



Private Equity Monitoring Report

For the period ended December 31, 2013

Report Prepared For:

New York City Police Pension Fund, Subchapter 2



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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 December 31, 2013, the Program has committed US\$4.0 billion to 167 partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of December 31, 2013 as well as significant activity that occurred during the fourth quarter of 2013.

Performance Summary

US\$ in millions	December 31, 2013	September 30, 2013	December 31, 2012	Quarterly Change	Yearly Change
Number of Managers	111	110	105	1	6
Number of Investments	167	165	154	2	13
Committed Capital ¹	\$4,035.4	\$4,022.1	\$3,624.1	\$13.3	\$411.3
Contributed Capital	\$3,125.6	\$3,011.3	\$2,803.8	\$114.3	\$321.8
Distributed Capital ²	\$2,174.4	\$2,045.6	\$1,740.0	\$128.8	\$434.3
Market Value ²	\$2,072.0	\$1,965.9	\$1,881.3	\$106.1	\$190.8
Total Value	\$4,246.4	\$4,011.5	\$3,621.3	\$234.9	\$625.1
Total Gain/(Loss)	\$1,120.8	\$1,000.2	\$817.5	\$120.6	\$303.3
Unfunded Commitment ³	\$1,316.7	\$1,406.9	\$1,167.6	(\$90.2)	\$149.1
Total Exposure ⁴	\$3,388.7	\$3,372.8	\$3,048.9	\$15.9	\$339.9
DPI ⁵	0.70x	0.68x	0.62x	0.02x	0.08x
TVM ⁶	1.36x	1.33x	1.29x	0.03x	0.07x
IRR ⁷	10.6%	10.1%	9.8%	+ 49 bps	+ 84 bps
TVM Net of StepStone Fees ⁸	1.36x	1.33x	1.29x	0.03x	0.07x
IRR Net of StepStone Fees ⁸	10.6%	10.1%	9.8%	+ 49 bps	+ 84 bps

¹ Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.

² Please note that the Distributions and Market Value are presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

³ 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.

⁴ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁵ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

⁶ 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 Distributed Capital, divided by Contributed Capital.

⁷ 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.

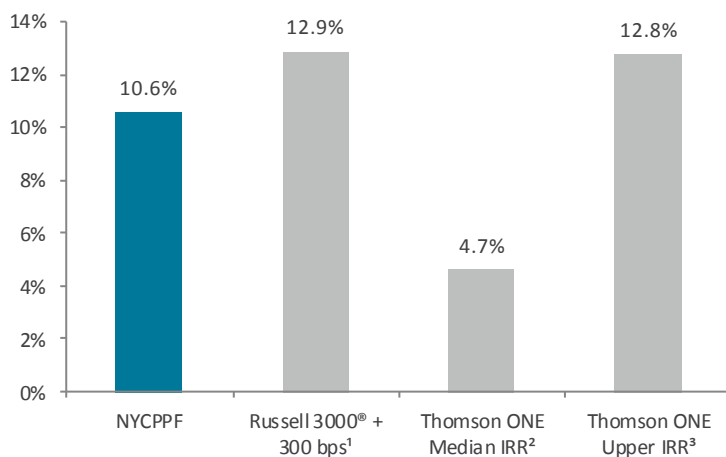
⁸ TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCPPF to StepStone.

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 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 December 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 December 31, 2013 for funds with vintage years 1998 to 2013. 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 December 31, 2013 for funds with vintage years 1998 to 2013. Note: Thomson ONE data is continuously updated and is therefore subject to change.

Portfolio Diversification

By Strategy

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of December 31, 2013 (US\$ in millions)</i>						
Buyout	1,265.1	61.1%	806.8	61.3%	2,071.9	61.1%
Growth Equity	209.7	10.1%	178.8	13.6%	388.5	11.5%
Special Situations	74.7	3.6%	93.6	7.1%	168.3	5.0%
Energy	91.5	4.4%	12.9	1.0%	104.4	3.1%
Secondaries	120.4	5.8%	111.8	8.5%	232.2	6.9%
Co-Investment	57.2	2.8%	78.7	6.0%	135.9	4.0%
Other	253.4	12.2%	34.1	2.6%	287.5	8.5%
Total	2,072.0	100.0%	1,316.7	100.0%	3,388.7	100.0%

By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of December 31, 2013 (US\$ in millions)</i>						
North America	1,366.2	65.9%	746.4	56.7%	2,112.6	62.3%
Global	498.5	24.1%	465.6	35.4%	964.1	28.5%
Western Europe	170.2	8.2%	100.1	7.6%	270.3	8.0%
Rest of World	37.1	1.8%	4.7	0.4%	41.7	1.2%
Total	2,072.0	100.0%	1,316.7	100.0%	3,388.7	100.0%

II. Market Overview

Executive Summary

The fourth quarter of 2013 topped off a record setting year for U.S. public equity markets, with the S&P 500 returning 10.5% for the quarter and 32.4% for the year. Market mentality improved following the U.S. Federal Reserve's announcement to taper the bond repurchase program in mid-December, demonstrating confidence in the recovering economy. Non-U.S. developed equities continued a moderate, positive trend but trailed behind U.S. markets. Emerging public markets eked out a positive quarterly return but finished down for the year.

U.S. LBO debt activity receded from a high of US\$31.2 billion in the third quarter to a more normalized pace over the past few years, totaling US\$14.3 billion in the fourth quarter. Purchase price multiples for U.S. LBOs jumped to 9.7x EBITDA, up from 8.5x EBITDA in the third quarter, returning to the peak levels seen in 2007. Equity contributions for U.S. LBOs also rose, from 30.5% in the third quarter to 44%. Private equity fundraising activity decreased 14% over the quarter, but the annual total of US\$288.4 billion represented a 24% increase over 2012. Private equity investment activity picked up by 37% over the quarter, aided by two equity deals in excess of US\$2.0 billion each (Hudson's Bay Company and Dell Inc.).

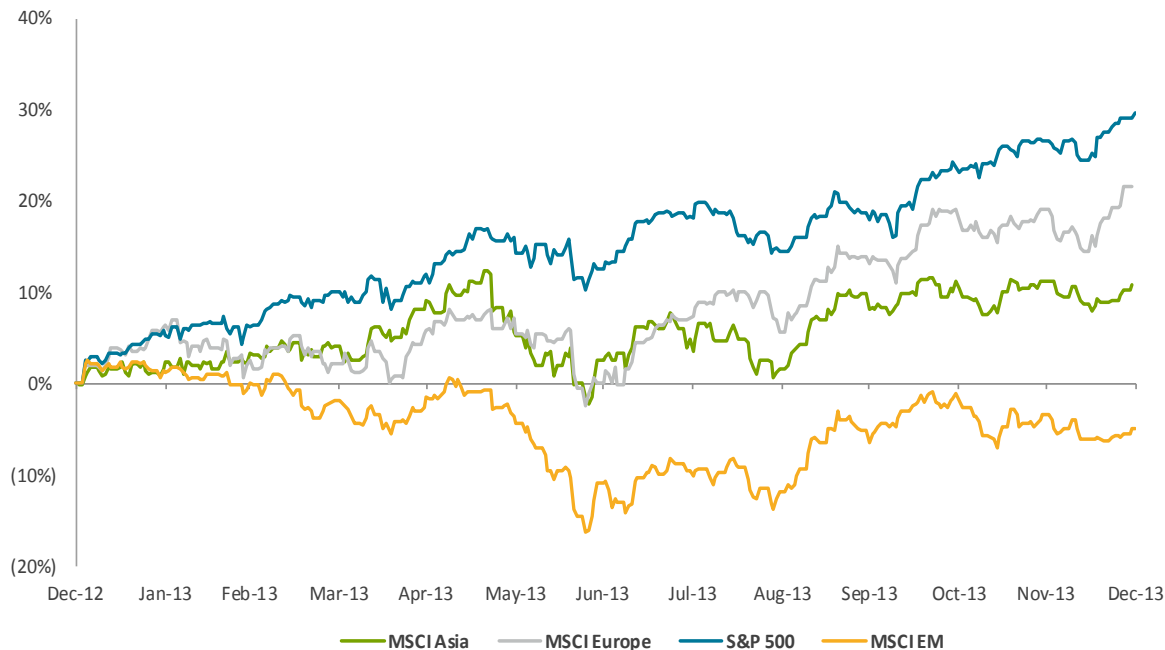
Strong demand for IPOs continued during the quarter as 50 private equity-backed companies went public on the NYSE and NASDAQ, raising proceeds of US\$20.0 billion, including four IPOs that raised over US\$1.0 billion each. In total, 150 companies completed IPOs raising US\$44.0 billion for the year, representing the most active year for newly listed companies since the tech-stock boom at the start of the century. M&A annual volume totaled US\$458.4 billion, down slightly from the US\$474.5 billion in deals completed in 2012.

Capital Markets Overview

Public Equity Markets

Global equity markets performed well during the fourth quarter considering the high level of trepidation in many regions of the world. The U.S. equity markets led the way, with the S&P 500 advancing 9.9% (total return of 10.5%) for the quarter and 29.6% (total return of 32.4%) for the year, recording its best annual performance since 1997. The nomination of Janet Yellen, the vice chair of the Federal Reserve Board, to succeed Ben Bernanke as chair, and the Fed's announcement of tapering its bond buyback program, appear to have encouraged investors both in the U.S. and globally. Non-U.S. developed equity markets also rose in value, outpacing emerging market returns. The largest Eurozone markets continued to generate meaningful returns for the quarter, reflecting a decreased emphasis on austerity measures in the region. Excluding Japan, which posted gains following economic stimulus measures and the resulting GDP growth, Asian equities markets, especially China, have cooled off due to new structural reforms in China, as they try to rebalance the region's growth drivers. Emerging markets rose for the second consecutive quarter but these gains could not offset the early losses experienced in the first half of the year, resulting in the only negative return for the year ended December 31, 2013.

1-Year Global Public Indices Returns



The following table shows the holding period returns of three MSCI indices and the S&P 500, as well as the S&P 500 total return, over various time horizons from three months to ten years through December 31, 2013. The S&P 500 continues to outperform the three MSCI indices over the last five years. Despite the negative returns over the last three years, the MSCI Emerging Market Index has outperformed the other indices over the 10-year period.

