AGENDA
INVESTMENT ADVISORY COUNCIL MEETING
Tuesday, February 22, 2011
12:00 Noon
State Board of Investment
Board Room – First Floor
60 Empire Drive, St. Paul, MN

	TAB
1. Approval of Minutes of November 16, 2010	
2. Report from the Executive Director (H. Bicker)	**A**
A. Quarterly Investment Review (October 1, 2010 – December 31, 2010)	
B. Administrative Report	**B**
1. Reports on budget and travel	
2. Results of FY10 Financial Audit	
3. Legislative Update	
4. Update on Sudan	
5. Update on Iran	
6. Litigation Update	
3. Update on the Proxy Voting Committee (H. Bicker)	
4. Review of manager performance for the period ending December 31, 2010 (H. Bicker)	**C**
5. Investment Manager Review, Domestic Equity (H. Bicker)	**D**
6. Alternative Investment Report (H. Bicker)	**E**
A. Review of current strategy	
7. Other items (H. Bicker)	
A. Review of Policy Manual	

INVESTMENT ADVISORY COUNCIL

MINUTES

February 22, 2011

Minutes
Investment Advisory Council
November 16, 2010

MEMBERS PRESENT:	Frank Ahrens, Jeff Bailey, Dave Bergstrom, Dennis Duerst, Laurie Hacking, Joe Howe (for Tom Hanson), Heather Johnston, LeRoy Koppendrayer, Judy Mares and Malcolm McDonald.
MEMBERS ABSENT:	John Bohan, Kerry Brick, Doug Gorence, Jay Kiedrowski, Gary Norstrem, Gary Martin and Mary Vanek.
SBI STAFF:	Howard Bicker, Teri Richardson, Jim Heidelberg, Tammy Brusehaver, Patricia Ammann, Mike Menssen, J.J. Kirby, John Griebenow, Michael McGirr, Steve Schugel, Debbie Griebenow, Carol Nelson, and Charlene Olson.
OTHERS ATTENDING:	Ann Posey, Nuveen Investments; Celeste Grant, Rebecca Spartz, Christie Eller, Curt Hutchens, President, REAM; Mr. & Mrs. Richard Roiger, retired teachers; Edgar Hernandez and Renee Manley, SEIU; Rob Gardner, TRA Board; Sriram Ananth, Phd student, U of MN; Sylvia Schwarz, BDM Consulting Engineers, St. Paul, MN.; Erin Leonard, MSRS.

Mr. Bailey noted a change in the order of the agenda for the meeting and the minutes of the August 17, 2010 meeting were approved.

Executive Director's Report
Mr. Bicker, Executive Director, referred members to Tab A of the meeting materials. He reported that the Combined Funds had outperformed its Composite Index over the ten year period ending September 30, 2010 (Combined Funds 3.8% vs. Composite 3.6%,) and had provided a real rate of return over the latest 20 year period (Combined Funds 9.0% vs. CPI 2.5%.)

Mr. Bicker reported that the Combined Funds' assets increased 7.2% for the quarter ending September 30, 2010 due to positive market performance. He said that the asset mix is on target, and he reported that the Combined Funds matched its Composite Index for the quarter (Combined Funds 8.6% vs. Composite 8.6%) and outperformed for the year (Combined Funds 11.7% vs. Composite 10.9%.)

Mr. Bicker reported that the domestic stock manager group matched its target for the quarter (Domestic Stock 11.5% vs. Domestic Equity Asset Class Target 11.5%) but underperformed for the year (Domestic Stocks 10.9% vs. Domestic Equity Asset Class

Target 11.0%.) He said the International Stock manager group matched its Composite Index for the quarter (International Stocks 16.6% vs. International Equity Asset Class Target 16.6%) and outperformed for the year (International Stocks 9.0% vs. International Equity Asset Class Target 7.6%.) Mr. Bicker stated that the bond segment outperformed its target for the quarter (Bonds 3.2% vs. Fixed Income Asset Class Target 2.5%) and for the year (Bonds 11.2% vs. Fixed Income Asset Class Target 8.2%.) He stated that the alternative investments returned 15.9% for the year. He concluded his report with the comment that, as of September 30, 2010, the SBI was responsible for over $54 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 stated that the Legislative Auditor is in the final stages of its financial audit of SBI operations and that members will each receive a copy of the final report when it becomes available. Mr. Bicker said that members will be receiving a draft copy of the FY10 annual report in early December. He also noted the tentative IAC and Board meeting dates for calendar year 2011.

Mr. Bicker stated that updated information on Sudan and Iran is included in Tab B, and he noted that staff is in the process of implementing the Iran legislation. Mr. Bicker noted that he will present some minor modifications to the allocations in the College Saving Plan's investment options to the Board for their approval at the December 2010 meeting.

Ms. Eller stated that there is nothing new to report regarding the Lehman bankruptcy case. She said that summary judgment motions will be re-argued at the end of March 2011 in the pension litigation case, and she noted that some depositions had been taken.

Investment Advisory Council
Mr. Bicker referred members to a handout he distributed (see **Attachment A**) and stated that staff is recommending the termination of Lord Abbett & Co. due to significant staff turnover issues. Mr. Duerst moved approval of the recommendation, as stated in Attachment A. Mr. McDonald seconded the motion. The motion passed. Mr. Bicker noted that the portfolio will be liquidated to meet the state's cash needs.

Mr. Griebenow referred members to Tab F of the meeting materials and briefly summarized the new investments being proposed in alternative investments with four existing private equity managers (GTCR, CS Strategic Partners, Summit Partners, Vestar) and one existing resource manager (Merit Energy Company.) A presentation followed by Mr. Trusty of Summit Partners. After the presentation a general discussion followed. In response to questions raised by Ms. Johnston, Mr. Griebenow briefly reviewed the performance of a prior GTCR fund. Mr. McDonald moved approval of all five of staff's recommendations, as stated in Tab F. Mr. Koppendrayer seconded the motion, and the motion passed.

Mr. Bicker referred members to Tab E of the meeting materials and stated that staff had completed a review of the asset allocation policy for the Assigned Risk Plan and are recommending that no changes be made to the current allocation. In response to a request from Mr. Bailey, Mr. Bicker provided more historical background information on the Plan. Ms. Johnston moved approval of the recommendation, as stated in Tab E. Mr. Bergstrom seconded the motion. The motion passed.

Mr. Bicker stated that legislation passed in 2010 directed the State Auditor to establish a task force to review potential changes to the SBI's investment authority under Minnesota Statutes 11A.24. He stated that the changes are technical in nature and that this was an opportunity to clean up some outdated language and inconsistencies in various sections of statutes. Mr. Bicker confirmed that no action was needed at this time.

Mr. Bicker distributed a summary of the proposed changes and recommendations for the Deferred Compensation Plan (see **Attachment B**), and Mr. Bergstrom and staff provided some background information on the Plan. Mr. Bicker summarized the proposed changes regarding the addition of target date funds, some changes to the investment options offered and a discussion followed. Mr. Bicker noted that both product providers for target date funds are acceptable to the committee and that staff will make a decision on the provider at a later date. In response to questions from Ms. Hacking, Mr. Bicker and Mr. Bergstrom discussed some of the more technical aspects of the target date funds, and further discussion followed with several members sharing their own experiences with using them. Mr. Bergstrom moved approval of the recommendation, as stated in Attachment B. Ms. Hacking seconded the motion. The motion passed.

The meeting adjourned at 1:35 P.M.

Respectfully submitted,

Howard Bicker

Howard Bicker
Executive Director

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DATE: November 16, 2010

TO: Members, Investment Advisory Council

FROM: Tammy Brusehaver
PatC Ammann

SUBJECT: Review of Lord Abbett & Co. LLC, a domestic equity manager

Organization

The SBI hired Lord Abbett & Co. LLC in March 2004 to manage a large cap portfolio. There were two portfolio managers assigned to our account, Ken Fuller and Eli Salzmann. In 2008, Lord Abbett changed to a central research focus, managed by the CIO and research director, rather than having a team of analysts and portfolio managers for each product. This approach has limited the portfolio manager's access to analysts. At the end of 2009, Ken Fuller resigned as a result of the research changes which he felt impacted his ability to manage the portfolio. Lord Abbett did not replace Ken Fuller and Eli Salzmann continued to manage the portfolio.

Lord Abbett notified SBI staff on November 8th that the portfolio manager, Eli Salzmann, had resigned. Eli resigned for two primary reasons:

1. Eli did not feel he had adequate access to research resources to manage the portfolio.

2. The change to the research management structure in 2008 resulted in different approaches to manage the portfolio.

From 1997 to 2008, no investment professional left Lord Abbett. Since the changes were made in 2008, several investment professionals have left (SBI was only impacted by Ken Fuller's departure) and now Eli Salzmann has resigned.

Assets

As of September 2010, the firm had $102 billion in assets under management, of which $19.9 billion was invested in their large cap value strategy. The SBI's large cap value portfolio was valued at $280.7 million as of September 30, 2010.

Performance

Period Ending 9/30/10	**Lord Abbett**	**Russell 1000 Value**
One quarter	9.8%	10.1%
1 Year	6.4	8.9
3 Years	-8.4	-9.4
5 Years	0.3	-0.5
Since Inception (4/2004)	2.0	2.4
Calendar Years		
2009	20.5%	19.7%
2008	-36.3	-36.8
2007	4.4	-0.2
2006	18.6	22.2
2005	3.5	7.1

RECOMMENDATION:

Due to the departure of the SBI's portfolio manager, loss of investment professionals firm wide and concerns with the potential changes with the new portfolio managers, staff recommends that the SBI terminate the relationship with Lord Abbett & Co. LLC investment management services.

Current Options

Asset Class	Active	Passive
Large Cap Equity	1) Janus Twenty 2) Legg Mason Appreciation I	Vanguard Inst'l Index (S&P 500)
Mid Cap Equity		Vanguard Mid-Cap Index
Small Cap Equity	T. Rowe Price Small Cap Stock	
Balanced	Dodge & Cox Balanced	Vanguard Balanced Index
Bond	Dodge & Cox Income	Vanguard Total Bond Market Index
International	Fidelity Diversified International	Vanguard Inst'l Developed Markets Index
Money Market	SIF Money Market	
Stable Value	SIF Fixed Interest	

Proposed Options

Asset Class	Option
Large Cap Equity	1) Janus Twenty 2) Vanguard Institutional Index (S&P 500)
Mid Cap Equity	Vanguard Mid-Cap Index
Small Cap Equity	T. Rowe Price Small Cap Stock
Balanced	Vanguard Balanced Index
Bond	1) Dodge & Cox Income 2) Vanguard Total Bond Index
International	1) Vanguard Total International Stock Index 2) Fidelity Diversified International
Money Market	SIF Money Market
Stable Value	SIF Fixed Interest
Target Date Funds	SSgA

RECOMMENDATION:

Staff and the Deferred Compensation Review Committee recommend that target date funds be added as an option to the State Deferred Compensation Plan and that Legg Mason Partners Appreciation I Fund and Dodge and Cox Balanced Fund be dropped. In addition, it is recommended that the Vanguard Institutional Developed Markets Index Fund be dropped and replaced by the Vanguard Total International Stock Index Fund which has an emerging markets component.

Tab A

LONG TERM OBJECTIVES
Period Ending 12/31/2010

COMBINED FUNDS: $46.0 Billion	Result	Compared to Objective
Match or Exceed Composite Index (10 Yr.) 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.	**4.9% (1)**	0.2 percentage point above the target
Provide Real Return (20 yr.) Provide returns that are 3-5 percentage points greater than inflation over the latest 20 year period.	**9.0%**	6.5 percentage points above CPI

(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:

   2020 – MSRS General

   2031 – PERA General

   2037 – TRA

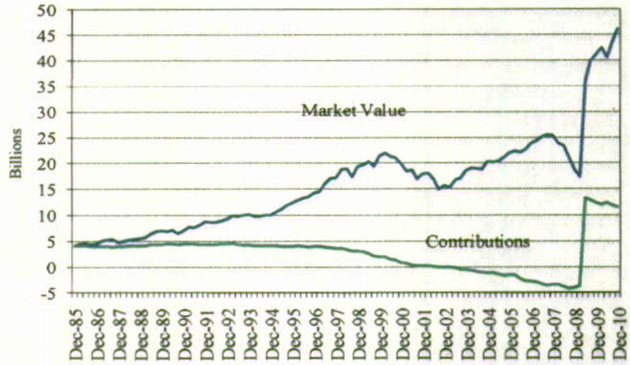
EXECUTIVE SUMMARY
Combined Funds (Net of Fees)

Asset Growth

The market value of the Combined Funds increased 6.0% during the fourth quarter of 2010. Positive investment returns caused the increase in market value.

Asset Growth During Fourth Quarter 2010 (Millions)

Beginning Value	$ 43,379
Net Contributions	-438
Investment Return	3,037
Ending Value	$ 45,978

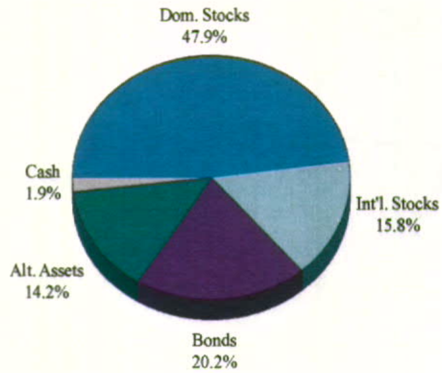


Note: The significant increase in market value and contributions in June 2009 was due to the merger of the Basics and Post Funds.

Asset Mix

Strong domestic equity returns caused the allocation to increase. The fixed income allocation decreased due to lower returns.

	Policy Targets	Actual Mix 12/31/2010	Actual Market Value (Millions)
Domestic Stocks	**45.0%**	47.9%	$22,007
Int'l. Stocks	**15.0**	15.8	7,274
Bonds	**18.0**	20.2	9,296
Alternative Assets*	**20.0**	14.2	6,508
Unallocated Cash	**2.0**	1.9	893
	100.0%	100.0%	$45,978



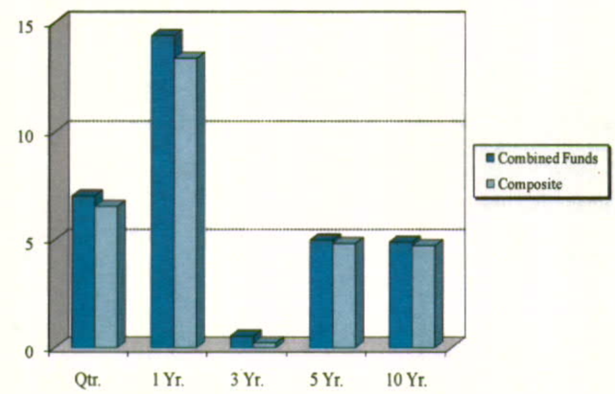
* Any uninvested allocation is held in domestic bonds.

Fund Performance (Net of Fees)

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

Period Ending 12/31/2010

	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
		Annualized			
Combined Funds	**7.1%**	**14.4%**	**0.5%**	**5.0%**	**4.9%**
Composite	6.6	13.3	0.2	4.8	4.7



EXECUTIVE SUMMARY

Stock and Bond Manager Performance
(Net of Fees)

Domestic Stocks

The domestic stock manager group (active, semi-passive and passive combined) outperformed 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 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Dom. Stocks	**11.9%**	**17.1%**	**-2.1%**	**2.4%**	**2.0%**
Asset Class Target*	11.6	16.9	-2.0	2.7	2.1

* 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 outperformed 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 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Int'l. Stocks	**7.1%**	**12.3%**	**-4.7%**	**5.2%**	**5.6%**
Asset Class Target*	7.2	11.2	-5.0	4.9	5.5

* 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) outperformed 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 12/31/2010

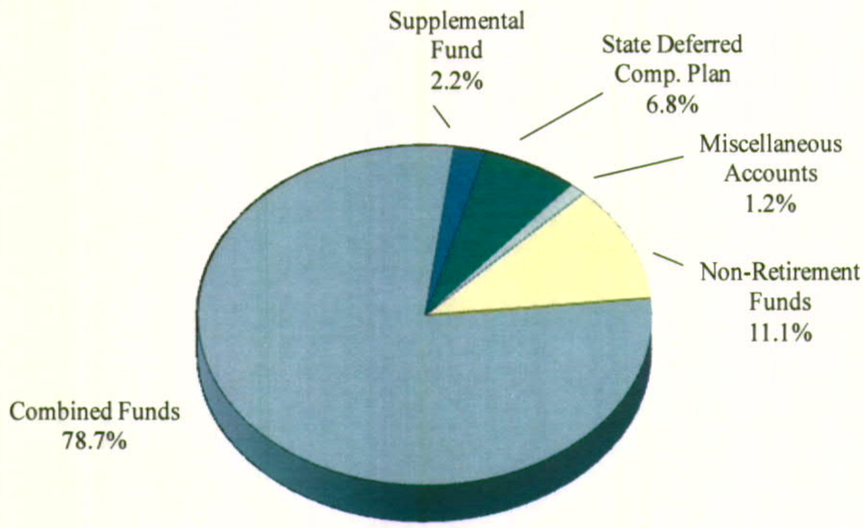
	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Bonds	**-0.7%**	**9.0%**	**6.1%**	**5.8%**	**6.1%**
Asset Class Target	-1.3	6.5	5.9	5.8	5.8

Alternative Investments

Period Ending 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Alternatives	**4.2%**	**13.9%**	**1.3%**	**10.4%**	**11.2%**

EXECUTIVE SUMMARY
Funds Under Management



	12/31/2010 Market Value (Billions)
Retirement Funds	
Combined Funds	$46.0
Supplemental Investment Fund	1.2
- Excluding Deferred Compensation Plan Assets	
State Deferred Compensation Plan	4.0
Non-Retirement Funds	
Assigned Risk Plan	0.3
Permanent School Fund	0.7
Environmental Trust Fund	0.5
State Cash Accounts	5.0
Miscellaneous Accounts	0.7
Total	**$58.5**

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MINNESOTA STATE BOARD OF INVESTMENT

QUARTERLY INVESTMENT REPORT

Fourth Quarter 2010

(October 1, 2010 - December 31, 2010)

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VARIOUS CAPITAL MARKET INDICES

	Period Ending 12/31/2010				
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Equity					
Dow Jones Wilshire Composite	11.7%	17.5%	-1.8%	3.0%	2.6%
Dow Jones Industrials	8.0	14.0	-1.6	4.3	3.2
S&P 500	10.8	15.1	-2.9	2.3	1.4
Russell 3000 (broad market)	11.6	16.9	-2.0	2.7	2.2
Russell 1000 (large cap)	11.2	16.1	-2.4	2.6	1.8
Russell 2000 (small cap)	16.3	26.9	2.2	4.5	6.3
Domestic Fixed Income					
Barclays Capital Aggregate (1)	-1.3	6.5	5.9	5.8	5.8
Barclays Capital Gov't./Corp.	-2.2	6.6	5.6	5.6	5.8
3 month U.S. Treasury Bills	0.0	0.1	0.6	2.2	2.2
International					
EAFE (2)	6.6	7.8	-7.0	2.5	3.5
Emerging Markets Free (3)	7.4	19.2	0.0	13.1	16.2
ACWI Free ex-U.S. (4)	7.3	11.6	-4.6	5.3	6.0
World ex-U.S. (5)	7.2	8.9	-6.3	3.0	4.0
Salomon Non U.S. Gov't. Bond	-1.5	5.2	6.5	7.6	7.4
Inflation Measure					
Consumer Price Index CPI-U (6)	0.3	1.5	1.4	2.2	2.3
Consumer Price Index CPI-W (7)	0.4	1.7	1.5	2.3	2.3

(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 Emerging Markets Free index. (Gross index)

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

(5) Morgan Stanley Capital International World Ex-U.S. Index (Developed Markets) (Net 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 an 11.6% return during the fourth quarter of 2010. The continuation of the global economic recovery propelled equity markets higher during the fourth quarter as stocks finished the year on a strong note. While unemployment remains high and housing stubbornly weak, a number of other economic indicators, including consumer spending, industrial production and corporate earnings, continued to improve. The positive returns for the period reflect a diminished fear of a double-dip recession and an assortment of favorable actions such as another round of quantitative easing by the U.S. Federal Reserve and tax-relief extensions. Within the Russell 3000, all sectors had positive returns and Energy reported the best relative sector return, up 26.2% for the quarter. The Financial sector was the worst performing sector with a 5.7% return for the quarter. Small cap companies outperformed large cap companies within the Russell 3000.

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

Large Growth	Russell 1000 Growth	11.8%
Large Value	Russell 1000 Value	10.5%
Small Growth	Russell 2000 Growth	17.1%
Small Value	Russell 2000 Value	15.4%

The Russell 3000 index returned 16.9% for the year ending December 31, 2010.

DOMESTIC BONDS

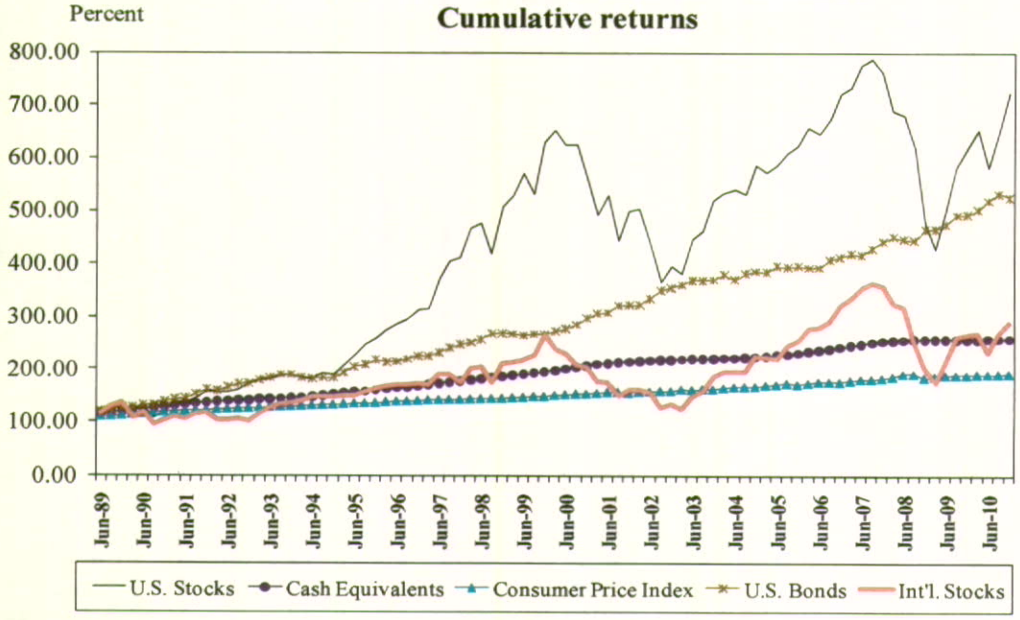
The U.S. bond market, as measured by the Barclays Capital Aggregate Index, returned -1.3% for the quarter. The spread sectors of the market were the drivers of returns in 4Q10, as all non-Treasury sectors performed better than the Treasury market.

The Treasury Yield Curve steepened over the quarter, as shorter-dated yields were virtually unchanged while intermediate and long-term yields rose. Corporate bonds outperformed Treasuries in 4Q as investors were encouraged by positive earnings and regained confidence in the broader U.S. economy. Commercial Mortgage-backed securities outperformed Treasuries due to continued confidence in the recovery in the commercial real estate sector. Agency Residential Mortgage-backed securities also outperformed Treasuries as a slow-down in prepayments due to the rise in interest rates calmed investor fears of a refinancing wave. The non-Agency MBS market traded up slightly during 4Q, albeit on light trading volume.

The major sector returns for the Barclays Capital Aggregate for the quarter were:

U.S. Treasury	-2.6%
Agency	-1.1
Corporates	-1.6
Agency MBS	0.2
Commercial Mortgages	0.9
Asset-backed	-1.5

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 7.2% for the quarter. The quarterly performance of the six largest stock markets is shown below:

Japan	12.1%
United Kingdom	6.0
Canada	12.2
France	1.7
Australia	9.8
Germany	9.5

The World ex U.S. index returned 8.9% 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 7.4% for the quarter. The quarterly performance of the six largest stock markets in the index is shown below:

China	0.7%
Brazil	3.6
Korea	12.8
Taiwan	17.4
India	2.2
South Africa	13.1

The Emerging Markets Free index returned 19.2% 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 74% of the value of the international markets in the index.

REAL ESTATE

During the fourth quarter of 2010, real estate posted its fourth consecutive quarter of positive returns with the NCREIF Property Index posting a return of 4.6%. 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

After the drought in 2008 and 2009, money has begun flowing to private equity investors again. Several forces have driven the rebound in private equity deals this year, most notably a recovery in the credit markets. Debt is only part of the story. Private equity firms that spent the past 18 months shoring up their portfolio companies are finally ready and able to cash in on their strongest performers. Strategic buyers are also awash with cash, after putting away capital on their balance sheets during the recent economic contraction.

RESOURCE FUNDS

During the fourth quarter of 2010, crude oil traded between a range of \$79.49/bbl and \$91.51/bbl. The average price for the fourth quarter of 2010 was \$85.16/bbl which is approximately \$5/bbl more than the average price for the entire calendar year. Improved economic growth and unrest in the Middle East should continue to provide strength to oil prices.

COMBINED FUNDS

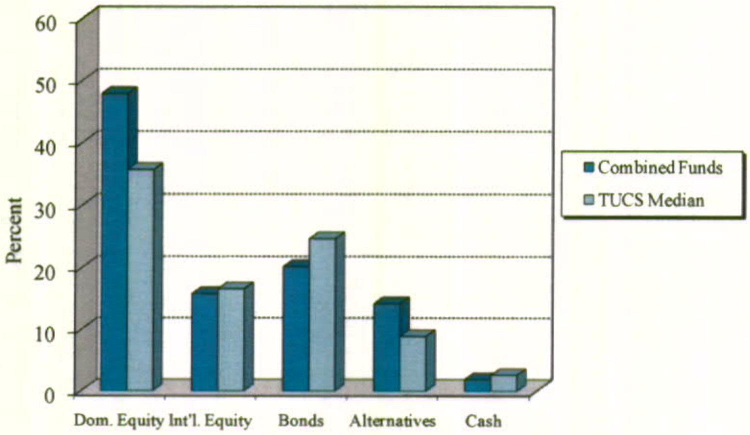
The comparison universe used by the SBI is the Trust Universe Comparison Service (TUCS). Only funds with assets over $1 billion are included in the comparisons shown in this section.

Asset Mix Compared to Other Pension Funds

On December 31, 2010, the asset mix of the Combined Funds was:

	$ Millions	%
Domestic Stocks	$22,007	47.9%
International Stocks	7,274	15.8
Bonds	9,296	20.2
Alternative Assets	6,508	14.2
Unallocated Cash	893	1.9
Total	$45,978	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	**47.9%**	**15.8%**	**20.2%**	**14.2%**	**1.9%**
Median Allocation in TUCS*	35.7	16.6	24.7	8.9**	2.6

* Public and corporate plans over $1 billion.
** May include assets other than alternatives.

COMBINED FUNDS
Performance Compared to Other Pension Funds

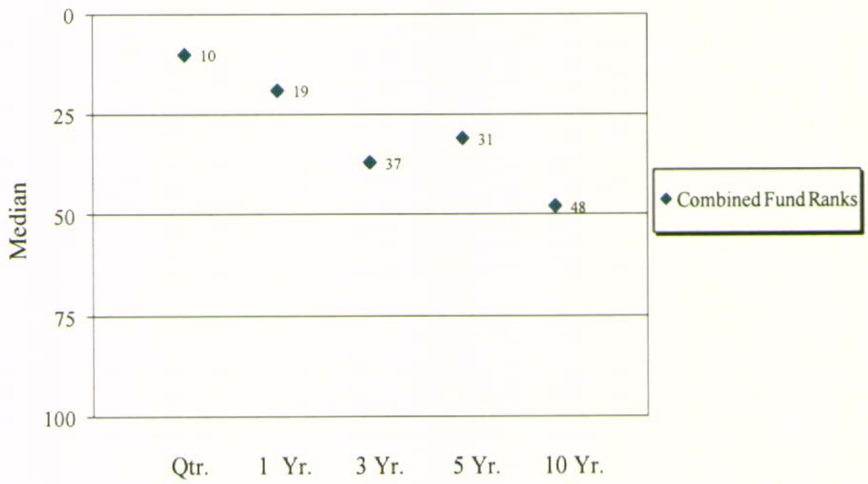
While the SBI is concerned with how its returns compare to other pension investors, universe comparisons should be used with great care. There are several reasons why such comparisons will provide an "apples to oranges" look at performance:

— **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 12/31/2010

	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Combined Funds Percentile Rank in TUCS*	10th	19th	37th	31st	48th

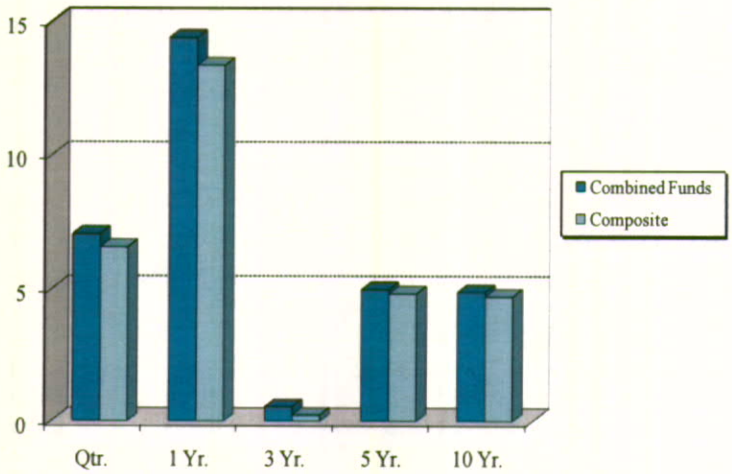
* Compared to public and corporate plans greater than $1 billion, gross of fees.

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* 4Q10
Domestic Stocks	Russell 3000	45.0%
Int'l. Stocks	MSCI ACWI Free ex-U.S.	15.0
Bonds	Barclays Capital Aggregate	23.5*
Alternative Investments	Alternative Investments	14.5*
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 12/31/2010

	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
			Annualized		
Combined Funds**	**7.1%**	**14.4%**	**0.5%**	**5.0%**	**4.9%**
Composite Index	6.6	13.3	0.2	4.8	4.7

** Actual returns are reported net of fees.

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STOCK AND BOND MANAGERS

Performance of Asset Pools (Net of Fees)

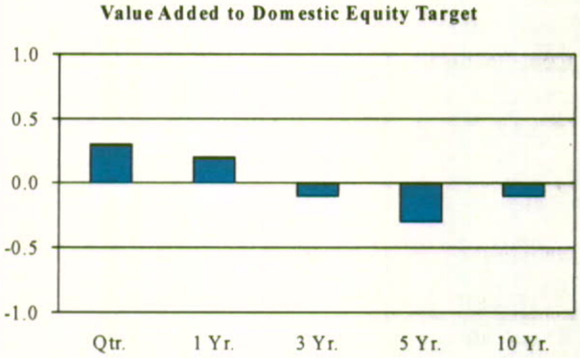
Domestic Stocks

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 12/31/2010

		Annualized			
	Qtr.	**1 Yr.**	**3 Yr.**	**5 Yr.**	**10 Yr.**
Domestic Stocks	**11.9%**	**17.1%**	**-2.1%**	**2.4%**	**2.0%**
Asset Class Target*	11.6	16.9	-2.0	2.7	2.1

* 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.



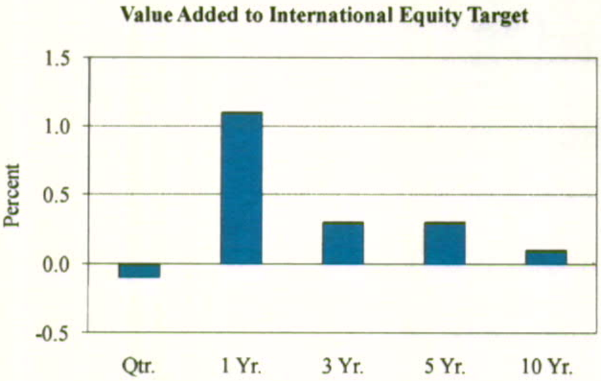
International Stocks

Target: 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 12/31/2010

		Annualized			
	Qtr.	**1 Yr.**	**3 Yr.**	**5 Yr.**	**10 Yr.**
Int'l. Stocks	**7.1%**	**12.3%**	**-4.7%**	**5.2%**	**5.6%**
Asset Class Target*	7.2	11.2	-5.0	4.9	5.5

* 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.

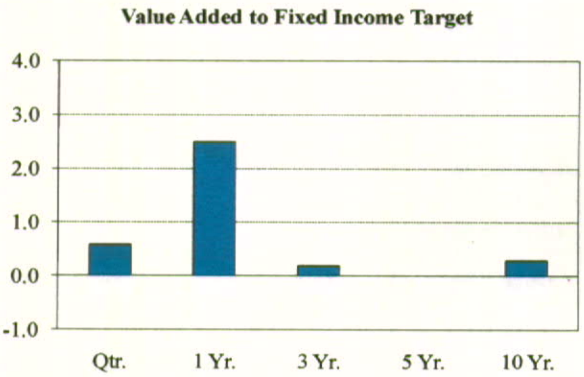


Bonds

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 12/31/2010

		Annualized			
	Qtr.	**1 Yr.**	**3 Yr.**	**5 Yr.**	**10 Yr.**
Bonds	**-0.7%**	**9.0%**	**6.1%**	**5.8%**	**6.1%**
Asset Class Target	-1.3	6.5	5.9	5.8	5.8



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 12/31/2010		Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Alternatives	4.2%	13.9%	1.3%	10.4%	11.2%
Inflation	0.3%	1.5%	1.4%	2.2%	2.3%

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 12/31/2010		Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Real Estate	5.6%	2.4%	-11.4%	1.2%	5.7%

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 12/31/2010		Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Private Equity	3.9%	16.5%	2.1%	11.1%	9.6%

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 12/31/2010		Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Resource	7.5%	18.0%	6.5%	16.1%	24.1%

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 12/31/2010		Annualized		
	Qtr.	Yr.	3 Yr.	5 Yr.	10 Yr.
Yield Oriented	2.2%	12.2%	7.6%	13.8%	15.1%

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 December 31, 2010 the market value of the entire Fund was $1.2 billion.

Investment Options

	12/31/2010 Market Value (In Millions)
Income Share Account – a balanced portfolio utilizing both common stocks and bonds.	$246
Growth Share Account – an actively managed, all common stock portfolio.	$124
Common Stock Index Account – a passively managed, all common stock portfolio designed to track the performance of the entire U.S. stock market.	$245
International Share Account – a portfolio of non U.S. stocks that incorporates both active and passive management.	$128
Bond Market Account – an actively managed, all bond portfolio.	$141
Money Market Account – a portfolio utilizing short-term, liquid debt securities.	$174
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.	$134
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%	63.8%
Bonds	35.0	35.0
Unallocated Cash	5.0	1.2
	100.0%	100.0%

Period Ending 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**6.9%**	**13.4%**	**2.0%**	**4.7%**	**4.0%**
Benchmark*	6.4	12.9	0.9	3.8	3.6

* 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 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**12.1%**	**16.9%**	**-2.3%**	**2.1%**	**1.8%**
Benchmark*	11.6	16.9	-2.0	2.7	2.1

* 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 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**11.6%**	**17.3%**	**-1.7%**	**3.0%**	**2.2%**
Benchmark*	11.6	16.9	-2.0	2.7	2.1

* 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 up to 10% of the Account is "semi-passively managed." These portions of the Account are designed to track and modestly outperform, respectively, the return of 22 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 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Account	**7.1%**	**12.3%**	**-4.5%**	**5.3%**	**5.7%**
Benchmark*	7.2	11.2	-5.0	4.9	5.5

* 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 12/31/2010					
		Annualized			
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**-0.7%**	**9.0%**	**6.1%**	**5.9%**	**6.1%**
Barclays Capital Aggregate	-1.3	6.5	5.9	5.8	5.8

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 12/31/2010					
		Annualized			
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**0.1%**	**0.2%**	**1.2%**	**2.7%**	**2.6%**
3 month T-Bills	0.0	0.1	0.6	2.2	2.2

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 12/31/2010					
		Annualized			
	Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Account	**1.0%**	**4.1%**	**4.5%**	**4.6%**	**4.8%**
Benchmark*	0.3	1.5	2.0	3.2	3.4

* 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	35.0%
International Stocks	15.0	15.0
Bonds	45.0	44.2
Cash	5.0	5.8
	100.0%	100.0%

Period Ending 12/31/2010		
	Annualized	
	Qtr.	1 Yr.
Total Account	**4.9%**	**12.3%**
Benchmark*	4.5	11.1

* 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 6 actively managed mutual funds and 5 passively managed mutual funds.

