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JOHN C. LIU
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MEMORANDUM

TO: Trustees
New York City Police Pension Fund

FROM: Larry Schloss

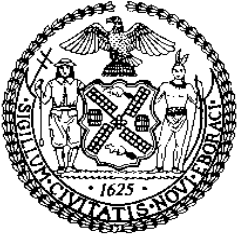
DATE: September 10, 2013

RE: New York City Police Pension Fund Investment Meeting –
September 16, 2013

Enclosed is a copy of the **public agenda** for the Monday, September 16, 2013 Investment Meeting. The meeting will be held at the Police Pension Fund, 233 Broadway – 25th Floor; beginning at 10:00am.

Please remember to bring both **Quarterly Performance Overview** books with you to the meeting, they've been mailed to you.

If you have questions about any agenda item, please give me a call at 212-669-8318.



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

John C. Liu
COMPTROLLER

NEW YORK CITY POLICE PENSION FUND

INVESTMENT MEETING

September 16, 2013

NEW YORK CITY POLICE PENSION FUND

INVESTMENT MEETING

SEPTEMBER 16, 2013

PUBLIC AGENDA

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I. <u>Performance Reviews:</u> (30 Minutes)	
• Quarterly Review/Annual Review – June 30, 2013 (To be distributed)	---
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NEW YORK CITY VARIABLE SUPPLEMENTS FUND PUBLIC AGENDA

POVSE:

I. Performance Review: (5 Minutes)	
• Quarterly Report – June 30, 2013 (To be Distributed)	---

PUBLIC AGENDA

I. Performance Reviews:

Quarterly Reports:

ETI Quarterly Report

Police Economically Targeted Investments Quarterly Report

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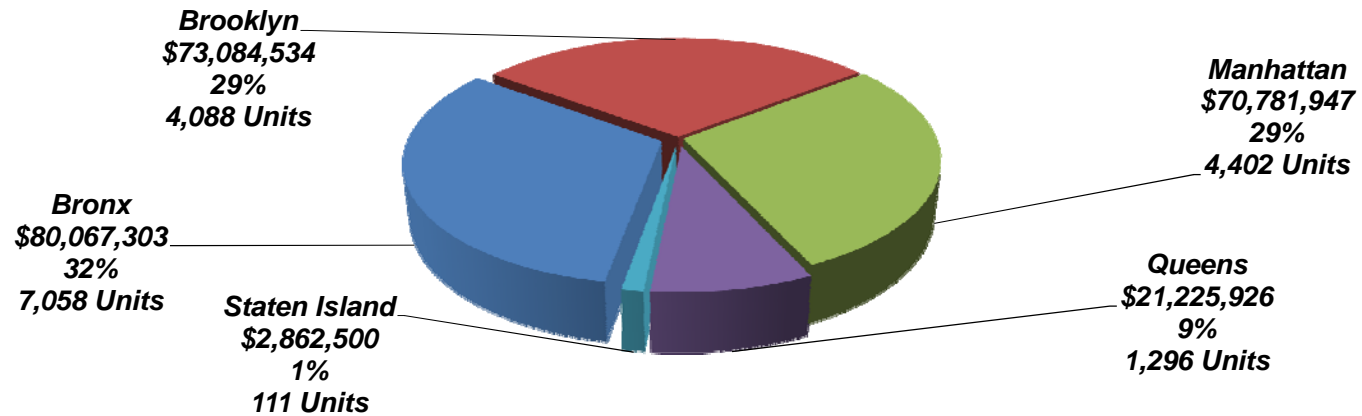
Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	CPC		NHS		BOA		CCD		CFSB		NCBCI		LIIF		All Lender Totals	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Contractual Commitments	\$160,000,000	n/a	\$5,000,000	n/a	\$20,000,000	n/a	\$7,600,000	n/a	\$19,100,000	n/a	\$4,750,000	n/a	\$14,100,000	n/a	\$230,550,000	n/a
Current Market Value	\$98,261,481	n/a	\$598,135	n/a	\$6,745,544	n/a	\$3,068,517	n/a	\$1,224,491	n/a	\$797,075	n/a	\$1,659,383	n/a	\$112,354,627	n/a
Commitments 2Q 13 (included in total)																
Bronx	\$5,492,829	529	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$93,100	20	\$5,585,929	549
Brooklyn	1,728,172	166	0	0	0	0	0	0	0	0	0	0	976,783	70	2,704,955	236
Manhattan	9,232,798	704	0	0	0	0	0	0	0	0	0	0	707,425	82	9,940,222	786
Queens	7,018,250	422	0	0	0	0	0	0	0	0	0	0	0	0	7,018,250	422
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$23,472,048	1,821	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,777,308	172	\$25,249,356	1,993
Delivered 2Q 13 (included in total)																
Bronx	\$6,063,814	978	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$6,063,814	978
Brooklyn	1,650,641	122	0	0	0	0	0	0	0	0	0	0	0	0	1,650,641	122
Manhattan	766,564	82	0	0	0	0	332,310	49	392,744	30	129,960	19	0	0	1,621,578	180
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$8,481,019	1,182	\$0	0	\$0	0	\$332,310	49	\$392,744	30	\$129,960	19	\$0	0	\$9,336,033	1,280
Total Commitments																
Bronx	\$14,358,530	1,183	\$0	0	\$2,499,875	60	\$2,401,030	376	\$0	0	\$0	0	\$910,100	117	\$20,169,535	1,736
Brooklyn	25,266,876	1,592	0	0	2,652,583	54	1,173,820	128	0	0	362,206	54	1,985,505	188	31,440,990	2,016
Manhattan	18,797,072	1,453	0	0	0	0	165,300	30	0	0	1,133,436	173	2,231,331	258	22,327,139	1,914
Queens	7,427,000	500	0	0	7,170,613	239	0	0	0	0	0	0	0	0	14,597,613	739
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$65,849,477	4,728	\$0	0	\$12,323,071	353	\$3,740,150	534	\$0	0	\$1,495,642	227	\$5,126,936	563	\$88,535,277	6,405
Historical Investments																
Bronx	\$74,123,876	5,766	\$0	0	\$5,435,177	1,216	\$508,250	76	\$0	0	\$0	0	\$0	0	\$80,067,303	7,058
Brooklyn	70,192,054	3,695	330,213	7	763,676	88	770,604	124	0	0	0	0	1,027,988	174	73,084,534	4,088
Manhattan	65,731,860	3,716	252,445	15	475,691	48	1,265,950	253	1,531,217	197	799,175	103	725,610	70	70,781,947	4,402
Queens	20,845,926	1,242	0	0	0	0	380,000	54	0	0	0	0	0	0	21,225,926	1,296
Staten Island	2,862,500	111	0	0	0	0	0	0	0	0	0	0	0	0	2,862,500	111
Total	\$233,756,216	14,530	\$582,658	22	\$6,674,543	1,352	\$2,924,804	507	\$1,531,217	197	\$799,175	103	\$1,753,598	244	\$248,022,210	16,955

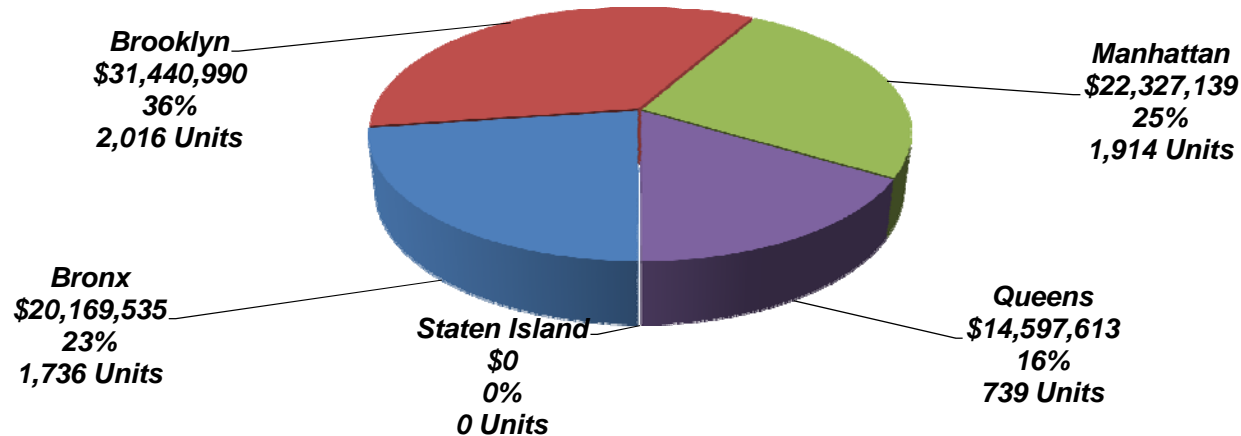
*Lenders : The Community Preservation Corporation Neighborhood Housing Services Bank of America Citibank Community Development Carver Federal Savings Bank NCB Capital Impact Low Income Investment Fund

Public/Private Apartment Rehabilitation Program (PPAR)

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



Police Economically Targeted Investments Quarterly Report

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AFL-CIO Housing Investment Trust (HIT)

Market Value \$113.2million*

NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2012

Multifamily Investments Detail

<u>Borough</u>	<u>2 Q Investments</u>	<u>Investments Since Inception</u>	<u>2Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$52,827,900	0	802
Brooklyn	0	103,890,446	0	5,616
Manhattan	0	134,075,200	0	926
Queens	0	17,760,000	0	1,260
Staten Island	0	6,414,554	0	693
Total	\$0	\$314,968,100	0	9,297

Grand Total NYCCII Phase II \$314,968,100

NYCCII Phase I 2002 - 2005

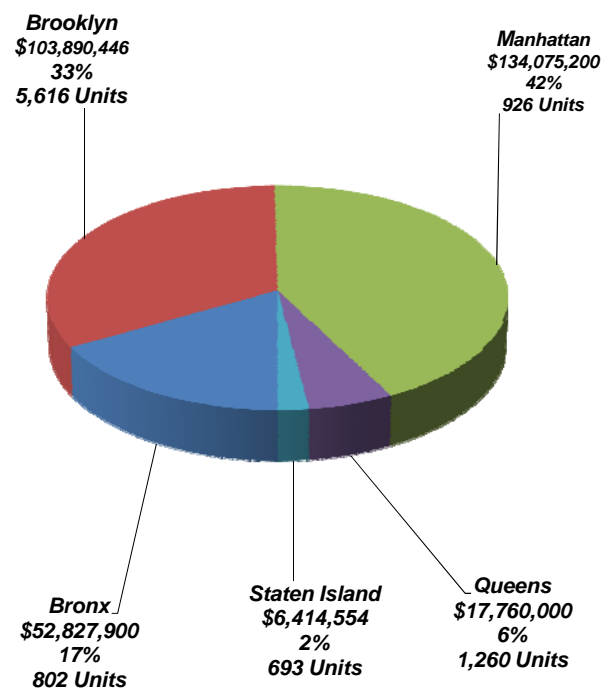
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	131	446
Total NYCCII Phase I	\$597,424,063	12,337	131	446

NYCCII Phases I & II

	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$564,091,600	21,634	n/a	n/a
HIT Home Investments	2,899,899,500	n/a	131	446
Grand Total NYCCII Phases I & II	\$3,463,991,100	21,634	131	446

*Interest is reinvested

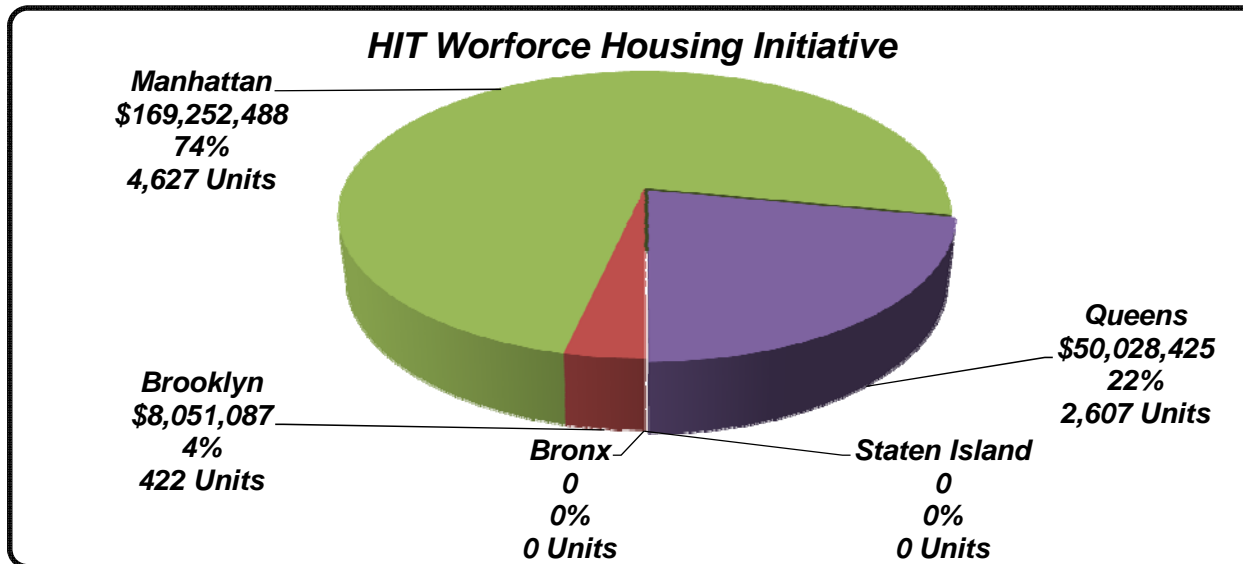
HIT Multifamily Investments



Police Economically Targeted Investments Quarterly Report

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AFL-CIO Housing Investment Trust (HIT) NYC Workforce Housing Initiative 2009-2014				
Investments Through 06/30/2013				
Workforce Investments Detail				
<u>Borough</u>	<u>2 Q Investments</u>	<u>Investments Since Inception</u>	<u>2Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$0	0	0
Brooklyn	0	8,051,087	0	422
Manhattan	0	169,252,488	0	4,627
Queens	0	50,028,425	0	2,607
Staten Island	0	0	0	0
Total	\$0	\$227,332,000	0	7,656



Police Economically Targeted Investments Quarterly Report

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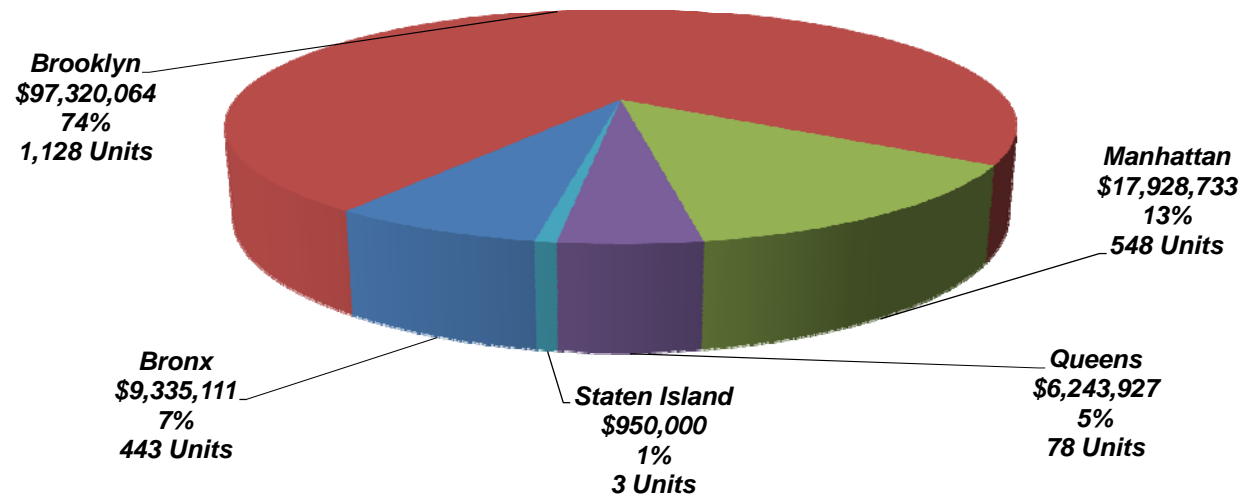
CPC Term Loan	
Commitments All Lenders as of 1Q	\$175,483,667
2Q Paydown	-\$43,705,832
Commitments All Lenders as of 2Q	\$131,777,835

Police Commitment Share/Market Value* as of 1Q 2013	\$7,530,032
2Q Paydown	-\$1,397,334
Police Commitment Share/Market Value* as of 2Q 2013	\$6,132,698

	# Loans		\$ Committed (MM)		# Res. Units		# Comm. Units	
	1Q	2Q	1Q	2Q	1Q	2Q	1Q	2Q
Bronx	17	12	\$19.1	\$9.3	823	443	23	21
Brooklyn	38	33	127.1	97.3	1,274	1,128	33	29
Manhattan	30	24	22.0	17.9	636	548	28	20
Queens	4	4	6.2	6.2	78	78	3	3
Staten Island	1	1	1.0	1.0	3	3	0	0
Grand Total NYC	90	74	\$175.4	\$131.8	2,814	2,200	87	73
Other NY State	32	27	\$89.7	\$58.7	980	909	19	16

*Equals the amount drawn down. Interest is paid monthly.

CPC Term Loan Commitments



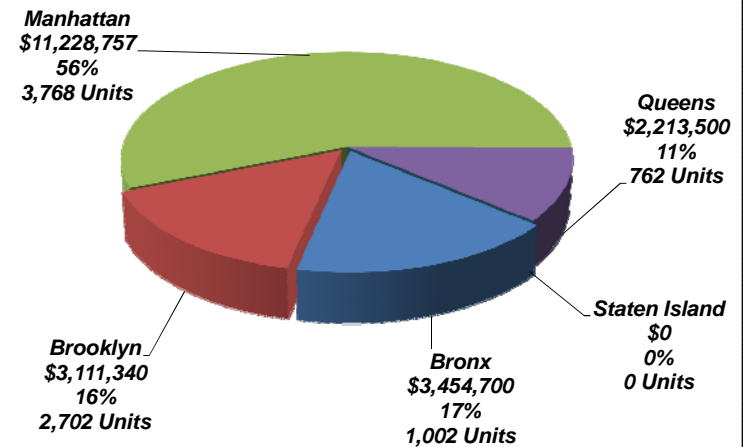
Police Economically Targeted Investments Quarterly Report

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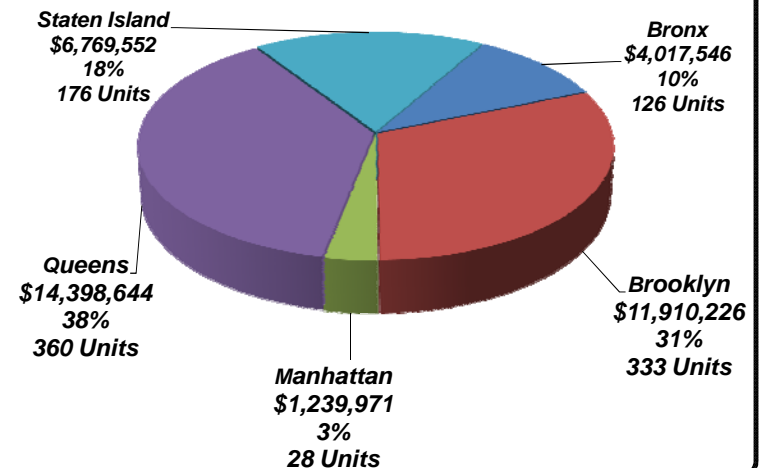
ACCESS CAPITAL STRATEGIES (Since Inception 2/1/07)

\$61.0 million Allocated (19% of total account) Market Value \$25.8 million				
Multifamily Investments Detail	2Q	Total	2Q	Total
	\$ Invested (MMs)		Total Units	
Bronx	\$0.1	\$3.5	494	1,002
Brooklyn	0.6	3.1	2,298	2,702
Manhattan	0.3	11.2	953	3,768
Queens	0.0	2.2	0	762
Staten Island	0.0	0.0	0	0
Total Police Multifamily Investments	\$0.98	\$20.0	3,745	8,234
MultifamilyTotal All Systems	\$5.2	\$105.3	3,745	8,234
Single Family Investments Detail	2Q	Total	2Q	Total
	\$ Invested (MMs)		Total Units	
Bronx	\$0.2	\$4.0	10	126
Brooklyn	1.1	11.9	29	333
Manhattan	0.0	1.2	0	28
Queens	1.0	14.4	24	360
Staten Island	0.5	6.8	11	176
Total Police Single Family Investments	\$2.7	\$38.3	74	1,023
Single Family Total All Systems	\$14.5	\$201.8	74	1,023
Other Investments Detail	2Q	Total	2Q	Total
	\$ Invested (MMs)		# of Loans	
Bronx	\$0.0	\$0.1	0	1
Brooklyn	0.0	1.0	0	8
Manhattan	0.0	0.5	0	5
Queens	0.0	0.1	0	3
Staten Island	0.0	0.0	0	0
Total Police Other Investments	\$0.0	\$1.7	0	17
Other InvestmentsTotal All Systems	\$0.0	\$9.0	0	17
Grand Total Police	\$3.7	\$60.1		
Grand Total All Systems	\$19.6	\$316.1		

Access Multifamily Investments Since Inception Police



Access Single Family Investments Since Inception Police



Police

Economically Targeted Investments Quarterly Report

Emmes ETI Real Estate Fund

833-847 Flatbush Avenue, Brooklyn, NY

On June 26, 2013, the Emmes ETI Real Estate Fund made its inaugural acquisition, purchasing 833-847 Flatbush Avenue in Brooklyn for \$17.5 million (Police portion \$3.4 million). The property is currently 91% leased to a diverse tenant roster which includes a bank, fitness gym and convenience store. The Fund will be investing additional capital to make roof and exterior façade repairs. This investment is expected to preserve jobs and to create jobs through construction and the leasing up of remaining vacant space and is expected to further catalyze investment and development along the Flatbush Avenue retail corridor.



Key Statistics:

- 32,703 square foot retail center
- Purchase Price: \$17.5 million
- 8 Commercial Units
- 91% Leased
- Anchor Tenants: Carver Bank,
- 7- Eleven, Blink Fitness
- Preserves 22 Jobs

Police Economically Targeted Investment Quarterly Report

	Assets (\$MM)	Trailing 3 Months	6/30/2012 6/30/2013	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Trailing* 15 Years	Since Inception	Data Start Date
POLICE										
CPC -PPAR	98.31	2.01	8.44	8.44	7.03	8.43	8.00	7.59	10.06	11/30/84
BOA-PPAR	6.75	1.64	6.49	6.49	****	****	****	****	6.46	01/31/11
CCD-PPAR	3.07	2.48	10.30	10.30	9.22	10.04	****	****	9.15	11/30/06
LIIF-PPAR	1.66	2.09	8.12	8.12	4.77	****	****	****	6.19	07/31/09
CFSB-PPAR	1.22	0.31	5.55	5.55	6.83	7.81	****	****	7.24	09/30/06
NCBCI-PPAR	0.80	2.48	10.42	10.42	7.36	****	****	****	7.59	07/31/09
NHS-PPAR	0.60	2.39	10.51	10.51	6.55	9.51	****	****	8.64	09/30/07
CITIGROUP GNMA +65 BPs per annum		-2.39	-1.53	-1.53	3.47	5.63	5.44	6.17	5.77	
CPC -PPAR	+/-	4.39	9.98	9.98	3.56	2.79	2.56	1.42	****	11/30/84
BOA-PPAR	+/-	4.03	8.02	8.02	****	****	****	****	****	01/31/11
CCD-PPAR	+/-	4.87	11.83	11.83	5.75	4.41	****	****	****	11/30/06
LIIF-PPAR	+/-	4.48	9.65	9.65	1.30	****	****	****	****	07/31/09
CFSB-PPAR	+/-	2.70	7.09	7.09	3.36	2.18	****	****	****	09/30/06
NCBCI-PPAR	+/-	4.87	11.95	11.95	3.89	****	****	****	****	07/31/09
NHS-PPAR	+/-	4.78	12.04	12.04	3.08	3.88	****	****	****	09/30/07
AFL-CIO HOUSING INV TRUST										
Barclay's Capital U.S. Aggregate Index	113.23	-2.48	-1.06	-1.06	3.53	5.20	4.48	****	4.71	09/30/02
	+/-	(0.16)	(0.37)	(0.37)	0.03	0.02	(0.04)	****	****	
ACCESS RBC										
Access/RBC: 60% MI 30 yrs Mortgage Index (MF30)	25.85	-2.13	-0.51	-0.51	3.17	6.11	****	****	5.66	02/28/07
plus 40% U.S. Treasury 1-10 Yr index (G502)	+/-	(0.38)	0.39	0.39	0.62	1.58	****	****	****	02/28/07
CPC - Term Loan										
30 Day Libor + 200 bps with a Floor 250 bps per annum	6.13	0.60	2.45	2.45	2.29	2.46	****	****	3.31	02/28/07
		0.05	0.21	0.21	0.24	0.47	2.30	3.00	****	
		0.55	2.24	2.24	2.06	1.99	****	****	****	
TOTAL POLICE ETI (w/o cash)**										
Police Custom ETI Benchmark (no cash)	257.10	-0.49	3.04	3.04	4.93	6.57	6.36	6.92	8.70	11/30/84
		-2.21	-0.98	-0.98	3.31	5.13	4.93	5.84	****	
		1.73	4.02	4.02	1.62	1.43	1.43	1.08	****	

* Historical returns prior to April 2004 provided by Citigroup.

**Time periods greater than one year are annualized. Returns are net of fees and exclude Erasmus and Emmes.

Private Equity Quarterly Report



Private Equity Monitoring Report

For the period ended March 31, 2013

Report Prepared For:

New York City Police Pension Fund, Subchapter 2



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All valuations are based on current values provided by the general partners of the Underlying Funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

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An investment involves a number of risks and there are conflicts of interest.

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Past performance is not necessarily indicative of future results. Actual performance may vary.

I. Executive Summary

The New York City Police Pension Fund, Subchapter 2 (“NYCPPF”) established the Alternative Investment Program (the “Program”) on January 1, 1997 on behalf of its beneficiaries to participate in attractive long-term investment opportunities and to provide diversification to its overall pension investment portfolio.

StepStone Group LP (“StepStone”) was engaged by NYCPPF on February 1, 2012 to provide private equity advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through March 31, 2013, the Program has committed US\$3.9 billion to 158 partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of March 31, 2013 as well as significant activity that occurred during the first quarter of 2013.

Performance Summary

US\$ in millions	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly Change	Yearly Change
Number of Managers	106	105	102	1	3
Number of Investments	158	154	146	4	8
Committed Capital	\$3,880.2	\$3,731.8	\$3,364.8	\$148.5	\$366.9
Net Contributed Capital ¹	\$2,556.3	\$2,491.8	\$2,237.7	\$64.5	\$254.1
Net Distributed Capital ²	\$1,499.6	\$1,427.9	\$1,124.5	\$71.6	\$303.4
Market Value ³	\$1,915.1	\$1,870.0	\$1,787.2	\$45.1	\$82.8
Total Value	\$3,414.7	\$3,298.0	\$2,911.7	\$116.8	\$386.3
Total Gain/(Loss)	\$858.5	\$806.2	\$674.0	\$52.3	\$132.2
Unfunded Commitment ⁴	\$1,248.9	\$1,166.1	\$1,054.2	\$82.8	\$111.9
Total Exposure ⁵	\$3,164.0	\$3,036.1	\$2,841.4	\$127.9	\$194.7
DPI ⁶	0.59x	0.57x	0.50x	0.01x	0.07x
TVM ⁷	1.34x	1.32x	1.30x	0.01x	0.02x
IRR ⁸	9.7%	9.8%	9.6%	- 6 bps	+ 9 bps
TVM Net of StepStone Fees ⁹	1.34x	1.32x	1.30x	0.02x	0.02x
IRR Net of StepStone Fees ⁹	9.7%	9.8%	9.6%	- 6 bps	+ 8 bps

¹ Net Contributed Capital represents total contributed capital net of distributions subject to recall.

² Net Distributed Capital represents total permanent (non-recallable) distributed capital. Please note that the Net Distributed Capital is presented Pro- Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

³ Please note that the Market Value is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

⁴ Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

⁵ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁶ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital.

⁷ TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Net Distributed Capital, divided by Net Contributed Capital.

⁸ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

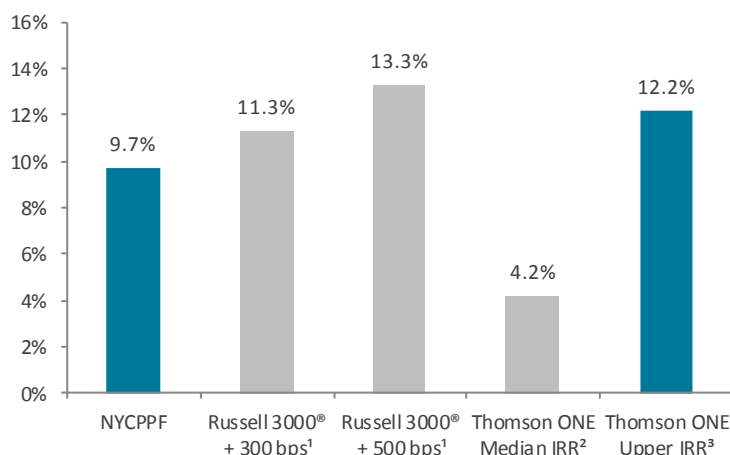
⁹ TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCPPF to StepStone.

Portfolio Performance vs. Benchmarks

The Portfolio's performance is measured against two benchmarks:

1. A dollar-weighted public benchmark, which produced the return that would have been earned if NYCPFF's private equity cash flows were invested in the Russell 3000® Index¹ plus a 300 and a 500 basis point liquidity premium (*the Opportunity Cost Benchmark*).
2. The Thomson ONE (formerly Venture Economics) Median Return (*the Relative Benchmark*).

The following graph illustrates Portfolio IRR performance versus benchmarks as of March 31, 2013.



