

University of Toronto Pension Results to June 30, 2013

December 2013

Purpose of Reports

- Annual financial report brings together information on defined benefit plan, including assets, liabilities and deficit, in a historical context. The financial statements and excerpts from the actuarial reports are included as appendices to the report.
- Actuarial reports provide an estimate of liabilities, which are pension benefits earned for service up to the valuation date, and an estimate of the cost of new benefits being earned.
- Audited financial statements provide an audited confirmation of the fair value of the assets on hand to the valuation date and of the pension liabilities to be met.

Governance

- Annual financial report, including audited financial statements and actuarial report excerpts as appendices, is approved by the Pension Committee, and provided for information to the Audit Committee and the Business Board.
- Audited financial statements are recommended by the Audit Committee to the Pension Committee for approval by the Pension Committee.
- Actuarial reports are approved by the Pension Committee.

Going Concern Results for the Year (millions of dollars)

\$1,006.0 Going concern deficit at July 1, 2013 (RPP, RPP(OISE), SRA)

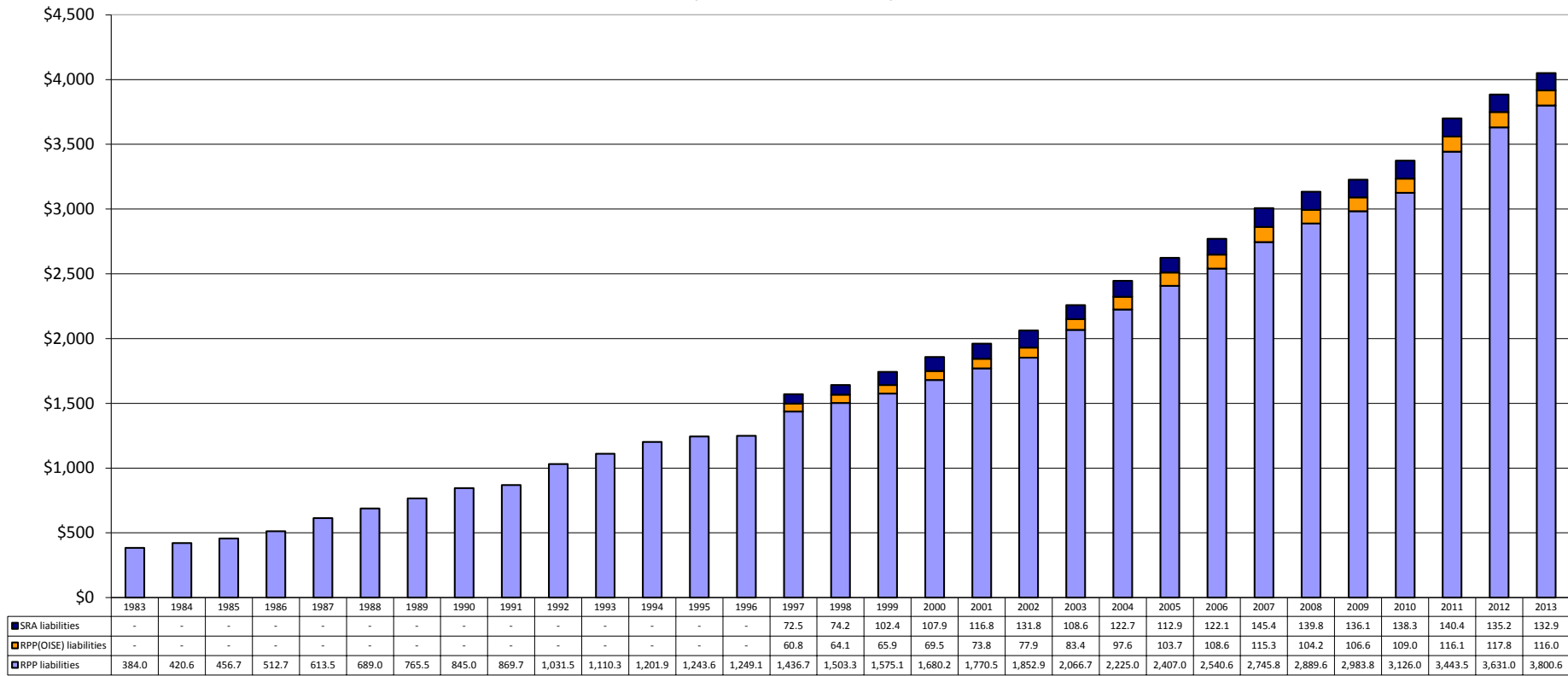
\$1,178.3 Going concern deficit at July 1, 2012 (RPP, RPP(OISE), SRA)

\$ 172.3 Decrease in going concern deficit.