The SBI also offers a money market option, a fixed interest option, and a fixed fund 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 March 1, 2004. The investment options and objectives are outlined below.

Investment Options

	12/31/2010 Market Value (in Millions)
Vanguard Institutional Index (passive)	$430
Janus Twenty (active)	$429
Legg Mason Appreciation Y (active)	$125
Vanguard Mid Cap Index (passive)	$205
T. Rowe Price Small Cap (active)	$425
Fidelity Diversified International (active)	$245
Vanguard Institutional Developed Markets (passive)	$99
Dodge & Cox Balanced Fund (active)	$277
Vanguard Balanced Fund (passive)	$186
Dodge & Cox Income Fund (active)	$148
Vanguard Total Bond Market Fund (passive)	$139
SIF Money Market Account	$76
SIF Fixed Interest Account	$1,172

DEFERRED COMPENSATION PLAN ACCOUNTS

LARGE CAP EQUITY

Vanguard Institutional Index (passive)

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

	Period Ending 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**10.7%**	**15.1%**	**-2.8%**	**2.3%**
S&P 500	10.8	15.1	-2.9	2.3

Janus Twenty (active)

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

	Period Ending 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**9.2%**	**7.0%**	**-3.8%**	**6.3%**
S&P 500	10.8	15.1	-2.9	2.3

Legg Mason Partners Appreciation Y (active)

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

	Period Ending 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**9.2%**	**12.7%**	**-0.8%**	**4.1%**
S&P 500	10.8	15.1	-2.9	2.3

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 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**13.6%**	**25.7%**	**0.9%**	**4.4%**
MSCI US Mid-Cap 450	13.6	25.7	0.9	4.4

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 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**17.4%**	**32.5%**	**6.9%**	**6.3%**
Russell 2000	16.3	26.9	2.2	4.5

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 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**8.3%**	**9.7%**	**-7.5%**	**2.4%**
MSCI EAFE	6.6	7.7	-7.0	2.5

Vanguard Institutional Developed Markets (passive)

- A fund that passively invests in stocks of companies located outside the United States that tracks the MSCI EAFE index.

	Period Ending 12/31/2010		Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**6.8%**	**8.7%**	**-6.6%**	**2.7%**
MSCI EAFE	6.6	7.7	-7.0	2.5

DEFERRED COMPENSATION PLAN ACCOUNTS

BALANCED

Dodge & Cox Balanced Fund (active)

A fund that invests in a mix of stock and bonds. The fund invests in mid-to large-cap stocks and in high quality bonds, and is expected to outperform a weighted benchmark of 60% S&P 500/40% Barclays Capital Aggregate, over time.

Period Ending 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**8.4%**	**12.2%**	**-1.5%**	**2.1%**
Benchmark	5.9	12.1	1.0	4.0

Vanguard Balanced Fund (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 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**6.5%**	**13.3%**	**2.0%**	**4.6%**
Benchmark	6.4	13.5	1.8	4.5

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 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**0.2%**	**7.2%**	**7.4%**	**6.5%**
Barclays Capital Agg.	-1.3	6.5	5.9	5.8

Vanguard Total Bond Market Fund (passive)

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

Period Ending 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**-1.3%**	**6.6%**	**5.9%**	**5.9%**
Barclays Capital Agg.	-1.3	6.5	5.9	5.8

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 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**0.1%**	**0.2%**	**1.2%**	**2.7%**
3-Mo. Treas.	0.0	0.1	0.6	2.2

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 12/31/2010				
			Annualized	
	Qtr.	1 Yr.	3 Yr.	5 Yr.
Fund	**1.0%**	**4.1%**	**4.5%**	**4.6%**
Benchmark	0.3	1.5	2.0	3.2

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.

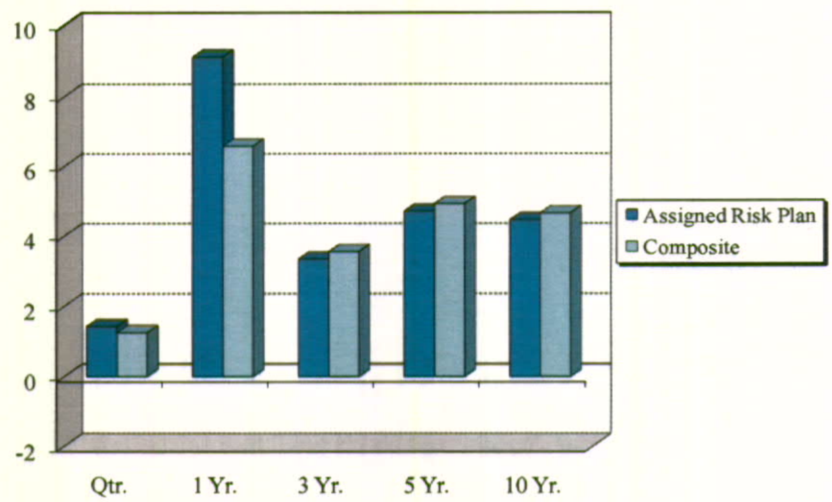
Asset Mix
The Assigned Risk Plan is invested in a portfolio of common stocks and bonds. The actual asset mix will fluctuate in response to changes in the Plan's liability stream.

	12/31/2010 Target	12/31/2010 Actual
Stocks	20.0%	21.8%
Bonds	80.0	78.2
Total	100.0%	100.0%

Investment Management
Voyageur Asset Management manages the bond segment of the Fund. GE Investment Management manages the equity segment.

Performance Benchmarks
A custom benchmark has been established for the fixed income portfolio. It reflects the duration of the liability stream and the long-term sector allocation of Voyageur Asset Management. 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 December 31, 2010 the market value of the Assigned Risk Plan was $309 million.



Period Ending 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Fund*	**1.4%**	**9.1%**	**3.3%**	**4.7%**	**4.5%**
Composite	1.2	7.3	3.5	4.9	4.7
Equity Segment*	**10.6**	**10.7**	**-1.9**	**3.6**	**1.9**
Benchmark	10.8	15.1	-2.9	2.3	1.4
Bond Segment*	**-0.9**	**8.4**	**4.6**	**4.8**	**4.8**
Benchmark	-1.1	5.0	4.8	5.3	5.2

* 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.

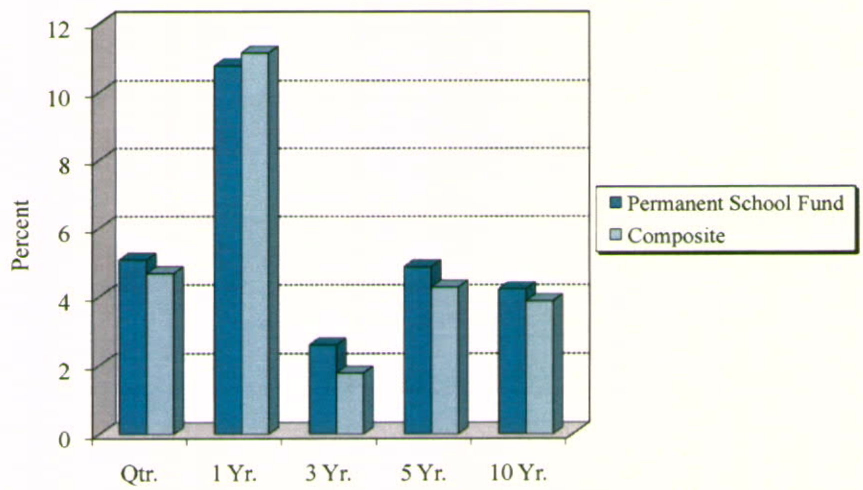
Asset Mix
Effective with FY98, the Permanent School Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds provide portfolio diversification and a more stable stream of current income.

	12/31/2010 Target	12/31/2010 Actual
Stocks	50.0%	52.6%
Bond	48.0	45.9
Cash	2.0	1.5
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 December 31, 2010 the market value of the Permanent School Fund was $743 million.



	Period Ending 12/31/2010				
			Annualized		
	Qtr.	**1 Yr.**	**3 Yr.**	**5 Yr.**	**10 Yr.**
Total Fund*	**5.1%**	**10.8%**	**2.6%**	**4.9%**	**4.2%**
Composite	4.7	11.1	1.8	4.3	3.9
Equity Segment*	**10.6**	**15.0**	**-2.8**	**2.3**	**1.5**
S&P 500	10.8	15.1	-2.9	2.3	1.4
Bond Segment*	**-0.5**	**6.4**	**7.1**	**6.7**	**6.4**
Barclays Capital Agg.	-1.3	6.5	5.9	5.8	5.8

* Actual returns are calculated net of fees.

ENVIRONMENTAL TRUST FUND

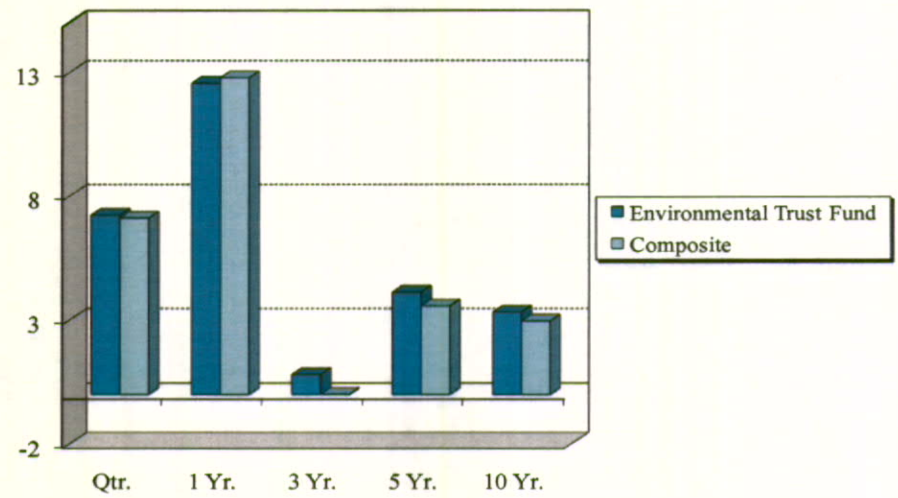
Investment Objective
The objective of the Environmental Trust Fund is to increase the market value of the Fund over time in order to increase the annual amount made available for spending.

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 December 31, 2010 the market value of the Environmental Trust Fund was $544 million.

	12/31/2010 Target	12/31/2010 Actual
Stocks	70.0%	71.1%
Bonds	28.0	27.0
Cash	2.0	1.9
Total	100.0%	100.0%



Period Ending 12/31/2010

	Qtr.	1 Yr.	3 Yr. (Annualized)	5 Yr. (Annualized)	10 Yr. (Annualized)
Total Fund*	**7.2%**	**12.6%**	**0.8%**	**4.1%**	**3.3%**
Composite	7.1	12.8	0.0	3.5	2.9
Equity Segment*	**10.6**	**15.0**	**-2.8**	**2.4**	**1.5**
S&P 500	10.8	15.1	-2.9	2.3	1.4
Bond Segment*	**-0.5**	**6.4**	**7.0**	**6.6**	**6.5**
Barclays Capital Agg.	-1.3	6.5	5.9	5.8	5.8

* Actual returns are calculated net of fees.

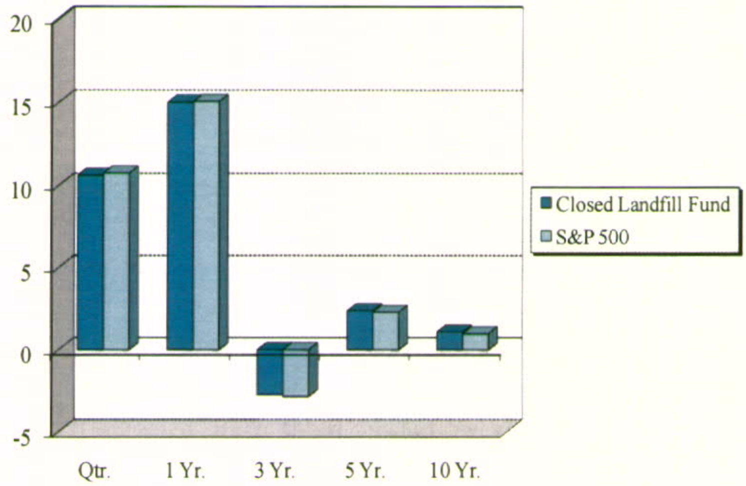
CLOSED LANDFILL INVESTMENT FUND

Investment Objectives
The investment objective of the Closed Landfill Investment Fund is to generate high returns from capital appreciation. The Fund will be used by the Commissioner of the PCA (Pollution Control Agency) to pay for the long-term costs of maintaining the integrity of landfills in Minnesota once they are closed. However, by statute, the assets of the Fund are unavailable for expenditure until after fiscal year 2020.

Asset Mix
Effective July 1999, the Closed Landfill Investment Fund is invested entirely in common stock. Given the long time horizon of this Fund and the lack of need for any short or mid-term withdrawals, this strategy will maximize the long-term gain of the Fund.

Investment Management
SBI staff manage all assets of the Closed Landfill Investment Fund. The assets are managed to passively track the performance of the S&P 500 index.

Market Value
On December 31, 2010, the market value of the Closed Landfill Investment Fund was $0.7 million. During the 2010 legislative session, $48 million was withdrawn for budget purposes.



Period Ending 12/31/2010

	Qtr.	**1 Yr.**	**3 Yr.** (Annualized)	**5 Yr.**	**10 Yr.**
Total Fund (1)	**10.6%**	**15.0%**	**-2.7%**	**2.4%**	**1.5%**
S&P 500	10.8	15.1	-2.9	2.3	1.4

(1) 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 12/31/2010

	Market Value (Millions)	Qtr.	1 Yr.	Annualized 3 Yr.	5 Yr.	10 Yr.
Treasurer's Cash Pool*	**$4,912**	**0.1%**	**0.6%**	**2.1%**	**3.3%**	**3.0%**
Custom Benchmark**		0.0	0.0	0.8	2.3	2.2
Trust Fund Cash Pool*	**$137**	**0.0**	**0.3**	**1.0**	**2.6**	**2.5**
Custom Benchmark		0.0	0.0	0.8	2.3	2.0
3 month T-Bills		0.0	0.1	0.6	2.2	2.2

* 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.

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MINNESOTA STATE BOARD OF INVESTMENT

Composition of State Investment Portfolios By Type of Investment

Market Value December 31, 2010 (in Thousands)

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
COMBINED RETIREMENT FUNDS								
Teachers Retirement Fund	316,797	0	3,387,631	0	8,019,548	2,650,835	2,371,415	16,746,226
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
Public Employees Retirement Fund	244,194	0	2,612,732	0	6,185,127	2,044,474	1,828,969	12,915,496
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
State Employees Retirement Fund	184,116	0	1,771,934	0	4,194,704	1,386,546	1,240,392	8,777,692
	2.10%		20.19%		47.79%	15.79%	14.13%	100%
Public Employees Police & Fire	95,999	0	1,027,131	0	2,431,528	803,734	719,014	5,077,406
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
Highway Patrol Retirement Fund	11,704	0	111,049	0	262,886	86,896	77,737	550,272
	2.13%		20.18%		47.77%	15.79%	14.13%	100%
Judges Retirement Fund	3,560	0	28,730	0	68,013	22,481	20,112	142,896
	2.49%		20.11%		47.60%	15.73%	14.07%	100%
Correctional Employees Retirement	14,533	0	122,312	0	289,550	95,710	85,621	607,726
	2.39%		20.13%		47.64%	15.75%	14.09%	100%
Public Employees Correctional	4,777	0	51,115	0	121,004	39,997	35,781	252,674
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
Legislative Retirement Fund	379	0	4,060	0	9,611	3,177	2,842	20,069
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
PERA Minneapolis Retirement	16,790	0	179,618	0	425,214	140,553	125,738	887,913
	1.89%		20.23%		47.89%	15.83%	14.16%	100%
TOTAL COMBINED FUNDS	892,849	0	9,296,312	0	22,007,185	7,274,403	6,507,621	45,978,370
	1.94%		20.22%		47.87%	15.82%	14.15%	100%

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
MINNESOTA SUPPLEMENTAL FUNDS:								
Income Share Account	2,894	86,005	0	0	156,467	0	0	245,366
	1.18%	35.05%			63.77%			100%
Growth Share Account	0	0	0	0	123,702	0	0	123,702
					100.00%			100%
Money Market Account	174,466	0	0	0	0	0	0	174,466
	100.00%							100%
Common Stock Index	0	0	0	0	244,900	0	0	244,900
					100.00%			100%
Bond Market Account	0	0	140,592	0	0	0	0	140,592
			100.00%					100%
International Share Account	0	0	0	0	0	127,911	0	127,911
						100.00%		100%
Stable Value Fund	0	0	134,448	0	0	0	0	134,448
			100.00%					100%
Volunteer Firefighters Account	188	0	1,439	0	1141	487	0	3,255
	5.78%		44.21%		35.05%	14.96%		100%
TOTAL SUPPLEMENTAL FUNDS	177,548	86,005	276,479	0	526,210	128,398	0	1,194,640
	14.86%	7.20%	23.14%		44.05%	10.75%		100%
MN DEFERRED COMP PLAN	89,332	0	1,591,169	0	1,931,218	343,514	0	3,955,233
	2.26%		40.23%		48.83%	8.68%		100%
TOTAL RETIREMENT FUNDS	1,159,729	86,005	11,163,960	0	24,464,613	7,746,315	6,507,621	51,128,243
	2.27%	0.17%	21.83%		47.85%	15.15%	12.73%	100%

ASSIGNED RISK PLAN	921	0	241,027	0	66,819	0	0	308,767
	0.30%		78.06%		21.64%			100%
ENVIRONMENTAL FUND	10,278	146,802	0	387,374	0	0	0	544,454
	1.89%	26.96%		71.15%				100%
PERMANENT SCHOOL FUND	11,198	341,070	0	390,907	0	0	0	743,175
	1.51%	45.89%		52.60%				100%
CLOSED LANDFILL INVESTMENT	0	0	0	730	0	0	0	730
				100.00%				100%
TREASURERS CASH	4,912,138	0	0	0	0	0	0	4,912,138
	100.00%							100%
HOUSING FINANCE AGENCY	0	73,764	0	0	0	0	0	73,764
		100.00%						100%
MINNESOTA DEBT SERVICE FUND	0	65,853	0	0	0	0	0	65,853
		100.00%						100%
MISCELLANEOUS ACCOUNTS	154,856	305,493	0	217,053	0	0	0	677,402
	22.86%	45.10%		32.04%				100%
TOTAL CASH AND NON-RETIREMENT	5,089,391	932,982	241,027	996,064	66,819	0	0	7,326,283
	69.47%	12.73%	3.29%	13.60%	0.91%			100%
GRAND TOTAL	6,249,120	1,018,987	11,404,987	996,064	24,531,432	7,746,315	6,507,621	58,454,526
	10.69%	1.74%	19.51%	1.71%	41.97%	13.25%	11.13%	100%

Tab B

EXECUTIVE DIRECTOR'S ADMINISTRATIVE REPORT

DATE: February 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 period ending January 31, 2011 is included as **Attachment A**.

A report on travel for the period from November 5, 2010 - February 4, 2011 is included as **Attachment B**.

2. Results of FY10 Financial Audit

The Office of the Legislative Auditor has completed its audit of SBI operations for Fiscal Year 2010. Each member of the State Board of Investment and the Investment Advisory Council will receive a copy of the final report.

3. Legislative Update

I will present a verbal update on any legislation activity of interest to the SBI.

4. 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.

SBI managers divested 305,138 shares in three companies in the fourth quarter. SBI staff received a new list of restricted companies during December 2010 and Seadrill was removed. SBI managers repurchased nearly 31,000 shares in late December.

Attachment C is a copy of the December 13, 2010 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.

5. 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 (formerly Risk Metrics), 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.

SBI managers divested 35,600 shares in the fourth quarter. (Total divestment of five companies is required by January 31, 2011.)

Attachment E is a copy of the January 5, 2011 letter sent to each international and domestic equity manager and fixed income manager containing the most recent restricted list and the list of companies to be divested. These lists were developed based on information received from ISS during December 2010.

6. Litigation Update

SBI legal counsel will give the Board a verbal update on the status of the litigation at the Board meeting on March 3, 2011.

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ATTACHMENT A

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

ITEM	FISCAL YEAR 2011 BUDGET	FISCAL YEAR 2011 1/31/2011
PERSONAL SERVICES		
FULL TIME EMPLOYEES	$ 2,845,000	$ 1,617,591
PART TIME EMPLOYEES	$ 69,000	$ 39,936
SEVERENCE PAYOFF	0	4,447
WORKERS COMPENSATION INSURANCE	600	569
MISCELLANEOUS PAYROLL	0	0
SUBTOTAL	**$ 2,914,600**	**$ 1,662,543**
STATE OPERATIONS		
RENTS & LEASES	200,000	118,980
REPAIRS/ALTERATIONS/MAINTENANCE	10,000	5,108
PRINTING & BINDING	4,000	2,509
PROFESSIONAL/TECHNICAL SERVICES	0	0
COMPUTER SYSTEMS SERVICES	20,000	8,326
COMMUNICATIONS	29,000	12,359
TRAVEL, IN-STATE	900	306
TRAVEL, OUT-STATE	40,000	18,383
SUPPLIES	30,000	6,882
EQUIPMENT	10,000	0
EMPLOYEE DEVELOPMENT	5,000	2,680
OTHER OPERATING COSTS	9,000	5,447
SUBTOTAL	**$ 357,900**	**$ 180,980**
TOTAL ADMINISTRATIVE BUDGET	**$ 3,272,500**	**$ 1,843,523**

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STATE BOARD OF INVESTMENT

Travel Summary by Date
SBI Travel November 5, 2010 – February 4, 2011

Purpose	Name(s)	Destination and Date	Total Cost
Conference: Public Funds Summit sponsored by: Opal Financial Group	H. Bicker	Scottsdale, AZ 1/11-1/14	$637.02

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Letter to SBI International Equity Managers and Domestic Equity Managers

December 13, 2010

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 September 9, 2010 letter you received. **<u>This new list is effective December 15, 2010.</u>**

- The following company has been added to the restricted list:
    - Chemoil Energy Limited (Switzerland)
- The following companies have been removed from the restricted list:
    - Kunlun Energy Company Limited (Hong Kong)
    - Seadrill Limited (Bermuda)
    - Scorpion Offshore Limited (Bermuda)

Attachment 2 is the List of Sudan Stocks Requiring Divestment.

- The following company has been removed from the divestment list.
    - Seadrill Limited (Bermuda)

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. This list is followed by another list of security identifiers for the stocks being removed from the List of Restricted Sudan Stocks.

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,

Howard Bicker
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
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
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
Ranhill Berhad	Malaysia
Scomi Group Berhad	Malaysia
Scomi Engineering Berhad	Malaysia

ATTACHMENT 1

Restricted Sudan Stocks	
Company Name	**Country of Origin**
Electricity Generating PCL AKA EGCO	Thailand
PTT Public Company AKA PTT	Thailand
PTT Exploration & Production PCL	Thailand
Mercator Lines Singapore	Singapore
Alstom	France
Areva SA	France
JX Holdings, Inc.	Japan
Minara Resources Limited	Switzerland
Chemoil Energy Limited	Switzerland

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

Source: Genocide Intervention Network

SBI Effective Date: December 15, 2010

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
PTT Public Company Limited	Thailand	August 31, 2010	February 28, 2011
Dongfeng Motor Group Company Limited	China	March 31, 2011	September 30, 2011
JX Holdings, Inc.	Japan	March 31, 2011	September 30, 2011
PTT Exploration & Production PCL	Thailand	March 31, 2011	September 30, 2011

Note: AKA means "Also Known As"

Source: Genocide Intervention Network

SBI Effective Date: December 15, 2010

Conflict Risk Network

ATTACHMENT 3

Security Identifiers for "Scrutinized" Stocks

November 30, 2010

ALL DATA IS FROM BLOOMBERG LP UNLESS OTHERWISE NOTED.

STOCKS ADDED FROM LAST REPORT ARE HIGHLIGHTED

Company	Primary Company (Affiliate/Parent)	Exchange	Security Type	Security Name	Ticker	WPK Numbe	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS	Fondscode
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 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			
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			
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		
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 PETROCHEMICAL CORP (SINOPEC 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 PETROCHEMICAL CORP (SINOPEC GROUP)	Frankfurt (XFRA)	Common Stock	CHINA PETROLEUM & CHEMICAL -H	CHU GR	A0M4XN	7027756 DE		CNE1000002Q2	012150504	
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC 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 PETROCHEMICAL CORP (SINOPEC GROUP)	Shanghai (XSHG)	Common Stock	CHINA PETROLEUM & CHEMICAL-A	600028 CH	A0M4G4	6373728 CN		CNE1000002Q2		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	OTC US (XOTC)	Common Stock	CHINA PETROLEUM & CHEMICAL-A	SNPAF US	A0M4G4			CNE0000018G1		Y15010112
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	New York (XNYS)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	SNP US	578971	2639189 US		US16941R1086	011899374	
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Munich (XMUN)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	CHUA GR	578971	BORSWOO DE		US16941R1086	011899374	
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	London Intl (XLON)	ADR	CHINA PETROLEUM & CHEMICAL-ADR	SNP LI		2654375 GB		US16941R1086	011899374	
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEMICAL-CEDEA	SNP AR		B1C5SX8		ARDEUT114071		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEMICAL-CEDBL	SNPB AR				ARDEUT114071		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEM-C C/E	SNPC AR				ARDEUT114071		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Buenos Floor (XBUE)	Receipt	CHINA PETROLEUM & CHEM-CED $	SNPD AR				ARDEUT114071		
CHINA PETROLEUM & CHEMICAL CORP aka SINOPEC CORP	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Tradegate (XGAT)	Common Stock	CHINA PETROLEUM & CHEMICAL -H	CHU TH	A0M4XN	7027756 DE		CNE1000002Q2	012150504	
KINGDREAM PLC	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Shenzhen (XSHE)	Common Stock	KINGDREAM PUBLIC LIMITED - A	000852 CH	A0M37A	6136385 CN		CNE000000XK7		
SINOPEC KANTON HOLDINGS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Hong Kong (XHKG)	Common Stock	SINOPEC KANTONS HOLDINGS	934 HK	923923	6162692 HK		BMG8165U1009	011563384	
SINOPEC KANTON HOLDINGS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Frankfurt (XFRA)	Common Stock	SINOPEC KANTONS HOLDINGS	SAK GR	923923	4601197 DE		BMG8165U1009	011563384	
SINOPEC KANTON HOLDINGS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	OTC US (OOTC)	ADR	SINOPEC KANTONS-UNSPON ADR	SPKOY US		B3KRT60 US		US82934W2070		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Singapore (XSES)	ADR	SINOPEC SHANGHAI -SPONS ADR	SHI SP	887169	B3MNGN2	908289	US82935M1099	012248750	
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Shanghai (XSHG)	Common Stock	SINOPEC SHANGHAI PETROCHEM	600688 CH	A0M3RA	6802794 CN		CNE000000BB2		
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Frankfurt (XFRA)	Common Stock	SINOPEC SHANGHAI PETROCHEM	SGJH GR	A0M4Y5	5888632 DE	908303	CNE1000004C8	005096162	
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Hong Kong (XHKG)	Common Stock	SINOPEC SHANGHAI PETROCHEM-H	338 HK	A0M4Y5	6797458 HK	908303	CNE1000004C8	005096162	
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	OTC US (XOTC)	Common Stock	SINOPEC SHANGHAI PETROCHEM-H	SPTJF US	A0M4Y5	B01XTG6 US		CNE1000004C8	005096162	Y80373106
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	New York (XNYS)	ADR	SINOPEC SHANGHAI-SPONS ADR	SHI US	887169	2800059 US	908289	US82935M1099	012248750	
SINOPEC SHANGHAI PETROCHEMICALS LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Frankfurt (XFRA)	ADR	SINOPEC SHANGHAI-SPONS ADR	SHI GR	887169	5734638 DE	908289	US82935M1099	012248750	
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC 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)	CHINA PETROCHEMICAL CORP (SINOPEC 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)	CHINA PETROCHEMICAL CORP (SINOPEC GROUP)	Frankfurt (XFRA)	Common Stock	SINOPEC YIZHENG CHEMICAL-H	YIZH GR	A0M4Y6	4303675 DE	917709	CNE1000004D6	008069662	
SINOPEC YIZHENG CHEMICAL FIBRE CO LTD (CHINA)	CHINA PETROCHEMICAL CORP (SINOPEC 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	
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL AG	ASE (ASE)	Common Stock	MINARA RESOURCES LTD	MRE AU	A0BK97	6031855 AU	934507	AU000000MRE4	018276445	
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL AG	Frankfurt (XFRA)	Common Stock	MINARA RESOURCES LTD	AQB GR	A0BK97	B1BCMR2 DE		AU000000MRE4	018276445	
MINARA RESOURCES LTD	GLENCORE INTERNATIONAL AG	OTC US (OOTC)	Common Stock	MINARA RESOURCES LTD	MREJF US	A0BK97	B02P358 US		AU000000MRE4	018276445	
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL AG	Singapore (XSES)	Common Stock	CHEMOIL ENERGY LTD	CHEME SP	A0LBTC	B1DL5V2 SG		HK0000035819	027111866	
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL AG	Berlin (XBER)	Common Stock	CHEMOIL ENERGY LTD	LHT GR	A0LBTC	B1L6R79 DE		HK0000035819	027111866	
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL AG	OTC US (OOTC)	Common Stock	CHEMOIL ENERGY LTD	CLRGF US	A0LBTC	B1L97F6 US		HK0000035813	027111866	Y1306Z104
CHEMOIL ENERGY LIMITED	GLENCORE INTERNATIONAL AG	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		
MANAGEM (MORROCO)	MANAGEM	Casablanca (XCAS)	Common Stock	MANAGEM	MNG MC	165414	6287454 MA		MA0000011058		
SOCIETE METALLURGIQUE D'IMITER (MORROCO)	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 (INDIA)	MERCATOR LINES	OTC US (OOTC)	Common Stock	MERCATOR LINES LIMITED	MCTLF US	A0LG0H	B131QQ4 US		INE934B01028		Y60061101
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	OTC US (OOTC)	Common Stock	MERCATOR LINES SINGAPORE LTD	MLNZF US	A0M91H	B41DYC5 US		SG1W39939069	033670079	Y5944U104
MERCATOR LINES SINGAPORE (SINGAPORE)	MERCATOR LINES	Singapore (XSES)	Common Stock	MERCATOR LINES SINGAPORE LTD	MRLN SP	A0M91H	B29Y4W6 SG		SG1W39939069	033670079	
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	779547	6139362 IN		INE213A01011		
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 INT'L SHIPPING COMPANY aka MISC BHD (MALAYSI	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 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	5	
PTT PCL (THAILAND)	PTT PUBLIC COMPANY LTD	OTC US (OOTC)	Common Stock	PTT PCL-FOREIGN	PETFF US	811962	B1G40G8 US		TH0646010015	013973369	3	
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	1	
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		
RANHILL BERHAD (MALAYSIA)	RANHILL BERHAD	Kuala Lumpur (XKLS)	Common Stock	RANHILL BHD	RANH MK	A0B9G6	6328717 MY		MYL503000001			5030
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	OTC US (OOTC)	Common Stock	SCOMI GROUP BHD	SMIJF US	120745	B05PR31 US		MYL7158OO008(	24633128		
SCOMI GROUP BERHAD (MALAYSIA)	SCOMI GROUP BERHAD	Kuala Lumpur (XKLS)	Common Stock	SCOMI GROUP BHD	SGB MK	120745	B00PKJ3 MY		MYL7158OO008			7158

Conflict Risk Network

Security Identifiers for REMOVED "Scrutinized" Stocks

The following security identifiers appeared in the August 31, 2010 Sudan Company Report and are removed as of the

ALL DATA IS FROM BLOOMBERG LP UNLESS OTHERWISE NOTED.

Company	Primary Company (Affiliate/Parent)	Exchange	Security Type	Security Name	Ticker	WPK Number	SEDOL	CUSIP	Sicovam	ISIN	COMMON	CINS
KUNLUN ENERGY CO LTD	CNPC	Hong Kong (XHKG)	Common Stock	KUNLUN ENERGY CO LTD	135 HK	A1CV3E	6340078 HK		952131	BMG5320C1082	050092003	
KUNLUN ENERGY CO LTD	(CNPC)	Frankfurt (XFRA)	Common Stock	KUNLUN ENERGY CO LTD	CTJ1 GR	A1CV3E	5387753 DE		952131	BMG5320C1082	050092003	
KUNLUN ENERGY CO LTD	CHINA NATL PETROL CORP (CNPC)	OTC Exchange (XOTC)	Common Stock	KUNLUN ENERGY CO LTD	KUNUF US	A1CV3E	B01DDZ3 US		952131	BMG5320C1082	050092003	
KUNLUN ENERGY CO LTD	CORP aka CNPC	OTC Exchange (OOTC)	ADR	CNPC HONG KONG LTD-UNSP ADR	KLYCY US		B3L2812 US			US50126A1016		
KUNLUN ENERGY CO LTD	CORP aka CNPC	Tradegate (XGAT)	Common Stock	KUNLUN ENERGY CO LTD	CTJ1 TH	A1CV3E	5387753 DE		952131	BMG5320C1082	050092003	
SEADRILL LTD	SEADRILL LTD	OSLO (XOSL)	Common Stock	SEADRILL LTD	SDRL NO	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	OTC US (OOTC)	Common Stock	SEADRILL LTD	SDRL US	A0ERZO	B0HWHV8			BMG79455E1057	022416162	G7945E105
SEADRILL LTD	SEADRILL LTD	Frankfurt (XFRA)	Common Stock	SEADRILL LTD	S9A GR	A0ERZO	B0TBDS2 DE			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Chi-X Alt TS (CHIX)	Common Stock	SEADRILL LTD	SDRL IX	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SEADRILL LTD	SDRL EO	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SEADRILL LTD	SDRL EU	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SEADRILL LTD	SDRLEUR EU	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SEADRILL LTD	SDRLEUR EO	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SEADRILL LTD	SDRLGBX EU	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SEADRILL LTD	SDRLGBX EO	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	PLUS Mkt Grp (XPLU)	Common Stock	SEADRILL LTD	SDRL PZ	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SEADRILL LTD	SDRLUSD EU	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SEADRILL LTD	SDRLUSD EO	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SEADRILL LTD	SDRLGBP EO	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	BATS Europe (BATE)	Common Stock	SEADRILL LTD	SDRL EB	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	NYSE ARCA Eu (XHFT)	Common Stock	SEADRILL LTD	SDRL NR	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Stockholm (XSTO)	Common Stock	SEADRILL LTD	SDRL SS	A0ERZO	B64SQS1 SE			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Turquoise (TRQX)	Common Stock	SEADRILL LTD	SDRL TQ	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	Burgundy (BURG)	Common Stock	SEADRILL LTD	SDRL BY	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	QUOTE MTF (QMTF)	Common Stock	SEADRILL LTD	SDRL QM	A0ERZO	B09RMQ1 NO			BMG79455E1057	022416162	
SEADRILL LTD	SEADRILL LTD	LSE EuropeQS (XLON)	Common Stock	SEADRILL LTD	SDRL LI	A0ERZO	B28ZVNO GB			BMG79455E1057	022416162	
SCORPION OFFSHORE LTD	SEADRILL LTD	OSLO (XOSL)	Common Stock	SCORPION OFFSHORE LTD	SCORE NO	A0ESQU	B0SJDS7 NO			BMG786761061	024126668	
SCORPION OFFSHORE LTD	SEADRILL LTD	OTC US (OOTC)	Common Stock	SCORPION OFFSHORE LTD	SRPOF US	A0ESQU	B0W1KK0 US			BMG786761061	024126668	
SCORPION OFFSHORE LTD	SEADRILL LTD	EURO OTC (XLON)	Common Stock	SCORPION OFFSHORE LTD	SCORE EO	A0ESQU	B29F344 GB			BMG786761061	024126668	
SCORPION OFFSHORE LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SCORPION OFFSHORE LTD	SCORE EU	A0ESQU	B29F344 GB			BMG786761061	024126668	
SCORPION OFFSHORE LTD	SEADRILL LTD	Euro Comp (XLON)	Common Stock	SCORPION OFFSHORE LTD	SCORE GBXEU	A0ESQU	B29F344 GB			BMG786761061	024126668	

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ATTACHMENT D

Conflict Risk Network List of "Srutinized" Companies in Sudan, formerly "Highest Offenders" Companies
List Effective Through February 28, 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
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
PTT Public Company, Limited AKA PTT	Thailand
PTT Exploration & Production PCL	Thailand
JX Holdings, Inc.	Japan
Minara Resources Limited	Switzerland
Chemoil Ebergy Limited	Switzerland

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 February 28, 2011

Company Name	Country of Origin
Shanghai Electric Group Company, Ltd..	China
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
Atlas Copco AB	Sweden
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 February 28, 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
Dindir Petroleum International/Edgo Group	Jordan
Express Petroleum and Gas Company	Nigeria
GIAD Industrial City	Sudan
Glencore International AG	Switzerland
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
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 — December 10, 2010

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Letter to SBI International Equity Managers and Domestic Equity Managers

January 5, 2011

Regarding: Iran Companies

Dear Manager:

Minnesota Statutes, section 11A.244, requires the Minnesota State Board of Investment (SBI) to implement an Iran restriction. **This communication applies to all SBI equity portfolios managed by your organization. This communication also applies to all depository receipts or ADR's of any of the listed companies.**

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 October 8, 2010 letter you received. **This new list is effective January 10, 2011.**

- The following companies have been removed from the restricted list:
  - Hyundai Engineering & Construction Company
  - PTT Public Company Limited
  - Royal Dutch Shell
  - Saipem S.p.A.
  - Statoil ASA (formerly known as StatoilHydro)
  - Trevi-Finanziaria Industriale S.p.A.
- The following companies have been added to the restricted list:
  - Energetiki i Elektrifikatsii OAO, AKA Mosenergo
  - GS Engineering & Construction Corporation
  - Lanka IOC PLC
  - Malaysia International Shipping Company AKA Misc Berhad
  - Malaysia Marine & Heavy Engineering Holdings
  - OMV Petrom S.A.
  - Petrovietnam Transportation Corporation
  - SGS SA
  - Sinopec Yizheng Chemical Fibre Company Limited

Attachment 2 is the List of Iran Companies Requiring Divestment.