¹Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

²Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Median Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

³Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Upper Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

Portfolio Diversification

By Strategy

As of March 31, 2013 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	1,196.4	62.5%	632.0	50.6%	1,828.5	57.8%
Growth Equity	155.4	8.1%	226.9	18.2%	382.3	12.1%
Special Situations	66.3	3.5%	107.2	8.6%	173.5	5.5%
Energy	95.4	5.0%	17.7	1.4%	113.2	3.6%
Secondaries	97.5	5.1%	135.9	10.9%	233.4	7.4%
Co-Investment	50.0	2.6%	84.9	6.8%	134.9	4.3%
Other	254.1	13.3%	44.3	3.5%	298.3	9.4%
Total	1,915.1	100.0%	1,248.9	100.0%	3,164.0	100.0%

By Fund Geographic Focus

As of March 31, 2013 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	1,230.5	64.3%	826.8	66.2%	2,057.3	65.0%
Global	506.2	26.4%	296.7	23.8%	803.0	25.4%
Western Europe	147.6	7.7%	115.1	9.2%	262.7	8.3%
Rest of World	30.7	1.6%	9.9	0.8%	40.6	1.3%
Total	1,915.1	100.0%	1,248.5	100.0%	3,163.6	100.0%

II. Market Overview

Executive Summary

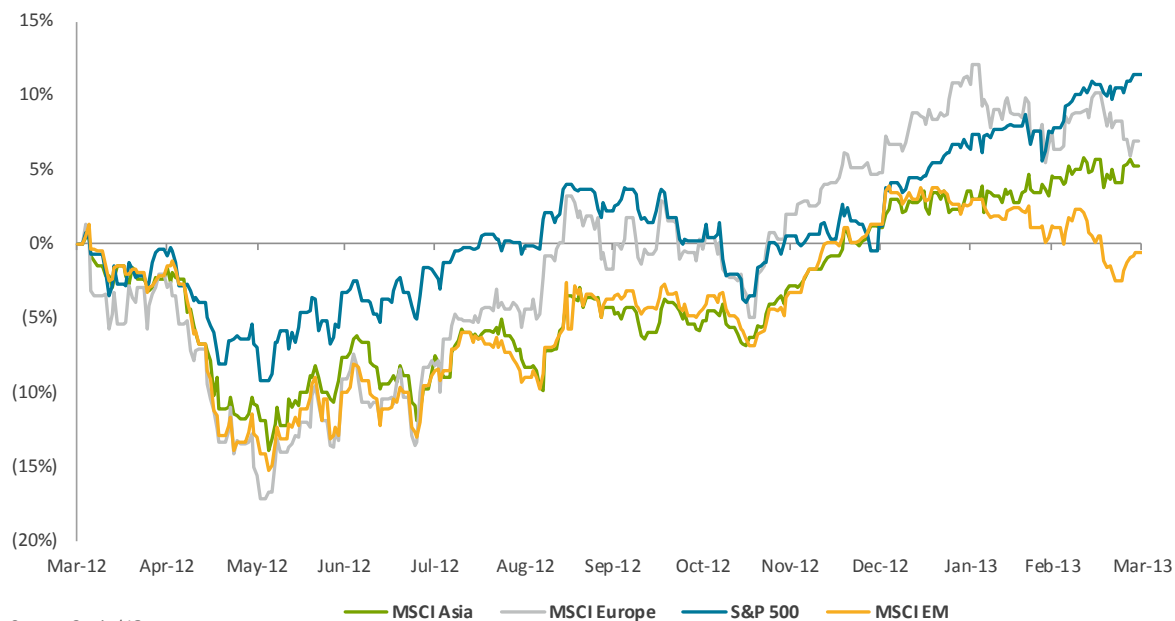
U.S. public equity markets posted strong gains during the first quarter of 2013, reflecting higher corporate profits, continued steady recovery of the U.S. economy, signs of improving labor and housing markets, and continued commitment of the U.S. Federal Reserve to fiscal stimulus. European and Asian public markets posted only modest positive returns during the quarter and remained approximately 50% below peak levels. Debt markets were robust in the first quarter, as U.S. LBO new loan issuance rose for the fourth consecutive quarter to \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Purchase price multiples for U.S. LBOs declined from 9.1x EBITDA in the fourth quarter of 2012 to 8.4x EBITDA in the first quarter of 2013. Fundraising and private equity investment activity in the first quarter were in line with prior quarter totals, yet there were fewer exits as transaction volumes were down for both IPOs and M&A activity.

Capital Markets Overview

Public Equity Markets

The U.S. public equity market rose in the first quarter of 2013, lifting several major indices to all-time highs, while non-U.S. equities lagged behind. Developed Asian markets fared well, and despite an inconclusive election in Italy and a bank bailout in Cyprus, the MSCI Europe Index posted positive returns during the first quarter. Emerging market performance decreased due to slowing growth and currency weakness in some of the larger markets. For the one-year period ending March 31, 2013, each of the global indices below, with the exception of the MSCI Emerging Markets Index, posted positive returns, with the S&P 500 posting the largest increase at 11.4% (as seen on the chart below).

1-Year Global Public Indices



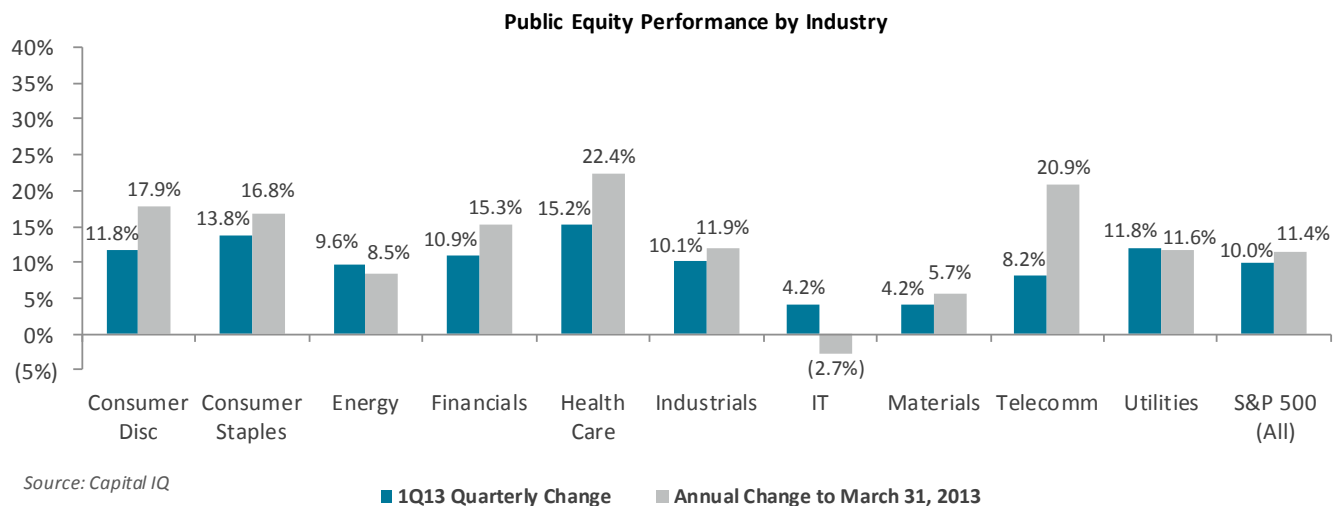
The following table shows the holding period returns of three MSCI indices and the S&P 500 over various time horizons from three months to ten years through March 31, 2013. Only the MSCI Emerging Market Index declined in value during the first quarter of 2013 while the other three indices posted moderate to strong gains, led by the S&P 500's quarterly return of 10.0%. On both a three-year and five-year horizon, the S&P 500 has significantly outperformed the other three indices. On the longer 10-year horizon, the MSCI Emerging Market Index grew by more than 280%, which was more than three times the growth of MSCI Europe or S&P 500 and more than twice the growth of MSCI Asia.

Regional Indices					
	Current Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	4.2%	5.3%	7.2%	(4.9%)	119.3%
MSCI Europe	2.1%	6.9%	4.8%	(23.4%)	88.7%
MSCI EM	(1.9%)	(0.6%)	2.4%	(6.3%)	280.1%
S&P 500	10.0%	11.4%	34.2%	18.6%	85.0%

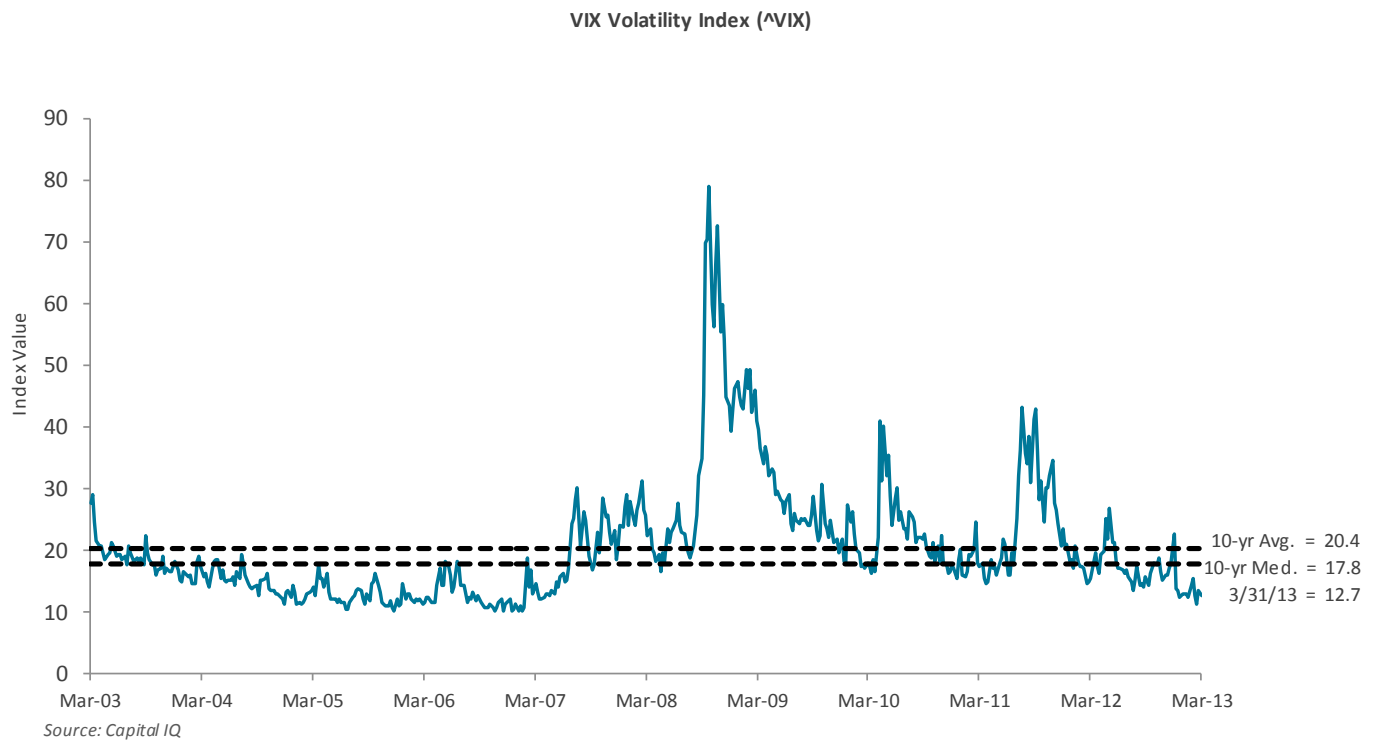
For the period ended March 31, 2013

Source: Capital IQ

During the first quarter of 2013, weighted average stock prices increased in all ten industry sectors in the S&P 500, with the index as a whole increasing 10.0%. The best performing sector was Health Care, which increased by 15.2% over the quarter, helping to drive a strong 1-year return of 22.4%. Over the past 12 months, nine out of ten sectors exhibited positive performance, with Information Technology posting the only decline of 2.7%. The chart below details the capitalization-weighted average change in stock prices for the S&P 500 by industry during the first quarter of 2013 and last 12 months ended March 31, 2013.

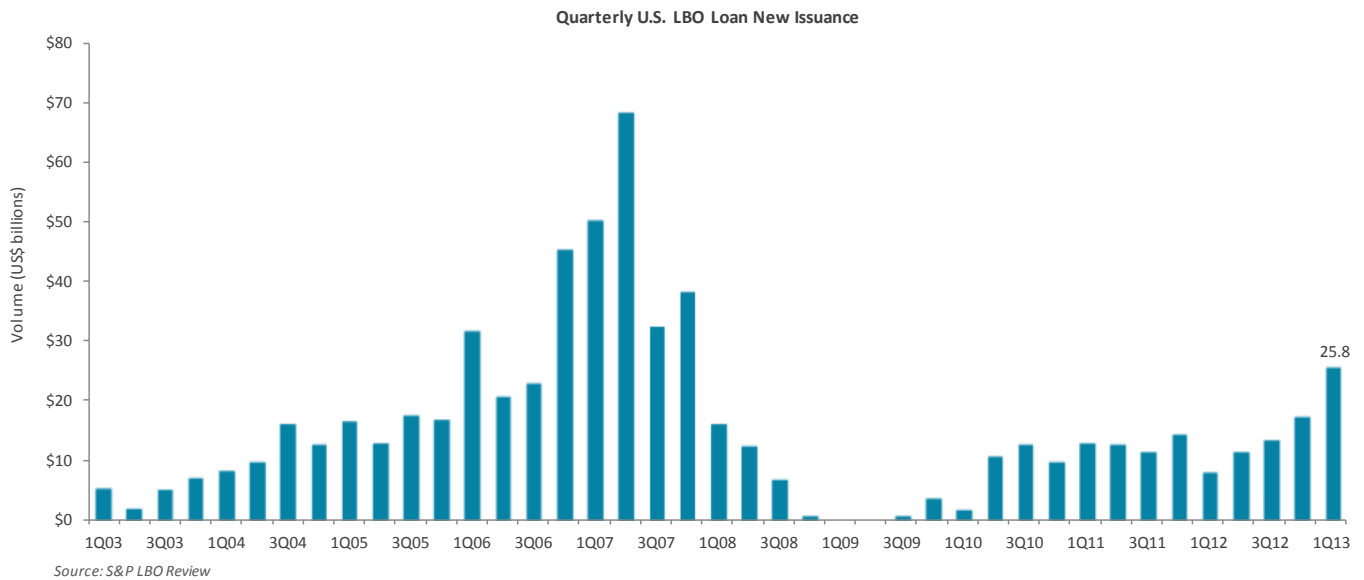


The CBOE Volatility Index (“VIX”), maintained by the Chicago Board Options Exchange, is a popular indicator of investor sentiment and public market volatility. VIX measures the market's expectation of 30-day volatility based on S&P 500 index option prices. At the end of the first quarter of 2013 the VIX was trading at 12.7, significantly below the 10-year historical average of 20.4 and the 10-year median of 17.8, returning to the low levels not seen since 2007. The graph below depicts the historical level of the VIX over the last ten years through March 31, 2013.

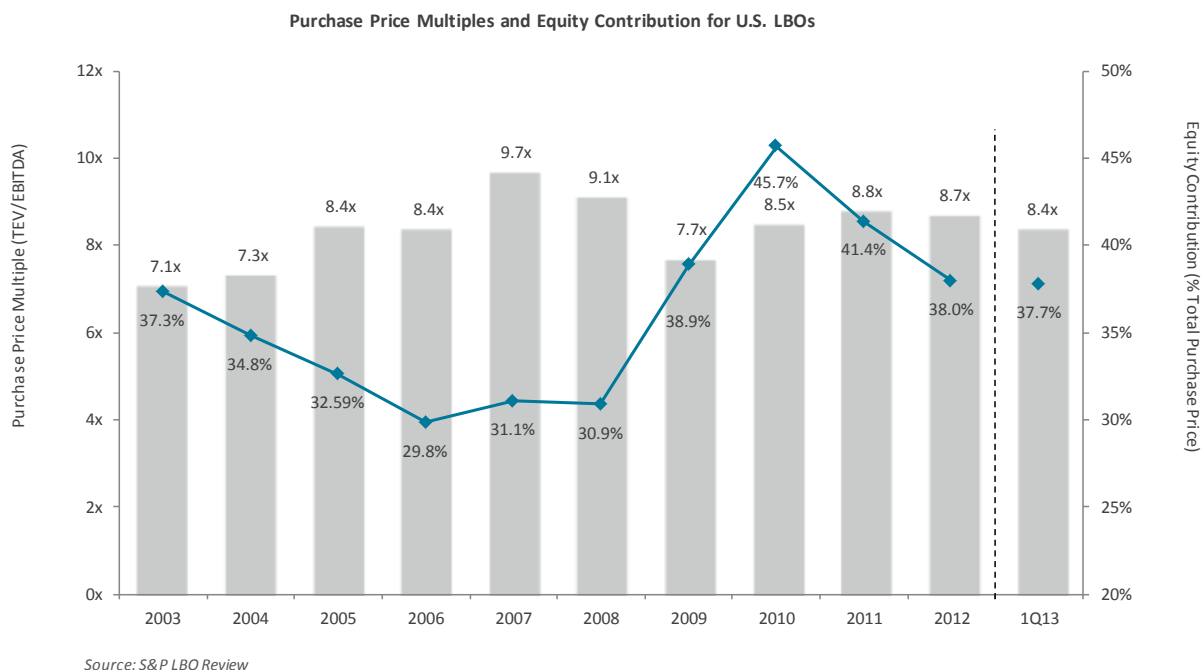


Debt Markets

During the first quarter of 2013, U.S. LBO new loan issuance rose for the fourth consecutive quarter, totaling \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Debt markets, benefiting from historically low interest rates, are providing an ample source of low-cost capital for buyout deals. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



The average purchase price multiple for LBO deals in the first quarter of 2013 was 8.4x total enterprise value (“TEV”) to earnings before interest, tax, depreciation, and amortization (“EBITDA”), notably lower than the fourth quarter of 2012 multiple of 9.1x. The average equity contribution for LBOs increased slightly to 37.7% in the first quarter of 2013, up from 37.4% in the fourth quarter of 2012.



Private Equity Market Overview

All Private Equity

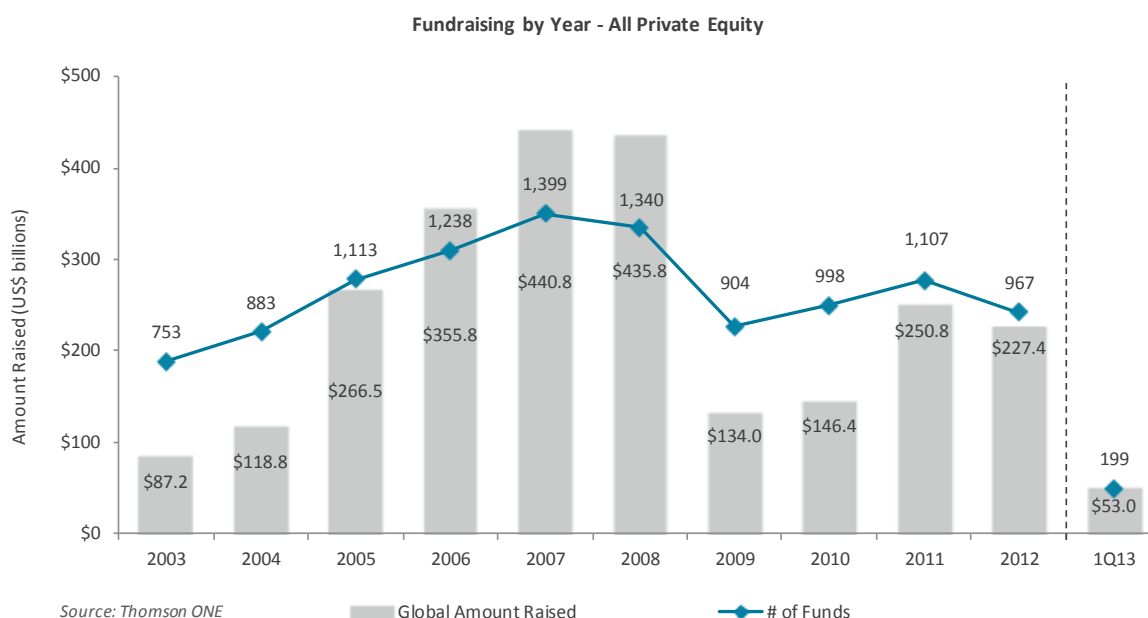
During the first quarter of 2013, private equity fund performance increased 4.9% compared to the S&P 500 which saw an increase of 10.0% during the same period. Of note, the Large/Mega Buyouts sector increased 6.5% during the quarter, the largest single-sector increase during the first quarter. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector over various investment horizons from 3 months to 20 years through March 31, 2013.

Sector	3 Mo	6 Mo	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
Venture Capital	2.7%	2.4%	5.0%	4.3%	0.6%	4.7%	16.0%
All Buyouts	5.6%	9.4%	14.5%	10.8%	3.8%	11.0%	10.5%
Small/Middle Buyouts (<\$3bn)	3.0%	6.8%	9.6%	8.5%	3.2%	11.1%	10.8%
Large/Mega Buyouts (>\$3bn)	6.5%	10.2%	16.2%	12.3%	4.3%	11.0%	10.0%
Mezzanine	(2.5%)	(2.4%)	(3.6%)	5.9%	2.5%	6.7%	7.5%
All Private Equity	4.9%	8.4%	12.7%	9.6%	3.7%	9.7%	11.3%

Source: Thomson ONE

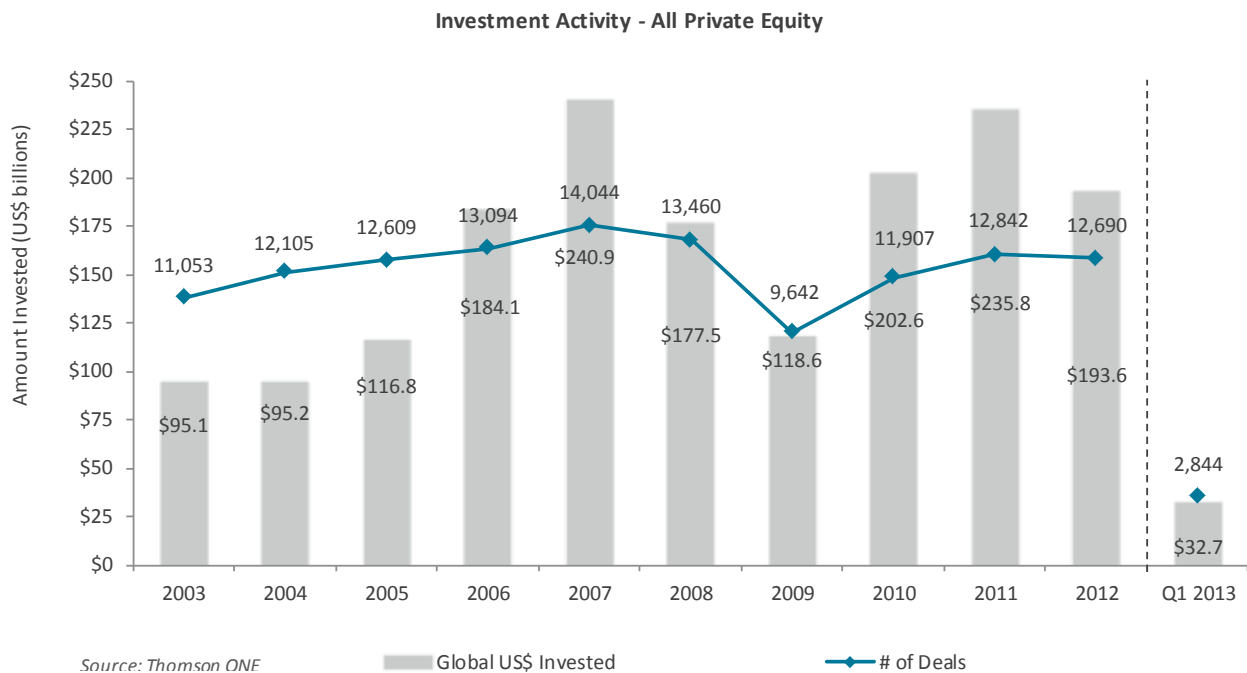
Fundraising

Private equity fundraising totaled \$53.0 billion in the first quarter of 2013, representing a decrease of 1.9% from the prior quarter's total of \$54.0 billion and a decrease of 5.7% from the same period in the prior year. Buyout funds accounted for 71.3% of the amount raised during the first quarter of 2013, higher than the 10-year average of 66.2%. Venture Capital fundraising was up for the quarter, raising \$6.3 billion, an increase from \$5.4 billion last quarter. The chart below shows private equity fundraising activity by calendar year over the last ten years through the first quarter of 2013.

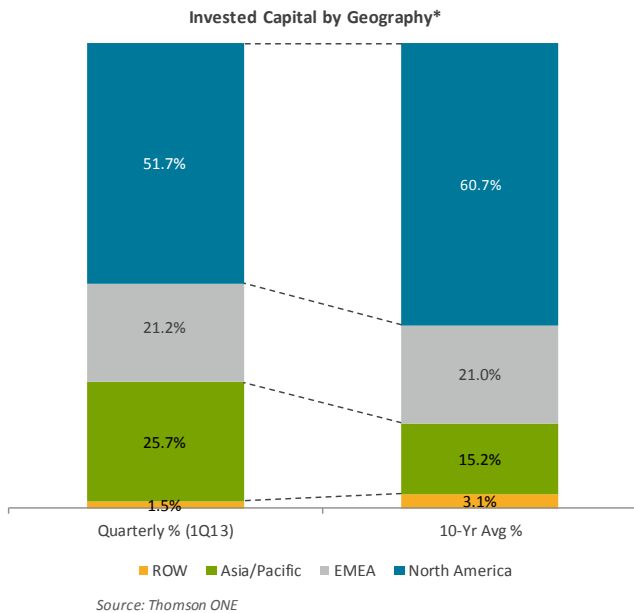
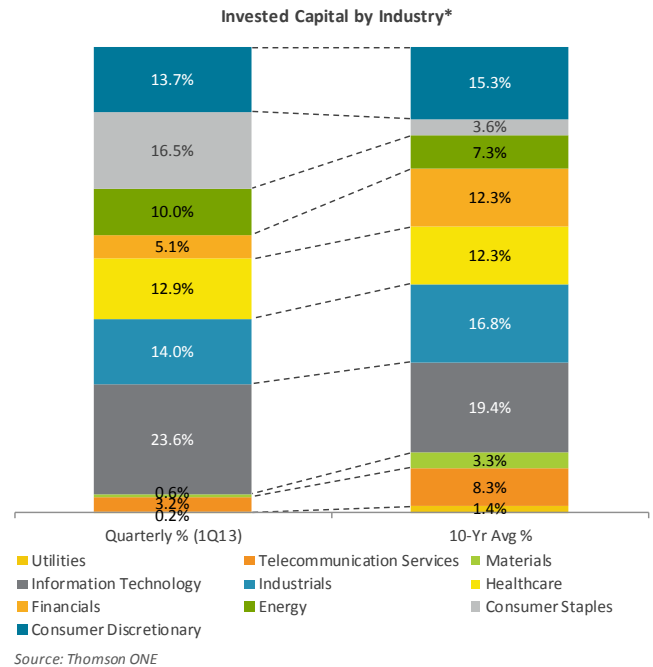


Investment Activity

During the first quarter of 2013, private equity funds invested \$32.7 billion in 2,844 investments, compared to \$50.8 billion invested in the fourth quarter of 2012 and \$36.3 billion invested in the first quarter of 2012, representing a decrease of 9.9% and 35.6%, respectively. Additionally, the average investment size during the quarter decreased to \$11.5 million, representing a decline of 23.9%, quarter-over-quarter.



The Information Technology sector was the most active industry in terms of investment activity during the first quarter of 2013. Private equity funds invested \$7.7 billion, or 23.6% of total capital invested during the quarter, in 1,109 information technology companies. On a pro-rata basis, investments in the Consumer Staples sector were up considerable during the quarter compared to its 10-year average of 3.6%. The chart on the right details the percentage of invested capital by industry for the first quarter of 2013 and over the last ten years.



The graph to the left shows invested capital by geography based on the geographic region in which portfolio companies are located. In the first quarter of 2013, investment activity in the Asia/Pacific region was well above the historical average, representing 25.7% of total invested capital during the quarter compared to 15.2% over the last ten years.

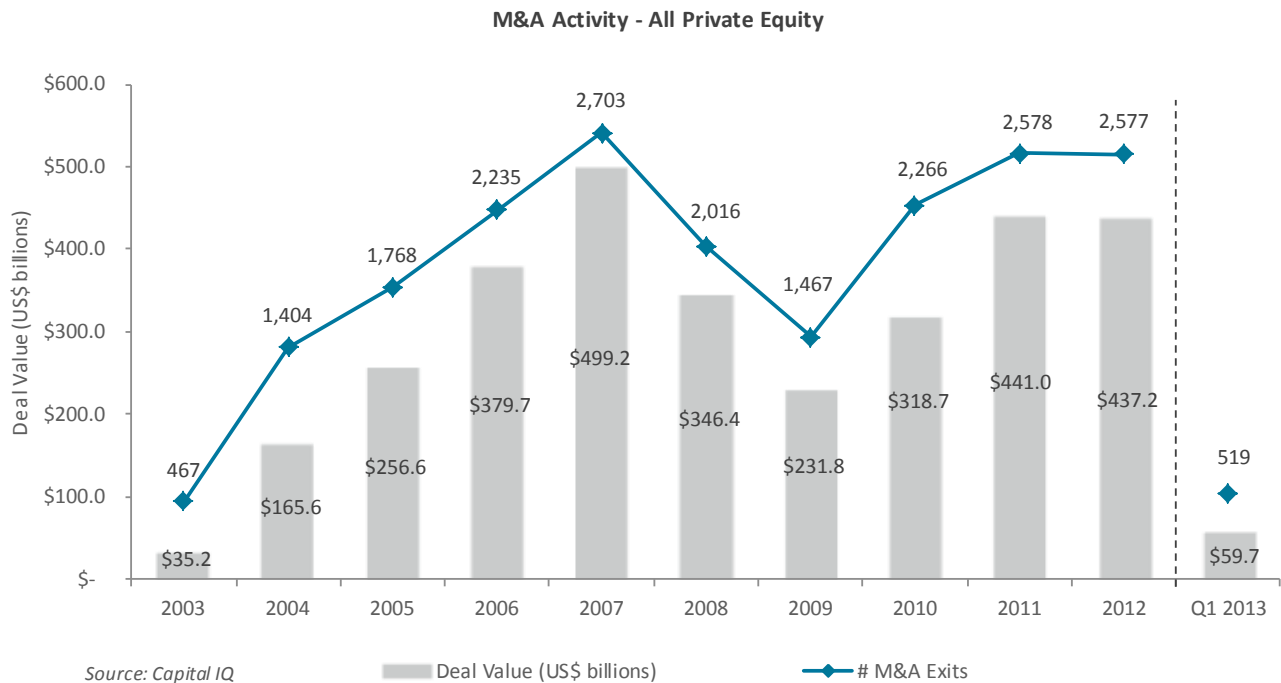
*Note: Invested Capital is for all private equity from 1Q03 – 1Q13.

Deal Environment

During the first quarter of 2013, there were 17 private equity-backed initial public offerings (“IPOs”) which raised a total of \$4.0 billion, compared to 16 IPOs which raised \$4.6 billion in the fourth quarter of 2012. On a year-over-year basis, first quarter 2013 activity was down 0.4% in terms of total dollars raised. The largest IPO of the quarter was Pinnacle Foods Group (NYSE: PF), a packaged foods distributor in North America, which raised \$580.0 million, and is backed by The Blackstone Group. Since the IPO on March 28, 2013 at \$22.26 per share, Pinnacle Foods Group’s share price has increased 8.5% to \$24.15 per share as of June 28, 2013. The second largest IPO was West Corp. (NASDAQ: WSTC), a communication services provider, which raised \$425.5 million, and is backed by Thomas H. Lee Partners and Quadrangle Group. Since the IPO on March 22, 2013, at \$19.00 per share, West Corp.’s share price has risen 16.5% to \$22.14 per share as of June 28, 2013.



