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Deputy Comptroller /
Chief Investment Officer

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MEMORANDUM

TO: Trustees
Teachers' Retirement System of the City of New York

FROM: Larry Schloss

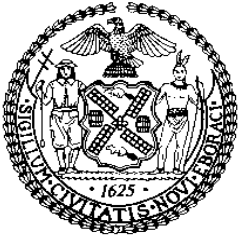
DATE: August 30, 2011

RE: Teachers' Retirement System of the City of New York Investment Meeting –
September 8, 2011

Enclosed is a copy of the **public agenda** for the September 8, 2011 Investment Meeting. The meeting will be held at 55 Water Street, 16th Floor Conference Room beginning at **9:30am**.

Please remember to bring your **Quarterly Performance Overview book** with you to the meeting; it has 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

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

INVESTMENT MEETING

SEPTEMBER 8, 2011

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK₂

INVESTMENT MEETING

SEPTEMBER 8, 2011

PUBLIC AGENDA

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I. Performance Reviews: (45 Minutes)	
• Quarterly Review/ Annual Review – June 30, 2011 (Previously Distributed)	---
• Quarterly Reports:	
– ETI Quarterly Report – June 30, 2011	7
– Real Estate Quarterly Report – March 31, 2011	14
– Private Equity Quarterly Report – March 31, 2011	22
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PUBLIC AGENDA

I. Performance Reviews:

QUARTERLY REVIEW/ ANNUAL REVIEW

-

JUNE 30, 2011

(Previously Distributed)

QUARTERLY REPORTS:

ETI QUARTERLY REPORT

The City of New York - Office of the Comptroller
Bureau of Asset Management
TRS Economically Targeted Investments Quarterly Report
Collateral Benefits as of 6/30/2011

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Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	CPC		NHS		CCD		CFSB		NCBCI		LIIF		All Lender Totals	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Contractual Commitments	\$235,000,000	n/a	\$5,000,000	n/a	\$13,200,000	n/a	\$49,500,000	n/a	\$8,250,000	n/a	\$8,250,000	n/a	\$319,200,000	n/a
Current Market Value	\$87,017,155	n/a	\$596,363	n/a	\$2,196,954	n/a	\$1,705,060	n/a	\$385,924	n/a	\$1,679,067	n/a	\$93,580,523	n/a
Commitments 2Q 11 (included in total)														
Bronx	\$5,585,431	717	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$5,585,431	717
Brooklyn	1,884,783	96	0	0	1,930,500	128	0	0	0	0	0	0	3,815,283	224
Manhattan	0	0	0	0	0	0	0	0	0	0	552,750	31	552,750	31
Queens	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
Total	\$7,470,214	813	\$0	0	\$1,930,500	128	\$0	0	\$0	0	\$552,750	31	\$9,953,464	972
Delivered 2Q 11 (included in total)														
Bronx	\$1,890,423	132	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,890,423	132
Brooklyn	6,322,517	524	0	0	0	0	0	0	0	0	0	0	6,322,517	524
Manhattan	694,750	87	0	0	0	0	0	0	0	0	0	0	694,750	87
Queens	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
Total	\$8,907,689	743	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$8,907,689	743
Total Commitments														
Bronx	\$22,263,571	1,853	\$0	0	\$2,829,750	366	\$0	0	\$0	0	\$0	0	\$25,093,321	2,219
Brooklyn	71,439,973	1,869	0	0	7,221,060	182	0	0	302,395	33	597,320	71	79,560,749	2,155
Manhattan	16,502,523	793	0	0	2,096,640	178	919,741	61	2,614,188	225	2,431,855	122	24,564,948	1,379
Queens	7,324,041	123	0	0	0	0	0	0	0	0	0	0	7,324,041	123
Staten Island	1,260,000	39	0	0	0	0	0	0	0	0	0	0	1,260,000	39
Total	\$118,790,108	4,677	\$0	0	\$12,147,450	726	\$919,741	61	\$2,916,583	258	\$3,029,176	193	\$137,803,058	5,915
Historical Investments														
Bronx	\$30,307,643	1,913	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$30,307,643	1,913
Brooklyn	42,323,810	2,108	330,213	7	1,338,417	124	0	0	0	0	1,785,452	174	45,777,891	2,413
Manhattan	30,642,603	2,042	252,445	15	752,628	75	1,667,990	136	396,207	34	0	0	33,711,872	2,302
Queens	21,494,299	877	0	0	0	0	0	0	0	0	0	0	21,494,299	877
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$124,768,355	6,940	\$582,658	22	\$2,091,044	199	\$1,667,990	136	\$396,207	34	\$1,785,452	174	\$131,291,706	7,505

*Lenders:

The Community Preservation Corporation

Neighborhood Housing Services

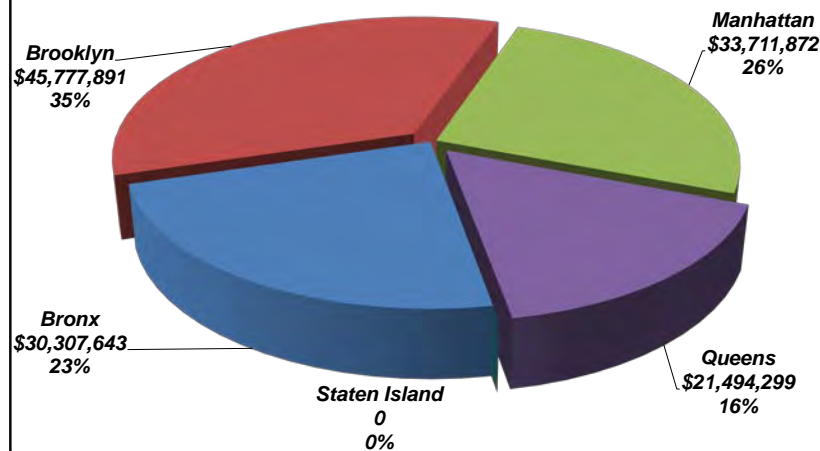
Citibank Community Development

Carver Federal Savings Bank

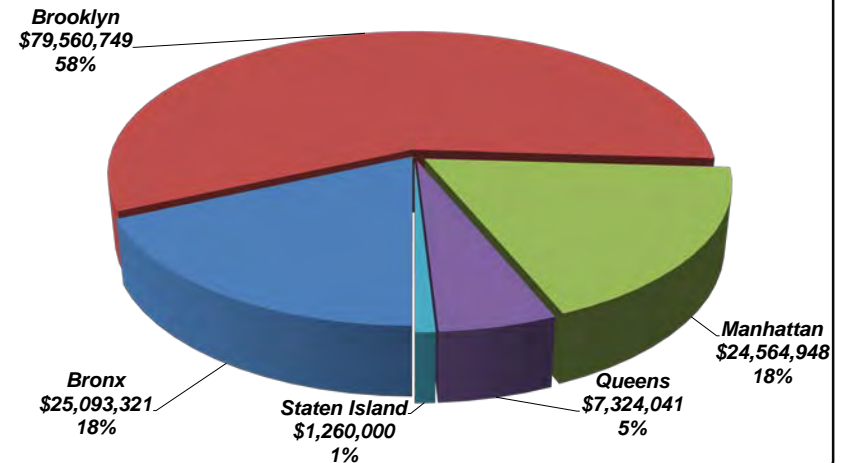
NCB Capital Impact

Low Income Investment Fund

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



AFL-CIO Housing Investment Trust (HIT)
Market Value \$191.1 million*
NYC Community Investment Initiative (NYCCI)

NYCCI PHASE II 2006-2012

Multifamily Investments Detail

Borough	Dollars	Units
Bronx	\$52,827,900	802
Brooklyn	14,890,446	3,033
Manhattan	134,075,200	926
Queens	17,760,000	1,260
Staten Island	6,414,554	693
Total	\$225,968,100	6,714

Single Family Investments Detail

	Home Loans	Transactions	Member Loans	Total All NYC PF's
Bronx	\$119,674,641	532	115	187
Brooklyn	543,029,895	1,985	419	715
Manhattan	92,527,947	342	104	119
Queens	574,251,033	2,260	404	678
Staten Island	188,327,618	670	104	208
Total	\$1,517,811,134	5,789	1,146	1,907

Grand Total NYCCI Phase II \$1,743,779,234

Other-NYC Metro Area** \$100,000,000 137

NYCCI Phase I 2002 - 2005

		Units	Member Loans	Total All NYC PF's
Multifamily Investments	\$249,123,500	12,337	n/a	na
Single Family Investments	348,300,563	n/a	133	446
Total NYCCI Phase I	\$597,424,063	12,337	133	446

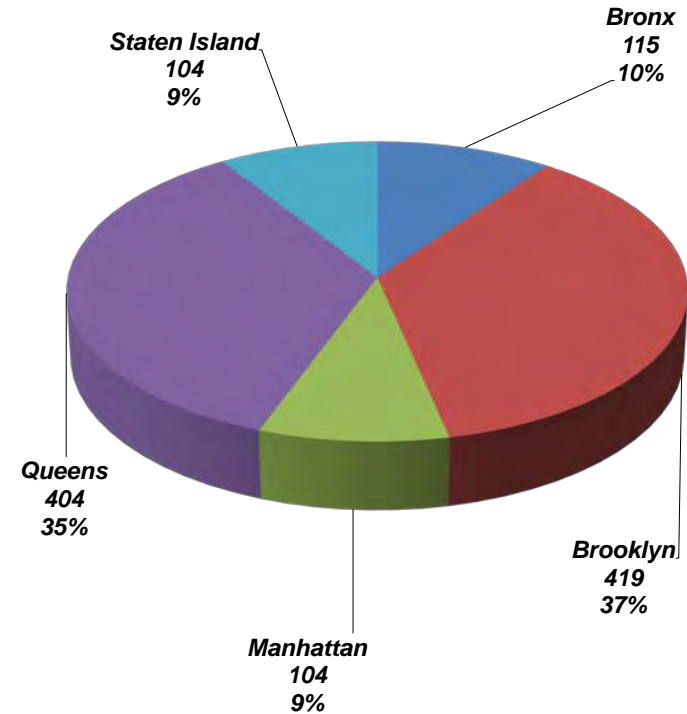
NYCCI Phases I & II

		Units	Member Loans	Total All NYC PF's
Multifamily Investments	\$475,091,600	19,051	n/a	na
Single Family Investments	1,866,111,697	n/a	1,279	2,353
Grand Total NYCCI Phases I & II	\$2,341,203,297	19,051	1,279	2,353

*Interest is reinvested

**This investment is for a pediatric nursing facility in Yonkers, approximately 4 miles from the NYC border. It will finance a replacement facility for the Elizabeth Seton Pediatric Center, currently located in Chelsea, which is "one of only two pediatric nursing facilities in downstate New York, and the only one dedicated to long-term care." The new facility will have 137 beds and serve children from NYC, Westchester and Putnam Counties.

HIT Home Loans To TRS Members Phase II



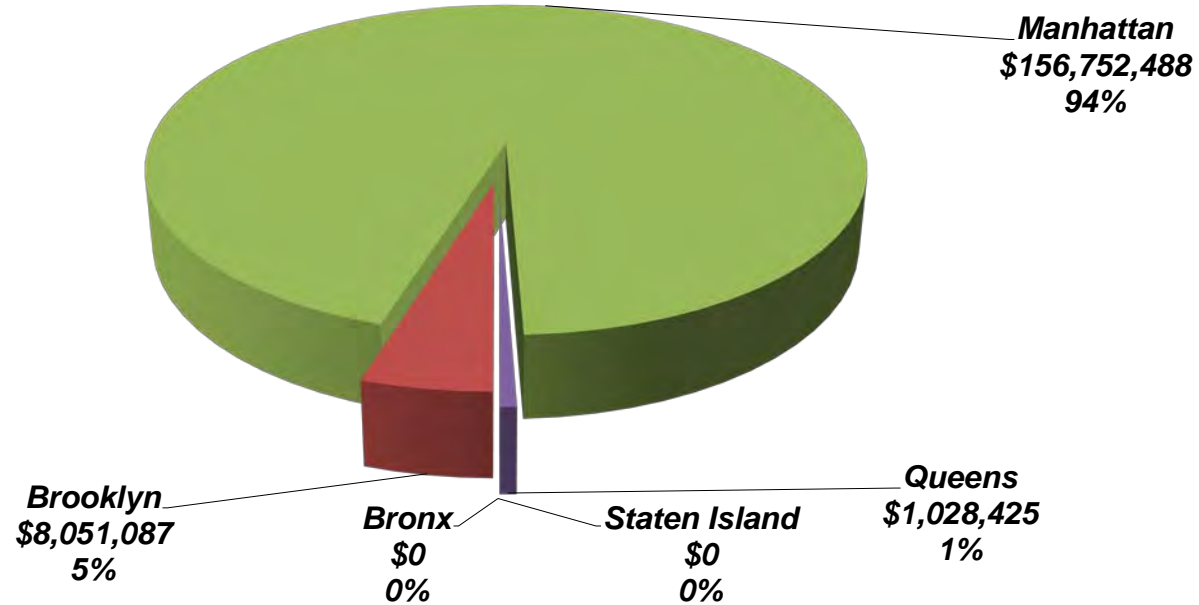
**AFL- CIO Housing Investment Trust (HIT)
 NYC Workforce Housing Initiative 2009-2014**

Investments Through 6/30/2011

Workforce Investment Detail

<u>Borough</u>	<u>Dollars</u>	<u>Workforce Housing Units</u>
Bronx	\$0	0
Brooklyn	8,051,087	422
Manhattan	156,752,488	4,447
Queens	1,028,425	208
Staten Island	0	0
Total	\$165,832,000	5,077

HIT Workforce Housing Initiative



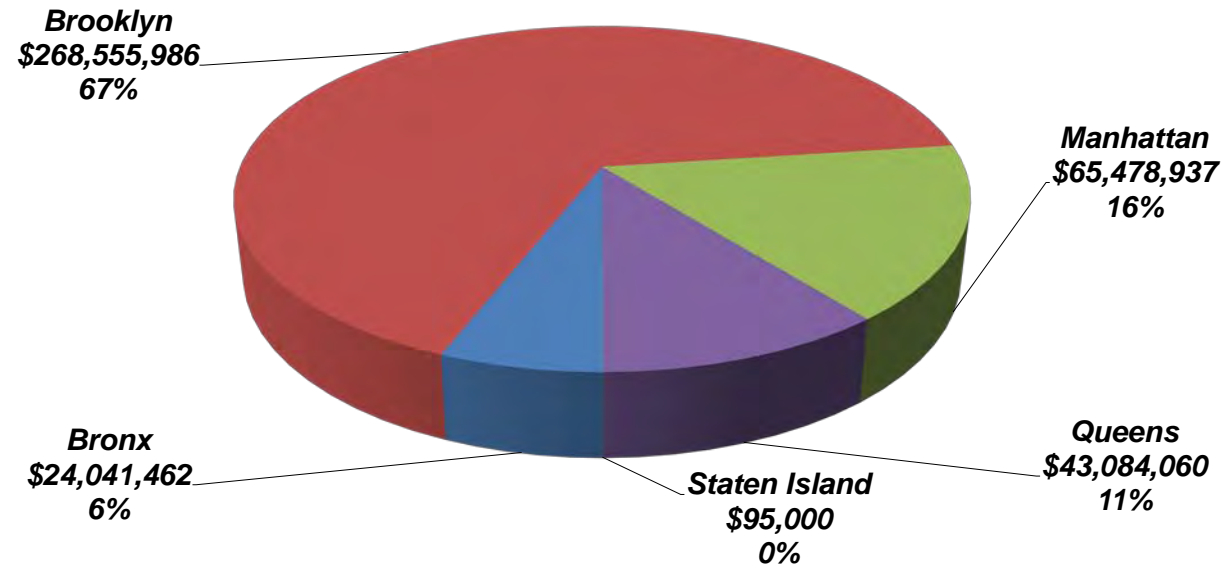
CPC Revolver

Revolver Current Commitments	\$401,255,445
TRS Commitments Shares	\$25,000,000
TRS Market Value*	\$21,282,488

	# Loans	\$ Committed	# Units Residential	# Units Commercial
Bronx	26	\$24,041,462	865	28
Brooklyn	79	268,555,986	2,130	42
Manhattan	45	65,478,937	1,087	29
Queens	12	43,084,060	336	11
Staten Island	1	95,000	3	0
Grand Total NYC	163	\$401,255,445	4,421	110
 Other NY State	 58	 \$159,502,328	 1,665	 43

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

CPC Revolver NYC Commitments



The City of New York - Office of the Comptroller
Bureau of Asset Management
TRS Economically Targeted Investment Quarterly Report
Collateral Benefits as of 6/30/2011

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

Allocated Amount \$33 million (33% of total account)
Market Value \$42.3 million

Multifamily Investments Detail

Borough	TRS	Total # of LMI*	
	Investment	Units	Units
Bronx	\$5,775,000	508	508
Brooklyn	4,356,000	404	404
Manhattan	19,068,003	2,815	1,677
Queens	3,844,500	762	762
Staten Island	0	0	0
Total TRS Multifamily Investments	\$33,043,503	4,489	3,351
Multifamily Total All Systems	\$100,131,826	4,489	3,351

Single Family Investments Detail

Borough	TRS	Total # of LMI*	
	Investment	Units	Units
Bronx	\$5,904,110	105	105
Brooklyn	15,301,629	257	257
Manhattan	1,861,423	25	25
Queens	18,089,632	269	269
Staten Island	9,144,894	140	140
Total TRS Single Family Investments	\$50,301,688	796	796
Single Family Total All Systems	\$152,429,356	796	796

Other Investments Detail

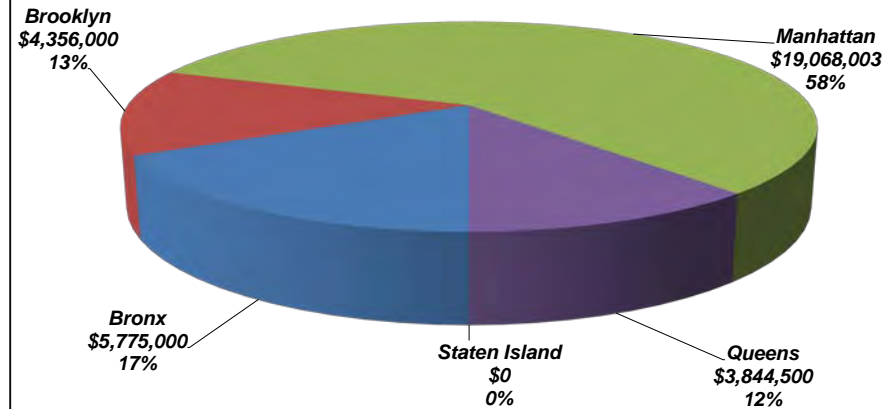
Borough	TRS	# of Loans
	Investment	
Bronx	\$222,750	1
Brooklyn	1,778,833	8
Manhattan	802,859	5
Queens	179,333	3
Staten Island	0	0
Total TRS Other Investments	\$2,983,774	17
Other Investments Total All Systems	\$9,041,740	17