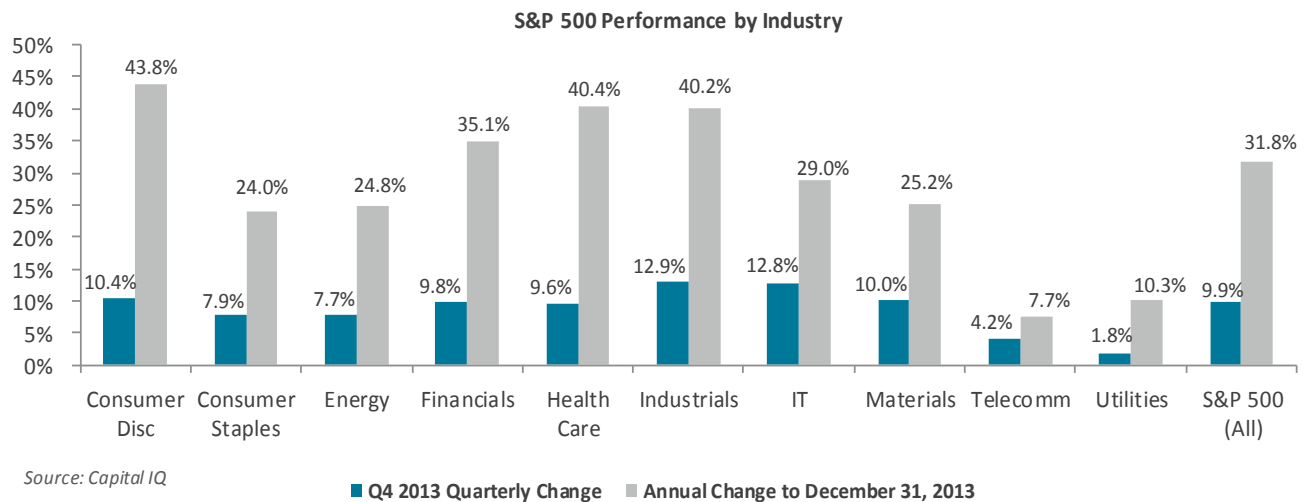
Regional Indices					
	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	2.7%	11.1%	3.2%	53.7%	56.6%
MSCI Europe	7.5%	21.7%	20.8%	60.1%	50.5%
MSCI EM	1.5%	(5.0%)	(12.9%)	76.8%	126.5%
S&P 500	9.9%	29.6%	47.0%	104.6%	66.2%
S&P 500 Total Return*	10.5%	32.4%	56.8%	128.2%	104.3%

For the period ended December 31, 2013

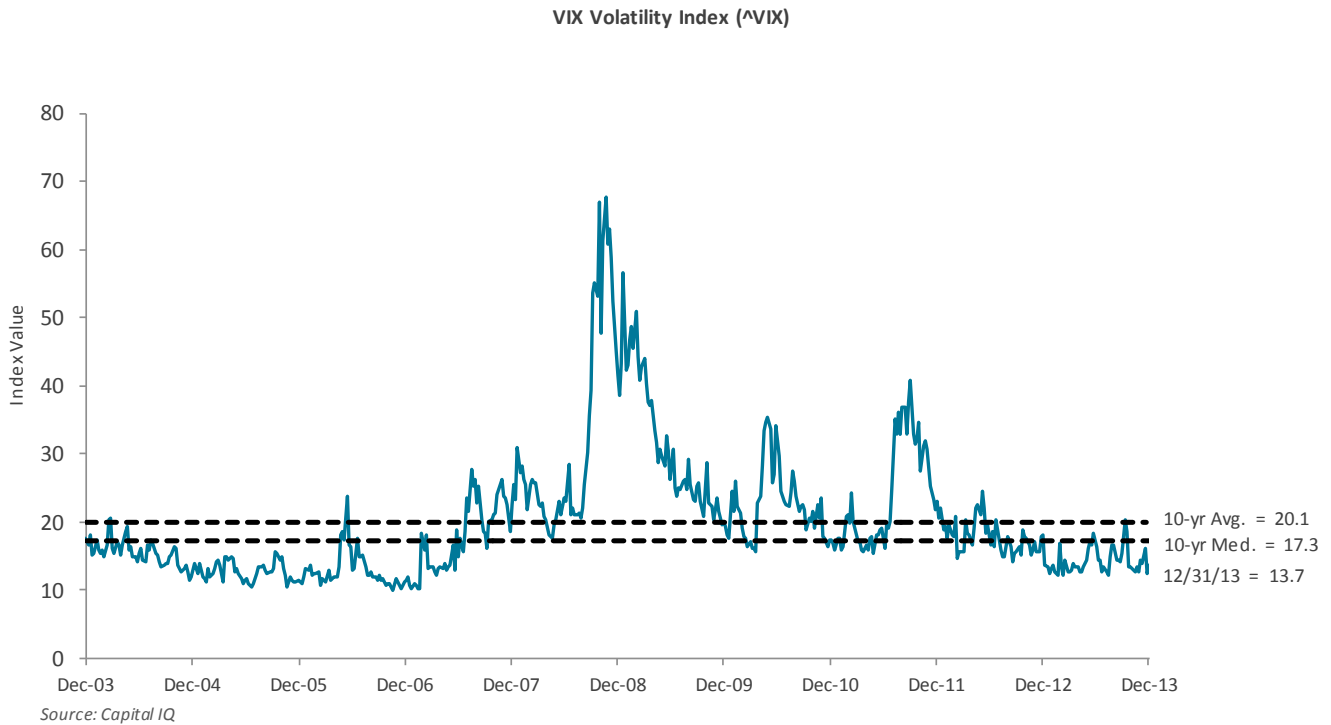
*Includes reinvestment of dividends.

Source: Capital IQ

During the fourth quarter of 2013, weighted average stock prices increased in all ten industry sectors in the S&P 500. The best performing sectors were Industrials and Information Technology, which posted gains of 12.9% and 12.8%, respectively, for the quarter. Utilities posted the smallest gain, returning 1.8% for the quarter. Similarly, over the last 12 months, all ten industry sectors rose. Consumer Discretionary posted the largest gain of 43.8%, led by Netflix (NASDAQ: NFLX) and Best Buy (NYSE: BBY), up 298% and 244%, respectively. The chart below details the capitalization-weighted average change in stock prices for the S&P 500 by industry during the fourth quarter of 2013 and last 12 months ended December 31, 2013.

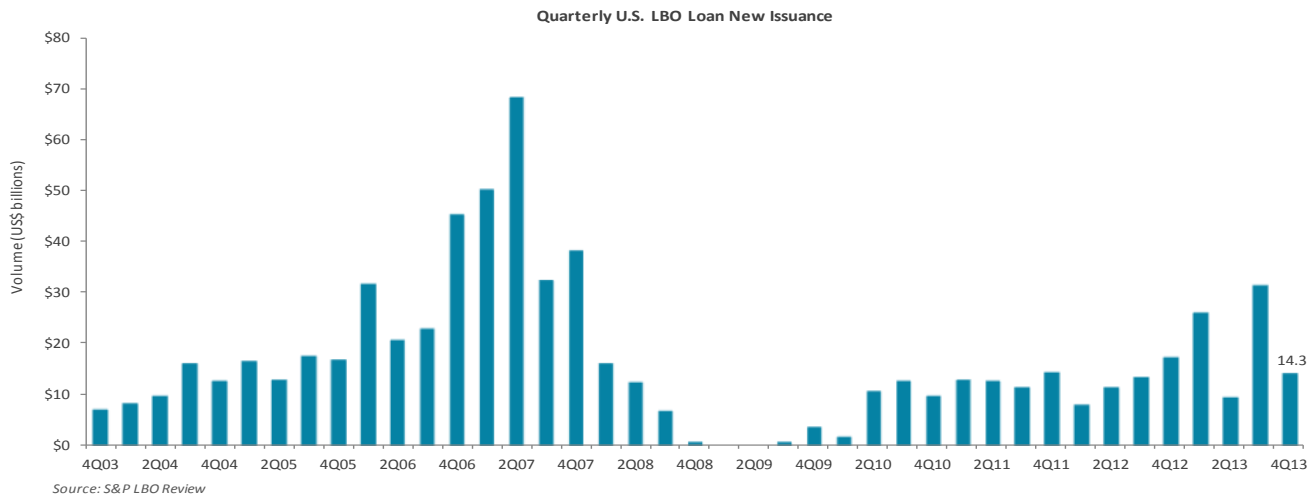


The CBOE Volatility Index ("VIX"), maintained by the Chicago Board Options Exchange, is a popular indicator of investor sentiment and public market volatility. VIX measures the market's expectation of 30-day volatility based on S&P 500 index option prices. At the end of 2013 the VIX was trading at 13.7, well below the 10-year historical average of 20.1 and the 10-year median of 17.3. The graph below depicts the historical level of the VIX over the last ten years through December 31, 2013.

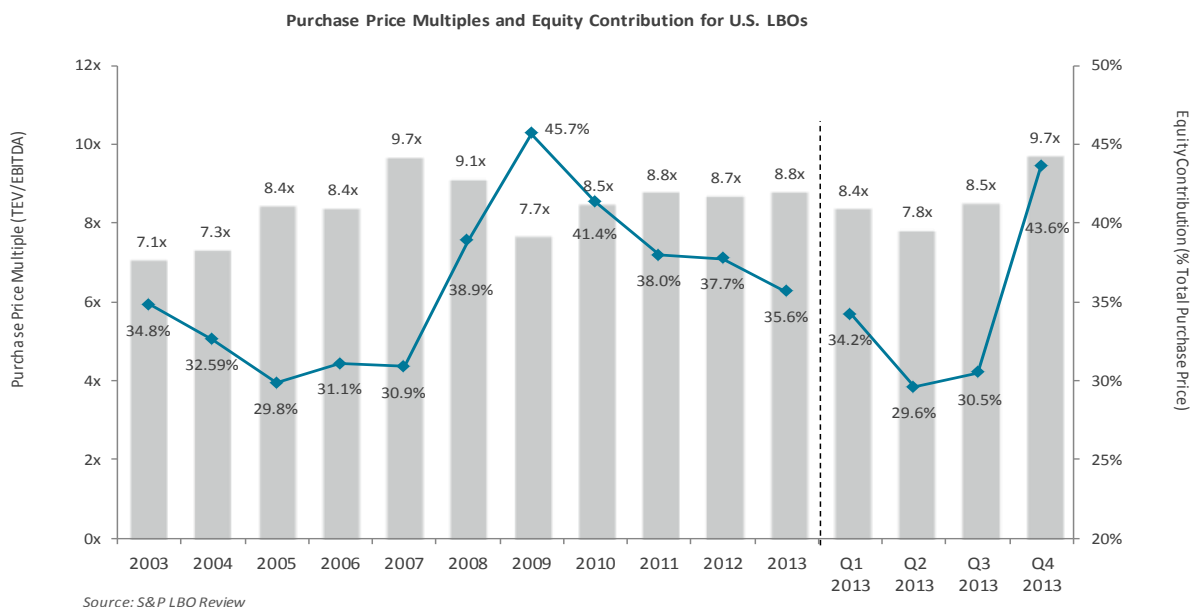


Debt Markets

During the fourth quarter of 2013, U.S. LBO new loan issuance totaled US\$14.3 billion, representing a decrease of 45% from the prior quarter, and is 16% lower than the 10-year quarterly average of US\$17.1 billion. Excluding the US\$12.0 billion loan issued to Verizon last quarter, volume for the year totaled US\$69.7 billion, representing a 37% increase over 2012. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



During the fourth quarter of 2013, EBITDA multiples and equity contributions for LBO deals rose dramatically. The EBITDA multiple of 9.7x total enterprise value ("TEV") to EBITDA is notably higher than the previous quarter multiple of 8.5x, and is at the peak levels in 2007. Purchase price multiples for larger transactions have historically been higher than those in smaller markets, and the higher multiple is reflective of the larger deals that closed during the quarter. The average equity contribution for LBOs rose significantly as well, to 43.6% in the fourth quarter of 2013, up from 30.5% in the third quarter of 2013.