- The following companies have been removed from the divestment list:

    - Royal Dutch Shell
    - Saipem S.p.A.
    - Statoil ASA (formerly known as StatoilHydro)

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 Equities; Stephanie Gleeson, Manager, International Equities or James E. Heidelberg, Manager, Public Programs.

Sincerely,

Teresa J. Richardson
Assistant Executive Director

Enclosures

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

ATTACHMENT 1

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

ISSUER_NAME	ISSUER ID	TICKER	CUSIP	SEDOL	ISIN	COUNTRY
China Petroleum & Chemical Corporation	IID000000002161850	600028	16941R108	6373728	CNE0000018G1	China
CNOOC Ltd	IID000000002140797	883	126132109	B00G0S5	HK0883013259	Hong Kong
Costain Group PLC	IID000000002133808	COST		B64NSP7	GB00B64NSP76	UK
Daelim Industrial Company Limited	IID000000002163524	000210		6249584	KR7000210005	South Korea
Edison SpA	IID000000002164934	EDN		7513578	IT0003152417	Italy
Energetiki i Elektrifikatsii OAO AKA Mosenergo	IID000000002127313	MSNG	037376308	B59MBC0	RU0008958863	Russia
Gazprom OAO	IID000000002167503	GAZP	368287207	B59L4L7	RU0007661625	Russia
Gazprom NeftOAO	IID000000002145433	SIBN	36829G107	B59L417	RU0009062467	Russia
GS Engineering & Construction Corporation	IID000000002135460	006360		6537096	KR7006360002	South Korea
INA-Industrija nafte d.d	IID000000002170018	INA-R-A		B1JMYF6	HRINA0RA0007	Croatia
Indian Oil Corporation Ltd.	IID000000002170424	530965	Y3925YAB0	6253767	INE242A01010	India
KunLun Energy Company Limited	IID000000002160624	135	50126A101	6340078	BMG5320C1082	Hong Kong
L'Air Liquide SA	IID000000002124820	AI	009126202	B1YXBJ7	FR0000120073	France
Lanka IOC PLC	IID000000002146118	LIOC.N0000		B0591G4	LK0345N00005	Sri Lanka
Liquefied Natural Gas Ltd	IID000000002124395	LNG		B02L5H2	AU000000LNG0	Australia
Malaysia International Shipping Company AKA MISC Berhad	IID000000002174397	MISC		6557997	MYL3816OO005	Malaysia
Malaysia Marine and Heavy Engineering Holdings Bhd	IID000000002602213	MHB		B3W5NN7	MYL5186OO001	Malaysia
Mangalore Refinery and Petrochemicals Ltd	IID000000002135609	500109		6121530	INE103A01014	India
Oil and Natural Gas Corporation Limited	IID000000002178040	500312		6139362	INE213A01011	India
OMV Aktiengesellschaft	IID000000002127907	OMV	670875509	4651459	AT0000743059	Austria
OMV Petrom S.A.	IID000000002128221	SNP		7180411	ROSNPPACNOR9	Romania
PetroChina Company Limited	IID000000002179403	601857	71646E100	B28SLD9	CNE1000007Q1	China
Petrofac Limited	IID000000002179416	PFC		B0H2K53	GB00B0H2K534	UK
Petronas Dagangan Bhd	IID000000002179442	PETDAG		6695938	MYL5681OO001	Malaysia
Petronas Gas Berhad	IID000000002178591	PETGAS		6703972	MYL6033OO004	Malaysia
PetroVietnam Consultancy and Engineering Corp	IID000000002179453	PVE		B2NFY69	VN000000PVE0	Vietnam
PetroVietnam Fertilizer and Chemicals Corp	IID000000002179451	DPM		B291F68	VN000000DPM1	Vietnam
PetroVietNam Southern Gas Joint Stock Co	IID000000002179409	PGS		B2988V5	VN000000PGS1	Vietnam
Petrovietnam Transportation Corporation	IID000000002148121	PVT		B1LB990	VN000000PVT8	Vietnam
PTT Exploration and Production Public Company Limited	IID000000002178717	PTTEP	69364V106	B1359K1	TH0355A10Z04	Thailand
Sasol Limited	IID000000002129090	SOL	803866102	6777450	ZAE000006896	South Africa
SGS SA	IID000000002153816	SGSN	818800104	4824778	CH0002497458	Switzerland
Sinopec Kantons Holdings Ltd.	IID000000002149237	934	82934W207	6162692	BMG8165U1009	Hong Kong
Sinopec Shanghai Petrochemical Company Limited	IID000000002133087	600688	82935M109	6802794	CNE000000BB2	China
Sinopec Yizheng Chemical Fibre Company Limited	IID000000002125077	600871		6986740	CNE000000HS3	China
Technip	IID000000002186315	TEC	878546209	4874160	FR0000131708	France

Effective Date: January 10, 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
OMV AG	Austria	July 31, 2010	January 31, 2011
Sasol Ltd	South Africa	July 31, 2010	January 31, 2011

PTT Exploration and Production Public Company Limited	Thailand	January 28, 2011	July 28, 2011
Technip	France	January 28, 2011	July 28, 2011

Effective Date: January 10, 2011

January 5, 2011

Regarding Iran Companies

Dear Manager:

Minnesota Statutes, section 11A.244, requires the Minnesota State Board of Investment (SBI) to implement an Iran restriction. **This communication applies to the SBI fixed income portfolio managed by your organization.**

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 October 8, 2010 letter you received. **This new list is effective January 10, 2011.**

- The following companies have been removed from the restricted list:
    - Hyundai Engineering & Construction Company
    - PTT Public Company Limited
    - Royal Dutch Shell
    - Saipem S.p.A.
    - Statoil ASA (formerly known as StatoilHydro)
    - Trevi-Finanziaria Industriale S.p.A.
- The following companies have been added to the restricted list:
    - Energetiki i Elektrifikatsii OAO, AKA Mosenergo
    - GS Engineering & Construction Corporation
    - Lanka IOC PLC
    - Malaysia International Shipping Company AKA Misc Berhad
    - Malaysia Marine & Heavy Engineering Holdings
    - OMV Petrom S.A.
    - Petrovietnam Transportation Corporation
    - SGS SA
    - Sinopec Yizheng Chemical Fibre Company Limited

Attachment 2 is the List of Iran Companies Requiring Divestment.

- The following companies have been removed from the divestment list:

  - Royal Dutch Shell
  - Saipem S.p.A.
  - Statoil ASA (formerly known as StatoilHydro)

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 Michael J. Menssen, Manager, Long-Term Debt, J. J. Kirby, 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
J. J. Kirby, Portfolio 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
Costain Group PLC	UK
Daelim Industrial Company Limited	South Korea
Edison SpA	Italy
Energetiki i Elektrifikatsii OAO AKA Mosenergo	Russia
Gazprom OAO	Russia
Gazprom NeftOAO	Russia
GS Engineering & Construction Corporation	South Korea
INA-Industrija nafte d.d	Croatia
Indian Oil Corporation Ltd.	India
KunLun Energy Company Limited	Hong Kong
L'Air Liquide SA	France
Lanka IOC PLC	Sri Lanka
Liquefied Natural Gas Ltd	Australia
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Malaysia Marine and Heavy Engineering Holdings Bhd	Malaysia
Mangalore Refinery and Petrochemicals Ltd	India
Oil and Natural Gas Corporation Limited	India
OMV Aktiengesellschaft	Austria
OMV Petrom S.A.	Romania
PetroChina Company Limited	China
Petrofac Limited	UK
Petronas Dagangan Bhd	Malaysia
Petronas Gas Berhad	Malaysia
PetroVietnam Consultancy and Engineering Corp	Vietnam
PetroVietnam Fertilizer and Chemicals Corp	Vietnam
PetroVietNam Southern Gas Joint Stock Co	Vietnam
Petrovietnam Transportation Corporation	Vietnam
PTT Exploration and Production Public Company Limited	Thailand
Sasol Limited	South Africa
SGS SA	Switzerland
Sinopec Kantons Holdings Ltd.	Hong Kong
Sinopec Shanghai Petrochemical Company Limited	China
Sinopec Yizheng Chemical Fibre Company Limited	China
Technip	France

Effective Date: January 10, 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
OMV AG	Austria	July 31, 2010	January 31, 2011
Sasol Ltd	South Africa	July 31, 2010	January 31, 2011

PTT Exploration and Production Public Company Limited	Thailand	January 28, 2011	July 28, 2011
Technip	France	January 28, 2011	July 28, 2011

Effective Date: January 10, 2011

Tab C

STATE BOARD OF INVESTMENT

Domestic Equity Manager Evaluation Reports

Fourth Quarter, 2010

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Domestic Equity

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COMBINED RETIREMENT FUNDS
ACTIVE DOMESTIC STOCK MANAGERS
Periods Ending December, 2010

	Quarter		1 Year		3 Years		5 Years	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %
Russell 1000 Core Aggregate	11.5	11.2	13.3	16.1	-4.4	-2.4	0.7	2.6
Russell 1000 Growth Aggregate	13.1	11.8	19.3	16.7	-0.4	-0.5	3.0	3.8
Russell 1000 Value Aggregate	11.2	10.5	15.0	15.5	-4.1	-4.4	1.4	1.3
Russell 2000 Growth Aggregate	18.8	17.1	29.1	29.1	-2.9	2.2	4.2	5.3
Russell 2000 Value Aggregate	17.2	15.4	30.5	24.5	4.4	2.2	2.2	3.5
Active Manager Aggregate	**13.6**	**12.5**	**19.7**	**18.7**	**-2.0**	**-1.5**	**2.2**	**2.9**
Semi-Passive Aggregate	**11.2**	**11.2**	**15.2**	**16.1**	**-2.4**	**-2.4**	**2.2**	**2.6**
Passive Manager (BlackRock)	**11.6**	**11.6**	**17.2**	**16.9**	**-1.8**	**-2.0**	**2.9**	**2.7**
Total Aggregate	**11.9**	**11.6**	**17.1**	**16.9**	**-2.1**	**-2.0**	**2.4**	**2.7**
Russell 3000 Index		**11.6**		**16.9**		**-2.0**		**2.7**

	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 STOCK MANAGERS
Periods Ending December, 2010
Performance versus Russell Style Benchmarks for All Periods

	Quarter		1 Year		3 Years		5 Years		Since Inception (1)		Market	Pool
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Value (in millions)	%
LARGE CAP												
Russell 1000 Core												
New Amsterdam Partners	11.7	11.2	16.2	16.1	-2.8	-2.4	1.1	2.6	10.1	9.1	$373.3	1.7%
UBS Global	11.2	11.2	10.3	16.1	-2.9	-2.4	1.5	2.6	8.4	8.3	$359.5	1.6%
Aggregate	**11.5**	**11.2**	**13.3**	**16.1**	**-4.4**	**-2.4**	**0.7**	**2.6**			**$732.8**	**3.3%**
Russell 1000 Growth												
Alliance Capital	13.7	11.8	10.4	16.7	-3.0	-0.5	1.0	3.8	12.2	9.6	$288.0	1.3%
INTECH	12.7	11.8	19.5	16.7	-2.9	-0.5	1.9	3.8	2.8	4.0	$329.5	1.5%
Jacobs Levy	11.8	11.8	19.5	16.7	-3.3	-0.5	0.8	3.8	1.5	4.0	$290.6	1.3%
Knelman Asset Mgmt.	14.3	11.8	18.1	16.7	-2.4	-0.5	3.3	3.8	3.8	4.0	$63.1	0.3%
Sands Capital	15.6	11.8	26.8	16.7	3.8	-0.5	4.8	3.8	5.8	4.0	$278.7	1.2%
Winslow-Large Cap	11.6	11.8	16.8	16.7	0.1	-0.5	5.6	3.8	6.4	4.0	$137.0	0.6%
Zevenbergen Capital	12.5	11.8	22.9	16.7	3.2	-0.5	7.6	3.8	9.7	7.6	$331.4	1.5%
Aggregate	**13.1**	**11.8**	**19.3**	**16.7**	**-0.4**	**-0.5**	**3.0**	**3.8**			**$1,718.3**	**7.6%**
Russell 1000 Value												
Barrow, Hanley	9.4	10.5	10.4	15.5	-4.1	-4.4	0.9	1.3	4.2	3.8	$427.0	1.9%
Earnest Partners	13.2	10.5	18.5	15.5	-2.1	-4.4	2.6	1.3	4.4	4.2	$187.9	0.8%
LSV Asset Mgmt.	9.3	10.5	14.0	15.5	-5.0	-4.4	1.1	1.3	4.7	3.8	$401.5	1.8%
Systematic Financial Mgmt.	13.2	10.5	18.1	15.5	-4.7	-4.4	2.0	1.3	4.7	3.8	$305.8	1.4%
Aggregate	**11.2**	**10.5**	**15.0**	**15.5**	**-4.1**	**-4.4**	**1.4**	**1.3**			**$1,322.1**	**5.9%**
SMALL CAP												
Russell 2000 Growth												
McKinley Capital	18.2	17.1	28.5	29.1	-5.7	2.2	1.8	5.3	3.0	6.4	$220.5	1.0%
Next Century Growth	21.4	17.1	29.6	29.1	-3.9	2.2	6.0	5.3	0.8	1.0	$268.9	1.2%
Turner Investment Partners	16.8	17.1	29.0	29.1	0.9	2.2	6.0	5.3	6.8	6.4	$275.0	1.2%
Aggregate	**18.8**	**17.1**	**29.1**	**29.1**	**-2.9**	**2.2**	**4.2**	**5.3**			**$764.3**	**3.4%**
Russell 2000 Value												
Goldman Sachs	15.1	15.4	27.0	24.5	5.9	2.2	5.8	3.5	7.5	6.2	$155.2	0.7%
Hotchkis & Wiley	23.0	15.4	43.4	24.5	9.2	2.2	1.7	3.5	6.3	6.2	$143.0	0.6%
Martingale Asset Mgmt.	16.3	15.4	27.4	24.5	0.2	2.2	-0.8	3.5	4.2	6.2	$125.0	0.6%
Peregrine Capital	15.5	15.4	27.3	24.5	4.0	2.2	2.2	3.5	10.2	9.5	$217.1	1.0%
Aggregate	**17.2**	**15.4**	**30.5**	**24.5**	**4.4**	**2.2**	**2.2**	**3.5**			**$640.3**	**2.8%**
Active Mgr. Aggregate (2)	**13.6**	**12.5**	**19.7**	**18.7**	**-2.0**	**-1.5**	**2.2**	**2.9**			**$5,177.8**	**23.0%**

(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 STOCK MANAGERS
Periods Ending December, 2010
Versus Manager Benchmarks

	Quarter Actual %	Quarter Bmk %	1 Year Actual %	1 Year Bmk %	3 Years Actual %	3 Years Bmk %	5 Years Actual %	5 Years Bmk %	Since Inception (1) Actual %	Since Inception (1) Bmk %	Market Value (in millions)	Pool %
SEMI-PASSIVE MANAGERS (2)												
BlackRock Institutional	11.1	11.2	14.0	16.1	-2.9	-2.4	1.6	2.6	8.1	7.9	$2,582.5	11.5%
INTECH	10.6	11.2							9.5	9.8	$1,324.4	5.9%
JP Morgan	11.6	11.2	16.8	16.1	-1.0	-2.4	3.5	2.6	8.2	7.9	$2,926.9	13.0%
Mellon Capital	11.3	11.2	13.7	16.1	-3.8	-2.4	1.3	2.6	7.2	7.9	$1,345.6	6.0%
Semi-Passive Aggregate (R1000)	**11.2**	**11.2**	**15.2**	**16.1**	**-2.4**	**-2.4**	**2.2**	**2.6**			**$8,179.4**	**36.3%**
PASSIVE MANAGER (R3000)												
BlackRock Institutional	11.6	11.6	17.2	16.9	-1.8	-2.0	2.9	2.7	7.6	7.5	$9,176.2	40.7%
									Since 1/1/84			
Total Aggregate (3)	**11.9**	**11.6**	**17.1**	**16.9**	**-2.1**	**-2.0**	**2.4**	**2.7**	**9.8**	**10.0**	**$22,533.4**	**100.0%**
Russell 3000		11.6		16.9		-2.0		2.7		10.4		
Russell 1000		11.2		16.1		-2.4		2.6		10.6		
Russell 2000		16.3		26.9		2.2		4.5		9.2		

(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 STOCK MANAGERS
Calendar Year Returns Versus
Russell Style Benchmarks for All Periods

	2010		2009		2008		2007		2006	
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	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										
Alliance Capital	10.4	16.7	38.4	37.2	-40.3	-38.4	15.4	11.8	-0.4	9.1
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
Lord Abbett & Co.		15.5	20.5	19.7	-36.3	-36.8	4.4	-0.2	18.6	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 STOCK 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
INTECH										
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 December, 2010

Portfolio Manager: Michelle Clayman **Assets Under Management: $373,257,547**

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

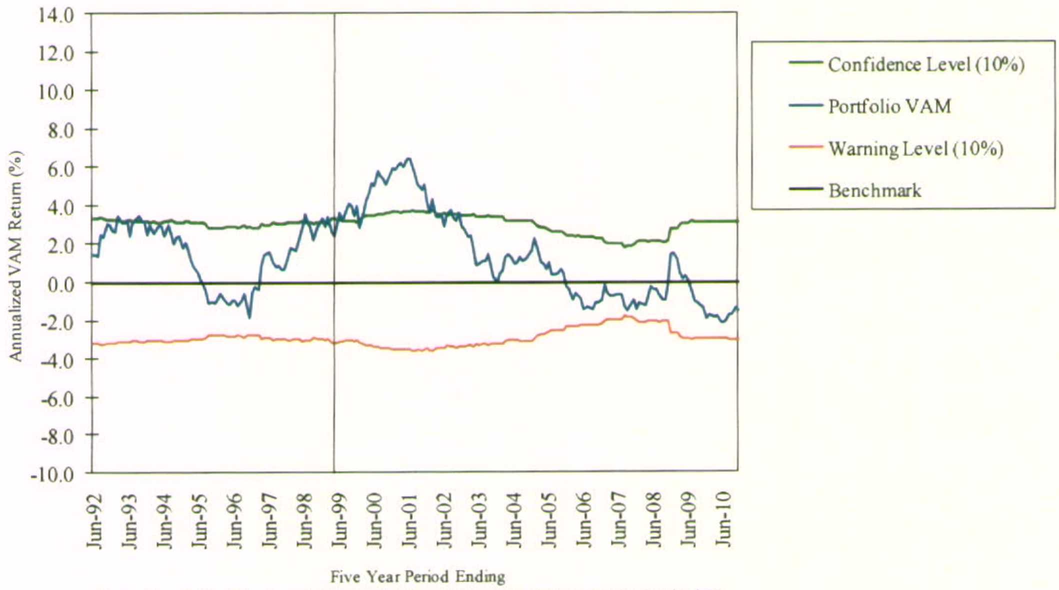
	Actual	Russell Index
Last Quarter	11.7%	11.2%
Last 1 year	16.2	16.1
Last 2 years	20.5	22.1
Last 3 years	-2.8	-2.4
Last 4 years	-0.9	-0.4
Last 5 years	1.1	2.6
Since Inception (1) (4/94)	10.1	9.1

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 December, 2010

Portfolio Manager: John Leonard **Assets Under Management: $359,548,736**

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 matched the benchmark for the quarter and underperformed for the year. The quarterly performance was helped by strong stock selection, but offset by negative sector selection. For the year, stock selection was negative across most sectors, especially Utilities in which an overweight to Dynegy was a significant drag.

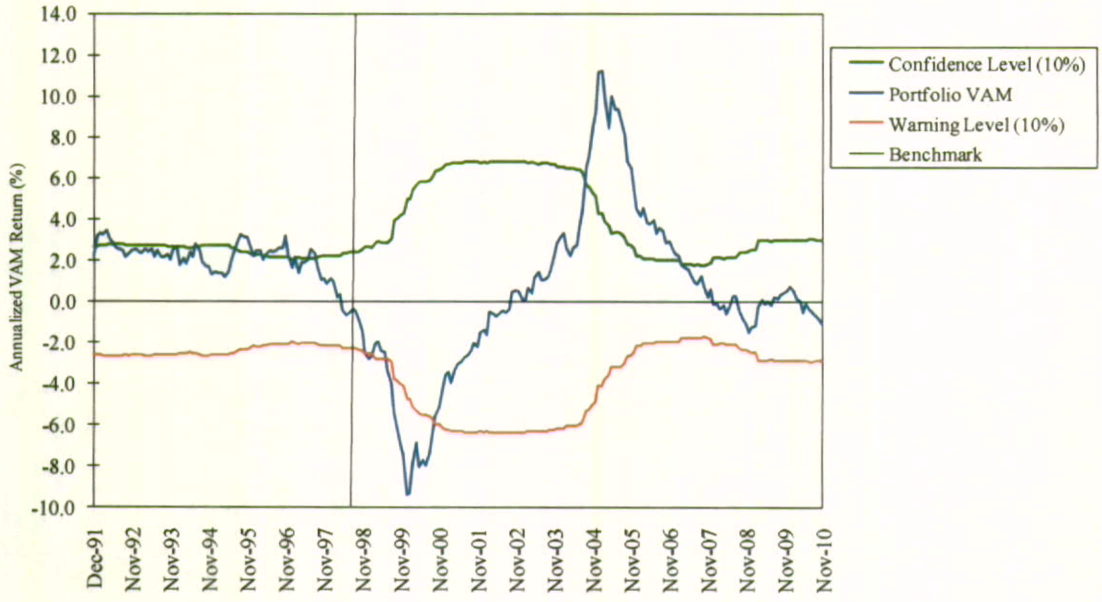
Quantitative Evaluation

	Actual	(R1000 Core)
Last Quarter	11.2%	11.2%
Last 1 year	10.3	16.1
Last 2 years	24.8	22.1
Last 3 years	-2.9	-2.4
Last 4 years	-2.0	-0.4
Last 5 years	1.5	2.6
Since Inception (7/93)	8.4	8.3

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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ALLIANCEBERNSTEIN L.P.
Periods Ending December, 2010

Portfolio Manager: Stephanie Simon | **Assets Under Management: $288,018,021**

Investment Philosophy

Alliance searches for companies likely to experience high rates of earnings growth, on either a cyclical or secular basis. Alliance invests in a range of medium to large growth and cyclically sensitive companies. There is no clear distinction on the part of the firm as to an emphasis on one particular type of growth company over another. However, the firm's decision-making process appears to be much more oriented toward macroeconomic considerations than is the case with most other growth managers. Accordingly, cyclical earnings prospects, rather than secular, appear to play a larger role in terms of stock selection. Alliance is not an active market timer, rarely raising cash above minimal levels.

Staff Comments

Alliance exceeded the benchmark for the quarter and underperformed for the year. For the quarter, stock selection and sector selection helped performance. The one-year return was hurt by an overweight to and stock selection in the Financial sector along with stock selection in the Healthcare sector.

Stephanie Simon announced that she will no longer be a portfolio manager at the end of January 2011. She will remain with Alliance as a consultant through June 2011.

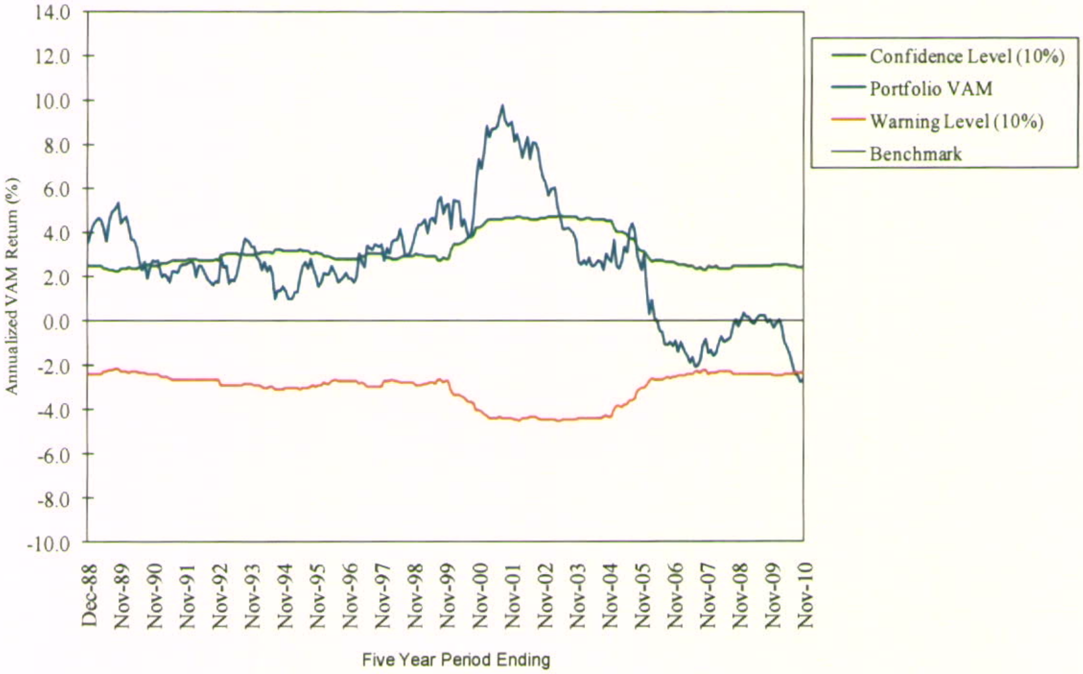
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	13.7%	11.8%
Last 1 year	10.4	16.7
Last 2 years	23.6	26.5
Last 3 years	-3.0	-0.5
Last 4 years	1.3	2.5
Last 5 years	1.0	3.8
Since Inception (1/84)	12.2	9.6

Recommendation

No action required.

ALLIANCEBERNSTEIN L.P.
Rolling Five Year VAM vs. Russell 1000 Growth



INTECH INVESTMENT MANAGEMENT LLC
Periods Ending December, 2010

Portfolio Manager: Adrian Banner **Assets Under Management: $329,520,259**

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.

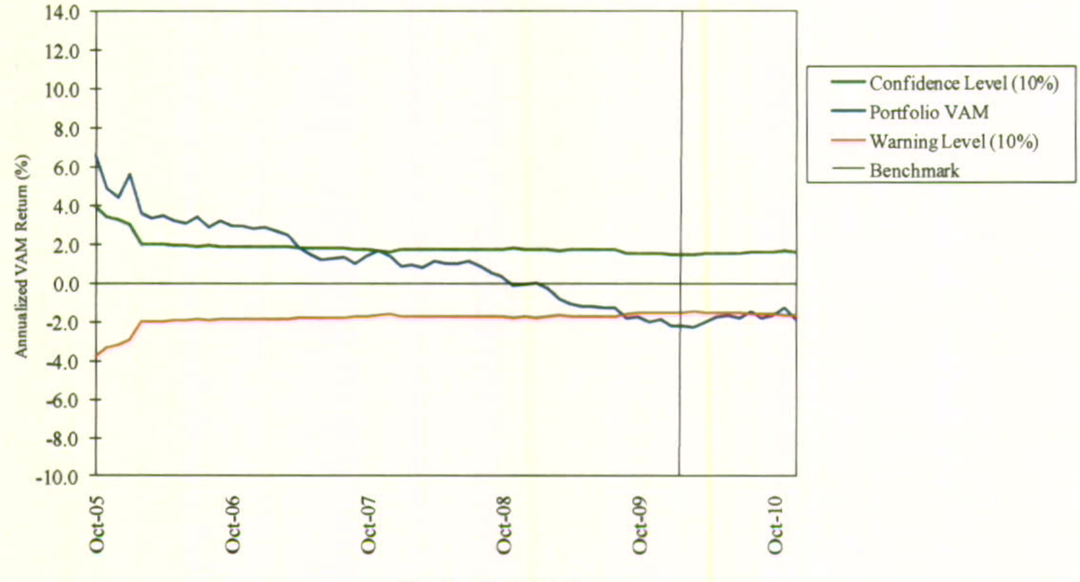
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	12.7%	11.8%
Last 1 year	19.5	16.7
Last 2 years	26.6	26.5
Last 3 years	-2.9	-0.5
Last 4 years	0.5	2.5
Last 5 years	1.9	3.8
Since Inception (1/05)	2.8	4.0

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 December, 2010

Portfolio Manager: Bruce Jacobs and Ken Levy | **Assets Under Management: $290,638,564**

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

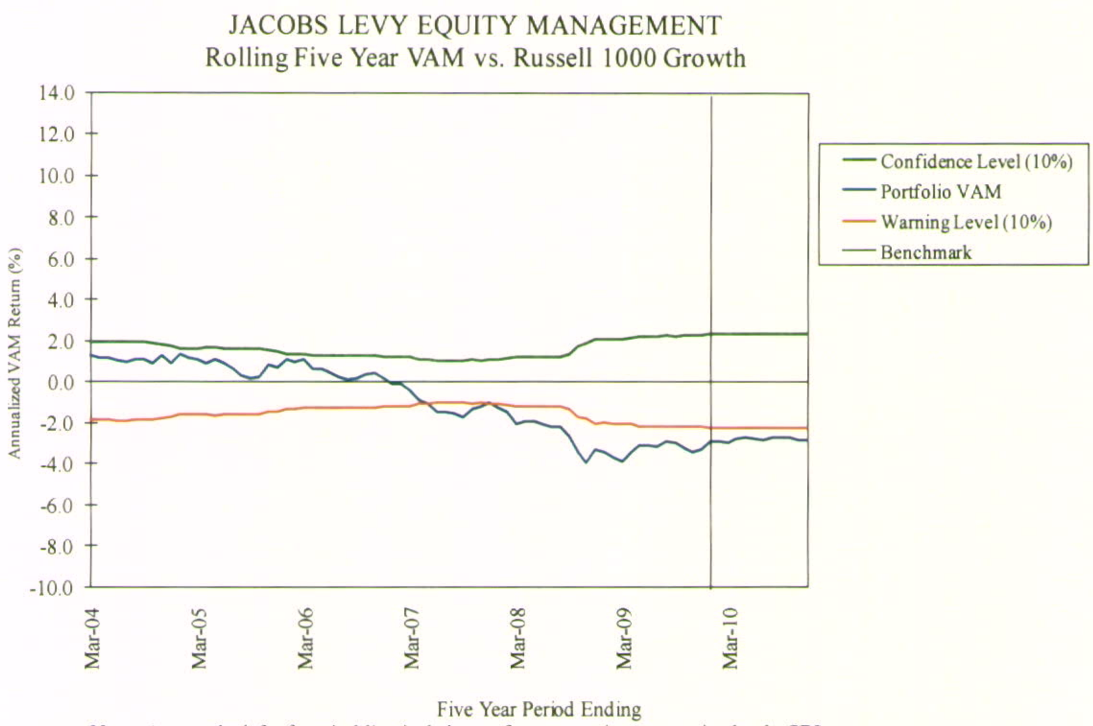
No comment at this time.

Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	11.8%	11.8%
Last 1 year	19.5	16.7
Last 2 years	28.0	26.5
Last 3 years	-3.3	-0.5
Last 4 years	-0.5	2.5
Last 5 years	0.8	3.8
Since Inception (1/05)	1.5	4.0

Recommendation

No action required.



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

KNELMAN ASSET MANAGEMENT, LLC
Periods Ending December, 2010

Portfolio Manager: Kip Knelman — **Assets Under Management: $63,074,852**

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.

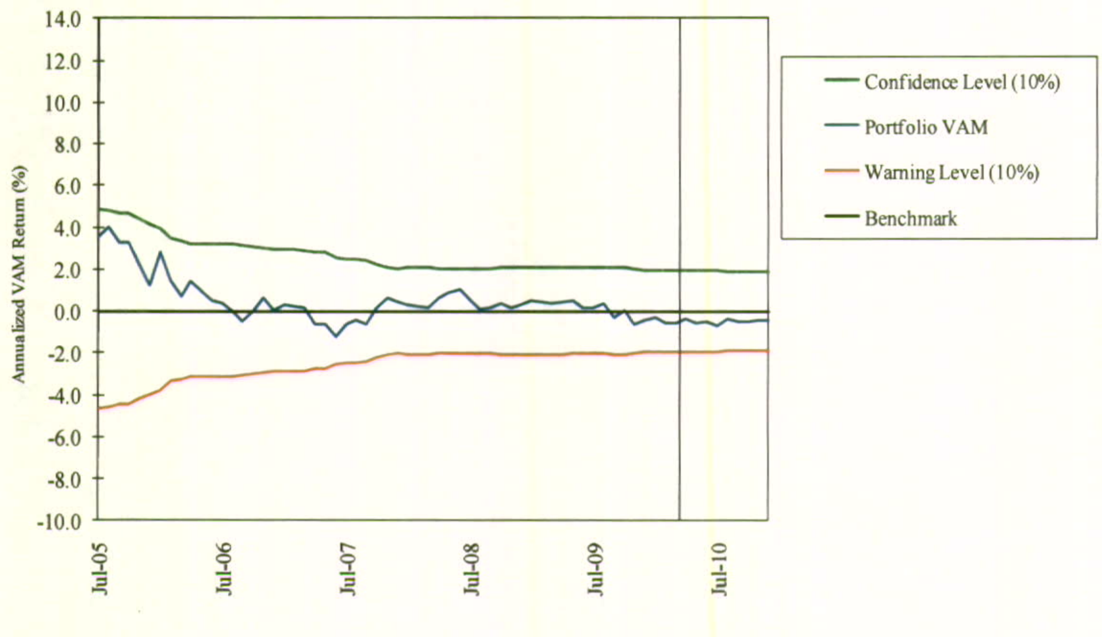
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	14.3%	11.8%
Last 1 year	18.1	16.7
Last 2 years	24.4	26.5
Last 3 years	-2.4	-0.5
Last 4 years	2.4	2.5
Last 5 years	3.3	3.8
Since Inception (1/05)	3.8	4.0

Recommendation

No action required.

