

## Performance Review

Period ending  
December 31, 2011



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88 East Broad Street, Suite 1175 Columbus, OH 43215 (614)228-1346



650 California Street  
17<sup>th</sup> Floor  
San Francisco, CA 94108 USA

Tel +1 415 312 7257

[milliman.com](http://milliman.com)



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# COMPARATIVE PERFORMANCE STUDY

## PERIOD ENDING DECEMBER 31, 2011

### Introduction

Milliman, Inc is pleased to present to the Council the most recent results of our ongoing, semi-annual comparative study of the performance of the six Ohio Statewide funds. The purpose of this comparative report is to provide the framework for dialogue with the retirement systems and to assist the Council in meeting its oversight responsibilities. As is our practice, this report reflects investment performance for all of the retirement systems over the ten-year period beginning January 1, 2002 and ending December 31, 2011.

An important value of this type of report is its ability to provide an “apples to apples” comparison of the systems’ investment results. Such a comparison is possible, since all of the systems are subject to the same investment standards and restrictions and have been so from their inception. In light of the fact that rate of return calculations are extremely sensitive to time period differences, it is critical that any comparative study be done with a consistent time frame, as was done in this report. This report covers the past one-year period, and as a follow up to this report, data for the period ending June 30, 2011 will be provided under separate cover.

As is common practice when examining pension fund results we make reference, throughout the report, to such things as quartile rankings and universe comparisons. The universes used for comparative purposes in the body of the report are those of the InvestorForce Performance Measurement Platform. The comparisons are formulated by pooling data from a wide range of investment consulting firms and they provide a statistically valid measure of results relative to a large sample. Milliman uses the InvestorForce Plan Universes, as compared to the BNY Mellon Plan Universes used by Evaluation Associates in previous reports. With over 3,000 plans and \$4 trillion in assets under advisement on the InvestorForce platform, the InvestorForce plan universes are the most robust and timely universes available in the industry.

While the entire measurement period for this report, as mentioned above, is ten years, certain exhibits contained within the report reference shorter periods. When a shorter period is used for comparison purposes it is because that particular exhibit refers to a standard comparative reference period such as the past three or five years.

In order to put performance in the proper context, it is important to understand the historical evolution of the investment restrictions imposed on the funds by statute. Prior to 1993 and the passage of S.B. 43, the investment authority of the funds was severely limited. Only 35% of each fund’s assets could be invested in common stock and individual stock purchases were limited to domestic securities specified by a legal list. S.B. 43 expanded the legal list to include American Depository Receipts (ADRs), commingled stock investment funds, derivative instruments and real estate investment trusts (REITs). More importantly, the act permitted the funds to invest up to 50% of their total assets in U.S. stock and 10% in foreign stocks, bonds, and other obligations.

In March 1997, S.B. 82 abolished the legal list and adopted the “prudent person rule.” The funds’ investment authority under this act is expanded to allow any individual investment, so long as the overall portfolio is diversified. This allows for responses to changes in the economy and investment markets and reliance on professional investment managers and economic advisors to guide the decision-making process. Along with this expansion of investment authority, however, comes the requirement of prudence and diligence in the development of guidelines, benchmarks, and objectives, and importantly, mandates ongoing monitoring by those with fiduciary responsibility.

The majority of pension assets, in both the public and private sector, are managed with “prudent person” guidelines, which is to say largely without minimums or maximums placed on individual asset classes or securities. This approach, currently in place in the Ohio systems, is the optimal way to manage fund assets. It gives each fund the ability to develop an asset allocation strategy that is likely to maximize expected return while minimizing risk, all relative to the need to fund future obligations. Such an approach is fully consistent with the primary mandate of any pension fund – management that is in the best interest of plan participants.

Each of the Ohio systems has established separate investment policies and investment programs for their plans. The Ohio State Teachers Retirement System (STRS) manages approximately 80% of total assets internally, Ohio Public Employees Retirement System (PERS) manages approximately 60% of total assets internally, while the OP&F, SERS, and HPRS investment programs employ external managers for 100% of their assets.

As of January 1, 2005, the Public Employees Retirement System (PERS) implemented a new structure for its assets. Approximately \$11 billion was segregated into a new fund (with a separate asset allocation policy) solely for the purpose of funding health care obligations.

The policy target (asset allocation) for the remaining pension assets was also modified, reflecting the different risk and return objectives of the newly segregated health care fund. Our report reflects these changes by separating the two PERS asset pools whenever appropriate. Additionally, the PERS DB and HC Plans now report their fixed income portfolios in segments, versus the “global fixed income” portfolios of the other plans. Where appropriate, these segments are shown separately.

Our findings may be summarized as follows:

- During the third and fourth quarters of 2011, the financial markets had strong swings. As a gauge of the marketplace, the Wilshire 5000 returned -4.8% and the MSCI EAFE returned -16.2% for the last two quarters of 2011. The global economic recovery appears to be underway fueled by better-than-expected corporate earnings, mostly favorable economic data and an increase in M&A activity. Clouding the global economic picture was the worsening financial condition of peripheral European countries including Ireland, Portugal and Spain. Despite persistently high U.S. unemployment, investor sentiment also improved.
- The Ohio Statewide fund returns for the six-month period ranged from -6.2% (HPRS) to -3.8% (STRS). Three of six systems outperformed their respective policy index for the six-month period. The best relative performers were PERS(DB) (-4.5%) and STRS

(-3.8%), outperforming their benchmarks by 170 and 50 basis points, respectively. STRS was the best absolute performer, with a loss of -3.8% over the last two quarters, and outpacing its benchmark by 50 basis points. PERS(HC) returned -5.1% and outperformed its benchmark by 0.2%, SERS returned -4.8% and matched its benchmark, OP&F returned -3.9% and trailed its benchmark by 50 basis points. HPRS had the worst absolute and relative performance, returning -6.2%, and trailing its benchmark by 120 basis points.

- In comparison to a broad universe of other public retirement systems (the InvestorForce All Public Defined Benefit Universe), all plans ranked below the median for the six-month period ending December 31, 2011. STRS ranked in the 54<sup>th</sup> percentile, followed by OP&F which ranked in the 56<sup>th</sup> percentile. PERS(DB) ranked in the 66<sup>th</sup> percentile, SERS ranked in the 68<sup>th</sup> percentile, PERS (HC) ranked in the 76<sup>th</sup> percentile, and HPRS ranked in the 89<sup>th</sup> percentile.
- For the one-year period ending December 31, 2011, PERS DB (+0.6%) outperformed its benchmark by 150 basis points. STRS (+1.6%) outperformed its benchmark by 80 basis points. PERS HC (-0.4%) outperformed its benchmark by 30 basis points, OP&F (+2.5%) outperformed its benchmark by 10 basis points, SERS (-0.1%) matched its benchmark, and HPRS (-2.9%) underperformed its benchmark by 410 basis points. Against their peers in the InvestorForce All Public Defined Benefit Universe, two of six plans placed above the median, with OP&F placing in the 17<sup>th</sup> percentile among its peers, and STRS ranked in the 27<sup>th</sup> percentile. PERS DB ranked in the 51<sup>st</sup> percentile, SERS ranked in the 53<sup>rd</sup> percentile, PERS HC ranked in the 62<sup>nd</sup> percentile, and HPRS ranked in the 94<sup>th</sup> percentile.
- On a three-year basis, OP&F and PERS DB & HC were the best relative performers, with OP&F leading its benchmark by 110 basis points, and PERS DB & HC beating their benchmarks by 60 basis points. STRS beat its benchmark by 20 basis points, SERS matched its benchmark, and HPRS trailed its benchmark by 80 basis points. Comparing the three-year returns of the systems to the InvestorForce All Public Defined Benefit Universe, only one plan ranked below the median. OP&F ranked in the 13<sup>th</sup> percentile, PERS HC ranked in the 17<sup>th</sup> percentile and STRS ranked in the 36<sup>th</sup> percentile. The PERS DB plan ranked in the 38<sup>th</sup> percentile, HPRS ranked in the 39<sup>th</sup> percentile, and SERS ranked in the 70<sup>th</sup> percentile.
- For the five-year period, three of the six systems outpaced their respective policy benchmarks, with OP&F and PERS DB outperforming their benchmark by 100 and 30 basis points, respectively. In comparison to the InvestorForce All Public Defined Benefit Universe, OP&F (+2.7%) ranked in the 66<sup>th</sup> percentile, while PERS HC (+2.3%) ranked in the 69<sup>th</sup> percentile. PERS DB (+1.6%), STRS (+1.4%), HPRS (+1.0%), and SERS (+0.7) all ranked in the fourth quartile.
- Over the five and ten-year periods all plans trailed their actuarial interest rate, but over the trailing three-year period, all plans were above their actuarial interest rates. The actuarial rates for the plans are as follows: PERS DB (8.0%), PERS HC (6.7%), STRS (8.0%, but recently revised down to 7.75%), OP&F (8.25%), SERS (7.75%), and HPRS (8.0%). Over the ten-year period, three of the five plans outperformed their policy benchmarks. STRS (+5.8%) exceeded its policy benchmark by 50 basis points, OP&F (+6.3%) was 60 basis points above its benchmark, PERS DB (+5.5%) was above its benchmark by 30 basis points. SERS (+4.8%) matched its

benchmark, and HPRS (+5.2%) trailed its benchmark by 40 basis points. Relative to the peer group universe, OP&F ranked in the 1<sup>st</sup> percentile, STRS ranked in the 19<sup>th</sup> percentile, and PERS DB ranked in the 35<sup>th</sup> percentile. The HPRS plan ranked in the 53<sup>rd</sup> percentile, and the SERS plan ranked in the 65<sup>th</sup> percentile over the ten-year period.

- Please note that comparing investment performance relative to the plans' actuarial interest rate and policy benchmark are of primary importance, while peer group comparisons, although useful, should be of secondary importance in the performance evaluation process. Please also note that the asset allocation and size of the Plan play a significant role in performance. In addition, since the plans have long-term funding schedules and investment time horizons, more emphasis should be placed on evaluating performance over longer holding periods.
- The following observations are based on a review of the systems' asset allocation in comparison to the InvestorForce All Public Defined Benefit Universe:
  1. The actual asset allocation of HPRS domestic equity ranked above the median plan's allocation to domestic equity (35.8%) in the InvestorForce All Public Defined Benefit Universe. The STRS actual (36.9%) and target (39.0%) allocation to domestic equities were also above the universe median. For OP&F, the actual domestic (36.3%) and target (36.9%) were above the median. The actual (24.0%) and target (22.5%) allocation of SERS, the actual (28.7%) and target (29.5%) allocation of PERS DB, as well as the actual (27.7%) and target (28.8%) allocation of PERS HC domestic equity were all below that of the median plan.
  2. Five of the six systems' actual and target asset allocations to fixed income were well below the median plan (29.5%) of the InvestorForce All Public Defined Benefit Universe. PERS HC has a target (34.0%) and actual allocation (33.6%) above the median.
  3. The median plan allocation of the InvestorForce All Public Defined Benefit Universe to non-U.S. equity as of December 31, 2011 was 12.3%. The target allocations for all plans were significantly above the median, with the actual allocations following suit.
  4. The universe median allocation to real estate of the InvestorForce All Public Defined Benefit Universe was 8.6% as of December 31, 2011. The target allocation of each of the systems, with the exception of HPRS (5.0%) and PERS HC (6.0%), is above the median allocation. The actual allocations for PERS HC (6.4%) and HPRS (4.5%) were below the median, the actual allocation of OP&F is directly on the median at 8.6%.
  5. SERS has actual (22.8%) and target (25.0%) allocations to alternatives which are well above the peer median of 13.0%. HPRS has actual (18.9%) and target (17.5%) allocations to alternatives also above the median. The remaining plans have lower target allocations to alternative assets.

- Overall, we believe this report provides the ORSC with a consolidated source of valuable information to assist in its oversight of the six Ohio Statewide funds and ensure that investment policies are effectively implemented. While the report does not provide very specific underlying portfolio detail, it does provide the necessary information to allow the ORSC to ask the right questions and act as an early indicator of potential issues that should be delved into in more detail. Any modifications to the report will only serve to enhance that ability.
- For performance reporting purposes, the asset allocation benchmarks in this report are generally consistent with investment policy asset allocations for all plans. As we previously stated, one of the primary purposes of this report is to provide an accurate representation of plan performance of the Ohio Retirement Systems and to provide an “apples to apples” comparison of the Retirement Systems’ investment results. In order for this performance report to fulfill this purpose, it is necessary that each plan provide accurate information. In light of the increased complexity of the plans’ portfolios, we have divided the “alternative investment” performance table into separate and distinct categories including private equity, hedge funds, and “other.” We will continue to review current performance benchmarking practices and make recommendations to ensure consistent and transparent reporting for all plans in subsequent performance reports.
- The Systems’ investment policies are changing and we will, of course, continue to review any changes and proposed changes to the Systems’ investment policies and report them to the ORSC in subsequent performance reports.

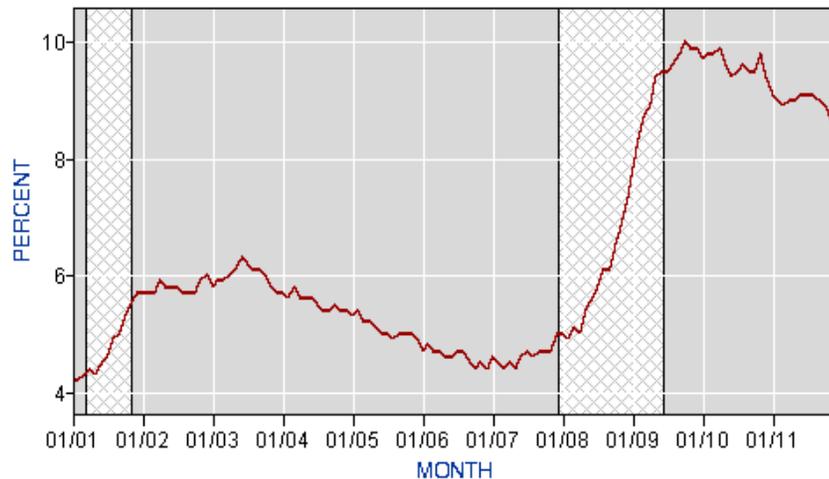
# Market Commentary - 4th Quarter 2011



	Qtr	6 Mos.	1 Yr	3 Yrs	5 Yrs	10 Yrs
S&P 500 Index	11.82	-3.69	2.11	14.11	-0.25	2.92
DJ US Total Stock Mkt Idx (Full-Cap)	11.97	-5.18	0.52	15.24	0.28	3.90
NASDAQ Comp	7.86	-6.07	-1.80	18.21	1.52	2.94
NASDAQ 100	6.48	-2.03	2.70	23.42	5.33	3.75
Russell 1000 Index	11.84	-4.58	1.50	14.81	-0.02	3.34
Russell 1000 Value Index	13.11	-5.22	0.39	11.55	-2.64	3.89
Russell 1000 Growth Index	10.61	-3.92	2.64	18.02	2.50	2.60
Russell 2000 Index	15.47	-9.77	-4.18	15.63	0.15	5.62
Russell 2000 Value Index	15.97	-8.94	-5.50	12.36	-1.87	6.40
Russell 2000 Growth Index	14.99	-10.59	-2.91	19.00	2.09	4.48
MSCI EAFE ND	3.33	-16.31	-12.14	7.65	-4.72	4.67
MSCI EAFE Small Cap ND	-0.56	-19.05	-15.94	14.62	-4.14	9.01
MSCI Europe ND	5.39	-18.44	-11.06	7.86	-5.20	4.35
MSCI Japan ND	-3.86	-10.05	-14.33	1.66	-6.56	2.99
MSCI EM ND	4.42	-19.13	-18.42	20.07	2.40	13.86
DJ World Real Estate	6.30	-12.72	-8.81	15.53	-5.96	8.64
DJ US Select REIT Index	15.36	-1.41	9.37	21.63	-2.04	10.12
ML 3-month T-Bill	0.00	0.02	0.10	0.15	1.48	1.95
BC US Gov 1-3Y Bonds	0.21	0.68	1.56	1.79	3.80	3.38
BC US Gov/Corp Bonds	1.18	5.98	8.74	6.60	6.55	5.85
BC US Aggregate Bond	1.12	4.98	7.84	6.77	6.50	5.78
BC US Gov Long Bonds	1.80	26.16	29.15	7.46	10.79	8.94
BC US Corp Long Bonds	3.38	12.63	15.91	15.47	8.51	7.98
BC US High Yield Bonds	6.46	0.01	4.98	24.12	7.54	8.85
BC TIPS	2.69	7.32	13.56	10.38	7.95	7.57
CPI, AUC Seasonally Adj.	0.07	0.98	3.00	2.41	2.25	NA

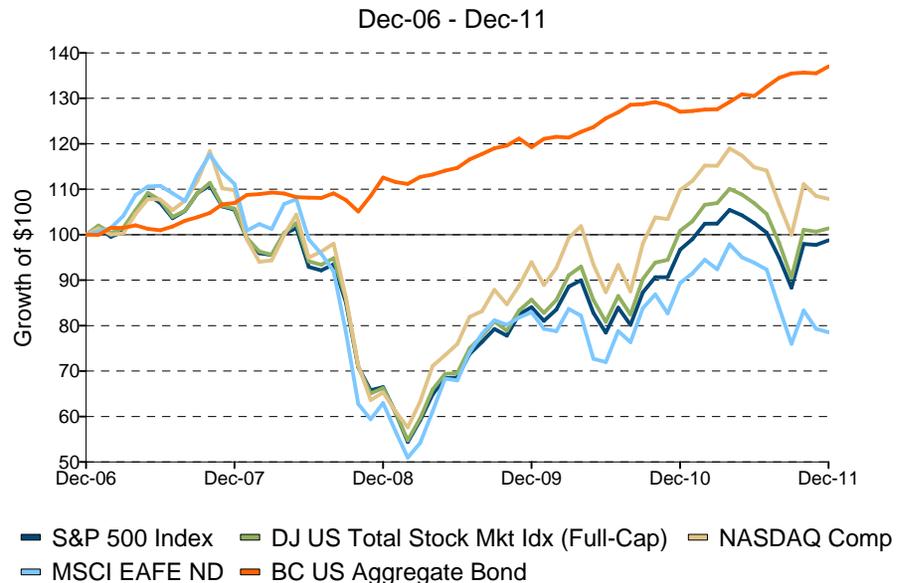
# Market Commentary - 4th Quarter 2011

Unemployment rate (seasonally adjusted)



Note: Cross-hatched area represents recession.

Broad Markets - Five Years

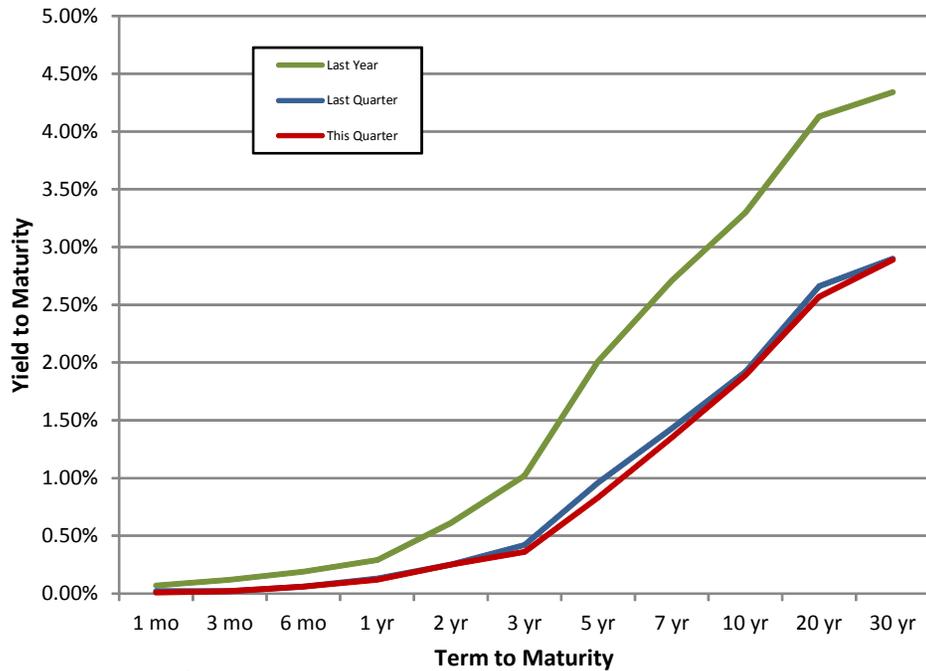


## Market Commentary

- The U.S. stock market rebounded in the 4<sup>th</sup> quarter on strong corporate earnings, improved U.S. economic data, and optimism surrounding the European debt crisis.
- The international equity markets were mixed on concerns about slowing global economic growth and the potential impact of the European debt crisis.
- The Federal Reserve Bank continued to sell shorter-term U.S. Treasuries and buy longer-term bonds, with the goal of pushing down long-term interest rates to stimulate borrowing and spending.
- As the quarter ended, investors increased their holdings in bonds and decreased their holdings in stocks. For the quarter, bond funds had net inflows of \$43.7 billion, while stock funds had net outflows of \$62.9 billion. Total money market mutual fund assets increased by \$60.8 billion to \$2.695 trillion.
- The unemployment rate fell from 9.1% to 8.5%, as total employment increased by 412,000 jobs.
- The price of oil increased from \$86 per barrel to \$99 during the quarter, an increase of 15.1%.
- For the three months ending December 31, 2011, annualized seasonally adjusted CPI – U was -0.4%. Seasonally adjusted gasoline prices drove the decrease.

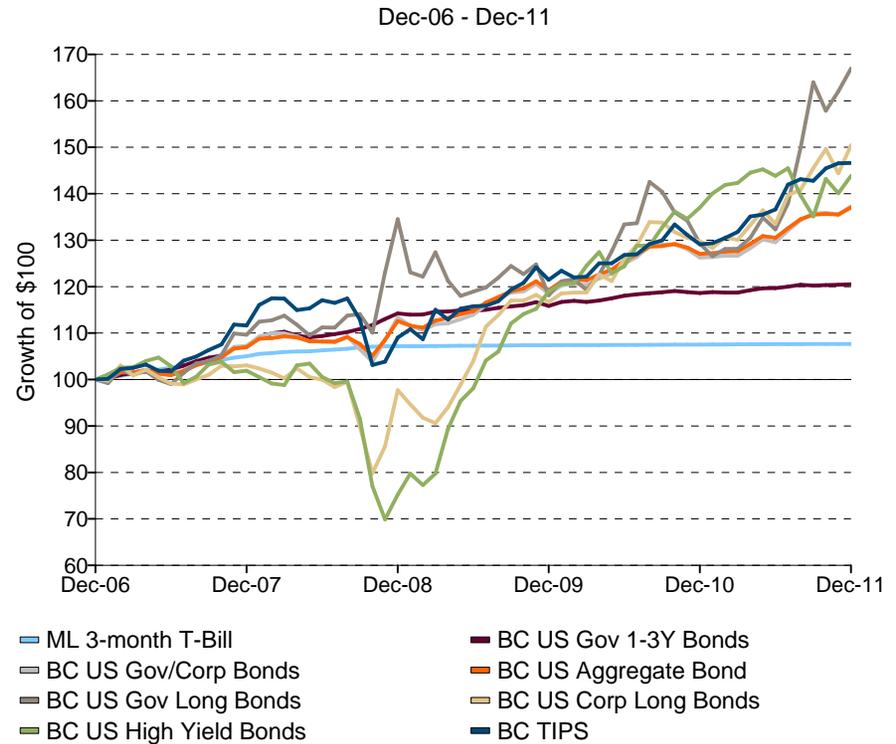
# Market Commentary - 4th Quarter 2011

### U.S. Treasury Yield Curve



Source: Department of US Treasury

### US Fixed Income - Five Years



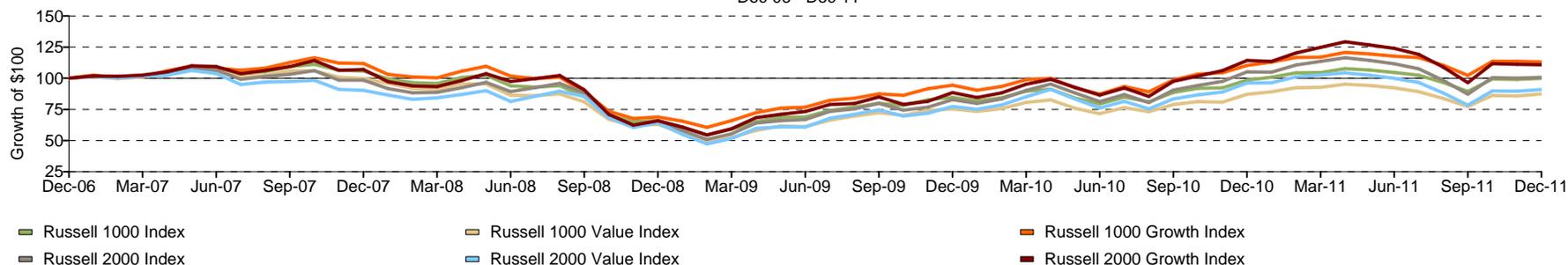
## US Bond Market

- Most fixed income markets rose in the 4th quarter, as investors sought bonds with longer duration and once again embraced risk.
- The short end of the yield curve remained unchanged as the Fed maintained its near-zero interest rate policy.
- Interest rates declined slightly in the 10- and 30-year Treasury rates.
- High-yield bonds were the best performing sector this quarter, up 6.46%, as investors sought securities with higher yields.
- Asset-backed securities were the worst performing sector this quarter, up 0.23%, on an increase in auto loan delinquencies and a shorter duration than the broad market.
- 91-Day T-Bill returned 0.00% in the fourth quarter as compared with 0.02% in the third quarter.

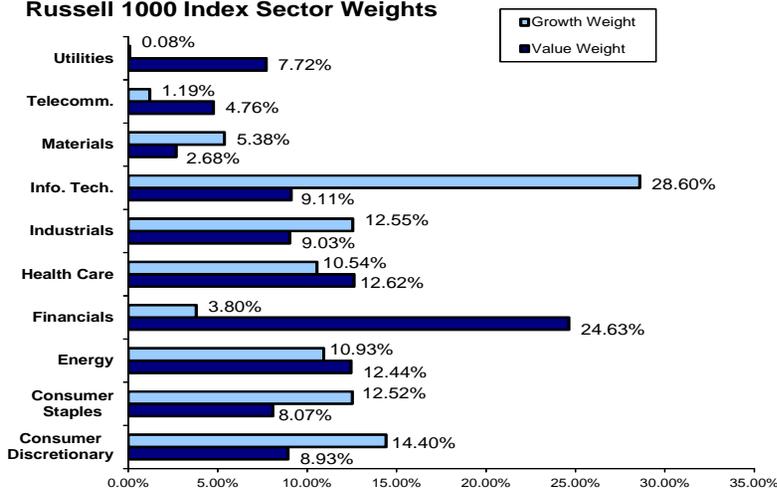
# Market Commentary - 4th Quarter 2011

Russell Indices - Five Years

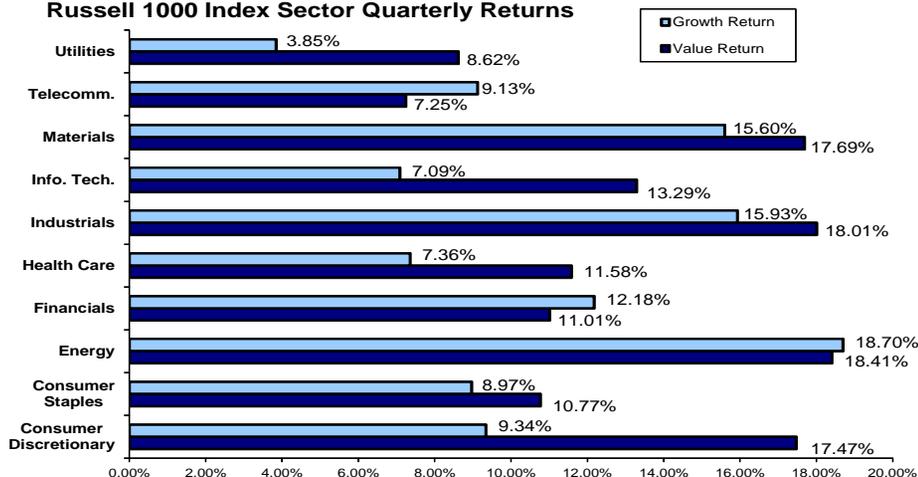
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Russell 1000 Index Sector Weights



Russell 1000 Index Sector Quarterly Returns



Source: Russell/Mellon Analytical Services

## US Stock Market

- Most major domestic equity indices posted a gain for the quarter. The small-cap Russell 2000 Value Index had the best return, up 16.0%. The S&P 500 Index was flat for the year (not including dividends).
- Small-cap stocks outperformed large-caps, up 15.5% versus 11.8%.
- In comparing styles, value stocks did better than growth stocks.
- In a reversal from last quarter, REITs had a strong quarter, up 15.36%, on expectations that the economy will improve and help the recovery in real estate. The best performing sectors were self-storage and industrials.
- Energy was the best performing sector, up 18.55%, as the price of oil rose on lower supply and geopolitical tension in the Middle East.
- Telecommunication services were the worst performing sector, up 7.62%, as defensive companies lagged the broad market.

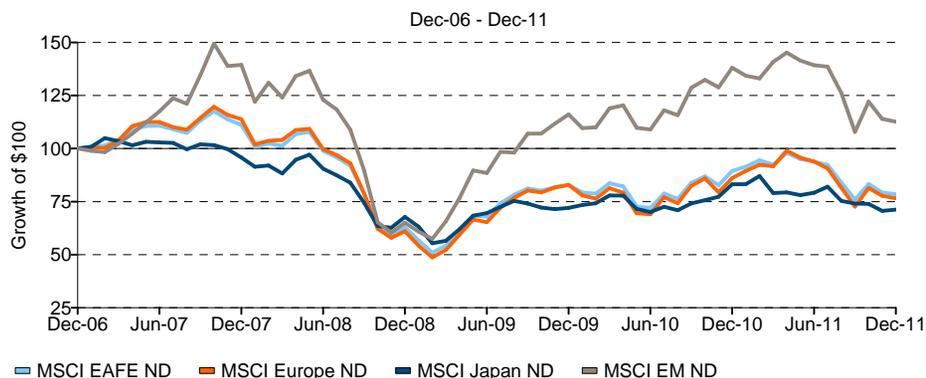
# Market Commentary - 4th Quarter 2011

## Currency Exchange Rates

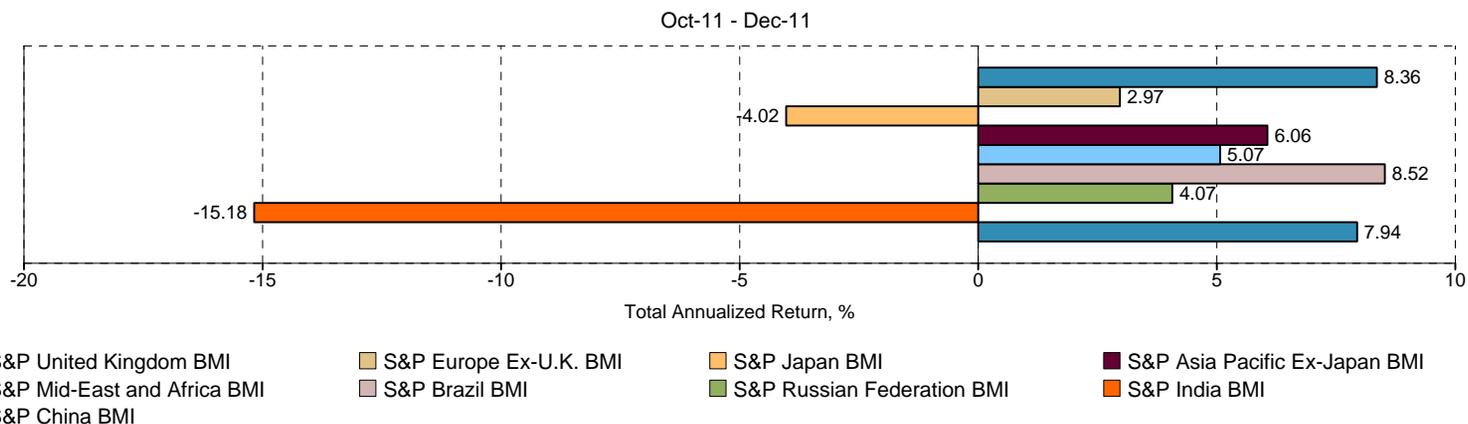
	Units per US Dollar		
	This Quarter	Last Quarter	% Change
Brazil Reais	1.85	1.63	13.91%
China Yuan Renminbi	6.32	6.54	-3.49%
Euro	0.79	0.70	11.54%
India Rupees	52.67	44.40	18.64%
Japan Yen	77.10	82.81	-6.90%
Mexico Pesos	13.73	11.92	15.17%
Russia Rubles	31.98	28.41	12.59%
United Kingdom Pounds	0.65	0.62	4.23%

Source: [www.xe.com](http://www.xe.com)

## International - Five Years



## Regional Performance - Quarter



## International Markets

- The dollar was up against the euro and pound, but down against the yen.
- For the quarter, the EAFE Index was up 3.3% and Emerging Markets were up 4.4%. Local currency returns for the EAFE Index and Emerging Markets were 4.1% and 4.8%, respectively.
- Among the major international regions, Brazilian stocks had the highest return (+8.5%) as oil and bank stocks posted significant gains.
- Stocks in India had the lowest return (-15.2%) on concerns about corruption, political gridlock, and expectations for weaker corporate earnings.
- Small-cap stocks, down 0.6%, underperformed large-cap stocks.

**Index Definitions  
and  
Modern Portfolio Theory Definitions**

# Ohio Retirement Study Council

## INDEX DEFINITIONS

**Russell 1000** – Made up of the 1000 largest companies within the Russell 3000 index. It is also known as the Market-Oriented Index because it represents the group of stocks from which most active money managers choose.

**Russell 2000** – A small-cap index consisting of the smallest 2000 companies in the Russell 3000 index, representing approximately 8% of the Russell 3000 total market capitalization.

**Russell 2500** – A small-cap index consisting of the smallest 2500 companies in the Russell 3000 index, representing approximately 20% of the Russell 3000 total market capitalization.

**Russell 3000** – An index composed of 3000 large U.S. companies, as determined by market capitalization. This portfolio of securities represents approximately 98% of the investable U.S. equity market.

**S&P 500** – The Standard & Poors 500 is a commonly used benchmark of the U.S. equities market. This market capitalization-weighted index includes 500 leading companies in leading industries of the U.S. economy.

**S&P 500 Equal Weighted** – An index of the same stocks as those in the S&P 500, but with equal dollar investments in each issue.

**S&P 600 Small Cap** – An index designed to measure the performance of the small capitalization sector of the U.S. equities market. This index consists of 600 domestic stocks chosen for market size, liquidity, (bid-asked spread, ownership, share turnover and number of no trade days) and industry group representation.

**S&P MidCap 400** – An index designed to measure the performance of the middle capitalization sector of the U.S. equities market. This market capitalization weighted index was created in June of 1991 and consists of 400 domestic stocks from the NYSE, NASDAQ and AMEX chosen for market size, liquidity and industry group representation. Each stock added to the index must represent a viable enterprise and must be representative of the industry group to which it is assigned. The market price of each security in the index must be responsive to changes in industry affairs. Aggregate market value of the stock and its trading activity are important considerations in the selection process.

**Wilshire 5000** – Measures the performance of all U.S. common equity securities, and so serves as an index of all stock trades in the United States.

# Ohio Retirement Study Council

**MSCI EAFE** – The index is listed for foreign stock funds (EAFE refers to Europe, Australasia, and Far East). Widely accepted as a benchmark for international stock performance, the EAFE index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world.

**MSCI Emerging Markets** – A capitalization-weighted index of stocks from 25 emerging markets that only includes issues that may be traded by foreign investors. Consists of equities from emerging markets in Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Turkey and Thailand.

**MSCI World Ex-US** – An index that measures the performance of the developed stock markets of the following developed countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

**Citigroup Broad Investment Grade** – An index that spans the “available” market for U.S. Treasury/agency securities, investment grade corporate bonds (BBB or better) and mortgage pass-through securities.

**Barclays Capital U.S. Aggregate** – An index that includes fixed rate debt issues rated investment grade or higher by Moody’s Investor’s Service, Standard and Poor’s Corporation, or Fitch Investor’s Service, in that order. (It also includes Commercial Mortgage Backed Securities.) Bonds or securities included must be fixed rate, although they can carry a coupon that steps up or changes according to a predetermined schedule; must be dollar-denominated and nonconvertible; and must be publicly issued. All issues have at least one year to maturity with intermediate indices including bonds

**Barclays Capital Mortgage-Backed** – An index that includes 15 and 30 year fixed rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA).

**Barclays Capital 1-3 Yr US Government** – An index that includes securities issued by the U.S. Government (i.e., Treasury and Agency Securities) with a maturity from one year up to but not including three years.

**Barclays Capital U.S. Tips** – An index that consists of Inflation-Protection securities issued by the U.S. Treasury.

**NCREIF Property** – An index that is also known as the NPI or Combined Index. It consists of both equity and leveraged properties, but the leveraged properties are reported on an unleveraged basis. So, the index is completely unleveraged. The universe of properties includes: Existing properties only – no development projects; only investment-grade, non-agricultural, income-producing properties: apartment, industrial, office and retail; the database increases quarterly as participants execute transactions and as new members join NCREIF and submit data; sold properties are removed from the index in the quarter the sale takes place but the historical information remains in the database; each property’s market value is determined by real estate appraisal methodology, consistently applied.

# Ohio Retirement Study Council

## MODERN PORTFOLIO THEORY DEFINITIONS

**Alpha** – risk-adjusted measure of an investment manager's skill. It measures the difference between a portfolio's actual return and the results one would expect from an average portfolio with the same level of market risk, as measured by beta.

**Beta** – measures a portfolio's sensitivity to changes in the market. Here the market is the benchmark selected for the study. A portfolio's Beta is computed by regressing the portfolio excess returns over the excess returns of the benchmark.

**Down-Market Capture Ratio** – measures what portion of the market performance (benchmark) was captured by the manager over a period where the benchmark posted a negative return.

**Information Ratio** – measure of return per unit of risk. It measures a portfolio's risk-adjusted return by subtracting the *benchmark return* from the portfolio's return, divided by the standard deviation of the excess return (tracking error).

**R-Squared** – calculates how well the variability of returns of a portfolio is explained by movements in the benchmark.

**Returns-Based Style Analysis** – method used to examine the performance of a manager in relation to a number of benchmarks. Style analysis does not show the actual holdings of the portfolio. The return behavior of an account is measured and attributed to any number of style benchmarks.

**Sharpe Ratio** – measure of return per unit of risk. It measures a portfolio's risk-adjusted return by subtracting the *risk-free rate* of return from the portfolio's return, divided by the portfolio's standard deviation of returns.

**Standard Deviation** – measure of total risk. It measures the variability of a portfolio's returns around the portfolio's expected return.

**Tracking Error** – measures the standard deviation of the portfolio's excess return over the benchmark. It indicates the extent to which period-to-period returns vary about the average return of the entire period.

**Up-Market Capture Ratio** – measures what portion of the market performance (benchmark) was captured by the manager over a period where the benchmark posted a positive return.

## Asset Class Comparison

Ending 12/31/11

### Comparison of Actual Asset Allocation

	Global ex-US		Public/Private Real		
	US Equity	Equity	Fixed Income	Estate	Alternatives
PERS DB	28.7	24.8	24.6	9.9	9.9
PERS HC	27.7	27.6	33.6	6.4	2.6
STRS	36.9	20.5	17.2	8.9	10.6
OP&F	36.3	21.5	28.4	8.6	3.9
SERS	24.0	23.6	18.7	9.8	22.8
HPRS	36.9	16.0	22.8	4.5	18.9
IF Public DB Median	35.8	12.3	29.5	8.6	13.0

### Comparison of Target Asset Allocation

	Global ex-US		Public/Private Real		
	US Equity	Equity	Fixed Income	Estate	Alternatives
PERS DB	29.5	24.6	25.0	9.6	11.3
PERS HC	28.8	27.2	34.0	6.0	4.0
STRS	39.0	23.0	18.0	10.0	9.0
OP&F	36.9	23.0	26.1	10.0	4.0
SERS	22.5	22.5	19.0	10.0	25.0
HPRS	35.0	20.0	22.5	5.0	17.5
IF Public DB Median	35.8	12.3	29.5	8.6	13.0

### Investor Force All Public Defined Benefit Asset Allocation

	Global ex-US		Public/Private Real		
	US Equity	Equity	Fixed Income	Estate	Alternatives
5th Percentile	54.4	18.6	60.5	14.3	22.3
25th Percentile	45.4	16.8	38.8	9.4	20.7
<b>Median</b>	<b>35.8</b>	<b>12.3</b>	<b>29.5</b>	<b>8.6</b>	<b>13.0</b>
75th Percentile	33.6	8.1	25.4	6.7	9.0
95th Percentile	21.8	7.2	21.8	3.6	3.6

## Systems Total Fund Performance

Ending December 31, 2011										
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>Public Employees Retirement System (DB)</b>	<b>-4.5%</b>	<b>66</b>	<b>0.6%</b>	<b>51</b>	<b>11.0%</b>	<b>38</b>	<b>1.6%</b>	<b>85</b>	<b>5.5%</b>	<b>35</b>
<i>PERS (DB) Total Fund Benchmark</i>	<u>-6.2%</u>	89	<u>-0.9%</u>	74	<u>10.4%</u>	53	<u>1.3%</u>	87	<u>5.2%</u>	50
Over/Under	1.7%		1.5%		0.6%		0.3%		0.3%	
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>Public Employees Retirement System (HC)</b>	<b>-5.1%</b>	<b>76</b>	<b>-0.4%</b>	<b>62</b>	<b>12.2%</b>	<b>17</b>	<b>2.3%</b>	<b>69</b>	--	--
<i>PERS (HC) Total Fund Benchmark</i>	<u>-5.3%</u>	77	<u>-0.7%</u>	72	<u>11.6%</u>	31	<u>2.5%</u>	67	--	--
Over/Under	0.2%		0.3%		0.6%		-0.2%			
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>State Teachers Retirement System</b>	<b>-3.8%</b>	<b>54</b>	<b>1.6%</b>	<b>27</b>	<b>11.4%</b>	<b>36</b>	<b>1.4%</b>	<b>86</b>	<b>5.8%</b>	<b>19</b>
<i>STRS Total Fund Benchmark</i>	<u>-4.3%</u>	64	<u>0.8%</u>	48	<u>11.2%</u>	37	<u>1.3%</u>	87	<u>5.3%</u>	47
Over/Under	0.5%		0.8%		0.2%		0.1%		0.5%	
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>Ohio Police &amp; Fire</b>	<b>-3.9%</b>	<b>56</b>	<b>2.5%</b>	<b>17</b>	<b>12.8%</b>	<b>13</b>	<b>2.7%</b>	<b>66</b>	<b>6.3%</b>	<b>1</b>
<i>OPF Total Fund Benchmark</i>	<u>-3.4%</u>	47	<u>2.4%</u>	17	<u>11.7%</u>	25	<u>1.7%</u>	84	<u>5.7%</u>	30
Over/Under	-0.5%		0.1%		1.1%		1.0%		0.6%	
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>School Employees Retirement System</b>	<b>-4.8%</b>	<b>68</b>	<b>-0.1%</b>	<b>53</b>	<b>9.3%</b>	<b>70</b>	<b>0.7%</b>	<b>97</b>	<b>4.8%</b>	<b>65</b>
<i>SERS Total Fund Benchmark</i>	<u>-4.8%</u>	68	<u>-0.1%</u>	53	<u>9.3%</u>	70	<u>1.3%</u>	87	<u>4.8%</u>	68
Over/Under	0.0%		0.0%		0.0%		-0.6%		0.0%	
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>Highway Patrol Retirement System</b>	<b>-6.2%</b>	<b>89</b>	<b>-2.9%</b>	<b>94</b>	<b>10.8%</b>	<b>39</b>	<b>1.0%</b>	<b>89</b>	<b>5.2%</b>	<b>53</b>
<i>HPRS Total Fund Benchmark</i>	<u>-5.0%</u>	74	<u>1.2%</u>	34	<u>11.6%</u>	33	<u>2.5%</u>	68	<u>5.6%</u>	33
Over/Under	-1.2%		-4.1%		-0.8%		-1.5%		-0.4%	

All total fund returns are reported gross of fees.