Private Equity Market Overview

All Private Equity

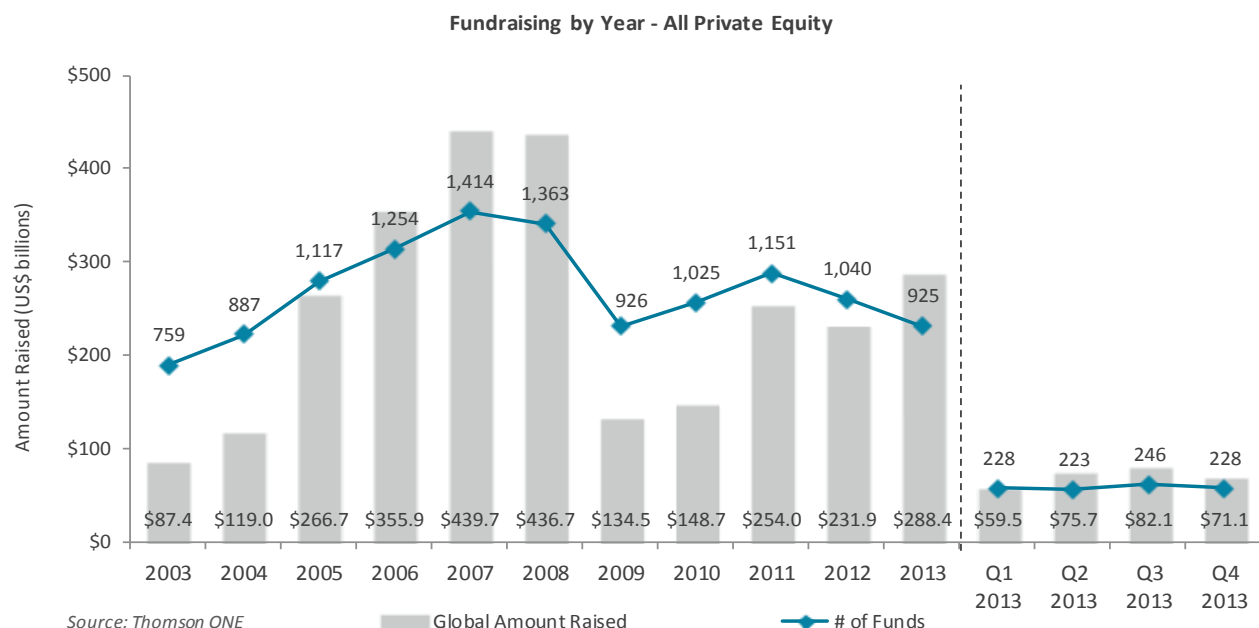
During the fourth quarter of 2013, private equity fund performance increased 7.1% compared to the S&P 500, which saw an increase of 9.9% (10.5% total return) during the same period. Of note, the Small/Middle Buyouts sector increased 7.4% during the quarter, the largest single-sector increase during the fourth quarter. For the year, aggregate private equity investments, especially in the Large Buyout sector, have yielded significant returns for investors, but still trailed public markets. 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 December 31, 2013.

Sector	3 Mo	6 Mo	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
Venture Capital	6.0%	11.6%	15.6%	4.6%	4.5%	5.1%	15.1%
All Buyouts	7.1%	12.5%	22.1%	10.8%	11.7%	10.3%	10.6%
Small/Middle Buyouts (<\$2bn)	7.4%	10.3%	17.3%	7.9%	8.1%	10.2%	11.1%
Large Buyouts (>\$2bn)	7.1%	12.9%	23.1%	11.9%	13.2%	10.4%	10.1%
Mezzanine	3.4%	7.0%	14.0%	6.3%	5.9%	6.6%	7.4%
All Private Equity	7.1%	11.9%	20.7%	9.7%	10.5%	9.4%	11.2%

Source: Thomson ONE

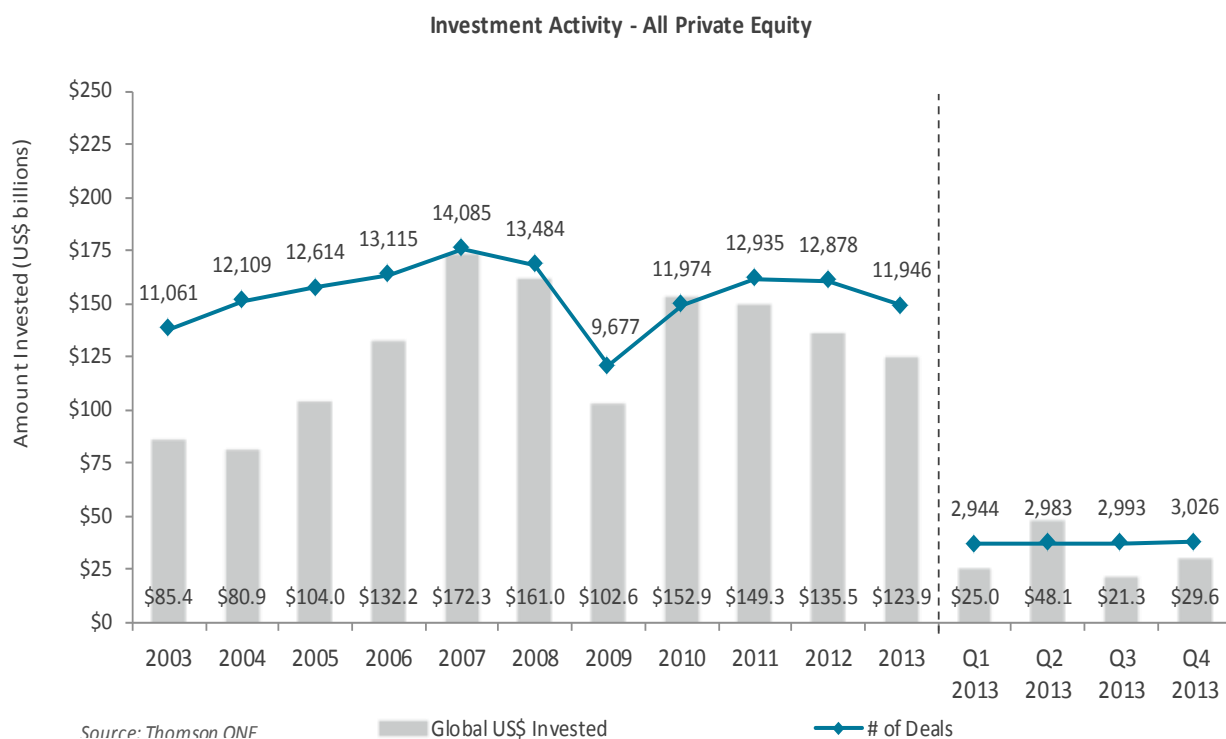
Fundraising

Private equity fundraising totaled US\$71.1 billion in the fourth quarter of 2013, representing a decrease of 13.5% from the prior quarter's total of US\$82.1 billion and an increase of approximately 4% from the same period in the prior year. For 2013 total fundraising of US\$288.4 billion represented an annual increase 24% over 2012. Buyout funds accounted for 66% of the amount raised during the fourth quarter, meeting the 10-year average. Venture Capital fundraising was down for the quarter, raising US\$7.2 billion, a decrease from US\$8.1 billion last quarter. The chart below shows private equity fundraising activity by calendar year over the last 11 years and year-to-date through the fourth quarter of 2013.

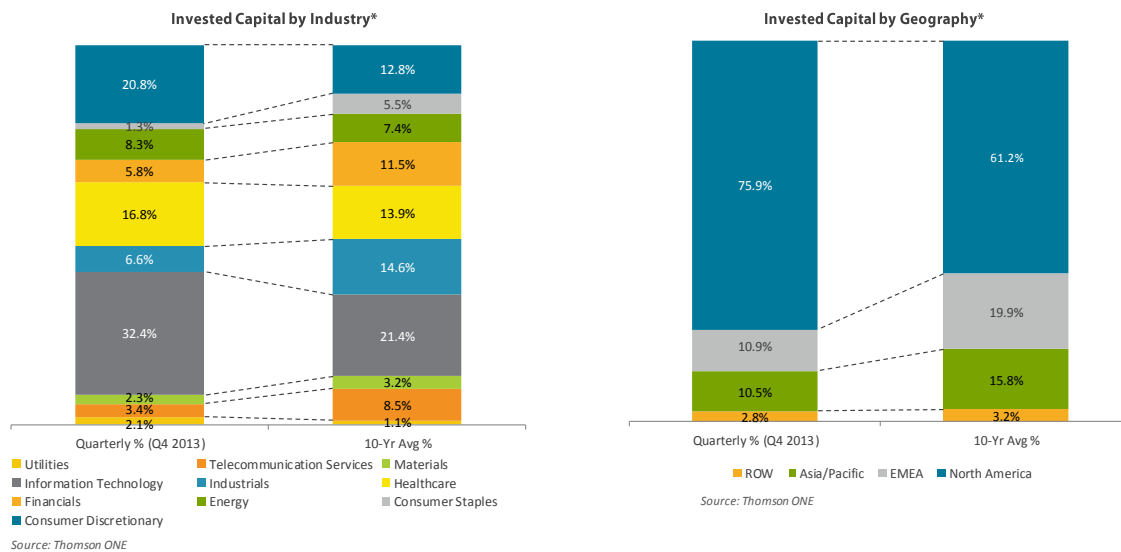


Investment Activity

Private equity funds invested US\$29.6 billion during the fourth quarter, an increase of 38.6% from the prior quarter. The large quarter-over-quarter increase is attributable primarily to two deals in excess of US\$2.0 billion: 1) a US\$2.9 billion follow-on investment in Hudson's Bay Company (TSE: HBC), a Canadian retailer, by NRDC Equity Partners, and 2) the take private of Dell Inc., which included a management buy-out of US\$2.0 billion by Silver Lake Partners and MSD Capital. The average investment size during the quarter increased to US\$9.8 million, or up 37%, quarter-over-quarter.



The graphs below depict the percentage of invested capital by industry and geography for the fourth quarter of 2013 and over the last ten years. The Information Technology sector attracted the most capital, largely attributed to the Dell Inc. take-private transaction that included US\$2.0 billion of equity. The sector accounted for US\$10.1 billion of transactions, or 32% of total capital invested during the fourth quarter by private equity firms, compared to a 10-year pro rata average of 21%. In the fourth quarter of 2013, investment activity in the North America region was above the historical average, representing 76% of total invested capital during the quarter compared to 61% over the last ten years. Unrest in the EMEA region has caused investment activity to drop significantly, to almost half of the 10-year average.



*Note: Invested Capital is for all private equity from Q4 2003 – Q4 2013.