KNELMAN ASSET 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.

SANDS CAPITAL MANAGEMENT LLC
Periods Ending December, 2010

Portfolio Manager: Frank Sands, Jr. **Assets Under Management: $278,693,361**

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 for the year due to stock selection. Both periods were helped by strong stock selection in the Technology sector. Stock selection for the quarter was also strong in the Energy sector and for the year was strong in the Healthcare sector.

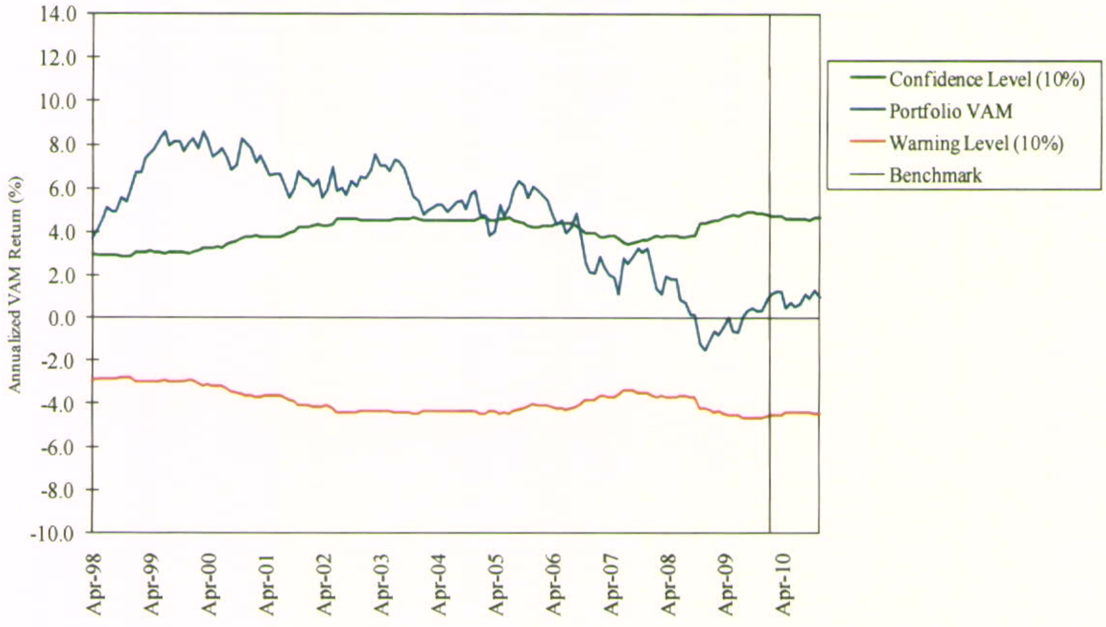
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	15.6%	11.8%
Last 1 year	26.8	16.7
Last 2 years	47.5	26.5
Last 3 years	3.8	-0.5
Last 4 years	7.5	2.5
Last 5 years	4.8	3.8
Since Inception (1/05)	5.8	4.0

Recommendation

No action required.

SANDS CAPITAL 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.

WINSLOW CAPITAL MANAGEMENT, INC.
Periods Ending December, 2010

Portfolio Manager: Bart Wear and Justin Kelly **Assets Under Management: $136,954,154**

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.

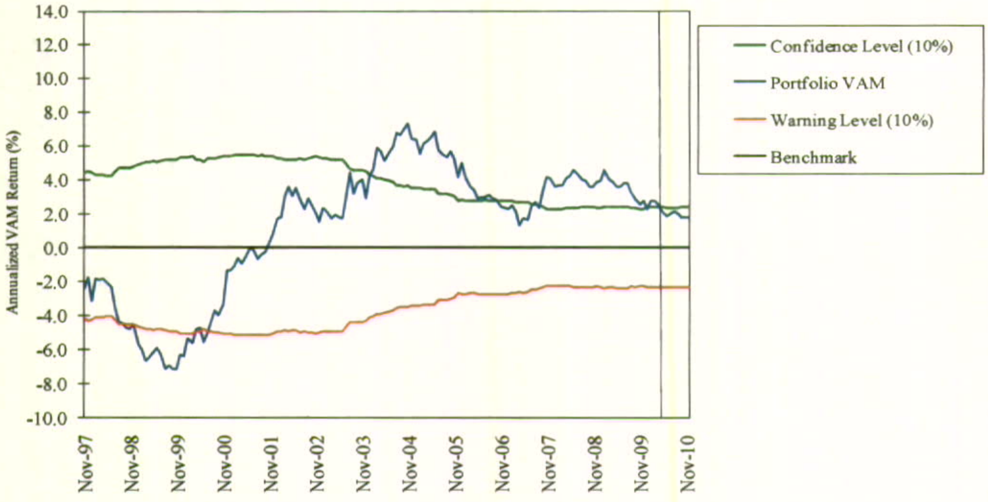
Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	11.6%	11.8%
Last 1 year	16.8	16.7
Last 2 years	28.3	26.5
Last 3 years	0.1	-0.5
Last 4 years	5.2	2.5
Last 5 years	5.6	3.8
Since Inception (1/05)	6.4	4.0

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 December, 2010

Portfolio Manager: Nancy Zevenbergen **Assets Under Management: $331,393,324**

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 outperformed the benchmark for the quarter and for the year due to stock selection. Both periods were helped by strong stock selection in the Technology and Consumer Discretionary sectors in particular.

Quantitative Evaluation

	Actual	R1000 Growth
Last Quarter	12.5%	11.8%
Last 1 year	22.9	16.7
Last 2 years	39.1	26.5
Last 3 years	3.2	-0.5
Last 4 years	8.0	2.5
Last 5 years	7.6	3.8
Since Inception (4/94)	9.7	7.6

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.

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 December 2010

Portfolio Manager: Tim Culler | **Assets Under Management: $427,005,059**

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

Barrow Hanley trailed the benchmark for the quarter and the year due to both sector allocation and stock selection.

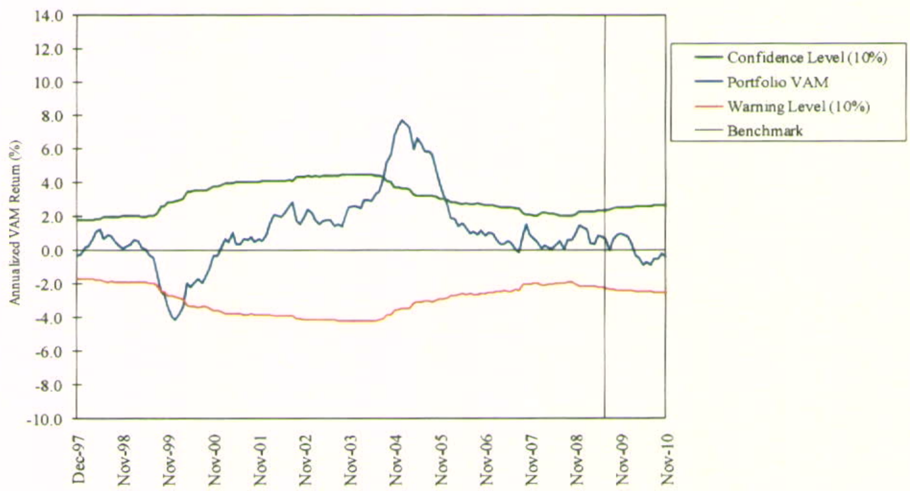
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	9.4%	10.5%
Last 1 year	10.4	15.5
Last 2 years	16.7	17.6
Last 3 years	-4.1	-4.4
Last 4 years	-2.5	-3.4
Last 5 years	0.9	1.3
Since Inception (4/04)	4.2	3.8

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 December, 2010

Portfolio Manager: Paul Viera **Assets Under Management: $187,874,724**

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.

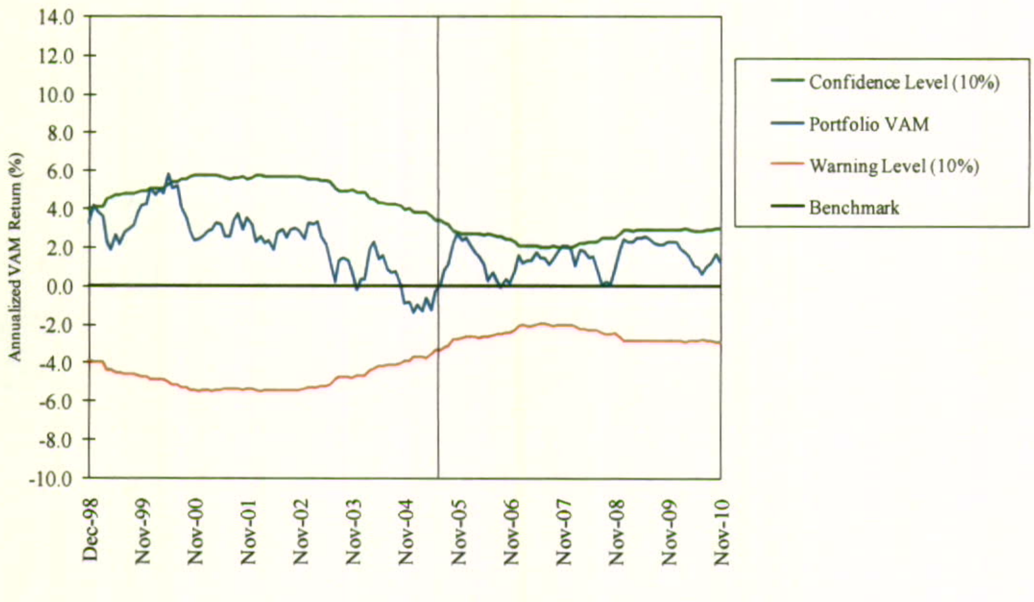
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	13.2%	10.5%
Last 1 year	18.5	15.5
Last 2 years	24.9	17.6
Last 3 years	-2.1	-4.4
Last 4 years	0.0	-3.4
Last 5 years	2.6	1.3
Since Inception (7/00)	4.4	4.2

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 December, 2010

Portfolio Manager: Josef Lakonishok **Assets Under Management: $401,460,464**

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

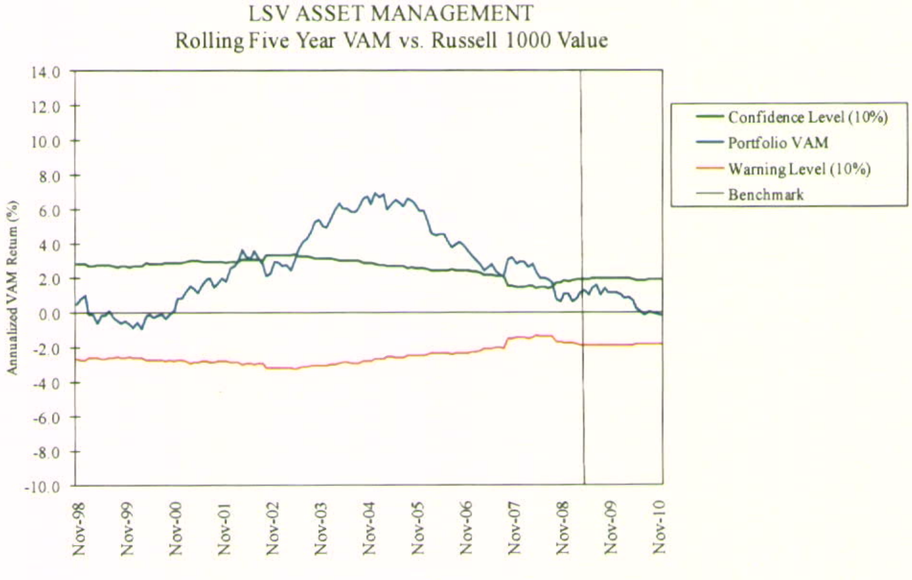
No comment at this time.

Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	9.3%	10.5%
Last 1 year	14.0	15.5
Last 2 years	18.9	17.6
Last 3 years	-5.0	-4.4
Last 4 years	-3.4	-3.4
Last 5 years	1.1	1.3
Since Inception (4/04)	4.7	3.8

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 December, 2010

Portfolio Manager: Kevin McCreesh **Assets Under Management: $305,764,897**

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

No comment at this time.

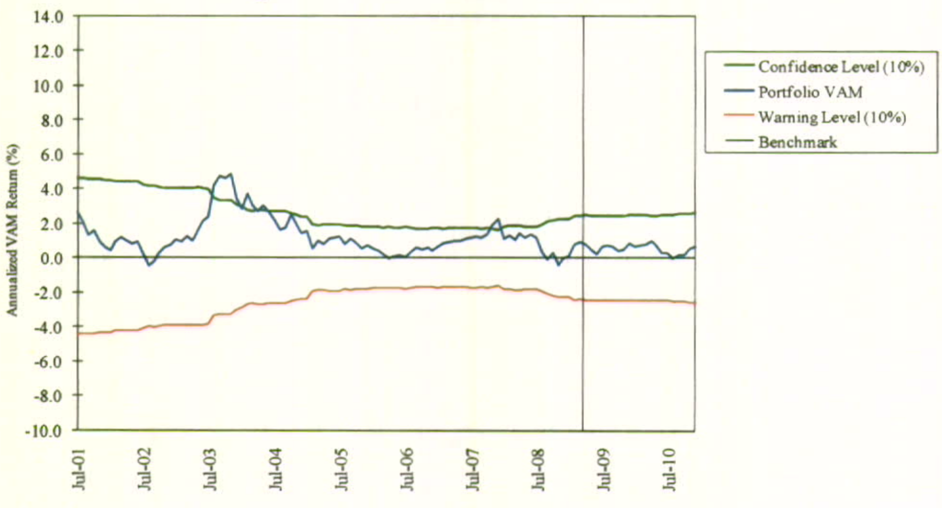
Quantitative Evaluation

	Actual	R1000 Value
Last Quarter	13.2%	10.5%
Last 1 year	18.1	15.5
Last 2 years	20.7	17.6
Last 3 years	-4.7	-4.4
Last 4 years	-1.6	-3.4
Last 5 years	2.0	1.3
Since Inception (4/04)	4.7	3.8

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 December, 2010

Portfolio Manager: Robert A. Gillam | **Assets Under Management: $220,501,191**

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

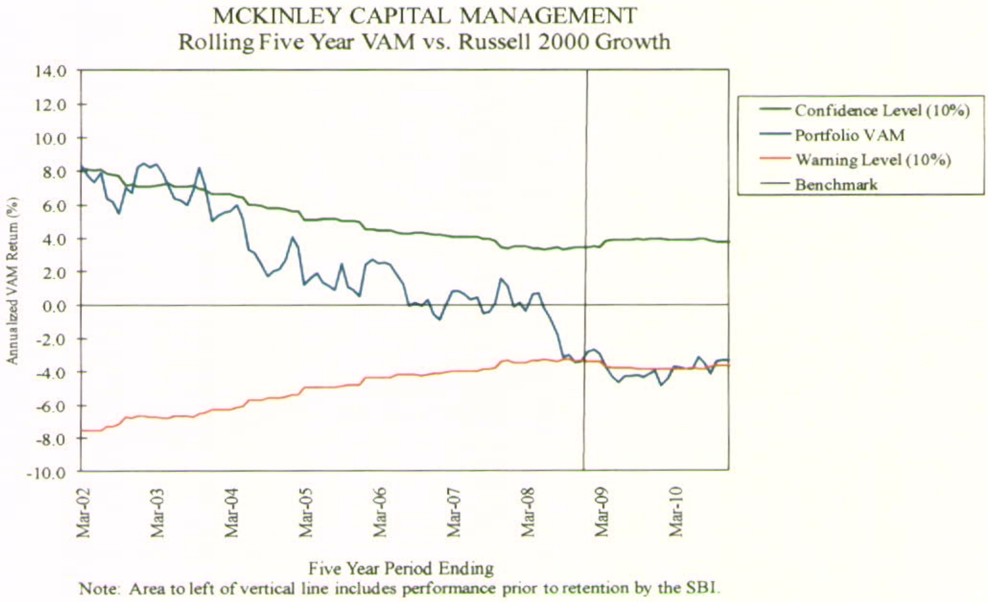
No comment at this time.

Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	18.2%	17.1%
Last 1 year	28.5	29.1
Last 2 years	28.2	31.8
Last 3 years	-5.7	2.2
Last 4 years	-0.7	3.4
Last 5 years	1.8	5.3
Since Inception (1/04)	3.0	6.4

Recommendation

No action required.



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

NEXT CENTURY GROWTH INVESTORS, LLC
Periods Ending December, 2010

Portfolio Manager: Thomas Press and Don Longlet **Assets Under Management: $268,866,168**

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.

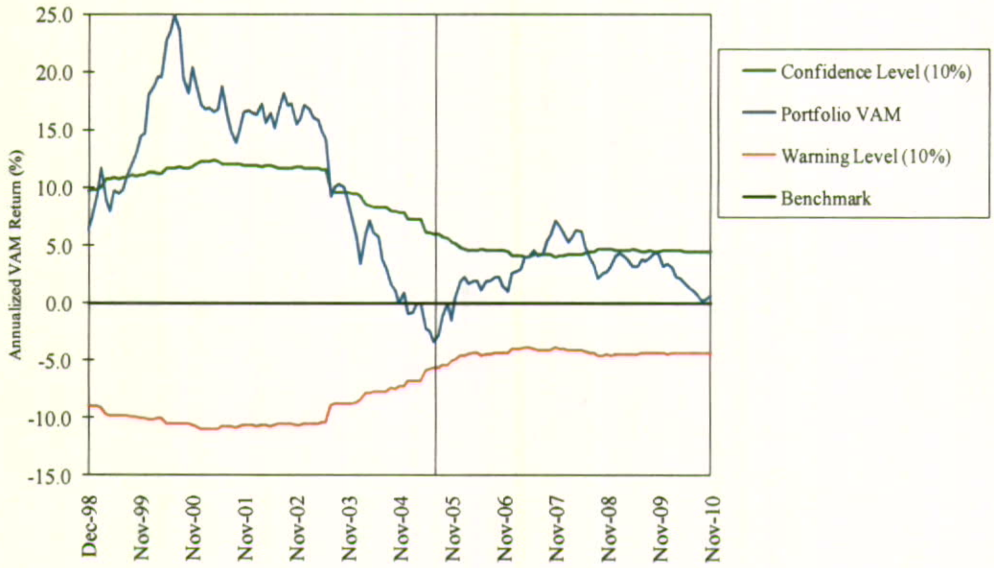
Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	21.4%	17.1%
Last 1 year	29.6	29.1
Last 2 years	32.2	31.8
Last 3 years	-3.9	2.2
Last 4 years	4.5	3.4
Last 5 years	6.0	5.3
Since Inception (7/00)	0.8	1.0

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 December, 2010

Portfolio Manager: William McVail | **Assets Under Management: $274,978,070**

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

No comment at this time.

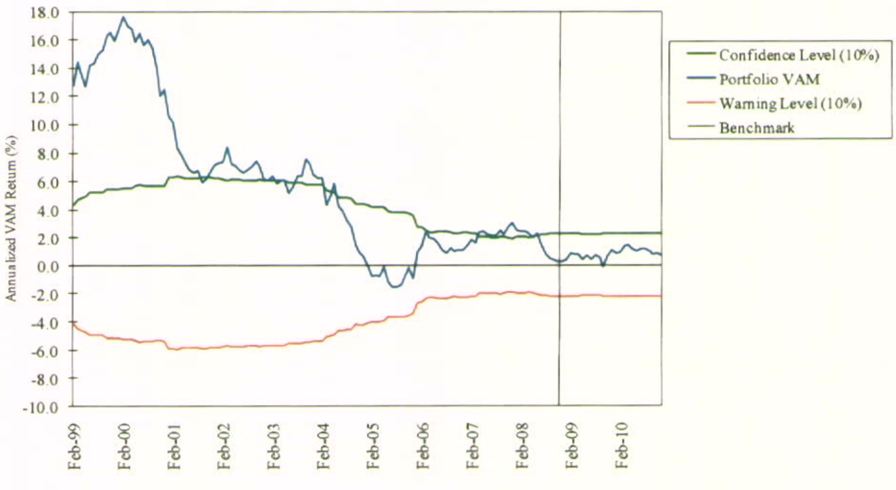
Quantitative Evaluation

	Actual	R2000 Growth
Last Quarter	16.8%	17.1%
Last 1 year	29.0	29.1
Last 2 years	32.9	31.8
Last 3 years	0.9	2.2
Last 4 years	4.2	3.4
Last 5 years	6.0	5.3
Since Inception (1/04)	6.8	6.4

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)

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Small Cap Value (R2000 Value)

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GOLDMAN SACHS ASSET MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: Chip Otness — **Assets Under Management: $155,184,251**

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

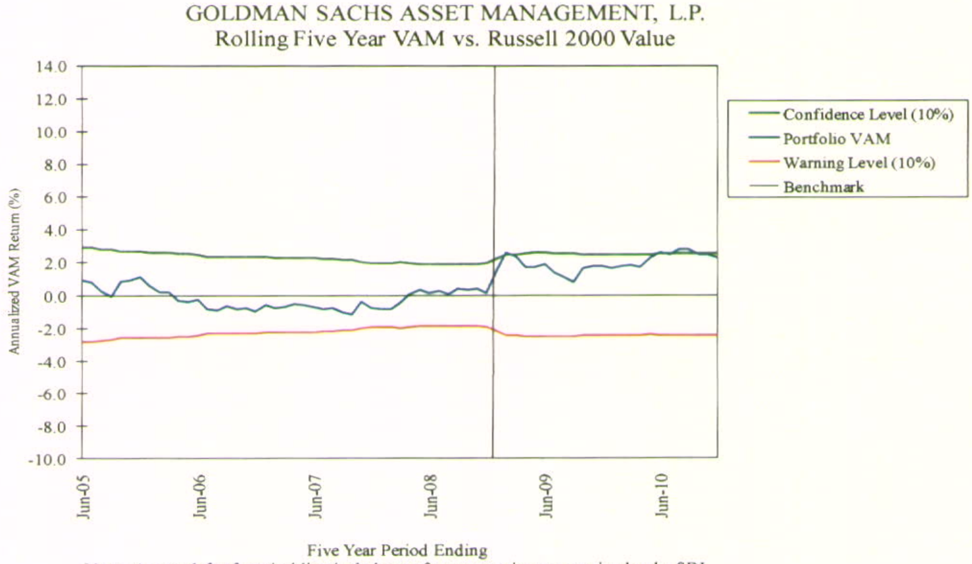
No comment at this time.

Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	15.1%	15.4%
Last 1 year	27.0	24.5
Last 2 years	27.4	22.5
Last 3 years	5.9	2.2
Last 4 years	3.1	-0.9
Last 5 years	5.8	3.5
Since Inception (1/04)	7.5	6.2

Recommendation

No action required.



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

HOTCHKIS & WILEY CAPITAL MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: Jim Miles and David Green **Assets Under Management: $142,979,172**

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

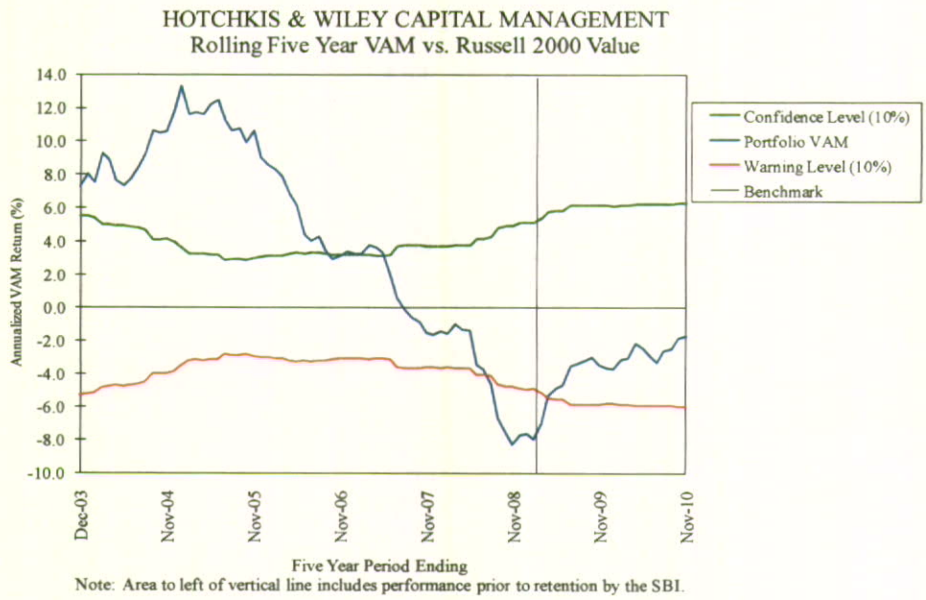
Hotchkis & Wiley exceeded the benchmark for the quarter and for the year due to stock selection. The overweight and strong stock selection in the Consumer Discretionary sector, primarily media and retail companies, were the largest contributors to the return for the year.

Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	23.0%	15.4%
Last 1 year	43.4	24.5
Last 2 years	52.7	22.5
Last 3 years	9.2	2.2
Last 4 years	1.4	-0.9
Last 5 years	1.7	3.5
Since Inception (1/04)	6.3	6.2

Recommendation

No action required.



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

MARTINGALE ASSET MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: William Jacques **Assets Under Management: $125,040,094**

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.

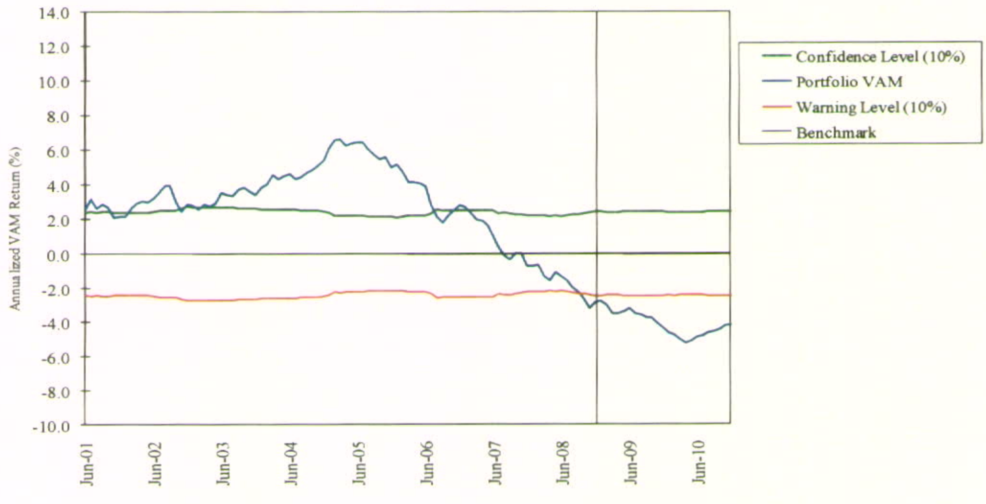
Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	16.3%	15.4%
Last 1 year	27.4	24.5
Last 2 years	23.4	22.5
Last 3 years	0.2	2.2
Last 4 years	-4.3	-0.9
Last 5 years	-0.8	3.5
Since Inception (1/04)	4.2	6.2

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 December, 2010

Portfolio Manager: Doug Pugh and Tasso Coin **Assets Under Management: $217,080,443**

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

No comment at this time.

Quantitative Evaluation

	Actual	R2000 Value
Last Quarter	15.5%	15.4%
Last 1 year	27.3	24.5
Last 2 years	36.2	22.5
Last 3 years	4.0	2.2
Last 4 years	-0.7	-0.9
Last 5 years	2.2	3.5
Since Inception (7/00)	10.2	9.5

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

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Semi-Passive and Passive

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BLACKROCK INSTITUTIONAL TRUST CO., N.A.
Periods Ending December, 2010

Portfolio Manager: Raffaele Savi **Assets Under Management: $2,582,480,807**

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

On January 7, 2011, BlackRock announced that Blake Grossman is leaving. Mr. Grossman was the former chief executive officer of Barclays Global Investors, and was most recently BlackRock's vice chairman and head of scientific investments, which included the firm's passive equity business and the unit that employed mathematical models to pick stocks. Mr. Grossman will remain involved with BlackRock through the first quarter of 2011 in an advisory role.

Quantitative Evaluation

	Actual	Manager Benchmark*
Last Quarter	11.1%	11.2%
Last 1 year	14.0	16.1
Last 2 years	20.6	22.1
Last 3 years	-2.9	-2.4
Last 4 years	-1.7	-0.4
Last 5 years	1.6	2.6
Since Inception (1/95)	8.1	7.9

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

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

INTECH INVESTMENT MANAGEMENT LLC
Periods Ending December, 2010

Portfolio Manager: Adrian Banner **Assets Under Management: $1,324,362,939**

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	10.6%	11.2%
Last 1 year	N/A	N/A
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)	9.5	9.8

Recommendation

No action required.

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

J.P. MORGAN INVESTMENT MANAGEMENT, INC.
Periods Ending December, 2010

Portfolio Manager: Ralph Zingone and Scott Blasdell   Assets Under Management: $2,926,912,030

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

No comment at this time.

Quantitative Evaluation

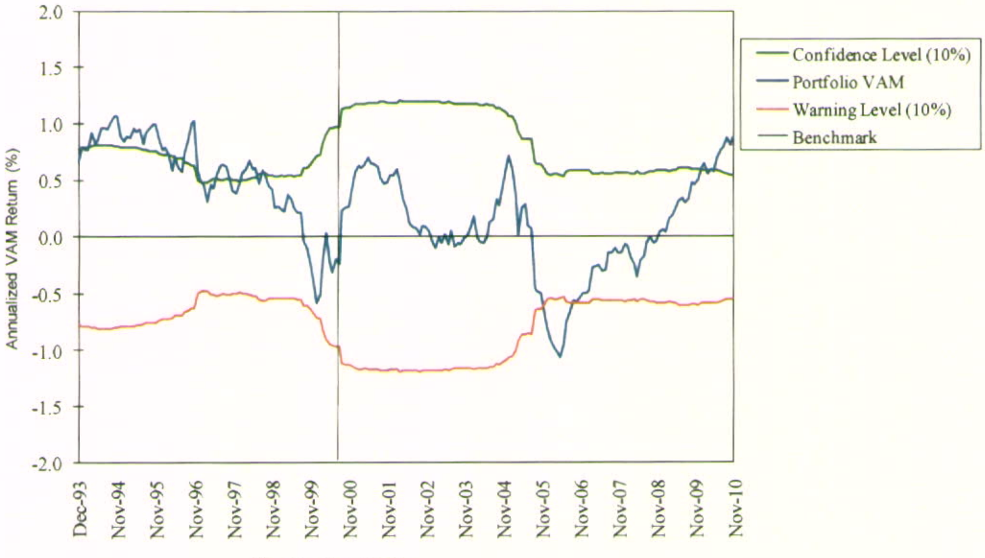
	Actual	Manager Benchmark*
Last Quarter	11.6%	11.2%
Last 1 year	16.8	16.1
Last 2 years	24.2	22.1
Last 3 years	-1.0	-2.4
Last 4 years	0.5	-0.4
Last 5 years	3.5	2.6
Since Inception (1/95)	8.2	7.9

* 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 December, 2010

Portfolio Manager: Tony Garvin **Assets Under Management: $1,345,643,728**

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

No comment at this time.

Quantitative Evaluation

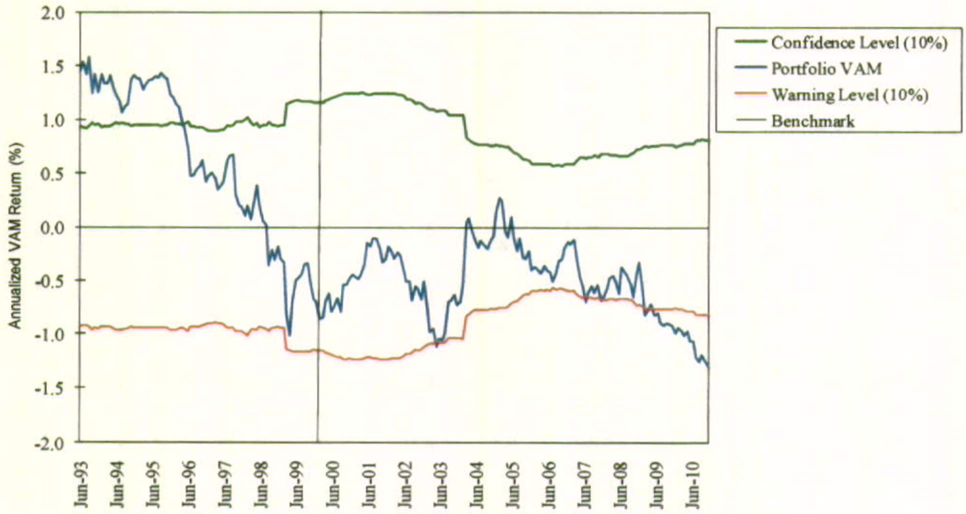
	Actual	Manager Benchmark*
Last Quarter	11.3%	11.2%
Last 1 year	13.7	16.1
Last 2 years	19.5	22.1
Last 3 years	-3.8	-2.4
Last 4 years	-2.2	-0.4
Last 5 years	1.3	2.6
Since Inception (1/95)	7.2	7.9

* 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 December, 2010

Portfolio Manager: Amy Schioldager **Assets Under Management: $9,176,154,638**

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

On January 7, 2011, BlackRock announced that Blake Grossman is leaving. Mr. Grossman was the former chief executive officer of Barclays Global Investors, and was most recently BlackRock's vice chairman and head of the firm's passive and quantitative equity businesses. Mr. Grossman will remain involved with BlackRock through the first quarter of 2011 in an advisory role.

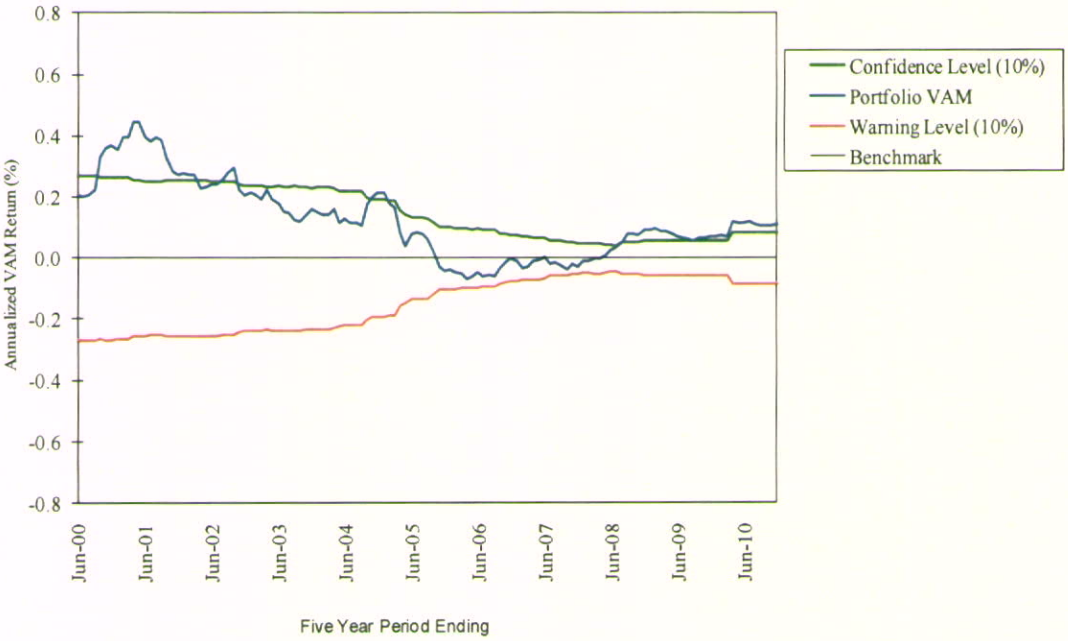
Quantitative Evaluation

	Actual	Manager Benchmark*
Last Quarter	11.6%	11.6%
Last 1 year	17.2	16.9
Last 2 years	22.6	22.5
Last 3 years	-1.8	-2.0
Last 4 years	-0.1	-0.3
Last 5 years	2.9	2.7
Since Inception (7/95)	7.6	7.5

Recommendation

No action required.