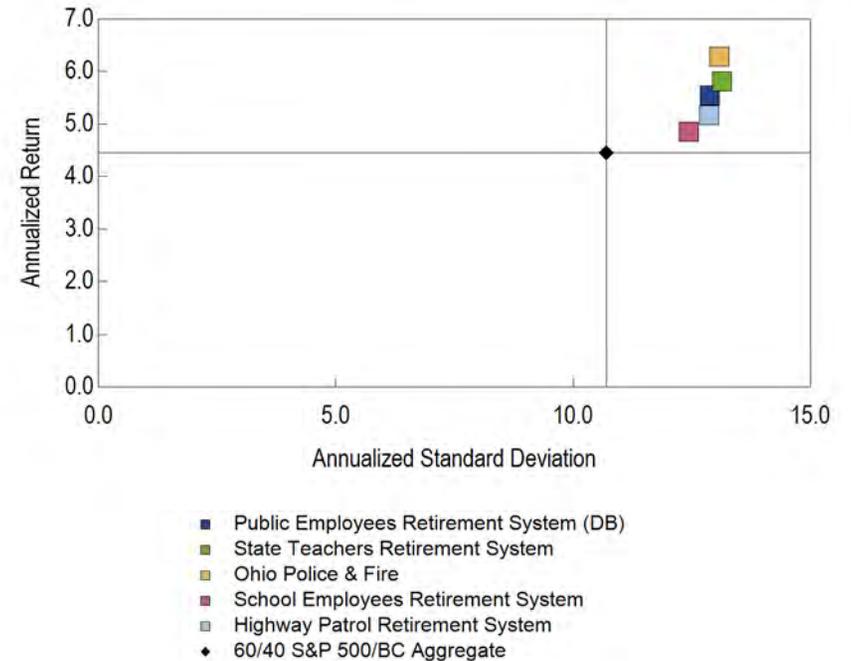
All returns are for periods ending 12/31/2011. Returns for periods longer than one year are annualized. Rankings are derived from placement in the InvestorForce All Public Defined Benefit Universe.

## Systems Total Plans Risk Analysis - Last 10 Years

### Statistics Summary 10 Years Ending December 31, 2011

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio
Public Employees Retirement System (DB)	5.55%	12.87%	0.29	0.40
PERS (DB) Total Fund Benchmark	5.22%	12.88%	0.26	--
State Teachers Retirement System	5.81%	13.14%	0.30	0.69
STRS Total Fund Benchmark	5.30%	12.99%	0.27	--
Ohio Police & Fire	6.28%	13.09%	0.34	0.54
OPF Total Fund Benchmark	5.71%	13.21%	0.30	--
School Employees Retirement System	4.85%	12.44%	0.24	0.03
SERS Total Fund Benchmark	4.80%	11.55%	0.26	--
Highway Patrol Retirement System	5.17%	12.87%	0.26	-0.23
HPRS Total Fund Benchmark	5.59%	12.44%	0.30	--

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



On an absolute basis, the STRS Plan outperformed all other Plans in the ORSC for the two quarters ending December 31, 2011. STRS returned -3.8%, followed by OP&F (-3.9%). On a relative basis, the PERS DB Plan outperformed all other Plans in the ORSC, exceeding its benchmark by 1.7% for the two quarters ending December 31, 2011.

The tables above display the annualized ten-year risk statistics for the Plans. The Ohio Police and Fire Plan generated the highest risk-adjusted annualized returns over the ten-year period (as measured by the Sharpe Ratio), followed by STRS, PERS DB, OP&F, HPRS and SERS. STRS and OP&F exhibited marginally higher risk (volatility) while SERS had the lowest risk among all plans. The Sharpe Ratio provides a good tool for analysis. The number alone is not particularly meaningful, but when comparing two or more funds as is the case in this study, the higher Sharpe Ratio is the better risk-adjusted return. Additionally, the Information Ratio measures risk relative to a Plan's benchmark. A higher information ratio indicates that a Plan is getting better returns than its respective benchmark at a similar level of risk. The STRS Plan had the highest information ratio, followed by OP&F, PERS(DB), SERS, and HPRS.

## Systems Domestic Equity

	Ending December 31, 2011									
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
<b>ORSC Domestic Equity</b>										
PERS(DB) Domestic Equity	-4.9%	27	1.1%	34	14.9%	68	-0.2%	80	3.5%	79
<i>Russell 3000</i>	<u>-5.0%</u>	29	<u>1.0%</u>	35	<u>14.9%</u>	69	<u>0.0%</u>	77	<u>3.5%</u>	78
Over/Under	0.1%		0.1%		0.0%		-0.2%		0.0%	
PERS(HC) Domestic Equity	-4.9%	27	1.1%	34	14.9%	68	-0.2%	80	--	--
<i>Russell 3000</i>	<u>-5.0%</u>	29	<u>1.0%</u>	35	<u>14.9%</u>	69	<u>0.0%</u>	77	<u>3.5%</u>	78
Over/Under	0.1%		0.1%		0.0%		-0.2%			
STRS Domestic Equity	-4.9%	28	1.5%	31	15.1%	67	-0.3%	82	3.3%	82
<i>STRS Domestic Equity Benchmark</i>	<u>-5.0%</u>	29	<u>1.0%</u>	35	<u>14.9%</u>	69	<u>0.0%</u>	77	<u>3.5%</u>	79
Over/Under	0.1%		0.5%		0.2%		-0.3%		-0.2%	
OP&F Domestic Equity	-5.5%	32	0.9%	36	18.0%	41	1.4%	55	4.6%	63
<i>Wilshire 5000</i>	<u>-4.8%</u>	26	<u>1.0%</u>	36	<u>14.9%</u>	68	<u>0.1%</u>	74	<u>3.8%</u>	74
Over/Under	-0.7%		-0.1%		3.1%		1.3%		0.8%	
SERS Domestic Equity	-5.9%	35	0.1%	42	15.6%	61	-0.3%	82	3.4%	80
<i>Russell 3000</i>	<u>-5.0%</u>	29	<u>1.0%</u>	35	<u>14.9%</u>	69	<u>0.0%</u>	77	<u>3.5%</u>	78
Over/Under	-0.9%		-0.9%		0.7%		-0.3%		-0.1%	
HPRS Domestic Equity	-7.3%	47	-1.0%	51	16.8%	51	0.6%	67	5.0%	59
<i>HPRS Domestic Equity Benchmark</i>	<u>-5.0%</u>	29	<u>1.4%</u>	33	<u>15.8%</u>	59	<u>0.4%</u>	69	<u>4.2%</u>	67
Over/Under	-2.3%		-2.4%		1.0%		0.2%		0.8%	

All domestic equity returns are reported gross of fees.

All returns are for periods ending 12/31/2011. Returns for periods longer than one year are annualized. Differences may exist due to rounding.

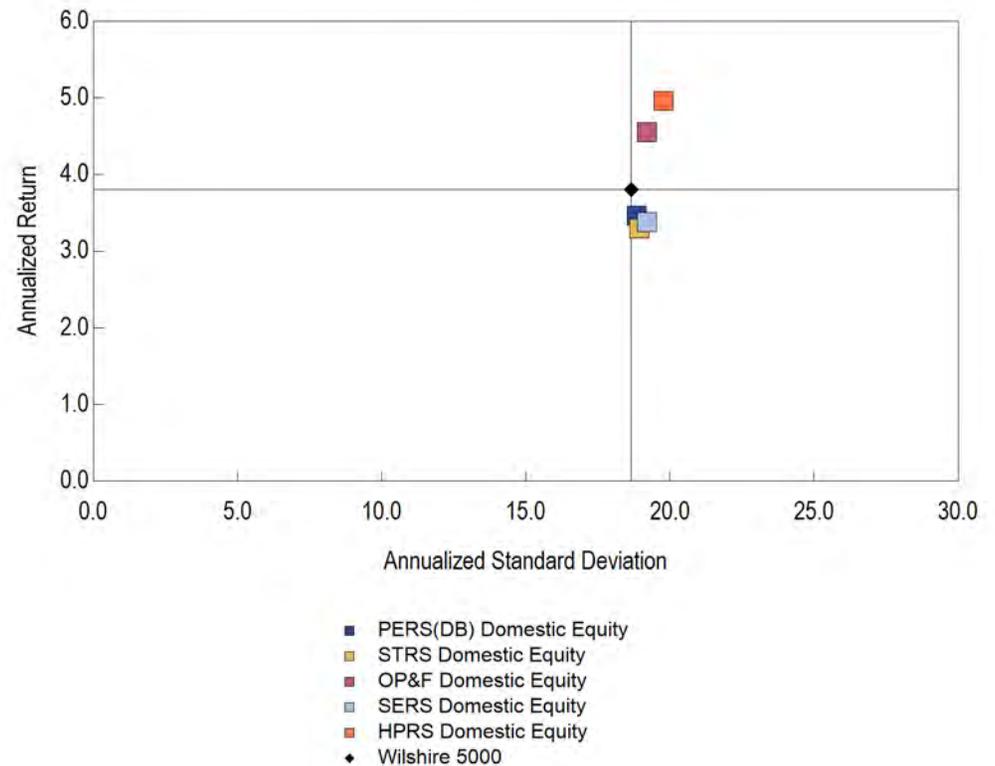
Domestic equity returns were negative for the two quarters ending December 31, 2011. PERS (DB), PERS(HC) and STRS generated the highest absolute returns for the period, with each portfolio returning -4.9%. Over the trailing year, STRS led performance (+1.5%) on both an absolute basis and a relative basis. Over the three-year period, OP&F (+18.0%) generated the highest absolute and relative return.

The domestic equity segments of the Plans are ranked in the InvestorForce US Equity Universe. This universe includes all actively managed domestic equity portfolios.

**Statistics Summary**  
**10 Years Ending December 31, 2011**

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio
PERS(DB) Domestic Equity	3.46%	18.85%	0.09
Russell 3000	3.52%	18.79%	0.09
PERS(HC) Domestic Equity	--	--	--
Russell 3000	--	--	--
STRS Domestic Equity	3.30%	18.94%	0.08
STRS Domestic Equity Benchmark	3.45%	18.74%	0.09
OP&F Domestic Equity	4.55%	19.21%	0.14
Wilshire 5000	3.80%	18.66%	0.11
SERS Domestic Equity	3.38%	19.21%	0.08
Russell 3000	3.52%	18.79%	0.09
HPRS Domestic Equity	4.96%	19.78%	0.16
HPRS Domestic Equity Benchmark	4.24%	19.20%	0.13

**Annualized Return vs. Annualized Standard Deviation**  
**10 Years Ending December 31, 2011**



The analysis above represents a risk/return of the domestic equity portfolios for all of the plans. HPRS experienced the highest risk-adjusted equity results over the annualized ten-year period (as measured by the Sharpe Ratio), followed by OP&F, PERS DB, SERS and STRS.

\*Benchmark shown in the above chart may not be specific to the Plan's current policy.

## Systems Fixed Income

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>PERS(DB) Fixed</b>					
PERS(DB) Core Fixed	4.5%	7.5%	8.8%	6.5%	6.2%
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>
Over/Under	-0.5%	-0.3%	2.0%	0.0%	0.4%
PERS(DB) High Yield	0.1%	5.0%	--	--	--
<i>Barclays Capital High Yield</i>	<u>0.0%</u>	<u>5.0%</u>	<u>24.1%</u>	<u>7.5%</u>	<u>8.9%</u>
Over/Under	0.1%	0.0%			
PERS(DB) EMD	--	--	--	--	--
<i>PERS Emerging Market Debt Benchmark</i>	<u>-2.6%</u>	<u>3.3%</u>	--	--	--
Over/Under					
PERS(DB) Opportunistic	-2.2%	4.8%	--	--	--
<i>PERS FI Opportunistic Benchmark</i>	<u>0.0%</u>	<u>5.1%</u>	--	--	--
Over/Under	-2.2%	-0.3%			
<b>PERS(HC) Fixed</b>					
PERS(HC) Core Fixed	4.5%	7.5%	8.6%	5.7%	--
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>
Over/Under	-0.5%	-0.3%	1.8%	-0.8%	
PERS(HC) TIPS	7.4%	13.6%	--	--	--
<i>Barclays Capital US TIPS</i>	<u>7.3%</u>	<u>13.6%</u>	<u>10.4%</u>	<u>8.0%</u>	<u>7.6%</u>
Over/Under	0.1%	0.0%			
PERS(HC) High Yield	0.1%	5.0%	--	--	--
<i>Barclays Capital High Yield</i>	<u>0.0%</u>	<u>5.0%</u>	<u>24.1%</u>	<u>7.5%</u>	<u>8.9%</u>
Over/Under	0.1%	0.0%			
PERS(HC) EMD	-3.8%	2.2%	--	--	--
<i>PERS Emerging Market Debt Benchmark</i>	<u>-2.6%</u>	<u>3.3%</u>	--	--	--
Over/Under	-1.2%	-1.1%			
PERS(HC) Opportunistic	-2.2%	4.8%	--	--	--
<i>PERS FI Opportunistic Benchmark</i>	<u>0.0%</u>	<u>5.1%</u>	--	--	--
Over/Under	-2.2%	-0.3%			

## Systems Fixed

		Ending December 31, 2011				
	Since 6/30/11 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	
<b>STRS Global Fixed</b>	4.4	7.3	10.6	7.2	6.6	
<i>Barclays Capital U.S. Universal</i>	<u>4.4</u>	<u>7.4</u>	<u>7.7</u>	<u>6.4</u>	<u>6.0</u>	
Over/Under	0.0	-0.1	2.9	0.8	0.6	
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>OP&amp;F Fixed Income</b>						
OP&F Core Fixed	3.4%	6.4%	9.3%	6.9%	6.0%	
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>	
Over/Under	-1.6%	-1.4%	2.5%	0.4%	0.2%	
OP&F Mortgages	0.9%	5.0%	6.8%	4.6%	5.8%	
OP&F High Yield	0.7%	6.0%	21.5%	8.0%	9.1%	
<i>OPF High Yield Benchmark</i>	<u>0.6%</u>	<u>5.5%</u>	<u>23.0%</u>	<u>7.1%</u>	<u>9.0%</u>	
Over/Under	0.1%	0.5%	-1.5%	0.9%	0.1%	
Global Inflation Protected Securities	20.7%	35.5%	19.7%	14.4%	--	
<i>OP&amp;F GIPS Benchmark</i>	<u>14.9%</u>	<u>24.4%</u>	<u>12.9%</u>	<u>10.0%</u>	--	
Over/Under	5.8%	11.1%	6.8%	4.4%		
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>SERS Global Fixed</b>	2.7%	6.7%	12.1%	7.3%	6.5%	
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>	
Over/Under	-2.3%	-1.1%	5.3%	0.8%	0.7%	
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>HPRS Global Fixed Income</b>	4.1%	7.5%	9.5%	6.6%	6.6%	
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>	
Over/Under	-0.9%	-0.3%	2.7%	0.1%	0.8%	

All fixed income returns are reported gross of fees.

All returns are for periods ending 12/31/2011. Returns for periods longer than one year are annualized.

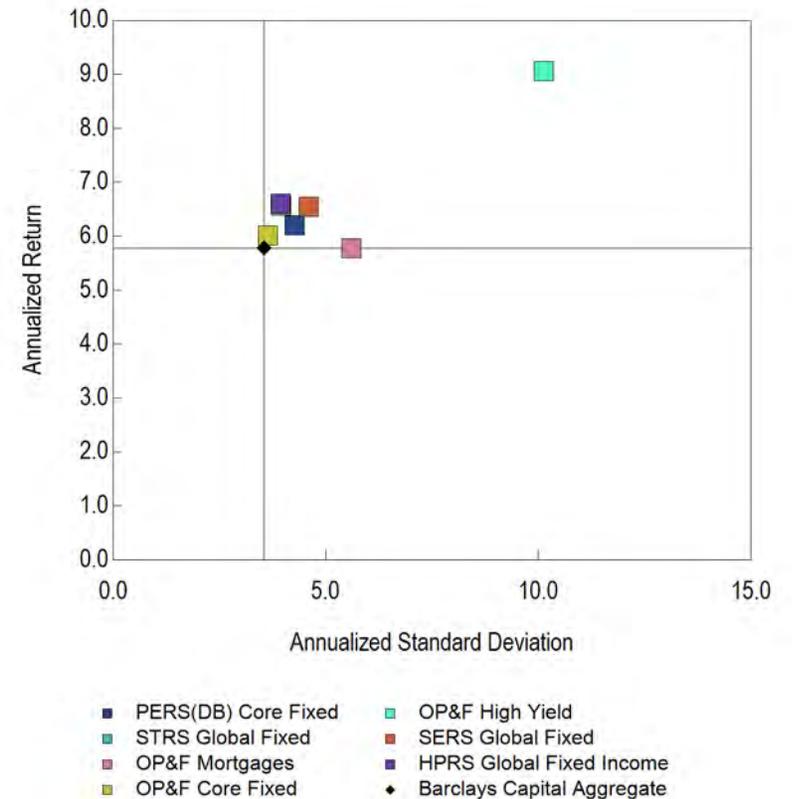
Please note that the PERS DB and HC Plans, and OP&F, no longer provide a total fixed income return. For two quarters ending December 31, 2011, both the PERS DB and HC Plans core fixed income returned 4.5%, which is 50 basis points below the benchmark. STRS Global Fixed returned 4.4% for the six months ending December 31, 2011, matching the benchmark, and exceeding SERS and HPRS global fixed on an absolute and a relative basis.

## Statistics Summary 10 Years Ending December 31, 2011

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio
PERS(DB) Core Fixed	6.20%	4.27%	1.03	0.20
Barclays Capital Aggregate	5.78%	3.55%	1.12	--
STRS Global Fixed	6.57%	3.96%	1.20	0.27
Barclays Capital U.S. Universal	6.01%	3.33%	1.26	--
OP&F Fixed Income	7.95%	4.07%	1.51	0.60
Barclays Capital Aggregate	5.78%	3.55%	1.12	--
OP&F Core Fixed	6.01%	3.64%	1.15	0.14
Barclays Capital Aggregate	5.78%	3.55%	1.12	--
OP&F High Yield	9.06%	10.12%	0.72	0.03
OPF High Yield Benchmark	9.00%	11.87%	0.61	--
SERS Global Fixed	6.54%	4.60%	1.03	0.21
Barclays Capital Aggregate	5.78%	3.55%	1.12	--
HPRS Global Fixed Income	6.60%	3.94%	1.22	0.34
Barclays Capital Aggregate	5.78%	3.55%	1.12	--

The analysis above represents the risk return comparison of the domestic fixed income portfolios for all of the Plans. OP&F experienced the highest risk-adjusted fixed income results over the annualized ten-year period (as measured by the Sharpe Ratio), followed by HPRS, STRS, SERS and PERS DB. Please note that information ratios in the above tables are specific to the Plans' current policies, and indicate that all Plans are performing well on a risk adjusted basis compared to their benchmarks.

### Annualized Return vs. Annualized Standard Deviation 10 Years Ending December 31, 2011



*\*Benchmark shown in chart above may not be specific to the Plan's current policy. Benchmarks shown in statistics summary are specific to the Plan's current policy.*

## International Equity

	Ending December 31, 2011									
	Since 6/30/11	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
PERS(DB) International Equity	-16.6%	46	-13.4%	53	11.1%	55	-2.8%	58	6.6%	62
<i>MSCI ACWI ex USA</i>	<u>-16.9%</u>	48	<u>-13.7%</u>	54	<u>10.7%</u>	58	<u>-2.9%</u>	59	<u>6.3%</u>	63
Over/Under	0.3%		0.3%		0.4%		0.1%		0.3%	
PERS(HC) International Equity	-16.6%	46	-13.4%	53	11.1%	55	-2.8%	58	--	--
<i>MSCI ACWI ex USA</i>	<u>-16.9%</u>	48	<u>-13.7%</u>	54	<u>10.7%</u>	58	<u>-2.9%</u>	59	<u>6.3%</u>	63
Over/Under	0.3%		0.3%		0.4%		0.1%			
STRS International Equity	-14.5%	35	-12.8%	49	10.9%	57	-2.4%	56	7.1%	60
<i>STRS International Blended Benchmark</i>	<u>-14.9%</u>	37	<u>-13.1%</u>	53	<u>9.9%</u>	62	<u>-3.0%</u>	59	<u>5.8%</u>	76
Over/Under	0.4%		0.3%		1.0%		0.6%		1.3%	
OP&F International Equity	-17.3%	50	-12.4%	45	12.1%	52	-1.6%	49	6.8%	61
<i>OPF International Benchmark</i>	<u>-16.8%</u>	48	<u>-13.7%</u>	54	<u>10.7%</u>	58	<u>-2.9%</u>	59	<u>6.3%</u>	63
Over/Under	-0.5%		1.3%		1.4%		1.3%		0.5%	
SERS International Equity	-15.6%	40	-13.2%	53	11.9%	52	-2.2%	55	6.3%	63
<i>SERS Intl Equity Benchmark</i>	<u>-15.8%</u>	41	<u>-13.7%</u>	55	<u>10.0%</u>	62	<u>-3.0%</u>	59	<u>5.1%</u>	80
Over/Under	0.2%		0.5%		1.9%		0.8%		1.2%	
HPRS International Equity	-18.5%	58	-14.5%	62	7.8%	79	-3.0%	59	4.7%	81
<i>HPRS International Benchmark</i>	<u>-16.7%</u>	47	<u>-13.3%</u>	53	<u>11.2%</u>	53	<u>-2.5%</u>	56	<u>5.9%</u>	74
Over/Under	-1.8%		-1.2%		-3.4%		-0.5%		-1.2%	

All international equity returns are reported gross of fees.

All returns are for periods ending 12/31/2011. Returns for periods longer than one year are annualized. Differences may exist due to rounding.

On an absolute basis, as of December 31, 2011, STRS (-14.5%) had the highest absolute return for the two quarters for international equity, and highest relative performance as well, gaining 0.4% against its benchmark. Over the one-year period, OP&F (-12.4%) led the group, and had the best absolute and relative performance. Over the three-year period, OP&F (12.1%) had the highest absolute returns, but SERS had the highest relative performance. Over the trailing ten-year period, STRS had the highest absolute and relative return.

## Statistics Summary

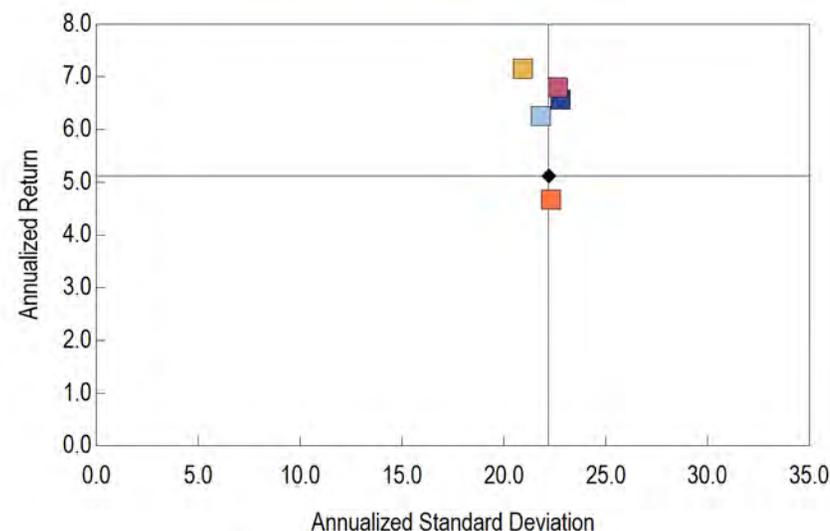
10 Years Ending December 31, 2011

	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio	Information Ratio
PERS(DB) International Equity	6.57%	22.79%	0.21	0.33
MSCI ACWI ex USA	6.31%	22.76%	0.20	--
STRS International Equity	7.15%	20.93%	0.26	0.98
STRS International Blended Benchmark	5.79%	21.20%	0.19	--
OP&F International Equity	6.80%	22.65%	0.22	0.27
OPF International Benchmark	6.32%	22.72%	0.20	--
SERS International Equity	6.25%	21.82%	0.20	0.61
SERS Intl Equity Benchmark	5.11%	20.91%	0.16	--
HPRS International Equity	4.67%	22.31%	0.13	-0.44
HPRS International Benchmark	5.90%	22.68%	0.18	--

The analysis above represents a risk/return comparison of the international equity portfolios for all of the plans. All plans have demonstrated risk-adjusted results (as measured by their Sharpe Ratios) greater than the non-U.S. equity market as defined by the MSCI EAFE index, over the annualized ten-year period. Over this period, STRS had the highest risk-adjusted returns, followed by OP&F, PERS DB, SERS, and HPRS, as measured by their Sharpe Ratios.

Additionally, the Information Ratio measures risk relative to a Plan's benchmark. A higher information ratio indicates that a Plan is getting better returns than its respective benchmark at a similar level of risk. The STRS Plan had the highest information ratio, followed by SERS, PERS(DB), OP&F, and HPRS. The negative information ratio of the HPRS Plan's international equities indicates poor risk-adjusted performance against its benchmark.

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



- PERS(DB) International Equity
- STRS International Equity
- OP&F International Equity
- SERS International Equity
- HPRS International Equity
- ◆ MSCI EAFE Gross

*\*Benchmark shown in chart above may not be specific to the Plan's current policy. Benchmarks shown in statistics summary are specific to the Plan's current policy.*

		Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>PERS(DB) Real Estate</b>						
PERS(DB) Private RE	5.2%	13.1%	-2.1%	1.0%	--	
NCREIF Property Index LAG	<u>7.4%</u>	<u>16.1%</u>	<u>-1.5%</u>	<u>3.4%</u>	<u>7.8%</u>	
Over/Under	-2.2%	-3.0%	-0.6%	-2.4%		
<b>PERS(HC) Real Estate</b>						
PERS(HC) REITs	-1.2%	9.6%	22.4%	-2.0%	--	
PERS (HC) REIT Benchmark	<u>-1.9%</u>	<u>8.9%</u>	<u>21.7%</u>	<u>-2.3%</u>	--	
Over/Under	0.7%	0.7%	0.7%	0.3%		
<b>STRS Real Estate</b>						
STRS RE Blended Benchmark	<u>5.1%</u>	<u>19.6%</u>	<u>0.6%</u>	<u>3.8%</u>	<u>11.0%</u>	
Over/Under	-0.4%	5.8%	-5.5%	0.6%	2.4%	
<b>OP&amp;F Real Estate</b>						
NCREIF (ODCE) Index	<u>7.0%</u>	<u>17.5%</u>	<u>-8.2%</u>	<u>-1.0%</u>	<u>7.5%</u>	
Over/Under	0.4%	1.5%	-6.4%	-0.8%	1.3%	
<b>SERS Real Estate</b>						
SERS Total Real Estate Benchmark	<u>2.4%</u>	<u>11.2%</u>	<u>-7.0%</u>	<u>-3.4%</u>	<u>4.8%</u>	
Over/Under	-5.0%	-4.9%	-10.0%	-6.2%	-3.5%	
<b>HPRS Real Estate</b>						
NCREIF Property Index	<u>-1.8%</u>	<u>-3.6%</u>	<u>-3.9%</u>	<u>-6.3%</u>	<u>1.3%</u>	
Over/Under	-8.2%	-17.9%	-6.3%	-9.4%	-6.8%	

All real estate returns are reported gross of fees.

All returns are for periods ending 12/31/2011. Returns for periods longer than one year are annualized. Differences may exist due to rounding.

For the real estate returns for the two quarters ending December 31, 2011, OP&F had the highest returns, gaining 7.0% and PERS (DB) (+5.2%) had the second highest performance. STRS (+19.6%) outperformed all other plans for the one-year period, followed by OP&F (+17.5%). STRS and PERS DB had the highest absolute performance over a five-year period, returning 3.8% and 1.0%, respectively.

For the two quarters ending December 31, 2011, the REIT portfolios for the PERS HC plan returned -1.2%, and 9.6% for the year.

## Systems Alternatives

		Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>PERS(DB) Alternatives</b>						
PERS(DB) Private Equity	3.2%	15.9%	8.5%	9.1%	12.3%	
<i>PERS Private Equity Benchmark (QTR LAG)</i>	<u>-14.0%</u>	<u>3.5%</u>	<u>4.5%</u>	<u>2.1%</u>	<u>6.4%</u>	
Over/Under	17.2%	12.4%	4.0%	7.0%	5.9%	
PERS(DB) Hedge Funds	-3.3%	-2.4%	12.4%	6.3%	--	
<i>PERS (DB) Hedge Fund Benchmark</i>	<u>3.4%</u>	<u>7.0%</u>	<u>6.6%</u>	<u>7.2%</u>	--	
Over/Under	-6.7%	-9.4%	5.8%	-0.9%		
PERS(DB) TAA	8.8%	163.2%	--	--	--	
<i>PERS TAA Benchmark</i>	<u>0.0%</u>	<u>0.1%</u>	--	--	--	
Over/Under	8.8%	163.1%				
<b>PERS(HC) Alternatives</b>						
PERS(HC) Private Equity	-2.2%	5.1%	-12.6%	--	--	
<i>PERS Private Equity Benchmark (QTR LAG)</i>	<u>-14.0%</u>	<u>3.5%</u>	<u>4.5%</u>	<u>2.1%</u>	<u>6.4%</u>	
Over/Under	11.8%	1.6%	-17.1%			
PERS(HC) Hedge Funds	-3.3%	-2.4%	16.9%	--	--	
<i>PERS (HC) Hedge Benchmark</i>	<u>3.4%</u>	<u>7.0%</u>	<u>15.9%</u>	--	--	
Over/Under	-6.7%	-9.4%	1.0%			
PERS(HC) TAA	7.9%	101.4%	--	--	--	
<i>PERS TAA Benchmark</i>	<u>0.0%</u>	<u>0.1%</u>	--	--	--	
Over/Under	7.9%	101.3%				
PERS(HC) Commodities	-3.6%	1.2%	--	--	--	
<i>Goldman Sachs GSCI Total</i>	<u>-3.8%</u>	<u>-1.2%</u>	<u>6.9%</u>	<u>-2.8%</u>	<u>5.6%</u>	
Over/Under	0.2%	2.4%				

Ending December 31, 2011

	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>STRS Alternatives</b>	<b>-3.1%</b>	<b>9.4%</b>	<b>5.3%</b>	<b>6.7%</b>	<b>7.5%</b>
STRS Alternative Benchmark	-4.4%	2.4%	17.0%	2.3%	6.3%
Over/Under	1.3%	7.0%	-11.7%	4.4%	1.2%
STRS Private Equity	-3.2%	11.5%	5.4%	6.8%	7.5%
STRS Private Equity Benchmark	-3.6%	4.1%	18.3%	3.0%	6.7%
Over/Under	0.4%	7.4%	-12.9%	3.8%	0.8%
STRS Hedge Funds	-1.9%	-1.3%	5.9%	3.8%	--
HFRI Fund of Funds Composite Index	-5.4%	-5.7%	3.6%	-0.8%	3.2%
Over/Under	3.5%	4.4%	2.3%	4.6%	
STRS Opportunistic	-3.5%	3.9%	--	--	--
STRS Opportunistic Benchmark	-5.5%	0.0%	--	--	--
Over/Under	2.0%	3.9%			
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>OP&amp;F Alternatives</b>	<b>3.6%</b>	<b>17.7%</b>	<b>5.4%</b>	<b>8.6%</b>	<b>5.1%</b>
OPF Private Equity Benchmark	-13.8%	3.6%	4.6%	2.3%	7.8%
Over/Under	17.4%	14.1%	0.8%	6.3%	-2.7%
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>SERS Alternatives</b>					
SERS Private Equity	7.2%	14.1%	3.7%	7.1%	2.9%
SERS PE Benchmark	-11.4%	4.1%	4.2%	1.9%	4.7%
Over/Under	18.6%	10.0%	-0.5%	5.2%	-1.8%
SERS Hedge Funds	-3.7%	-1.2%	8.6%	--	--
SERS Hedge Fund Benchmark	-5.4%	-5.6%	6.4%	--	--
Over/Under	1.7%	4.4%	2.2%		
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>HPRS Alternatives</b>					
HPRS Private Equity	1.4%	-9.0%	1.5%	-2.0%	--
HPRS Private Equity Benchmark	-13.9%	3.4%	5.1%	5.9%	--
Over/Under	15.3%	-12.4%	-3.6%	-7.9%	
HPRS Hedge Funds	-6.0%	-5.3%	7.6%	2.6%	--
HFRI Fund of Funds Composite Index	-5.4%	-5.7%	3.6%	-0.8%	3.2%
Over/Under	-0.6%	0.4%	4.0%	3.4%	

Returns for all alternatives portfolios are shown net of fees.

### **Private Equity**

SERS (+7.2) had the highest private equity return for the six months ending December 31, 2011 on an absolute and a relative basis, followed by OP&F (+3.6%). The PERS(DB) private equity was third best with a six month absolute return of 3.2%, followed by HPRS (+1.4%), PERS (HC) (-2.2), and STRS (-3.2%),

### **Hedge Funds**

STRS (-1.9%) had the highest hedge fund return for the six months ending December 31, 2011, followed by PERS (DB) (-3.3%), PERS (HC) (-3.3%), SERS(-3.7), and HPRS (-6.0%). Please note that as of 12/31/2011, STRS had \$1.26 billion in hedge funds, or 2.0% of total plan assets, which is included in the STRS Opportunistic category.

## Cash

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
PERS(DB) Cash	0.1%	0.3%	0.7%	1.9%	2.2%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.3%	0.6%	0.7%	0.4%
PERS(HC) Cash	0.1%	0.2%	0.6%	1.8%	--
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.2%	0.5%	0.6%	
STRS Liquidity Reserves	0.1%	0.2%	0.6%	1.8%	2.1%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.2%	0.5%	0.6%	0.3%
OP&F Cash	0.2%	0.3%	0.3%	1.6%	2.0%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.2%	0.3%	0.2%	0.4%	0.2%
SERS Cash	0.1%	0.2%	0.4%	2.1%	2.2%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.2%	0.3%	0.9%	0.4%
HPRS Cash	0.0%	0.1%	0.1%	1.9%	2.4%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.0%	0.1%	0.0%	0.7%	0.6%

Public Employees Retirement System (DB)  
(PERS DB)

## Public Employees Retirement System (DB)

Actuarial Rate: 8.0%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>Public Employees Retirement System (DB)</b>	<b>-4.5%</b>	<b>0.6%</b>	<b>11.0%</b>	<b>1.6%</b>	<b>5.5%</b>
<i>PERS (DB) Total Fund Benchmark</i>	<u>-6.2%</u>	<u>-0.9%</u>	<u>10.4%</u>	<u>1.3%</u>	<u>5.2%</u>
Over/Under	1.7%	1.5%	0.6%	0.3%	0.3%
PERS(DB) Domestic Equity	-4.9%	1.1%	14.9%	-0.2%	3.5%
<i>Russell 3000</i>	<u>-5.0%</u>	<u>1.0%</u>	<u>14.9%</u>	<u>0.0%</u>	<u>3.5%</u>
Over/Under	0.1%	0.1%	0.0%	-0.2%	0.0%
PERS(DB) International Equity	-16.6%	-13.4%	11.1%	-2.8%	6.6%
<i>MSCI ACWI ex USA</i>	<u>-16.9%</u>	<u>-13.7%</u>	<u>10.7%</u>	<u>-2.9%</u>	<u>6.3%</u>
Over/Under	0.3%	0.3%	0.4%	0.1%	0.3%
<b>PERS(DB) Fixed</b>					
PERS(DB) Core Fixed	4.5%	7.5%	8.8%	6.5%	6.2%
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>
Over/Under	-0.5%	-0.3%	2.0%	0.0%	0.4%
PERS(DB) High Yield	0.1%	5.0%	--	--	--
<i>Barclays Capital High Yield</i>	<u>0.0%</u>	<u>5.0%</u>	<u>24.1%</u>	<u>7.5%</u>	<u>8.9%</u>
Over/Under	0.1%	0.0%			
PERS(DB) EMD	--	--	--	--	--
<i>PERS Emerging Market Debt Benchmark</i>	<u>-2.6%</u>	<u>3.3%</u>	--	--	--
Over/Under					
PERS(DB) Opportunistic	-2.2%	4.8%	--	--	--
<i>PERS FI Opportunistic Benchmark</i>	<u>0.0%</u>	<u>5.1%</u>	--	--	--
Over/Under	-2.2%	-0.3%			

# Public Employees Retirement System (DB)

Actuarial Rate: 8.0%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>PERS(DB) Real Estate</b>					
PERS(DB) Private RE	5.2%	13.1%	-2.1%	1.0%	--
<i>NCREIF Property Index LAG</i>	<u>7.4%</u>	<u>16.1%</u>	<u>-1.5%</u>	<u>3.4%</u>	<u>7.8%</u>
Over/Under	-2.2%	-3.0%	-0.6%	-2.4%	
<b>PERS(DB) Alternatives</b>					
PERS(DB) Hedge Funds	-3.3%	-2.4%	12.4%	6.3%	--
<i>PERS (DB) Hedge Fund Benchmark</i>	<u>3.4%</u>	<u>7.0%</u>	<u>6.6%</u>	<u>7.2%</u>	--
Over/Under	-6.7%	-9.4%	5.8%	-0.9%	
PERS(DB) Private Equity	3.2%	15.9%	8.5%	9.1%	12.3%
<i>PERS Private Equity Benchmark (QTR LAG)</i>	<u>-14.0%</u>	<u>3.5%</u>	<u>4.5%</u>	<u>2.1%</u>	<u>6.4%</u>
Over/Under	17.2%	12.4%	4.0%	7.0%	5.9%
PERS(DB) TAA	8.8%	163.2%	--	--	--
<i>PERS TAA Benchmark</i>	<u>0.0%</u>	<u>0.1%</u>	--	--	--
Over/Under	8.8%	163.1%			
PERS(DB) Cash	0.1%	0.3%	0.7%	1.9%	2.2%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.3%	0.6%	0.7%	0.4%

# Public Employees Retirement System (DB)

## Asset Allocation by Segment

As Of December 31, 2011

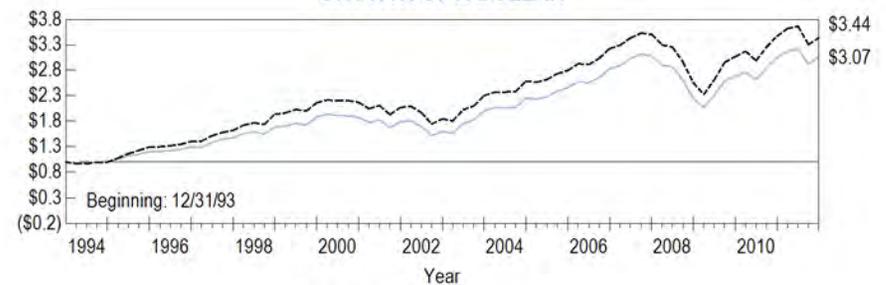
	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Non-US Fixed Income	Alternatives	Real Estate	Cash
PERS(DB) Domestic Equity	\$17,342,365,794	28.7%	\$17,342,365,794						
PERS(DB) International Equity	\$15,004,321,190	24.8%		\$15,004,321,190					
<b>PERS(DB) Fixed</b>									
PERS(DB) Core Fixed	\$10,686,857,100	17.7%			\$10,686,857,100				
PERS(DB) High Yield	\$3,164,791,101	5.2%			\$3,164,791,101				
PERS(DB) EMD	\$42,382,635	0.1%				\$42,382,635			
PERS(DB) Opportunistic	\$280,662,781	0.5%			\$280,662,781				
PERS(DB) Securitized Debt	\$656,109,688	1.1%			\$656,109,688				
<b>PERS(DB) Real Estate</b>									
PERS(DB) Private RE	\$6,009,593,519	9.9%					\$6,009,593,519		
PERS(DB) REITs									
<b>PERS(DB) Alternatives</b>									
PERS(DB) Hedge Funds	\$812,643,648	1.3%					\$812,643,648		
PERS(DB) Private Equity	\$5,216,639,662	8.6%					\$5,216,639,662		
PERS(DB) TAA	\$0	0.0%					\$0		
<b>PERS(DB) Cash</b>	\$1,233,977,977	2.0%							\$1,233,977,977
<b>Total</b>	<b>\$60,450,345,095</b>	<b>100.0%</b>	<b>\$17,342,365,794</b>	<b>\$15,004,321,190</b>	<b>\$14,788,420,670</b>	<b>\$42,382,635</b>	<b>\$6,029,283,310</b>	<b>\$6,009,593,519</b>	<b>\$1,233,977,977</b>

PERS(DB)

	Actual	Target	Difference
US Equity	28.7	29.5	-0.8
Intl Equity	24.8	24.6	0.2
Alternatives	9.9	11.3	-1.4
<b>Total Equity</b>	<b>63.4</b>	<b>65.4</b>	<b>-2.0</b>
Fixed Income	24.6	25	-0.4
Real Estate	9.9	9.6	0.3
Short Term Investments	2.0	0.0	2.0
<b>Total Debt</b>	<b>36.5</b>	<b>34.6</b>	<b>1.9</b>
	<b>99.9</b>	<b>100.0</b>	<b>-0.1</b>

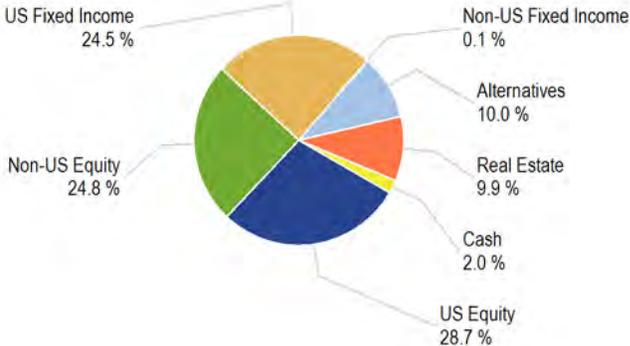
\*Totals may not add up to 100% due to rounding