Grand Total TRS \$86,328,965

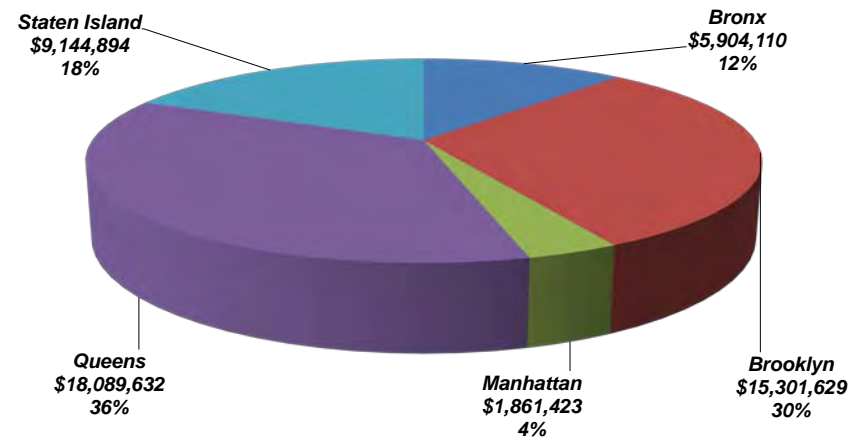
Grand Total All Systems \$261,602,922

* LMI = Low or Moderate Income

Access Multifamily Investments Since Inception TRS



Access Single Family Investments Since Inception TRS



The City of New York Office of the Comptroller
Bureau of Asset Management
TRS Economically Targeted Investment Quarterly Report
Collateral Benefits as of 6/30/2011

	Assets (\$MM)	Trailing 1 Month	Trailing 3 Months	6/30/2007 6/30/2011	Year To Date	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 7 Years	Trailing* 9 Years	Trailing* 10 Years	Trailing* 11 Years	Trailing* 15 Years	Since Inception	Data Start Date
TEACHERS															
AFL-CIO HOUSING INV TRUST	191.14	-0.26	2.08	4.25	2.89	4.25	6.58	6.53	5.52	****	****	****	****	5.06	09/30/02
CPC -PPAR	87.02	0.60	1.42	5.24	2.74	5.24	9.14	8.77	8.14	8.12	****	****	****	8.15	10/31/01
ACCESS VOYAGEUR	42.34	-0.02	2.43	3.56	2.65	3.56	8.26	****	****	****	****	****	****	6.92	02/28/07
CPC - REVOLVER	21.28	0.17	0.49	2.09	1.01	2.09	2.50	4.22	4.51	****	****	****	****	4.51	03/31/04
ERASMUS	16.31	****	****	****	****	****	****	****	****	****	****	****	****	****	10/31/05
CCD-PPAR	2.20	0.37	1.33	8.53	2.91	8.53	10.37	****	****	****	****	****	****	8.97	11/30/06
CFSB-PPAR	1.71	0.48	0.90	9.32	1.98	9.32	9.31	****	****	****	****	****	****	7.93	09/30/06
LIIF	1.68	0.45	1.15	0.62	2.26	0.62	****	****	****	****	****	****	****	5.45	07/31/09
NHS-PPAR	0.60	0.44	1.32	4.22	3.01	4.22	10.72	****	****	****	****	****	****	9.53	09/30/07
GNMA	0.14	0.79	2.38	2.51	2.45	2.51	5.36	6.99	6.65	6.57	****	****	****	6.55	10/31/01
NCBCI	0.39	0.08	1.30	2.93	3.53	2.93	****	****	****	****	****	****	****	5.49	07/31/09
SHORT TERM INVESTMENTS	0.00	0.01	0.02	0.15	0.05	0.15	0.54	2.09	2.48	2.30	****	****	****	2.92	10/31/01
TOTAL TEACHERS TARGETED (w/cash)**	348.49	0.02	1.85	4.32	2.69	4.32	7.16	6.87	6.05	5.84	6.24	6.97	7.30	10.18	09/30/81
TOTAL TEACHERS TARGETED (w/o cash)**	347.40	0.02	1.86	4.36	2.71	4.36	7.23	6.91	6.08	5.90	6.23	7.11	7.16	8.95	11/30/84
TEACHERS CUSTOM BENCHMARK (no cash)		-0.09	2.36	4.13	2.89	4.13	6.42	6.60	5.65	5.42	5.81	6.32	6.66		
BARCLAYS CAPITAL US AGGREGATE BOND INDEX		-0.29	2.29	3.90	2.72	3.90	6.46	6.52	5.48	5.43	5.75	6.23	6.32		

*Time periods greater than one year are annualized. Historical returns prior to April 2004 provided by Citigroup.

** Returns are net of fees and exclude Erasmus.

REAL ESTATE QUARTERLY REPORT

Teachers' Retirement System of the City of New York

Performance Measurement Report First Quarter 2011

The Townsend Group

Cleveland, OH San Francisco, CA London, UK Hong Kong

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Glossary of Terms		Exhibit A
Market Overview		Exhibit B

The Townsend Group

Performance Measurement Report

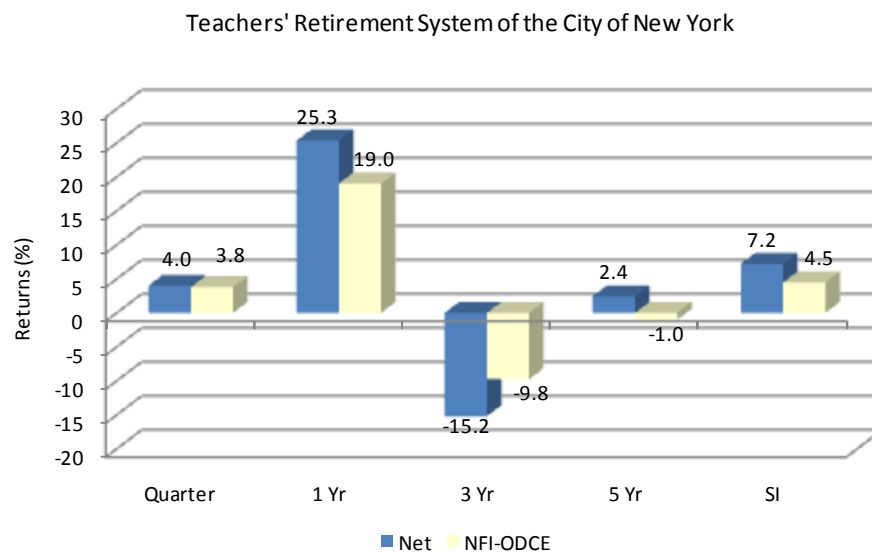
TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

FIRST QUARTER 2011

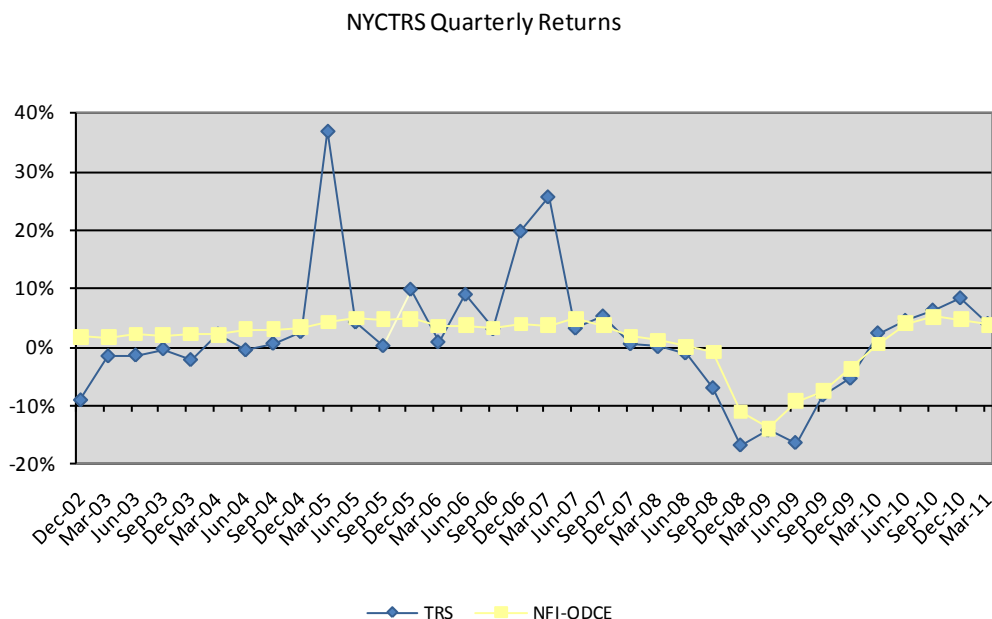
I. Performance Summary

At the end of the First Quarter 2011, ("Quarter") The Teachers' Retirement System of the City of New York ("NYCTRS") Real Estate Portfolio ("Portfolio") had a cumulative market value of \$597 million. Total market value plus unfunded commitments was \$1.008 billion, or 47.7% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 4.9% which was comprised of 0.5% income and 4.4% appreciation. The NCREIF Open-end Diversified Core Equity Index ("NFI-ODCE") reported a total net return of 3.8%. In addition, the Portfolio achieved a total net return of 4.0%.

The following chart reflects the total net returns for the NYCTRS' Portfolio compared to the NFI-ODCE. Macro economic conditions continue to improve but at a measured pace with volatile labor markets failing to continuously deliver gains in employment. Supply of new developments remains muted, except for multi-family, where projects are being re-started at an increasing pace. Real estate debt capital markets continue to offer sufficient credit to quality real estate; equity has focused primarily on core real estate coming out of the downturn. Fundamentals are improving but continue to lag the capital market recovery given economic uncertainty. Investors willing to take prudent value-add risk may be able to generate outsized returns as a result. The benchmark established for the Portfolio is the NFI-ODCE net over rolling five-year periods.



The graph below shows the total net returns for the Portfolio by quarter since inception. NFI-ODCE total net return performance is also included. It is important to note the effects of the “J-curve” whereby fees on committed capital exceed distributions to the Portfolio due to minimal invested capital and the early stages of the value-added/opportunistic process in the underlying investments.



The table below reflects the returns for the Portfolio and the NFI-ODCE during pertinent time periods and segments these returns by their components: income, appreciation, and total return. The Portfolio’s objective is to generate a total net return that exceeds the NFI-ODCE total net return measured over rolling five-year periods.

Returns (%)	Quarter				1 Year				3 Year				5 Year				Inception	
	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	TGRS	TNET
Teachers' Retirement System of the City of New York	0.5	4.4	4.9	4.0	3.7	25.0	29.3	25.3	3.1	-17.0	-14.4	-15.2	2.8	3.0	5.8	2.4	12.6	7.2
NFI-ODCE Value Weighted Index	1.4	2.6	4.0	3.8	6.3	13.2	20.1	19.0	5.9	-14.2	-9.0	-9.8	5.7	-5.6	-0.1	-1.0	5.4	4.5

II. Portfolio Composition

Teachers' Retirement System of the City of New York		
Total Plan Assets	3/31/2011	\$42,251
Real Estate Allocation (%)		5.0%
Real Estate Allocation (\$)		\$2,113
Style Sector Allocation		
Core / Core Plus Portfolio	40.0%	\$845
Non-Core Portfolio	55.0%	\$1,162
Emerging Managers Portfolio	5.0%	\$106
Uncommitted Core / Core Plus Portfolio		\$419
Uncommitted Non-Core Portfolio		\$615
Uncommitted Emerging Managers Portfolio		\$71
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		42.3%
Non-Core Portfolio		54.3%
Emerging Managers Portfolio		3.5%
\$ Committed		\$1,008
% Committed on Real Estate Allocation		47.7%
% Committed on Total Plan Assets		2.4%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		1.4%
% Funded (Market Value) of Total Real Estate Allocation		28.2%

Teachers		
Investment Cash Flow Summary		
	Quarter	To Date
Contributions	\$42.5	\$865.1
Distributions	-\$6.4	-\$268.5
Withdrawals	-\$0.3	-\$58.3

Contributions: Includes actual cash funded to the investment for acquisition and capital items during the quarter.

Distributions: Includes actual cash returned during the quarter from the investments which represents distributions of income from operations and profit.

Withdrawals: Includes cash returned from the investment as a result of return of capital.

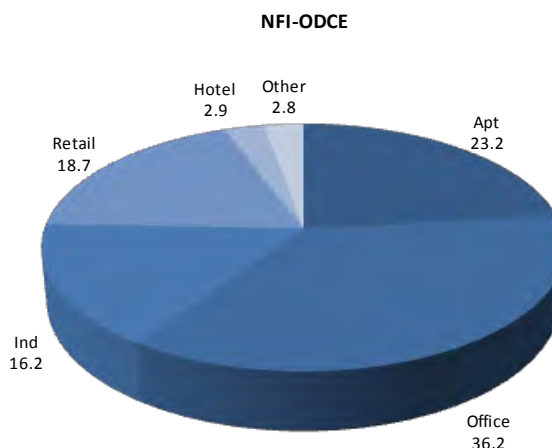
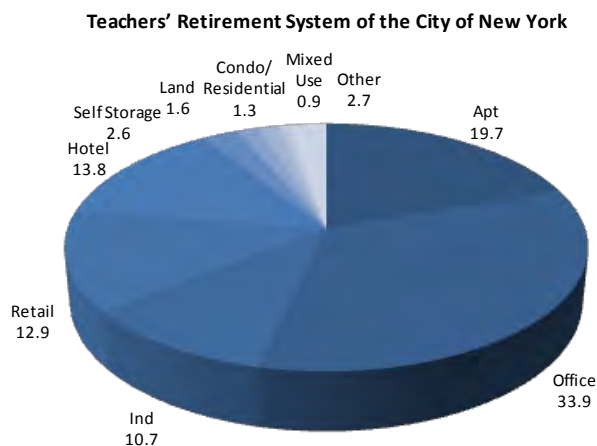
III. Portfolio Compliance

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) over rolling five-year periods	<i>Portfolio returns in excess of benchmark.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%) Non Core (minimum of 40%) Non Core Emerging (greater of \$85 million or 5% of the total real estate allocation)	<i>The portfolio is funded (market value) and committed at 47.7% of real estate allocation with a portfolio composition of 42.3% core, 54.3% non-core, and 3.5% emerging.</i>
Real Estate Allocation	Target of 5.0%	<i>Funded (market value) and committed dollars place the portfolio at 2.4% of total plan assets.</i>
	Currently Funded at 1.4%	
Diversification	$\pm 30\%$ of NFI-ODCE Other property type (0%-15%)	<i>All property types and geographic locations are in compliance.</i>
LTV	50%	<i>Portfolio is in early stages of funding, but is out of compliance (53.9%).</i>
Manager Exposure	0%-25% of real estate allocation	<i>Manager exposure is within compliance ranges.</i>

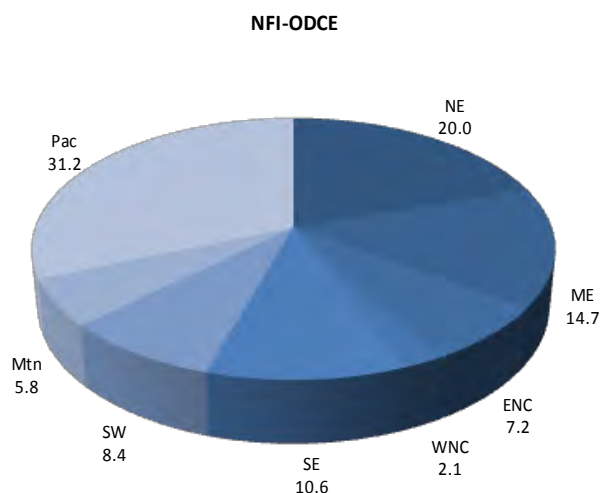
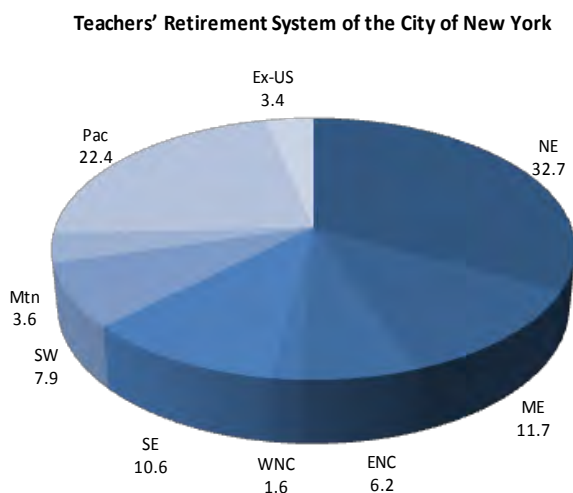
IV. Portfolio Diversification

The Investment Policy Statement (IPS) establishes ranges for diversification by property type and geographic region. These ranges are broad based and allow for investment in all major property types and all geographic regions. The diversification of the current portfolio by property type and geographic region is shown below and compared to diversification of the NFI-ODCE at the end of the Quarter.

Property Type Diversification (%)



Geographic Diversification (%)



PRIVATE EQUITY QUARTERLY REPORT



MARCH 31, 2011

ALTERNATIVE INVESTMENT REPORT

Teachers' Retirement System of the City of New York

One Presidential Boulevard, 4th Floor, Bala Cynwyd, PA 19004
www.hamiltonlane.com | P 610.934.2222 | F 610.617.9853

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

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Section 1:

Market Update

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

First Quarter 2011

The global economy continued on its path of recovery during the first quarter despite several obstacles. Economic growth was driven largely by emerging economies, while U.S. GDP growth expectations for 2011 were revised downward, from 3.1% at the end of 2010 to 1.8%.¹ Lower growth expectations are the result of economic pressures including concerns over inflation and its impact on consumer spending. Escalating oil prices, now hovering near \$100 per barrel, drove up the U.S. Consumer Price Index by 3.2% over the last 12 months;² the largest increase since October 2008. The U.S. unemployment rate increased slightly, from 8.9% to 9.0% in April. Despite the increase, 768,000 jobs have been added to the U.S. economy thus far in 2011, suggesting that the increase in unemployment rate is the result of discouraged workers attempting to re-enter the workforce rather than further layoffs; a positive sign to economists. Continued unrest in the Middle East and North Africa ("MENA") region, the Japanese earthquake and tsunami (expected cost of damage now exceeds \$300 billion¹), and worries over U.S. government fiscal strength have all weighed on consumer confidence and economic growth. Further, despite discussions of a second Greek bailout, concerns over the European sovereign financial crisis continue to cause increased volatility in world financial markets.