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



STATE BOARD OF INVESTMENT

Bond Manager Evaluation Reports

Fourth Quarter, 2010

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Bond Managers

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COMBINED RETIREMENT FUNDS
BOND MANAGERS
Periods Ending December, 2010

	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 Managers												
Aberdeen	-0.7	-1.3	10.7	6.5	3.8	5.9	4.3	5.8	6.0	6.4	$882.8	9.4%
Columbia (RiverSource)	-0.6	-1.3	8.1	6.5	5.4	5.9	5.5	5.8	6.0	6.2	$940.0	10.0%
Dodge & Cox	0.2	-1.3	7.8	6.5	7.9	5.9	6.9	5.8	7.4	6.4	$957.7	10.1%
PIMCO	-0.3	-1.3	12.1	6.5					12.4	7.6	$965.6	10.2%
Western	-0.5	-1.3	10.9	6.5	6.7	5.9	6.2	5.8	9.6	8.5	$1,035.5	11.0%
Active Mgr. Aggregate	**-0.4**	**-1.3**	**10.0**	**6.5**	**5.9**	**5.9**	**5.7**	**5.8**			**$4,781.6**	**50.7%**
Semi-Passive Managers												
BlackRock	-1.3	-1.3	6.5	6.5	4.9	5.9	5.2	5.8	6.3	6.3	$1,538.0	16.3%
Goldman	-1.2	-1.3	8.0	6.5	6.1	5.9	6.0	5.8	6.4	6.2	$1,582.9	16.8%
Neuberger	-0.6	-1.3	9.1	6.5	6.9	5.9	6.3	5.8	7.5	7.3	$1,535.8	16.3%
Semi-Passive Mgr. Aggregate	**-1.0**	**-1.3**	**7.9**	**6.5**	**6.0**	**5.9**	**5.8**	**5.8**			**$4,656.7**	**49.3%**
									Since 7/1/84			
Historical Aggregate (2)	**-0.7**	**-1.3**	**9.0**	**6.5**	**6.1**	**5.9**	**5.8**	**5.8**	**8.6**	**8.5**	**$9,438.3**	**100.0%**
Barclays Capital Aggregate (3)		-1.3		6.5		5.9		5.8		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 December, 2010

Portfolio Manager: Neil Moriarty **Assets Under Management: $882,776,929**

Investment Philosophy

Aberdeen (formerly Deutsche) believes there are significant 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

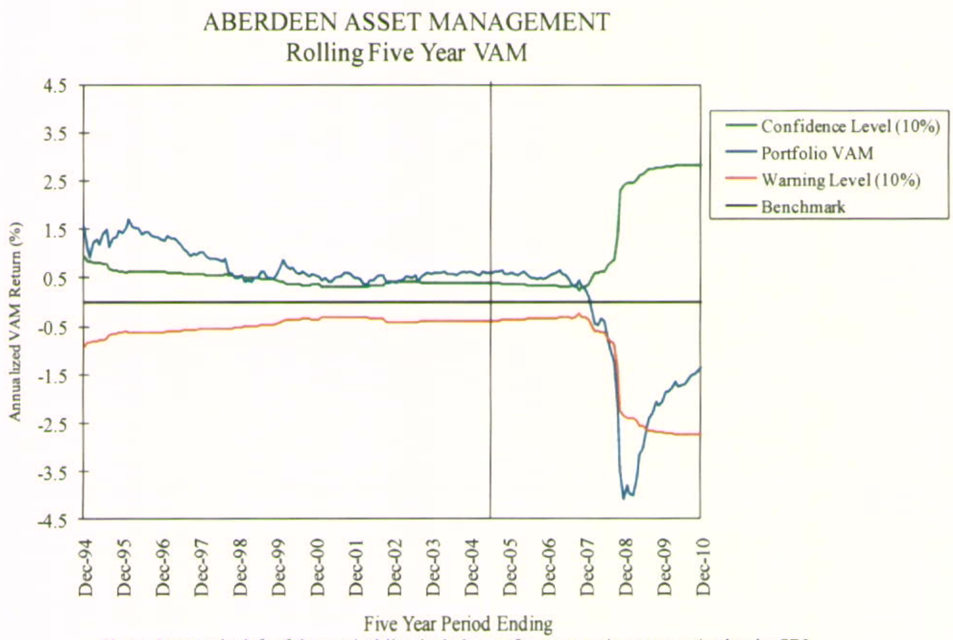
Aberdeen outperformed the benchmark by 60bps in 4Q10 and by 420 bps during 2010. Non-Agency MBS added the most value to the portfolio during the quarter and the last year. Overweights to the Corporate and CMBS sectors also added value during the quarter and the last year.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.7%	-1.3%
Last 1 year	10.7	6.5
Last 2 years	14.5	6.2
Last 3 years	3.8	5.9
Last 4 years	4.2	6.2
Last 5 years	4.3	5.8
Since Inception (2/00)	6.0	6.4

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 December, 2010

Portfolio Manager: Colin Lundgren **Assets Under Management: $939,955,340**

Investment Philosophy

RiverSource (formerly American Express) 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. RiverSource was retained by the SBI in July 1993.

Staff Comments

Columbia outperformed the benchmark by 70 bps in 4Q10 and outperformed the benchmark by 160 bps during 2010. The portfolio's short duration stance added to performance in 4Q10, but detracted from 12-month performance. An overweight to both Investment Grade and High Yield corporate bonds added to performance during the quarter and year. Quarterly and yearly performance was also aided by overweights to non-agency RMBS and CMBS.

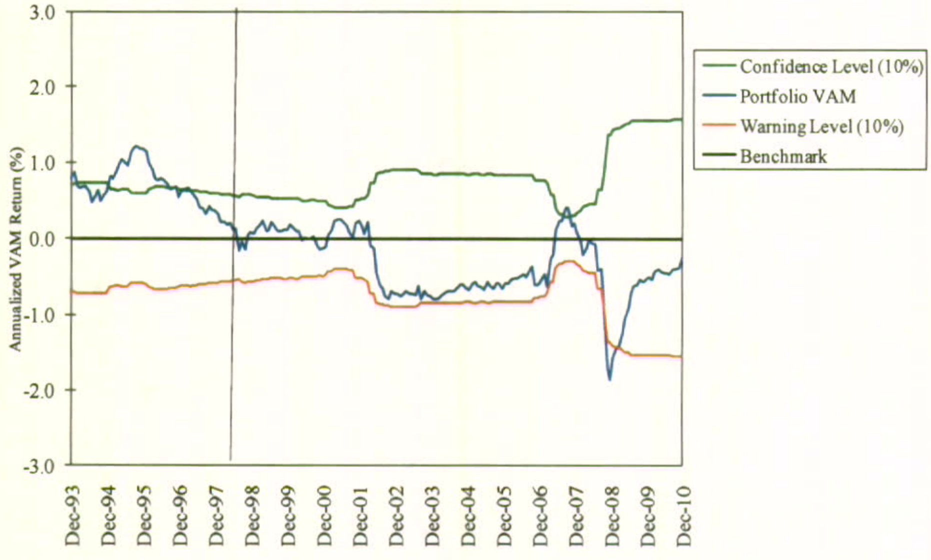
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.6%	-1.3%
Last 1 year	8.1	6.5
Last 2 years	11.1	6.2
Last 3 years	5.4	5.9
Last 4 years	5.7	6.2
Last 5 years	5.5	5.8
Since Inception (7/93)	6.0	6.2

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 December, 2010

Portfolio Manager: Dana Emery | **Assets Under Management: $957,665,233**

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

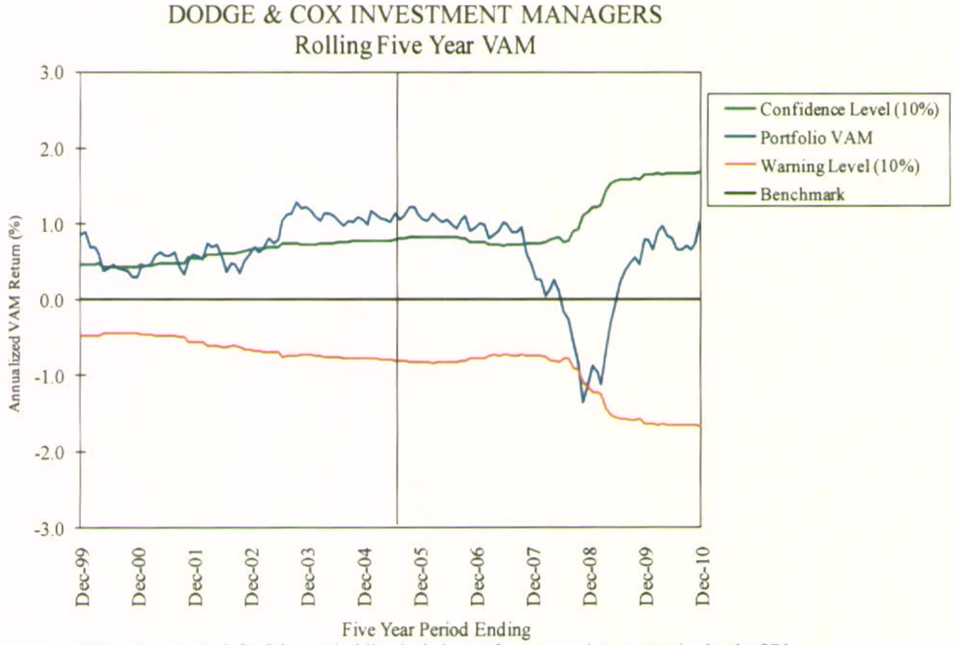
Dodge & Cox outperformed the benchmark by 150 bps in 4Q10 and outperformed by 130 bps during 2010. A short duration stance relative to the benchmark positively impacted quarterly performance as rates rose. An overweight to the corporate sector produced positive excess returns, as did an Agency MBS overweight during 4Q10. One year performance was largely driven by the corporate sector overweight.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	0.2%	-1.3%
Last 1 year	7.8	6.5
Last 2 years	12.0	6.2
Last 3 years	7.9	5.9
Last 4 years	7.3	6.2
Last 5 years	6.9	5.8
Since Inception (2/00)	7.4	6.4

Recommendations

No action required.



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 December, 2010

Portfolio Manager: Bill Gross | **Assets Under Management: $965,624,621**

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 outperformed the benchmark by 100 bps in 4Q10 and by 560 bps during 2010. Quarterly outperformance was driven by a short duration interest rate positioning as interest rates rose. A corporate sector overweight (both Investment Grade and High Yield) also added to quarterly and yearly performance. Non-Agency MBS holdings also added value to the portfolio during the quarter and year.

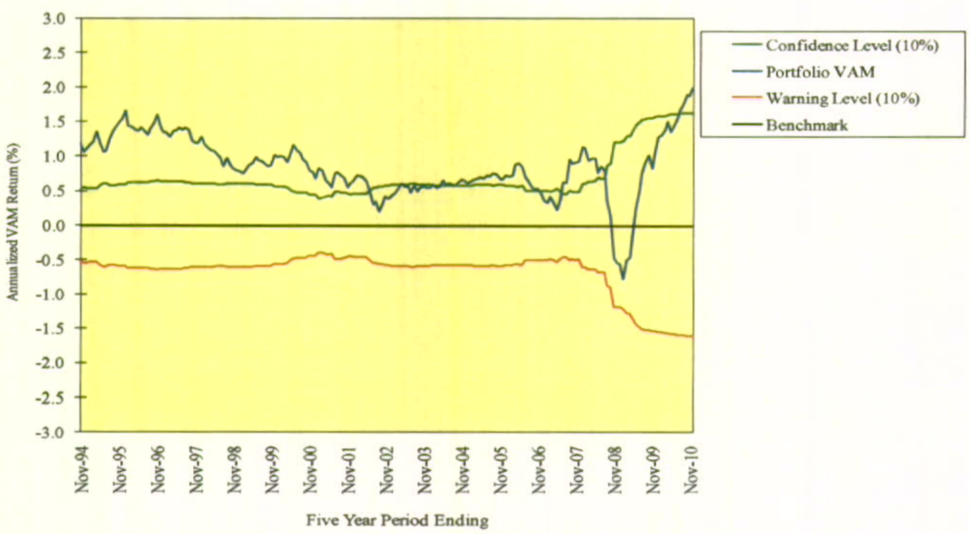
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.3%	-1.3%
Last 1 year	12.1	6.5
Last 2 years	13.8	6.2
Last 3 years	N/A	N/A
Last 4 years	N/A	N/A
Last 5 years	N/A	N/A
Since Inception (9/08)	12.4	7.6

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 December, 2010

Portfolio Manager: Steve Walsh **Assets Under Management: $1,035,542,610**

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 outperformed the benchmark by 80 bps in 4Q10 and by 440 bps during 2010. Quarterly outperformance was negatively impacted by a long duration interest rate positioning and an underweight to the Agency MBS sector. Holdings in Non-Agency MBS and High Yield corporates added value in 4Q10. Over the last 12 months, outperformance was driven by Non-Agency MBS holdings and an overweight to Investment-Grade and High Yield corporate bonds.

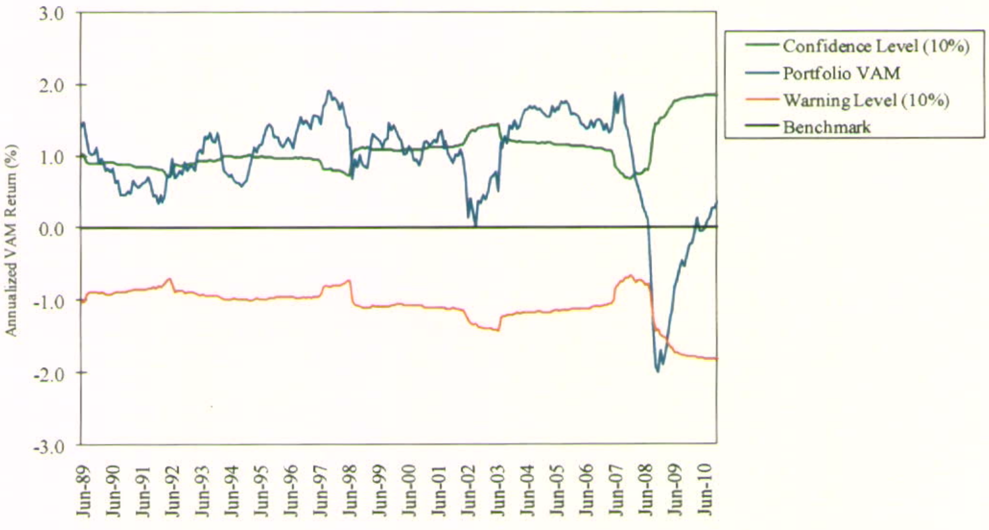
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.5%	-1.3%
Last 1 year	10.9	6.5
Last 2 years	14.1	6.2
Last 3 years	6.7	5.9
Last 4 years	6.4	6.2
Last 5 years	6.2	5.8
Since Inception (7/84)	9.6	8.5

Recommendations

No action required.

WESTERN ASSET MANAGEMENT
Rolling Five Year VAM



Five Year Period Ending

BLACKROCK, INC.
Periods Ending December, 2010

Portfolio Manager: Keith Anderson **Assets Under Management: $1,537,996,166**

Investment Philosophy

BlackRock manages an enhanced index portfolio closely tracking the Lehman Aggregate. 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

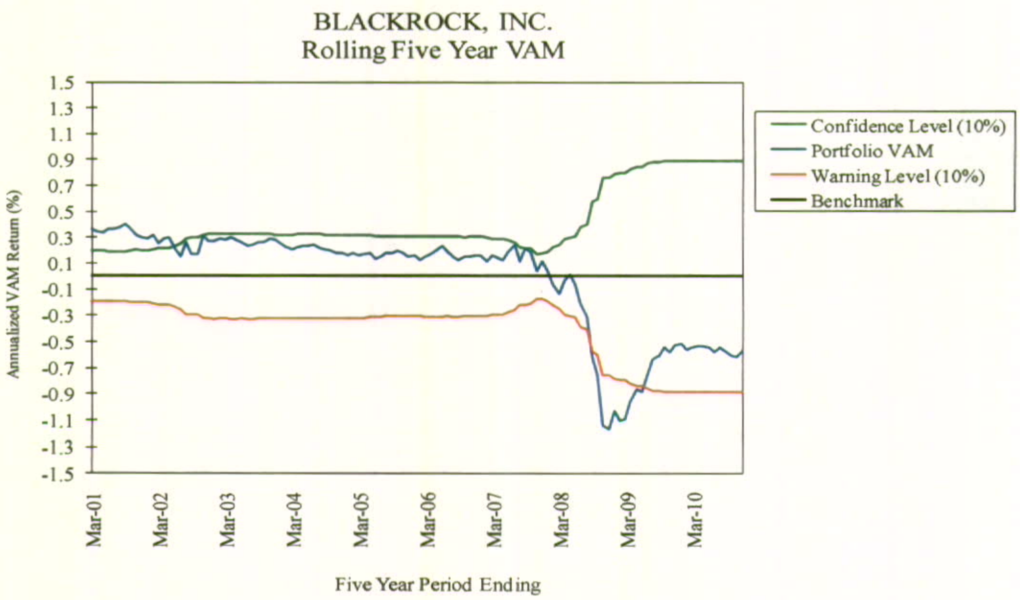
Blackrock was even with the benchmark in 4Q10 and during 2010. Quarterly performance was driven by overweights to the CMBS and corporate bond sectors, but that was offset by duration and yield curve positioning as well as an underweight to Agency MBS. Over the last 12 months, overweights to the CMBS and corporate bond sectors added to performance, while an underweight to Agency MBS detracted from performance.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-1.3%	-1.3%
Last 1 year	6.5	6.5
Last 2 years	8.1	6.2
Last 3 years	4.9	5.9
Last 4 years	5.4	6.2
Last 5 years	5.2	5.8
Since Inception (4/96)	6.3	6.3

Recommendation

No action required.



GOLDMAN SACHS ASSET MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: Jonathon Beinner | **Assets Under Management: $1,582,948,828**

Investment Philosophy

Goldman manages an enhanced index portfolio closely tracking the Lehman Aggregate. 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

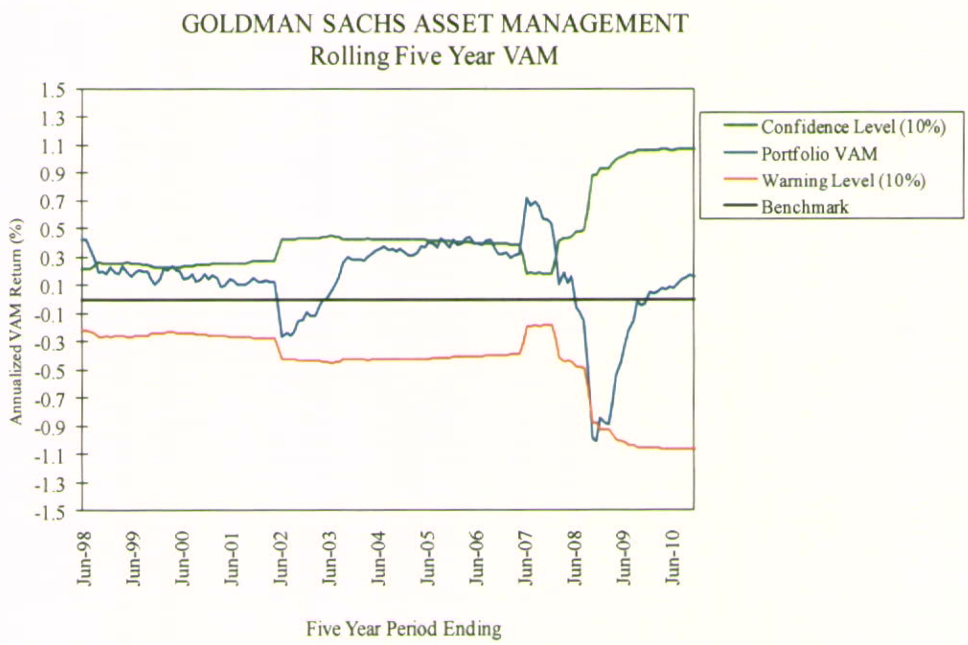
Goldman Sachs outperformed the benchmark by 10 bps in 4Q10 and by 150 bps over the last 12 months. Quarterly and one year performance were driven by security selection in the non-agency MBS and corporate bond sectors. Security selection within the Agency MBS market also added to quarterly performance.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-1.2%	-1.3%
Last 1 year	8.0	6.5
Last 2 years	10.0	6.2
Last 3 years	6.1	5.9
Last 4 years	6.3	6.2
Last 5 years	6.0	5.8
Since Inception (7/93)	6.4	6.2

Recommendations

No action required.



NEUBERGER INVESTMENT MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: Andrew Johnson | **Assets Under Management: $1,535,754,279**

Investment Philosophy

Neuberger (formerly Lincoln) manages an enhanced index portfolio closely tracking the Barclay's Capital Aggregate. 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 25 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 outperformed the benchmark by 70 bps in 4Q10 and by 260 bps during 2010. Quarterly and one year performance were driven by overweights to the commercial and non-agency residential MBS sectors and the corporate sector.

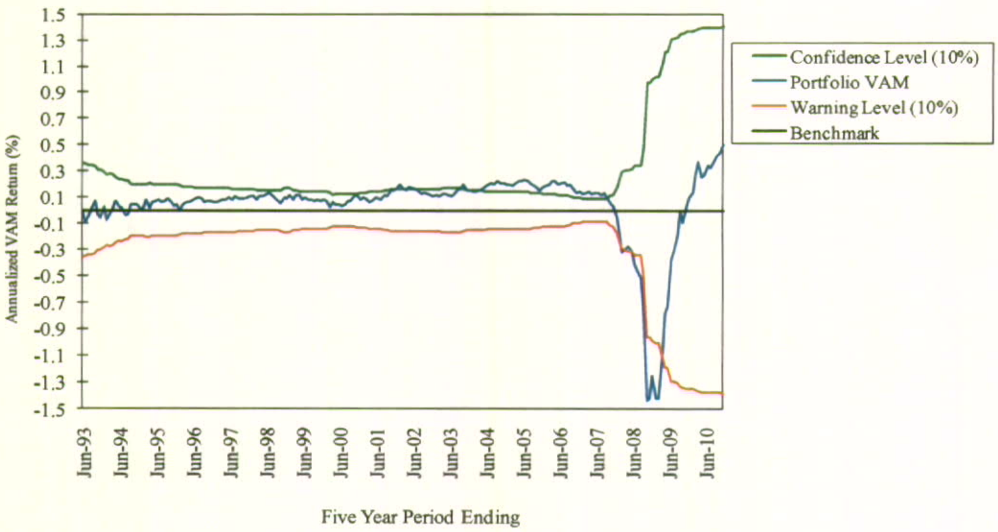
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.6%	-1.3%
Last 1 year	9.1	6.5
Last 2 years	11.6	6.2
Last 3 years	6.9	5.9
Last 4 years	6.8	6.2
Last 5 years	6.3	5.8
Since Inception (7/88)	7.5	7.3

Recommendations

No action required.

NEUBERGER INVESTMENT MANAGEMENT
Rolling Five Year VAM



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STATE BOARD OF INVESTMENT

International Manager Evaluation Reports

Fourth Quarter, 2010

International Managers

Table of Contents

COMBINED RETIREMENT FUNDS
INTERNATIONAL STOCK MANAGERS
Periods Ending December, 2010

	Quarter Actual %	Quarter Bmk %	1 Year Actual %	1 Year Bmk %	3 Years Actual %	3 Years Bmk %	5 Years Actual %	5 Years Bmk %	Since (1) Inception Actual %	Since (1) Inception Bmk %	Market Value (in millions)	Pool %
Active Developed Markets (2)												
Acadian	8.5	7.2	13.9	8.9	-10.1	-6.3	1.1	3.1	4.5	5.5	$285.3	3.9%
Columbia (RiverSource)	9.0	7.2	15.2	8.9	-4.1	-6.3	4.1	3.1	0.7	2.5	$275.9	3.7%
Invesco	7.1	7.2	5.8	8.9	-5.1	-6.3	3.1	3.1	4.1	2.5	$235.5	3.2%
J.P. Morgan	6.8	7.2	7.6	8.9	-4.7	-6.3	3.0	3.1	5.2	5.5	$241.1	3.3%
Marathon	6.6	7.2	14.4	8.9	-2.7	-6.3	6.3	3.1	8.7	5.3	$547.7	7.4%
McKinley	9.8	7.2	11.8	8.9	-10.6	-6.3	1.5	3.1	4.4	5.5	$241.7	3.3%
Pyramis (Fidelity)	8.6	7.2	11.7	8.9	-4.8	-6.3	4.5	3.1	7.1	5.5	$270.5	3.7%
Aggregate	**7.9**	**7.2**	**11.9**	**8.9**	**-5.5**	**-6.3**	**3.7**	**3.1**			**$2,097.6**	**28.3%**
Active Emerging Markets (3)												
AllianceBernstein	6.7	7.3	15.8	18.9	-3.1	-0.2	10.5	12.9	13.5	14.9	$187.8	2.5%
Capital International	4.9	7.3	16.1	18.9	2.8	-0.2	15.3	12.9	14.2	14.9	$793.8	10.7%
Morgan Stanley	6.5	7.3	18.4	18.9	-2.5	-0.2	12.7	12.9	14.8	14.9	$750.1	10.1%
Aggregate	**5.8**	**7.3**	**17.1**	**18.9**	**-0.8**	**-0.2**	**12.9**	**12.9**			**$1,731.6**	**23.4%**
Semi-Passive Developed Markets (2)												
AQR	7.7	7.2	11.4	8.9	-5.3	-6.3	3.0	3.1	5.7	5.5	$271.1	3.7%
Pyramis (Fidelity)	8.4	7.2	11.5	8.9	-6.7	-6.3	4.0	3.1	6.5	5.5	$405.9	5.5%
State Street	7.0	7.2	8.7	8.9	-7.1	-6.3	2.2	3.1	4.7	5.5	$256.7	3.5%
Aggregate	**7.8**	**7.2**	**10.6**	**8.9**	**-6.3**	**-6.3**	**3.1**	**3.1**			**$933.7**	**12.6%**
Passive Developed Markets (2)												
State Street	7.2	7.2	9.9	8.9	-5.9	-6.3	3.5	3.1	6.8	6.5	$2,639.7	35.7%
									Since 10/1/92			
Equity Only (4) (6)	7.1	7.2	12.3	11.2	-4.7	-5.0	5.2	4.9	7.5	7.0	$7,402.8	100.0%
Total Program (5) (6)	**7.1**	**7.2**	**12.3**	**11.2**	**-4.7**	**-5.0**	**5.2**	**4.9**	**7.7**	**7.0**	**$7,402.8**	**100.0%**
SBI Int'l Equity Target (6)		7.2		11.2		-5.0		4.9		7.0		
MSCI ACWI Free ex. U.S. (7)		7.2		11.2		-5.0		4.8		7.3		
MSCI World ex U.S. (net)		7.2		8.9		-6.3		3.0		6.6		
MSCI EAFE Free (net)		6.6		7.7		-7.0		2.5		6.3		
MSCI Emerging Markets Free (8)		7.3		18.9		-0.3		12.8		10.1		

(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**	**12.61**	**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) (5)	12.3	11.2	41.2	41.5	-45.3	-45.5	17.1	16.9	27.0	26.7
Total Program (4) (5)	**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 (5)		11.2		41.5		-45.5		16.9		26.7
MSCI ACWI Free ex. U.S. (6)		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 (7)		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). 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).

(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). 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).

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

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

(5) 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.

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

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

ACADIAN ASSET MANAGEMENT LLC
Periods Ending December, 2010

Portfolio Manager: John Chisholm **Assets Under Management: $285,261,657**

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.

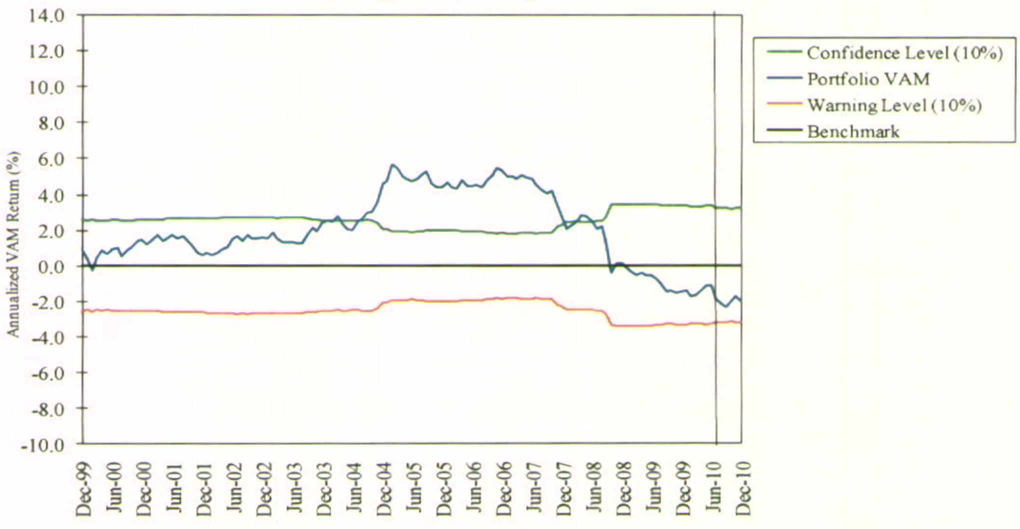
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	8.5%	7.2%
Last 1 year	13.9	8.9
Last 2 years	21.1	20.7
Last 3 years	-10.1	-6.3
Last 4 years	-5.4	-1.9
Last 5 years	1.1	3.1
Since Inception (7/05)	4.5	5.5

Recommendations

No action required.

ACADIAN 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.

COLUMBIA MANAGEMENT INVESTMENT ADVISERS, LLC
(Formerly RiverSource Investments)
Periods Ending December, 2010

Portfolio Manager: Esther Perkins **Assets Under Management: $275,873,106**

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

The manager's stock selection in the industrials and utilities sectors contributed significantly to the portfolio's outperformance over both the quarter and the year.

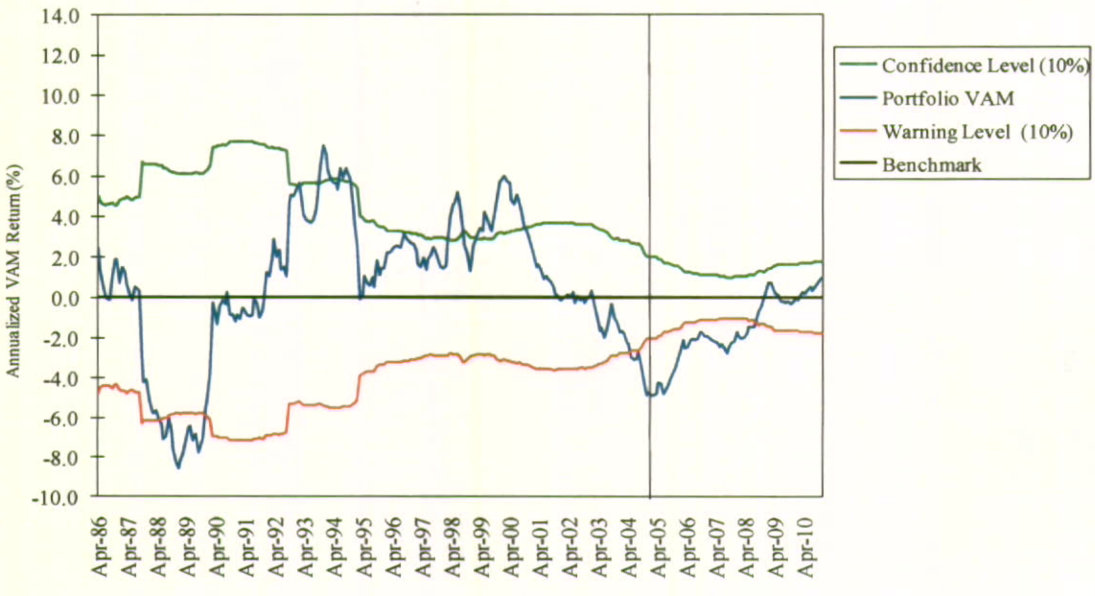
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	9.0%	7.2%
Last 1 year	15.2	8.9
Last 2 years	22.1	20.7
Last 3 years	-4.1	-6.3
Last 4 years	-0.2	-1.9
Last 5 years	4.1	3.1
Since Inception (3/00)	0.7	2.5

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 December, 2010

Portfolio Manager: W. Lindsay Davidson **Assets Under Management: $235,509,139**

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

In the second half of 2010, INVESCO announced the departure of Erik Granade. While Erik's title was that of Chief Investment Officer, the SBI's portfolio has been, and continues to be, managed by a team of senior-level portfolio managers, each with a sector, region or country focus, at INVESCO.

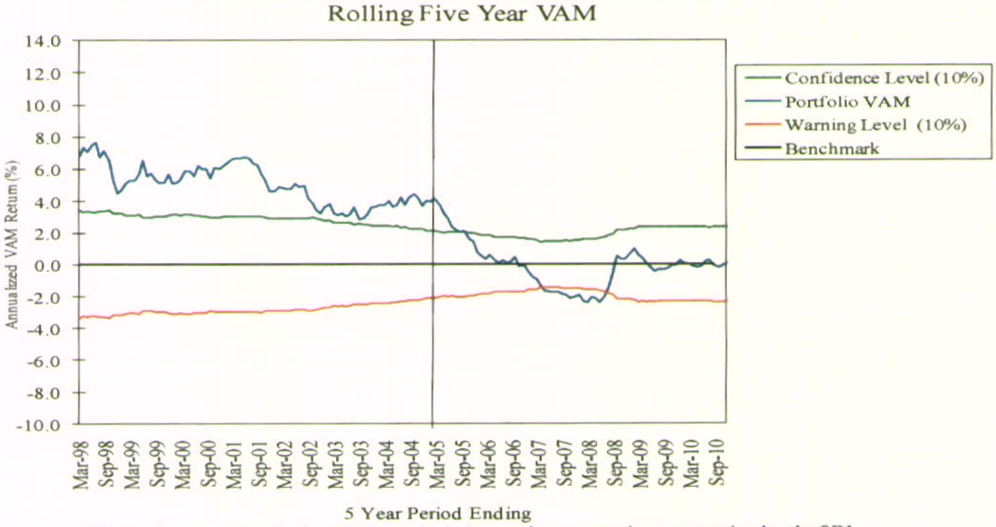
The portfolio underperformed the benchmark significantly over the year. Stock selection in the energy, consumer discretionary, industrials, and materials sectors contributed to the underperformance.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	7.1%	7.2%
Last 1 year	5.8	8.9
Last 2 years	18.2	20.7
Last 3 years	-5.1	-6.3
Last 4 years	-1.9	-1.9
Last 5 years	3.1	3.1
Since Inception (3/00)	4.1	2.5

Recommendations

No action required.



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

J.P. MORGAN INVESTMENT MANAGEMENT INC.
Periods Ending December, 2010

Portfolio Manager: James Fisher | **Assets Under Management: $241,131,339**

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

Over both the quarter and the year, stock selection in the financials sector contributed to the portfolio's underperformance relative to the benchmark return.