## GROWTH OF A DOLLAR

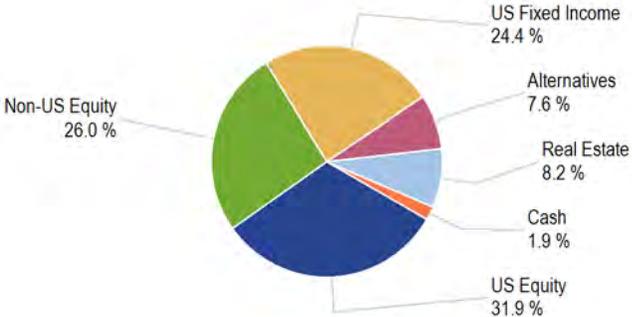


Public Employees Retirement System (DB)  
PERS (DB) Total Fund Benchmark

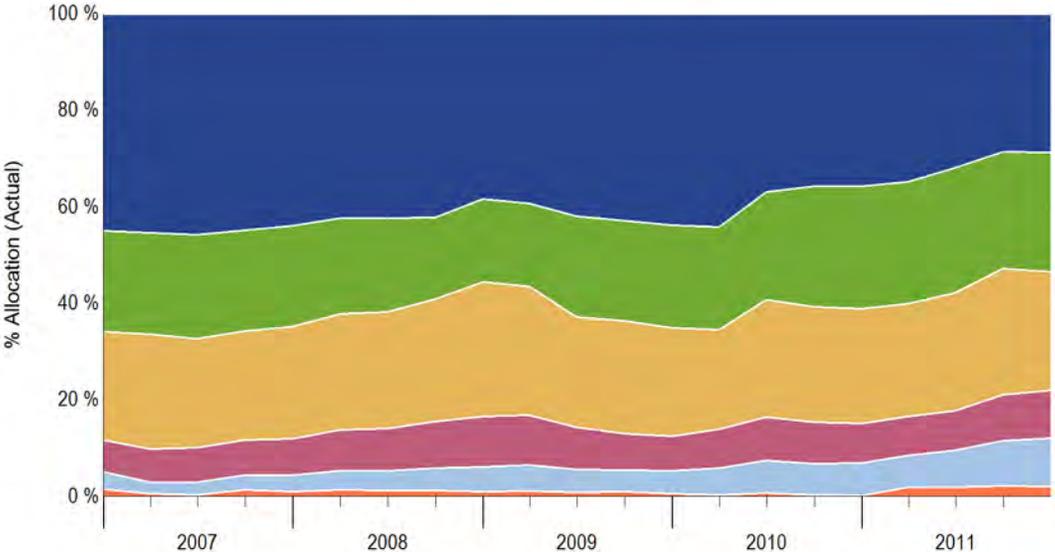
Current Allocation  
December 31, 2011



Previous Allocation  
June 30, 2011



Asset Allocation History  
5 Years Ending December 31, 2011



45.4	45.8	44.8	44.0	42.4	42.4	42.2	38.4	39.4	41.9	42.8	43.9	44.3	36.9	35.8	35.7	34.8	31.9	28.7	28.7
21.1	21.5	20.9	20.9	19.8	19.3	17.0	17.1	17.1	20.9	20.8	21.2	21.3	22.3	24.9	25.4	25.3	26.0	24.1	24.8
23.8	22.7	22.7	23.2	24.1	24.3	25.4	27.9	26.8	22.9	23.4	22.5	20.6	24.4	23.9	23.8	23.3	24.4	26.2	24.5
6.8	7.1	7.3	7.5	8.5	8.7	9.6	10.4	10.3	8.7	7.5	7.1	8.1	8.9	8.6	8.3	8.2	8.2	9.5	9.9
2.4	2.6	2.9	3.4	3.9	4.1	4.6	5.1	5.4	4.8	4.6	4.8	5.6	6.7	6.4	6.7	6.5	7.6	9.4	10.0
0.5	0.3	1.4	1.0	1.3	1.2	1.2	1.0	1.1	0.8	0.9	0.5	0.3	0.7	0.3	0.2	1.9	1.9	2.1	2.0

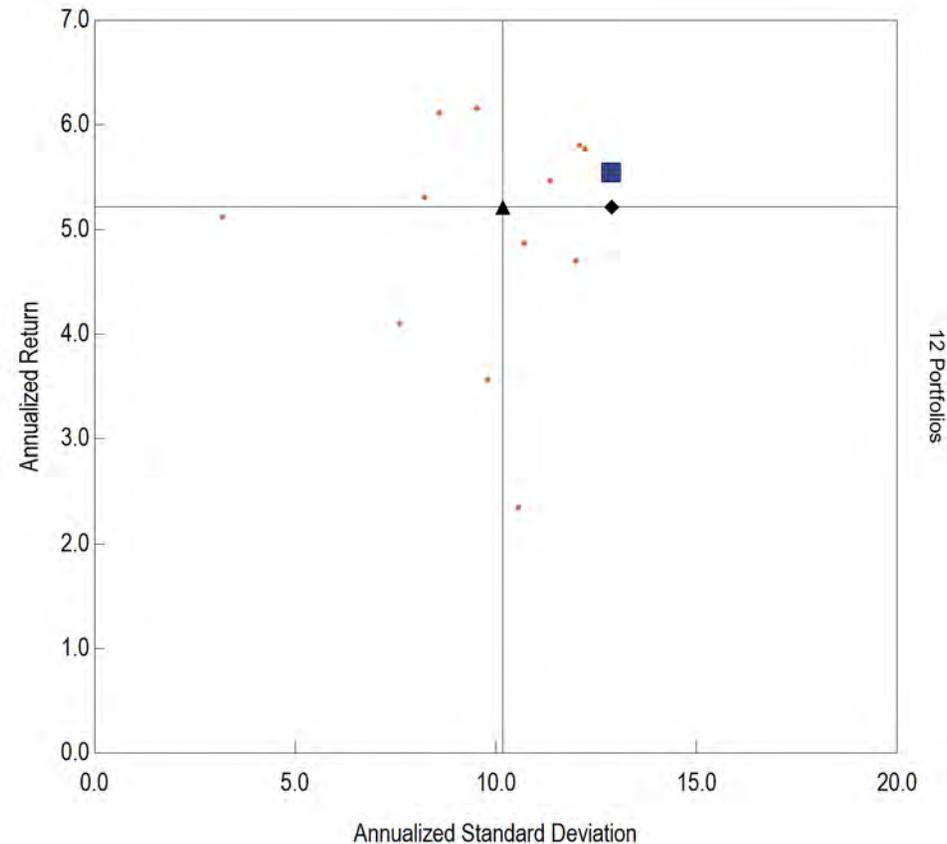
- PERS(DB) Domestic Equity
- PERS(DB) Real Estate
- PERS(DB) International Equity
- PERS(DB) Alternatives
- PERS(DB) Fixed
- PERS(DB) Cash

**RISK RETURN STATISTICS**

January 01, 2002 Through December 31, 2011

	Public Employees Retirement System (DB)	PERSDB Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	40	40
Maximum Return	12.55	13.12
Minimum Return	-13.81	-13.86
Annualized Return	5.55	5.22
Total Return	71.60	66.26
Annualized Excess Return Over Risk Free	3.74	3.40
Annualized Excess Return	0.33	0.00
<b>RISK SUMMARY STATISTICS</b>		
Beta	1.00	1.00
Upside Deviation	7.07	7.22
Downside Deviation	8.93	8.95
<b>RISK/RETURN SUMMARY STATISTICS</b>		
Annualized Standard Deviation	12.87	12.88
Alpha	0.08	0.00
Sharpe Ratio	0.29	0.26
Excess Return Over Market / Risk	0.03	0.00
Tracking Error	0.83	0.00
Information Ratio	0.40	--
<b>CORRELATION STATISTICS</b>		
R-Squared	1.00	1.00
Correlation	1.00	1.00

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



- Public Employees Retirement System (DB)
- ◆ PERSDB Total Fund Benchmark
- ▲ Universe Median
- IF Public DB Gross

## Public Employees Retirement System

### Defined Benefit Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-09	Dec-09	42.4	Russell 3000
			24.0	BC Universal/BC Long G/C
			20.0	MSCI AC World Ex-US (Net)
			7.0	Real Estate
			1.0	Wilshire Resi Full Cap
			5.0	Russell 3000 + 3% (1 Qtr arrears)
			0.6	BC Bellweather 3Mth T-Bill
	Jan-10	Mar-10	42.2	Russell 3000
			12.3	Barclays Capital U.S. Aggregate
			9.4	Barclays Capital Long Gov/Credit
			0.8	Barclays Capital High Yield
			2.0	91-Day Treasury Bill
			20.5	MSCI AC World Ex-US (Net)
			4.2	Russell 3000 + 3% (1 Qtr arrears)
			8.0	NCREIF Property (Quarter Lag)
			0.6	3 mo. LIBOR + 4% bps (2 mo. lag)
	Apr-10	Jun-10	39.6	Russell 3000
			12.6	Barclays Capital U.S. Aggregate
			9.0	Barclays Capital Long Gov/Credit
			1.6	Barclays Capital High Yield
			2.0	91-Day Treasury Bill
			22.0	MSCI AC World Ex-US (Net)
			4.3	Russell 3000 + 3% (1 Qtr arrears)
			7.9	NCREIF Property (Quarter lag)
			1.0	3 mo. LIBOR + 4% bps (2 mo. lag)

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	--	Sep-10	36.3	Russell 3000
			11.5	Barclays Capital U.S. Aggregate
			9.0	Barclays Capital Long Gov/Credit
			2.5	Barclays Capital High Yield
			2.0	91-Day Treasury Bill
			23.5	MSCI AC World Ex-US (Net)
			5.1	Russell 3000 + 3% (1 Qtr arrears)
			9.0	NCREIF Property (Quarter lag)
			1.1	3 mo. LIBOR + 4% bps (2 mo. lag)
	--	Dec-11	29.5	Russell 3000
			12.4	Barclays Capital U.S. Aggregate
			5.6	Barclays Capital Long Gov/Credit
			5.0	Barclays Capital High Yield
			2.0	91-Day Treasury Bill
			24.6	MSCI AC World Ex-US (Net)
7.9	Russell 3000 + 3% (1 Qtr arrears)			
9.6	NCREIF Property (Quarter lag)			
3.4	3 mo. LIBOR + 4% bps (2 mo. lag)			

The current PERS policy index is listed in the table on the right. PERS instituted separate floating policy indexes for their defined benefit and health care plans in January 2005.

Listed below are conditions that apply to the movement of the defined benefit policy index:

- (1) To the extent that actual real estate investments are below the long run target, the difference will be carried in global bonds.
- (2) To the extent that actual private equity investments are below the long run target, the difference will be carried in U.S. equities.
- (3) Real estate custom benchmark are calculated at 90% NCREIF minus 100 bps annually plus 10% Wilshire RESI minus 20 bps annually.

## Public Employees Retirement System

### Defined Benefit Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Dec-07	Mar-08	44.9	Russell 3000
			24.0	BC Universal/BC Long G/C
			20.0	MSCI AC World Ex-US (Net)
			6.7	Real Estate
			1.0	Wilshire Resi Full Cap
			3.2	Russell 3000 + 3% (1 Qtr arrears)
	0.2	BC Bellweather 3Mth T-Bill		
	Mar-08	Jun-08	44.9	Russell 3000
			24.0	BC Universal/BC Long G/C
20.0			MSCI AC World Ex-US (Net)	
6.7			Real Estate	
1.0			Wilshire Resi Full Cap	
3.2			Russell 3000 + 3% (1 Qtr arrears)	
0.2	BC Bellweather 3Mth T-Bill			
Jun-08	Sep-08	43.9	Russell 3000	
		24.0	BC Universal/BC Long G/C	
		20.0	MSCI AC World Ex-US (Net)	
		7.0	Real Estate	
		1.0	Wilshire Resi Full Cap	
		3.8	Russell 3000 + 3% (1 Qtr arrears)	
0.3	BC Bellweather 3Mth T-Bill			

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-08	Dec-08	43.4	Russell 3000
			24.0	BC Universal/BC Long G/C
			20.0	MSCI AC World Ex-US (Net)
			7.0	Real Estate
			1.0	Wilshire Resi Full Cap
			4.4	Russell 3000 + 3% (1 Qtr arrears)
	0.2	BC Bellweather 3Mth T-Bill		
	Mar-09	Mar-09	42.4	Russell 3000
			24.0	BC Universal/BC Long G/C
20.0			MSCI AC World Ex-US (Net)	
7.0			Real Estate	
1.0			Wilshire Resi Full Cap	
5.0			Russell 3000 + 3% (1 Qtr arrears)	
0.6	BC Bellweather 3Mth T-Bill			
Jun-09	Jun-09	42.3	Russell 3000	
		24.0	BC Universal/BC Long G/C	
		20.0	MSCI AC World Ex-US (Net)	
		7.0	Real Estate	
		1.0	Wilshire Resi Full Cap	
		5.0	Russell 3000 + 3% (1 Qtr arrears)	
0.7	BC Bellweather 3Mth T-Bill			

## Public Employees Retirement System Defined Benefit Plan Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Jun-06	Sep-06	45.4	Russell 3000
			24.8	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			6.3	Real Estate
			1.0	Wilshire Resi Full Cap
			1.6	Russell 3000 + 3% (1 Qtr arrears)
	1.0	BC Bellweather 3Mth T-Bill		
	Sep-06	Dec-06	45.2	Russell 3000
			25.4	Barclays Universal
20.0			MSCI AC World Ex-US (Net)	
5.6			Real Estate	
1.0			Wilshire Resi Full Cap	
1.8			Russell 3000 + 3% (1 Qtr arrears)	
1.0	BC Bellweather 3Mth T-Bill			
Dec-06	Mar-07	46.0	Russell 3000	
		25.3	BC Universal/BC Long G/C	
		20.0	MSCI AC World Ex-US (Net)	
		5.7	Real Estate	
		1.0	Wilshire Resi Full Cap	
		0.1	Russell 3000 + 3% (1 Qtr arrears)	
		2.0	BC Bellweather 3Mth T-Bill	

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Mar-07	Jun-07	45.7	Russell 3000
			25.2	BC Universal/BC Long G/C
			20.0	MSCI AC World Ex-US (Net)
			5.8	Real Estate
			1.0	Wilshire Resi Full Cap
			0.1	Russell 3000 + 3% (1 Qtr arrears)
	2.3	BC Bellweather 3Mth T-Bill		
	Jun-07	Sep-07	45.6	Russell 3000
			25.2	BC Universal/BC Long G/C
20.0			MSCI AC World Ex-US (Net)	
6.8			Real Estate	
2.3			Wilshire Resi Full Cap	
0.1			Russell 3000 + 3% (1 Qtr arrears)	
0.0	BC Bellweather 3Mth T-Bill			
Sep-07	Dec-07	45.1	Russell 3000	
		24.6	BC Universal/BC Long G/C	
		20.0	MSCI AC World Ex-US (Net)	
		7.4	Real Estate	
		2.8	Wilshire Resi Full Cap	
		0.2	Russell 3000 + 3% (1 Qtr arrears)	
		0.0	BC Bellweather 3Mth T-Bill	

## Public Employees Retirement System

### Defined Benefit Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Dec-04	Mar-05	46.3	Russell 3000
			26.2	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			5.8	Custom Real Estate
			0.7	Russell 3000 + 3% (1 Qtr arrears)
	1.0	BC Bellweather 3Mth T-Bill		
	Mar-05	Jun-05	46.1	Russell 3000
			26.0	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			6.0	Custom Real Estate
			0.9	Russell 3000 + 3% (1 Qtr arrears)
	1.0	BC Bellweather 3Mth T-Bill		
	Jun-05	Sep-05	46.1	Russell 3000
			25.8	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
6.2			Custom Real Estate	
0.9			Russell 3000 + 3% (1 Qtr arrears)	
1.0	BC Bellweather 3Mth T-Bill			

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-05	Dec-05	46.0	Russell 3000
			25.6	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			6.4	Custom Real Estate
			1.0	Russell 3000 + 3% (1 Qtr arrears)
	1.0	BC Bellweather 3Mth T-Bill		
	Dec-05	Mar-06	45.7	Russell 3000
			24.4	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			7.6	Custom Real Estate
			1.3	Russell 3000 + 3% (1 Qtr arrears)
	1.0	BC Bellweather 3Mth T-Bill		
	Mar-06	Jun-06	45.6	Russell 3000
			24.7	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
7.3			Custom Real Estate	
1.4			Russell 3000 + 3% (1 Qtr arrears)	
1.0	BC Bellweather 3Mth T-Bill			

## Public Employees Retirement System Defined Benefit Plan Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-99	Mar-02	36.1	SB Broad Inv Grade
			35.0	Standard & Poors 500
			16.9	MSCI World Ex-US (Net)
			6.6	NCREIF
			2.2	NAREIT
			2.2	Giliberto-Levy Mortgage
			1.0	BC Bellweather 3Mth T-Bill
			1.0	Standard & Poors 500
	Mar-02	Mar-02	34.3	S&P 1500
			31.8	SB Broad Inv Grade
			18.9	MSCI World Ex-US (Net)
			5.7	NCREIF
			3.0	Russell 3000
			2.3	BC Bellweather 3Mth T-Bill
			1.9	NAREIT
			0.2	Standard & Poors 500
	Jun-02	Sep-02	34.7	S&P 1500
			29.2	SB Broad Inv Grade
			19.3	MSCI World Ex-US (Net)
			5.8	Russell 3000
			5.6	NCREIF
			1.9	NAREIT
			1.9	Giliberto-Levy Mortgage
			0.2	Standard & Poors 500

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-02	Sep-02	44.7	Russell 3000
			25.6	SB Broad Inv Grade
			19.7	MSCI World Ex-US (Net)
			5.5	NCREIF
			1.8	NAREIT
			1.8	Giliberto-Levy Mortgage
			0.7	BC Bellweather 3Mth T-Bill
			0.2	Standard & Poors 500
	Dec-02	Dec-02	47.0	Russell 3000
			23.0	SB Broad Inv Grade
			20.0	MSCI World Ex-US (Net)
			5.4	NCREIF
			1.8	NAREIT
			1.8	Giliberto-Levy Mortgage
			0.6	BC Bellweather 3Mth T-Bill
			0.4	Standard & Poors 500
	Mar-03	Dec-04	46.0	Russell 3000
			23.0	Barclays Universal
			20.0	MSCI AC World Ex-US (Net)
			8.1	NCREIF
			0.9	Wilshire Real Estate Securities
			1.0	BC Bellweather 3Mth T-Bill
			1.0	Russell 3000 + 3% (1 Qtr arrears)
			1.0	Standard & Poors 500

## Public Employees Retirement System

### Defined Benefit Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Mar-94	Jun-95	68.0	SB Broad Inv Grade
			17.0	Standard & Poors 500
			8.0	91-Day Treasury Bill
			7.0	NCREIF
	Sep-95	Dec-95	59.0	SB Broad Inv Grade
			26.0	Standard & Poors 500
			8.0	NCREIF
			6.0	91-Day Treasury Bill
			1.0	MSCI EAFE (Net)
	Mar-96	Dec-96	62.5	SB Broad Inv Grade
			23.0	Standard & Poors 500
			8.0	NCREIF
			4.5	91-Day Treasury Bill
			2.0	MSCI EAFE (Net)
	Mar-97	Dec-97	56.5	SB Broad Inv Grade
			27.0	Standard & Poors 500
			8.0	NCREIF
			4.5	91-Day Treasury Bill
			4.0	MSCI EAFE (Net)
	Mar-98	Dec-98	51.0	SB Broad Inv Grade
30.5			Standard & Poors 500	
8.0			NCREIF	
6.0			MSCI EAFE (Net)	
4.5			91-Day Treasury Bill	

Label	Quarter Start	Quarter End	Percent	Description		
Policy Index (cont.)	Dec-98	Dec-98	51.0	SB Broad Inv Grade		
			30.5	Russell 3000		
			6.0	MSCI World Ex-US (Net)		
			4.8	NCREIF		
			4.5	91-Day Treasury Bill		
			1.6	NAREIT		
			1.6	Gilberto-Levy Mortgage		
			Mar-99	Mar-99	45.4	SB Broad Inv Grade
					35.0	Standard & Poors 500
					7.6	MSCI World Ex-US (Net)
	6.6	NCREIF				
	2.2	NAREIT				
	Jun-99	Jun-99	40.1	SB Broad Inv Grade		
			35.0	Standard & Poors 500		
			12.9	MSCI World Ex-US (Net)		
			6.6	NCREIF		
			2.2	NAREIT		
	Jun-99	Jun-99	2.2	Gilberto-Levy Mortgage		
			1.0	91-Day Treasury Bill		

# Public Employees Retirement System (HC) (PERS HC)

# Public Employees Retirement System (HC)

Actuarial Rate: 6.7%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>Public Employees Retirement System (HC)</b>	<b>-5.1%</b>	<b>-0.4%</b>	<b>12.2%</b>	<b>2.3%</b>	<b>--</b>
<i>PERS (HC) Total Fund Benchmark</i>	<u>-5.3%</u>	<u>-0.7%</u>	<u>11.6%</u>	<u>2.5%</u>	--
Over/Under	0.2%	0.3%	0.6%	-0.2%	
PERS(HC) Domestic Equity	-4.9%	1.1%	14.9%	-0.2%	--
<i>Russell 3000</i>	<u>-5.0%</u>	<u>1.0%</u>	<u>14.9%</u>	<u>0.0%</u>	<u>3.5%</u>
Over/Under	0.1%	0.1%	0.0%	-0.2%	
PERS(HC) International Equity	-16.6%	-13.4%	11.1%	-2.8%	--
<i>MSCI ACWI ex USA</i>	<u>-16.9%</u>	<u>-13.7%</u>	<u>10.7%</u>	<u>-2.9%</u>	<u>6.3%</u>
Over/Under	0.3%	0.3%	0.4%	0.1%	
<b>PERS(HC) Fixed</b>					
PERS(HC) Core Fixed	4.5%	7.5%	8.6%	5.7%	--
<i>Barclays Capital Aggregate</i>	<u>5.0%</u>	<u>7.8%</u>	<u>6.8%</u>	<u>6.5%</u>	<u>5.8%</u>
Over/Under	-0.5%	-0.3%	1.8%	-0.8%	
PERS(HC) TIPS	7.4%	13.6%	--	--	--
<i>Barclays Capital US TIPS</i>	<u>7.3%</u>	<u>13.6%</u>	<u>10.4%</u>	<u>8.0%</u>	<u>7.6%</u>
Over/Under	0.1%	0.0%			
PERS(HC) High Yield	0.1%	5.0%	--	--	--
<i>Barclays Capital High Yield</i>	<u>0.0%</u>	<u>5.0%</u>	<u>24.1%</u>	<u>7.5%</u>	<u>8.9%</u>
Over/Under	0.1%	0.0%			
PERS(HC) EMD	-3.8%	2.2%	--	--	--
<i>PERS Emerging Market Debt Benchmark</i>	<u>-2.6%</u>	<u>3.3%</u>	--	--	--
Over/Under	-1.2%	-1.1%			
PERS(HC) Opportunistic	-2.2%	4.8%	--	--	--
<i>PERS FI Opportunistic Benchmark</i>	<u>0.0%</u>	<u>5.1%</u>	--	--	--
Over/Under	-2.2%	-0.3%			

# Public Employees Retirement System (HC)

Actuarial Rate: 6.7%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>PERS(HC) Real Estate</b>					
PERS(HC) REITs	-1.2%	9.6%	22.4%	-2.0%	--
<i>PERS (HC) REIT Benchmark</i>	<u>-1.9%</u>	<u>8.9%</u>	<u>21.7%</u>	<u>-2.3%</u>	--
Over/Under	0.7%	0.7%	0.7%	0.3%	
<b>PERS(HC) Alternatives</b>					
PERS(HC) Private Equity	-2.2%	5.1%	-12.6%	--	--
<i>PERS Private Equity Benchmark (QTR LAG)</i>	<u>-14.0%</u>	<u>3.5%</u>	<u>4.5%</u>	<u>2.1%</u>	<u>6.4%</u>
Over/Under	11.8%	1.6%	-17.1%		
PERS(HC) Hedge Funds	-3.3%	-2.4%	16.9%	--	--
<i>PERS (HC) Hedge Benchmark</i>	<u>3.4%</u>	<u>7.0%</u>	<u>15.9%</u>	--	--
Over/Under	-6.7%	-9.4%	1.0%		
PERS(HC) Commodities	-3.6%	1.2%	--	--	--
<i>Goldman Sachs GSCI Total</i>	<u>-3.8%</u>	<u>-1.2%</u>	<u>6.9%</u>	<u>-2.8%</u>	<u>5.6%</u>
Over/Under	0.2%	2.4%			
PERS(HC) TAA	7.9%	101.4%	--	--	--
<i>PERS TAA Benchmark</i>	<u>0.0%</u>	<u>0.1%</u>	--	--	--
Over/Under	7.9%	101.3%			
PERS(HC) Cash	0.1%	0.2%	0.6%	1.8%	--
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.2%	0.5%	0.6%	

# Public Employees Retirement System (HC)

## Asset Allocation by Segment

As Of December 31, 2011

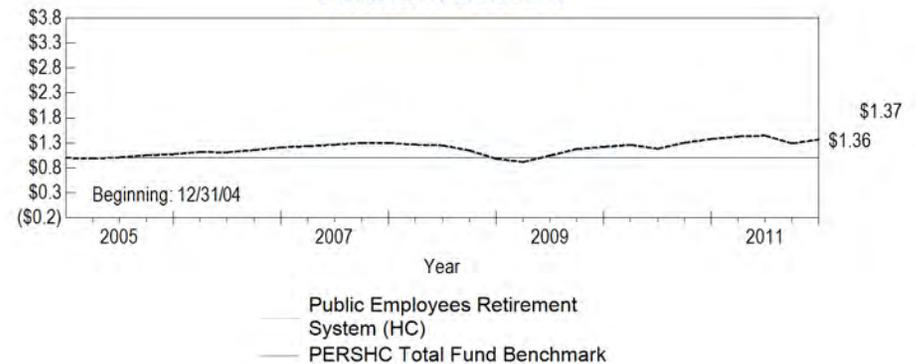
	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Non-US Fixed Income	Alternatives	Real Estate	Cash
PERS(HC) Domestic Equity	\$3,262,966,479	27.7%	\$3,262,966,479						
PERS(HC) International Equity	\$3,250,393,896	27.6%		\$3,250,393,896					
<b>PERS(HC) Fixed</b>									
PERS(HC) Core Fixed	\$2,495,652,655	21.2%			\$2,495,652,655				
PERS(HC) TIPS	\$423,152,975	3.6%			\$423,152,975				
PERS(HC) High Yield	\$259,662,345	2.2%			\$259,662,345				
PERS(HC) EMD	\$592,262,375	5.0%				\$592,262,375			
PERS(HC) Opportunistic	\$56,449,158	0.5%			\$56,449,158				
PERS(HC) Securitized Debt	\$131,962,062	1.1%			\$131,962,062				
<b>PERS(HC) Real Estate</b>									
PERS(HC) REITs	\$750,476,383	6.4%						\$750,476,383	
<b>PERS(HC) Alternatives</b>									
PERS(HC) Private Equity	\$54,952,141	0.5%					\$54,952,141		
PERS(HC) Hedge Funds	\$133,728,047	1.1%					\$133,728,047		
PERS(HC) Commodities	\$114,402,117	1.0%					\$114,402,117		
PERS(HC) TAA	\$0	0.0%					\$0		
PERS(HC) Cash	\$239,345,779	2.0%							\$239,345,779
<b>Total</b>	<b>\$11,765,406,412</b>	<b>100.0%</b>	<b>\$3,262,966,479</b>	<b>\$3,250,393,896</b>	<b>\$3,366,879,195</b>	<b>\$592,262,375</b>	<b>\$303,082,305</b>	<b>\$750,476,383</b>	<b>\$239,345,779</b>

PERS(HC)

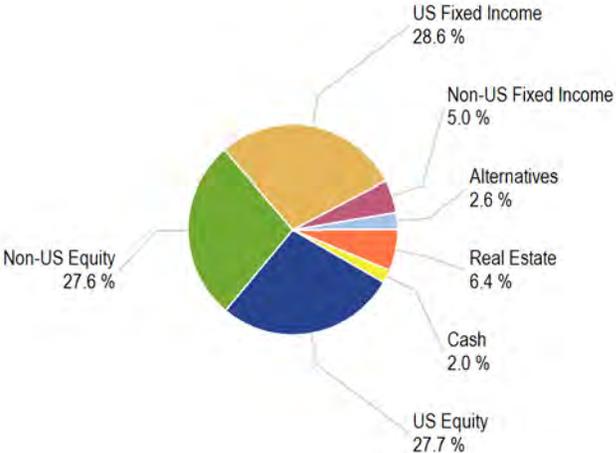
	Actual	Target	Difference
US Equity	27.7	28.8	-1.1
Intl Equity	27.6	27.2	0.4
REITs	6.4	6.0	0.4
Alternatives	2.6	4.0	-1.4
<b>Total Equity</b>	<b>64.3</b>	<b>66</b>	<b>-1.7</b>
Fixed Income	33.6	34	-0.4
Short Term Investments	2.0	0.0	2.0
<b>Total Debt</b>	<b>35.6</b>	<b>34.0</b>	<b>1.6</b>
	<b>99.9</b>	<b>100.0</b>	<b>-0.1</b>

\*Totals may not add up to 100% due to rounding

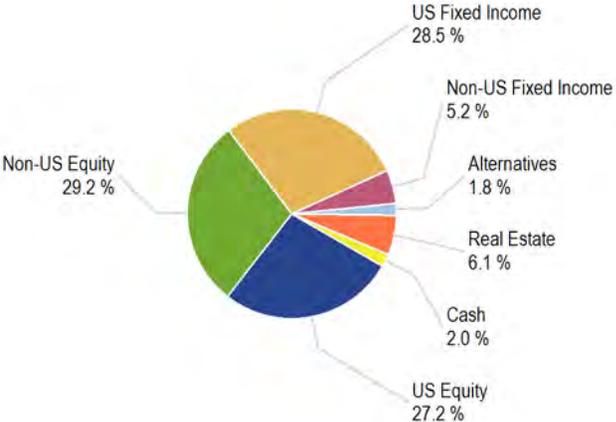
## GROWTH OF A DOLLAR



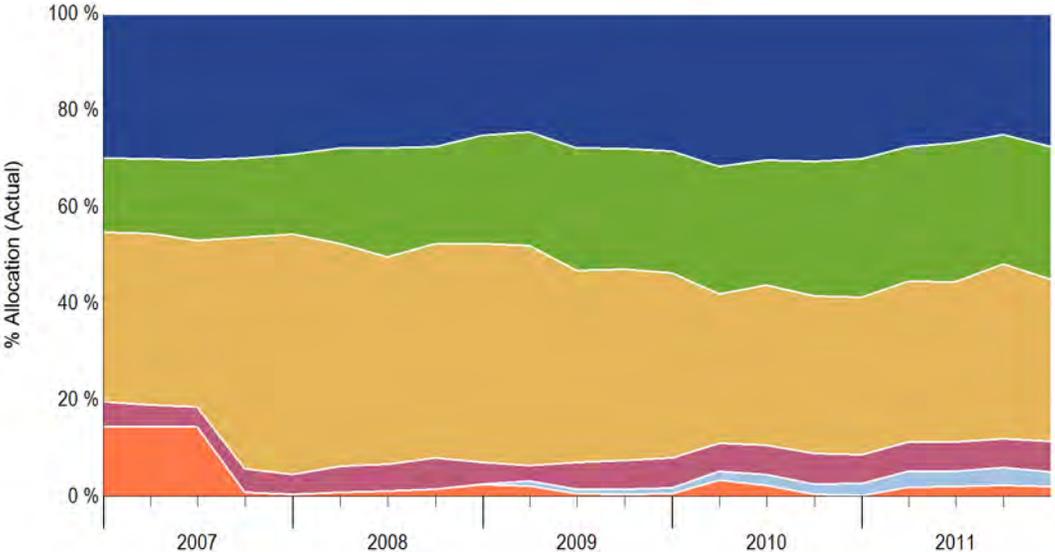
Current Allocation  
December 31, 2011



Previous Allocation  
June 30, 2011



Asset Allocation History  
5 Years Ending December 31, 2011



30.0	30.3	29.9	29.2	27.8	27.8	27.6	25.2	24.5	27.8	28.0	28.5	31.6	30.4	30.6	30.1	27.6	26.8	25.0	27.6
15.5	16.8	16.4	16.4	19.8	22.6	20.0	22.5	23.6	25.4	24.9	25.2	26.5	25.8	27.8	28.7	27.8	28.7	26.9	27.5
35.5	34.4	48.0	49.8	46.2	43.0	44.5	45.3	45.7	39.7	39.7	38.3	30.9	33.2	32.6	32.6	33.3	33.2	36.2	33.5
4.5	4.2	4.8	4.1	5.5	5.6	6.4	4.5	3.2	5.6	5.9	6.3	5.9	6.2	6.4	6.0	6.2	6.0	5.9	6.3
--	--	--	--	--	0.0	0.0	0.1	1.0	1.0	1.1	1.2	1.8	2.2	2.2	2.4	3.3	3.3	3.8	3.0
14.4	14.4	0.9	0.4	0.8	1.0	1.5	2.5	2.2	0.5	0.4	0.5	3.3	2.3	0.4	0.2	1.9	1.9	2.2	2.0

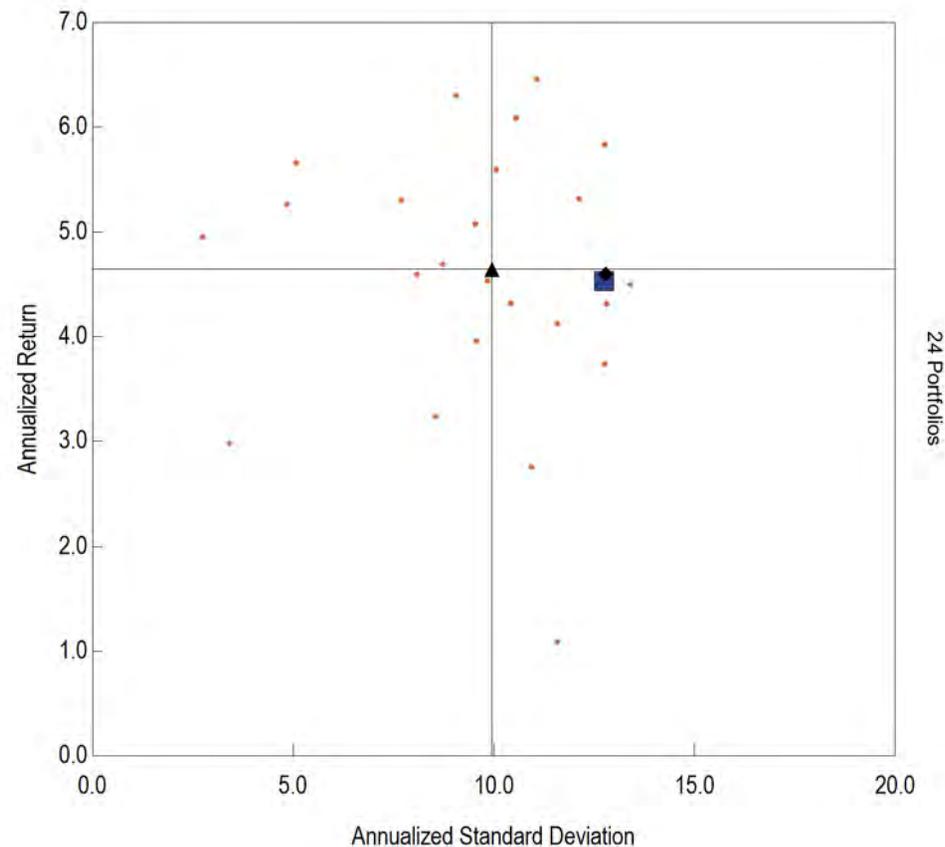
- PERS(HC) Domestic Equity
- PERS(HC) International Equity
- PERS(HC) Fixed
- PERS(HC) Real Estate
- PERS(HC) Alternatives
- PERS(HC) Cash

**RISK RETURN STATISTICS**

January 01, 2005 Through December 31, 2011

	Public Employees Retirement System (HC)	PERSHC Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	28	28
Maximum Return	12.96	13.93
Minimum Return	-14.68	-14.49
Annualized Return	4.53	4.60
Total Return	36.38	36.98
Annualized Excess Return Over Risk Free	2.51	2.58
Annualized Excess Return	-0.07	0.00
<b>RISK SUMMARY STATISTICS</b>		
Beta	0.99	1.00
Upside Deviation	6.96	7.28
Downside Deviation	9.61	9.78
<b>RISK/RETURN SUMMARY STATISTICS</b>		
Annualized Standard Deviation	12.74	12.79
Alpha	-0.01	0.00
Sharpe Ratio	0.20	0.20
Excess Return Over Market / Risk	-0.01	0.00
Tracking Error	0.91	0.00
Information Ratio	-0.07	--
<b>CORRELATION STATISTICS</b>		
R-Squared	0.99	1.00
Correlation	1.00	1.00

Annualized Return vs. Annualized Standard Deviation  
7 Years Ending December 31, 2011



- Public Employees Retirement System (HC)
- ◆ PERSHC Total Fund Benchmark
- ▲ Universe Median
- IF Public DB Gross

# Public Employees Retirement System

## Health Care Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	--	Dec-11	28.8	Russell 3000
			21.5	Barclays Capital U.S. Aggregate
			3.5	Barclays Capital U.S. TIPS
			2.0	Barclays High Yield
			2.0	91-Day Treasury Bill
			5.0	Custom Emerging Markets Debt
			27.3	MSCI ACWI Ex-US (Net)
			0.3	Custom Private Equity
			6.0	DJ Wilshire Resi Full Cap
			2.0	LIBOR + 400 bps (2 mo. lag)
1.6	S&P GS Commodity Total Return			

PERS Health Care Plans' policy index is shown above.

