AGENDA
INVESTMENT ADVISORY COUNCIL MEETING
Tuesday, November 22, 2011
2:00 P.M.
State Board of Investment
Board Room – First Floor
60 Empire Drive, St. Paul, MN

	TAB
1. Approval of Minutes of August 23, 2011	
2. Report from the Executive Director (H. Bicker)	**A**
A. Quarterly Investment Review (July 1, 2011 – September 30, 2011)	
B. Administrative Report	**B**
1. Reports on budget and travel	
2. Update on Pension Commission	
3. FY11 Audit Report	
4. Draft of FY11 Annual Report	
5. Tentative Meeting Dates for Calendar 2012	
6. Update on Sudan	
7. Update on Iran	
8. Litigation Update	
3. Review of manager performance for the period ending September 30, 2011 (H. Bicker)	**C**
4. Investment manager review, International Equity (H. Bicker)	**D**
5. Alternative Investment Report (J. Griebenow)	**E**
A. Review of current strategy.	
B. Consideration of new fund investments with two existing yield-oriented managers and one existing private equity manager.	
6. Other items	
Discussion on Hedge Funds	

INVESTMENT ADVISORY COUNCIL

MINUTES

November 22, 2011

Minutes
Investment Advisory Council
August 23, 2011

MEMBERS PRESENT:	Jeff Bailey, Dave Bergstrom, John Bohan, Kerry Brick, Dennis Duerst, Doug Gorence, Laurie Hacking, Kristin Hanson (for Jim Schowalter), Jay Kiedrowski, Gary Martin, Malcolm McDonald, Gary Norstrem, Mary Vanek, Denise Anderson, LeaAnn Stagg and Elaine Voss
MEMBERS ABSENT:	Judy Mares
SBI STAFF:	Howard Bicker, Teri Richardson, Jim Heidelberg, Paul Anderson, Tammy Brusehaver, Patricia Ammann, Stephanie Gleeson, Mike Menssen, Ryan Hill, John Griebenow, J.J. Kirby, Aaron Griga, Debbie Griebenow and Charlene Olson
OTHERS ATTENDING:	Ann Posey, Nuveen Investment Solutions; Celeste Grant, Christie Eller, Micah Hines, Rebecca Spartz, Paul Doan, St. Paul Teachers' Retirement Fund Association; John Wicklund, Teachers Retirement Association; Leslie Nagel, Teachers Retirement Association Internal Audit; Susan Barbieri, Communications Officer; Margaret Martin, House Majority Research; Matthew Trapp, private citizen; Edgar Hernandez, SEIU; Curt Hutchens and John Fischer, REAM

Executive Directors Report
Mr. Bailey welcomed the three new members of the IAC, Ms. Denise Anderson, Ms. LeaAnn Stagg and Ms. Elaine Voss, who were all appointed by the Governor. Mr. Bicker, Executive Director, referred members to Tab A of the meeting materials and he reported that the Combined Funds had outperformed its Composite Index over the ten year period ending June 30, 2011 (Combined Funds 5.9% vs. Composite 5.8%) and had provided a real rate of return over the latest 20 year period (Combined Funds 8.8% vs. CPI 2.5%.)

Mr. Bicker reported that the Combined Funds' assets increased 0.6% for the quarter ending June 30, 2011 due to positive market performance and he said that the asset mix is essentially on target. He stated that the Combined Funds outperformed its Composite Index for the quarter (Combined Funds 1.6% vs. Composite 1.5%) and outperformed for the year (Combined Funds 23.3% vs. Composite 22.4%.)

Mr. Bicker reported that the domestic stock manager group outperformed its target for the quarter (Domestic Stocks 0.2% vs. Domestic Equity Asset Class Target 0.0%) and for the year (Domestic Stock 33.1% vs. Domestic Equity Asset Class Target 32.4%.) He said the international stock manager group outperformed for the quarter (International Stock 0.8% vs.

International Equity Asset Class Target 0.4%) but underperformed for the year (International Stock 29.6% vs. International Equity Asset Class Target 29.7%.) Mr. Bicker stated that the bond segment underperformed for the quarter (Bonds 2.1% vs. Fixed Income Asset Class Target 2.3%) but outperformed for the year (Bonds 5.5% vs. Fixed Income Asset Class Target 3.9%.) He stated that the alternative investments returned 18.6% for the year. He concluded his report with the comment that, as of June 30, 2011, the SBI was responsible for over $61 billion in assets.

Mr. Bicker referred members to Tab B of the meeting materials for an update on the budget and travel for the quarter. He referred members to page 11 of Tab B for an update on legislation of interest to the SBI. He stated that the SBI's budget was approved and included a small budget cut. He stated that legislation also passed exempting the SBI from the E-Verify requirement for contracts and from having our IT services consolidated. He reported that legislation had passed regarding a potential merger of the Minneapolis Police and Fire into the Public Employees Retirement Association (PERA.) He noted that several votes are required by the various entities involved before the merger can proceed. He said that if the merger proceeds, the SBI will need to review the assets held and that, if approved, the merger would take place as of December 31, 2011. He added that a separate merger of Virginia Fire Relief Association will also be completed.

Mr. Bicker stated that another potential piece of legislation was developed by a study group under the leadership of the State Auditor. He said that the bill requests some changes in investment authority for the cities of the first class, such as Duluth Teachers and St. Paul Teachers. He added that the bill also includes some technical revisions to clean up language in the SBI's section of the statutes. He reported that the bill is expected to be considered by the Pension Commission during the interim. Mr. Bicker stated that updated information on Sudan and Iran is also included in Tab B.

Mr. Bicker stated that for over 30 years the SBI has had a successful Certificate of Deposit (CD) program whereby it purchases CD's from financial institutions throughout the State of Minnesota. He explained that the CD's are backed by FDIC insurance and that the maximum insurance had been $100,000. He said that since the SBI invests the assets of eight different retirement plans, the SBI could purchase CD's up to $750,000 from an individual financial institution and have full insurance coverage. Mr. Bicker went on to explain that during the financial crisis of 2008-2009, the FDIC increased the insurance to $250,000 per institution and that the SBI staff is reviewing the possibility of increasing the maximum CD purchase to $1.5 million. In response to a question from Mr. Kiedrowski, Mr. Bicker stated that the CD program provides an opportunity to provide Minnesota banks with additional capital without giving up any return. He added that on average, the SBI invests between $75-100 million each quarter. Ms. Eller stated that there was nothing to report on litigation that the SBI is involved in.

Investment Advisory Council
Mr. Bicker referred members to Tab C of the meeting materials and he reported that there were no action items regarding the stock and bond managers for the quarter. In response to a question from Ms. Hacking, Mr. Bicker stated that staff is monitoring Martingale and McKinley's performance.

Mr. Griebenow referred members to Tab D of the meeting materials and stated that staff is recommending new investments with two existing real estate partners, TA Associates Realty and Blackstone Real Estate Partners. A discussion followed on the real estate market in general and the overall performance and strategy of TA Associates. In response to a question from Mr. Brick, both Mr. Griebenow and Mr. Bicker stated that the SBI is on track with new investments. Mr. McDonald moved approval of both recommendations, as stated in Tab D. Mr. Bohan seconded the motion. The motion passed.

A presentation followed by Ms. Vanek, Ms. Hacking and Mr. Bergstrom, directors of the three statewide retirement systems, regarding the State of Minnesota's Actuarial Interest Rate Assumption (see Tab E.) A discussion followed.

The meeting adjourned at 1:48 P.M.

Respectfully submitted,

Howard Bicker
Executive Director

TAB

A

LONG TERM OBJECTIVES
Period Ending 9/30/2011

COMBINED FUNDS: $42.8 Billion	Result	Compared to Objective
Match or Exceed Composite Index (10 Yr.)	**5.8% (1)**	matched the target
Outperform a composite market index weighted in a manner that reflects the long-term asset allocation of the Combined Funds over the latest 10 year period.		
Provide Real Return (20 yr.)	**7.9%**	5.4 percentage points above CPI
Provide returns that are 3-5 percentage points greater than inflation over the latest 20 year period.		

(1) Performance is calculated net of fees.

SUMMARY OF ACTUARIAL VALUATIONS

Eight Plans of MSRS, PERA and TRA
July 1, 2010

Liabilities	
Actuarial Accrued Liabilities	$57.5 billion
Assets	
Current Actuarial Value	$46.2 billion
Funding Ratio	
Current Actuarial Value divided by Accrued Liabilities	80.3%

Actuarial Assumptions:

1. Liabilities calculated using entry age normal cost method.
2. Difference between actual returns and actuarially expected returns spread over five years.
3. Interest/Discount Rate: 8.5%
4. Full Funding Target Date:

   2040 – MSRS General

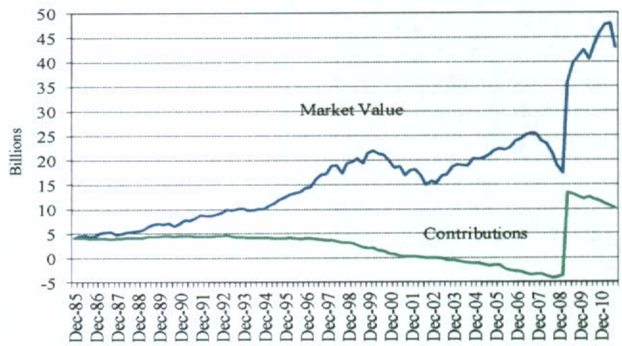
   2031 – PERA General

   2037 – TRA

EXECUTIVE SUMMARY
Combined Funds (Net of Fees)

Asset Growth

The market value of the Combined Funds decreased 10.3% during the third quarter of 2011. Negative investment returns caused the decrease in market value.



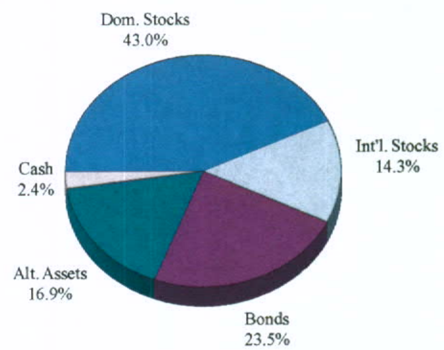
Asset Growth During Third Quarter 2011 (Millions)

Beginning Value	$ 47,785
Net Contributions	-526
Investment Return	-4,418
Ending Value	$ 42,841

Note: The significant increase in market value and contributions in June 2009 was due to the merger of the Basics and Post Funds.

Asset Mix

The allocations to alternative investments and fixed income increased due to their outperformance relative to the other asset classes.

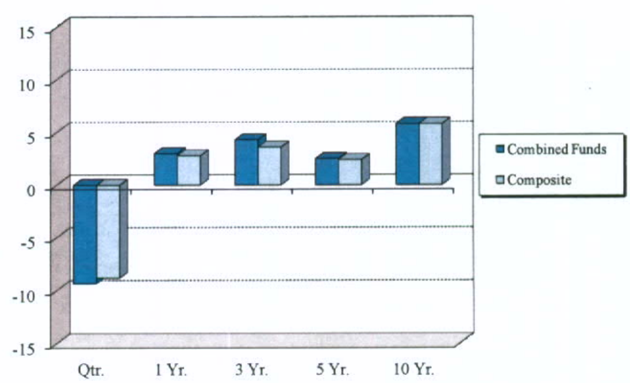


	Policy Targets	Actual Mix 9/30/2011	Actual Market Value (Millions)
Domestic Stocks	**45.0%**	43.0%	$18,427
Int'l. Stocks	**15.0**	14.3	6,116
Bonds	**18.0**	23.5	10,075
Alternative Assets*	**20.0**	16.9	7,218
Cash	**2.0**	2.4	1,005
	100.0%	100.0%	$42,841

* Any uninvested allocation is held in domestic bonds.

Fund Performance (Net of Fees)

The Combined Funds underperformed its target for the quarter and outperformed for the year.



Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Combined Funds	**-9.3%**	**3.0%**	**4.3%**	**2.5%**	**5.8%**
Composite	-8.8	2.8	3.6	2.4	5.8

EXECUTIVE SUMMARY
Stock and Bond Manager Performance
(Net of Fees)

Domestic Stocks

The domestic stock manager group (active, semi-passive and passive combined) underperformed its target for the quarter and for the year.

Russell 3000: The Russell 3000 measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

Period Ending 9/30/2011					
			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Dom. Stocks	**-16.0%**	**0.3%**	**1.5%**	**-1.1%**	**3.3%**
Asset Class Target*	-15.3	0.5	1.5	-0.9	3.6

* The Domestic Equity Asset Class Target is the Russell 3000 effective 10/1/03. From 7/1/99 to 9/30/03, it was the Wilshire 5000 Investable Index.

International Stocks

The international stock manager group (active, semi-passive and passive combined) underperformed its target for the quarter and for the year.

MSCI ACWI Free ex U.S. (net): The Morgan Stanley Capital International All Country World Index is a free float-adjusted market capitalization Index that is designed to measure equity market performance in the global developed and emerging markets. There are 45 countries included in this index. It does not include the United States.

Period Ending 9/30/2011					
			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Int'l. Stocks	**-20.0%**	**-11.1%**	**0.9%**	**-1.3%**	**6.8%**
Asset Class Target*	-19.9	-10.8	0.5	-1.5	6.8

* Since 6/1/08 the International Equity Asset Class Target is the Standard MSCI ACWI ex U.S. (net). From 10/1/07 to 5/31/08 the benchmark was the Provisional Standard MSCI ACWI ex U.S. (net). From 10/1/03 to 9/30/07 the target was MSCI ACWI ex U.S. (net). From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) + Emerging Markets Free (EMF) (net), and from 7/1/99 to 12/31/00 was MSCI EAFE Free (net) + EMF (gross). From 7/1/99 to 9/30/03, the weight of each index fluctuated with market cap.

Bonds

The bond manager group (active and semi-passive combined) underperformed its target for the quarter and for the year.

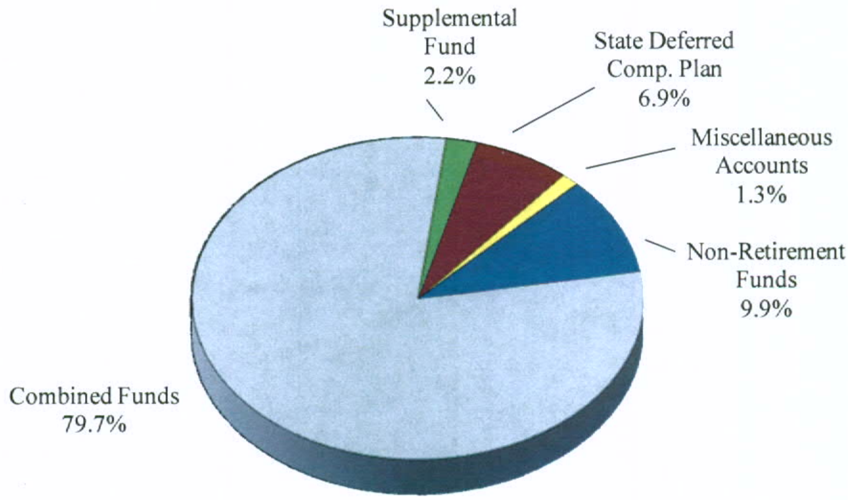
Barclays Capital Aggregate: The Barclays Capital Aggregate Bond Index reflects the performance of the broad bond market for investment grade (Baa or higher) bonds, U.S. treasury and agency securities, and mortgage obligations with maturities greater than one year.

Period Ending 9/30/2011					
			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Bonds	**2.7%**	**5.0%**	**9.4%**	**6.3%**	**5.8%**
Asset Class Target	3.8	5.3	8.0	6.5	5.7

Alternative Investments

Period Ending 9/30/2011					
			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Alternatives	**3.8%**	**20.8%**	**3.9%**	**9.9%**	**13.2%**

EXECUTIVE SUMMARY
Funds Under Management



	9/30/2011 Market Value (Billions)
Retirement Funds	
Combined Funds	$42.8
Supplemental Investment Fund	1.2
- Excluding Deferred Compensation Plan Assets	
State Deferred Compensation Plan	3.7
Non-Retirement Funds	
Assigned Risk Plan	0.3
Permanent School Fund	0.7
Environmental Trust Fund	0.6
State Cash Accounts	3.7
Miscellaneous Accounts	0.7
Total	**$53.7**

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MINNESOTA STATE BOARD OF INVESTMENT

QUARTERLY INVESTMENT REPORT

Third Quarter 2011
(July 1, 2011 - September 30, 2011)

Table of Contents

VARIOUS CAPITAL MARKET INDICES

	Period Ending 9/30/2011				
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Equity					
Dow Jones Wilshire Composite	-15.2%	0.7%	1.7%	-0.7%	3.9%
Dow Jones Industrials	-11.5	3.8	3.1	1.4	4.7
S&P 500	-13.9	1.1	1.2	-1.2	2.8
Russell 3000 (broad market)	-15.3	0.5	1.5	-0.9	3.5
Russell 1000 (large cap)	-14.7	0.9	1.6	-0.9	3.3
Russell 2000 (small cap)	-21.9	-3.5	-0.4	-1.0	6.1
Domestic Fixed Income					
Barclays Capital Aggregate (1)	3.8	5.3	8.0	6.5	5.7
Barclays Capital Gov't./Corp.	4.7	5.1	8.4	6.5	5.7
3 month U.S. Treasury Bills	0.0	0.1	0.2	1.5	1.9
International					
EAFE (2)	-19.0	-9.4	-1.1	-3.5	5.0
World ex-U.S. (3)	-19.0	-9.1	-0.9	-2.9	5.5
Emerging Markets Free (4)	-22.5	-15.9	6.6	5.2	16.4
ACWI Free ex-U.S. (5)	-19.8	-10.4	1.0	-1.1	7.3
Salomon Non U.S. Gov't. Bond	0.9	4.1	8.1	7.8	8.0
Inflation Measure					
Consumer Price Index CPI-U (6)	0.5	3.9	1.2	2.3	2.4
Consumer Price Index CPI-W (7)	0.5	4.4	1.3	2.4	2.5

(1) Barclays Capital Aggregate Bond index. Includes governments, corporates and mortgages.

(2) Morgan Stanley Capital International index of Europe, Australasia and the Far East (EAFE). (Net index)

(3) Morgan Stanley Capital International World Ex-U.S. Index (Developed Markets) (Net index)

(4) Morgan Stanley Capital International Emerging Markets Free index. (Gross index)

(5) Morgan Stanley Capital International All Country World Index Ex-U.S. (Gross index)

(6) Consumer Price Index (CPI) for all urban consumers, also known as CPI-U.

(7) Consumer Price Index (CPI) for all wage earners, also known as CPI-W.

FINANCIAL MARKETS REVIEW

DOMESTIC STOCKS

The U.S. stock market, as measured by the Russell 3000 index, posted a -15.3% return during the third quarter of 2011. The third quarter suffered the greatest stock market decline since the 2008 financial crisis as the growing challenge of the U.S. budget deficit, underscored by S&P's historic downgrade of U.S. government credit ratings this quarter, and mounting evidence of a slowdown in economic growth worldwide, gave investors cause for concern. Within the Russell 3000, Utilities reported the highest return, -4.5% for the quarter. Materials & Processing was the worst performing sector down 24.4% for the quarter. Large cap companies outperformed small cap companies within the Russell 3000.

Performance of the Russell Style Indices for the quarter is shown below:

Large Growth	Russell 1000 Growth	-13.1%
Large Value	Russell 1000 Value	-16.2%
Small Growth	Russell 2000 Growth	-22.2%
Small Value	Russell 2000 Value	-21.5%

The Russell 3000 index returned 0.5% for the year ending September 30, 2011.

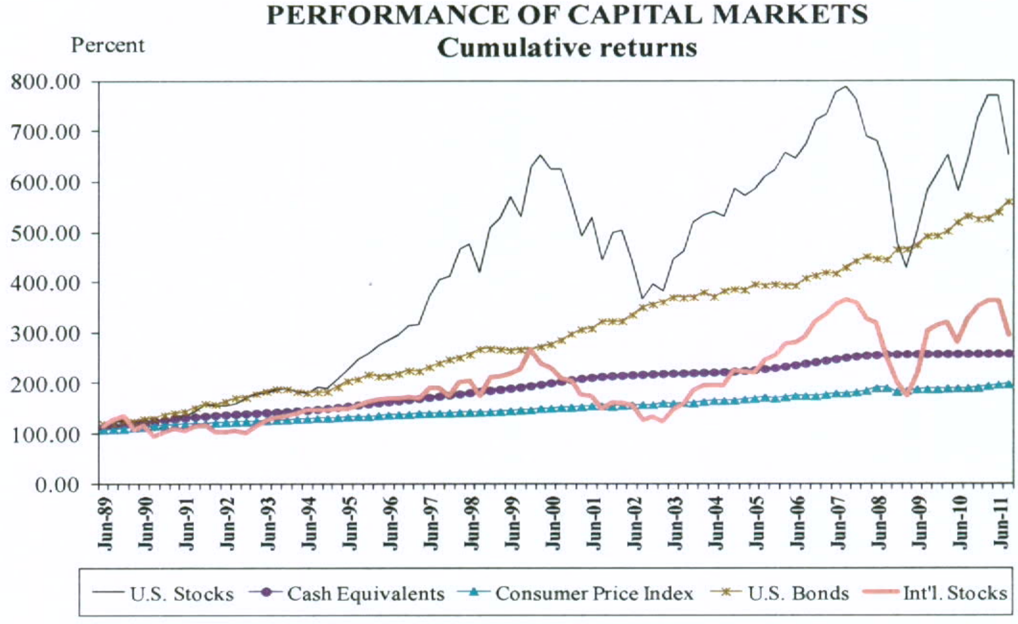
DOMESTIC BONDS

The U.S. bond market, as measured by the Barclays Capital U.S. Aggregate Bond Index, returned 3.8% for the quarter. Yields on U.S. Treasuries fell sharply as investors sought safety amid escalating global economic and political uncertainty. S&P's downgrade of U.S. Government debt to AA+ did little to restrain the rally in Treasury yields. The 2-year U.S. Treasury ended the third quarter 20 basis points lower at 0.25%, the 10-year yield declined 125 basis points to 1.90%, and the 30-year fell 145 basis points to 2.92%. High-quality, long-dated corporate bonds performed particularly well during the quarter, driven by risk-aversion and continued improvements in corporate balance sheets.

The major sector returns for the Barclays Capital U.S. Aggregate Bond Index for the quarter were:

U.S. Treasury	6.5%
Agency	2.4
Corporates	2.9
Agency MBS	2.4
Commercial Mortgages	-0.9
Asset-backed	2.4

PERFORMANCE OF CAPITAL MARKETS
Cumulative returns



FINANCIAL MARKETS REVIEW

INTERNATIONAL STOCKS

In aggregate, developed international stock markets (as measured by the MSCI World ex U.S. index net) provided a return of -19.0% for the quarter. The quarterly performance of the six largest stock markets is shown below:

United Kingdom	-15.4%
Japan	-6.4
Canada	-19.0
France	-29.9
Australia	-20.2
Germany	-31.0

The World ex U.S. index returned -9.1% during the last year.

The World ex U.S. index is compiled by Morgan Stanley Capital International (MSCI) and is a measure of 23 markets located in Europe, Australasia, Far East, and Canada. The major markets listed above comprise about 73% of the value of the international markets in the index.

EMERGING MARKETS

Emerging markets (as measured by MSCI Emerging Markets Free index gross) provided a return of -22.5% for the quarter. The quarterly performance of the six largest stock markets in the index is shown below:

China	-25.2%
Brazil	-26.9
Korea	-23.3
Taiwan	-17.7
India	-19.9
South Africa	-16.8

The Emerging Markets Free index returned -15.9% during the last year.

The Emerging Markets Free (EMF) index is compiled by MSCI and measures performance of 21 stock markets in Latin America, Asia, Africa and Eastern Europe. EMF includes only those securities foreign investors are allowed to hold. The markets listed above comprise about 73% of the value of the international markets in the index.

REAL ESTATE

During the third quarter of 2011, real estate posted its seventh consecutive quarter of positive returns with the NCREIF Property Index posting a return of 3.3%. Even with accommodative monetary and fiscal policies, the real estate outlook for 2011 continues to be one of caution due to continued weakness in employment.

PRIVATE EQUITY

Private equity firms that spent the past two years improving their portfolio companies are cashing in on their strongest performers. Strategic buyers are also awash with cash, after increasing capital on their balance sheets during the recent economic contraction. Deal volume has steadily increased over the last two years, and private equity firms still maintain healthy levels of capital for deal-making. Because of the increased transaction volume, private equity performance has rebounded over the last two years.

RESOURCE FUNDS

During the third quarter of 2011, crude oil traded between \$79/bbl and \$100/bbl. The average price for the third quarter of 2011 was \$90/bbl which is approximately \$12/bbl less than the average price for the second quarter of 2011. Global economic uncertainty and unrest in the Middle East should continue to provide volatility to oil prices.

COMBINED FUNDS

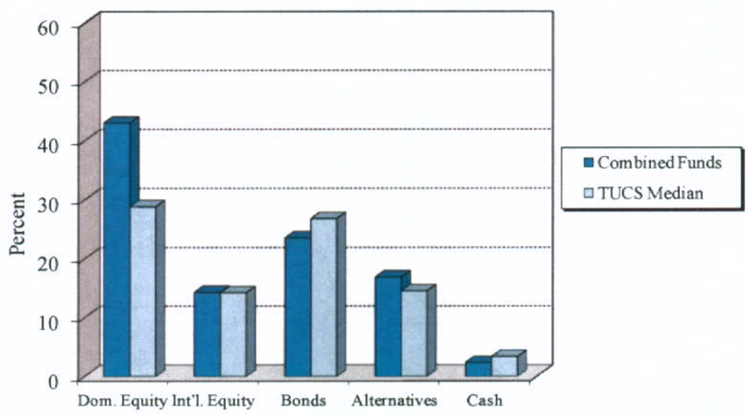
The comparison universe used by the SBI is the Trust Universe Comparison Service (TUCS). Only funds with assets over $1 billion are included in the comparisons shown in this section.

Asset Mix Compared to Other Pension Funds

On September 30, 2011, the asset mix of the Combined Funds was:

	$ Millions	%
Domestic Stocks	$18,427	43.0%
International Stocks	6,116	14.3
Bonds	10,075	23.5
Alternative Assets	7,218	16.9
Unallocated Cash	1,005	2.4
Total	$42,841	100.0%

Comparisons of the Combined Funds' asset mix to the median allocation to stocks, bonds and other assets of the public and corporate funds in TUCS over $1 billion are shown below:



	Dom. Equity	Int'l Equity	Bonds	Alternatives	Cash
Combined Funds	**43.0%**	**14.3%**	**23.5%**	**16.9%**	**2.4%**
Median Allocation in TUCS*	28.8	14.2	26.8	14.5**	3.4

* Public and corporate plans over $1 billion.

** May include assets other than alternatives.

COMBINED FUNDS
Performance Compared to Other Pension Funds

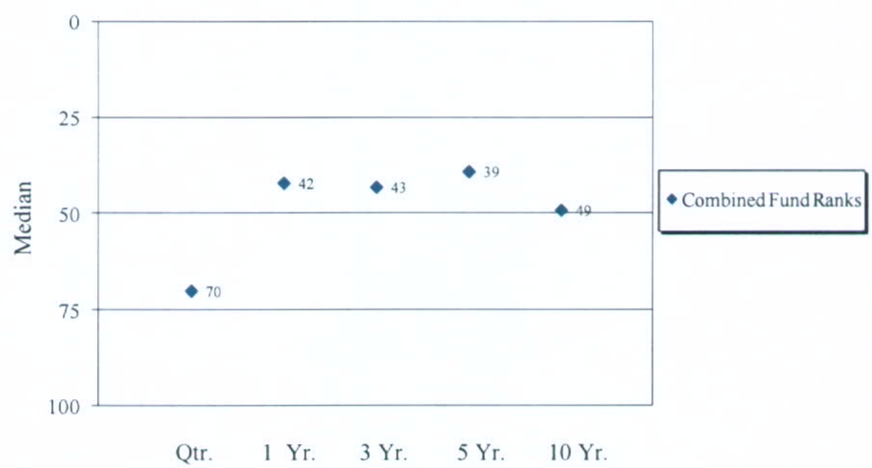
While the SBI is concerned with how its returns compare to other pension investors, universe comparisons should be used with great care. There are several reasons why such comparisons will provide an "apples to oranges" look at performance:

— **Differing Allocations.** Asset allocation will have a dominant effect on return. The allocation to stocks among the funds in TUCS typically ranges from 20-90%, a very wide range for meaningful comparison. In addition, it appears that many funds do not include alternative asset holdings in their reports to TUCS. This further distorts comparisons among funds.

— **Differing Goals/Liabilities.** Each pension fund structures its portfolio to meet its own liabilities and risk tolerance. This will result in different choices on asset mix. Since asset mix will largely determine investment results, a universe ranking is not relevant to a discussion of how well a plan sponsor is meeting its long-term liabilities.

With these considerations in mind, the performance of the Combined Funds compared to other public and corporate pension funds in Trust Universe Comparison Service (TUCS) are shown below.

The SBI's returns are ranked against public and corporate plans with over $1 billion in assets. All funds in TUCS report their returns gross of fees.



Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Combined Funds Percentile Rank in TUCS*	70th	42nd	43rd	39th	49th

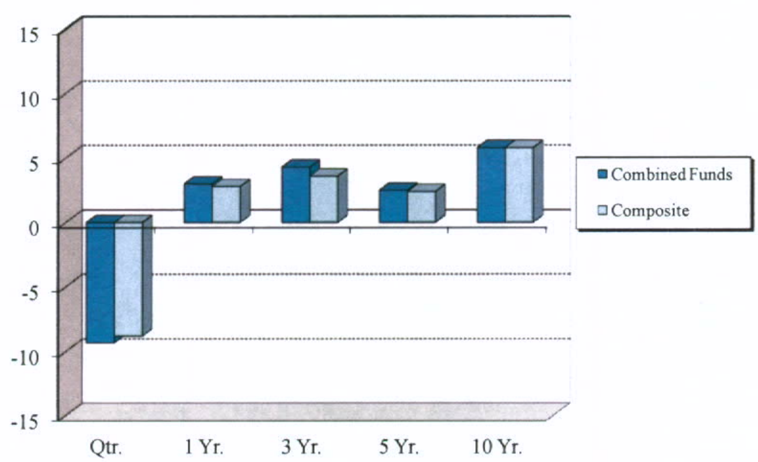
* Compared to public and corporate plans greater than $1 billion, gross of fees.

COMBINED FUNDS
Performance Compared to Composite Index

The Combined Funds' performance is evaluated relative to a composite of market indices. The composite is weighted in a manner that reflects the asset allocation of the Combined Funds:

	Market Index	Combined Funds Composite* 3Q11
Domestic Stocks	Russell 3000	45.0%
Int'l. Stocks	MSCI ACWI Free ex-U.S.	15.0
Bonds	Barclays Capital Aggregate	22.1*
Alternative Investments	Alternative Investments	15.9*
Unallocated Cash	3 Month T-Bills	2.0
		100.0%

* Alternative asset and fixed income weights are reset in the composite at the start of each month to reflect the amount of unfunded commitments in alternative asset classes. The above Combined Funds Composite weighting was as of the beginning of the quarter.



Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr.	Annualized 5 Yr.	10 Yr.
Combined Funds**	**-9.3%**	**3.0%**	**4.3%**	**2.5%**	**5.8%**
Composite Index	-8.8	2.8	3.6	2.4	5.8

** Actual returns are reported net of fees.

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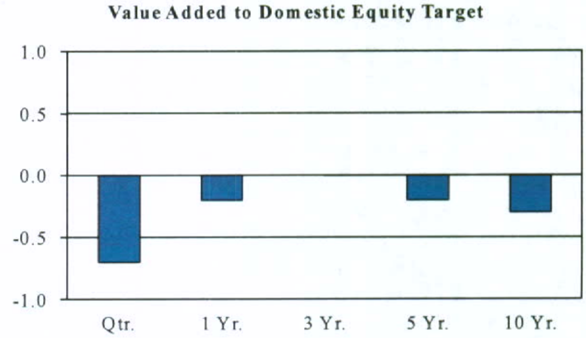
STOCK AND BOND MANAGERS
Performance of Asset Pools (Net of Fees)

Domestic Stocks

Target: Russell 3000
Expectation: If one-third of the pool is actively managed, one-third is semi-passively managed, and one-third is passively managed, the entire pool is expected to exceed the target by .18% - .40% annualized, over time.



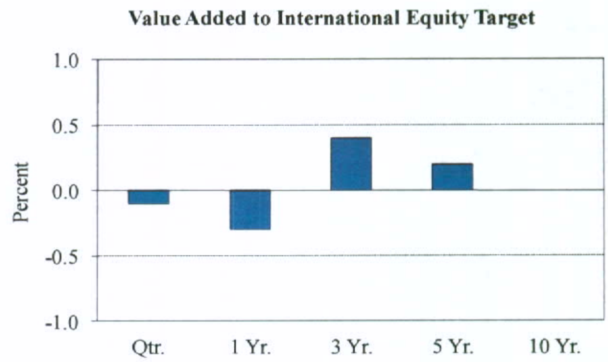
Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Domestic Stocks	**-16.0%**	**0.3%**	**1.5%**	**-1.1%**	**3.3%**
Asset Class Target*	-15.3	0.5	1.5	-0.9	3.6

* The Domestic Equity Asset Class Target is the Russell 3000 effective 10/1/03. From 7/1/99 to 9/30/03, it was the Wilshire 5000 Investable Index.

International Stocks

Target: Standard MSCI ACWI Free ex U.S. (net)
Expectation: If at least one-third of the pool is managed actively, no more than one-third is semi-passively managed, and at least one-quarter is passively managed, the entire pool is expected to exceed the target by .25% - .75% annualized, over time.



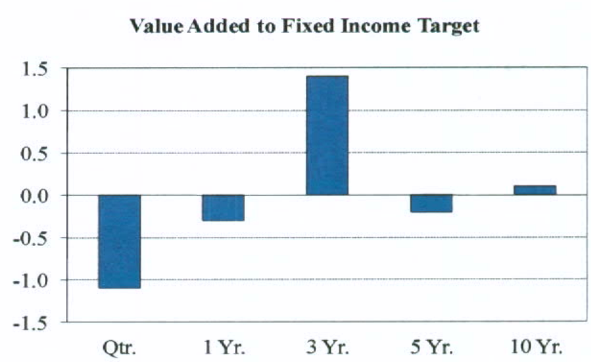
Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Int'l. Stocks	**-20.0%**	**-11.1%**	**0.9%**	**-1.3%**	**6.8%**
Asset Class Target*	-19.9	-10.8	0.5	-1.5	6.8

* The Int'l Equity Asset Class Target is MSCI ACWI Free ex U.S. (net) effective 10/1/03. From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) + Emerging Markets Free (EMF) (net), and from 7/1/99 to 12/31/00 was MSCI EAFE Free (net) + EMF (gross). From 7/1/99 to 9/30/03, the weight of each index fluctuated with market cap.

Bonds

Target: Barclays Capital Aggregate Bond Index
Expectation: If half of the pool is actively managed and half is managed semi-passively, the entire pool is expected to exceed the target by .20% - .35% annualized, over time.



Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Bonds	**2.7%**	**5.0%**	**9.4%**	**6.3%**	**5.8%**
Asset Class Target	3.8	5.3	8.0	6.5	5.7

ALTERNATIVE INVESTMENTS
Performance of Asset Categories
(Net of Fees)

Alternative Investments

Expectation: **The alternative investments** are measured against themselves using actual portfolio returns.

	Period Ending 9/30/2011				
			Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Alternatives	3.8%	20.8%	3.9%	9.9%	13.2%
Inflation	0.5%	3.9%	1.2%	2.3%	2.4%

Real Estate Investments (Equity emphasis)

Expectation: **Real estate investments** are expected to exceed the rate of inflation by 5% annualized, over the life of the investment.

The SBI began its real estate program in the mid-1980's and periodically makes new investments. Some of the existing investments are relatively immature and returns may not be indicative of future results.

	Period Ending 9/30/2011				
			Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Real Estate	3.4%	18.9%	-9.1%	0.1%	6.1%

Private Equity Investments (Equity emphasis)

Expectation: **Private equity investments** are expected to exceed the rate of inflation by 10% annualized, over the life of the investment.

The SBI began its private equity program in the mid-1980's and periodically makes new investments. Some of the existing investments are relatively immature and returns may not be indicative of future results.

	Period Ending 9/30/2011				
			Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Private Equity	3.3%	21.7%	8.2%	11.4%	12.7%

Resource Investments (Equity emphasis)

Expectation: **Resource investments** are expected to exceed the rate of inflation by 5% annualized, over the life of the investment.

The SBI began its resource program in the mid-1980's and periodically makes new investments. Some of the existing investments are relatively immature and returns may not be indicative of future results.

	Period Ending 9/30/2011				
			Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Resource	5.3%	28.2%	6.5%	13.0%	25.7%

Yield Oriented Investments (Debt emphasis)

Expectation: Yield oriented investments are expected to exceed the rate of inflation by 5.5% annualized, over the life of the investment.

The SBI began its yield oriented program in 1994. Some of the existing investments are relatively immature and returns may not be indicative of future returns.

	Period Ending 9/30/2011				
			Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Yield Oriented	4.8%	14.6%	1.0%	12.2%	15.8%

SUPPLEMENTAL INVESTMENT FUND

The Minnesota Supplemental Investment Fund is a multi-purpose investment program that offers a range of investment options to state and local public employees. The different participating groups use the Fund for a variety of purposes:

1. It functions as the investment manager for all assets of the Unclassified Employees Retirement Plan, Public Employees Defined Contribution Plan, Hennepin County Supplemental Retirement Plan, and Health Care Savings Plan.
2. It is one investment vehicle offered to employees as part of Minnesota State Colleges and University's Individual Retirement Account Plan and College Supplemental Retirement Plan.
3. It serves as an external money manager for a portion of some local police and firefighter retirement plans.
4. It serves as the investment vehicle for the Voluntary Statewide Volunteer Firefighter Plan.

A wide diversity of investment goals exists among the Fund's participants. In order to meet those needs, the Fund has been structured much like a "family of mutual funds." Participants may allocate their investments among one or more accounts that are appropriate for their needs, within the statutory requirements and rules established by the participating organizations. Participation in the Fund is accomplished through the purchase or sale of shares in each account.

The investment returns shown in this report are calculated using a time-weighted rate of return formula. All returns are net of investment management fees.

On September 30, 2011 the market value of the entire Fund was $1.2 billion.

Investment Options

	9/30/2011 Market Value (In Millions)
Income Share Account – a balanced portfolio utilizing both common stocks and bonds.	$233
Growth Share Account – an actively managed, all common stock portfolio.	$109
Common Stock Index Account – a passively managed, all common stock portfolio designed to track the performance of the entire U.S. stock market.	$212
International Share Account – a portfolio of non U.S. stocks that incorporates both active and passive management.	$106
Bond Market Account – an actively managed, all bond portfolio.	$147
Money Market Account – a portfolio utilizing short-term, liquid debt securities.	$202
Fixed Interest Account – a portfolio of guaranteed investment contracts (GIC's) and GIC type investments which offer a fixed rate of return for a specified period of time.	$167
Volunteer Firefighter Account – a balanced portfolio only used by the Voluntary Statewide Volunteer Firefighter Plan.	$3

SUPPLEMENTAL INVESTMENT FUND ACCOUNTS

INCOME SHARE ACCOUNT

Investment Objective
The primary investment objective of the Income Share Account is similar to that of the Combined Funds. The Account seeks to maximize long-term real rates of return, while limiting short-run portfolio return volatility.

Asset Mix
The Income Share Account is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification.

	Target	Actual
Stocks	60.0%	59.4%
Bonds	35.0	36.4
Cash	5.0	4.2
	100.0%	100.0%

Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**-8.6%**	**2.3%**	**4.9%**	**2.4%**	**4.7%**
Benchmark*	-8.1	2.5	4.2	1.8	4.4

* 60% Russell 3000/35% Barclays Capital Aggregate Bond Index/ 5% T-Bills Composite since 10/1/03. 60% Wilshire 5000/35% Barclays Capital Aggregate Bond Index/5% T-Bills composite through 9/30/03.

GROWTH SHARE ACCOUNT

Investment Objective
The Growth Share Account's investment objective is to generate above-average returns from capital appreciation on common stocks.

Asset Mix
The Growth Share Account is invested primarily in the common stocks of US companies. The managers in the account also hold varying levels of cash.

Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**-16.4%**	**0.2%**	**1.4%**	**-1.4%**	**3.0%**
Benchmark*	-15.3	0.5	1.5	-0.9	3.6

* Russell 3000 since 10/1/03. 100% Wilshire 5000 Investable from July 1999 to September 2003.

COMMON STOCK INDEX ACCOUNT

Investment Objective and Asset Mix
The investment objective of the Common Stock Index Account is to generate returns that track those of the U.S. stock market as a whole. The Account is designed to track the performance of the Russell 3000, a broad-based equity market indicator.

The Account is invested 100% in common stock.

Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**-15.3%**	**0.4%**	**1.5%**	**-0.8%**	**3.6%**
Benchmark*	-15.3	0.5	1.5	-0.9	3.6

* Russell 3000 since 10/1/03. Wilshire 5000 Investable from 7/1/00 to 9/30/03. Wilshire 5000 through 6/30/00.

INTERNATIONAL SHARE ACCOUNT

Investment Objective and Asset Mix
The investment objective of the International Share Account is to earn a high rate of return by investing in the stock of companies outside the U.S. At least twenty-five percent of the Account is "passively managed" and no more than 33% of the Account is "semi-passively managed." These portions of the Account are designed to track and modestly outperform, respectively, the return of 23 developed markets included in the Morgan Stanley Capital International World ex U.S. Index. The remainder of the Account is "actively managed" by several international managers and emerging markets specialists who buy and sell stocks in an attempt to maximize market value.

Period Ending 9/30/2011

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**-20.0%**	**-11.1%**	**1.0%**	**-1.2%**	**7.0%**
Benchmark*	-19.9	-10.8	0.5	-1.5	6.8

* The Int'l Equity Asset Class Target is MSCI ACWI Free ex U.S. (net) since 10/1/03. From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) + Emerging Markets Free (EMF) (net), and from 7/1/99 to 12/31/00 was MSCI EAFE Free (net) + EMF (gross). From 7/1/99 to 9/30/03, the weight of each index fluctuated with market cap.

SUPPLEMENTAL INVESTMENT FUND ACCOUNTS

BOND MARKET ACCOUNT

Investment Objective
The investment objective of the Bond Market Account is to exceed the return of the broad domestic bond market by investing in fixed income securities.

Asset Mix
The Bond Market Account invests primarily in high-quality, government and corporate bonds that have intermediate to long-term maturities, usually 3 to 20 years.

Period Ending 9/30/2011			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**2.7%**	**5.0%**	**9.4%**	**6.3%**	**5.8%**
Barclays Capital Aggregate	3.8	5.3	8.0	6.5	5.7

MONEY MARKET ACCOUNT

Investment Objective
The investment objective of the Money Market Account is to protect principal by investing in short-term, liquid U.S. Government securities.

Asset Mix
The Account is invested entirely in high quality, short-term U.S. Treasury and Agency securities. The average maturity of the portfolios is less than 90 days.

Period Ending 9/30/2011			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**0.1%**	**0.3%**	**0.3%**	**2.0%**	**2.2%**
3 month T-Bills	0.0	0.1	0.2	1.5	1.9

FIXED INTEREST ACCOUNT

Investment Objectives
The investment objectives of the Fixed Interest Account are to protect investors from loss of their original investment and to provide competitive interest rates using somewhat longer-term investments than typically found in a money market account.

Asset Mix
The Account is invested in a well-diversified portfolio of high-quality fixed income securities with strong credit ratings. The Account also invests in contracts issued by highly rated insurance companies and banks which are structured to provide principal protection for the Account's diversified bond portfolios, regardless of daily market changes.

Period Ending 9/30/2011			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**0.8%**	**3.6%**	**4.2%**	**4.4%**	**4.6%**
Benchmark*	0.2	1.3	1.6	2.6	3.1

* The Fixed Interest Benchmark is the 3 year Constant Maturity Treasury Bill +45 basis points.

VOLUNTEER FIREFIGHTER ACCOUNT

The investment objective of the Volunteer Firefighter Account is to maximize long-term returns while limiting short-term portfolio return volatility.

The Account is invested in a balanced portfolio:

	Target	Actual
Domestic Stocks	35.0	32.9%
International Stocks	15.0	13.0
Bonds	45.0	48.7
Cash	5.0	5.4
	100.0%	100.0%

Period Ending 9/30/2011			Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**-7.3%**	**1.1%**	**N/A**	**N/A**	**N/A**
Benchmark*	-6.9	1.2	N/A	N/A	N/A

* The benchmark for this account is 35% Russell 3000, 15% MSCI ACWI Free ex U.S. (net), 45% Barclays Capital Aggregate, 5% 3 month T-Bills.

DEFERRED COMPENSATION PLAN ACCOUNTS

The Deferred Compensation Plan provides public employees with a tax-sheltered retirement savings plan that is a supplement to their primary retirement plan. (In most cases, the primary plan is a defined benefit plan administered by TRA, PERA, or MSRS.)

Participants choose from 4 actively managed mutual funds 5 passively managed mutual funds and 11 target retirement fund options. The SBI also offers a money market option and a stable value option. All provide for daily pricing needs of the plan administrator. Participants may also choose from hundreds of funds in a mutual fund window. The current plan structure became effective July 1, 2011. The investment options and objectives are outlined below.

Investment Options

	9/30/2011 Market Value (in Millions)
Vanguard Index Institutional Plus Shares (passive)	$490
Janus Twenty (active)	$327
Vanguard Mid Cap Index Institutional Shares (passive)	$184
T. Rowe Price Small-Cap Stock (active)	$351
Fidelity Diversified International (active)	$193
Vanguard Total International Stock Index Institutional Plus (passive)	$84
Vanguard Balanced Index Institutional Shares (passive)	$432
Dodge & Cox Income Fund (active)	$162
Vanguard Total Bond Market Index Institutional Shares (passive)	$149
SIF Money Market Account	$75
SIF Fixed Interest Account (stable value)	$1,267
State Street Global Advisors MN Target Retirement Funds	
Income Fund	$6
2015 Fund	$6
2020 Fund	$4
2025 Fund	$2
2030 Fund	$2
2035 Fund	$1
2040 Fund	$1
2045 Fund	<$1
2050 Fund	<$1
2055 Fund	<$1
2060 Fund	<$1

DEFERRED COMPENSATION PLAN ACCOUNTS

LARGE CAP EQUITY

Vanguard Index Institutional Plus (passive)

- A passive domestic stock portfolio that tracks the S&P 500.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-13.9%**	**1.1%**	**1.3%**	**-1.1%**
S&P 500	-13.9	1.1	1.2	-1.2

Janus Twenty (active)

- A concentrated fund of large cap stocks which is expected to outperform the S&P 500, over time.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-16.0%**	**-7.3%**	**0.2%**	**2.4%**
S&P 500	-13.9	1.1	1.2	-1.2

MID CAP EQUITY

Vanguard Mid Cap Index (passive)

- A fund that passively invests in companies with medium market capitalizations that tracks the Morgan Stanley Capital International (MSCI) U.S. Midcap 450 index.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-19.1%**	**-0.7%**	**4.7%**	**0.5%**
MSCI US Mid-Cap 450	**-19.1**	**-0.6**	**4.7**	**0.5**

SMALL CAP EQUITY

T. Rowe Price Small Cap (active)

- A fund that invests primarily in companies with small market capitalizations and is expected to outperform the Russell 2000.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-21.2%**	**0.5%**	**6.1%**	**1.9%**
Russell 2000	-21.9	-3.5	-0.4	-1.0

INTERNATIONAL EQUITY

Fidelity Diversified International (active)

- A fund that invests primarily in stocks of companies located outside the United States and is expected to outperform the MSCI index of Europe, Australasia and the Far East (EAFE), over time.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-20.4%**	**-11.0%**	-3.1%	**-3.7%**
MSCI EAFE	-19.0	-9.3	-1.1	-3.5

Vanguard Total International Stock Index (passive)

- A fund that seeks to track the investment performance of the MSCI All Country World ex USA Investable Market Index, an index designed to measure equity market performance in developed and emerging markets, excluding the United States.

	Period Ending 9/30/2011			
		Annualized		
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-20.9**	**N/A**	**N/A**	**N/A**
ACWI ex US IMI	-19.9	N/A	N/A	N/A

DEFERRED COMPENSATION PLAN ACCOUNTS

BALANCED

Vanguard Balanced Index (passive)

- A fund that passively invests in a mix of domestic stocks and bonds. The fund is expected to track a weighted benchmark of 60% MSCI US Broad Market Index/40% Barclays Capital Aggregate.

	Period Ending 9/30/2011			
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-7.7%**	**3.1%**	**4.9%**	**2.7%**
Benchmark	-7.9	2.8	4.8	2.6

FIXED INCOME

Dodge & Cox Income Fund (active)

- A fund that invests primarily in investment grade securities in the U.S. bond market which is expected to outperform the Barclays Capital Aggregate, over time.

	Period Ending 9/30/2011			
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**0.2%**	**3.6%**	**9.9%**	**6.4%**
Barclays Capital Agg.	3.8	5.3	8.0	6.5

Vanguard Total Bond Market Index (passive)

- A fund that passively invests in a broad, market-weighted bond index that is expected to track the Barclays Capital Aggregate.

	Period Ending 9/30/2011			
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**4.0%**	**5.3%**	**8.0%**	**6.6%**
Barclays Capital Agg.	3.8	5.3	8.0	6.5

Money Market Account

- A fund that invests in short-term debt instruments which is expected to outperform the return on 3-month U.S. Treasury Bills.

	Period Ending 9/30/2011			
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**0.1%**	**0.3%**	**0.3%**	**2.0%**
3-Mo. Treas.	0.0	0.1	0.2	1.5

FIXED INTEREST ACCOUNT

- A portfolio composed of stable value instruments which are primarily investment contracts and security backed contracts. The account is expected to outperform the return of the 3 year Constant Maturity Treasury + 45 basis points, over time.

	Period Ending 9/30/2011			
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**0.8%**	**3.6%**	**4.2%**	**4.4%**
Benchmark	0.2	1.3	1.6	2.6

MN TARGET RETIREMENT ACCOUNTS

- Target retirement funds offer a mix of investments that are adjusted over time to reduce risk and become more conservative as the target retirement date approaches.

See Page A-107 for returns.

ASSIGNED RISK PLAN

Investment Objectives
The Assigned Risk Plan has two investment objectives: to minimize the mismatch between assets and liabilities and to provide sufficient liquidity for the payment of on-going claims and operating expenses.

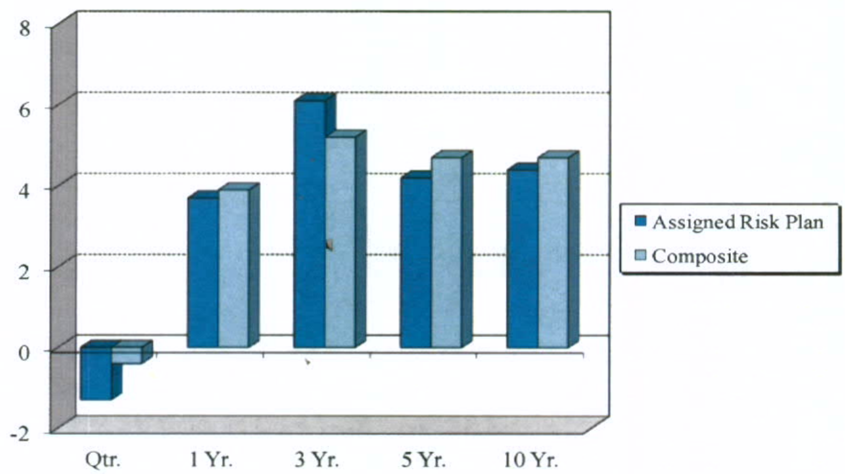
Asset Mix
The Assigned Risk Plan is invested in a portfolio of common stocks and bonds. The actual asset mix will fluctuate in response to changes in the Plan's liability stream.

