assets following the 2008 credit crisis.

The 20 largest North American and European plans now average 16% exposure to private markets – versus 9% in 2008 -- and the 20 largest sovereign wealth funds now average 19% versus 10% in 2008.

The consequence of our investment strategy is that we are unlikely to gain as much from a stock market surge as plans that have chosen a higher weighting to public equities ... or plans that have a risk appetite for much higher leverage in their investments.

On the flip side, we are less likely to suffer significant losses in the event of a sharp market downturn or major increases in interest rates.

[PAUSE]

I'd like to turn now to member services.

Our pension services team continues to earn accolades from employers, employees and retirees for quality, efficiency and timeliness.

In particular, I applaud the actuarial unit in Pension Services, which worked closely throughout 2010 with the Sponsors Corporation as it made its difficult decisions on the temporary contribution rate

increases to deal with the funding deficit resulting from the 2008 global credit crisis.

[PAUSE]

OMERS business model is further shaped by a culture of innovation.

One such innovation is the development of our pension services team into a business-like and innovative business unit.

For instance ... Pension Services is well advanced in expanding member services with the launch of the AVC's program on January 1, 2011 ... and the resulting capital in-flow to OMERS in these early days is encouraging.

Other successful innovative initiatives by the Pension Services include a number of regulatory changes embedded in Bills 120 and 236 that are too numerous to mention here ... gaining solvency exemption for the Plan ... opening the OMERS Act to provide plan eligibility to all employees of our Investment Entities.

[PAUSE]

Another innovation was the creation of the OMERS Worldwide office in London. It has far exceeded expectations and has put OMERS on the map as a serious international player.

The London-based infrastructure and real estate teams have earned the respect of competitors with big wins, while the private equity team has credibility as a competent and well-capitalized contender.

The success of the London office is also reflected in our ability to attract talent, with 18 of the 21 professionals being new to OMERS and skilled in a range of languages.

Our investment teams have also scored important successes in the United States from home office in Toronto, but will gain momentum as we formally establish a presence in New York later this year.

Our disciplined investment strategy is also attracting Canadian pension plans interested in co-mingling their capital with us ... or investing under investment contracts that will receive the OMERS total Fund return ... or the returns earned by our specialized teams at Borealis Infrastructure, Oxford Properties and OMERS Private Equity.

We expect to sign the first investment contracts in 2011.

A further example of innovation is our Global Strategic Investment Alliance concept.

Non-Canadian pension plans, sovereign wealth funds and other capital pools are showing significant interest in investing with OMERS in large-scale infrastructure and real estate alpha assets under this concept.

Again, we expect firm capital investments from investors starting in

2011.

[PAUSE]

Finally, what about the governance relationship between OMERS Management and the Board?

In recent years, the OMERS culture has strengthened in fundamental ways under the positive relationship between the Board and Management.

The OMERS culture is rooted in values and principles that we call OMERS DNA. Among them are:

- clear accountability to the Board,
- senior executive collaboration on an enterprise-wide basis,
- investing only in assets and strategies that Management can explain to the Board,
- being a preferred employer, and
- applying performance-based incentives to attract the best and brightest professionals to OMERS.

The Board and Management operate as “one team” in debating and resolving our strategic direction and major decisions that impact OMERS.

Each executive understands that he or she is responsible for the success of the entire organization and not simply his or her own area of speciality.

Similarly, governance at the Board level is clear, underpinned by mandates to Board committees that facilitate effective board governance.

Employee engagement is more enthusiastic and productive than it has ever been.

As John Sabo mentioned, OMERS ranks as the 13th best employer in Canada. Four years ago, it did not make the top 50 list.

Employees are not only deeply engaged in performing their duties; there is enterprise-wide support for charitable and community events that motivate their commitment to and pride in OMERS.

[PAUSE]

In conclusion ... the principal goal of our management team is to secure the funded status of the Plan ... and beyond that to regain surplus wealth.

The entire organization is committed to this endeavour so that we deliver what members and sponsors expect --- secure retirement income at affordable cost.

Thank you, and I look forward to answering all of your questions at the end of the formal presentations.

I would now ask David Estabrooks, OMERS Senior Vice President of Finance, to provide details of our 2010 results. David is making the presentation in place of Patrick Crowley, OMERS Executive Vice President and Chief Financial Officer, who is away for medical reasons.

David