# Public Employees Retirement System

## Health Care Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Dec-08	Mar-09	29.0	Russell 3000
			10.3	Barclays Universal
			20.2	Barclays U.S. TIPS
			11.5	Barclays 1-3 Yr Gov't
			23.0	MSCI ACWI Ex-US (Net)
	6.0	Wilshire Resi Full Cap		
	Mar-09	Dec-09	28.4	Russell 3000
			10.0	Barclays Universal
			20.0	Barclays U.S. TIPS
			10.0	Barclays 1-3 Yr Gov't
			24.5	MSCI ACWI Ex-US (Net)
	6.0	Wilshire Resi Full Cap		
	0.1	Russell 3000 + 3% (1 Qtr arrears)		
	1.0	BC Bellweather 3 Mth T-Bill		
	Jan-10	Mar-10	30.3	Russell 3000
17.6			Barclays Capital U.S. Aggregate	
13.3			Barclays Capital U.S. TIPS	
0.5			Barclays High Yield	
2.0			91-Day Treasury Bill	
3.1			Custom Emerging Markets Debt	
25.0			MSCI ACWI Ex-US (Net)	
0.1			Custom Private Equity	
6.0			DJ Wilshire Resi Full Cap	
1.1			LIBOR + 400 bps (2 mo. lag)	
1.0	S&P GS Commodity Total Return			

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Apr-10	Jun-10	31.9	Russell 3000
			18.2	Barclays Capital U.S. Aggregate
			8.2	Barclays Capital U.S. TIPS
			0.6	Barclays High Yield
			2.0	91-Day Treasury Bill
			5.0	Custom Emerging Markets Debt
			26.0	MSCI ACWI Ex-US (Net)
			0.1	Custom Private Equity
	--	Sep-10	6.0	DJ Wilshire Resi Full Cap
			1.0	LIBOR + 400 bps (2 mo. lag)
			1.0	S&P GS Commodity Total Return
			31.0	Russell 3000
			20.5	Barclays Capital U.S. Aggregate
			5.5	Barclays Capital U.S. TIPS
			1.0	Barclays High Yield
--	Sep-10	2.0	91-Day Treasury Bill	
		5.0	Custom Emerging Markets Debt	
		26.7	MSCI ACWI Ex-US (Net)	
		0.2	Custom Private Equity	
		6.0	DJ Wilshire Resi Full Cap	
		1.2	LIBOR + 400 bps (2 mo. lag)	
		1.0	S&P GS Commodity Total Return	

# Public Employees Retirement System

## Health Care Plan

### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Dec-04	Jun-05	47.5	Russell 3000
			22.0	Barclays Universal
			22.0	MSCI ACWI Ex-US (Net)
			4.0	Wilshire Resi Full Cap
			2.5	Barclays US Tips
			2.0	Barclays 1-3 Yr Gov't
	Jun-05	Dec-05	42.5	Russell 3000
			20.0	Barclays Universal
			20.0	MSCI ACWI Ex-US (Net)
			4.2	Wilshire Resi Full Cap
			7.5	Barclays US Tips
			5.8	Barclays 1-3 Yr Gov't
	Dec-05	Jun-06	37.5	Russell 3000
			18.0	Barclays Universal
			18.0	MSCI ACWI Ex-US (Net)
			4.5	Wilshire Resi Full Cap
			12.5	Barclays US Tips
			9.5	Barclays 1-3 Yr Gov't
	Jun-06	Dec-06	32.5	Russell 3000
			16.0	Barclays Universal
16.0			MSCI ACWI Ex-US (Net)	
4.8			Wilshire Resi Full Cap	
17.5			Barclays US Tips	
13.2			Barclays 1-3 Yr Gov't	

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Dec-06	Dec-07	30.0	Russell 3000
			15.0	Barclays Universal
			15.0	MSCI ACWI Ex-US (Net)
			5.0	Wilshire Resi Full Cap
			20.0	Barclays US Tips
			15.0	Barclays 1-3 Yr Gov't
	Dec-07	Jun-08	29.6	Russell 3000
			14.8	Barclays Universal
			16.4	MSCI ACWI Ex-US (Net)
			4.1	Wilshire Resi Full Cap
			20.8	Barclays US Tips
			14.3	Barclays 1-3 Yr Gov't
	Jun-08	Sep-08	28.8	Russell 3000
			9.7	Barclays Universal
			22.6	MSCI ACWI Ex-US (Net)
			5.6	Wilshire Resi Full Cap
			21.0	Barclays US Tips
			12.3	Barclays 1-3 Yr Gov't
	Sep-08	Dec-08	28.8	Russell 3000
			9.7	Barclays Universal
22.6			MSCI ACWI Ex-US (Net)	
5.6			Wilshire Resi Full Cap	
21.0			Barclays US Tips	
12.3			Barclays 1-3 Yr Gov't	

# State Teachers Retirement System (STRS)

# State Teachers Retirement System

Actuarial Rate: 8.0%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>State Teachers Retirement System</b>	<b>-3.8%</b>	<b>1.6%</b>	<b>11.4%</b>	<b>1.4%</b>	<b>5.8%</b>
<i>STRS Total Fund Benchmark</i>	<u>-4.3%</u>	<u>0.8%</u>	<u>11.2%</u>	<u>1.3%</u>	<u>5.3%</u>
Over/Under	0.5%	0.8%	0.2%	0.1%	0.5%
STRS Domestic Equity	-4.9%	1.5%	15.1%	-0.3%	3.3%
<i>STRS Domestic Equity Benchmark</i>	<u>-5.0%</u>	<u>1.0%</u>	<u>14.9%</u>	<u>0.0%</u>	<u>3.5%</u>
Over/Under	0.1%	0.5%	0.2%	-0.3%	-0.2%
STRS Global Fixed	4.4%	7.3%	10.6%	7.2%	6.6%
<i>Barclays Capital U.S. Universal</i>	<u>4.4%</u>	<u>7.4%</u>	<u>7.7%</u>	<u>6.4%</u>	<u>6.0%</u>
Over/Under	0.0%	-0.1%	2.9%	0.8%	0.6%
STRS International Equity	-14.5%	-12.8%	10.9%	-2.4%	7.1%
<i>STRS International Blended Benchmark</i>	<u>-14.9%</u>	<u>-13.1%</u>	<u>9.9%</u>	<u>-3.0%</u>	<u>5.8%</u>
Over/Under	0.4%	0.3%	1.0%	0.6%	1.3%
<b>STRS Real Estate</b>	<b>5.1%</b>	<b>19.6%</b>	<b>0.6%</b>	<b>3.8%</b>	<b>11.0%</b>
<i>STRS RE Blended Benchmark</i>	<u>5.5%</u>	<u>13.8%</u>	<u>6.1%</u>	<u>3.2%</u>	<u>8.6%</u>
Over/Under	-0.4%	5.8%	-5.5%	0.6%	2.4%
<b>STRS Alternatives</b>	<b>-3.1%</b>	<b>9.4%</b>	<b>5.3%</b>	<b>6.7%</b>	<b>7.5%</b>
<i>STRS Alternative Benchmark</i>	<u>-4.4%</u>	<u>2.4%</u>	<u>17.0%</u>	<u>2.3%</u>	<u>6.3%</u>
Over/Under	1.3%	7.0%	-11.7%	4.4%	1.2%
STRS Private Equity	-3.2%	11.5%	5.4%	6.8%	7.5%
<i>STRS Private Equity Benchmark</i>	<u>-3.6%</u>	<u>4.1%</u>	<u>18.3%</u>	<u>3.0%</u>	<u>6.7%</u>
Over/Under	0.4%	7.4%	-12.9%	3.8%	0.8%
STRS Hedge Funds	-1.9%	-1.3%	5.9%	3.8%	--
<i>HFRI Fund of Funds Composite Index</i>	<u>-5.4%</u>	<u>-5.7%</u>	<u>3.6%</u>	<u>-0.8%</u>	<u>3.2%</u>
Over/Under	3.5%	4.4%	2.3%	4.6%	
STRS Opportunistic	-3.5%	3.9%	--	--	--
<i>STRS Opportunistic Benchmark</i>	<u>-5.5%</u>	<u>0.0%</u>	--	--	--
Over/Under	2.0%	3.9%			
STRS Liquidity Reserves	0.1%	0.2%	0.6%	1.8%	2.1%
<i>91 Day T-Bills</i>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>1.2%</u>	<u>1.8%</u>
Over/Under	0.1%	0.2%	0.5%	0.6%	0.3%

## Asset Allocation by Segment

As Of December 31, 2011

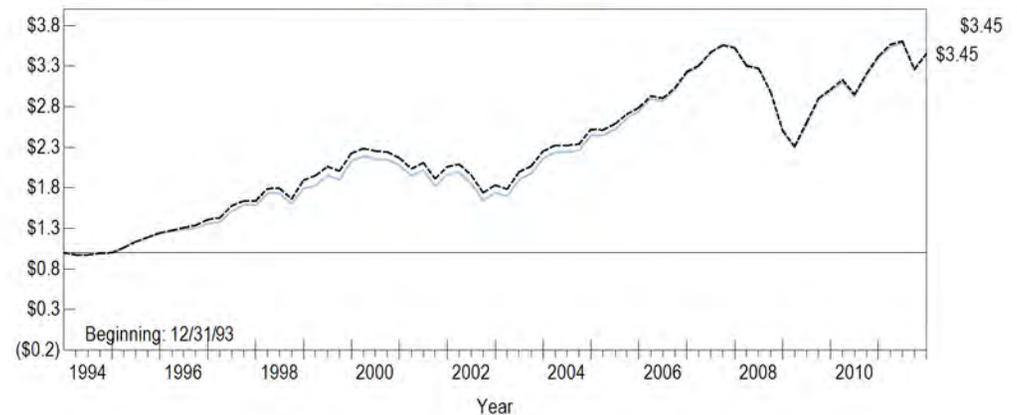
	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Alternatives	Real Estate	Cash
STRS Domestic Equity	\$22,762,808,790	36.9%	\$22,762,808,790					
STRS Global Fixed	\$10,608,392,492	17.2%			\$10,608,392,492			
STRS International Equity	\$12,638,109,910	20.5%		\$12,638,109,910				
STRS Real Estate								
STRS Real Estate	\$5,507,111,578	8.9%					\$5,507,111,578	
STRS Alternatives								
STRS Private Equity	\$3,991,239,406	6.5%				\$3,991,239,406		
STRS Hedge Funds								
STRS Opportunistic	\$2,537,451,223	4.1%				\$2,537,451,223		
STRS Liquidity Reserves	\$3,625,497,522	5.9%						\$3,625,497,522
<b>Total</b>	<b>\$61,670,610,922</b>	<b>100.0%</b>	<b>\$22,762,808,790</b>	<b>\$12,638,109,910</b>	<b>\$10,608,392,492</b>	<b>\$6,528,690,629</b>	<b>\$5,507,111,578</b>	<b>\$3,625,497,522</b>

## STRS

	Actual	Target	Difference
US Equity	36.9	39.0	-2.1
Intl Equity	20.5	23.0	-2.5
Alternatives	10.6	9.0	1.6
<b>Total Equity</b>	<b>68.0</b>	<b>71.0</b>	<b>-3.0</b>
Fixed Income	17.2	18.0	-0.8
Real Estate	8.9	10.0	-1.1
Short Term Investments	5.9	1.0	4.9
<b>Total Debt</b>	<b>32.0</b>	<b>29.0</b>	<b>3.0</b>
	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

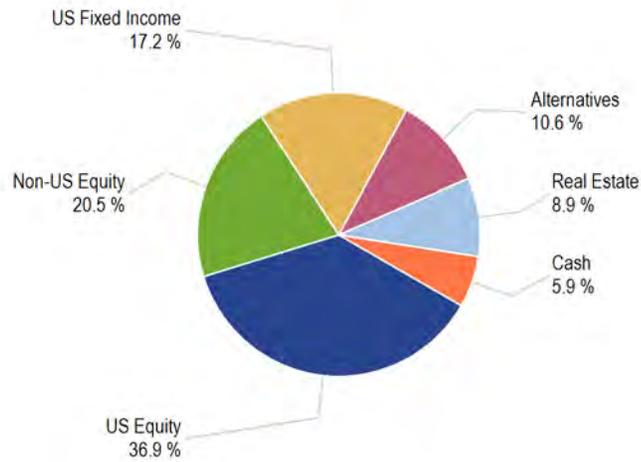
\*Totals may not add up to 100% due to rounding.

## GROWTH OF A DOLLAR

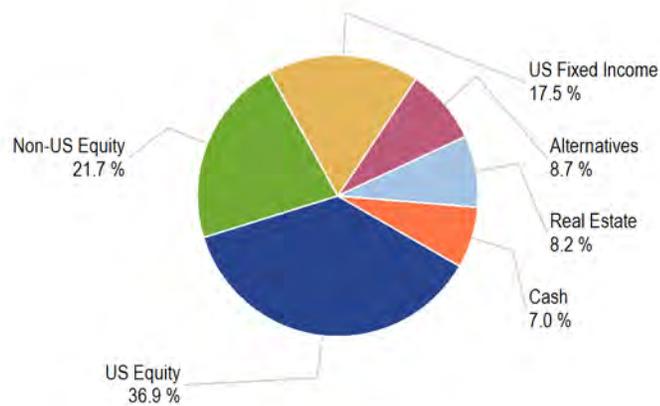


as of 12/31/2011, STRS had \$1.26 billion in hedge funds, or 2.0% of total fund assets, which is included in the STRS Opportunistic category.

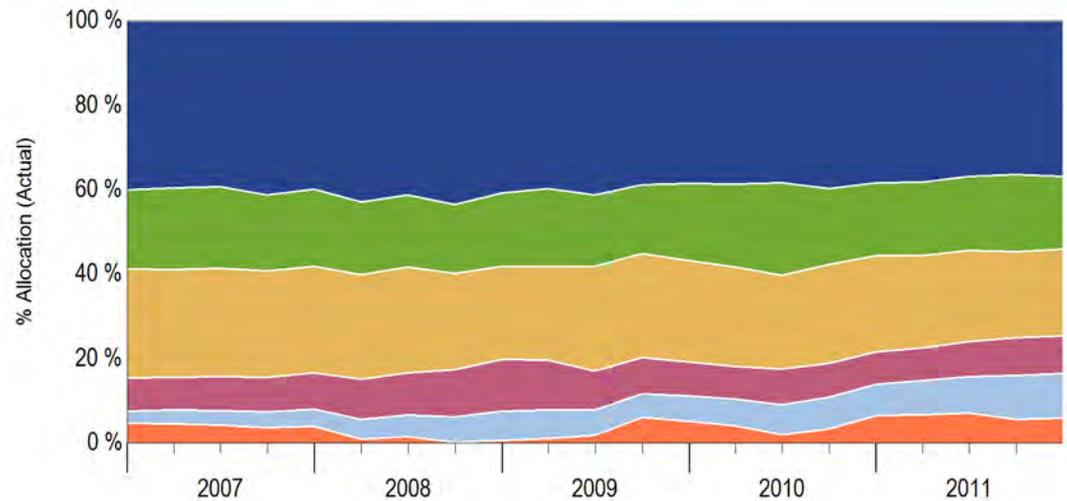
**Current Allocation  
December 31, 2011**



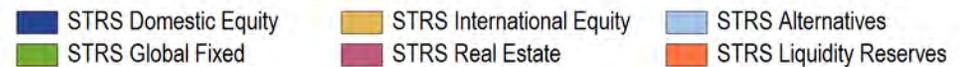
**Previous Allocation  
June 30, 2011**



**Asset Allocation History  
5 Years Ending December 31, 2011**



39.	39.	41.	39.	42.	41.	43.	40.	39.	41.	38.	38.	38.	38.	39.	38.	38.	36.	36.	36.
19.	19.	18.	18.	17.	17.	16.	17.	18.	17.	16.	18.	19.	21.	18.	17.	17.	17.	18.	17.
25.	25.	25.	25.	24.	25.	23.	22.	22.	24.	24.	24.	23.	22.	23.	22.	21.	21.	20.	20.
7.7	8.0	8.3	8.7	9.5	10.	11.	12.	11.	9.4	8.6	8.1	7.8	8.4	8.0	7.7	7.7	8.2	8.9	8.9
3.3	3.5	3.7	4.1	4.8	5.1	6.1	6.9	6.8	5.9	5.5	6.0	6.2	7.2	7.5	7.5	8.2	8.7	10.	10.
4.5	4.2	3.6	3.8	0.8	1.5	0.1	0.6	1.0	1.8	6.0	5.1	4.1	1.9	3.3	6.4	6.6	7.0	5.5	5.9



**RISK RETURN STATISTICS**

January 01, 2002 Through December 31, 2011

	State Teachers Retirement System	STRS Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	40	40
Maximum Return	12.29	12.72
Minimum Return	-15.96	-15.95
Annualized Return	5.81	5.30
Total Return	75.85	67.55
Annualized Excess Return Over Risk Free	4.00	3.49
Annualized Excess Return	0.51	0.00

**RISK SUMMARY STATISTICS**

Beta	1.01	1.00
Upside Deviation	6.72	6.57
Downside Deviation	9.55	9.47

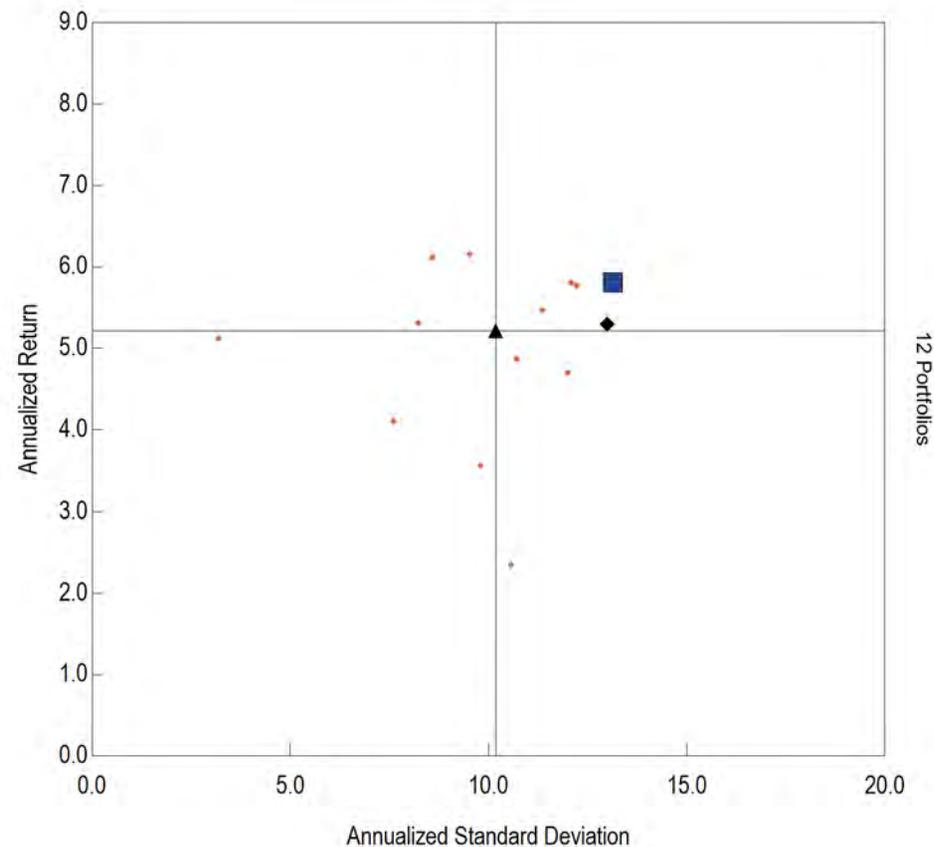
**RISK/RETURN SUMMARY STATISTICS**

Annualized Standard Deviation	13.14	12.99
Alpha	0.11	0.00
Sharpe Ratio	0.30	0.27
Excess Return Over Market / Risk	0.04	0.00
Tracking Error	0.74	0.00
Information Ratio	0.69	--

**CORRELATION STATISTICS**

R-Squared	1.00	1.00
Correlation	1.00	1.00

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



- State Teachers Retirement System
- ◆ STRS Total Fund Benchmark
- ▲ Universe Median
- IF Public DB Gross

# State Teachers Retirement System

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Jun-09	Jun-10	39.0	Russell 3000
			20.0	Barclays Universal
			18.4	MSCI EAFE ex US 50% Hedged
			10.0	Real Estate Blended Benchmark
			4.6	MSCI Em Mkts Free (Gross)
			7.0	Alt. Investment Actual Return
			1.0	91-Day Treasury Bill
	Jul-10	Jun-11	39.0	Russell 3000
			19.0	Barclays Universal
			18.4	MSCI EAFE ex US 50% Hedged
			10.0	Real Estate Blended Benchmark
			4.6	MSCI Em Mkts Free (Gross)
			8.0	Alt. Investment Actual Return*
			1.0	91-Day Treasury Bill
	Sep-11	Dec-11	39.0	Russell 3000
			18.0	Barclays Universal
			18.4	MSCI EAFE ex US 50% Hedged
			10.0	Real Estate Blended Benchmark
			4.6	MSCI Em Mkts Free (Gross)
			9.0	Alt. Investment Actual Return*
			1.0	91-Day Treasury Bill

The current STRS policy index is shown above on the left.

\*For calculating the Total Fund Blended Benchmark, the actual Alternative Investment asset class return is used. The benchmark used for the asset class relative performance, however, is the Russell 3000 plus 300 bps for Private Equity and the Russell 3000 minus 100 bps for Opportunistic/Diversified. At the total AI asset class, a blended benchmark is used.

# State Teachers Retirement System

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-02	Dec-02	45.0	S&P 1500
			23.0	Barclays Universal
			15.0	MSCI EAFE 50% Hedged
			9.0	Real Estate Blended Benchmark
			5.0	MSCI Em Mkts Free (Gross)
			2.0	Alt. Investment Actual Return
	1.0	91-Day Treasury Bill		
	Mar-03	Jun-03	45.0	S&P/Russell Hybrid
			23.0	Barclays Universal
			15.0	MSCI EAFE 50% Hedged
			9.0	Real Estate Blended Benchmark
			5.0	MSCI Em Mkts Free (Gross)
2.0			Alt. Investment Actual Return	
1.0	91-Day Treasury Bill			
Sep-03	Dec-05	45.0	Russell 3000	
		23.0	Barclays Universal	
		15.0	MSCI World ex US 50% Hedged	
		9.0	Real Estate Blended Benchmark	
		5.0	MSCI Em Mkts Free (Gross)	
		2.0	Alt. Investment Actual Return	
1.0	91-Day Treasury Bill			
Mar-06	Jun-06	42.0	Russell 3000	
		21.0	Barclays Universal	
		20.0	MSCI World ex US 50% Hedged	
		9.0	Real Estate Blended Benchmark	
		5.0	MSCI Em Mkts Free (Gross)	
		3.0	Alt. Investment Actual Return	
0.0	91-Day Treasury Bill			

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-06	Jun-07	42.0	Russell 3000
			20.5	Barclays Universal
			20.0	MSCI World ex US 50% Hedged
			9.5	Real Estate Blended Benchmark
			5.0	MSCI Em Mkts Free (Gross)
			3.0	Alt. Investment Actual Return
	0.0	91-Day Treasury Bill		
	Sep-07	Sep-07	42.0	Russell 3000
			20.0	Barclays Universal
			20.0	MSCI World ex US 50% Hedged
			10.0	Real Estate Blended Benchmark
			5.0	MSCI Em Mkts Free (Gross)
3.0			Alt. Investment Actual Return	
0.0	91-Day Treasury Bill			
Dec-07	Mar-09	42.0	Russell 3000	
		20.0	Barclays Universal	
		20.0	MSCI World ex US 50% Hedged	
		9.5	Real Estate Blended Benchmark	
		5.0	MSCI Em Mkts Free (Gross)	
		3.5	Alt. Investment Actual Return	
0.0	91-Day Treasury Bill			
Apr-09	Jun-09	40.0	Russell 3000	
		20.0	Barclays Universal	
		19.2	MSCI World ex US 50% Hedged	
		10.0	Real Estate Blended Benchmark	
		4.8	MSCI Em Mkts Free (Gross)	
		6.0	Alt. Investment Actual Return	
0.0	91-Day Treasury Bill			

# State Teachers Retirement System

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Mar-94	Dec-94	40.0	Standard & Poors 500
			45.0	Barclays Govt./Corp.
			9.0	Real Estate Blended Benchmark
			3.0	MSCI EAFE (Net)
			3.0	91-Day Treasury Bill
	Mar-95	Dec-95	46.0	Standard & Poors 500
			35.0	BC Aggregate
			9.0	Real Estate Blended Benchmark
			6.0	MSCI EAFE (Net)
			2.0	MSCI Em Mkts Free (Gross)
	Mar-96	Dec-96	45.0	Standard & Poors 500
			35.0	BC Aggregate
			9.0	Real Estate Blended Benchmark
			6.8	MSCI EAFE (Net)
			2.3	MSCI Em Mkts Free (Gross)
	Mar-97	Jun-97	45.0	Standard & Poors 500
34.0			BC Aggregate	
9.0			Real Estate Blended Benchmark	
6.0			MSCI EAFE (Net)	
4.0			MSCI Em Mkts Free (Gross)	
		2.0	91-Day Treasury Bill	

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (Cont.)	Sep-97	Dec-97	45.0	Standard & Poors 500
			24.0	BC Aggregate
			12.0	MSCI EAFE (Net)
			9.0	Real Estate Blended Benchmark
			8.0	MSCI Em Mkts Free (Gross)
	Mar-98	Sep-98	2.0	91-Day Treasury Bill
			45.0	S&P 1500
			24.0	BC Aggregate
			12.0	MSCI EAFE 50% Hedged
			9.0	Real Estate Blended Benchmark
	Dec-98	Sep-00	8.0	MSCI Em Mkts Free (Gross)
			2.0	91-Day Treasury Bill
			45.0	S&P 1500
			24.0	BC Aggregate
			14.0	MSCI EAFE 50% Hedged
	Dec-00	Jun-02	9.0	Real Estate Blended Benchmark
6.0			MSCI Em Mkts Free (Gross)	
2.0			91-Day Treasury Bill	
45.0			S&P 1500	
25.0			Barclays Universal	
		15.0	MSCI EAFE 50% Hedged	
		9.0	Real Estate Blended Benchmark	
		5.0	MSCI Em Mkts Free (Gross)	
		1.0	91-Day Treasury Bill	

# Ohio Police & Fire (OP&F)

## Ohio Police &amp; Fire

Actuarial Rate: 8.25%

		Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>Ohio Police &amp; Fire</b>	<b>-3.9%</b>	<b>2.5%</b>	<b>12.8%</b>	<b>2.7%</b>	<b>6.3%</b>	
<i>OPF Total Fund Benchmark</i>	<u>-3.4%</u>	<u>2.4%</u>	<u>11.7%</u>	<u>1.7%</u>	<u>5.7%</u>	
Over/Under	-0.5%	0.1%	1.1%	1.0%	0.6%	
OP&F Domestic Equity	-5.5%	0.9%	18.0%	1.4%	4.6%	
<i>Wilshire 5000</i>	<u>-4.8%</u>	<u>1.0%</u>	<u>14.9%</u>	<u>0.1%</u>	<u>3.8%</u>	
Over/Under	-0.7%	-0.1%	3.1%	1.3%	0.8%	
OP&F International Equity	-17.3%	-12.4%	12.1%	-1.6%	6.8%	
<i>OPF International Benchmark</i>	<u>-16.8%</u>	<u>-13.7%</u>	<u>10.7%</u>	<u>-2.9%</u>	<u>6.3%</u>	
Over/Under	-0.5%	1.3%	1.4%	1.3%	0.5%	
<b>OP&amp;F Fixed Income</b>						
OP&F Core Fixed	3.4%	6.4%	9.3%	6.9%	6.0%	
OP&F Mortgages	0.9%	5.0%	6.8%	4.6%	5.8%	
OP&F High Yield	0.7%	6.0%	21.5%	8.0%	9.1%	
<i>OPF High Yield Benchmark</i>	<u>0.6%</u>	<u>5.5%</u>	<u>23.0%</u>	<u>7.1%</u>	<u>9.0%</u>	
Over/Under	0.1%	0.5%	-1.5%	0.9%	0.1%	
Global Inflation Protected Securities	20.7%	35.5%	19.7%	14.4%	--	
<i>OP&amp;F GIPS Benchmark</i>	<u>14.9%</u>	<u>24.4%</u>	<u>12.9%</u>	<u>10.0%</u>	--	
Over/Under	5.8%	11.1%	6.8%	4.4%		
<b>OP&amp;F Real Estate</b>	<b>7.0%</b>	<b>17.5%</b>	<b>-8.2%</b>	<b>-1.0%</b>	<b>7.5%</b>	
<i>NCREIF (ODCE) Index</i>	<u>6.6%</u>	<u>16.0%</u>	<u>-1.8%</u>	<u>-0.2%</u>	<u>6.2%</u>	
Over/Under	0.4%	1.5%	-6.4%	-0.8%	1.3%	

		Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>OP&amp;F Alternatives</b>	<b>3.6%</b>	<b>17.7%</b>	<b>5.4%</b>	<b>8.6%</b>	<b>5.1%</b>	
<i>OPF Private Equity Benchmark</i>	<u>-13.8%</u>	<u>3.6%</u>	<u>4.6%</u>	<u>2.3%</u>	<u>7.8%</u>	
Over/Under	17.4%	14.1%	0.8%	6.3%	-2.7%	
OP&F Private Equity	3.6%	17.7%	5.4%	8.6%	5.1%	
<i>OPF Private Equity Benchmark</i>	<u>-13.8%</u>	<u>3.6%</u>	<u>4.6%</u>	<u>2.3%</u>	<u>7.8%</u>	
Over/Under	17.4%	14.1%	0.8%	6.3%	-2.7%	
OP&F Cash	0.2%	0.3%	0.3%	1.6%	2.0%	

## Asset Allocation by Segment

As Of December 31, 2011

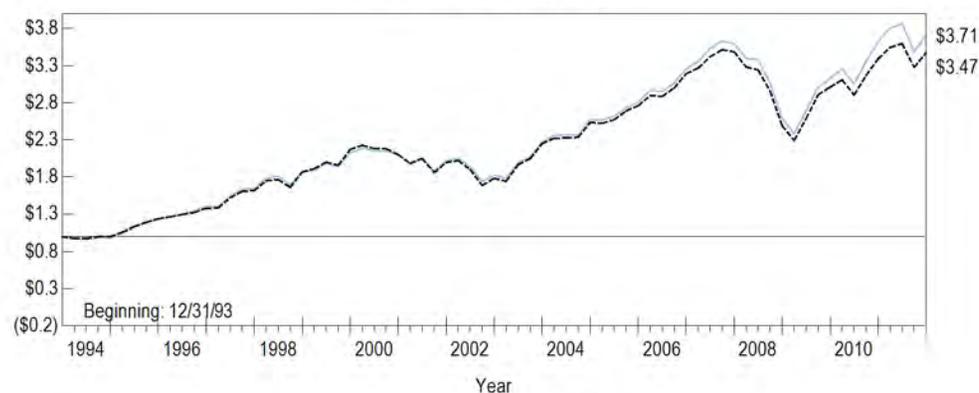
	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Non-US Fixed Income	Alternatives	Real Estate	Cash
OP&F Domestic Equity	\$4,171,482,035	36.3%	\$4,171,482,035						
OP&F International Equity	\$2,477,830,327	21.5%		\$2,477,830,327					
OP&F Fixed Income									
OP&F Core Fixed	\$1,330,774,101	11.6%			\$1,330,774,101				
OP&F Mortgages	\$39,712,141	0.3%			\$39,712,141				
OP&F High Yield	\$1,051,859,450	9.1%			\$1,051,859,450				
Global Inflation Protected Securities	\$852,515,131	7.4%				\$852,515,131			
OP&F Real Estate									
OP&F Real Estate	\$986,080,586	8.6%					\$986,080,586		
OP&F Alternatives									
OP&F Private Equity	\$450,037,104	3.9%					\$450,037,104		
OP&F Cash	\$147,048,458	1.3%						\$147,048,458	
<b>Total</b>	<b>\$11,507,339,333</b>	<b>100.0%</b>	<b>\$4,171,482,035</b>	<b>\$2,477,830,327</b>	<b>\$2,422,345,692</b>	<b>\$852,515,131</b>	<b>\$450,037,104</b>	<b>\$986,080,586</b>	<b>\$147,048,458</b>

OP&amp;F

	Actual	Target	Difference
US Equity	36.3	36.9	-0.6
Intl Equity	21.5	23.0	-1.5
Alternatives	3.9	4.0	-0.1
<b>Total Equity</b>	<b>61.7</b>	<b>63.9</b>	<b>-2.2</b>
Fixed Income	28.4	26.1	2.3
Real Estate	8.6	10.0	-1.4
Short Term Investments	1.3	0.0	1.3
<b>Total Debt</b>	<b>38.3</b>	<b>36.1</b>	<b>2.2</b>
	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

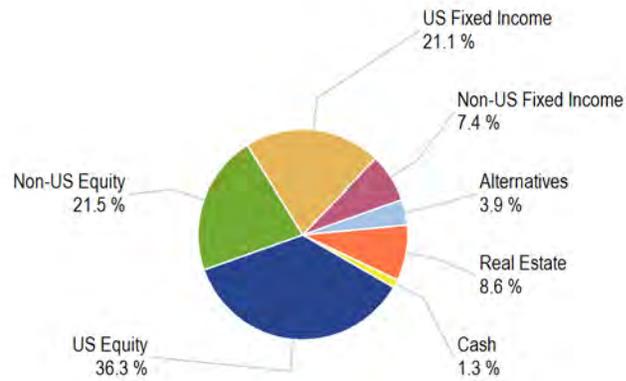
\*Totals may not add up to 100% due to rounding

## GROWTH OF A DOLLAR

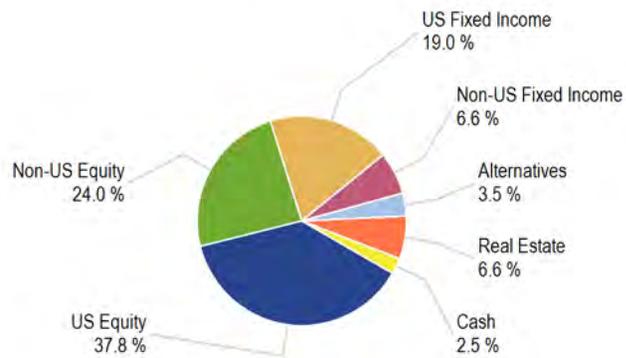


— Ohio Police & Fire  
 - - - OPF Total Fund Benchmark

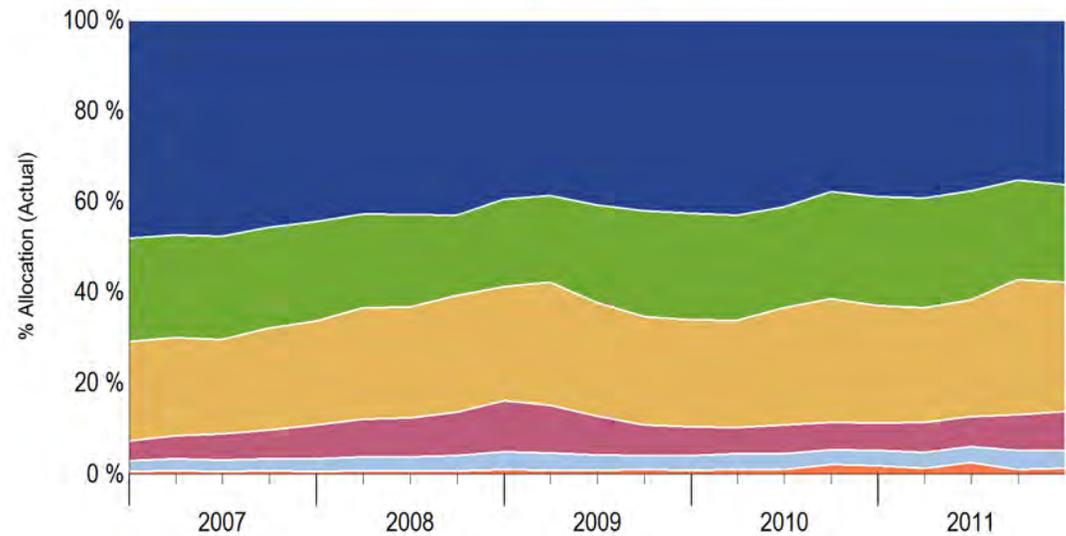
Current Allocation  
December 31, 2011



Previous Allocation  
June 30, 2011



Asset Allocation History  
5 Years Ending December 31, 2011



47.	47.	45.	44.	42.	42.	43.	39.	38.	40.	42.	42.	43.	41.	37.	39.	39.	37.	35.	36.
22.	22.	22.	21.	20.	20.	17.	19.	19.	21.	23.	23.	23.	22.	23.	24.	24.	24.	21.	21.
21.	20.	22.	22.	24.	24.	25.	25.	26.	25.	23.	23.	23.	25.	27.	25.	25.	25.	29.	28.
5.1	5.8	6.3	7.4	8.4	8.6	9.5	11.	10.	8.6	6.8	6.3	5.9	6.3	6.1	6.1	6.5	6.6	8.0	8.6
2.6	2.5	2.7	2.8	3.1	3.1	3.4	3.9	3.7	3.3	3.2	3.3	3.4	3.6	3.3	3.4	3.5	3.5	4.1	3.9
0.7	0.5	0.6	0.6	0.6	0.6	0.6	1.0	0.8	0.8	0.9	0.8	1.0	0.9	2.0	1.8	1.3	2.5	1.0	1.3

■ OP&F Domestic Equity     ■ OP&F Fixed Income     ■ OP&F Alternatives  
■ OP&F International Equity     ■ OP&F Real Estate     ■ OP&F Cash

**RISK RETURN STATISTICS**  
January 01, 2002 Through December 31, 2011

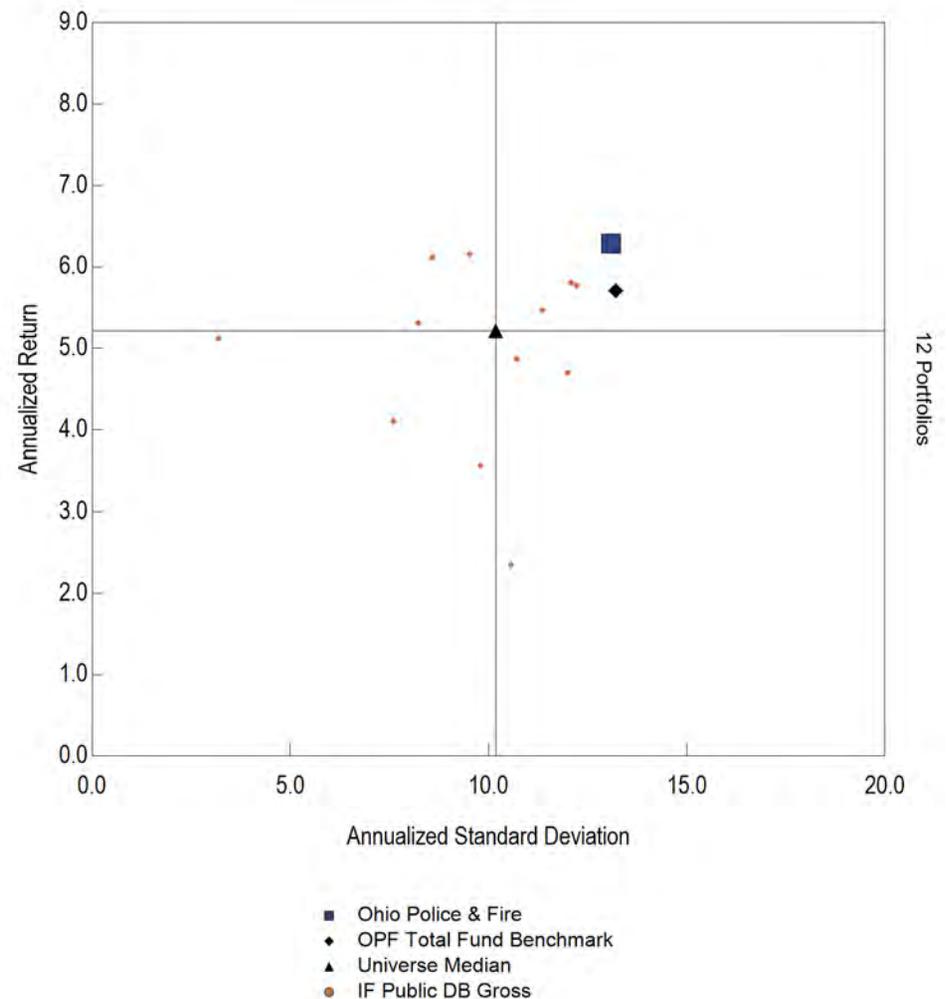
	Ohio Police & Fire	OPF Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	40	40
Maximum Return	13.00	12.98
Minimum Return	-15.45	-15.69
Annualized Return	6.28	5.71
Total Return	83.93	74.20
Annualized Excess Return Over Risk Free	4.47	3.90
Annualized Excess Return	0.58	0.00

	Ohio Police & Fire	OPF Total Fund Benchmark
<b>RISK SUMMARY STATISTICS</b>		
Beta	0.99	1.00
Upside Deviation	7.10	7.34
Downside Deviation	9.51	9.47

	Ohio Police & Fire	OPF Total Fund Benchmark
<b>RISK/RETURN SUMMARY STATISTICS</b>		
Annualized Standard Deviation	13.09	13.21
Alpha	0.15	0.00
Sharpe Ratio	0.34	0.30
Excess Return Over Market / Risk	0.04	0.00
Tracking Error	1.07	0.00
Information Ratio	0.54	--

	Ohio Police & Fire	OPF Total Fund Benchmark
<b>CORRELATION STATISTICS</b>		
R-Squared	0.99	1.00
Correlation	1.00	1.00

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



## Police & Fire Pension Fund

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Mar-07	Sep-08	46.0	Wilshire 5000
			18.0	BC Aggregate
			20.0	MSCI ACWI ex-U.S. (Net)
			8.0	NCREIF Property Index (lagged)
			5.0	CS Developed Countries HY
	3.0	Wilshire 5000 + 3% Qtr Lagged		
	Dec-08	Dec-08	45.0	Wilshire 5000
			12.0	BC Aggregate
			21.0	MSCI ACWI ex-U.S. (Net)
			8.0	NCREIF Property Index (lagged)
			6.0	Bridgewater Custom GIPS
	5.0	CS Developed Countries HY		
	3.0	Wilshire 5000 + 3% Qtr Lagged		
	Mar-09	Mar-09	43.0	Wilshire 5000
			11.0	BC Aggregate
			22.0	MSCI ACWI ex-U.S. (Net)
			9.0	NCREIF Property Index (lagged)
			6.0	Bridgewater Custom GIPS
	6.0	CS Developed Countries HY		
	3.0	Wilshire 5000 + 3% Qtr Lagged		
Jun-09	Jun-09	42.0	Wilshire 5000	
		11.0	BC Aggregate	
		22.0	MSCI ACWI ex-U.S. (Net)	
		9.0	NCREIF Property Index (lagged)	
		6.0	Bridgewater Custom GIPS	
6.0	CS Developed Countries HY			
4.0	Wilshire 5000 + 3% Qtr Lagged			

Label	Quarter Start	Quarter End	Percent	Description
Policy Index (cont.)	Sep-09	Sep-09	40.0	Wilshire 5000
			10.0	BC Aggregate
			23.0	MSCI ACWI ex-U.S. (Net)
			10.0	NCREIF Property Index (lagged)
			6.0	Bridgewater Custom GIPS
	7.0	CS Developed Countries HY		
	4.0	Wilshire 5000 + 3% Qtr Lagged		
	Dec-09	Jun-10	39.0	Wilshire 5000
			10.0	BC Aggregate
			24.0	MSCI ACWI ex-U.S. (Net)
			10.0	NCREIF Property Index (lagged)
			6.0	Bridgewater Custom GIPS
	7.0	CS Developed Countries HY		
	4.0	Wilshire 5000 + 3% Qtr Lagged		
	Sep-10	Dec-11	36.9	Wilshire 5000
			10.0	BC Aggregate
			23.0	MSCI ACWI ex-U.S. (Net)
			10.0	NCREIF Property Index (lagged)
			6.5	Bridgewater Custom GIPS
	9.7	CS Developed Countries HY		
4.0	Wilshire 5000 + 3% Qtr Lagged			

OP&F's custom policy index is shown above.