	9/30/2011 Target	9/30/2011 Actual
Stocks	20.0%	21.7%
Bonds	80.0	78.3
Total	100.0%	100.0%

Investment Management
RBC Global Asset Management (US) manages the bond segment of the Fund. GE Investment Management manages the equity segment.

Performance Benchmarks
Since July 1, 2011, the fixed income benchmark has been the Barclays Capital Intermediate Government Index. Since July 1, 1994, the equity benchmark has been the S&P 500 index. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets.

Market Value
On September 30, 2011 the market value of the Assigned Risk Plan was $267 million.



Period Ending 9/30/2011

	Qtr.	Annualized 1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Fund*	**-1.3%**	**3.7%**	**6.1%**	**4.2%**	**4.4%**
Composite	-0.4	3.9	5.2	4.7	4.7
Equity Segment*	**-16.0**	**-2.9**	**-0.7**	**-1.0**	**2.4**
Benchmark	-13.9	1.1	1.2	-1.2	2.8
Bond Segment*	**3.0**	**5.7**	**7.8**	**5.5**	**4.7**
Benchmark	3.2	4.4	5.6	6.0	5.0

* Actual returns are calculated net of fees.

PERMANENT SCHOOL FUND

Investment Objectives
The investment objective of the Permanent School Fund is to produce a growing level of spendable income, within the constraints of maintaining adequate portfolio quality and liquidity. The income from the portfolio is used to offset expenditures on school aid payments to local school districts.

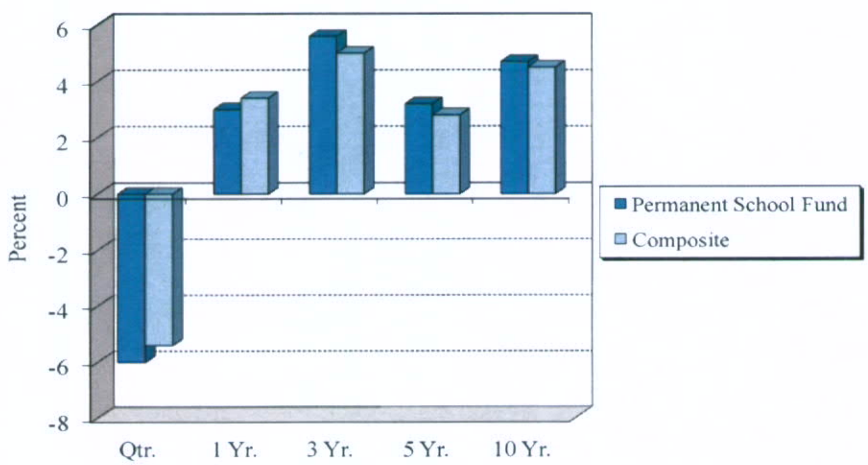
Asset Mix
Effective with FY98, the Permanent School Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds provide portfolio diversification and a more stable stream of current income.

	9/30/2011 Target	9/30/2011 Actual
Stocks	50.0%	49.7%
Bond	48.0	48.2
Cash	2.0	2.1
Total	100.0%	100.0%

Prior to FY98, the Fund was invested entirely in fixed income securities in order to maximize current income. It is understood that the change in asset mix will reduce portfolio income in the short term, but will enhance the value of the fund, over time.

Investment Management
SBI staff manages all assets of the Permanent School Fund. The stock segment is passively managed to track the performance of the S&P 500. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions.

Market Value
On September 30, 2011 the market value of the Permanent School Fund was $732 million.



	Period Ending 9/30/2011				
		Annualized			
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Fund*	**-6.0%**	**3.0%**	**5.6%**	**3.2%**	**4.7%**
Composite	-5.4	3.4	5.0	2.8	4.5
Equity Segment*	**-13.7**	**1.4**	**1.3**	**-1.1**	**2.9**
S&P 500	-13.9	1.1	1.2	-1.2	2.8
Bond Segment*	**2.1**	**3.8**	**8.7**	**6.8**	**6.0**
Barclays Capital Agg.	3.8	5.3	8.0	6.5	5.7

* Actual returns are calculated net of fees.

ENVIRONMENTAL TRUST FUND

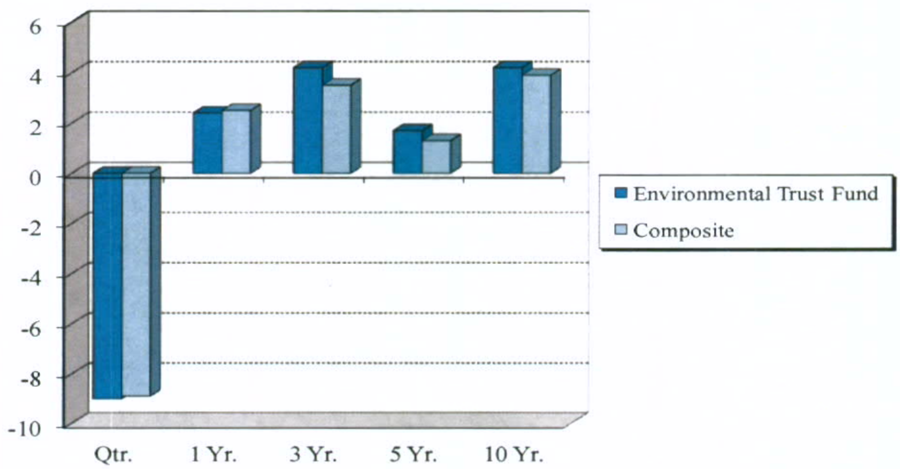
Investment Objective
The objective of the Environmental Trust Fund is to increase the market value of the Fund over time in order to increase the annual amount made available for spending.

Asset Mix
The Environmental Trust Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification. As of July 1, 1999, the asset allocation changed from 50% stocks/50% fixed income to 70% stocks /30% fixed income.

Investment Management
SBI staff manage all assets of the Environmental Trust Fund. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The stock segment is passively managed to track the performance of the S&P 500.

Market Value
On September 30, 2011 the market value of the Environmental Trust Fund was $524 million.

	9/30/2011 Target	9/30/2011 Actual
Stocks	70.0%	66.5%
Bonds	28.0	31.3
Cash	2.0	2.2
Total	100.0%	100.0%



Period Ending 9/30/2011	Qtr.	1 Yr.	Annualized 3 Yr.	5 Yr.	10 Yr.
Total Fund*	**-9.0%**	**2.4%**	**4.2%**	**1.7%**	**4.2%**
Composite	-8.9	2.5	3.5	1.3	3.9
Equity Segment*	**-13.7**	**1.4**	**1.4**	**-1.1**	**2.9**
S&P 500	-13.9	1.1	1.2	-1.2	2.8
Bond Segment*	**2.1**	**3.8**	**8.6**	**6.7**	**6.0**
Barclays Capital Agg.	3.8	5.3	8.0	6.5	5.7

* Actual returns are calculated net of fees.

STATE CASH ACCOUNTS

Description
State Cash Accounts represent the cash balances in more than 400 separate accounts that flow through the Minnesota State Treasury. These accounts range in size from $5,000 to over $400 million.

Most accounts are invested by SBI staff through two short-term pooled funds:

1. Trust Fund Pool contains the temporary cash balances of certain trusts and retirement-related accounts.

2. Treasurer's Cash Pool contains the cash balances of special or dedicated accounts necessary for the operation of certain State agencies and non dedicated cash in the State Treasury.

In addition, each State of Minnesota bond sale requires two additional pools; one for bond proceeds and one for the debt reserve transfer.

Because of special legal restrictions, a small number of cash accounts cannot be commingled. These accounts are invested separately.

Investment Objectives

Safety of Principal. To preserve capital.

Competitive Rate of Return. To provide a high level of current income.

Liquidity. To meet cash needs without the forced sale of securities at a loss.

Asset Mix
The SBI maximizes current income while preserving capital by investing all cash accounts in high quality, liquid short term investments. These include U.S. Treasury and Agency issues, repurchase agreements, bankers acceptances, commercial paper, and certificates of deposit.

Investment Management
All state cash accounts are managed by the SBI investment staff. As noted above, most of the assets of the cash accounts are invested through two large commingled investment pools.

Period Ending 9/30/2011

	Market Value (Millions)	Qtr.	1 Yr.	Annualized 3 Yr.	5 Yr.	10 Yr.
Treasurer's Cash Pool*	**$3,625**	**0.0%**	**0.5%**	**1.6%**	**2.7%**	**2.6%**
Custom Benchmark**		0.0	0.0	0.2	1.6	1.8
Trust Fund Cash Pool*	**$168**	**0.0**	**0.2**	**0.6**	**1.9**	**2.2**
Custom Benchmark		0.0	0.0	0.2	1.6	1.7
3 month T-Bills		0.0	0.1	0.2	1.5	1.9

* Actual returns are calculated net of fees.

** Beginning in January 2003, the Treasurer's Cash Pool is measured against the iMoneyNet, All Taxable Money Fund Report Average. From January 1997 to December 2002 the fund was measured against a blended benchmark consisting of the Barclays Capital 1-3 year Government Index and the iMoneyNet, All Taxable Money Fund Report Average. The proportion of each component of the blended benchmark is adjusted periodically as the asset allocation of the Cash Pool is modified.

MINNESOTA STATE BOARD OF INVESTMENT

Composition of State Investment Portfolios By Type of Investment

Market Value SEPTEMBER 30, 2011 (in Thousands)

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
COMBINED RETIREMENT FUNDS								
Teachers Retirement Fund	358,196	0	3,619,862	0	6,620,657	2,197,466	2,593,349	15,389,530
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
Public Employees Retirement Fund	283,586	0	2,867,300	0	5,244,237	1,740,618	2,054,195	12,189,936
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
State Employees Retirement Fund	197,339	0	1,934,586	0	3,538,321	1,174,407	1,385,979	8,230,632
	2.40%		23.50%		42.99%	14.27%	16.84%	100%
Public Employees Police & Fire	110,940	0	1,121,698	0	2,051,564	680,936	803,608	4,768,746
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
Highway Patrol Retirement Fund	12,490	0	118,959	0	217,574	72,215	85,225	506,463
	2.46%		23.49%		42.96%	14.26%	16.83%	100%
Judges Retirement Fund	3,464	0	30,978	0	56,658	18,805	22,193	132,098
	2.62%		23.45%		42.89%	14.24%	16.80%	100%
Correctional Employees Retirement	14,924	0	136,733	0	250,083	83,005	97,959	582,704
	2.56%		23.47%		42.92%	14.24%	16.81%	100%
Public Employees Correctional	5,963	0	60,285	0	110,260	36,596	43,189	256,293
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
Legislative Retirement Fund	371	0	3,750	0	6,860	2,277	2,687	15,945
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
PERA Minneapolis Retirement	17,886	0	180,829	0	330,735	109,774	129,551	768,775
	2.33%		23.52%		43.02%	14.28%	16.85%	100%
TOTAL COMBINED FUNDS	1,005,159	0	10,074,980	0	18,426,949	6,116,099	7,217,935	42,841,122
	2.35%		23.52%		43.01%	14.28%	16.84%	100%

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
MINNESOTA SUPPLEMENTAL FUNDS:								
Income Share Account	9,779	84,798	0	0	138,201	0	0	232,778
	4.20%	36.43%			59.37%			100%
Growth Share Account	0	0	0	0	108,648	0	0	108,648
					100.00%			100%
Money Market Account	201,824	0	0	0	0	0	0	201,824
	100.00%							100%
Common Stock Index	0	0	0	0	212,468	0	0	212,468
					100.00%			100%
Bond Market Account	0	0	147,278	0	0	0	0	147,278
			100.00%					100%
International Share Account	0	0	0	0	0	106,047	0	106,047
						100.00%		100%
Stable Value Fund	0	0	166,975	0	0	0	0	166,975
			100.00%					100%
Volunteer Firefighters Account	171	0	1,533	0	1034	407	0	3,145
	5.44%		48.74%		32.88%	12.94%		100%
TOTAL SUPPLEMENTAL FUNDS	211,774	84,798	315,786	0	460,351	106,454	0	1,179,163
	17.96%	7.19%	26.78%		39.04%	9.03%		100%
MN DEFERRED COMP PLAN	79,054	0	1,757,343	0	1,618,808	278,656	0	3,733,861
	2.12%		47.07%		43.35%	7.46%		100%
TOTAL RETIREMENT FUNDS	1,295,987	84,798	12,148,109	0	20,506,108	6,501,209	7,217,935	47,754,146
	2.71%	0.19%	25.44%		42.94%	13.61%	15.11%	100%

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
ASSIGNED RISK PLAN	2,065 0.77%	0	206,840 77.51%	0	57,968 21.72%	0	0	266,873 100%
ENVIRONMENTAL FUND	11,575 2.21%	163,519 31.28%	0	347,630 66.51%	0	0	0	522,724 100%
PERMANENT SCHOOL FUND	15,763 2.15%	352,939 48.19%	0	363,754 49.66%	0	0	0	732,456 100%
CLOSED LANDFILL INVESTMENT	0	0	0	669 100.00%	0	0	0	669 100%
TREASURERS CASH	3,625,120 100.00%	0	0	0	0	0	0	3,625,120 100%
HOUSING FINANCE AGENCY	0	43,782 100.00%	0	0	0	0	0	43,782 100%
MINNESOTA DEBT SERVICE FUND	0	70,317 100.00%	0	0	0	0	0	70,317 100%
MISCELLANEOUS ACCOUNTS	199,548 28.08%	300,331 42.26%	0	210,805 29.66%	0	0	0	710,684 100%
TOTAL CASH AND NON-RETIREMENT	3,854,071 64.53%	930,888 15.59%	206,840 3.46%	922,858 15.45%	57,968 0.97%	0	0	5,972,625 100%
GRAND TOTAL	5,150,058 9.59%	1,015,686 1.89%	12,354,949 23.00%	922,858 1.71%	20,564,076 38.28%	6,501,209 12.10%	7,217,935 13.43%	53,726,771 100%

INVESTMENT ADVISORY COUNCIL

MINUTES

November 22, 2011

Minutes
Investment Advisory Council
August 23, 2011

MEMBERS PRESENT:	Jeff Bailey, Dave Bergstrom, John Bohan, Kerry Brick, , Dennis Duerst, Doug Gorence, Laurie Hacking, Kristin Hanson (for Jim Schowalter), Jay Kiedrowski, Gary Martin, Malcolm McDonald, Gary Norstrem, Mary Vanek, Denise Anderson, LeaAnn Stagg and Elaine Voss
MEMBERS ABSENT:	Judy Mares
SBI STAFF:	Howard Bicker, Teri Richardson, Jim Heidelberg Paul Anderson, Tammy Brusehaver, Patricia Ammann, Stephanie Gleeson, Mike Menssen, Ryan Hill, John Griebenow, J.J. Kirby, Aaron Griga, Debbie Griebenow and Charlene Olson
OTHERS ATTENDING:	Ann Posey, Nuveen Investment Solutions; Celeste Grant, Christie Eller, Micah Hines, Rebecca Spartz, Paul Doan, St. Paul Teachers' Retirement Fund Association; John Wicklund, Teachers Retirement Association; Leslie Nagel, Teachers Retirement Association Internal Audit; Susan Barbieri, Communications Officer; Margaret Martin, House Majority Research; Matthew Trapp, private citizen; Edgar Hernandez, SEIU; Curt Hutchens and John Fischer, REAM

Executive Directors Report

Mr. Bailey welcomed the three new members of the IAC, Ms. Denise Anderson, Ms. LeaAnn Stagg and Ms. Elaine Voss, who were all appointed by the Governor. Mr. Bicker, Executive Director, referred members to Tab A of the meeting materials and he reported that the Combined Funds had outperformed its Composite Index over the ten year period ending June 30, 2011 (Combined Funds 5.9% vs. Composite 5.8%) and had provided a real rate of return over the latest 20 year period (Combined Funds 8.8% vs. CPI 2.5%.)

Mr. Bicker reported that the Combined Funds' assets increased 0.6% for the quarter ending June 30, 2011 due to positive market performance and he said that the asset mix is essentially on target. He stated that the Combined Funds outperformed its Composite Index for the quarter (Combined Funds 1.6% vs. Composite 1.5%) and outperformed for the year (Combined Funds 23.3% vs. Composite 22.4%.)

Mr. Bicker reported that the domestic stock manager group outperformed its target for the quarter (Domestic Stocks 0.2% vs. Domestic Equity Asset Class Target 0.0%) and for the year (Domestic Stock 33.1% vs. Domestic Equity Asset Class Target 32.4%.) He said the international stock manager group outperformed for the quarter (International Stock 0.8% vs.

International Equity Asset Class Target 0.4%) but underperformed for the year (International Stock 29.6% vs. International Equity Asset Class Target 29.7%.) Mr. Bicker stated that the bond segment underperformed for the quarter (Bonds 2.1% vs. Fixed Income Asset Class Target 2.3%) but outperformed for the year (Bonds 5.5% vs. Fixed Income Asset Class Target 3.9%.) He stated that the alternative investments returned 18.6% for the year. He concluded his report with the comment that, as of June 30, 2011, the SBI was responsible for over $61 billion in assets.

Mr. Bicker referred members to Tab B of the meeting materials for an update on the budget and travel for the quarter. He referred members to page 11 of Tab B for an update of legislation of interest to the SBI. He stated that the SBI's budget was approved and included a small budget cut. He stated that legislation also passed exempting the SBI from the E-Verify requirement for contracts and from having our IT services consolidated. He reported that legislation had passed regarding a potential merger of the Minneapolis Police and Fire into the Public Employees Retirement Association (PERA.) He noted that several votes are required by the various entities involved before the merger can proceed. He said that if the merger proceeds, the SBI will need to review the assets held and that, if approved, the merger would take place as of December 31, 2011. He added that a separate merger of Virginia Fire Relief Association will also be completed.

Mr. Bicker stated that another potential piece of legislation was developed by a study group under the leadership of the State Auditor. He said that the bill requests some changes in investment authority for the cities of the first class, such as Duluth Teachers and St. Paul Teachers. He added that the bill also includes some technical revisions to clean up language in the SBI's section of the statutes. He reported that the bill is expected to be considered by the Pension Commission during the interim. Mr. Bicker stated that updated information on Sudan and Iran is also included in Tab B.

Mr. Bicker stated that for over 30 years the SBI has had a successful Certificate of Deposit (CD) program whereby it purchases CD's from financial institutions throughout the State of Minnesota. He explained that the CD's are backed by FDIC insurance and that the maximum insurance had been $100,000. He said that since the SBI invests the assets of eight different retirement plans, the SBI could purchase CD's up to $750,000 from an individual financial institution and have full insurance coverage. Mr. Bicker went on to explain that during the financial crisis of 2008-2009, the FDIC increased the insurance to $250,000 per institution and that the SBI staff is reviewing the possibility of increasing the maximum CD purchase to $1.5 million. In response to a question from Mr. Kiedrowski, Mr. Bicker stated that the CD program provides an opportunity to provide Minnesota banks with additional capital without giving up any return. He added that on average, the SBI invests between $75-100 million each quarter. Ms. Eller stated that there was nothing to report on litigation that the SBI is involved in.

Investment Advisory Council
Mr. Bicker referred members to Tab C of the meeting materials and he reported that there were no action items regarding the stock and bond managers for the quarter. In response to a question from Ms. Hacking, Mr. Bicker stated that staff is monitoring Martingale and McKinley's performance.

Mr. Griebenow referred members to Tab D of the meeting materials and stated that staff is recommending new investments with two existing real estate partners, TA Associates Realty and Blackstone Real Estate Partners. A discussion followed on the real estate market in general and the overall performance and strategy of TA Associates. In response to a question from Mr. Brick, both Mr. Griebenow and Mr. Bicker stated that the SBI is on track with new investments. Mr. McDonald moved approval of both recommendations, as stated in Tab D. Mr. Bohan seconded the motion. The motion passed.

A presentation followed by Ms. Vanek, Ms. Hacking and Mr. Bergstrom, directors of the three statewide retirement systems, regarding the State of Minnesota's Actuarial Interest Rate Assumption (see Tab E.) A discussion followed.

The meeting adjourned at 1:48 P.M.

Respectfully submitted,

Howard Bicker

Howard Bicker
Executive Director

TAB

B

EXECUTIVE DIRECTOR'S ADMINISTRATIVE REPORT

DATE: November 15, 2011

TO: Members, State Board of Investment

FROM: Howard Bicker

1. Reports on Budget and Travel

A report on the SBI's administrative budget for the fiscal year to date through October 31, 2011 is included as **Attachment A.**

A report on travel for the period from August 5, 2011 – November 4, 2011 is included as **Attachment B**.

2. Update on Pension Commission

Staff will give the Board a verbal update on the pension commission at the Board meeting on December 12, 2011.

3. FY11 Audit Report

The Legislative Auditor is working on the financial audit of SBI operations for FY11. A final copy will be distributed as soon as it is available.

4. Draft of FY11 Annual Report

A draft of the SBI's annual report for FY11 will be distributed to the Board members/designees and IAC members in early December. The final report should be distributed by the end of the year.

5. Tentative Meeting Dates for Calendar 2012

The quarterly meetings of the SBI are normally held in March, June, September and December. The dates for the IAC and SBI meetings for calendar 2012 are:

IAC	SBI
Tuesday, February 21, 2012	**Wednesday, March 7, 2012**
Tuesday, May 22, 2012	**Wednesday, June 6, 2012**
Tuesday, August 21, 2012	**Wednesday, September 5, 2012**
Tuesday, November 20, 2012	**Wednesday, December 5, 2012**

SBI staff will confirm the availability of Board members for the above dates over the next few weeks.

6. Update on Sudan

Each quarter, staff provides a report to the Board on steps taken to implement *Minnesota Statutes*, section 11A.243 that requires SBI actions concerning companies with operations in Sudan. Staff receives periodic reports from the Conflict Risk Network (CRN) about the status of companies with operations in Sudan.

The SBI is restricted from purchasing stock in the companies designated as highest offenders by the CRN. Accordingly, staff updates the list of restricted stocks and notifies investment managers that they may not purchase shares in companies on the restricted list. Staff receives monthly reports from the SBI's custodian bank concerning SBI holdings of companies on the CRN list and writes letters as required by law.

If after 90 days following the SBI's communication, a company continues to have active business operations in Sudan, the SBI must divest holdings of the company according to the following schedule:

- at least 50% shall be sold within nine months after the company appeared on the Task Force list; and
- 100% shall be sold within fifteen months after the company appeared on the list.

In the third quarter, three companies were removed from the divestment list. SBI managers held no shares in companies remaining on the divestment list.

Attachment C is a copy of the September 12, 2011 letter sent to each international equity manager and domestic equity manager containing the most recent restricted list and the list of stocks to be divested.

Attachment D is an updated list of companies with operations in Sudan.

7. Update on Iran

Each quarter, staff provides a report to the Board on steps taken to implement *Minnesota Statutes*, section 11A.244 that requires SBI actions concerning companies with operations in Iran.

SBI subscribes to the Iran service provided by ISS, a unit of MSCI, and regularly receives a list of companies with operations in Iran. Staff receives monthly reports from the SBI's custodian bank concerning SBI holdings of companies on the restricted list and writes letters as required by law.

According to the law, if after 90 days from the SBI's communication with the company, the company continues to have scrutinized business operations, the SBI must divest all publicly traded securities of the company according to following schedule:

- at least 50 percent shall be sold within nine months after the company appeared on the scrutinized list.
- 100 percent, within fifteen months after the company appeared on the scrutinized list.

In the third quarter, SBI managers sold 8,156 shares in the only company owned on the restricted list. SBI managers held no shares in the quarter in companies on the divestment list.

Attachment E is a copy of the September 12, 2011 letter sent to each international equity manager and domestic equity manager and fixed income manager containing the end of quarter restricted list and the list of companies to be divested.

8. Litigation Update

SBI legal counsel will give the Board a verbal update on the status of litigation at the Board meeting on December 12, 2011.

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ATTACHMENT A

STATE BOARD OF INVESTMENT
FISCAL YEAR 2011 ADMINISTRATIVE BUDGET REPORT
FISCAL YEAR TO DATE THROUGH OCTOBER 31, 2011

ITEM	FISCAL YEAR 2012 BUDGET	FISCAL YEAR 2012 10/31/2011
PERSONAL SERVICES		
FULL TIME EMPLOYEES	$ 2,845,000	$ 773,626
PART TIME EMPLOYEES	$ 69,000	$ 15,988
SEVERENCE PAYOFF	0	0
WORKERS COMPENSATION INSURANCE	600	21,646
MISCELLANEOUS PAYROLL	0	0
SUBTOTAL	**$ 2,914,600**	**$ 811,260**
STATE OPERATIONS		
RENTS & LEASES	200,000	69,862
PRINTING & BINDING	4,000	1,770
PROFESSIONAL/TECHNICAL SERVICES	0	0
COMPUTER SYSTEMS SERVICES	18,000	1,013
COMMUNICATIONS	28,000	4,711
TRAVEL, IN-STATE	900	168
TRAVEL, OUT-STATE	38,000	14,467
SUPPLIES	30,000	9,123
REPAIRS TO EQUIP & FURN	10,000	802
EQUIPMENT	5,000	0
EMPLOYEE DEVELOPMENT	5,000	0
OTHER OPERATING COSTS	9,000	2,990
SUBTOTAL	**$ 347,900**	**$ 104,906**
TOTAL ADMINISTRATIVE BUDGET	**$ 3,262,500**	**$ 916,166**

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ATTACHMENT B

STATE BOARD OF INVESTMENT

Travel Summary by Date
SBI Travel August 5, 2011 – November 4, 2011

Purpose	Name(s)	Destination and Date	Total Cost
Manager Monitoring International Managers: Columbia Mgmt. Investment Advisers, J.P. Morgan Investment, Marathon Asset Mgmt., Pyramis Global Advisors Trust Co., AllianceBernstein, State Street Global Advisors **Manager Search International Managers:** Genesis Investment Mgmt., Investec Asset Mgmt.	S. Gleeson	London, England 9/22-9/29	\$3457.61
Manager Monitoring Alternative Investments: Prudential Capital Annual LP Meeting	J. Griebenow	Chicago, IL 9/27-9/28	\$565.03
Conference: National Association of State Investment Officers (NASIO)	H. Bicker T. Richardson	Portland, OR 10/2-10/5	\$5379.84
Manager Monitoring Alternative Investments: Blum Capital Partners, Crescendo Ventures, Crescent Capital Group, Elevation Partners, Hellman & Freeman Investors, Silver Lake Partners, Windjammer Capital Investors	J. Kirby	Newport Beach, CA West Los Angeles, CA Menlo Park, CA Palo Alto, CA San Francisco, CA 10/4-10/7	\$1872.59

Purpose	Name(s)	Destination and Date	Total Cost
Manager Search **Investment Manager Research** Aurora Investment Mgmt., Mesirow Advanced Strategies	T. Richardson	Chicago, IL 10/14	$311.84
Manager Monitoring **Domestic Equity Managers:** Goldman Sachs Asset Mgmt., Jacobs Levy Equity Mgmt., J.P. Morgan Investment Mgmt., New Amsterdam Partners, Systematic Financial Mgmt. **Conference:** BlackRock Institutional Client Conference sponsored by: BlackRock Institutional Trust Co., N.A.	T. Brusehaver P. Ammann	New York, NY 10/16-10/19	$1339.38
Conference: Client Advisory Board Session sponsored by: State Street Investment Analytics	T. Richardson	Toronto, Canada	$967.03
Conference: Global Asset Allocation Summit sponsored by: Opal Financial Group	H. Bicker	Las Vegas, NV 10/27-10/28	$616.78
Conference: Institutional Investor Services Client Advisory Council sponsored by: State Street Bank & Trust Co.	H. Bicker	Boston, MA 11/2-11/3	$1143.16

Letter to SBI International Equity Managers and Domestic Equity Managers

September 12, 2011

Regarding: Sudan Companies

Dear Manager:

The Minnesota State Board of Investment (SBI) sent you prior communication concerning holdings in companies doing business in Sudan. **This new communication applies to all SBI equity portfolios managed by your organization and replaces all prior communications. This communication also applies to all depository receipts or ADR's of any of the listed companies.**

Minnesota Statutes, section 11A.243 requires the SBI to implement a Sudan restriction.

Attachment 1 is the List of Restricted Sudan Stocks. **These securities <u>may not be purchased</u> for the SBI portfolio that your organization manages**. Please note that the attached List makes changes to the List of Restricted Sudan Stocks that was attached to the June 9, 2011 letter you received. **<u>This new list is effective September 15, 2011.</u>**

- The following company has been added to the restricted list:
    - Nuinsco Resources Limited (Canada)
- The following companies have been removed from the restricted list:
    - PTT Public Company (Thailand)
    - PTT Exploration & Production PCL (Thailand)
    - PTT Aromatics & Refinery (Thailand)
    - PTT Chemical PCL (Thailand)
    - JX Holdings, Inc. (Japan)
    - Glencore International PLC (Switzerland)
    - Biopetrol Industries AG (Switzerland)
    - Chemoil Energy Limited (Switzerland)
    - Minara Resources Limited (Switzerland)

Attachment 2 is the List of Sudan Stocks Requiring Divestment.

The following companies have been removed from the divestment list:

- JX Holdings, Inc. (Japan)
- PTT Public Company Limited (Thailand)
- PTT Exploration & Production PCL (Thailand)

If you own securities of companies on the List of Sudan Stocks Requiring Divestment in the SBI portfolio that your organization manages, then you must divest those holdings according to the schedules provided in the Attachment**:**

- **At least 50 percent of a company's holdings must be sold by the date indicated, and**

- **At least 100 percent of a company's holdings must be sold by the date indicated.**

Attachment 3 is a list of security identifiers for the companies on the List of Restricted Sudan Stocks (**Attachment 1**) that your organization may use. Please note that the list of security identifiers has information on companies not on the restricted list.

If you have any questions about this matter, please contact Tammy Brusehaver or Patricia Ammann, Domestic Equities; Stephanie Gleeson, International Equities or James E. Heidelberg, Public Programs.

Sincerely,

Teresa J. Richardson
Assistant Executive Director

Enclosures

cc: James E. Heidelberg, Manager, Public Programs
Tammy Brusehaver, Manager, Domestic Equities
Patricia Ammann, Portfolio Manager, Domestic Equities
Stephanie Gleeson, Manager, International Equities

ATTACHMENT 1

Restricted Sudan Stocks

Company Name	Country of Origin
AviChina Industry & Technology Company Limited	China
China Gezhouba Group Company Limited	China
Daqing Huake Group Company Limited	China
Dongfeng Motor Group Company Limited	China
Hafei Aviation Industry Company	China
Harbin Dongan Auto Engine Company	China
Jiangxi Hongdu Aviation AKA Hongdu Aviation	China
Jinan Diesel Company Limited	China
PetroChina	China
Sinopec Corporation AKA China Petroleum and Chemical Corporation	China
Sinopec Shanghai Petrochemical Company Limited	China
Sinopec Yizheng Chemical Fibre Company Limited	China
Wuhan Boiler Company.	China
China North Industries Group Corporation AKA CNGC/Norinco	China
Norinco International Cooperation Limited	China
Sichuan Nitrocell Company Limited	China
China North Optical-Electrical Technology Company Limited	China
AKM Industrial Company Limited	China
Sinopec Kanton Holdings Limited	Hong Kong
Kunlun Energy Company Limited	Hong Kong
Chennai Petroleum Corporation Ltd. AKA CPCL	India
Indian Oil Corporation Ltd. AKA IOCL	India
Lanka IOC Limited	India
Mangalore Refinery and Petrochemical Limited	India
Mercator Lines	India
Oil and Natural Gas Company AKA ONGC	India
Alstom Projects India Limited	India
Oil India Limited	India
Egypt Kuwaiti Holding Company	Egypt
Kingdream PLC	Egypt/China
AREF Energy Holding Company	Kuwait
ONA S.A.	Morocco
Managem	Morocco
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Petronas Gas Berhad	Malaysia
Petronas Dagangan Berhad	Malaysia
Petronas Chemicals Group Berhad	Malaysia

ATTACHMENT 1

Restricted Sudan Stocks

Company Name	Country of Origin
Ranhill Berhad	Malaysia
Scomi Group Berhad	Malaysia
Scomi Engineering Berhad	Malaysia
Electricity Generating PCL AKA EGCO	Thailand
Mercator Lines Singapore	Singapore
Alstom	France
Areva SA	France
KEPCO Plant Service & Engineering Company Limited	South Korea
LS Industrial Systems	South Korea
Nuinsco Resources Limited	Canada

Note: List contains parent companies and subsidiaries publicly traded.
AKA means "Also Known As"

Source: Genocide Intervention Network

SBI Effective Date: September 15, 2011

ATTACHMENT 2

Sudan Stocks Requiring Divestment

Company Name	Country of Origin	Divest 50 Percent By this Date	Divest 100 Percent By this date
China Petroleum and Chemical Corporation AKA Sinopec Corp	China	April 30, 2008	October 31, 2008
PetroChina Company	China	April 30, 2008	October 31, 2008
Oil and Natural Gas Corp AKA ONGC	India	April 30, 2008	October 31, 2008
Malaysia International Shipping Company AKA MISC Berhad	Malaysia	April 30, 2008	October 31, 2008
Alstom	France	April 30, 2008	October 31, 2008
Dongfeng Motor Group Company Limited	China	March 31, 2011	September 30, 2011

Note: AKA means "Also Known As"

Source: Conflict Risk Network

SBI Effective Date: September 15, 2011

CONFLICT RISK NETWORK

Attachment 3

Security Identifiers for "Scrutinized" Stocks

The following security identifiers correlate with the August 31, 2011 issue of the Sudan Company Report

ALL DATA IS FROM BLOOMBERG LP UNLESS OTHERWISE NOTED.

STOCKS ADDED SINCE LAST REPORT ARE HIGHLIGHTED

Company	Primary Company (Affiliate Parent)	Exchange	Security Type	Security Name	Ticker	WPK Number	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS	ondscod
ALSTOM (FRANCE)	ALSTOM	EN Paris (XPAR)	Common Stock	ALSTOM	ALO FP	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	OTC US (XOTC)	Common Stock	ALSTOM	AOMFF US	A0F7BK	B0GLY93 US			FR0010220475	022581074	F0259M475	
ALSTOM (FRANCE)	ALSTOM	Frankfurt (XFRA)	Common Stock	ALSTOM	AOMD GR	A0F7BK	B0G0412 DE			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	PLUS Mket Grp (XPLU)	Common Stock	ALSTOM	ALO PZ	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALO EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Chi-X Alt TS (CHIX)	Common Stock	ALSTOM	ALSP IX	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALOGBX EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALOGBX EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALOGBP EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALOUSD EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALOUSD EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Turquoise (TRQX)	Common Stock	ALSTOM	ALO TQ	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Equiduct (XEQT)	Common Stock	ALSTOM	ALO BQ	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	BATS Europe (BATE)	Common Stock	ALSTOM	ALO EB	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALO EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALOCHF EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALOCHF EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALONOK EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALONOK EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro OTC (XLON)	Common Stock	ALSTOM	ALOAUD EO	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Euro Comp (XLON)	Common Stock	ALSTOM	ALOAUD EU	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Quote MTF (QMTF)	Common Stock	ALSTOM	ALO QM	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	LSE EuropeQS (XLON)	Common Stock	ALSTOM	ALO LI	A0F7BK	B0YLTQ7 GB			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	Tradegate (XGAT)	Common Stock	ALSTOM	AOMD TH	A0F7BK	B0G0412 DE			FR0010220475	022581074		
ALSTOM (FRANCE)	ALSTOM	EN Paris (XPAR)	Common Stock	ALSTOM	ALO S1	A0F7BK	B0DJ8Q5 FR			FR0010220475	022581074		
ALSTOM PROJECTS INDIA LTD (INDIA)	ALSTOM	Natl India (XNSE)	Common Stock	ALSTOM PROJECTS INDIA LTD	ABBAP IN	A0EAYM	6230834 IN			INE878A01011			
WUHAN BOILER CO (CHINA)	ALSTOM	Shenzhen (XSHE)	Common Stock	WUHAN BOILER CO-B	200770 CH	913669	6111928 CN			CNE000000VM7			
AREF ENERGY HOLDING COMPANY (KUWAIT)	AREF ENERGY HOLDING COMPANY	Kuwait (XKUW)	Common Stock	AREF ENERGY HOLDING CO KSCC	AREFENRGKK	A0KD4C	B13BW99 KW			KW0EQ0601801			
AVICHINA INDUSTRY & TECHNOLOGY LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Hong Kong (XHKG)	Common Stock	AVICHINA INDUSTRY & TECH-H	2357 HK	A0M4WY	6707899 HK			CNE1000001Y8			
AVICHINA INDUSTRY & TECHNOLOGY LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Frankfurt (XFRA)	Common Stock	AVICHINA INDUSTRY & TECH-H	AVT GR	A0M4WY	B1BJK68 DE			CNE1000001Y8			
AVICHINA INDUSTRY & TECHNOLOGY LTD (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	OTC US (XOTC)	Common Stock	AVICHINA INDUSTRY & TECH-H	AVIJF US	A0M4WY	B01W4B3 US			CNE1000001Y8		Y0485Q109	
HAFEI AVIATION INDUSTRY CO (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Shanghai (XSHG)	Common Stock	HAFEI AVIATION INDUSTRY CO	600038 CH	A0M4ER	6306586 CN			CNE0000015V6			
HARBIN DONGAN AUTO ENGINE CO (CHINA)	AVICHINA INDUSTRY & TECHNOLOGY LTD	Shanghai (XSHG)	Common Stock	HARBIN DONGAN AUTO ENGINE-A	600178 CH	A0M369	6128519 CN			CNE000000XJ9			
CHINA GEZHOUBA GROUP COMPANY LTD (CHINA)	CHINA GEZHOUBA GROUP COMPANY LTD	Shanghai (XSHG)	Common Stock	CHINA GEZHOUBA GROUP CO LT-A	600068 CH	A0M31Z	6377214 CN			CNE000000QF1			
DAQING HUAKE GROUP CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Shenzhen (XSHE)	Common Stock	DAQING HUAKE GROUP CO-A	000985 CH	A0M4C2	6277949 CN			CNE000001402			
JINAN DIESEL ENGINE CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Shenzhen (XSHE)	Common Stock	JINAN DIESEL ENGINE CO-A	000617 CH	A0M3ZT	6486109 CN			CNE000000MS3			
KUNLUN ENERGY CO LTD	CHINA NATIONAL PETROLEUM CORP aka CNPC	Hong Kong (XHKG)	Common Stock	KUNLUN ENERGY CO LTD	135 HK	A1CV3E	6340078 HK		952131	BMG5320C1082	050092003		
KUNLUN ENERGY CO LTD	CHINA NATIONAL PETROLEUM CORP aka CNPC	Frankfurt (XFRA)	Common Stock	KUNLUN ENERGY CO LTD	CTJ1 GR	A1CV3E	5387753 DE		952131	BMG5320C1082	050092003		
KUNLUN ENERGY CO LTD	CHINA NATIONAL PETROLEUM CORP aka CNPC	OTC Exchange (XOTC)	Common Stock	KUNLUN ENERGY CO LTD	KUNUF US	A1CV3E	B01DDZ3 US		952131	BMG5320C1082	050092003		
KUNLUN ENERGY CO LTD	CHINA NATIONAL PETROLEUM CORP aka CNPC	OTC Exchange (OOTC)	ADR	CNPC HONG KONG LTD-UNSP ADR	KLYCY US		B3L2812 US			US50126A1016			
KUNLUN ENERGY CO LTD	CHINA NATIONAL PETROLEUM CORP aka CNPC	Tradegate (XGAT)	Common Stock	KUNLUN ENERGY CO LTD	CTJ1 TH	A1CV3E	5387753 DE		952131	BMG5320C1082	050092003		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Hong Kong (XHKG)	Common Stock	PETROCHINA CO LTD-H	857 HK	A0M4YQ	6226576 HK			CNE1000003w8	011014674		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Frankfurt (XFRA)	Common Stock	PETROCHINA CO LTD	PC6 GR	A0M4YQ	5939507 DE			CNE1000003w8	011014674		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	OTC US (XOTC)	Common Stock	PETROCHINA CO LTD	PCCYF US	A0M4YQ	B01DNL9 US			CNE1000003w8	011014674	Y6883Q104	
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Shanghai (XSHG)	Common Stock	PETROCHINA CO LTD	601857 CH		B28SLD9 CN			CNE1000007Q1			
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	New York (XNYS)	ADR	PETROCHINA CO LTD -ADR	PTR US	936983	2568841 US			US71646E1001	011511449		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Frankfurt (XFRA)	ADR	PETROCHINA CO LTD -ADR	PC6A GR	936983	4633327 DE			US71646E1001	011511449		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Buenos Floor (XBUE)	Receipt	PETROCHINA CO LTD-CEDEAR	PTR AR		B1C5SR2 AR			ARDEUT113958			
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Buenos Floor (XBUE)	Receipt	PETROCHINA CO LTD-CEDEAR BLK	PTRB AR					ARDEUT113958			
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Buenos Floor (XBUE)	Receipt	PETROCHINA CO LTD-CEDEAR C/E	PTRC AR					ARDEUT113958			
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Buenos Floor (XBUE)	Receipt	PETROCHINA CO LTD-CEDEAR $	PTRD AR					ARDEUT113958			
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Tradegate (XGAT)	Common Stock	PETROCHINA CO LTD-H	PC6 TH	A0M4YQ	5939507 DE			CNE1000003W8	011014674		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Tradegate (XGAT)	ADR	PETROCHINA CO LTD -ADR	PC6A TH	936983				US71646E1001	011511449		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Singapore (XSES)	ADR	PETROCHINA CO LTD -ADR	PTR SP	936983	B3KTK63			US71646E1001	011511449		
PETROCHINA CO LTD (CHINA)	CHINA NATIONAL PETROLEUM CORP aka CNPC	Mexico (XMEX)	ADR	PETROCHINA CO LTD -ADR	PTRN MM	936983	B569834 MX			US71646E1001	011511449		

Company	Primary Company (Affiliate Parent)	Exchange	Security Type	Security Name	Ticker	WPK Number	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS	Bondscode
NORINCO INTERNATIONAL COOPERATION LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	NORINCO INTL COOPERATION -A	000065 CH	A0M35W	6112125 CN			CNE000000VZ9			
LIAONING HUAJIN TONGDA CHEMICALS CO. LTD	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	LIAONING HUAJIN TONGDA CHE - A	000059 CH	A0M30T	6796143 CN			CNE000000NY9			
LIAONING HUAJIN TONGDA CHEMICALS CO. LTD	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	LIAONING HUAJIN TONGDA CHE - A	000059 CS	A0M30T	6796143 CN			CNE000000NY9			
SICHUAN NITROCELL CO. LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	SICHUAN NITROCELL CO LTD-A	002246 CH	A0RPGJ	B39G5K4 CN			CNE100000BW7			
CHINA NORTH OPTICAL-ELECTRICAL TECHNOLOGY CO. LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	CHINA NORTH OPTICAL-ELECTR-A	600435 CH	A0M4L5	6649946 CN			CNE000001F88			
CHINA NORTH OPTICAL-ELECTRICAL TECHNOLOGY CO. LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Shenzhen (XSHE)	Common Stock	CHINA NORTH OPTICAL-ELECTR-A	600435 CG	A0M4L5	6649946 CN			CNE000001F88			
AKM INDUSTRIAL CO. LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Hong Kong (XHKG)	Common Stock	AKM INDUSTRIAL CO LTD	8298 HK	A0D86T	B02J0J3 HK			HK8298013897			
AKM INDUSTRIAL CO. LTD.	CHINA NORTH INDUSTRIES GROUP CORPORATION (CNGC/NORINCO)	Berlin (XBER)	Common Stock	AKM INDUSTRIAL CO LTD	AIQ GR	A0D86T	B06L0H3 DE			HK8298013897			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Hong Kong (XHKG)	Common Stock	CHINA PETROLEUM & CHEMICAL-H	386 HK	A0M4XN	6291819 HK			CNE1000002Q2	012150504		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Frankfurt (XFRA)	Common Stock	CHINA PETROLEUM & CHEMICAL -H	CHU GR	A0M4XN	7027756 DE			CNE1000002Q2	012150504		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	OTC US (XOTC)	Common Stock	CHINA PETROLEUM & CHEMICAL-H	SNPMF US	A0M4XN	B01XKR4 US			CNE1000002Q2	012150504	Y15010104	
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Shanghai (XSHG)	Common Stock	CHINA PETROLEUM & CHEMICAL-A	600028 CH	A0M4G4	6373728 CN			CNE1000002Q2			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	New York (XNYS)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	SNP US	578971	2639189 US			US16941R1086	011899374		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Munich (XMUN)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	CHUA GR	578971	B0RSW00 DE			US16941R1086	011899374		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	London Intl (XLON)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	SNP LI		2654375 GB			US16941R1086	011899374		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEMICAL-CEDEA	SNP AR		B1C5SX8			ARDEUT114071			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEMICAL-CEDBL	SNPB AR					ARDEUT114071			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEM-C C/E	SNPC AR					ARDEUT114071			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEM-CED $	SNPD AR					ARDEUT114071			
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Tradegate (XGAT)	Common Stock	CHINA PETROLEUM & CHEMICAL -H	CHU TH	A0M4XN	7027756 DE			CNE1000002Q2	012150504		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP (CHINA)	GROUP	Mexico (XMEX)	ADR	CHINA PETROLEUM & CHEM - ADR	SNPN MM	578971	B4QSP22 MX			US16941R1086	011899374		
KINGDREAM PLC	GROUP	Shenzhen (XSHE)	Common Stock	KINGDREAM PUBLIC LIMITED - A	000852 CH	A0M37A	6136385 CN			CNE000000XK7			
SINOPEC KANTON HOLDINGS LTD (CHINA)	GROUP	Hong Kong (XHKG)	Common Stock	SINOPEC KANTONS HOLDINGS	934 HK	923923	6162692 HK			BMG8165U1009	011563384		
SINOPEC KANTON HOLDINGS LTD (CHINA)	GROUP	Frankfurt (XFRA)	Common Stock	SINOPEC KANTONS HOLDINGS	SAK GR	923923	4601197 DE			BMG8165U1009	011563384		
SINOPEC KANTON HOLDINGS LTD (CHINA)	GROUP	OTC US (OOTC)	ADR	SINOPEC KANTONS-UNSPON ADR	SPKOY US		B3KRT60 US			US82934W2070			
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	Singapore (XSES)	ADR	SINOPEC SHANGHAI -SPONS ADR	SHI SP	887169	B3MNGN2		908289	US82935M1099	012248750		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	Shanghai (XSHG)	Common Stock	SINOPEC SHANGHAI PETROCHEM	600688 CH	A0M3RA	6802794 CN			CNE000000BB2			
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	Frankfurt (XFRA)	Common Stock	SINOPEC SHANGHAI PETROCHEM	SGJH GR	A0M4Y5	5888632 DE		908303	CNE1000004C8	005096162		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	Hong Kong (XHKG)	Common Stock	SINOPEC SHANGHAI PETROCHEM-H	338 HK	A0M4Y5	6797458 HK		908303	CNE1000004C8	005096162		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	OTC US (XOTC)	Common Stock	SINOPEC SHANGHAI PETROCHEM-H	SPTJF US	A0M4Y5	B01XTG6 US			CNE1000004C8	005096162	Y80373106	
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	New York (XNYS)	ADR	SINOPEC SHANGHAI-SPONS ADR	SHI US	887169	2800059 US		908289	US82935M1099	012248750		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	GROUP	Frankfurt (XFRA)	ADR	SINOPEC SHANGHAI-SPONS ADR	SHI GR	887169	5734638 DE		908289	US82935M1099	012248750		
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	GROUP	Hong Kong (XHKG)	Common Stock	SINOPEC YIZHENG CHEMICAL-H	1033 HK	A0M4Y6	6984669 HK		917709	CNE1000004D6	008069662		
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	GROUP	OTC US (OOTC)	Common Stock	SINOPEC YIZHENG CHEMICAL-H	YZCFF US	A0M4Y6	B01XVL5 US			CNE1000004D6	008069662	Y9841W106	
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	GROUP	Frankfurt (XFRA)	Common Stock	SINOPEC YIZHENG CHEMICAL-H	YIZH GR	A0M4Y6	4303675 DE		917709	CNE1000004D6	008069662		
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	GROUP	Shanghai (XSHG)	Common Stock	SINOPEC YIZHENG CHEMICAL-H	600871 CH	A0M3V6	6986740 CN			CNE000000HS3			
DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	Hong Kong (XHKG)	Common Stock	DONGFENG MOTOR GRP CO LTD-H	489 HK	A0M4XY	B0PH5N3 HK			CNE100000312	023857456		
DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	OTC US (OOTC)	Common Stock	DONGFENG MOTOR GRP CO LTD-H	DNFGF US	A0M4XY	B0XZY65 US			CNE100000312	023857456	Y21042109	
DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	Frankfurt (XFRA)	Common Stock	DONGFENG MOTOR GRP CO LTD-H	D4D GR	A0M4XY	B0TBB66 DE			CNE100000312	023857456		
DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	Tradegate (XGAT)	Common Stock	DONGFENG MOTOR GRP CO LTD-H	D4D TH	A0M4XY	B0TBB66 DE			CNE 100000312	023857456		
DONGFENG MOTOR GROUP COMPANY LIMITED	DONGFENG MOTOR GROUP COMPANY LIMITED	OTC US	ADR	DONGFENG MOTOR GRP-H-UNS ADR	DNFGY US		B3SQPT4 US			US2577382037			
EGYPTIAN KUWAIT HOLDING CO (EGYPT)	EGYPTIAN KUWAIT HOLDING CO (EGYPT)	Cairo (XCAI)	Common Stock	EGYPTIAN KUWAITI HOLDING CO	EKHO EY	A0H1G7	B0QMD00						
EGYPTIAN KUWAIT HOLDING CO (EGYPT)	EGYPTIAN KUWAIT HOLDING CO (EGYPT)	Kuwait (XKUW)	Common Stock	EGYPTIAN KUWAITI HOLDING CO	EKHOLDINKK	A0H1G7	B0S8H15 KW			EG69082C013			
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Bangkok (XBKK)	Common Stock	ELECTRICITY GENERATING PCL	EGCO TB	893182	6304632 TH		929726	TH0465010005	006148590		
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Bangkok (XBKK)	Common Stock	ELECTRICITY GEN PUB CO-FOR R	EGCO/F TB	893183	6304643 TH		930467	TH0465010013	006149839		
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Frankfurt (XFRA)	Common Stock	ELECTRICITY GEN PUB CO-FOR R	EGCF GR	893183	5336799 DE		930467	TH0465010013	006149839		
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Bangkok (XBKK)	Receipt	ELECTRICITY GENERA PCL-NVDR	EGCO-R TB	676043	6368553 TH			TH0465010R13	015662883		
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	OTC US (XOTC)	Receipt	ELECTRICITY GENERA PCL-NVDR	EYUUF US	676043	B05PBX9 US			TH0465010R13	015662883	Y22834124	
ELECTRICITY GENERATING PCL, aka EGCO (THAILAND)	ELECTRICITY GENERATING CO (EGCO)	Munich (XMUN)	Receipt	ELECTRICITY GENERA PCL-NVDR	NVAE GR	676043	B01LYC1 DE			TH0465010R13	015662883		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Hong Kong (XHKG)	Common Stock	Glencore International PLC	805 HK	A1JAGV	B3NFYS8			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	London Intl (XLON)	Common Stock	Glencore International PLC	GLEN LN	A1JAGV	B4T3BW6 GB			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Stuttgart (XSTU)	Common Stock	Glencore International PLC	8GC GR	A1JAGV	B55NST3 DE			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	BATS Europe (BATE)	Common Stock	Glencore International PLC	GLEN EB	A1JAGV	B4T3BW6 GB			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Tradegate (XGAT)	Common Stock	Glencore International PLC	8GC TH	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Quote MTF (QMTF)	Common Stock	Glencore International PLC	GLEN QM	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Euro OTC (XLON)	Common Stock	Glencore International PLC	GLEN EO	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Euro Comp (XLON)	Common Stock	Glencore International PLC	GLEN EU	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Euro Comp (XLON)	Common Stock	Glencore International PLC	GLENEUR EU	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Turquoise (TRQX)	Common Stock	Glencore International PLC	GLEN TQ	A1JAGV	B4T3BW6 GB			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Chi-X Alt TS (CHIX)	Common Stock	Glencore International PLC	GLEN IX	A1JAGV	B4T3BW6 GB			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	Equiduct (XEQT)	Common Stock	Glencore International PLC	GLEN BQ	A1JAGV				JE00B4T3BW64	063082236		