In the face of these pressures, strong corporate earnings and improved access to credit have fueled public markets, driving the S&P 500 up 5.0%.³ Credit markets were extremely active in the first quarter, with volume for the year expected to be on par with 2006 and 2007 levels. This activity has been boosted by historically low interest rates, providing favorable rates for deal financing and restructuring. Additionally, as part of a quantitative easing strategy, the U.S. Federal Reserve previously purchased \$1.7 trillion of bonds, which pumped liquidity into capital markets. Another \$600 billion of such purchases are expected to be completed by June, furthering the availability of low-cost debt in the short term. Emerging markets continue to prove their resilience to global pressures, as expectations for 2011 GDP growth in Asia-Pacific, MENA and Latin America are 6.7%, 5.3% and 4.3% respectively.⁴

¹ Source: Reuters

² Source: U.S. Labor Department; As of April 2011

³ Through May 25, 2011

⁴ Source: Global Insights World Overview

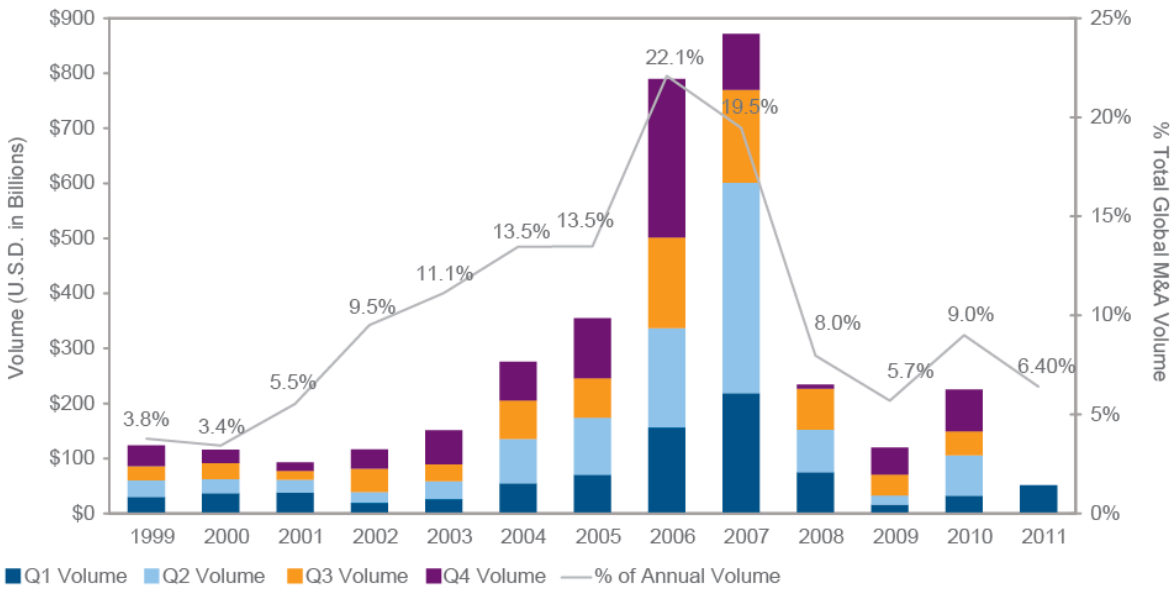
Teachers' Retirement System of the City of New York

First Quarter 2011 Report

Transaction Volume

Global deal activity in the private equity industry remained strong during the first quarter of 2011, with 623 deals completed representing an aggregate \$49.9 billion.⁵ While this equates to a decrease of 8% in count and 26% in value compared to the fourth quarter of 2010, the activity appears strong in comparison to Q1 2010 when 470 deals worth \$29 billion were completed. Due to a lack of mega buyout activity, aggregate deal value in North America decreased by 41% in comparison to the fourth quarter; however, this decrease was offset by a 15% increase in aggregate deal value completed in Asia and Rest of World.⁵ The largest deals announced thus far in 2011 are The Blackstone Group's \$9.4 billion purchase of nearly 600 U.S. properties from Centro Properties Group and Clayton, Dubilier & Rice's \$3.2 billion acquisition of Emergency Medical Services Corp.

Global LBO Volume



Source: Thomson Financial

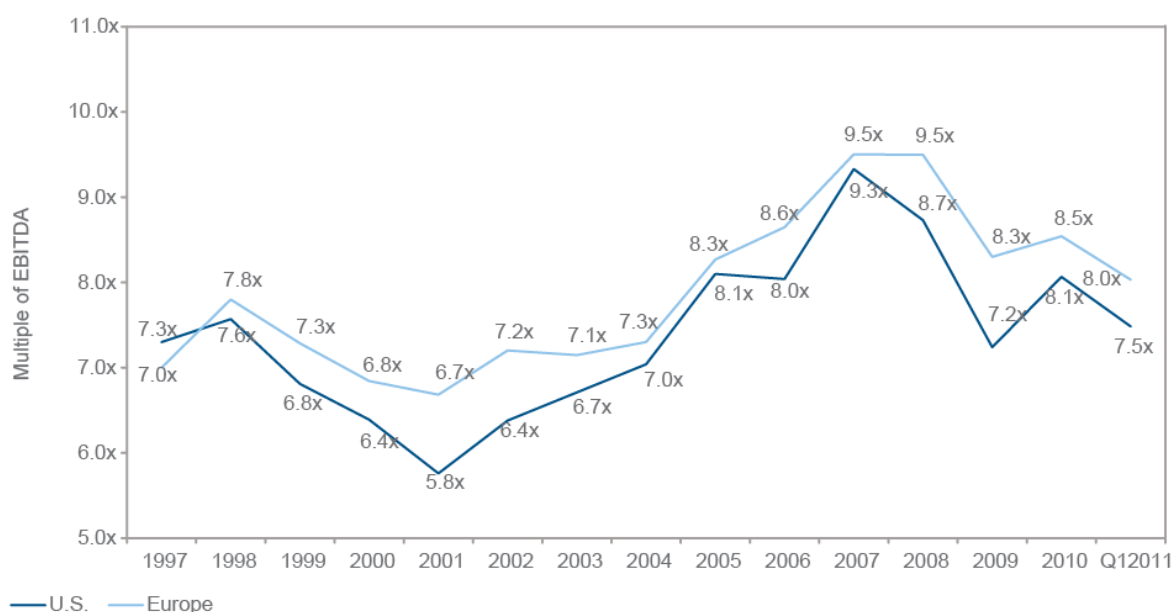
⁵ Source: Preqin

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Deal activity for the remainder of 2011 is expected to remain high, largely due to favorable credit markets and general partners' approximate \$412 billion stockpile of dry powder.⁶ According to Thomson Reuters, global debt market activity during the first quarter totaled \$1.6 trillion, a 30% increase from the fourth quarter. Further, leveraged loan activity has already exceeded volumes for all of 2008 and is on track to match 2006 and 2007 levels. Average equity contributions during Q1, at 39%, have steadily decreased from their financial-crisis high in 2009 of 51%.⁷ All of these factors have contributed to an extremely competitive deal-sourcing environment. As such, general partners remain cautious and are focusing on strategic acquisitions where true value-add is possible. For example, add-on investments, which increased 27% between 2009 and 2010, comprised 48% of all U.S. buyout deals during the first quarter.⁸ Further, general partners' caution appears to have extended to prices paid for acquisitions, as average purchase price multiples for all LBOs decreased, from 8.5x during 2010 to 7.8x in the first quarter of 2011.

Average Purchase Price Multiples of all LBOs



Source: S&P LCD

⁶ Source: Preqin

⁷ Source: S&P

⁸ Source: Pitchbook

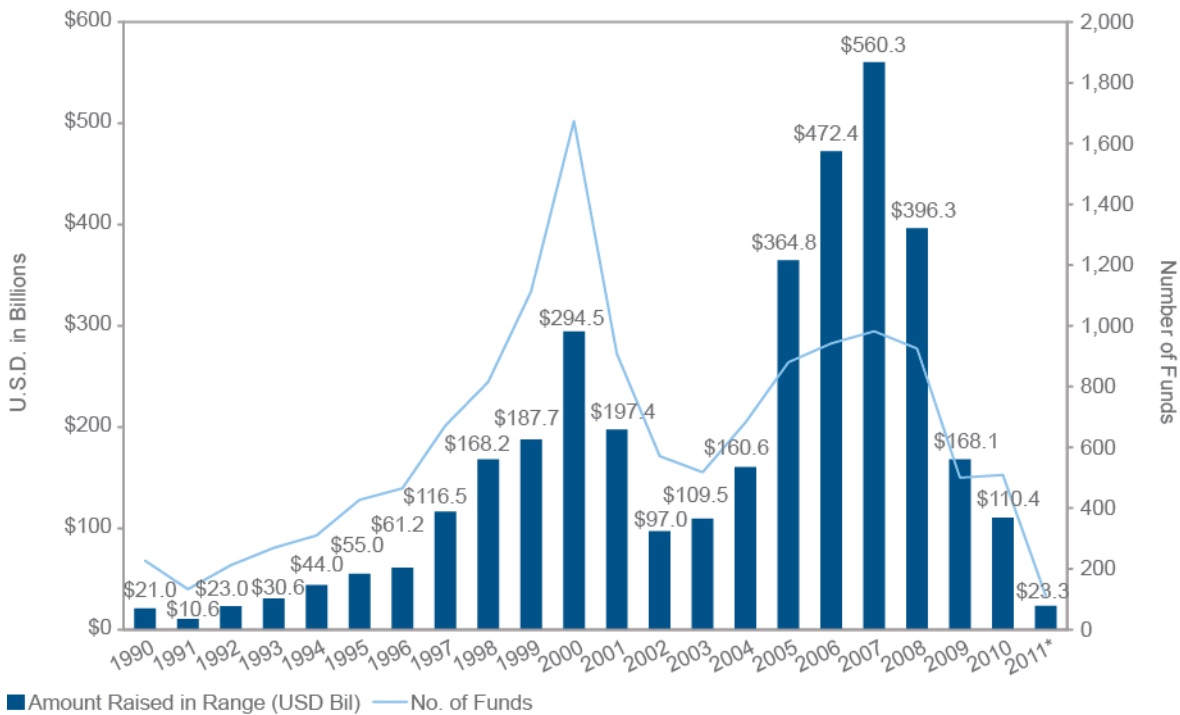
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Fundraising

The fundraising environment continues to remain highly competitive, resulting in first quarter fundraising at its lowest levels since 2004. More than 1,600 funds are currently actively marketing (the highest number ever recorded) and are seeking an aggregate \$661 billion in commitments.⁹ Emerging market fundraising, however, is showing a positive trend with \$9.9 billion raised in Q1, compared to \$23.5 billion during all of 2010. This represents more than 22% of total Q1 funds raised, compared to 11% and 19% in 2009 and 2010, respectively.⁹ It is expected that this trend will continue as limited partners seek to increase allocations to emerging markets in future years.

Global Fundraising



Source: ThomsonOne as of 4/14/2011
*2011 represents Q1 2011

⁹ Source: Preqin

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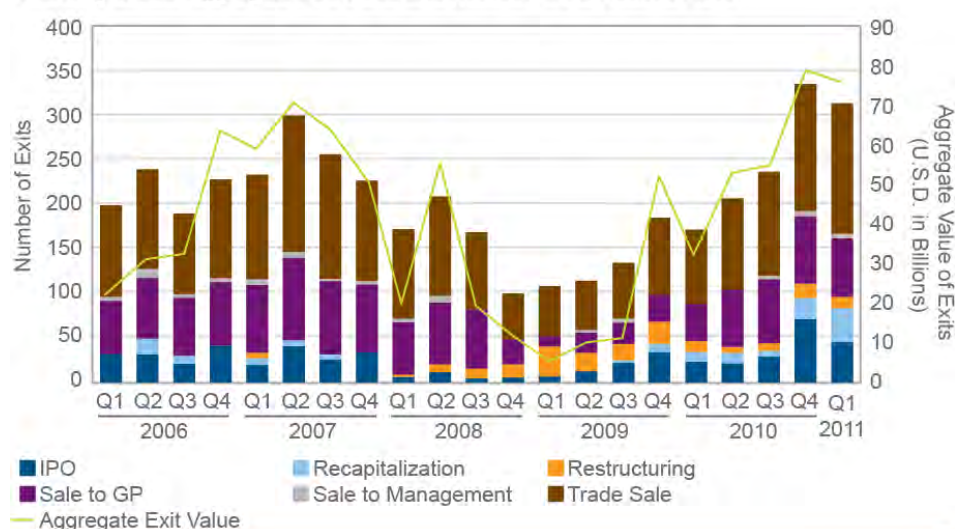
First Quarter 2011 Report

Exit Activity

During the first quarter of 2011, buyout-backed exit activity remained at near record levels as general partners worked to realize the large remaining number of unrealized portfolio investments made during the boom years of 2005-2007. Such activity was fueled by the combination of strong public equity market performance, favorable credit markets and corporate balance sheets that are flush with cash. A total of 254 exits worth an aggregate of \$77.2 billion were executed during the quarter, approaching the all-time record set in the fourth quarter of 2010 when 304 exits worth \$79.7 billion were announced.¹⁰

Due to the continued resurgence of public markets, private equity-backed IPO activity was markedly high during the first quarter. The largest private equity-backed IPO in history, for-profit hospital chain HCA, raised \$3.8 billion while Kinder Morgan raised nearly \$2.9 billion. Each of these deals was priced above target. Recent volatility in the public markets, however, is a serious obstacle to successful IPOs and as such, general partners remain cautiously optimistic. Despite a surge in IPOs, the majority of private equity-backed exits were either trade sales to corporations or secondary sales to other private equity firms. During the first quarter, sales to corporations represented 60% of total U.S. private equity exits, with 30% executed via secondary sales, and the remainder attributable to IPOs.¹¹ Emerging from the deep recession, corporations have stockpiled cash and are now eager to strategically acquire new businesses. Recent trade sales of note include Microsoft's agreement to purchase the internet communications provider Skype for \$8.5 billion and the sale of Swiss pharmaceutical company Nycomed International to Japanese drug maker Takeda Pharmaceutical for \$13.5 billion.

Quarterly Global Aggregate Exit Value and Number of PE Backed Exits



Source: Preqin

¹⁰ Source: Preqin

¹¹ Source: Pitchbook

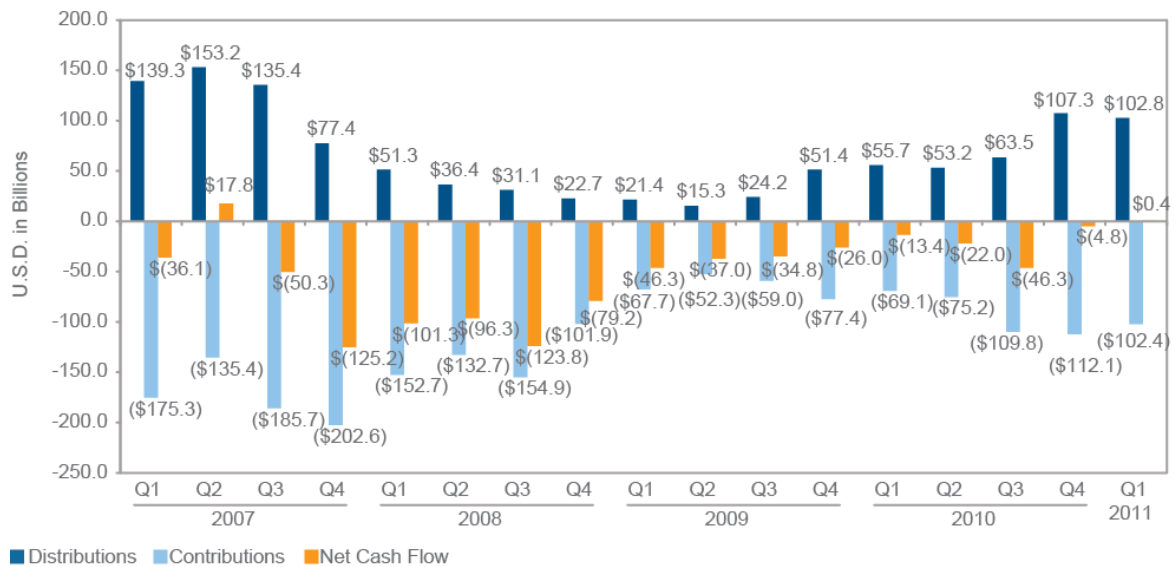
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Cash Flow Trends

Industry cash flow estimates based on Hamilton Lane's Fund Investment Database suggest that distributions have been on par with capital calls for the second quarter in a row. This trend is largely due to improving exit prospects for general partners as they aim to realize investments made during the boom years. As favorable market conditions continue to stimulate deal making and exit activity, we expect to see continued high levels of aggregate cash flows throughout the remainder of 2011.

HL Fund Investment Database Cash Flows



Source: Hamilton Lane Fund Investment Database as of 5/11/2011

*Fund level cash flow data of all funds in Hamilton Lane database (as of April 14, 2011) grouped by vintage year, then multiplied by the ratio of total PE commitments by vintage year (from ThomsonOne) over Hamilton Lane's commitments to generate a proxy for the PE universe

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Outlook

During the first quarter, the worldwide economy continued to recover with strong corporate earnings and readily available debt driving public market appreciation. Numerous factors support cautious optimism for the remainder of 2011. Active credit markets and significant amounts of dry powder support heightened deal activity. Historically low interest rates will likely continue to enable general partners to leverage deals or refinance existing debt at favorable rates. These trends have led to increased competition on the deal-making front, resulting in general partners acting more strategically with their investments. Exit opportunities appear attractive as general partners aim to realize investments made during the prior cycle. Further, despite significant volatility in the public markets, the success of recent IPOs shows an appetite for private equity-backed exits, with increased activity expected to continue throughout the remainder of 2011. All of these factors appear favorable to limited partners, as valuations have increased and realizations of investments provide liquidity. Despite these promising signs, many challenges, including the unrest in MENA and lingering inflationary and sovereign debt concerns may lead to increased volatility, and as such, optimism must remain cautious.

Section 2:

Portfolio Update

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

Portfolio Snapshot

Hamilton Lane was engaged by the Teachers' Retirement System of the City of New York ("TRS") in October 2010 to provide alternative investment consulting services in accordance with the investment objectives of the TRS Private Equity portfolio (the "Portfolio"). This report represents the review by Hamilton Lane of TRS's Portfolio and is based upon information made available to Hamilton Lane by the general partners sponsoring each of the partnership investments in the Portfolio as of March 31, 2011, with highlights through March 31, 2011.

Private Equity Target: As per the 2011 NYCTRS Strategic Plan, TRS has a target of 4% to Private Equity. In the second quarter 2011, NYCTRS increased this target to 6%. As of March 31, 2011, Private Equity constituted 4.6% of NYCTRS plan.

Performance: As of March 31, 2011, the Portfolio consists of 125 partnerships and 85 underlying fund managers. The Portfolio has generated a since inception internal rate of return ("IRR") of 8.79% and a total value multiple of 1.2x.

Portfolio Summary			
\$ millions	12/31/2010 ⁽¹⁾	3/31/2011	Change
Active Partnerships	125	125	-
Active GP Relationships ⁽²⁾	85	85	-
Capital Committed ⁽³⁾	\$3,363.8	\$3,368.5	\$4.7
Unfunded Commitment	\$1,261.3	\$1,215.7	(\$45.6)
Capital Contributed	\$2,386.6	\$2,459.9	\$73.3
Capital Distributed	\$947.5	\$1,038.6	\$91.1
Market Value	\$1,916.9	\$1,984.0	\$67.1
Total Value Multiple	1.2x	1.2x	-
Since Inception IRR	8.17%	8.79%	62 bps
Avg. Age of Active Commitments	4.3 years	4.4 years	0.1 years

⁽¹⁾Hamilton Lane has reconciled TRS historical data with the General Partner since the release of the December 31, 2010 report. The data as of December 31, 2010 will vary from what was originally reported on the TRS Fourth Quarter 2010 report.

⁽²⁾The Active GP relationships include the General Partner Aldus, the manager of Erasmus New York City Growth Fund, L.P. According to the information provided to Hamilton Lane, the General Partner status for this fund is to be determined

⁽³⁾The "change" in capital committed from the prior year reflects currency adjustments from existing foreign denominated funds.

Portfolio Exposures: The Corporate Finance/Buyout strategy represents 72% of the Portfolio's total exposure, Venture Capital accounts for 11%, Special Situation represents 7%, Secondaries represent 3%, Distressed represents 3%, Mezzanine accounts 2% and Co/Direct represents the remaining 1%. The Portfolio has significant exposure to North America; 80% of the underlying company market value based in the region.

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Portfolio Overview

Commitments

The table below highlights the funds that closed during 2010.

Commitments - 2010			
Closing Date	Partnership	Investment Strategy	Commitment Amount
12/17/10	Trident V, L.P.	Corporate Finance/Buyout	\$35.0
Total			\$35.0

During the year 2010, the Portfolio completed one additional investment totaling \$35.0 million, detailed above:

Trident V, L.P. (\$35.0 million) the fund will seek to make control oriented investments in cash flow or service companies with proven business models and quality management teams. The fund has opportunistically made investments in balance-sheet oriented companies in response to severe dislocations in the financial services space. Given the current environment, the fund anticipates that several of these investments will be made by the partnership including up to 20% in bank investments.

The table below details performance of the Portfolio in comparison with two comparable Hamilton Lane clients; the data below represents the most recently available data for Plan A and Plan B.