## Police & Fire Pension Fund

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Jun-88	Sep-97	41.0	Wilshire 5000
			39.0	BC Aggregate
			10.0	MSCI EAFE Index (Net)
			9.0	Wilshire Real Estate Fund
			1.0	S&P 500 + 5%
	Dec-97	Mar-01	41.0	Wilshire 5000
			35.0	BC Aggregate
			10.0	MSCI EAFE Index (Net)
			8.0	Wilshire Real Estate Fund
			5.0	MSCI Em Mkts Index (Gross)
	Jun-01	Jun-01	41.0	Wilshire 5000
			35.0	BC Aggregate
			10.0	MSCI EAFE Index (Net)
			8.0	Wilshire Real Estate Fund
			5.0	MSCI Em Mkts Index (Gross)
	Sep-01	Mar-02	46.0	Wilshire 5000
			18.0	BC Aggregate
			17.0	MSCI EAFE Index (Net)
			8.0	Wilshire Real Estate Fund
			5.0	CS Developed Countries HY
			3.0	MSCI Em Mkts Index (Gross)
			3.0	Wilshire 5000 (lagged) + 5%

Label	Quarter Start	Quarter End	Percent	Description	
Policy Index (cont.)	Jun-02	Sep-04	48.0	Wilshire 5000	
			18.0	BC Aggregate	
			17.0	MSCI EAFE Index (Net)	
			8.0	NCREIF Property Index (lagged)	
			5.0	CS Developed Countries HY	
	Dec-04	Dec-04	3.0	MSCI Em Mkts Index (Gross)	
			1.0	Wilshire 5000 (lagged) + 5%	
			46.0	Wilshire 5000	
			18.0	BC Aggregate	
			17.0	MSCI EAFE Index (Net)	
	Mar-05	Dec-06	8.0	NCREIF Property Index (lagged)	
			5.0	CS Developed Countries HY	
			3.0	MSCI Em Mkts Index (Gross)	
			3.0	Wilshire 5000 (lagged) + 5%	
			46.0	Wilshire 5000	
				18.0	BC Aggregate
				20.0	MSCI ACWI ex-U.S. (Net)
				8.0	NCREIF Property Index (lagged)
				5.0	CS Developed Countries HY
				3.0	Wilshire 5000 (lagged) + 5%

# School Employees Retirement System (SERS)

# School Employees Retirement System

Actuarial Rate: 7.75%

		Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs	
<b>School Employees Retirement System</b>	<b>-4.8%</b>	<b>-0.1%</b>	<b>9.3%</b>	<b>0.7%</b>	<b>4.8%</b>	
<i>SERS Total Fund Benchmark</i>	<u>-4.8%</u>	<u>-0.1%</u>	<u>9.3%</u>	<u>1.3%</u>	<u>4.8%</u>	
Over/Under	0.0%	0.0%	0.0%	-0.6%	0.0%	
SERS Domestic Equity	-5.9%	0.1%	15.6%	-0.3%	3.4%	
SERS International Equity	-15.6%	-13.2%	11.9%	-2.2%	6.3%	
<i>SERS Intl Equity Benchmark</i>	<u>-15.8%</u>	<u>-13.7%</u>	<u>10.0%</u>	<u>-3.0%</u>	<u>5.1%</u>	
Over/Under	0.2%	0.5%	1.9%	0.8%	1.2%	
SERS Global Fixed	2.7%	6.7%	12.1%	7.3%	6.5%	
<b>SERS Real Estate</b>						
SERS Real Estate	2.4%	11.2%	-7.0%	-3.4%	4.8%	
<i>SERS Total Real Estate Benchmark</i>	<u>7.4%</u>	<u>16.1%</u>	<u>3.0%</u>	<u>2.8%</u>	<u>8.3%</u>	
Over/Under	-5.0%	-4.9%	-10.0%	-6.2%	-3.5%	
<b>SERS Alternatives</b>						
SERS Private Equity	7.2%	14.1%	3.7%	7.1%	2.9%	
<i>SERS PE Benchmark</i>	<u>-11.4%</u>	<u>4.1%</u>	<u>4.2%</u>	<u>1.9%</u>	<u>4.7%</u>	
Over/Under	18.6%	10.0%	-0.5%	5.2%	-1.8%	
SERS Hedge Funds	-3.7%	-1.2%	8.6%	--	--	
<i>SERS Hedge Fund Benchmark</i>	<u>-5.4%</u>	<u>-5.6%</u>	<u>6.4%</u>	--	--	
Over/Under	1.7%	4.4%	2.2%			
SERS Cash	0.1%	0.2%	0.4%	2.1%	2.2%	

## Asset Allocation by Segment

As Of December 31, 2011

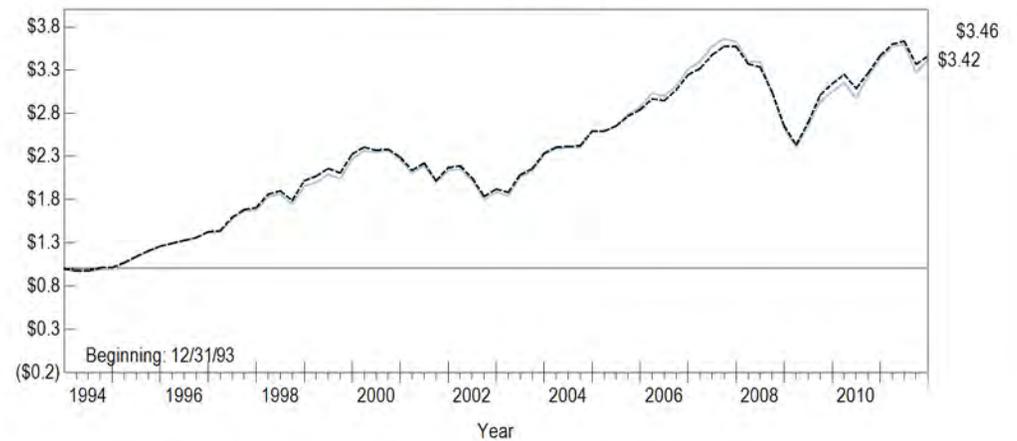
	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Alternatives	Real Estate	Cash
SERS Domestic Equity	\$2,385,831,614	24.0%	\$2,385,831,614					
SERS International Equity	\$2,342,888,790	23.6%		\$2,342,888,790				
SERS Global Fixed	\$1,858,000,887	18.7%			\$1,858,000,887			
SERS Real Estate								
SERS Real Estate	\$971,760,539	9.8%					\$971,760,539	
SERS Alternatives								
SERS Private Equity	\$870,518,432	8.8%				\$870,518,432		
SERS Hedge Funds	\$1,388,673,505	14.0%				\$1,388,673,505		
SERS Cash	\$103,980,563	1.0%						\$103,980,563
<b>Total</b>	<b>\$9,921,654,330</b>	<b>100.0%</b>	<b>\$2,385,831,614</b>	<b>\$2,342,888,790</b>	<b>\$1,858,000,887</b>	<b>\$2,259,191,937</b>	<b>\$971,760,539</b>	<b>\$103,980,563</b>

SERS

	Actual	Target	Difference
US Equity	24.0	22.5	1.5
Intl Equity	23.6	22.5	1.1
Alternatives	22.8	25.0	-2.2
<b>Total Equity</b>	<b>70.4</b>	<b>70.0</b>	<b>0.4</b>
Fixed Income	18.7	19.0	-0.3
Real Estate	9.8	10.0	-0.2
Short Term Investments	1.0	1.0	0.0
<b>Total Debt</b>	<b>29.5</b>	<b>30.0</b>	<b>-0.5</b>
	<b>99.9</b>	<b>100.0</b>	<b>-0.1</b>

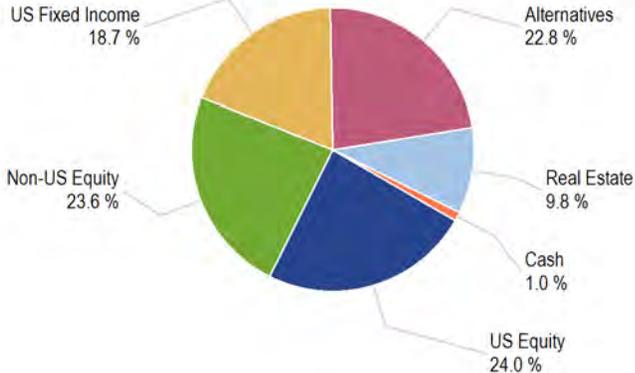
\*Totals may not add up to 100% due to rounding

## GROWTH OF A DOLLAR

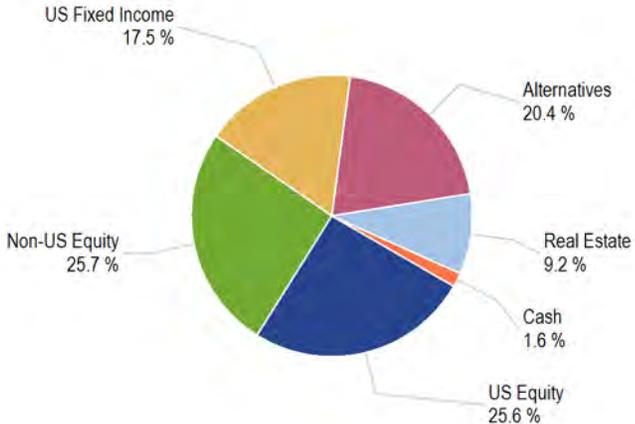


School Employees Retirement System  
 — SERS Total Fund Benchmark

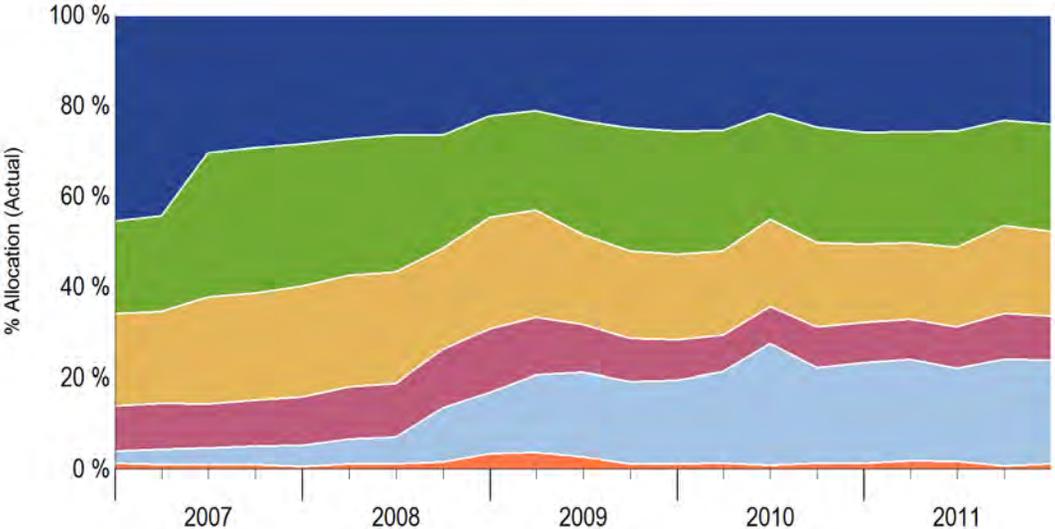
Current Allocation  
December 31, 2011



Previous Allocation  
June 30, 2011



Asset Allocation History  
5 Years Ending December 31, 2011



44.	30.	29.	28.	27.	26.	26.	22.	21.	23.	24.	25.	25.	21.	24.	25.	25.	25.	23.	24.
21.	31.	32.	31.	30.	30.	25.	22.	22.	25.	27.	27.	26.	23.	25.	24.	24.	25.	23.	23.
20.	23.	23.	24.	24.	24.	22.	24.	23.	19.	19.	18.	18.	19.	18.	17.	16.	17.	19.	18.
10.	9.8	10.	10.	11.	11.	12.	13.	12.	10.	9.4	8.9	8.0	8.1	9.0	8.8	8.9	9.2	10.	9.8
3.4	3.6	4.0	4.7	5.6	5.9	11.	13.	17.	18.	18.	18.	20.	26.	21.	22.	22.	20.	23.	22.
0.9	1.0	1.0	0.5	1.1	1.1	1.6	3.3	3.6	2.6	1.1	1.1	1.3	0.7	1.2	1.3	1.8	1.6	0.7	1.0

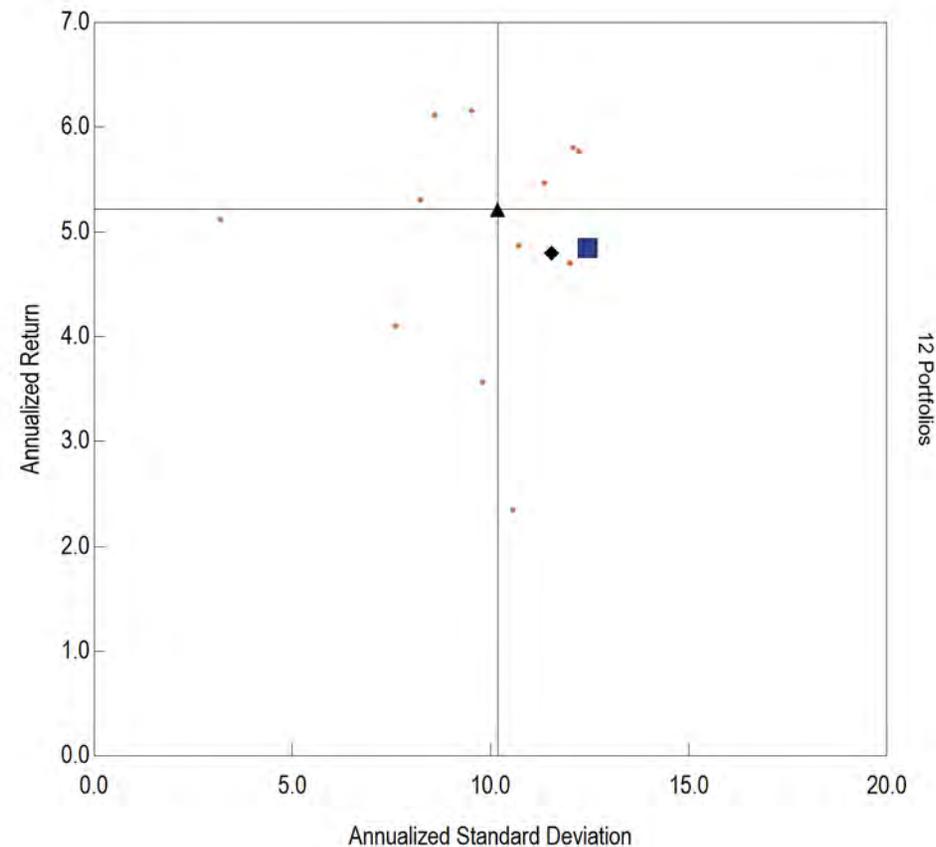
- SERS Domestic Equity
- SERS Global Fixed
- SERS Alternatives
- SERS International Equity
- SERS Real Estate
- SERS Cash

### RISK RETURN STATISTICS

January 01, 2002 Through December 31, 2011

	School Employees Retirement System	SERS Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	40	40
Maximum Return	11.82	11.81
Minimum Return	-13.65	-12.85
Annualized Return	4.85	4.80
Total Return	60.52	59.78
Annualized Excess Return Over Risk Free	3.04	2.99
Annualized Excess Return	0.05	0.00
<b>RISK SUMMARY STATISTICS</b>		
Beta	1.07	1.00
Upside Deviation	6.34	6.08
Downside Deviation	9.02	8.47
<b>RISK/RETURN SUMMARY STATISTICS</b>		
Annualized Standard Deviation	12.44	11.55
Alpha	-0.05	0.00
Sharpe Ratio	0.24	0.26
Excess Return Over Market / Risk	0.00	0.00
Tracking Error	1.69	0.00
Information Ratio	0.03	--
<b>CORRELATION STATISTICS</b>		
R-Squared	0.99	1.00
Correlation	0.99	1.00

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



- School Employees Retirement System
- ◆ SERS Total Fund Benchmark
- ▲ Universe Median
- IF Public DB Gross



# School Employees Retirement System

Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Mar-94	Sep-94	45.0	Standard & Poors 500
			28.0	ML Domestic Master Bond Idx
			10.0	MSCI EAFE (Net)
			10.0	NCREIF Classic Pty Idx (1 Qtr arrear)
			5.0	Citigroup 30 Day T-Bill
			2.0	S&P 500 + 5%
	Dec-94	Dec-94	45.0	Standard & Poors 500
			28.0	ML Domestic Master Bond Idx
			10.0	MSCI EAFE 50% Hedged
			10.0	NCREIF Classic Pty Idx (1 Qtr arrear)
			5.0	Citigroup 30 Day T-Bill
			2.0	S&P 500 + 5%
	Mar-95	Jun-95	45.0	Russell 3000
			28.0	ML Domestic Master Bond Idx
			10.0	MSCI EAFE 50% Hedged
			10.0	NCREIF Classic Pty Idx (1 Qtr arrear)
			5.0	Citigroup 30 Day T-Bill
			2.0	S&P 500 + 5%
	Sep-95	Mar-97	45.0	Russell 3000
			28.0	BC Aggregate
10.0			MSCI EAFE 50% Hedged	
10.0			NCREIF Classic Pty Idx (1 Qtr arrear)	
5.0			Citigroup 30 Day T-Bill	
		2.0	S&P 500 + 5%	
Jun-97	Jun-97	45.0	Russell 3000	
		28.0	BC Aggregate	
		15.0	MSCI EAFE 50% Hedged	
		10.0	NCREIF Classic Pty Idx (1 Qtr arrear)	
		1.0	Citigroup 30 Day T-Bill	
		1.0	S&P 500 + 5%	

Label	Quarter Start	Quarter End	Percent	Description		
Policy Index (cont.)	Sep-97	Jun-99	45.0	Russell 3000		
			28.0	BC Aggregate		
			14.5	MSCI EAFE 50% Hedged		
			0.5	MSCI Em Mkts Free		
			10.0	NCREIF		
			1.0	Citigroup 30 Day T-Bill		
			1.0	S&P 500 + 5%		
			Sep-99	Dec-99	45.0	Russell 3000
					28.0	BC Aggregate
					14.0	MSCI EAFE 50% Hedged
	1.0	MSCI Em Mkts Free				
	10.0	NCREIF				
			1.0	Citigroup 30 Day T-Bill		
			1.0	S&P 500 + 5%		
	Mar-00	Jun-01	48.0	Russell 3000		
			23.0	BC Aggregate		
			16.0	MSCI ACWI ex US (Developed - 50% Hdg)		
			10.0	NCREIF		
			1.0	S&P 500 + 5%		
			2.0	Citigroup 30 Day T-Bill		
Sep-01	Jun-02	47.0	Russell 3000			
		23.0	BC Aggregate			
		16.0	MSCI ACWI ex US (Developed - 50% Hdg)			
		10.0	NCREIF			
		2.0	Private Equity (0% return arrears switch)			
		2.0	Citigroup 30 Day T-Bill			
Sep-02	Mar-07	46.0	Russell 3000			
		23.0	BC Aggregate			
		16.0	MSCI ACWI ex US (Developed - 50% Hdg)			
		10.0	80% NCREIF (arrears), 20% NAREIT			
		3.0	S&P 500 (1Qtr arrears) + 3%			
		2.0	Citigroup 30 Day T-Bill			

# Highway Patrol Retirement System (HPRS)

# Highway Patrol Retirement System

Actuarial Rate: 8.0%

	Ending December 31, 2011				
	Since 6/30/11	1 Yr	3 Yrs	5 Yrs	10 Yrs
<b>Highway Patrol Retirement System</b>	<b>-6.2%</b>	<b>-2.9%</b>	<b>10.8%</b>	<b>1.0%</b>	<b>5.2%</b>
<i>HPRS Total Fund Benchmark</i>	<u>-5.0%</u>	<u>1.2%</u>	<u>11.6%</u>	<u>2.5%</u>	<u>5.6%</u>
Over/Under	-1.2%	-4.1%	-0.8%	-1.5%	-0.4%
HPRS Domestic Equity	-7.3%	-1.0%	16.8%	0.6%	5.0%
<i>HPRS Domestic Equity Benchmark</i>	<u>-5.0%</u>	<u>1.4%</u>	<u>15.8%</u>	<u>0.4%</u>	<u>4.2%</u>
Over/Under	-2.3%	-2.4%	1.0%	0.2%	0.8%
HPRS International Equity	-18.5%	-14.5%	7.8%	-3.0%	4.7%
<i>HPRS International Benchmark</i>	<u>-16.7%</u>	<u>-13.3%</u>	<u>11.2%</u>	<u>-2.5%</u>	<u>5.9%</u>
Over/Under	-1.8%	-1.2%	-3.4%	-0.5%	-1.2%
HPRS Global Fixed Income	4.1%	7.5%	9.5%	6.6%	6.6%
<b>HPRS Real Estate</b>	<b>-1.8%</b>	<b>-3.6%</b>	<b>-3.9%</b>	<b>-6.3%</b>	<b>1.3%</b>
<i>NCREIF Property Index</i>	<u>6.4%</u>	<u>14.3%</u>	<u>2.4%</u>	<u>3.1%</u>	<u>8.1%</u>
Over/Under	-8.2%	-17.9%	-6.3%	-9.4%	-6.8%
<b>HPRS Alternatives</b>					
HPRS Private Equity	1.4%	-9.0%	1.5%	-2.0%	--
<i>HPRS Private Equity Benchmark</i>	<u>-13.9%</u>	<u>3.4%</u>	<u>5.1%</u>	<u>5.9%</u>	--
Over/Under	15.3%	-12.4%	-3.6%	-7.9%	
HPRS Hedge Funds	-6.0%	-5.3%	7.6%	2.6%	--
HPRS Cash	0.0%	0.1%	0.1%	1.9%	2.4%

Asset Allocation by Segment

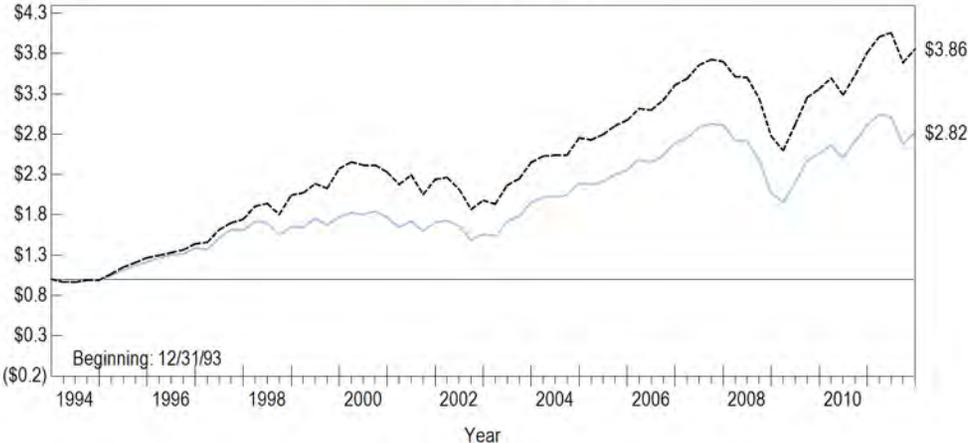
As Of December 31, 2011

	Total Market Value	% of Portfolio	US Equity	Non-US Equity	US Fixed Income	Alternatives	Real Estate	Cash
HPRS Domestic Equity	\$250,561,889	36.9%	\$250,561,889					
HPRS International Equity	\$108,505,832	16.0%		\$108,505,832				
HPRS Global Fixed Income	\$155,070,034	22.8%			\$155,070,034			
HPRS Real Estate								
HPRS Real Estate	\$30,857,062	4.5%					\$30,857,062	
HPRS Alternatives								
HPRS Private Equity	\$73,309,830	10.8%				\$73,309,830		
HPRS Hedge Funds	\$54,989,660	8.1%				\$54,989,660		
HPRS Cash	\$5,827,572	0.9%						\$5,827,572
<b>Total</b>	<b>\$679,121,878</b>	<b>100.0%</b>	<b>\$250,561,889</b>	<b>\$108,505,832</b>	<b>\$155,070,034</b>	<b>\$128,299,490</b>	<b>\$30,857,062</b>	<b>\$5,827,572</b>

HPRS	Actual	Target	Difference
US Equity	36.9	35.0	1.9
Intl Equity	16.0	20.0	-4.0
Alternatives	18.9	17.5	1.4
<b>Total Equity</b>	<b>71.8</b>	<b>72.5</b>	<b>-0.7</b>
Fixed Income	22.8	22.5	0.3
Real Estate	4.5	5.0	-0.5
Short Term Investments	0.9	0.0	0.9
<b>Total Debt</b>	<b>28.2</b>	<b>27.5</b>	<b>0.7</b>
	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

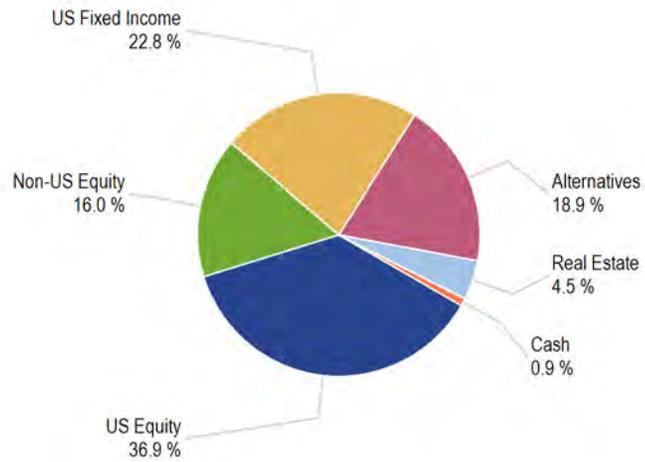
\*Totals may not add up to 100% due to rounding

GROWTH OF A DOLLAR

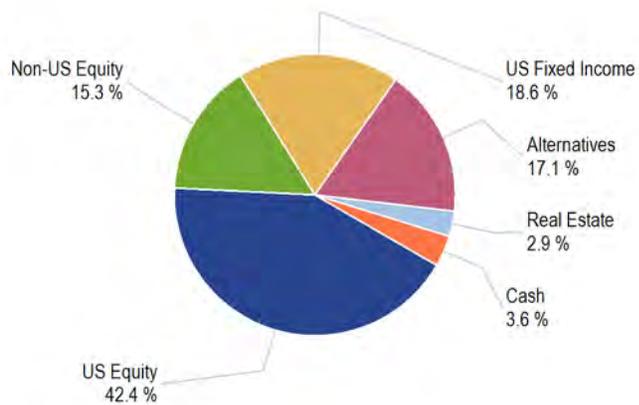


Highway Patrol Retirement System  
 HPRS Total Fund Benchmark

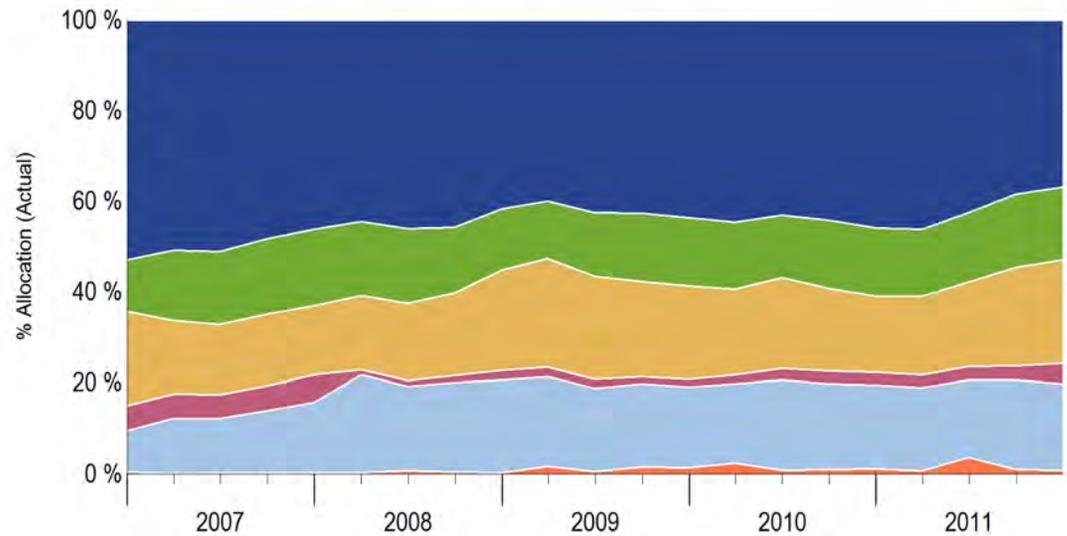
**Current Allocation  
December 31, 2011**



**Previous Allocation  
June 30, 2011**



**Asset Allocation History  
5 Years Ending December 31, 2011**



50.	51.	48.	46.	44.	46.	45.	41.	40.	42.	42.	43.	44.	43.	44.	45.	46.	42.	38.	36.
15.	16.	16.	16.	16.	16.	14.	13.	12.	14.	15.	15.	14.	13.	15.	15.	14.	15.	16.	16.
16.	15.	15.	15.	16.	16.	18.	22.	23.	22.	20.	20.	18.	19.	18.	16.	17.	18.	21.	22.
5.4	5.2	5.6	6.0	1.1	1.2	1.6	2.1	2.1	1.9	1.6	1.7	1.9	2.6	2.7	2.9	2.9	2.9	3.1	4.5
12.	11.	13.	15.	21.	18.	19.	20.	19.	18.	18.	17.	17.	19.	18.	18.	18.	17.	19.	18.
0.2	0.2	0.2	0.3	0.2	0.7	0.4	0.2	1.6	0.5	1.6	1.3	2.3	0.9	0.9	1.0	0.6	3.6	1.0	0.9

■ HPRS Domestic Equity    
 ■ HPRS Global Fixed Income    
 ■ HPRS Alternatives  
■ HPRS International Equity    
 ■ HPRS Real Estate    
 ■ HPRS Cash

### RISK RETURN STATISTICS

January 01, 2002 Through December 31, 2011

	Highway Patrol Retirement System	HPRS Total Fund Benchmark
<b>RETURN SUMMARY STATISTICS</b>		
Number of Periods	40	40
Maximum Return	12.56	12.45
Minimum Return	-16.16	-14.32
Annualized Return	5.17	5.59
Total Return	65.53	72.32
Annualized Excess Return Over Risk Free	3.36	3.78
Annualized Excess Return	-0.42	0.00

### RISK SUMMARY STATISTICS

Beta	1.02	1.00
Upside Deviation	7.02	6.86
Downside Deviation	9.67	9.00

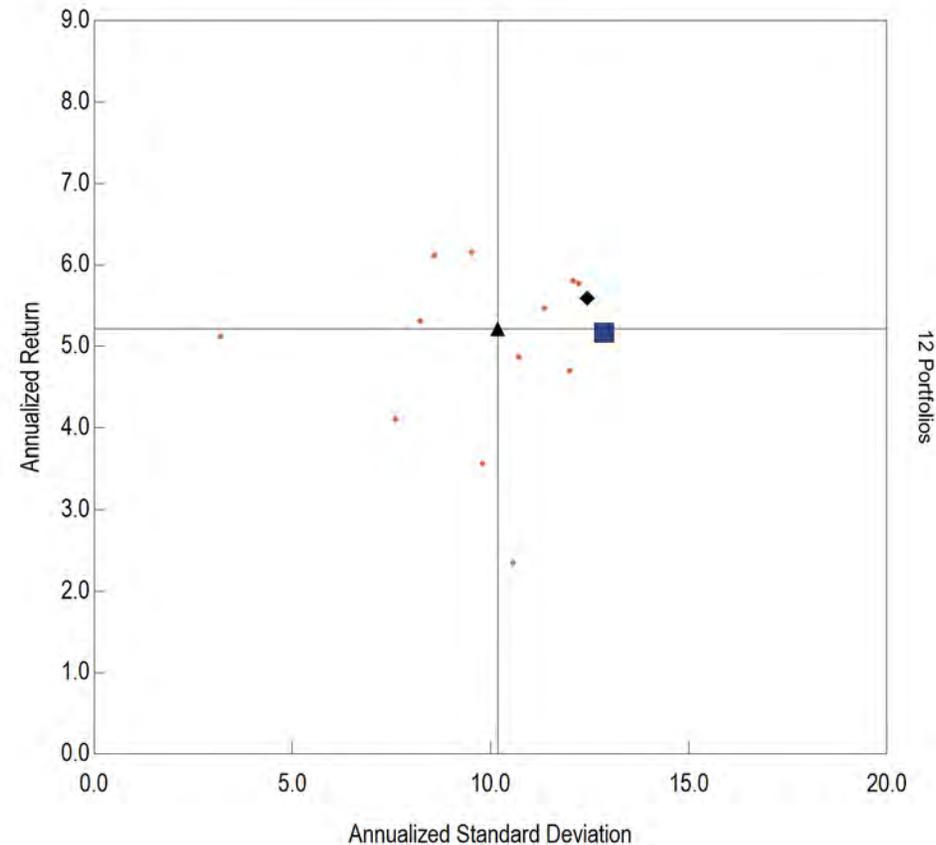
### RISK/RETURN SUMMARY STATISTICS

Annualized Standard Deviation	12.87	12.44
Alpha	-0.12	0.00
Sharpe Ratio	0.26	0.30
Excess Return Over Market / Risk	-0.03	0.00
Tracking Error	1.88	0.00
Information Ratio	-0.23	--

### CORRELATION STATISTICS

R-Squared	0.98	1.00
Correlation	0.99	1.00

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending December 31, 2011



- Highway Patrol Retirement System
- ◆ HPRS Total Fund Benchmark
- ▲ Universe Median
- IF Public DB Gross

## Highway Patrol Retirement System

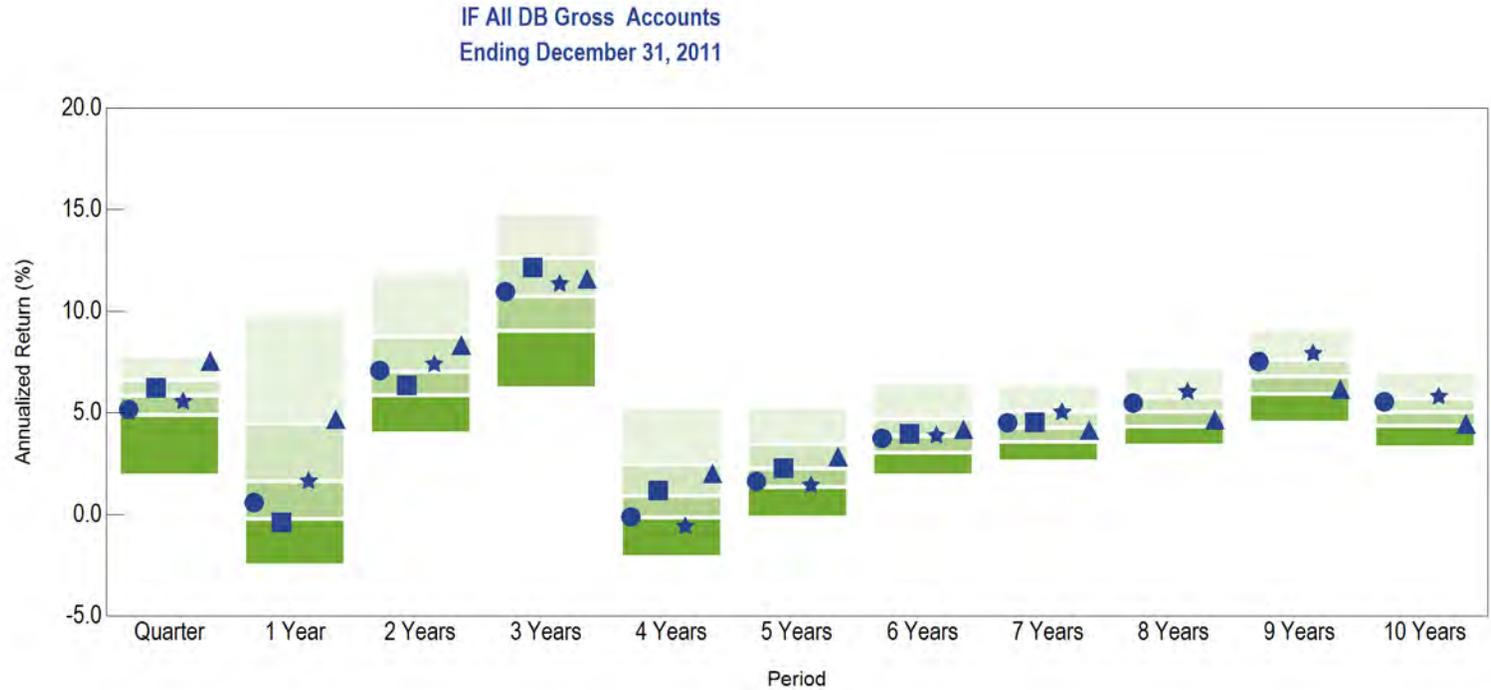
### Quarter Ending 12/31/2011

Label	Quarter Start	Quarter End	Percent	Description
Policy Index	Mar-94	Dec-95	50.0	BC Aggregate
			50.0	Standard & Poors 500
	Mar-96	Dec-97	50.0	Standard & Poors 500
			40.0	BC Aggregate
			5.0	MSCI EAFE (Net)
			5.0	NCREIF
	Mar-98	Sep-99	40.0	Standard & Poors 500
			25.0	BC Aggregate
			15.0	Russell 2000
			10.0	MSCI EAFE (Net)
			10.0	NCREIF
	Dec-99	Dec-01	40.0	Standard & Poors 500
			20.0	Russell 2000
			20.0	BC Aggregate
			10.0	MSCI EAFE (Net)
			10.0	NCREIF
	Mar-02	Dec-02	40.0	Standard & Poors 500
			20.0	Russell 2500
			20.0	BC Aggregate
10.0			MSCI EAFE (Net)	
10.0			NCREIF	
Mar-03	Dec-06	32.0	Standard & Poors 500	
		16.0	Russell 2500	
		25.0	BC Aggregate	
		15.0	MSCI EAFE (Net)	
		12.0	NCREIF	

Label	Quarter Start	Quarter End	Percent	Description		
Policy Index	Mar-07	Jun-07	32.0	Standard & Poors 500		
			18.0	Russell 2500		
			15.0	MSCI ACWI ex US		
			5.0	NCREIF		
			10.0	CPI + 5%		
			5.0	HFRI Fund of Funds		
			15.0	BC Aggregate		
			Sep-07	Jun-10	30.0	Standard & Poors 500
					15.0	Russell 2500
					20.0	BC Aggregate
	15.0	MSCI ACWI ex US				
	5.0	NCREIF				
	Sep-10	Jun-11	10.0	CPI + 5%		
			5.0	HFRI Fund of Funds		
			30.0	Standard & Poors 500		
			15.0	Russell 2500		
			20.0	BC Aggregate		
	Jul-11	Dec-11	15.0	MSCI ACWI ex US		
			5.0	NCREIF		
			10.0	Wilshire 5000 +3% (one qtr. In arrears)		
5.0			HFRI Fund of Funds			
35.0			Russell 3000			
			22.5	BC Aggregate		
			20.0	MSCI ACWI ex US		
			5.0	NCREIF		
			5.0	Wilshire 5000 +3% (one qtr. In arrears)		
			12.5	HFRI Fund of Funds		

HPRS' custom policy index is shown above.

# Performance Comparisons

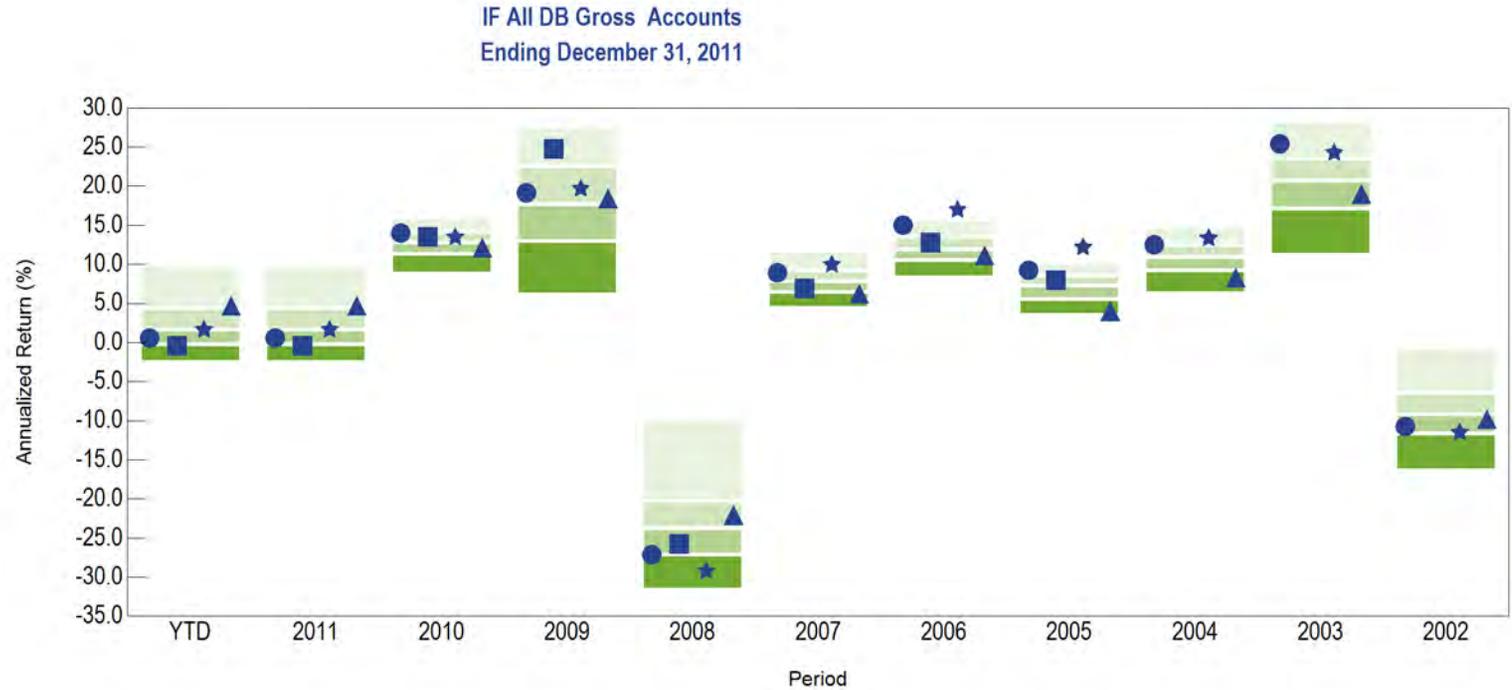


	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	7.8	9.9	11.9	14.8	5.2	5.3	6.5	6.4	7.2	9.1	7.0
25th Percentile	6.6	4.5	8.8	12.6	2.5	3.5	4.7	5.1	5.8	7.6	5.7
Median	5.8	1.7	7.0	10.8	0.9	2.3	3.9	4.3	5.1	6.8	5.0
75th Percentile	4.9	-0.2	5.9	9.0	-0.1	1.4	3.1	3.6	4.4	5.9	4.4
95th Percentile	1.9	-2.5	4.0	6.2	-2.1	-0.1	1.9	2.6	3.4	4.5	3.3
# of Portfolios	424	389	364	354	344	330	312	296	272	253	227
● Public Employees Retirement System (DB)	5.2 (70)	0.6 (65)	7.1 (49)	11.0 (47)	-0.1 (75)	1.6 (67)	3.8 (52)	4.5 (42)	5.5 (34)	7.5 (27)	5.5 (29)
■ Public Employees Retirement System (HC)	6.2 (38)	-0.4 (78)	6.3 (66)	12.2 (31)	1.2 (45)	2.3 (50)	4.0 (48)	4.5 (41)	-- (--)	-- (--)	-- (--)
★ State Teachers Retirement System	5.6 (59)	1.6 (51)	7.4 (44)	11.4 (43)	-0.6 (84)	1.4 (74)	3.9 (50)	5.0 (27)	6.0 (18)	7.9 (16)	5.8 (22)
▲ 60/40 S&P 500/BC Aggregate	7.5 (9)	4.7 (25)	8.3 (29)	11.6 (39)	2.0 (32)	2.8 (37)	4.2 (42)	4.2 (54)	4.7 (64)	6.2 (69)	4.5 (72)



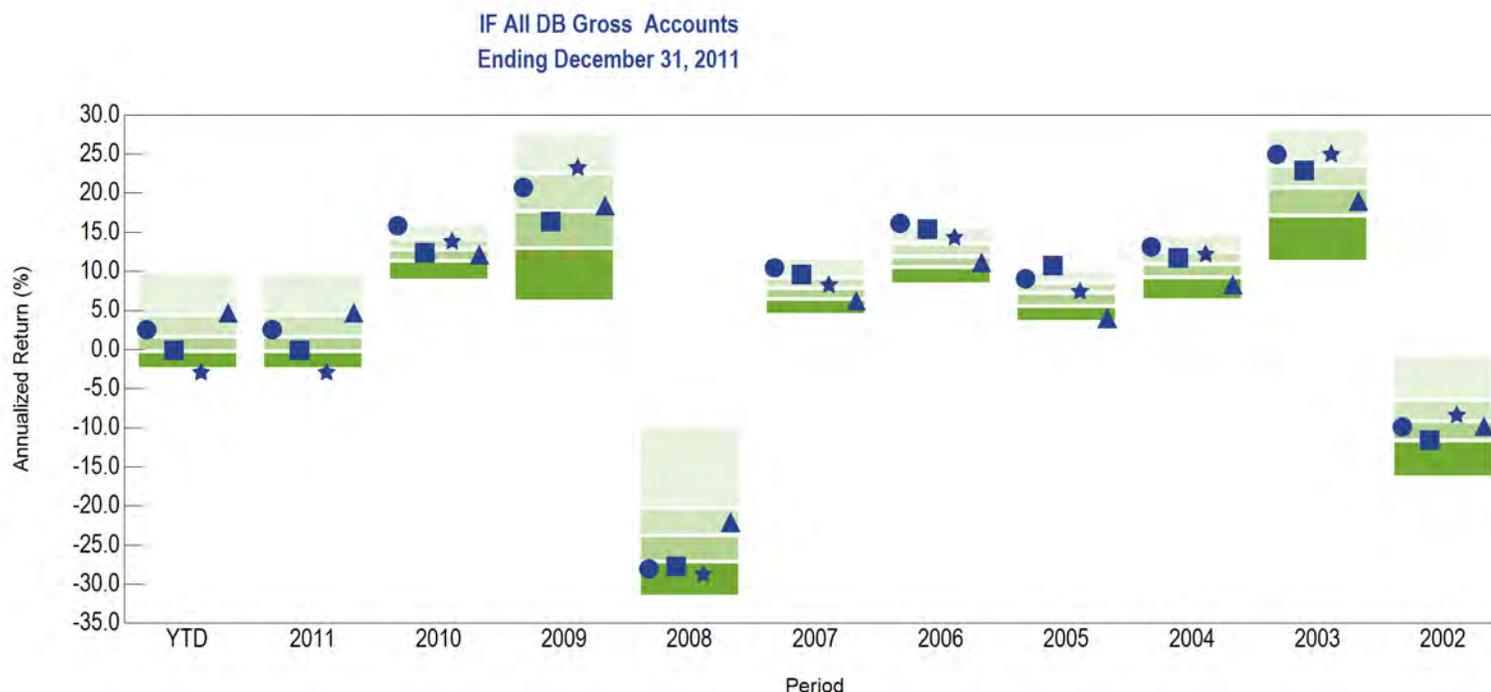
	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	7.8	9.9	11.9	14.8	5.2	5.3	6.5	6.4	7.2	9.1	7.0
25th Percentile	6.6	4.5	8.8	12.6	2.5	3.5	4.7	5.1	5.8	7.6	5.7
Median	5.8	1.7	7.0	10.8	0.9	2.3	3.9	4.3	5.1	6.8	5.0
75th Percentile	4.9	-0.2	5.9	9.0	-0.1	1.4	3.1	3.6	4.4	5.9	4.4
95th Percentile	1.9	-2.5	4.0	6.2	-2.1	-0.1	1.9	2.6	3.4	4.5	3.3
# of Portfolios	424	389	364	354	344	330	312	296	272	253	227
● Ohio Police & Fire	6.5 (30)	2.5 (41)	9.0 (22)	12.8 (23)	0.8 (54)	2.7 (41)	4.8 (24)	5.4 (18)	6.3 (13)	8.3 (12)	6.3 (13)
■ School Employees Retirement System	4.8 (78)	-0.1 (74)	6.0 (74)	9.3 (73)	-1.4 (92)	0.7 (89)	3.0 (79)	4.1 (58)	5.0 (52)	6.8 (49)	4.8 (59)
★ Highway Patrol Retirement System	5.7 (55)	-2.9 (98)	5.1 (87)	10.8 (49)	-0.8 (85)	1.0 (83)	3.1 (74)	3.7 (71)	4.7 (63)	6.8 (50)	5.2 (49)
▲ 60/40 S&P 500/BC Aggregate	7.5 (9)	4.7 (25)	8.3 (29)	11.6 (39)	2.0 (32)	2.8 (37)	4.2 (42)	4.2 (54)	4.7 (64)	6.2 (69)	4.5 (72)