Company	Primary Company (Affiliate Parent)	Exchange	Security Type	Security Name	Ticker	WPK Number	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS	ondscode
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	PLUS Mkat Grp (XPLU)	Common Stock	Glencore International PLC	GLEN PZ	A1JAGV				JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	NYSE ARCA Eu (XHFT)	Common Stock	Glencore International PLC	GLEN NR	A1JAGV	B4T3BW6 GB			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	Common Stock	Glencore International PLC	GLCNF US	A1JAGV	B4MSCG9 US			JE00B4T3BW64	063082236		
GLENCORE INTERNATIONAL PLC	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	ADR	Glencore International PLC-UNSP ADR	GLNCY US		B6QZ367 US			US3782731067			
BIOPETROL INDUSTRIES AG	GLENCORE INTERNATIONAL PLC	Xetra (XETR)	Common Stock	Biopetrol Industries AG	B2I GR	A0HNQ5	B0Q9VP2 DE			CH0023225938	023647729		
BIOPETROL INDUSTRIES AG	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	Common Stock	Biopetrol Industries AG	BIOPF US	A0HNQ5	B1FDC93 US			CH0023225938	023647729	H0978P112	
BIOPETROL INDUSTRIES AG	GLENCORE INTERNATIONAL PLC	Euro OTC (XLON)	Common Stock	Biopetrol Industries AG	B2I EO	A0HNQ5				CH0023225938	023647729		
BIOPETROL INDUSTRIES AG	GLENCORE INTERNATIONAL PLC	Tradegate (XGAT)	Common Stock	Biopetrol Industries AG	B2I TH	A0HNQ5	B0Q9VP2 DE			CH0023225938	023647729		
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL PLC	ASE (ASE)	Common Stock	MINARA RESOURCES LTD	MRE AU	A0BK97	6031855 AU		934507	AU000000MRE4	018276445		
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL PLC	Frankfurt (XFRA)	Common Stock	MINARA RESOURCES LTD	AQB GR	A0BK97	B1BCMR2 DE			AU000000MRE4	018276445		
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	Common Stock	MINARA RESOURCES LTD	MREJF US	A0BK97	B02P358 US			AU000000MRE4	018276445		
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	ADR	MINARA RESOURCES LTD-UNS ADR	MREJY US		B5YJF91 US			US60250U1043			
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL PLC	Singapore (XSES)	Common Stock	CHEMOIL ENERGY LTD	CHEME SP	A0LBTC	B1DL5V2 SG			HK0000035819	027111866		
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL PLC	Berlin (XBER)	Common Stock	CHEMOIL ENERGY LTD	LHT GR	A0LBTC	B1L6R79 DE			HK0000035819	027111866		
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	Common Stock	CHEMOIL ENERGY LTD	CLRGF US	A0LBTC	B1L97F6 US			HK0000035813	027111866	Y1306Z104	
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL PLC	OTC US (OOTC)	ADR	CHEMOIL ENERGY LTD-UNSPN ADR	CLRGY US		B3L34K6 US	16383N102		US16383N1028			
CHENNAI PETROLEUM CORPORATION LIMITED (INDIA)	INDIAN OIL CORP LTD aka IOCL	Mumbai (XBOM)	Common Stock	CHENNAI PETROLEUM CORP LTD	MRL IN	A0B968	6121563 IN			INE178A01016			
INDIAN OIL CORP LTD (INDIA)	INDIAN OIL CORP LTD aka IOCL	Natl India (XNSE)	Common Stock	INDIAN OIL CORPORATION LTD	IOCL IN	A0B9FM	6253767 IN			INE242A01010			
LANKA IOC LTD (INDIA)	INDIAN OIL CORP LTD aka IOCL	Colombo (XCOL)	Common Stock	LANKA IOC LTD	LIOC SL	A0D83L	B0591G4 LK			LK0345N00005			
JIANGXI HONGDU AVIATION INDUSTRY CO LTD (CHINA)	JIANGXI HONGDU AVIATION INDUSTRY CO LTD	Shanghai (XSHG)	Common Stock	JIANGXI HONGDU AVIATION-A	600316 CH	A0M4EK	6304375 CN			CNE0000015N3			
JIANGXI HONGDU AVIATION INDUSTRY CO LTD (CHINA)	JIANGXI HONGDU AVIATION INDUSTRY CO LTD	OTC US (XOTC)	Common Stock	JIANGXI HONGDU AVIATION-A	JNXIF US	A0M4EK	B1MT2Q1 US			CNE0000015N3		Y4445M109	
JX HOLDINGS INC (JAPAN)	JX HOLDINGS INC	Tokyo (XTKS)	Common Stock	JX HOLDINGS INC	5020 JP	A1CS9H	B627LW9 JP			JP3386450005	049326777		
JX HOLDINGS INC (JAPAN)	JX HOLDINGS INC	Stuttgart (XSTU)	Common Stock	JX HOLDINGS INC	JHJ GR	A1CS9H	B55WTCO DE			JP3386450005	049326777		
JX HOLDINGS INC (JAPAN)	JX HOLDINGS INC	OTC US (OOTC)	ADR	JX HOLDINGS INC - UNSPON ADR	JXHLY US	A1CVU3	B588TZ8 US		968503	US4662951023			
JX HOLDINGS INC (JAPAN)	JX HOLDINGS INC	OTC US (OOTC)	Common Stock	JX HOLDINGS INC	JXHGF US	A1CS9H	B6R59M4 US			JP3386450005	049326777	J29699105	
NIPPO CORP (JAPAN)	JX HOLDINGS INC	Tokyo (XTKS)	Common Stock	NIPPO CORP	1881 JP	857846	6640789 JP		968503	JP3750200002	001227858		
KEPCO PLANT SERVICE & ENGINEERING CO LTD (SOUTH KOREA)	KEPCO PLANT SERVICE & ENGINEERING CO., LTD	Korea (XKRX)	Common Stock	KEPCO PLANT SERVICE & ENGINE	051600 KS	A0Q15P	B29ZGV2 KR			KR7051600005			
KEPCO PLANT SERVICE & ENGINEERING CO LTD (SOUTH KOREA)	KEPCO PLANT SERVICE & ENGINEERING CO., LTD	Korea (XKRX)	Common Stock	KEPCO PLANT SERVICE & ENGINE	051600 KP	A0Q15P	B29ZGV2 KR			KR7051600005			
LS INDUSTRIAL SYSTEMS CO., LTD (SOUTH KOREA)	LS INDUSTRIAL SYSTEMS CO., LTD	Korea (XKRX)	Common Stock	LS INDUSTRIAL SYSTEMS	010120 KS	895497	6378217 KR			KR7010120004			
MANAGEM (MOROCCO)	MANAGEM	Casablanca (XCAS)	Common Stock	MANAGEM	MNG MC	165414	6287454 MA			MA0000011058			
SOCIETE METALLURGIQUE D'IMITER (MOROCCO)	MANAGEM	Casablanca (XCAS)	Common Stock	SOCIETE METALLURGI D'IMITER	SMI MC	256307	6007759 MA			MA0000010068			
MERCATOR LINES (INDIA)	MERCATOR LINES	Natl India (XNSE)	Common Stock	MERCATOR LINES LIMITED	MRLN IN	A0LG0H	B05H3T5 IN			INE934B01028			
MERCATOR LINES SINGAPORE (SINGAPORE)	MERCATOR LINES	Berlin (XBER)	Common Stock	MERCATOR LINES SINGAPORE LTD	3KD GR	A0M91H	B2NBMJ6 DE			SG1W39939069	033670079		
MERCATOR LINES SINGAPORE (SINGAPORE)	MERCATOR LINES	Singapore (XSES)	Common Stock	MERCATOR LINES SINGAPORE LTD	MRLN SP	A0M91H	B29Y4W6 SG			SG1W39939069	033670079		
NUINSCO RESOURCES LIMITED (CANADA)	NUINSCO RESOURCES LTD	Toronto (XTSE)	Common Stock	NUINSCO RESOURCES LTD	NWI CN	A0MKNE	2651257 CA		900548	CA6709024021	028633327		
NUINSCO RESOURCES LIMITED (CANADA)	NUINSCO RESOURCES LTD	OTC US (OOTC)	Common Stock	NUINSCO RESOURCES LTD	NWIFF US	A0MKNE	B1QSFH6 US		900548	CA6709024021	028633327		
NUINSCO RESOURCES LIMITED (CANADA)	NUINSCO RESOURCES LTD	Frankfurt (XFRA)	Common Stock	NUINSCO RESOURCES LTD	NJX GR	A0MKNE	B1YVMS7 DE		900548		028633327		
MANGALORE REFINERY & PETROCHEMICALS LIMITED (INDIA)	OIL & NATURAL GAS CORP	Mumbai (XBOM)	Common Stock	MANGALORE REFINERY & PETRO	MRPL IN	A0NANW	6121530 IN			INE103A01014			
OIL & NATURAL GAS CORP LTD (INDIA)	OIL & NATURAL GAS CORP	Mumbai (XBOM)	Common Stock	OIL & NATURAL GAS CORP LTD	ONGC IN	A1H6P4	6139362 IN			INE213A01029			
OIL INDIA LTD (INDIA)	OIL INDIA LTD	Natl India (XNSE)	Common Stock	OIL INDIA LTD	OINL IN	A0X9PF	B409HQ9 IN			INE274J01014			
KLCC PROPERTY HOLDINGS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	OTC US (OOTC)	Common Stock	KLCC PROPERTY HOLDINGS BHD	KPYHF US	A0DJ6E	B08HSK8 US			MYL5089OO007		Y4804V104	
KLCC PROPERTY HOLDINGS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Kuala Lumpur (XKLS)	Common Stock	KLCC PROPERTY HOLDINGS BHD	KLCC MK	A0DJ6E	B02FW17			MYL5089OO007			5089
MALAYSIA INTERNATIONAL SHIPPING COMPANY aka MISC BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Kuala Lumpur (XKLS)	Common Stock	MISC BHD	MISC MK	880504	6557997 MY		905279	MYL3816OO005	003527883		3816
PETRONAS DAGANGAN BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Kuala Lumpur (XKLS)	Common Stock	PETRONAS DAGANGAN BHD	PETD MK	895131	6695938 MY			MYL5681OO001	005378044		5681
PETRONAS CHEMICALS GROUP BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Kuala Lumpur (XKLS)	Common Stock	PETRONAS CHEMICALS GROUP BHD	PCHEM MK	A1C891	B5KQGT3			MYL5183OO008	055800235		5183
PETRONAS GAS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Kuala Lumpur (XKLS)	Common Stock	PETRONAS GAS BHD	PTG MK	896633	6703972 MY			MYL6033OO004	007076959		6033
PETRONAS GAS BHD (MALAYSIA)	PETROLIAM NASIONAL BERHAD aka PETRONAS	Munich (XMUN)	Common Stock	PETRONAS GAS BERHAD	PTR GR	896633	5330694 DE			MYL6033OO004	007076959		
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock	PTT PCL	PTT TB	983094	6420389 TH			TH0646010007	015040319		
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Common Stock	PTT PCL	PETTF	983094	B05PCH0 US			TH0646010007	015040319	Y6883U105	
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Common Stock	PTT PCL-FOREIGN	PETFF US	811962	B1G40G8 US			TH0646010015	013973369	Y6883U113	
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock	PTT PCL/FOREIGN	PTT/F TB	811962	6420390 TH			TH0646010015	013973369		
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Common Stock	PTT PCL/FOREIGN	PTOF GR	811962	B1BDGH3 DE			TH0646010015	013973369		
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Receipt	PTT PCL-NVDR	PTT-R TB	754704	6420408 TH			TH0646010R18	016320307		
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Receipt	PTT PCL-NVDR	PUTRF US	754704	B0305R8 US			TH0646010R18	016320307	Y6883U121	
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Receipt	PTT PCL-NVDR	NVA3 GR	754704	B01LYK9 DE			TH0646010R18	016320307		
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock	PTT EXPLOR & PROD PUBLIC CO	PTTEP TB	A0JKZ6	B1359K1 TH		907061	TH0355A10Z04	025513029		
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock	PTT EXPLORATION & PROD-FOR	PTTEP/F TB	A0JKZV	B1359JO TH		904717	TH0355A10Z12	025257804		
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Common Stock	PTT EXPLORATION & PROD-FOR	PTTG GR	A0JKZV	B13B738 DE		904717	TH0355A10Z12	025257804		
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Common Stock	PTT EXPLORATION & PROD-FOR	PTXLF US	A0JKZV	B13JK44 US		904717	TH0355A10Z12	025257804	Y7145P165	
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	ADR	PTT EXPLORATION & PR-SP ADR	PEXNY US	A0RGRM	2408806 US			US69364V1061			
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Receipt	PTT EXPLOR & PROD PCL-NVDR	PTTEP-R TB	676051	B1359L2 TH			TH0355010R16	016049000		
PTT EXPLORATION & PRODUCTION PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Receipt	PTT EXPLOR & PROD PCL-NVDR	NVAL GR	676051	B13BP45 DE			TH0355010R16	016049000		
PTT AROMATICS & REFINING PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock		PTTAR TB	A0NAKG	B2B3324 TH			TH0968010007	039410451		
PTT AROMATICS & REFINING PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock		PTTAR/F	A0NAJ2	B2NBM63 TH			TH0968010015	033648995		
PTT AROMATICS & REFINING PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Common Stock		3J7 GR	A0NAJ2	B2NFMF4 DE			TH0968010015	033648995		

Company	Primary Company (Affiliate Parent)	Exchange	Security Type	Security Name	Ticker	WPK Number	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS	ondscod
PTT AROMATICS & REFINING PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Receipt		PTTAR-R TB	A0NAG2	B2NBMH4 TH			TH0968010R16	033649207		
PTT AROMATICS & REFINING PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Berlin (XBER)	Receipt		3J71 GR	A0NAG2	B2NSR81 DE			TH0968010R16	033649207		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock		PTTCH TB	A0ESY5	B0T9JT9 TH			TH0882010000	026590264		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Common Stock		PTTCH/F TB	A0HNJL	B0T9TM2 TH			TH0882010018	023822326		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Stuttgart (XSTU)	Common Stock		P7T GR	A0HNJL	B0TLG61 DE			TH0882010018	023822326		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Common Stock		PCHUF US	A0HNJL	B16FRQ0 US			TH0882010018	023822326		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD		Common Stock		PTTB IX	A0HNJL	B0T9TM2 TH			TH0882010018	023822326		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Bangkok (XBKK)	Receipt		PTTCH-R TB	A0HNJL	B0T9TY4 TH			TH0882010R19	023822407		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD	Frankfurt (XFRA)	Receipt		P7T1 GR	A0HNJH	B11XRS1 DE			TH0882010R19	023822407		
PTT CHEMICAL PCL (THAILAND)	PTT PUBLIC COMPANY LTD		Receipt		PTTYF US	A0HNJH	B2Q5S75 US			TH0882010R19	023822407		
RANHILL BERHAD (MALAYSIA)	RANHILL BERHAD	Kuala Lumpur (XKLS)	Common Stock	RANHILL BHD	RANH MK	A0B9G6	6328717 MY			MYL503000001			5030
RELIANCE INDUSTRIES LTD (INDIA)	RELIANCE INDUSTRIES LTD	Natl India (XNSE)	Common Stock	RELIANCE INDUSTRIES LTD	RIL IN	946078	6099626 IN		964067	INE002A01018			
SCOMI ENGINEERING BERHAD (MALAYSIA)	SCOMI GROUP BERHAD	Kuala Lumpur (XKLS)	Common Stock	SCOMI ENGINEERING BHD	SEB MK	903056	6098452 MY			MYL7366OO007			7366
SCOMI GROUP BERHAD (MALAYSIA)	SCOMI GROUP BERHAD	Kuala Lumpur (XKLS)	Common Stock	SCOMI GROUP BHD	SGB MK	120745	B00PKJ3 MY			MYL7158OO008			7158

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ATTACHMENT D

Conflict Risk Network List of "Scrutinized" Companies in Sudan, formerly "Highest Offenders" Companies
List Effective Through November 30, 2011

Company Name	Country of Origin
China National Petroleum Corporation AKA CNPC	China
Jinan Diesel Co. Ltd.	China
Daqing Huake Group Co. Ltd.	China
PetroChina	China
Petronas Gas Berhad	Malaysia
Petronas Dagangan	Malaysia
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Petronas Chemicals Group Berhad	Malaysia
Oil and Natural Gas Company, AKA ONGC	India
Mangalore Refinery and Petrochemicals Ltd.	India
Sinopec Group AKA China Petrochemical Corporation	China
Kingdream PLC	China
Sinopec Corporation AKA China Petroleum and Chemical Corporation	China
Sinopec Shanghai Petrochemical Co. Ltd.	China
Sinopec Kanton Holdings	China
Sinopec Yizheng Chemical Fibre Company, Ltd.	China
AREF Energy Holding Company	Kuwait
Egypt Kuwaiti Holding Company	Egypt
Ranhill Berhad	Malaysia
China North Industries Corporation AKA Norinco	China
Norinco International Cooperation Ltd.	China
Sichuan Nitrocell Company Limited	China
China North Optical-Electrical Technology Company Limited	China
AKM Industrial Company Limited	China
AviChina Industry & Technology Company, Ltd.	China
Hafei Aviation Industry	China
Jiangxi Hongdu Aviation AKA Hongdu Aviation	China
Harbin Dongan Auto Engine Co.	China
China Hydraulic and Hydroelectric Construction Group AKA Sinohydro	China
Mercator Lines	India
Mercator Lines Singapore	Singapore
Dongfeng Motor Group Company Limited	China
Indian Oil Corporation Ltd. AKA IOCL	India
Lanka IOC Limited	India
Chennai Petroleum Corporation Limited AKA CPCL	India
Oil India Limited	India
Scomi Group Berhad	Malaysia
Scomi Engineering Berhad	Malaysia
Alstom	France
Alstom Projects India Ltd	India
Wuhan Boiler Company	France
Electricity Generating Company Limited AKA EGCO	Thailand
ONA S.A.	Morocco
Managem	Morocco
Kunlun Energy Company, Limited	Hong Kong
China Gezhouba Group Company Limited	China
KEPCO Plant Service & Engineering Company Limited	South Korea
LS Industrial Systems	South Korea
Nuinsco Resources Limited	Canada

Note: List contains parent companies and subsidiaries publicly traded
AKA means "also known as"

Genocide Intervention Network List of Companies in Sudan for "Substantial Action or Business Operations" formerly "Ongoing Engagement"
List Effective Through November 30, 2011

Company Name	Country of Origin
Shanghai Electric Group Company, Ltd..	China
Harbin Electric Company Limited (formerly Harbin Power Equipment Company Limited)	China
China Poly Group Corporation	China
Bharat Electronics Limited	India
Bharat Heavy Electricals	India
Citadel Capital	Egypt
Lundin International SA	France
Saras S.p.A.	Italy
Lundin Petroleum AB	Sweden
Andritz VA Tech Hydro	Austria
Man SE	Germany
GAZ Group	Russia
Yaroclavsky Diesel Equipment Plant Oao	Russia
Kamaz	Russia

Conflict Risk Network List of Companies in Sudan with No Publicly Traded Equity or Relevant only to CRN
Formerly No Publicly Traded Equity
List Effective Through November 30, 2011

Company Name	Country of Origin
Africa Energy	Nigeria
Al-Qahtani & Sons Group of Companies	Saudi Arabia
Ansan Wikfs/Shaher Trading Company	Yemen
APS Engineering Company	Italy
Arcadia Petroleum	UK
Ascom Group SA	Moldova
China International Water & Electric Corp AKA CWE	China
China National Machinery and Equipment Import Export Corporation (CMEC)	China
China National United Oil Company	China
China Petroleum Engineering Company AKA CPEC	China
Coyne et Bellier	France
Daedong Industrial machinery Company Limited	South Korea
Dindir Petroleum International/Edgo Group	Jordan
Express Petroleum and Gas Company	Nigeria
GIAD Industrial City	Sudan
Harbin Power Engineering AKA HPE	China
Hi Tech Petroleum Group Co. Ltd.	Sudan
HTC Yemen International Limited	Yemen
JX Nippon Oil & Energy Corporation	Japan
K & K Capital Group AKA KKCG	Czech Republic
Kuwait Foreign Petroleum Exploration Company AKA Kufpec	Kuwait
Lahmeyer International	Germany
Mott MacDonald	UK
Petrolin	Gabon
Petroneeds Service International Company	Sudan
PT Pertamina Persero AKA Pertamina	Indonesia
Shandong Electric Power Construction Corporation AKA Shandong Electric Power Group	China
Snowy Mountain Engineering Corporation	Australia
Star Petroleum	Spain
Sudan Petroleum Company AKA Sudapet	Sudan
Tamoil	Libya
Trafigura Beheer	Netherlands
UAE for Gold Minerals and Investment Company Limited	Canada
Vitol Group	Switzerland
Zaver Petroleum Corporation Ltd.	Pakistan

Source: Conflict Risk Network: CRN is a project of the merger November 10, 2010 of Save Darfur Coalition and Genocide Intervention Network

September 15, 2011

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ATTACHMENT E

Letter to SBI International Equity Managers and Domestic Equity Managers

September 12, 2011

Regarding: Iran Companies

Dear Manager:

The Minnesota State Board of Investment (SBI) sent you prior communication concerning holdings in companies doing business in Iran. **This new communication applies to all SBI equity portfolios managed by your organization and replaces all prior communications. This communication also applies to all depository receipts or ADR's of any of the listed companies.**

Minnesota Statutes, section 11A.244, requires the Minnesota State Board of Investment (SBI) to implement an Iran restriction.

Attachment 1 is the List of Restricted Iran Companies. Securities of these companies **may not be purchased** for the SBI portfolio that your organization manages. If you own securities of companies on the Restricted List **and** the companies are **not** on the divestment list, then you do not need to sell your holdings. Please note that the attached List makes changes to the List of Restricted Iran Companies that was attached to the June 9, 2011 letter you received. **This new list is effective September 15, 2011.**

- The following companies have been removed from the restricted list:
    - Costain Group PLC (United Kingdom)
    - Kunlun Energy Company Limited (Hong Kong)
    - Malaysia Marine and Heavy Engineering Holding Berhad (Malaysia)
    - Sinopec Kantons Holdings Ltd. (Hong Kong)
    - Sinopec Shanghai Petroleum Company Limited (China)
    - Sinopec Yizheng Chemical Fibre Company Limited (China)
    - Welspun Corp Limited (India)

There were no additions to the restricted list.

Attachment 2 is the List of Iran Companies Requiring Divestment. There were no changes.

If you own securities of companies on the List of Iran Companies Requiring Divestment in the SBI portfolio that your company manages, then you must divest those holdings according to the schedule provided in the Attachment:

- At least 50 percent of a company's holdings must be sold by the date indicated, and

- At least 100 percent of a company's holdings must be sold by the date indicated.

If you have any questions about this matter, please contact Tammy Brusehaver or Patricia Ammann, Domestic Equity; Stephanie Gleeson, Manager, International Equity or James E. Heidelberg, Manager, Public Programs.

Sincerely,

Teresa J. Richardson
Assistant Executive Director

Enclosures

cc: James E. Heidelberg, Manager, Public Programs
Tammy Brusehaver, Manager, Domestic Equity
Patricia Ammann, Portfolio Manager, Domestic Equity
Stephanie Gleeson, Manager, International Equity

ATTACHMENT 1
RESTRICTED IRAN COMPANIES
SECURITIES OF COMPANIES MAY NOT BE PURCHASED FOR PORTFOLIO

ISSUER_NAME	ISSUERID	TICKER	CUSIP	SEDOL	ISIN	COUNTRY
China Petroleum & Chemical Corporation	IID000000002161850	600028	16941R108	6373728	CNE0000018G1	China
CNOOC Ltd	IID000000002140797	883	126132109	B00G0S5	HK0883013259	Hong Kong
Daelim Industrial Co., LTD.	IID000000002163524	000210		6249584	KR7000210005	South Korea
Energetiki i elektrifikatsii OAO AKA Mosenergo	IID000000002127313	MSNG	037376308	B59MBC0	RU0008958863	Russia
Gazprom neft OAO	IID000000002145433	SIBN	36829G107	B59L417	RU0009062467	Russia
Gazprom OAO	IID000000002167503	GAZP	368287207	B59L4L7	RU0007661625	Russia
Hyundai Heavy Industries Co., Ltd.	IID000000002135061	009540		6446620	KR7009540006	South Korea
L'Air Liquide SA	IID000000002124820	AI	009126202	B1YXBJ7	FR0000120073	France
Malaysian International Shipping Company AKA MISC Berhad	IID000000002174397	MISC		6557997	MYL3816OO005	Malaysia
PetroChina Company Limited	IID000000002179403	601857	71646E100	B28SLD9	CNE1000007Q1	China
Petronas Chemicals Group Bhd	IID000000002603699	PCHEM		B5KQGT3	MYL5183OO008	Malaysia
Petronas Dagangan Bhd	IID000000002179442	PETDAG		6695938	MYL5681OO001	Malaysia
Petronas Gas Berhad	IID000000002178591	PETGAS		6703972	MYL6033OO004	Malaysia
PetroVietnam Engineering Consultancy Joint Stock Co**	IID000000002179453	PVE		B2NFY69	VN000000PVE0	Vietnam
Petrovietnam Fertilizer and Chemicals Corp	IID000000002179451	DPM		B291F68	VN000000DPM1	Vietnam
PetroVietnam Southern Gas Joint Stock Company	IID000000002179409	PGS		B2988V5	VN000000PGS1	Vietnam
Petrovietnam Transportation Corporation	IID000000002148121	PVT		B1LB990	VN000000PVT8	Vietnam
Sasol Limited	IID000000002129090	SOL	803866102	6777450	ZAE000006896	Switzerland
Siemens Aktiengesellschaft	IID000000002183691	SIE	826197501	5727973	DE0007236101	Germany

** AKA PetroVietnam Investment Consultancy & Engineering Joint Stock Company

Effective Date: September 15, 2011

ATTACHMENT 2

LIST OF IRAN COMPANIES REQUIRING DIVESTMENT

Company Name	Country of Origin	Divest 50 Percent By this Date	Divest 100 Percent By this Date
CNOOC Ltd	China	July 31, 2010	January 31, 2011
Gazprom Oao	Russia	July 31, 2010	January 31, 2011
L'Air Liquide	France	July 31, 2010	January 31, 2011
Sasol Ltd	South Africa	July 31, 2010	January 31, 2011

Effective Date: September 15, 2011

September 12, 2011

Regarding: Iran Companies

Dear Manager:

The Minnesota State Board of Investment (SBI) sent you prior communication concerning holdings in companies doing business in Iran. **This communication applies to the SBI fixed income portfolio managed by your organization.**

Minnesota Statutes, section 11A.244, requires the Minnesota State Board of Investment (SBI) to implement an Iran restriction.

Attachment 1 is the List of Restricted Iran Companies. Securities of these companies **may not be purchased** for the SBI portfolio that your organization manages. If you own securities of companies on the Restricted List **and** the companies are **not** on the divestment list, then you do not need to sell your holdings. Please note that the attached List makes changes to the List of Restricted Iran Companies that was attached to the June 9, 2011 letter you received. **This new list is effective September 15, 2011.**

- The following companies have been removed from the restricted list:
    - Costain Group PLC (United Kingdom)
    - Kunlun Energy Company Limited (Hong Kong)
    - Malaysia Marine and Heavy Engineering Holding Berhad (Malaysia)
    - Sinopec Kantons Holdings Ltd. (Hong Kong)
    - Sinopec Shanghai Petroleum Company Limited (China)
    - Sinopec Yizheng Chemical Fibre Company Limited (China)
    - Welspun Corp Limited (India)

There were no additions to the restricted list.

Attachment 2 is the List of Iran Companies Requiring Divestment. There were no changes.

If you own securities of companies on the List of Iran Companies Requiring Divestment in the SBI portfolio that your company manages, then you must divest those holdings according to the schedule provided in the Attachment:

- At least 50 percent of a company's holdings must be sold by the date indicated, and

- At least 100 percent of a company's holdings must be sold by the date indicated.

If you have any questions about this matter, please contact Ryan Hill, Portfolio Manager, Long-Term Debt or James E. Heidelberg, Manager, Public Programs.

Sincerely,

Teresa J. Richardson
Assistant Executive Director

Enclosures

cc.: James E. Heidelberg, Manager, Public Programs
Steve Kuettel, Manager, Short-Term Debt
Michael J. Menssen, Manager, Long-Term Debt

ATTACHMENT 1
RESTRICTED IRAN COMPANIES
SECURITIES OF COMPANIES MAY NOT BE PURCHASED FOR PORTFOLIO

ISSUER_NAME	COUNTRY
China Petroleum & Chemical Corporation	China
CNOOC Ltd	Hong Kong
Daelim Industrial Co., LTD.	South Korea
Energetiki i elektrifikatsii OAO AKA Mosenergo	Russia
Gazprom neft OAO	Russia
Gazprom OAO	Russia
Hyundai Heavy Industries Co., Ltd.	South Korea
L'Air Liquide SA	France
Malaysian International Shipping Company AKA MISC Berhad	Malaysia
PetroChina Company Limited	China
Petronas Chemicals Group Bhd	Malaysia
Petronas Dagangan Bhd	Malaysia
Petronas Gas Berhad	Malaysia
PetroVietnam Engineering Consultancy Joint Stock Co**	Vietnam
Petrovietnam Fertilizer and Chemicals Corp	Vietnam
PetroVietnam Southern Gas Joint Stock Company	Vietnam
Petrovietnam Transportation Corporation	Vietnam
Sasol Limited	Switzerland
Siemens Aktiengesellschaft	Germany

** AKA PetroVietnam Investment Consultancy & Engineering Joint Stock Company

Effective Date: September 15, 2011

ATTACHMENT 2

LIST OF IRAN COMPANIES REQUIRING DIVESTMENT

Company Name	**Country of Origin**	**Divest 50 Percent By this Date**	**Divest 100 Percent By this Date**
CNOOC Ltd	China	July 31, 2010	January 31, 2011
Gazprom Oao	Russia	July 31, 2010	January 31, 2011
L'Air Liquide	France	July 31, 2010	January 31, 2011
Sasol Ltd	South Africa	July 31, 2010	January 31, 2011

Effective Date: September 15, 2011

TAB

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STATE BOARD OF INVESTMENT

Domestic Equity Manager Evaluation Reports

Third Quarter, 2011

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Domestic Equity

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COMBINED RETIREMENT FUNDS
ACTIVE DOMESTIC EQUITY MANAGERS
Periods Ending September, 2011

	Quarter		1 Year		3 Years		5 Years	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
Russell 1000 Core Aggregate	-16.9	-14.7	-1.9	0.9	-1.0	1.6	-3.3	-0.9
Russell 1000 Growth Aggregate	-16.0	-13.1	3.5	3.8	5.5	4.7	1.7	1.6
Russell 1000 Value Aggregate	-19.2	-16.2	-3.9	-1.9	-0.8	-1.5	-3.3	-3.5
Russell 2000 Growth Aggregate	-25.1	-22.2	-2.1	-1.1	-0.1	2.1	-0.4	1.0
Russell 2000 Value Aggregate	-23.0	-21.5	-4.5	-6.0	0.7	-2.8	-2.6	-3.1
Active Manager Aggregate	**-19.3**	**-16.7**	**-1.3**	**-0.3**	**1.2**	**1.0**	**-1.5**	**-1.1**
Semi-Passive Aggregate	**-14.5**	**-14.7**	**1.6**	**0.9**	**1.6**	**1.6**	**-1.3**	**-0.9**
Passive Manager (BlackRock)	**-15.3**	**-15.3**	**0.4**	**0.5**	**1.5**	**1.5**	**-0.9**	**-0.9**
Total Aggregate	**-16.0**	**-15.3**	**0.3**	**0.5**	**1.5**	**1.5**	**-1.1**	**-0.9**
Russell 3000 Index		**-15.3**		**0.5**		**1.5**		**-0.9**

	2010		2009		2008		2007		2006	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
Russell 1000 Core Aggregate	13.3	16.1	27.6	28.4	-39.6	-37.6	2.4	5.8	15.8	15.5
Russell 1000 Growth Aggregate	19.3	16.7	44.5	37.2	-42.7	-38.4	14.9	11.8	2.2	9.1
Russell 1000 Value Aggregate	15.0	15.5	23.8	19.7	-38.0	-36.8	3.6	-0.2	17.4	22.2
Russell 2000 Growth Aggregate	29.1	29.1	33.6	34.5	-46.8	-38.5	21.6	7.0	10.0	13.3
Russell 2000 Value Aggregate	30.5	24.5	36.3	20.6	-36.1	-28.9	-13.4	-9.8	13.1	23.5
Active Manager Aggregate	19.7	18.7	32.3	27.9	-40.5	-36.9	6.3	4.2	11.5	15.8
Semi-Passive Aggregate	15.2	16.1	28.5	28.4	-37.2	-37.6	3.2	5.8	16.1	15.5
Passive Manager (BlackRock)	17.2	16.9	28.2	28.3	-37.1	-37.3	5.1	5.1	15.8	15.7
Total Aggregate	17.1	16.9	29.6	28.3	-38.1	-37.3	4.9	5.1	14.5	15.7
Russell 3000 Index		16.9		28.3		-37.3		5.1		15.7

COMBINED RETIREMENT FUNDS
ACTIVE DOMESTIC EQUITY MANAGERS
Periods Ending September, 2011
Performance versus Russell Style Benchmarks for All Periods

	Quarter		1 Year		3 Years		5 Years		Since Inception (1)		Market	
	Actual	Bmk	Actual	Bmk	Actual	Bmk	Actual	Bmk	Actual	Bmk	Value	Pool
	%	%	%	%	%	%	%	%	%	%	(in millions)	%
LARGE CAP												
Russell 1000 Core												
New Amsterdam Partners	-17.2	-14.7	-0.4	0.9	1.0	1.6	-1.8	-0.9	8.9	8.1	$332.8	1.8%
UBS Global	-16.7	-14.7	-3.5	0.9	-0.4	1.6	-3.0	-0.9	7.2	7.3	$312.0	1.7%
Aggregate	**-16.9**	**-14.7**	**-1.9**	**0.9**	**-1.0**	**1.6**	**-3.3**	**-0.9**			**$644.8**	**3.4%**
Russell 1000 Growth												
INTECH	-15.5	-13.1	3.8	3.8	3.4	4.7	-0.2	1.6	1.3	2.4	$303.5	1.6%
Jacobs Levy	-13.7	-13.1	8.0	3.8	5.6	4.7	0.0	1.6	0.8	2.4	$280.8	1.5%
Knelman Asset Mgmt.	-16.6	-13.1	1.6	3.8	3.1	4.7	0.6	1.6	1.6	2.4	$56.1	0.3%
Sands Capital	-12.6	-13.1	9.2	3.8	12.5	4.7	5.4	1.6	4.2	2.4	$263.3	1.4%
Winslow-Large Cap	-15.2	-13.1	2.1	3.8	5.0	4.7	3.1	1.6	4.3	2.4	$125.3	0.7%
Zevenbergen Capital	-21.6	-13.1	-5.7	3.8	5.4	4.7	3.7	1.6	8.1	6.8	$277.7	1.5%
Aggregate	**-16.0**	**-13.1**	**3.5**	**3.8**	**5.5**	**4.7**	**1.7**	**1.6**			**$1,306.7**	**6.9%**
Russell 1000 Value												
Barrow, Hanley	-17.6	-16.2	-1.7	-1.9	0.3	-1.5	-2.9	-3.5	2.3	1.8	$383.7	2.0%
Earnest Partners	-17.1	-16.2	-3.6	-1.9	1.9	-1.5	-2.3	-3.5	2.6	2.8	$160.0	0.8%
LSV Asset Mgmt.	-19.4	-16.2	-5.3	-1.9	-2.2	-1.5	-4.0	-3.5	2.2	1.8	$347.6	1.8%
Systematic Financial Mgmt.	-22.5	-16.2	-6.6	-1.9	-2.1	-1.5	-3.7	-3.5	1.6	1.8	$252.1	1.3%
Aggregate	**-19.2**	**-16.2**	**-3.9**	**-1.9**	**-0.8**	**-1.5**	**-3.3**	**-3.5**			**$1,143.4**	**6.1%**
SMALL CAP												
Russell 2000 Growth												
McKinley Capital	-23.6	-22.2	-3.7	-1.1	-2.0	2.1	-3.6	1.0	0.0	3.5	$179.7	1.0%
Next Century Growth	-25.7	-22.2	1.0	-1.1	-0.1	2.1	1.3	1.0	-0.9	-0.6	$223.6	1.2%
Turner Investment Partners	-25.6	-22.2	-3.8	-1.1	1.7	2.1	1.4	1.0	3.5	3.5	$226.5	1.2%
Aggregate	**-25.1**	**-22.2**	**-2.1**	**-1.1**	**-0.1**	**2.1**	**-0.4**	**1.0**			**$629.9**	**3.3%**
Russell 2000 Value												
Goldman Sachs	-20.3	-21.5	-1.8	-6.0	1.2	-2.8	0.7	-3.1	4.6	2.8	$132.3	0.7%
Hotchkis & Wiley	-26.1	-21.5	-4.8	-6.0	4.6	-2.8	-2.5	-3.1	2.2	2.8	$110.7	0.6%
Martingale Asset Mgmt.	-23.2	-21.5	-6.7	-6.0	-4.0	-2.8	-5.4	-3.1	0.9	2.8	$100.3	0.5%
Peregrine Capital	-22.7	-21.5	-4.9	-6.0	1.3	-2.8	-2.8	-3.1	7.7	6.9	$178.8	0.9%
Aggregate	**-23.0**	**-21.5**	**-4.5**	**-6.0**	**0.7**	**-2.8**	**-2.6**	**-3.1**			**$522.1**	**2.8%**
Active Mgr. Aggregate (2)	**-19.3**	**-16.7**	**-1.3**	**-0.3**	**1.2**	**1.0**	**-1.5**	**-1.1**			**$4,246.9**	**22.5%**

(1) Since retention by the SBI. Time period varies for each manager.
(2) The Active Manager Aggregate Benchmark is the aggregate of the weighted average of the active manager benchmarks and is not the Russell 3000.

Note: All aggregates include the performance of terminated managers.

COMBINED RETIREMENT FUNDS
DOMESTIC EQUITY MANAGERS
Periods Ending September, 2011
Versus Manager Benchmarks

	Quarter		1 Year		3 Years		5 Years		Since Inception (1)		Market	
	Actual	Bmk	Actual	Bmk	Actual	Bmk	Actual	Bmk	Actual	Bmk	Value	Pool
	%	%	%	%	%	%	%	%	%	%	(in millions)	%
SEMI-PASSIVE MANAGERS (2)												
BlackRock Institutional	-14.7	-14.7	0.9	0.9	0.9	1.6	-1.9	-0.9	7.1	6.9	$1,913.3	10.1%
INTECH	-14.9	-14.7	1.3	0.9					0.1	-0.2	$1,398.5	7.4%
JP Morgan	-14.4	-14.7	1.4	0.9	3.0	1.6	-0.1	-0.9	7.2	6.9	$2,311.7	12.2%
Mellon Capital	-14.1	-14.7	3.3	0.9	0.8	1.6	-1.9	-0.9	6.4	6.9	$1,437.5	7.6%
Semi-Passive Aggregate (R1000)	**-14.5**	**-14.7**	**1.6**	**0.9**	**1.6**	**1.6**	**-1.3**	**-0.9**			**$7,061.0**	**37.4%**
PASSIVE MANAGER (R3000)												
BlackRock Institutional	-15.3	-15.3	0.4	0.5	1.5	1.5	-0.9	-0.9	6.5	6.4	$7,579.5	40.1%
									Since 1/1/84			
Total Aggregate (3)	**-16.0**	**-15.3**	**0.3**	**0.5**	**1.5**	**1.5**	**-1.1**	**-0.9**	**9.1**	**9.3**	**$18,887.3**	**100.0%**
Russell 3000		-15.3		0.5		1.5		-0.9		9.7		
Russell 1000		-14.7		0.9		1.6		-0.9		9.9		
Russell 2000		-21.9		-3.5		-0.4		-1.0		8.2		

(1) Since retention by the SBI. Time period varies for each manager.
(2) Semi-Passive managers' benchmark is the Russell 1000 index beginning 1/1/04 and was the Completeness Fund benchmark prior to 1/1/04.
(3) The Total Aggregate benchmark is the Russell 3000 effective 10/1/03. From 7/1/99 to 9/30/03, it was the Wilshire 5000 Investable Index. From 11/1/93 to 6/30/99, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/93, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

Note: All aggregates include the performance of terminated managers.

COMBINED RETIREMENT FUNDS
ACTIVE DOMESTIC EQUITY MANAGERS
Calendar Year Returns Versus
Russell Style Benchmarks for All Periods

	2010 Actual %	2010 Bmk %	2009 Actual %	2009 Bmk %	2008 Actual %	2008 Bmk %	2007 Actual %	2007 Bmk %	2006 Actual %	2006 Bmk %
LARGE CAP										
Russell 1000 Core										
New Amsterdam Partners	16.2	16.1	24.8	28.4	-36.7	-37.6	5.0	5.8	9.3	15.5
UBS Global	10.3	16.1	41.3	28.4	-41.3	-37.6	0.8	5.8	16.8	15.5
Aggregate	**13.3**	**16.1**	**27.6**	**28.4**	**-39.6**	**-37.6**	**2.4**	**5.8**	**15.8**	**15.5**
Russell 1000 Growth										
INTECH	19.5	16.7	34.0	37.2	-42.8	-38.4	11.4	11.8	7.4	9.1
Jacobs Levy	19.5	16.7	37.1	37.2	-44.9	-38.4	8.4	11.8	6.1	9.1
Knelman Asset Mgmt.	18.1	16.7	31.1	37.2	-39.9	-38.4	18.0	11.8	7.1	9.1
Sands Capital	26.8	16.7	71.6	37.2	-48.6	-38.4	19.5	11.8	-5.5	9.1
Winslow-Large Cap	16.8	16.7	40.9	37.2	-39.1	-38.4	22.0	11.8	7.6	9.1
Zevenbergen Capital	22.9	16.7	57.4	37.2	-43.2	-38.4	24.0	11.8	6.2	9.1
Aggregate	**19.3**	**16.7**	**44.5**	**37.2**	**-42.7**	**-38.4**	**14.9**	**11.8**	**2.2**	**9.1**
Russell 1000 Value										
Barrow, Hanley	10.4	15.5	23.2	19.7	-35.2	-36.8	2.6	-0.2	15.4	22.2
Earnest Partners	18.5	15.5	31.6	19.7	-39.8	-36.8	6.5	-0.2	13.8	22.2
LSV Asset Mgmt.	14.0	15.5	24.0	19.7	-39.3	-36.8	1.3	-0.2	21.7	22.2
Systematic Financial Mgmt.	18.1	15.5	23.2	19.7	-40.6	-36.8	8.3	-0.2	17.9	22.2
Aggregate	**15.0**	**15.5**	**23.8**	**19.7**	**-38.0**	**-36.8**	**3.6**	**-0.2**	**17.4**	**22.2**
SMALL CAP										
Russell 2000 Growth										
McKinley Capital	28.5	29.1	28.0	34.5	-49.1	-38.5	16.2	7.0	12.5	13.3
Next Century Growth	29.6	29.1	35.0	34.5	-49.3	-38.5	34.2	7.0	12.4	13.3
Turner Investment Partners	29.0	29.1	36.9	34.5	-41.9	-38.5	14.8	7.0	13.6	13.3
Aggregate	**29.1**	**29.1**	**33.6**	**34.5**	**-46.8**	**-38.5**	**21.6**	**7.0**	**10.0**	**13.3**
Russell 2000 Value										
Goldman Sachs	27.0	24.5	27.8	20.6	-26.8	-28.9	-5.0	-9.8	17.8	23.5
Hotchkis & Wiley	43.4	24.5	62.5	20.6	-44.1	-28.9	-18.8	-9.8	3.0	23.5
Martingale Asset Mgmt.	27.4	24.5	19.4	20.6	-33.8	-28.9	-16.8	-9.8	14.8	23.5
Peregrine Capital	27.3	24.5	45.8	20.6	-39.4	-28.9	-13.4	-9.8	14.3	23.5
Aggregate	**30.5**	**24.5**	**36.3**	**20.6**	**-36.1**	**-28.9**	**-13.4**	**-9.8**	**13.1**	**23.5**
Active Mgr. Aggregate (1)	**19.7**	**18.7**	**32.3**	**27.9**	**-40.5**	**-36.9**	**6.3**	**4.2**	**11.5**	**15.8**

(1) The Active Manager Aggregate Benchmark is the aggregate of the weighted average of the active manager benchmarks and is not the Russell 3000.

Note: All aggregates include the performance of terminated managers. Returns shown are full-year returns only. Performance of managers hired during a calendar year are reported beginning with the following calendar year.

COMBINED RETIREMENT FUNDS
DOMESTIC EQUITY MANAGERS
Calendar Year Returns Versus
Manager Benchmarks

	2010		2009		2008		2007		2006	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
SEMI-PASSIVE MANAGERS										
BlackRock Institutional	14.0	16.1	27.6	28.4	-37.1	-37.6	2.2	5.8	15.6	15.5
JP Morgan	16.8	16.1	32.1	28.4	-37.1	-37.6	5.1	5.8	16.5	15.5
Mellon Capital	13.7	16.1	25.6	28.4	-37.6	-37.6	2.5	5.8	16.5	15.5
Semi-Passive Aggregate (R1000)	**15.2**	**16.1**	**28.5**	**28.4**	**-37.2**	**-37.6**	**3.2**	**5.8**	**16.1**	**15.5**
PASSIVE MANAGER (R3000)										
BlackRock Institutional	17.2	16.9	28.2	28.3	-37.1	-37.3	5.1	5.1	15.8	15.7
Total Aggregate	**17.1**	**16.9**	**29.6**	**28.3**	**-38.1**	**-37.3**	**4.9**	**5.1**	**14.5**	**15.7**
Russell 3000		16.9		28.3		-37.3		5.1		15.7
Russell 1000		16.1		28.4		-37.6		5.8		15.5
Russell 2000		26.9		27.2		-33.8		-1.6		18.4

Note: All aggregates include the performance of terminated managers. Returns shown are full-year returns only.
Performance of managers hired during a calendar year are reported beginning with the following calendar year.

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Large Cap Core (R1000)

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Large Cap Core (R1000)

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NEW AMSTERDAM PARTNERS
Periods Ending September, 2011

Portfolio Manager: Michelle Clayman | **Assets Under Management: $332,793,005**

Investment Philosophy

New Amsterdam Partners believes that investment results are evaluated by actual return, and therefore, investment opportunities should be evaluated by expected return. They believe that all valid techniques depend on forecasts of the amounts and timing of future cash flows. Thus, the firm focuses on forecasted earnings growth, yield, price-to-book ratio, and forecasted return on equity. They believe that the disciplined application of their valuation techniques, in conjunction with sound financial analysis of companies, is the key to understanding and maximizing investment returns.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Russell Index
Last Quarter	-17.2%	-14.7%
Last 1 year	-0.4	0.9
Last 2 years	4.6	5.7
Last 3 years	1.0	1.6
Last 4 years	-5.5	-4.9
Last 5 years	-1.8	-0.9
Since Inception (1) (4/94)	8.9	8.1

Recommendation

No action required.

(1) New Amsterdam Partners' published benchmark is the Russell 1000 Core beginning 10/1/03. Prior to that date it was the Russell Midcap index.

NEW AMSTERDAM PARTNERS
Rolling Five Year VAM vs. Russell Index (1)

Note: Area to the left of vertical line includes performance prior to retention by the SBI.

UBS GLOBAL ASSET MANAGEMENT, INC.
Periods Ending September, 2011

Portfolio Manager: John Leonard **Assets Under Management: $312,016,182**

Investment Philosophy

UBS uses a relative value approach to equity investing. They believe that the market price will ultimately reflect the present value of the cash flows the security will generate for the investor. They focus on a bottom-up stock selection process to provide insight into finding opportunistic investments. UBS uses a proprietary discounted free cash flow model as the primary analytical tool for estimating the intrinsic value of a company.

Staff Comments

UBS underperformed the benchmark for the quarter and for the year. For both time periods, stock selection in the Financial and Consumer Discretionary sectors were the main contributors to relative underperformance. Stock selection in the Energy sector and an underweight in the Utilities sector also detracted from performance for both time periods.

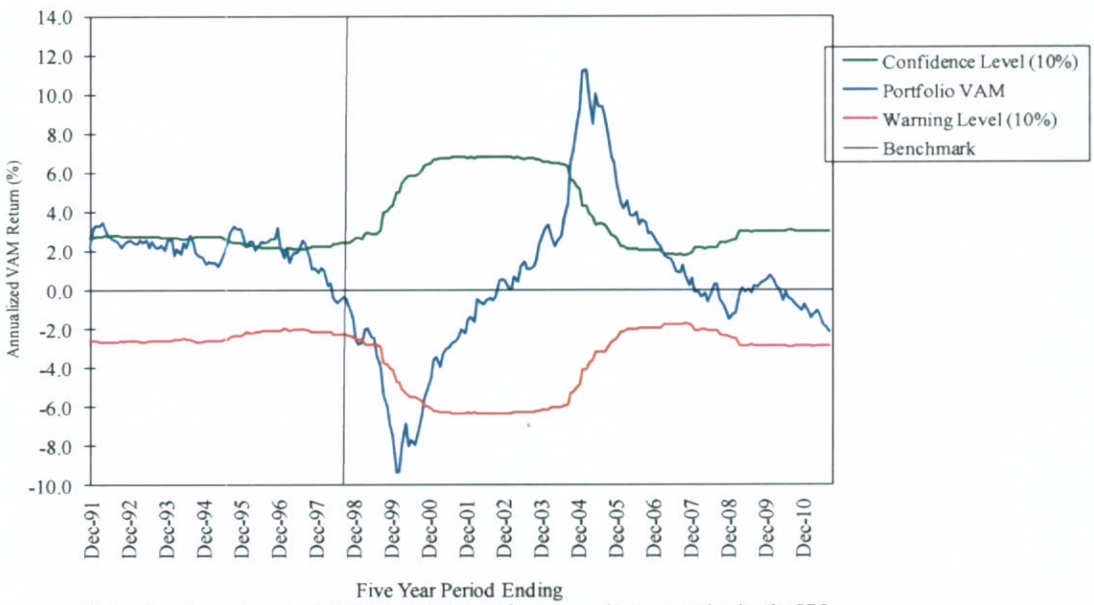
Quantitative Evaluation

	Actual	(R1000 Core)
Last Quarter	-16.7%	-14.7%
Last 1 year	-3.5	0.9
Last 2 years	1.4	5.7
Last 3 years	-0.4	1.6
Last 4 years	-6.8	-4.9
Last 5 years	-3.0	-0.9
Since Inception (7/93)	7.2	7.3

Recommendation

No action required.

UBS GLOBAL ASSET MANAGEMENT, INC.
Rolling Five Year VAM vs. Russell 1000 Core



Note: Area to the left of vertical line includes performance prior to retention by the SBI.