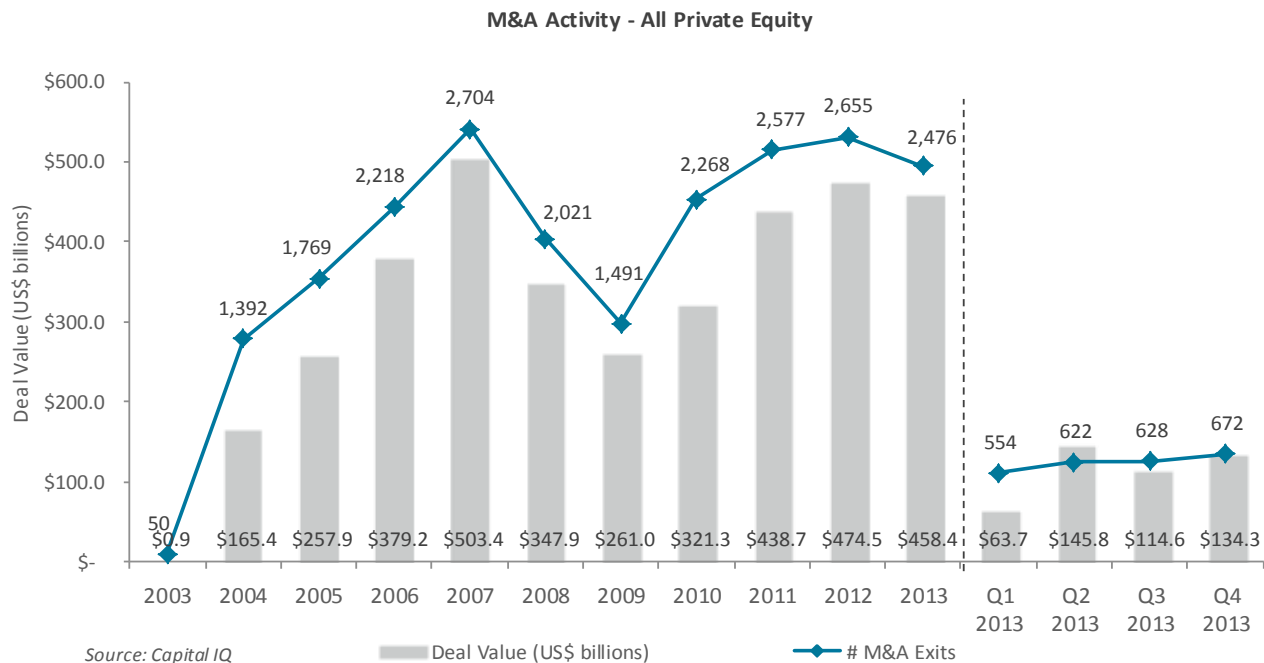
Deal Environment

Alongside low interest rates, reduced volatility, and increased risk tolerance, 2013 proved to be a blockbuster year for IPOs. The U.S. saw the most IPOs in 2013 since the dot-com era and the year ranked strongest since 2000 by dollar volume. During the fourth quarter of 2013, there were 50 private equity-backed IPOs which raised a total of US\$20.0 billion, compared to 40 IPOs which raised US\$6.8 billion in the third quarter of 2013. On a year-over-year basis, fourth quarter 2013 activity was up over 400% in terms of total dollars raised. The largest IPO of the quarter was Plains GP Holdings, L.P. (NYSE: PAGP), an affiliate of oil and gas operator Plains AAP, L.P., which raised over \$2.9 billion, and is backed by EnCap Corp., First Reserve Corp., and Kanye Anderson. Since the IPO on October 16, 2013 at US\$22.00 per share, Plain GP's share price has increased 22% as of December 31, 2013. The second-largest IPO was Hilton Worldwide Inc. (NYSE: HLT), a hospitality company, which raised US\$2.7 billion, and is backed by The Blackstone Group.

IPO Activity - All Private Equity



Private equity-backed Mergers and Acquisitions (“M&A”) deal activity increased in the fourth quarter of 2013 in terms of both deal value and number of exits, primarily due to the US\$10.8 billion NYSE Euronext buyout deal and the US\$10.0 billion Onyx Pharmaceuticals, Inc. buyout deal during the quarter. Deal value for the quarter totaled US\$134.3 billion, representing an increase of 17% from last quarter and a decrease of 13% from the fourth quarter of 2012. Exit opportunities increased slightly, with 672 deals closing during the fourth quarter of 2013, compared to 628 exits in the prior quarter.



III. Portfolio Review

Quarterly Highlights

- Cash Flow Activity** – During the fourth quarter of 2013, the Portfolio made US\$114.3 million of contributions and received US\$128.8 million of distributions, for a net cash inflow of US\$14.5 million, compared to a net cash inflow of US\$38.7 million during the prior quarter and a net cash inflow of US\$44.4 million during the fourth quarter of 2012. Contributions increased 84.4% from the prior quarter and decreased 9.3% from the fourth quarter of 2012. The most recent four quarter average of the Program's contributions is US\$80.4 million. Distributions increased 27.9% from the prior quarter and decreased 24.4% from the fourth quarter of 2012. The most recent four quarter average of the Program's distributions is US\$108.6 million.
- Recent Portfolio Activity** – During the fourth quarter of 2013, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$118.7 million, or 6.1%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of middle-market buyout funds during the quarter, which generated a \$25.0 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\$301.4 million, or 17.1%, from the quarter ended December 31, 2012.
- New Investment Commitment** – During the fourth quarter of 2013, the Program closed on two new investment commitments, totaling US\$10.0 million.

<i>As of December 31, 2013 (US\$ in millions)</i>				
	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Vista Foundation Fund II, L.P.	October 2013	Growth Equity	North America	\$ 5.0
FTV IV, LP	November 2013	Growth Equity	North America	5.0
Total				\$ 10.0

- Subsequent Investment Commitments** – Subsequent to quarter-end through May 30, 2014, the Program closed on three new investment commitments, totaling US\$160.0 million.

<i>As of May 30, 2014 (US\$ in millions)</i>				
	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
ASF VI B L.P.	April 2014	Secondaries	Global	\$ 60.0
ASF VI B NYC Co-Invest L.P.	April 2014	Co-Investment	Global	20.0
Lexington Capital Partners VIII, L.P.	March 2014	Secondaries	Global	80.0
Total				\$ 160.0

Investment Performance

Since Inception Performance

US\$ in millions	December 31, 2013	September 30, 2013	December 31, 2012	Quarterly Change	Yearly Change
Active Investments					
Number of Managers	101	101	96	-	5
Number of Investments	155	154	143	1	12
Committed Capital ¹	\$3,877.4	\$3,889.1	\$3,491.1	(\$11.7)	\$386.3
Contributed Capital	\$2,953.0	\$2,863.7	\$2,656.3	\$89.3	\$296.8
Distributed Capital ²	\$1,990.2	\$1,879.8	\$1,574.2	\$110.4	\$415.9
Market Value ²	\$2,072.0	\$1,965.9	\$1,881.3	\$106.1	\$190.8
Total Value	\$4,062.2	\$3,845.7	\$3,455.5	\$216.5	\$606.7
Total Gain/(Loss)	\$1,109.2	\$982.0	\$799.3	\$127.2	\$309.9
Unfunded Commitment ³	\$1,316.7	\$1,406.9	\$1,167.6	(\$90.2)	\$149.1
Total Exposure ⁴	\$3,388.7	\$3,372.8	\$3,048.9	\$15.9	\$339.9
DPI ⁵	0.67x	0.66x	0.59x	0.02x	0.08x
TVM ⁶	1.38x	1.34x	1.30x	0.03x	0.07x
IRR ⁷	11.1%	10.3%	10.0%	+ 75 bps	+ 111 bps
Exited Investments					
Number of Managers	10	9	9	1	1
Number of Investments	12	11	11	1	1
Committed Capital ¹	\$158.0	\$133.0	\$133.0	\$25.0	\$25.0
Contributed Capital	\$172.6	\$147.6	\$147.6	\$25.0	\$25.0
Distributed Capital ²	\$184.2	\$165.8	\$165.8	\$18.4	\$18.4
Total Value	\$184.2	\$165.8	\$165.8	\$18.4	\$18.4
Total Gain/(Loss)	\$11.6	\$18.2	\$18.2	(\$6.6)	(\$6.6)
Unfunded Commitment ³	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DPI ⁵	1.07x	1.12x	1.12x	-0.06x	-0.06x
TVM ⁶	1.07x	1.12x	1.12x	-0.06x	-0.06x
IRR ⁷	2.1%	4.5%	4.7%	- 237 bps	- 261 bps
Total Portfolio					
Number of Managers	111	110	105	1	6
Number of Investments	167	165	154	2	13
Committed Capital ¹	\$4,035.4	\$4,022.1	\$3,624.1	\$13.3	\$411.3
Contributed Capital	\$3,125.6	\$3,011.3	\$2,803.8	\$114.3	\$321.8
Distributed Capital ²	\$2,174.4	\$2,045.6	\$1,740.0	\$128.8	\$434.3
Market Value ²	\$2,072.0	\$1,965.9	\$1,881.3	\$106.1	\$190.8
Total Value	\$4,246.4	\$4,011.5	\$3,621.3	\$234.9	\$625.1
Total Gain/(Loss)	\$1,120.8	\$1,000.2	\$817.5	\$120.6	\$303.3
Unfunded Commitment ³	\$1,316.7	\$1,406.9	\$1,167.6	(\$90.2)	\$149.1
Total Exposure ⁴	\$3,388.7	\$3,372.8	\$3,048.9	\$15.9	\$339.9
DPI ⁵	0.70x	0.68x	0.62x	0.02x	0.08x
TVM ⁶	1.36x	1.33x	1.29x	0.03x	0.07x
IRR ⁷	10.6%	10.1%	9.8%	+ 49 bps	+ 84 bps

¹ Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.

² Please note that the Distributions and Market Value are presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

³ 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.

⁴ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁵ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

⁶ 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 Distributed Capital, divided by Contributed Capital.

⁷ 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.

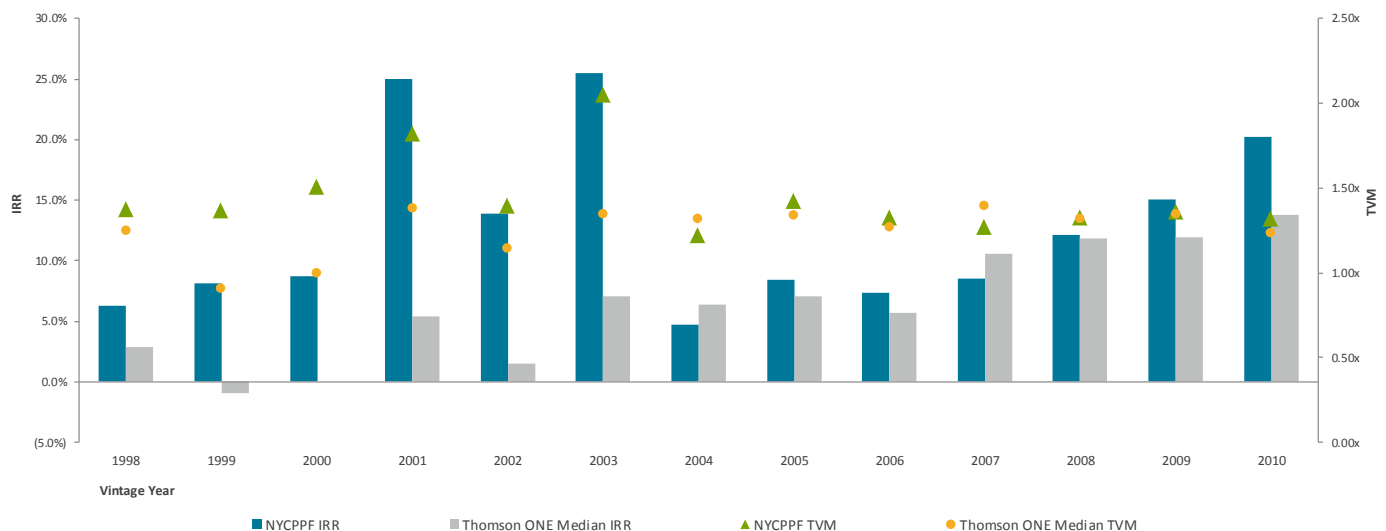
Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of December 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 December 31, 2013 (US\$ in millions)

Vintage Year	Committed Capital	Contributed Capital	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	\$20.1	\$25.7	\$1.9	\$0.0	\$1.9	1.37x	6.3%	1.25x	2.9%
1999	106.2	122.9	151.2	16.6	1.3	17.9	1.36x	8.2%	0.91x	(0.9%)
2000	58.0	69.4	89.1	15.6	4.4	20.0	1.51x	8.7%	1.00x	0.0%
2001	98.6	121.3	214.5	6.4	4.3	10.7	1.82x	25.0%	1.38x	5.4%
2002	78.5	85.2	92.8	26.0	4.3	30.3	1.39x	13.9%	1.14x	1.5%
2003	96.3	112.7	195.3	35.6	5.7	41.4	2.05x	25.5%	1.34x	7.1%
2004	165.6	169.1	140.8	66.0	13.8	79.9	1.22x	4.7%	1.32x	6.4%
2005	331.7	342.2	271.1	219.5	24.7	244.2	1.42x	8.5%	1.34x	7.1%
2006	542.7	575.7	349.6	412.2	38.8	451.0	1.32x	7.4%	1.27x	5.7%
2007	427.0	428.2	253.4	287.7	44.9	332.6	1.27x	8.5%	1.40x	10.5%
2008	588.6	558.3	277.2	463.9	125.8	589.7	1.33x	12.2%	1.32x	11.8%
2009	113.2	93.3	42.4	85.7	25.2	110.9	1.36x	15.1%	1.35x	12.0%
2010	102.5	60.0	27.5	55.8	55.8	111.7	1.32x	20.2%	1.23x	13.8%
2011	428.3	237.3	29.7	251.1	212.6	463.7	1.18x	15.7%	1.09x	6.8%
2012	462.0	115.7	13.8	113.4	352.2	465.6	1.10x	NM	0.97x	NM
2013	416.3	14.1	0.5	14.7	402.8	417.5	1.09x	NM	0.93x	NM
Total	\$4,035.4	\$3,125.6	\$2,174.4	\$2,072.0	\$1,316.7	\$3,388.7	1.36x	10.6%	1.19x	4.7%