InvestorForce All Defined Benefit Fund Universe - Calendar Year Performance

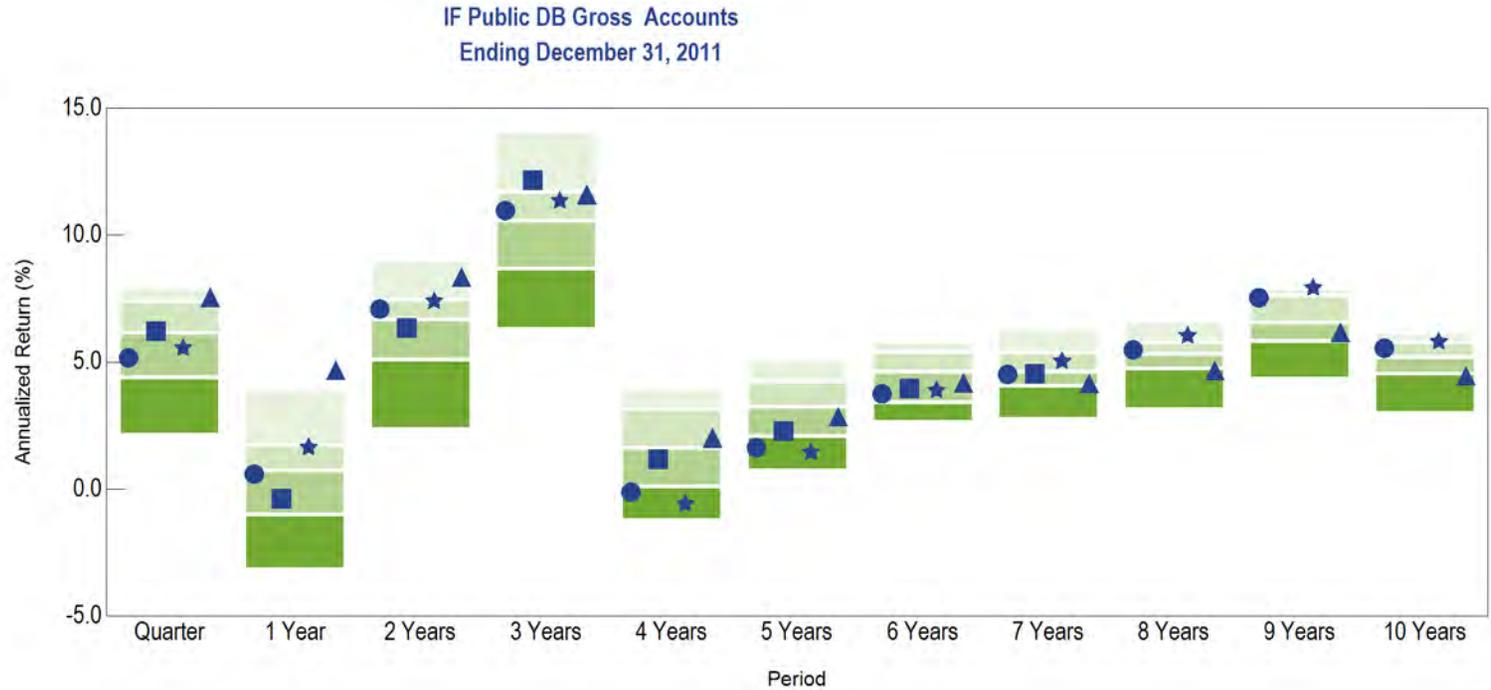


	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	9.9	9.9	16.0	27.5	-9.7	11.8	15.7	10.3	14.8	28.2	-0.8
25th Percentile	4.5	4.5	14.2	22.5	-20.2	9.3	13.6	8.6	12.5	23.5	-6.4
Median	1.7	1.7	12.9	17.8	-23.8	7.9	12.0	7.3	11.0	20.8	-9.2
75th Percentile	-0.2	-0.2	11.4	13.0	-27.1	6.5	10.6	5.6	9.2	17.2	-11.6
95th Percentile	-2.5	-2.5	8.9	6.2	-31.6	4.5	8.4	3.6	6.4	11.3	-16.3
# of Portfolios	389	389	367	354	347	332	315	300	279	262	239
● Public Employees Retirement System (DB)	0.6 (65)	0.6 (65)	14.0 (31)	19.1 (44)	-27.1 (77)	8.9 (33)	15.0 (9)	9.2 (16)	12.5 (26)	25.4 (16)	-10.7 (69)
■ Public Employees Retirement System (HC)	-0.4 (78)	-0.4 (78)	13.5 (39)	24.8 (14)	-25.8 (67)	6.9 (69)	12.7 (40)	8.0 (35)	-- (--)	-- (--)	-- (--)
★ State Teachers Retirement System	1.6 (51)	1.6 (51)	13.5 (40)	19.7 (40)	-29.2 (90)	10.0 (17)	17.0 (2)	12.2 (1)	13.4 (14)	24.3 (22)	-11.5 (74)
▲ 60/40 S&P 500/BC Aggregate	4.7 (25)	4.7 (25)	12.1 (66)	18.4 (47)	-22.1 (37)	6.2 (78)	11.1 (68)	4.0 (92)	8.3 (81)	19.0 (66)	-9.8 (61)

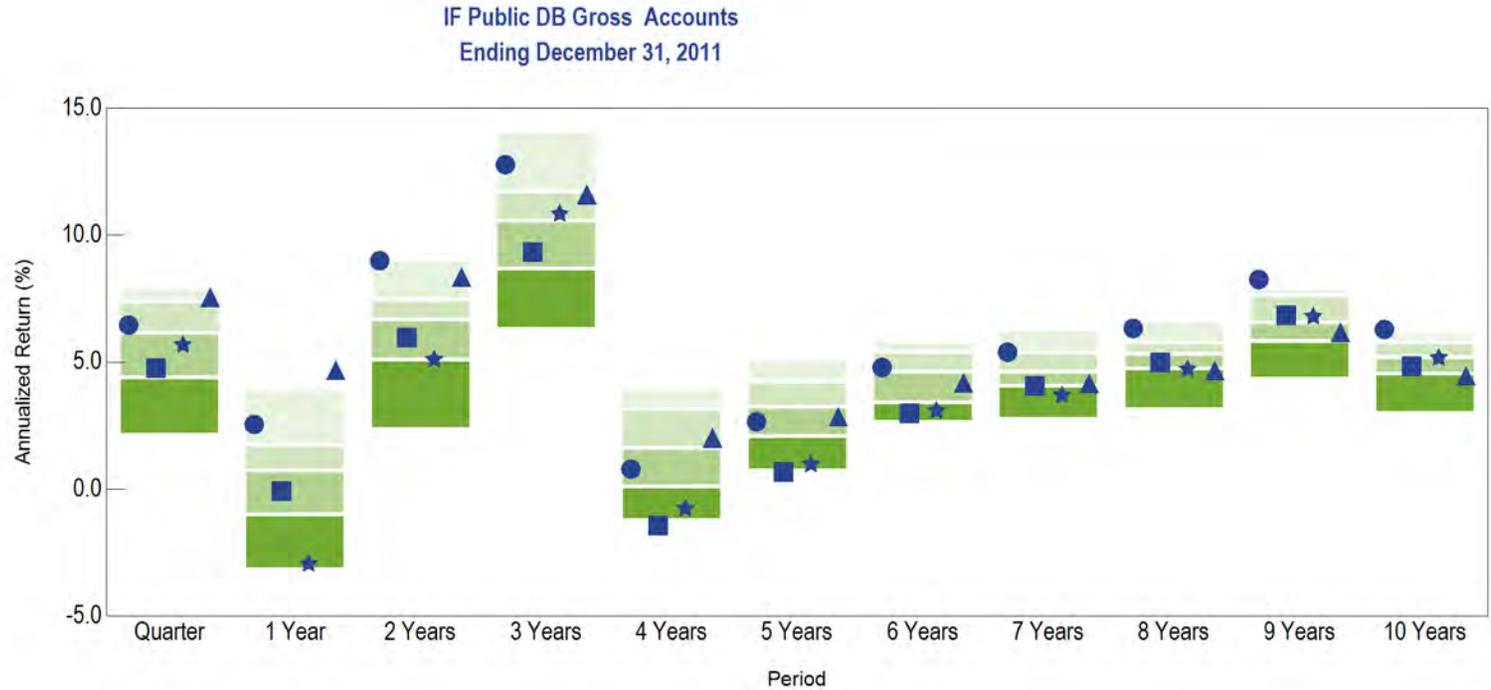
InvestorForce All Defined Benefit Fund Universe - Calendar Year Performance



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	9.9	9.9	16.0	27.5	-9.7	11.8	15.7	10.3	14.8	28.2	-0.8
25th Percentile	4.5	4.5	14.2	22.5	-20.2	9.3	13.6	8.6	12.5	23.5	-6.4
Median	1.7	1.7	12.9	17.8	-23.8	7.9	12.0	7.3	11.0	20.8	-9.2
75th Percentile	-0.2	-0.2	11.4	13.0	-27.1	6.5	10.6	5.6	9.2	17.2	-11.6
95th Percentile	-2.5	-2.5	8.9	6.2	-31.6	4.5	8.4	3.6	6.4	11.3	-16.3
# of Portfolios	389	389	367	354	347	332	315	300	279	262	239
● Ohio Police & Fire	2.5 (41)	2.5 (41)	15.8 (7)	20.7 (35)	-28.1 (83)	10.5 (12)	16.1 (4)	9.1 (18)	13.1 (18)	25.0 (17)	-9.9 (62)
■ School Employees Retirement System	-0.1 (74)	-0.1 (74)	12.3 (62)	16.4 (61)	-27.7 (81)	9.6 (21)	15.4 (7)	10.8 (3)	11.7 (37)	22.9 (31)	-11.6 (75)
★ Highway Patrol Retirement System	-2.9 (98)	-2.9 (98)	13.8 (35)	23.2 (21)	-28.8 (88)	8.3 (45)	14.3 (17)	7.4 (47)	12.2 (28)	25.0 (17)	-8.4 (40)
▲ 60/40 S&P 500/BC Aggregate	4.7 (25)	4.7 (25)	12.1 (66)	18.4 (47)	-22.1 (37)	6.2 (78)	11.1 (68)	4.0 (92)	8.3 (81)	19.0 (66)	-9.8 (61)

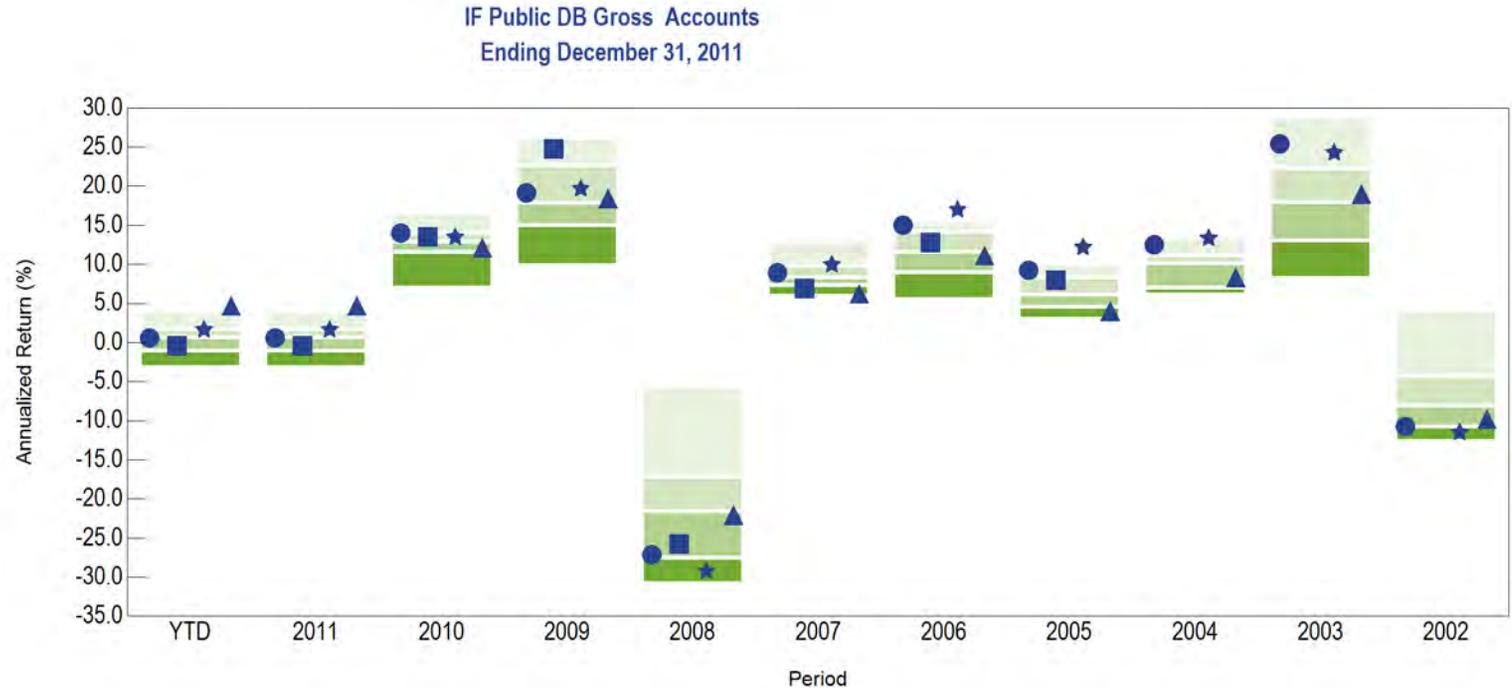


	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	7.9	3.9	9.0	14.1	3.9	5.1	5.8	6.3	6.6	7.9	6.1
<b>25th Percentile</b>	7.4	1.8	7.5	11.7	3.2	4.2	5.4	5.4	5.8	7.6	5.8
<b>Median</b>	6.2	0.8	6.7	10.6	1.6	3.3	4.6	4.6	5.3	6.6	5.2
<b>75th Percentile</b>	4.4	-1.0	5.1	8.7	0.1	2.1	3.4	4.1	4.8	5.8	4.6
<b>95th Percentile</b>	2.1	-3.1	2.4	6.3	-1.2	0.8	2.7	2.8	3.2	4.4	3.0
<b># of Portfolios</b>	47	39	31	29	28	27	24	24	20	18	12
<b>● Public Employees Retirement System (DB)</b>	5.2 (63)	0.6 (51)	7.1 (33)	11.0 (38)	-0.1 (82)	1.6 (85)	3.8 (68)	4.5 (59)	5.5 (44)	7.5 (36)	5.5 (35)
<b>■ Public Employees Retirement System (HC)</b>	6.2 (43)	-0.4 (62)	6.3 (62)	12.2 (17)	1.2 (59)	2.3 (69)	4.0 (66)	4.5 (57)	-- (--)	-- (--)	-- (--)
<b>★ State Teachers Retirement System</b>	5.6 (59)	1.6 (27)	7.4 (26)	11.4 (36)	-0.6 (87)	1.4 (86)	3.9 (67)	5.0 (41)	6.0 (17)	7.9 (5)	5.8 (19)
<b>▲ 60/40 S&amp;P 500/BC Aggregate</b>	7.5 (13)	4.7 (4)	8.3 (10)	11.6 (32)	2.0 (47)	2.8 (59)	4.2 (63)	4.2 (74)	4.7 (83)	6.2 (68)	4.5 (77)



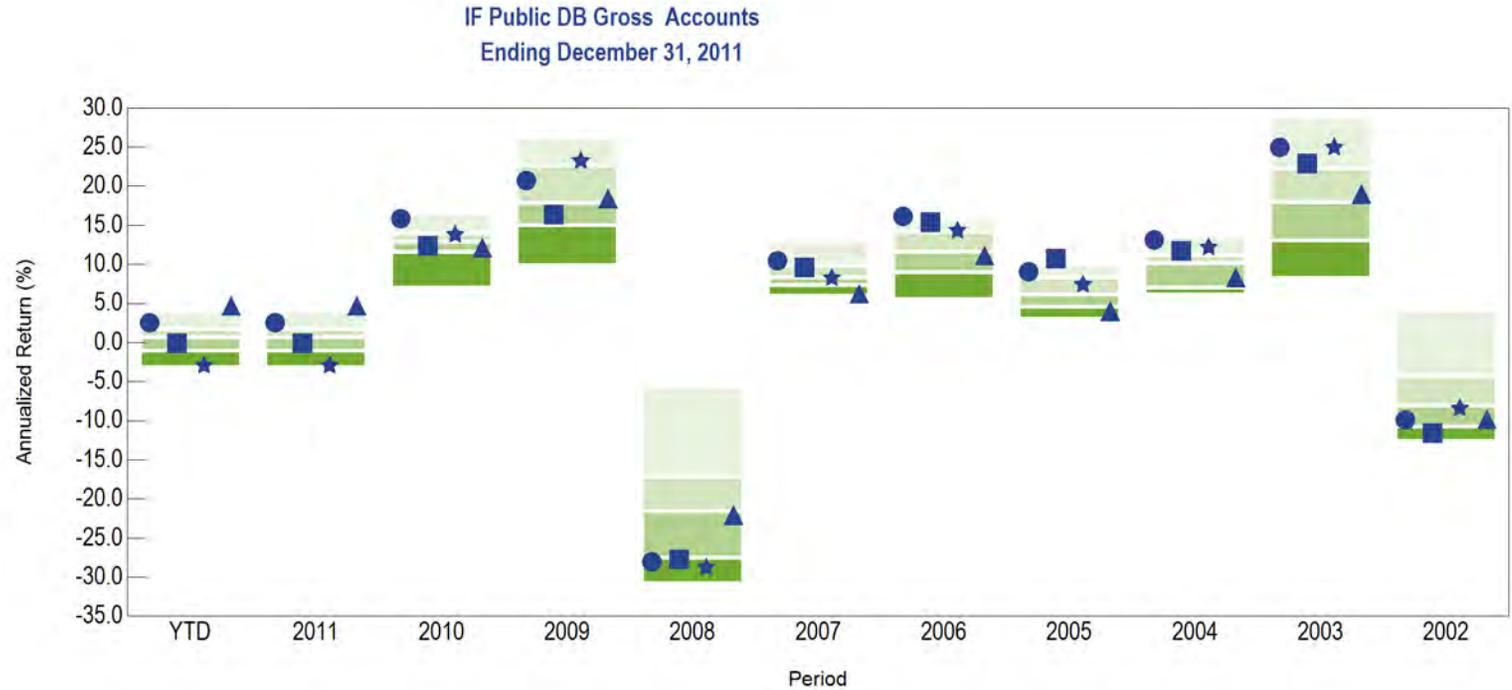
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	7.9	3.9	9.0	14.1	3.9	5.1	5.8	6.3	6.6	7.9	6.1
<b>25th Percentile</b>	7.4	1.8	7.5	11.7	3.2	4.2	5.4	5.4	5.8	7.6	5.8
<b>Median</b>	6.2	0.8	6.7	10.6	1.6	3.3	4.6	4.6	5.3	6.6	5.2
<b>75th Percentile</b>	4.4	-1.0	5.1	8.7	0.1	2.1	3.4	4.1	4.8	5.8	4.6
<b>95th Percentile</b>	2.1	-3.1	2.4	6.3	-1.2	0.8	2.7	2.8	3.2	4.4	3.0
<b># of Portfolios</b>	47	39	31	29	28	27	24	24	20	18	12
<b>● Ohio Police &amp; Fire</b>	6.5 (35)	2.5 (17)	9.0 (6)	12.8 (13)	0.8 (64)	2.7 (66)	4.8 (42)	5.4 (25)	6.3 (12)	8.3 (1)	6.3 (1)
<b>■ School Employees Retirement System</b>	4.8 (70)	-0.1 (53)	6.0 (67)	9.3 (70)	-1.4 (97)	0.7 (97)	3.0 (86)	4.1 (76)	5.0 (62)	6.8 (41)	4.8 (65)
<b>★ Highway Patrol Retirement System</b>	5.7 (58)	-2.9 (94)	5.1 (76)	10.8 (39)	-0.8 (89)	1.0 (89)	3.1 (81)	3.7 (83)	4.7 (80)	6.8 (42)	5.2 (53)
<b>▲ 60/40 S&amp;P 500/BC Aggregate</b>	7.5 (13)	4.7 (4)	8.3 (10)	11.6 (32)	2.0 (47)	2.8 (59)	4.2 (63)	4.2 (74)	4.7 (83)	6.2 (68)	4.5 (77)

InvestorForce All Public Defined Benefit Fund Universe - Calendar Year Performance



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	3.9	3.9	16.6	26.2	-5.7	13.0	15.6	10.0	13.6	28.7	4.1
25th Percentile	1.8	1.8	14.0	22.7	-17.1	9.9	14.3	8.4	11.2	22.3	-4.3
Median	0.8	0.8	13.0	17.9	-21.6	8.4	11.6	6.2	10.2	18.0	-8.0
75th Percentile	-1.0	-1.0	11.6	15.1	-27.5	7.4	9.0	4.6	7.0	13.1	-10.7
95th Percentile	-3.1	-3.1	7.0	9.9	-30.7	6.0	5.7	3.0	6.2	8.3	-12.6
# of Portfolios	39	39	37	34	34	31	28	27	23	19	14
● Public Employees Retirement System (DB)	0.6 (51)	0.6 (51)	14.0 (26)	19.1 (41)	-27.1 (73)	8.9 (38)	15.0 (10)	9.2 (14)	12.5 (8)	25.4 (15)	-10.7 (76)
■ Public Employees Retirement System (HC)	-0.4 (62)	-0.4 (62)	13.5 (33)	24.8 (11)	-25.8 (71)	6.9 (91)	12.7 (35)	8.0 (34)	-- (--)	-- (--)	-- (--)
★ State Teachers Retirement System	1.6 (27)	1.6 (27)	13.5 (33)	19.7 (39)	-29.2 (91)	10.0 (25)	17.0 (1)	12.2 (1)	13.4 (6)	24.3 (18)	-11.5 (85)
▲ 60/40 S&P 500/BC Aggregate	4.7 (4)	4.7 (4)	12.1 (64)	18.4 (45)	-22.1 (54)	6.2 (95)	11.1 (54)	4.0 (86)	8.3 (63)	19.0 (46)	-9.8 (68)

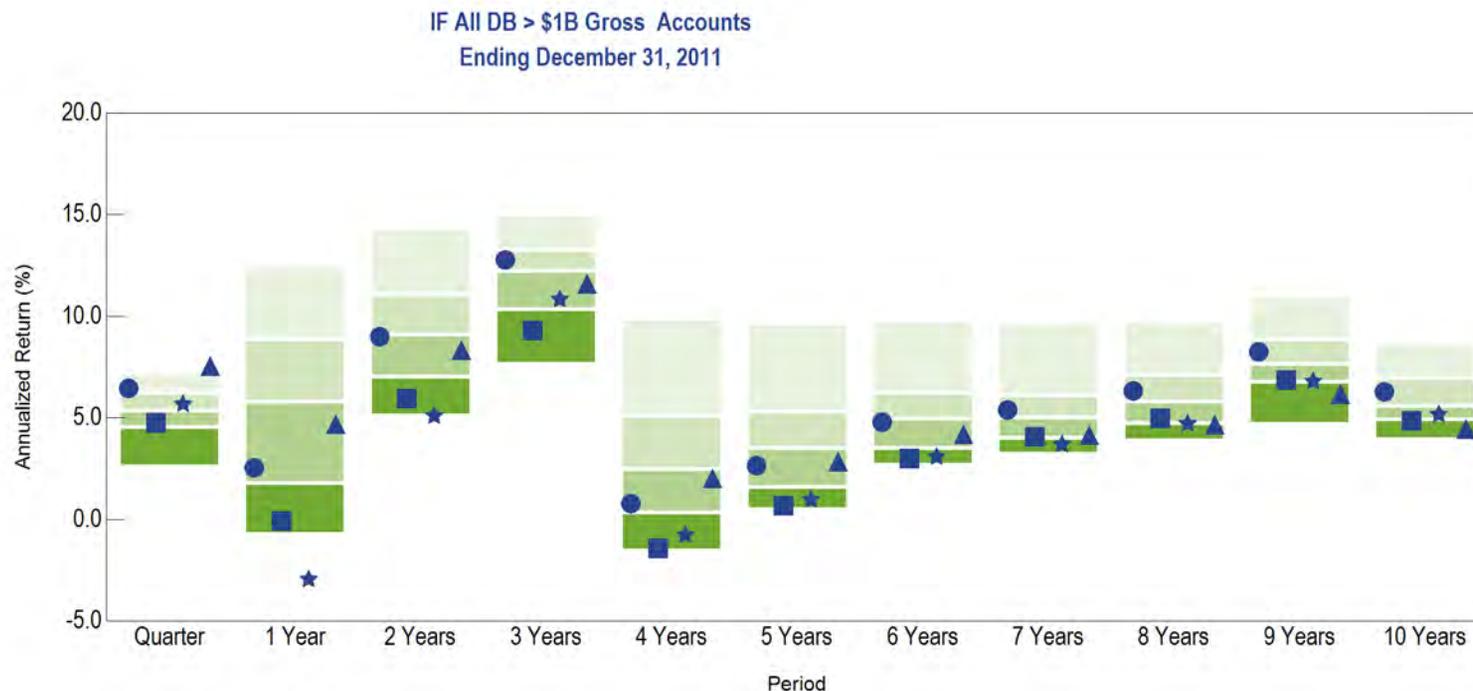
InvestorForce All Public Defined Benefit Fund Universe - Calendar Year Performance



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	3.9	3.9	16.6	26.2	-5.7	13.0	15.6	10.0	13.6	28.7	4.1
25th Percentile	1.8	1.8	14.0	22.7	-17.1	9.9	14.3	8.4	11.2	22.3	-4.3
Median	0.8	0.8	13.0	17.9	-21.6	8.4	11.6	6.2	10.2	18.0	-8.0
75th Percentile	-1.0	-1.0	11.6	15.1	-27.5	7.4	9.0	4.6	7.0	13.1	-10.7
95th Percentile	-3.1	-3.1	7.0	9.9	-30.7	6.0	5.7	3.0	6.2	8.3	-12.6
# of Portfolios	39	39	37	34	34	31	28	27	23	19	14
● Ohio Police & Fire	2.5 (17)	2.5 (17)	15.8 (13)	20.7 (36)	-28.1 (83)	10.5 (21)	16.1 (3)	9.1 (15)	13.1 (7)	25.0 (16)	-9.9 (69)
■ School Employees Retirement System	-0.1 (53)	-0.1 (53)	12.3 (63)	16.4 (68)	-27.7 (80)	9.6 (29)	15.4 (7)	10.8 (3)	11.7 (16)	22.9 (24)	-11.6 (86)
★ Highway Patrol Retirement System	-2.9 (94)	-2.9 (94)	13.8 (30)	23.2 (18)	-28.8 (89)	8.3 (54)	14.3 (20)	7.4 (45)	12.2 (9)	25.0 (16)	-8.4 (54)
▲ 60/40 S&P 500/BC Aggregate	4.7 (4)	4.7 (4)	12.1 (64)	18.4 (45)	-22.1 (54)	6.2 (95)	11.1 (54)	4.0 (86)	8.3 (63)	19.0 (46)	-9.8 (68)

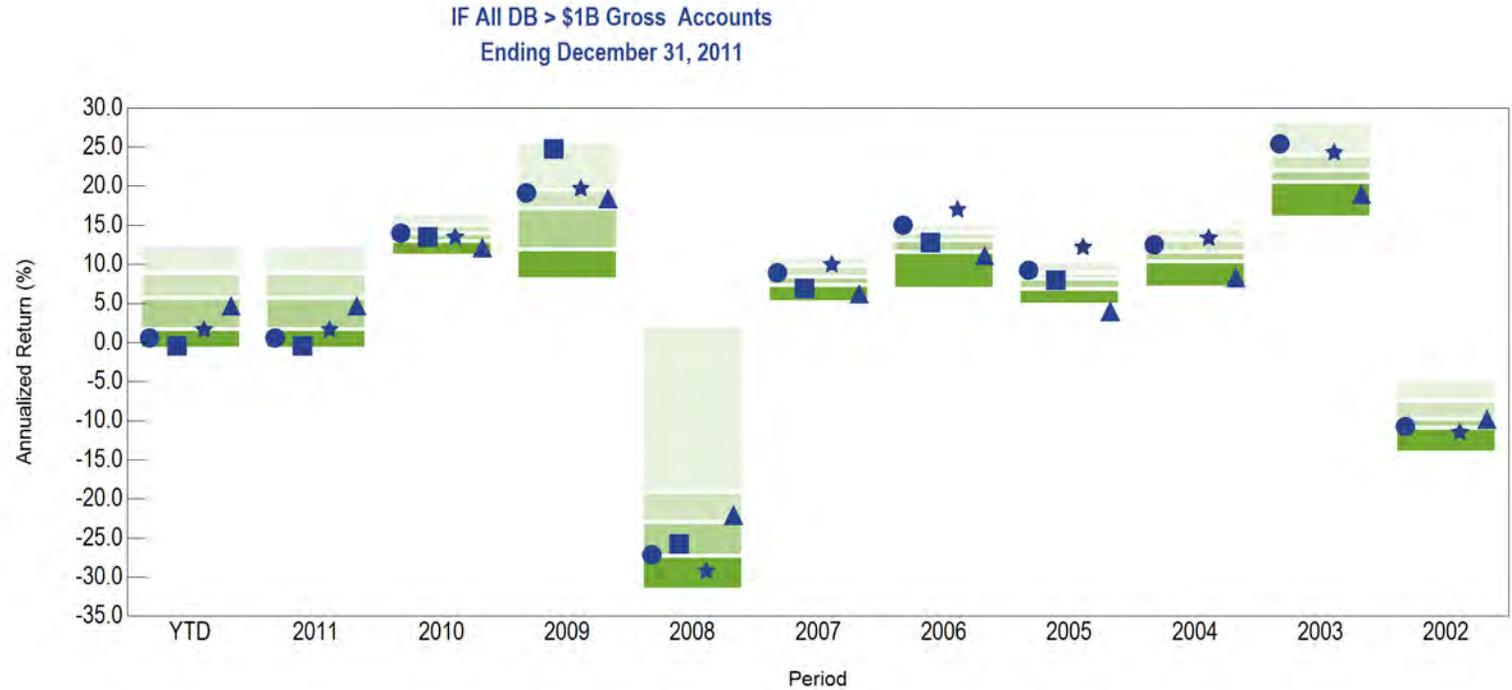


	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	7.2	12.5	14.3	15.0	9.9	9.6	9.8	9.7	9.8	11.0	8.7
25th Percentile	6.3	8.9	11.1	13.3	5.1	5.3	6.3	6.1	7.1	8.9	7.0
Median	5.4	5.8	9.1	12.2	2.5	3.5	5.0	5.0	5.8	7.7	5.6
75th Percentile	4.6	1.8	7.1	10.4	0.4	1.6	3.5	4.0	4.8	6.8	4.9
95th Percentile	2.6	-0.7	5.1	7.7	-1.5	0.5	2.7	3.2	3.9	4.7	4.0
# of Portfolios	54	41	37	37	35	34	34	33	31	30	28
● Public Employees Retirement System (DB)	5.2 (59)	0.6 (88)	7.1 (73)	11.0 (64)	-0.1 (85)	1.6 (75)	3.8 (72)	4.5 (67)	5.5 (57)	7.5 (53)	5.5 (51)
■ Public Employees Retirement System (HC)	6.2 (27)	-0.4 (92)	6.3 (86)	12.2 (51)	1.2 (65)	2.3 (66)	4.0 (67)	4.5 (66)	-- (--)	-- (--)	-- (--)
★ State Teachers Retirement System	5.6 (48)	1.6 (78)	7.4 (72)	11.4 (59)	-0.6 (92)	1.4 (83)	3.9 (69)	5.0 (51)	6.0 (41)	7.9 (45)	5.8 (44)
▲ 60/40 S&P 500/BC Aggregate	7.5 (2)	4.7 (61)	8.3 (64)	11.6 (54)	2.0 (57)	2.8 (62)	4.2 (65)	4.2 (74)	4.7 (83)	6.2 (82)	4.5 (88)



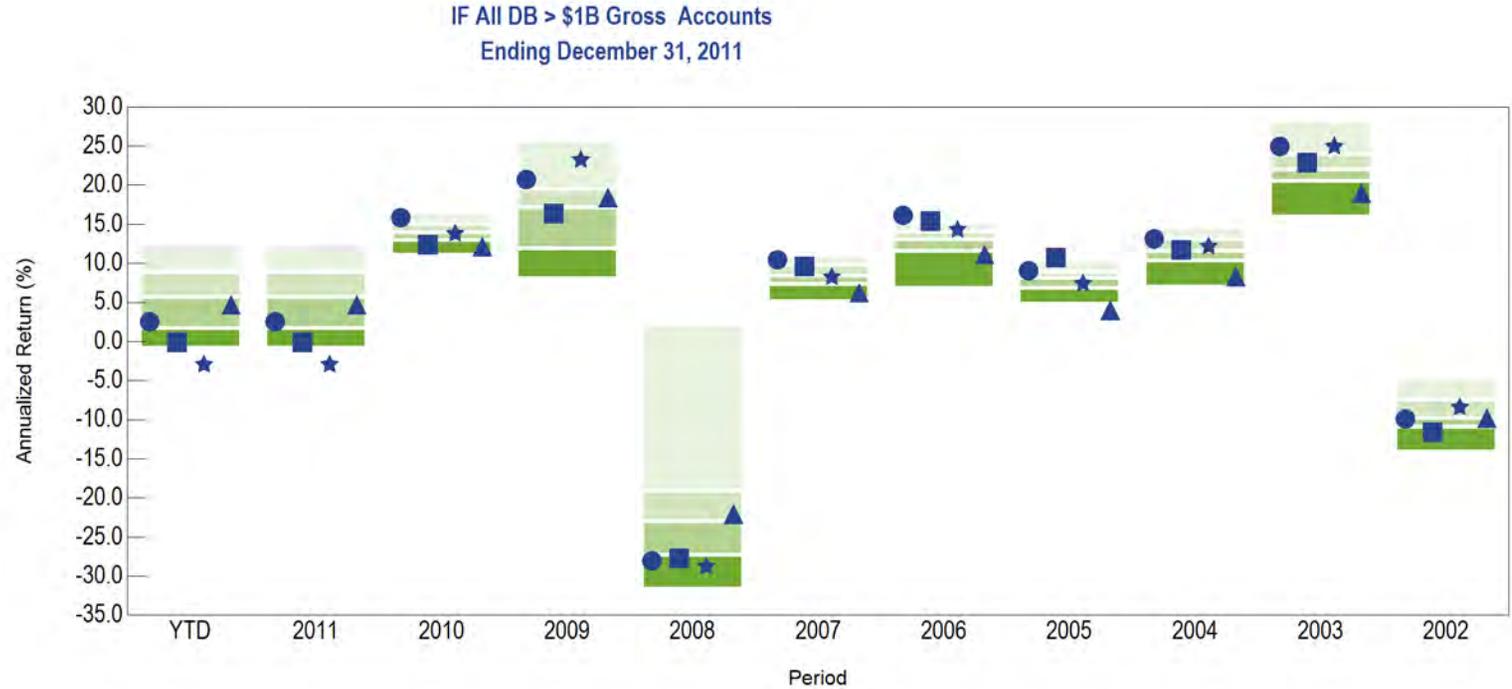
	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	7.2	12.5	14.3	15.0	9.9	9.6	9.8	9.7	9.8	11.0	8.7
25th Percentile	6.3	8.9	11.1	13.3	5.1	5.3	6.3	6.1	7.1	8.9	7.0
Median	5.4	5.8	9.1	12.2	2.5	3.5	5.0	5.0	5.8	7.7	5.6
75th Percentile	4.6	1.8	7.1	10.4	0.4	1.6	3.5	4.0	4.8	6.8	4.9
95th Percentile	2.6	-0.7	5.1	7.7	-1.5	0.5	2.7	3.2	3.9	4.7	4.0
# of Portfolios	54	41	37	37	35	34	34	33	31	30	28
● Ohio Police & Fire	6.5 (21)	2.5 (69)	9.0 (54)	12.8 (41)	0.8 (68)	2.7 (65)	4.8 (57)	5.4 (41)	6.3 (37)	8.3 (39)	6.3 (37)
■ School Employees Retirement System	4.8 (68)	-0.1 (90)	6.0 (91)	9.3 (87)	-1.4 (95)	0.7 (94)	3.0 (89)	4.1 (75)	5.0 (67)	6.8 (74)	4.8 (77)
★ Highway Patrol Retirement System	5.7 (47)	-2.9 (99)	5.1 (96)	10.8 (66)	-0.8 (93)	1.0 (92)	3.1 (82)	3.7 (85)	4.7 (81)	6.8 (76)	5.2 (62)
▲ 60/40 S&P 500/BC Aggregate	7.5 (2)	4.7 (61)	8.3 (64)	11.6 (54)	2.0 (57)	2.8 (62)	4.2 (65)	4.2 (74)	4.7 (83)	6.2 (82)	4.5 (88)

InvestorForce All Defined Benefit Fund > \$1 Billion Universe - Calendar Year Returns



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	12.5	12.5	16.5	25.7	2.2	11.0	15.1	10.4	14.5	28.2	-4.8
25th Percentile	8.9	8.9	15.0	19.5	-19.0	9.8	14.1	8.9	13.2	24.0	-7.4
Median	5.8	5.8	14.0	17.2	-22.9	8.5	13.1	8.2	11.7	22.1	-9.7
75th Percentile	1.8	1.8	13.0	12.0	-27.3	7.4	11.7	6.9	10.4	20.6	-10.9
95th Percentile	-0.7	-0.7	11.1	8.2	-31.5	5.2	6.9	4.9	7.1	16.1	-14.0
# of Portfolios	41	41	34	33	31	30	30	29	28	28	27
● Public Employees Retirement System (DB)	0.6 (88)	0.6 (88)	14.0 (51)	19.1 (31)	-27.1 (75)	8.9 (42)	15.0 (6)	9.2 (20)	12.5 (41)	25.4 (15)	-10.7 (69)
■ Public Employees Retirement System (HC)	-0.4 (92)	-0.4 (92)	13.5 (60)	24.8 (6)	-25.8 (71)	6.9 (82)	12.7 (60)	8.0 (64)	-- (--)	-- (--)	-- (--)
★ State Teachers Retirement System	1.6 (78)	1.6 (78)	13.5 (61)	19.7 (25)	-29.2 (87)	10.0 (21)	17.0 (2)	12.2 (1)	13.4 (23)	24.3 (24)	-11.5 (81)
▲ 60/40 S&P 500/BC Aggregate	4.7 (61)	4.7 (61)	12.1 (84)	18.4 (38)	-22.1 (48)	6.2 (90)	11.1 (82)	4.0 (98)	8.3 (90)	19.0 (84)	-9.8 (53)

InvestorForce All Defined Benefit Fund > \$1 Billion Universe - Calendar Year Returns



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	12.5	12.5	16.5	25.7	2.2	11.0	15.1	10.4	14.5	28.2	-4.8
25th Percentile	8.9	8.9	15.0	19.5	-19.0	9.8	14.1	8.9	13.2	24.0	-7.4
Median	5.8	5.8	14.0	17.2	-22.9	8.5	13.1	8.2	11.7	22.1	-9.7
75th Percentile	1.8	1.8	13.0	12.0	-27.3	7.4	11.7	6.9	10.4	20.6	-10.9
95th Percentile	-0.7	-0.7	11.1	8.2	-31.5	5.2	6.9	4.9	7.1	16.1	-14.0
# of Portfolios	41	41	34	33	31	30	30	29	28	28	27
● Ohio Police & Fire	2.5 (69)	2.5 (69)	15.8 (16)	20.7 (21)	-28.1 (84)	10.5 (15)	16.1 (3)	9.1 (22)	13.1 (30)	25.0 (17)	-9.9 (59)
■ School Employees Retirement System	-0.1 (90)	-0.1 (90)	12.3 (83)	16.4 (63)	-27.7 (80)	9.6 (27)	15.4 (4)	10.8 (3)	11.7 (50)	22.9 (44)	-11.6 (82)
★ Highway Patrol Retirement System	-2.9 (99)	-2.9 (99)	13.8 (56)	23.2 (9)	-28.8 (86)	8.3 (56)	14.3 (21)	7.4 (74)	12.2 (46)	25.0 (17)	-8.4 (35)
▲ 60/40 S&P 500/BC Aggregate	4.7 (61)	4.7 (61)	12.1 (84)	18.4 (38)	-22.1 (48)	6.2 (90)	11.1 (82)	4.0 (98)	8.3 (90)	19.0 (84)	-9.8 (53)

# Total Domestic Equities

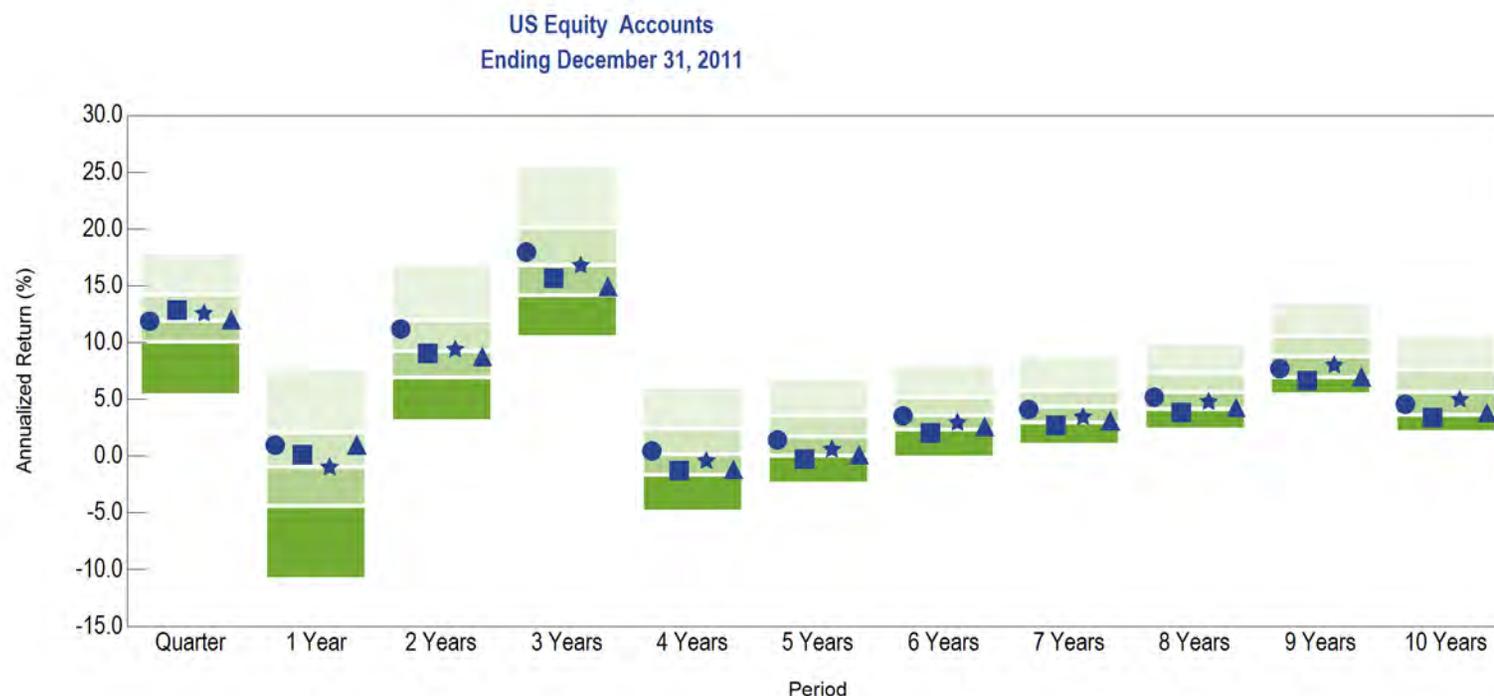
## InvestorForce All Domestic Equities Universe