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Large Cap Growth (R1000 Growth)

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Large Cap Growth (R1000 Growth)

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INTECH INVESTMENT MANAGEMENT LLC
Periods Ending September, 2011

Portfolio Manager: Adrian Banner **Assets Under Management: $303,544,220**

Investment Philosophy

Through the application of a proprietary mathematical process, the investment strategy is designed to determine more efficient weightings of the securities within the Russell 1000 Growth benchmark. No specific sector or security selection decisions based on fundamentals are required. Risk parameters include: 1) minimize absolute standard deviation or maximize information ratio, 2) security positions limited to lesser of 2.5% or 10 times maximum index security weight, and 3) beta equal to or less than benchmark beta. Target security positions are established using an optimization routine designed to build a portfolio that will outperform a passive benchmark over the long term. Rebalancing to target proportions occurs every six (6) business days, and partial re-optimization occurs weekly.

Staff Comments

No comment at this time.

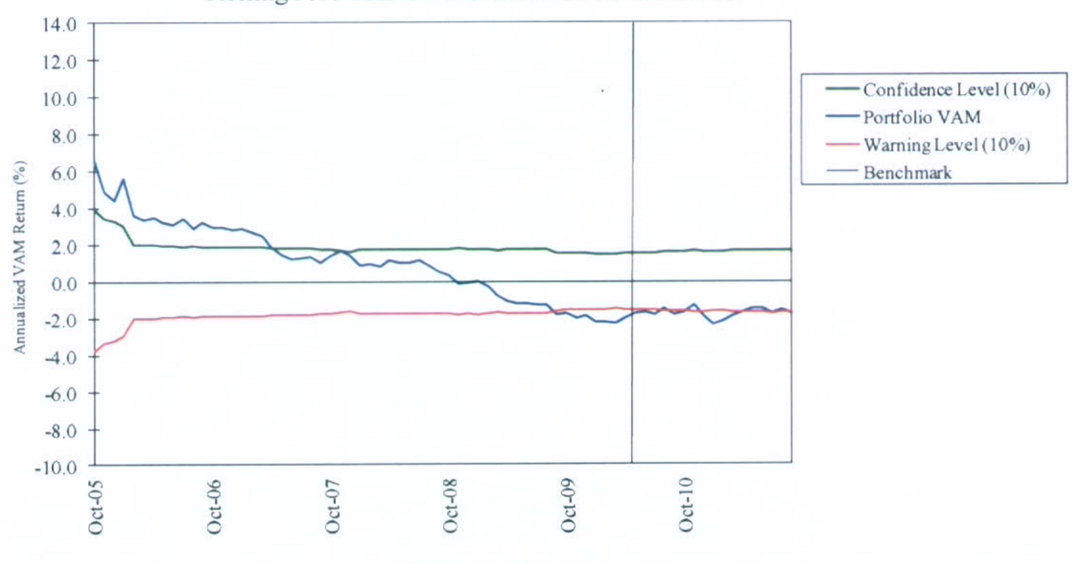
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-15.5%	-13.1%
Last 1 year	3.8	3.8
Last 2 years	9.0	8.1
Last 3 years	3.4	4.7
Last 4 years	-3.8	-2.4
Last 5 years	-0.2	1.6
Since Inception (1/05)	1.3	2.4

Recommendation

No action required.

INTECH INVESTMENT MANAGEMENT LLC
Rolling Five Year VAM vs. Russell 1000 Growth



Note: Area left of the vertical line includes performance prior to retention by the SBI.

JACOBS LEVY EQUITY MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Bruce Jacobs and Ken Levy **Assets Under Management: $280,783,051**

Investment Philosophy

The strategy combines human insight and intuition, finance and behavioral theory, and state-of-the-art quantitative and statistical methods. Security expected returns generated from numerous models become inputs for the firm's proprietary portfolio optimizer. The optimizer is run daily with the objective of maximizing the information ratio, while ensuring proper diversification across market inefficiencies, securities, industries, and sectors. Extensive data scrubbing is conducted on a daily basis using both human and technology resources. Liquidity, trading costs, and investor guidelines are incorporated within the optimizing process.

Staff Comments

Jacobs Levy underperformed the benchmark for the quarter and outperformed for the year. For the quarter, weak stock selection in the Technology and Financial sectors along with an overweight in Producer Durables hurt performance. For the year, stock selection in Consumer Discretionary was the largest contributor to positive performance followed by stock selection in the Health Care sector.

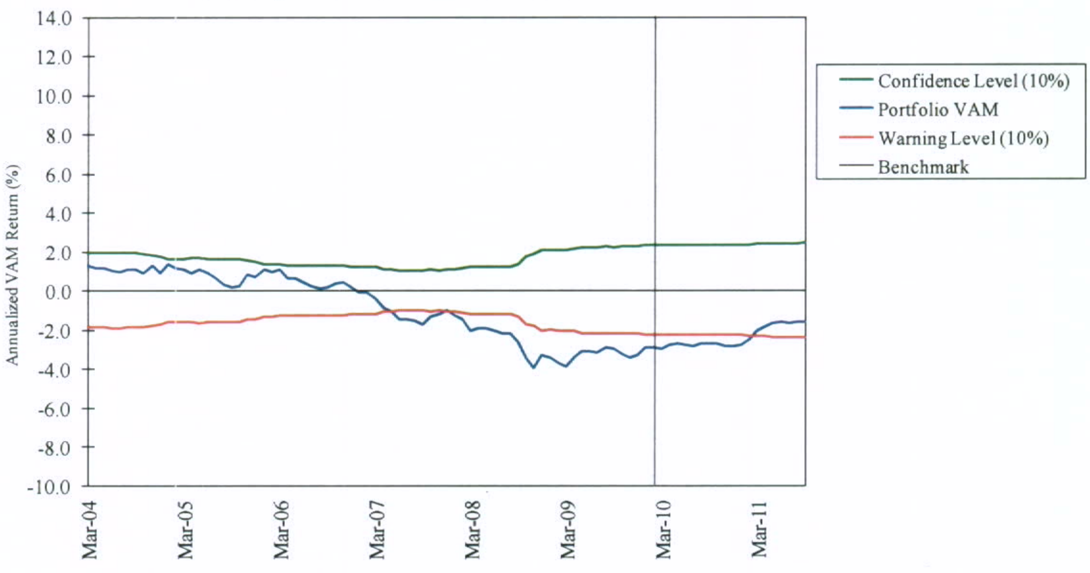
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-13.7%	-13.1%
Last 1 year	8.0	3.8
Last 2 years	10.9	8.1
Last 3 years	5.6	4.7
Last 4 years	-3.2	-2.4
Last 5 years	0.0	1.6
Since Inception (1/05)	0.8	2.4

Recommendation

No action required.

JACOBS LEVY EQUITY MANAGEMENT
Rolling Five Year VAM vs. Russell 1000 Growth



Five Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

KNELMAN ASSET MANAGEMENT, LLC
Periods Ending September, 2011

Portfolio Manager: Kip Knelman | **Assets Under Management: $56,069,410**

Investment Philosophy

The strategy invests in companies exhibiting substantial growth opportunities, strong business models, solid management teams, and the probability for positive earnings surprises. The approach emphasizes earnings growth as the fundamental driver of stock prices over time. The process combines quantitative, qualitative and valuation criteria. The quantitative component addresses fundamentals and is focused on operating trends. Qualitative analysis involves confirmation of company fundamentals through discussions with company contacts and related parties. Valuation models focus on relative rankings of the fundamentals within the industry, the market overall and the company itself.

Staff Comments

No comment at this time.

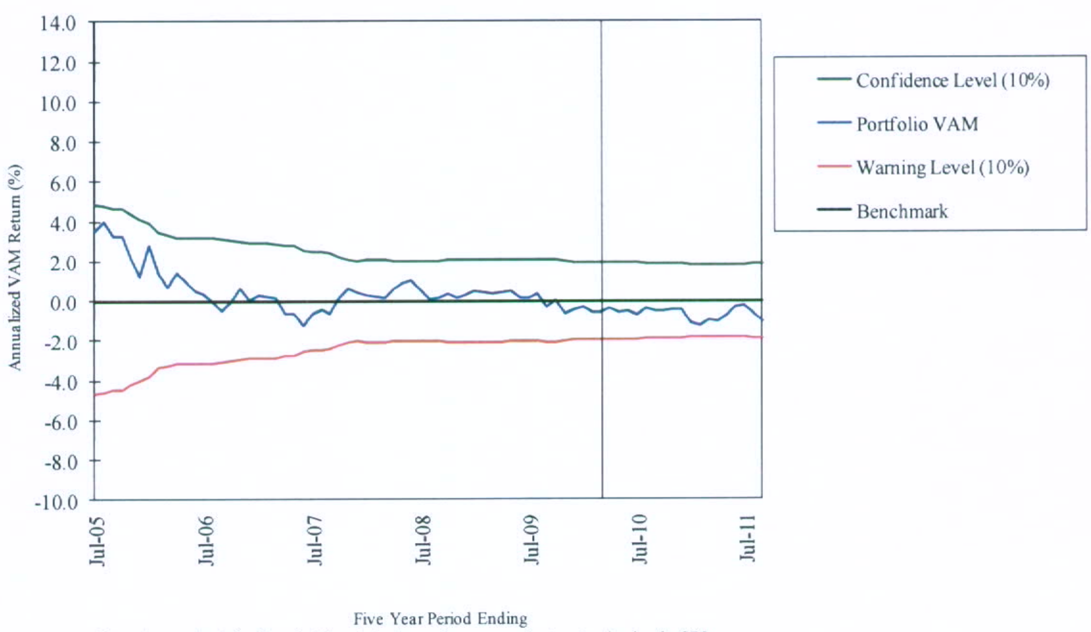
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-16.6%	-13.1%
Last 1 year	1.6	3.8
Last 2 years	5.9	8.1
Last 3 years	3.1	4.7
Last 4 years	-4.6	-2.4
Last 5 years	0.6	1.6
Since Inception (1/05)	1.6	2.4

Recommendation

No action required.

KNELMAN ASSET MANAGEMENT, LLC.
Rolling Five Year VAM vs. Russell 1000 Growth



Note: Area to the left of vertical line includes performance prior to retention by the SBI.

SANDS CAPITAL MANAGEMENT LLC
Periods Ending September, 2011

Portfolio Manager: Frank Sands, Jr. **Assets Under Management: $263,268,789**

Investment Philosophy

The manager invests in high-quality, seasoned and growing businesses. Bottom-up, company-focused, long-term oriented research is the cornerstone of the investment process. The strategy focuses on six (6) key investment criteria: 1) sustainable above average earnings growth; 2) leadership position in a promising business space; 3) significant competitive advantages or unique business franchise; 4) management with a clear mission and value added focus; 5) financial strength; and 6) rational valuation relative to the overall market and the company's business prospects.

Staff Comments

Sands outperformed the benchmark for the quarter and the year. For the quarter, overall sector allocation, which is a residual decision in the process, added value. An underweight and stock selection in Producer Durables paired with strong stock selection in the Financial sector contributed to performance. For the year, stock selection was strongest in the Health Care, Consumer Discretionary and Financial sectors.

Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-12.6%	-13.1%
Last 1 year	9.2	3.8
Last 2 years	15.2	8.1
Last 3 years	12.5	4.7
Last 4 years	1.8	-2.4
Last 5 years	5.4	1.6
Since Inception (1/05)	4.2	2.4

Recommendation

No action required.

SANDS CAPITAL MANAGEMENT, LLC
Rolling Five Year VAM vs. Russell 1000 Growth

Five Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

WINSLOW CAPITAL MANAGEMENT, INC.
Periods Ending September, 2011

Portfolio Manager: Bart Wear and Justin Kelly **Assets Under Management: $125,326,532**

Investment Philosophy

The strategy identifies companies that can grow earnings above consensus expectations to build portfolios with forward weighted earnings growth in the range of 15-20% annually. A quantitative screen is employed for factors such as revenue and earnings growth, return on invested capital, earnings consistency, earnings revisions, low financial leverage and high free cash flow rates relative to net income. Resulting companies are subjected to a qualitative assessment within the context of industry sectors. Detailed examination of income statements, cash flow and balance sheet projections is conducted, along with a judgment on the quality of management. Attractively valued stocks are chosen based on P/E relative to the benchmark, sector peers, the company's sustainable future growth rate and return on invested capital. Final portfolio construction includes diversification by economic sectors, earnings growth rates, price/earnings ratios and market capitalizations.

Staff Comments

No comment at this time.

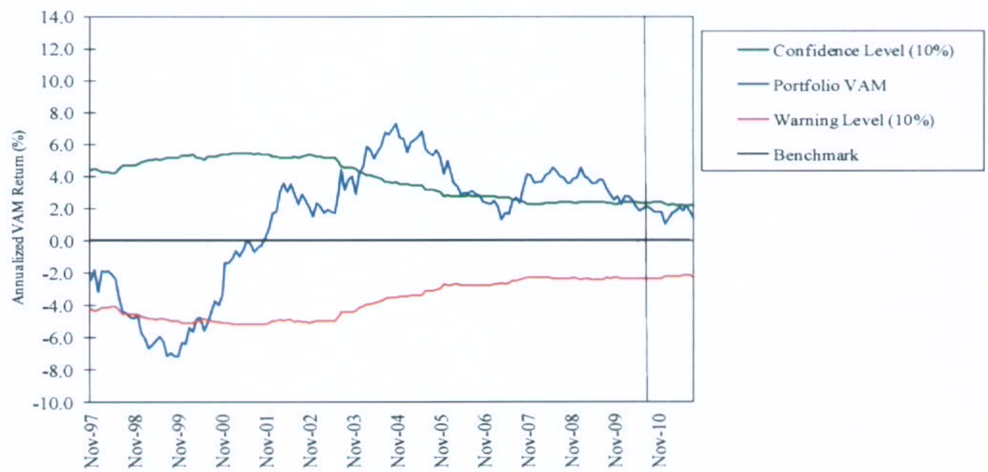
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-15.2%	-13.1%
Last 1 year	2.1	3.8
Last 2 years	7.6	8.1
Last 3 years	5.0	4.7
Last 4 years	-1.5	-2.4
Last 5 years	3.1	1.6
Since Inception (1/05)	4.3	2.4

Recommendation

No action required.

WINSLOW CAPITAL MANAGEMENT, INC.
Rolling Five Year VAM vs. Russell 1000 Growth



Five Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

ZEVENBERGEN CAPITAL LLC
Periods Ending September, 2011

Portfolio Manager: Nancy Zevenbergen | **Assets Under Management: $277,719,513**

Investment Philosophy

Zevenbergen is an equity growth manager. The investment philosophy is based on the belief that earnings drive stock prices while quality provides capital protection. Hence, portfolios are constructed with companies showing above-average earnings growth prospects and strong financial characteristics. They consider diversification for company size, expected growth rates and industry weightings to be important risk control factors. Zevenbergen uses a bottom-up fundamental approach to security analysis. Research efforts focus on finding companies with superior products or services showing consistent profitability. Attractive buy candidates are reviewed for sufficient liquidity and potential diversification. The firm emphasizes that they are not market timers.

Staff Comments

Zevenbergen trailed the benchmark for the quarter and the year as stock selection detracted in both time periods. For the quarter, the aggressive selling within technology (computer software/systems) hurt the holdings in the Technology sector and created the largest relative underperformance, followed by stock selection in the Energy and Consumer Discretionary sectors. For the year, stock selection in Technology and Energy were the largest contributors to relative underperformance.

Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	-21.6%	-13.1%
Last 1 year	-5.7	3.8
Last 2 years	5.9	8.1
Last 3 years	5.4	4.7
Last 4 years	-1.7	-2.4
Last 5 years	3.7	1.6
Since Inception (4/94)	8.1	6.8

Recommendation

No action required.

ZEVENBERGEN CAPITAL INVESTMENTS LLC
Rolling Five Year VAM vs. Russell 1000 Growth

Note: Area to the left of vertical line includes performance prior to retention by the SBI.

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Large Cap Value (R1000 Value)

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Large Cap Value (R1000 Value)

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BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC
Periods Ending Sep 2011

Portfolio Manager: Tim Culler **Assets Under Management: $383,659,948**

Investment Philosophy

The manager's approach is based on the underlying philosophy that markets are inefficient. Inefficiencies can best be exploited through adherence to a value-oriented investment process dedicated to the selection of securities on a bottom-up basis. The team does not attempt to time the market or rotate in and out of broad market sectors.

The manager remains fully invested with a defensive, conservative orientation based on the belief that superior returns can be achieved while taking below average risks. This strategy is implemented by constructing portfolios of individual stocks that exhibit price/earnings and price/book ratios significantly *below* the market and dividend yields significantly *above* the market. Risk control is achieved by limiting sector weights to 35% and industry weights to 15%. In periods of economic recovery and rising equity markets, profitability and earnings growth are rewarded by the expansion of price/earnings ratios and the generation of excess returns.

Staff Comments

No comments at this time.

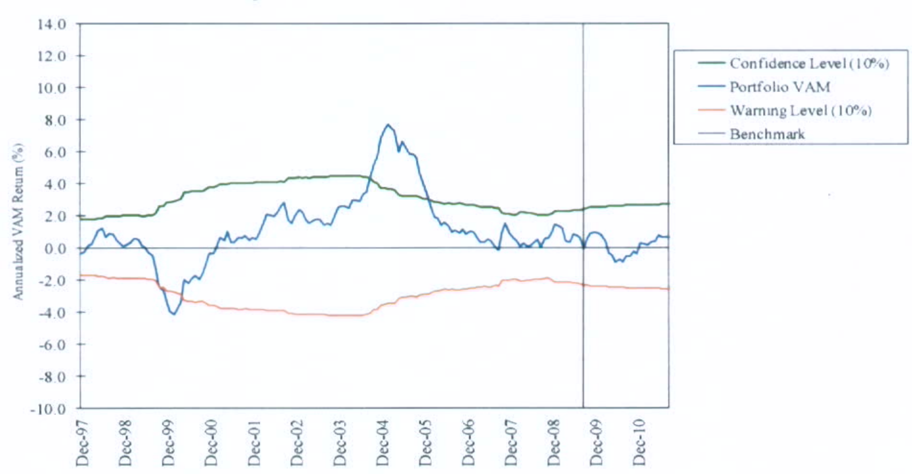
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	-17.6%	-16.2%
Last 1 year	-1.7	-1.9
Last 2 years	4.2	3.4
Last 3 years	0.3	-1.5
Last 4 years	-6.9	-7.6
Last 5 years	-2.9	-3.5
Since Inception (4/04)	2.3	1.8

Recommendation

No action required.

BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC
Rolling Five Year VAM vs. Russell 1000 Value



Five Year Period Ending
Note: Area to the left of the vertical line inlcudes performance prior to retention by the SBI.

EARNEST PARTNERS, LLC
Periods Ending September, 2011

Portfolio Manager: Paul Viera **Assets Under Management: $160,012,935**

Investment Philosophy

Earnest Partners utilizes its proprietary Return Pattern Recognition model and rigorous fundamental review to identify stocks with the most attractive relative returns. They have identified six performance drivers – valuation measures, operating trends, market trends, growth measures, profitability measures and macroeconomic measures. Extensive research is conducted to determine which combination of performance drivers, or return patterns, precede out-performance for stocks in each sector. They select stocks whose return patterns suggest favorable performance and control risk using a statistical program designed to measure and control the prospects of substantially under-performing the benchmark. The portfolio is diversified across industry groups.

Staff Comments

No comment at this time.

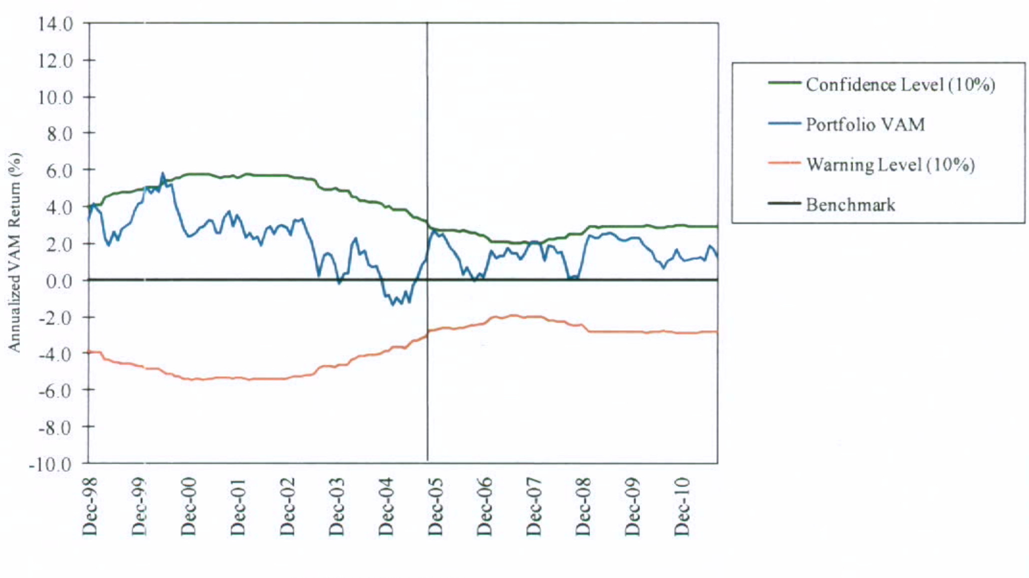
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	-17.1%	-16.2%
Last 1 year	-3.6	-1.9
Last 2 years	2.9	3.4
Last 3 years	1.9	-1.5
Last 4 years	-6.1	-7.6
Last 5 years	-2.3	-3.5
Since Inception (7/00)	2.6	2.8

Recommendation

No action required.

EARNEST PARTNERS
Rolling Five Year VAM vs. Russell 1000 Value



Note: Area to left of vertical line includes performance prior to retention by the SBI.

LSV ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Josef Lakonishok **Assets Under Management: $347,585,264**

Investment Philosophy

The fundamental premise on which LSV's investment philosophy is based is that superior long-term results can be achieved by systematically exploiting the judgmental biases and behavioral weaknesses that influence the decisions of many investors. These include: the tendency to extrapolate the past too far into the future, wrongly equating a good company with a good investment irrespective of price, ignoring statistical evidence and developing a "mindset" about a company.

The strategy's primary emphasis is the use of quantitative techniques to select individual securities in what would be considered a bottom-up approach. Value factors and security selection dominate sector/industry factors as explanatory variables of performance. The competitive strength of this strategy is that it avoids introducing to the process any judgmental biases and behavioral weaknesses that often influence investment decisions.

Staff Comments

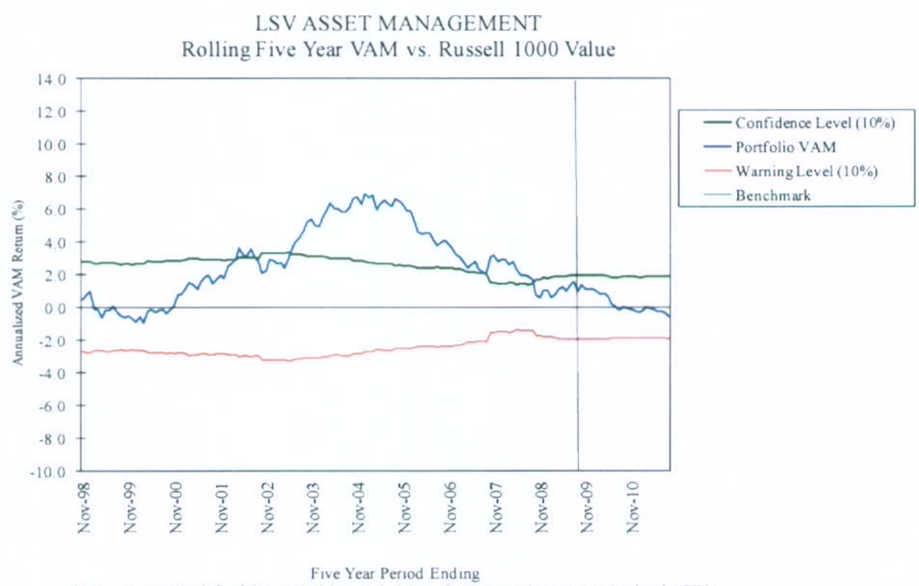
LSV underperformed for the quarter and the year. For both time periods, stock selection detracted, particularly in the Consumer Staples and Financial sectors. Stock selection in Consumer Discretionary was the largest contributor to the one year underperformance.

Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	-19.4%	-16.2%
Last 1 year	-5.3	-1.9
Last 2 years	1.5	3.4
Last 3 years	-2.2	-1.5
Last 4 years	-8.5	-7.6
Last 5 years	-4.0	-3.5
Since Inception (4/04)	2.2	1.8

Recommendation

No action required.



Note: Area to the left of the vertical line includes performance prior to retention by the SBI

SYSTEMATIC FINANCIAL MANAGEMENT, L.P.
Periods Ending September, 2011

Portfolio Manager: Kevin McCreesh **Assets Under Management: $252,125,799**

Investment Philosophy

Systematic's investment strategy favors companies with low forward P/E multiples and a positive earnings catalyst. Cash flow is analyzed to confirm earnings and to avoid companies that may have employed accounting gimmicks to report earnings in excess of Wall Street expectations. The investment strategy attempts to avoid stocks in the "value trap" by focusing only on companies with confirmed fundamental improvement as evidenced by a genuine positive earnings surprise.

The investment process begins with quantitative screening that ranks the universe based on: 1) low forward P/E, and 2) a positive earnings catalyst, which is determined by a proprietary 16-factor model that is designed to be predictive of future positive earnings surprises. The screening process generates a research focus list of 150 companies, sorted by sector, upon which rigorous fundamental analysis is conducted to confirm each stock's value and catalysts for appreciation.

Staff Comments

Systematic underperformed for the quarter and the year as a result of both stock selection and sector allocation. For both time periods, stock selection in the Energy, Financials, and Materials & Processing sectors detracted from performance. An underweight in defensive sectors including Utilities and Consumer Staples also contributed to the underperformance.

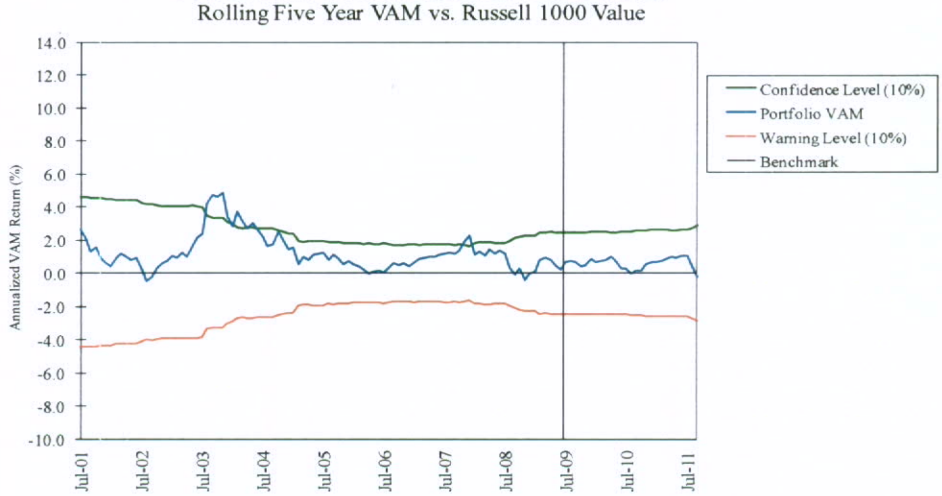
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	-22.5%	-16.2%
Last 1 year	-6.6	-1.9
Last 2 years	1.2	3.4
Last 3 years	-2.1	-1.5
Last 4 years	-8.9	-7.6
Last 5 years	-3.7	-3.5
Since Inception (4/04)	1.6	1.8

Recommendation

No action required.

SYSTEMATIC FINANCIAL MANAGEMENT, LP
Rolling Five Year VAM vs. Russell 1000 Value



Five Year Period Ending

Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

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Small Cap Growth (R2000 Growth)

Small Cap Growth (R2000 Growth)

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MCKINLEY CAPITAL MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Robert A. Gillam **Assets Under Management: $179,727,900**

Investment Philosophy

The team believes that excess market returns can be achieved through the construction and management of a diversified, fundamentally sound portfolio of inefficiently priced securities whose earnings growth rates are accelerating above market expectations. Using proprietary quantitative models, the team systematically searches for and identifies early signs of accelerating growth. The initial universe consists of growth and value stocks from all capitalization categories.

The primary model includes a linear regression model to identify common stocks that are inefficiently priced relative to the market while adjusting each security for standard deviation. The ratio of alpha to standard deviation is the primary screening value and is used to filter out all but the top 10% of stocks in our initial universe. The remaining candidates are tested for liquidity and strength of earnings. In the final portfolio construction process, qualitative aspects are examined, including economic factors, Wall Street research, and specific industry themes.

Staff Comments

McKinley underperformed the benchmark for both the quarter and the year. For the quarter, stock selection in the Producer Durables, Materials & Processing, and Technology sectors detracted from relative performance. Performance for the year trailed mainly from stock selection in Producer Durables and sector allocation in non-benchmark holdings.

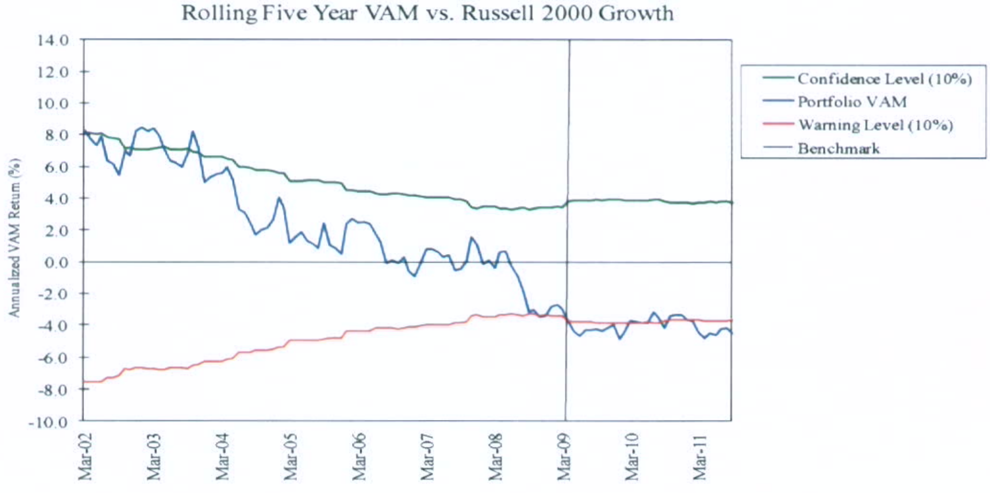
Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	-23.6%	-22.2%
Last 1 year	-3.7	-1.1
Last 2 years	5.4	6.5
Last 3 years	-2.0	2.1
Last 4 years	-9.5	-3.1
Last 5 years	-3.6	1.0
Since Inception (1/04)	0.0	3.5

Recommendation

No action required.

MCKINLEY CAPITAL MANAGEMENT
Rolling Five Year VAM vs. Russell 2000 Growth



Note: Area to left of vertical line includes performance prior to retention by the SBI.

NEXT CENTURY GROWTH INVESTORS, LLC
Periods Ending September, 2011

Portfolio Manager: Thomas Press and Don Longlet **Assets Under Management: $223,607,634**

Investment Philosophy

Next Century Growth's (NCG) goal is to invest in the highest quality and fastest growing companies in America. They believe that growth opportunities exist regardless of the economic cycle. NCG uses fundamental analysis to identify companies that will surpass consensus earnings estimates, which they believe to be the number one predictor of future out-performance. Their investment process focuses on growth companies that have superior top line revenue growth (15% or greater), high profitability, and strong balance sheets, and are well poised to outperform the market. NCG believes in broad industry diversification; sector exposures are limited to twice the benchmark weighting and individual positions to five percent.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	-25.7%	-22.2%
Last 1 year	1.0	-1.1
Last 2 years	7.8	6.5
Last 3 years	-0.1	2.1
Last 4 years	-6.6	-3.1
Last 5 years	1.3	1.0
Since Inception (7/00)	-0.9	-0.6

Recommendation

No action required.

NEXT CENTURY GROWTH INVESTORS, LLC
Rolling Five Year VAM vs. Russell 2000 Growth

Five Year Period Ending
Note: Area to left of vertical line includes performance prior to the retention by the SBI.

TURNER INVESTMENT PARTNERS
Periods Ending September, 2011

Portfolio Manager: William McVail **Assets Under Management: $226,540,283**

Investment Philosophy

The team's investment philosophy is based on the belief that earnings expectations drive stock prices. The team adds value primarily through stock selection and pursues a bottom-up strategy. Ideal candidates for investment are growth companies that have above average earnings prospects, reasonable valuations, favorable trading volume, and price patterns. Each security is subjected to three separate evaluation criteria: fundamental analysis (80%), quantitative screening (10%), and technical analysis (10%).

Proprietary computer models enable the team to assess the universe based on multiple earnings growth and valuation factors. The factors are specific to each economic sector. Fundamental analysis is the heart of the stock selection process and helps the team determine if a company will exceed, meet or fall short of consensus earnings expectations. Technical analysis is used to evaluate trends in trading volume and price patterns for individual stocks as the team searches for attractive entry and exit points.

Staff Comments

Turner trailed the benchmark for the quarter and for the year. Stock selection in the Technology and Producer Durables sectors hurt performance for both periods.

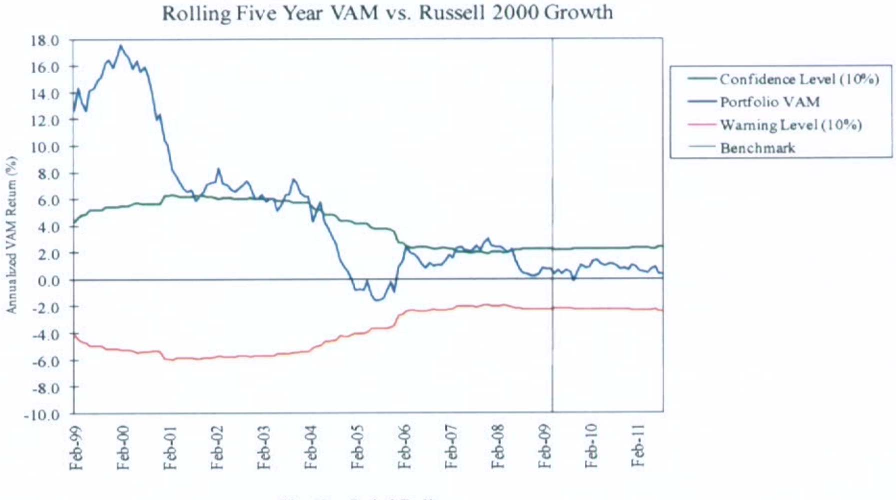
Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	-25.6%	-22.2%
Last 1 year	-3.8	-1.1
Last 2 years	5.4	6.5
Last 3 years	1.7	2.1
Last 4 years	-4.2	-3.1
Last 5 years	1.4	1.0
Since Inception (1/04)	3.5	3.5

Recommendation

No action required.

TURNER INVESTMENT PARTNERS, INC.
Rolling Five Year VAM vs. Russell 2000 Growth



Five Year Period Ending
Note: Area to left of vertical line includes performance prior to retention by the SBI.

Small Cap Value (R2000 Value)

Small Cap Value (R2000 Value)

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GOLDMAN SACHS ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Chip Otness **Assets Under Management: $132,315,976**

Investment Philosophy

The firm's value equity philosophy is based on the belief that all successful investing begins with fundamental stock selection that should thoughtfully weigh a stock's price and prospects. A company's prospective ability to generate high cash flow returns on capital will strongly influence investment success. The team follows a strong valuation discipline to purchase well-positioned, cash generating businesses run by shareholder-oriented management teams.

Through extensive proprietary research, the team confirms that a candidate company's long-term competitive advantage and earnings power are intact. The team seeks to purchase a stock at a price that encompasses a healthy margin of safety. The investment process involves three steps: 1) prioritizing research, 2) analyzing fundamentals, and 3) portfolio construction. The independent Risk and Performance Analytics Group (RPAG) monitors daily portfolio management risk, adherence to client guidelines and general portfolio strategy.

Staff Comments

Goldman outperformed the benchmark for the quarter and year. For both time periods, stock selection in the Financial and Consumer Discretionary sectors were the largest contributors to the overall portfolio. Stock selection in Producer Durables also added to relative performance for the year.

Chip Otness, co-portfolio manager, has announced his retirement at the end of this year. Sally Pope Davis and Rob Crystal remain on the account and have been co-leads on the small cap value team since 2007.

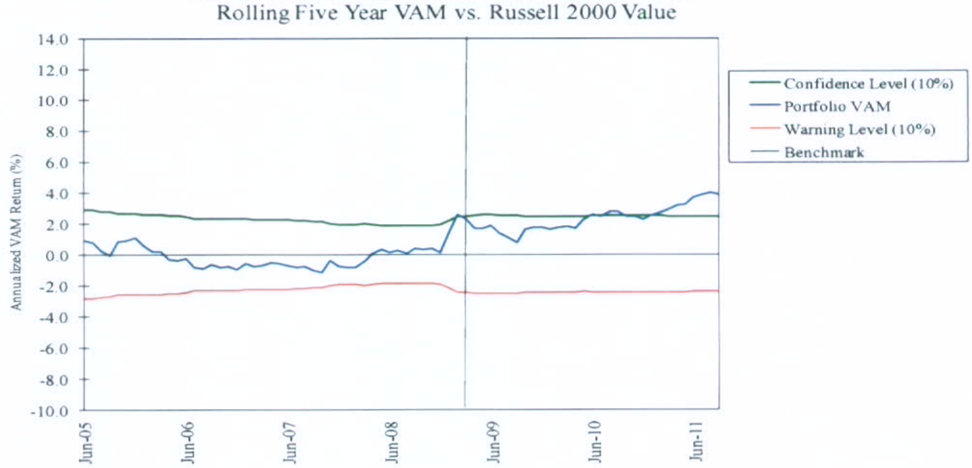
Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	-20.3%	-21.5%
Last 1 year	-1.8	-6.0
Last 2 years	7.1	2.5
Last 3 years	1.2	-2.8
Last 4 years	-1.6	-5.2
Last 5 years	0.7	-3.1
Since Inception (1/04)	4.6	2.8

Recommendation

No action required.

GOLDMAN SACHS ASSET MANAGEMENT, L.P.
Rolling Five Year VAM vs. Russell 2000 Value



Five Year Period Ending
Note: Area to left of vertical line includes performance prior to retention by the SBI.

HOTCHKIS & WILEY CAPITAL MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Jim Miles and David Green **Assets Under Management: $110,682,202**

Investment Philosophy

The firm seeks to exploit mis-priced securities in the small cap market by investing in "undiscovered" or "out of favor" companies. The team invests in stocks where the present value of the company's future cash flows exceeds the current market price. This approach exploits equity market inefficiencies created by irrational investor behavior and lack of Wall Street research coverage of smaller capitalization stocks. The team employs a disciplined, bottom-up investment process that emphasizes internally generated fundamental research.

The investment process begins with a quantitative screen based on market capitalization, trading liquidity and enterprise value/normalized EBIT, supplemented with ideas generated from the investment team. Internal research is then utilized to identify the most attractive valuation opportunities within this value universe. The primary focus of the research analyst is to determine a company's "normal" earnings power, which is the basis for security valuation.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	-26.1%	-21.5%
Last 1 year	-4.8	-6.0
Last 2 years	7.2	2.5
Last 3 years	4.6	-2.8
Last 4 years	-2.2	-5.2
Last 5 years	-2.5	-3.1
Since Inception (1/04)	2.2	2.8

Recommendation

No action required.

HOTCHKIS & WILEY CAPITAL MANAGEMENT
Rolling Five Year VAM vs. Russell 2000 Value

Note: Area to left of vertical line includes performance prior to retention by the SBI.

MARTINGALE ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: William Jacques | **Assets Under Management: $100,282,133**

Investment Philosophy

Martingale's investment process seeks to exploit the long-term link between undervalued company fundamentals and current market prices to achieve superior investment returns. Martingale has a long history of employing sound quantitative methods.

The valuation process is comprised of well-researched valuation indicators that have stood the test of time, with improvements made only after careful evaluation, testing and analysis. Multiple characteristics of quality, value and momentum are examined. The quality of company management is assessed by reviewing commitment to R&D, accounting practices with regard to earnings and cash flow from operations, and the ability to manage inventory.

The average holding period of a stock is typically one year. Every holding is approached as an investment in the business, with the intention of holding it until either objectives are reached, or it becomes apparent that there are better opportunities in other stocks.

Staff Comments

No comment at this time.

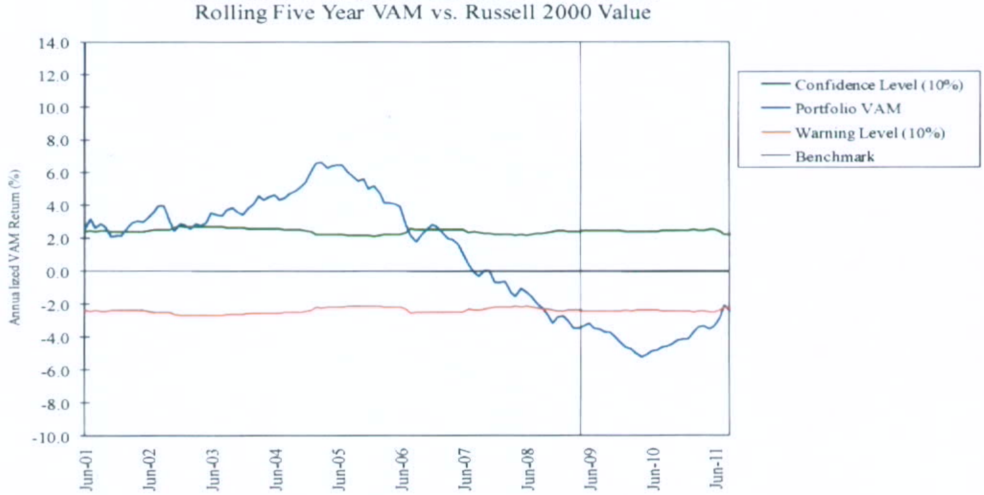
Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	-23.2%	-21.5%
Last 1 year	-6.7	-6.0
Last 2 years	2.3	2.5
Last 3 years	-4.0	-2.8
Last 4 years	-7.9	-5.2
Last 5 years	-5.4	-3.1
Since Inception (1/04)	0.9	2.8

Recommendation

No action required.

MARTINGALE ASSET MANAGEMENT, L.P.
Rolling Five Year VAM vs. Russell 2000 Value



Five Year Period Ending
Note: Area to left of vertical line includes performance prior to retention by the SBI.

PEREGRINE CAPITAL MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Doug Pugh and Tasso Coin **Assets Under Management: $178,795,740**

Investment Philosophy

Peregrine's Small Cap Value investment process begins with the style's proprietary valuation analysis, which is designed to identify the small cap value stocks most likely to outperform. The valuation analysis identifies the most under-priced securities on a sector-by-sector basis. Drawing on thirty years of data, the analysis looks at different combinations of sixty fundamental factors most relevant in each independent sector to identify stocks that offer significant value relative to the companies' underlying fundamentals. The focus of the team's fundamental research is to determine if one or more of the style's "Value Buy Criteria" are present. These include short-term problems, unrecognized assets, take-over potential, and catalysts for change. The portfolio is diversified and sector weights are aligned closely with the benchmark. This allows stock selection to drive performance.

Staff Comments

Peregrine underperformed for the quarter and outperformed for the year. Stock selection in Materials & Processing and Health Care sectors were the largest detractors to the quarterly performance, followed by an underweight and stock selection in Utilities. For the year, stock selection in Consumer Discretionary, Energy, and Producer Durables contributed to the outperformance.

Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	-22.7%	-21.5%
Last 1 year	-4.9	-6.0
Last 2 years	5.1	2.5
Last 3 years	1.3	-2.8
Last 4 years	-5.0	-5.2
Last 5 years	-2.8	-3.1
Since Inception (7/00)	7.7	6.9

Recommendation

No action required.

PEREGRINE CAPITAL MANAGEMENT
Rolling Five Year VAM vs. Russell 2000 Value

Five Year Period Ending
Note: Area to left of vertical line includes performance prior to retention by SBI.

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Semi-Passive and Passive

Semi-Passive and Passive

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BLACKROCK INSTITUTIONAL TRUST CO., N.A.
Periods Ending September, 2011

Portfolio Manager: Raffaele Savi **Assets Under Management: $1,913,277,144**

Investment Philosophy – Semi-Passive Style

The Core Alpha Model desegregates individual equity returns for each of the 3500 stocks in their universe into fundamental, expectational, and technical components. The fundamental factors look at measures of underlying company value including earnings, book value, cash flow, and sales. These factors help identify securities that trade at prices below their true economic value. The expectational factors incorporate future earnings and growth rate forecasts made by over 2500 security analysts. The technical factors provide a measure of recent changes in company fundamentals, consensus expectations, and performance. Estimated alphas are then calculated and are used in a portfolio optimization algorithm to identify the optimal portfolio.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Manager Benchmark*
Last Quarter	-14.7%	-14.7%
Last 1 year	0.9	0.9
Last 2 years	4.7	5.7
Last 3 years	0.9	1.6
Last 4 years	-5.6	-4.9
Last 5 years	-1.9	-0.9
Since Inception (1/95)	7.1	6.9

Recommendation

No action required.

* Russell 1000 since 1/1/04. Completeness Fund through 12/31/03.

BLACKROCK INSTITUTIONAL TRUST CO.- SEMI-PASSIVE
Rolling Five Year VAM vs. Manager Benchmark

Five Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

INTECH INVESTMENT MANAGEMENT LLC
Periods Ending September, 2011

Portfolio Manager: Adrian Banner **Assets Under Management: $1,398,500,716**

Investment Philosophy – Semi-Passive Style

Through the application of a proprietary mathematical process, the investment strategy is designed to determine more efficient weightings of the securities within the Russell 1000 benchmark. No specific sector or security selection decisions based on fundamentals are required. Risk parameters include: 1) minimize absolute standard deviation or maximize information ratio, 2) security positions limited to lesser of 1.0% or 8 times maximum index security weight, 3) beta equal to or less than benchmark beta, and 4) constraining the weighted average capital distribution to be roughly equal to the capital distribution of the benchmark. Target security positions are established using a weekly optimization routine designed to build a portfolio that will outperform a passive benchmark over the long term. Rebalancing to target proportions occurs every six (6) business days.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Russell 1000
Last Quarter	-14.9%	-14.7%
Last 1 year	1.3	0.9
Last 2 years	N/A	N/A
Last 3 years	N/A	N/A
Last 4 years	N/A	N/A
Last 5 years	N/A	N/A
Since Inception (4/10)	0.1	-0.2

Recommendation

No action required.

VAM Graph will be drawn for period ending 6/30/12.

J.P. MORGAN INVESTMENT MANAGEMENT, INC.
Periods Ending September, 2011

Portfolio Manager: Ralph Zingone and Scott Blasdell **Assets Under Management: $2,311,652,730**

Investment Philosophy – Semi-Passive Style

J.P. Morgan believes that superior stock selection is necessary to achieve excellent investment results. To accomplish this objective, they use fundamental research and a systematic valuation model. Analysts forecast the earnings and dividends for the 650 stock universe and enter them into a stock valuation model that calculates an expected return for each security. The stocks are ranked according to their expected return within their economic sectors. The most undervalued stocks are placed in the first quintile. The portfolio includes stocks from the first four quintiles, always favoring the highest ranked stocks whenever possible. Stocks in the fifth quintile are sold. In addition, the portfolio closely approximates the sector, style, and security weightings of the index chosen by the plan sponsor. The firm remains fully invested at all times.

Staff Comments

J.P. Morgan outperformed the benchmark for the quarter and the year. For the quarter, the portfolio benefited from stock selection in the Financial and Technology sectors. For the year, the main contributor to relative outperformance was stock selection in Producer Durables and Technology.

Quantitative Evaluation

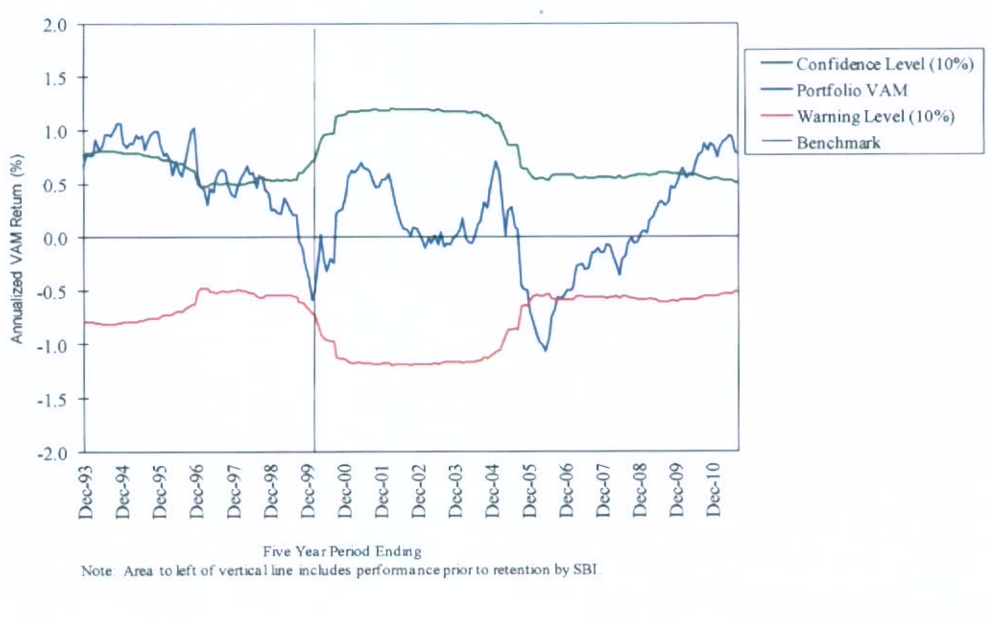
	Actual	Manager Benchmark*
Last Quarter	-14.4%	-14.7%
Last 1 year	1.4	0.9
Last 2 years	6.2	5.7
Last 3 years	3.0	1.6
Last 4 years	-4.0	-4.9
Last 5 years	-0.1	-0.9
Since Inception (1/95)	7.2	6.9

* Russell 1000 since 1/1/04. Completeness Fund through 12/31/03.

Recommendation

No action required.

JP MORGAN - SEMI-PASSIVE
Rolling Five Year VAM vs. Manager Benchmark



Note: Area to left of vertical line includes performance prior to retention by SBI.

MELLON CAPITAL MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Tony Garvin **Assets Under Management: $1,437,534,283**

Investment Philosophy – Semi-Passive Style

Mellon believes that rigorous and consistent application of fundamentally based valuation criteria will produce value added investment returns. Mellon builds a portfolio by using a series of more than 30 integrated computer models that value a universe of 3500 stocks. Their models rank each security based on fundamental momentum, relative value, future cash flow, and supplementary models. A composite ranking then provides one ranked list of securities reflecting their relative attractiveness. Stocks that fall below the median ranking are sold, and proceeds are reinvested in stocks from the top deciles in the ranking system. They use the BARRA risk model to monitor the portfolio's systematic risk and industry weightings relative to the selected benchmark. For this semi-passive mandate, they seek to achieve a residual risk of 1.5% or less. The firm remains fully invested at all times.

Staff Comments

Mellon outperformed the benchmark for the quarter and the year. For both time periods, stock selection in the Technology and Healthcare sectors helped returns.