As of December 31, 2013



Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of December 31, 2013</i>	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCPPF IRR	16.3%	11.8%	12.9%	11.1%	10.6%
Russell 3000® ¹	33.7%	16.0%	18.5%	10.3%	9.9%
Russell 3000® + 300 bps ¹	36.7%	19.0%	21.5%	13.3%	12.9%
NYCPPF Outperformance/(Underperformance)					
vs. Russell 3000® + 300 bps ¹	(20.4%)	(7.2%)	(8.7%)	(2.2%)	(2.3%)

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

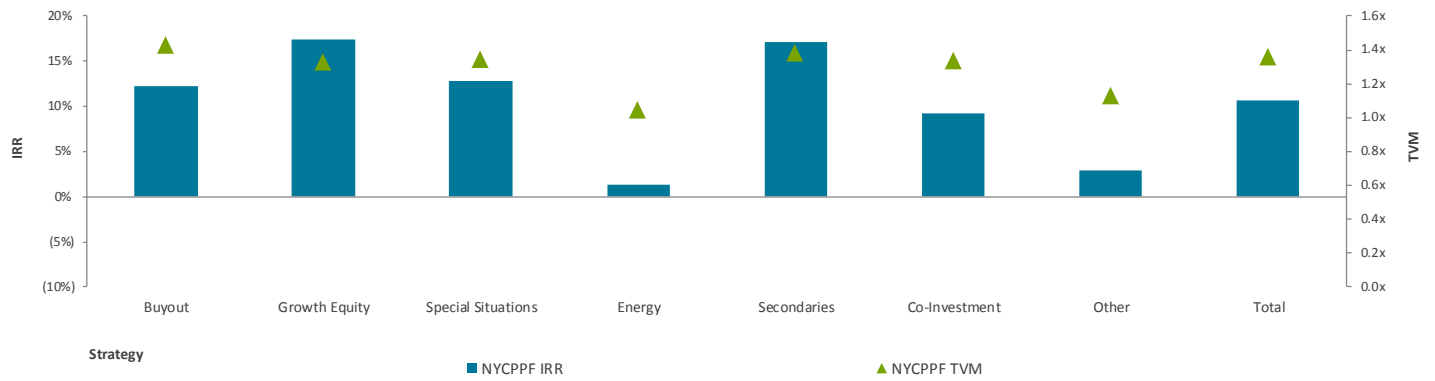
The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of December 31, 2013 Pro-Forma for the Secondary Sale.

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

Strategy / Sub-Strategy	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
Buyout	\$2,477.1	\$1,966.3	\$1,539.9	\$1,265.1	\$806.8	\$2,071.9	1.43x	12.2%
Mega Buyout	814.8	481.8	402.7	352.5	409.3	761.9	1.57x	15.6%
Large Buyout	338.2	294.8	345.0	134.9	97.9	232.8	1.63x	25.0%
Middle-Market Buyout	691.6	628.2	428.9	411.3	164.9	576.2	1.34x	8.5%
Small Buyout	632.5	561.5	363.3	366.4	134.7	501.1	1.30x	8.7%
Growth Equity	379.6	232.9	100.2	209.7	178.8	388.5	1.33x	17.5%
Special Situations	232.8	166.9	150.0	74.7	93.6	168.3	1.35x	12.8%
Energy	130.0	130.0	44.7	91.5	12.9	104.4	1.05x	1.4%
Secondaries	272.8	164.0	106.5	120.4	111.8	232.2	1.38x	17.1%
Co-Investment	158.9	87.2	59.1	57.2	78.7	135.9	1.33x	9.2%
Other	384.3	378.2	173.9	253.4	34.1	287.5	1.13x	2.9%
Venture Capital	342.8	332.9	127.5	237.9	29.7	267.6	1.10x	2.1%
Mezzanine	41.5	45.3	46.4	15.5	4.4	19.9	1.37x	12.3%
Total	\$4,035.4	\$3,125.6	\$2,174.4	\$2,072.0	\$1,316.7	\$3,388.7	1.36x	10.6%

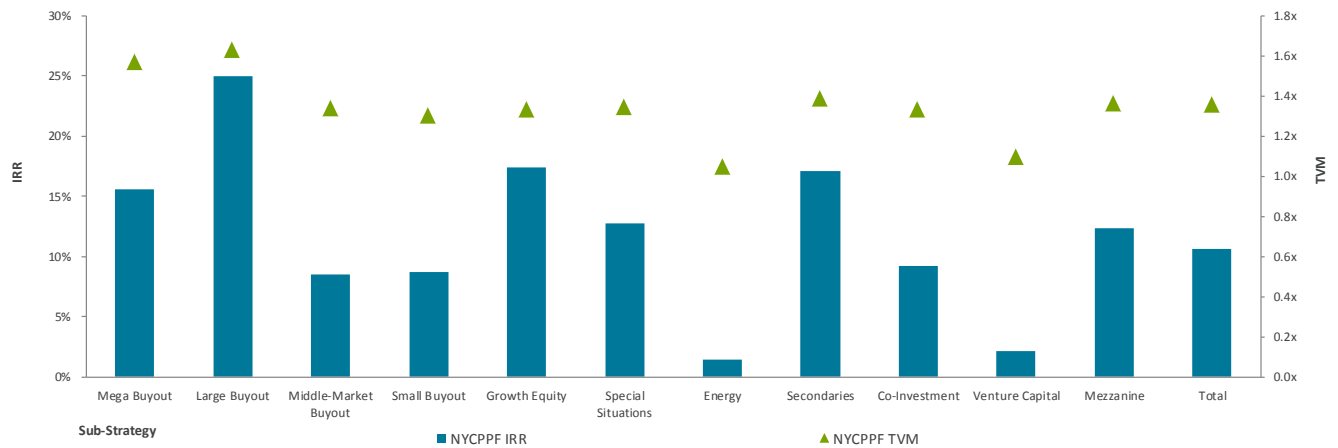
Performance by Strategy

As of December 31, 2013



Performance by Sub-Strategy

As of December 31, 2013



Portfolio Diversification

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

By Strategy/Sub-Strategy

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of December 31, 2013 (US\$ in millions)</i>						
Buyout	1,265.1	61.1%	806.8	61.3%	2,071.9	61.1%
Mega Buyout	352.5	17.0%	409.3	31.1%	761.9	22.5%
Large Buyout	134.9	6.5%	97.9	7.4%	232.8	6.9%
Middle-Market Buyout	411.3	19.8%	164.9	12.5%	576.2	17.0%
Small Buyout	366.4	17.7%	134.7	10.2%	501.1	14.8%
Growth Equity	209.7	10.1%	178.8	13.6%	388.5	11.5%
Special Situations	74.7	3.6%	93.6	7.1%	168.3	5.0%
Energy	91.5	4.4%	12.9	1.0%	104.4	3.1%
Secondaries	120.4	5.8%	111.8	8.5%	232.2	6.9%
Co-Investment	57.2	2.8%	78.7	6.0%	135.9	4.0%
Other	253.4	12.2%	34.1	2.6%	287.5	8.5%
Venture Capital	237.9	11.5%	29.7	2.3%	267.6	7.9%
Mezzanine	15.5	0.7%	4.4	0.3%	19.9	0.6%
Total	2,072.0	100.0%	1,316.7	100.0%	3,388.7	100.0%

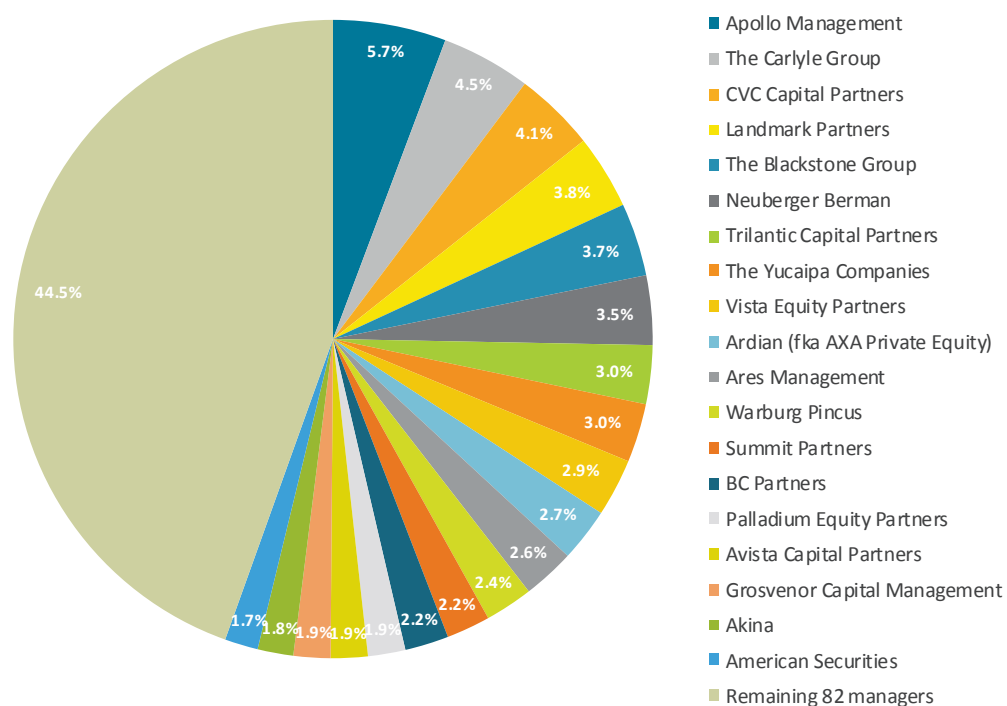
By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of December 31, 2013 (US\$ in millions)</i>						
North America	1,366.2	65.9%	746.4	56.7%	2,112.6	62.3%
Global	498.5	24.1%	465.6	35.4%	964.1	28.5%
Western Europe	170.2	8.2%	100.1	7.6%	270.3	8.0%
Rest of World	37.1	1.8%	4.7	0.4%	41.7	1.2%
Total	2,072.0	100.0%	1,316.7	100.0%	3,388.7	100.0%

By Investment Manager

As of December 31, 2013 and Pro Forma for the Secondary Sale, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$1,879.9 million, or 55.5% of total exposure. The remaining 82 managers comprised 44.5% of total exposure as of quarter-end.