	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	17.9	7.7	16.9	25.6	6.1	6.8	8.1	8.7	10.0	13.5	10.6
<b>25th Percentile</b>	14.3	2.1	12.0	20.1	2.4	3.6	5.2	5.8	7.3	10.6	7.6
<b>Median</b>	11.9	-0.9	9.3	16.8	0.1	1.7	3.6	4.4	5.6	8.8	5.7
<b>75th Percentile</b>	10.1	-4.4	7.0	14.2	-1.6	0.1	2.4	3.0	4.1	6.9	3.6
<b>95th Percentile</b>	5.4	-10.8	3.1	10.5	-4.9	-2.4	-0.1	1.0	2.3	5.4	2.1
<b># of Portfolios</b>	2,213	2,168	2,112	2,055	1,978	1,897	1,784	1,651	1,540	1,435	1,320
<b>● PERS(DB) Domestic Equity</b>	12.4 (44)	1.1 (34)	8.6 (57)	14.9 (68)	-1.4 (72)	-0.2 (80)	2.2 (79)	2.9 (78)	4.0 (80)	6.7 (81)	3.5 (79)
<b>■ PERS(HC) Domestic Equity</b>	12.4 (44)	1.1 (34)	8.6 (57)	14.9 (68)	-1.4 (72)	-0.2 (80)	2.2 (79)	2.9 (78)	-- (-)	-- (-)	-- (-)
<b>★ STRS Domestic Equity</b>	12.5 (42)	1.5 (31)	8.8 (55)	15.1 (67)	-1.4 (72)	-0.3 (82)	2.3 (77)	2.9 (77)	4.0 (79)	6.6 (82)	3.3 (82)
<b>▲ Wilshire 5000</b>	12.0 (50)	1.0 (36)	8.8 (56)	14.9 (68)	-1.2 (69)	0.1 (74)	2.6 (70)	3.1 (73)	4.2 (74)	7.0 (75)	3.8 (74)

# Total Domestic Equities

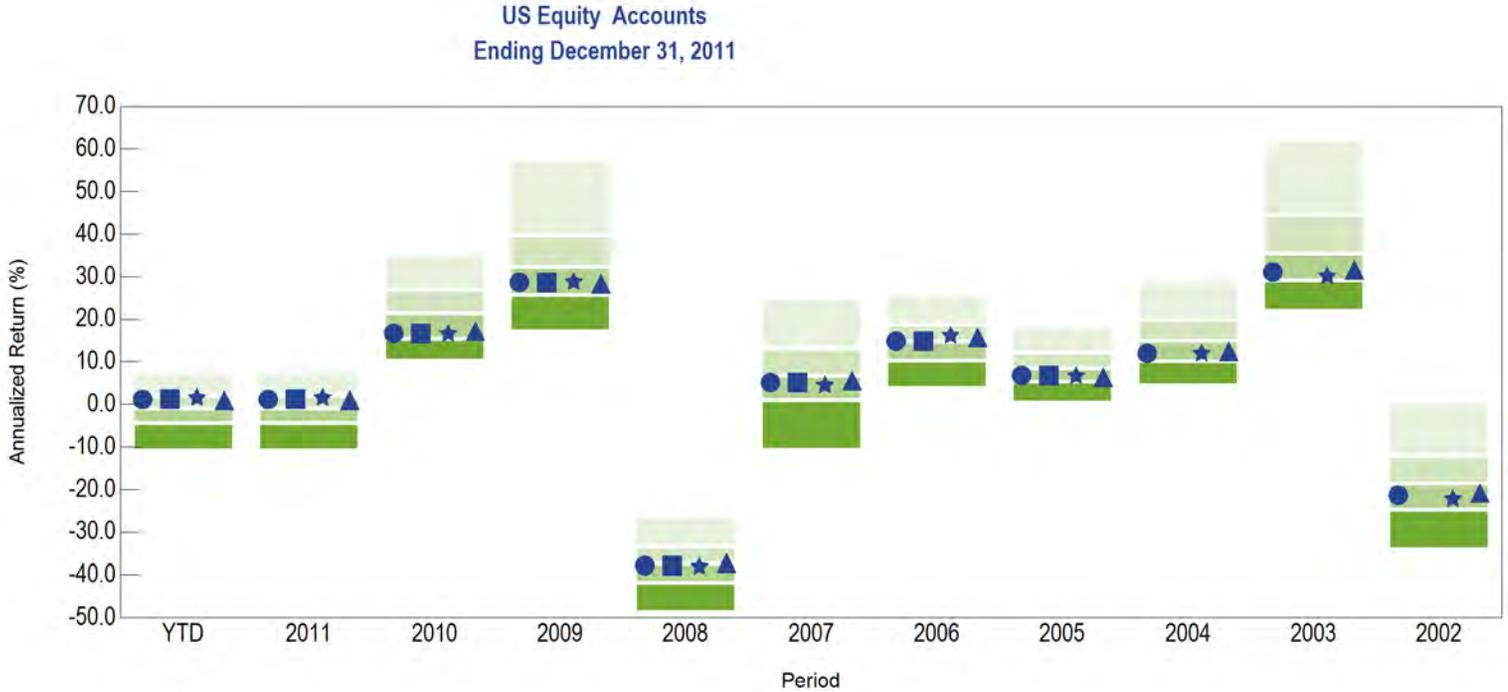
## InvestorForce All Domestic Equities Universe



	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	17.9	7.7	16.9	25.6	6.1	6.8	8.1	8.7	10.0	13.5	10.6
25th Percentile	14.3	2.1	12.0	20.1	2.4	3.6	5.2	5.8	7.3	10.6	7.6
Median	11.9	-0.9	9.3	16.8	0.1	1.7	3.6	4.4	5.6	8.8	5.7
75th Percentile	10.1	-4.4	7.0	14.2	-1.6	0.1	2.4	3.0	4.1	6.9	3.6
95th Percentile	5.4	-10.8	3.1	10.5	-4.9	-2.4	-0.1	1.0	2.3	5.4	2.1
# of Portfolios	2,213	2,168	2,112	2,055	1,978	1,897	1,784	1,651	1,540	1,435	1,320
● OP&F Domestic Equity	11.9 (51)	0.9 (36)	11.2 (33)	18.0 (41)	0.4 (46)	1.4 (55)	3.5 (52)	4.1 (55)	5.2 (59)	7.7 (65)	4.6 (63)
■ SERS Domestic Equity	12.9 (39)	0.1 (42)	9.0 (53)	15.6 (61)	-1.3 (70)	-0.3 (82)	2.0 (81)	2.7 (82)	3.8 (82)	6.6 (82)	3.4 (80)
★ HPRS Domestic Equity	12.6 (42)	-1.0 (51)	9.4 (50)	16.8 (51)	-0.4 (58)	0.6 (67)	2.9 (63)	3.4 (67)	4.8 (66)	8.0 (62)	5.0 (59)
▲ Wilshire 5000	12.0 (50)	1.0 (36)	8.8 (56)	14.9 (68)	-1.2 (69)	0.1 (74)	2.6 (70)	3.1 (73)	4.2 (74)	7.0 (75)	3.8 (74)

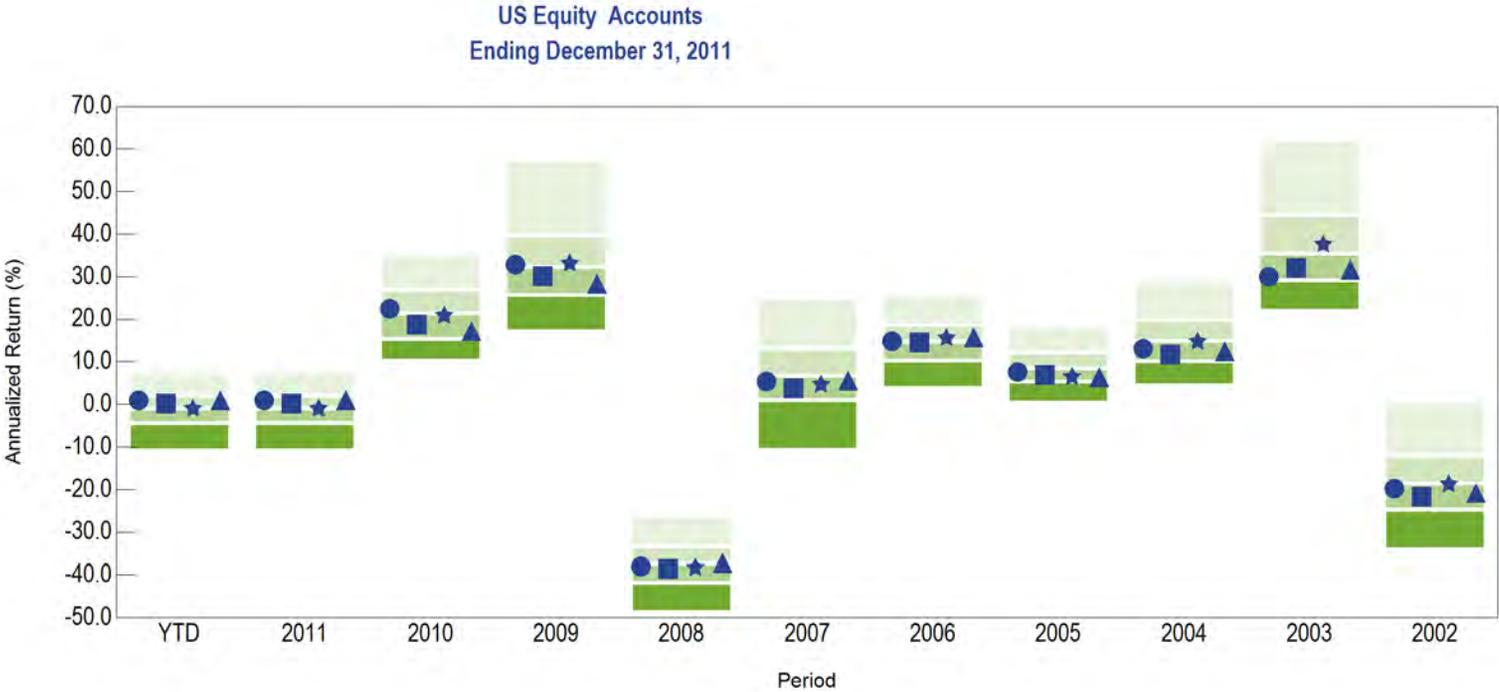
# Total Domestic Equities - Calendar Year Returns

## InvestorForce All Domestic Equities Universe



	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>5th Percentile</b>	7.7	7.7	35.4	57.2	-26.2	25.1	25.9	18.2	29.1	62.2	0.6
<b>25th Percentile</b>	2.1	2.1	27.0	39.6	-33.4	13.2	18.7	12.1	20.0	44.7	-12.1
<b>Median</b>	-0.9	-0.9	21.4	32.3	-37.3	6.7	14.9	8.6	14.9	35.5	-18.5
<b>75th Percentile</b>	-4.4	-4.4	15.4	25.8	-41.7	1.1	10.3	5.4	10.3	29.2	-24.6
<b>95th Percentile</b>	-10.8	-10.8	10.4	17.2	-48.7	-10.6	4.0	0.5	4.5	22.1	-33.9
<b># of Portfolios</b>	2,168	2,168	2,135	2,191	1,661	1,794	1,824	1,782	1,741	1,679	1,601
<b>● PERS(DB) Domestic Equity</b>	1.1 (34)	1.1 (34)	16.7 (68)	28.7 (63)	-37.8 (53)	5.1 (58)	14.9 (51)	6.8 (64)	12.0 (67)	31.1 (67)	-21.4 (62)
<b>■ PERS(HC) Domestic Equity</b>	1.1 (34)	1.1 (34)	16.7 (68)	28.7 (63)	-37.8 (53)	5.1 (58)	14.9 (51)	6.8 (64)	-- (--)	-- (--)	-- (--)
<b>★ STRS Domestic Equity</b>	1.5 (31)	1.5 (31)	16.6 (69)	28.8 (63)	-38.1 (54)	4.5 (61)	16.1 (42)	6.7 (66)	11.9 (67)	30.1 (71)	-22.2 (66)
<b>▲ Wilshire 5000</b>	1.0 (36)	1.0 (36)	17.2 (66)	28.3 (65)	-37.2 (50)	5.6 (56)	15.8 (44)	6.4 (68)	12.5 (63)	31.6 (64)	-20.9 (60)

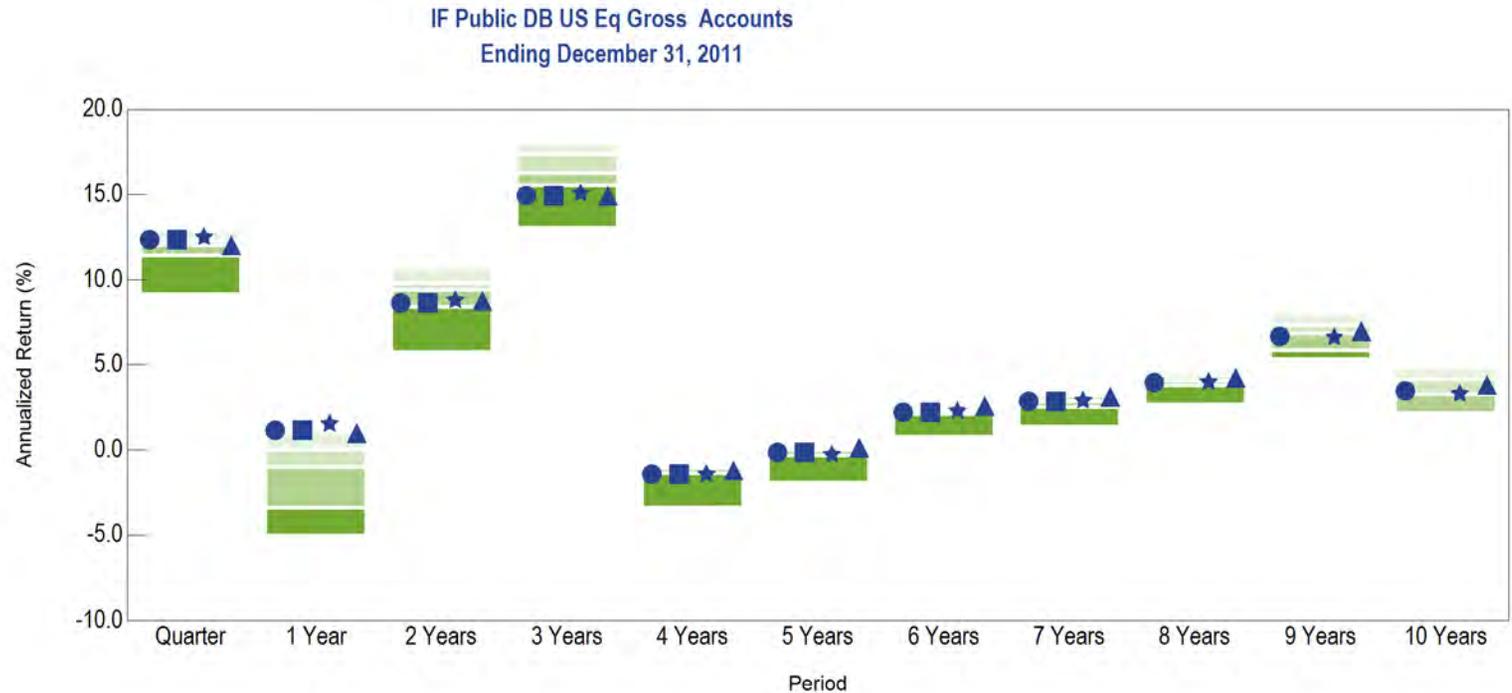
**Total Domestic Equities - Calendar Year Returns**  
**InvestorForce All Domestic Equities Universe**



	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>5th Percentile</b>	7.7	7.7	35.4	57.2	-26.2	25.1	25.9	18.2	29.1	62.2	0.6
<b>25th Percentile</b>	2.1	2.1	27.0	39.6	-33.4	13.2	18.7	12.1	20.0	44.7	-12.1
<b>Median</b>	-0.9	-0.9	21.4	32.3	-37.3	6.7	14.9	8.6	14.9	35.5	-18.5
<b>75th Percentile</b>	-4.4	-4.4	15.4	25.8	-41.7	1.1	10.3	5.4	10.3	29.2	-24.6
<b>95th Percentile</b>	-10.8	-10.8	10.4	17.2	-48.7	-10.6	4.0	0.5	4.5	22.1	-33.9
<b># of Portfolios</b>	2,168	2,168	2,135	2,191	1,661	1,794	1,824	1,782	1,741	1,679	1,601
<b>OP&amp;F Domestic Equity</b>	0.9 (36)	0.9 (36)	22.5 (47)	32.8 (49)	-38.0 (54)	5.4 (57)	14.8 (51)	7.6 (59)	13.1 (61)	30.0 (72)	-19.8 (56)
<b>SERS Domestic Equity</b>	0.1 (42)	0.1 (42)	18.7 (60)	30.1 (58)	-38.7 (58)	3.8 (64)	14.6 (53)	6.9 (64)	11.7 (68)	32.1 (62)	-21.7 (63)
<b>HPRS Domestic Equity</b>	-1.0 (51)	-1.0 (51)	20.9 (52)	33.1 (48)	-38.3 (55)	4.7 (60)	15.6 (45)	6.5 (67)	14.7 (51)	37.6 (44)	-18.8 (51)
<b>Wilshire 5000</b>	1.0 (36)	1.0 (36)	17.2 (66)	28.3 (65)	-37.2 (50)	5.6 (56)	15.8 (44)	6.4 (68)	12.5 (63)	31.6 (64)	-20.9 (60)

# Total Domestic Equities

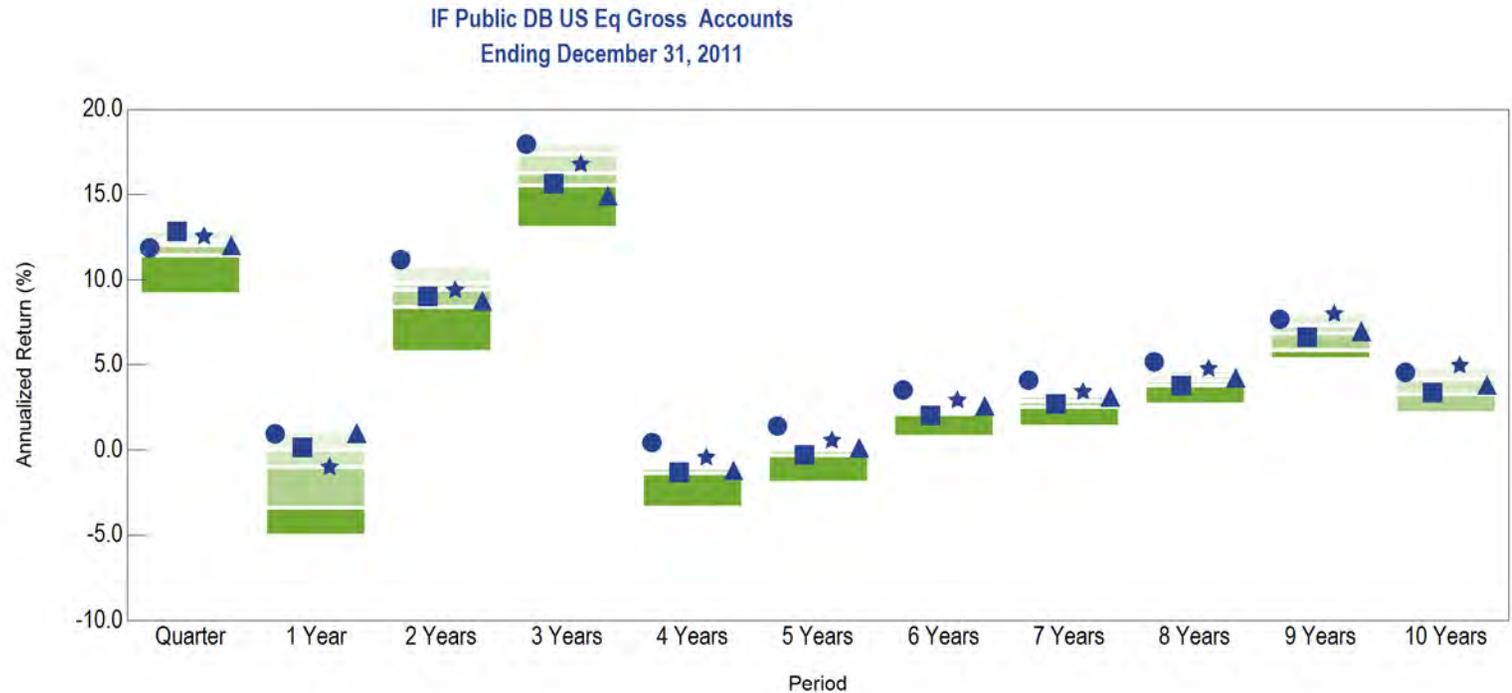
## InvestorForce All Public DB Domestic Equities Universe



	Return (Rank)										
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
5th Percentile	12.9	1.1	10.8	18.0	-0.9	0.3	2.6	3.4	4.7	8.0	4.9
25th Percentile	12.3	0.0	9.8	17.4	-0.9	0.1	2.5	3.2	4.4	7.3	4.1
Median	12.1	-1.0	9.4	16.3	-1.1	0.0	2.3	2.9	4.1	6.8	3.3
75th Percentile	11.5	-3.4	8.4	15.6	-1.4	-0.3	2.1	2.6	3.8	5.9	2.2
95th Percentile	9.2	-5.0	5.8	13.1	-3.4	-1.9	0.8	1.4	2.7	5.4	2.2
# of Portfolios	18	12	7	7	6	6	6	6	6	6	5
● PERS(DB) Domestic Equity	12.4 (24)	1.1 (3)	8.6 (66)	14.9 (84)	-1.4 (81)	-0.2 (67)	2.2 (65)	2.9 (55)	4.0 (62)	6.7 (55)	3.5 (46)
■ PERS(HC) Domestic Equity	12.4 (24)	1.1 (3)	8.6 (66)	14.9 (84)	-1.4 (81)	-0.2 (67)	2.2 (65)	2.9 (55)	-- (-)	-- (-)	-- (-)
★ STRS Domestic Equity	12.5 (19)	1.5 (1)	8.8 (63)	15.1 (82)	-1.4 (81)	-0.3 (73)	2.3 (53)	2.9 (49)	4.0 (59)	6.6 (57)	3.3 (51)
▲ Wilshire 5000	12.0 (55)	1.0 (10)	8.8 (63)	14.9 (84)	-1.2 (63)	0.1 (19)	2.6 (6)	3.1 (32)	4.2 (37)	7.0 (47)	3.8 (36)

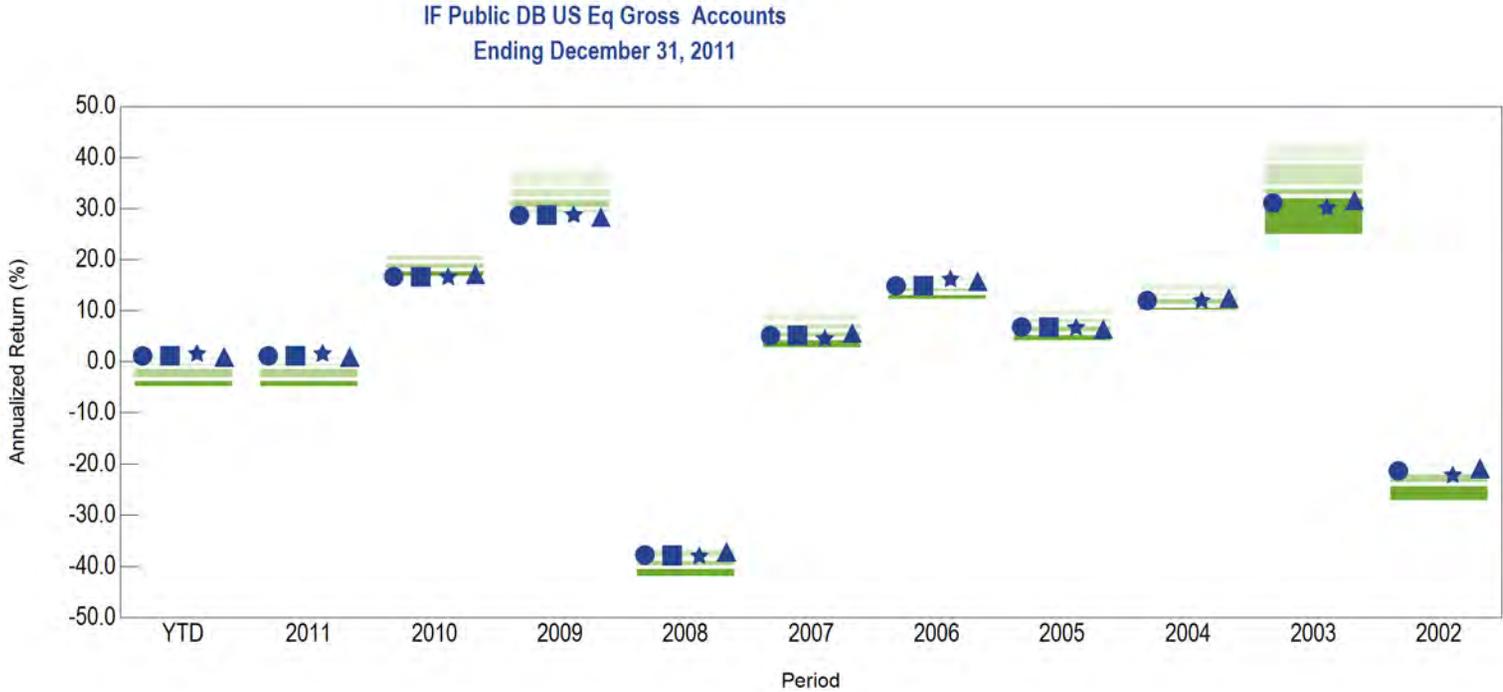
# Total Domestic Equities

## InvestorForce All Public DB Domestic Equities Universe



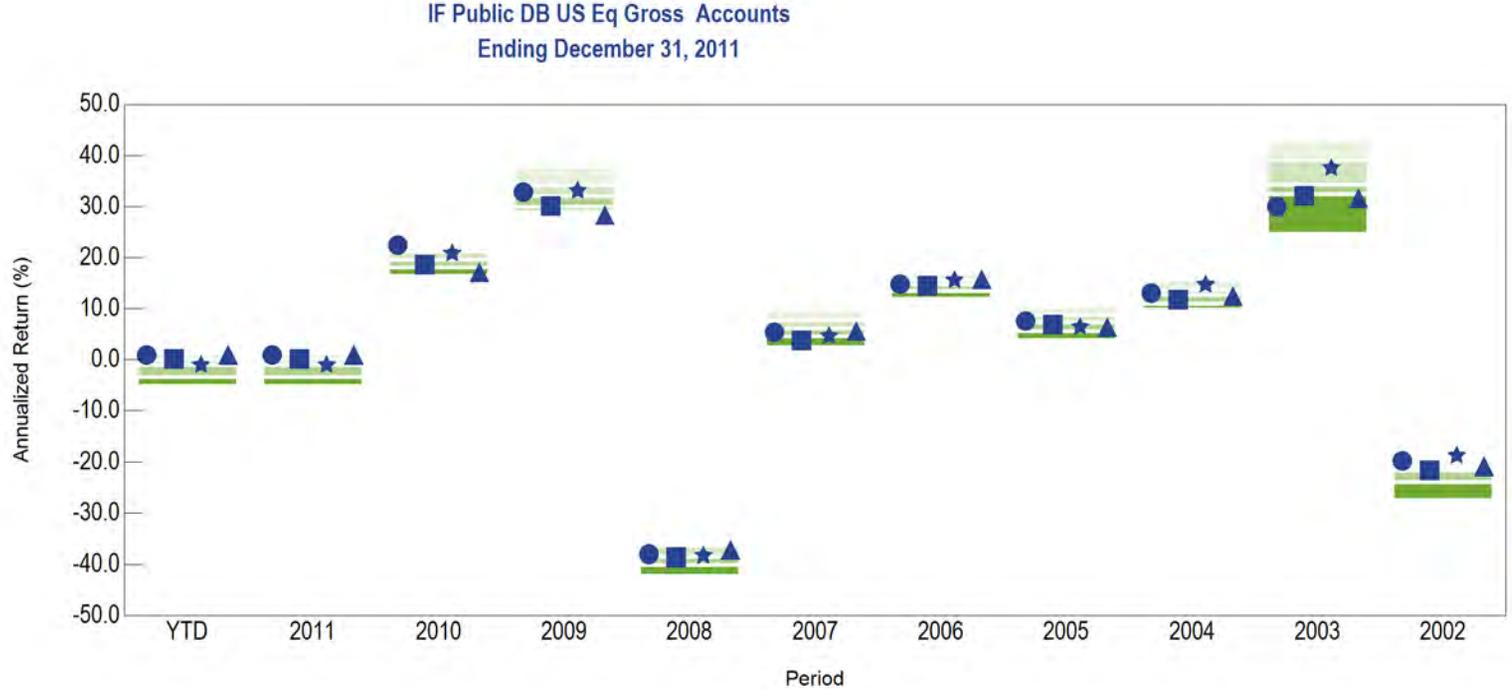
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	12.9	1.1	10.8	18.0	-0.9	0.3	2.6	3.4	4.7	8.0	4.9
<b>25th Percentile</b>	12.3	0.0	9.8	17.4	-0.9	0.1	2.5	3.2	4.4	7.3	4.1
<b>Median</b>	12.1	-1.0	9.4	16.3	-1.1	0.0	2.3	2.9	4.1	6.8	3.3
<b>75th Percentile</b>	11.5	-3.4	8.4	15.6	-1.4	-0.3	2.1	2.6	3.8	5.9	2.2
<b>95th Percentile</b>	9.2	-5.0	5.8	13.1	-3.4	-1.9	0.8	1.4	2.7	5.4	2.2
<b># of Portfolios</b>	18	12	7	7	6	6	6	6	6	6	5
<b>● OP&amp;F Domestic Equity</b>	11.9 (64)	0.9 (10)	11.2 (1)	18.0 (6)	0.4 (1)	1.4 (1)	3.5 (1)	4.1 (1)	5.2 (1)	7.7 (13)	4.6 (14)
<b>■ SERS Domestic Equity</b>	12.9 (6)	0.1 (24)	9.0 (59)	15.6 (75)	-1.3 (72)	-0.3 (75)	2.0 (81)	2.7 (66)	3.8 (76)	6.6 (57)	3.4 (48)
<b>★ HPRS Domestic Equity</b>	12.6 (13)	-1.0 (55)	9.4 (52)	16.8 (43)	-0.4 (1)	0.6 (1)	2.9 (1)	3.4 (3)	4.8 (1)	8.0 (6)	5.0 (3)
<b>▲ Wilshire 5000</b>	12.0 (55)	1.0 (10)	8.8 (63)	14.9 (84)	-1.2 (63)	0.1 (19)	2.6 (6)	3.1 (32)	4.2 (37)	7.0 (47)	3.8 (36)

**Total Domestic Equities - Calendar Year Returns**  
**InvestorForce All Public DB Domestic Equities Universe**

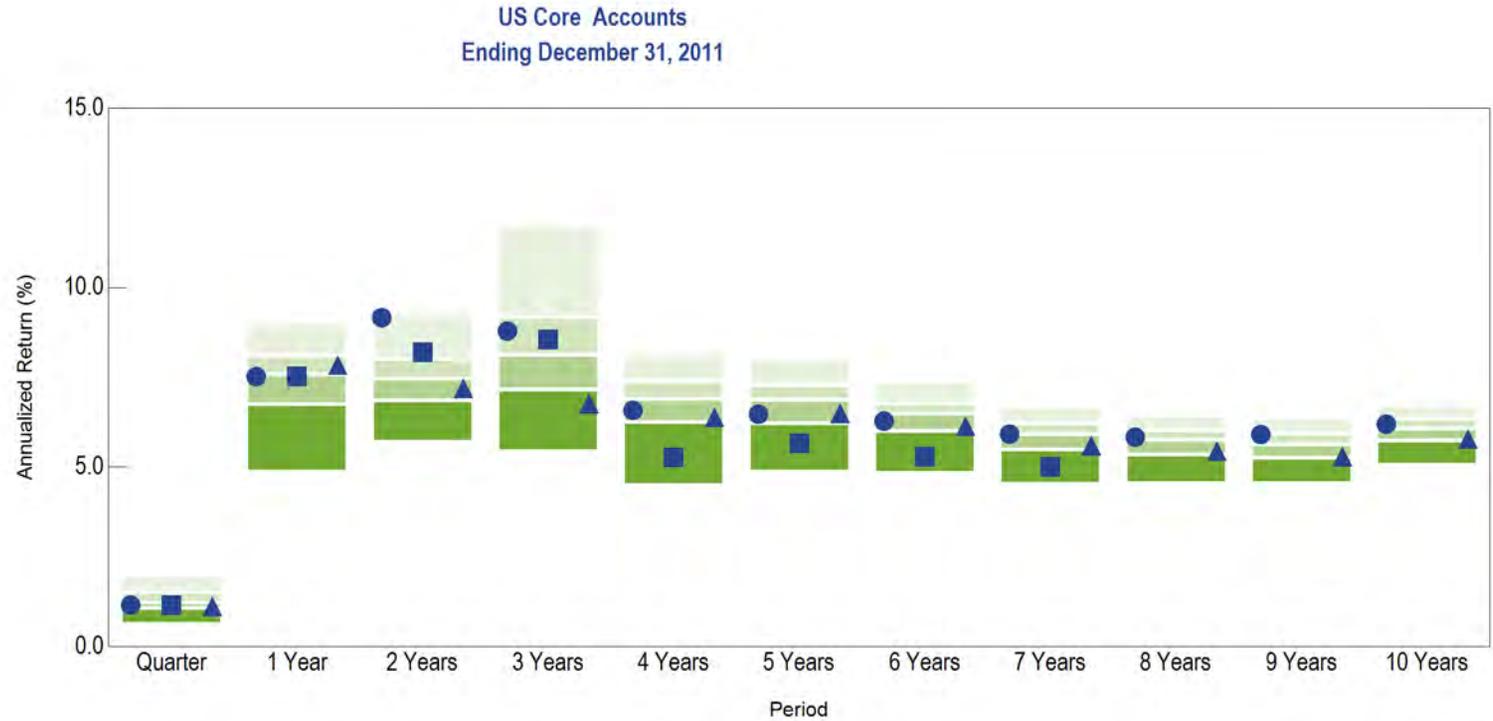


	Return (Rank)											
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	
<b>5th Percentile</b>	1.1	1.1	21.8	37.9	-36.2	10.0	16.9	10.4	15.6	42.9	-20.0	
<b>25th Percentile</b>	0.0	0.0	21.3	34.2	-36.4	7.7	15.6	8.8	13.8	39.1	-20.9	
<b>Median</b>	-1.0	-1.0	19.7	32.2	-38.5	6.2	14.7	7.4	12.8	34.4	-21.7	
<b>75th Percentile</b>	-3.4	-3.4	18.1	30.0	-40.0	4.7	13.5	5.7	11.1	32.5	-23.9	
<b>95th Percentile</b>	-5.0	-5.0	16.5	29.2	-42.1	2.5	12.0	3.9	9.9	24.8	-27.4	
<b># of Portfolios</b>	12	12	10	10	9	9	8	8	7	6	6	
<b>● PERS(DB) Domestic Equity</b>	1.1 (3)	1.1 (3)	16.7 (94)	28.7 (99)	-37.8 (43)	5.1 (72)	14.9 (41)	6.8 (62)	12.0 (64)	31.1 (82)	-21.4 (36)	
<b>■ PERS(HC) Domestic Equity</b>	1.1 (3)	1.1 (3)	16.7 (94)	28.7 (99)	-37.8 (43)	5.1 (72)	14.9 (41)	6.8 (63)	-- (--)	-- (--)	-- (--)	
<b>★ STRS Domestic Equity</b>	1.5 (1)	1.5 (1)	16.6 (95)	28.8 (99)	-38.1 (46)	4.5 (81)	16.1 (20)	6.7 (64)	11.9 (65)	30.1 (84)	-22.2 (64)	
<b>▲ Wilshire 5000</b>	1.0 (10)	1.0 (10)	17.2 (90)	28.3 (99)	-37.2 (36)	5.6 (67)	15.8 (24)	6.4 (67)	12.5 (56)	31.6 (81)	-20.9 (24)	

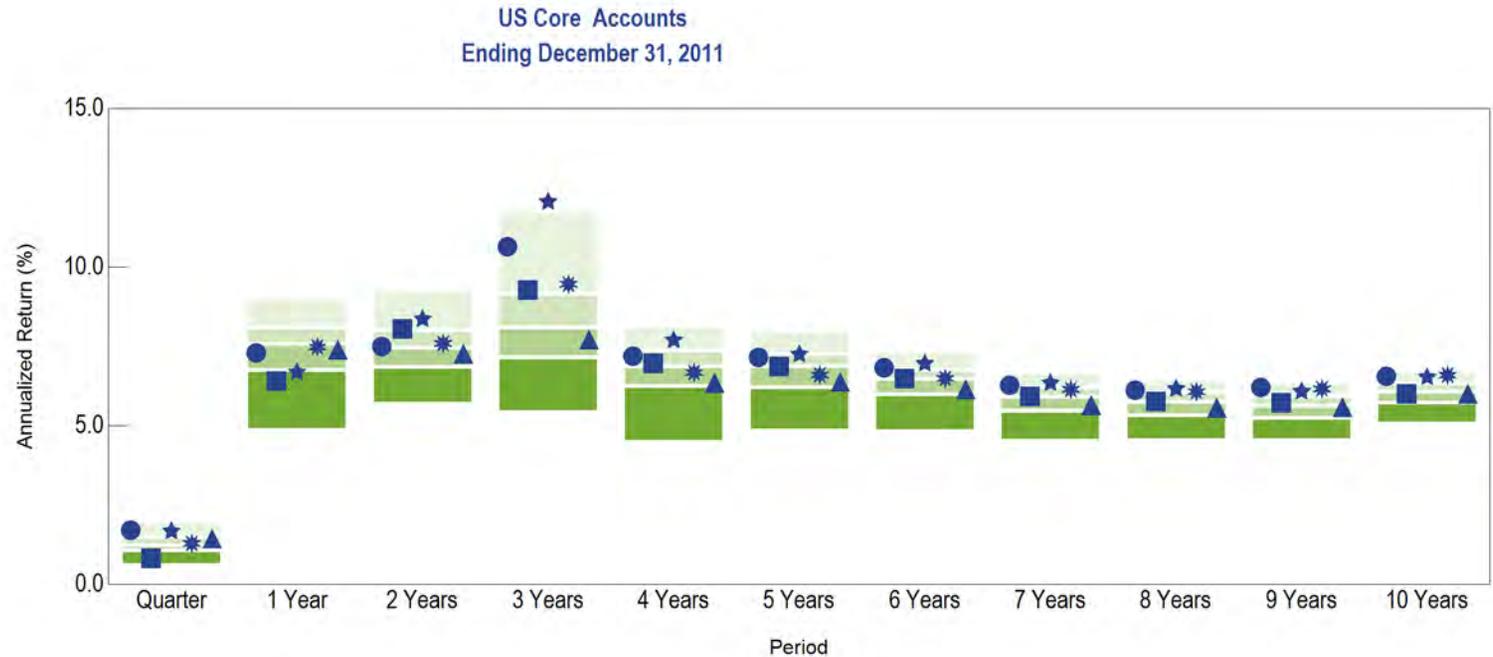
**Total Domestic Equities - Calendar Year Returns**  
**InvestorForce All Public DB Domestic Equities Universe**