Quantitative Evaluation

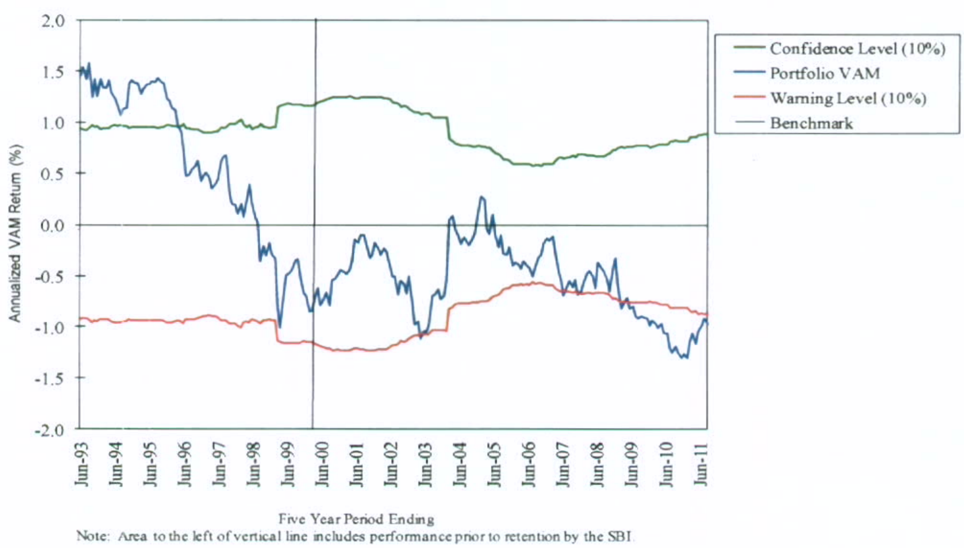
	Actual	Manager Benchmark*
Last Quarter	-14.1%	-14.7%
Last 1 year	3.3	0.9
Last 2 years	5.8	5.7
Last 3 years	0.8	1.6
Last 4 years	-5.8	-4.9
Last 5 years	-1.9	-0.9
Since Inception (1/95)	6.4	6.9

* Russell 1000 since 1/1/04. Completeness Fund through 12/31/03.

Recommendation

No action required.

MELLON CAPITAL MANAGEMENT- SEMI-PASSIVE
Rolling Five Year VAM vs. Manager Benchmark



Note: Area to the left of vertical line includes performance prior to retention by the SBI.

BLACKROCK INSTITUTIONAL TRUST CO., N.A.
Periods Ending September, 2011

Portfolio Manager: Amy Schioldager **Assets Under Management: $7,579,477,807**

Investment Philosophy – Passive Style

Barclays Global Investors seeks to minimize 1) tracking error, 2) transaction costs, and 3) investment and operational risks. The portfolio is passively managed against the asset class target using a proprietary optimization process that integrates a transaction cost model. The resulting portfolio closely matches the characteristics of the benchmark with less exposure to illiquid stocks.

Staff Comments

No comment at this time.

Quantitative Evaluation

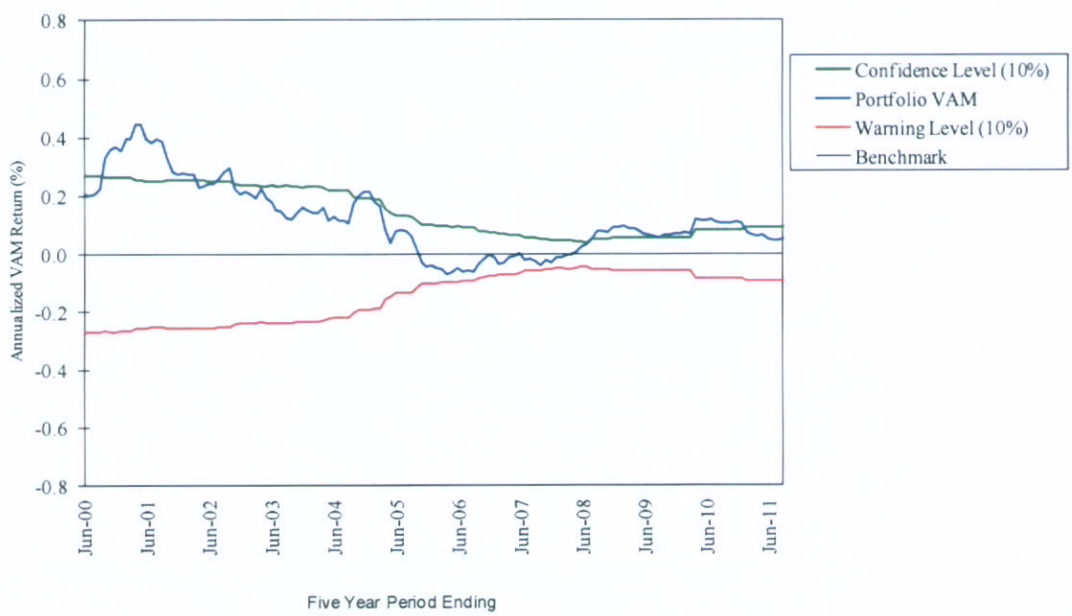
	Actual	Manager Benchmark*
Last Quarter	-15.3%	-15.3%
Last 1 year	0.4	0.5
Last 2 years	5.7	5.6
Last 3 years	1.5	1.5
Last 4 years	-4.8	-4.9
Last 5 years	-0.9	-0.9
Since Inception (7/95)	6.5	6.4

* Russell 3000 since 10/1/03, Wilshire 5000 through 7/1/95.

Recommendation

No action required.

BLACKROCK INSTITUTIONAL TRUST CO.- PASSIVE
Rolling Five Year VAM vs. Manager Benchmark



STATE BOARD OF INVESTMENT

Bond Manager Evaluation Reports

Third Quarter, 2011

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Bond Managers

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COMBINED RETIREMENT FUNDS
BOND MANAGERS
Periods Ending September, 2011

	Quarter		1 Year		3 Years		5 Years		Since (1) Inception		Market	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Value (in millions)	Pool %
Active Managers												
Aberdeen	2.8	3.8	5.6	5.3	8.1	8.0	4.9	6.5	6.1	6.5	$788.6	7.7%
Columbia (RiverSource)	2.9	3.8	5.5	5.3	8.4	8.0	6.1	6.5	6.1	6.3	$897.2	8.8%
Dodge & Cox	0.3	3.8	4.0	5.3	10.1	8.0	6.9	6.5	7.3	6.5	$1,047.6	10.2%
PIMCO	0.8	3.8	2.9	5.3	10.3	8.0			10.3	8.0	$1,150.5	11.3%
Western	2.7	3.8	5.1	5.3	10.6	8.0	6.6	6.5	9.6	8.5	$1,198.5	11.7%
Active Mgr. Aggregate	**1.8**	**3.8**	**4.5**	**5.3**	**9.5**	**8.0**	**6.0**	**6.5**			**$5,082.3**	**49.7%**
Semi-Passive Managers												
BlackRock	3.6	3.8	5.2	5.3	8.2	8.0	5.9	6.5	6.4	6.4	$1,639.2	16.0%
Goldman	3.9	3.8	5.8	5.3	9.1	8.0	6.7	6.5	6.6	6.3	$1,760.6	17.2%
Neuberger	3.1	3.8	5.3	5.3	9.7	8.0	6.9	6.5	7.5	7.4	$1,741.7	17.0%
Semi-Passive Mgr. Aggregate	**3.5**	**3.8**	**5.4**	**5.3**	**9.1**	**8.0**	**6.5**	**6.5**			**$5,141.4**	**50.3%**
									Since 7/1/84			
Historical Aggregate (2)	**2.7**	**3.8**	**5.0**	**5.3**	**9.4**	**8.0**	**6.3**	**6.5**	**8.6**	**8.5**	**$10,223.7**	**100.0%**
Barclays Capital Aggregate (3)		3.8		5.3		8.0		6.5		8.5		

(1) Since retention by the SBI. Time period varies for each manager.
(2) Includes performance of terminated managers.
(3) Prior to July 1994, this index reflects the Salomon BIG.

COMBINED RETIREMENT FUNDS
BOND MANAGERS
Calendar Year Returns

	2010		2009		2008		2007		2006	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
Active Managers										
Aberdeen	10.7	6.5	18.4	5.9	-14.7	5.2	5.6	7.0	4.8	4.3
Columbia (RiverSource)	8.1	6.5	14.0	5.9	-4.9	5.2	6.6	7.0	4.7	4.3
Dodge & Cox	7.8	6.5	16.5	5.9	0.1	5.2	5.3	7.0	5.5	4.3
PIMCO	12.1	6.5	15.5	5.9						
Western	10.9	6.5	17.5	5.9	-6.8	5.2	5.4	7.0	5.4	4.3
Active Mgr. Aggregate	**10.0**	**6.5**	**16.5**	**5.9**	**-7.3**	**5.2**	**5.8**	**7.0**	**5.0**	**4.3**
Semi-Passive Managers										
BlackRock	6.5	6.5	9.6	5.9	-1.1	5.2	6.8	7.0	4.3	4.3
Goldman	8.0	6.5	12.0	5.9	-1.2	5.2	7.0	7.0	4.5	4.3
Neuberger	9.1	6.5	14.3	5.9	-1.9	5.2	6.3	7.0	4.5	4.3
Semi-Passive Mgr. Aggregate	**7.9**	**6.5**	**12.0**	**5.9**	**-1.4**	**5.2**	**6.7**	**7.0**	**4.5**	**4.3**
Historical Aggregate	**9.0**	**6.5**	**14.3**	**5.9**	**-4.2**	**5.2**	**6.3**	**7.0**	**4.7**	**4.3**
Barclays Capital Aggregate		6.5		5.9		5.2		7.0		4.3

ABERDEEN ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Neil Moriarty **Assets Under Management: $788,607,805**

Investment Philosophy

Aberdeen (formerly Deutsche) believes there are pricing inefficiencies inherent in bond markets and that diligent credit analysis, security structure evaluation, and relative value assessment can be used to exploit these inefficiencies. The firm avoids interest rate forecasting and sector rotation because they believe these strategies will not deliver consistent out performance versus the benchmark over time. The firm's valued added is derived primarily from individual security selection. Portfolio managers and analysts research bonds within their sector of expertise and construct portfolios from the bottom-up, bond by bond. Sector weightings are a byproduct of the bottom-up security selection. Aberdeen was retained by the SBI in February 2000.

Staff Comments

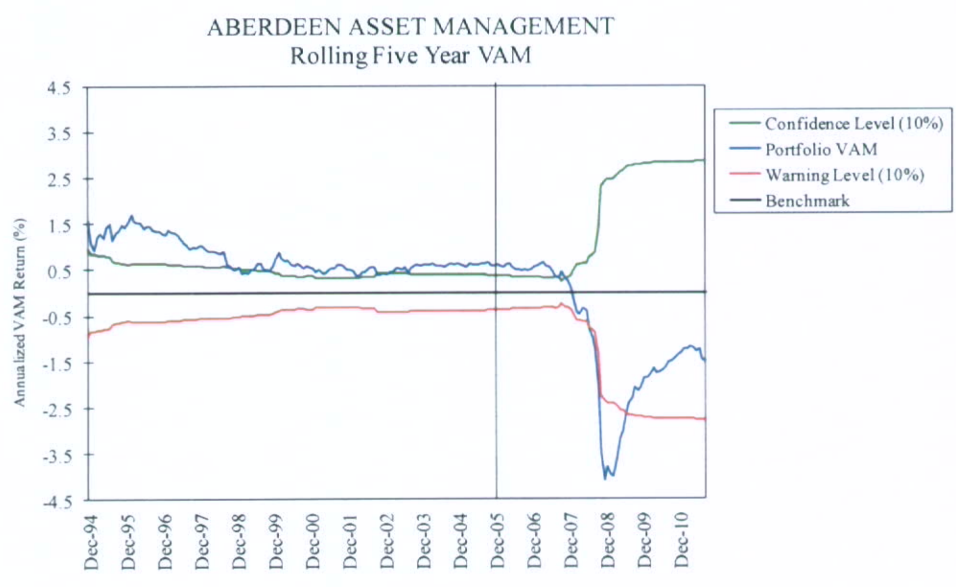
Aberdeen underperformed the benchmark in 3Q11 and outperformed the benchmark over the last 12 months. One year performance was driven by security selection within the investment grade corporate, residential and Agency MBS sectors and an overweight position in long-duration taxable municipal bonds. Overweight exposure to CMBS and investment grade corporate bonds detracted from quarterly performance.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	2.8%	3.8%
Last 1 year	5.6	5.3
Last 2 years	9.3	6.7
Last 3 years	8.1	8.0
Last 4 years	4.9	6.9
Last 5 years	4.9	6.5
Since Inception (2/00)	6.1	6.5

Recommendations

No action required.



Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

COLUMBIA MANAGEMENT INVESTMENT ADVISERS, LLC
(Formerly RiverSource Investments)
Periods Ending September, 2011

Portfolio Manager: Colin Lundgren | **Assets Under Management: $897,152,296**

Investment Philosophy

Columbia (formerly American Express and RiverSource) manages portfolios using a top-down approach culminating with in-depth fundamental research and credit analysis. Five portfolio components are actively managed: duration, maturity structure, sector selection, industry emphasis, and security selection. Duration and maturity structure are determined by the firm's economic analysis and interest rate outlook. This analysis also identifies sectors and industries expected to produce the best risk adjusted return. In-depth fundamental research and credit analysis combined with proprietary valuation disciplines is used to identify attractive individual securities. Columbia was retained by the SBI in July 1993.

Staff Comments

Columbia underperformed the benchmark in 3Q11 and outperformed the benchmark over the last 12 months. Security selection in the MBS and investment grade corporate sectors added to performance over the full year and quarter. Security selection within the CMBS sector was a positive contributor to quarterly performance. Overall, active interest rate positions and an overweight to high-yield corporate bonds detracted from performance for the year.

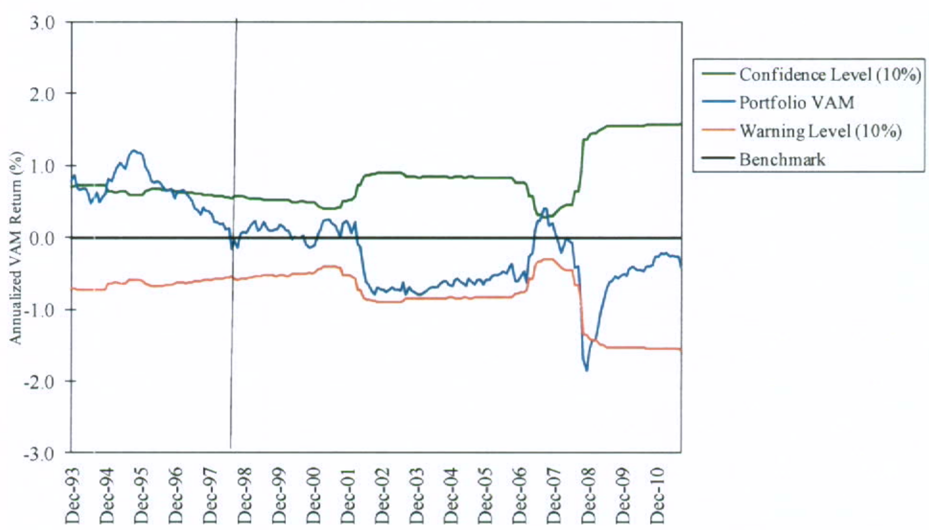
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	2.9%	3.8%
Last 1 year	5.5	5.3
Last 2 years	7.6	6.7
Last 3 years	8.4	8.0
Last 4 years	6.3	6.9
Last 5 years	6.1	6.5
Since Inception (7/93)	6.1	6.3

Recommendations

No action required.

COLUMBIA MANAGEMENT - FIXED INCOME
Rolling Five Year VAM



Five Year Period Ending
Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

DODGE & COX INVESTMENT MANAGERS
Periods Ending September, 2011

Portfolio Manager: Dana Emery | **Assets Under Management: $1,047,593,447**

Investment Philosophy

Dodge & Cox manages a high quality, diversified portfolio of securities that are selected through fundamental analysis. The firm believes that by combining fundamental research with a long-term investment horizon it is possible to uncover inefficiencies in market sectors and individual securities. The firm combines this fundamental research with a disciplined program of risk analysis. To seek superior returns over the long-term, Dodge & Cox emphasizes sector and security selection, strives to build portfolios that have a higher yield than the broad bond market, and analyzes portfolio and individual security risk. Dodge & Cox was retained by the SBI in February 2000.

Staff Comments

Dodge & Cox underperformed the benchmark in 3Q11 and over the last 12 months. An overweight to investment grade corporate bonds, particularly in the financial sector, negatively impacted one year and quarterly performance. A shorter relative duration position and underweight to U.S. Treasury securities also detracted from one year and quarterly performance. The portfolio's nominal yield advantage and taxable municipal bond holdings benefited relative returns for the quarter and year.

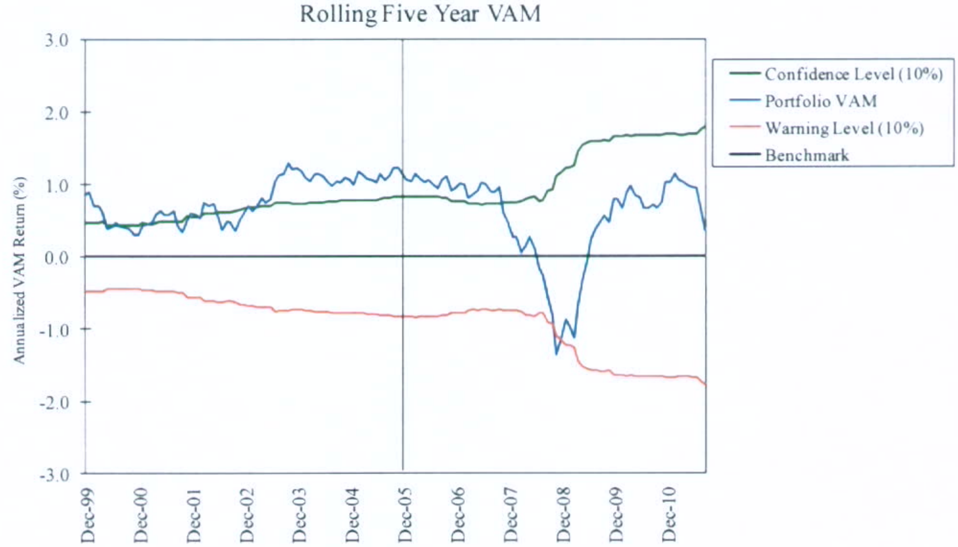
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	0.3%	3.8%
Last 1 year	4.0	5.3
Last 2 years	6.9	6.7
Last 3 years	10.1	8.0
Last 4 years	7.3	6.9
Last 5 years	6.9	6.5
Since Inception (2/00)	7.3	6.5

Recommendations

No action required.

DODGE & COX INVESTMENT MANAGERS
Rolling Five Year VAM



Five Year Period Ending
Note: Area to the left of the vertical line includes performance prior to retention by the SBI

PACIFIC INVESTMENT MANAGEMENT CO. LLC (PIMCO)
Periods Ending September, 2011

Portfolio Manager: Bill Gross **Assets Under Management: $1,150,454,021**

Investment Philosophy

PIMCO's investment approach seeks to outperform a client's benchmark on a consistent basis, while maintaining overall risk similar to the index. PIMCO's approach to investing has three key principles: the utilization of multiple strategies, a long-term orientation and bond selection from a broad universe. PIMCO's investment process starts with an annual Secular Forum. The goal of this Forum is to look beyond the current business cycle and determine how secular forces will play out over the next 3 to 5 years. Quarterly, PIMCO holds Economic Forums to evaluate growth and inflation over the next 6 to 9 months. Following PIMCO's Secular and Economic Forums, the PIMCO Investment Committee (IC) develops key portfolio strategies. They consider both the "top-down" conclusions emanating from PIMCO's Forum, as well as the "bottom-up" market intelligence provided by PIMCO's teams of sector specialist portfolio managers. Through an interactive series of meetings, the IC defines a set of consistent strategies that are then implemented.

Staff Comments

PIMCO underperformed the benchmark in 3Q11 and over the last 12 months. Underweight positions to U.S. Treasuries and Agency MBS detracted from performance for the year, while an overweight to investment grade credit, particularly in the financial sector, negatively impacted quarterly performance. Exposure to high-yield corporate bonds and shorter-dated money market futures added to performance for the year.

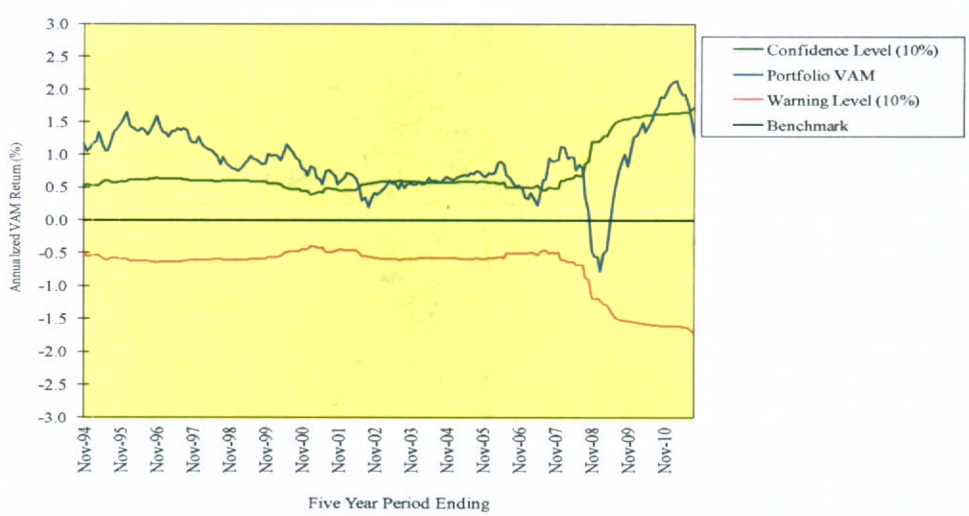
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	0.8%	3.8%
Last 1 year	2.9	5.3
Last 2 years	8.3	6.7
Last 3 years	10.3	8.0
Last 4 years	N/A	N/A
Last 5 years	N/A	N/A
Since Inception (9/08)	10.3	8.0

Recommendations

No action required.

PACIFIC INVESTMENT MANAGEMENT CO.
Rolling Five Year VAM



Note: Graph includes performance of the manager prior to retention by SBI.

WESTERN ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Steve Walsh **Assets Under Management: $1,198,508,509**

Investment Philosophy

Western emphasizes the use of multiple strategies and active sector and issue selection, while constraining interest rate risk. Multiple strategies are proportioned so that results do not depend on one or two opportunities. This approach adds consistent value over time and can reduce volatility. Long term value investing is Western's fundamental approach. In making their sector decision, the firm seeks out the greatest long-term value by analyzing all fixed income market sectors and their economic expectations. Individual issues are identified based on relative credit strength, liquidity, issue structure, event risk, and market valuation. Western believes that successful interest rate forecasting is extremely difficult and consequently keeps portfolio duration within a narrow band around the benchmark. Western was retained by the SBI in July 1984.

Staff Comments

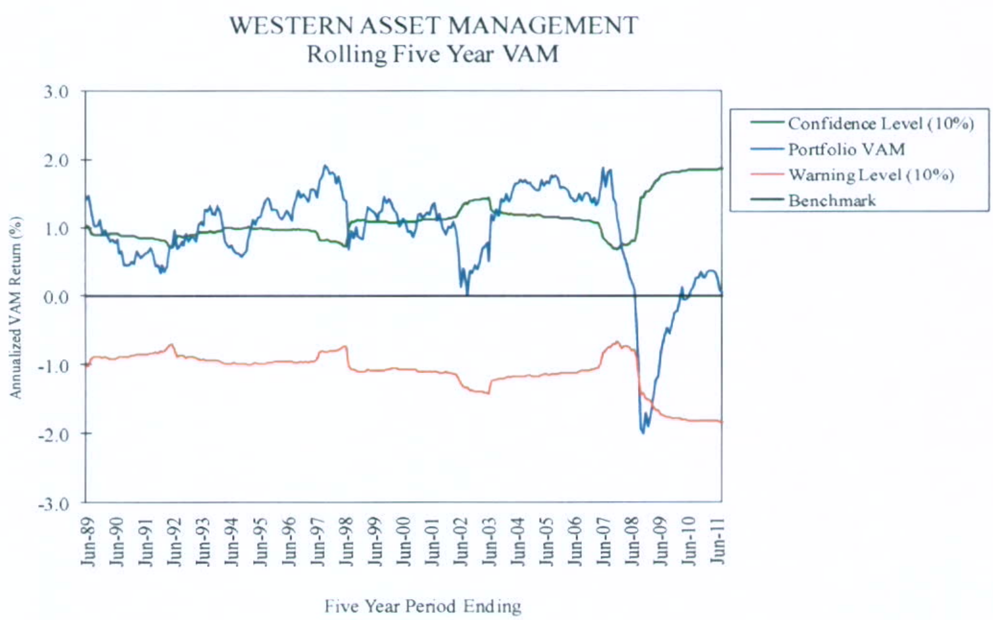
Western underperformed the benchmark in 3Q11 and over the last 12 months. Overweight exposure to investment grade credit, particularly financials, was the largest contributor to underperformance for the one year and quarterly periods. Exposure to non-Agency MBS also detracted from quarterly performance. An overweight position and security selection within high-yield credit contributed positively to performance for the one year period.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	2.7%	3.8%
Last 1 year	5.1	5.3
Last 2 years	9.2	6.7
Last 3 years	10.6	8.0
Last 4 years	7.0	6.9
Last 5 years	6.6	6.5
Since Inception (7/84)	9.6	8.5

Recommendations

No action required.



BLACKROCK, INC.
Periods Ending September, 2011

Portfolio Manager: Brian Weinstein | **Assets Under Management: $1,639,180,157**

Investment Philosophy

BlackRock manages an enhanced index portfolio closely tracking the Barclays Capital U.S. Aggregate Bond Index. The firm's enhanced index strategy is a controlled-duration, sector rotation style, which can be described as active management with tighter duration, sector, and quality constraints. BlackRock seeks to add value through: (i) controlling portfolio duration within a narrow band relative to the benchmark, (ii) relative value sector/sub-sector rotation and security selection, (iii) rigorous quantitative analysis to the valuation of each security and of the portfolio as a whole, (iv) intense credit analysis and review, and (v) the judgment of experienced portfolio managers. Advanced risk analytics measure the potential impact of various sector and security strategies to ensure consistent value added and controlled volatility. BlackRock was retained by the SBI in April 1996.

Staff Comments

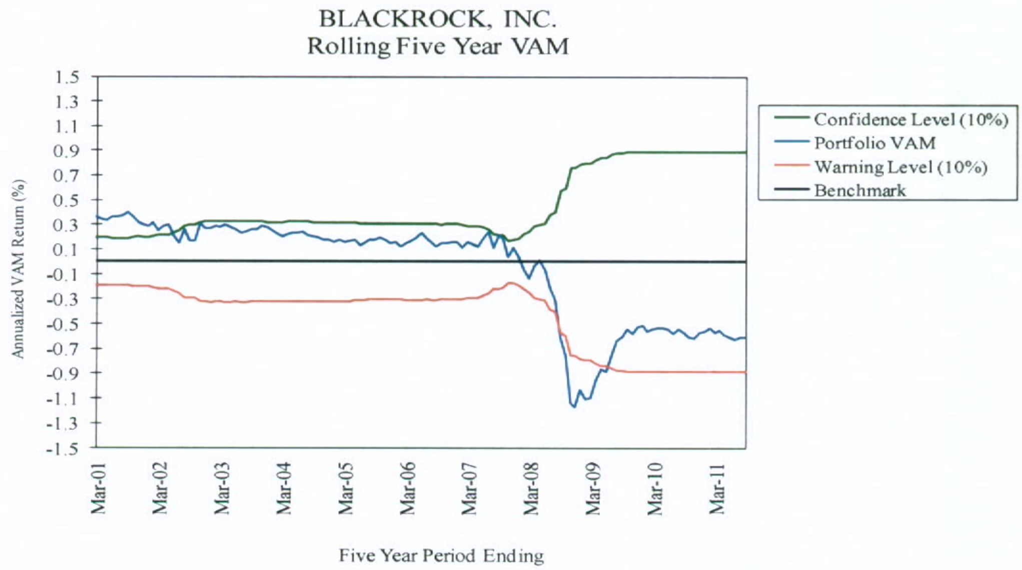
Blackrock underperformed the benchmark in 3Q11 and over the last 12 months. One year and quarterly performance was negatively impacted by duration positioning, an overweight position in the CMBS sector, and security selection with the investment grade corporate sector. Yield curve positioning and an overweight position in the ABS sector were positive contributors to one year performance and quarterly performance.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	3.6%	3.8%
Last 1 year	5.2	5.3
Last 2 years	6.9	6.7
Last 3 years	8.2	8.0
Last 4 years	6.1	6.9
Last 5 years	5.9	6.5
Since Inception (4/96)	6.4	6.4

Recommendation

No action required.



GOLDMAN SACHS ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Jonathon Beinner — **Assets Under Management: $1,760,569,140**

Investment Philosophy

Goldman manages an enhanced index portfolio closely tracking the Barclays Capital U.S. Aggregate Bond Index. Goldman's process can be viewed as active management within a very risk-controlled framework. The firm relies primarily on sector allocation and security selection strategies to generate incremental return. To a lesser degree, term structure strategies are also implemented. Goldman combines long-term strategic investment tilts with short-term tactical trading opportunities. Strategic tilts are based on fundamental and quantitative sector research and seek to optimize the long-term risk/return profile of portfolios. Tactical trades between sectors and securities within sectors are implemented to take advantage of short-term market anomalies. Goldman was retained by the SBI in July 1993.

Staff Comments

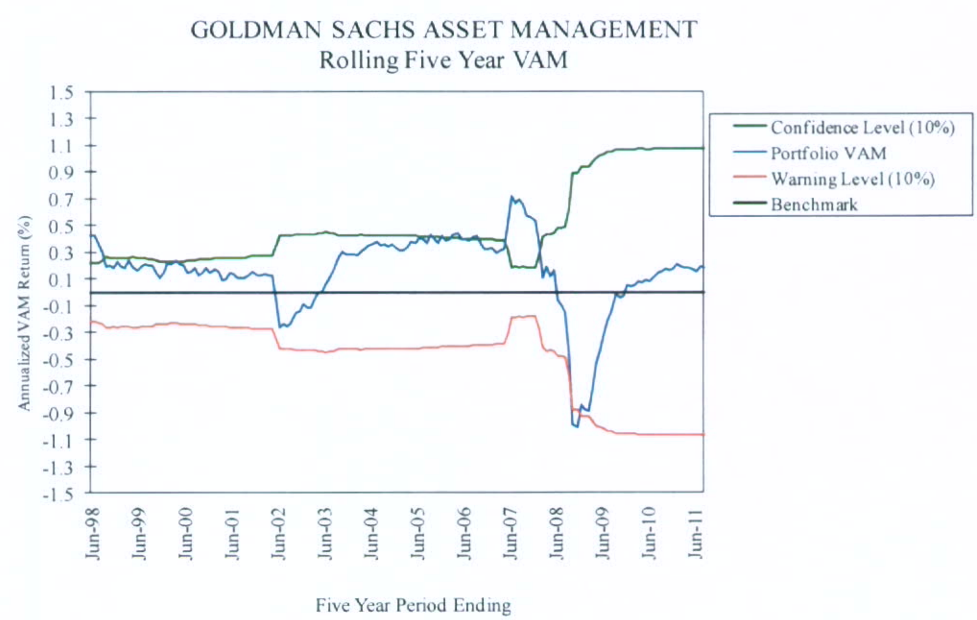
Goldman Sachs outperformed the benchmark in 3Q11 and over the last 12 months. One year performance was driven by security selection within the investment grade corporate, Agency MBS, CMO, and Government/Agency sectors. An overweight to 10YR and 30YR U.S. Treasury securities, as well as security selection within Agency MBS, were the main drivers of quarterly performance. Exposure to non-Agency MBS was the largest detractor to returns during the quarter.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	3.9%	3.8%
Last 1 year	5.8	5.3
Last 2 years	8.0	6.7
Last 3 years	9.1	8.0
Last 4 years	7.1	6.9
Last 5 years	6.7	6.5
Since Inception (7/93)	6.6	6.3

Recommendations

No action required.



NEUBERGER INVESTMENT MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Andrew Johnson **Assets Under Management: $1,741,656,926**

Investment Philosophy

Neuberger (formerly Lincoln) manages an enhanced index portfolio closely tracking the Barclays Capital U.S. Aggregate Bond Index. Neuberger's process relies on a combination of quantitative tools and active management judgment. Explicit quantification and control of risks are at the heart of their process. Neuberger uses proprietary risk exposure measures to analyze 24 interest rate factors, and over 30 spread-related factors. For each interest rate factor, the portfolio is very closely matched to the index to ensure that the portfolio earns the same return as the index for any change in interest rates. For each spread factor, the portfolio can deviate slightly from the index as a means of seeking value-added. Setting target active risk exposures that must fall within pre-established maximums controls risk. To control credit risk, corporate holdings are diversified across a large number of issues. Neuberger was retained by the SBI in July 1988.

Staff Comments

Neuberger Berman underperformed the benchmark in 3Q11 and outperformed the benchmark over the last 12 months. One year performance was driven by overweight positions in CMBS and RMBS. Security selection within the RMBS sector also contributed to annual performance. Quarterly performance was negatively impacted by an overweight to investment grade corporate bonds, particularly in the financial sector, and an underweight non-corporate credit.

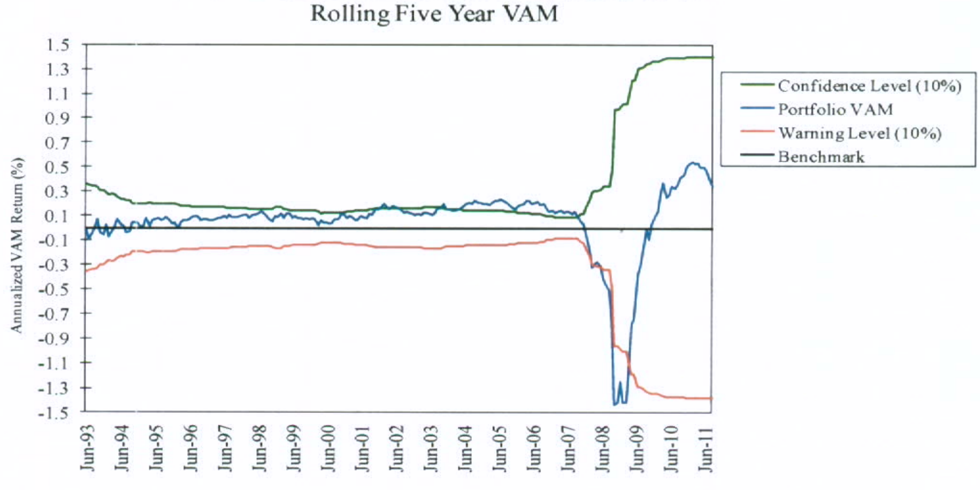
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	3.1%	3.8%
Last 1 year	5.3	5.3
Last 2 years	8.3	6.7
Last 3 years	9.7	8.0
Last 4 years	7.4	6.9
Last 5 years	6.9	6.5
Since Inception (7/88)	7.5	7.4

Recommendations

No action required.

NEUBERGER INVESTMENT MANAGEMENT
Rolling Five Year VAM



Five Year Period Ending

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STATE BOARD OF INVESTMENT

International Manager Evaluation Reports

Third Quarter, 2011

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International Managers

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COMBINED RETIREMENT FUNDS
INTERNATIONAL STOCK MANAGERS
Periods Ending September, 2011

	Quarter		1 Year		3 Years		5 Years		Since (1) Inception		Market	Pool
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Value (in millions)	%
Active Developed Markets (2)												
Acadian	-20.3	-19.0	-8.4	-9.1	-2.7	-0.9	-5.7	-2.9	1.2	2.1	$240.8	3.9%
Columbia (RiverSource)	-20.5	-19.0	-8.8	-9.1	0.3	-0.9	-2.0	-2.9	-0.9	0.9	$231.0	3.7%
Invesco	-18.2	-19.0	-9.3	-9.1	-0.9	-0.9	-3.3	-2.9	2.4	0.9	$199.5	3.2%
J.P. Morgan	-20.2	-19.0	-9.5	-9.1	0.1	-0.9	-2.9	-2.9	1.8	2.1	$204.4	3.3%
Marathon	-17.0	-19.0	-6.2	-9.1	2.5	-0.9	0.6	-2.9	7.6	4.1	$481.9	7.7%
McKinley	-21.8	-19.0	-11.7	-9.1	-4.0	-0.9	-5.3	-2.9	0.3	2.1	$194.4	3.1%
Pyramis (Fidelity)	-19.5	-19.0	-8.1	-9.1	0.3	-0.9	-1.1	-2.9	3.4	2.1	$228.6	3.7%
Aggregate	**-19.3**	**-19.0**	**-8.4**	**-9.1**	**0.1**	**-0.9**	**-2.4**	**-2.9**			**$1,780.7**	**28.6%**
Active Emerging Markets (3)												
AllianceBernstein	-24.8	-22.6	-20.2	-16.1	3.0	6.3	2.0	5.0	9.5	11.1	$140.5	2.3%
Capital International	-24.5	-22.6	-21.1	-16.1	7.2	6.3	5.9	5.0	10.2	11.1	$635.5	10.2%
Morgan Stanley	-18.6	-22.6	-14.3	-16.1	6.6	6.3	5.0	5.0	11.4	11.1	$643.3	10.3%
Aggregate	**-21.9**	**-22.6**	**-18.0**	**-16.1**	**6.1**	**6.3**	**4.6**	**5.0**			**$1,419.4**	**22.8%**
Semi-Passive Developed Markets (2)												
AQR	-22.3	-19.0	-11.4	-9.1	-0.1	-0.9	-3.4	-2.9	1.8	2.1	$223.0	3.6%
Pyramis (Fidelity)	-20.1	-19.0	-8.9	-9.1	-1.6	-0.9	-2.1	-2.9	2.8	2.1	$341.1	5.5%
State Street	-21.8	-19.0	-11.9	-9.1	-1.9	-0.9	-4.3	-2.9	1.0	2.1	$211.4	3.4%
Aggregate	**-21.2**	**-19.0**	**-10.5**	**-9.1**	**-1.1**	**-0.9**	**-3.2**	**-2.9**			**$775.5**	**12.5%**
Passive Developed Markets (2)												
State Street	-18.9	-19.0	-8.7	-9.1	-0.6	-0.9	-2.5	-2.9	5.6	5.3	$2,246.7	36.1%
									Since 10/1/92			
Equity Only (4) (6)	-20.0	-19.9	-11.1	-10.8	0.9	0.5	-1.3	-1.5	6.1	5.7	$6,222.6	100.0%
Total Program (5) (6)	**-20.0**	**-19.9**	**-11.1**	**-10.8**	**0.9**	**0.5**	**-1.3**	**-1.5**	**6.3**	**5.7**	**$6,222.6**	**100.0%**
SBI Int'l Equity Target (6)		-19.9		-10.8		0.5		-1.5		5.7		
MSCI ACWI Free ex. U.S. (7)		-19.9		-10.8		0.5		-1.6		6.0		
MSCI World ex U.S. (net)		-19.0		-9.1		-0.9		-2.9		5.5		
MSCI EAFE Free (net)		-19.0		-9.3		-1.1		-3.5		5.1		
MSCI Emerging Markets Free (8)		-22.6		-16.1		6.3		4.9		8.3		

(1) Since retention by the SBI. Time period varies for each manager.

(2) Since 6/1/08 the developed markets manager's benchmark is the Standard (large + mid) MSCI World ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI World ex U.S. (net). From 10/1/03 to 9/30/07 the benchmark was MSCI World ex U.S. (net). Prior to that date, it was MSCI EAFE Free (net). From 10/1/01 to 5/31/02 the benchmark was the Provisional MSCI EAFE Free (net).

(3) Since 6/1/08 the emerging markets manager's benchmark is the Standard (large + mid) MSCI Emerging Markets Free (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI Emerging Markets Free (net). From 1/1/01 to 9/30/07 the benchmark was MSCI Emerging Markets Free (net). Prior to that date, it was MSCI Emerging Markets Free (gross). From 10/1/01 to 5/31/02 the benchmark was the Provisional MSCI Emerging Markets Free (net).

(4) Equity managers only. Includes impact of terminated managers.

(5) Includes impact of currency overlay on the passive EAFE portfolio from 12/1/95-10/31/00.

(6) Since 6/1/08 the International Equity asset class target is the Standard (large + mid) MSCI ACWI ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI ACWI ex U.S. (net). From 10/1/03 to 9/30/07 the target was MSCI ACWI ex U.S. (net). From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) plus Emerging Markets Free (net), and from 7/1/99 to 12/31/00 the target was MSCI EAFE Free (net) plus Emerging Markets Free (gross). From 7/1/99 to 9/30/03, the weighting of each index fluctuated with market capitalization. From 10/1/01 to 5/31/02 all international benchmarks being reported were the MSCI Provisional indices. From 12/31/96 to 6/30/99 the benchmark was fixed at 87% EAFE Free (net)/13% Emerging Markets Free (gross). On 5/1/96, the portfolio began transitioning from 100% EAFE Free (net) to the 12/31/96 fixed weights. 100% EAFE Free (net) prior to 5/1/96.

(7) MSCI ACWI Free ex U.S. (gross) through 12/31/00. MSCI ACWI Free ex U.S. (net) thereafter.

(8) MSCI Emerging Markets Free (gross) through 12/31/00. MSCI Emerging Markets Free (net) thereafter.

COMBINED RETIREMENT FUNDS
INTERNATIONAL STOCK MANAGERS
Calendar Year Returns

	2010		2009		2008		2007		2006	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
Active Developed Markets (1)										
Acadian	13.9	8.9	28.8	33.7	-50.5	-43.5	10.0	12.6	31.9	25.7
Columbia (RiverSource)	15.2	8.9	29.3	33.7	-40.8	-43.5	12.4	12.6	23.6	25.7
Invesco	5.8	8.9	32.0	33.7	-38.8	-43.5	8.4	12.6	26.0	25.7
J.P. Morgan	7.6	8.9	37.5	33.7	-41.5	-43.5	8.8	12.6	23.1	25.7
Marathon	14.4	8.9	29.8	33.7	-38.0	-43.5	15.4	12.6	27.5	25.7
McKinley	11.8	8.9	24.1	33.7	-48.5	-43.5	20.4	12.6	25.4	25.7
Pyramis (Fidelity)	11.7	8.9	35.1	33.7	-42.9	-43.5	17.7	12.6	22.7	25.7
Aggregate	**11.9**	**8.9**	**31.9**	**33.7**	**-42.8**	**-43.5**	**13.0**	**12.6**	**25.8**	**25.7**
Active Emerging Markets (2)										
AllianceBernstein	15.8	18.9	78.4	78.5	-56.0	-53.2	38.8	39.9	30.4	32.2
Capital International	16.1	18.9	83.1	78.5	-48.9	-53.2	38.4	39.9	35.6	32.2
Morgan Stanley	18.4	18.9	71.7	78.5	-54.5	-53.2	43.0	39.9	37.6	32.2
Aggregate	**17.1**	**18.9**	**77.3**	**78.5**	**-53.0**	**-53.2**	**40.0**	**39.9**	**34.4**	**32.2**
Semi-Passive Developed Markets (1)										
AQR	11.4	8.9	36.0	33.7	-44.0	-43.5	9.0	12.6	25.2	25.7
Pyramis (Fidelity)	11.5	8.9	30.2	33.7	-44.0	-43.5	18.2	12.6	26.8	25.7
State Street	8.7	8.9	34.9	33.7	-45.3	-43.5	9.1	12.6	27.1	25.7
Aggregate	**10.6**	**8.9**	**33.6**	**33.7**	**-44.4**	**-43.5**	**12.1**	**12.6**	**26.4**	**25.7**
Passive Developed Markets (1)										
State Street	9.9	8.9	34.0	33.7	-43.4	-43.5	12.9	12.6	26.0	25.7
Equity Only (3) (4)	12.3	11.2	41.2	41.5	-45.3	-45.5	17.1	16.9	27.0	26.7
Total Program (4)	**12.3**	**11.2**	**41.2**	**41.5**	**-45.3**	**-45.5**	**17.1**	**16.9**	**27.0**	**26.7**
SBI Int'l Equity Target (4)		11.2		41.5		-45.5		16.9		26.7
MSCI ACWI Free ex. U.S. (net)		11.2		41.5		-45.5		16.7		26.7
MSCI World ex U.S. (net)		8.9		33.7		-43.6		12.4		25.7
MSCI EAFE Free (net)		7.7		31.8		-43.4		11.2		26.3
MSCI Emerging Markets Free (net)		18.9		78.5		-53.3		39.4		32.2

(1) Since 6/1/08 the developed markets manager's benchmark is the Standard (large + mid) MSCI World ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI World ex U.S. (net). From 10/1/03 to 9/30/07 the benchmark was MSCI World ex U.S. (net).

(2) Since 6/1/08 the emerging markets manager's benchmark is the Standard (large + mid) MSCI Emerging Markets Free (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI Emerging Markets Free (net). From 1/1/01 to 9/30/07 the benchmark was MSCI Emerging Markets Free (net).

(3) Equity managers only. Includes impact of terminated managers.

(4) Since 6/1/08 the International Equity asset class target is the Standard (large + mid) MSCI ACWI ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI ACWI ex U.S. (net). From 10/1/03 to 9/30/07 the target was MSCI ACWI ex U.S. (net).

ACADIAN ASSET MANAGEMENT LLC
Periods Ending September, 2011

Portfolio Manager: John Chisholm | **Assets Under Management: $240,801,786**

Investment Philosophy

Acadian believes there are inefficiencies in the global equity markets that can be exploited by a disciplined quantitative investment process. In evaluating markets and stocks, Acadian believes it is most effective to use a range of measures, including valuation, price trends, financial quality and earnings information. Risk control is a critical part of the Acadian approach. Acadian's process seeks to capture value-added at both the stock and the sector/country level. The process is active and bottom-up, but each stock forecast also contains a sector/country forecast. Selection is made from a very broad investment universe using disciplined, factor-driven quantitative models. Portfolios are constructed with an optimizer and are focused on targeting a desired level of active risk relative to a client's chosen benchmark index.

Staff Comments

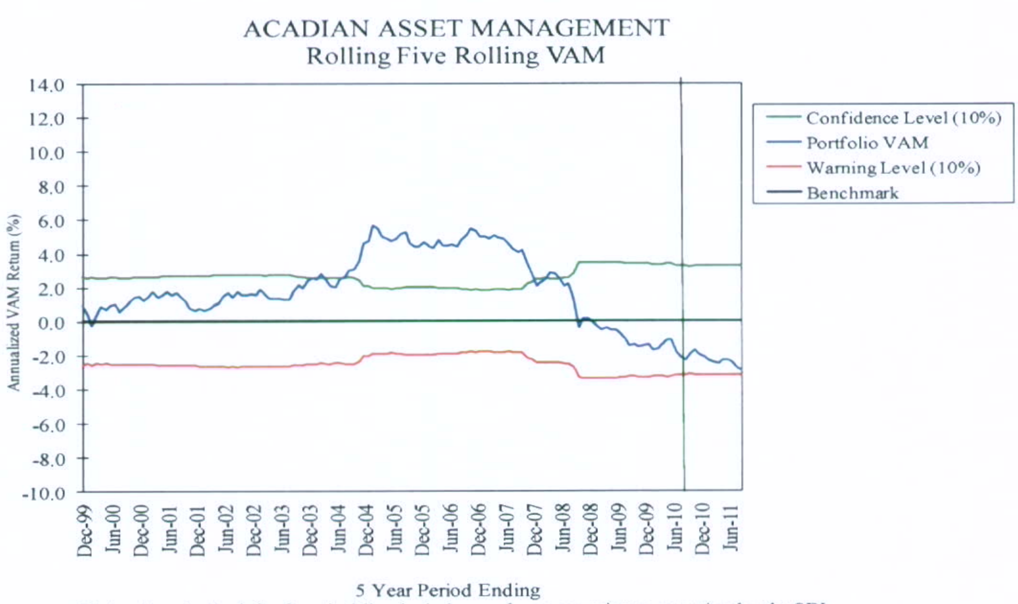
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-20.3%	-19.0%
Last 1 year	-8.4	-9.1
Last 2 years	-1.6	-2.7
Last 3 years	-2.7	-0.9
Last 4 years	-12.9	-8.9
Last 5 years	-5.7	-2.9
Since Inception (7/05)	1.2	2.1

Recommendations

No action required.



Note: Area to the left of vertical line includes performance prior to retention by the SBI.

COLUMBIA MANAGEMENT INVESTMENT ADVISERS, LLC
(Formerly RiverSource Investments)
Periods Ending September, 2011

Portfolio Manager: Esther Perkins | **Assets Under Management: $230,990,736**

Investment Philosophy

RiverSource's philosophy focuses on key forces of change in markets and the companies that will benefit. The firm believes that in a global marketplace, where sustainable competitive advantage is rare, their research should focus on the dynamics of change. A good understanding of the likely impact of these changes at a company level, complemented with an appreciation of the ability of management to exploit these changes, creates significant opportunities to pick winners and avoid losers.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-20.5%	-19.0%
Last 1 year	-8.8	-9.1
Last 2 years	-0.8	-2.7
Last 3 years	0.3	-0.9
Last 4 years	-7.2	-8.9
Last 5 years	-2.0	-2.9
Since Inception (3/00)	-0.9	0.9

Recommendations

No action required.

COLUMBIA MANAGEMENT INVESTMENT ADVISORS
Rolling Five Year VAM

Note: Area to the left of vertical line includes performance prior to retention by the SBI.

INVESCO GLOBAL ASSET MANAGMENT
Periods Ending September, 2011

Portfolio Manager: W. Lindsay Davidson **Assets Under Management: $199,538,115**

Investment Philosophy

INVESCO believes they can add value by identifying and investing in companies whose share price does not reflect the proven and sustainable growth of the company's earnings and assets. They also believe that a systematic process that identifies mis-valued companies, combined with a consistently applied portfolio design process, can control the predictability and consistency of returns. Portfolios are constructed on a bottom-up basis; they select individual companies rather than countries, themes, or industry groups. This is the first of four cornerstones of their investment approach. Secondly, they conduct financial analysis on a broad universe of non-U.S. companies whose key financial data is adjusted to be comparable across borders and currencies. Third, Invesco believes that using local investment professionals enhances fundamental company research. Finally, they manage risk and assure broad diversification relative to clients' benchmarks through a statistics-based portfolio construction approach rather than resorting to country or industry constraints.

Staff Comments

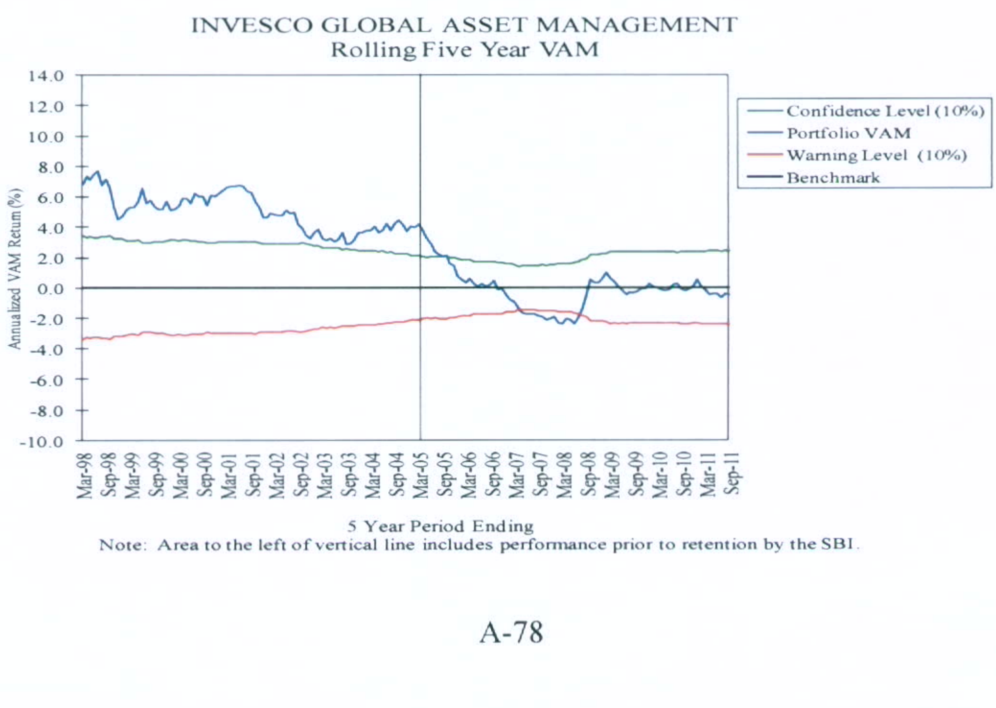
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-18.2%	-19.0%
Last 1 year	-9.3	-9.1
Last 2 years	-3.9	-2.7
Last 3 years	-0.9	-0.9
Last 4 years	-8.3	-8.9
Last 5 years	-3.3	-2.9
Since Inception (3/00)	2.4	0.9

Recommendations

No action required.