Competitive Pension Plan Statistics			
	NYC Teachers	Plan A	Plan B
Allocation to Private Equity	4%	10%	10%
Since-Inception Return as of 3/31/2011	8.79%	13.08%	7.39%*

* Data as of 12/31/2010

Subsequent Events

Subsequent to March 31, 2011, the Portfolio completed additional investments totaling \$280.0 million, detailed below:

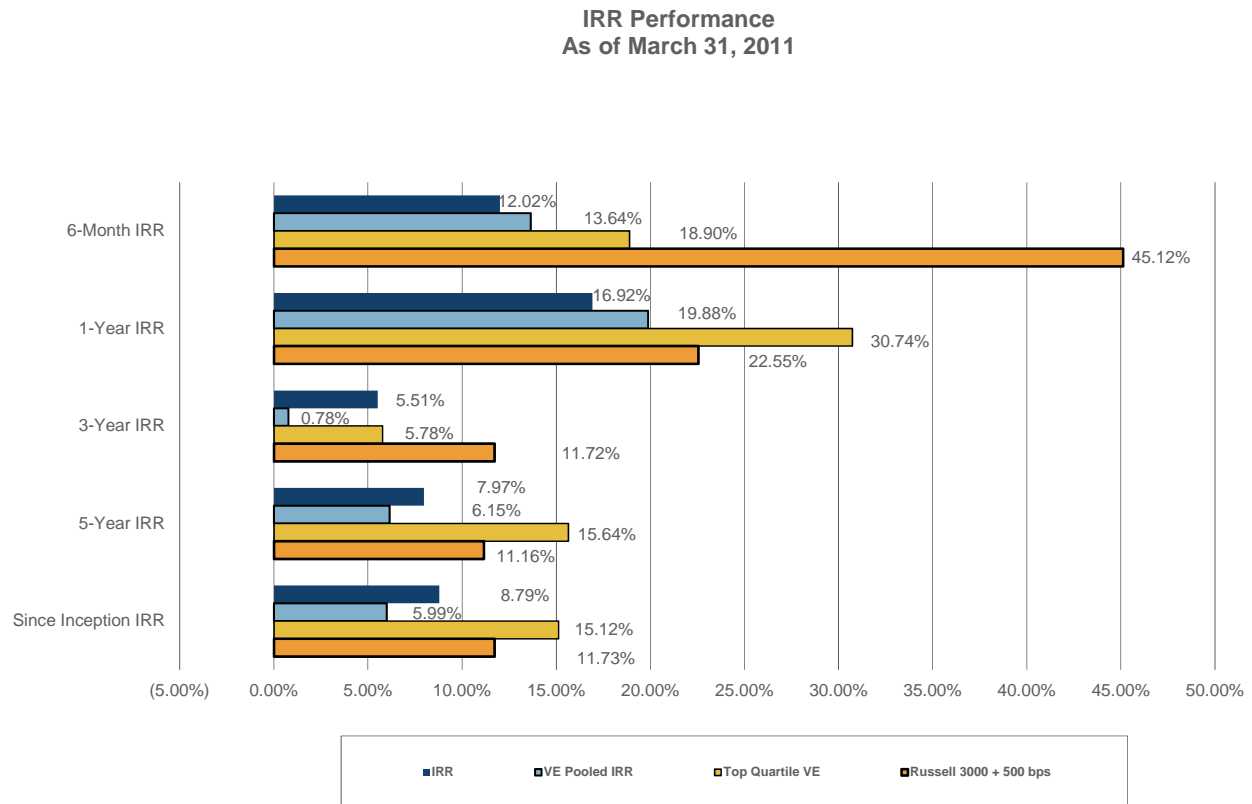
Subsequent Closings			
Investment	Investment Strategy	Commitment (\$ in Millions)	Closing Date
EQT VI, L.P.	Corporate Finance/Buyout - Large	\$55.0	6/30/2011
BC European Capital IX, L.P.	Corporate Finance/Buyout - Large	75.0	7/19/2011
AXA Secondary Fund V, L.P.	Secondaries - Fund-of-Funds	100.0	7/28/2011
Pegasus Partners V, L.P.	Corporate Finance/Buyout - Mid	50.0	8/4/2011
		\$280.0	

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

Portfolio Performance Summary

The chart below is a graphical depiction of the IRR performance of the Portfolio with respect to 1-, 3-, 5-, and since-inception time periods. The Portfolio is benchmarked against the VE Pooled IRR, Top Quartile VE and the Russell 3000 plus 500 basis points.



Note: Since Inception IRR for VE benchmarks represent the returns for funds within latest 10 vintage years, the closest available benchmark to the inception date of NYC Teachers Portfolio. The Russell 3000 Total return index incorporates the Long Nickels methodology where the assumption is that the capital is being invested and withdrawn from the index on the days the capital was called and distributed from the underlying fund managers. This calculation includes a 5% premium.

- As private equity is a long-term asset class, the most significant time horizons are the ten year and since inception time periods.
 - Performance on a since-inception basis for the first quarter of 2010 increased by 66 basis points, with the Portfolio generating an IRR of 8.79%. Performance for the one-year time horizon was 16.92%. This represents a 31 basis point increase from the prior quarter.

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

The table below details quarterly performance of the Portfolio for the year ending March 31, 2011.

Portfolio Summary					
in \$ millions	Quarter Ending				Year Ending
	6/30/2010	9/30/2010	12/31/2010	3/31/2011	3/31/2011
Beginning Market Value	\$1,567.1	\$1,600.8	\$1,745.7	\$1,916.9	\$1,567.1
Paid-in Capital	88.8	109.4	120.2	73.3	391.7
Distributions	(45.4)	(41.7)	(78.3)	(91.1)	(256.5)
Net Value Change	(9.7)	77.2	129.3	84.9	281.7
Ending Market Value	\$1,600.8	\$1,745.7	\$1,916.9	\$1,984.0	\$1,984.0
Unfunded Commitments	\$1,416.4	\$1,335.8	\$1,261.3	\$1,215.7	\$1,215.7
Total Exposure	\$3,017.2	\$3,081.5	\$3,178.2	\$3,199.7	\$3,199.7
Point to Point IRR	(0.61%)	4.73%	7.26%	4.44%	16.92%
Since Inception IRR	5.76%	6.68%	8.17%	8.79%	8.79%

- Over the past twelve months, the Portfolio has generated an IRR of 16.92% and has experienced a total of \$281.7 million in net value gain.
- FdG Capital Partners II was the top performing partnership for the quarter ended March 31, 2011, generating a net value increase of \$12.9 million and a point-to-point IRR of 87.27%.
 - FdG Capital Partners II altered its accounting methodology from the previous quarter from lower of cost or fair value to fair value. Further details regarding this Partnership are discussed later in the report.

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First Quarter 2011 Report

The table below details IRR performance of the Portfolio with respect to Vintage Year. The Portfolio is benchmarked against the VE Pooled IRR, Top Quartile VE, and the Russell 3000 plus 500 basis points.

Performance by Vintage Year ⁽¹⁾					
Vintage Year	Capital Committed	IRR	VE Pooled IRR	Top Quartile VE	Russell 3000 + 500bps
1999	\$ 95,000,000	7.34%	4.51%	8.47%	8.21%
2000	83,000,000	5.77%	7.18%	6.85%	6.77%
2001	80,000,000	21.54%	15.07%	13.50%	7.72%
2002	150,000,000	14.84%	18.56%	15.31%	9.39%
2003	85,000,000	23.20%	17.71%	12.51%	13.06%
2004	266,400,000	8.64%	11.93%	8.58%	10.23%
2005	345,999,527	4.43%	4.29%	7.60%	9.19%
2006	641,142,013	4.21%	0.71%	6.42%	8.83%
2007	601,614,950	8.62%	5.93%	8.37%	6.21%
2008	820,389,211	11.01%	8.22%	8.68%	5.03%
2009	77,500,000	4.65%	15.93%	16.59%	28.18%
2010	45,000,000	(25.76%)	(2.32%)	5.39%	24.18%
2011	77,500,000	(99.39%)	N/A	N/A	33.88%

⁽¹⁾ For details regarding Paid-In Capital, Distributions and Market Value by Vintage Year please see Section 4, Portfolio Assessment, of the report

- Vintage year 2003 has generated the highest IRR since the inception of the Portfolio at 23.20% and is out performing the VE Pooled IRR, Top Quartile VE, and Russell 3000 plus 500 basis points benchmarks.
 - The top performing fund in the vintage year 2003 is Blackstone Capital Partners IV, L.P., a large market buyout partnership, which has generated a since inception internal rate of return of 40.65%

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The table below details IRR performance of the Portfolio with respect to Investment Strategy. The Portfolio is benchmarked against the VE Pooled IRR, Top Quartile VE.

Performance by Investment Strategy ⁽¹⁾				
Investment Strategy	Capital Committed	IRR	VE Pooled IRR	Top Quartile VE
Corporate Finance/Buyout	\$ 2,419,718,392	10.58%	11.67%	18.38%
Corporate Finance/Buyout - Mega	436,428,329	5.69%	9.33%	17.45%
Corporate Finance/Buyout - Large	481,613,684	14.80%	16.07%	20.41%
Corporate Finance/Buyout - Mid	1,077,896,871	10.86%	15.10%	19.79%
Corporate Finance/Buyout - Small	423,779,508	7.83%	15.09%	17.87%
Distressed	90,000,000	13.59%	9.30%	14.19%
Mezzanine - Sponsored/Unsponsored	50,000,000	12.11%	7.34%	12.09%
Secondaries Fund-of-Funds	130,000,000	14.05%	N/A	N/A
Special Situation - Multi Strategy	259,083,229	(2.17%)	41.61%	27.32%
Venture Capital	399,744,080	0.09%	13.57%	11.41%

⁽¹⁾ For details regarding Paid-In Capital, Distributions and Market Value by Vintage Year please see Section 4, Portfolio Assessment, of the report.

Note: The above table does not include liquidated investments

- The Corporate Finance/Buyout – Large Strategy has generated the greatest return at 14.80% since inception of the Portfolio, but still underperforms the VE Pooled, and Top Quartile VE benchmarks.
 - The top performing fund within the Corporate Finance/Buyout – Large Strategy is Blackstone Capital Partners IV, L.P., which has generated a since inception internal rate of return of 40.65%
 - The next top performing fund within the Corporate Finance/Buyout – Large Strategy is Apollo Investment Fund V, L.P., a 2001 vintage year fund, generating a since inception internal rate of return of 39.84%

The table below details IRR performance of the Portfolio with respect to Geographic Focus.

Performance Summary by Region						
Region	Capital Committed	Paid-In Capital	Capital Distributed	Reported Market Value	Net IRR	Total Value Multiple
North America	\$2,664,181,219	\$2,020,787,589	\$930,522,276	\$1,612,118,550	9.65%	1.3x
Western Europe	\$261,264,482	\$157,039,511	\$30,844,790	\$131,085,198	1.33%	1.0x
Rest of World	\$443,100,000	\$282,088,313	\$77,264,593	\$240,810,511	5.43%	1.1x
Total:	\$3,368,545,701	\$2,459,915,413	\$1,038,631,659	\$1,984,014,259	8.79%	1.2x

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Value Drivers

The table below displays the Portfolio's top five performance drivers by net value change for the quarter ending March 31, 2011.

Top Five Performing Investments for the Quarter Ending March 31, 2011				
Investment Name	Vintage Year	Net Value Change (\$ Millions)	Point-to-Point IRR	Since Inception IRR
FdG Capital Partners II, L.P.	2004	\$12.9	87.27%	2.45%
Cinven Fourth Fund	2006	4.6	13.24%	6.91%
Yucaipa American Alliance Fund II, L.P.	2008	4.1	6.82%	23.27%
Riverstone/Carlyle Global Energy & Power Fund IV	2008	3.0	13.31%	24.45%
RRE Ventures III, L.P.	2001	3.0	11.93%	10.63%

- The above five partnerships generated an aggregated net value increase of \$27.6 million in the first quarter 2011.
 - FdG Capital Partners II, a 2004 mid-market buyout partnership, was the top performing investment for the quarter, generating a net value change of \$12.9 million.
 - The significant driver was the change in accounting methodology for the valuation of investments by FdG Capital Partners II, from lower cost or fair value to fair value, which increased TRS's market value in the Partnership from the previous quarter by \$12.0 million. The Partnership believes that the new method for valuing portfolio investments will more accurately reflect the periodic results of operations.
 - The Partnership called \$0.1 million and distributed \$4.8 million during the quarter. The distribution was comprised of proceeds from the sale of Sunrise Windows.
 - Cinven Fourth Fund, a 2006 mega buyout partnership, generated \$4.6 million in net value change. The change in net value was attributed to a 24% increase in market value of Avolon Aerospace, an aircraft leasing company passed in Dublin, Ireland.
 - Yucaipa American Alliance Fund II, a 2008 mid-market buyout partnership, generated \$4.1 million in net value change for the first quarter 2011. The bulk of this value change can be attributable to the unrealized portfolio investment write up of \$2.5 million during the first quarter by the General Partner.
 - Riverstone/Carlyle Global Energy & Power Fund IV, a 2008 large-market buyout partnership, generated a net value change of \$3.0 million. The main driver for this increase was the \$2.1 million market value write up of Enduro Resource Partners LLC, an oil and gas exploration company with a long-lived oil and gas properties in the onshore United States.

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- RRE Ventures III, L.P., a 2001 early-stage venture capital partnership, generated a net value increase of \$3.0 million. The net value increase can mainly be attributed to the \$2.3 million dollar distribution from the realization of Broadsoft, Inc. shares, a global provider of software that enables fixed-line, mobile and cable service providers to deliver voice and multimedia services over their Internet protocol-based networks. The fund realized of a return of 7.7x on their investment in Broadsoft, Inc.

The table below shows the Portfolio's bottom five performance drivers by net value change for the quarter ending March 31, 2011.

Bottom Five Performing Investments for the Quarter Ending March 31, 2011				
Investment Name	Vintage Year	Net Value Change (\$ Millions)	Point-to-Point IRR	Since Inception IRR
RRE Ventures IV, L.P.	2006	(\$2.2)	(9.11%)	5.03%
FS Equity Partners V, L.P.	2003	(1.8)	(9.41%)	13.16%
HM 2006 Sector Performance Fund, L.P.	2007	(1.5)	(14.17%)	(17.16%)
Ampersand 2006, L.P.	2006	(0.6)	(6.14%)	3.59%
Thomas McNerney & Partners, L.P.	2002	(0.5)	(6.48%)	(1.00%)

- The above five partnerships generated a net value loss of \$4.8 million in the first quarter 2011.
 - RRE Ventures IV, a 2006 early-stage venture capital partnership generated the largest net value loss in the first quarter, at (\$2.2) million. Of the 54 portfolio companies, 35 are currently held at cost, while 16 are held above cost and 3 are held below cost. The three investments held below cost each experienced a decline in multiple from the prior quarter. These portfolio companies include: Revolution Money, a diversified financial company (currently held at 0.49x cost), Business Insider, a business blog, covering tech, media, law (currently held at 0.65x cost) and Spanfeller Media Group, a digital media (currently held at 0.69x cost).
 - FS Equity Partners V, a 2003 mid-market buyout partnership generated the second most substantial net value loss in the first quarter, at (\$1.8) million. The portfolio company that experienced the greatest write down in value was Gregg Appliances, a U.S. based retailer of home appliances and consumer electronics, which was previously held at 3.58x cost and is now being held at 2.29x cost.
 - HM 2006 Sector Performance Fund, a 2007 mid-market buyout partnership, generated a net value loss of (\$1.5) million during the quarter. The key driver for the decrease in net value was the write down of Ziplocal Holdings, Inc, a Canadian web based directory system, which had a previous market value of \$8.2 million at December 31, 2010, and as of March 31, 2011 had a zero market value.
 - Ampersand 2006, a multi-stage venture capital partnership, generated a quarter net value loss of (\$0.6) million. The bulk of this value change can be attributed to the (\$2.5) million in capital loss recorded by the fund for its investment in Marina Biotech, Inc., a

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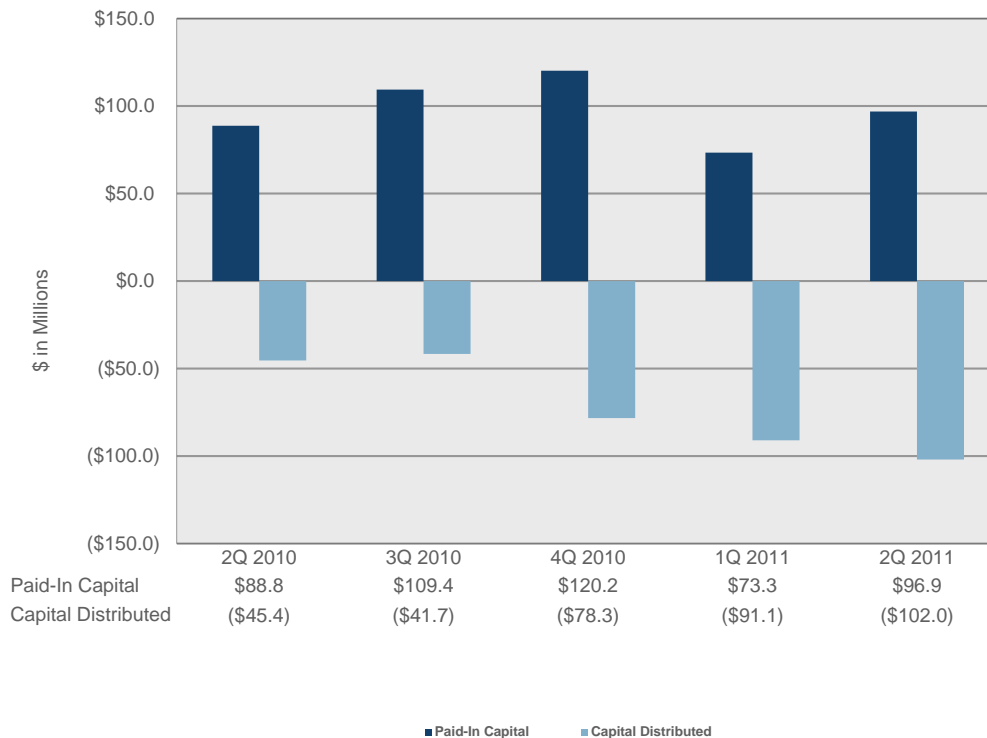
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biotechnology company focused on the development and commercialization of therapeutic products based on RNA interference.

- Thomas McNerney & Partners, a 2002 multi-stage venture capital partnership, generated a net value loss of (\$0.5) million resulting from the (\$7.1) million in fund level unrealized depreciation of portfolio investments.

Cash Flow Drivers

The chart below highlights the cash flows of the Portfolio over the past five quarters ended June 30, 2011.



- For the year ended March 31, 2011, the Portfolio was cash flow negative with contributions outpacing distributions by \$135.2 million. Contribution activity steadily increased throughout each quarter of 2010, but the first quarter of 2011 saw contributions decrease by 39%. Distributions increased by 17% during the first quarter of 2011 totaling \$91.1 million, the most over the past year.
- During the second quarter 2011, Trilantic Capital distributed \$13.9 million, which represented the largest amount received by the Portfolio.
 - This distribution was a result of sale proceeds from SRAM Holdings; a global manufacturer and marketer of branded bicycle components including shifters, brakes, gear hubs, drivetrains, suspension systems and high-performance wheel sets.
- Leeds Equity Partners V called the most capital, calling \$7.0 million for the quarter ending March 31, 2011.