Mainly due to investment returns of 12.1%, higher than nominal target return of 5.2% and special contributions of \$66.6 million partly offset by actuarial assumption changes.

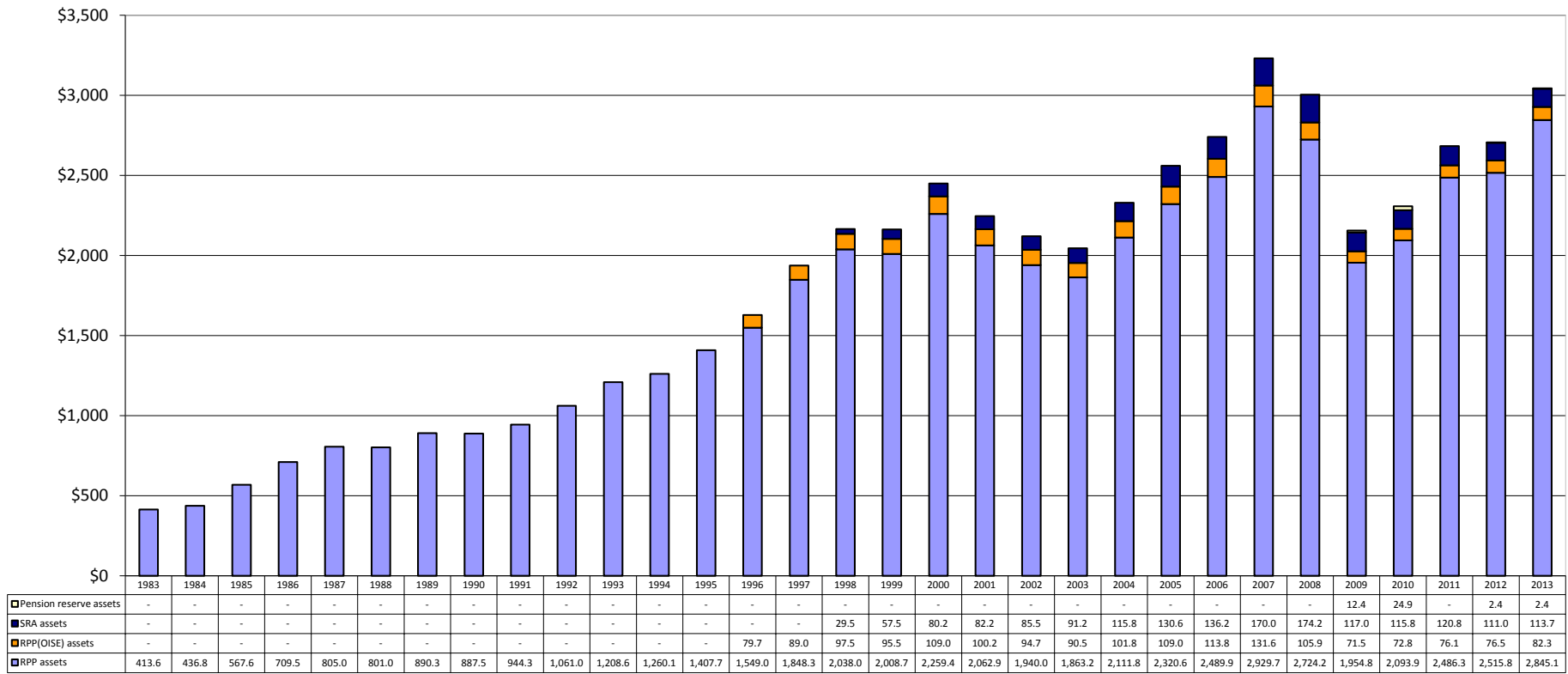
Going Concern Pension Liabilities

Going Concern Pension Liabilities
RPP, RPP(OISE) and SRA
at July 1
(millions of dollars)



Market Value of Pension Assets

Market Value of Pension Assets ^{1, 2}
at June 30
(millions of dollars)