Note: Area to the left of vertical line includes performance prior to retention by the SBI.

Portfolio Manager: James Fisher **Assets Under Management: $204,366,214**

Investment Philosophy

JP Morgan's international equity strategy seeks to add value through active stock selection, while remaining diversified by both sector and region. The portfolio displays a large capitalization size bias and a slight growth orientation. Stock selection decisions reflect the insights of approximately 150 locally based investors, ranking companies within their respective local markets. The most attractive names in each region are then further validated by a team of Global Sector Specialists who seek to take the regional team rankings and put these into a global context. The team of six senior portfolio managers draws together the insights of both the regional and global specialists, constructing a portfolio of the most attractive names.

Staff Comments

No comment at this time.

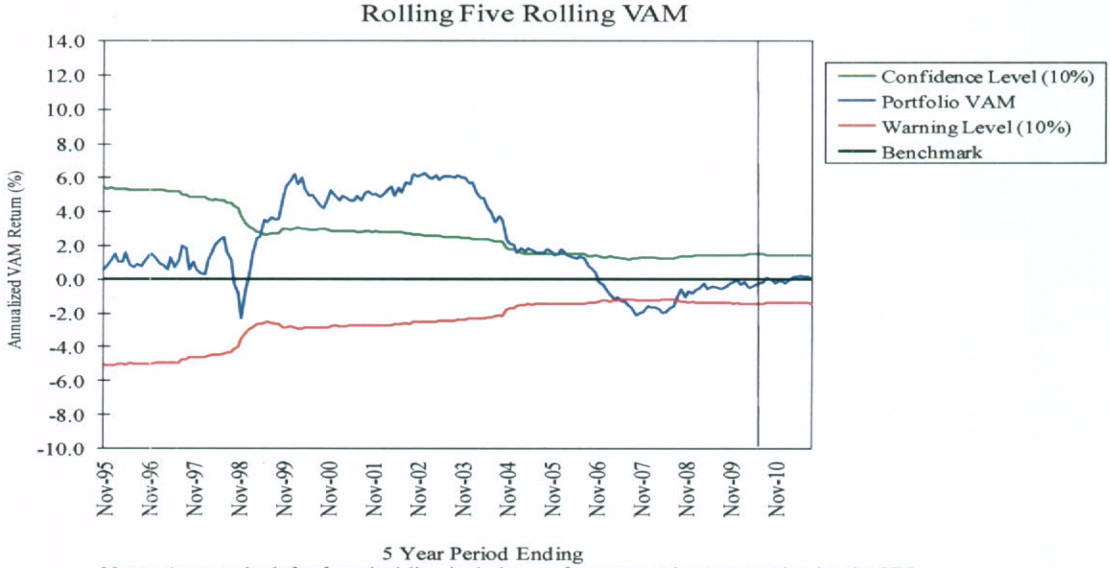
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-20.2%	-19.0%
Last 1 year	-9.5	-9.1
Last 2 years	-2.7	-2.7
Last 3 years	0.1	-0.9
Last 4 years	-7.7	-8.9
Last 5 years	-2.9	-2.9
Since Inception (7/05)	1.8	2.1

Recommendations

No action required.

J.P. MORGAN INVESTMENT MANAGEMENT, INC.
Rolling Five Rolling VAM



Note: Area to the left of vertical line includes performance prior to retention by the SBI

MARATHON ASSET MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: William Arah **Assets Under Management: $481,920,289**

Investment Philosophy

Marathon uses a blend of flexible, qualitative disciplines to construct portfolios which exhibit a value bias. Style and emphasis will vary over time and by market, depending on Marathon's perception of lowest risk opportunity. Since they believe that competition determines profitability, Marathon is attracted to industries where the level of competition is declining and they will hold a sector position as long as the level of competition does not increase. At the stock level, Marathon tracks a company's competitive position versus the attractiveness of their products or services and attempts to determine whether the company is following an appropriate reinvestment strategy for their current competitive position.

Staff Comments

Over the quarter and the year, stock selection in and an overweight to Japan contributed positively to the portfolio's relative performance. Stock selection in the industrials sector and an underweight position in financials were also positive contributors.

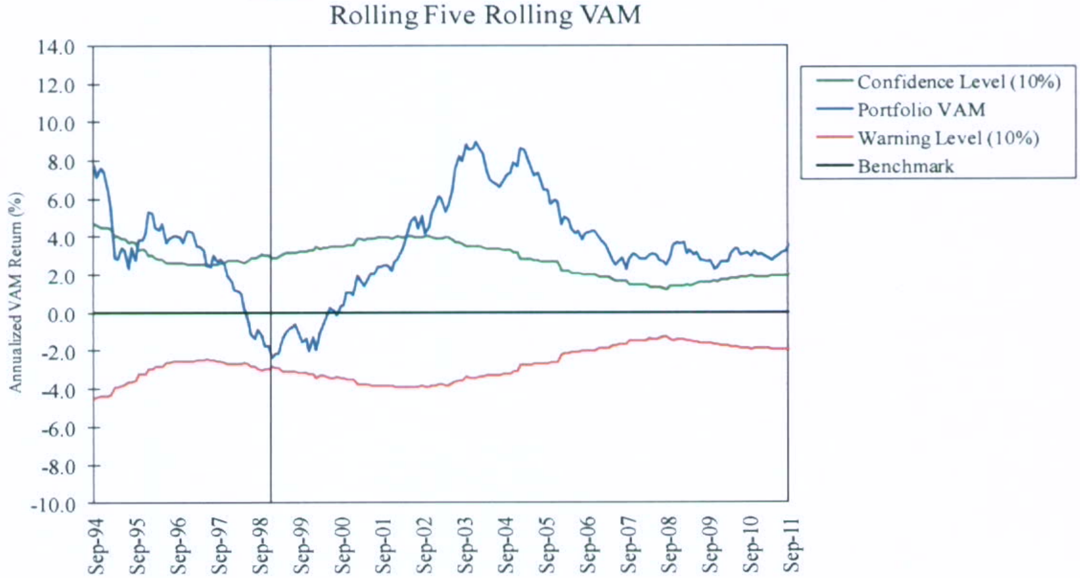
Quantitative Evaluation

	Actual	Custom Benchmark
Last Quarter	-17.0%	-19.0%
Last 1 year	-6.2	-9.1
Last 2 years	1.0	-2.7
Last 3 years	2.5	-0.9
Last 4 years	-5.2	-8.9
Last 5 years	0.6	-2.9
Since Inception (11/93)	7.6	4.1

Recommendations

No action required.

MARATHON ASSET MANAGEMENT
Rolling Five Rolling VAM



5 Year Period Ending

Note: Area to the left of vertical line includes performance prior to retention by the SBI.

MCKINLEY CAPITAL MANAGEMENT, INC.
Periods Ending September, 2011

Portfolio Manager: Robert A. Gillam **Assets Under Management: $194,437,893**

Investment Philosophy

At McKinley Capital, investment decisions are based on the philosophy that excess market returns can be achieved through the construction and active management of a diversified, fundamentally sound portfolio of inefficiently priced common stocks whose earnings growth rates are accelerating above market expectations. A disciplined quantitative investment process drives all product strategies. The firm can be described as a bottom-up growth manager. They employ both a systematic screening process and a qualitative overview to construct and manage portfolios. Investment ideas are initially generated by the quantitative investment process. The balance of the qualitative overlay seeks to identify securities with earnings estimates that are reasonable and sustainable. All portfolios managed by McKinley Capital use the same investment process and construction methodology to manage portfolios.

Staff Comments

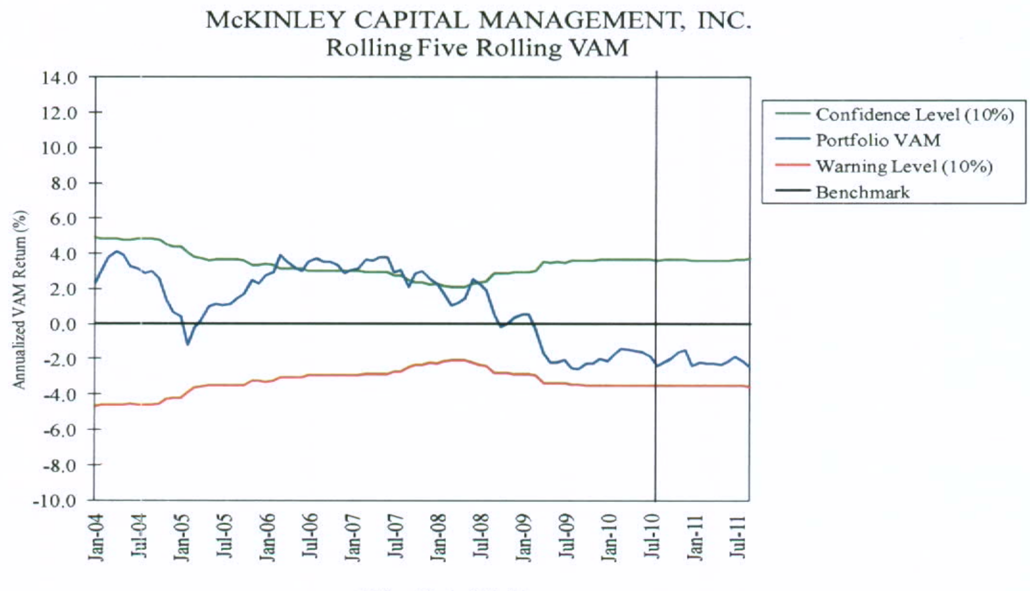
Stock selection in the materials and consumer staples sectors contributed significantly to the portfolio's underperformance during the quarter and the year.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-21.8%	-19.0%
Last 1 year	-11.7	-9.1
Last 2 years	-2.0	-2.7
Last 3 years	-4.0	-0.9
Last 4 years	-12.8	-8.9
Last 5 years	-5.3	-2.9
Since Inception (7/05)	0.3	2.1

Recommendations

No action required.



Note: Area to the left of vertical line includes performance prior to retention by the SBI

PYRAMIS GLOBAL ADVISORS TRUST COMPANY
(Formerly Fidelity Management Trust Company)
Periods Ending September, 2011

Portfolio Manager: Michael Strong | **Assets Under Management: $228,641,361**

Investment Philosophy

International Growth is a core, growth-oriented strategy that provides diversified exposure to the developed international markets. The investment process combines active stock selection and regional asset allocation. Four portfolio managers in London, Tokyo, Hong Kong, and Boston construct regional sub-portfolios, selecting stocks based on Fidelity analysts' bottom-up research and their own judgment and expertise. Portfolio guidelines seek to ensure risk is commensurate with the performance target and to focus active risk on stock selection. Resulting portfolios typically contain between 200-250 holdings.

Staff Comments

No comment at this time.

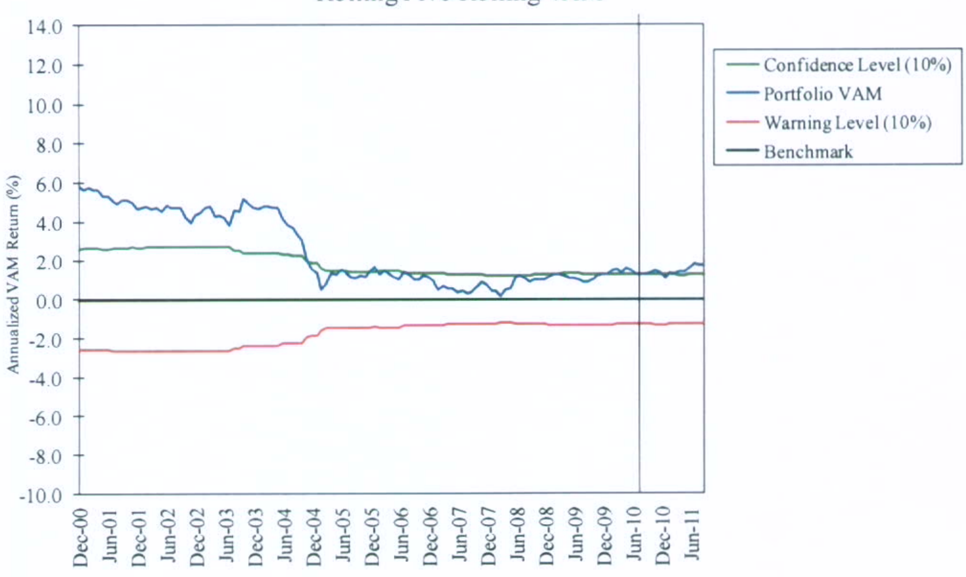
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-19.5%	-19.0%
Last 1 year	-8.1	-9.1
Last 2 years	-1.2	-2.7
Last 3 years	0.3	-0.9
Last 4 years	-7.4	-8.9
Last 5 years	-1.1	-2.9
Since Inception (7/05)	3.4	2.1

Recommendations

No action required.

PYRAMIS GLOBAL ADVISORS TRUST Co. - INTL GROWTH
Rolling Five Rolling VAM



5 Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI

ALLIANCEBERNSTEIN L.P.
Periods Ending September, 2011

Portfolio Manager: Steve Beinhacker **Assets Under Management: $140,513,799**

Investment Philosophy

Alliance employs a growth style of investment management. They believe that fundamental research-driven stock selection, structured by industries within regions, will produce superior investment performance. Their strategy emphasizes bottom-up, large capitalization stock selection. Country and industry exposures are a by-product of stock selection. Alliance looks for companies with the best combination of forward-looking growth and valuation attractiveness.

Staff Comments

Over both the quarter and the year, stock selection in China, Brazil and Mexico, and in the consumer staples, consumer discretionary and telecommunications sectors detracted from the portfolio's relative returns.

During the quarter, AllianceBernstein announced that the lead portfolio manager, Steve Beinhacker, will be leaving the firm.

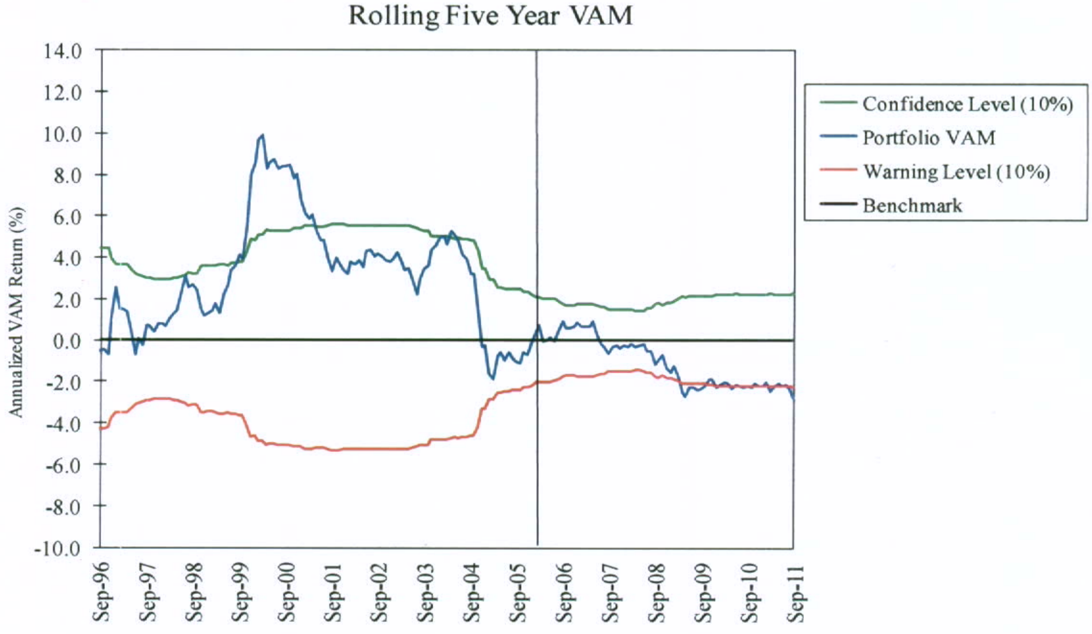
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-24.8%	-22.6%
Last 1 year	-20.2	-16.1
Last 2 years	-1.6	0.4
Last 3 years	3.0	6.3
Last 4 years	-8.3	-5.2
Last 5 years	2.0	5.0
Since Inception (3/01)	9.5	11.1

Recommendations

Staff is recommending that AllianceBernstein be terminated due to turnover of investment professionals and continued underperformance.

ALLIANCEBERNSTEIN L.P.
Rolling Five Year VAM



5 Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

CAPITAL INTERNATIONAL, INC.
Periods Ending September, 2011

Portfolio Manager: Victor Kohn **Assets Under Management: $635,541,592**

Investment Philosophy

Capital International's philosophy is value-oriented, as they focus on identifying the difference between the underlying value of a company and the price of its securities in its home market. Capital International's basic, fundamental, bottom-up approach is blended with macroeconomic and political judgments on the outlook for economies, industries, currencies and markets. The team of portfolio managers and analysts each select stocks for the portfolio based on extensive field research and direct company contact.

Staff Comments

Stock selection in China, and in the consumer staples, consumer discretionary, telecommunications and materials sectors contributed significantly to the portfolio's underperformance for the quarter and the year.

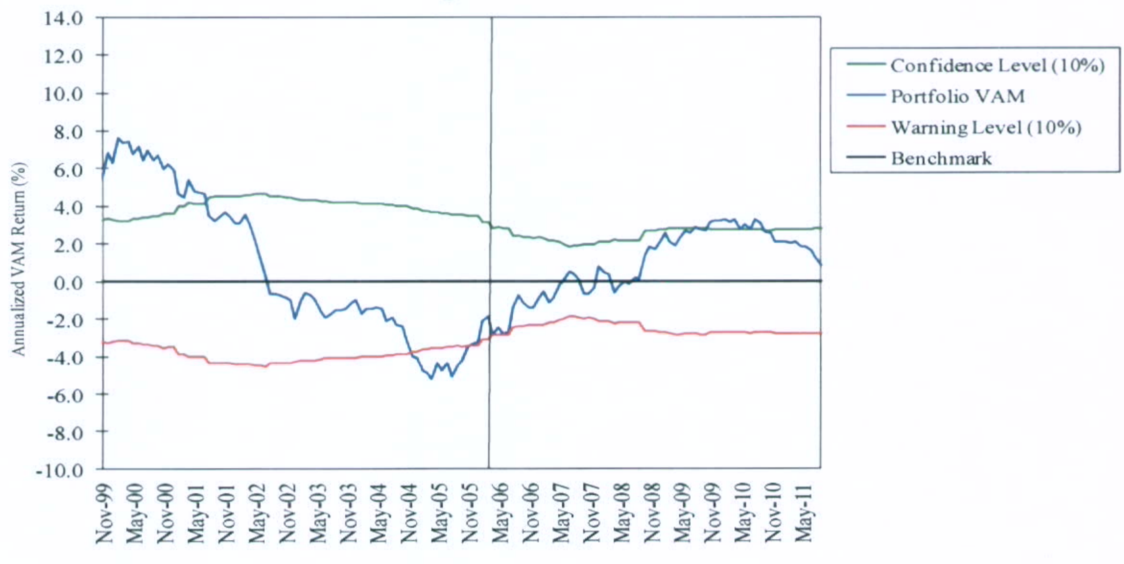
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-24.5%	-22.6%
Last 1 year	-21.1	-16.1
Last 2 years	-2.6	0.4
Last 3 years	7.2	6.3
Last 4 years	-4.2	-5.2
Last 5 years	5.9	5.0
Since Inception (3/01)	10.2	11.1

Recommendations

No action required.

CAPITAL INTERNATIONAL, INC.
Rolling Five Year VAM



5 Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

MORGAN STANLEY INVESTMENT MANAGEMENT
Periods Ending September, 2011

Portfolio Manager: Ruchir Sharma **Assets Under Management: $643,349,988**

Investment Philosophy

Morgan Stanley's style is core with a growth bias. They follow a top-down approach to country allocation and a bottom-up approach to stock selection. Morgan Stanley's macro-economic and stock selection analyses are qualitative as well as quantitative, concentrating on fundamentals. Their top-down analysis highlights countries with improving fundamentals and attractive valuations. Their bottom-up approach to stock selection focuses on purchasing companies with strong operating earnings potential at attractive valuations.

Staff Comments

Stock selection and weighting decisions in the consumer staples sector and in Brazil and Indonesia contributed to the portfolio's outperformance during the quarter and the year. An underweight position to and stock selection in the financials sector also added to relative returns over both time periods.

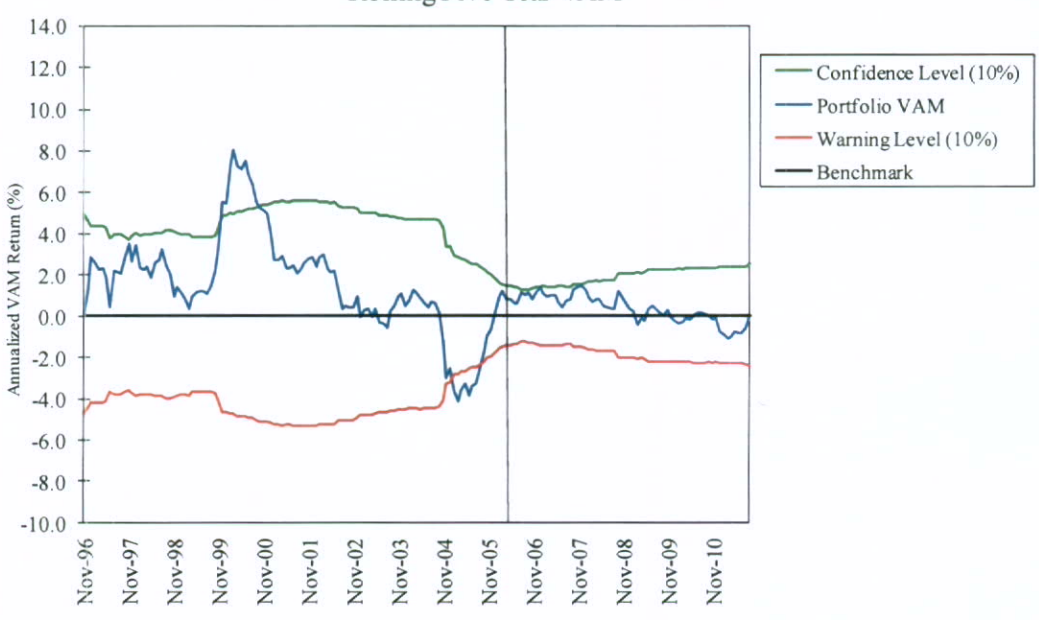
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-18.6%	-22.6%
Last 1 year	-14.3	-16.1
Last 2 years	1.6	0.4
Last 3 years	6.6	6.3
Last 4 years	-5.7	-5.2
Last 5 years	5.0	5.0
Since Inception (3/01)	11.4	11.1

Recommendations

No action required.

MORGAN STANLEY INVESTMENT MANAGEMENT
Rolling Five Year VAM



5 Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI.

AQR CAPITAL MANAGEMENT, LLC
Periods Ending September, 2011

Portfolio Manager: Cliff Asness | **Assets Under Management: $223,026,856**

Investment Philosophy

AQR employs a disciplined quantitative approach emphasizing both top-down country/currency allocation and bottom-up security selection decisions to generate excess returns. AQR's investment philosophy is based on the fundamental concepts of value and momentum. AQR's international equity product incorporates stock selection, country selection, and currency selection models as the primary alpha sources. Dynamic strategy allocation (between the three primary alpha sources) and style weighting are employed as secondary alpha sources.

Staff Comments

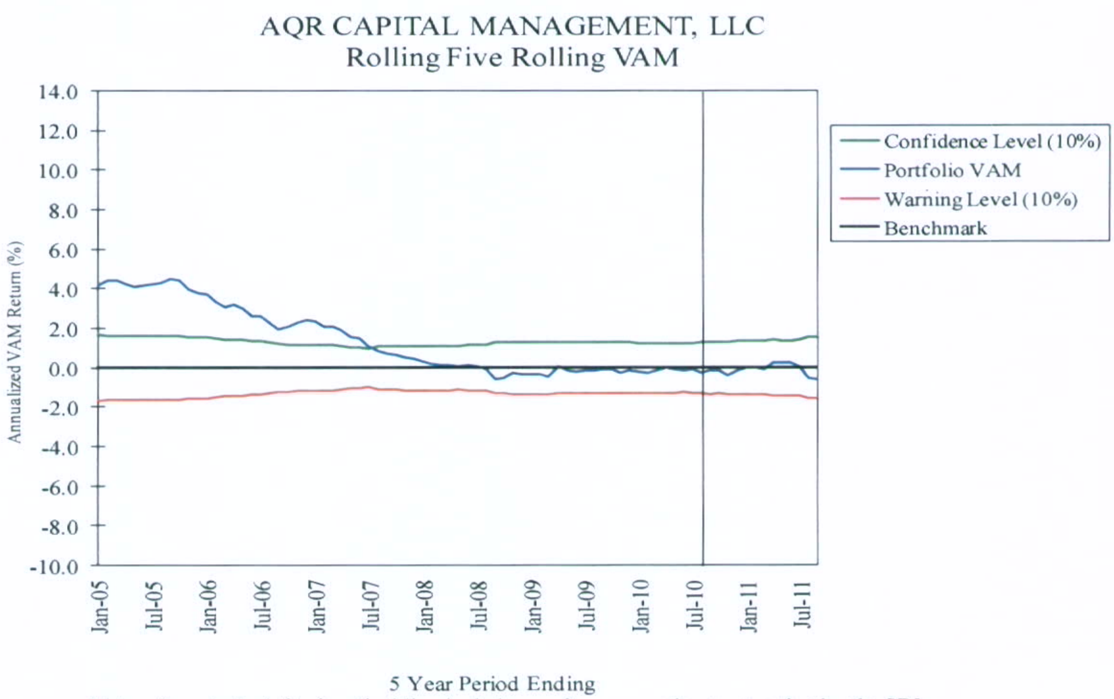
Stock selection in the United Kingdom and Canada, as well as in the consumer staples sector detracted from returns over both the quarter and the year.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-22.3%	-19.0%
Last 1 year	-11.4	-9.1
Last 2 years	-3.1	-2.7
Last 3 years	-0.1	-0.9
Last 4 years	-9.3	-8.9
Last 5 years	-3.4	-2.9
Since Inception (7/05)	1.8	2.1

Recommendations

No action required.



Note: Area to the left of vertical line includes performance prior to retention by the SBI

PYRAMIS GLOBAL ADVISORS TRUST COMPANY
(Formerly Fidelity Management Trust Company)
Periods Ending September, 2011

Portfolio Manager: Cesar Hernandez **Assets Under Management: $341,084,391**

Investment Philosophy

Select International combines active stock selection with quantitative risk control to provide consistent excess returns above the benchmartk while minimizing relative volatility and risk. By combining five regional sub-portfolios in the U.K., Canada, Continental Europe, Japan, and the Pacific Basin ex Japan, the portfolio manager produces a portfolio made up of the best ideas of the firm's research analysts. Each regional portfolio is created so that stock selection is the largest contributor to active return while systematic, sector, and factor risks are minimized. The portfolio manager uses a combination of proprietary and third-party optimization models to monitor and control risk within each regional module. Resulting portfolios typically contain between 275-325 holdings.

Staff Comments

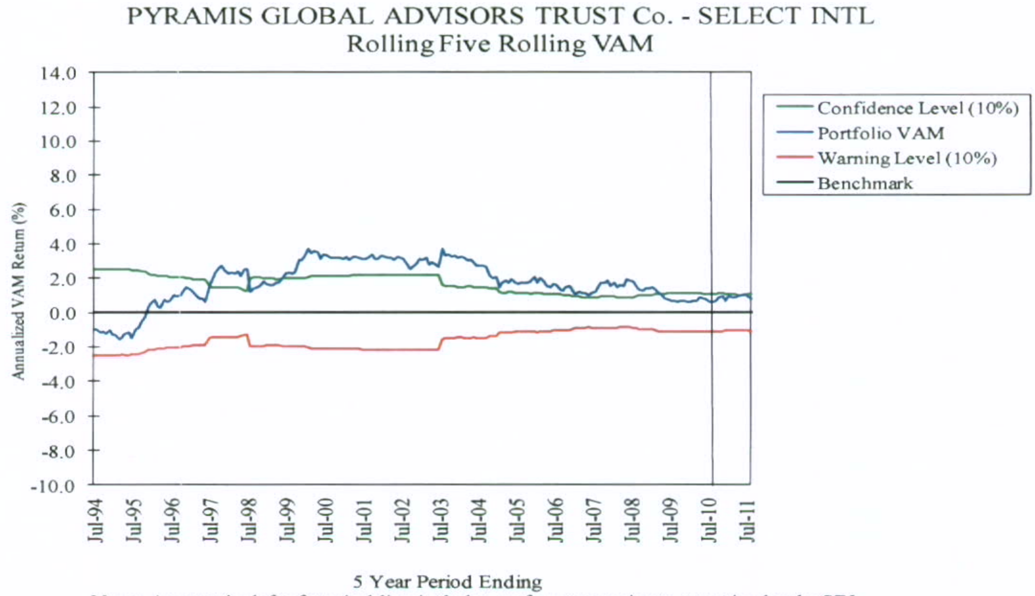
While stock selection in the financials and energy sectors detracted over the quarter, stock selection in the telecommunications and industrials sectors contributed to the portfolio's relative performance during the year.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-20.1%	-19.0%
Last 1 year	-8.9	-9.1
Last 2 years	-2.1	-2.7
Last 3 years	-1.6	-0.9
Last 4 years	-8.9	-8.9
Last 5 years	-2.1	-2.9
Since Inception (7/05)	2.8	2.1

Recommendations

No action required.



Note: Area to the left of vertical line includes performance prior to retention by the SBI

STATE STREET GLOBAL ADVISORS
Periods Ending September, 2011

Portfolio Manager: Didier Rosenfeld | **Assets Under Management: $211,387,813**

Investment Philosophy

SSgA's Alpha strategy is managed using a quantitative process. Stock selection provides the best opportunity to add consistent value. Industry factors have come to dominate country factors and an approach that uses industry weights to add incremental value complements stock selection. Unwanted biases are controlled for through disciplined risk-control techniques. Country and regional allocations are a result of the security selection process but are managed to remain with +/- 5% of the benchmarks allocation. Sector and industry allocations are managed to be within +/- 3% of the benchmarks allocation. The portfolio managers on this team have extensive experience and insight, which is used in conjunction with the models to create core portfolios.

Staff Comments

Stock selection across multiple sectors, including financials, consumer staples, information technology, industrials, energy and materials, detracted from returns over both the quarter and the year.

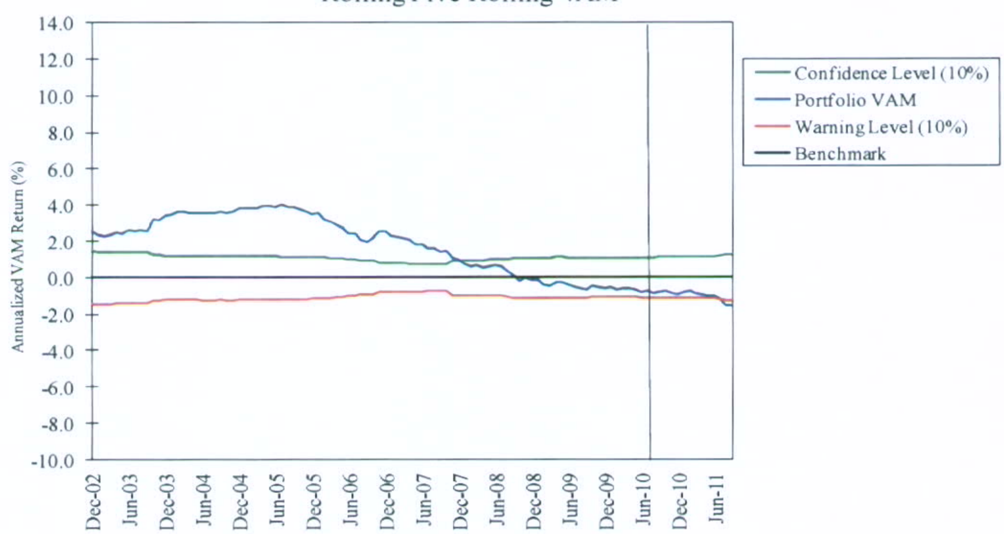
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-21.8%	-19.0%
Last 1 year	-11.9	-9.1
Last 2 years	-4.2	-2.7
Last 3 years	-1.9	-0.9
Last 4 years	-10.8	-8.9
Last 5 years	-4.3	-2.9
Since Inception (7/05)	1.0	2.1

Recommendations

No action required.

STATE STREET GLOBAL ADVISORS - ALPHA
Rolling Five Rolling VAM



5 Year Period Ending
Note: Area to the left of vertical line includes performance prior to retention by the SBI

STATE STREET GLOBAL ADVISORS
Periods Ending September, 2011

Portfolio Manager: Lynn Blake **Assets Under Management: $2,246,740,718**

Investment Philosophy

State Street Global Advisors passively manages the portfolio against the Morgan Stanley Capital International (MSCI) World ex U.S. index of 22 markets located in the developed markets outside of the United States (including Canada). SSgA fully replicates the index whenever possible because it results in lower turnover, higher tracking accuracy and lower market impact costs. The MSCI World ex U.S. (net) index reinvests dividends assuming a withholding tax on dividends, according to the Luxembourg tax rate. Whereas the portfolio reinvests dividends using all available reclaims and tax credits available to a U.S. pension fund, which should result in modest positive tracking error, over time.

Staff Comments

The portfolio's positive tracking error is within expectation over all time periods.

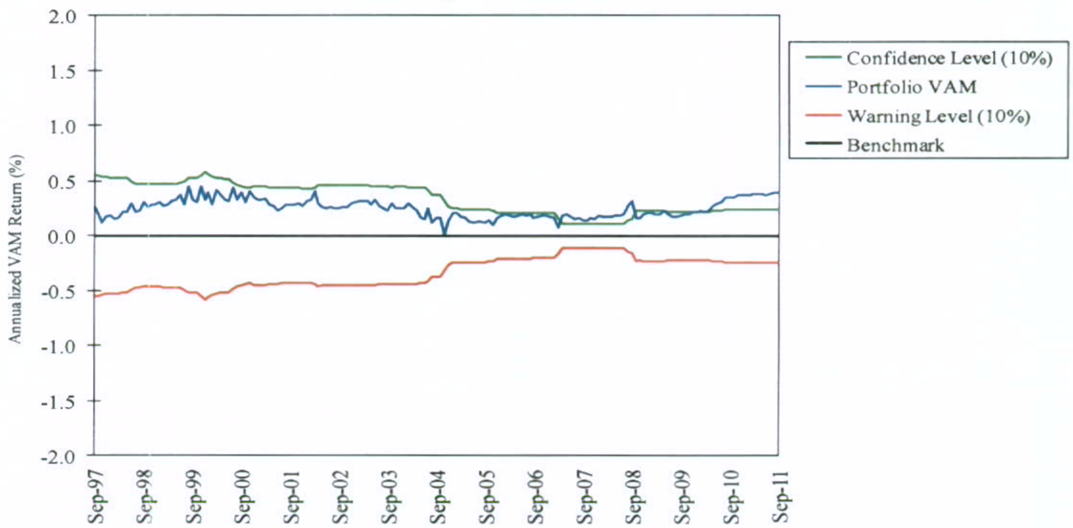
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-18.9%	-19.0%
Last 1 year	-8.7	-9.1
Last 2 years	-2.1	-2.7
Last 3 years	-0.6	-0.9
Last 4 years	-8.5	-8.9
Last 5 years	-2.5	-2.9
Since Inception (10/92)	5.6	5.3

Recommendation

No action required.

STATE STREET GLOBAL ADVISORS - PASSIVE
Rolling Five Year VAM



5 Year Period Ending

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STATE BOARD OF INVESTMENT

Non-Retirement Manager Evaluation Reports

Third Quarter, 2011

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Non-Retirement Managers

Table of Contents

NON - RETIREMENT MANAGERS
Periods Ending September, 2011

	Quarter		1 Year		3 Years		5 Years		Since (1) Inception		Market
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Value (in millions)
GE Asset Management (S&P 500 Index)	-16.0	-13.9	-2.9	1.1	-0.7	1.2	-1.0	-1.2	7.9	7.5	$59.0
RBC Global Asset Management (2) (Barclays Capital Intermediate Government)	3.0	3.2	5.7	4.4	7.8	5.6	5.5	6.0	6.2	6.3	$207.8
Galliard Capital Management (3 yr. Constant Maturity Treasury + 45 bp)	0.8	0.2	3.6	1.3	4.2	1.6	4.4	2.6	5.4	4.3	$1,434.1
Internal Stock Pool (S&P 500 Index)	-13.7	-13.9	1.3	1.1	1.4	1.2	-1.1	-1.2	7.3	7.2	$921.8
Internal Bond Pool - Income Share (Barclays Capital Aggregate) (3)	2.0	3.8	3.7	5.3	8.8	8.0	6.6	6.5	7.6	7.3	$84.8
Internal Bond Pool - Trust (Barclays Capital Aggregate)	2.1	3.8	3.7	5.3	8.6	8.0	6.7	6.5	7.1	6.7	$632.3

(1) Since retention by the SBI. Time period varies by manager.

(2) Prior to July 2011, a blended benchmark consisting of 25% Merrill Lynch (ML) Mortgage Master, 25% ML 1-3 Yr. Gov't, 25% ML 5-10 Yr. Tsy/Ag, 15% ML 3-5 Yr. Tsy/Ag, and 10% ML 91 day T-Bill was utilized.

(3) Prior to July 1994, the benchmark was the Salomon BIG.

NON - RETIREMENT MANAGERS
Calendar Year Returns

	2010		2009		2008		2007		2006	
	Actual %	**Bmk %**	**Actual %**	**Bmk %**	**Actual %**	**Bmk %**	**Actual %**	**Bmk %**	**Actual %**	**Bmk %**
GE Asset Management (S&P 500 Index)	10.7	15.1	32.3	26.5	-35.6	-37.0	8.5	5.5	16.4	15.8
RBC Global Asset Management (1) (Barclays Capital intermediate Government)	8.4	5.0	8.3	0.9	-2.4	9.5	5.8	7.9	4.5	4.3
Galliard Capital Management (3 yr. Constant Maturity Treasury + 45 bp)	4.1	1.5	4.7	1.9	4.7	2.6	4.8	4.7	4.6	5.2
Internal Stock Pool (S&P 500 Index)	15.1	15.1	26.3	26.5	-36.7	-37.0	5.5	5.5	15.9	15.8
Internal Bond Pool - Income Share (Barclays Capital Aggregate)	7.0	6.5	12.9	5.9	1.3	5.2	6.4	7.0	5.0	4.3
Internal Bond Pool - Trust (Barclays Capital Aggregate)	6.3	6.5	12.2	5.9	2.6	5.2	7.1	7.0	5.1	4.3

(1) Prior to July 2011, a blended benchmark consisting of 25% Merrill Lynch (ML) Mortgage Master, 25% ML 1-3 Yr. Gov't, 25% ML 5-10 Yr. Tsy/Ag, 15% ML 3-5 Yr. Tsy/Ag, and 10% ML 91 day T-Bill was utilized.

GE ASSET MANAGEMENT - Assigned Risk Plan
Periods Ending September, 2011

Portfolio Manager: Dave Carlson **Assets Under Management: $59,026,018**

Investment Philosophy
Assigned Risk Plan

GE's Multi-Style Equity program attempts to outperform the S&P 500 consistently while controlling overall portfolio risk through a multiple manager approach. A value portfolio, a growth portfolio and a research portfolio are combined to create a well diversified equity portfolio while maintaining low relative volatility and a style-neutral position between growth and value. All GE managers focus on stock selection from a bottom-up perspective.

Staff Comments

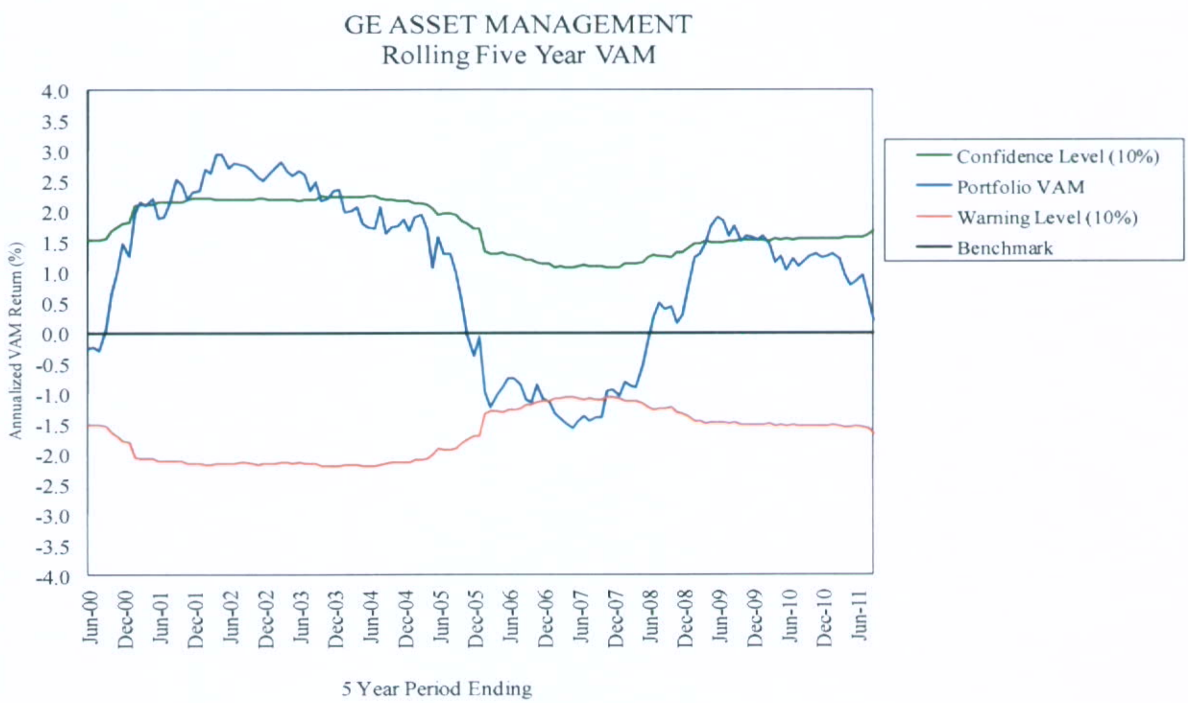
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-16.0%	-13.9%
Last 1 year	-2.9	1.1
Last 2 years	0.8	5.6
Last 3 years	-0.7	1.2
Last 4 years	-5.1	-5.2
Last 5 years	-1.0	-1.2
Since Inception (1/95)	7.9	7.5

Recommendation

No action required.



RBC GLOBAL ASSET MANAGEMENT (U.S.) - Assigned Risk Plan
Periods Ending September, 2011

Portfolio Manager: John Huber **Assets Under Management: $207,847,340**

Investment Philosophy
Assigned Risk Plan

RBC uses a top-down approach to fixed income investing. Their objective is to obtain superior long-term investment returns over a pre-determined benchmark that reflects the quality constraints and risk tolerance of the Assigned Risk Plan. Due to the specific liability requirement of the plan, return enhancement will focus on sector analysis and security selection. Yield curve and duration analysis are secondary considerations.

Staff Comments

No comment at this time.

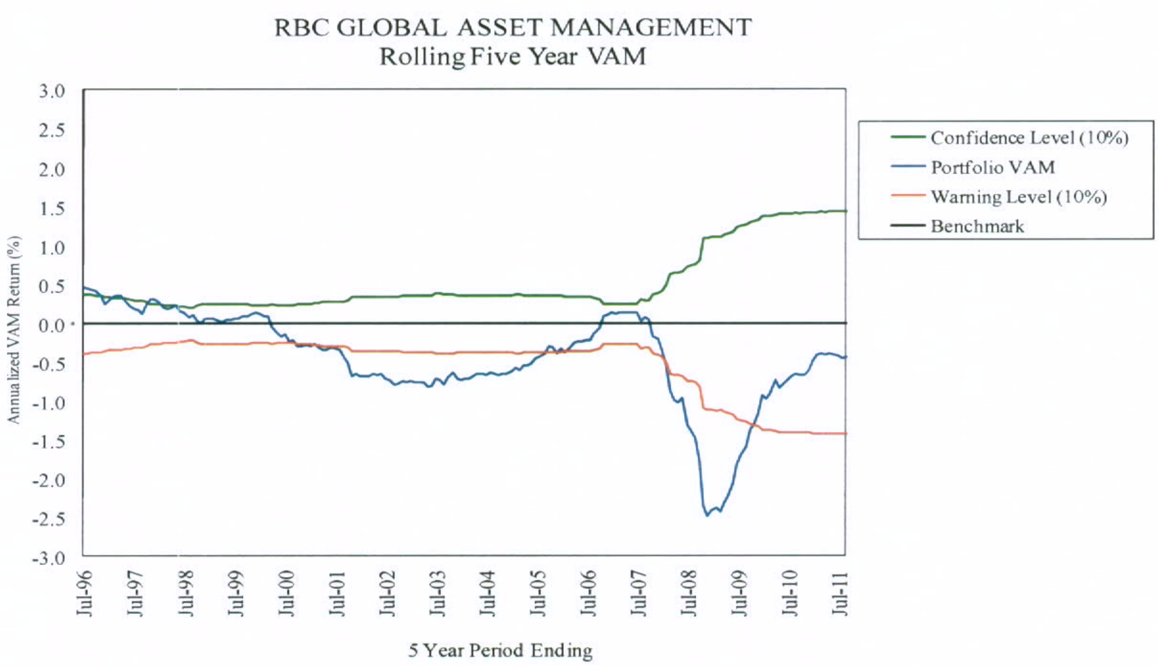
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	3.0%	3.2%
Last 1 year	5.7	4.4
Last 2 years	8.6	5.1
Last 3 years	7.8	5.6
Last 4 years	5.6	6.0
Last 5 years	5.5	6.0
Since Inception (7/91)	6.2	6.3

Recommendation

No action required.

* From 4/1/02-6/30/11, blended benchmark consisted of 25% Merrill Lynch (ML) Mortgage Master, 25% ML 1-3 Yr. Gov't, 25% ML 5-10 Yr. Tsy/Ag, 15% ML 3-5 Yr. Tsy/Ag, 10% ML 91 day T-Bill. Effective 7/1/11, Barclays Capital Intermediate Government Index.



GALLIARD CAPITAL MANAGEMENT
Periods Ending June, 2010

Portfolio Manager: Karl Tourville **Assets Under Management: $1,434,116,355**

Investment Philosophy

Galliard Capital Management manages the Fixed Interest Account in the Supplemental Investment Fund. The stable value fund is managed to protect principal and provide competitive interest rates using instruments somewhat longer than typically found in money market-type accounts. The manager invests cash flows to optimize yields. The manager invests in high quality instruments diversified among traditional investment contracts and alternative investment contracts with U.S. and non-U.S. financial institutions. To maintain necessary liquidity, the manager invests a portion of the portfolio in its Stable Return Fund and in cash equivalents. The Stable Return Fund is a large, daily priced fund consisting of a wide range of stable value instruments that is available to retirement plans of all sizes.

Staff Comments

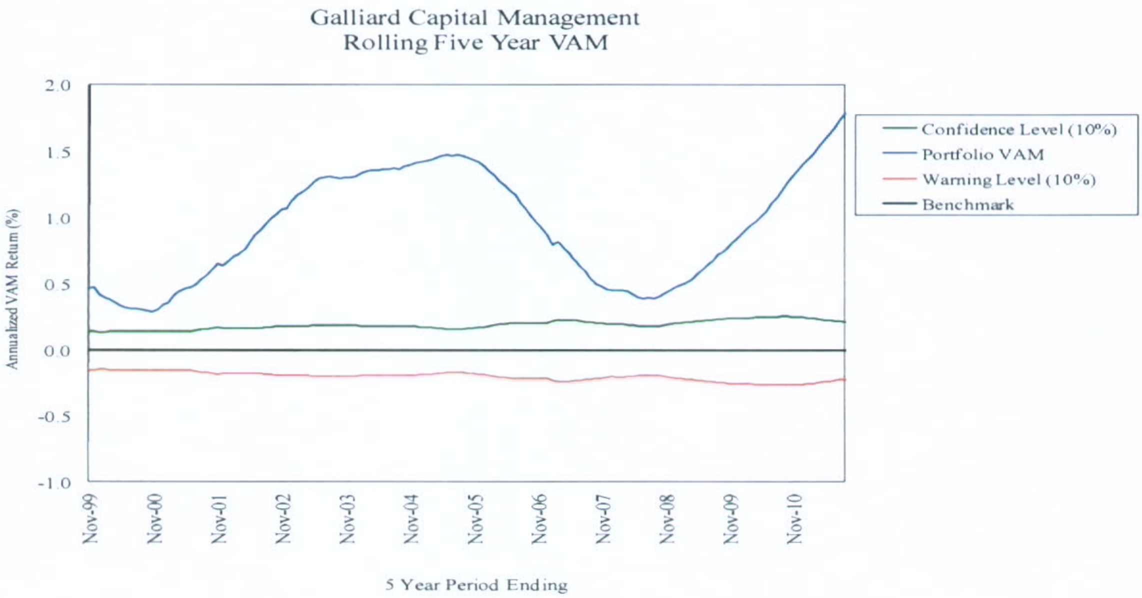
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	0.8%	0.2%
Last 1 year	3.6	1.3
Last 2 years	4.0	1.5
Last 3 years	4.2	1.6
Last 4 years	4.3	2.0
Last 5 years	4.4	2.6
Since Inception (11/94)	5.4	4.3

Recommendation

No action required.



INTERNAL STOCK POOL - Trust/Non-Retirement Assets
Periods Ending September, 2011

Portfolio Manager: Mike Menssen **Assets Under Management: $921,789,336**

Investment Philosophy
Environmental Trust Fund
Permanent School Fund

The Internal Equity Pool is managed to closely track the S&P 500 Index. The strategy replicates the S&P 500 by owning all of the names in the index at weightings similar to those of the index. The optimization model's estimate of tracking error with this strategy is approximately 10 basis points per year.

Staff Comments

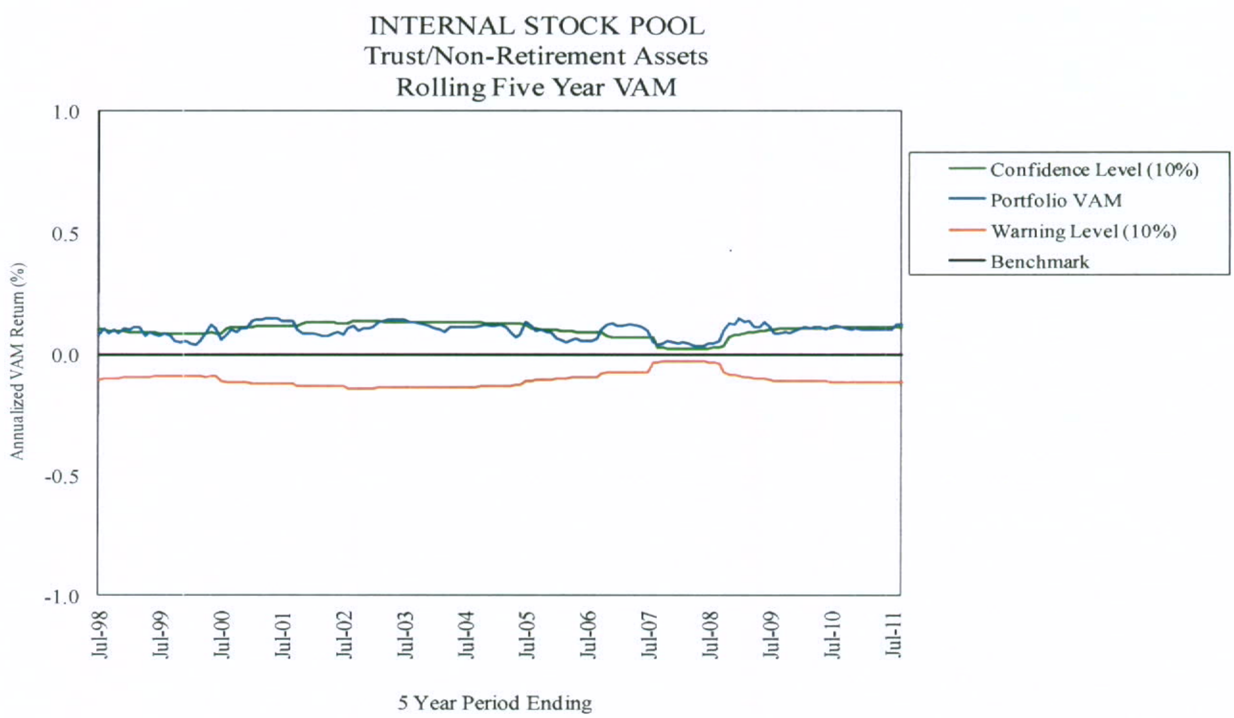
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-13.7%	-13.9%
Last 1 year	1.3	1.1
Last 2 years	5.7	5.6
Last 3 years	1.4	1.2
Last 4 years	-5.0	-5.2
Last 5 years	-1.1	-1.2
Since Inception (7/93)	7.3	7.2

Recommendation

No action required.