Private equity-backed Mergers and Acquisitions (“M&A”) deal activity decreased relative to the fourth quarter of 2012 in terms of deal volume and total dollars raised. Specifically, 519 deals closed during the first quarter of 2013, totaling \$59.7 billion in deal value, representing a 57.3% quarter-over-quarter decrease in deal value. On a year-over-year basis, deal value declined 39.9%.



III. Portfolio Review

Quarterly Highlights

- Cash Flow Activity** – During the first quarter of 2013, the Portfolio made US\$64.9 million of net contributions and received US\$72.1 million of net distributions, for a net cash inflow of US\$7.2 million, compared to a net cash inflow of US\$44.4 million during the prior quarter and a net cash outflow of US\$43.1 million during the first quarter of 2012. Net contributions decreased 36.9% from the prior quarter and increased 35.8% from the first quarter of 2012. The most recent four quarter average of the Program's net contributions is US\$79.7 million. Net distributions decreased 51.1% from the prior quarter and increased 24.1% from the first quarter of 2012. The most recent four quarter average of the Program's net distributions is US\$103.6 million.
- Recent Portfolio Activity** – During the first quarter of 2013, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$48.5 million, or 2.6%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of mega buyout funds during the quarter, which generated a \$20.9 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$184.5 million, or 10.7%, from the quarter ended March 31, 2012.
- New Investment Commitment** – During the first quarter of 2013, the Program closed on four new investment commitments, totaling US\$152.0 million.

<i>As of March 31, 2013 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Landmark Equity Partners XV, L.P.	January 2013	Secondaries	North America	\$ 67.0
Landmark - NYC Fund I, L.P.	January 2013	Co-Investment	North America	23.0
Neuberger Berman Strategic Co-Investment II LP	January 2013	Co-Investment	North America	60.0
ACON Equity Partners III, L.P.	March 2013	Small Buyout	North America	2.0
Total				\$ 152.0

- Subsequent Investment Commitments** – Subsequent to quarter-end through August 30, 2013, the Program closed on seven new investment commitments, totaling US\$244.9 million.

<i>As of August 30, 2013 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Incline Equity Partners III, L.P.	May 2013	Small Buyout	North America	\$ 2.5
Altaris Health Partners III, L.P.	June 2013	Small Buyout	North America	3.0
Apollo Investment Fund VIII, L.P.	June 2013	Mega Buyout	Global	100.0
CVC Capital Partners VI, L.P.	June 2013	Mega Buyout	Global	100.0
Capital Partners Private Equity Income Fund II, L.P.	June 2013	Small Buyout	North America	2.5
Grey Mountain Partners Fund III, L.P.	June 2013	Small Buyout	North America	1.9
Olympus Growth Fund VI, L.P.	June 2013	Middle-Market Buyout	North America	35.0
Total				\$ 244.9

Investment Performance

Since Inception Performance

US\$ in millions	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly Change	Yearly Change
Active Investments					
Number of Managers	97	96	93	1	3
Number of Investments	147	143	135	4	8
Committed Capital	\$3,690.5	\$3,541.9	\$3,174.9	\$148.6	\$367.0
Net Contributed Capital ¹	\$2,422.8	\$2,358.3	\$2,106.3	\$64.5	\$252.0
Net Distributed Capital ²	\$1,347.9	\$1,276.2	\$974.2	\$71.6	\$302.0
Market Value ³	\$1,915.1	\$1,870.0	\$1,787.2	\$45.1	\$82.8
Total Value	\$3,263.0	\$3,146.2	\$2,761.4	\$116.8	\$384.8
Total Gain/(Loss)	\$840.2	\$788.0	\$655.1	\$52.3	\$132.8
Unfunded Commitment ⁴	\$1,248.9	\$1,166.1	\$1,052.2	\$82.8	\$113.9
Total Exposure ⁵	\$3,164.0	\$3,036.1	\$2,839.3	\$127.9	\$196.8
DPI ⁶	0.56x	0.54x	0.46x	0.02x	0.08x
TVM ⁷	1.35x	1.33x	1.31x	0.01x	0.02x
IRR ⁸	10.0%	10.0%	9.9%	- 6 bps	+ 10 bps
Exited Investments					
Number of Managers	9	9	9	-	-
Number of Investments	11	11	11	-	-
Committed Capital	\$189.7	\$189.9	\$189.9	(\$0.1)	(\$0.0)
Net Contributed Capital ¹	\$133.5	\$133.5	\$131.4	\$0.0	\$2.1
Net Distributed Capital ²	\$151.7	\$151.7	\$150.3	\$0.0	\$1.4
Total Value	\$151.7	\$151.7	\$150.3	\$0.0	\$1.4
Total Gain/(Loss)	\$18.2	\$18.2	\$18.9	\$0.0	(\$0.6)
Unfunded Commitment ⁴	\$0.0	\$0.0	\$2.1	\$0.0	(\$2.1)
DPI ⁶	1.14x	1.14x	1.14x	0.00x	-0.01x
TVM ⁷	1.14x	1.14x	1.14x	0.00x	-0.01x
IRR ⁸	4.7%	4.7%	5.3%	- 8 bps	- 66 bps
Total Portfolio					
Number of Managers	106	105	102	1	3
Number of Investments	158	154	146	4	8
Committed Capital	\$3,880.2	\$3,731.8	\$3,364.8	\$148.5	\$366.9
Net Contributed Capital ¹	\$2,556.3	\$2,491.8	\$2,237.7	\$64.5	\$254.1
Net Distributed Capital ²	\$1,499.6	\$1,427.9	\$1,124.5	\$71.6	\$303.4
Market Value ³	\$1,915.1	\$1,870.0	\$1,787.2	\$45.1	\$82.8
Total Value	\$3,414.7	\$3,298.0	\$2,911.7	\$116.8	\$386.3
Total Gain/(Loss)	\$858.5	\$806.2	\$674.0	\$52.3	\$132.2
Unfunded Commitment ⁴	\$1,248.9	\$1,166.1	\$1,054.2	\$82.8	\$111.9
Total Exposure ⁵	\$3,164.0	\$3,036.1	\$2,841.4	\$127.9	\$194.7
DPI ⁶	0.59x	0.57x	0.50x	0.01x	0.07x
TVM ⁷	1.34x	1.32x	1.30x	0.01x	0.02x
IRR ⁸	9.7%	9.8%	9.6%	- 6 bps	+ 9 bps

¹ Net Contributed Capital represents total contributed capital net of distributions subject to recall.

² Net Distributed Capital represents total permanent (non-recallable) distributed capital. Please note that the Net Distributed Capital is presented Pro- Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

³ Please note that the Market Value is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

⁴ Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

⁵ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁶ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital.

⁷ TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Net Distributed Capital, divided by Net Contributed Capital.

⁸ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

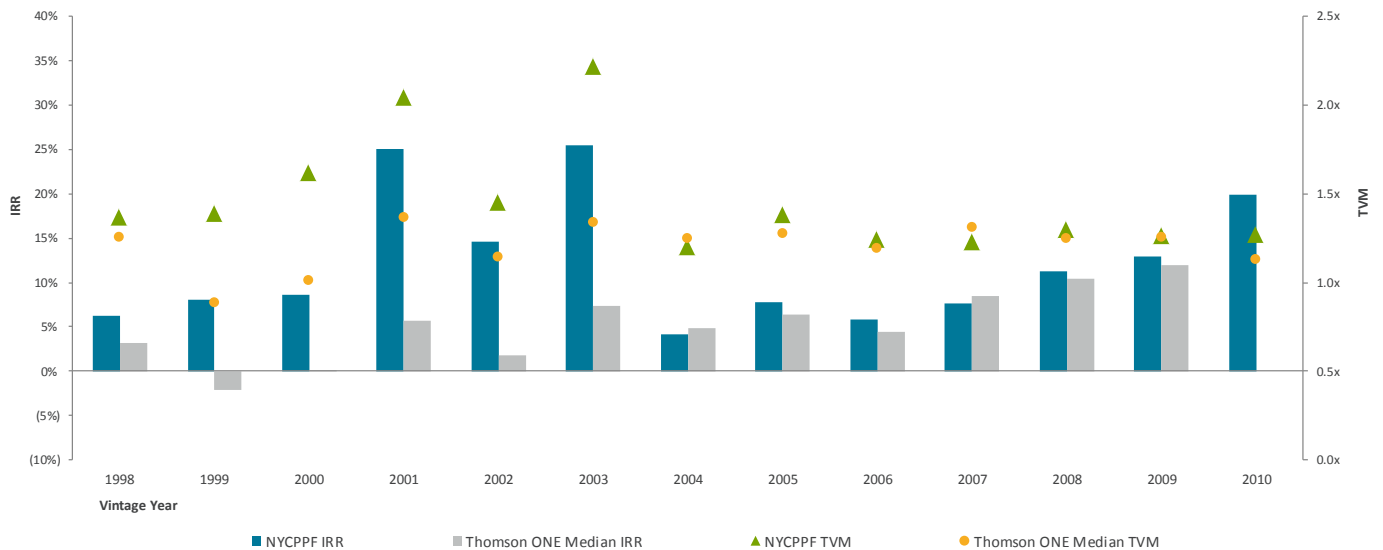
Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of March 31, 2013 Pro-Forma for the Secondary Sale relative to the median quartile U.S. All Private Equity TVM and IRR benchmarks as provided by Thomson ONE. Performance of funds that are less than two years old is not meaningful. Note that Thomson ONE data is continuously updated and is therefore subject to change.

As of March 31, 2013 (US\$ in millions)

Vintage Year	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR	Thomson ONE U.S. All PE Median Quartile TVM	Thomson ONE U.S. All PE Median Quartile IRR
1998	\$20.0	\$20.0	\$25.6	\$1.8	\$0.0	\$1.8	1.37x	6.3%	1.26x	3.1%
1999	112.0	109.7	134.8	17.9	1.4	19.3	1.39x	8.1%	0.89x	(2.2%)
2000	60.0	55.0	70.7	18.2	5.4	23.6	1.62x	8.7%	1.01x	0.1%
2001	100.0	94.5	175.1	17.6	4.3	21.9	2.04x	25.1%	1.37x	5.7%
2002	80.0	75.2	81.0	28.3	4.3	32.6	1.45x	14.6%	1.14x	1.8%
2003	100.0	91.2	163.2	39.1	5.9	45.0	2.22x	25.5%	1.34x	7.4%
2004	167.1	155.0	109.3	76.3	13.8	90.1	1.20x	4.2%	1.25x	4.9%
2005	335.1	310.1	198.2	229.1	29.0	258.1	1.38x	7.8%	1.28x	6.4%
2006	550.2	506.8	208.0	422.0	44.7	466.8	1.24x	5.8%	1.20x	4.5%
2007	441.3	372.6	181.7	275.3	57.3	332.6	1.23x	7.6%	1.31x	8.4%
2008	649.2	433.6	118.4	445.5	157.4	602.9	1.30x	11.3%	1.25x	10.4%
2009	122.5	78.3	26.5	72.0	34.9	106.9	1.26x	12.9%	1.25x	11.9%
2010	102.5	43.8	0.4	55.3	59.1	114.5	1.27x	20.0%	1.13x	10.5%
2011	422.9	147.9	4.1	158.2	275.7	433.9	1.10x	NM	1.02x	NM
2012	457.0	61.6	2.6	57.4	396.2	453.7	0.98x	NM	0.96x	NM
2013	160.6	1.2	-	1.1	159.4	160.6	0.97x	NM	N/A	N/A
Total	\$3,880.2	\$2,556.3	\$1,499.6	\$1,915.1	\$1,248.9	\$3,164.0	1.34x	9.7%	1.16x	4.2%

As of March 31, 2013



Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of March 31, 2013</i>	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCPPF IRR	10.2%	11.6%	7.1%	10.5%	9.7%
Russell 3000® ¹	14.1%	13.7%	10.0%	9.3%	8.3%
Russell 3000® + 300 bps ¹	17.1%	16.7%	13.0%	12.3%	11.3%
Russell 3000® + 500 bps ¹	19.1%	18.7%	15.0%	14.3%	13.3%
NYCPPF Outperformance/(Underperformance)					
vs. Russell 3000® + 300 bps ¹	(6.9%)	(5.1%)	(5.9%)	(1.8%)	(1.6%)
vs. Russell 3000® + 500 bps ¹	(8.9%)	(7.1%)	(7.9%)	(3.8%)	(3.6%)

¹Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Performance by Strategy / Sub-Strategy

The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of March 31, 2013 Pro-Forma for the Secondary Sale.

As of March 31, 2013 (US\$ in millions)

Strategy / Sub-Strategy	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
Buyout	\$2,249.2	\$1,596.2	\$1,043.9	\$1,196.4	\$632.0	\$1,828.5	1.40x	11.3%
Mega Buyout	613.8	384.4	241.0	351.4	223.2	574.6	1.54x	14.4%
Large Buyout	352.6	233.7	267.3	127.0	106.8	233.7	1.69x	25.0%
Middle-Market Buyout	674.0	511.2	277.7	384.7	156.5	541.2	1.30x	7.2%
Small Buyout	608.8	467.0	257.8	333.3	145.6	478.9	1.27x	7.8%
Growth Equity	369.6	144.0	46.0	155.4	226.9	382.3	1.40x	17.6%
Special Situations	255.0	129.3	114.9	66.3	107.2	173.5	1.40x	12.8%
Energy	130.0	112.5	24.1	95.4	17.7	113.2	1.06x	1.8%
Secondaries	274.3	138.4	90.6	97.5	135.9	233.4	1.36x	17.1%
Co-Investment	198.7	75.0	45.1	50.0	84.9	134.9	1.27x	7.6%
Other	403.5	360.9	135.1	254.1	44.3	298.3	1.08x	1.9%
Venture Capital	347.0	308.8	93.0	219.6	38.1	257.6	1.01x	0.3%
Mezzanine	56.5	52.2	42.1	34.5	6.2	40.7	1.47x	14.3%
Total	\$3,880.2	\$2,556.3	\$1,499.6	\$1,915.1	\$1,248.9	\$3,164.0	1.34x	9.7%

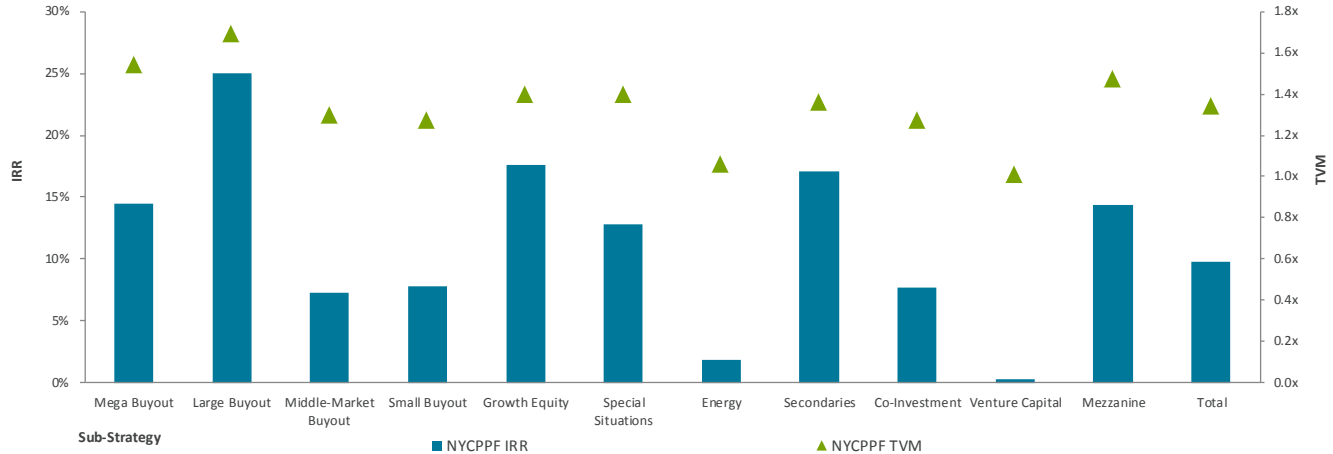
Performance by Strategy

As of March 31, 2013



Performance by Sub-Strategy

As of March 31, 2013



Portfolio Diversification

The following tables illustrate the Portfolio's diversification by strategy and fund geographic focus as of March 31, 2013 Pro-Forma for the Secondary Sale.

By Strategy/Sub-Strategy

As of March 31, 2013 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	1,196.4	62.5%	632.0	50.6%	1,828.5	57.8%
Mega Buyout	351.4	18.3%	223.2	17.9%	574.6	18.2%
Large Buyout	127.0	6.6%	106.8	8.5%	233.7	7.4%
Middle-Market Buyout	384.7	20.1%	156.5	12.5%	541.2	17.1%
Small Buyout	333.3	17.4%	145.6	11.7%	478.9	15.1%
Growth Equity	155.4	8.1%	226.9	18.2%	382.3	12.1%
Special Situations	66.3	3.5%	107.2	8.6%	173.5	5.5%
Energy	95.4	5.0%	17.7	1.4%	113.2	3.6%
Secondaries	97.5	5.1%	135.9	10.9%	233.4	7.4%
Co-Investment	50.0	2.6%	84.9	6.8%	134.9	4.3%
Other	254.1	13.3%	44.3	3.5%	298.3	9.4%
Venture Capital	219.6	11.5%	38.1	3.0%	257.6	8.1%
Mezzanine	34.5	1.8%	6.2	0.5%	40.7	1.3%
Total	1,915.1	100.0%	1,248.9	100.0%	3,164.0	100.0%

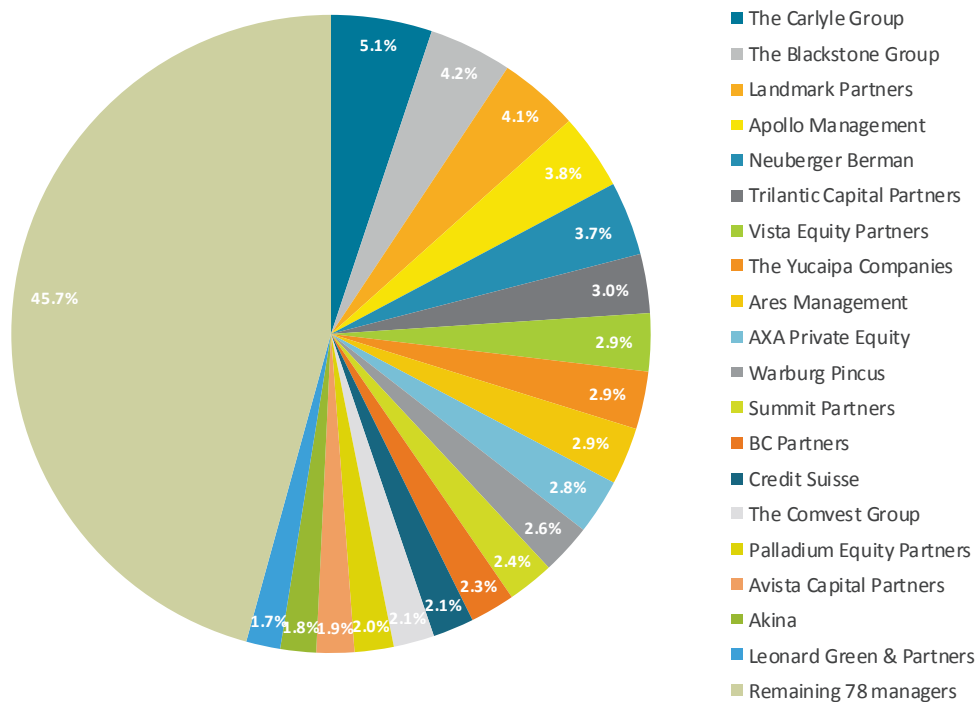
By Fund Geographic Focus

As of March 31, 2013 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	1,230.5	64.3%	826.8	66.2%	2,057.3	65.0%
Global	506.2	26.4%	296.7	23.8%	803.0	25.4%
Western Europe	147.6	7.7%	115.1	9.2%	262.7	8.3%
Rest of World	30.7	1.6%	9.9	0.8%	40.6	1.3%
Total	1,915.1	100.0%	1,248.5	100.0%	3,163.6	100.0%

By Investment Manager

As of March 31, 2013 and Pro Forma for the Secondary Sale, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$1,717.2 million, or 54.3% of total exposure. The remaining 78 managers comprised 45.7% of total exposure as of quarter-end.

Portfolio Total Exposure by Investment Manager
As of March 31, 2013

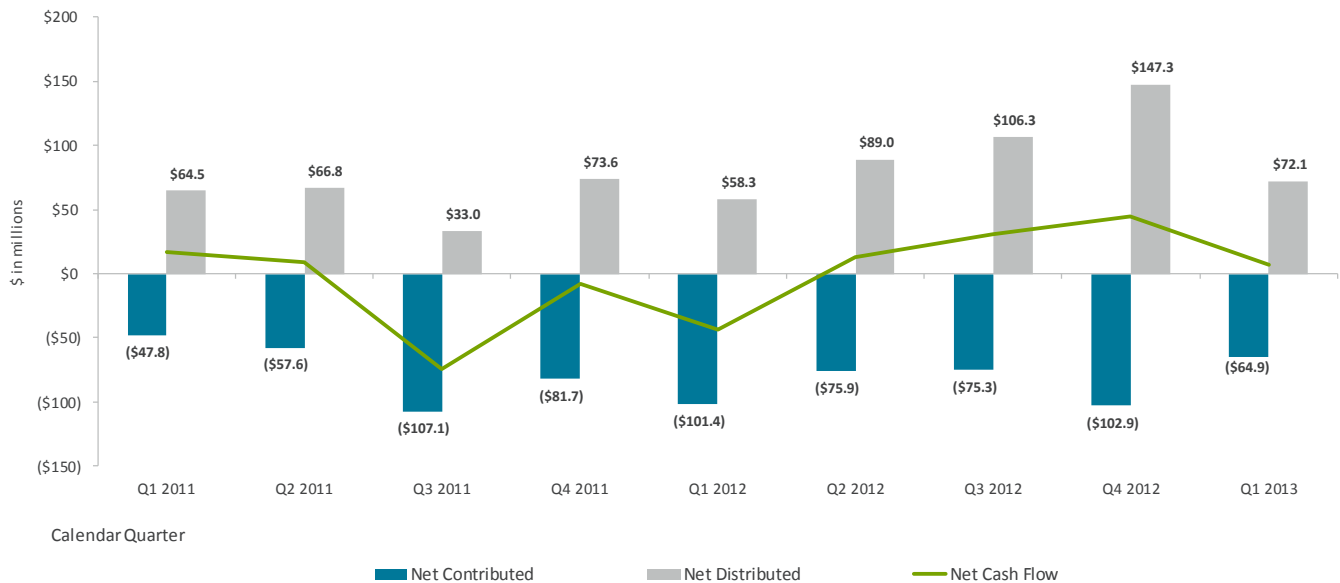


Portfolio Cash Flow Analysis

The following quarterly and yearly cash flow analysis is based on actual Portfolio cash flows during those time periods, excluding the proceeds expected to be received from any investments sold in secondary transactions that closed subsequent to quarter-end.

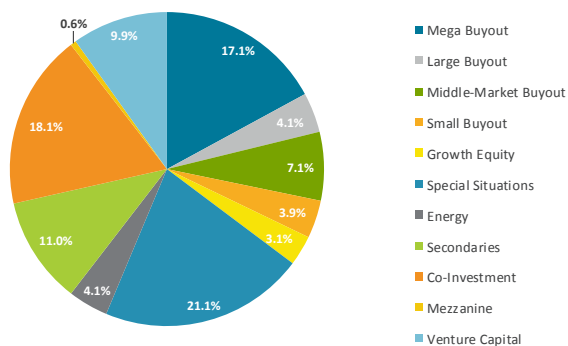
Quarterly Cash Flow Activity

During the first quarter of 2013, the Portfolio made US\$64.9 million of net contributions and received US\$72.1 million of net distributions, for a net cash inflow of US\$7.2 million. The graph below illustrates recent cash flow activity by quarter.

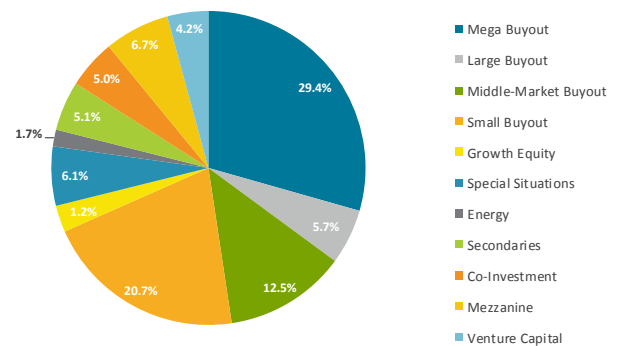


Buyout funds were the most active in terms of cash flow activity during the quarter. Buyout funds drew down US\$20.9 million, or 32.1% of total net contributions during the quarter, and distributed US\$49.3 million, or 68.4% of total net distributions during the quarter.

Q1 2013 Net Contributed by Sub-Strategy

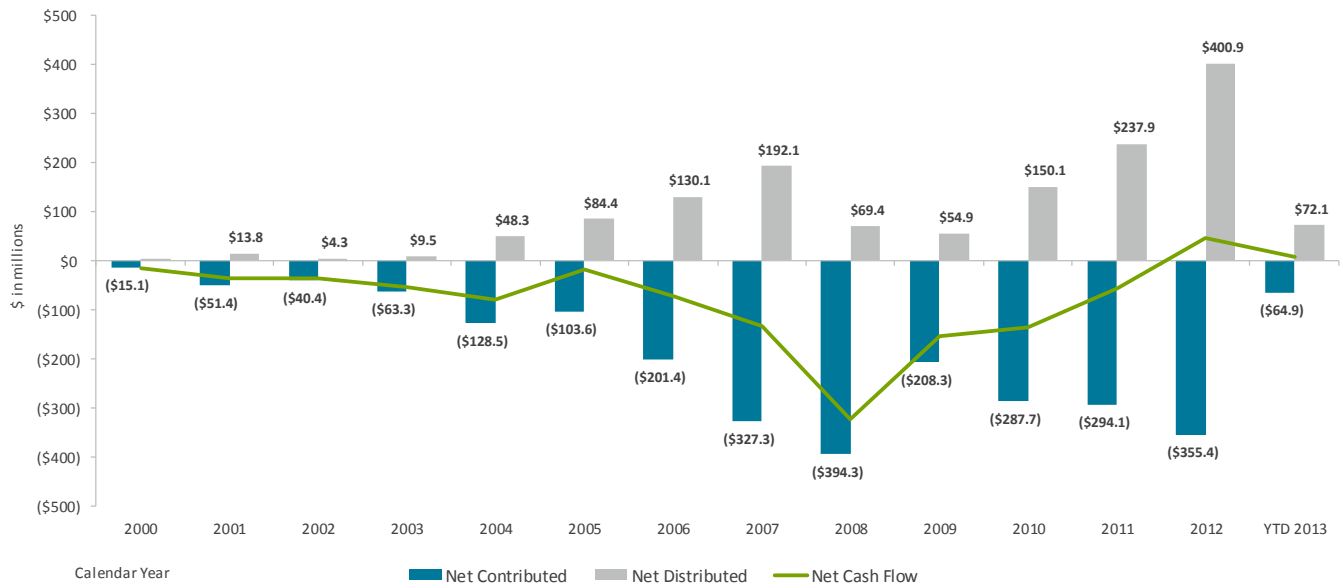


Q1 2013 Net Distributed by Sub-Strategy



Yearly Cash Flow Activity

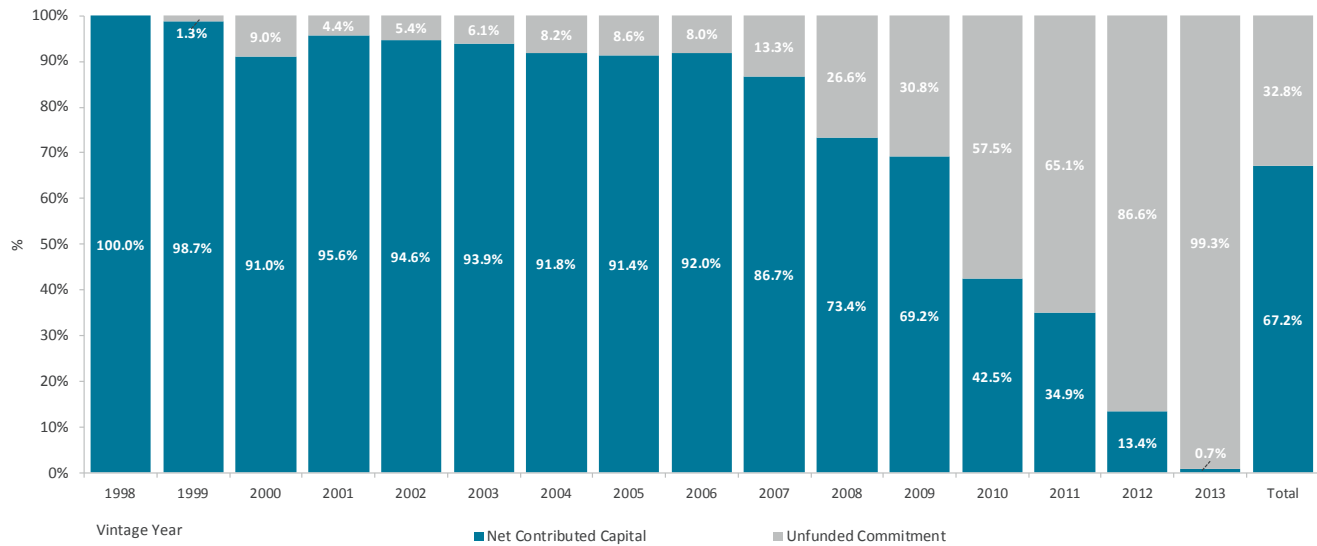
The graph below illustrates cash flow activity since inception by calendar year.