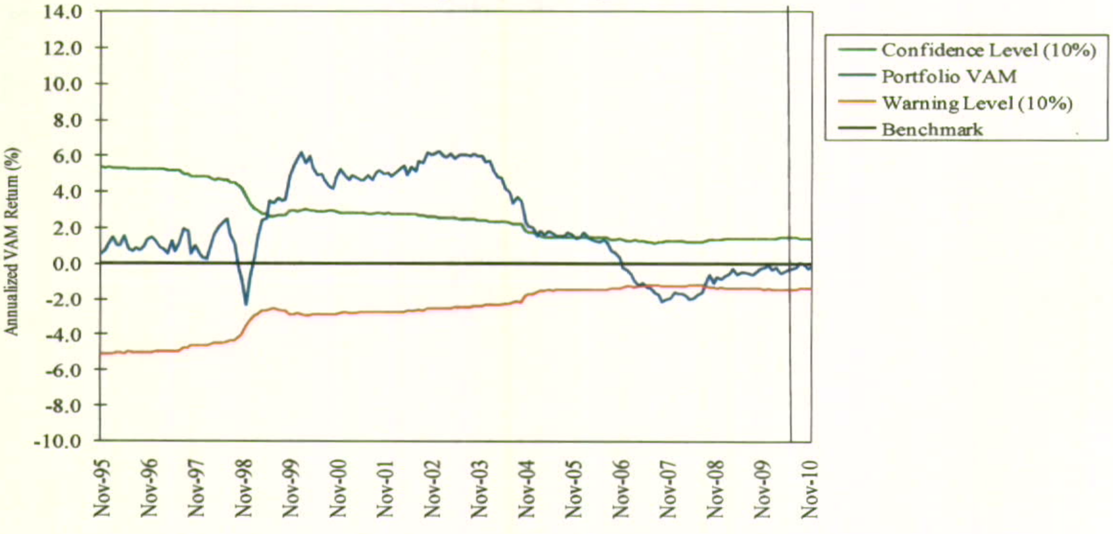
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	6.8%	7.2%
Last 1 year	7.6	8.9
Last 2 years	21.6	20.7
Last 3 years	-4.7	-6.3
Last 4 years	-1.5	-1.9
Last 5 years	3.0	3.1
Since Inception (7/05)	5.2	5.5

Recommendations

No action required.

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



5 Year Period Ending

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

MARATHON ASSET MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: William Arah **Assets Under Management: $547,659,015**

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

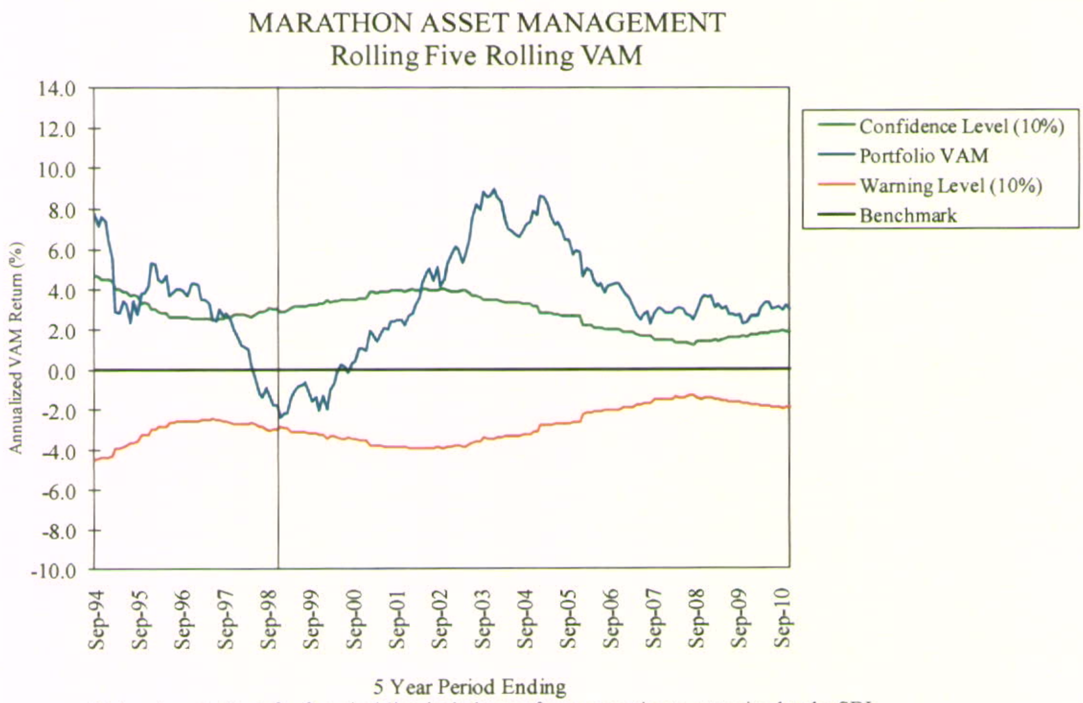
No comment at this time.

Quantitative Evaluation

	Actual	Custom Benchmark
Last Quarter	6.6%	7.2%
Last 1 year	14.4	8.9
Last 2 years	21.9	20.7
Last 3 years	-2.7	-6.3
Last 4 years	1.5	-1.9
Last 5 years	6.3	3.1
Since Inception (11/93)	8.7	5.3

Recommendations

No action required.



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

MCKINLEY CAPITAL MANAGEMENT, INC.
Periods Ending December, 2010

Portfolio Manager: Robert A. Gillam **Assets Under Management: $241,717,190**

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

The portfolio's underweight to the financial sector, together with stock selection, contributed significantly to the portfolio's added value.

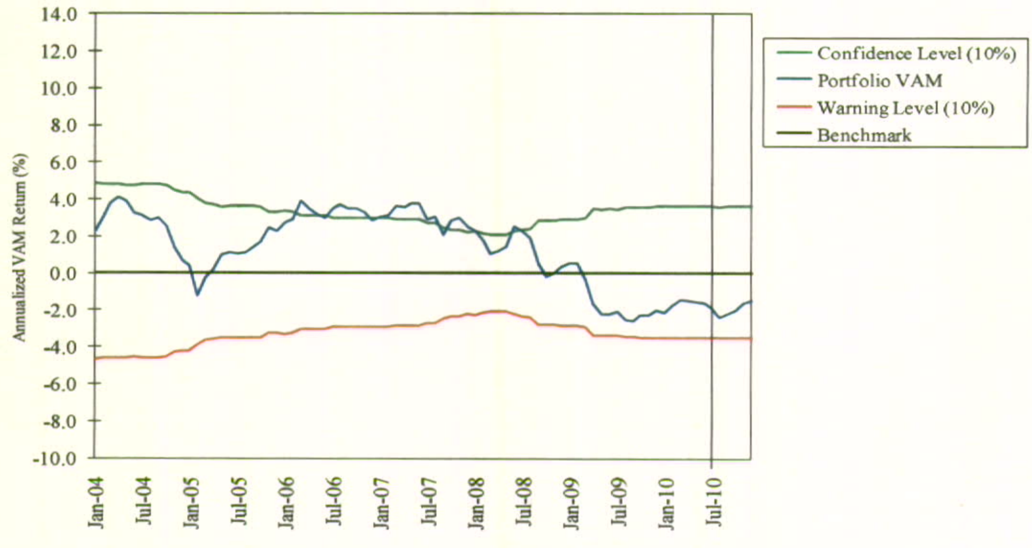
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	9.8%	7.2%
Last 1 year	11.8	8.9
Last 2 years	17.8	20.7
Last 3 years	-10.6	-6.3
Last 4 years	-3.7	-1.9
Last 5 years	1.5	3.1
Since Inception (7/05)	4.4	5.5

Recommendations

No action required.

McKINLEY CAPITAL MANAGEMENT, INC.
Rolling Five Rolling VAM



5 Year Period Ending
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 December, 2010

Portfolio Manager: **Michael Strong** **Assets Under Management: $270,454,038**

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

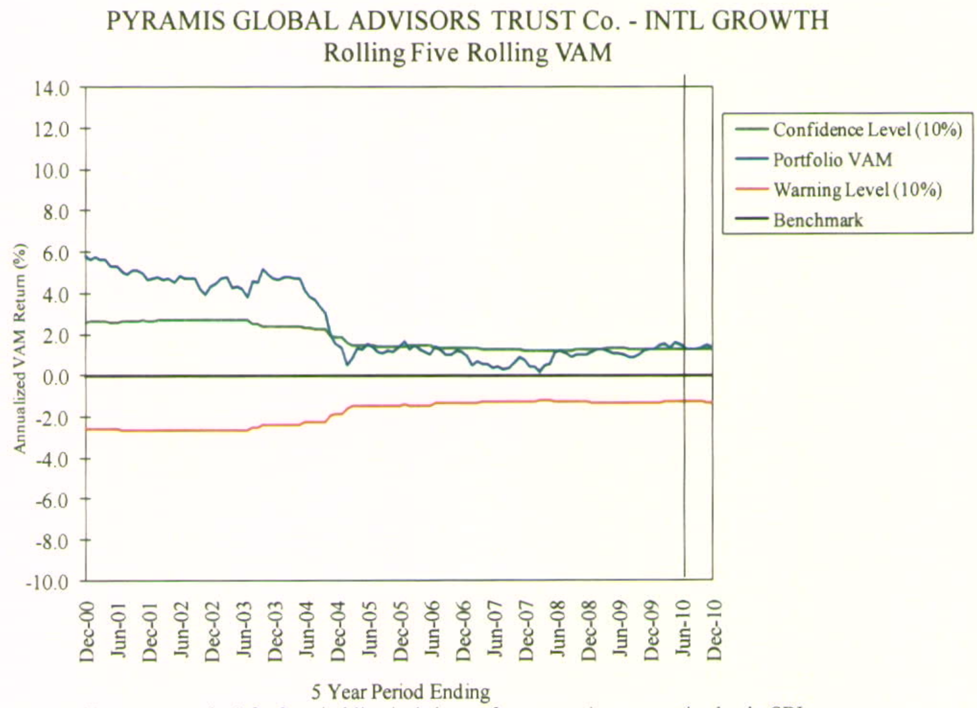
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	8.6%	7.2%
Last 1 year	11.7	8.9
Last 2 years	22.8	20.7
Last 3 years	-4.8	-6.3
Last 4 years	0.4	-1.9
Last 5 years	4.5	3.1
Since Inception (7/05)	7.1	5.5

Recommendations

No action required.



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

ALLIANCEBERNSTEIN L.P.
Periods Ending December, 2010

Portfolio Manager: Steve Beinhacker **Assets Under Management: $187,781,472**

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

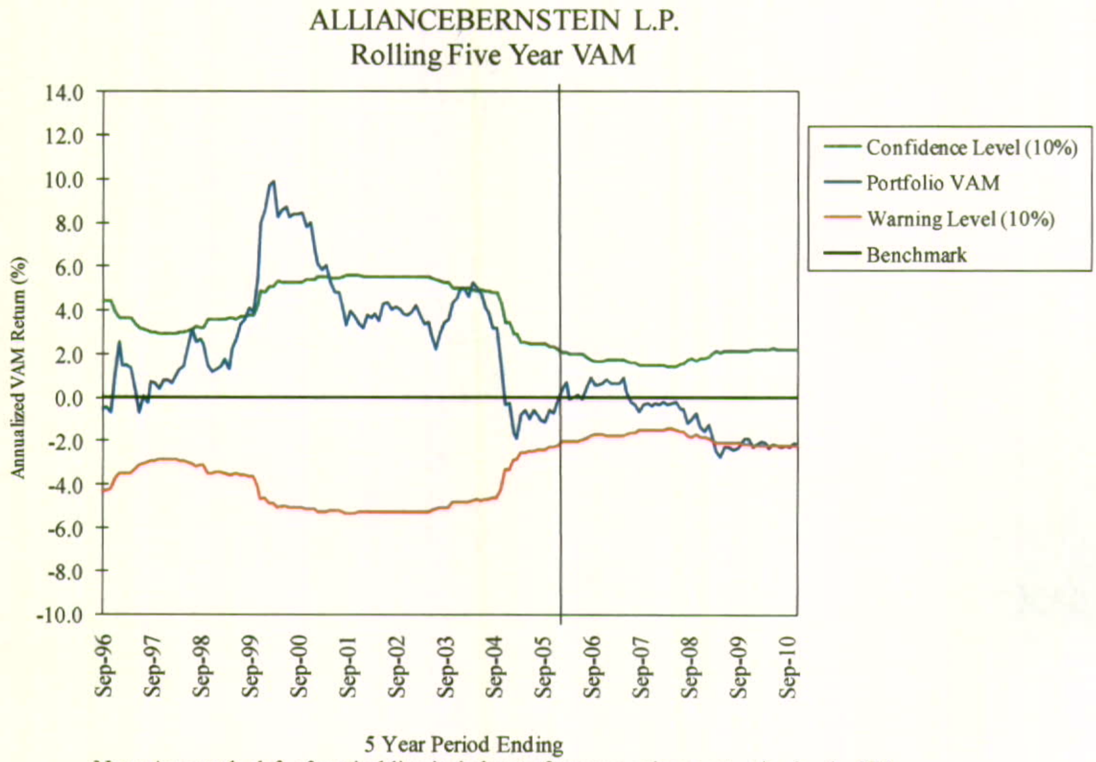
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	6.7%	7.3%
Last 1 year	15.8	18.9
Last 2 years	43.7	45.7
Last 3 years	-3.1	-0.2
Last 4 years	6.0	8.6
Last 5 years	10.5	12.9
Since Inception (3/01)	13.5	14.9

Recommendations

No action required.



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

CAPITAL INTERNATIONAL, INC.
Periods Ending December, 2010

Portfolio Manager: Victor Kohn **Assets Under Management: $793,770,162**

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

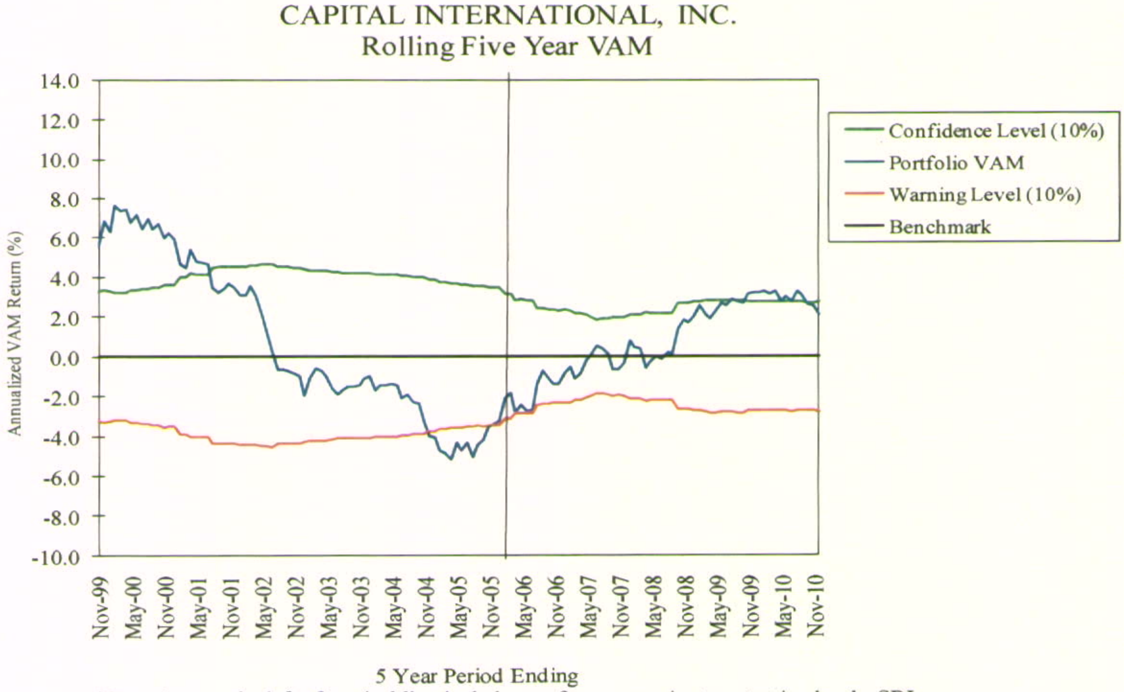
Stock selection in India, South Africa, and the consumer staples sector contributed significantly to the portfolio's underperformance for the quarter and the year.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	4.9%	7.3%
Last 1 year	16.1	18.9
Last 2 years	45.8	45.7
Last 3 years	2.8	-0.2
Last 4 years	10.7	8.6
Last 5 years	15.3	12.9
Since Inception (3/01)	14.2	14.9

Recommendations

No action required.



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

MORGAN STANLEY INVESTMENT MANAGEMENT
Periods Ending December, 2010

Portfolio Manager: Ruchir Sharma **Assets Under Management: $750,058,752**

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

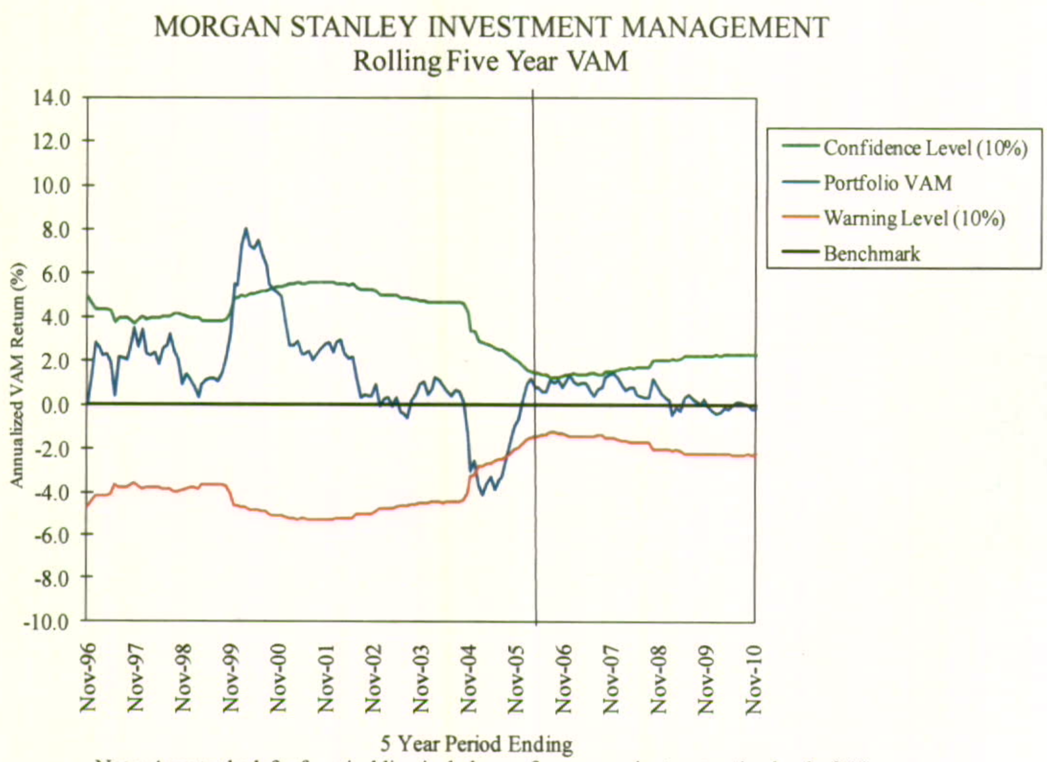
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	6.5%	7.3%
Last 1 year	18.4	18.9
Last 2 years	42.6	45.7
Last 3 years	-2.5	-0.2
Last 4 years	7.3	8.6
Last 5 years	12.7	12.9
Since Inception (3/01)	14.8	14.9

Recommendations

No action required.



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

AQR CAPITAL MANAGEMENT, LLC
Periods Ending December, 2010

Portfolio Manager: Cliff Asness | **Assets Under Management: $271,110,963**

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

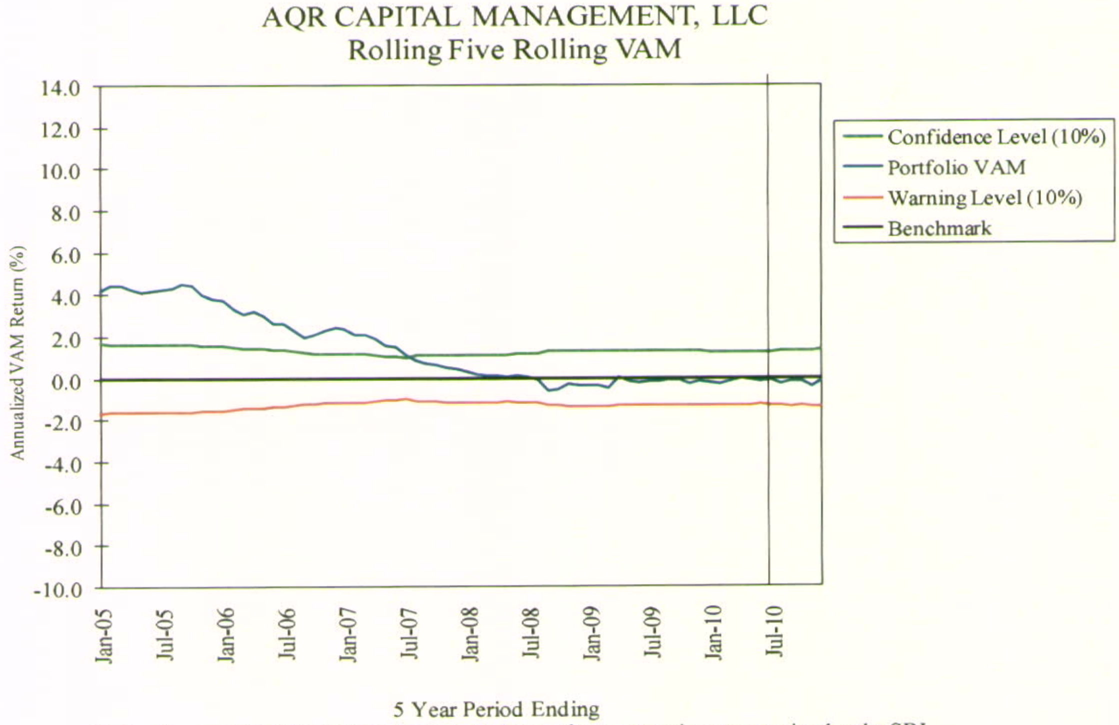
No comment at this time.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	7.7%	7.2%
Last 1 year	11.4	8.9
Last 2 years	23.1	20.7
Last 3 years	-5.3	-6.3
Last 4 years	-1.9	-1.9
Last 5 years	3.0	3.1
Since Inception (7/05)	5.7	5.5

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 December, 2010

Portfolio Manager: Cesar Hernandez **Assets Under Management: $405,864,294**

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

The manager's stock selection in the materials sector contributed significantly to the portfolio's outperformance over both the quarter and the year.

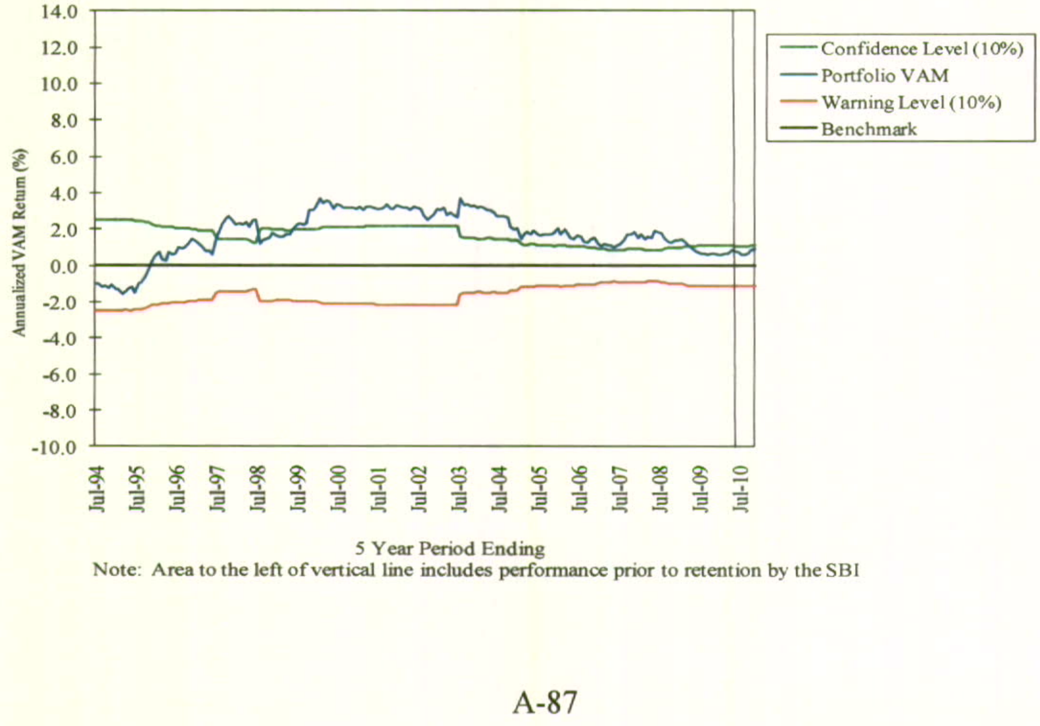
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	8.4%	7.2%
Last 1 year	11.5	8.9
Last 2 years	20.5	20.7
Last 3 years	-6.7	-6.3
Last 4 years	-1.0	-1.9
Last 5 years	4.0	3.1
Since Inception (7/05)	6.5	5.5

Recommendations

No action required.

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



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

STATE STREET GLOBAL ADVISORS
Periods Ending December, 2010

Portfolio Manager: Didier Rosenfeld **Assets Under Management: $256,706,263**

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

No comment at this time.

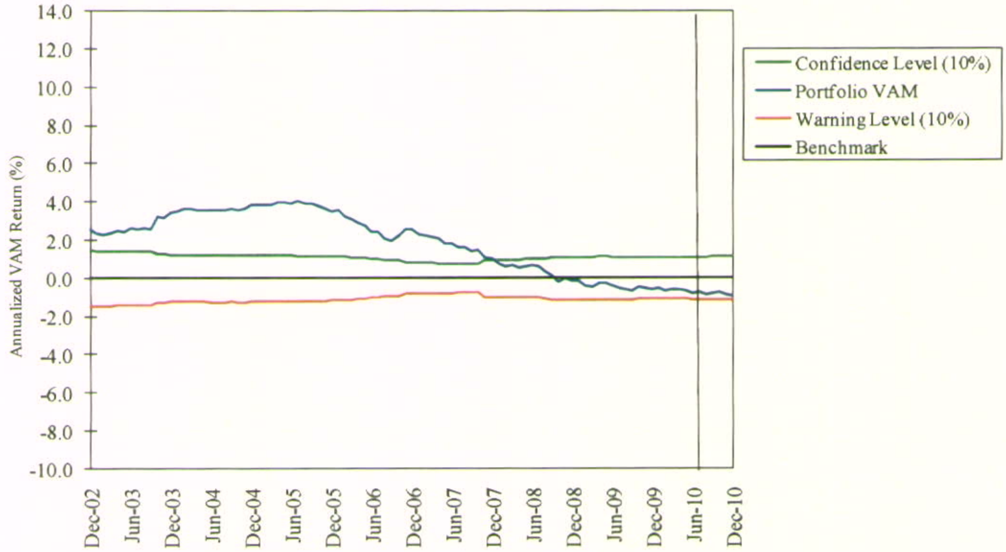
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	7.0%	7.2%
Last 1 year	8.7	8.9
Last 2 years	21.1	20.7
Last 3 years	-7.1	-6.3
Last 4 years	-3.3	-1.9
Last 5 years	2.2	3.1
Since Inception (7/05)	4.7	5.5

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 December, 2010

Portfolio Manager: Lynn Blake | **Assets Under Management: $2,639,695,288**

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

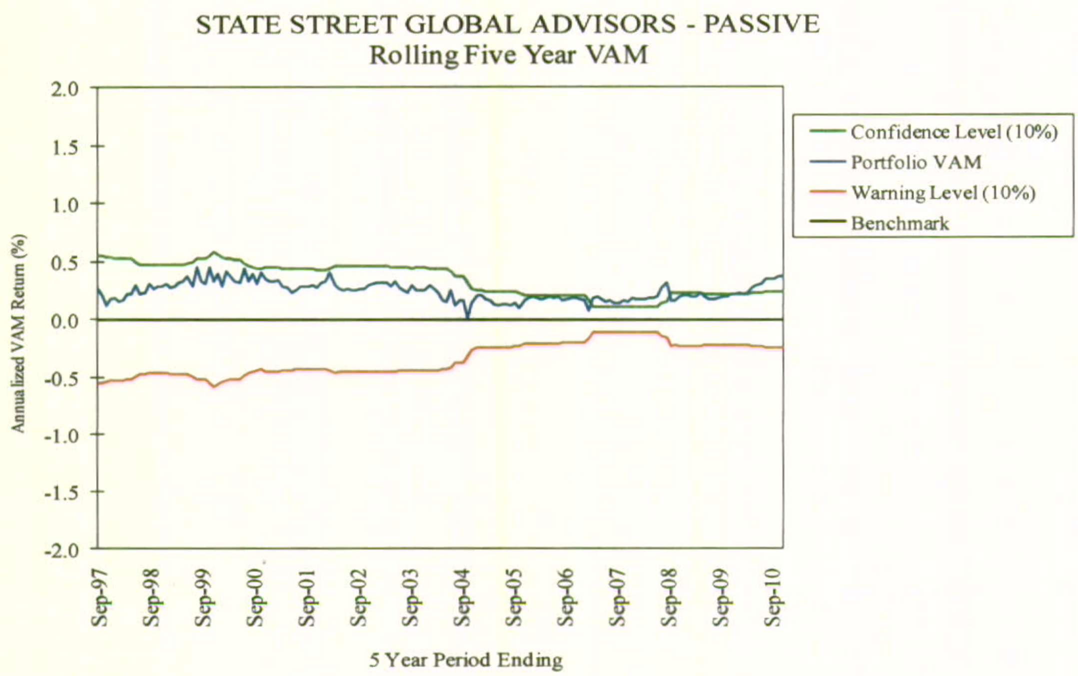
The portfolio's positive tracking error for the year was impacted by withholding tax rate differences and the timing of cash flows into the portfolio. Not holding BP, which fell by almost 40% in June and which is on the SBI's Iran Restricted List, also contributed to the positive tracking error.

Quantitative Evaluation

	Actual	Benchmark
Last Quarter	7.2%	7.2%
Last 1 year	9.9	8.9
Last 2 years	21.4	20.7
Last 3 years	-5.9	-6.3
Last 4 years	-1.5	-1.9
Last 5 years	3.5	3.1
Since Inception (10/92)	6.8	6.5

Recommendation

No action required.



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STATE BOARD OF INVESTMENT

Non-Retirement Manager Evaluation Reports

Fourth Quarter, 2010

Non-Retirement Managers

Table of Contents

NON - RETIREMENT MANAGERS
Periods Ending December, 2010

	Quarter		1 Year		3 Years		5 Years		Since (1) Inception		Market Value
	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	Actual %	Bmk %	(in millions)
GE Asset Management (S&P 500 Index)	10.6	10.8	10.7	15.1	-1.9	-2.9	3.6	2.3	9.2	8.5	$67.2
RBC Global Asset Management (Custom Benchmark)	-0.9	-1.1	8.4	5.0	4.6	5.1	4.8	5.5	6.1	6.3	$241.5
Galliard Capital Management (3 yr. Constant Maturity Treasury + 45 bp)	1.0	0.3	4.1	1.5	4.5	2.0	4.6	3.2	5.5	4.4	$1,306.1
Internal Stock Pool (S&P 500 Index)	10.7	10.8	15.1	15.1	-2.7	-2.9	2.4	2.3	8.2	8.1	$994.6
Internal Bond Pool - Income Share (Barclays Capital Aggregate) (2)	-0.5	-1.3	7.0	6.5	6.9	5.9	6.4	5.8	7.7	7.3	$86.0
Internal Bond Pool - Trust (Barclays Capital Aggregate)	-0.6	-1.3	6.3	6.5	7.0	5.9	6.6	5.8	7.2	6.6	$604.2

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

(2) 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 (Custom Benchmark)	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

GE ASSET MANAGEMENT - Assigned Risk Plan
Periods Ending December, 2010

Portfolio Manager: Dave Carlson **Assets Under Management: $67,239,639**

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.

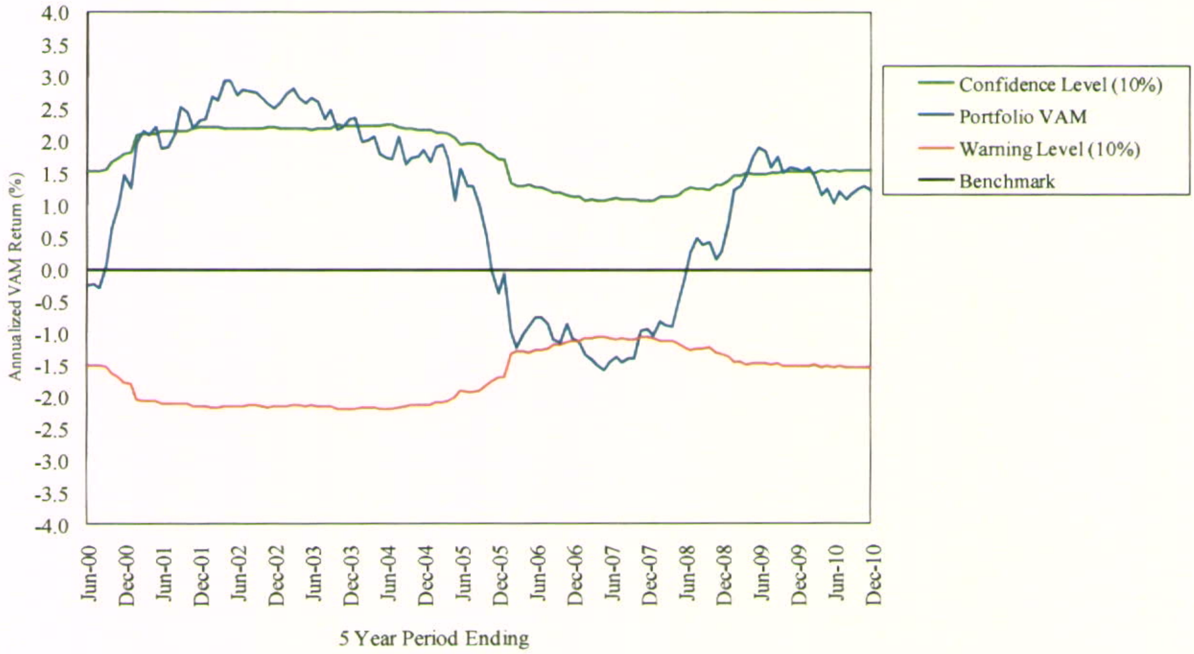
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	10.6%	10.8%
Last 1 year	10.7	15.1
Last 2 years	21.0	20.6
Last 3 years	-1.9	-2.9
Last 4 years	0.6	-0.8
Last 5 years	3.6	2.3
Since Inception (1/95)	9.2	8.5

Recommendation

No action required.