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

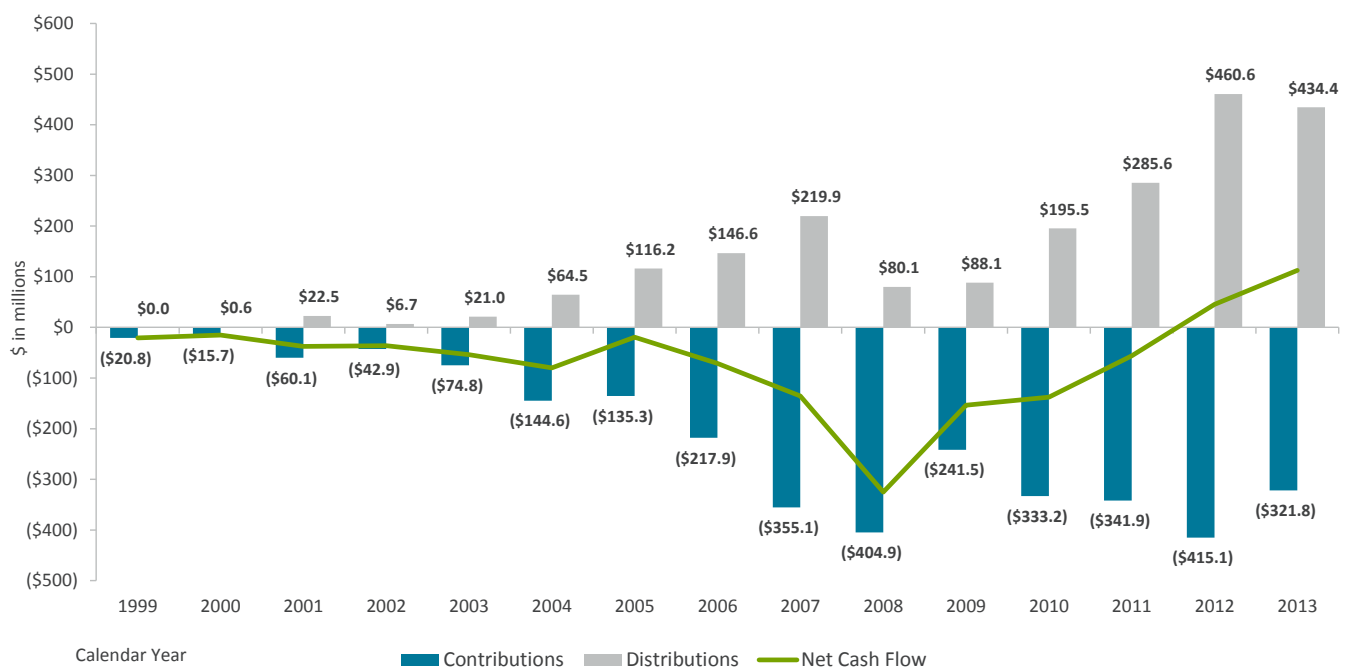


Portfolio Cash Flow Analysis

The following yearly and quarterly cash flow analysis is based on actual Portfolio cash flows during those time periods, excluding the proceeds expected to be received from the Secondary Sale that closed in the first half of 2012.

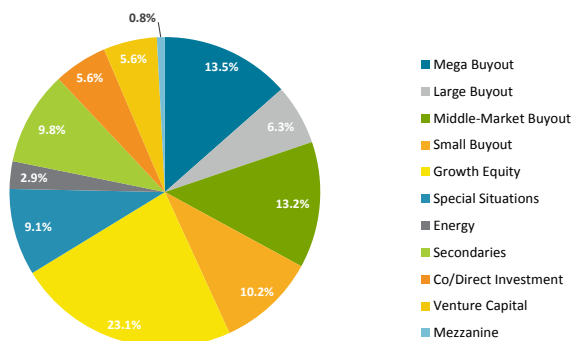
Yearly Cash Flow Activity

During the calendar year of 2013, the Portfolio made US\$321.8 million of contributions and received US\$434.4 million of distributions, for a net cash inflow of US\$112.6 million, compared to a net cash inflow of US\$45.4 million during the same period in the prior year. The graph below illustrates cash flow activity since inception by calendar year.

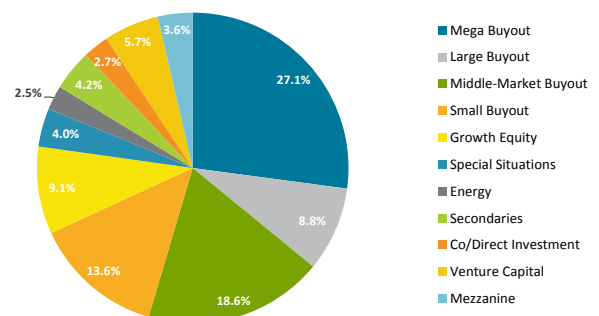


Buyout funds were the most active in terms of cash flow activity during 2013. Buyout funds drew down US\$139.0 million, or 43.2% of total contributions during the year, and distributed US\$295.9 million, or 68.1% of total distributions during the year.

2013 Contributed by Sub-Strategy

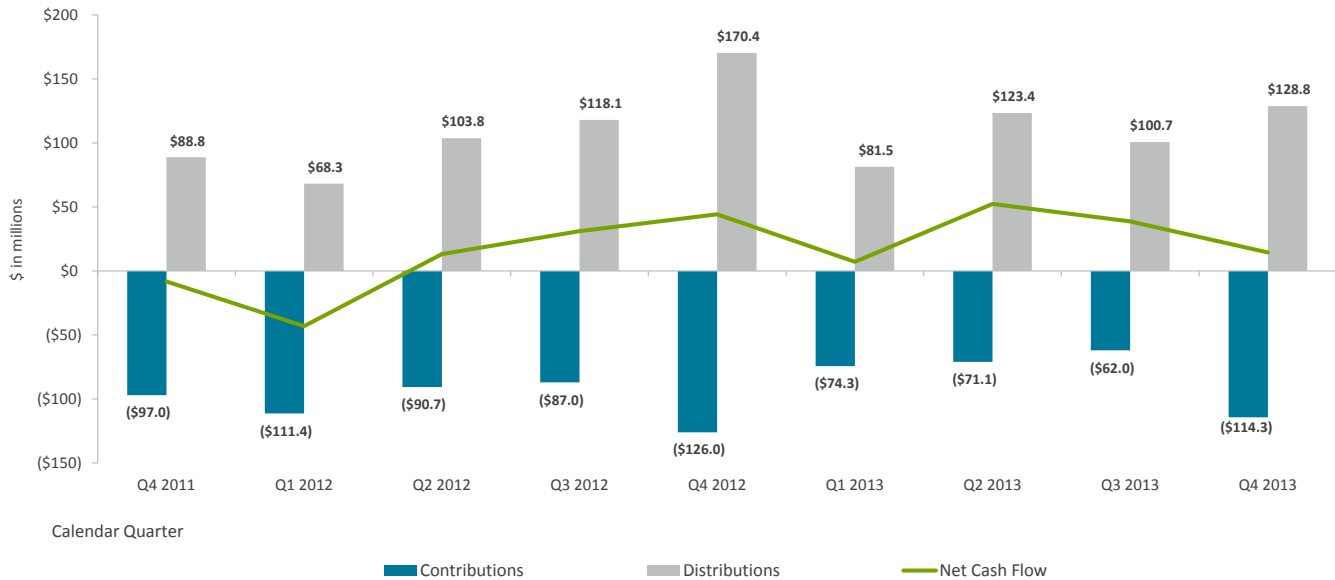


2013 Distributed by Sub-Strategy



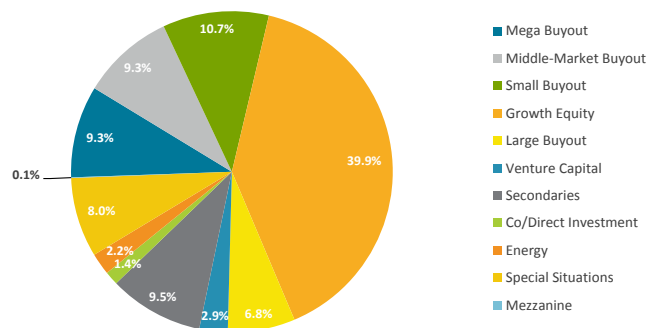
Quarterly Cash Flow Activity

During the fourth quarter of 2013, the Portfolio made US\$114.3 million of contributions and received US\$128.8 million of distributions, for a net cash inflow of US\$14.5 million. The graph below illustrates recent cash flow activity by quarter.

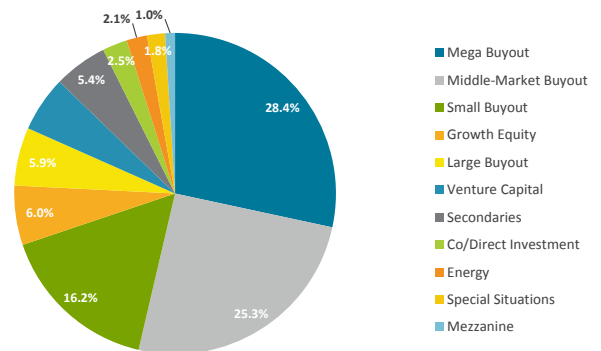


Growth Equity and Buyout funds were the most active in terms of cash flow activity during the fourth quarter of 2013. Growth Equity funds drew down US\$45.7 million, or 39.9% of total contributions during the quarter. Buyout funds distributed US\$97.5 million, or 75.7% of total distributions during the quarter.

Q4 2013 Contributed by Sub-Strategy



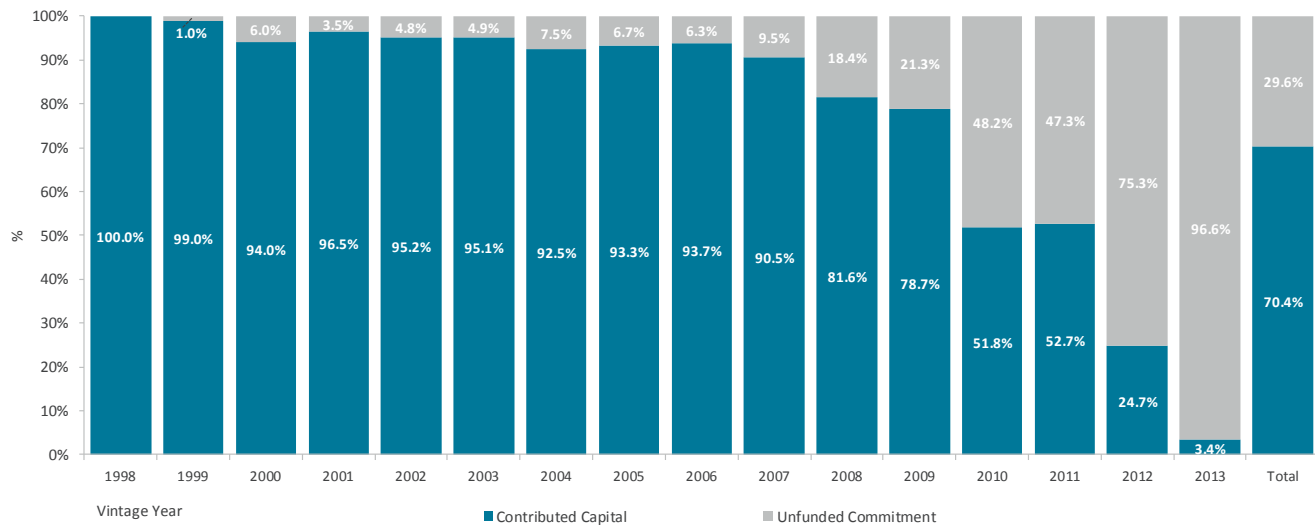
Q4 2013 Distributed by Sub-Strategy



Invested Capital by Vintage Year

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

Capital Contributions to Unfunded by Vintage Year (%)