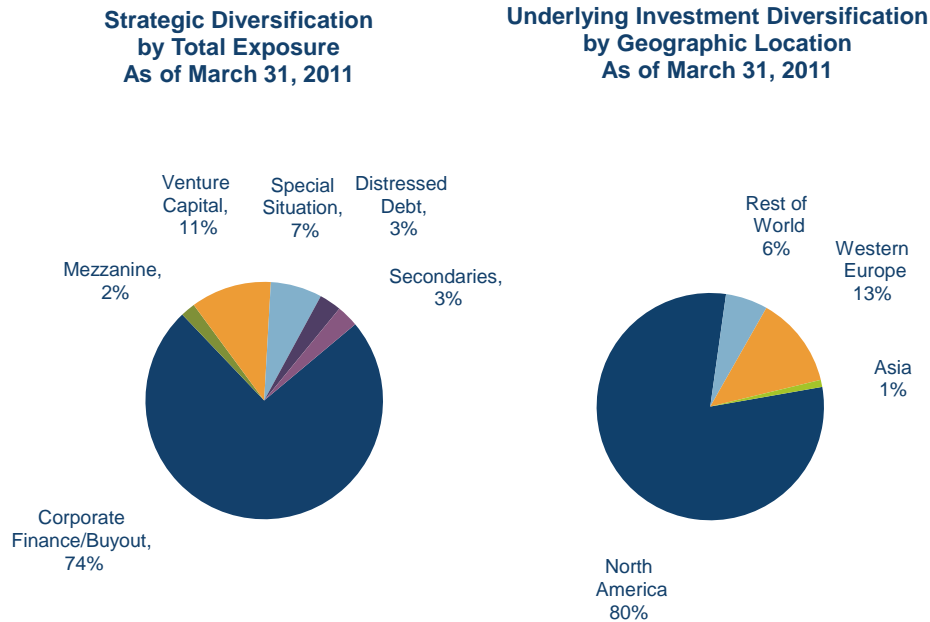
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- Capital was called for an investment in BARBRI, the largest provider of bar exam test preparation services in the world. BARBRI offers the premier bar exam preparation course to law students delivered by industry-leading professors with a focus on a proven, results-oriented teaching pedagogy. The Company offers its flagship bar exam preparation course in all 50 states and the District of Columbia and maintains a presence at nearly every U.S. law school.

Portfolio Exposures

The pie charts below represent the strategic and geographic diversification of the Portfolio as of March 31, 2011. Strategy is measured by total exposure, which is the sum of the market value and the unfunded commitments and provides a snapshot of the Portfolio's future diversification. Geography is measured by the Portfolio's exposed market value of the underlying portfolio companies.



- The Portfolio is focused in the Corporate Finance/Buyout strategy, with 74% of the total exposure attributable to this strategy.
- With respect to geography, the Portfolio is concentrated in North America, with 80% of the Portfolio's underlying market value attributable to this region.
 - The remaining 20% of the Portfolio's exposure is diversified between Western Europe, 'Rest-of-World' and Asia.

Teachers' Retirement System of the City of New York

First Quarter 2011 Report

Private Equity Company Exposure

The table below identifies the top ten underlying companies held by private equity partnerships as measured by exposed market value as of March 31, 2011. As noted in the second column, the values of companies held by several partnerships have been aggregated.

Top 10 Portfolio Holdings by Exposed Market Value March 31, 2011			
Company Name	Partnership	Exposed Valuation (\$ Millions)	% of Total Portfolio
AmeriCold Realty Trust	Yucaipa American Alliance Fund I, L.P. Yucaipa American Alliance Fund II, L.P.	\$41.4	2.0%
Lighting Science Group Corporation (fka LED Holdings)	Pegasus Partners IV, L.P.	21.7	1.0%
Softlayer	GI Partners Fund II, L.P. GI Partners III, L.P.	18.1	0.9%
Molycorp Minerals, LLC	Pegasus Partners IV, L.P.	17.9	0.8%
Nycomed Holdings A/S	Avista Capital Partners II, L.P. Avista Capital Partners, L.P.	16.5	0.8%
LeverageSources, L.P.	Apollo Investment Fund VII, L.P.	16.3	0.8%
Guitar Center, Inc.	Ares Corporate Opportunities Fund II, L.P. Ares Corporate Opportunities Fund III, L.P.	14.6	0.7%
Annie's, Inc.	Solera Partners, L.P.	14.4	0.7%
PTC Alliance	BDCM Opportunity Fund, L.P.	14.0	0.7%
Allied Holdings, Inc.	Clayton, Dubilier & Rice Fund VII, L.P.	13.7	0.7%
Total		\$188.6	9.1%

Note: Undisclosed debt securities are not included in this analysis.

- As of March 31, 2011, the top ten companies represent 9.1% of the total Portfolio's market value, or \$188.6 million.
- AmeriCold Realty Trust, a real estate investment trust which operates 102 temperature controlled warehouses, is the Portfolio's largest exposure and is held in two partnerships.
- Four of the ten top holdings are held in multiple partnerships within the portfolio.

II. July Monthly Performance Review:

Monthly Performance Review *July 2011*

Prepared for the New York City
Teachers' Retirement System
9/8/2011

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ECONOMIC INDICATORS

as of September 2011

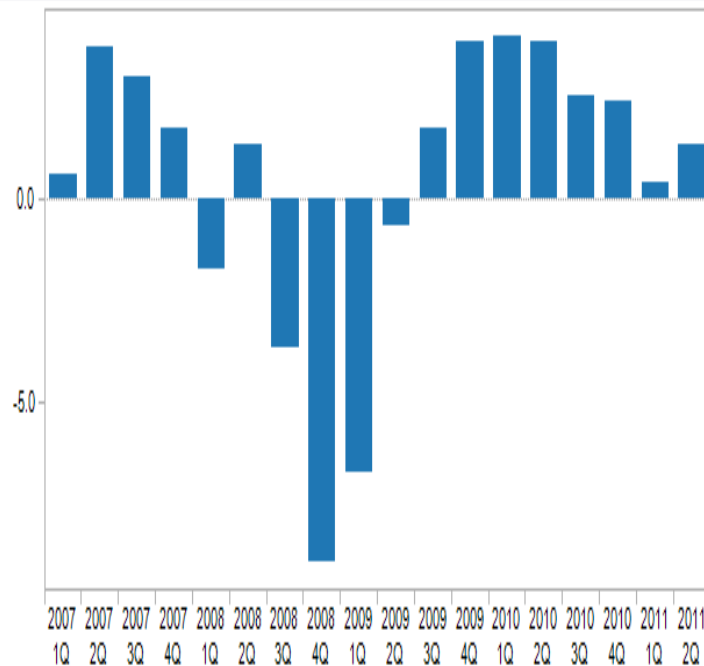


NYC OFFICE OF THE COMPTROLLER
BUREAU OF ASSET MANAGEMENT

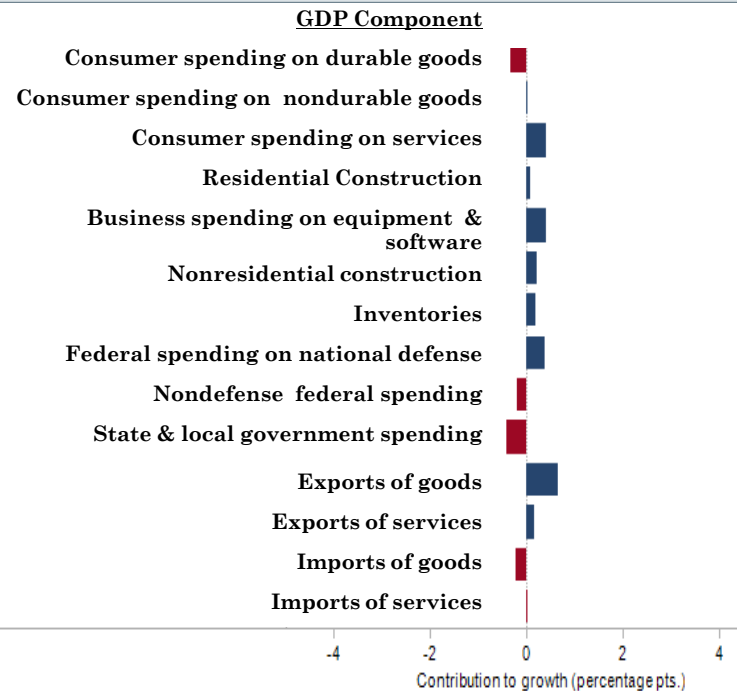
COMPONENTS OF GDP

2

**ALL SHOW OVERALL % CHANGE FROM
PRECEDING QUARTER AT SEASONAL ADJUSTED
ANNUAL RATE**



**COMPONENTS WHICH CONTRIBUTED
TO GDP GROWTH**

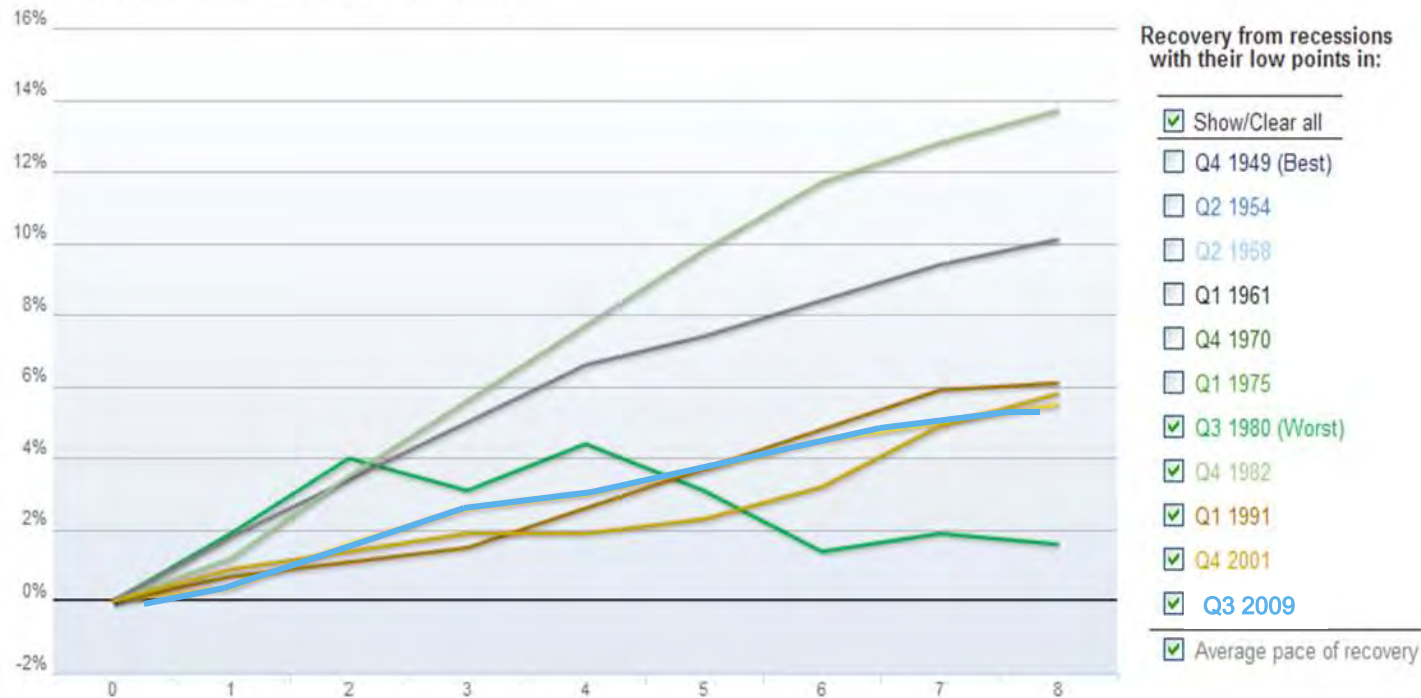


- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

US GROSS DOMESTIC PRODUCT (INFLATION ADJUSTED)

3

U.S. gross domestic product, inflation adjusted, quarterly



Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTES: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.**
- **GDP GROWTH DURING THE CURRENT RECOVERY INCLUDES SECOND-QUARTER FORECAST CALCULATED USING CONSENSUS FORECAST OF 2 % ANNUAL GROWTH.**

CAPACITY UTILIZATION

4



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

ISM MANUFACTURING INDEX

5



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WEEKLY UNEMPLOYMENT CLAIMS

6



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UNEMPLOYMENT RATE

7

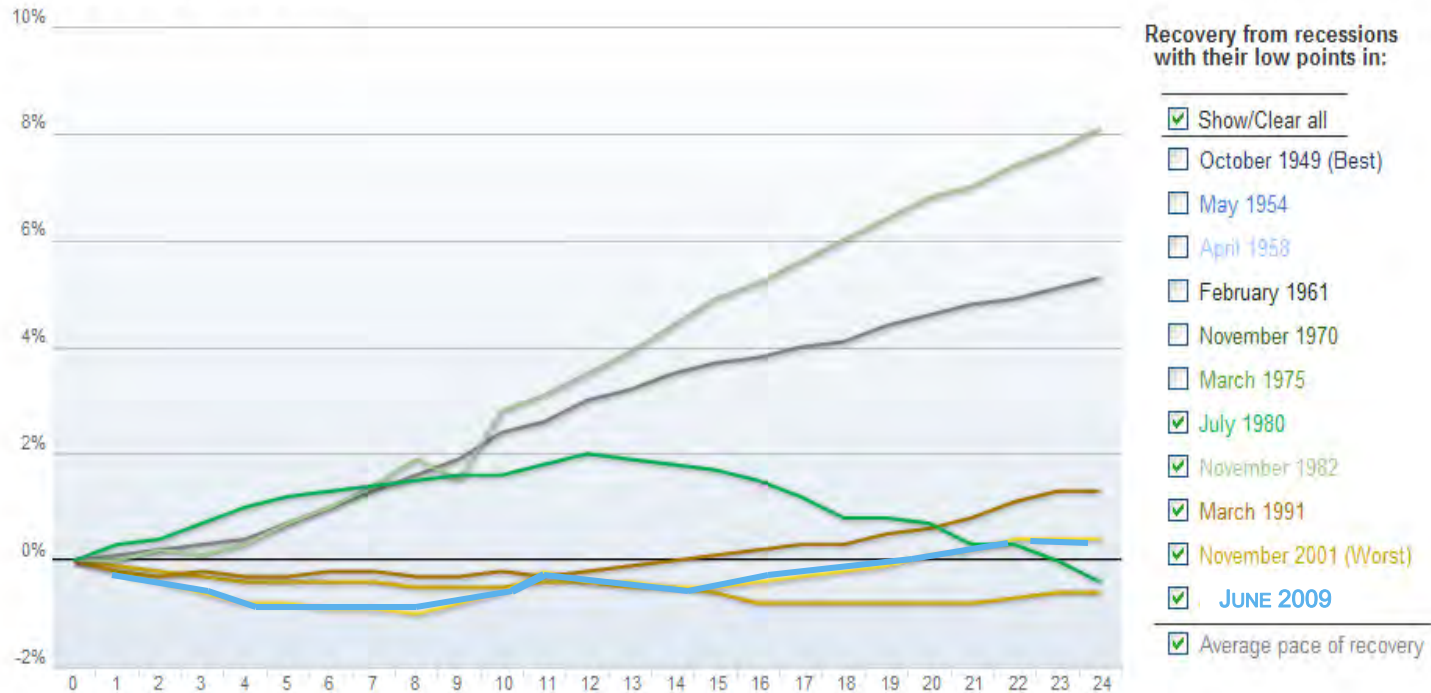


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US JOBS (NON-AGRICULTURAL PAYROLLS)

8

U.S. non-agricultural payrolls, monthly

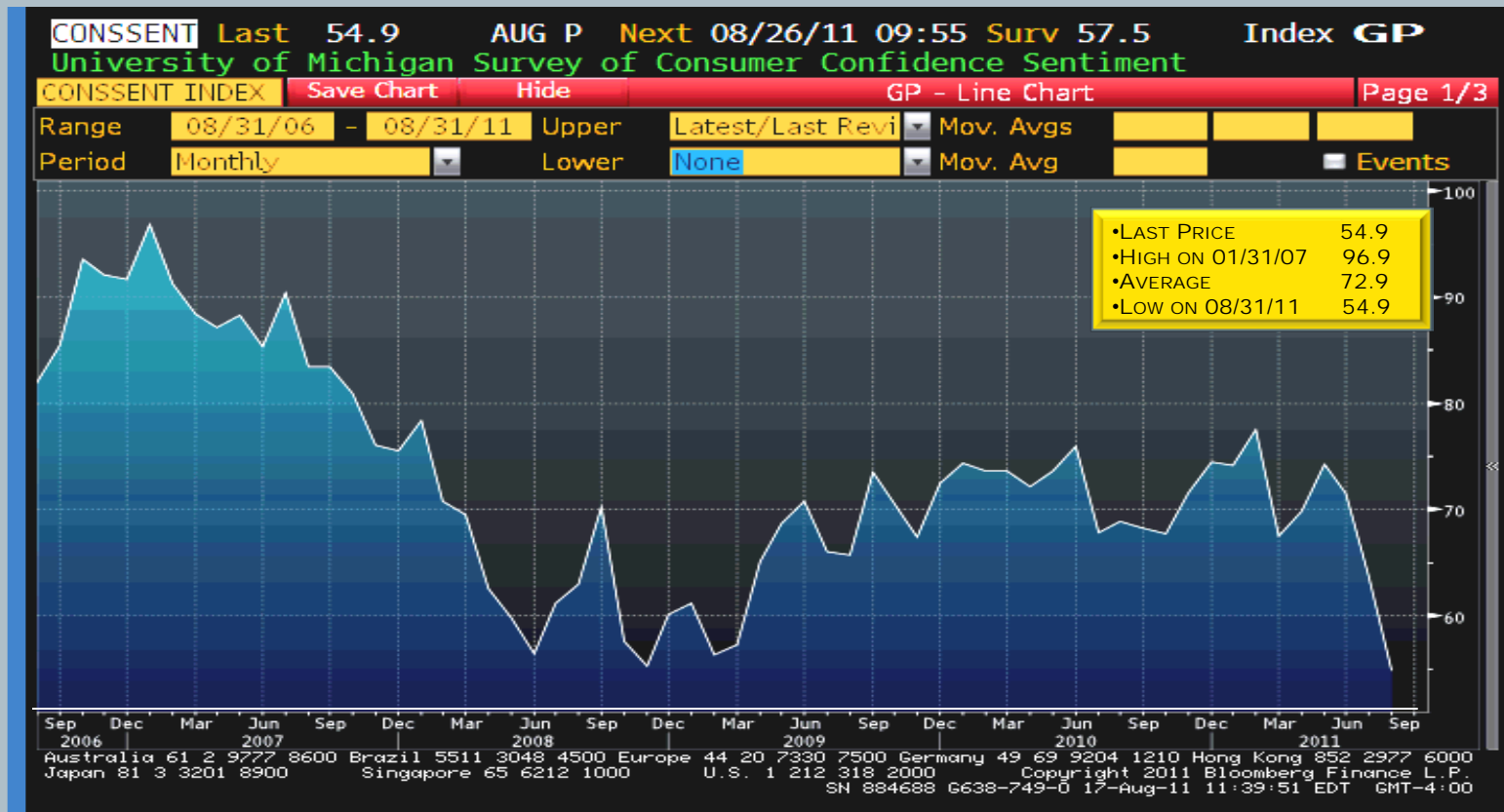


Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTES: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.**