GE ASSET MANAGEMENT
Rolling Five Year VAM



RBC GLOBAL ASSET MANAGEMENT (U.S.) - Assigned Risk Plan
Periods Ending December, 2010

Portfolio Manager: John Huber **Assets Under Management: $241,527,427**

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

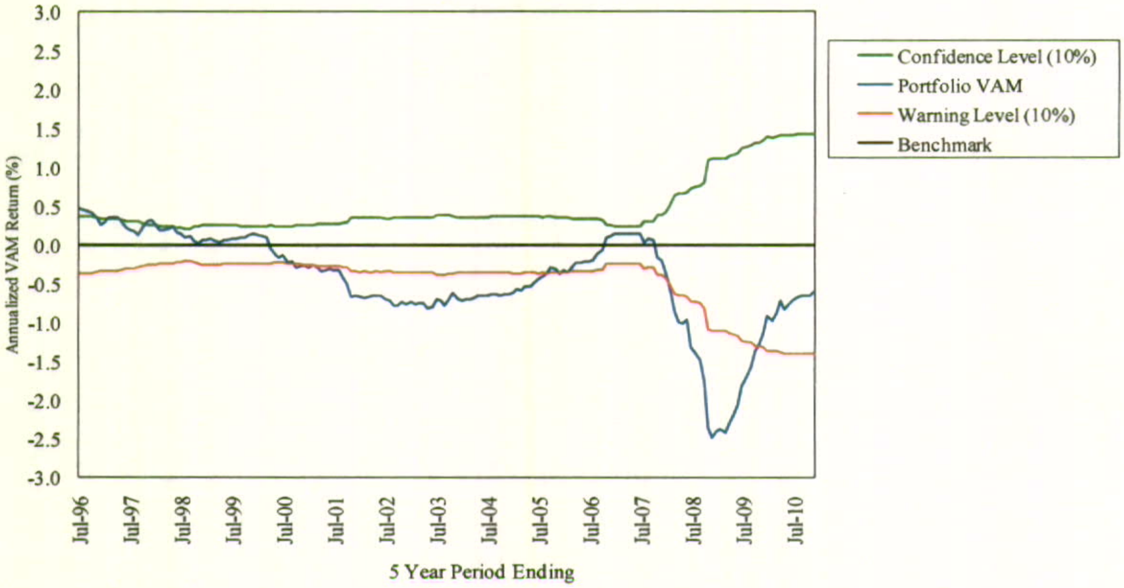
	Actual	Benchmark*
Last Quarter	-0.9%	-1.1%
Last 1 year	8.4	5.0
Last 2 years	8.4	2.9
Last 3 years	4.6	5.1
Last 4 years	4.9	5.8
Last 5 years	4.8	5.5
Since Inception (7/91)	6.1	6.3

Recommendation

No action required.

* Effective 4/1/02 blended benchmark consists 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.

RBC GLOBAL ASSET MANAGEMENT
Rolling Five Year VAM



GALLIARD CAPITAL MANAGEMENT
Periods Ending June, 2010

Portfolio Manager: Karl Tourville | **Assets Under Management: $1,306,067,442**

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.

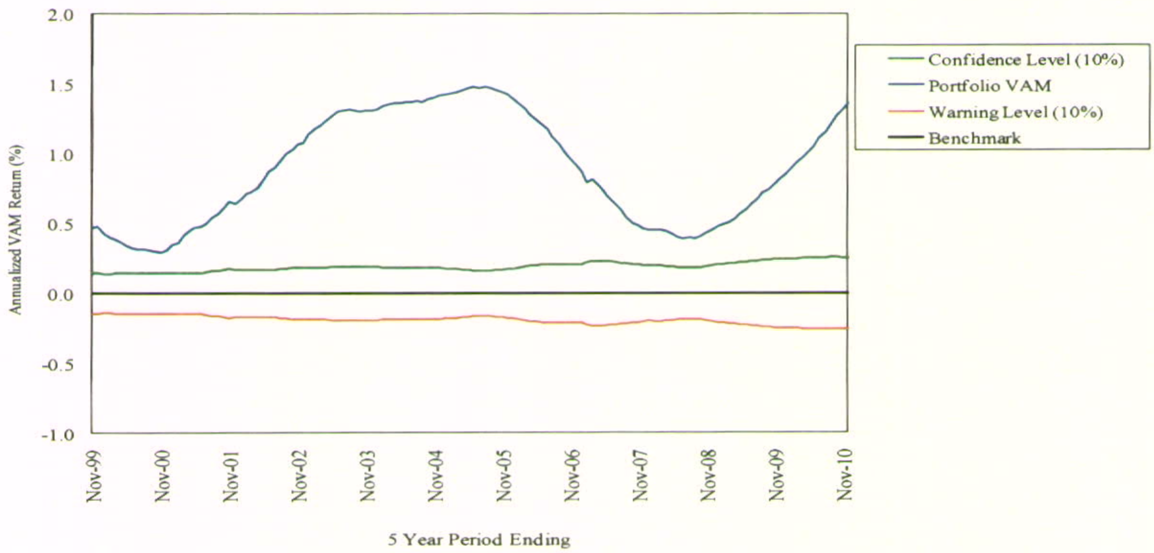
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	1.0%	0.3%
Last 1 year	4.1	1.5
Last 2 years	4.4	1.7
Last 3 years	4.5	2.0
Last 4 years	4.6	2.7
Last 5 years	4.6	3.2
Since Inception (11/94)	5.5	4.4

Recommendation

No action required.

Galliard Capital Management
Rolling Five Year VAM



INTERNAL STOCK POOL - Trust/Non-Retirement Assets
Periods Ending December, 2010

Portfolio Manager: Mike Menssen **Assets Under Management: $994,579,440**

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.

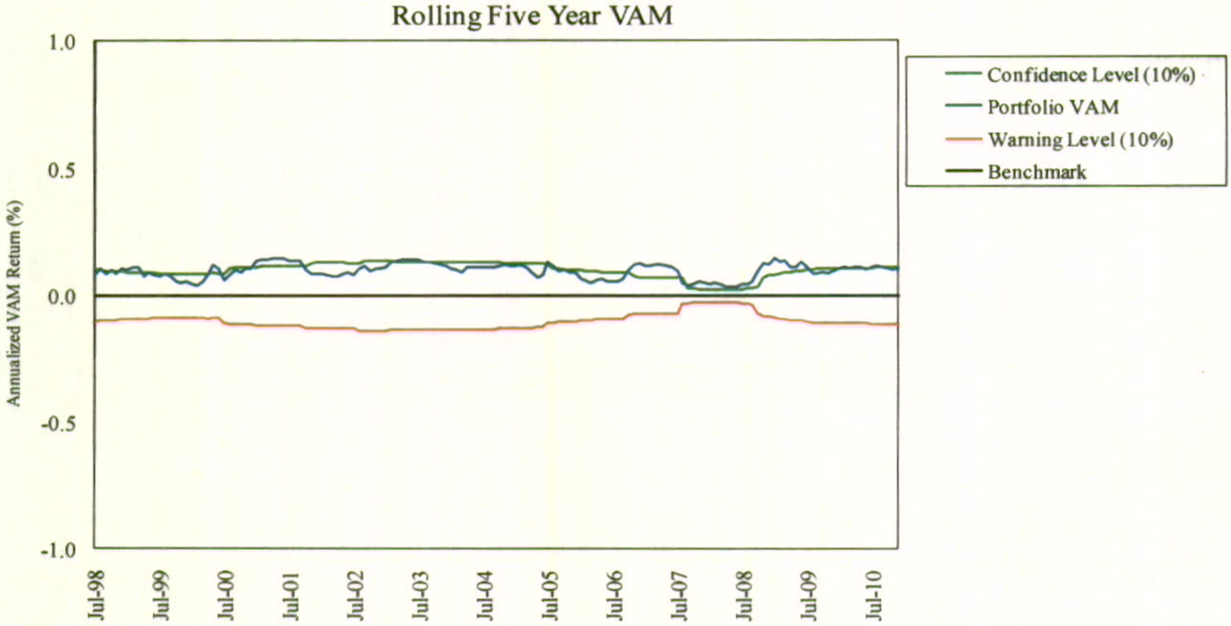
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	10.7%	10.8%
Last 1 year	15.1	15.1
Last 2 years	20.6	20.6
Last 3 years	-2.7	-2.9
Last 4 years	-0.7	-0.8
Last 5 years	2.4	2.3
Since Inception (7/93)	8.2	8.1

Recommendation

No action required.

INTERNAL STOCK POOL
Trust/Non-Retirement Assets
Rolling Five Year VAM



INTERNAL BOND POOL - Income Share Account
Periods Ending December, 2010

Portfolio Manager: Mike Menssen **Assets Under Management: $86,004,602**

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.

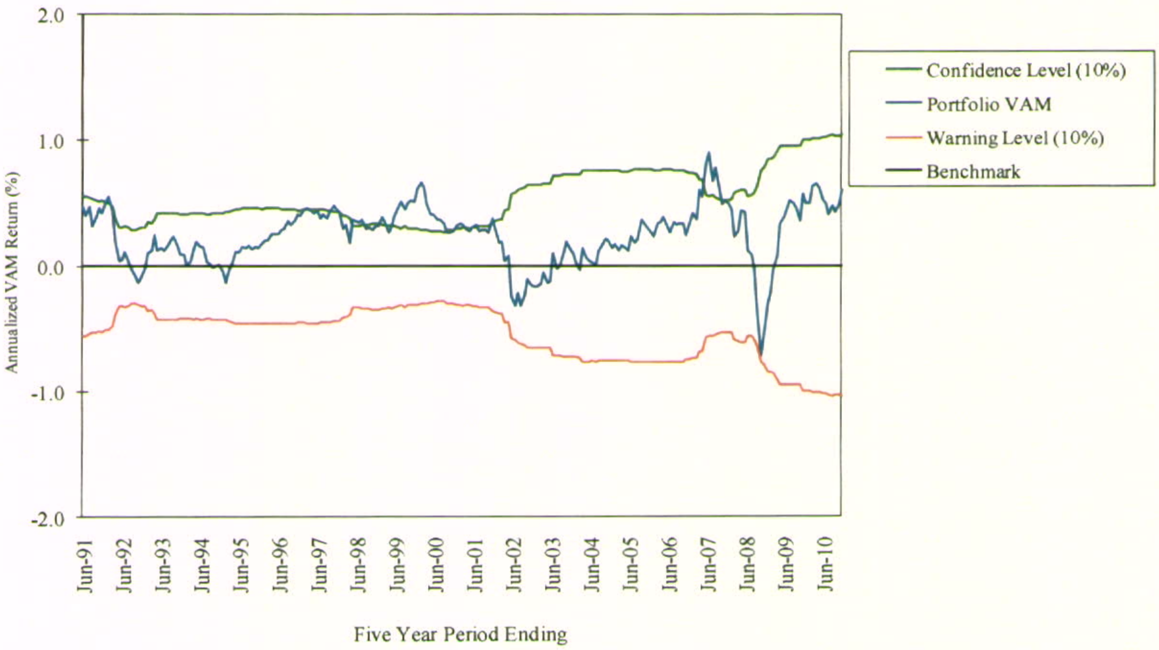
Quantitative Evaluation

	Actual	Benchmark
Last Quarter	-0.5%	-1.3%
Last 1 year	7.0	6.5
Last 2 years	9.9	6.2
Last 3 years	6.9	5.9
Last 4 years	6.8	6.2
Last 5 years	6.4	5.8
Since Inception (7/86)	7.7	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 December, 2010

Portfolio Manager: Mike Menssen **Assets Under Management: $604,238,916**

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

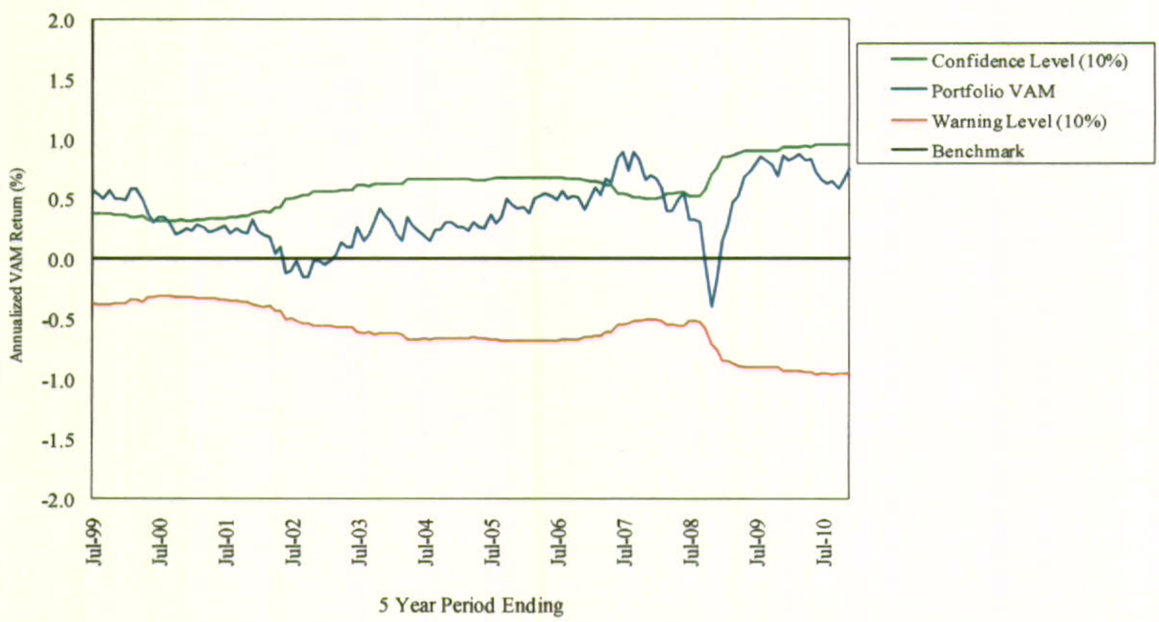
	Actual	Benchmark
Last Quarter	-0.6%	-1.3%
Last 1 year	6.3	6.5
Last 2 years	9.2	6.2
Last 3 years	7.0	5.9
Last 4 years	7.0	6.2
Last 5 years	6.6	5.8
Since Inception (7/94)*	7.2	6.6

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

Recommendation

No action required.

INTERNAL BOND POOL - TRUST/NON-RETIREMENT ASSETS
Rolling Five Year VAM



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STATE BOARD OF INVESTMENT

Deferred Compensation Plan Evaluation Reports

Fourth Quarter, 2010

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Mutual Fund Managers

Table of Contents

MN STATE 457 DEFERRED COMPENSATION PLAN
MUTUAL FUND MANAGERS
Periods Ending December, 2010

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 Retention by SBI * %	Since Retention by SBI * %	State's Participation In Fund ($ millions)
Large Cap Equity:											
Janus Twenty (S&P 500)	9.2	10.8	7.0	15.1	-3.8	-2.9	6.3	2.3	1.4	1.0	$429.1
Legg Mason Partners Appr I (S&P 500)	9.2	10.8	12.7	15.1	-0.8	-2.9	4.1	2.3	5.5	4.6	$125.0
Vanguard Institutional Index Plus (S&P 500)	10.7	10.8	15.1	15.1	-2.8	-2.9	2.3	2.3	1.1	1.0	$430.0
Mid Cap Equity:											
Vanguard Mid-Cap Index (MSCI US Mid-Cap 450)	13.6	13.6	25.7	25.7	0.9	0.9	4.4	4.4	7.9	7.9	$205.0
Small Cap Equity:											
T. Rowe Price Small-Cap Stock (Russell 2000)	17.4	16.3	32.5	26.9	6.9	2.2	6.3	4.5	9.1	6.2	$425.0
Balanced:											
Dodge & Cox Balanced Fund (60% S&P 500/40% Barclays Capital Agg)	8.4	5.9	12.2	12.1	-1.5	1.0	2.1	4.0	5.5	5.5	$277.3
Vanguard Balanced Index Inst. Fund (60% MSCI US Broad Market, 40% Barclays Capital Agg)	6.5	6.4	13.3	13.5	2.0	1.8	4.6	4.5	5.7	5.6	$186.1
Bond:											
Dodge & Cox Income Fund (Barclays Capital Aggregate)	0.2	-1.3	7.2	6.5	7.4	5.9	6.5	5.8	6.6	6.1	$148.1
Vanguard Total Bond Market Index Inst. (Barclays Capital Aggregate)	-1.3	-1.3	6.6	6.5	5.9	5.9	5.9	5.8	5.2	5.2	$138.8
International:											
Fidelity Diversified International (MSCI EAFE-Free)	8.3	6.6	9.7	7.7	-7.5	-7.0	2.4	2.5	7.2	3.5	$244.9
Vanguard Inst. Dev. Mkts. Index (MSCI EAFE)	6.8	6.6	8.7	7.7	-6.6	-7.0	2.7	2.5	7.7	7.4	$98.6

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

* Vanguard Mid-Cap Index Fund retained January 2004; Legg Mason, Vanguard Inst. Dev. Mkt., Vanguard Balanced, Vanguard Total Bond Mkt. retained December 2003; Dodge & Cox Balanced Fund retained in October 2003; all others, July 1999.

MN STATE 457 DEFERRED COMPENSATION PLAN
MUTUAL FUND MANAGERS
Calendar Year Returns

	2010		2009		2008		2007		2006	
457 Mutual Funds	**Actual** %	**Bmk** %	**Actual** %	**Bmk** %	**Actual** %	**Bmk** %	**Actual** %	**Bmk** %	**Actual** %	**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
Legg Mason Partners Appr I (S&P 500)	12.7	15.1	21.8	26.5	-28.8	-37.0	8.6	5.5	15.0	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:										
Dodge & Cox Balanced Fund (60% S&P 500/40% Barclays Capital Agg)	12.2	12.1	28.4	18.4	-33.6	-22.4	1.7	6.2	13.8	11.1
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 Inst. Dev. Mkts. Index (MSCI EAFE)	8.7	7.7	28.2	31.8	-41.5	-43.4	11.0	11.2	26.3	26.3

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

MN STATE 457 DEFERRED COMPENSATION PLAN
LARGE CAP EQUITY – JANUS TWENTY
Periods Ending December, 2010

State's Participation in Fund:	**$429,073,490**
Total Assets in Fund:	**$9,300,000,000**

Portfolio Manager: Ron Sachs

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.

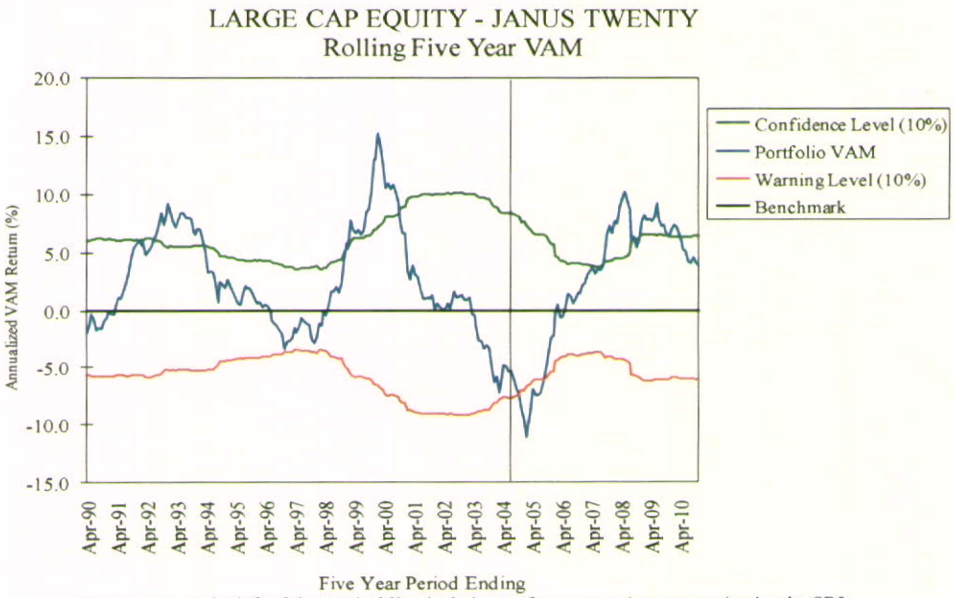
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	9.2%	10.8%
Last 1 year	7.0	15.1
Last 2 years	23.8	20.6
Last 3 years	-3.8	-2.9
Last 4 years	4.9	-0.8
Last 5 years	6.3	2.3
Since Retention by SBI (7/99)	1.4	1.0

*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
LARGE CAP EQUITY – LEGG MASON PARTNERS APPRECIATION I
Periods Ending December, 2010

Portfolio Manager: Scott Glasser	**State's Participation in Fund: $125,025,061**
	Total Assets in Fund: $4,390,200,000

Investment Philosophy
Legg Mason Partners Appreciation I

The Fund invests in U.S. growth and value stocks, primarily blue-chip companies that are dominant in their industries. Investments are selected from among a core base of stocks with a strong financial history, recognized industry leadership, and effective management teams that strive to earn consistent returns for shareholders. The portfolio manager looks for companies that he believes are undervalued with the belief that a catalyst will occur to unlock these values.

Staff Comments

No comment at this time.

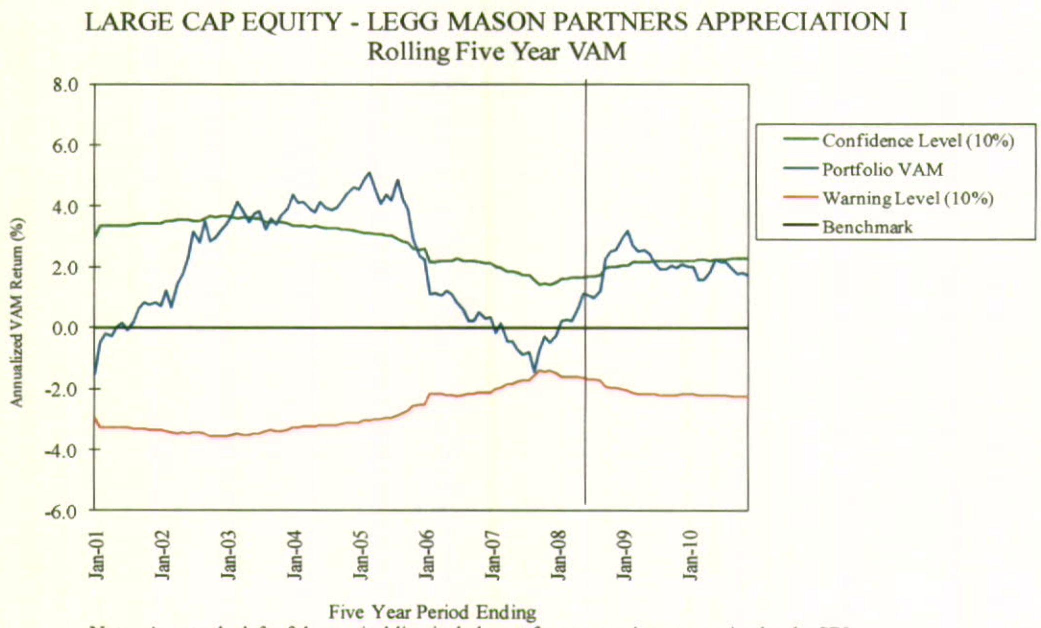
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	9.2%	10.8%
Last 1 year	12.7	15.1
Last 2 years	17.1	20.6
Last 3 years	-0.8	-2.9
Last 4 years	1.5	-0.8
Last 5 years	4.1	2.3
Since Retention by SBI (12/03)	5.5	4.6

*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 December, 2010

Portfolio Manager: Donald Butler

State's Participation in Fund: $430,020,565
Total Assets in Fund: $33,643,000,000

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

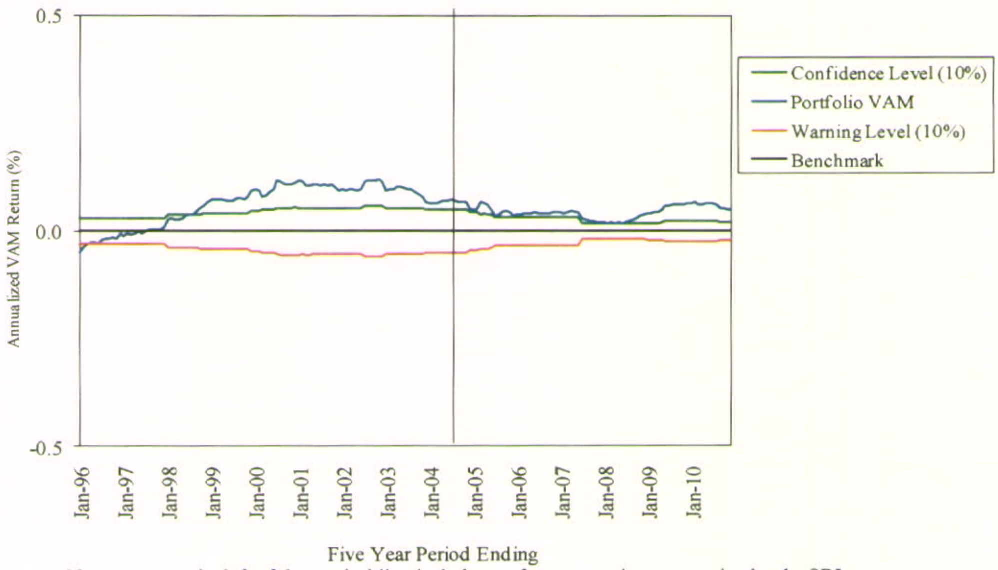
	Actual	Benchmark*
Last Quarter	10.7%	10.8%
Last 1 year	15.1	15.1
Last 2 years	20.7	20.6
Last 3 years	-2.8	-2.9
Last 4 years	-0.8	-0.8
Last 5 years	2.3	2.3
Since Retention by SBI (7/99)	1.1	1.0

*Benchmark is the S&P 500.

Recommendation

No action required.

EQUITY INDEX - VANGUARD INSTITUTIONAL INDEX PLUS
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
MID CAP EQUITY – VANGUARD MID-CAP INDEX
Periods Ending December, 2010

		State's Participation in Fund:	**$205,016,459**
Portfolio Manager:	**Donald Butler**	**Total Assets in Fund:**	**$7,795,000,000**

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.

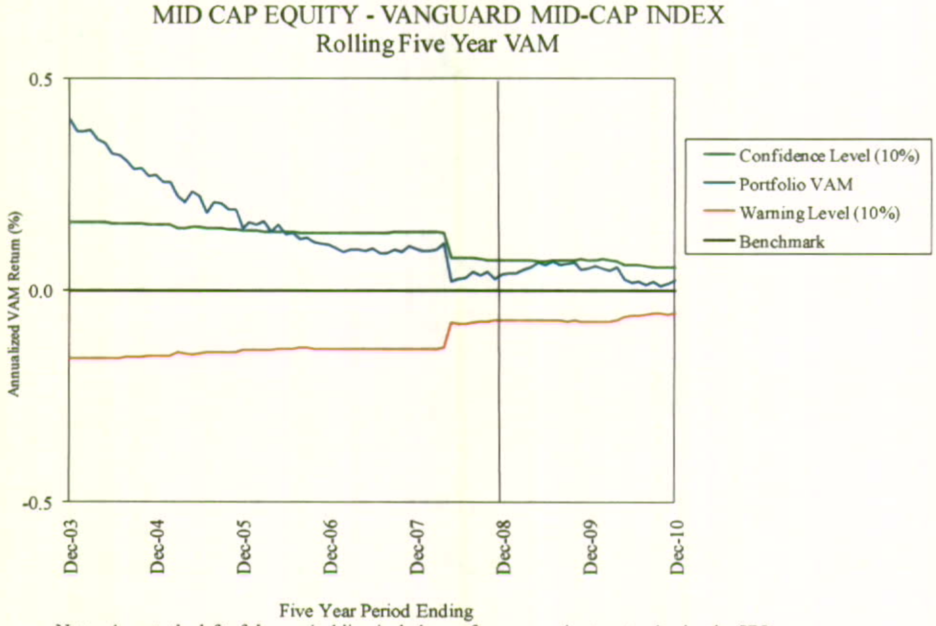
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	13.6%	13.6%
Last 1 year	25.7	25.7
Last 2 years	32.9	32.9
Last 3 years	0.9	0.9
Last 4 years	2.2	2.2
Last 5 years	4.4	4.4
Since Retention by SBI (1/04)	7.9	7.9

*Benchmark is the MSCI US Mid Cap 450.

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
SMALL CAP EQUITY – T. ROWE PRICE SMALL CAP STOCK FUND
Periods Ending December, 2010

		State's Participation in Fund:	**$425,022,519**
Portfolio Manager:	**Gregory A. McCrickard**	**Total Assets in Fund:**	**$6,785,617,032**

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

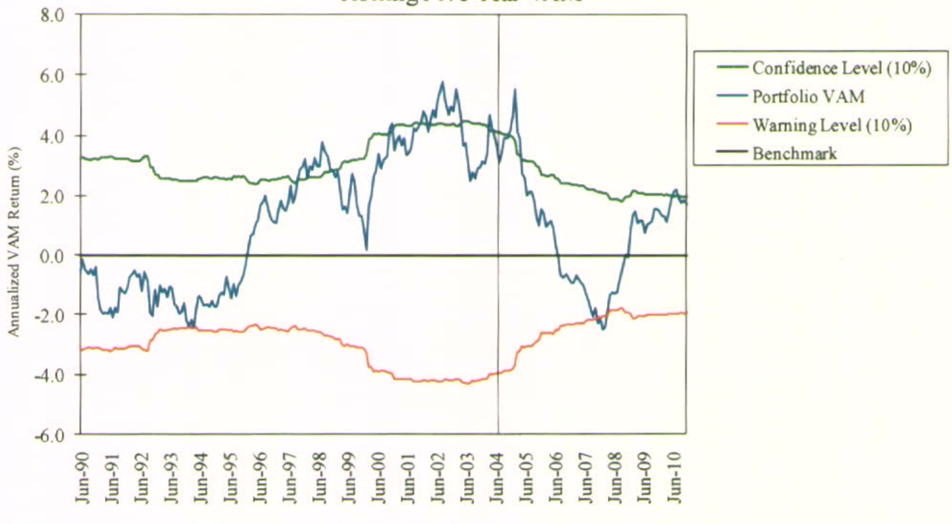
	Actual	Benchmark*
Last Quarter	17.4%	16.3%
Last 1 year	32.5	26.9
Last 2 years	35.5	27.0
Last 3 years	6.9	2.2
Last 4 years	4.7	1.3
Last 5 years	6.3	4.5
Since Retention by SBI (7/99)	9.1	6.2

*Benchmark is the Russell 2000.

Recommendation

No action required.

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



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

STATE 457 DEFERRED COMPENSATION PLAN
BALANCED – DODGE & COX BALANCED FUND
Periods Ending December, 2010

State's Participation in Fund: $277,314,152

Portfolio Manager: John Gunn **Total Assets in Fund: $14,849,195,349**

Investment Philosophy
Dodge & Cox Balanced Fund

The Fund seeks regular income, conservation of principal and an opportunity for long-term growth of principal and income. The Fund invests in a diversified portfolio of common stocks preferred stocks and fixed income securities.

Staff Comments

No comment at this time.

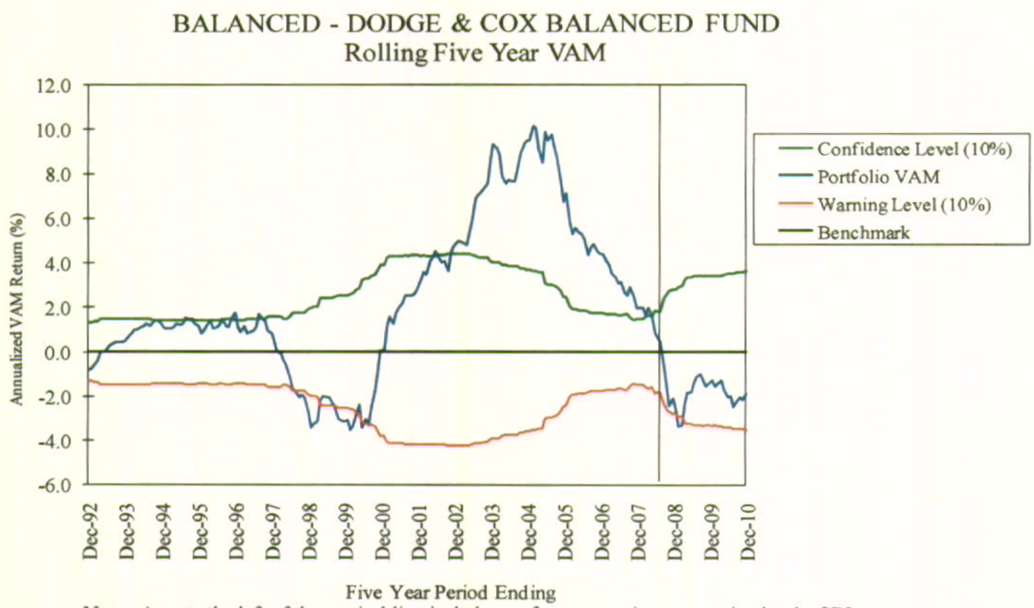
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	8.4%	5.9%
Last 1 year	12.2	12.1
Last 2 years	20.0	15.2
Last 3 years	-1.5	1.0
Last 4 years	-0.7	2.3
Last 5 years	2.1	4.0
Since Retention By SBI (10/03)	5.5	5.5

*Benchmark is 60% S&P 500, 40% Barclays Capital Aggregate.

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
BALANCED – VANGUARD BALANCED INDEX INSTITUTIONAL FUND
Periods Ending December, 2010

		State's Participation in Fund:	**$186,133,829**
Portfolio Manager:	**Michael Perre**	**Total Assets in Fund:**	**$3,446,000,000**

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

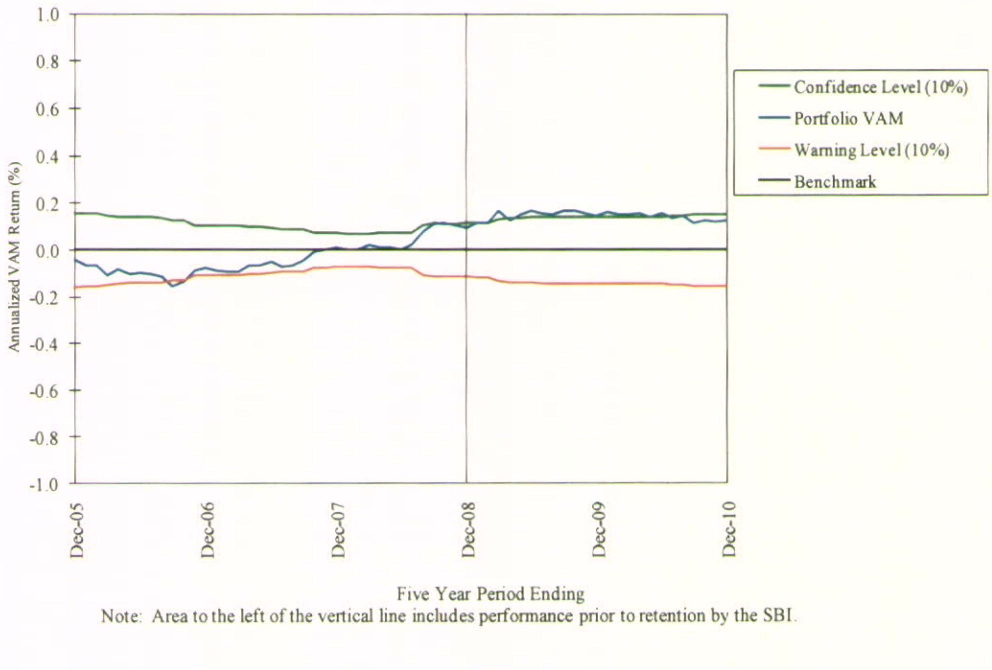
	Actual	Benchmark*
Last Quarter	6.5%	6.4%
Last 1 year	13.3	13.5
Last 2 years	16.7	16.5
Last 3 years	2.0	1.8
Last 4 years	3.1	2.9
Last 5 years	4.6	4.5
Since Retention by SBI (12/03)	5.7	5.6

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

Recommendation

No action required.