INTERNAL BOND POOL - Income Share Account
Periods Ending September, 2011

Portfolio Manager: Mike Menssen | **Assets Under Management: $84,797,836**

Investment Philosophy
Income Share Account

The investment approach emphasizes sector and security selection. The approach utilizes sector trading and relative spread analysis of both sectors and individual issues. The portfolio weightings in mortgage and corporate securities are consistently equal to or greater than the market weightings. The portfolio duration remains close to the benchmark duration but may be shortened or lengthened depending on changes in the economic outlook.

Staff Comments

No comment at this time.

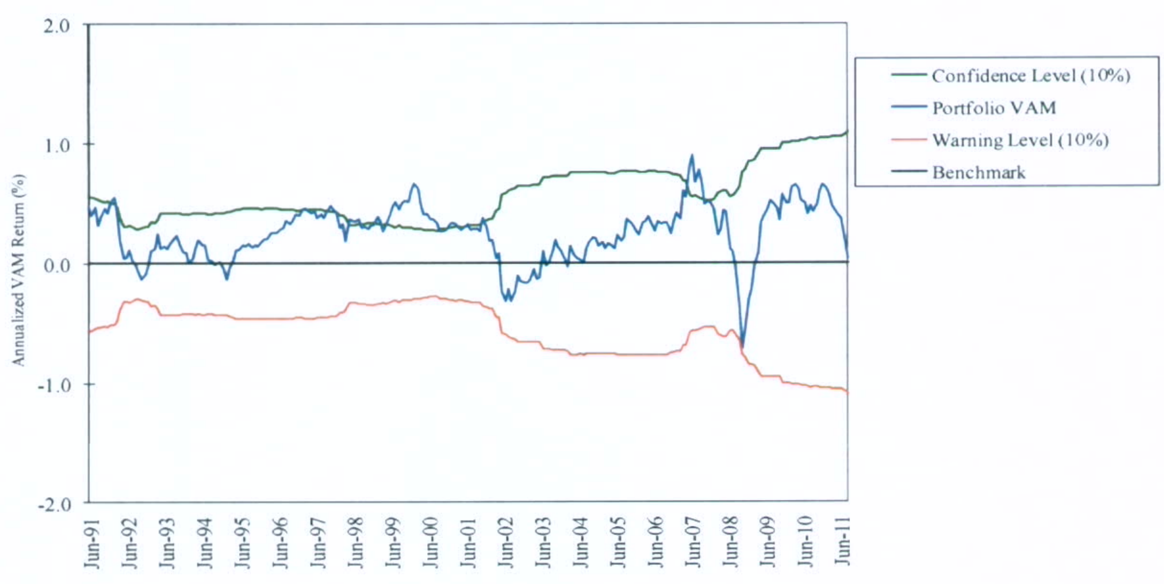
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	2.0%	3.8%
Last 1 year	3.7	5.3
Last 2 years	6.2	6.7
Last 3 years	8.8	8.0
Last 4 years	6.9	6.9
Last 5 years	6.6	6.5
Since Inception (7/86)	7.6	7.3

Recommendation

No action required.

INTERNAL BOND POOL - INCOME SHARE ACCOUNT
Rolling Five Year VAM



INTERNAL BOND POOL - Trust/Non-Retirement Assets
Periods Ending September, 2011

Portfolio Manager: Mike Menssen **Assets Under Management: $632,278,133**

Investment Philosophy
Environmental Trust Fund
Permanent School Trust Fund

The internal bond portfolio's investment approach emphasizes sector and security selection. The approach utilizes sector trading and relative spread analysis of both sectors and individual issues. The portfolio weightings in mortgage and corporate securities are consistently equal to or greater than the market weightings. The portfolio duration remains close to the benchmark duration but may be shortened or lengthened depending on changes in the economic outlook.

Staff Comments

No comment at this time.

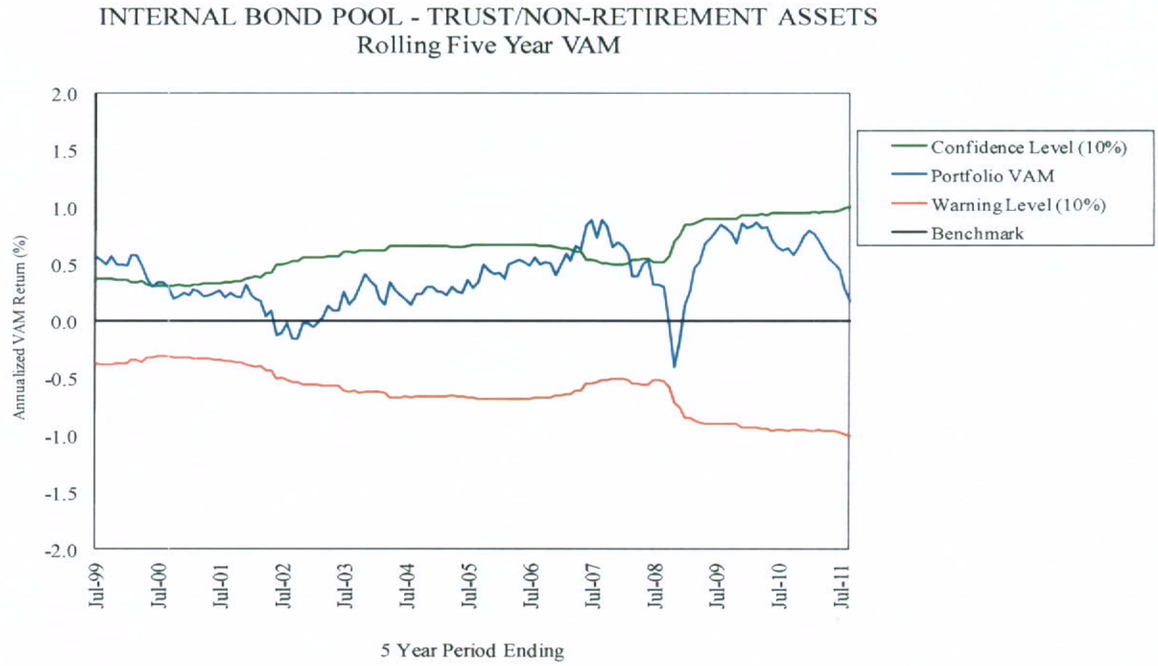
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	2.1%	3.8%
Last 1 year	3.7	5.3
Last 2 years	5.8	6.7
Last 3 years	8.6	8.0
Last 4 years	7.0	6.9
Last 5 years	6.7	6.5
Since Inception (7/94)*	7.1	6.7

* Date started managing the pool against the Barclays Capital Aggregate.

Recommendation

No action required.



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STATE BOARD OF INVESTMENT

Deferred Compensation Plan Evaluation Reports

Third Quarter, 2011

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Deferred Compensation Plan

Table of Contents

MN STATE 457 DEFERRED COMPENSATION PLAN
FUND OPTIONS (1)
Periods Ending September, 2011

457 Mutual Funds	Quarter Actual %	Quarter Bmk %	1 Year Actual %	1 Year Bmk %	3 Years Actual %	3 Years Bmk %	5 Years Actual %	5 Years Bmk %	Since (2) Retention by SBI %	Since (2) Retention by SBI %	State's Participation In Fund ($ millions)
Large Cap Equity:											
Janus Twenty (S&P 500)	-16.0	-13.9	-7.3	1.1	0.2	1.2	2.4	-1.2	0.0	0.2	$326.6
Vanguard Institutional Index Plus (S&P 500)	-13.9	-13.9	1.1	1.1	1.3	1.2	-1.1	-1.2	0.3	0.2	$489.8
Mid Cap Equity:											
Vanguard Mid-Cap Index (MSCI US Mid-Cap 450)	-19.1	-19.1	-0.7	-0.6	4.7	4.7	0.5	0.5	5.3	5.3	$184.2
Small Cap Equity:											
T. Rowe Price Small-Cap Stock (Russell 2000)	-21.2	-21.9	0.5	-3.5	6.1	-0.4	1.9	-1.0	7.2	4.2	$350.5
Balanced:											
Vanguard Balanced Index Inst. Fund (60% MSCI US Broad Market, 40% Barclays Capital Agg)	-7.7	-7.9	3.1	2.8	4.9	4.8	2.7	2.6	4.7	4.6	$431.7
Bond:											
Dodge & Cox Income Fund (Barclays Capital Aggregate)	0.2	3.8	3.6	5.3	9.9	8.0	6.4	6.5	6.5	6.3	$161.8
Vanguard Total Bond Market Index Inst. (Barclays Capital Aggregate)	4.0	3.8	5.3	5.3	8.0	8.0	6.6	6.5	5.6	5.5	$148.7
International:											
Fidelity Diversified International (MSCI EAFE-Free)	-20.4	-19.0	-11.0	-9.3	-3.1	-1.1	-3.7	-3.5	5.0	1.9	$192.6
Vanguard Total International Stock Index (ACWI ex US IMI) (3)	-20.9	-19.9	-12.2	-11.2	-0.6	0.4	-2.2	-1.9	-20.9	-19.9	$83.7

Numbers in blue include returns prior to retention by SBI.

Benchmarks for the Funds are noted in parentheses below the Fund names.

(1) Money Market Account and Fixed Interest Accounts are also offered in the Supplemental Investment Fund, which is described within Tab A. Performance for these accounts are reported under the Deferred Compensation Plan accounts within Tab A.

(2) Vanguard Inst.International retained July 2011; Vanguard Mid-Cap Index Fund retained January 2004; Vanguard Balanced, Vanguard Total Bond Mkt. retained December 2003; all others, July 1999.

(3) Benchmark is the MSCI ACWI ex US IMI beginning December 2010; MSCI EAFE and Emerging Markets Index beginning August 2006. Prior to that date it was the total International Composite Index, which is the MSCI EAFE Index and the Select Emerging Markets Free Index.

MN STATE 457 DEFERRED COMPENSATION PLAN
FUND OPTIONS
Periods Ending September, 2011

SSgA Target Retirement Funds	Quarter Actual %	Quarter Bmk %	1 Year Actual %	1 Year Bmk %	3 Years Actual %	3 Years Bmk %	5 Years Actual %	5 Years Bmk %	Since Retention by the SBI* Actual %	Since Retention by the SBI* Bmk %	State Participation in Fund ($ millions)
Income Fund	-4.2	-4.1	3.0	3.2	5.2	5.3	3.6	3.7	-4.2	-4.1	$5.7
2015 Fund	-3.3	-3.2	4.6	4.8	6.4	6.1	3.7	3.5	-3.3	-3.2	$5.6
2020 Fund	-4.0	-3.9	5.2	5.3	6.4	6.0	3.3	3.0	-4.0	-3.9	$4.0
2025 Fund	-6.3	-6.2	4.0	4.2	5.7	5.3	2.8	2.5	-6.3	-6.2	$2.4
2030 Fund	-7.8	-7.6	3.3	3.5	5.1	4.8	2.2	1.9	-7.8	-7.6	$1.9
2035 Fund	-9.4	-9.2	2.4	2.6	4.4	4.2	1.6	1.4	-9.4	-9.2	$1.2
2040 Fund	-11.6	-11.4	0.9	1.1	3.4	3.4	0.9	0.8	-11.6	-11.4	$0.8
2045 Fund	-13.2	-13.0	-0.5	-0.2	3.0	3.0	0.8	0.7	-13.2	-13.0	$0.3
2050 Fund	-13.2	-13.0	-0.5	-0.2	3.0	3.0	0.9	0.8	-13.2	-13.0	$0.1
2055 Fund	-13.2	-13.0	-0.5	-0.2	3.1	3.0			-13.2	-13.0	$0.1
2060 Fund	-13.2	-13.0							-13.2	-13.0	$0.1

Note: Each Fund benchmark is the aggregate of the returns of the Fund's underlying index funds weighted by the Fund's asset allocation. The underlying index funds are listed below.

SSgA Index Funds	Quarter Actual %	Quarter Bmk %	1 Year Actual %	1 Year Bmk %	3 Years Actual %	3 Years Bmk %	5 Years Actual %	5 Years Bmk %		
S&P 500 Index Fund (S&P 500)	-13.9	-13.9	1.2	1.1	1.3	1.2	-1.1	-1.2	-13.9	-13.9
S&P Mid Cap Index Fund (S&P 400)	-19.9	-19.9	-1.4	-1.3	4.0	4.1	2.2	2.2	-19.9	-19.9
Russell Small Cap Index Fund (Russell 2000)	-21.9	-21.9	-3.6	-3.5	-0.4	-0.4	-1.1	-1.0	-21.9	-21.9
Global All Cap Equity ex US Index Fund (MSCI ACWI ex U.S. IMI)	-20.5	-19.9							-20.5	-19.9
Global Real Estate Securities Index Fund (FTSE EPRA/NAREIT Dev Liquid)	-16.7	-17.0	-7.0	-7.6					-16.7	-17.0
Long Government Bond Index Fund (Barclays Capital Long Government)	23.9	23.9	16.8	16.8	12.8	12.9	10.5	10.5	23.9	23.9
Bond Index Fund (Barclays Capital Aggregate)	3.8	3.8	5.3	5.3	8.1	8.0	6.7	6.5	3.8	3.8
Inflation Protection Bond Index Fund (Barclays Capital U.S. TIPS)	4.5	4.5	9.8	9.9	8.1	8.1	7.0	7.1	4.5	4.5
High Yield Bond Index Fund (Barclays Capital U.S. High Yield Very Liquid)	-6.7	-6.7	1.2	1.5					-6.7	-6.7
U.S. Short-Term Govt/Credit Index Fund (Barclays Capital 1-3 Yr Govt/Credit)	0.3	0.3	1.2	1.3					0.3	0.3

Numbers in blue include returns **prior** to retention by SBI.

Benchmarks for the Funds are noted in parenthesis below the Fund names.

*Target Retirement Funds inception date is July 2011.

MN STATE 457 DEFERRED COMPENSATION PLAN
FUND OPTIONS (1)
Calendar Year Returns

457 Mutual Funds	2010 Actual %	2010 Bmk %	2009 Actual %	2009 Bmk %	2008 Actual %	2008 Bmk %	2007 Actual %	2007 Bmk %	2006 Actual %	2006 Bmk %
Large Cap Equity:										
Janus Twenty (S&P 500)	7.0	15.1	43.3	26.5	-42.0	-37.0	35.9	5.5	12.3	15.8
Vanguard Institutional Index Plus (S&P 500)	15.1	15.1	26.7	26.5	-36.9	-37.0	5.5	5.5	15.8	15.8
Mid Cap Equity:										
Vanguard Mid-Cap Index (MSCI US Mid-Cap 450)	25.7	25.7	40.5	40.5	-41.8	-41.8	6.2	6.2	13.8	13.7
Small Cap Equity:										
T. Rowe Price Small-Cap Stock (Russell 2000)	32.5	26.9	38.5	27.2	-33.4	-33.8	-1.7	-1.6	12.8	18.4
Balanced:										
Vanguard Balanced Index Inst. Fund (60% MSCI US Broad Market, 40% Barclays Capital Agg)	13.3	13.5	20.2	19.7	-22.1	-22.4	6.3	6.3	11.1	11.1
Bond:										
Dodge & Cox Income Fund (Barclays Capital Aggregate)	7.2	6.5	16.1	5.9	-0.3	5.2	4.7	7.0	5.3	4.3
Vanguard Total Bond Market Index Inst. (Barclays Capital Aggregate)	6.6	6.5	6.1	5.9	5.2	5.2	7.0	7.0	4.4	4.3
International:										
Fidelity Diversified International (MSCI EAFE-Free)	9.7	7.7	31.8	31.8	-45.2	-43.4	16.0	11.2	22.5	26.3
Vanguard Total International Stock Index (ACWI ex US IMI) (2)	11.1	10.7	36.7	40.4	-44.1	-45.5	15.5	15.9	26.6	26.9

Numbers in blue include returns prior to retention by SBI.

Benchmarks for the Funds are noted in parentheses below the Fund names.

(1) Money Market Account and Fixed Interest Accounts are also offered in the Supplemental Investment Fund, which is described within Tab A. Performance for these accounts are reported under the Deferred Compensation Plan accounts within Tab A.

(2) Benchmark is the MSCI ACWI ex US IMI beginning December 2010; MSCI EAFE and Emerging Markets Index beginning August 2006. Prior to that date it was the total International Composite Index, which is the MSCI EAFE Index and the Select Emerging Markets Free Index.

MN STATE 457 DEFERRED COMPENSATION PLAN
FUND OPTIONS
Calendar Year Returns

	2010		2009		2008		2007		2006	
SSgA Target Retirement Funds	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**
	%	%	%	%	%	%	%	%	%	%
Income Fund	9.6	10.1	14.8	15.0	-12.9	-13.2	6.4	6.7	7.5	7.3
2015 Fund	12.1	12.5	15.3	14.4	-16.7	-17.6	6.9	7.2	8.5	8.3
2020 Fund	13.6	13.9	18.3	17.5	-22.2	-23.1	7.2	7.4		
2025 Fund	14.6	14.7	20.3	19.6	-25.2	-26.1	7.6	7.7	12.1	12.0
2030 Fund	15.1	15.3	21.9	21.4	-28.1	-29.0	7.7	7.8		
2035 Fund	15.7	15.8	24.3	23.9	-30.9	-31.6	7.8	7.9	14.7	14.6
2040 Fund	15.9	16.1	26.7	26.5	-33.6	-34.1	7.8	7.9		
2045 Fund	16.2	16.2	27.2	27.0	-33.7	-34.1	8.1	8.2	16.6	16.5
2050 Fund	16.1	16.2	27.2	27.0	-33.5	-34.1	8.5	8.5		
2055 Fund	16.1	16.2	27.2	27.0	-33.5	-34.1				
2060 Fund										

Note: Each Fund benchmark is the aggregate of the returns of the Fund's underlying index funds weighted by the Fund's asset allocation. The underlying index funds are listed below.

	2010		2009		2008		2007		2006	
SSgA Index Funds	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**	**Actual**	**Bmk**
	%	%	%	%	%	%	%	%	%	%
S&P 500 Index Fund (S&P 500)	15.1	15.1	26.7	26.5	-36.9	-37.0	5.5	5.5	15.8	15.8
S&P Mid Cap Index Fund (S&P 400)	26.6	26.6	37.3	37.4	-36.1	-36.2	8.0	8.0	10.3	10.3
Russell Small Cap Index Fund (Russell 2000)	26.7	26.9	26.8	27.2	-33.6	-33.8	-1.7	-1.6	18.0	18.4
Global All Cap Equity ex U.S. Index Fund (MSCI ACWI ex U.S. IMI)										
Global Real Estate Securities Index Fund (FTSE EPRA/NAREIT Dev Liquid)	19.1	18.4								
Long Government Bond Index Fund (Barclays Capital Long Government)	9.5	9.4	-12.2	-12.2	22.6	22.7	9.6	9.6	2.0	2.1
Bond Index Fund (Barclays Capital Aggregate)	6.6	6.5	6.4	5.9	5.6	5.2	7.0	7.0	4.4	4.3
Inflation Protection Bond Index Fund (Barclays Capital U.S. TIPS)	6.2	6.3	11.3	11.4	-2.4	-2.4	11.6	11.6	0.4	0.4
High Yield Bond Index Fund (Barclays Capital U.S. High Yield Very Liquid)	12.5	15.1								
U.S. Short-Term Govt/Credit Bond Index Fund (Barclays Capital 1-3 Yr Govt/Credit)	2.4	2.8								

Numbers in blue include returns **prior** to retention by SBI.
Benchmarks for the Funds are noted in parenthesis below the Fund names.

MN STATE 457 DEFERRED COMPENSATION PLAN
LARGE CAP EQUITY – JANUS TWENTY
Periods Ending September, 2011

	State's Participation in Fund:	**$326,561,315**
Portfolio Manager: Ron Sachs	**Total Assets in Fund:**	**$7,100,000,000**

Investment Philosophy
Janus Twenty

The investment objective of this fund is long-term growth of capital from increases in the market value of the stocks it owns. The fund will concentrate its investments in a core position of between twenty to thirty common stocks. This non-diversified fund seeks to invest in companies that the portfolio manager believes have strong current financial positions and offer growth potential.

Staff Comments

No comment at this time.

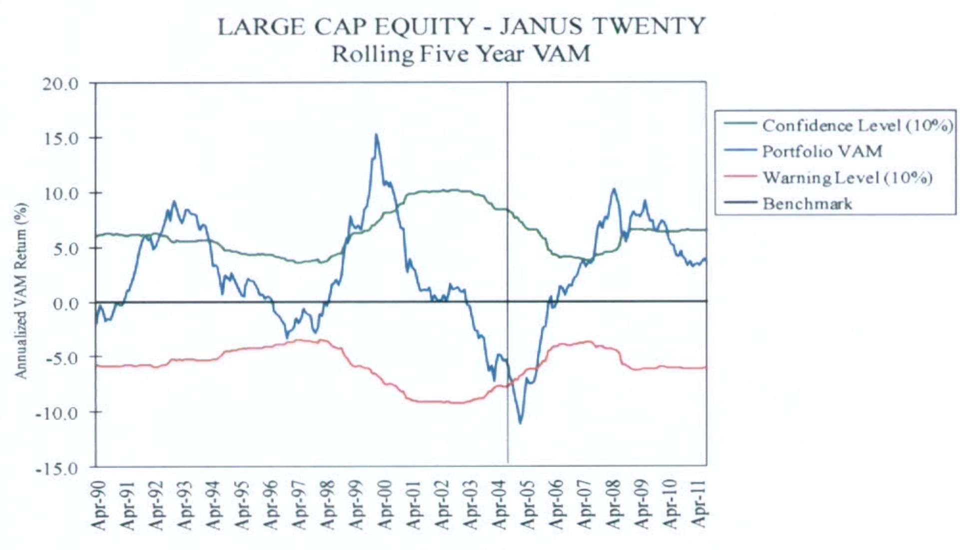
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-16.0%	-13.9%
Last 1 year	-7.3	1.1
Last 2 years	-2.3	5.6
Last 3 years	0.2	1.2
Last 4 years	-4.9	-5.2
Last 5 years	2.4	-1.2
Since Retention by SBI (7/99)	0.0	0.2

*Benchmark is the S&P 500.

Recommendation

No action required.



Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
EQUITY INDEX – VANGUARD INSTITUTIONAL INDEX PLUS
Periods Ending September, 2011

Portfolio Manager: Donald Butler

State's Participation in Fund: $489,762,075
Total Assets in Fund: $32,673,000,000

Investment Philosophy
Vanguard Institutional Index

This fund attempts to provide investment results, before fund expenses, that parallel the performance of the Standard & Poor's 500 Index. The fund invests in all 500 stocks listed in the S&P 500 index in approximately the same proportions as they are represented in the index. The managers have tracked the S&P 500's performance with a high degree of accuracy. The fund may use futures and options for temporary purposes, but generally remains fully invested in common stock.

Staff Comments

No comment at this time.

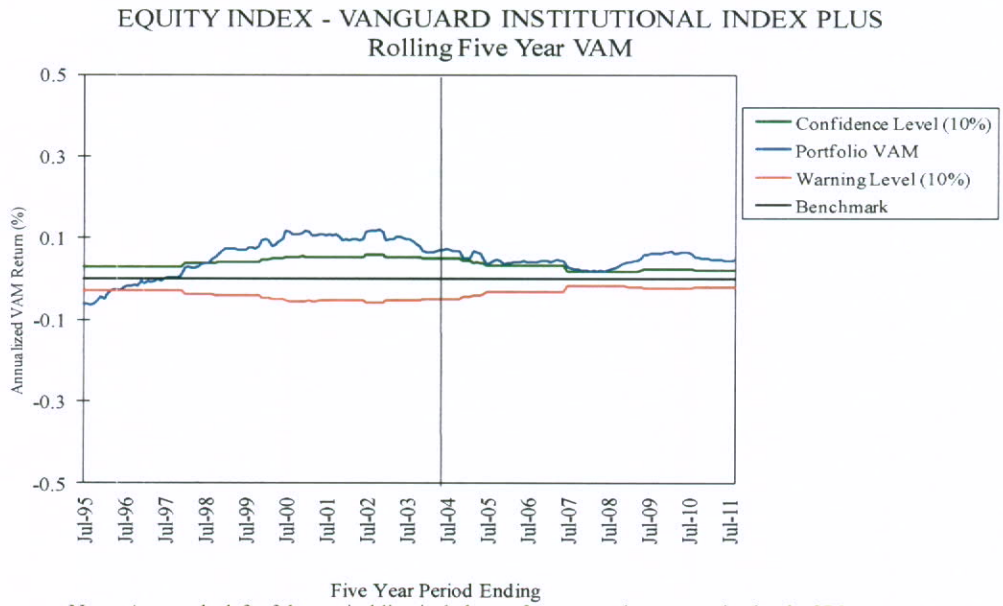
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-13.9%	-13.9%
Last 1 year	1.1	1.1
Last 2 years	5.6	5.6
Last 3 years	1.3	1.2
Last 4 years	-5.1	-5.2
Last 5 years	-1.1	-1.2
Since Retention by SBI (7/99)	0.3	0.2

*Benchmark is the S&P 500.

Recommendation

No action required.



Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
MID CAP EQUITY – VANGUARD MID-CAP INDEX
Periods Ending September, 2011

Portfolio Manager: Donald Butler	**State's Participation in Fund: $184,166,266**
	Total Assets in Fund: $5,602,000,000

Investment Philosophy
Vanguard Mid-Cap Index

The fund employs a "passive management"- or indexing- investment approach designed to track the performance of the MSCI US Mid Cap 450 Index, a broadly diversified index of stocks of medium-size U.S. companies. The fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting within the index.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-19.1%	-19.1%
Last 1 year	-0.7	-0.6
Last 2 years	8.2	8.3
Last 3 years	4.7	4.7
Last 4 years	-3.5	-3.5
Last 5 years	0.5	0.5
Since Retention by SBI (1/04)	5.3	5.3

*Benchmark is the MSCI US Mid Cap 450.

Recommendation

No action required.

MID CAP EQUITY - VANGUARD MID-CAP INDEX
Rolling Five Year VAM

Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
SMALL CAP EQUITY – T. ROWE PRICE SMALL CAP STOCK FUND
Periods Ending September, 2011

		State's Participation in Fund:	**$350,511,977**
Portfolio Manager:	**Gregory A. McCrickard**	**Total Assets in Fund:**	**$5,792,000,000**

Investment Philosophy
T. Rowe Price Small Cap Equity Fund

The strategy of this fund is to invest primarily in stocks of small to medium-sized companies that are believed to offer either superior earnings growth or appear undervalued. The fund normally invests at least 80% of assets in equities traded in the U.S over-the-counter market. The manager does not favor making big bets on any particular sector or any particular stock. The fund's combination of growth and value stocks offers investors relatively more stable performance compared to other small cap stock funds.

Staff Comments

No comment at this time.

Quantitative Evaluation

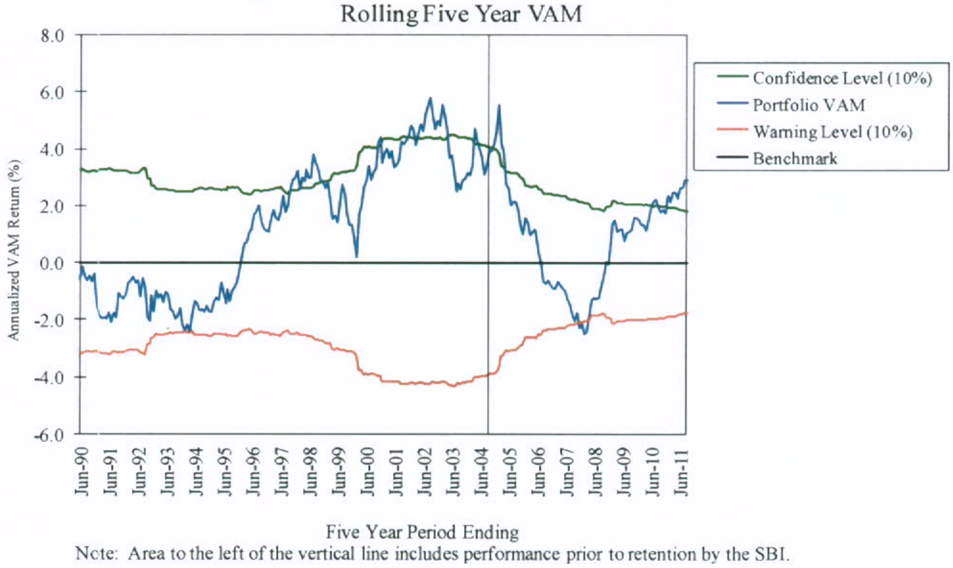
	Actual	Benchmark*
Last Quarter	-21.2%	-21.9%
Last 1 year	0.5	-3.5
Last 2 years	9.1	4.6
Last 3 years	6.1	-0.4
Last 4 years	-0.4	-4.1
Last 5 years	1.9	-1.0
Since Retention by SBI (7/99)	7.2	4.2

*Benchmark is the Russell 2000.

Recommendation

No action required.

SMALL CAP EQUITY - T. ROWE PRICE SMALL CAP STOCK FUND
Rolling Five Year VAM



Five Year Period Ending
Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
BALANCED – VANGUARD BALANCED INDEX INSTITUTIONAL FUND
Periods Ending September, 2011

State's Participation in Fund: $431,650,721
Portfolio Manager: Michael Perre **Total Assets in Fund: $3,866,000,000**

Investment Philosophy
Vanguard Balanced Index Fund

The fund's assets are divided between stocks and bonds, with an average of 60% of its assets in stocks and 40% in bonds. The fund's stock segment attempts to track the performance of the MSCI US Broad Market Index, an unmanaged index representing the overall U.S. equity market. The fund's bond segment attempts to track the performance of the Barclays Capital Aggregate Bond Index, an unmanaged index that covers virtually all taxable fixed-income securities.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-7.7%	-7.9%
Last 1 year	3.1	2.8
Last 2 years	6.6	6.6
Last 3 years	4.9	4.8
Last 4 years	0.5	0.3
Last 5 years	2.7	2.6
Since Retention by SBI (12/03)	4.7	4.6

Recommendation

No action required.

*Benchmark is 60% MSCI US Broad Market, 40% Barclays Capital Aggregate.
Equity benchmark was Wilshire 5000 prior to April 1, 2005.

BALANCED - VANGUARD BALANCED INDEX
Rolling Five Year VAM

Five Year Period Ending
Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
BOND – DODGE & COX INCOME FUND
Periods Ending September, 2011

State's Participation in Fund: $161,806,152
Portfolio Manager: Dana Emery | **Total Assets in Fund: $23,638,736,233**

Investment Philosophy
Dodge & Cox Income Fund

The objective of this fund is a high and stable rate of current income with capital appreciation being a secondary consideration. This portfolio is invested primarily in intermediate term, investment-grade quality corporate and mortgage bonds and, to a lesser extent, government issues. While the fund invests primarily in the U.S. bond market, it may invest a small portion of assets in dollar-denominated foreign securities. The duration of the portfolio is kept near that of the bond market as a whole.

Staff Comments

No comment at this time.

Quantitative Evaluation

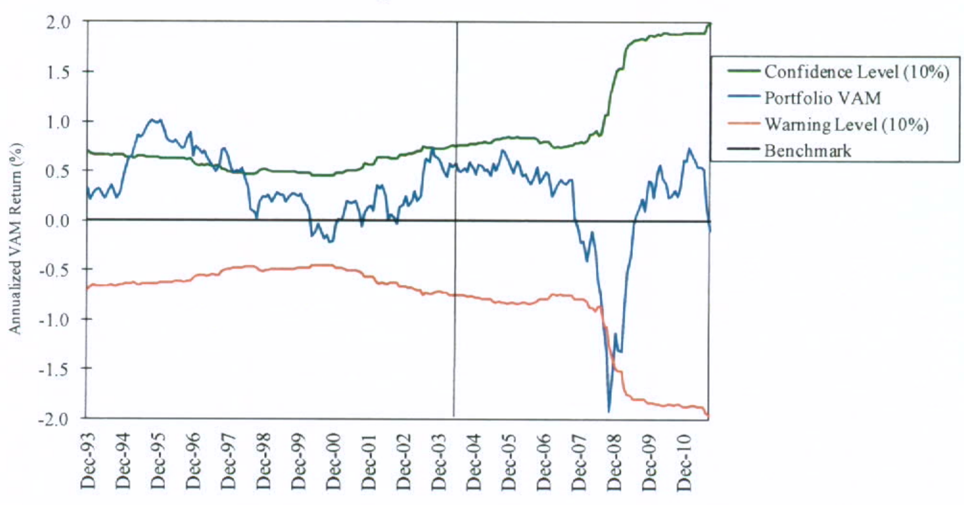
	Actual	Benchmark*
Last Quarter	0.2%	3.8%
Last 1 year	3.6	5.3
Last 2 years	6.2	6.7
Last 3 years	9.9	8.0
Last 4 years	6.8	6.9
Last 5 years	6.4	6.5
Since Retention By SBI (7/99)	6.5	6.3

*Benchmark is the Barclays Capital Aggregate.

Recommendation

No action required.

BOND - DODGE & COX INCOME FUND
Rolling Five Year VAM



Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
BOND – VANGUARD TOTAL BOND MARKET INDEX INSTITUTIONAL
Periods Ending September, 2011

Portfolio Manager: Kenneth Volpert

State's Participation in Fund: $148,672,482
Total Assets in Fund: $22,127,000,000

Investment Philosophy
Vanguard Total Bond Market Index Institutional

The fund attempts to track the performance of the Barclays Capital Aggregate Bond Index, which is a widely recognized measure of the entire taxable U.S. bond market. The index consists of more than 5,000 U.S. Treasury, federal agency, mortgage-backed, and investment-grade corporate securities. Because it is not practical or cost-effective to own every security in the index, the fund invests in a large sampling that matches key characteristics of the index (such as market-sector weightings, coupon interest rates, credit quality, and maturity). To boost returns, the fund holds a higher percentage than the index in short-term, investment-grade corporate bonds and a lower percentage in short-term Treasury securities.

Staff Comments

No comment at this time.

Quantitative Evaluation

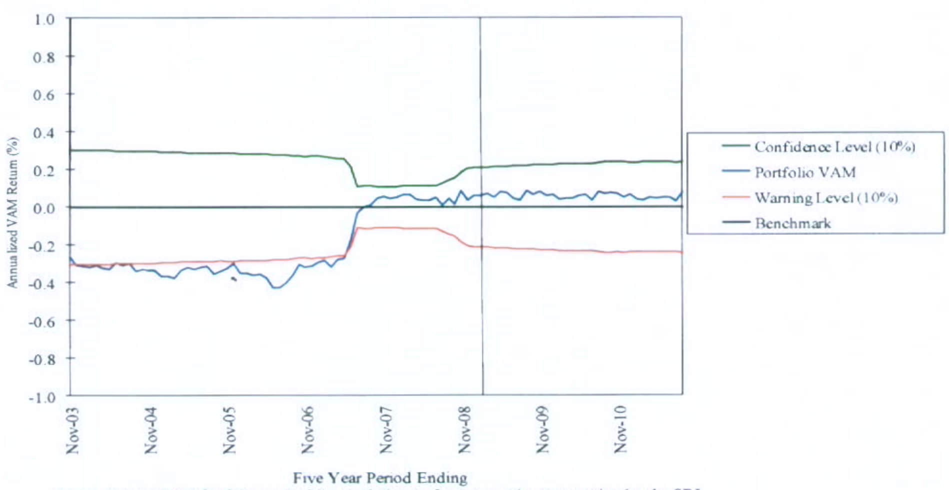
	Actual	Benchmark*
Last Quarter	4.0%	3.8%
Last 1 year	5.3	5.3
Last 2 years	6.7	6.7
Last 3 years	8.0	8.0
Last 4 years	6.9	6.9
Last 5 years	6.6	6.5
Since Retention by SBI (12/03)	5.6	5.5

*Benchmark is the Barclays Capital Aggregate.

Recommendation

No action required.

BOND INDEX - VANGUARD TOTAL BOND MARKET INDEX
Rolling Five Year VAM



Note: Area to the left of the vertical line includes performance prior to retention by the SBI

MN STATE 457 DEFERRED COMPENSATION PLAN
INTERNATIONAL – FIDELITY DIVERSIFIED INTERNATIONAL
Periods Ending September, 2011

Portfolio Manager: William Bower

State's Participation in Fund: $192,598,578
Total Assets in Fund: $16,299,800,000

Investment Philosophy
Fidelity Diversified International

The goal of this fund is capital appreciation by investing in securities of companies located outside of the United States. While the fund invests primarily in stocks, it may also invest in bonds. Most investments are made in companies that have a market capitalization of $100 million or more and which are located in developed countries. To select the securities, the fund utilizes a rigorous computer-aided quantitative analysis supplemented by relevant economic and regulatory factors. The manager rarely invests in currency to protect the account from exchange fluctuations.

Staff Comments

No comment at this time.

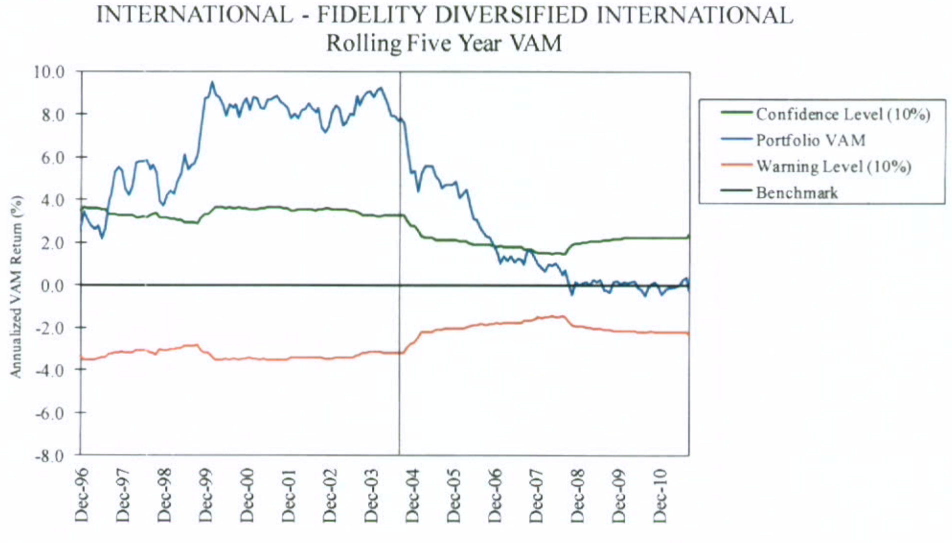
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-20.4%	-19.0%
Last 1 year	-11.0	-9.3
Last 2 years	-3.5	-3.2
Last 3 years	-3.1	-1.1
Last 4 years	-10.3	-9.5
Last 5 years	-3.7	-3.5
Since Retention By SBI (7/99)	5.0	1.9

*Benchmark is the MSCI EAFE-Free.

Recommendation

No action required.



Note: Area to the left of the vertical line includes performance prior to retention by the SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
INTERNATIONAL – VANGUARD TOTAL INTERNATIONAL STOCK INDEX
Periods Ending September, 2011

	State's Participation in Fund:	**$83,676,269**
Portfolio Manager: Michael Perre	**Total Assets in Fund:**	**$5,848,000,000**

Investment Philosophy
Vanguard Total International Stock Index

The fund seeks to track the performance of the MSCI All Country World ex USA Investable Market Index, an index designed to measure equity market performance in developed and emerging markets, excluding the United States. The fund assets are invested in the small, mid, and large cap common stocks included in the target index. The fund assets are allocated based on each region's weighting in the index.

Staff Comments

No comment at this time.

Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	-20.9%	-19.9%
Last 1 year	-12.2	-11.2
Last 2 years	-3.1	-2.5
Last 3 years	-0.6	0.4
Last 4 years	-8.9	-8.6
Last 5 years	-2.2	-1.9
Since Retention by SBI (7/11)	-20.9	-19.9

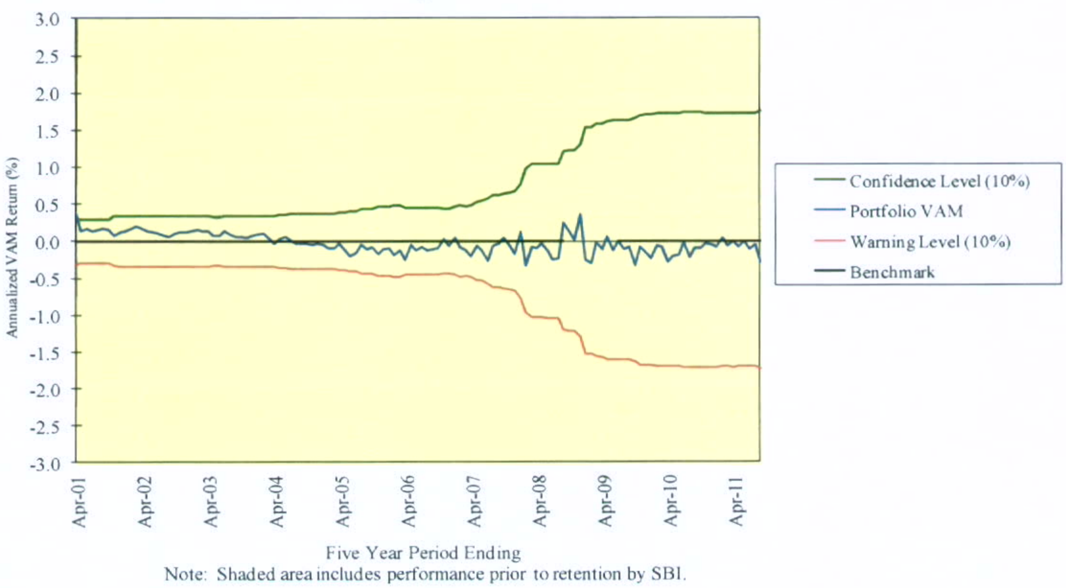
Recommendation

No action required.

Numbers in blue include returns prior to retention by SBI.

* Benchmark is the MSCI ACWI ex US IMI Index beginning December 2010; MSCI EAFE + Emerging Markets Index beginning August 2006. Prior to that date it was the Total International Composite Index, which is the MSCI EAFE Index and the Select Emerging Markets Free Index.

INTERNATIONAL - VANGUARD TOTAL INTERNATIONAL INDEX
Rolling Five Year VAM



Note: Shaded area includes performance prior to retention by SBI.

MN STATE 457 DEFERRED COMPENSATION PLAN
TARGET RETIREMENT FUNDS – STATE STREET GLOBAL ADVISORS (SSgA)
Periods Ending September, 2011

		State's Participation in Fund:	**$22,304,540**
Portfolio Manager:	**Various Index Fund Managers**	**Total Assets in Fund:**	**$3,257,823,458**

Investment Philosophy
Target Retirement Funds

The most important factor in determining the asset allocation mix is the time horizon of each fund. Funds with longer time horizons are assigned initial risk and return objectives which reflect the need to outpace inflation, the ability to take on more short-term volatility, and a reduced need for regular income. This results in larger starting equity allocations. Funds with shorter time horizons are assigned risk and return objectives that reflect a lower tolerance for volatility and an increased need for regular income, and therefore lower equity allocations.

The broad equity/fixed allocations are driven by the risk and return objectives for each fund. In determining the mix, the following factors are considered:

- The time horizon of each fund, which translates into a specific risk/return objective.
- SSgA current capital market assumptions and their impact on the forward looking risk/return of the portfolio.
- The need to differentiate the risk/return profiles for each portfolio so as to offer distinctly different options for plan participants.

Staff Comments

No comment at this time.

Recommendation

No action required.

Targeted Asset Allocations: Rebalanced Quarterly

Fund	Total Equity	Total Fixed Income	US 1-3 Yr Gov't Credit	US TIPS	US Agg - Bonds	US High Yield Bonds	US Long-Term Gov't Bonds	Large US Stocks	Mid-Cap Stocks	Small US Stocks	Non-US Stocks	Global REITs
2060	90.0	10.0	0	0	0	0	10.0	45.0	10.0	10.0	25.0	0
2055	90.0	10.0	0	0	0	0	10.0	45.0	10.0	10.0	25.0	0
2050	90.0	10.0	0	0	0	0	10.0	45.0	10.0	10.0	25.0	0
2045	90.0	10.0	0	0	0	0	10.0	45.0	10.0	10.0	25.0	0
2040	86.5	13.5	0	0	0	0	13.5	45.0	9.1	9.1	23.3	0
2035	81.5	18.5	0	0	0	0	18.5	45.0	7.9	7.9	20.8	0
2030	74.8	25.3	0	1.8	1.8	1.8	20.0	43.3	7.0	6.3	18.3	0
2025	67.3	32.8	0	4.3	4.3	4.3	20.0	40.2	6.2	4.5	15.8	0.8
2020	56.3	43.8	0	6.8	12.0	5.0	20.0	33.9	4.6	3.1	11.5	3.3
2015	43.8	56.3	6.3	16.3	17.5	5.0	11.3	27.3	3.0	2.0	6.5	5.0
Income	35.0	65.0	20.0	20.0	20.0	5.0	0.0	21.8	2.5	1.7	4.0	5.0

Note: Totals may not add due to rounding.

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TAB

D

DATE: November 15, 2011

TO: Members, Investment Advisory Council

FROM: Stephanie Gleeson

SUBJECT: Recommendation to Terminate Emerging Markets Manager, AllianceBernstein.

Staff is recommending the termination of AllianceBernstein due to organizational change and continued underperformance of the State Board of Investment's (SBI) portfolio.

AllianceBernstein was hired in February 2001 to manage an emerging markets equity account. Since that date, the portfolio has been managed by three regional portfolio managers (Asia, Latin America, and EMEA-Eastern Europe/Middle East/Africa) and a lead portfolio manager (Chief Investment Officer of Emerging Markets Growth). AllianceBernstein is a growth manager and bases its stock decisions on fundamental research conducted by a dedicated team of analysts based locally throughout the world.

Team

On September 19, 2011, AllianceBernstein announced that due to continued underperformance, AllianceBernstein was making changes to the investment team and that Stephen Beinhacker, Chief Investment Officer of Emerging Markets Growth would leave the firm effective October 31, 2011. When making this announcement, AllianceBernstein did not have a successor selected and instead announced that Jean Van de Walle, the regional portfolio manager for Latin America, will manage the strategy until they announce a new team leader. AllianceBernstein did not, and has not since, indicated any time frame or status in the search for a successor.

There have been many changes to the portfolio management and analyst team since inception of the SBI's account, as follows:

Chief Investment Officer of Emerging Markets Growth

Edward Baker: inception of SBI account through 4/15/07
Steve Beinhacker: 4/15/07 through 10/31/11
Jean Van de Walle (interim): 11/1/11 through present

Asia Regional Portfolio Manager

Samir Aurora: inception of SBI account through 8/19/03
Manish Singhai: 8/29/03 through 6/30/08
Richard Chow: 7/1/08 through present

EMEA Regional Portfolio Manager

Gaite Ali: inception of SBI account through 2/29/06
Michael Levy: 3/1/06 through present

Latin America Portfolio Manager
Jean Van de Walle: inception of SBI account through present

Turnover of the locally-based analyst teams has also been ongoing since inception of the SBI's account. Of the forty-four emerging market analysts listed as of June 30, 2011, only seven of them were analysts on the product as of June 30, 2008.

Performance
The portfolio has underperformed relative to the benchmark over time amidst the investment team changes. Quarterly performance and value of active management (vam) charts are included at the end of this report. AllianceBernstein's portfolio net of fees has underperformed the benchmark in eight out of ten calendar years since inception, in all recent annualized time periods (1Y, 2Y, 3Y, 4Y, 5Y) and since inception. The rolling five-year vam chart has plotted below the benchmark line for four years since September 2007 and has plotted on or below the lower warning level for the last two years since September 2009.

RECOMMENDATION:

Staff recommends the termination of AllianceBernstein from the International Equity Program due to poor performance and organizational change.