CONSUMER SENTIMENT

9



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

ARCHITECTURAL BILLINGS INDEX

10

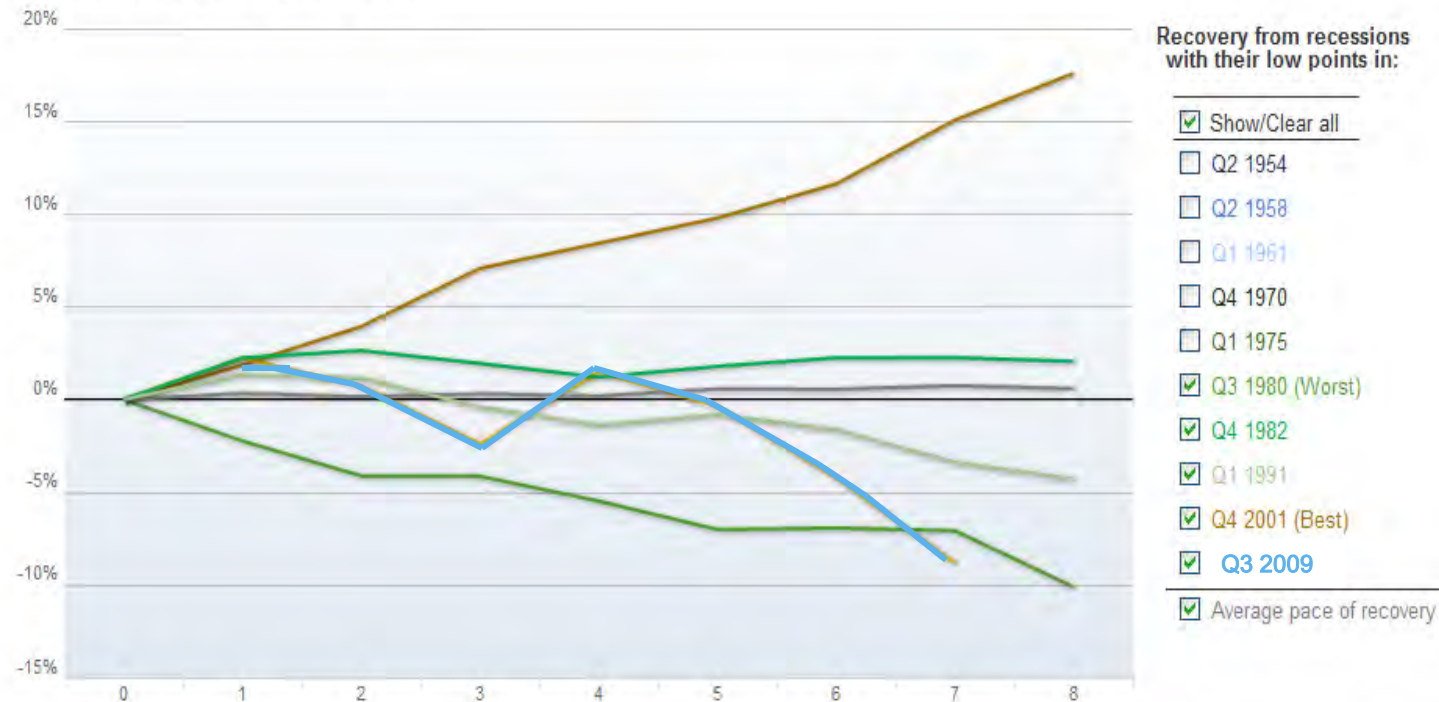


- A SCORE ABOVE 50 INDICATES AN INCREASE IN BILLINGS WHILE A READING BELOW 50 INDICATES A NEGATIVE OUTLOOK
- THIS INDEX IS CONSIDERED A LEADING INDICATOR FOR COMMERCIAL BUILDING CONSTRUCTION WITH A 6-9 MONTH LAG
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

US HOUSE PRICES (INFLATION ADJUSTED)

11

U.S. house prices, inflation adjusted, quarterly

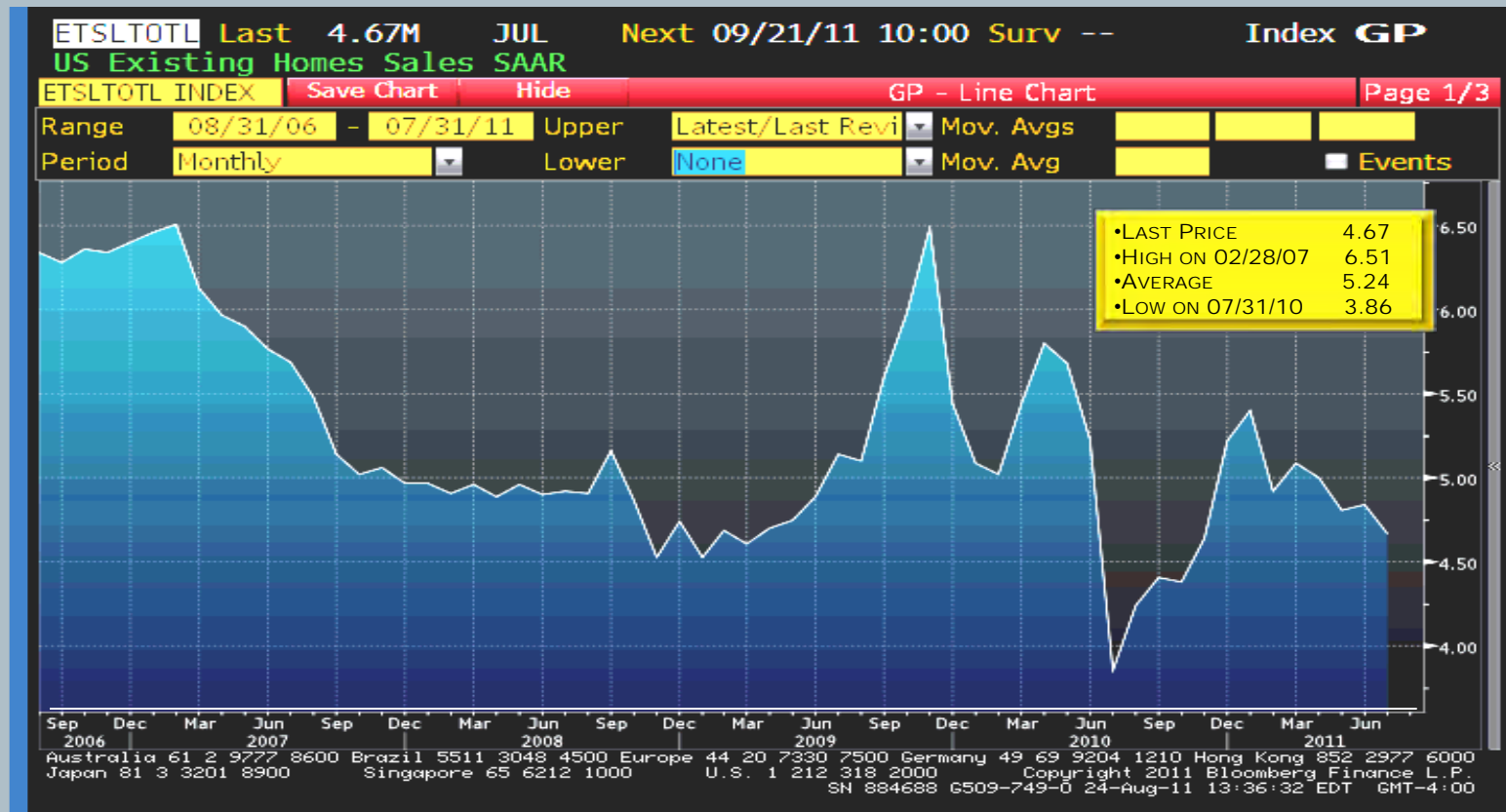


Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTES: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.**
- **QUARTERLY REAL HOME PRICES DATA BEGAN IN 1953. RECOVERY DATA BEFORE 1953 ARE NOT INCLUDED IN RANKINGS OR AVERAGES**

EXISTING HOME SALES

12



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

NEW HOUSING STARTS

13



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

RETAIL SALES

14



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US AUTO SALES

15



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INDEX OF LEADING ECONOMIC INDICATORS

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- THE INDEX OF LEI IS COMPOSED OF: AVE. WEEKLY MANUFACTURING HRS, AVE. WEEKLY JOBLESS CLAIMS, MANUFACTURERS' NEW ORDERS-CONSUMER & CAPITAL, VENDOR PERFORMANCE, NEW BUILDING PERMITS, STOCK PRICES, MONEY SUPPLY-M2, INT. RATE SPREADS & CONSUMER EXPECTATIONS
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

INFLATION- CPI

17



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MARKET INDICATORS

as of September 2011



NYC OFFICE OF THE COMPTROLLER
BUREAU OF ASSET MANAGEMENT

TRADE WEIGHTED US DOLLAR INDEX

19



- **NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.**

USD/EUR EXCHANGE RATE

20



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VOLATILITY INDEX (VIX)

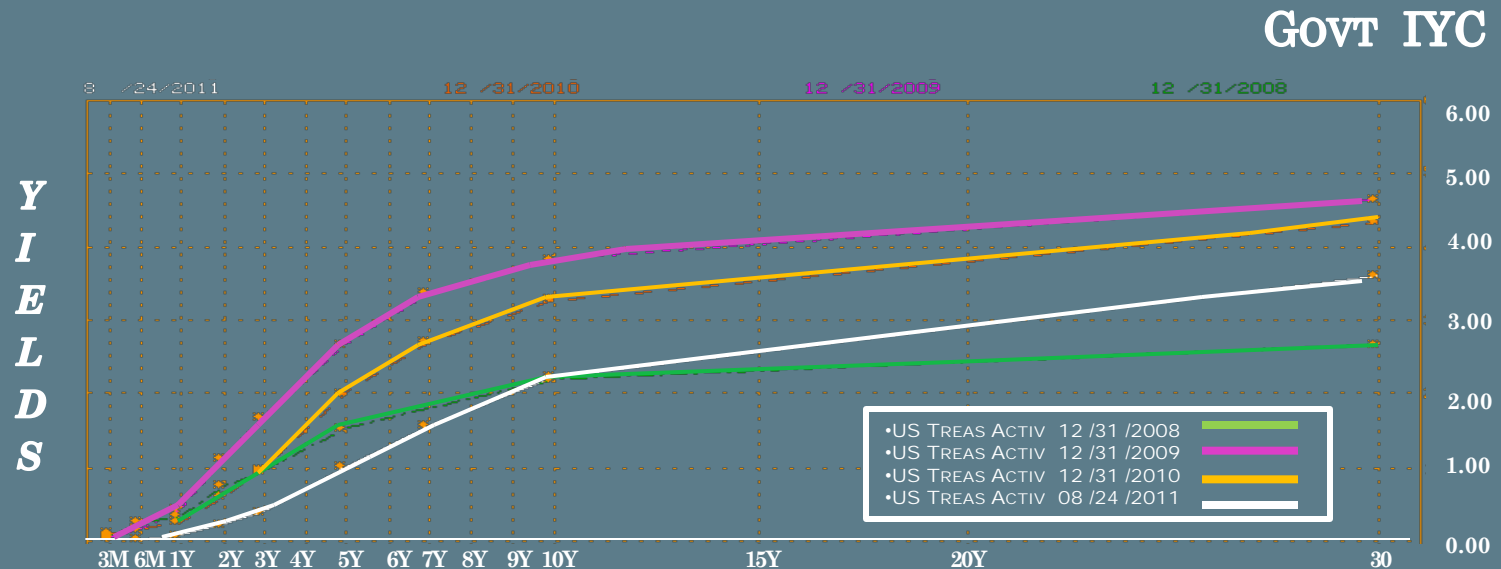
21



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US TREASURY YIELD CURVES

22



MULTIPLE HISTORICAL CURVES

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10 YEAR TREASURY RATES

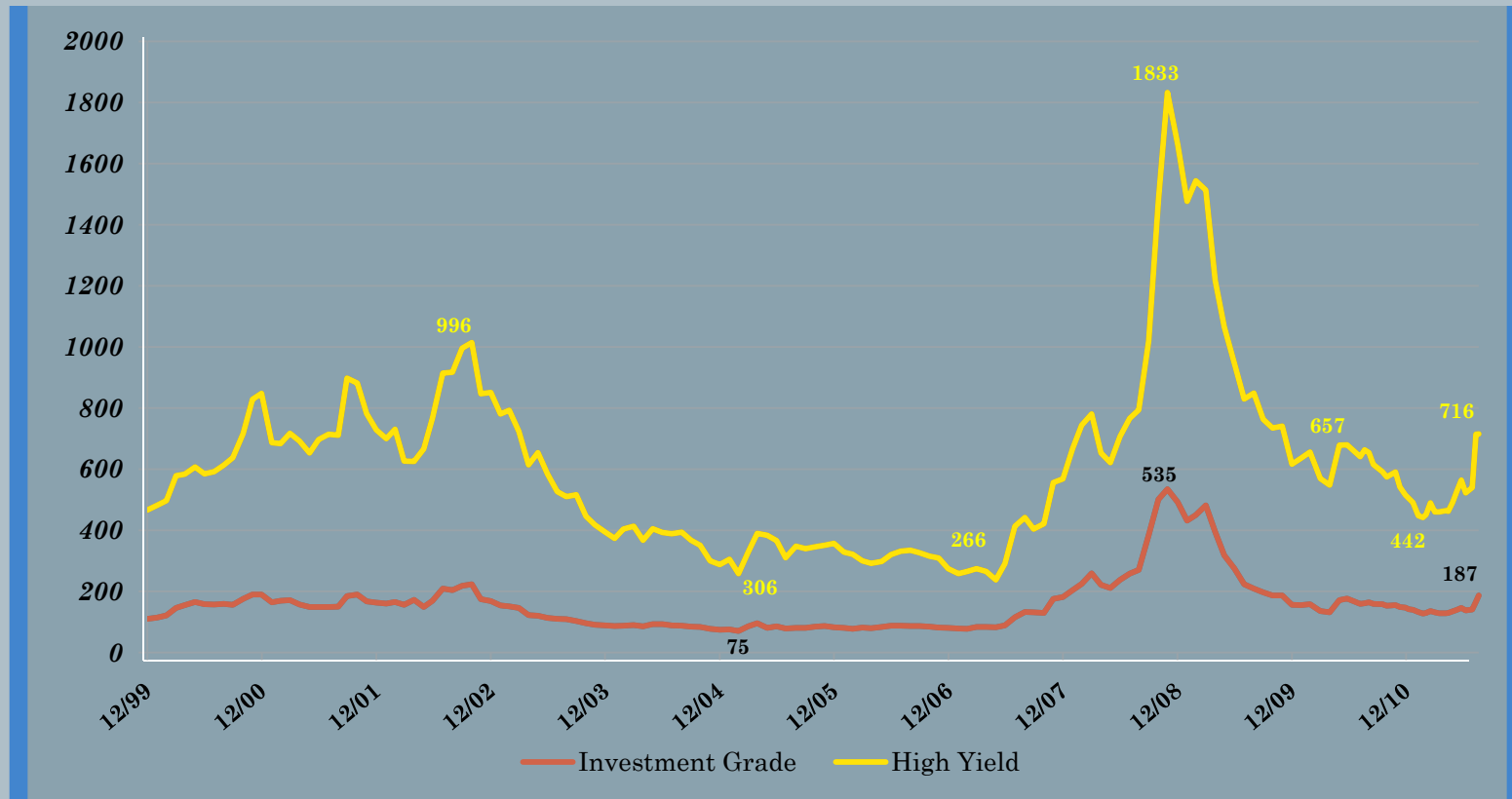
23



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INVESTMENT GRADE AND HY SPREADS

24



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CORPORATE EARNINGS

S & P 500 EARNINGS PER SHARE & P/E RATIO

72

25

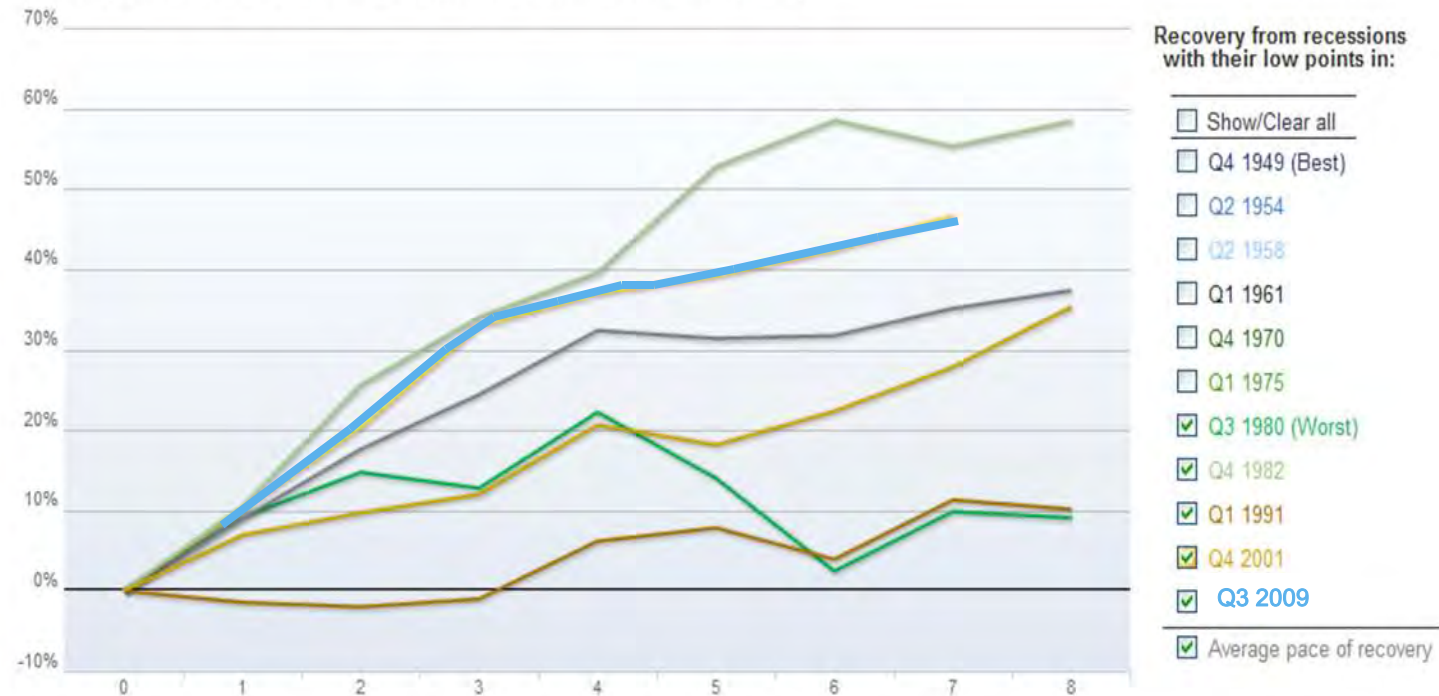


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CORPORATE PROFITS

26

Corporate profits with inventory valuation and capital consumption adjustments, quarterly



Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.**

PRICE TO EARNING RATIOS INCLUDING ESTIMATES

27



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PRICE TO EARNING RATIOS INCLUDING ESTIMATES

28



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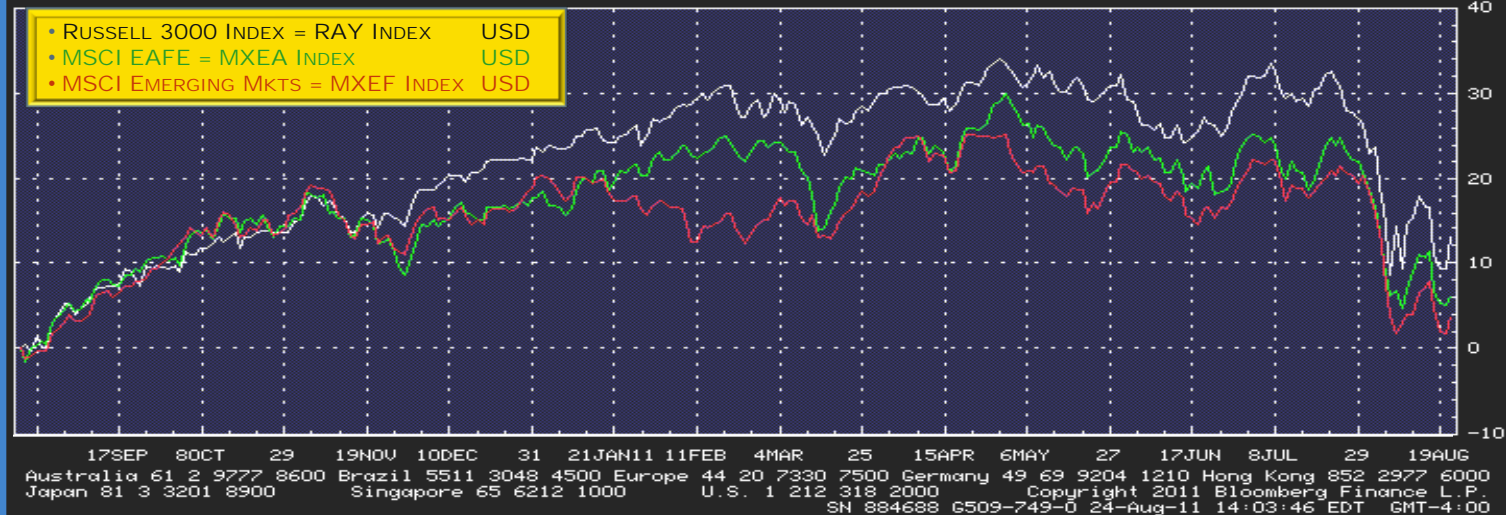
RECENT GLOBAL EQUITY MARKET RETURNS

29

COMPARATIVE RETURNS

Range 8/24/10 - 8/23/11		Period	Daily	364 Day	Period
Securities	Crncy	Prc Appr	Total Ret	Difference	Annual Eq
1 RAY Index	USD	11.28 %	13.34 %	6.93 %	13.38 %
2 MXEA Index	USD	2.84 %	6.41 %		6.43 %
3 MXEF Index	USD	1.26 %	3.74 %	-2.67 %	3.75 %

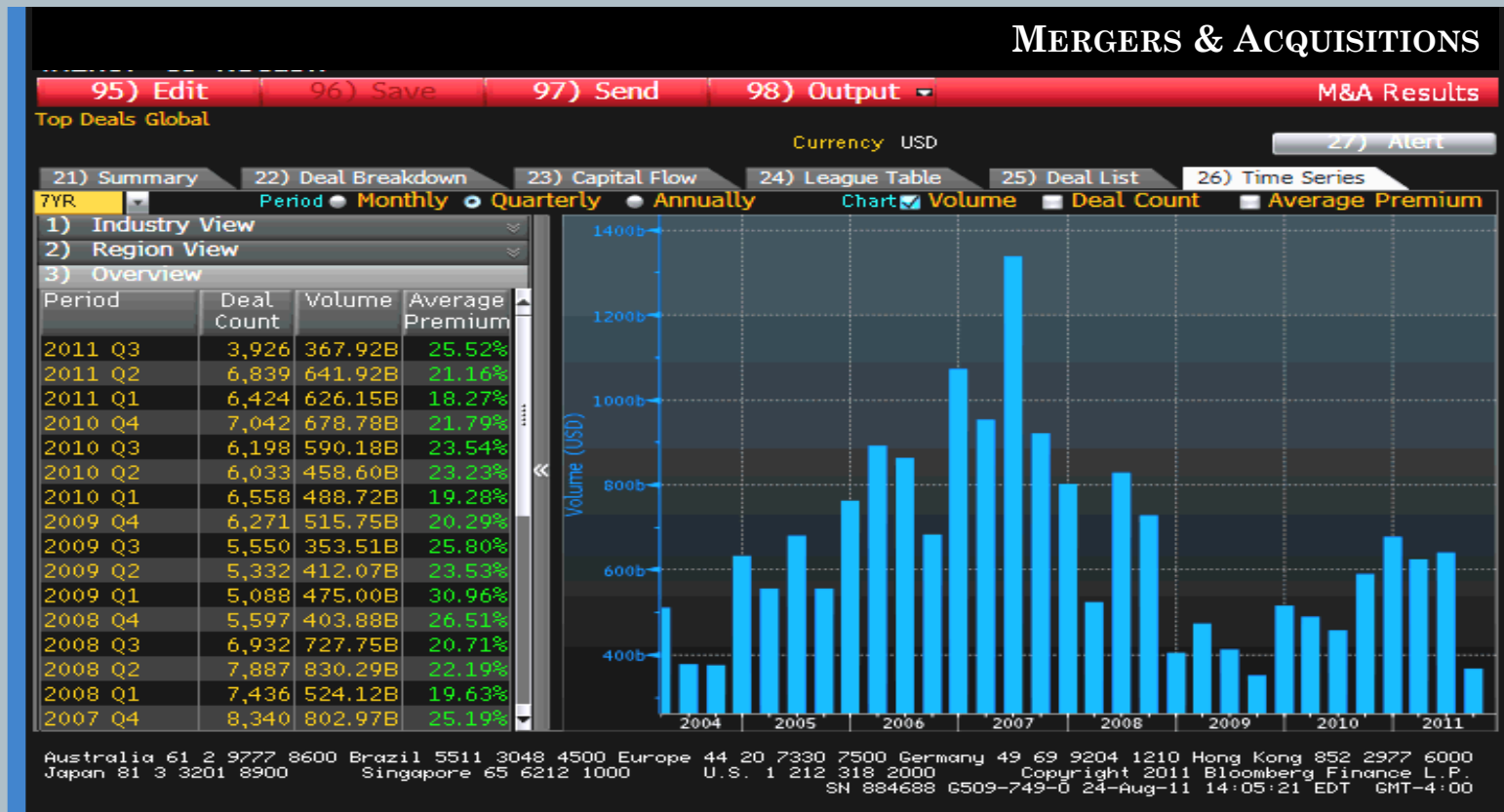
(* = No dividends or coupons)



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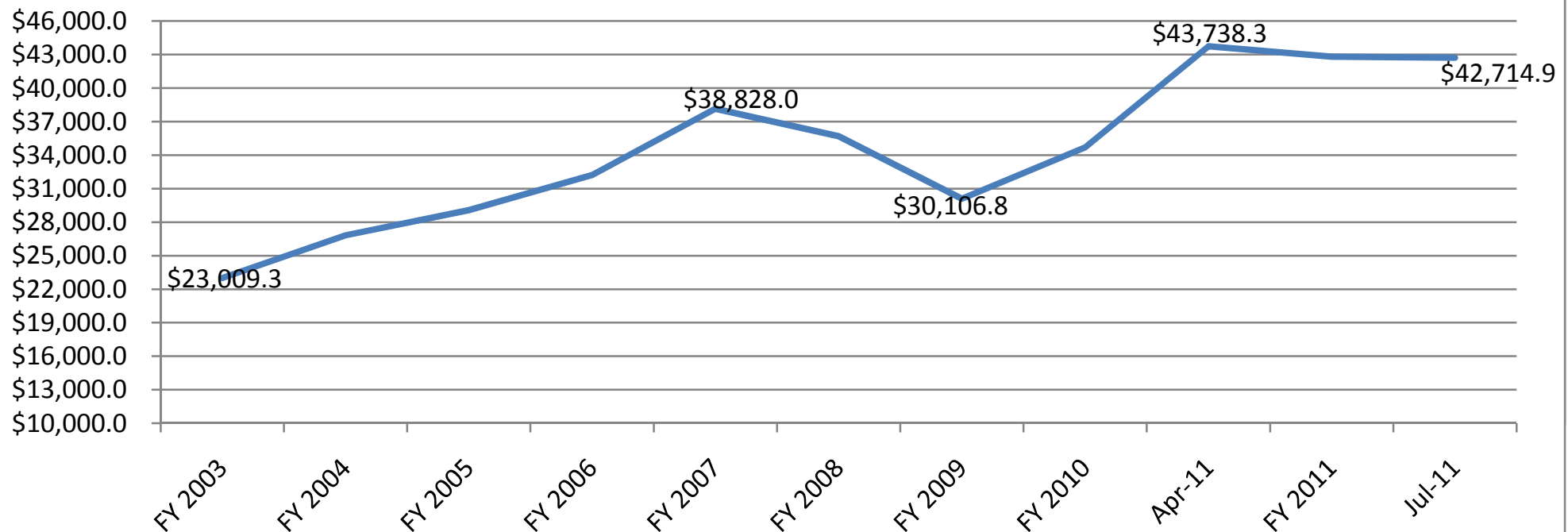
MERGERS & ACQUISITIONS ACTIVITY

30



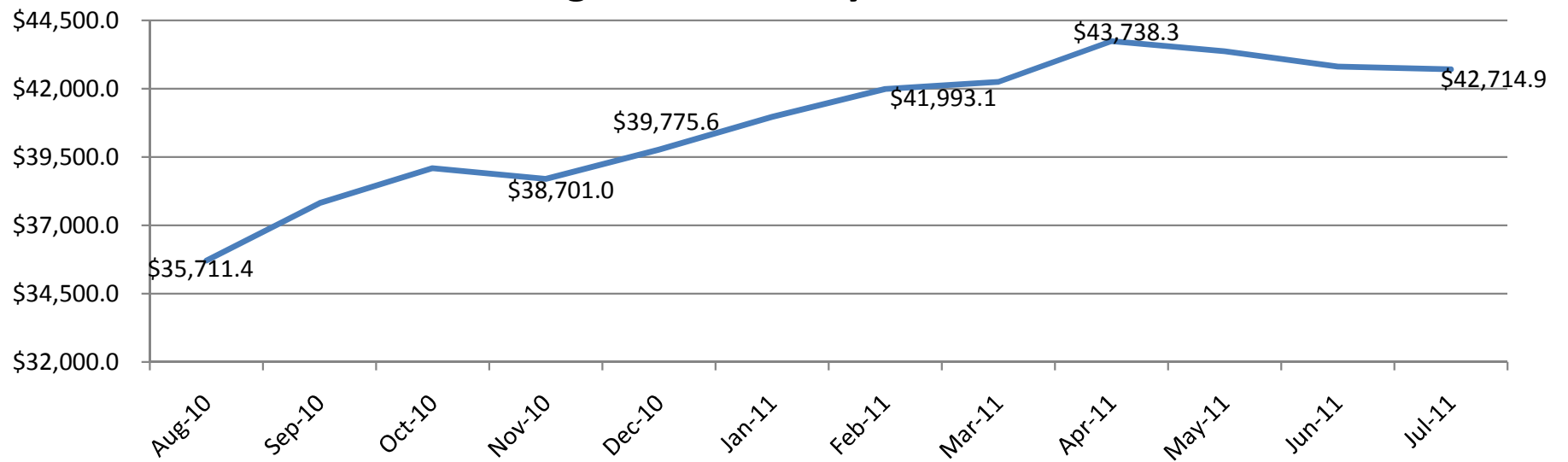
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TRS Market Value 2003 - 2011



The July 2011 market value of \$42.715 billion is down 2.4% from its high of 43.738 billion in April 2011.

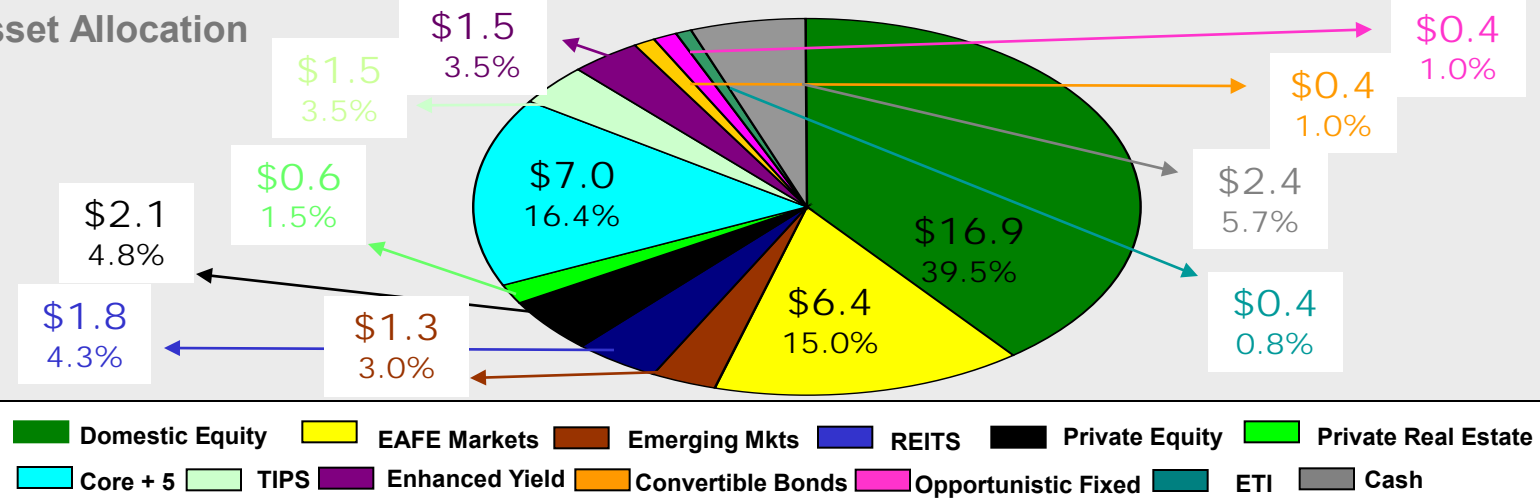
TRS - Market Values August 2010 - July 2011



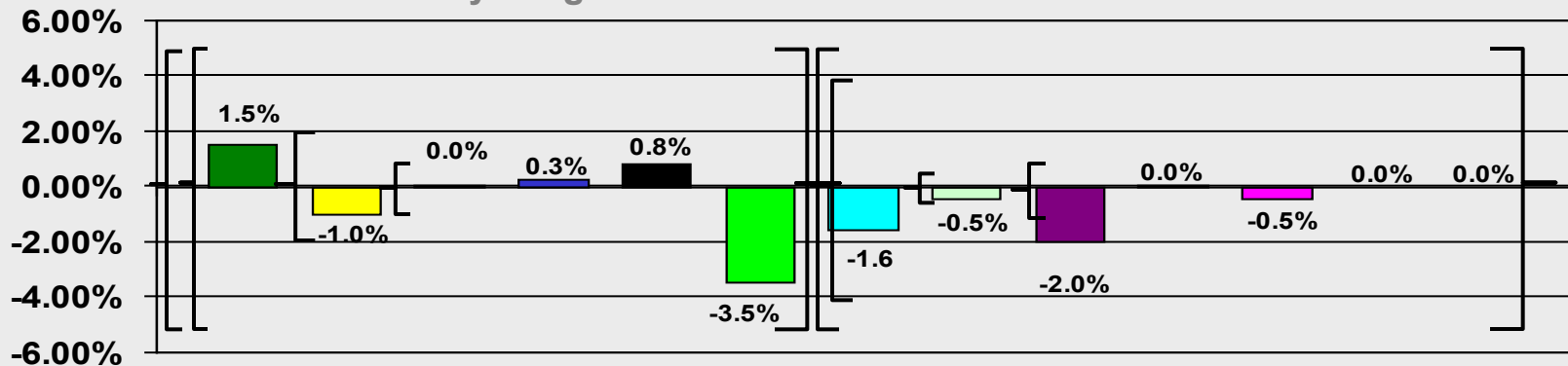
Portfolio Asset Allocation: July 31, 2011

\$42.7B Under Management

Asset Allocation



Relative Mix to Old Policy Weights

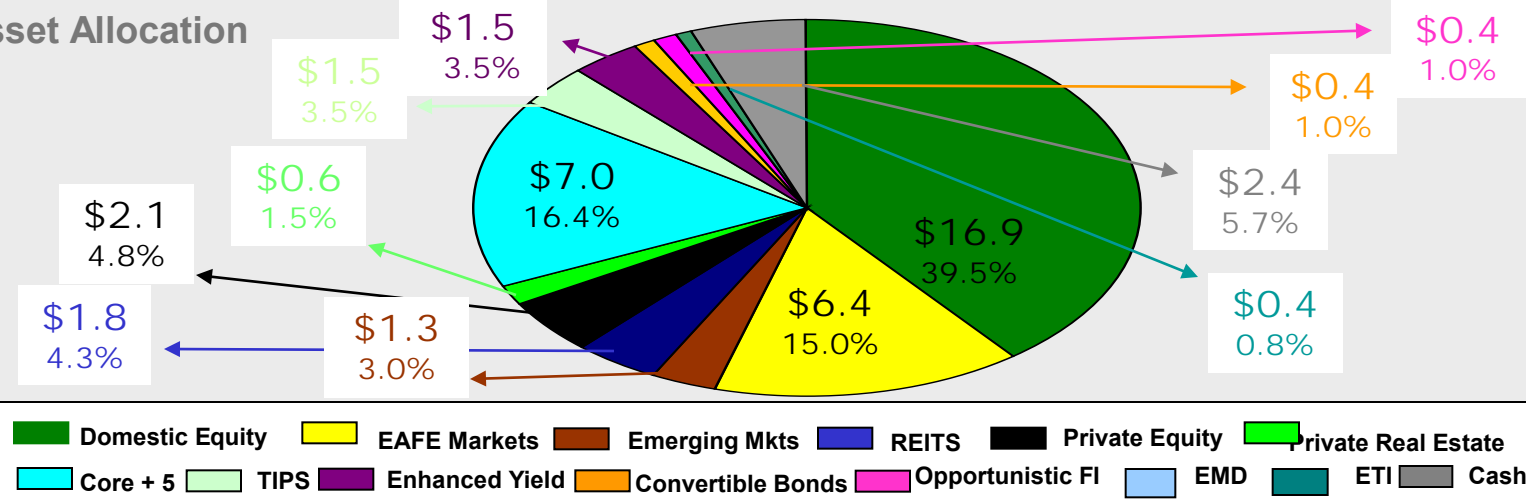


Note: Brackets represent rebalancing ranges versus Policy.