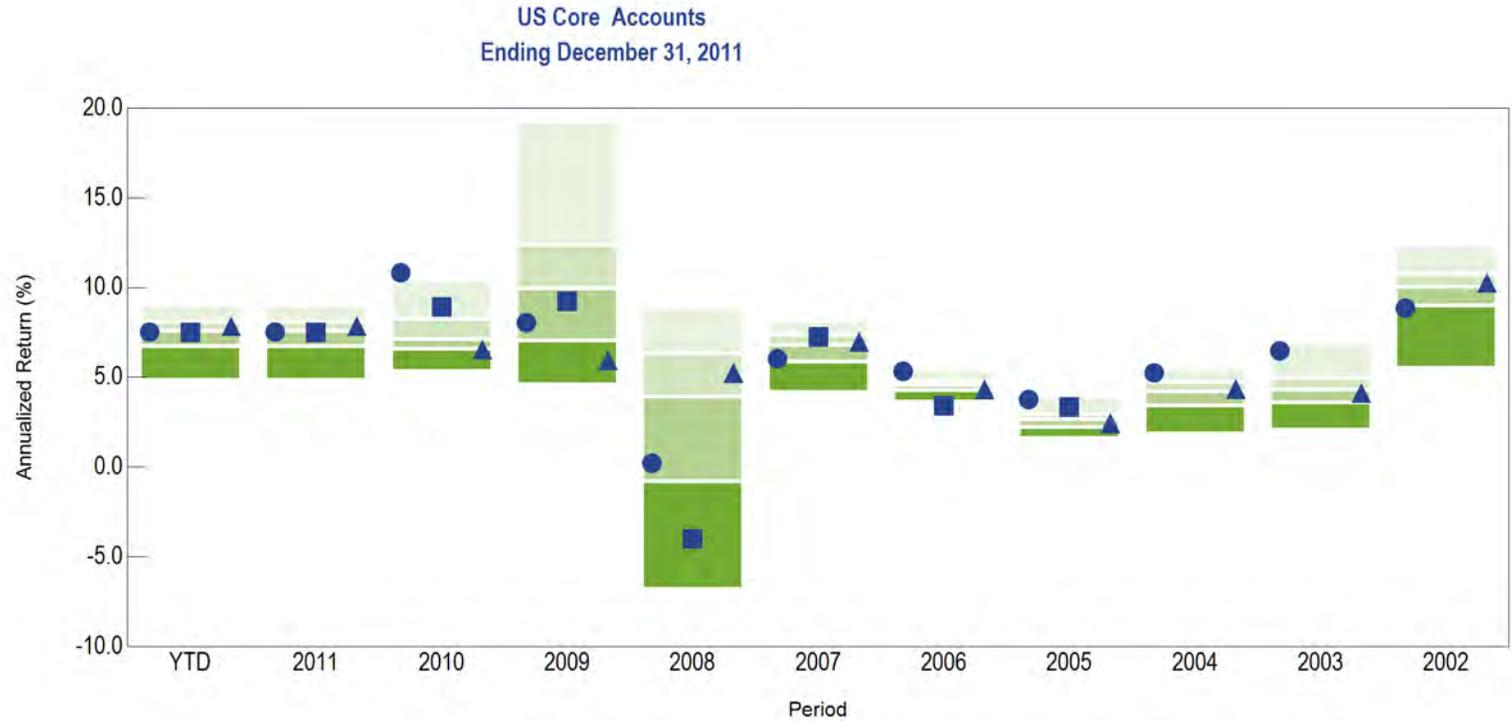
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>5th Percentile</b>	1.1	1.1	21.8	37.9	-36.2	10.0	16.9	10.4	15.6	42.9	-20.0
<b>25th Percentile</b>	0.0	0.0	21.3	34.2	-36.4	7.7	15.6	8.8	13.8	39.1	-20.9
<b>Median</b>	-1.0	-1.0	19.7	32.2	-38.5	6.2	14.7	7.4	12.8	34.4	-21.7
<b>75th Percentile</b>	-3.4	-3.4	18.1	30.0	-40.0	4.7	13.5	5.7	11.1	32.5	-23.9
<b>95th Percentile</b>	-5.0	-5.0	16.5	29.2	-42.1	2.5	12.0	3.9	9.9	24.8	-27.4
<b># of Portfolios</b>	12	12	10	10	9	9	8	8	7	6	6
<b>OP&amp;F Domestic Equity</b>	0.9 (10)	0.9 (10)	22.5 (1)	32.8 (47)	-38.0 (45)	5.4 (70)	14.8 (43)	7.6 (43)	13.1 (33)	30.0 (85)	-19.8 (1)
<b>SERS Domestic Equity</b>	0.1 (24)	0.1 (24)	18.7 (63)	30.1 (74)	-38.7 (53)	3.8 (90)	14.6 (59)	6.9 (62)	11.7 (68)	32.1 (80)	-21.7 (50)
<b>HPRS Domestic Equity</b>	-1.0 (55)	-1.0 (55)	20.9 (38)	33.1 (45)	-38.3 (48)	4.7 (76)	15.6 (26)	6.5 (66)	14.7 (15)	37.6 (31)	-18.8 (1)
<b>Wilshire 5000</b>	1.0 (10)	1.0 (10)	17.2 (90)	28.3 (99)	-37.2 (36)	5.6 (67)	15.8 (24)	6.4 (67)	12.5 (56)	31.6 (81)	-20.9 (24)



	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	2.0	9.0	9.3	11.8	8.1	8.0	7.4	6.7	6.5	6.4	6.7
<b>25th Percentile</b>	1.5	8.1	8.0	9.2	7.4	7.3	6.8	6.2	6.0	5.9	6.4
<b>Median</b>	1.2	7.6	7.5	8.1	6.9	6.9	6.5	5.9	5.8	5.6	6.1
<b>75th Percentile</b>	1.1	6.8	6.9	7.2	6.3	6.2	6.0	5.5	5.4	5.3	5.7
<b>95th Percentile</b>	0.6	4.9	5.7	5.4	4.5	4.9	4.8	4.5	4.6	4.6	5.1
<b># of Portfolios</b>	162	160	156	152	151	148	145	144	143	139	139
<b>● PERS(DB) Core Fixed</b>	1.2 (62)	7.5 (53)	9.2 (6)	8.8 (37)	6.6 (64)	6.5 (69)	6.3 (63)	5.9 (53)	5.8 (43)	5.9 (28)	6.2 (41)
<b>■ PERS(HC) Core Fixed</b>	1.2 (63)	7.5 (53)	8.2 (17)	8.6 (40)	5.3 (91)	5.7 (90)	5.3 (91)	5.0 (91)	-- (--)	-- (--)	-- (--)
<b>▲ Barclays Capital Aggregate</b>	1.1 (68)	7.8 (40)	7.2 (65)	6.8 (82)	6.4 (72)	6.5 (68)	6.1 (70)	5.6 (71)	5.4 (70)	5.3 (74)	5.8 (74)

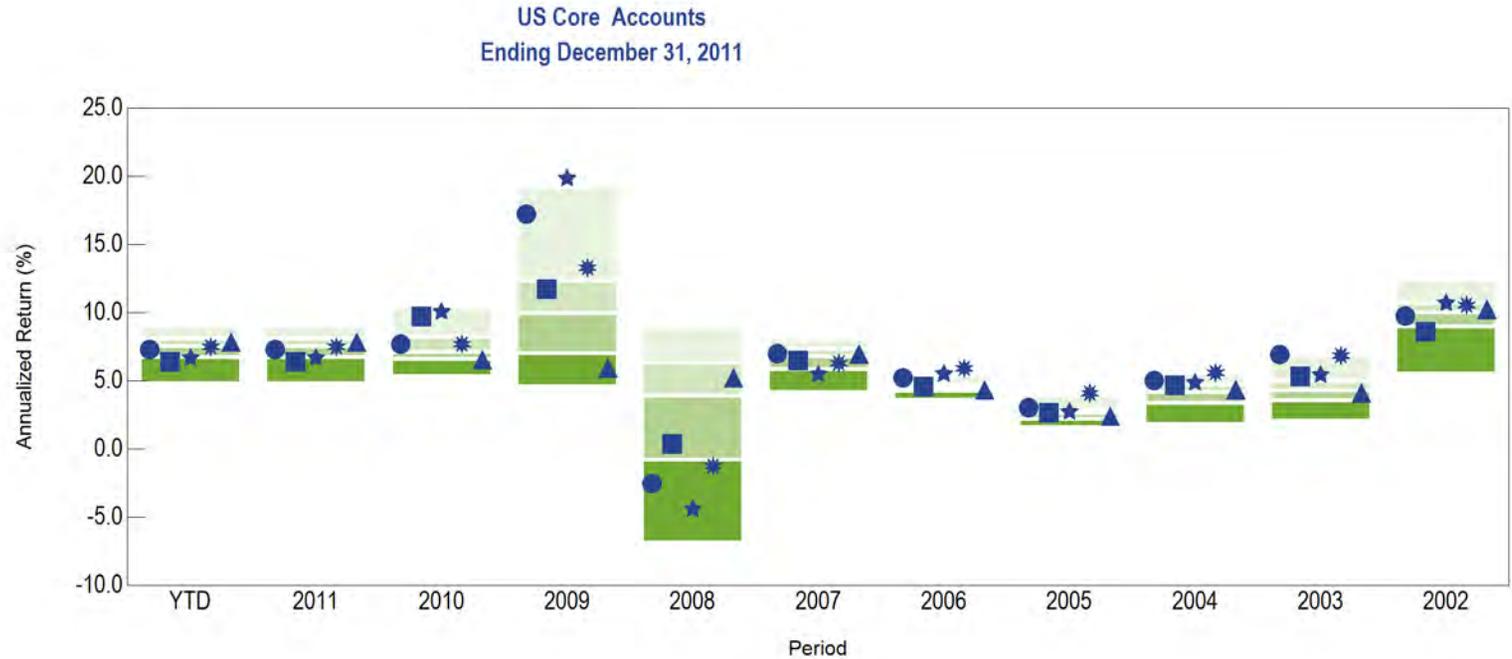


	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	2.0	9.0	9.3	11.8	8.1	8.0	7.4	6.7	6.5	6.4	6.7
<b>25th Percentile</b>	1.5	8.1	8.0	9.2	7.4	7.3	6.8	6.2	6.0	5.9	6.4
<b>Median</b>	1.2	7.6	7.5	8.1	6.9	6.9	6.5	5.9	5.8	5.6	6.1
<b>75th Percentile</b>	1.1	6.8	6.9	7.2	6.3	6.2	6.0	5.5	5.4	5.3	5.7
<b>95th Percentile</b>	0.6	4.9	5.7	5.4	4.5	4.9	4.8	4.5	4.6	4.6	5.1
<b># of Portfolios</b>	162	160	156	152	151	148	145	144	143	139	139
<b>● STRS Global Fixed</b>	1.7 (14)	7.3 (60)	7.5 (50)	10.6 (11)	7.2 (34)	7.2 (35)	6.8 (24)	6.3 (23)	6.1 (21)	6.2 (12)	6.6 (13)
<b>■ OP&amp;F Core Fixed</b>	0.8 (92)	6.4 (83)	8.1 (23)	9.3 (24)	7.0 (47)	6.9 (51)	6.5 (52)	5.9 (50)	5.8 (47)	5.7 (44)	6.0 (62)
<b>★ SERS Global Fixed</b>	1.7 (16)	6.7 (76)	8.4 (14)	12.1 (4)	7.7 (19)	7.3 (27)	7.0 (20)	6.4 (19)	6.2 (19)	6.1 (20)	6.5 (14)
<b>* HPRS Global Fixed Income</b>	1.3 (43)	7.5 (54)	7.6 (46)	9.5 (19)	6.7 (62)	6.6 (63)	6.5 (51)	6.2 (31)	6.1 (24)	6.2 (15)	6.6 (12)
<b>▲ Barclays Capital U.S. Universal</b>	1.4 (30)	7.4 (56)	7.3 (59)	7.7 (61)	6.4 (74)	6.4 (72)	6.2 (69)	5.7 (69)	5.6 (64)	5.6 (57)	6.0 (62)



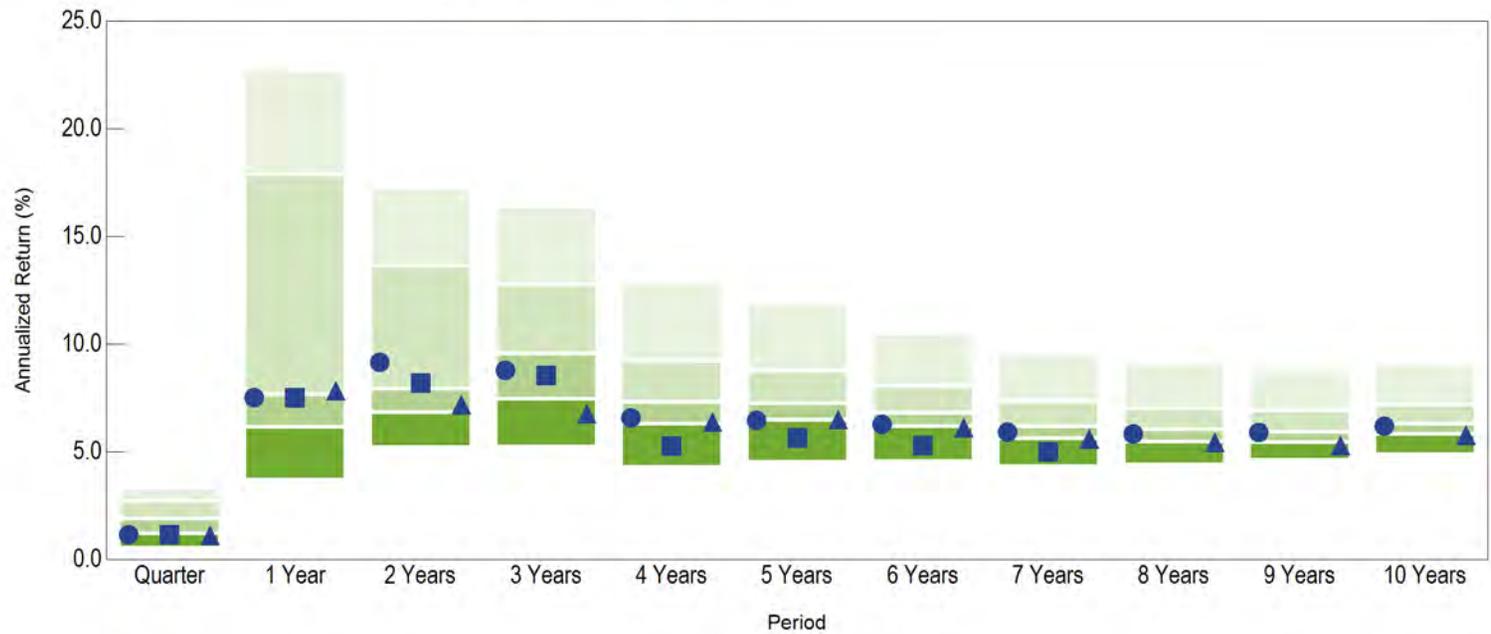
	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	9.0	9.0	10.4	19.2	8.9	8.1	5.4	3.9	5.5	6.9	12.4
25th Percentile	8.1	8.1	8.3	12.4	6.4	7.4	4.8	3.0	4.8	5.0	10.8
Median	7.6	7.6	7.2	10.0	4.0	6.8	4.6	2.7	4.2	4.3	10.0
75th Percentile	6.8	6.8	6.6	7.1	-0.8	5.9	4.3	2.3	3.4	3.6	9.0
95th Percentile	4.9	4.9	5.4	4.6	-6.8	4.2	3.7	1.6	1.9	2.1	5.6
# of Portfolios	160	160	155	152	183	224	252	263	266	261	252
● PERS(DB) Core Fixed	7.5 (53)	7.5 (53)	10.8 (4)	8.0 (68)	0.2 (72)	6.0 (73)	5.3 (7)	3.8 (6)	5.2 (8)	6.5 (7)	8.9 (78)
■ PERS(HC) Core Fixed	7.5 (53)	7.5 (53)	8.9 (14)	9.2 (59)	-4.0 (89)	7.3 (32)	3.4 (97)	3.4 (9)	-- (--)	-- (--)	-- (--)
▲ Barclays Capital Aggregate	7.8 (40)	7.8 (40)	6.5 (77)	5.9 (85)	5.2 (35)	7.0 (44)	4.3 (71)	2.4 (69)	4.3 (46)	4.1 (59)	10.3 (43)

InvestorForce US Core Fixed Income Universe - Calendar Year Returns



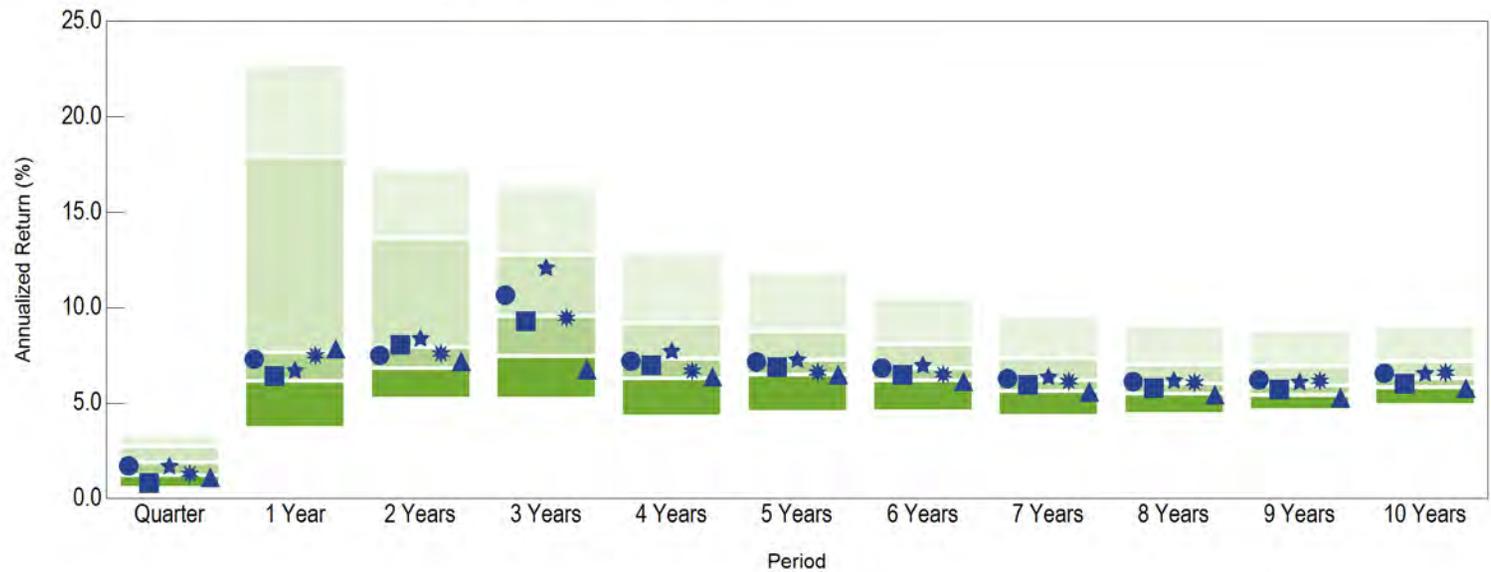
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Return (Rank)</b>											
5th Percentile	9.0	9.0	10.4	19.2	8.9	8.1	5.4	3.9	5.5	6.9	12.4
25th Percentile	8.1	8.1	8.3	12.4	6.4	7.4	4.8	3.0	4.8	5.0	10.8
Median	7.6	7.6	7.2	10.0	4.0	6.8	4.6	2.7	4.2	4.3	10.0
75th Percentile	6.8	6.8	6.6	7.1	-0.8	5.9	4.3	2.3	3.4	3.6	9.0
95th Percentile	4.9	4.9	5.4	4.6	-6.8	4.2	3.7	1.6	1.9	2.1	5.6
# of Portfolios	160	160	155	152	183	224	252	263	266	261	252
● STRS Global Fixed	7.3 (60)	7.3 (60)	7.7 (36)	17.2 (9)	-2.5 (84)	7.0 (42)	5.2 (9)	3.0 (20)	5.0 (16)	6.9 (5)	9.8 (60)
■ OP&F Core Fixed	6.4 (83)	6.4 (83)	9.7 (8)	11.8 (32)	0.4 (70)	6.5 (62)	4.6 (50)	2.7 (51)	4.7 (31)	5.3 (19)	8.6 (80)
★ SERS Global Fixed	6.7 (76)	6.7 (76)	10.1 (7)	19.8 (5)	-4.4 (90)	5.5 (82)	5.5 (4)	2.7 (44)	4.9 (21)	5.4 (18)	10.7 (28)
* HPRS Global Fixed Income	7.5 (54)	7.5 (54)	7.7 (36)	13.3 (19)	-1.2 (77)	6.3 (66)	5.9 (2)	4.1 (5)	5.6 (5)	6.9 (6)	10.6 (30)
▲ Barclays Capital Aggregate	7.8 (40)	7.8 (40)	6.5 (77)	5.9 (85)	5.2 (35)	7.0 (44)	4.3 (71)	2.4 (69)	4.3 (46)	4.1 (59)	10.3 (43)

IF All DB US Fix Inc Gross Accounts  
Ending December 31, 2011



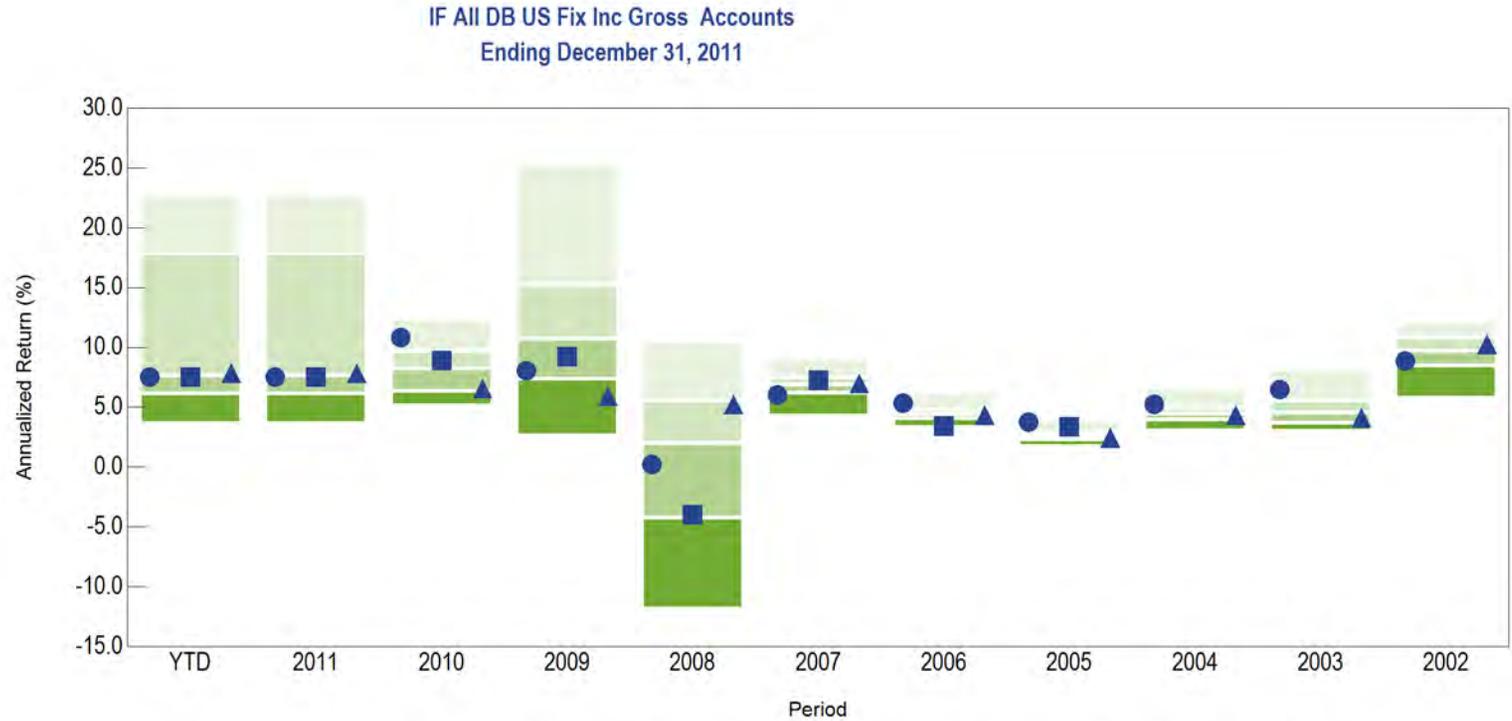
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>Return (Rank)</b>											
5th Percentile	3.4	22.7	17.2	16.4	12.9	11.9	10.5	9.5	9.1	8.9	9.0
25th Percentile	2.8	17.9	13.7	12.8	9.2	8.8	8.1	7.4	7.0	7.0	7.2
Median	1.9	7.7	8.0	9.6	7.3	7.3	6.9	6.2	6.1	5.9	6.3
75th Percentile	1.2	6.2	6.9	7.5	6.3	6.5	6.2	5.7	5.5	5.5	5.9
95th Percentile	0.6	3.7	5.2	5.3	4.3	4.5	4.6	4.3	4.4	4.6	4.9
# of Portfolios	246	225	217	211	203	184	179	170	161	154	144
● PERS(DB) Core Fixed	1.2 (77)	7.5 (55)	9.2 (36)	8.8 (59)	6.6 (71)	6.5 (76)	6.3 (72)	5.9 (65)	5.8 (62)	5.9 (51)	6.2 (58)
■ PERS(HC) Core Fixed	1.2 (77)	7.5 (55)	8.2 (46)	8.6 (63)	5.3 (89)	5.7 (87)	5.3 (90)	5.0 (89)	-- (--)	-- (--)	-- (--)
▲ Barclays Capital Aggregate	1.1 (78)	7.8 (49)	7.2 (69)	6.8 (85)	6.4 (74)	6.5 (76)	6.1 (79)	5.6 (78)	5.4 (79)	5.3 (86)	5.8 (79)

IF All DB US Fix Inc Gross Accounts  
Ending December 31, 2011



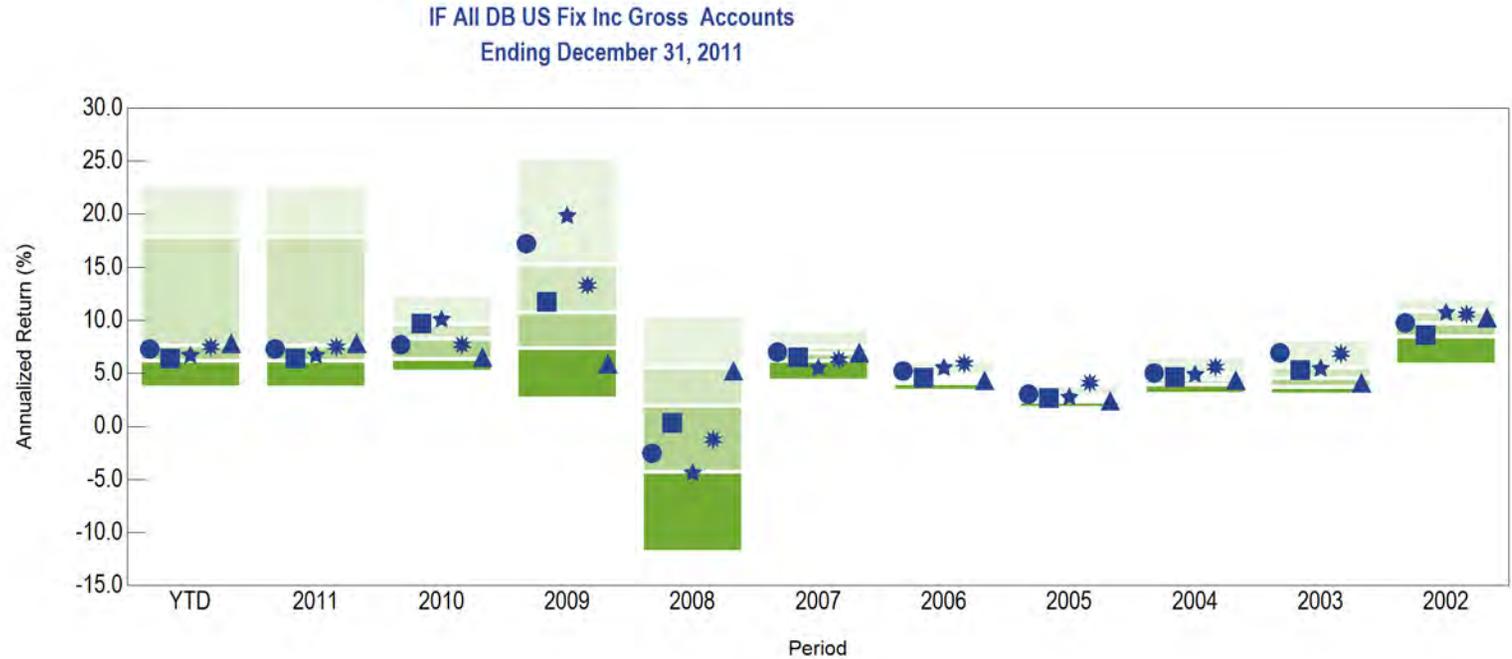
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>Return (Rank)</b>											
5th Percentile	3.4	22.7	17.2	16.4	12.9	11.9	10.5	9.5	9.1	8.9	9.0
25th Percentile	2.8	17.9	13.7	12.8	9.2	8.8	8.1	7.4	7.0	7.0	7.2
Median	1.9	7.7	8.0	9.6	7.3	7.3	6.9	6.2	6.1	5.9	6.3
75th Percentile	1.2	6.2	6.9	7.5	6.3	6.5	6.2	5.7	5.5	5.5	5.9
95th Percentile	0.6	3.7	5.2	5.3	4.3	4.5	4.6	4.3	4.4	4.6	4.9
# of Portfolios	246	225	217	211	203	184	179	170	161	154	144
● STRS Global Fixed	1.7 (54)	7.3 (58)	7.5 (59)	10.6 (41)	7.2 (56)	7.2 (54)	6.8 (51)	6.3 (48)	6.1 (48)	6.2 (39)	6.6 (40)
■ OP&F Core Fixed	0.8 (93)	6.4 (72)	8.1 (49)	9.3 (54)	7.0 (64)	6.9 (60)	6.5 (64)	5.9 (65)	5.8 (64)	5.7 (62)	6.0 (68)
★ SERS Global Fixed	1.7 (56)	6.7 (67)	8.4 (44)	12.1 (32)	7.7 (43)	7.3 (51)	7.0 (46)	6.4 (46)	6.2 (47)	6.1 (46)	6.5 (41)
* HPRS Global Fixed Income	1.3 (71)	7.5 (55)	7.6 (58)	9.5 (52)	6.7 (69)	6.6 (70)	6.5 (64)	6.2 (53)	6.1 (49)	6.2 (41)	6.6 (39)
▲ Barclays Capital Aggregate	1.1 (78)	7.8 (49)	7.2 (69)	6.8 (85)	6.4 (74)	6.5 (76)	6.1 (79)	5.6 (78)	5.4 (79)	5.3 (86)	5.8 (79)

InvestorForce All Defined Benefit US Core Fixed Income Universe - Calendar Year Returns



	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Return (Rank)</b>											
5th Percentile	22.7	22.7	12.4	25.3	10.4	9.1	6.1	3.9	6.6	8.1	12.1
25th Percentile	17.9	17.9	9.7	15.3	5.6	7.5	4.8	2.9	5.0	5.6	10.9
Median	7.7	7.7	8.3	10.8	2.0	6.9	4.5	2.7	4.5	4.6	9.8
75th Percentile	6.2	6.2	6.4	7.4	-4.2	6.2	4.1	2.4	4.0	3.7	8.5
95th Percentile	3.7	3.7	5.2	2.7	-11.8	4.3	3.4	1.8	3.1	3.1	5.8
# of Portfolios	225	225	128	124	121	101	96	93	89	86	81
● PERS(DB) Core Fixed	7.5 (55)	7.5 (55)	10.8 (15)	8.0 (72)	0.2 (58)	6.0 (81)	5.3 (16)	3.8 (7)	5.2 (16)	6.5 (13)	8.9 (69)
■ PERS(HC) Core Fixed	7.5 (55)	7.5 (55)	8.9 (35)	9.2 (60)	-4.0 (74)	7.3 (35)	3.4 (95)	3.4 (14)	-- (--)	-- (--)	-- (--)
▲ Barclays Capital Aggregate	7.8 (49)	7.8 (49)	6.5 (71)	5.9 (84)	5.2 (28)	7.0 (50)	4.3 (64)	2.4 (69)	4.3 (60)	4.1 (64)	10.3 (38)

InvestorForce All Defined Benefit US Core Fixed Income Universe - Calendar Year Returns



	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Return (Rank)</b>											
5th Percentile	22.7	22.7	12.4	25.3	10.4	9.1	6.1	3.9	6.6	8.1	12.1
25th Percentile	17.9	17.9	9.7	15.3	5.6	7.5	4.8	2.9	5.0	5.6	10.9
Median	7.7	7.7	8.3	10.8	2.0	6.9	4.5	2.7	4.5	4.6	9.8
75th Percentile	6.2	6.2	6.4	7.4	-4.2	6.2	4.1	2.4	4.0	3.7	8.5
95th Percentile	3.7	3.7	5.2	2.7	-11.8	4.3	3.4	1.8	3.1	3.1	5.8
# of Portfolios	225	225	128	124	121	101	96	93	89	86	81
● STRS Global Fixed	7.3 (58)	7.3 (58)	7.7 (55)	17.2 (22)	-2.5 (69)	7.0 (49)	5.2 (17)	3.0 (22)	5.0 (25)	6.9 (9)	9.8 (51)
■ OP&F Core Fixed	6.4 (72)	6.4 (72)	9.7 (25)	11.8 (48)	0.4 (57)	6.5 (65)	4.6 (47)	2.7 (53)	4.7 (37)	5.3 (33)	8.6 (74)
★ SERS Global Fixed	6.7 (67)	6.7 (67)	10.1 (21)	19.8 (14)	-4.4 (77)	5.5 (88)	5.5 (12)	2.7 (42)	4.9 (29)	5.4 (30)	10.7 (27)
* HPRS Global Fixed Income	7.5 (55)	7.5 (55)	7.7 (55)	13.3 (37)	-1.2 (64)	6.3 (74)	5.9 (8)	4.1 (4)	5.6 (12)	6.9 (9)	10.6 (30)
▲ Barclays Capital Aggregate	7.8 (49)	7.8 (49)	6.5 (71)	5.9 (84)	5.2 (28)	7.0 (50)	4.3 (64)	2.4 (69)	4.3 (60)	4.1 (64)	10.3 (38)



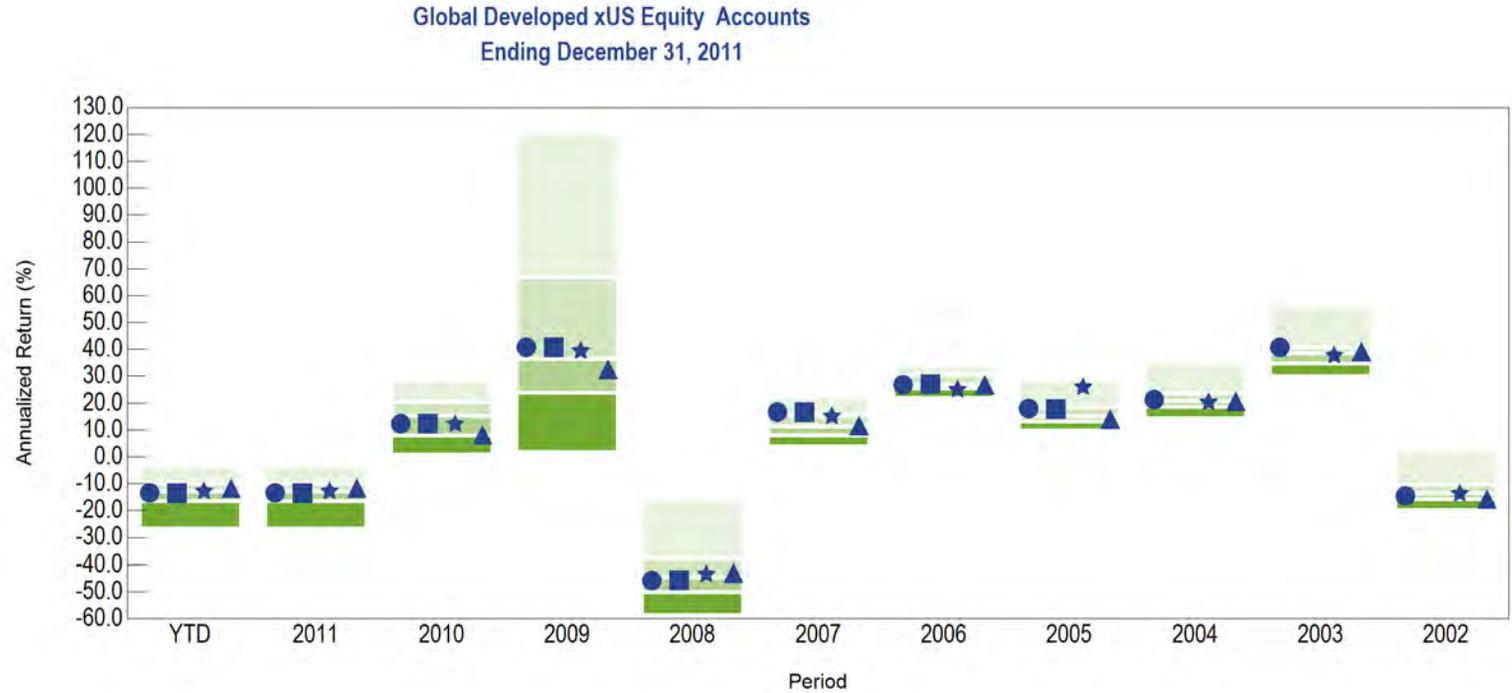
	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	8.6	-3.2	8.0	27.3	4.7	7.8	12.0	14.8	14.4	18.3	16.1
<b>25th Percentile</b>	5.3	-9.9	3.7	19.9	-2.4	3.7	8.2	10.0	11.3	15.1	13.1
<b>Median</b>	3.9	-12.9	-0.1	13.1	-5.6	-2.1	3.0	4.5	6.2	9.7	8.1
<b>75th Percentile</b>	1.6	-16.3	-2.8	8.1	-8.1	-4.6	-0.3	1.5	4.0	7.9	5.8
<b>95th Percentile</b>	-3.4	-26.6	-7.6	3.4	-11.6	-7.5	-4.3	0.0	2.4	5.7	3.8
<b># of Portfolios</b>	74	72	70	70	68	63	61	52	50	44	43
<b>● PERS(DB) International Equity</b>	4.1 (48)	-13.4 (53)	-1.4 (59)	11.1 (55)	-7.2 (65)	-2.8 (58)	1.6 (64)	3.8 (53)	5.8 (57)	9.2 (56)	6.6 (62)
<b>■ PERS(HC) International Equity</b>	4.1 (48)	-13.4 (53)	-1.4 (59)	11.1 (55)	-7.2 (65)	-2.8 (58)	1.6 (63)	3.8 (53)	-- (--)	-- (--)	-- (--)
<b>★ STRS International Equity</b>	3.3 (56)	-12.8 (49)	-1.1 (58)	10.9 (57)	-6.3 (59)	-2.4 (56)	1.7 (63)	4.9 (45)	6.7 (47)	9.8 (50)	7.1 (60)
<b>▲ MSCI EAFE Gross</b>	3.4 (55)	-11.7 (44)	-2.3 (69)	8.2 (75)	-7.9 (72)	-4.3 (72)	0.3 (71)	2.2 (69)	4.3 (72)	7.7 (78)	5.1 (80)



	Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
<b>5th Percentile</b>	8.6	-3.2	8.0	27.3	4.7	7.8	12.0	14.8	14.4	18.3	16.1
<b>25th Percentile</b>	5.3	-9.9	3.7	19.9	-2.4	3.7	8.2	10.0	11.3	15.1	13.1
<b>Median</b>	3.9	-12.9	-0.1	13.1	-5.6	-2.1	3.0	4.5	6.2	9.7	8.1
<b>75th Percentile</b>	1.6	-16.3	-2.8	8.1	-8.1	-4.6	-0.3	1.5	4.0	7.9	5.8
<b>95th Percentile</b>	-3.4	-26.6	-7.6	3.4	-11.6	-7.5	-4.3	0.0	2.4	5.7	3.8
<b># of Portfolios</b>	74	72	70	70	68	63	61	52	50	44	43
<b>OP&amp;F International Equity</b>	4.2 (48)	-12.4 (45)	0.4 (45)	12.1 (52)	-6.5 (60)	-1.6 (49)	2.8 (51)	4.6 (49)	6.5 (47)	9.7 (51)	6.8 (61)
<b>SERS International Equity</b>	3.6 (54)	-13.2 (53)	-0.6 (55)	11.9 (52)	-6.4 (60)	-2.2 (55)	2.0 (58)	5.2 (45)	6.8 (46)	9.5 (54)	6.3 (63)
<b>HPRS International Equity</b>	4.2 (48)	-14.5 (62)	-2.5 (71)	7.8 (79)	-7.7 (68)	-3.0 (59)	1.1 (66)	2.8 (65)	4.6 (70)	7.4 (80)	4.7 (81)
<b>MSCI EAFE Gross</b>	3.4 (55)	-11.7 (44)	-2.3 (69)	8.2 (75)	-7.9 (72)	-4.3 (72)	0.3 (71)	2.2 (69)	4.3 (72)	7.7 (78)	5.1 (80)

# Total International Equities - Calendar Year Returns

## InvestorForce Global Developed ex-USA Equities Universe



	Return (Rank)										
	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>5th Percentile</b>	-3.2	-3.2	28.4	120.3	-15.9	22.0	33.6	28.4	34.8	56.3	2.1
<b>25th Percentile</b>	-9.9	-9.9	20.7	66.8	-38.0	15.4	30.4	18.4	23.6	40.8	-10.2
<b>Median</b>	-12.9	-12.9	15.5	36.6	-44.6	11.3	27.1	15.1	20.9	38.6	-13.5
<b>75th Percentile</b>	-16.3	-16.3	8.0	23.9	-49.9	8.0	25.6	13.2	18.7	34.9	-15.8
<b>95th Percentile</b>	-26.6	-26.6	0.9	1.8	-58.5	3.9	22.0	10.0	14.5	30.2	-19.7
<b># of Portfolios</b>	72	72	72	73	83	89	88	94	96	96	93
<b>● PERS(DB) International Equity</b>	-13.4 (53)	-13.4 (53)	12.3 (62)	40.8 (43)	-45.8 (54)	16.7 (17)	26.8 (54)	18.0 (28)	21.3 (46)	40.7 (27)	-14.5 (58)
<b>■ PERS(HC) International Equity</b>	-13.4 (53)	-13.4 (53)	12.3 (62)	40.8 (43)	-45.8 (54)	16.7 (17)	26.9 (53)	17.8 (29)	-- (-)	-- (-)	-- (-)
<b>★ STRS International Equity</b>	-12.8 (49)	-12.8 (49)	12.2 (62)	39.4 (44)	-43.5 (43)	15.1 (29)	25.0 (83)	25.9 (7)	20.3 (59)	37.7 (58)	-13.7 (51)
<b>▲ MSCI EAFE Gross</b>	-11.7 (44)	-11.7 (44)	8.2 (75)	32.5 (60)	-43.1 (40)	11.6 (43)	26.9 (53)	14.0 (61)	20.7 (52)	39.2 (44)	-15.7 (74)

# Total International Equities - Calendar Year Returns

## InvestorForce Global Developed ex-USA Equities Universe



	YTD	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>5th Percentile</b>	-3.2	-3.2	28.4	120.3	-15.9	22.0	33.6	28.4	34.8	56.3	2.1
<b>25th Percentile</b>	-9.9	-9.9	20.7	66.8	-38.0	15.4	30.4	18.4	23.6	40.8	-10.2
<b>Median</b>	-12.9	-12.9	15.5	36.6	-44.6	11.3	27.1	15.1	20.9	38.6	-13.5
<b>75th Percentile</b>	-16.3	-16.3	8.0	23.9	-49.9	8.0	25.6	13.2	18.7	34.9	-15.8
<b>95th Percentile</b>	-26.6	-26.6	0.9	1.8	-58.5	3.9	22.0	10.0	14.5	30.2	-19.7
<b># of Portfolios</b>	72	72	72	73	83	89	88	94	96	96	93
<b>OP&amp;F International Equity</b>	-12.4 (45)	-12.4 (45)	15.1 (52)	39.6 (44)	-45.7 (53)	20.6 (6)	28.2 (37)	15.6 (44)	20.7 (52)	39.6 (37)	-16.2 (79)
<b>SERS International Equity</b>	-13.2 (53)	-13.2 (53)	13.7 (59)	41.9 (38)	-45.3 (51)	16.6 (17)	25.9 (72)	26.5 (7)	19.0 (72)	33.0 (83)	-18.6 (94)
<b>HPRS International Equity</b>	-14.5 (62)	-14.5 (62)	11.2 (67)	31.7 (61)	-42.0 (35)	18.0 (14)	24.9 (83)	13.6 (75)	17.6 (82)	32.5 (87)	-16.7 (84)
<b>MSCI EAFE Gross</b>	-11.7 (44)	-11.7 (44)	8.2 (75)	32.5 (60)	-43.1 (40)	11.6 (43)	26.9 (53)	14.0 (61)	20.7 (52)	39.2 (44)	-15.7 (74)