Investment Manager: ALLIANCEBERNSTEIN Benchmark: MSCI EMERGING MARKETS						
	PORTFOLIO		BENCHMARK		DIFFERENCE	
	Quarterly Return	Annual Return	Quarterly Return	Annual Return	Quarterly Return	Annual Return
2001 Q1*	-20.2		-16.9		-3.3	
Q2	4.9		3.9		-0.2	
Q3	-24.6		-21.7		-2.9	
Q4**	29.3	-18.4	28.0	-13.5	1.3	-4.9
2002 Q1	12.7		11.8		0.9	
Q2	-6.4		-7.8		1.4	
Q3	-13.2		-16.4		3.1	
Q4	8.4	-0.8	10.0	-5.1	-1.6	4.4
2003 Q1	-7.1		-6.0		-1.1	
Q2	24.7		23.3		1.4	
Q3	14.3		14.2		0.1	
Q4	16.4	54.1	17.8	55.8	-1.4	-1.8
2004 Q1	10.8		9.6		1.2	
Q2	-9.0		-9.6		0.6	
Q3	8.2		8.1		0.1	
Q4	17.9	28.6	17.2	25.6	0.7	3.1
2005 Q1	1.3		1.8		-0.5	
Q2	4.4		4.1		0.2	
Q3	17.9		18.0		0.0	
Q4	6.5	32.7	7.2	34.0	-0.7	-1.3
2006 Q1	12.8		12.0		0.8	
Q2	-6.1		-4.3		-1.8	
Q3	5.0		4.9		0.1	
Q4	17.3	30.4	17.6	32.2	-0.3	-1.8
2007 Q1	3.0		2.3		0.8	
Q2	14.2		15.0		-0.8	
Q3	13.4		14.4		-1.0	
Q4	4.0	38.8	4.0	39.9	0.0	-1.1
2008 Q1	-11.2		-11.0		-0.2	
Q2	0.5		-0.6		1.1	
Q3	-30.4		-27.0		-3.4	
Q4	-29.2	-56.0	-27.6	-53.2	-1.6	-2.8
2009 Q1	0.5		0.9		-0.5	
Q2	31.6		34.7		-3.2	
Q3	20.7		20.9		-0.2	
Q4	11.8	78.4	8.5	78.5	3.2	-0.1
2010 Q1	1.0		2.4		-1.4	
Q2	-8.6		-8.4		-0.2	
Q3	17.6		18.0		-0.5	
Q4	6.7	15.8	7.3	18.9	-0.6	-3.1
2011 Q1	1.3		2.1		-0.7	
Q2	-1.8		-1.1		-0.6	
Q3	-24.8		-22.6		-2.3	

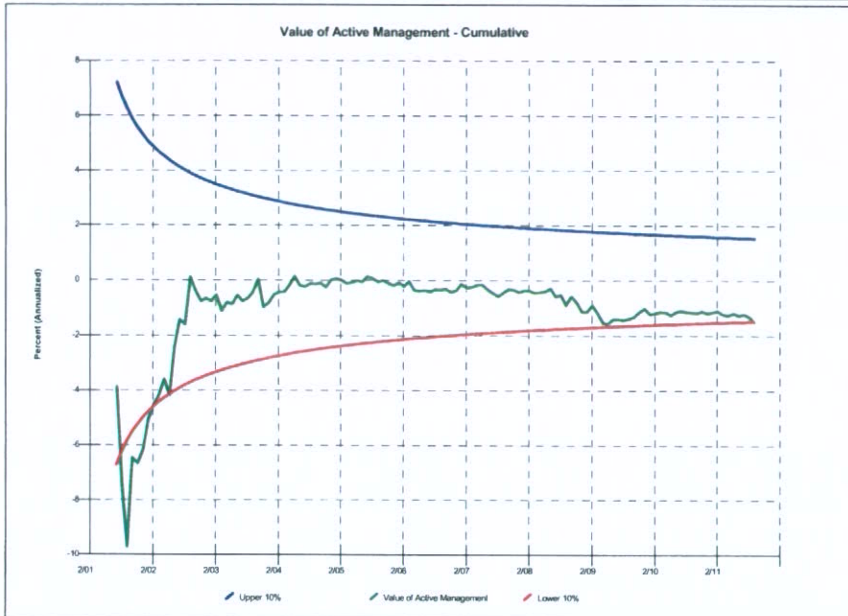
	PORTFOLIO	BENCHMARK	DIFFERENCE
1 yr	-20.2	-16.1	-4.0
2 yr	-1.6	0.4	-2.0
3 yr	3.0	6.3	-3.2
4 yr	-8.3	-5.2	-3.1
5 yr	2.0	5.0	-2.9
Since Inception	9.5	11.1	-1.7
Since Inception Information Ratio			-0.4

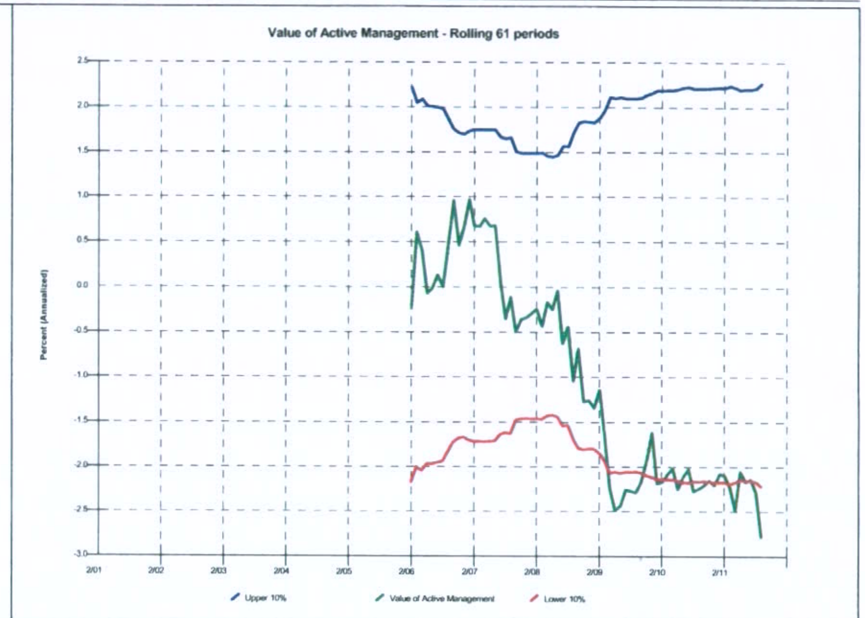
* Two month return.
** Eleven month return.

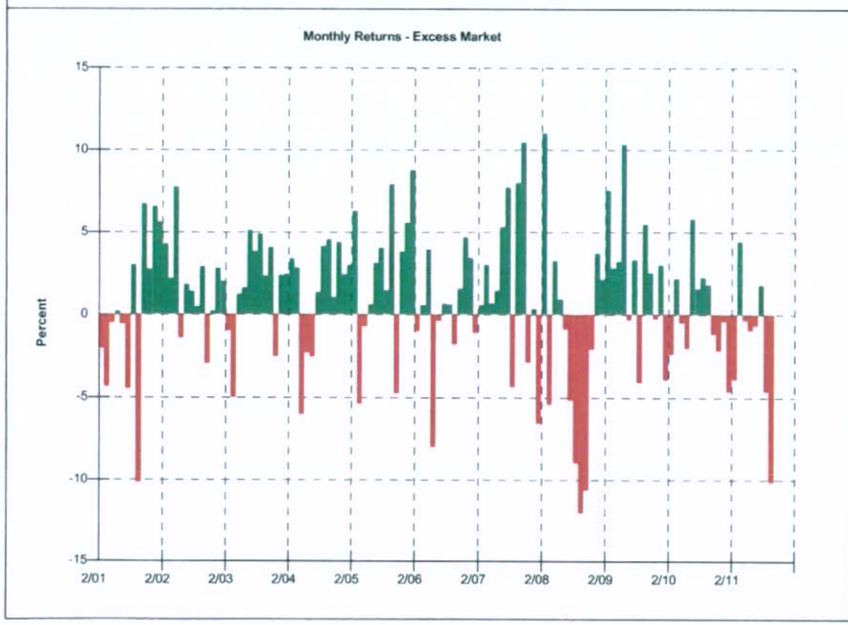
VAM® Graphs - MINNESOTA STATE BOARD OF INVESTMENT

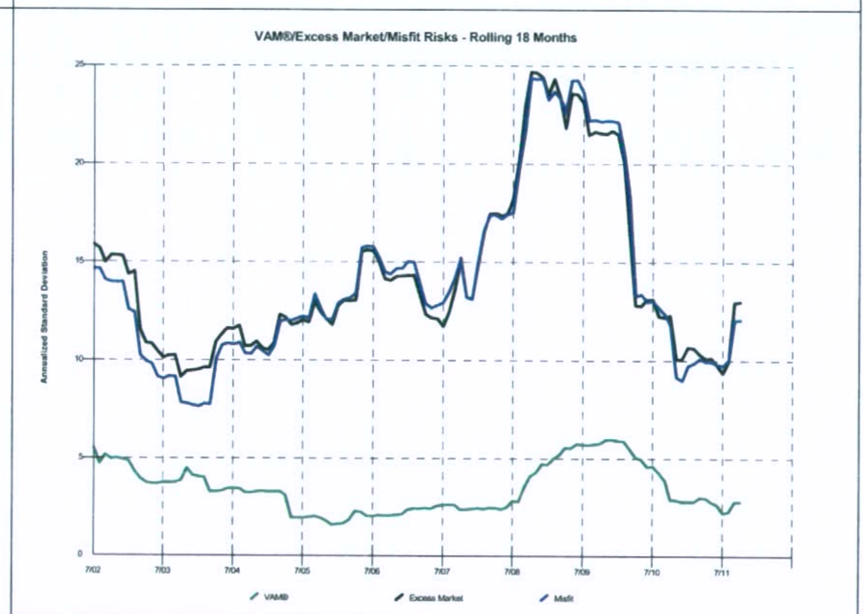
ALLIANCE CAPITAL ACTUAL vs ALLIANCE CAPITAL EMF BENCHMARK

Monthly from period ending February, 2001 to period ending September, 2011 (128 periods)









Richards & Tierney Rate of Return Toolbox

TAB

E

DATE: November 15, 2011

TO: Members, Investment Advisory Council

FROM: John Griebenow
J.J. Kirby

Staff has reviewed the following information and action agenda items:

1. Review of current strategy.
2. New investments with two existing yield-oriented managers, Prudential Capital Group and Windjammer Capital Investors, and one existing private equity manager, Goldner Hawn Johnson & Morrison.

IAC action is required on the last item.

INFORMATION ITEMS:

1) Review of Current Strategy.

To increase overall portfolio diversification, 20% of the Combined Funds are allocated to alternative investments. Alternative investments include real estate, private equity, resource, and yield-oriented investments in which Minnesota State Board of Investment (SBI) participation is limited to commingled funds or other pooled vehicles. Charts summarizing the Board's current commitments are attached (see **Attachments A and B**).

a. The real estate investment strategy is to establish and maintain a broadly diversified real estate portfolio comprised of investments that provide overall diversification by property type and location. The main component of this portfolio consists of investments in diversified Real Estate Investment Trusts (REITs), open-end commingled funds and closed-end commingled funds. The remaining portion of the portfolio can include investments in less diversified, more focused (specialty) commingled funds and REITs.

b. The private equity investment strategy, which includes leveraged buyouts and venture capital, is to establish and maintain a broadly diversified private equity portfolio comprised of investments that provide diversification by industry type, stage of corporate development and location.

c. The strategy for resource investments is to establish and maintain a portfolio of resource investment vehicles that provide an inflation hedge and additional diversification. Resource investments will include oil and gas investments, energy service industry investments and other investments that are diversified geographically and by type.

d. The strategy for yield-oriented investments is to target funds that typically provide a current return and may have an equity component such as subordinated debt or mezzanine investments. Yield-oriented investments will provide diversification by including investments in the private equity, resource and real estate categories.

ACTION ITEMS:

1) Investment with an existing yield-oriented manager, Prudential Capital Group (Prudential) in Prudential Capital Partners IV, L.P. (Prudential IV)

Prudential is seeking investors for a new $1 billion yield-oriented fund, Prudential Capital Partners IV, L.P. This fund is a successor to three funds managed by Prudential, in addition to a pre-fund legacy portfolio. The SBI has invested in all three prior yield-oriented funds with Prudential. Like the other yield-oriented funds, this fund will seek to continue the primary focus of the prior Prudential funds, which have concentrated on middle market subordinated debt and structured equity investments.

In addition to reviewing the attractiveness of the Prudential IV investment offering, staff has conducted reference checks, a literature database search and reviewed the potential investor base for the fund.

More information on Prudential Capital Partners IV, L.P. is included as **Attachment C**.

RECOMMENDATION:

Staff recommends a commitment of $100 million, or 20% of Prudential IV, whichever is less. Approval by the Investment Advisory Council of this potential commitment is not intended to be, and does not constitute in any way, a binding or legal agreement or impose any legal obligations on the State Board of Investment and neither the State of Minnesota, the Investment Advisory Council, the State Board of Investment nor its Executive Director have any liability for reliance by Prudential upon this approval. Until the Executive Director on behalf of the SBI executes a formal agreement, further due diligence and negotiations may result in the imposition of additional terms and conditions on Prudential or reduction or termination of the commitment.

2) **Investment with an existing yield-oriented manager, Windjammer Capital Investors (Windjammer) in Windjammer Senior Equity Fund IV, L.P. (Windjammer IV).**

Windjammer is seeking investors for a new $700 million yield-oriented/private equity fund. This fund is a successor to three other yield-oriented/private equity funds managed by Windjammer, in addition to a pre-fund legacy portfolio. The SBI has invested in the prior two funds. The Fund will continue the primary focus of the prior Windjammer funds, which is to invest primarily in common equity, preferred equity and/or subordinated debt associated with corporate buyouts and recapitalizations

In addition to reviewing the attractiveness of the Windjammer IV investment offering, staff has conducted reference checks, a literature database search and reviewed the potential investor base for fund.

More information on Windjammer Senior Equity Fund IV, L.P. is included as **Attachment D**.

RECOMMENDATION:

Staff recommends a commitment of $100 million, or 20% of Windjammer IV, whichever is less. Approval by the Investment Advisory Council of this potential commitment is not intended to be, and does not constitute in any way, a binding or legal agreement or impose any legal obligations on the State Board of Investment and neither the State of Minnesota, the Investment Advisory Council, the State Board of Investment nor its Executive Director have any liability for reliance by Windjammer upon this approval. Until the Executive Director on behalf of the SBI executes a formal agreement, further due diligence and negotiations may result in the imposition of additional terms and conditions on Windjammer or reduction or termination of the commitment.

3) **Investment with an existing private equity manager, Goldner Hawn Johnson & Morrison Inc. (GHJM), in Trailhead Fund L.P. (Trailhead).**

GHJM is seeking investors for a new $225 million private equity fund. This fund is a successor to five other private equity funds managed by GHJM. The SBI has invested in the prior two funds. The Fund will continue the primary focus of the prior GHJM funds, which will be to make control-oriented private equity investments in lower-middle market companies in the upper Midwest.

In addition to reviewing the attractiveness of the Trailhead investment offering, staff has conducted reference checks, a literature database search and reviewed the potential investor base for fund.

More information on Trailhead Fund L.P. is included as **Attachment E**.

RECOMMENDATION:

Staff recommends a commitment of up to $20 million, or 20% of Trailhead Fund L.P., whichever is less. Approval by the Investment Advisory Council of this potential commitment is not intended to be, and does not constitute in any way, a binding or legal agreement or impose any legal obligations on the State Board of Investment and neither the State of Minnesota, the Investment Advisory Council, the State Board of Investment nor its Executive Director have any liability for reliance by GHJM upon this approval. Until the Executive Director on behalf of the SBI executes a formal agreement, further due diligence and negotiations may result in the imposition of additional terms and conditions on GHJM or reduction or termination of the commitment.

Minnesota State Board of Investment

Pooled Alternative Investments
Combined Funds
September 30, 2011

Combined Funds Market Value	$42,841,123,252
Amount Available for Investment	**$1,407,719,646**

	Current Level	Target Level	Difference
Market Value (MV)	$7,160,505,004	$8,568,224,650	$1,407,719,646
MV +Unfunded	$10,259,531,200	$12,852,336,976	$2,592,805,776

Asset Class	Market Value	Unfunded Commitment	Total
Private Equity	$4,226,282,309	$1,654,212,968	$5,880,495,277
Real Estate	$1,107,089,578	$124,514,144	$1,231,603,723
Resource	$790,576,685	$701,423,637	$1,492,000,322
Yield-Oriented	$1,036,556,432	$618,875,446	$1,655,431,878
Total	$7,160,505,004	$3,099,026,196	$10,259,531,200

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ATTACHMENT B

Minnesota State Board of Investment

- Alternative Investments -

As of September 30, 2011

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
I. REAL ESTATE								
Blackstone								
Blackstone Real Estate Partners V	100,000,000	96,510,534	107,377,023	27,029,063	4,693,860	8.90	**1.39**	5.42
Blackstone Real Estate Partners VI	100,000,000	89,885,248	108,779,326	4,468,411	12,372,850	7.93	**1.26**	4.50
Colony Capital								
Colony Investors II	80,000,000	78,482,328	1,800	90,022,404	1,517,672	4.68	**1.15**	16.50
Colony Investors III	100,000,000	100,000,000	4,426,400	167,834,385	0	14.62	**1.72**	13.75
CSFB								
CSFB Strategic Partners III RE	25,000,000	25,166,647	13,027,789	568,588	398,070	-16.76	**0.54**	6.25
CS Strategic Partners IV RE	50,000,000	46,428,969	31,096,590	3,678,747	4,159,244	-10.67	**0.75**	3.29
Prime Property Fund	40,000,000	40,000,000	232,792,415	0	0	6.09	**5.82**	29.97
Silverpeak Real Esate Partners								
Silverpeak Legacy Pension Partners II	75,000,000	70,513,382	39,513,432	28,383,951	10,097,960	-1.15	**0.96**	6.25
Silverpeak Legacy Pension Partners III	150,000,000	66,143,137	32,845,690	0	83,274,488	-21.83	**0.50**	3.36
T.A. Associates Realty								
Realty Associates Fund V	50,000,000	50,000,000	10,813,004	81,403,924	0	10.38	**1.84**	12.35
Realty Associates Fund VI	50,000,000	50,000,000	32,668,033	49,350,880	0	11.59	**1.64**	9.26
Realty Associates Fund VII	75,000,000	75,000,000	52,575,046	19,664,241	0	-0.88	**0.96**	6.87
Realty Associates Fund VIII	100,000,000	100,000,000	67,085,200	4,808,876	0	-8.91	**0.72**	5.25
Realty Associates Fund IX	100,000,000	92,000,000	98,550,216	1,527,141	8,000,000	9.06	**1.09**	3.10
UBS- Trumbull Property Fund	42,376,529	42,376,529	275,537,614	0	0	7.01	**6.50**	29.42
Real Estate Total	**1,137,376,529**	**1,022,506,774**	**1,107,089,578**	**478,740,611**	**124,514,144**		**1.55**	
II. RESOURCE								
Apache Corp III	30,000,000	30,000,000	4,562,160	55,830,360	0	12.23	**2.01**	24.75
EIG Global Energy Partners								
TCW Energy Fund XIV	100,000,000	88,200,170	69,769,755	46,606,608	26,413,266	13.98	**1.32**	4.45
Energy Fund XV	150,000,000	12,450,000	11,373,150	0	137,550,000	-9.80	**0.91**	1.31
EnCap Energy								
EnCap Energy Capital Fund VII	100,000,000	72,273,102	68,483,692	29,183,266	28,279,641	18.66	**1.35**	4.25
EnCap Energy Capital Fund VIII	100,000,000	10,250,401	10,024,636	0	89,749,599	-5.02	**0.98**	1.00
Energy Capital Partners II-A	100,000,000	32,413,192	35,543,835	4,185,871	71,527,341	25.36	**1.23**	1.20
Energy & Minerals Group								
NGP Midstream & Resources	100,000,000	88,348,271	84,371,739	34,435,985	11,962,752	13.93	**1.34**	4.50
The Energy & Minerals Group Fund II	100,000,000	0	0	0	100,000,000	N/A	N/A	0.02
First Reserve								
First Reserve Fund X	100,000,000	100,000,000	57,694,420	130,628,977	0	34.44	**1.88**	6.91
First Reserve Fund XI	150,000,000	118,698,968	95,008,728	34,991,924	31,301,032	2.77	**1.10**	4.77
First Reserve Fund XII	150,000,000	92,559,838	85,465,917	6,618,751	57,440,162	-0.29	**0.99**	2.92
NGP								
Natural Gas Partners IX	150,000,000	87,639,965	124,554,692	5,098,952	59,699,844	21.75	**1.48**	3.94
Sheridan								
Sheridan Production Partners I	100,000,000	100,002,260	131,069,962	22,500,000	0	20.34	**1.54**	4.50
Sheridan Production Partners II	100,000,000	12,500,000	12,654,000	0	87,500,000	3.34	**1.01**	1.00
Resource Total	**1,530,000,000**	**845,336,167**	**790,576,685**	**370,080,694**	**701,423,637**		**1.37**	
III. YIELD-ORIENTED								
Audax Mezzanine Fund III	100,000,000	9,654,806	9,428,550	202,819	90,345,194	-0.35	**1.00**	1.49
Citicorp Mezzanine III	100,000,000	88,029,296	619,985	132,134,651	0	15.61	**1.51**	11.91
DLJ Investment Partners								
DLJ Investment Partners II	27,375,168	23,164,217	1,323,701	33,886,457	4,955,172	10.50	**1.52**	11.75
DLJ Investment Partners III	100,000,000	46,084,623	19,608,134	25,899,167	55,914,666	-4.41	**0.99**	5.27
Gold Hill Venture Lending								
Gold Hill Venture Lending	40,000,000	40,000,000	16,011,708	37,475,354	0	7.60	**1.34**	7.01
Gold Hill 2008	25,852,584	19,130,912	19,926,165	1,272,656	6,721,672	7.27	**1.11**	3.25
GS Mezzanine Partners								
GS Mezzanine Partners II	100,000,000	100,000,000	3,668,688	128,064,866	0	7.07	**1.32**	11.58
GS Mezzanine Partners III	75,000,000	75,000,000	19,011,173	79,484,867	0	8.42	**1.31**	8.22
GS Mezzanine Partners 2006 Institutional	100,000,000	74,999,888	59,786,045	38,236,920	25,000,112	5.62	**1.31**	5.48
GS Mezzanine Partners V	150,000,000	54,542,693	52,167,959	23,906,444	86,441,294	10.72	**1.39**	3.94
Merit Capital Partners								
William Blair Mezz. Cap. Fd. III	60,000,000	56,958,000	6,333,065	95,643,470	3,042,000	14.61	**1.79**	11.75
Merit Mezzanine Fund IV	75,000,000	69,807,692	50,912,144	43,258,073	5,192,308	8.80	**1.35**	6.79
Merit Mezzanine Fund V	75,000,000	17,755,102	16,269,604	0	57,244,898	-14.11	**0.92**	1.78

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
Merit Energy Partners								
Merit Energy Partners B	24,000,000	24,000,000	60,702,180	111,689,445	0	24.82	**7.18**	15.25
Merit Energy Partners C	50,000,000	50,000,000	153,568,919	247,102,951	0	31.24	**8.01**	12.92
Merit Energy Partners D	88,000,000	70,938,303	116,161,824	177,736,290	0	23.63	**4.14**	10.35
Merit Energy Partners E	100,000,000	39,983,197	61,260,963	36,279,826	0	17.52	**2.44**	6.96
Merit Energy Partners F-II	100,000,000	57,841,607	61,647,371	9,703,531	42,158,394	8.23	**1.23**	5.52
Merit Energy Partners H	100,000,000	2,630,064	2,630,064	0	97,369,936	0.00	**1.00**	0.66
Prudential Capital Partners								
Prudential Capital Partners I	100,000,000	97,244,439	32,052,454	112,945,166	7,498,997	11.07	**1.49**	10.45
Prudential Capital Partners II	100,000,000	93,307,126	62,699,153	64,694,581	7,094,842	9.29	**1.37**	6.25
Prudential Capital Partners III	100,000,000	72,041,634	71,251,971	8,324,314	30,864,833	9.24	**1.10**	2.46
Quadrant Real Estate Advisors								
Institutional Commercial Mortgage Fd V	37,200,000	37,200,000	3,337,007	56,300,855	0	7.85	**1.60**	12.16
Summit Partners								
Summit Subordinated Debt Fund I	20,000,000	18,000,000	80,169	31,406,578	2,000,000	30.55	**1.75**	17.50
Summit Subordinated Debt Fund II	45,000,000	40,500,000	3,319,432	86,223,399	4,500,000	56.28	**2.21**	14.16
Summit Subordinated Debt Fund III	45,000,000	42,690,965	22,489,873	28,420,376	2,850,000	7.85	**1.19**	7.62
Summit Subordinated Debt Fund IV	50,000,000	26,000,000	27,206,686	0	24,000,000	7.05	**1.05**	3.51
TCW/Crescent Mezzanine Partners III	75,000,000	68,868,042	9,158,765	149,056,931	29,701,079	36.08	**2.30**	10.50
Windjammer Capital Investors								
Windjammer Mezzanine & Equity Fund II	66,708,861	52,076,514	10,111,136	65,115,211	14,378,980	8.11	**1.44**	11.50
Windjammer Senior Equity Fund III	75,000,000	55,990,339	63,811,542	36,283,270	21,601,071	23.14	**1.79**	5.74
Yield-Oriented Total	**2,204,136,613**	**1,524,439,461**	**1,036,556,432**	**1,860,748,470**	**618,875,446**		**1.90**	
IV. PRIVATE EQUITY								
Adams Street Partners								
Adams Street VPAF Fund I	3,800,000	3,800,000	42,305	9,440,295	0	13.22	**2.50**	23.39
Adams Street VPAF Fund II	20,000,000	20,000,000	49,455	37,988,511	0	24.09	**1.90**	20.84
Advent International GPE VI-A	50,000,000	28,875,000	30,580,722	1,500,000	21,125,000	6.72	**1.11**	3.50
Affinity Ventures								
Affinity Ventures IV	4,000,000	3,800,000	2,342,408	1,423,858	200,000	-0.34	**0.99**	7.25
Affinity Ventures V	5,000,000	3,300,000	2,525,236	814,728	1,700,000	0.67	**1.01**	3.24
Banc Fund								
Banc Fund VII	45,000,000	45,000,000	25,161,390	812,725	0	-11.45	**0.58**	6.50
Banc Fund VIII	98,250,000	35,370,000	36,910,257	0	62,880,000	3.33	**1.04**	3.43
Blackstone								
Blackstone Capital Partners IV	70,000,000	70,536,740	61,578,755	119,244,981	3,734,568	40.50	**2.56**	9.22
Blackstone Capital Partners V	140,000,000	126,336,611	125,780,651	11,325,275	15,586,094	1.64	**1.09**	5.66
Blackstone Capital Partners VI	100,000,000	3,037,049	3,037,049	0	96,962,951	-55.13	**1.00**	3.18
BLUM Capital Partners								
Blum Strategic Partners I	50,000,000	49,158,307	395,845	99,450,576	2,009,928	12.73	**2.03**	12.77
Blum Strategic Partners II	50,000,000	40,185,889	12,685,253	78,945,586	2,127,584	23.04	**2.28**	10.20
Blum Strategic Partners III	75,000,000	74,806,485	35,384,082	54,513,310	193,515	4.32	**1.20**	6.33
Blum Strategic Partners IV	150,000,000	148,496,870	121,312,662	24,656,730	13,930,449	-0.73	**0.98**	3.86
Carval Investors								
CVI Global Value Fund	200,000,000	190,000,000	208,464,341	32,279,720	10,000,000	6.87	**1.27**	4.71
CarVal Credit Value Fund I	100,000,000	55,000,000	55,845,625	63,000	45,000,000	2.13	**1.02**	1.00
Chicago Growth Partners (William Blair)								
William Blair Capital Partners VII	50,000,000	48,150,000	8,424,437	63,343,842	1,650,000	9.65	**1.49**	10.56
Chicago Growth Partners I	50,000,000	49,291,998	39,680,937	18,593,098	3,450,000	5.65	**1.18**	6.18
Chicago Growth Partners II	60,000,000	34,112,261	36,520,188	1,968,000	25,635,739	7.57	**1.13**	3.55
Coral Partners								
Coral Partners IV	15,000,000	15,000,000	1,775,966	13,538,879	0	0.40	**1.02**	17.19
Coral Partners V	15,000,000	15,000,000	1,323,737	8,125,294	0	-5.41	**0.63**	13.29
Court Square Capital								
Court Square Capital Partners	100,000,000	80,223,910	24,495,796	152,459,307	10,576,235	29.13	**2.21**	9.80
Court Square Capital Partners II	175,000,000	122,658,037	150,401,764	2,822,404	53,982,169	9.20	**1.25**	5.07
Crescendo								
Crescendo III	25,000,000	25,000,000	2,230,167	9,321,908	0	-13.44	**0.46**	12.90
Crescendo IV	101,500,000	101,500,000	24,319,962	20,124,650	0	-9.19	**0.44**	11.56
CSFB/ DLJ								
DLJ Merchant Banking Partners III	125,000,000	121,396,690	57,921,131	211,039,927	3,603,310	19.25	**2.22**	11.00
DLJ Strategic Partners	100,000,000	93,727,482	10,821,430	160,518,146	4,722,518	22.68	**1.83**	10.69
CSFB Strategic Partners II-B	100,000,000	83,465,901	13,794,702	145,392,208	10,734,099	35.79	**1.91**	8.20
CSFB Strategic Partners III VC	25,000,000	23,015,322	15,527,443	12,787,828	1,984,678	6.17	**1.23**	6.33
CSFB Strategic Partners III-B	100,000,000	76,224,058	84,450,495	16,809,666	16,933,846	7.07	**1.33**	6.33
CS Strategic Partners IV-B	100,000,000	79,430,343	86,050,651	25,032,224	20,569,657	17.22	**1.40**	3.51
CS Strategic Partners IV VC	40,500,000	31,339,981	37,089,896	4,515,169	8,995,125	13.45	**1.33**	3.29
CS Strategic Partners V	100,000,000	3,000,000	3,000,000	0	97,000,000	-0.93	**1.00**	0.12

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Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
CVC European Equity Partners V	134,170,018	81,636,744	85,784,416	10,260,837	33,765,329	8.29	**1.18**	3.51
Diamond Castle Partners IV	100,000,000	87,139,456	80,646,089	23,449,033	12,901,029	5.37	**1.19**	5.06
DSV Partners IV	10,000,000	10,000,000	32,242	39,196,082	0	10.61	**3.92**	26.47
EBF and Associates								
Merced Partners II	75,000,000	63,768,881	52,793,236	67,976,575	0	26.80	**1.89**	4.50
Merced Partners III	100,000,000	55,000,000	56,718,200	0	45,000,000	4.24	**1.03**	1.40
Elevation Partners	75,000,000	67,935,516	55,411,470	36,623,438	13,150,074	10.42	**1.35**	6.37
Fox Paine Capital Fund II	50,000,000	45,653,758	36,104,205	46,170,294	12,599,080	20.02	**1.80**	11.25
GHJM Marathon Fund								
GHJM Marathon Fund IV	40,000,000	39,051,000	893,488	56,587,488	949,000	8.35	**1.47**	12.46
GHJM Marathon Fund V	50,000,000	48,776,658	64,177,878	16,890,745	1,300,053	13.42	**1.66**	7.00
Golder,Thoma, Cressey, Rauner								
Golder, Thoma, Cressey & Rauner Fund IV	20,000,000	20,000,000	78,734	42,300,018	0	25.06	**2.12**	17.66
Golder, Thoma, Cressey & Rauner Fund V	30,000,000	30,000,000	720,171	53,955,241	0	11.00	**1.82**	15.25
GS Capital Partners								
GS Capital Partners 2000	50,000,000	50,000,000	13,080,964	95,232,616	0	22.71	**2.17**	11.08
GS Capital Partners V	100,000,000	66,390,364	75,880,506	68,747,521	26,041,099	17.41	**2.18**	6.50
GS Capital Partners VI	100,000,000	53,574,317	42,786,166	11,131,861	38,592,677	-1.48	**1.01**	4.66
GTCR Golder Rauner								
GTCR VI	90,000,000	90,000,000	1,037,849	77,813,800	0	-4.76	**0.88**	13.25
GTCR VII	175,000,000	159,249,989	798,679	387,322,726	15,750,001	25.31	**2.44**	11.64
GTCR IX	75,000,000	68,002,159	64,088,587	6,947,306	6,997,841	2.29	**1.04**	5.25
GTCR X	100,000,000	11,948,605	11,948,605	0	88,051,395	0.00	**1.00**	0.80
Hellman & Friedman								
Hellman & Friedman Capital Partners IV	150,000,000	133,967,494	0	383,769,706	15,365,585	34.67	**2.86**	11.75
Hellman & Friedman Capital Partners V	160,000,000	144,770,997	130,039,064	225,816,217	17,262,025	29.22	**2.46**	6.83
Hellman & Friedman Capital Partners VI	175,000,000	154,305,705	154,015,185	28,753,646	21,816,914	5.77	**1.18**	4.50
Hellman & Friedman Capital Partners VII	50,000,000	4,567,988	4,567,988	0	45,432,012	0.00	**1.00**	2.44
Kohlberg Kravis Roberts								
KKR 1987 Fund	145,373,652	145,373,652	2,648,440	396,223,778	0	8.73	**2.74**	23.85
KKR 1993 Fund	150,000,000	150,000,000	1,163,227	308,173,269	0	16.75	**2.06**	17.78
KKR 1996 Fund	200,000,000	199,902,841	9,307,688	366,258,556	0	13.20	**1.88**	15.08
KKR Millennium Fund	200,000,000	200,000,000	175,245,270	207,933,653	0	18.42	**1.92**	8.81
KKR 2006 Fund	200,000,000	184,075,598	174,798,268	45,804,803	29,228,600	4.60	**1.20**	5.01
Lexington Capital Partners								
Lexington Capital Partners VI-B	100,000,000	97,038,566	73,530,081	37,800,282	2,961,434	5.22	**1.15**	5.76
Lexington Capital Partners VII	200,000,000	68,905,086	71,936,681	10,169,285	131,094,914	35.60	**1.19**	2.30
RWI Ventures								
RWI Group III	616,430	616,430	40,691	526,806	0	-2.96	**0.92**	5.25
RWI Ventures I	7,603,265	7,603,265	897,763	4,763,992	0	-11.36	**0.74**	5.25
Sightline Healthcare								
Sightline Healthcare Fund II	10,000,000	10,000,000	281,712	5,635,402	0	-7.25	**0.59**	14.58
Sightline Healthcare Fund III	20,000,000	20,000,000	3,250,319	4,856,820	0	-10.82	**0.41**	12.69
Sightline Healthcare Fund IV	7,700,000	7,598,598	1,865,505	4,621,834	155,075	-4.84	**0.85**	8.01
Silver Lake Partners								
Silver Lake Partners II	100,000,000	88,740,757	68,050,259	71,823,141	12,255,111	10.97	**1.58**	7.25
Silver Lake Partners III	100,000,000	57,426,753	68,604,194	14,812,687	43,308,674	17.93	**1.45**	4.50
Split Rock Partners								
Split Rock Partners	50,000,000	40,290,907	29,965,156	428,377	9,709,093	-8.22	**0.75**	6.41
Split Rock Partners II	60,000,000	14,340,000	11,973,728	0	44,960,000	-10.84	**0.83**	3.42
Summit Partners								
Summit Ventures V	25,000,000	24,125,000	400,151	32,736,823	875,000	8.03	**1.37**	13.50
Summit Partners Growth Equity Fund VIII	100,000,000	0	0	0	100,000,000	N/A	N/A	0.41
T. Rowe Price	44,156,639	44,156,639	19,585,077	17,406,228	0	-11.64	**0.84**	6.62
Thoma Cressey								
Thoma Cressey Fund VI	35,000,000	33,915,000	4,875,100	28,671,225	1,085,000	-0.13	**0.99**	13.11
Thoma Cressey Fund VII	50,000,000	50,000,000	23,248,672	69,209,289	0	23.13	**1.85**	11.10
Thoma Cressey Fund VIII	70,000,000	68,932,574	66,158,986	50,601,306	770,000	12.44	**1.69**	5.42
Thomas, McNerney & Partners								
Thomas, McNerney & Partners I	30,000,000	28,050,000	14,362,680	10,504,694	1,950,000	-3.25	**0.89**	8.90
Thomas, McNerney & Partners II	50,000,000	33,750,000	26,446,618	5,132,263	16,250,000	-2.72	**0.94**	5.25
Varde Fund								
Varde Fund IX	100,000,000	100,000,000	146,096,700	0	0	13.60	**1.46**	3.27
Varde Fund X	150,000,000	90,000,000	94,119,120	0	60,000,000	4.59	**1.05**	1.44

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Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
Vestar Capital Partners								
Vestar Capital Partners IV	55,000,000	52,683,929	28,773,021	67,518,284	824,510	14.50	**1.83**	11.79
Vestar Capital Partners V	75,000,000	73,392,565	69,697,785	18,995,008	1,932,664	5.98	**1.21**	5.78
Vestar Capital Partners VI	100,000,000	0	0	0	100,000,000	N/A	N/A	0.02
Warburg Pincus								
Warburg, Pincus Ventures	50,000,000	50,000,000	227,303	256,193,050	0	49.21	**5.13**	16.75
Warburg Pincus Equity Partners	100,000,000	100,000,000	5,207,135	154,764,955	0	9.89	**1.60**	13.26
Warburg Pincus Private Equity VIII	100,000,000	100,000,000	108,806,300	114,220,153	0	16.97	**2.23**	9.46
Warburg Pincus Private Equity IX	100,000,000	100,000,000	103,443,788	43,224,867	0	9.31	**1.47**	6.18
Warburg Pincus Private Equity X	150,000,000	121,110,914	121,641,640	7,726,527	28,950,000	3.26	**1.07**	3.93
Wayzata								
Wayzata Opportunities Fund I	100,000,000	93,180,000	122,697,567	40,839,109	6,820,000	11.46	**1.76**	5.78
Wayzata Opportunities Fund II	150,000,000	82,950,000	148,801,185	429,900	67,050,000	14.89	**1.80**	3.94
Welsh, Carson, Anderson & Stowe								
Welsh, Carson, Anderson & Stowe VIII	100,000,000	100,000,000	2,551,192	126,252,521	0	3.11	**1.29**	13.19
Welsh, Carson, Anderson & Stowe IX	125,000,000	122,500,000	38,511,632	160,012,266	2,500,000	11.63	**1.62**	11.26
Welsh, Carson, Anderson & Stowe X	100,000,000	96,578,466	91,312,189	15,288,784	4,000,000	2.55	**1.10**	5.79
Welsh, Carson, Anderson & Stowe XI	100,000,000	42,728,686	44,231,027	0	57,271,314	3.17	**1.04**	3.19
Private Equity Total	**7,962,670,003**	**6,285,944,790**	**4,226,282,309**	**5,717,356,934**	**1,654,212,968**		**1.58**	
Alternatives Total	**12,834,183,145**	**9,678,227,192**	**7,160,505,004**	**8,426,926,709**	**3,099,026,195**		**1.61**	

* None of the data presented herein has been reviewed or approved by either the general partner or investment manager. The performance and valuation data presented herein is not a guarantee or prediction of future results. Ultimately, the actual performance and value of any investment is not known until final liquidation. Because there is no industry-standardized method for valuation or reporting, comparisons of performance and valuation data among different investments is difficult.

** MOIC: Multiple of Invested Capital

ATTACHMENT C

YIELD-ORIENTED MANAGER SUMMARY PROFILE

I. Background Data

Name of Fund:	Prudential Capital Partners IV, L.P.
Type of Fund:	Yield-Oriented Limited Partnership
Total Fund Size:	$1 billion
Fund Manager:	Prudential Capital Group
Manager Contact:	Mark Hoffmeister Prudential Capital Partners Two Prudential Plaza 180 North Stetson, Suite 5600 Chicago, IL 60601 P: (312) 540-4215

II. Organization and Staff

Prudential Insurance has been in the private placement investing business since 1935. Prudential Capital Group is Prudential's sole private placement unit. With just over $56 billion of domestic and international private debt and equity investments in nearly 925 companies (as of June 30, 2011), PCG manages the largest portfolio of traditional private placements worldwide. PCG, which has a U.S. investment staff of 75 (as of June 30, 2011), operates through six U.S. regional offices in Atlanta, Chicago, Dallas, Los Angeles, New York and San Francisco. PCG also has three international offices located in London, Frankfurt and Paris.

Fund IV will be managed by seven of PCG's most experienced mezzanine investment professionals, including Jeffrey Dickson, Mark Hoffmeister, Allen Weaver and Charles King who were all members of the Fund III investment committee. Joining these four mezzanine investment professionals on the Fund IV investment committee will be Paul Meiring, Robert Derrick, and Scott von Fischer, former heads of PCG's New York, Atlanta and Chicago regional offices, respectively.

III. Investment Strategy

Fund IV's portfolio will be constructed by continuing to follow the investment strategy that the Legacy Portfolio and the Predecessor Funds have successfully employed since 1995. This strategy has five key elements:

- Focus on the Middle Market
- Broad Sourcing Capabilities
- Lead Role in Financings
- Active Portfolio Management
- Value Oriented Approach

Utilizing this strategy, Fund IV intends to structure its investments with significant current return, debt protection rights, and equity features in order to participate in the growth of shareholder value that is expected amongst its portfolio companies. While the majority of Fund IV's capital is expected to be invested in current pay subordinated debt with detachable warrants, Fund IV may also invest in preferred stock and common equity in conjunction with a subordinated debt investment or in limited cases preferred stock without a corresponding subordinated debt investment. Subordinated debt investments are expected to have cash coupon rates ranging from 11% to 14%, with possible additional pay-in-kind ("PIK") interest. As of June 30, 2011, the 28 mezzanine investments made by Fund III have had a weighted average cash coupon of 11.7% with weighted average PIK interest of 2.6%. Fund III's average original equity stake in its portfolio companies is approximately 21.2%, as of June 30, 2011.

IV. Investment Performance

The historical investment performance of Prudential Capital Partners as of June 30, 2011 is presented below:

Fund	**Inception Date**	**Total Commitments**	**SBI Commitment**	**Net IRR from Inception***	**Net MOIC from Inception ***
Legacy Portfolio	1995	$531 million	$0	12.5%	1.5
Prudential Capital Partners	2000	$619 million	$100 million	11.1%	1.5
Prudential Capital Partners II	2005	$775 million	$100 million	9.3%	1.3
Prudential Capital Partners III	2008	$965 million	$100 million	9.4%	1.1

* Previous Fund investments may be relatively immature and, therefore, returns may not be indicative of future results. Net IRR and Multiple of Invested Capital (MOIC) were provided by Prudential.

V. General Partner's Investment

Prudential's investment will be at least one-third of total capital commitments, up to $400 million.

VI. Takedown Schedule

Commitments are expected to be drawn as needed, with not less than 10 business days' prior written notice.

VII. Management Fee

Through the end of the Investment Period, the General Partner will receive an annual management fee (the "Management Fee") equal to 1.50% of Capital Commitments. Thereafter, the Management Fee will be 1% of invested Capital Commitments outstanding. The Management Fee is subject to reduction by "Transaction, Break-Up and Other Fees" and "Organizational and Offering Expenses."

VIII. Distributions

Net proceeds attributable to the disposition of a portfolio investment, distributions in kind of securities, and any dividends, interest or other income received with respect to a portfolio investment, will be distributed to all Partners participating in such portfolio investment. Each such Partner's proportionate share thereof generally will be distributed as follows:

(a) Return of Realized Capital and Costs: First, 100% to such Partner until the cumulative distributions to such Partner equal the sum of:

(i) the capital contributions of such Partner used to acquire fully realized portfolio investments and the portion of such capital contributions used to acquire partially realized portfolio investments, plus such Partner's proportionate share of any net write-downs of unrealized portfolio investments, as of that time; and

(ii) the capital contributions of such Partner used to pay organizational expenses and other Fund expenses, including the Management Fee, allocated to the portfolio investments then described in subparagraph (i) above;

(b) Preferred Return: Second, 100% to such Partner until the cumulative distributions to such Partner are sufficient to provide such Partner with an annualized 8% internal rate of return on the capital contributions of such Partner then described in paragraph (a) above;

(c) Catch Up: Third, 100% to the General Partner until the General Partner has received in respect of such Partner 20% of the excess of

(i) the cumulative distributions made to such Partner and to the General Partner in respect of such Partner over

(ii) the capital contributions of such Partner then described in paragraph (a) above; and

(d) 80/20 Split: Thereafter, 80% to such Partner and 20% to the General Partner (the distributions to the General Partner described in paragraph (c) and in this paragraph (d) being referred to collectively as the General Partner's "Carried Interest").

IX. Investment Period and Term

The Fund may draw down Capital Commitments from the Partners to make investments at any time during the period from the Initial Closing up to the fifth anniversary of the Final Closing Date.

The term of the Fund will be ten years, subject to three consecutive additional one-year extensions as determined by the General Partner to allow for the orderly liquidation of the Fund's investments.

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ATTACHMENT D

YIELD-ORIENTED MANAGER SUMMARY PROFILE

I. Background Data

Name of Fund:	Windjammer Senior Equity Fund IV, L.P.
Type of Fund:	Yield-Oriented Limited Partnership
Total Fund Size:	\$700 million
Fund Manager:	Windjammer Capital Investors
Manager Contact:	Robert Bartholomew 610 Newport Center Drive, Suite 1100 Newport Beach, CA 92660 (949) 720-4203

II. Organization and Staff

Windjammer Capital Investors IV, L.P. (the "General Partner" and, together with its affiliated management companies and their predecessors, "Windjammer" or the "Firm") is forming Windjammer Senior Equity Fund IV, L.P. (the "Partnership" or "Fund IV") with targeted total investor commitments of \$700 million. The Partnership represents the Firm's fourth institutional fund and fifth investment portfolio since its founding in 1990.

The Firm is led by co-founder Robert Bartholomew and Costa Littas (collectively, the "Managing Principals"), who have been partners together at Windjammer for the past 11 years and collectively have more than 65 years of investment, management and advisory experience in the private equity and corporate finance industries. The Managing Principals are supported by 13 additional investment professionals, who collectively have over 160 years of relevant experience with an average tenure of eight years at the Firm. Windjammer is currently operating out of offices in Newport Beach, California and Waltham, Massachusetts.

III. Investment Strategy

Fund IV seeks to invest primarily in common equity, preferred equity and/or subordinated debt associated with corporate buyouts and recapitalizations with a typical initial investment size ranging from \$50 million to \$120 million. The Firm expects that in most cases Fund IV (alone or together with its co-investors) will acquire a controlling equity position in its platform companies, though in certain cases the Partnership may seek to make non-control investments in companies meeting its investment criteria. In both investment scenarios, the Firm will typically provide a combination of equity and subordinated debt. In all cases, the Firm will continue to adhere to its strict quality standards and active engagement with platform investments in order to generate for investors both current return and capital gains through its combination of subordinated debt and equity securities. The Partnership expects to invest in 10 to 15 platform companies as well as a number of add-on acquisitions.

IV. Investment Performance

The historical investment performance of Windjammer as of June 30, 2011 is presented below:

Fund	**Inception Date**	**Total Commitments**	**SBI Investment**	**Net IRR from Inception***	**Net MOIC from Inception ***
PL Portfolio	1990	$113 million	$0	30.2%	2.1
Windjammer Fund I	1995	$262 million	$0	10.2%	1.6
Windjammer Fund II	2000	$334 million	$67 million	8.5%	1.4
Windjammer Fund III	2006	$574 million	$75 million	19.7%	1.6

* Previous Fund investments may be relatively immature and, therefore, returns may not be indicative of future results. Net IRR and Multiple of Invested Capital (MOIC) were provided by Windjammer.

V. General Partner's Investment

At least, 2.0% of total commitments.

VI. Takedown Schedule

Commitments are expected to be drawn as needed, with not less than 10 business days' prior notice.

VII. Management Fee

During the Investment Period, the Management Fee will be 1.625% of Commitments. Thereafter, 1.625% of invested capital, until a similarly sized successor fund commences operations. Thereafter, 1.50% of invested capital. Management fees will be offset by 100% of transaction fees and break-up fees, net of unreimbursed expenses.

VIII. Distributions

In general, each Limited Partner's attributable share of the net proceeds from any investments will be distributed in the following order:

(1) 100% to such Limited Partner until it has received cumulative distributions equal to the aggregate of the following:

- A return of capital contributions attributable to realized investments, any investments that have been completely written off, and any net write-down with respect to other unrealized investments;
- A return of capital contributions attributable to organizational expenses, Management Fees and Partnership Expenses, in each case allocated to realized investments or investments that have been completely written off; and

- An 8% preferred return on capital contributions attributable to investments, Partnership Expenses and organizational expenses;

(2) 100% to the General Partner as carried interest until the General Partner has received 25% of the aggregate preferred return distributed to such Limited Partner; and

(3) 80% to such Limited Partner and 20% to the General Partner as carried interest.

IX. Investment Period and Term

The term of the fund will be ten years from the final closing date, with one additional one-year period in the discretion of the General Partner and up to two further one-year periods in the discretion of the General Partner with the approval of the Advisory Board.

The investment period will be 6 years from the initial closing date.

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PRIVATE EQUITY MANAGER SUMMARY PROFILE

I. Background Data

Name of Fund:	Goldner Hawn Johnson & Morrison Trailhead Fund, L.P.
Type of Fund:	Private Equity
Total Fund Size:	\$75 million in private equity capital \$150 million loan from the SBA \$225 million total fund size
Fund Manager:	Goldner Hawn Johnson & Morrison Inc.
Manager Contact:	Van Hawn Goldner Hawn Johnson & Morrison Incorporated 3700 Wells Fargo Center 90 South Seventh Street Minneapolis, MN 55402 P: (612) 338-5912

II. Organization and Staff

Goldner Hawn Johnson & Morrison Incorporated is a private equity investment firm based in Minneapolis, Minnesota focused on investing in lower middle market businesses located in the Midwest. GHJ&M was founded in 1989 and is one of the longest tenured private equity firms in the Midwest.

GHJ&M's five Managing Directors include three of the Firm's four founders and have extensive private equity experience as well as diverse prior experience in areas such as operating management, commercial banking, investment banking, business consulting, and corporate law. The founding Managing Directors have worked together since the Firm's inception and all of the Firm's Managing Directors have worked together for nine years. GHJ&M plans to augment the investment team with the addition of two Associates and a Vice President recruited specifically to assist with the Fund's investment activities.

III. Investment Strategy

Trailhead Fund will make control-oriented private equity investments in lower-middle market companies. These equity positions in the Fund's portfolio companies will be augmented with subordinated debt investments for interest income and to create simple, flexible financing structures. This strategy will reduce the financial risk at the Fund's portfolio companies by lessening the amount of third party debt ahead of the Fund's investments. Through the use of favorable SBA debenture financing at the fund level, GHJ&M expects Trailhead Fund to provide enhanced private capital returns despite conservative third party leverage at the Fund's portfolio companies.

The investment strategy for Trailhead Fund will be the same strategy GHJ&M has employed in generating superior returns for their investors for more than 20 years. GHJ&M intends to invest the Fund in a portfolio of 10 to 12 lower middle market companies. The Fund's investments will be made in change of control transactions and recapitalizations led by the Fund. GHJ&M will focus on making equity and subordinated debt investments totaling $10 million to $20 million per transaction with overall company enterprise values generally ranging from $25 million to $75 million. In most cases, the Fund will have a majority equity position in its portfolio companies; in some cases, the Fund may share control with other like-minded investors.

The Fund will have a strong regional focus on the Midwestern United States, and particularly on the Upper Midwest. GHJ&M believes that the Midwest offers a large number of attractive middle market companies and that, particularly in the Upper Midwest, the region is under-penetrated by private equity firms. Of the portfolio companies in which GHJ&M have invested, 80% have been located in the Midwest.

GHJ&M expect that the Fund's investments will be diversified across a number of industries. These industries include: food manufacturers and distributors, outsourced business service providers and manufacturers of industrial and consumer products. While the Firm's investment history has included several successful investments in retail and restaurant companies, they do not expect Trailhead Fund to have a meaningful concentration in these industries.

IV. Investment Performance

Previous fund performance as of June 30, 2011 for GHJ&M and the SBI's investments with previous funds, where applicable, is shown below:

Investment/Fund	Inception Date	Total Equity Commitments	SBI Investment	Net IRR from Inception	Net MOIC from Inception
GHJ&M Marathon Fund I/II	1990	$33.4 million	$0	21.3%	2.9
GHJ&M Marathon Fund III	1996	$85.7 million	$0	13%	1.9
GHJ&M Marathon Fund IV	1999	$200 million	$40 million	8.4%	1.4
GHJ&M Marathon Fund V	2004	$254.25 million	$50 million	13.2%	1.6

* Previous Fund investments may be relatively immature and, therefore, returns may not be indicative of future results. Net IRR and Multiple of Invested Capital (MOIC) were provided by GHJ&M.

V. General Partner's Investment

Five Managing Directors of GHJM (Van Zandt Hawn, Timothy D. Johnson, John L. Morrison, Jason T. Brass and Joseph M. Heinen) will be the members of the General Partner. They will collectively invest $4 million as Limited Partners of the Fund.

VI. Takedown Schedule

Limited Partners will receive 15 days' advance written notice prior to each capital call.

VII. Fees

During the first five years of the Fund, 2% per annum on the Fund's capital. Thereafter, 2% per annum on the cost of all loans and investments that the Fund is currently maintaining in all active Portfolio Companies.

All transaction, breakup, and/or monitoring fees will be credited 100% against the Management Fee.

VIII. Distributions

In general, distributions shall be made as follows:

First, 100% to each Partner pro rata based on such Partner's Contribution Percentage (as defined below) until the aggregate distributions received by the Partners equal 100% of the Partners' aggregate Capital Contributions.

Second, 100% to each Partner pro rata based on such Partner's Contribution Percentage to provide an 8% preferred annual return, compounded annually (the "Preferred Return").

Third, 100% to the General Partner as a catch-up provision until the General Partner has received an amount equal to 20% of the sum of (i) all cumulative amounts distributed to the Partners pursuant to the preceding paragraph and (ii) all cumulative amounts distributed to the General Partner pursuant to this paragraph; and

Fourth, thereafter, 80% to the Limited Partners pro rata based on each Partner's Contribution Percentage and 20% to the General Partner.

IX. Investment Period and Term

The term of the Fund will be ten years, subject to three consecutive two year extensions, at the discretion of the five Managing Directors, with the consent of a majority in interest of the Limited Partners.

In general, the Fund will have a five-year period commencing at the first closing (the "Investment Period") to make capital calls to fund new investments.

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