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

Capital Contributions to Unfunded by Vintage Year

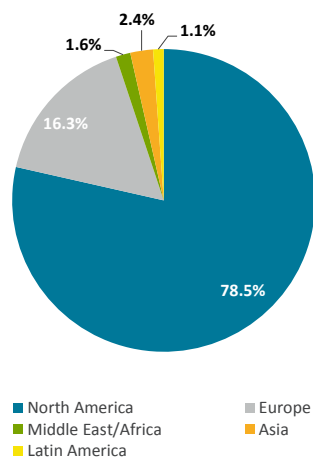


Portfolio Company-Level Analysis

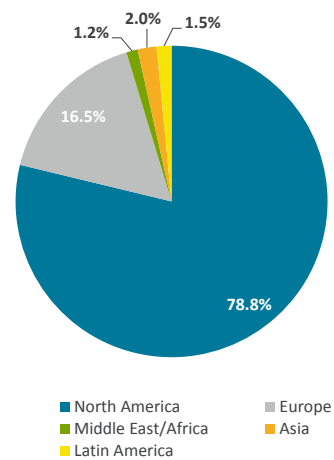
Geographic Exposure

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

Geographic Exposure by Current Cost



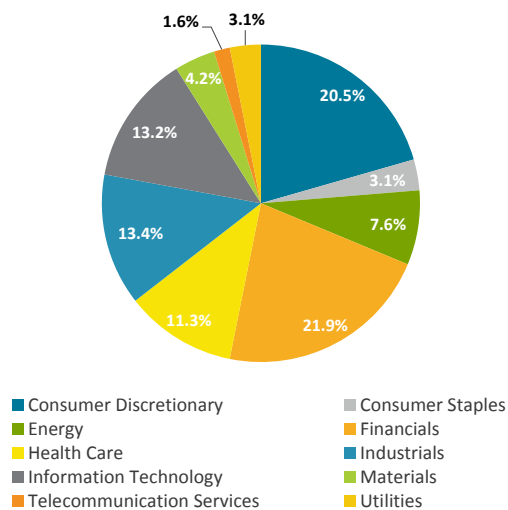
Geographic Exposure by Current Market Value



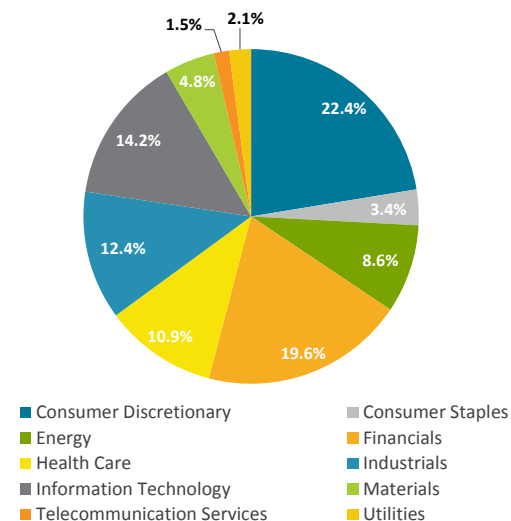
Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of December 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



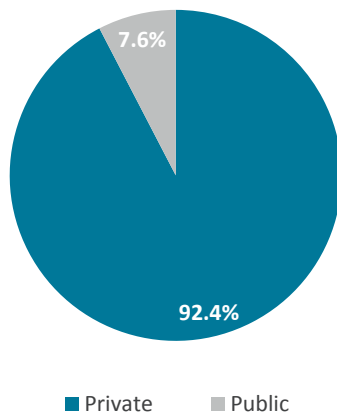
Industry Exposure by Current Market Value



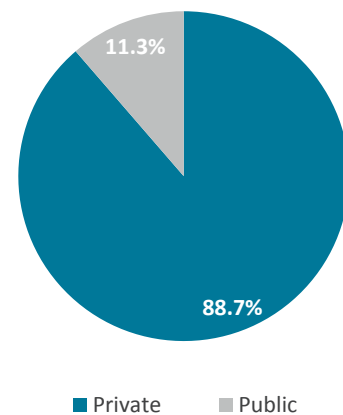
Public Market Exposure

As of quarter-end, publicly traded investments comprised 7.6% of the Portfolio's exposed cost and 11.3% 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 December 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
Active Investments								
1998	VS&A Communications Partners III, L.P.	12/15/1998	\$ 20,000,000	\$ 20,095,463	\$ 25,713,905	\$ 1,873,122	1.37x	6.3%
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	45,172,972	53,861,600	43,440,706	6,107,407	0.92x	(1.7%)
1999	FdG Capital Partners LLC	6/2/1999	50,000,000	57,513,671	85,895,768	9,724,422	1.66x	14.9%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	11,038,409	11,556,880	21,824,760	761,251	1.95x	24.7%
2000	Carlyle Partners III, L.P.	3/1/2000	22,989,887	28,296,561	59,977,912	38,930	2.12x	23.3%
2000	Solera Partners, L.P.	5/26/2000	9,999,888	13,084,366	20,817,577	6,136,728	2.06x	11.2%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	25,000,000	28,021,175	8,259,361	9,392,448	0.63x	(6.3%)
2001	New Mountain Partners, L.P.	3/16/2001	13,606,449	12,830,735	17,181,449	1,419,372	1.45x	12.5%
2001	Apollo Investment Fund V, L.P.	4/13/2001	35,000,000	54,512,753	104,943,293	3,985,072	2.00x	38.9%
2001	CVC European Equity Partners III, L.P.	9/4/2001	25,000,000	28,947,553	73,933,532	945,742	2.59x	41.1%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	20,000,000	29,967,488	22,321,365	16,212,397	1.29x	8.2%
2002	Coller International Partners IV, L.P.	7/2/2002	28,500,000	26,761,761	31,556,494	4,836,930	1.36x	12.1%
2002	Landmark Equity Partners XI, L.P.	10/23/2002	30,000,000	28,469,436	38,925,631	4,972,489	1.54x	24.1%
2003	FS Equity Partners V, L.P.	1/20/2003	15,000,000	13,716,811	22,657,338	5,497,928	2.05x	16.9%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	46,253,267	56,991,714	114,098,552	24,813,391	2.44x	37.3%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	35,000,000	42,006,955	58,536,196	5,303,247	1.52x	13.7%
2004	Markstone Capital Partners, LP	1/30/2004	10,000,000	10,515,987	4,892,031	4,089,750	0.85x	(4.0%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	20,282,229	20,142,503	16,089,682	13,435,525	1.47x	8.1%
2004	FdG Capital Partners II LP	8/30/2004	25,000,000	26,295,400	20,039,504	13,315,872	1.27x	4.8%
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	30,000,000	32,254,953	7,537,068	12,566,706	0.62x	(7.5%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	15,000,000	14,183,627	16,935,603	9,709,578	1.88x	34.1%
2004	Aurora Equity Partners III L.P.	11/16/2004	15,000,000	16,268,712	25,241,612	1,565,929	1.65x	14.1%
2004	Trilantic Capital Partners III L.P.	11/18/2004	20,000,000	17,819,516	28,751,696	836,351	1.66x	14.9%
2004	Medica III Investments (International) L.P.	12/1/2004	10,000,000	9,551,936	4,237,089	4,449,000	0.91x	(2.9%)
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	10,000,000	10,160,838	160,838	6,081,094	0.61x	(7.4%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	25,000,000	25,681,212	22,686,985	25,558,204	1.88x	18.3%
2005	New Mountain Partners II, L.P.	1/12/2005	7,741,935	6,894,839	9,971,769	2,934,890	1.87x	13.3%
2005	VSS Communications Partners IV, L.P.	3/14/2005	12,500,000	13,554,574	3,573,670	6,917,147	0.77x	(5.1%)
2005	Carlyle Partners IV, L.P.	4/29/2005	50,000,000	50,826,648	69,161,377	29,639,001	1.94x	13.2%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	5/18/2005	20,000,000	24,893,895	18,546,147	6,125,455	0.99x	(0.3%)
2005	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	20,199,852	7,883,117	7,816,668	0.78x	(6.0%)
2005	Arlington Capital Partners II, L.P.	7/29/2005	20,000,000	19,700,550	16,032,853	10,532,244	1.35x	7.5%
2005	Quadrangle Capital Partners II LP	8/29/2005	23,276,527	22,248,687	11,176,717	12,608,288	1.07x	1.6%
2005	Snow Phipps Group, L.P.	9/7/2005	10,000,000	10,733,492	7,078,744	6,560,861	1.27x	8.1%
2005	GI Partners Fund II L.P.	9/26/2005	12,500,000	12,610,778	12,290,842	6,860,608	1.52x	7.7%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	14,000,000	13,335,196	14,209,672	3,090,079	1.30x	7.5%
2005	Psilos Group Partners III, L.P.	10/24/2005	12,500,000	12,725,292	6,410,270	10,197,709	1.31x	6.9%
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	10,000,000	10,815,838	10,423,479	32,184,909	3.94x	44.9%
2005	USPF II Institutional Fund, L.P.	11/23/2005	20,000,000	26,379,750	14,382,245	17,881,478	1.22x	5.2%
2005	Bridgepoint Europe III	12/6/2005	15,928,272	14,480,947	8,029,953	8,946,865	1.17x	2.9%
2005	JP Morgan Fleming (Tranche A)	12/21/2005	40,000,000	36,444,007	15,933,722	31,639,290	1.31x	7.4%
2006	Aisling Capital II, LP	1/12/2006	2,500,000	2,655,739	921,862	1,793,698	1.02x	0.5%
2006	InterMedia Partners VII, L.P.	1/20/2006	12,500,000	13,918,639	1,770,860	18,870,705	1.48x	7.5%
2006	Falconhead Capital Partners II, L.P.	1/24/2006	15,000,000	16,567,490	9,839,048	9,327,348	1.16x	3.8%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	15,547,388	14,960,885	331,028	9,670,208	0.67x	(9.1%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	15,000,000	16,799,765	8,290,521	8,387,191	0.99x	(0.2%)
2006	Blackstone Capital Partners V, L.P.	4/13/2006	42,875,000	43,942,783	18,325,836	43,452,336	1.41x	6.9%
2006	Avista Capital Partners, L.P.	4/27/2006	20,000,000	25,307,576	19,048,183	15,639,501	1.37x	8.0%
2006	GSC Recovery III, L.P.	5/4/2006	5,000,000	5,559,077	4,091,830	1,941,245	1.09x	2.4%
2006	Apollo Investment Fund VI, L.P.	5/10/2006	45,000,000	57,919,123	51,303,422	39,892,310	1.57x	11.5%
2006	Landmark Equity Partners XIII, L.P.	5/11/2006	10,000,000	9,416,011	6,841,826	4,515,182	1.21x	5.1%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	15,000,000	16,358,597	21,121,603	6,321,051	1.68x	14.1%
2006	Atlantic Equity Partners IV, L.P.	7/12/2006	20,000,000	20,580,000	-	13,682,416	0.66x	(8.9%)
2006	CCMP Capital Investors II, L.P.	8/17/2006	20,000,000	21,668,838	13,425,908	20,636,014	1.57x	15.2%
2006	Capital Partners Private Equity Income Fund, L.P.	8/23/2006	15,000,000	14,344,261	13,185,399	10,893,756	1.68x	18.4%
2006	Perseus Partners VII, L.P.	8/31/2006	15,000,000	16,806,224	4,188,232	3,588,552	0.46x	(21.2%)
2006	NB Co-Investment Partners LP	9/28/2006	60,000,000	59,909,308	52,391,281	30,286,445	1.38x	8.9%
2006	Euro Choice III L.P.	11/21/2006	27,024,179	25,286,406	5,621,650	23,365,926	1.15x	4.0%
2006	Thomas, McInerney & Partners II, L.P.	11/30/2006	10,000,000	8,675,000	2,714,832	6,943,615	1.11x	2.9%
2006	Catterton Partners VI, L.P.	12/14/2006	20,000,000	21,586,110	19,593,941	19,020,201	1.79x	14.2%
2006	First Reserve Fund XI, L.P.	12/14/2006	20,000,000	21,222,291	10,951,569	12,253,260	1.09x	2.3%
2006	Permira IV, L.P.	12/14/2006	16,027,144	16,722,943	9,512,790	14,140,419	1.41x	8.7%
2006	Arsenal Capital Partners II, LP	12/19/2006	10,000,000	11,556,934	4,028,017	11,989,577	1.39x	9.6%