Invested Capital by Vintage Year

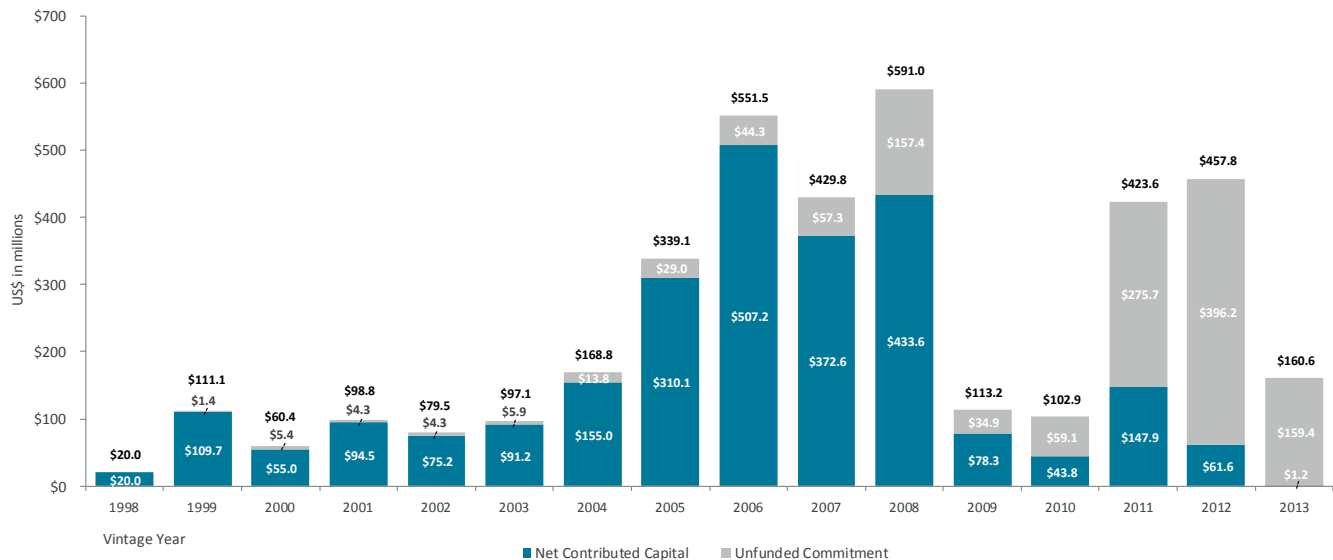
The following chart illustrates cumulative net capital contributions as a percentage of total capital commitments, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.

Capital Contributions to Unfunded by Vintage Year (%)



The following chart illustrates cumulative net capital contributions relative to unfunded commitment, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.

Capital Contributions to Unfunded by Vintage Year

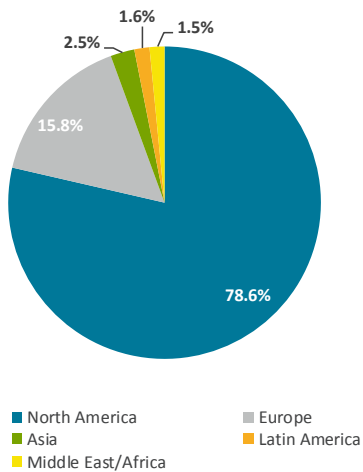


Portfolio Company-Level Analysis

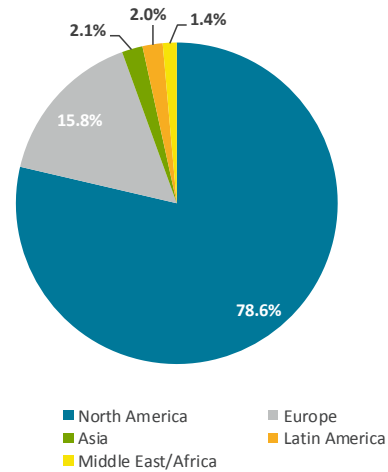
Geographic Exposure

The following charts illustrate the Portfolio's current exposure by geography at the portfolio company level as of March 31, 2013.

Geographic Exposure by Current Cost



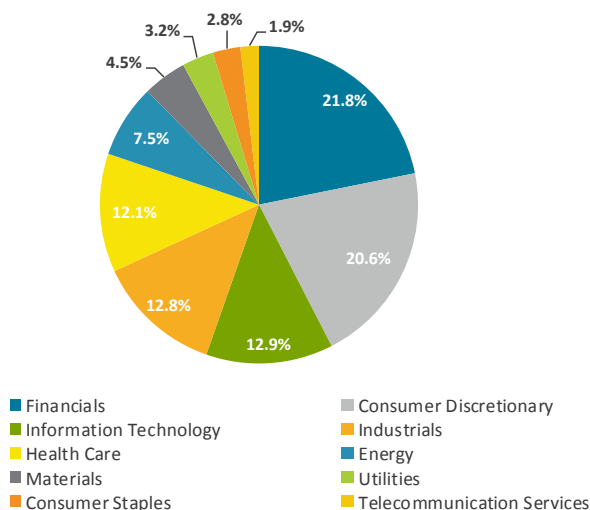
Geographic Exposure by Current Market Value



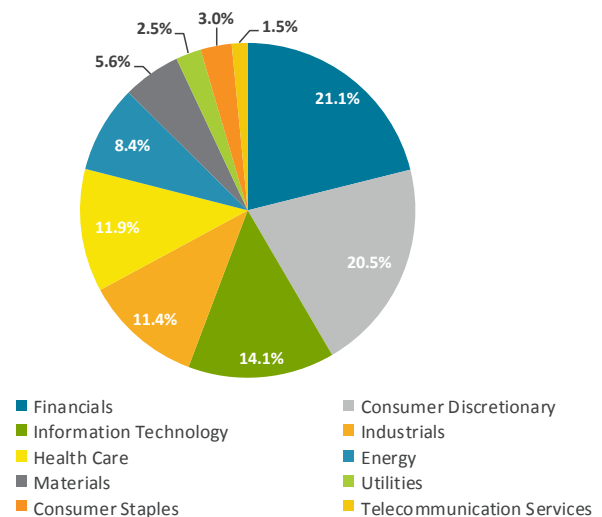
Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of March 31, 2013. Please note that the Financials category includes investments in various debt securities as well as certain undisclosed fund of funds investments.

Industry Exposure by Current Cost



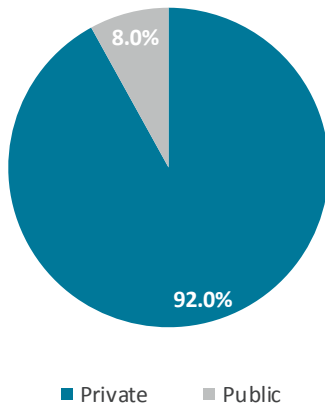
Industry Exposure by Current Market Value



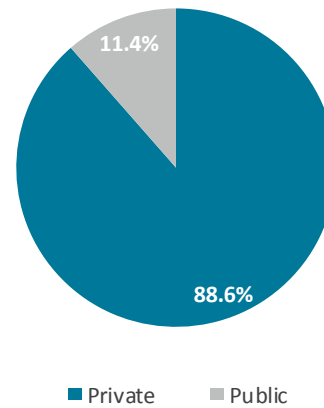
Public Market Exposure

As of quarter-end, publicly traded investments comprised 8.0% of the Portfolio’s exposed cost and 11.4% of the Portfolio’s exposed market value. The following charts illustrate the current public market exposure at the portfolio company level.

Public Market Exposure by Current Cost



Public Market Exposure Current Market Value



IV. Appendix

New York City Police Pension Fund, Subchapter 2
Private Equity Portfolio
As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
Active Investments								
1998	VS&A Communications Partners III, L.P.	12/15/1998	\$ 20,000,000	\$ 20,025,450	\$ 25,643,892	\$ 1,757,583	1.37x	6.3%
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	50,000,000	49,863,018	37,124,068	6,244,126	0.87x	(2.8%)
1999	FdG Capital Partners LLC	6/2/1999	50,000,000	48,605,531	76,227,089	10,339,179	1.78x	15.0%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	12,000,000	11,226,962	21,413,395	1,295,439	2.02x	24.9%
2000	Carlyle Partners III, L.P.	3/1/2000	25,000,000	22,777,383	54,299,909	219,323	2.39x	23.3%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	25,000,000	25,427,595	5,665,781	10,250,775	0.63x	(6.0%)
2000	Solera Partners, L.P.	5/26/2000	10,000,000	6,778,993	10,736,836	7,695,165	2.72x	10.3%
2001	Apollo Investment Fund V, L.P.	4/13/2001	35,000,000	32,581,477	76,747,703	10,519,800	2.68x	39.0%
2001	CVC European Equity Partners III, L.P.	9/4/2001	25,000,000	24,001,319	62,854,081	5,617,854	2.85x	41.0%
2001	New Mountain Partners, L.P.	3/16/2001	15,000,000	12,830,735	17,181,449	1,419,647	1.45x	12.6%
2001	Prism Venture Partners IV, L.P.	7/12/2001	25,000,000	25,037,757	18,362,864	34,679	0.73x	(6.5%)
2002	Collier International Partners IV, L.P.	7/2/2002	30,000,000	26,729,284	30,973,490	7,468,659	1.44x	13.8%
2002	Landmark Equity Partners XI, L.P.	10/23/2002	30,000,000	28,419,902	37,675,535	5,535,109	1.52x	24.2%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	20,000,000	20,030,746	12,384,623	15,297,985	1.38x	8.2%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	35,000,000	33,867,718	49,716,235	6,987,339	1.67x	14.3%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	50,000,000	45,270,117	92,493,400	27,652,374	2.65x	37.2%
2003	FS Equity Partners V, L.P.	1/20/2003	15,000,000	12,038,334	20,987,581	4,491,557	2.12x	16.7%
2004	Aurora Equity Partners III L.P.	11/16/2004	15,000,000	15,176,336	13,761,619	9,587,549	1.54x	12.5%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	10,000,000	10,160,838	160,838	9,212,312	0.92x	(1.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	20,323,343	18,738,326	10,958,251	14,137,238	1.34x	6.4%
2004	FdG Capital Partners II LP	8/30/2004	25,000,000	20,065,322	13,649,668	8,731,801	1.12x	1.8%
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	15,000,000	14,124,888	16,396,421	10,006,353	1.87x	35.8%
2004	Markstone Capital Partners, LP	1/30/2004	10,000,000	9,825,035	4,201,079	4,149,173	0.85x	(4.2%)
2004	Medica III Investments (International) L.P.	12/1/2004	10,000,000	9,551,936	4,237,089	5,067,000	0.97x	(0.9%)
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	30,000,000	30,310,354	3,618,424	13,640,539	0.57x	(9.0%)
2004	Trilantic Capital Partners III L.P.	11/18/2004	20,000,000	16,668,423	26,871,211	1,789,779	1.72x	15.1%
2005	Arlington Capital Partners II, L.P.	7/29/2005	20,000,000	19,177,343	14,094,832	11,924,872	1.36x	8.1%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	14,000,000	12,429,540	10,221,969	6,393,417	1.34x	8.1%
2005	Bridgepoint Europe III	12/6/2005	15,883,104	14,480,947	5,750,258	9,733,034	1.07x	1.3%
2005	Carlyle Partners IV, L.P.	4/29/2005	50,000,000	47,018,933	52,088,566	37,168,417	1.90x	12.7%
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	10,000,000	9,945,444	8,195,462	23,032,754	3.14x	42.6%
2005	GI Partners Fund II L.P.	9/26/2005	12,500,000	12,586,099	6,699,683	12,310,517	1.51x	8.1%
2005	JP Morgan Fleming (Tranche A)	12/21/2005	40,000,000	32,745,298	10,842,488	28,323,920	1.20x	5.3%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	5/18/2005	20,000,000	22,840,865	13,730,279	11,085,115	1.09x	2.4%
2005	New Mountain Partners II, L.P.	1/12/2005	7,741,935	6,050,073	8,200,874	3,268,276	1.90x	12.8%
2005	Palladium Equity Partners III, L.P.	11/12/2004	25,000,000	21,407,640	12,805,468	24,713,342	1.75x	16.3%
2005	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	20,000,000	4,690,587	8,761,175	0.67x	(10.9%)
2005	Psilos Group Partners III, L.P.	10/24/2005	12,500,000	11,562,029	6,122,007	9,032,671	1.31x	7.3%
2005	Quadrangle Capital Partners II LP	8/29/2005	25,000,000	19,802,299	8,015,284	12,398,423	1.03x	0.7%
2005	Snow Phipps Group, L.P.	9/7/2005	10,000,000	8,885,658	5,303,471	6,903,539	1.37x	10.2%
2005	USPF II Institutional Fund, L.P.	11/23/2005	20,000,000	20,000,000	7,464,817	16,973,106	1.22x	4.5%
2005	VSS Communications Partners IV, L.P.	3/14/2005	12,500,000	12,749,366	2,930,116	7,108,102	0.79x	(5.0%)
2006	Aisling Capital II, LP	1/12/2006	2,500,000	2,423,097	715,650	1,675,966	0.99x	(0.3%)
2006	Apollo Investment Fund VI, L.P.	5/10/2006	45,000,000	40,253,658	15,590,177	48,306,750	1.59x	9.6%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	15,000,000	13,141,360	16,497,757	6,876,284	1.78x	14.0%
2006	Arsenal Capital Partners II, LP	12/19/2006	10,000,000	8,967,080	1,676,859	11,355,191	1.45x	10.4%
2006	Atlantic Equity Partners IV, L.P.	7/12/2006	20,000,000	20,580,000	-	14,427,722	0.70x	(9.4%)
2006	Avista Capital Partners, L.P.	4/27/2006	20,000,000	20,011,921	12,393,145	15,998,268	1.42x	7.9%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	42,875,000	40,746,118	8,267,315	41,510,154	1.22x	4.3%
2006	CCMP Capital Investors II, L.P.	8/17/2006	20,000,000	18,924,248	7,052,370	20,873,502	1.48x	13.8%
2006	Capital Partners Private Equity Income Fund, L.P.	8/23/2006	15,000,000	13,389,315	11,034,030	11,000,320	1.65x	18.8%
2006	Catterton Partners VI, L.P.	12/14/2006	20,000,000	19,248,252	4,872,316	25,311,235	1.57x	11.4%
2006	Collier International Partners V, L.P.	12/21/2006	10,000,000	8,395,387	4,128,552	6,243,057	1.24x	7.2%
2006	Euro Choice III L.P.	11/21/2006	26,969,237	24,158,233	4,135,817	19,669,156	0.99x	(0.5%)
2006	Falconhead Capital Partners II, L.P.	1/24/2006	15,000,000	15,679,963	8,150,968	11,163,493	1.23x	5.6%
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	15,000,000	15,057,675	6,368,979	6,724,138	0.87x	(3.7%)
2006	First Reserve Fund XI, L.P.	12/14/2006	20,000,000	19,910,543	6,154,085	17,157,692	1.17x	4.3%
2006	GF Capital Private Equity Fund, L.P.	12/22/2006	10,000,000	9,911,207	5,479,321	9,363,297	1.50x	15.7%
2006	GSC Recovery III, L.P.	5/4/2006	5,000,000	5,117,724	3,146,052	2,553,133	1.11x	3.1%
2006	InterMedia Partners VII, L.P.	1/20/2006	12,500,000	12,054,257	165,968	16,177,779	1.36x	5.9%
2006	Landmark Equity Partners XIII, L.P.	5/11/2006	10,000,000	9,311,801	6,123,131	4,906,347	1.18x	4.9%
2006	MidOcean Partners III, L.P.	12/21/2006	40,000,000	32,639,073	2,526,687	34,804,339	1.14x	3.7%
2006	NB Co-Investment Partners LP	9/28/2006	60,000,000	53,405,344	40,714,854	31,749,985	1.36x	8.4%

New York City Police Pension Fund, Subchapter 2
Private Equity Portfolio
As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
2006	Permira IV, L.P.	12/14/2006	16,105,650	14,869,923	5,428,270	13,126,888	1.25x	5.7%
2006	Perseus Partners VII, L.P.	8/31/2006	15,000,000	14,250,064	49,346	5,931,001	0.42x	(21.6%)
2006	RRE Ventures IV, L.P.	12/19/2006	15,000,000	16,518,866	2,058,300	17,082,460	1.16x	4.7%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	15,524,622	14,537,028	330,718	7,784,880	0.56x	(15.5%)
2006	The Fourth Cinven Fund	1/22/2007	13,979,300	12,248,799	3,555,945	12,738,302	1.33x	7.0%
2006	Thomas, McNerney & Partners II, L.P.	11/30/2006	10,000,000	8,575,000	1,248,165	7,521,904	1.02x	0.7%
2007	Carlyle Partners V, L.P.	7/6/2007	50,000,000	41,124,025	14,047,337	41,929,504	1.36x	11.4%
2007	Comvest Investment Partners III, L.P.	5/15/2007	15,000,000	13,930,055	6,522,998	7,292,173	0.99x	(0.3%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	15,000,000	14,332,552	-	13,435,368	0.94x	(2.3%)
2007	FTVentures III, LP	3/1/2007	7,500,000	5,324,482	2,862,286	8,894,574	2.21x	20.0%
2007	GSO Capital Opportunities Fund LP	7/16/2007	17,500,000	17,289,936	15,650,454	11,857,548	1.59x	19.5%
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	10,000,000	9,053,219	5,192,695	5,259,007	1.15x	8.1%
2007	Highland Consumer Fund I LP	3/16/2007	10,000,000	8,616,060	-	5,856,022	0.68x	(11.0%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	10,000,000	9,595,000	3,296,419	8,577,416	1.24x	7.9%
2007	New Mountain Partners III, L.P.	8/9/2007	35,000,000	31,436,496	6,196,875	31,817,686	1.21x	8.6%
2007	Olympus Capital Asia III, L.P.	1/31/2007	20,000,000	15,533,138	3,389,509	11,313,559	0.95x	(2.6%)
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	40,000,000	32,356,755	1,829,294	21,538,477	0.72x	(11.1%)
2007	Pegasus Partners IV, L.P.	1/29/2007	15,000,000	15,039,839	6,329,197	13,725,224	1.33x	8.5%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	15,000,000	11,035,666	4,173,968	11,672,110	1.44x	16.6%
2007	Quaker BioVentures II, L.P.	3/30/2007	15,000,000	10,802,569	1,648,191	7,069,983	0.81x	(8.8%)
2007	SCP Vitalife Partners II Fund	4/13/2007	15,000,000	11,999,774	1,184	10,203,233	0.85x	(5.7%)
2007	Trilantic Capital Partners IV L.P.	10/22/2007	45,856,523	39,008,210	29,802,831	33,426,407	1.62x	18.7%
2007	United States Power Fund III, L.P.	6/28/2007	15,000,000	11,689,610	1,140,000	11,507,089	1.08x	2.0%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	20,000,000	18,099,093	26,013,219	19,921,034	2.54x	30.8%
2008	Aisling Capital III, LP	11/20/2008	7,000,000	3,605,841	117,869	3,047,936	0.88x	(8.2%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	50,000,000	37,873,896	22,523,566	43,485,770	1.74x	24.6%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	25,000,000	19,666,817	12,639,355	20,035,915	1.66x	24.2%
2008	Avista Capital Partners II, L.P.	11/5/2008	35,000,000	23,165,062	5,962,010	31,622,611	1.62x	15.8%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	15,000,000	11,005,298	4,060,490	10,735,945	1.34x	16.8%
2008	Bridgepoint Europe IV	11/14/2008	13,506,319	10,011,061	-	11,228,857	1.12x	6.1%
2008	CS NYCPFF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	9,090,909	5,045,111	2,665,532	4,480,442	1.42x	12.2%
2008	CS NYCPFF Emerging Manager Fund, L.P.	8/22/2008	59,909,091	29,383,864	2,484,175	28,004,496	1.04x	1.9%
2008	CVC European Equity Partners V, L.P.	7/21/2008	34,150,859	23,573,808	7,884,905	20,751,562	1.21x	8.1%
2008	Carpenter Community BancFund-A, L.P.	2/12/2008	15,000,000	13,509,090	65,433	17,133,370	1.27x	8.0%
2008	Coral's 2007 Institutional Momentum Fund, L.P.	5/13/2008	10,000,000	8,492,863	-	9,415,778	1.11x	2.7%
2008	Crestview Partners II, L.P.	10/1/2008	22,500,000	15,745,125	1,810,674	19,838,962	1.38x	15.3%
2008	Erasmus New York City Growth Fund IA	10/17/2008	40,000,000	4,835,960	1,670,495	1,549,781	0.67x	(9.2%)
2008	Euro Choice IV L.P.	10/22/2008	20,103,113	10,100,875	56,896	9,537,620	0.95x	(3.0%)
2008	First Reserve Fund XII, L.P.	8/25/2008	20,000,000	15,992,014	1,108,375	16,664,525	1.11x	4.0%
2008	GI Partners Fund III L.P.	7/29/2008	17,500,000	16,520,127	5,034,606	17,395,949	1.36x	15.4%
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	27,250,000	17,395,166	5,663,088	16,015,446	1.25x	17.9%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	20,000,000	14,816,473	1,356,365	14,485,133	1.07x	3.0%
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	10,000,000	7,467,836	1,562,285	11,258,044	1.72x	27.4%
2008	Milestone Partners III, L.P.	4/7/2008	15,000,000	13,442,397	762,600	16,251,602	1.27x	7.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	10,000,000	7,925,911	11,844	5,924,437	0.75x	(10.5%)
2008	Onex Partners III LP	12/10/2008	15,000,000	11,579,053	1,466,291	10,897,983	1.07x	4.3%
2008	Paladin III (NY City), L.P.	1/8/2008	30,000,000	20,032,880	3,378,816	19,357,475	1.13x	4.2%
2008	Relativity Fund, L.P.	1/17/2008	15,000,000	7,683,007	317,206	2,176,791	0.32x	(34.3%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	15,000,000	12,541,595	6,415,549	11,589,931	1.44x	15.3%
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	50,000,000	45,957,723	11,663,227	64,577,465	1.66x	18.6%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	14,030,930	13,412,658	1,552,757	7,987,251	0.71x	(16.5%)
2009	FS Equity Partners VI, L.P.	7/27/2009	20,000,000	13,226,044	1,207,447	14,457,244	1.18x	9.4%
2009	Lexington Capital Partners VII, L.P.	12/3/2009	20,000,000	12,036,150	3,158,957	12,585,885	1.31x	19.2%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	7,500,000	3,907,170	57,643	3,272,804	0.85x	(11.2%)
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	20,000,000	12,375,872	3,273,426	11,636,087	1.20x	10.5%
2009	Scale Venture Partners III, LP	5/1/2009	10,000,000	8,717,847	2,441,449	12,460,824	1.71x	31.3%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	22,500,000	14,908,421	969,938	17,563,285	1.24x	11.4%
2010	Comvest Investment Partners IV, L.P.	10/21/2010	45,000,000	17,888,675	57,558	29,197,994	1.64x	49.5%
2010	Snow Phipps II, L.P.	1/8/2010	17,500,000	7,631,615	331,277	7,860,472	1.07x	5.4%
2010	Trident V, L.P.	4/29/2010	40,000,000	18,255,292	-	18,250,373	1.00x	(0.0%)
2011	AXA Secondary Fund V B L.P.	6/16/2011	80,000,000	36,079,648	2,918,046	44,702,005	1.32x	NM
2011	American Securities Partners VI, L.P.	11/18/2011	50,000,000	15,747,005	-	14,791,797	0.94x	NM
2011	Ampersand 2011	3/11/2011	12,500,000	8,000,000	-	9,098,371	1.14x	NM
2011	BC European Capital IX	9/19/2011	70,826,302	20,991,089	554,071	23,945,960	1.17x	NM

New York City Police Pension Fund, Subchapter 2
Private Equity Portfolio
As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	20,000,000	5,851,718	593,229	6,061,500	1.14x	NM
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	35,000,000	8,640,690	41,091	9,291,986	1.08x	NM
2011	EQT VI, L.P.	8/1/2011	50,687,682	14,541,139	-	12,491,854	0.86x	NM
2011	Pegasus Partners V, L.P.	8/16/2011	14,552,940	7,386,664	-	7,136,858	0.97x	NM
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	70,000,000	24,726,485	-	25,412,216	1.03x	NM
2011	Wellspring Capital Partners V, L.P.	7/1/2011	22,500,000	5,949,751	-	5,269,657	0.89x	NM
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	50,000,000	1,891,019	-	1,541,739	0.82x	NM
2012	Green Equity Investors VI, L.P.	11/30/2012	55,000,000	5,297,469	139,771	4,942,522	0.96x	NM
2012	Neuberger Berman Strategic Co-Investment II LP	3/20/2013	60,000,000	11,716,789	-	12,235,319	1.04x	NM
2012	Palladium Equity Partners IV, L.P.	10/10/2012	35,000,000	5,263,977	-	4,652,323	0.88x	NM
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	50,000,000	14,093,094	2,435,193	11,185,135	0.97x	NM
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	75,000,000	5,250,000	-	4,752,016	0.91x	NM
2012	Trilantic Capital Partners V L.P.	9/20/2012	50,000,000	714,877	-	(148,487)	(0.21x)	N/A
2012	NYCPPF - 2012 Emerging Manager Program	2/7/2013	50,000,000	1,170,200	-	1,133,291	0.97x	NM
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	80,000,000	17,328,634	-	18,288,906	1.06x	NM
2013	Carlyle Partners VI, L.P.	7/3/2013	60,000,000	-	-	-	0.00x	N/A
2013	Carlyle Partners VI, L.P. (Side Car)	N/A	6,600,000	-	-	-	0.00x	N/A
2013	Landmark - NYC Fund I, L.P.	N/A	23,000,000	-	-	-	0.00x	N/A
2013	Landmark Equity Partners XV, L.P.	N/A	67,000,000	-	-	-	0.00x	N/A
Total Portfolio¹			\$ 3,928,709,590	\$ 2,556,270,188	\$ 1,499,591,054	\$ 1,915,129,687	1.34x	9.7%

¹Please note that the Total Portfolio includes liquidated investments and is presented Pro-Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Police Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

New York City Police Pension Fund, Subchapter 2
Subsequent Commitments
As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
Commitments Closed Subsequent to as of Date								
2013	Apollo Investment Fund VIII, L.P.	N/A	\$ 100,000,000	\$ -	\$ -	\$ -	N/A	N/A
2013	CVC Capital Partners VI, L.P.	N/A	100,000,000	-	-	-	N/A	N/A
2013	Olympus Growth Fund VI, L.P.	N/A	35,000,000	-	-	-	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 235,000,000	\$ -	\$ -	\$ -	N/A	N/A

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Police Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

Real Estate Quarterly Report

The New York City Police Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

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Portfolio Profile

The New York City Police Pension Fund has allocated 6.0% (+/- 2%) of the total plan to Real Assets. Real Estate investments are categorized under Real Assets. The Real Estate Portfolio's objective is to generate a total net return that exceeds the NFI-ODCE +100 bps total net return measured over full market cycles.

Portfolio Statistics (March 31, 2013)

Total Plan Assets	\$28.9 billion
Target Real Assets Allocation (%)	6%
Target Real Assets Allocation (\$)	\$1.7 billion
Total Real Estate Market Value	\$919 million
Real Estate Unfunded Commitments	\$342 million
Total Real Estate Exposure	\$1.3 billion
Number of Investments	44
Number of Managers	31

Net Returns (as of March 31, 2013)

1Q13 Time-Weighted Net Return:	2.8%
1 Year Time Weighted Net Return:	12.5%
3 Year Time Weighted Net Return:	17.2%
Inception-to-Date (ITD) Time-Weighted:	4.8%
ITD Net IRR:	2.9%
ITD Net Equity Multiple:	1.1x

Investment Guidelines

Style Sector:	Target •40-60% Core/Core Plus •40-60% Non-Core
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Benchmark	NFI-ODCE Index +100 bps net over full market cycles
Region Diversification	Maximum 25% Int'l
Investment Diversification	Limit 15% to a single investment
Manager Diversification	Limit 15% to a single manager
Leverage	65%

First Quarter Investment Activity

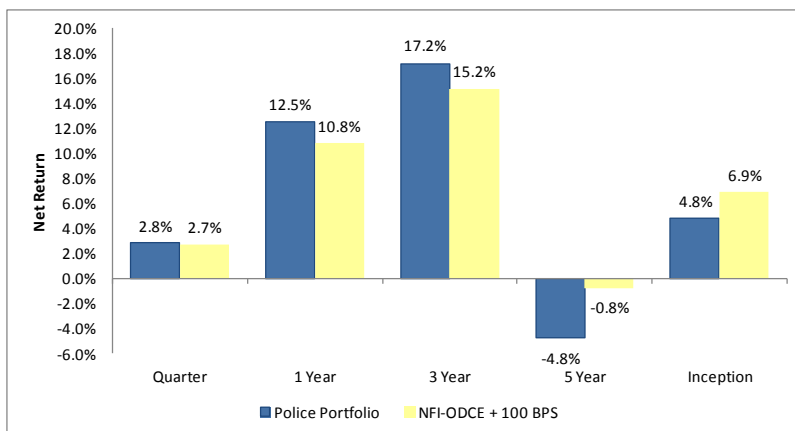
During the Quarter, the Board made commitments of \$100 million with two Managers for Superstorm Sandy related investments.

OVERVIEW

During the First Quarter of 2013 the global real estate market experienced over \$100 billion in transaction volume for the first time in five years. Property markets continued to recover. Demand continued to grow and improve while supply remained constrained. Recovery is submarket specific, with primary cities and major markets prevailing.

Domestic investors continued to target core properties in prime gateway markets, however, pricing and limited supply has resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Similarly in Europe, competition for high quality core assets in the primary markets continued. Higher pricing has caused some investors to target secondary markets to obtain higher yields. Cross-border investment flows remained slow throughout Europe as investors remained cautious. Importantly, we have observed greater optimism in the European banking community which should, over time, lead to improved lending conditions and greater liquidity. At \$27 billion in First Quarter, transaction volume in Asia rose some 26% when compared to the same period a year earlier. Investors in the major Asian markets of China, Japan and South Korea have continued to seek out investments in logistics. The region, and specifically these market driving nations, continue to suffer from inadequate and aging logistics stock. The Market Update section of this report provides additional information on global real estate conditions.

The New York City Police Pension Fund ("Police") Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate marketplace. For example, the Board elected to increase its exposures to several Core/Core Plus Open-End Commingled funds after the recession began in an effort to fully capture the recovery that came domestically in the gateway markets. Police has also been active on the international front through investment in global allocator funds whose opportunistic strategies are designed to exploit the recovery in the European and Asian markets. Post economic downturn, in the period reflected in the rolling three-year returns, Police performance exceeds benchmark by 200 basis points. At the end of the First Quarter 2013, the Portfolio achieved a total gross return of 3.4% which was comprised of 1.0% income and 2.4% appreciation. The net return for the Quarter was 2.8%. A detailed analysis of the Portfolios real estate performance is found later in this Executive Summary.



The New York City Police Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report

Real Estate

FUNDING AND COMPOSITION

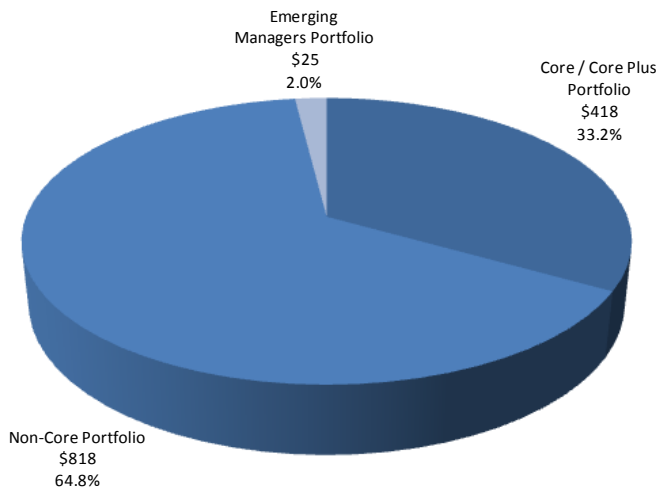
At the end of the First Quarter, the Portfolio was funded at \$919 million, or 3.2% of total plan assets. A total of \$342 million in unfunded commitments are still outstanding. Unfunded commitments are down from just over \$373 million as of Fourth Quarter 2012. However, new commitment activity has accelerated over the past several months and the trend will continue into the second half of 2013.