BALANCED - VANGUARD BALANCED 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
BOND – DODGE & COX INCOME FUND
Periods Ending December, 2010

Portfolio Manager: Dana Emery	**State's Participation in Fund: $148,072,884**
	Total Assets in Fund: $22,381,280,787

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

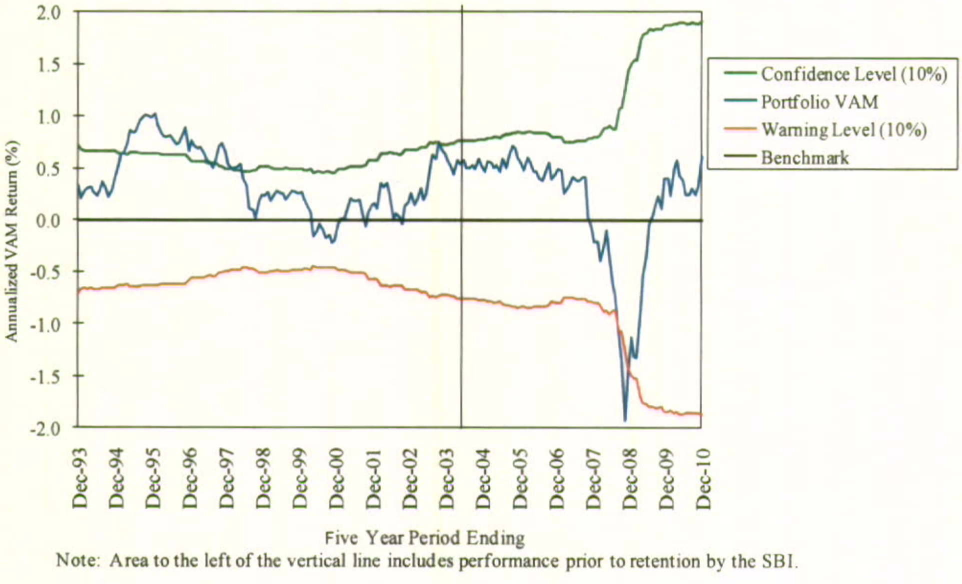
	Actual	Benchmark*
Last Quarter	0.2%	-1.3%
Last 1 year	7.2	6.5
Last 2 years	11.5	6.2
Last 3 years	7.4	5.9
Last 4 years	6.7	6.2
Last 5 years	6.5	5.8
Since Retention By SBI (7/99)	6.6	6.1

*Benchmark is the Barclays Capital Aggregate.

Recommendation

No action required.

BOND - DODGE & COX INCOME 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
BOND – VANGUARD TOTAL BOND MARKET INDEX INSTITUTIONAL
Periods Ending December, 2010

Portfolio Manager: Kenneth Volpert

State's Participation in Fund: $138,784,359
Total Assets in Fund: $20,419,000,000

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

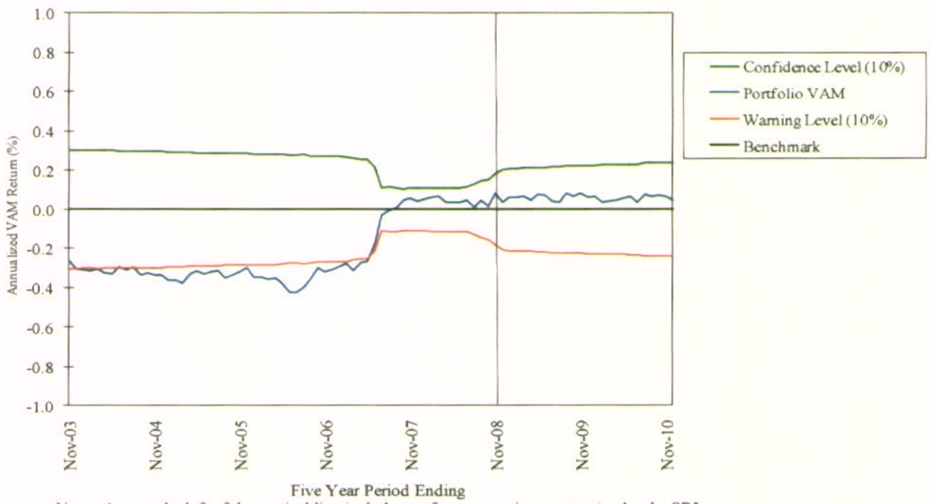
	Actual	Benchmark*
Last Quarter	-1.3%	-1.3%
Last 1 year	6.6	6.5
Last 2 years	6.3	6.2
Last 3 years	5.9	5.9
Last 4 years	6.2	6.2
Last 5 years	5.9	5.8
Since Retention by SBI (12/03)	5.2	5.2

*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 December, 2010

State's Participation in Fund: $244,931,893
Portfolio Manager: William Bower — **Total Assets in Fund: $35,049,760,000**

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.

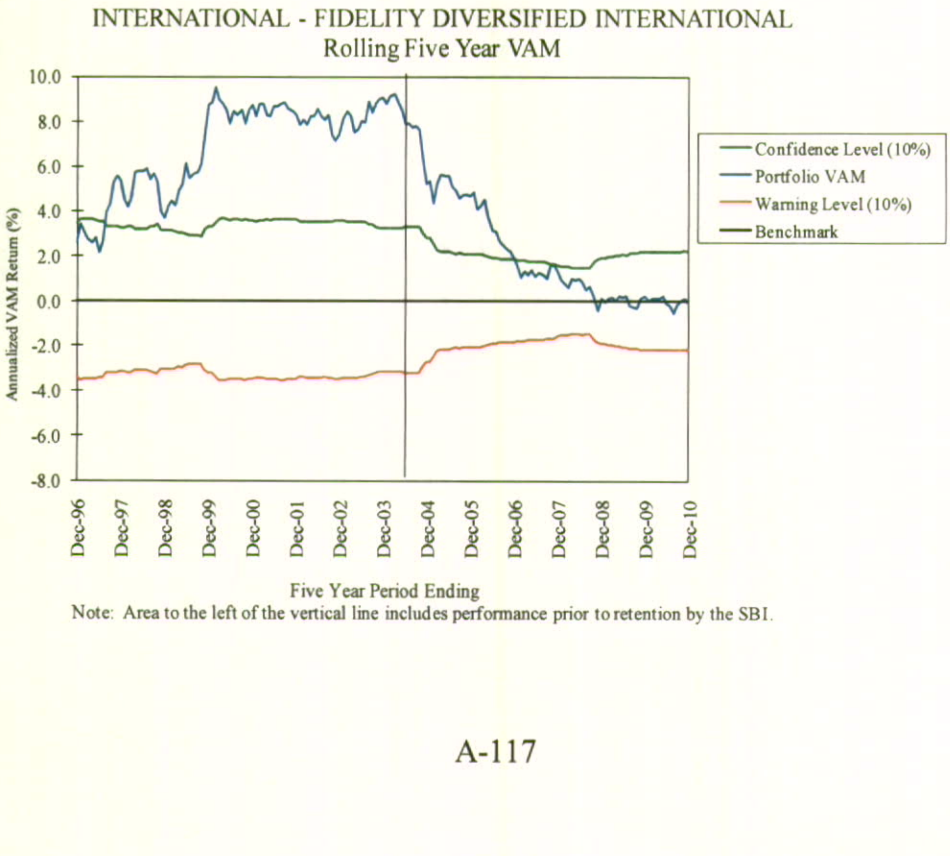
Quantitative Evaluation

	Actual	Benchmark*
Last Quarter	8.3%	6.6%
Last 1 year	9.7	7.7
Last 2 years	20.2	19.2
Last 3 years	-7.5	-7.0
Last 4 years	-2.1	-2.8
Last 5 years	2.4	2.5
Since Retention By SBI (7/99)	7.2	3.5

*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 INSTITUTIONAL DEVELOPED MARKETS INDEX
Periods Ending December, 2010

		State's Participation in Fund:	**$98,582,226**
Portfolio Manager:	**Duane Kelly and Michael Buek**	**Total Assets in Fund:**	**$5,813,000,000**

Investment Philosophy
Vanguard Institutional Developed Market Index

The fund seeks to track the performance of the MSCI EAFE Index by passively investing in two other Vanguard funds—the European Stock Index Fund and the Pacific Stock Index Fund. The combination of the two underlying index funds, in turn, seeks to track the investment results of the Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East (EAFE) Index. The MSCI EAFE Index includes approximately 1,000 common stocks of companies located in Europe, Australia, Asia, and the Far East.

Staff Comments

No comment at this time.

Quantitative Evaluation

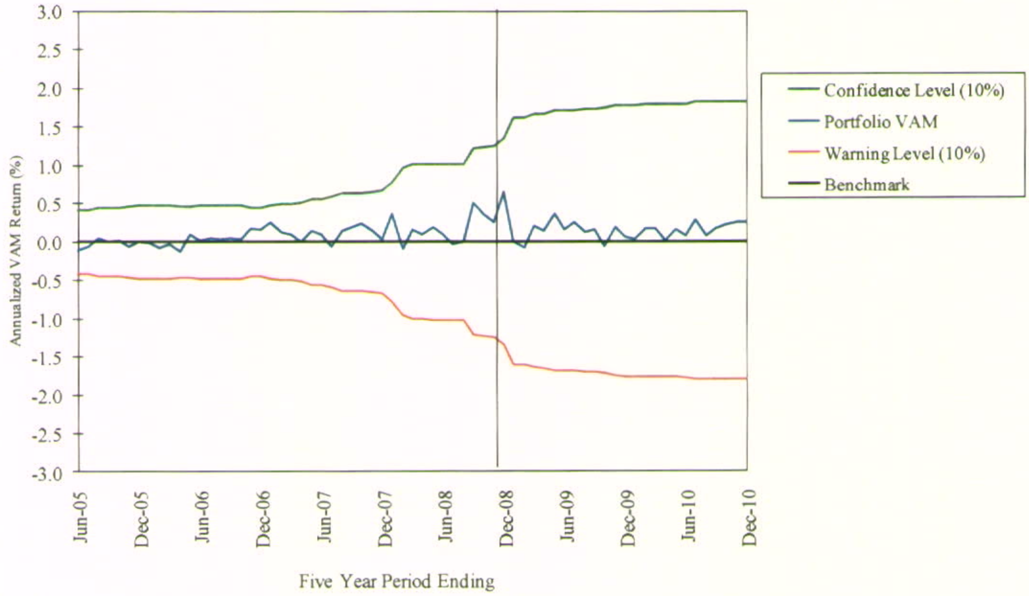
	Actual	Benchmark*
Last Quarter	6.8%	6.6%
Last 1 year	8.7	7.7
Last 2 years	18.1	19.2
Last 3 years	-6.6	-7.0
Last 4 years	-2.5	-2.8
Last 5 years	2.7	2.5
Since Retention by SBI (12/03)	7.7	7.4

*Benchmark is the MSCI EAFE International

Recommendation

No action required.

INTERNATIONAL - VANGUARD DEVELOPED MARKET INDEX
Rolling Five Year VAM



Tab D

DATE: February 22, 2011

TO: Members, Investment Advisory Council

FROM: Tammy Brusehaver and PatC Ammann

SUBJECT: Review of AllianceBernstein, a domestic equity manager

ORGANIZATION

Alliance Capital was hired by the SBI in 1984 to manage a large cap growth portfolio. The entire large cap growth team, led by Al Harrison, was located in Minneapolis. Alliance Capital merged with Bernstein in 2000, forming AllianceBernstein. When Al Harrison retired in 2003, Jim Reilly was named Team Leader and was located in Chicago. Jim retired in June 2010 and was replaced by Scott Wallace, who is also located in Chicago.

STAFFING

Jack Koltes managed the SBI's account from inception in January 1984 until June 2007, when portfolio management duties were transitioned to Stephanie Simon. In addition to the SBI account, Stephanie managed other institutional accounts, the team portfolio, and the Strategic Growth Portfolio. The Strategic Growth Portfolio is a pooled product for high net worth clients and is invested as if it were one account. In January 2011, Stephanie announced her resignation as portfolio manager, effective January 31, 2011. Stephanie will remain as a consultant through June 2011.

Jack Koltes has returned as the portfolio manager for this account. With Stephanie's departure, Jack will be the only portfolio manager in the Minneapolis office.

ASSETS

As of December 2010, AllianceBernstein had $486 billion in assets under management, of which $13.7 billion was invested in their large cap growth strategy. Since the peak of $83.6B in 2000, assets have declined in this strategy. The assets under management in this strategy for the last five calendar years are shown in the following chart.

Calendar Year	Alliance Large Cap Growth AUM
2010	$13.7 B
2009	$17.7
2008	$15.0
2007	$24.9
2006	$30.8

PERFORMANCE

SBI's Portfolio performance is provided below.

Period (12/31/10)	Alliance	Russell 1000 Growth
Quarter	13.7%	11.8%
1 Year	10.4	16.7
3 Year	-3.0	-0.5
5 Year	1.0	3.8
Since Inception (1/1984)	12.2	9.6

Calendar Year	Alliance	Russell 1000 Growth
2010	10.4%	16.7%
2009	38.4	37.2
2008	-40.3	-38.4
2007	15.4	11.8
2006	-0.4	9.1

RECOMMENDATION:

Due to portfolio manager turnover, loss of assets, and underperformance staff recommends that the SBI terminate the relationship with AllianceBernstein for investment management services for the Domestic Equity Large Cap Growth product.

Tab E

DATE: February 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.

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 will 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.

ATTACHMENT A

Minnesota State Board of Investment

Pooled Alternative Investments
Combined Funds
December 31, 2010

Combined Funds Market Value	$45,978,370,367
Amount Available for Investment	**$2,765,088,237**

	Current Level	Target Level	Difference
Market Value (MV)	$6,430,585,836	$9,195,674,073	$2,765,088,237
MV +Unfunded	$9,513,776,251	$13,793,511,110	$4,279,734,859

Asset Class	Market Value	Unfunded Commitment	Total
Private Equity	$3,796,493,406	$1,578,133,975	$5,374,627,381
Real Estate	$944,263,515	$187,524,236	$1,131,787,751
Resource	$655,195,957	$692,816,988	$1,348,012,945
Yield-Oriented	$1,034,632,958	$624,715,216	$1,659,348,174
Total	$6,430,585,836	$3,083,190,415	$9,513,776,251

(Blank)

ATTACHMENT B

Minnesota State Board of Investment
Alternative Investments
As of December 31, 2010

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
I. REAL ESTATE								
Blackstone								
Blackstone Real Estate V	100,000,000	91,825,941	77,571,582	23,165,945	9,378,453	2.07	1.10	4.68
Blackstone Real Estate VI	100,000,000	70,234,450	68,600,797	46,623	32,023,648	-3.70	0.98	3.75
Colony Capital								
Colony Investors III	100,000,000	100,000,000	5,111,500	167,834,385	0	14.69	1.73	13.00
CSFB								
CSFB Strategic Partners III RE, L.P.	25,000,000	24,791,647	10,379,264	568,588	773,070	-27.02	0.44	5.50
CSFB Strategic Partners IV RE, L.P.	50,000,000	43,868,930	26,289,371	1,606,425	6,719,283	-19.93	0.64	2.54
Lehman Brothers Real Esate Partners								
Lehman Brothers Real Estate Partners II	75,000,000	70,256,048	40,315,038	22,008,951	10,355,294	-4.34	0.89	5.50
Lehman Brothers Real Estate Partners III	150,000,000	66,143,137	32,160,050	0	83,274,488	-29.42	0.49	2.61
Prime Property Fund	40,000,000	40,000,000	206,835,382	0	0	5.80	5.17	29.22
T.A. Associates Realty								
Realty Associates Fund V	50,000,000	50,000,000	16,185,161	79,425,552	0	10.92	1.91	11.60
Realty Associates Fund VI	50,000,000	50,000,000	38,833,671	44,353,088	0	12.55	1.66	8.51
Realty Associates Fund VII	75,000,000	75,000,000	52,604,679	19,275,787	0	-1.13	0.96	6.12
Realty Associates Fund VIII	100,000,000	100,000,000	66,226,600	4,732,214	0	-11.37	0.71	4.50
Realty Associates Fund IX	100,000,000	55,000,000	53,401,370	61,577	45,000,000	-3.66	0.97	2.35
UBS-Trumbull Property Fund	42,376,529	42,376,529	249,749,050	0	0	6.83	5.89	28.67
Real Estate Total	**1,057,376,529**	**879,496,682**	**944,263,515**	**363,079,135**	**187,524,236**		1.49	
II. RESOURCE								
Apache Corp III	30,000,000	30,000,000	3,292,440	55,217,385	0	12.15	1.95	24.00
EnCap Energy								
EnCap Energy Capital Fund VII, L.P.	100,000,000	59,155,102	53,201,436	14,891,323	41,397,641	10.22	1.15	3.50
EnCap Energy Capital Fund VIII, L.P.	100,000,000	2,100,000	2,100,000	0	97,900,000	0.00	1.00	0.25
Energy Capital Partners II-A	100,000,000	25,377,466	28,720,069	3,955,190	78,563,067	30.16	1.29	0.45
First Reserve								
First Reserve Fund IX, L.P.	100,000,000	100,000,000	337,000	299,809,372	0	48.13	3.00	9.73
First Reserve Fund X, L.P.	100,000,000	100,000,000	70,605,998	122,963,396	0	37.78	1.94	6.16
First Reserve Fund XI, L.P.	150,000,000	120,079,847	110,830,326	11,749,910	29,920,153	0.71	1.02	4.02
First Reserve Fund XII, L.P.	150,000,000	74,029,195	47,025,930	6,205,160	75,970,805	-21.31	0.72	2.17
NGP								
NGP Midstream & Resources, L.P.	100,000,000	88,377,639	84,538,244	25,360,340	11,933,384	13.47	1.24	3.75
Natural Gas Partners IX, LP	150,000,000	85,713,396	86,682,248	3,396,316	61,626,413	4.17	1.05	3.19
Sheridan								
Sheridan Production Partners I	100,000,000	81,002,260	89,181,990	15,000,000	19,000,000	13.17	1.29	3.75
Sheridan Production Partners II, L.P.	100,000,000	0	0	0	100,000,000	N/A	N/A	0.25
T. Rowe Price	71,002,692	71,002,692	0	97,346,757	0	28.11	1.37	N/A
Trust Company of the West								
TCW Energy Partners XIV	100,000,000	78,357,911	69,783,937	32,041,218	36,255,525	15.06	1.30	3.70
TCW Energy Partners XV	150,000,000	9,750,000	8,896,339	0	140,250,000	-12.34	0.91	0.57
Resource Total	**1,601,002,692**	**924,945,508**	**655,195,957**	**687,936,367**	**692,816,988**		1.45	
III. YIELD-ORIENTED								
Audax Group Mezzanine Fund III, LP	100,000,000	0	0	0	100,000,000	N/A	N/A	0.74
Citicorp Mezzanine								
Citicorp Mezzanine III, L.P.	100,000,000	88,029,296	798,251	132,110,387	0	15.64	1.51	11.16
DLJ Investment Partners								
DLJ Investment Partners II, L.P.	27,375,168	23,164,217	1,133,577	33,726,419	4,955,172	10.38	1.50	11.00
DLJ Investment Partners III, L.P.	100,000,000	38,650,243	24,146,005	11,538,825	63,349,046	-7.86	0.92	4.53
Gold Hill Venture Lending								
Gold Hill Venture Lending	40,000,000	40,000,000	21,803,475	28,600,333	0	6.57	1.26	6.26
Gold Hill 2008	25,852,584	15,253,025	16,135,366	871,268	10,599,559	11.31	1.11	2.50
GS Mezzanine Partners								
GS Mezzanine Partners II, L.P.	100,000,000	100,000,000	10,318,731	120,679,317	0	7.00	1.31	10.83
GS Mezzanine Partners III, L.P.	75,000,000	75,000,000	29,484,989	61,227,636	0	6.75	1.21	7.47
GS Mezzanine Partners 2006 Institutional	100,000,000	73,999,888	58,941,496	19,747,828	26,000,112	1.72	1.06	4.73
GS Mezzanine Partners V, L.P.	150,000,000	53,663,130	48,758,374	15,426,943	87,320,857	6.17	1.20	3.19
GTCR Capital Partners	80,000,000	69,589,422	350,578	106,814,249	10,410,585	10.82	1.54	11.13
Merit Capital Partners								
William Blair Mezzan. Cap. Fd. III, L.P.	60,000,000	56,958,000	10,847,181	94,383,067	3,042,000	15.13	1.85	11.00
Merit Mezzanine Fund IV, L.P.	75,000,000	68,406,593	63,522,828	16,449,665	6,593,407	5.31	1.17	6.04
Merit Mezzanine Fund V, LP	75,000,000	9,918,367	9,918,367	0	65,081,633	0.00	1.00	1.03
Merit Energy Partners								
Merit Energy Partners B	24,000,000	24,000,000	60,119,443	103,696,533	0	24.87	6.83	14.50
Merit Energy Partners C	50,000,000	50,000,000	160,490,653	223,666,172	0	31.60	7.68	12.18
Merit Energy Partners D	88,000,000	70,938,303	128,090,064	157,648,102	0	24.15	4.03	9.60
Merit Energy Partners E	100,000,000	39,983,197	59,800,179	27,496,821	0	16.87	2.18	6.21
Merit Energy Partners F	100,000,000	51,633,900	54,773,945	4,553,285	48,366,101	6.48	1.15	4.77
Prudential Capital Partners								
Prudential Capital Partners I, L.P.	100,000,000	97,100,859	30,660,561	112,472,520	7,642,577	11.17	1.47	9.70
Prudential Capital Partners II, L.P.	100,000,000	92,911,944	77,061,786	43,125,787	7,490,024	8.70	1.29	5.50
Prudential Capital Partners III, L.P.	100,000,000	50,739,603	47,703,741	4,612,063	52,166,864	4.34	1.03	1.71

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
Quadrant Real Estate Advisors								
Institutional Commercial Mortgage Fd V	37,200,000	37,200,000	8,459,871	51,513,842	0	8.02	1.61	11.42
Summit Partners								
Summit Subordinated Debt Fund I, L.P.	20,000,000	18,000,000	80,979	31,406,578	2,000,000	30.55	1.75	16.75
Summit Subordinated Debt Fund II, L.P.	45,000,000	40,500,000	1,526,596	86,223,399	4,500,000	56.27	2.17	13.42
Summit Subordinated Debt Fund III, L.P.	45,000,000	42,690,965	26,728,493	24,480,120	2,850,000	8.93	1.20	6.87
Summit Subordinated Debt Fund IV, L.P.	50,000,000	7,000,000	7,272,615	0	43,000,000	5.41	1.04	2.76
T. Rowe Price	55,800,931	55,800,931	0	55,217,895	0	-3.31	0.99	N/A
TCW/Crescent Mezzanine								
TCW/Crescent Mezzanine Partners III	75,000,000	68,835,264	9,892,950	146,404,160	29,733,857	36.15	2.27	9.75
Windjammer Capital Investors								
Windjammer Mezzanine & Equity Fund II	66,708,861	52,008,253	14,231,443	62,778,946	14,447,241	8.72	1.48	10.75
Windjammer Senior Equity Fund III, L.P.	75,000,000	42,425,228	51,580,424	23,749,330	35,166,182	22.27	1.78	4.99
Yield-Oriented Total	**2,239,937,544**	**1,554,400,629**	**1,034,632,958**	**1,800,621,492**	**624,715,216**		1.82	

IV. PRIVATE EQUITY

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
Adams Street Partners, LLC								
Adams Street VPAF Fund I	3,800,000	3,800,000	41,880	9,440,295	0	13.22	2.50	22.64
Adams Street VPAF Fund II	20,000,000	20,000,000	54,629	37,988,511	0	24.09	1.90	20.09
Advent International GPE VI-A, L.P.	50,000,000	22,625,000	21,371,127	1,500,000	27,375,000	0.92	1.01	2.75
Affinity Ventures								
Affinity Ventures IV, L.P.	4,000,000	3,191,847	1,561,980	762,818	200,000	-13.16	0.73	6.50
Affinity Ventures V, L.P.	5,000,000	2,700,000	2,315,431	115,993	2,300,000	-7.58	0.90	2.49
Banc Fund								
Banc Fund VII, L.P.	45,000,000	45,000,000	22,617,000	812,725	0	-16.03	0.52	5.75
Banc Fund VIII, L.P.	98,250,000	23,580,000	23,437,931	0	74,670,000	-0.59	0.99	2.68
Blackstone								
Blackstone Capital Partners II	47,271,190	47,271,190	4,472,548	95,590,212	0	34.05	2.12	17.11
Blackstone Capital Partners IV	70,000,000	68,861,959	44,524,545	113,600,760	5,409,349	39.63	2.30	8.47
Blackstone Capital Partners V, L.P.	140,000,000	120,786,828	114,307,549	7,360,486	21,135,877	-0.60	1.01	4.91
Blackstone Capital Partners VI, L.P.	100,000,000	0	0	0	100,000,000	N/A	N/A	2.43
BLUM Capital Partners								
Blum Strategic Partners I, L.P.	50,000,000	49,158,307	389,798	99,450,576	2,009,928	12.73	2.03	12.02
Blum Strategic Partners II, L.P.	50,000,000	40,185,889	13,372,429	73,919,825	2,127,584	22.84	2.17	9.45
Blum Strategic Partners III, L.P.	75,000,000	74,806,485	30,342,262	54,513,310	193,515	2.88	1.13	5.58
Blum Strategic Partners IV, L.P.	150,000,000	148,496,870	109,957,562	24,656,730	13,930,449	-4.41	0.91	3.12
Carval Investors								
CVI Global Value Fund, LP	200,000,000	190,000,000	217,189,774	2,087,004	10,000,000	5.17	1.15	3.97
CarVal Credit Value Fund I	100,000,000	20,000,000	20,000,000	10,251	80,000,000	0.05	1.00	0.25
Chicago Growth Partners (William Blair)								
William Blair Capital Partners VII, L.P.	50,000,000	48,150,000	10,102,447	61,526,834	1,650,000	9.78	1.49	9.82
Chicago Growth Partners I, L.P.	50,000,000	49,291,998	38,985,379	18,593,098	3,450,000	6.28	1.17	5.43
Chicago Growth Partners II, L.P.	60,000,000	23,167,743	23,699,087	1,968,000	36,580,257	7.20	1.11	2.81
Coral Partners								
Coral Partners IV, L.P.	15,000,000	15,000,000	1,248,009	13,538,879	0	-0.35	0.99	16.45
Coral Partners V, L.P.	15,000,000	15,000,000	1,354,517	7,854,144	0	-5.84	0.61	12.54
Court Square Capital								
Court Square Capital Partners, L.P.	100,000,000	80,223,910	17,632,928	152,096,889	10,576,235	28.86	2.12	9.05
Court Square Capital Partners II, L.P.	175,000,000	115,594,151	110,387,752	2,365,789	61,046,055	-1.17	0.98	4.32
Crescendo								
Crescendo III, LP	25,000,000	25,000,000	1,395,020	9,321,908	0	-16.92	0.43	12.15
Crescendo IV, LP	101,500,000	101,500,000	34,289,310	5,627,888	0	-11.05	0.39	10.81
CSFB/ DLJ								
DLJ Merchant Banking Partners III, L.P.	125,000,000	120,607,382	50,951,442	199,960,571	4,392,618	18.65	2.08	10.25
DLJ Strategic Partners, L.P.	100,000,000	93,493,319	15,282,296	153,795,579	4,956,681	22.72	1.81	9.95
CSFB Strategic Partners II-B, L.P.	100,000,000	82,977,907	19,156,037	139,666,592	11,222,093	36.34	1.91	7.46
CSFB Strategic Partners III VC, L.P.	25,000,000	22,613,198	16,653,551	10,207,311	2,386,802	5.79	1.19	5.58
CSFB Strategic Partners III-B, L.P.	100,000,000	76,197,900	83,912,731	3,355,379	16,960,004	3.91	1.15	5.58
CS Strategic Partners IV-B	100,000,000	65,679,261	76,525,282	6,102,714	34,320,739	13.83	1.26	2.77
CS Strategic Partners IV VC, L.P.	40,500,000	24,157,447	23,408,369	1,602,010	16,177,659	1.48	1.04	2.54
CVC European Equity Partners V, LP	136,520,076	68,529,475	69,486,741	4,674,707	49,222,656	6.91	1.08	2.77
Diamond Castle Partners IV, LP	100,000,000	87,485,963	69,192,262	14,220,493	12,554,522	-2.38	0.95	4.31
DSV Partners IV	10,000,000	10,000,000	32,429	39,196,082	0	10.61	3.92	25.72
EBF and Associates								
EBF Merced Partners II	75,000,000	63,768,881	48,528,708	56,217,919	0	23.67	1.64	3.75
EBF Merced Partners III	100,000,000	27,300,000	27,225,253	0	72,700,000	-0.75	1.00	0.65
Elevation Partners	75,000,000	67,287,829	31,324,158	33,830,659	13,797,761	-2.15	0.97	5.62
Fox Paine Capital Fund								
Fox Paine Capital Fund II, L.P.	50,000,000	45,408,133	21,338,672	45,397,941	12,844,705	16.58	1.47	10.50
GHJM Marathon Fund								
GHJM Marathon Fund IV	40,000,000	39,051,000	6,262,836	53,984,488	949,000	9.22	1.54	11.71
GHJM Marathon Fund V	50,000,000	48,275,231	52,058,433	17,908,705	1,801,480	10.08	1.45	6.25
Golder,Thoma, Cressey, Rauner								
Golder, Thoma, Cressey & Rauner Fund IV	20,000,000	20,000,000	196,096	42,160,456	0	25.01	2.12	16.91
Golder, Thoma, Cressey & Rauner Fund V	30,000,000	30,000,000	720,708	53,955,241	0	11.01	1.82	14.50
GS Capital Partners								
GS Capital Partners 2000, L.P.	50,000,000	50,000,000	14,331,385	94,097,587	0	23.02	2.17	10.33
GS Capital Partners V, L.P.	100,000,000	66,390,364	72,017,814	57,109,412	26,041,099	16.17	1.94	5.75
GS Capital Partners VI	100,000,000	48,166,994	36,228,798	7,185,851	44,000,000	-5.81	0.90	3.91
GTCR Golder Rauner								
GTCR VI, L.P.	90,000,000	90,000,000	5,744,819	75,082,762	0	-3.68	0.90	12.50

Investment	Total Commitment	Funded Commitment	Market Value	Distributions	Unfunded Commitment	IRR %	MOIC**	Period Years
GTCR VII, L.P.	175,000,000	159,249,989	864,610	387,322,726	15,750,001	25.31	2.44	10.90
GTCR IX, L.P.	75,000,000	58,006,890	49,578,523	5,535,603	16,993,110	-3.48	0.95	4.50
GTCR X, L.P.	100,000,000	0	0	0	100,000,000	N/A	N/A	0.06
Hellman & Friedman								
Hellman & Friedman Capital Partners IV	150,000,000	133,967,494	21,483,393	353,483,051	15,365,585	34.69	2.80	11.00
Hellman & Friedman Capital Partners V	160,000,000	144,591,443	115,310,093	196,647,741	17,441,579	27.80	2.16	6.08
Hellman & Friedman Capital Partners VI	175,000,000	152,338,281	156,034,495	24,839,198	23,784,338	7.40	1.19	3.75
Hellman & Friedman Capital Partners VII	50,000,000	0	0	0	50,000,000	N/A	N/A	1.70
Kohlberg Kravis Roberts								
KKR 1987 Fund	145,373,652	145,373,652	1,582,882	396,223,778	0	8.71	2.74	23.10
KKR 1993 Fund	150,000,000	150,000,000	644,248	308,173,269	0	16.74	2.06	17.03
KKR 1996 Fund	200,000,000	200,000,000	22,674,075	347,134,661	0	13.06	1.85	14.33
KKR Millennium Fund	200,000,000	200,000,000	170,630,357	184,214,267	0	17.95	1.77	8.06
KKR 2006 Fund	200,000,000	164,464,198	147,678,486	35,416,495	48,840,000	2.77	1.11	4.26
Lexington Capital Partners								
Lexington Capital Partners VI-B, L.P.	100,000,000	93,165,310	68,884,189	26,936,103	6,834,690	1.27	1.03	5.02
Lexington Capital Partners VII, L.P.	100,000,000	23,763,793	26,186,892	3,191	76,236,207	32.44	1.10	1.55
RWI Ventures								
RWI Group III	616,430	616,430	121,861	330,192	0	-13.88	0.73	4.50
RWI Ventures I	7,603,265	7,603,265	1,418,847	4,025,809	0	-14.64	0.72	4.50
Sightline Healthcare								
Sightline Healthcare Fund II, L.P.	10,000,000	10,000,000	1,232,633	4,883,002	0	-6.73	0.61	13.83
Sightline Healthcare Fund III, L.P.	20,000,000	20,000,000	3,885,963	4,358,590	0	-11.11	0.41	11.94
Sightline Healthcare Fund IV, L.P.	7,700,000	7,521,061	2,441,788	4,008,034	232,612	-5.03	0.86	7.27
Silver Lake Partners								
Silver Lake Partners II, LP	100,000,000	88,740,757	78,665,216	41,246,023	12,255,111	8.05	1.35	6.50
Silver Lake Partners III, LP	100,000,000	54,492,278	61,137,677	1,215,021	46,243,149	8.31	1.14	3.75
Split Rock Partners								
Split Rock Partners LP	50,000,000	35,872,728	26,960,906	428,377	14,127,272	-8.77	0.76	5.67
Split Rock Partners II, LP	60,000,000	11,280,000	8,769,512	0	48,020,000	-20.98	0.78	2.67
Summit Partners								
Summit Ventures V, L.P.	25,000,000	24,125,000	394,622	32,647,892	875,000	7.99	1.37	12.75
T. Rowe Price	867,520,058	867,520,058	51,181,192	879,082,524	0	8.19	1.07	N/A
Thoma Cressey								
Thoma Cressey Fund VI, L.P.	35,000,000	33,915,000	4,878,147	26,221,225	1,085,000	-1.10	0.92	12.36
Thoma Cressey Fund VII, L.P.	50,000,000	50,000,000	20,231,170	65,410,727	0	22.33	1.71	10.35
Thoma Cressey Fund VIII	70,000,000	68,932,574	84,575,784	6,405,229	770,000	8.18	1.32	4.67
Thomas, McNerney & Partners								
Thomas, McNerney & Partners I, L.P.	30,000,000	27,225,000	17,870,070	10,504,694	2,775,000	1.17	1.04	8.15
Thomas, McNerney & Partners II, L.P.	50,000,000	28,125,000	20,469,875	2,773,057	21,875,000	-8.48	0.83	4.50
Varde Fund								
Varde Fund IX, L.P.	100,000,000	100,000,000	142,402,300	0	0	17.20	1.42	2.52
Varde Fund X, LP	150,000,000	67,500,000	69,597,225	0	82,500,000	4.63	1.03	0.70
Vestar Capital Partners								
Vestar Capital Partners IV, L.P.	55,000,000	52,484,054	28,490,339	64,138,882	1,024,385	14.40	1.76	11.04
Vestar Capital Partners V, L.P.	75,000,000	64,138,353	63,443,038	12,318,676	11,186,876	5.70	1.18	5.03
Warburg Pincus								
Warburg, Pincus Ventures, L.P.	50,000,000	50,000,000	229,193	256,193,050	0	49.21	5.13	16.00
Warburg Pincus Equity Partners	100,000,000	100,000,000	8,818,386	146,838,690	0	9.56	1.56	12.51
Warburg Pincus Private Equity VIII	100,000,000	100,000,000	85,761,315	104,624,682	0	15.04	1.90	8.71
Warburg Pincus Private Equity IX, LP	100,000,000	100,000,000	96,580,725	25,798,742	0	5.62	1.22	5.43
Warburg Pincus Private Equity X, LP	150,000,000	100,485,914	93,321,071	1,467,027	49,575,000	-3.49	0.94	3.19
Wayzata								
Wayzata Opportunities Fund, LLC	100,000,000	92,300,000	133,543,422	12,739,109	7,700,000	10.56	1.58	5.03
Wayzata Opportunities Fund II, LLC	150,000,000	94,950,000	147,317,109	429,900	55,050,000	15.43	1.56	3.19
Welsh, Carson, Anderson & Stowe								
Welsh, Carson, Anderson & Stowe VIII, LP	100,000,000	100,000,000	11,633,274	109,936,964	0	2.45	1.22	12.44
Welsh, Carson, Anderson & Stowe IX, L.P.	125,000,000	120,000,000	33,621,155	154,442,566	5,000,000	11.16	1.57	10.51
Welsh, Carson, Anderson & Stowe X, L.P.	100,000,000	94,578,466	77,333,631	15,288,784	6,000,000	-0.63	0.98	5.04
Welsh, Carson, Anderson & Stowe XI, L.P.	100,000,000	36,388,008	32,947,740	0	63,611,992	-17.65	0.91	2.44
Zell/ Chilmark Fund, L.P.	30,000,000	30,000,000	36,265	77,129,496	0	17.71	2.57	20.47
Private Equity Total	**8,465,654,671**	**6,864,497,456**	**3,796,493,406**	**6,235,232,430**	**1,578,133,975**		1.46	
Alternatives Total	**13,363,971,436**	**10,223,340,275**	**6,430,585,836**	**9,086,869,425**	**3,083,190,415**		1.52	

* 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