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

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2006	RRE Ventures IV, L.P.	12/19/2006	15,000,000	17,083,415	3,510,018	21,706,733	1.48x	10.6%
2006	Coller International Partners V, L.P.	12/21/2006	10,000,000	8,443,201	5,475,474	5,827,199	1.34x	8.7%
2006	MidOcean Partners III, L.P.	12/21/2006	40,000,000	40,661,440	16,732,824	37,093,453	1.32x	7.9%
2006	GF Capital Private Equity Fund, L.P.	12/22/2006	10,000,000	10,121,891	7,188,861	9,083,557	1.61x	16.2%
2006	The Fourth Cinven Fund	1/22/2007	13,966,364	13,760,362	7,597,329	11,890,241	1.42x	8.4%
2007	Pegasus Partners IV, L.P.	1/29/2007	15,000,000	16,210,686	6,981,882	11,330,753	1.13x	3.4%
2007	Olympus Capital Asia III, L.P.	1/31/2007	20,000,000	19,523,117	3,858,102	17,570,092	1.10x	4.0%
2007	FTVentures III, LP	3/1/2007	7,500,000	7,635,000	5,922,804	9,363,689	2.00x	20.0%
2007	Highland Consumer Fund I LP	3/16/2007	10,000,000	8,916,060	-	7,240,939	0.81x	(5.0%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	10,000,000	9,959,800	3,296,419	9,415,248	1.28x	7.8%
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	10,000,000	9,112,206	6,399,185	4,422,123	1.19x	8.2%
2007	Quaker BioVentures II, L.P.	3/30/2007	15,000,000	11,744,055	2,699,839	10,395,358	1.12x	3.8%
2007	SCP Vitalife Partners II Fund	4/13/2007	15,000,000	13,499,774	1,184	10,982,909	0.81x	(6.3%)
2007	Comvest Investment Partners III, L.P.	5/15/2007	15,000,000	18,267,897	10,860,840	5,742,430	0.91x	(4.3%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	15,000,000	15,071,606	528,495	11,890,010	0.82x	(5.7%)
2007	United States Power Fund III, L.P.	6/28/2007	15,000,000	14,992,160	4,998,105	11,353,220	1.09x	2.4%
2007	Carlyle Partners V, L.P.	7/6/2007	50,000,000	49,531,474	27,178,734	43,956,622	1.44x	13.0%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	40,000,000	34,246,637	2,235,176	20,543,582	0.67x	(11.8%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	17,500,000	22,844,187	25,779,612	7,959,777	1.48x	19.0%
2007	New Mountain Partners III, L.P.	8/9/2007	35,000,000	33,839,508	11,700,143	33,669,492	1.34x	11.2%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	20,000,000	21,196,270	35,952,524	16,806,510	2.49x	30.6%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	45,856,523	45,399,273	37,880,314	42,127,624	1.76x	21.2%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	15,000,000	13,745,929	7,355,064	12,926,263	1.48x	17.4%
2008	Paladin III (NY City), L.P.	1/8/2008	30,000,000	27,365,326	11,053,120	20,061,781	1.14x	4.7%
2008	Relativity Fund, L.P.	1/17/2008	15,000,000	7,961,435	517,711	2,904,322	0.43x	(22.0%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	50,000,000	55,736,409	61,328,974	34,243,158	1.71x	27.1%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	10,000,000	8,225,911	1,714,742	4,739,388	0.78x	(7.4%)
2008	Carpenter Community BancFund-A, L.P.	2/12/2008	15,000,000	14,181,319	174,916	18,829,303	1.34x	8.2%
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	15,000,000	13,976,488	8,259,995	11,289,510	1.40x	13.1%
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	50,000,000	62,434,424	28,711,658	70,548,380	1.59x	17.8%
2008	Milestone Partners III, L.P.	4/7/2008	15,000,000	14,161,147	4,168,234	12,264,410	1.16x	4.4%
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	10,000,000	9,744,844	6,578,639	9,093,563	1.61x	23.5%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	20,000,000	19,700,662	7,065,401	15,478,733	1.14x	6.0%
2008	Coral's 2007 Institutional Momentum Fund, L.P.	5/13/2008	10,000,000	9,492,863	-	8,383,420	0.88x	(3.0%)
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	14,030,930	13,466,251	1,561,541	9,162,025	0.80x	(8.3%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	34,361,001	29,970,252	15,927,677	22,985,412	1.30x	11.0%
2008	GI Partners Fund III L.P.	7/29/2008	17,500,000	18,253,881	11,879,496	14,320,119	1.44x	16.1%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	25,000,000	28,429,345	21,906,399	21,630,581	1.53x	22.9%
2008	GCM Grosvenor NYCPEF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	4,457,094	5,081,288	2,789,690	4,550,060	1.44x	11.2%
2008	GCM Grosvenor NYCPEF Emerging Manager Fund, L.P.	8/22/2008	59,909,091	44,151,515	16,886,864	31,130,414	1.09x	4.7%
2008	First Reserve Fund XII, L.P.	8/25/2008	20,000,000	19,193,891	3,919,606	18,146,651	1.15x	4.9%
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	27,250,000	21,255,921	9,627,922	17,980,089	1.30x	17.7%
2008	Crestview Partners II, L.P.	10/1/2008	22,500,000	21,328,985	8,022,650	22,872,944	1.45x	17.6%
2008	Erasmus New York City Growth Fund IA	10/17/2008	4,835,960	4,835,960	1,670,495	1,549,781	0.67x	(8.5%)
2008	Euro Choice IV L.P.	10/22/2008	20,378,918	12,798,135	988,614	13,201,562	1.11x	5.3%
2008	Avista Capital Partners II, L.P.	11/5/2008	35,000,000	38,449,061	22,888,582	36,335,369	1.54x	17.6%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	15,000,000	15,158,127	5,988,120	12,009,617	1.19x	10.1%
2008	Bridgepoint Europe IV	11/14/2008	13,587,419	11,001,569	2,416,458	12,239,499	1.33x	12.0%
2008	Aisling Capital III, LP	11/20/2008	7,000,000	4,939,511	1,969,605	4,332,053	1.28x	14.3%
2008	Onex Partners III LP	12/10/2008	15,000,000	14,172,179	3,004,319	13,609,590	1.17x	8.6%
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	20,000,000	13,759,320	5,965,498	12,494,129	1.34x	13.8%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	22,500,000	19,001,330	4,269,468	21,810,985	1.37x	15.1%
2009	Scale Venture Partners III, LP	5/1/2009	10,000,000	8,717,847	3,691,199	14,053,511	2.04x	31.8%
2009	FS Equity Partners VI, L.P.	7/27/2009	20,000,000	16,612,258	3,349,984	19,016,857	1.35x	15.0%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	7,500,000	5,063,884	591,762	4,511,502	1.01x	0.5%
2009	Lexington Capital Partners VII, L.P.	12/3/2009	20,000,000	14,320,876	6,447,057	13,766,239	1.41x	20.6%
2010	Snow Phipps II, L.P.	1/8/2010	17,500,000	8,322,440	1,221,694	9,421,818	1.28x	13.5%
2010	Trident V, L.P.	4/29/2010	40,000,000	27,174,180	2,908,836	27,464,500	1.12x	7.5%
2010	Comvest Investment Partners IV, L.P.	10/21/2010	45,000,000	24,488,060	23,319,693	18,933,778	1.73x	49.5%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	35,000,000	10,197,976	1,172,974	10,679,019	1.16x	10.9%
2011	Ampersand 2011	3/11/2011	12,500,000	10,750,000	-	12,588,386	1.17x	10.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	20,000,000	14,373,435	3,894,839	12,752,970	1.16x	14.3%
2011	AXA Secondary Fund V B L.P.	6/16/2011	80,000,000	48,272,378	7,661,042	59,672,896	1.39x	28.0%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	22,500,000	8,330,680	1,293,552	5,972,428	0.87x	(10.5%)

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

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2011	EQT VI, L.P.	8/1/2011	51,738,033	20,173,592	384,792	20,273,252	1.02x	2.0%
2011	Pegasus Partners V, L.P.	8/16/2011	14,552,940	8,380,590	63,488	10,654,308	1.28x	17.4%
2011	BC European Capital IX	9/19/2011	71,990,809	32,958,217	3,267,374	33,286,174	1.11x	9.6%
2011	American Securities Partners VI, L.P.	11/18/2011	50,000,000	21,322,943	7,293,869	21,053,306	1.33x	28.1%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	70,000,000	62,562,667	4,637,327	64,147,249	1.10x	12.1%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	80,000,000	26,668,634	5,072,000	24,077,928	1.09x	NM
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	75,000,000	20,625,000	-	20,658,845	1.00x	NM
2012	Trilantic Capital Partners V L.P.	9/20/2012	50,000,000	8,347,201	89,302	7,151,771	0.87x	NM
2012	Palladium Equity Partners IV, L.P.	10/10/2012	35,000,000	9,379,547	341,574	9,655,442	1.07x	NM
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	50,000,000	10,827,951	-	10,253,403	0.95x	NM
2012	Green Equity Investors VI, L.P.	11/30/2012	55,000,000	10,107,396	139,771	10,169,720	1.02x	NM
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	50,000,000	11,700,471	5,786,896	10,406,972	1.38x	NM
2012	NYCPPF - 2012 Emerging Manager Program*	2/7/2013	50,000,000	5,869,297	677,208	4,656,944	0.87x	NM
2012	Neuberger Berman Strategic Co-Investment II LP	3/20/2013	60,000,000	16,221,409	2,221,508	19,711,901	1.35x	NM
2013	Carlyle Partners VI, L.P.	7/3/2013	60,000,000	413,055	-	297,522	0.72x	NM
2013	Carlyle Partners VI, L.P. (Side Car)	N/A	6,600,000	-	-	-	0.00x	NM
2013	Landmark Equity Partners XV, L.P.	10/30/2013	67,000,000	7,016,428	-	8,849,287	1.26x	NM
2013	Landmark - NYC Fund I, L.P.	12/24/2013	23,000,000	1,177,572	-	1,148,851	0.98x	NM
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	100,000,000	1,483,590	-	1,066,472	0.72x	NM
2013	Olympus Growth Fund VI, L.P.	1/21/2014	35,000,000	-	-	-	0.00x	NM
2013	CVC Capital Partners VI, L.P.	2/18/2014	105,758,535	-	-	-	0.00x	NM
Total Portfolio¹			\$ 4,059,522,488	\$ 3,125,626,101	\$ 2,174,371,637	\$ 2,072,023,254	1.36x	10.6%

* Please note that the NYCPPF - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$25.9 million has been committed as of May 30, 2014.

¹ 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 December 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
Commitments Closed Subsequent to as of Date								
2014	ASF VI B L.P.	N/A	\$ 60,000,000	\$ -	\$ -	\$ -	N/A	N/A
2014	ASF VI B NYC Co-Invest L.P.	N/A	20,000,000	-	-	-	N/A	N/A
2014	Lexington Capital Partners VIII, L.P.	N/A	80,000,000	-	-	-	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 160,000,000	\$ -	\$ -	\$ -	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.