New contributions for the Quarter totaled \$30.8 million, offset by just over \$19.7 million in distributions and withdrawals. Distributions were weighted to the non-core sector.

Shown in the pie chart to the right is the current risk sector exposure calculated by Market Value + Unfunded Commitments. The Core/ Core Plus component accounts for 33.2% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 64.8% of the Portfolio exposure. The Emerging Manager component accounts for 2.0% of the Portfolio exposure.

A more detailed break-down of the Portfolio Composition is shown in the table below. Attached as Exhibit A is a matrix which demonstrates compliance with various Investment Policy Statement guidelines.

Real Estate Exposure



New York City Police Pension Fund		
Total Plan Assets	3/31/2013	\$28,891
Real Estate Allocation (%)		6.0%
Real Estate Allocation (\$)		\$1,733
Style Sector Allocation		
Core / Core Plus Portfolio	40.0%	\$693
Non-Core Portfolio	55.0%	\$953
Emerging Managers Portfolio	5.0%	\$87
Uncommitted Core / Core Plus Portfolio		\$275
Uncommitted Non-Core Portfolio		\$135
Uncommitted Emerging Managers Portfolio		\$62
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		33.2%
Non-Core Portfolio		64.8%
Emerging Managers Portfolio		2.0%
\$ Committed		\$1,261
% Committed on Real Estate Allocation		72.8%
% Committed on Total Plan Assets		4.4%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		3.2%
% Funded (Market Value) of Total Real Estate Allocation		53.0%

PERFORMANCE

During the Quarter under review, the Police Real Estate Portfolio produced a 3.4% total gross return. The total net return for the Quarter was 2.8%. On a rolling one-year basis the total gross return of 15.5% was recorded. On a net basis the total return was 12.5%. On a gross basis the Police Portfolio exceeds the NFI-ODCE in all but one time period (five-year). The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over all relevant time periods with the exception of the five-year period and inception. The various components of the Portfolio returns are depicted in the chart below.

Core/Core Plus

As of March 31, 2013 the market value of the Core/ Core Plus Portfolio was \$362 million, or 39.4% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$418 million, or 33.2% of the total Portfolio. The Core/ Core plus Portfolio generated a 2.7% total gross return for the Quarter comprised of 1.3% in income and 1.4% in appreciation. The total net return for the Quarter was 2.5%.

The most significant contribution to the Quarterly return in this sector was Almanac Realty Securities VI, with 0.2%. JP Morgan Strategic Property Fund contributed an additional 0.2%. The largest detractor from the Core/Core Plus Portfolio was UBS Trumbull Property Fund, which detracted (0.3%) from the total net return. It is important to note that while UBS may have underperformed it still maintained positive performance with a 1.4% total net return for the Quarter.

Post economic downturn, the Core/Core Plus Portfolio achieved a 15.6% net return over the three-year period ending March 31, 2013. Of the 13 Core/Core Plus Funds, PRISA II was the largest contributor, adding 1.0% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.5%) from the overall performance of the Core/Core Plus Portfolio.

Non-Core

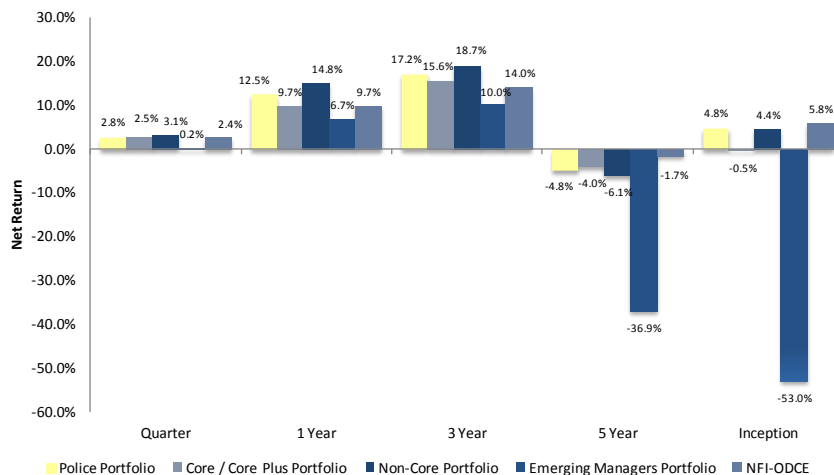
As of March 31, 2013 the market value of the Non- Core Portfolio was \$543 million, or 59.1% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$818 million, or 64.8% of the total Portfolio. The Non-Core Portfolio generated a 3.9% total gross return for the Quarter comprised of 0.7% in income and 3.2% in appreciation. The total net return for the Quarter was 3.1%.

Of the 29 Non-Core Funds, Blackstone Real Estate Partners VII was the largest contributor to the Quarterly return, adding 0.4%. Apollo European Real Estate Fund III was the largest detractor for the Quarter, taking away (0.2%) from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 18.7%. Of the 29 non-core Funds, Blackstone VI was the largest contributor, adding 1.8% to the three-year performance of the Portfolio. The largest detractor among these Funds was Canyon Johnson Urban Fund II, which took away (1.2%) from overall Non-Core performance.

Emerging Managers

As of March 31, 2013 the market value of the Emerging Managers Portfolio was \$14 million, or 1.5% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$25 million, or 2.0% of the total Portfolio. The Emerging Managers Portfolio generated a 0.6% total gross return for the Quarter comprised of 1.0% in income and (0.4%) in depreciation. The total net return for the Quarter was 0.2%. The Emerging Managers Portfolio has underperformed for a number of reasons including the fact that performance has been adversely impacted by



PERFORMANCE

Portfolio Performance

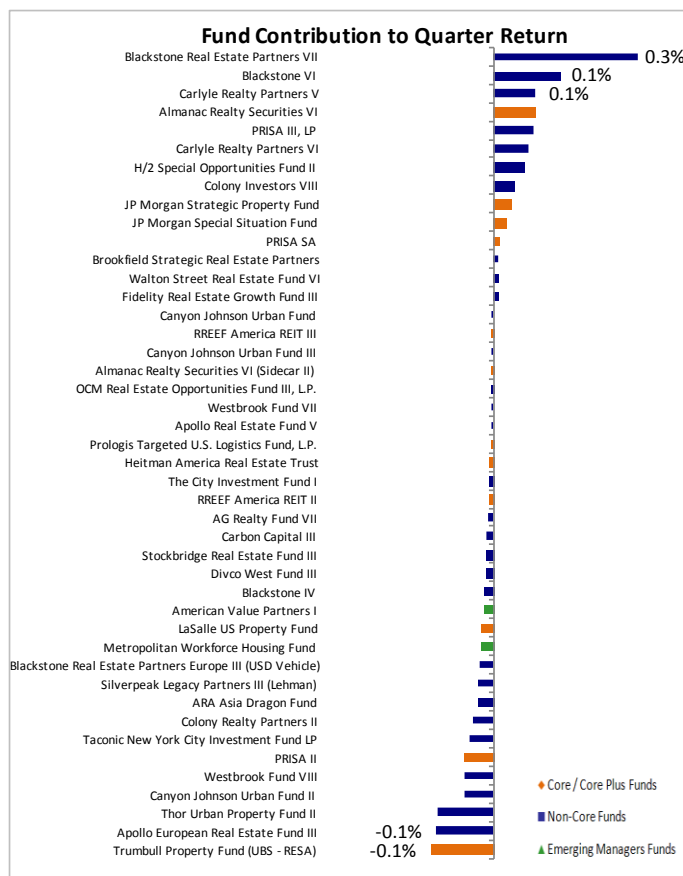
At the end of the First Quarter 2013, the Portfolio had a cumulative market value of \$918 million. Total market value plus unfunded commitments was \$1.3 billion, or 72.8% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.4% which was comprised of 1.0% income and 2.4% appreciation. The Portfolio achieved a total net return of 2.8%. Since inception, the Portfolio has a net IRR of 2.9% and an equity multiple of 1.1x as of March 31, 2013. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven by Blackstone VII which contributed 0.26% to the overall performance. In addition, Blackstone VI had a substantial impact on the Portfolio, contributing 0.12%. The primary laggards in the Portfolio were Apollo European Real Estate Fund III and UBS Trumbull Property Fund, detracting (0.11%) and (0.12%), respectively. Brief reviews of Funds making positive contributions to performance during the Quarter are found below. Note, that attached as Exhibit C are charts relating to fund contributions to returns during different relevant periods.

Blackstone Real Estate Partners VII (BREP VII). BREP VII had a total First Quarter return of 9.9% comprised of 0.6% in income and 9.3% in appreciation. The net return after fees was 7.4%. Since the Fund's inception, BREP VII has completed or committed to 64 transactions and invested \$6.7 billion in equity. As of the end of the Quarter, the valuation of BREP VII's portfolio was increased by \$609 million, or approximately 10.0% (including currency adjustments). BREP VII remained active in the market in the First Quarter, committing or investing a total of \$1.3 billion of equity in 20 transactions over the period. The Fund distributed \$318 million to investors during the Quarter, which included current income from existing investments, as well as proceeds relating to property sales.

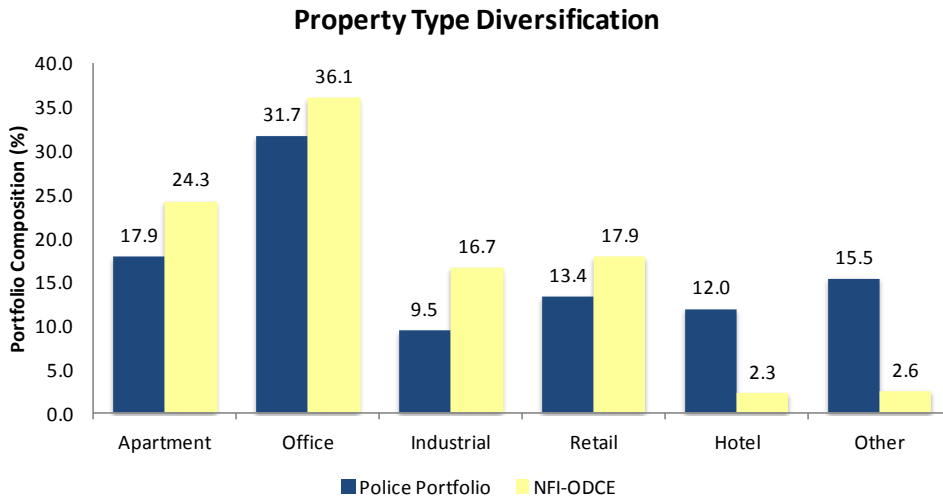
Blackstone Real Estate Partners VI (BREP VI). BREP VI produced a total gross return during the Quarter of 6.4%, comprised of 0.2% in income and 6.2% in appreciation. The net return after fees was 4.9%. The increase in valuation was due to the continued improvement in demand in the office, hotel, retail and industrial sectors, which continue to be underpinned by limited new supply. These factors contribute to increases to several of the Fund's major investments, including Hilton, Equity Office Properties, and Brixmor. The Fund also sold shares of the Fund's common stock holdings in General Growth Properties. The debt markets have improved for high quality, well located assets in the US, enabling BREP VI to obtain refinancing at favorable terms.

Carlyle Realty Partners V (Carlyle V). Carlyle V had a total quarter return of 8.4%, comprised of 4.6% in income and 3.9% in appreciation. The net return after fees was 8.0%. As of March 31, 2013, the Fund consisted of 148 investments representing approximately \$3.3 billion of equity. The Fund reviews and adjusts valuations on a quarterly basis based upon evident market factors. Equity valuations for the Fund have increased by 4.0% since the previous quarter, largely due to improving market conditions and capital events on select investments. To date, the Fund has fully exited 48 investments.



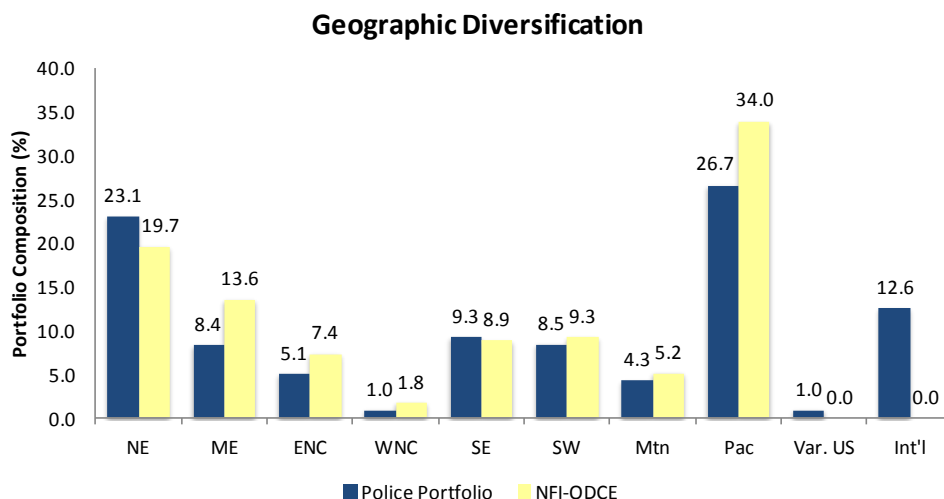
PROPERTY TYPE DIVERSIFICATION

The diversification of the current Portfolio by property type is shown below and compared to the diversification of the NCREIF-ODCE at the end of the Quarter. Relative to the ODCE, the Portfolio is still underweight to all property sectors (excluding hotels) due to its allocation to other property types such as For Sale Residential, Self Storage, Land and 'Other', consisting of Health Care, Medical Office, Data Centers, Senior Living and Student Housing.



GEOGRAPHIC DIVERSIFICATION

The diversification of the current funded Portfolio by geographic region is shown below and compared to the diversification of the NFI-ODCE at the end of the Quarter. The ODCE is a US-only index. The domestic portion of the Portfolio is well diversified relative to the ODCE with a slight overweight to the Northeast and a slight underweight to the Midwest, East North Central and Pacific. The 12.6% international exposure is appropriate for the risk and return profile of Police and consistent with our long-term target. Non-US exposures are diversified across Developed Europe (6.6%), Developed Asia (1.8%), Emerging Asia (1.7%) and other international markets.



MARKET UPDATE

General Market Overview

The commercial real estate market continues to show positive signs with the First Quarter 2013 experiencing over \$100 billion in transaction volume for the first time in five years, up 20% from First Quarter 2012. Declining unemployment rates will translate directly into income growth and improved occupancy across all sectors. Property markets are recovering as demand continues to improve and overall supply remains constrained, however, recovery is submarket specific with gateway and primary cities prevailing.

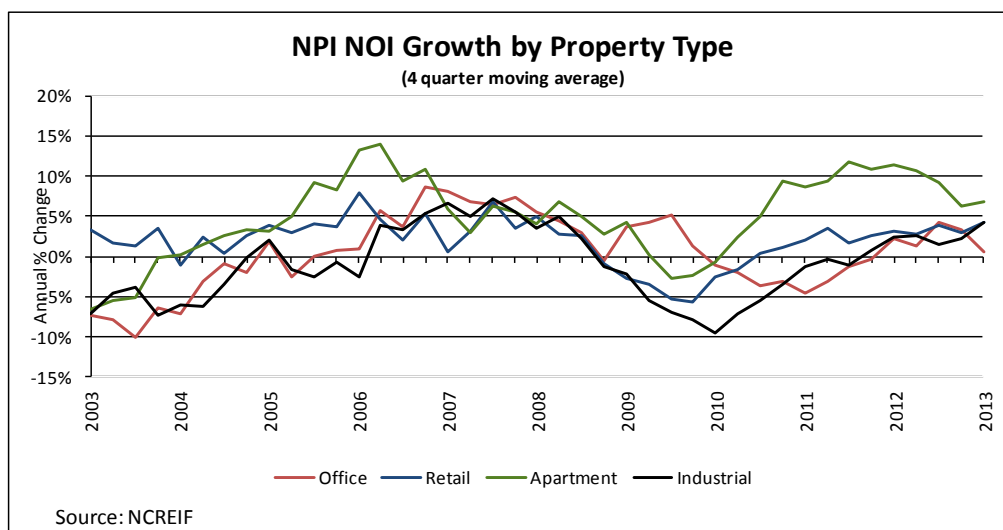
Direct Commercial Real Estate Volumes, 1Q12 - 1Q13

\$ US Billions	4Q12	1Q13	% Change 4Q12 - 1Q13	1Q12	% Change 1Q12 - 1Q13	2011	2012	% Change 2011 - 2012
Americas	64	38	-40%	35	9%	171	190	11%
EMEA	61	40	-34%	31	28%	166	160	-3%
Asia Pacific	27	27	0%	21	26%	99	99	0%
Total	152	105	-31%	87	20%	436	449	3%

Source: Jones Lang LaSalle

While yields have compressed for core real estate in prime markets, spreads to local government bonds remain at historic highs, providing strong relative performance. Lenders are beginning to return to the market and are providing attractive financing which will result in greater transaction volume and stronger investor demand. Leasing fundamentals have generally been strengthening as shown by increasing/stabilizing NOI growth in the chart below. Recovery in gateway markets and primary cities have been particularly strong as major CRE sectors have reported occupancy gains for two consecutive years.

Moving through 2013 and into 2014 the market will see tighter conditions of Grade A space. With new supply of high-quality space limited, the market will become more intense and tenants will find it difficult to gain leverage. Furthermore, demand for industrial and apartment properties is up, exceeding pre-recession levels.



MARKET UPDATE cont.

The United States

The U.S. real estate market experienced \$38 billion in transaction volume during the Quarter, up 9% from First Quarter 2012. During the Global Financial Crisis ("GFC"), real estate values declined 31% and 44% for the de-levered NCREIF Property Index ("NPI") and the levered NCREIF Open End Diversified Core Equity Index ("NFI-ODCE"), respectively. Since the market trough in 2010, both indices have recovered 22% and 30%, respectively. Increasing economic activity and improving employment conditions are stimulating tenant demand. Although demand for space is increasing, it is modest enough to keep a cap on new construction, thus driving down vacancy rates in existing properties. Vacancy rates continue to strengthen for the second straight year, translating into strong NOI growth. Additionally, real estate cap rate spreads are well above their long-term average relative to 10-year Treasuries. This healthy spread offers investors a cushion against bond yield increases in the near term. Furthermore, strong capital flows into real estate and improving NOI growth are expected to help offset the impact of higher Treasury rates.

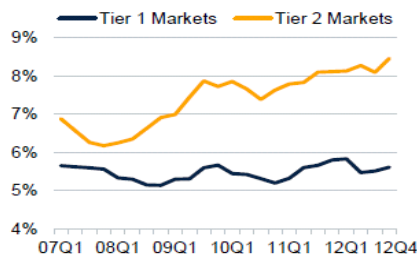
Investors continue to target core properties in prime gateway markets, however, pricing and limited supply have resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Still, core real estate remains attractively priced relative to fixed-income alternatives. The spread to Treasuries and corporate bonds remains above their long-term averages, currently at 400 bps and 130 bps, respectively. Given the magnitude of the spreads we can gather that the Fed is not likely to act on interest rates soon and that real estate should maintain broad momentum moving through the coming periods. Even though primary markets remain the focal point, property values are starting to increase in secondary markets as financing availability improves and investors attempt to capture yield.

Europe

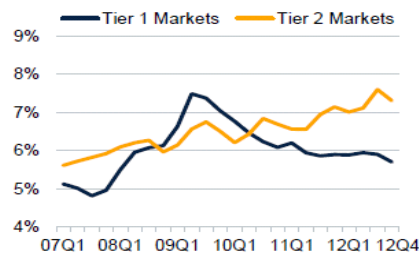
The European commercial real estate market has shown hopeful signs thus far in 2013. Optimism among Europe's banks is improving, leading to liquidity in the financial markets and increasing the number of active lenders. However, international investors continue to be cautious and cross-border investment flow remains low.

The European core asset environment remains extremely competitive. Still, an increasing number of non-core opportunities exist, especially in secondary locations. Given the low returns on prime assets, investors are assessing the need to move into secondary assets and regional markets. These markets generally offer higher income returns and elevated yields imply scope for capital growth via yield compression. As economic growth stabilizes, investor demand will continue to move beyond CBD and core markets in search of more attractive yields. As investor interest in these markets grows, downward pressure will be put on yields outside of major CBD markets. Furthermore, vacancy rates are expected to continue rising in many markets, however, investor demand remains strong in the United Kingdom, Germany and Sweden, as these markets are likely to recover before others in Europe. Property values in the periphery remain depressed and could decline further as debt capital remains difficult to attain for risky assets.

Office Cap Rates - Tier 1 and Tier 2 Cities
Asia Pacific



Europe



Sources: Real Capital Analytics and Deutsche Asset & Wealth Management.
As of April 2013.

Asia

The Asian real estate market experienced \$27 billion in transaction volume during the Quarter, up 26% from First Quarter 2012. Transaction volume during the second half of 2013 is likely to curtail as investors become more concerned that rising interest rates will lead to higher property yields, resulting in reduced property values.

Logistics remains a focus with a shortage of quality supply in China, Japan, and South Korea. Although new stock began to be built in the 2000's, it only represents a small share of the overall stock. Additionally, the Chinese government continues to stress domestic consumption which favors retail and logistics sectors. Among other factors, the recovery in the region is less rapid than it has been in previous market cycles and the two major economies of the region, China and Japan, are undergoing structural changes that may affect the market. Given the current market environment we should expect to see a reduction in corporate investment and hiring, as well as slower leasing volumes.

The New York City Police Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	<i>Portfolio returns underperform the benchmark.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 72.8% of real estate allocation with a portfolio composition of 33.2% core, 64.8% non-core, and 2.0% emerging.</i>
	Non Core (minimum of 40%)	
	Non Core Emerging (greater of \$54 million or 5% of the total real estate allocation)	
Real Estate Allocation	Target of 6.0%	<i>Funded (market value) and committed dollars place the portfolio at 4.4% of total plan assets.</i>
	Currently Funded at 3.2%	
Property Type Diversification	Up to 40% Multifamily Up to 35% Industrial Up to 45% Office Up to 35% Retail Up to 25% Hotel Up to 20% Other	<i>All property type locations are in compliance.</i>
Geographic Diversification	Diversified geographically Max 25% Ex-US	<i>All geographic type locations are in compliance</i>
LTV	65%	<i>Portfolio is in early stages of funding, but is in compliance (44.7 %).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is within compliance ranges.</i>

The New York City Police Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report

Real Estate

56

EXHIBIT B: FOIL

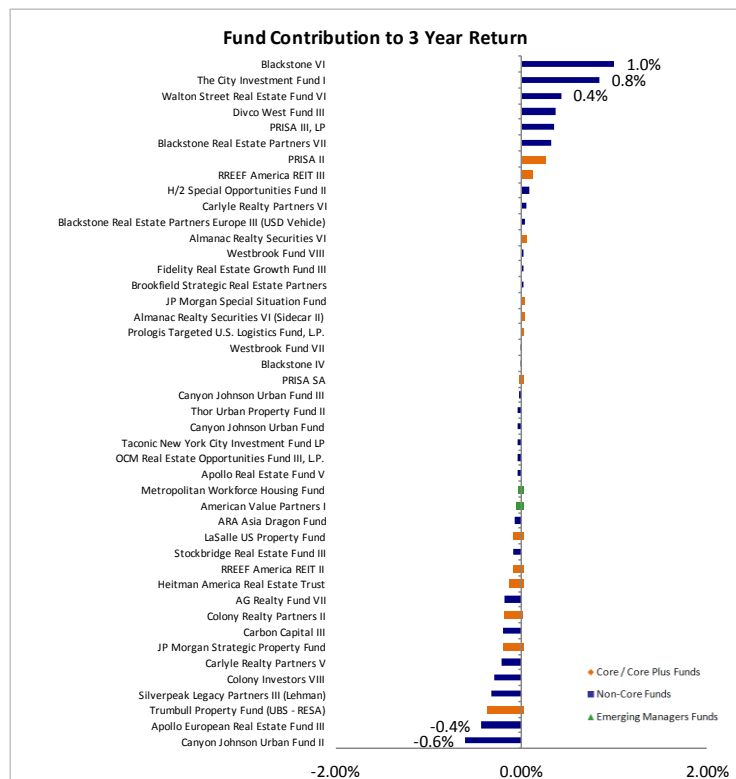
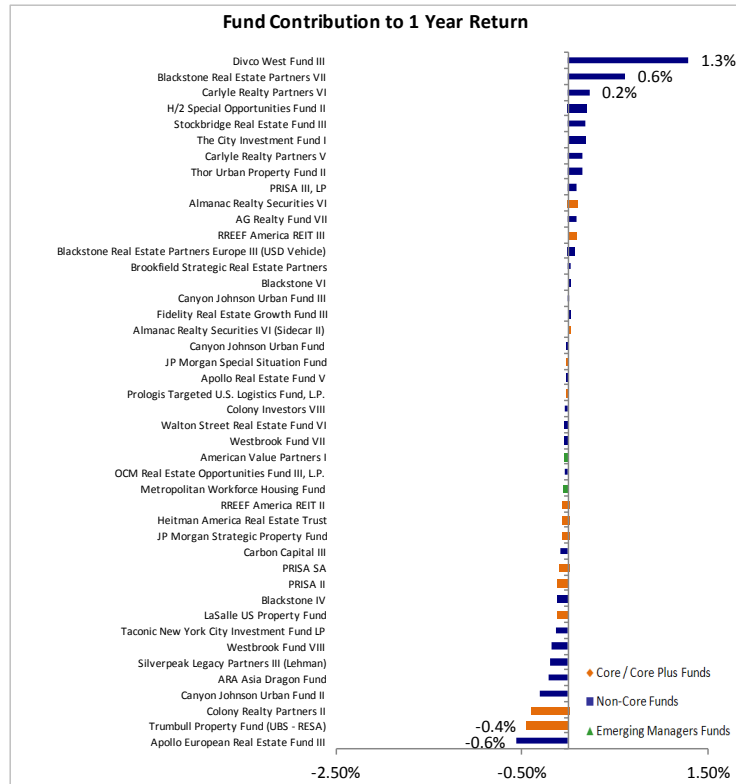
The Townsend Group®

New York City Police Pension Fund

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	\$10,000,000	\$11,694,552	(\$1,776,156)	\$7,774,759	0.8	-3.7%
2006	PRISA SA	9/29/2006	\$21,000,000	\$22,034,409	(\$2,416,125)	\$20,531,182	1.0	0.7%
2006	RREEF America REIT II	10/1/2006	\$21,000,000	\$27,724,347	(\$8,831,796)	\$20,720,417	1.1	1.3%
2006	UBS Trumbull Property Fund ("UBS-TPF")	9/28/2006	\$61,000,000	\$68,423,636	(\$5,817,410)	\$71,309,304	1.1	4.2%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$15,000,000	\$16,324,228	(\$2,341,624)	\$12,605,808	0.9	-1.6%
2007	RREEF America REIT III - 1410	10/1/2007	\$15,000,000	\$15,000,000	(\$426,537)	\$6,094,903	0.4	-14.2%
2007	Colony Realty Partners II	12/20/2006	\$20,000,000	\$21,420,211	(\$666,108)	\$8,383,498	0.4	-14.8%
2007	Heitman HART	3/29/2007	\$28,000,000	\$33,194,094	(\$5,194,094)	\$34,632,764	1.2	4.8%
2007	JP Morgan Strategic Property Fund	12/4/2006	\$56,000,000	\$58,067,487	\$0	\$71,598,005	1.2	5.7%
2007	PRISA II	6/30/2007	\$60,278,867	\$62,405,934	(\$4,949,765)	\$56,467,715	1.0	-0.4%
2010	LaSalle Property Fund	7/1/2010	\$50,000,000	\$34,449,596	(\$2,189,449)	\$38,764,021	1.2	12.1%
2012	Almanac Realty Securities VI (Sidecar II)	7/31/2012	\$15,000,000	\$1,276,642	(\$64,868)	\$1,299,082	1.1	16.6%
2012	Almanac Realty Securities VI	6/6/2012	\$50,000,000	\$13,698,018	(\$2,858,042)	\$12,234,558	1.1	28.0%
Core / Core Plus Portfolio			\$422,278,867	\$385,713,153	(\$37,531,974)	\$362,416,015	1.0	0.9%
2003	Canyon Johnson Urban Fund	12/6/2002	\$10,000,000	\$9,060,242	(\$10,582,954)	\$0	1.2	10.2%
2003	OCM Real Estate Opportunities Fund III	3/5/2003	\$15,000,000	\$15,000,000	(\$23,993,778)	\$2,069,564	1.7	11.9%
2004	Blackstone Fund IV	5/10/2004	\$15,000,000	\$19,220,353	(\$16,787,291)	\$8,172,862	1.3	10.9%
2004	The City Investment Fund I	3/16/2004	\$70,000,000	\$69,030,360	(\$41,252,038)	\$32,894,140	1.1	2.0%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$20,000,000	\$17,977,405	(\$12,000)	\$9,715,064	0.5	-10.9%
2006	AREA Real Estate Investment Fund V, LP	6/15/2006	\$5,000,000	\$5,000,004	(\$1,389,386)	\$2,223,503	0.7	-7.6%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$7,000,000	\$7,006,513	(\$356,883)	\$6,624,714	1.0	-0.2%
2007	Carlyle Realty Partners V	8/27/2007	\$20,000,000	\$23,873,291	(\$15,889,569)	\$13,304,387	1.2	6.7%
2007	Colony Investors VIII	9/18/2007	\$20,000,000	\$21,249,679	(\$1,926,829)	\$7,114,550	0.4	-19.5%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$40,000,000	\$42,475,930	(\$9,653,074)	\$49,197,599	1.4	10.0%
2008	ARA Asia Dragon Fund	7/9/2008	\$10,000,000	\$9,284,000	(\$3,704,144)	\$9,318,431	1.4	12.5%
2008	Westbrook Real Estate Fund VII	12/3/2007	\$10,000,000	\$10,891,611	(\$1,769,696)	\$8,229,016	0.9	-2.3%
2008	American Value Partners Fund I	10/18/2007	\$15,000,000	\$10,904,817	(\$1,928,199)	\$7,180,892	0.8	-5.9%
2008	Fidelity Real Estate Growth Fund III	5/19/2008	\$15,000,000	\$13,388,046	(\$3,314,556)	\$10,090,644	1.0	0.1%
2008	AG Realty Fund VII	5/20/2008	\$25,000,000	\$22,687,500	(\$12,812,500)	\$16,040,382	1.3	10.3%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$27,000,000	\$26,285,345	\$0	\$26,208,961	1.0	-0.1%
2008	AREA European Real Estate Fund III, LP	5/6/2008	\$30,000,000	\$28,315,000	(\$6,505,000)	\$21,462,821	1.0	-0.5%
2008	PRISA III	9/30/2008	\$30,000,000	\$31,899,106	\$0	\$41,387,277	1.3	8.4%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$30,000,000	\$13,301,089	(\$413,039)	\$5,227,258	0.4	-18.3%
2009	Carbon Capital III	7/2/2009	\$15,000,000	\$16,408,936	(\$12,169,791)	\$7,223,143	1.2	8.4%
2009	Thor Urban Property Fund II	10/30/2008	\$20,000,000	\$24,987,002	(\$8,883,607)	\$15,930,048	1.0	-0.6%
2009	Walton Street Real Estate Fund VI	4/27/2009	\$30,000,000	\$25,394,360	(\$5,425,094)	\$24,814,274	1.2	8.3%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$15,000,000	\$12,753,722	(\$2,267,648)	\$11,570,051	1.1	6.1%
2010	Blackstone Real Estate Partners Europe III (USD Vehicle)	10/24/2008	\$35,000,000	\$23,855,810	(\$636,061)	\$27,346,477	1.2	13.7%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$35,000,000	\$40,583,341	(\$13,528,318)	\$32,493,156	1.1	13.1%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$25,000,000	\$7,620,297	\$0	\$10,733,886	1.4	30.3%
2011	Carlyle Realty Partners VI	9/14/2011	\$40,000,000	\$12,936,465	(\$903,437)	\$14,734,649	1.2	22.2%
2012	Taconic New York City Investment Fund LP	7/5/2012	\$40,000,000	\$12,090,909	\$0	\$11,780,781	1.0	-4.8%
2012	Brookfield Strategic Real Estate Partners	9/20/2012	\$65,000,000	\$7,892,946	\$0	\$8,567,180	1.1	17.0%
2012	Divco West Fund III	1/6/2012	\$70,000,000	\$56,609,764	(\$5,044,166)	\$63,707,888	1.2	33.5%
2012	Blackstone Real Estate Partners VII	3/31/2012	\$100,000,000	\$46,676,712	(\$5,832,743)	\$50,983,117	1.2	37.3%
Non Core and Emerging Manager Portfolio			\$904,000,000	\$684,660,554	(\$206,981,800)	\$556,346,715	1.1	4.7%
New York City Police Pension Fund			\$1,326,278,867	\$1,070,373,706	(\$244,513,773)	\$918,762,730	1.1	2.9%

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of March 31, 2013. Note: The General Partner of the JPMorgan Urban Renaissance Fund terminated the Fund on February 23, 2010 and all capital contributed, including management fees, was returned to investors.