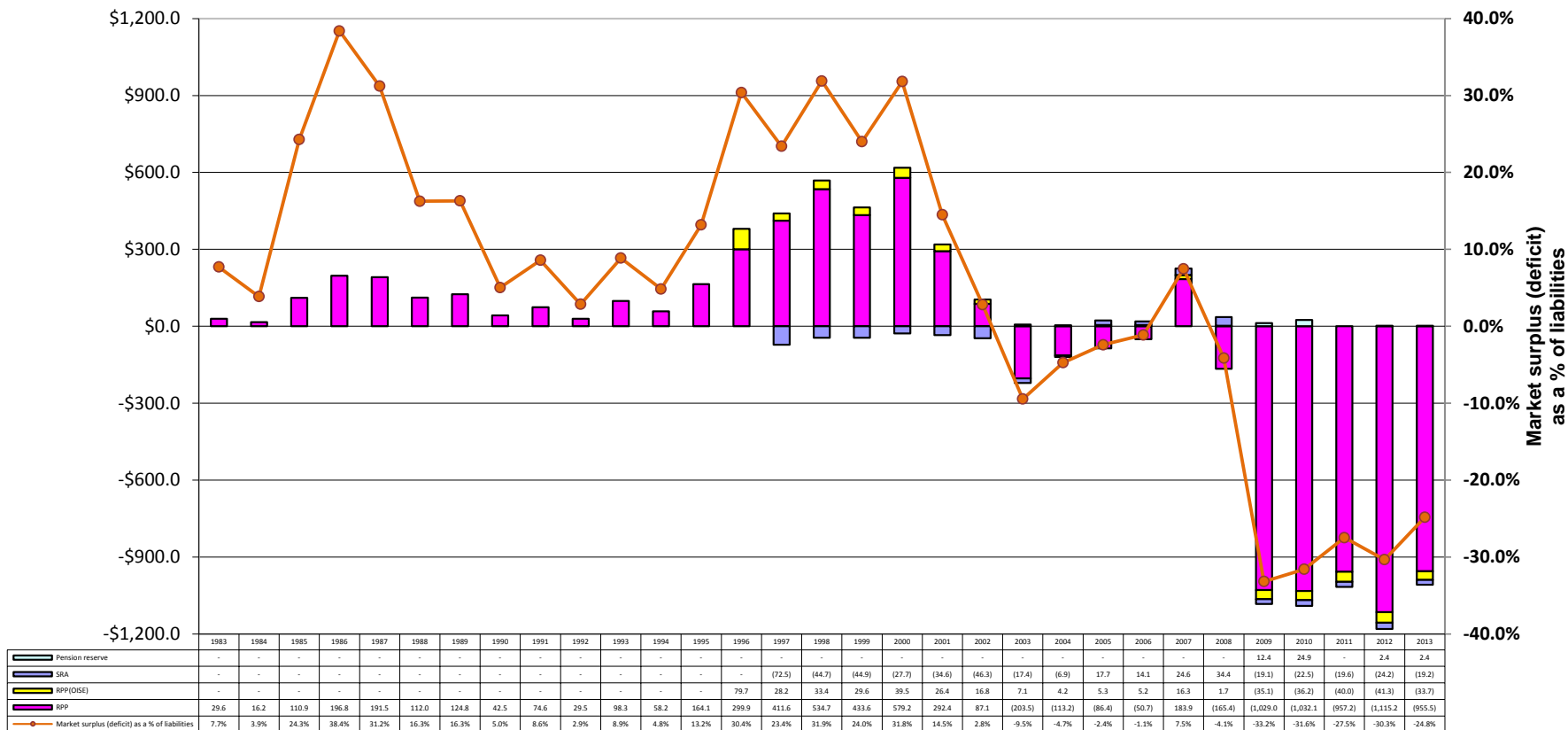


¹ Including partial wind-up members in RPP(OISE) assets in years up to 2007

² Pension reserve assets were transferred to the RPP in 2011.

Going Concern Market Surplus (Deficit)

Going Concern Market Surplus (Deficit)
as at July 1
(millions of dollars)



Solvency Results for the Year

(millions of dollars)

\$1,363.8 Solvency deficiency July 1, 2013 (registered plans)
\$1,811.0 Solvency deficiency July 1, 2012 (registered plans)
\$ 447.2 Decrease in solvency deficiency

Mainly due to current long-term bond rates used to discount liabilities rose from 3.05% at July 1, 2012 to 3.45% at July 1, 2013.