EXHIBIT C : ATTRIBUTION



SIS Performance Review



NEW YORK CITY POLICE PENSION FUND

COMPREHENSIVE LONG-TERM PERFORMANCE REVIEW
DATA THROUGH JUNE 30, 2013

SEPTEMBER 16, 2013

STRATEGIC INVESTMENT SOLUTIONS, INC.

333 Bush Street, Suite 2000
San Francisco, CA 94104
(415) 362-3484

Barry W. Dennis
Managing Director



Definitions

- On a Total Fund basis, the Trust is compared to public funds greater than \$10 billion. There are only 13-14 funds in the sample, meaning ranks can swing wildly with small performance changes.
- Asset class composites are compared to other clients' composites (all types and sizes) in the InvestorForce database. Membership is more robust (50-70 participants) with the exception of Fixed Income (up to 25).
- The Policy Index presented is the Adjusted Policy Index, which accounts for uninvested allocations to Real Estate, Private Equity, Hedge Funds and Opportunity Fixed Income (OFI) and their respective parking places.
- The Allocation Index represents the hypothetical result of benchmark performance at actual (rather than target) weights. The difference between the Allocation and Policy Indexes shows the effect of deviation from policy weights.
- Performance detail is presented only on the publicly-traded asset classes (US, Developed and Emerging Markets Equity, and Fixed Income).



Summary Observations

- The Policy Index performance is stellar over cumulative periods and in rolling three-year periods, with the exception of those encompassing the GFC. Kudos to the Board.
- The Allocation Index exceeds the Policy Index in a vast majority of periods covered. Kudos to BAM.
- Actual results trail the Policy Index by a narrow margin over 10 years (20 bps); by 60-70 bps over five years; but by 130 bps over three years. Attribution of these shortfalls will be addressed later in this report.
- A major anomaly in the Total Fund ranks is that the cumulative one-, three- and five-year ranks cluster around the median; the rolling three-year ranks are all median to top quartile. This is a function of the small sample size and the cumulative returns “clustering” around the median. It suggests, however, that the Fund returns are consistently above average over three-year periods and consistency is a positive attribute.



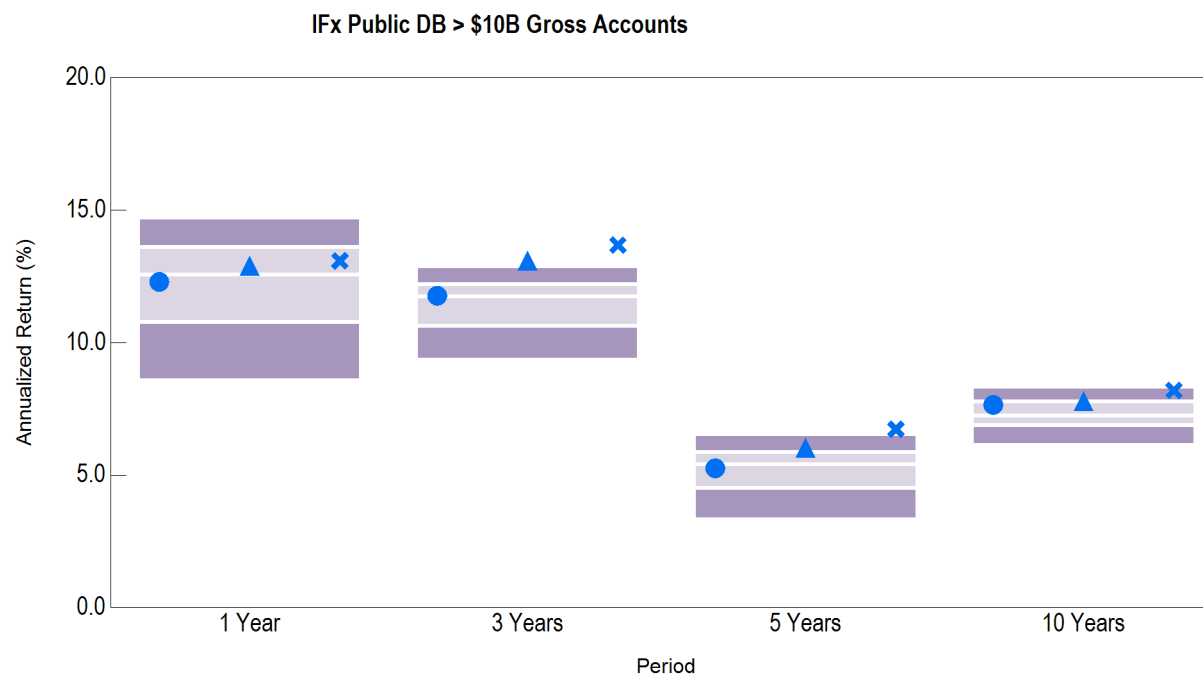
Total Fund Analysis

- As we go through the report, we find that the largest asset classes (US Equity and Fixed Income) have exceeded benchmarks and the smaller allocations (Developed and Emerging Markets) have slightly trailed or matched benchmarks. We also know that the Allocation Timing has added value relative to Policy, and the Hedge Funds results are above benchmark. Together, these infer that shortfalls to policy results are due to results in Real Estate and Private Equity.
 - The shortfall in Private Equity is most likely due to the former 500 basis point premium and valuation frequency.
 - The shortfall in Real Estate is most likely due to the large commitments made prior to the GFC and valuation frequency.
- The universe of Sharpe Ratios has extremely narrow dispersion. The Sharpe Ratio calculation is $(Fund\ Return - T-Bill\ Return) / Fund\ Standard\ Deviation$ and is a measure of return per unit of risk. The three-year rolling charts suggest better than average results in periods encompassing the GFC and lower results post-GFC. This suggests that the Fund's cash positions may be affecting the resulting Sharpe Ratios.

New York City Police Pension Fund

Total Returns - Total Fund

Periods Ending June 30, 2013

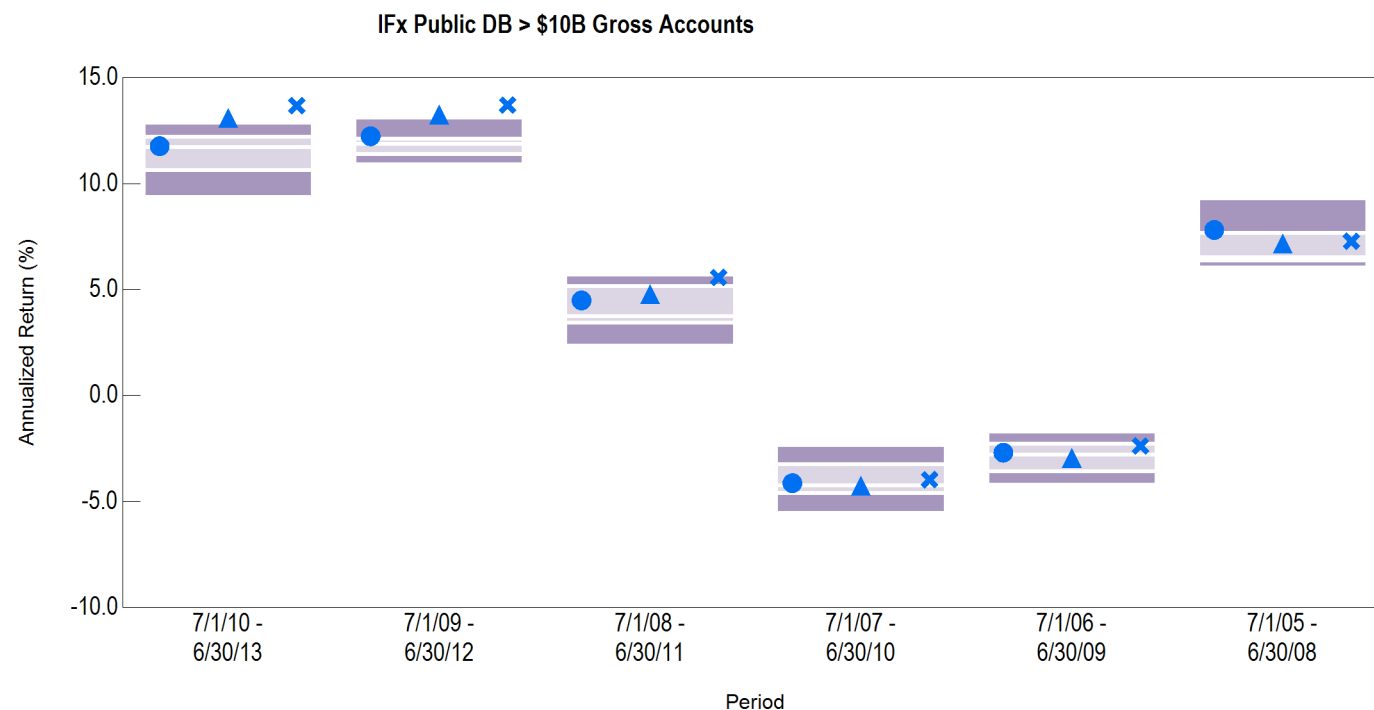


	Return (Rank)			
5th Percentile	14.7	12.9	6.5	8.3
25th Percentile	13.6	12.2	5.9	7.8
Median	12.6	11.8	5.4	7.3
75th Percentile	10.8	10.6	4.5	6.9
95th Percentile	8.6	9.4	3.4	6.1
# of Portfolios	14	14	14	13
● Total Fund	12.3 (55)	11.8 (50)	5.3 (59)	7.6 (34)
▲ Policy Index	12.9 (42)	13.1 (1)	6.0 (23)	7.8 (25)
✕ Allocation Index	13.1 (38)	13.7 (1)	6.7 (1)	8.2 (7)

New York City Police Pension Fund

3-Year Returns - Total Fund (2008-2013)

Periods Ending June 30, 2013

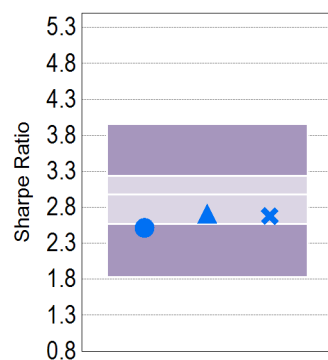


	Return (Rank)					
5th Percentile	12.9	13.1	5.7	-2.3	-1.7	9.3
25th Percentile	12.2	12.1	5.2	-3.2	-2.3	7.7
Median	11.8	11.9	3.8	-4.2	-2.8	6.6
75th Percentile	10.6	11.4	3.4	-4.6	-3.6	6.4
95th Percentile	9.4	10.9	2.4	-5.5	-4.2	6.1
# of Portfolios	14	15	15	15	15	11
● Total Fund	11.8 (50)	12.2 (22)	4.5 (36)	-4.1 (43)	-2.7 (43)	7.8 (10)
▲ Policy Index	13.1 (1)	13.3 (4)	4.8 (30)	-4.3 (58)	-2.9 (66)	7.2 (35)
✕ Allocation Index	13.7 (1)	13.7 (1)	5.6 (11)	-4.0 (36)	-2.4 (28)	7.3 (34)

Sharpe Ratio - Total Fund

Periods Ending June 30, 2013

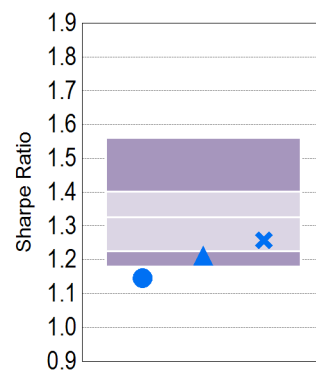
Sharpe Ratio (1 Year)
IFx Public DB > \$10B Gross



● Total Fund	
Value	2.5
%tile	82
▲ Policy Index	
Value	2.7
%tile	62
✕ Allocation Index	
Value	2.7
%tile	70

Universe	
5th %tile	4.0
25th %tile	3.2
Median	3.0
75th %tile	2.6
95th %tile	1.8

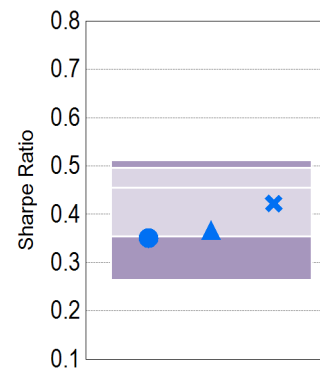
Sharpe Ratio (3 Year)
IFx Public DB > \$10B Gross



● Total Fund	
Value	1.1
%tile	99
▲ Policy Index	
Value	1.2
%tile	81
✕ Allocation Index	
Value	1.3
%tile	61

Universe	
5th %tile	1.6
25th %tile	1.4
Median	1.3
75th %tile	1.2
95th %tile	1.2

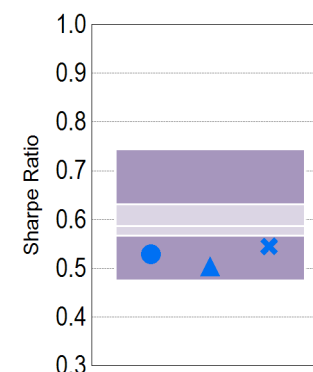
Sharpe Ratio (5 Year)
IFx Public DB > \$10B Gross



● Total Fund	
Value	0.4
%tile	77
▲ Policy Index	
Value	0.4
%tile	73
✕ Allocation Index	
Value	0.4
%tile	64

Universe	
5th %tile	0.5
25th %tile	0.5
Median	0.5
75th %tile	0.4
95th %tile	0.3

Sharpe Ratio (10 Year)
IFx Public DB > \$10B Gross

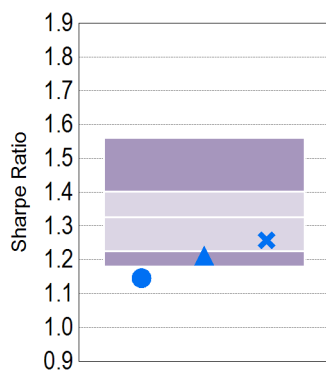


● Total Fund	
Value	0.5
%tile	82
▲ Policy Index	
Value	0.5
%tile	87
✕ Allocation Index	
Value	0.5
%tile	79

Universe	
5th %tile	0.7
25th %tile	0.6
Median	0.6
75th %tile	0.6
95th %tile	0.5

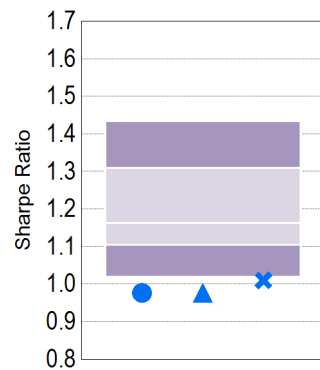
3-Year Sharpe Ratio - Total Fund (2009-2013)

Periods Ending June 30, 2013

Sharpe Ratio (7/1/10-6/30/13)
IFx Public DB > \$10B Gross

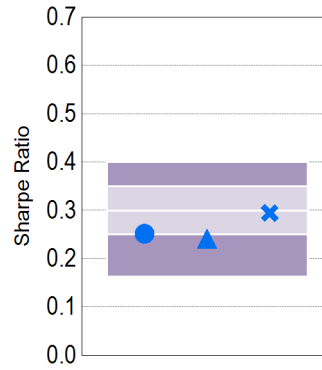
● Total Fund	
Value	1.1
%tile	99
▲ Policy Index	
Value	1.2
%tile	81
✕ Allocation Index	
Value	1.3
%tile	61

Universe	
5th %tile	1.6
25th %tile	1.4
Median	1.3
75th %tile	1.2
95th %tile	1.2

Sharpe Ratio (7/1/09-6/30/12)
IFx Public DB > \$10B Gross

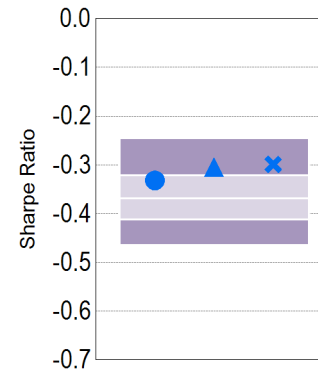
● Total Fund	
Value	1.0
%tile	99
▲ Policy Index	
Value	1.0
%tile	99
✕ Allocation Index	
Value	1.0
%tile	99

Universe	
5th %tile	1.4
25th %tile	1.3
Median	1.2
75th %tile	1.1
95th %tile	1.0

Sharpe Ratio (7/1/08-6/30/11)
IFx Public DB > \$10B Gross

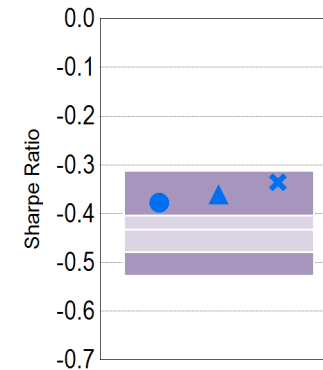
● Total Fund	
Value	0.3
%tile	75
▲ Policy Index	
Value	0.2
%tile	78
✕ Allocation Index	
Value	0.3
%tile	55

Universe	
5th %tile	0.4
25th %tile	0.4
Median	0.3
75th %tile	0.3
95th %tile	0.2

Sharpe Ratio (7/1/07-6/30/10)
IFx Public DB > \$10B Gross

● Total Fund	
Value	-0.3
%tile	29
▲ Policy Index	
Value	-0.3
%tile	23
✕ Allocation Index	
Value	-0.3
%tile	22

Universe	
5th %tile	-0.2
25th %tile	-0.3
Median	-0.4
75th %tile	-0.4
95th %tile	-0.5

Sharpe Ratio (7/1/06-6/30/09)
IFx Public DB > \$10B Gross

● Total Fund	
Value	-0.4
%tile	16
▲ Policy Index	
Value	-0.4
%tile	12
✕ Allocation Index	
Value	-0.3
%tile	8

Universe	
5th %tile	-0.3
25th %tile	-0.4
Median	-0.4
75th %tile	-0.5
95th %tile	-0.5

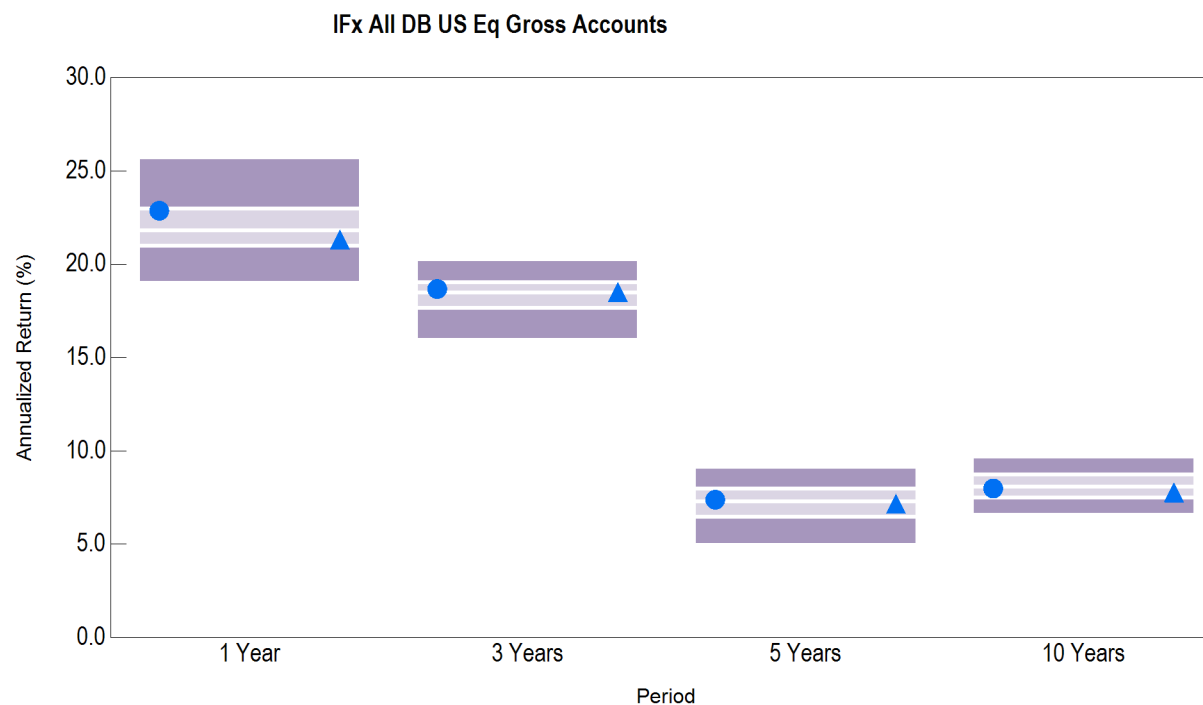


US Equity Analysis

- Very strong FY2013 returns have brought long-term results above benchmark through ten years and above peers through five years.
- The intentional Small Cap overweight had a big payoff in FY2013:
 - S&P 500: 20.6%
 - Russell Mid: 25.4%
 - R2000: 24.2%
- A closer look inside the US Equity portfolio reveals that the FY2013 alpha came from the Fundamental Indexers (VTL and RAFI) and a sharp rebound to Zevenbergen.
- Due primarily to the large index position, the portfolio's beta remains a "sticky" 1.0 and its tracking errors are the lowest in the sample.
- Cumulative Information Ratios are positive, primarily due to the stellar FY2013. The majority of rolling three-year Information Ratios are above median.

Total Returns - US Equity

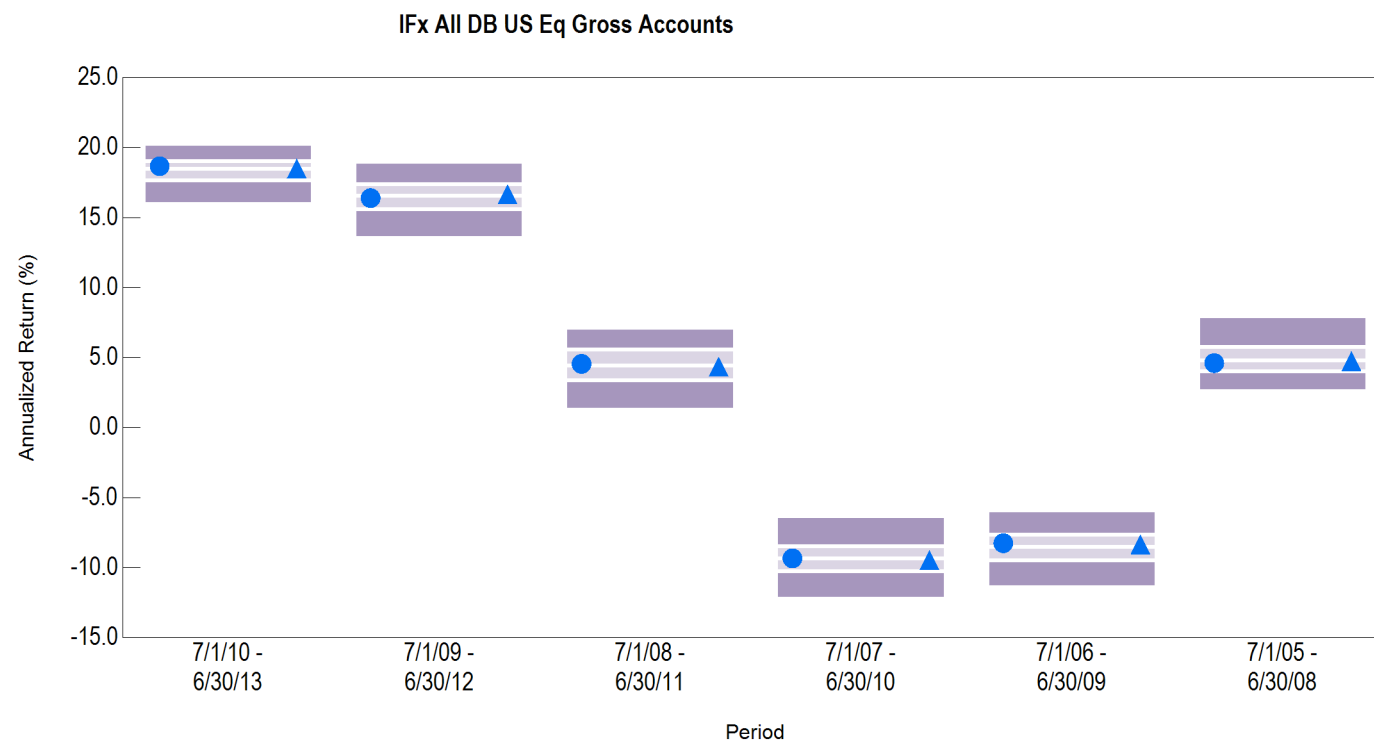
Periods Ending June 30, 2013



	Return (Rank)			
5th Percentile	25.7	20.3	9.1	9.7
25th Percentile	23.0	19.1	8.0	8.8
Median	21.8	18.5	7.3	8.1
75th Percentile	21.0	17.7	6.5	7.5
95th Percentile	19.0	16.0	5.0	6.6
# of Portfolios	606	504	458	312
● US Equity	22.9 (27)	18.7 (43)	7.4 (47)	8.0 (56)
▲ Russell 3000	21.3 (68)	18.5 (50)	7.2 (55)	7.8 (65)

3-Year Returns - US Equity (2008-2013)

Periods Ending June 30, 2013

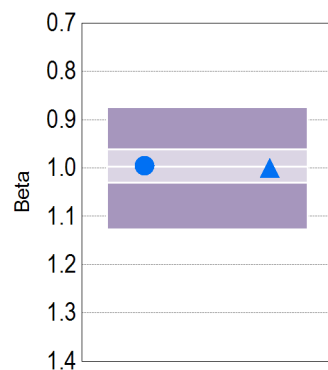


	Return (Rank)					
5th Percentile	20.3	19.0	7.1	-6.4	-5.9	8.0
25th Percentile	19.1	17.4	5.6	-8.4	-7.6	5.8
Median	18.5	16.6	4.5	-9.3	-8.5	4.8
75th Percentile	17.7	15.6	3.4	-10.2	-9.4	4.0
95th Percentile	16.0	13.6	1.3	-12.2	-11.4	2.6
# of Portfolios	504	441	432	419	397	360
● US Equity	18.7 (43)	16.4 (56)	4.6 (48)	-9.3 (51)	-8.3 (43)	4.6 (58)
▲ Russell 3000	18.5 (50)	16.7 (50)	4.3 (53)	-9.5 (54)	-8.3 (45)	4.7 (54)

Beta - US Equity

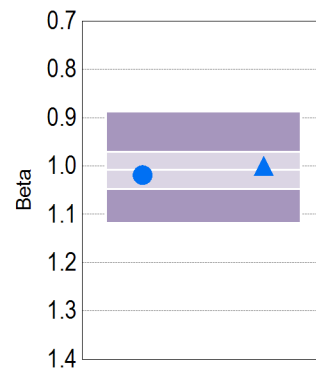
Periods Ending June 30, 2013

Beta (1 Year)
IFx All DB US Eq Gross



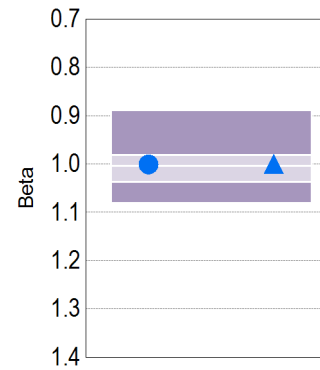
● US Equity	
Value	1.0
%tile	50
▲ Russell 3000	
Value	1.0
%tile	54
Universe	
5th %tile	0.9
25th %tile	1.0
Median	1.0
75th %tile	1.0
95th %tile	1.1

Beta (3 Year)
IFx All DB US Eq Gross



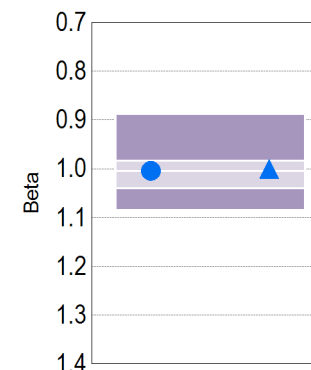
● US Equity	
Value	1.0
%tile	61
▲ Russell 3000	
Value	1.0
%tile	45
Universe	
5th %tile	0.9
25th %tile	1.0
Median	1.0
75th %tile	1.0
95th %tile	1.1

Beta (5 Year)
IFx All DB US Eq Gross



● US Equity	
Value	1.0
%tile	49
▲ Russell 3000	
Value	1.0
%tile	48
Universe	
5th %tile	0.9
25th %tile	1.0
Median	1.0
75th %tile	1.0
95th %tile	1.1

Beta (10 Year)
IFx All DB US Eq Gross

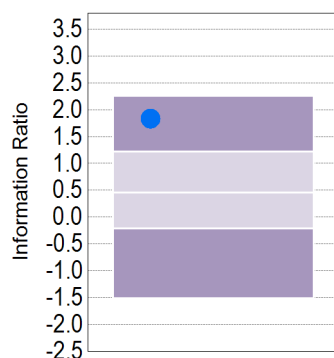


● US Equity	
Value	1.0
%tile	52
▲ Russell 3000	
Value	1.0
%tile	46
Universe	
5th %tile	0.9
25th %tile	1.0
Median	1.0
75th %tile	1.0
95th %tile	1.1

Information Ratio - US Equity

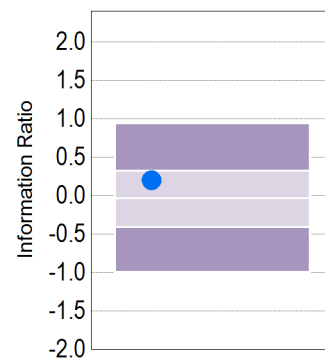
Periods Ending June 30, 2013

Information Ratio (1 Year)
IFx All DB US Eq Gross



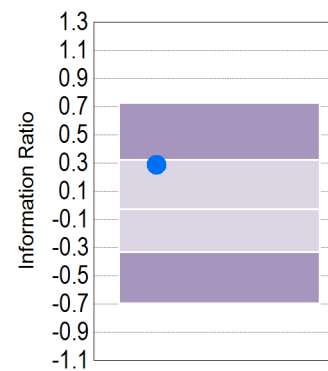
● US Equity	
Value	1.8
%tile	11
▲ Russell 3000	
Value	--
%tile	--
Universe	
5th %tile	2.3
25th %tile	1.2
Median	0.5
75th %tile	-0.2
95th %tile	-1.5

Information Ratio (3 Year)
IFx All DB US Eq Gross



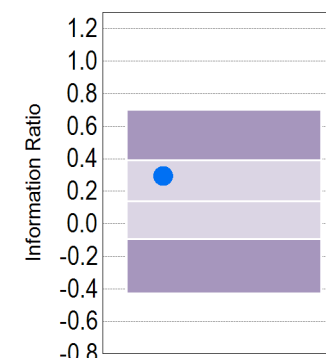
● US Equity	
Value	0.2
%tile	34
▲ Russell 3000	
Value	--
%tile	--
Universe	
5th %tile	0.9
25th %tile	0.3
Median	0.0
75th %tile	-0.4
95th %tile	-1.0

Information Ratio (5 Year)
IFx All DB US Eq Gross



● US Equity	
Value	0.3
%tile	29
▲ Russell 3000	
Value	--
%tile	--
Universe	
5th %tile	0.7
25th %tile	0.3
Median	0.0
75th %tile	-0.3
95th %tile	-0.7

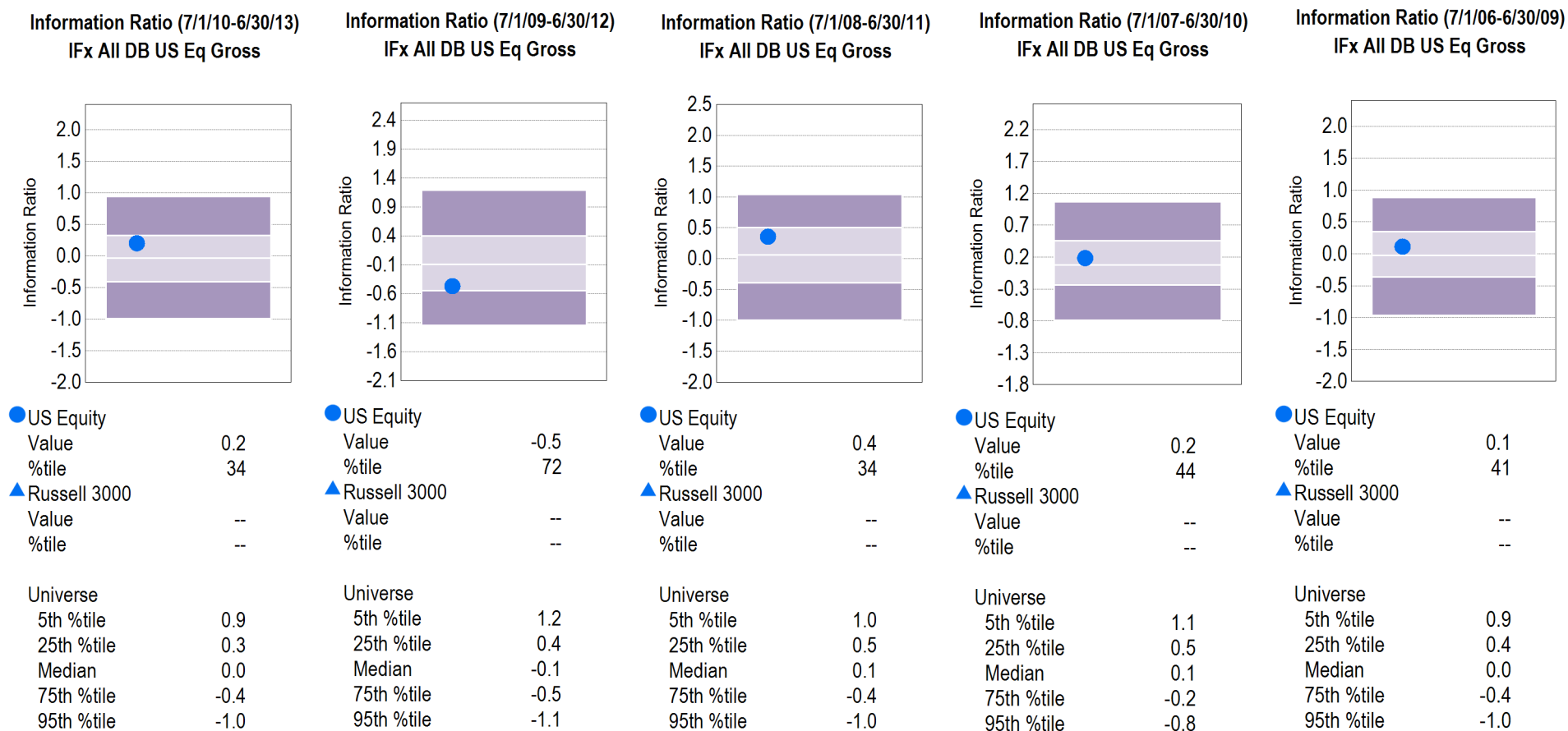
Information Ratio (10 Year)
IFx All DB US Eq Gross



● US Equity	
Value	0.3
%tile	36
▲ Russell 3000	
Value	--
%tile	--
Universe	
5th %tile	0.7
25th %tile	0.4
Median	0.1
75th %tile	-0.1
95th %tile	-0.4

3-Year Information Ratio - US Equity (2009-2013)

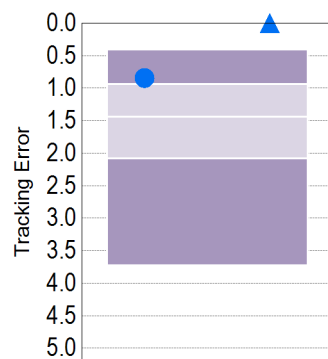
Periods Ending June 30, 2013



Tracking Error - US Equity

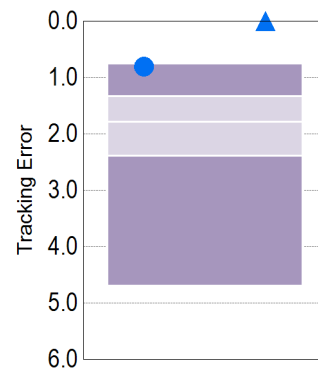
Periods Ending June 30, 2013

Tracking Error (1 Year)
IFx All DB US Eq Gross



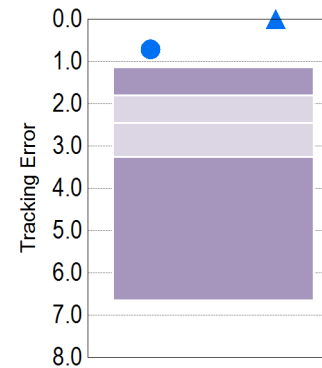
● US Equity	
Value	0.8
%tile	22
▲ Russell 3000	
Value	0.0
%tile	1
Universe	
5th %tile	0.4
25th %tile	0.9
Median	1.4
75th %tile	2.1
95th %tile	3.7

Tracking Error (3 Year)
IFx All DB US Eq Gross



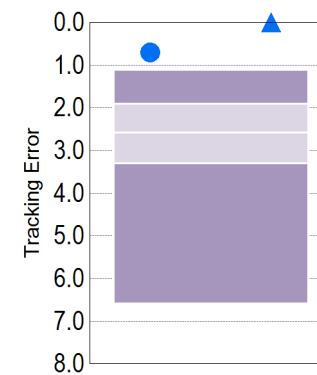
● US Equity	
Value	0.8
%tile	7
▲ Russell 3000	
Value	0.0
%tile	1
Universe	
5th %tile	0.7
25th %tile	1.3
Median	1.8
75th %tile	2.4
95th %tile	4.7

Tracking Error (5 Year)
IFx All DB US Eq Gross



● US Equity	
Value	0.7
%tile	2
▲ Russell 3000	
Value	0.0
%tile	1
Universe	
5th %tile	1.1
25th %tile	1.8
Median	2.4
75th %tile	3.2
95th %tile	6.6

Tracking Error (10 Year)
IFx All DB US Eq Gross



● US Equity	
Value	0.7
%tile	2
▲ Russell 3000	
Value	0.0
%tile	1
Universe	
5th %tile	1.1
25th %tile	1.9
Median	2.6
75th %tile	3.3
95th %tile	6.6

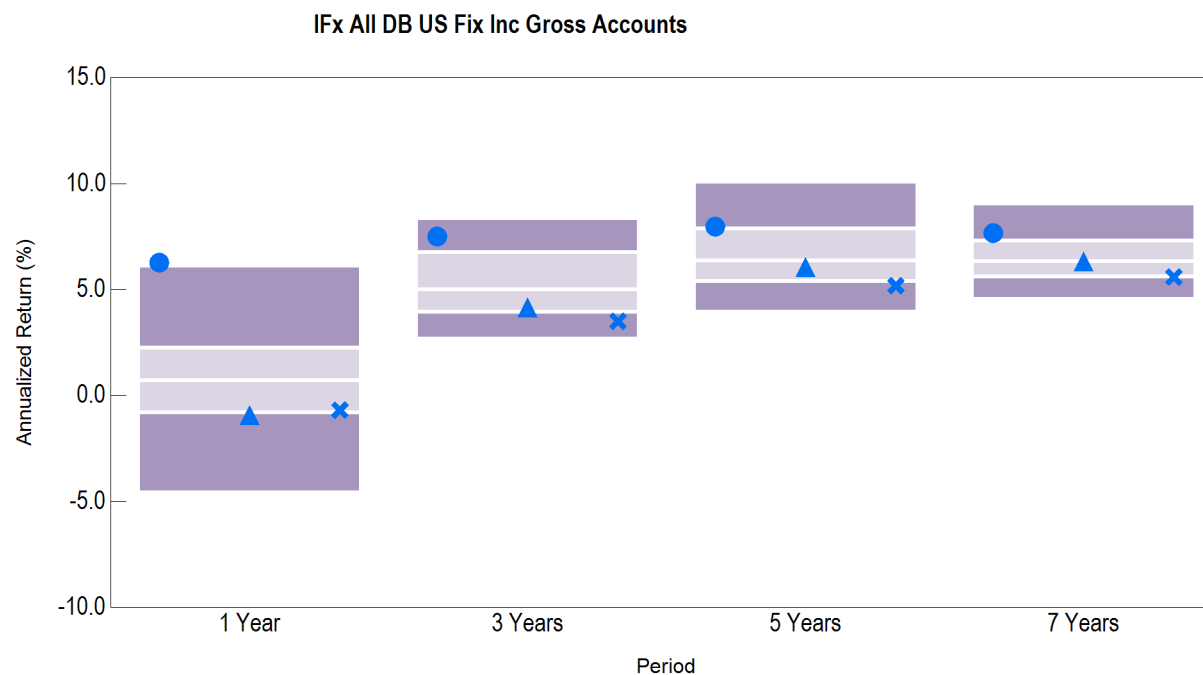


Fixed Income Analysis

- Fixed Income results are very strong with all cumulative periods in the top quartile.
- The inception of the OFI begins a very strong period with three-year returns at the 17th percentile.
- Risk-adjusted returns (Information Ratios) are strong as well with more recent results in the top decile and earlier results in the top quartile.
- Risks (Tracking Errors) are average.
- These results include all Fixed Income categories – Structural, Enhanced Yield, TIPs, Bank Loan, Converts, and OFI.

Total Returns - US Fixed Income ex-Cash

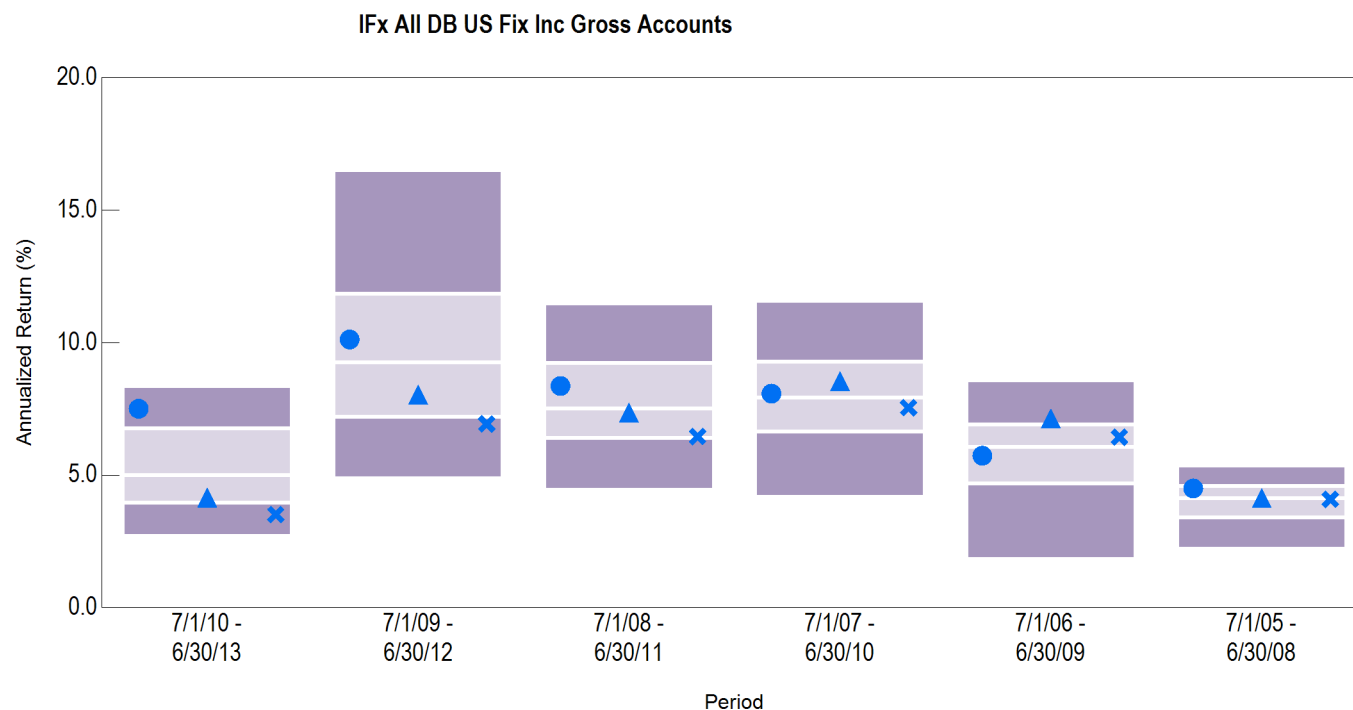
Periods Ending June 30, 2013



	Return (Rank)			
5th Percentile	6.1	8.3	10.1	9.0
25th Percentile	2.3	6.8	7.9	7.3
Median	0.7	5.0	6.4	6.4
75th Percentile	-0.8	4.0	5.4	5.6
95th Percentile	-4.6	2.7	4.0	4.6
# of Portfolios	439	361	326	290
● Fixed Income -ex Cash	6.3 (5)	7.5 (17)	8.0 (25)	7.7 (20)
▲ Citigroup Core 5+ Year	-0.9 (78)	4.2 (70)	6.1 (59)	6.3 (52)
✕ Barclays Aggregate	-0.7 (75)	3.5 (86)	5.2 (81)	5.6 (77)

3-Year Returns - US Fixed Income ex-Cash

Periods Ending June 30, 2013

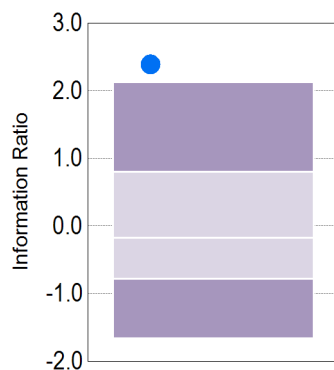


	Return (Rank)					
5th Percentile	8.3	16.5	11.5	11.6	8.6	5.3
25th Percentile	6.8	11.8	9.2	9.3	6.9	4.6
Median	5.0	9.3	7.5	7.9	6.1	4.1
75th Percentile	4.0	7.2	6.4	6.7	4.7	3.4
95th Percentile	2.7	4.9	4.4	4.2	1.8	2.2
# of Portfolios	361	326	319	302	286	265
● Fixed Income -ex Cash	7.5 (17)	10.1 (39)	8.4 (38)	8.1 (47)	5.7 (57)	4.5 (31)
▲ Citigroup Core 5+ Year	4.2 (70)	8.0 (66)	7.4 (56)	8.5 (36)	7.1 (21)	4.1 (51)
✕ Barclays Aggregate	3.5 (86)	6.9 (82)	6.5 (75)	7.5 (60)	6.4 (39)	4.1 (53)

Information Ratio - US Fixed Income ex-Cash

Periods Ending June 30, 2013

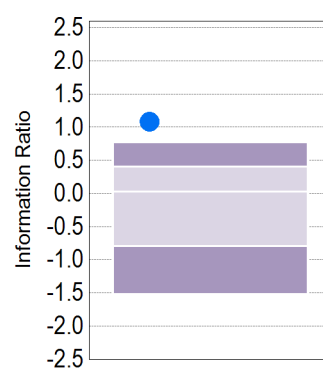
Information Ratio (1 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	2.4
%tile	4
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	2.1
25th %tile	0.8
Median	-0.2
75th %tile	-0.8
95th %tile	-1.7

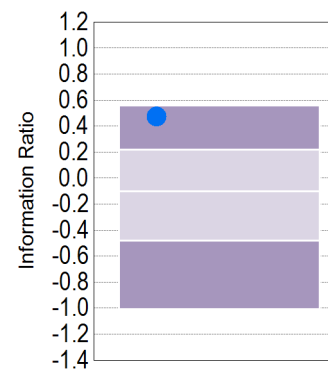
Information Ratio (3 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	1.1
%tile	1
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.8
25th %tile	0.4
Median	0.0
75th %tile	-0.8
95th %tile	-1.5

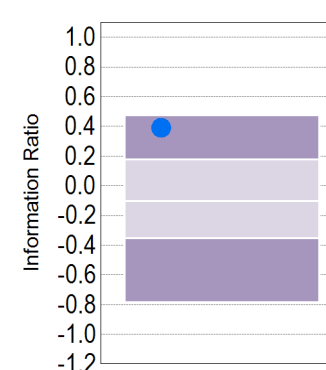
Information Ratio (5 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	0.5
%tile	8
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.6
25th %tile	0.2
Median	-0.1
75th %tile	-0.5
95th %tile	-1.0

Information Ratio (7 Year)
IFx All DB US Fix Inc Gross



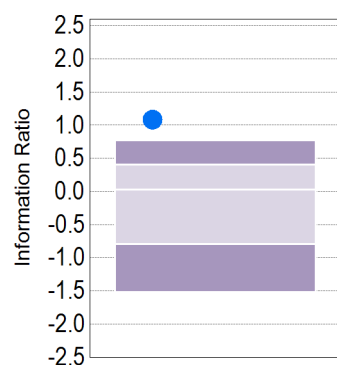
● Fixed Income -ex Cash	
Value	0.4
%tile	10
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.5
25th %tile	0.2
Median	-0.1
75th %tile	-0.3
95th %tile	-0.8

3-Year Information Ratio - US Fixed Income ex-Cash (2009-2013)

Periods Ending June 30, 2013

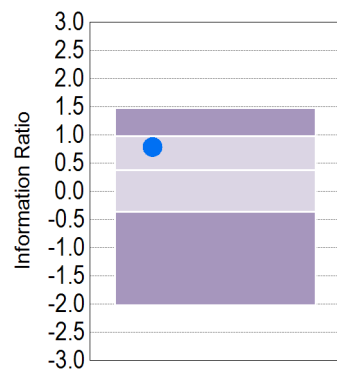
Information Ratio (7/1/10-6/30/13)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	1.1
%tile	1
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.8
25th %tile	0.4
Median	0.0
75th %tile	-0.8
95th %tile	-1.5

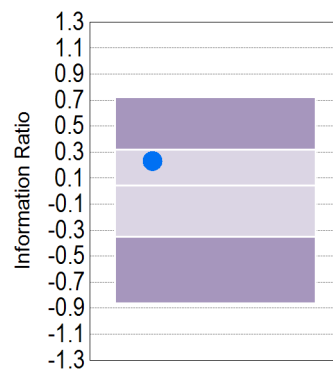
Information Ratio (7/1/09-6/30/12)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	0.8
%tile	34
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	1.5
25th %tile	1.0
Median	0.4
75th %tile	-0.4
95th %tile	-2.0

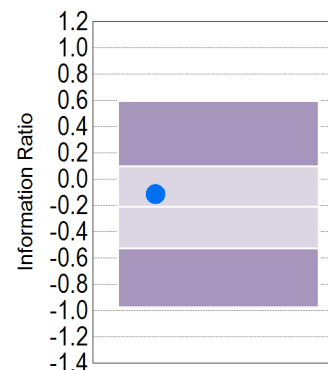
Information Ratio (7/1/08-6/30/11)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	0.2
%tile	35
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.7
25th %tile	0.3
Median	0.0
75th %tile	-0.3
95th %tile	-0.9

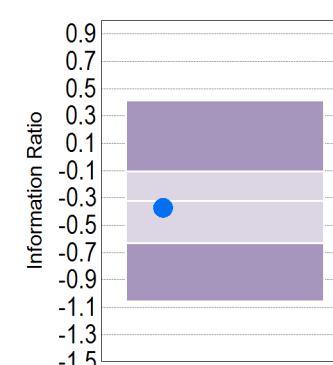
Information Ratio (7/1/07-6/30/10)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	-0.1
%tile	44
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.6
25th %tile	0.1
Median	-0.2
75th %tile	-0.5
95th %tile	-1.0

Information Ratio (7/1/06-6/30/09)
IFx All DB US Fix Inc Gross



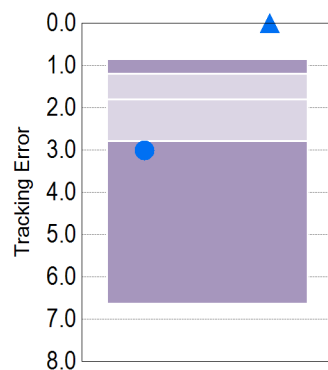
● Fixed Income -ex Cash	
Value	-0.4
%tile	55
▲ Citigroup Core 5+ Year	
Value	--
%tile	--

Universe	
5th %tile	0.4
25th %tile	-0.1
Median	-0.3
75th %tile	-0.6
95th %tile	-1.1

Tracking Error - US Fixed Income ex-Cash

Periods Ending June 30, 2013

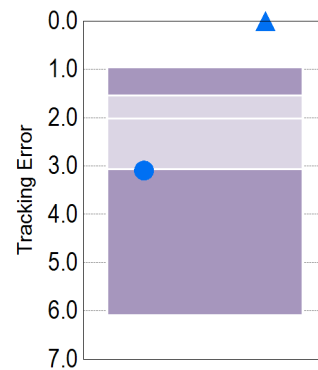
Tracking Error (1 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	3.0
%tile	77
▲ Citigroup Core 5+ Year	
Value	0.0
%tile	1

Universe	
5th %tile	0.9
25th %tile	1.2
Median	1.8
75th %tile	2.8
95th %tile	6.6

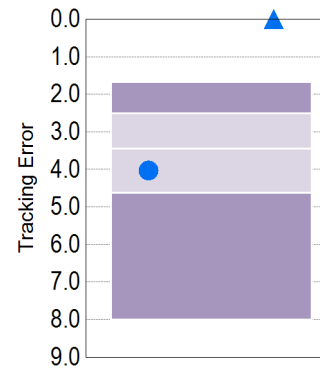
Tracking Error (3 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	3.1
%tile	76
▲ Citigroup Core 5+ Year	
Value	0.0
%tile	1

Universe	
5th %tile	1.0
25th %tile	1.5
Median	2.0
75th %tile	3.1
95th %tile	6.1

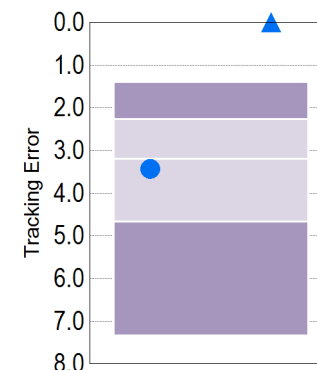
Tracking Error (5 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	4.0
%tile	64
▲ Citigroup Core 5+ Year	
Value	0.0
%tile	1

Universe	
5th %tile	1.7
25th %tile	2.5
Median	3.4
75th %tile	4.6
95th %tile	8.0

Tracking Error (7 Year)
IFx All DB US Fix Inc Gross



● Fixed Income -ex Cash	
Value	3.4
%tile	56
▲ Citigroup Core 5+ Year	
Value	0.0
%tile	1

Universe	
5th %tile	1.4
25th %tile	2.3
Median	3.2
75th %tile	4.7
95th %tile	7.3

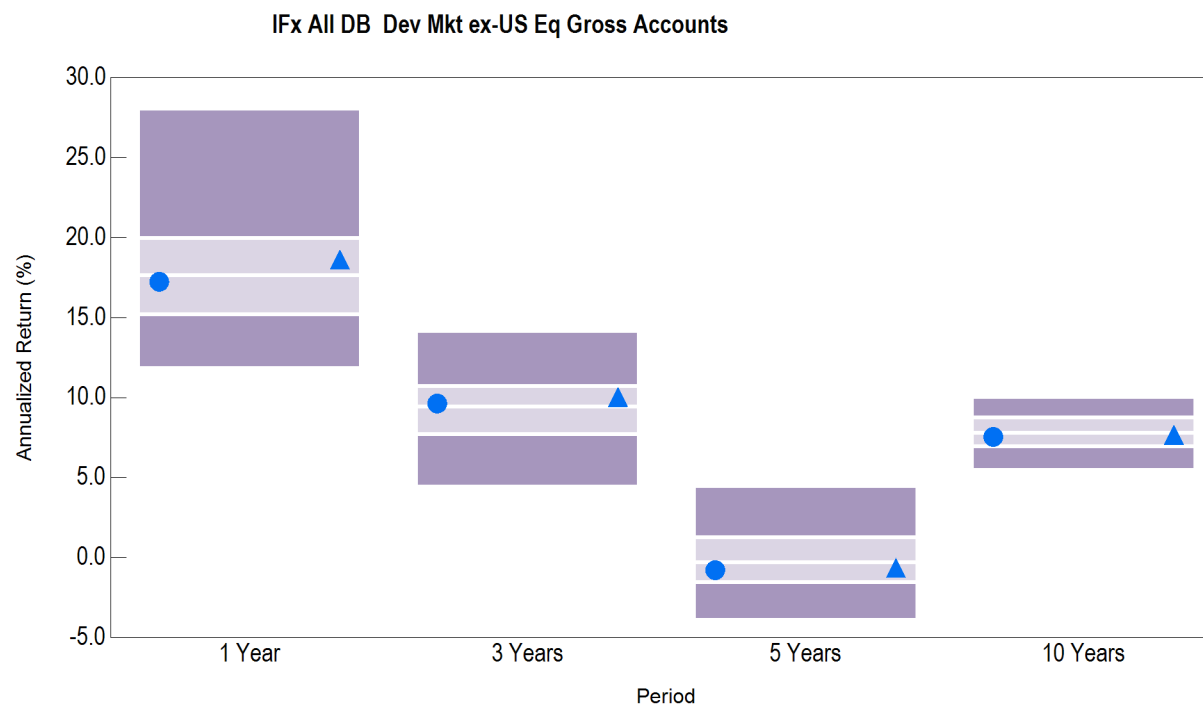


International Equity – Developed Markets Analysis

- The results do not include the Environmental/Activist managers (Generation and Governance for Owners) which would close the underperformance gap by 10-50 bps. Also, as of 6/30/2013, the new manager lineup has yet to have a full quarter of results.
- Cumulative performance trails EAFE, particularly in FY2013, with the largest shortfall from Thornburg (14.0% v. 18.6%).
- Rolling three-year performance shows excess performance in all periods except the most recent.
- The portfolio (like the US) has had very low tracking error relative to peers, despite the higher active content (relative to US – 21% v. 70%). We expect to see greater active risk as the managers gain tenure.
- Cumulative risk-adjusted returns are below par, all due to most recent period.
- Too early to make definitive conclusions.

Total Returns - International Equity - Developed

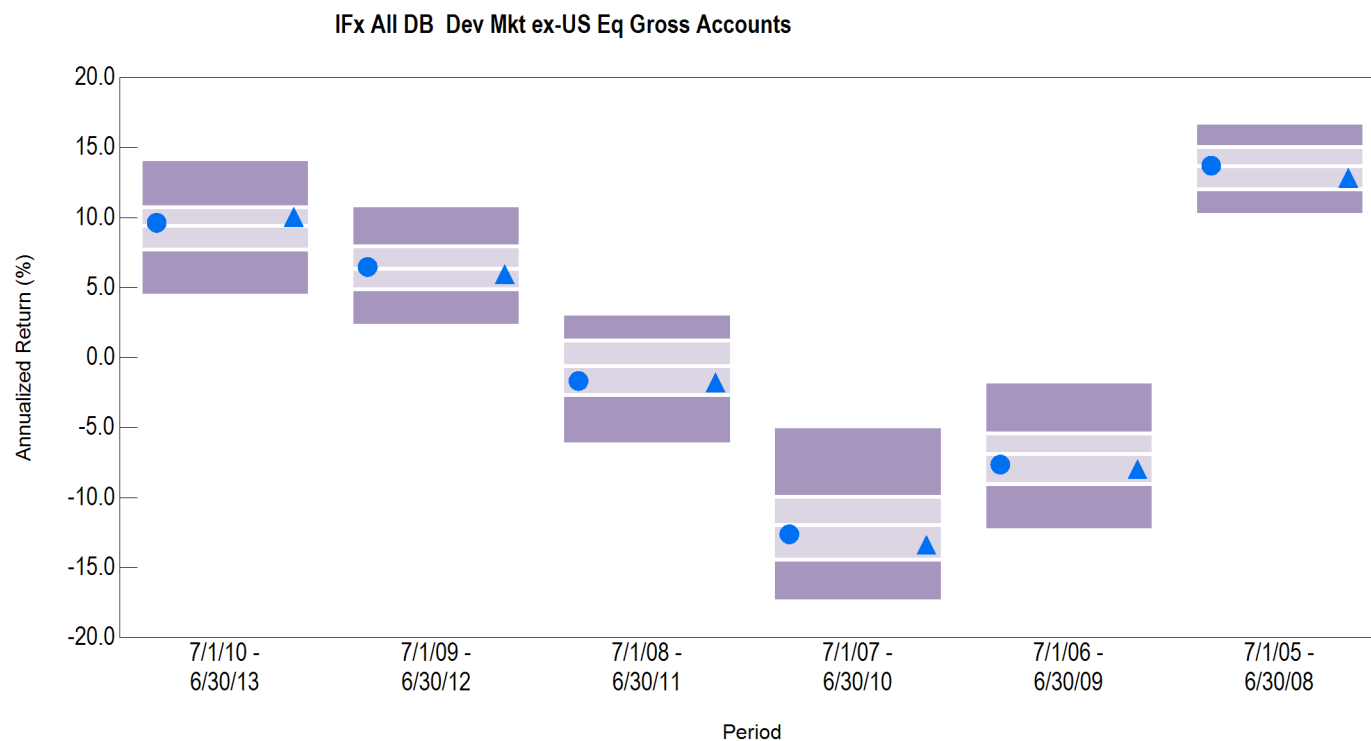
Periods Ending June 30, 2013



	Return (Rank)			
5th Percentile	28.0	14.1	4.5	10.0
25th Percentile	20.0	10.7	1.3	8.8
Median	17.7	9.5	-0.3	7.8
75th Percentile	15.2	7.8	-1.5	7.0
95th Percentile	11.9	4.4	-3.9	5.5
# of Portfolios	128	104	100	54
● Int'l Eq -Developed	17.2 (57)	9.6 (44)	-0.8 (66)	7.5 (61)
▲ MSCI EAFE	18.6 (41)	10.0 (40)	-0.6 (64)	7.7 (56)

3-Year Returns - International Equity - Developed (2008-2013)

Periods Ending June 30, 2013

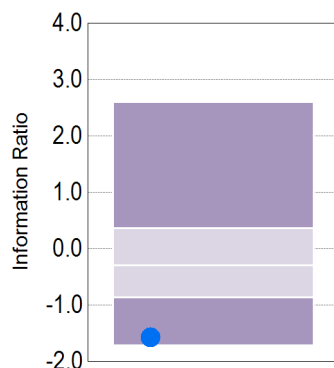


	Return (Rank)					
5th Percentile	14.1	10.8	3.1	-4.9	-1.8	16.8
25th Percentile	10.7	8.0	1.2	-9.9	-5.4	15.1
Median	9.5	6.4	-0.6	-11.9	-6.9	13.7
75th Percentile	7.8	4.9	-2.7	-14.4	-9.0	12.0
95th Percentile	4.4	2.3	-6.2	-17.4	-12.3	10.2
# of Portfolios	104	96	96	80	71	59
● Int'l Eq -Developed	9.6 (44)	6.5 (49)	-1.7 (63)	-12.6 (59)	-7.6 (61)	13.7 (50)
▲ MSCI EAFE	10.0 (40)	6.0 (57)	-1.8 (64)	-13.4 (65)	-8.0 (62)	12.8 (61)

Information Ratio - International Equity - Developed

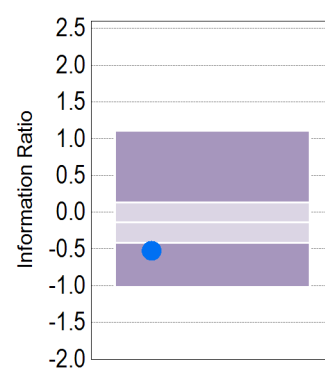
Periods Ending June 30, 2013

Information Ratio (1 Year)
IFx All DB Dev Mkt Eq ex-US
Gross



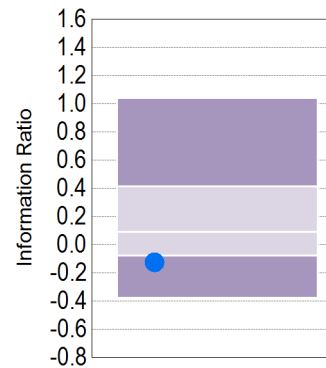
● Int'l Eq -Developed	
Value	-1.6
%tile	93
▲ MSCI EAFE	
Value	--
%tile	--
Universe	
5th %tile	2.6
25th %tile	0.4
Median	-0.3
75th %tile	-0.9
95th %tile	-1.7

Information Ratio (3 Year)
IFx All DB Dev Mkt Eq ex-US
Gross



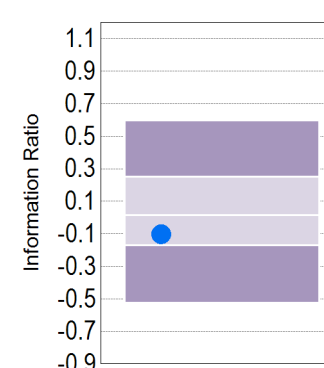
● Int'l Eq -Developed	
Value	-0.5
%tile	80
▲ MSCI EAFE	
Value	--
%tile	--
Universe	
5th %tile	1.1
25th %tile	0.1
Median	-0.1
75th %tile	-0.4
95th %tile	-1.0

Information Ratio (5 Year)
IFx All DB Dev Mkt Eq ex-US
Gross



● Int'l Eq -Developed	
Value	-0.1
%tile	83
▲ MSCI EAFE	
Value	--
%tile	--
Universe	
5th %tile	1.0
25th %tile	0.4
Median	0.1
75th %tile	-0.1
95th %tile	-0.4

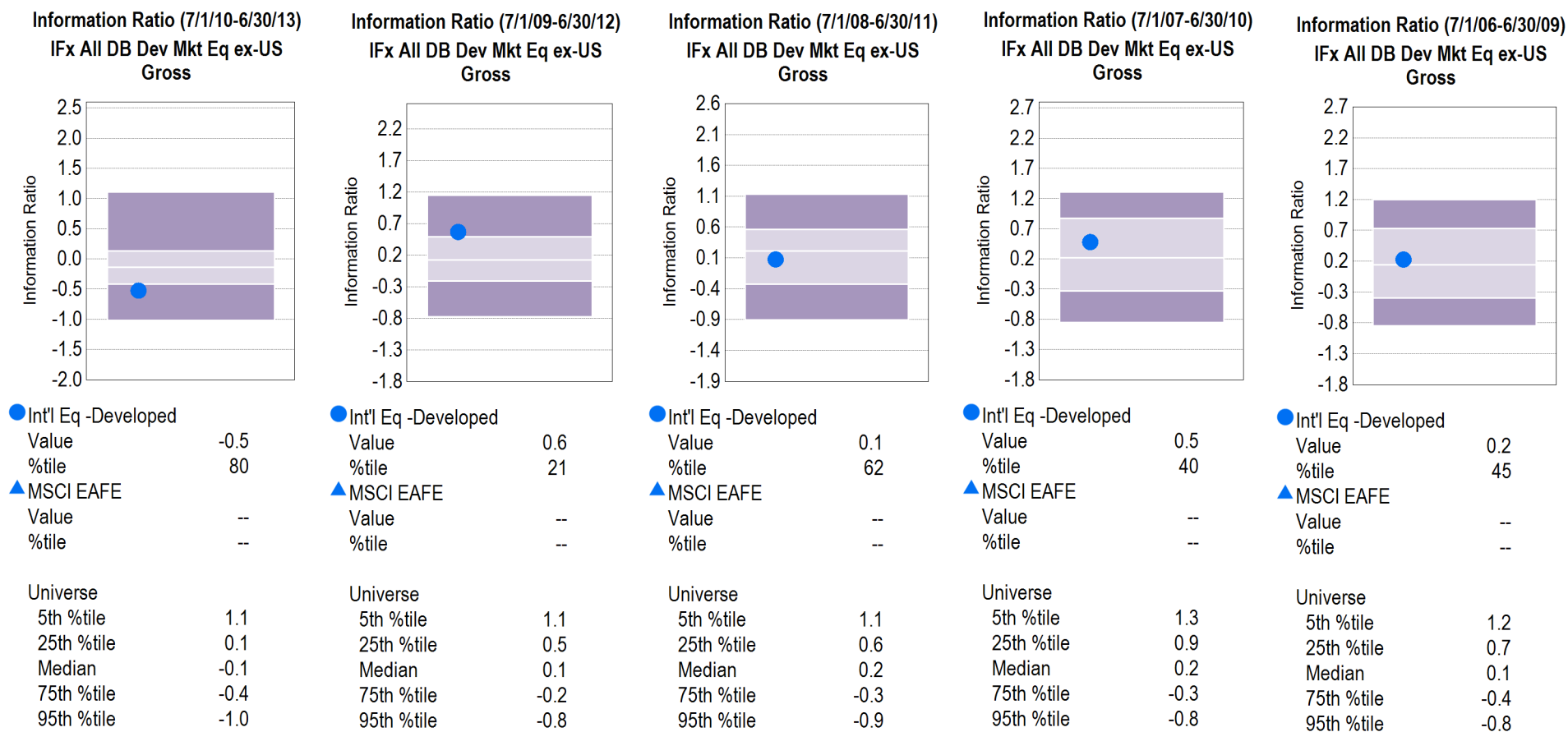
Information Ratio (10 Year)
IFx All DB Dev Mkt Eq ex-US
Gross



● Int'l Eq -Developed	
Value	-0.1
%tile	67
▲ MSCI EAFE	
Value	--
%tile	--
Universe	
5th %tile	0.6
25th %tile	0.3
Median	0.0
75th %tile	-0.2
95th %tile	-0.5

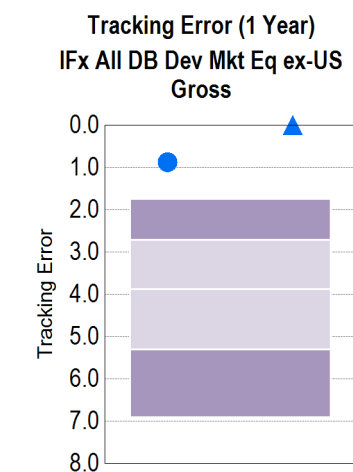
3-Year Information Ratio - International Equity - Developed (2009-2013)

Periods Ending June 30, 2013

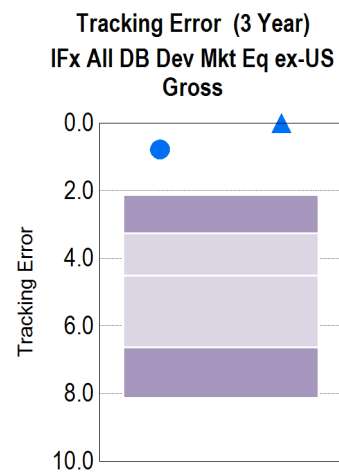


Tracking Error - International Equity - Developed

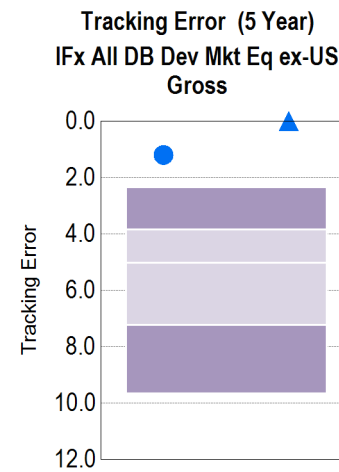
Periods Ending June 30, 2013



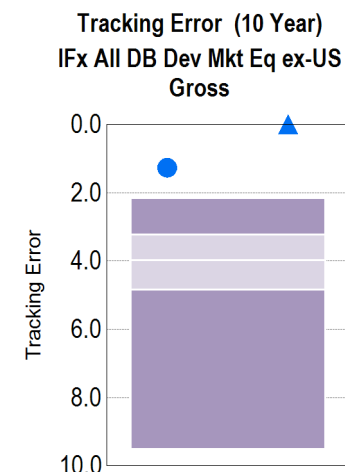
● Int'l Eq -Developed	
Value	0.9
%tile	1
▲ MSCI EAFE	
Value	0.0
%tile	1
Universe	
5th %tile	1.7
25th %tile	2.7
Median	3.9
75th %tile	5.3
95th %tile	6.9



● Int'l Eq -Developed	
Value	0.8
%tile	1
▲ MSCI EAFE	
Value	0.0
%tile	1
Universe	
5th %tile	2.1
25th %tile	3.2
Median	4.5
75th %tile	6.6
95th %tile	8.1



● Int'l Eq -Developed	
Value	1.2
%tile	1
▲ MSCI EAFE	
Value	0.0
%tile	1
Universe	
5th %tile	2.4
25th %tile	3.8
Median	5.0
75th %tile	7.2
95th %tile	9.6



● Int'l Eq -Developed	
Value	1.3
%tile	1
▲ MSCI EAFE	
Value	0.0
%tile	1
Universe	
5th %tile	2.2
25th %tile	3.2
Median	3.9
75th %tile	4.8
95th %tile	9.5

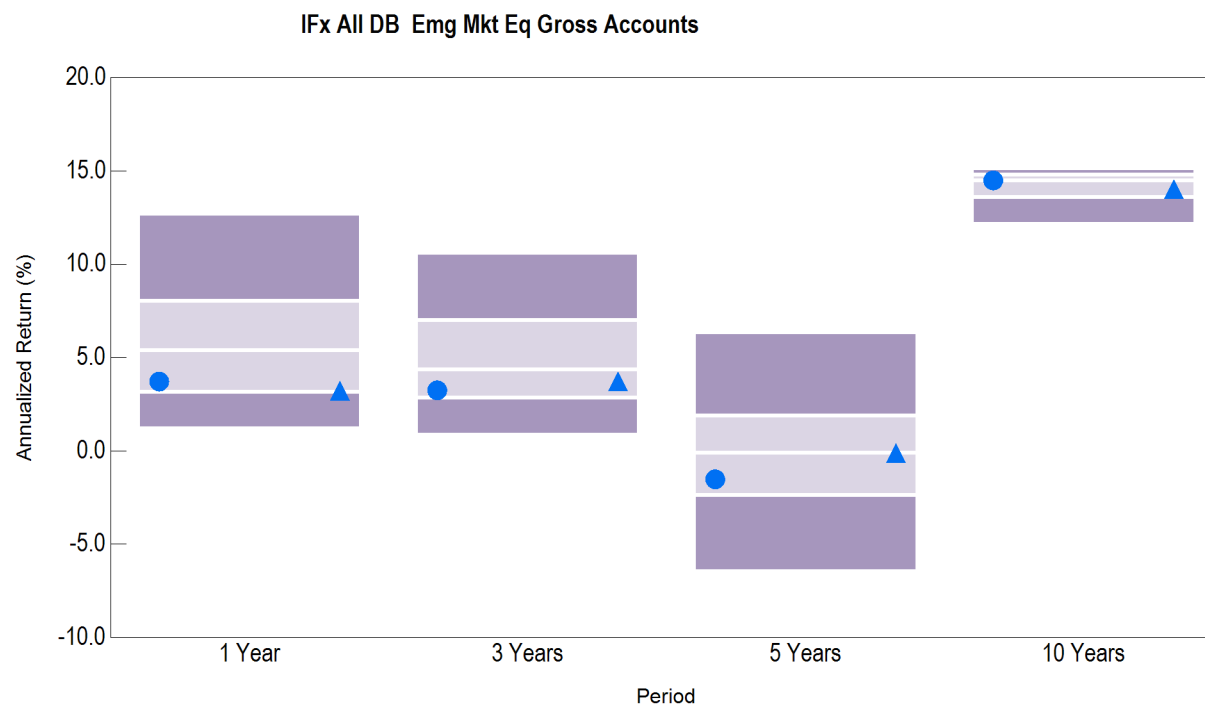


International Equity – Emerging Markets Analysis

- Like the Developed Markets, the Emerging Markets portfolio was recently reconstituted, adding Eaton Vance and terminating Pictet, SSGA and Marvin & Palmer (2012).
- FY2013 beat the benchmark by 50 bps, but only Acadian and Eaton Vance had excess returns, with former stalwarts Baille Gifford and DFA trailing by about 1%.
- One- and ten-year returns beat benchmark, but three- and five-year returns do not. Median manager in this asset class underperforms consistently from 2006-2012, primarily due to China.
- Tracking errors are relatively low (portfolio is about 25% passive).
- Too early to make definitive conclusions given new structure.

Total Returns - International Equity - Emerging

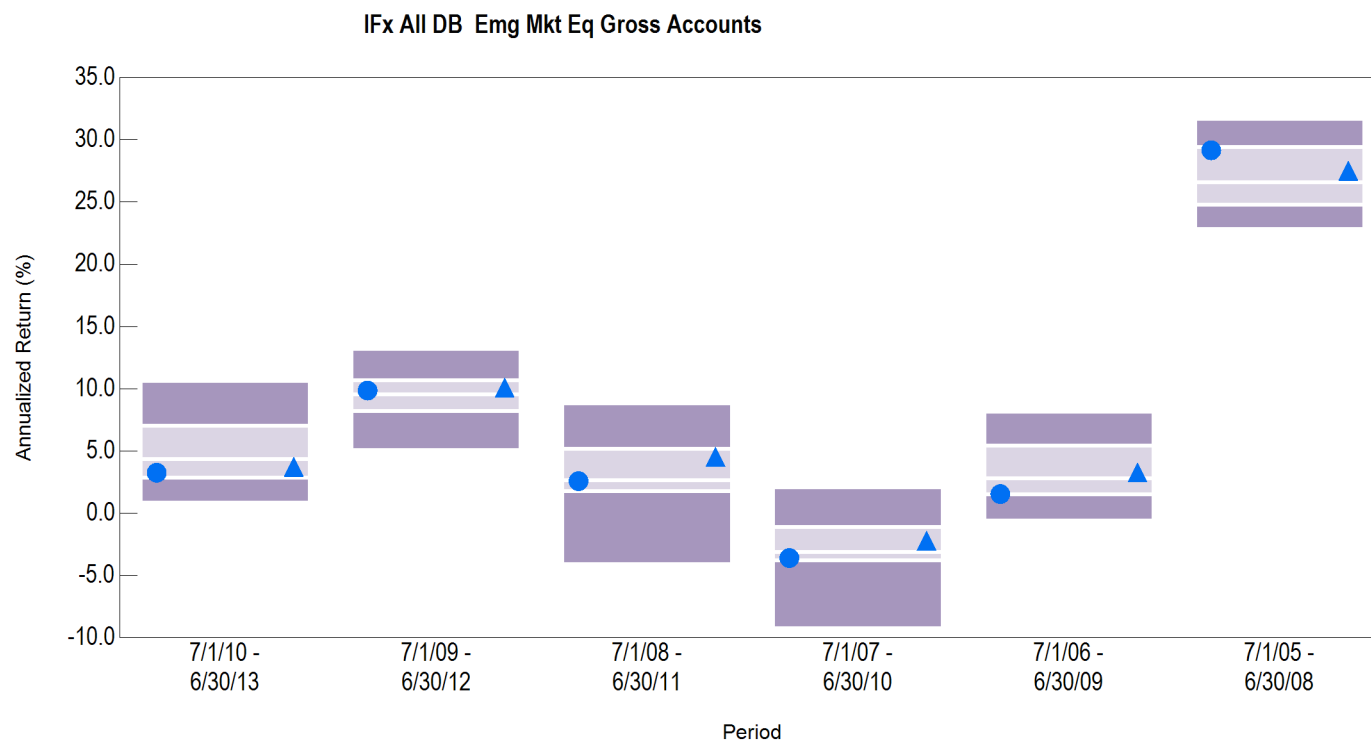
Periods Ending June 30, 2013



	Return (Rank)			
5th Percentile	12.7	10.6	6.3	15.1
25th Percentile	8.1	7.0	1.9	14.8
Median	5.4	4.4	-0.1	14.5
75th Percentile	3.2	2.9	-2.3	13.6
95th Percentile	1.2	0.9	-6.4	12.2
# of Portfolios	60	32	20	8
● Int'l Eq -EM	3.7 (70)	3.2 (68)	-1.5 (70)	14.5 (53)
▲ MSCI Emerging Markets Gross	3.2 (75)	3.7 (60)	-0.1 (51)	14.0 (73)

3-Year Returns - International Equity - Emerging (2008-2013)

Periods Ending June 30, 2013

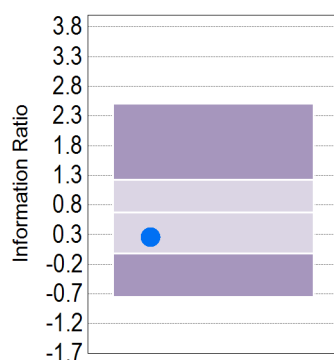


	Return (Rank)					
5th Percentile	10.6	13.2	8.8	2.0	8.1	31.7
25th Percentile	7.0	10.7	5.2	-1.1	5.4	29.5
Median	4.4	9.6	2.7	-3.1	2.8	26.6
75th Percentile	2.9	8.2	1.8	-3.8	1.5	24.8
95th Percentile	0.9	5.1	-4.1	-9.2	-0.6	22.8
# of Portfolios	32	22	19	17	15	10
● Int'l Eq -EM	3.2 (68)	9.9 (39)	2.6 (56)	-3.6 (57)	1.5 (79)	29.2 (34)
▲ MSCI Emerging Markets Gross	3.7 (60)	10.1 (36)	4.5 (29)	-2.2 (46)	3.3 (48)	27.5 (44)

Information Ratio - International Equity - Emerging

Periods Ending June 30, 2013

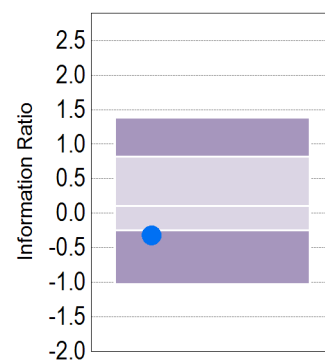
Information Ratio (1 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	0.3
%tile	66
▲ MSCI Emerging Markets Gross	
Value	--
%tile	--

Universe	
5th %tile	2.5
25th %tile	1.2
Median	0.7
75th %tile	0.0
95th %tile	-0.7

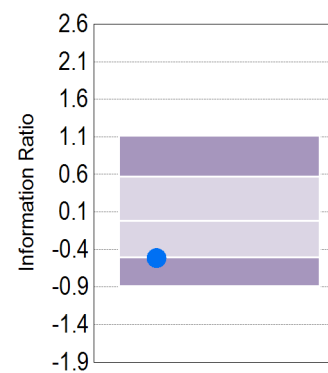
Information Ratio (3 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	-0.3
%tile	77
▲ MSCI Emerging Markets Gross	
Value	--
%tile	--

Universe	
5th %tile	1.4
25th %tile	0.8
Median	0.1
75th %tile	-0.2
95th %tile	-1.0

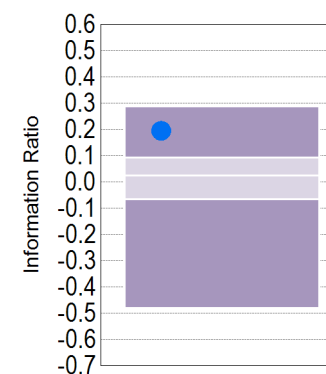
Information Ratio (5 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	-0.5
%tile	76
▲ MSCI Emerging Markets Gross	
Value	--
%tile	--

Universe	
5th %tile	1.1
25th %tile	0.6
Median	0.0
75th %tile	-0.5
95th %tile	-0.9

Information Ratio (10 Year)
IFx All DB Emg Mkt Eq Gross



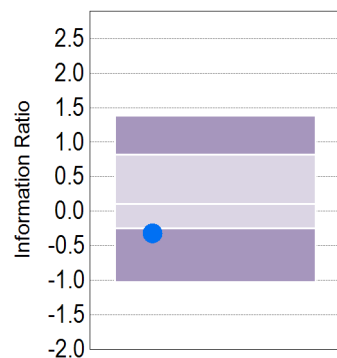
● Int'l Eq -EM	
Value	0.2
%tile	10
▲ MSCI Emerging Markets Gross	
Value	--
%tile	--

Universe	
5th %tile	0.3
25th %tile	0.1
Median	0.0
75th %tile	-0.1
95th %tile	-0.5

3-Year Information Ratio - International Equity - Emerging (2009-2013)

Periods Ending June 30, 2013

Information Ratio (7/1/10-10/1/13)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM

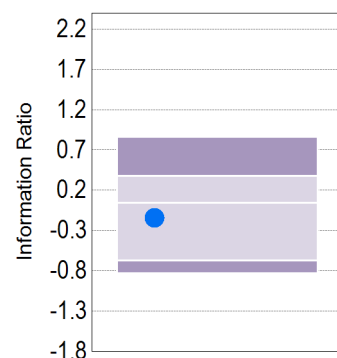
Value -0.3
%tile 77

▲ MSCI Emerging Markets Gross

Value --
%tile --

Universe
5th %tile 1.4
25th %tile 0.8
Median 0.1
75th %tile -0.2
95th %tile -1.0

Information Ratio (7/1/09-6/30/12)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM

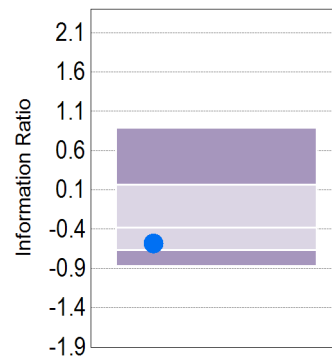
Value -0.1
%tile 62

▲ MSCI Emerging Markets Gross

Value --
%tile --

Universe
5th %tile 0.9
25th %tile 0.4
Median 0.0
75th %tile -0.7
95th %tile -0.8

Information Ratio (7/1/08-6/30/11)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM

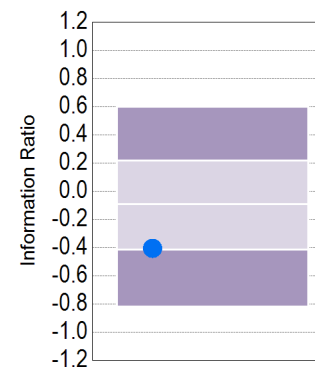
Value -0.6
%tile 73

▲ MSCI Emerging Markets Gross

Value --
%tile --

Universe
5th %tile 0.9
25th %tile 0.2
Median -0.4
75th %tile -0.7
95th %tile -0.9

Information Ratio (7/1/07-6/30/10)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM

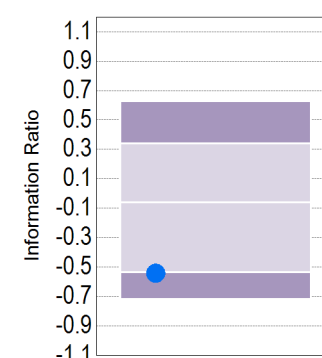
Value -0.4
%tile 75

▲ MSCI Emerging Markets Gross

Value --
%tile --

Universe
5th %tile 0.6
25th %tile 0.2
Median -0.1
75th %tile -0.4
95th %tile -0.8

Information Ratio (7/1/06-6/30/09)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM

Value -0.5
%tile 77

▲ MSCI Emerging Markets Gross

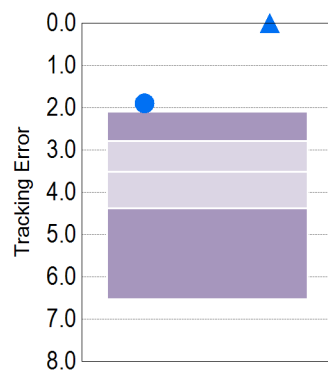
Value --
%tile --

Universe
5th %tile 0.6
25th %tile 0.3
Median -0.1
75th %tile -0.5
95th %tile -0.7

Tracking Error - International Equity - Emerging

Periods Ending June 30, 2013

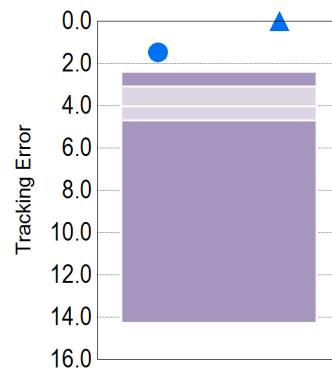
Tracking Error (1 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	1.9
%tile	2
▲ MSCI Emerging Markets Gross	
Value	0.0
%tile	1

Universe	
5th %tile	2.1
25th %tile	2.8
Median	3.5
75th %tile	4.4
95th %tile	6.5

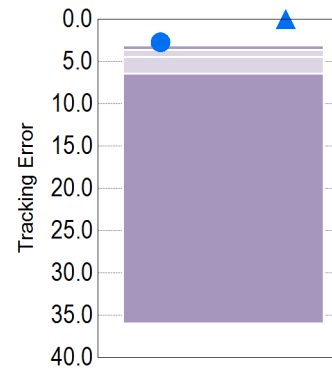
Tracking Error (3 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	1.5
%tile	2
▲ MSCI Emerging Markets Gross	
Value	0.0
%tile	1

Universe	
5th %tile	2.4
25th %tile	3.1
Median	4.0
75th %tile	4.7
95th %tile	14.3

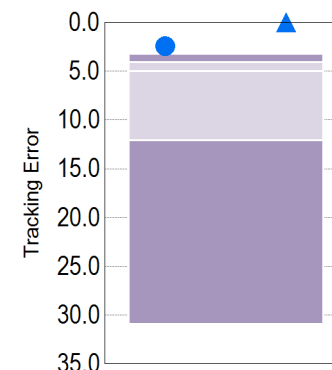
Tracking Error (5 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	2.7
%tile	2
▲ MSCI Emerging Markets Gross	
Value	0.0
%tile	1

Universe	
5th %tile	3.1
25th %tile	3.6
Median	4.4
75th %tile	6.4
95th %tile	36.0

Tracking Error (10 Year)
IFx All DB Emg Mkt Eq Gross



● Int'l Eq -EM	
Value	2.4
%tile	1
▲ MSCI Emerging Markets Gross	
Value	0.0
%tile	1

Universe	
5th %tile	3.2
25th %tile	4.0
Median	4.9
75th %tile	12.0
95th %tile	30.9