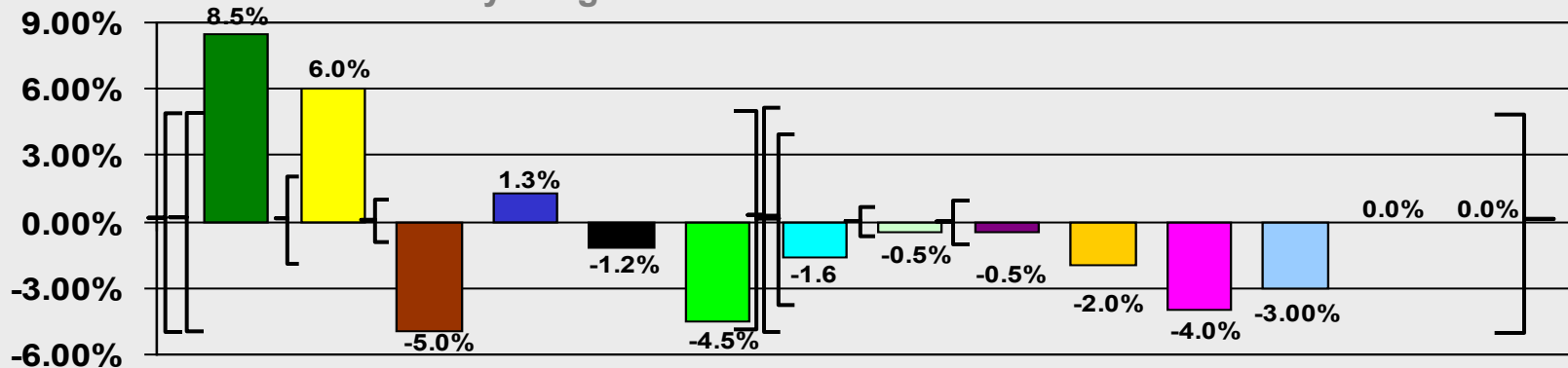
Portfolio Asset Allocation: July 31, 2011

\$42.7B Under Management

Asset Allocation



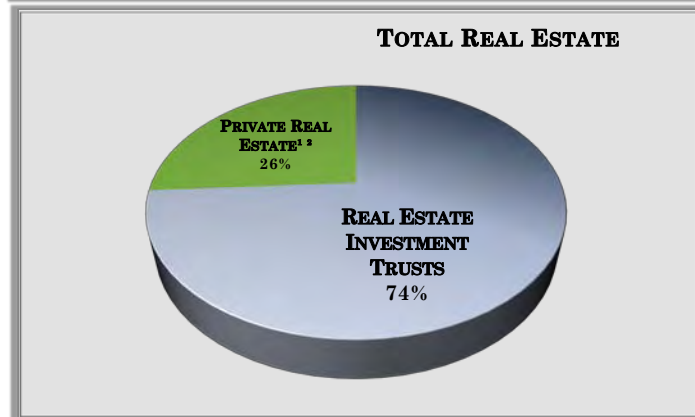
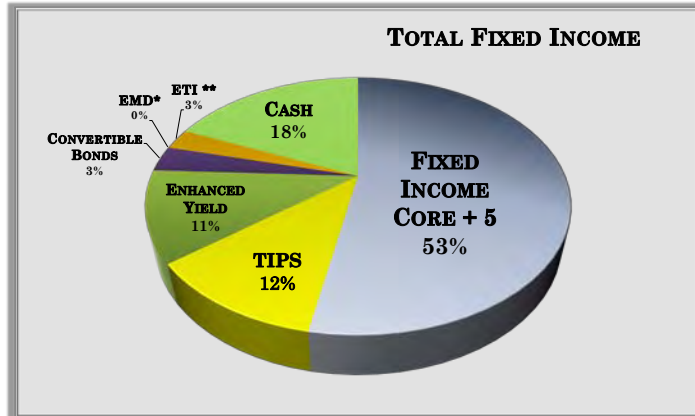
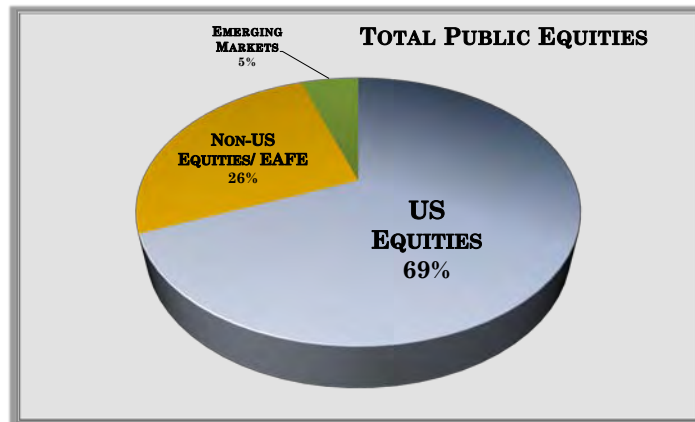
Relative Mix to New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

**NYC TEACHERS' RETIREMENT SYSTEM
CLASSIFICATION OF INVESTMENTS
(as of July 31st 2011)**

82



	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
US Equities	\$16,866.6	39.5%	38.0%	31.0%	25.0%-37.0%
Non-US Equities/EAFE	\$6,377.2	14.9%	16.0%	9.0%	5.0%-13.0%
Emerging Markets	\$1,289.9	3.0%	3.0%	8.0%	4.0%-12.0%
Total Public Equities	\$24,533.7	57.4%	57.0%	48.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
US - Government	\$1,151.5	16.4%	21.2%	21.2%	Neutral to the Core + 5 Index Weights
US - Mortgage	\$3,392.6	48.4%	43.8%	43.8%	
US - Investment Grade Credit	\$2,463.9	35.2%	35.0%	35.0%	
Fixed Income Core + 5	\$7,008.1	16.4%	18.0%	18.0%	14.0%-22.0%
TIPS	\$1,510.1	3.5%	4.0%	4.0%	2.0%-6.0%
Enhanced Yield	\$1,505.8	3.5%	5.5%	4.0%	2.0%-6.0%
Convertible Bonds	\$428.2	1.0%	1.0%	3.0%	2.0%-4.0%
EMD*	\$0.0	0.0%	N/A	3.0%	1.5%-4.5%
ETI**	\$350.0	0.8%	**2.0%	**2.0%	0.8%
Cash	\$2,429.9	5.7%	0.0%	0.0%	0.0%
Sub-total Fixed Income	\$13,232.1	31.0%	28.5%	32.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Real Estate Investment Trusts	\$1,821.6	4.3%	4.0%	3.0%	1.5%-4.5%
Private Real Estate¹ ²	\$640.5	1.5%	5.0%	6.0%	N/A
Total Real Estate	\$2,462.1	5.8%	9.0%	9.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Private Equity¹	\$2,045.9	4.8%	4.0%	6.0%	N/A

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Opportunistic Fixed Income³	\$441.0	1.0%	1.5%	5.0%	0.0%-5.0%
Absolute Return	\$441.0	1.0%	1.5%	5.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Total Equities	\$29,041.7	68.0%	70.0%	63.0%	58.0%-68.0%
Total Fixed Income	\$13,673.1	32.0%	30.0%	37.0%	32.0%-42.0%
TOTAL	\$42,714.9	100.0%	100.0%	100.0%	

N/A DESIGNATES THAT ALLOCATIONS ARE GENERALLY ILLIQUID AND CANNOT BE EASILY REBALANCED.

¹ UNINVESTED COMMITMENTS TO BE INVESTED IN US EQUITIES.

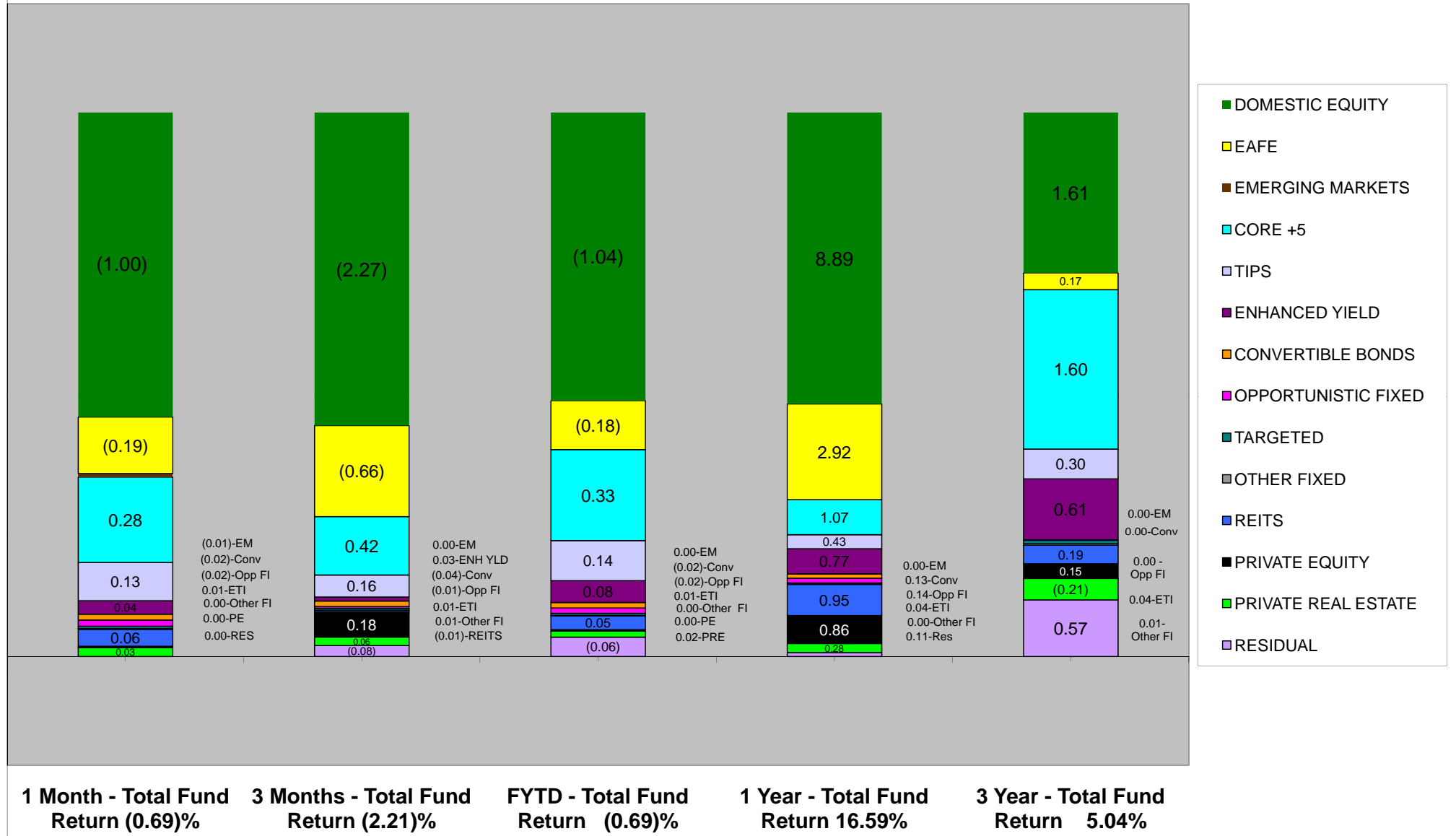
² UNINVESTED COMMITMENTS TO BE INVESTED IN CORE + 5.

³ UNINVESTED COMMITMENTS TO BE INVESTED IN 50% CORE + 5 AND 50% ENHANCED YIELD.

* PROGRAM HAS NOT COMMENCED YET.

** ETTs HAVE A POLICY OF 2% OF THE TOTAL FUND. THE ETI ADJUSTED POLICY % IS SHOWN FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT INCLUDED IN THE SUB-TOTALS. THE ETI POLICY % IS INCLUDED WITHIN THE POLICY % OF THE OTHER ASSET CLASSES.

NYC Teachers' Retirement System Contribution to Return - July 2011



THE BANK OF NEW YORK MELLON
CITY OF NEW YORK
Market Indicator Page *NYC Teachers' Retirement System
July 31, 2011

	Trailing 1 Month	Trailing 3 Months	06/30/10 07/31/11	Trailing 1 Year	Trailing* 2 Years	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years
<u>MARKET INDICATORS</u>								
STANDARD & POORS 500	-2.03	-4.76	-2.03	19.65	16.72	2.92	2.39	2.60
S&P MIDCAP INDEX 400	-3.53	-6.77	-3.53	25.77	24.31	7.20	6.45	7.72
RUSSELL 1000	-2.17	-4.91	-2.17	20.68	17.57	3.33	2.80	3.12
RUSSELL 2000	-3.61	-7.60	-3.61	23.92	21.16	5.18	4.01	6.47
RUSSELL 3000	-2.29	-5.14	-2.29	20.94	17.85	3.48	2.89	3.37
RUSSELL 3000 GROWTH	-1.25	-3.86	-1.25	25.12	19.38	5.40	5.56	2.60
RUSSELL 3000 VALUE	-3.32	-6.39	-3.32	16.90	16.35	1.49	0.14	3.93
MSCI EAFE (NET DIVIDEND)	-1.59	-5.69	-1.59	17.17	11.59	-1.23	0.95	5.69
MSCI EMERGING MARKETS FREE	-0.38	-4.40	-0.38	17.79	19.02	5.73	11.34	17.27
FTSE CUSTOM BENCHMARK	-0.33	-4.32	-0.33	19.68	22.57	7.21	12.57	****
MSCI WORLD INDEX	-1.79	-5.21	-1.79	19.16	14.70	1.27	2.35	4.47
MSCI EUROPE SMID CAP INDEX	-4.23	-9.81	-4.23	21.43	18.29	1.45	****	****
NYC - TREASURY AGENCY PLUS FIVE	3.22	5.02	3.22	4.84	7.66	7.73	7.94	6.81
CITIGROUP MORTGAGE	0.92	2.14	0.92	3.90	5.81	7.35	6.90	5.77
NYC - INVESTMENT GRADE CREDIT INDEX	2.21	2.95	2.21	6.26	9.29	8.92	6.87	6.14
NYC - CORE PLUS FIVE	1.85	3.03	1.85	4.86	7.36	8.06	7.25	6.20
CITIGROUP BROAD INVESTMENT GRADE	1.57	2.63	1.57	4.23	6.41	7.15	6.74	5.78
BARCLAYS CAPITAL AGGREGATE	1.59	2.61	1.59	4.44	6.65	7.05	6.57	5.68
CITIGROUP BB & B	1.42	1.15	1.42	12.39	15.10	9.11	6.80	7.34
BofA MERRILL LYNCH HY MASTER II	1.24	0.71	1.24	12.91	18.47	13.47	9.24	8.72
BARCLAYS CAPITAL GLOBAL US TIPS (INFLATION NOTES)	3.91	5.07	3.91	11.79	10.73	6.84	7.40	7.19
BofA ML ALL CONVERTIBLES EX MANDATORY	-2.12	-4.32	-2.12	14.83	17.04	7.80	****	****
DJ WILSHIRE REAL ESTATE SECURITIES INDEX	1.73	-0.15	1.73	25.23	39.45	4.23	1.23	10.80
NCREIF NFI-ODCE NET	0.00	4.58	0.00	19.58	5.56	-8.43	-0.86	****
91 DAY TREASURY BILL	-0.01	0.01	-0.01	0.14	0.15	0.36	1.91	2.09

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ASSET CLASS SUMMARY															
DOMESTIC EQUITY	\$ 16,866.6	39.49%	-2.47%	-5.32%	-2.47%	3.81%	17.33%	28.33%	-37.09%	4.86%	21.07%	3.64%	2.96%	****	9.54%
INTERNATIONAL EAFE	6,377.2	14.93%	-1.23	-4.34	-1.23	4.72	11.42	32.77	-42.36	11.49	20.25	1.06	2.62	****	7.36
TOTAL EMERGING MARKETS	1,289.9	3.02%	-0.38	-4.25	-0.38	****	****	****	****	****	****	****	****	****	-0.80
TOTAL REAL ESTATE EQUITY SECURITIES	1,821.6	4.26%	1.32	-0.26	1.32	11.88	32.10	30.86	-41.06	-16.75	24.71	4.93	2.00	****	13.49
CORE + 5	7,008.1	16.41%	1.74	2.72	1.74	4.95	8.58	8.54	2.98	6.64	5.66	8.52	7.15	6.23	8.43
CONVERTIBLE BONDS	428.2	1.00%	-1.89	-3.96	-1.89	1.87	13.18	34.16	****	****	12.17	7.50	****	****	6.50
TIPS MANAGERS	1,510.1	3.54%	3.69	4.84	3.69	9.25	6.47	10.14	-0.74	11.71	10.95	6.83	7.44	****	6.15
ENHANCED YIELD	1,505.8	3.53%	1.26	0.76	1.26	6.08	13.43	38.75	-18.14	3.95	12.24	11.23	8.61	7.83	6.16
OPPORTUNISTIC FIXED INCOME	441.0	1.03%	-1.94	-1.36	-1.94	7.25	23.88	18.09	-9.68	****	14.21	13.13	****	****	6.73
ECONOMICALLY TARGETED INVESTMENTS	350.0	0.82%	0.94	1.81	0.94	3.66	6.61	7.62	6.43	6.20	4.74	7.49	6.83	6.23	9.79
PRIVATE EQUITY	2,045.9	4.79%	0.10	3.98	0.10	13.60	14.04	-4.44	-1.50	15.33	18.42	4.73	8.36	****	12.45
PRIVATE REAL ESTATE	640.5	1.50%	1.99	4.47	1.99	15.11	9.99	-44.20	-7.61	68.62	24.53	-13.33	4.02	****	7.13
CASH	2,391.6	5.60%	0.05	0.15	0.05	0.30	0.48	1.25	3.80	5.67	0.40	1.22	2.73	2.68	5.64
TOTAL TEACHERS	\$ 42,714.9		-0.69%	-2.21%	-0.69%	5.46%	13.92%	21.15%	-26.35%	6.24%	16.59%	5.04%	4.65%	5.50%	8.60%
TOTAL EQUITY	26,355.3	61.70%	-1.82	-4.70	-1.82	4.71	16.64	29.37	-38.60	4.94	21.30	3.13	2.84	****	5.52
TOTAL FIXED INCOME	11,243.3	26.32%	1.61	2.25	1.61	5.66	9.77	14.75	-2.25	6.80	8.05	9.08	7.64	****	6.22
TOTAL PRIVATE EQUITY	2,045.9	4.79%	0.10	3.98	0.10	13.60	14.04	-4.44	-1.50	15.33	18.42	4.73	8.36	****	12.45
TOTAL PRIVATE REAL ESTATE	640.5	1.50%	1.99	4.47	1.99	15.11	9.99	-44.20	-7.61	68.62	24.53	-13.33	4.02	****	7.13
TOTAL CASH	2,429.9	5.69%	0.05	0.17	0.05	0.33	0.45	1.23	3.70	5.66	0.44	1.19	2.71	****	2.94

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EQUITY ASSET CLASS SUMMARY																
DOMESTIC EQUITY	\$	16,866.6	39.49%	-2.47%	-5.32%	-2.47%	3.81%	17.33%	28.33%	-37.09%	4.86%	21.07%	3.64%	2.96%	3.43%	9.54%
ACTIVE DOMESTIC EQUITY		816.5	1.91%	-3.01	-5.02	-3.01	3.87	18.47	31.54	-39.33	6.32	21.87	4.04	2.72	3.24	1.37
RUSSELL 3000				-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
	+/-			(0.72)	0.12	(0.72)	(0.05)	1.54	3.20	(2.02)	1.19	0.93	0.56	(0.17)	(0.13)	
PASSIVE DOMESTIC EQUITY		15,997.0	37.45%	-2.44	-5.33	-2.44	3.68	17.23	28.40	-37.16	5.16	20.90	3.53	2.95	3.44	8.59
RUSSELL 3000				-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
	+/-			(0.15)	(0.19)	(0.15)	(0.24)	0.30	0.06	0.15	0.03	(0.04)	0.05	0.06	0.07	
DEVELOPED MARKETS		6,183.6	14.48%	-1.17	-4.19	-1.17	4.83	11.12	32.52	-42.05	11.49	20.11	1.12	2.66	6.72	6.79
ACTIVE DEVELOPED MARKETS		5,411.8	12.67%	-1.12	-4.66	-1.12	4.31	11.12	32.51	-42.05	11.49	19.52	0.95	2.56	6.67	6.77
MSCI EAFE (NET DIVIDEND)				-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
	+/-			0.47	1.03	0.47	1.00	3.37	0.73	1.34	0.32	2.35	2.18	1.61	0.98	
PASSIVE DEVELOPED MARKETS		771.7	1.81%	-1.52	****	-1.52	****	****	****	****	****	****	****	****	****	-1.52
MSCI EAFE (NET DIVIDEND)				-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
	+/-			0.07	****	0.07	****	****	****	****	****	****	****	****	****	
EMERGING MARKETS		1,289.9	3.02%	-0.38	-4.25	-0.38	****	****	****	****	****	****	****	****	****	-0.80
PASSIVE EMERGING MARKETS		1,289.9	3.02%	-0.38	-4.25	-0.38	****	****	****	****	****	****	****	****	****	-0.80
MSCI EMERGING MARKETS FREE				-0.38	-4.40	-0.38	0.65	19.20	79.02	-53.17	39.78	17.79	5.73	11.34	17.27	
	+/-			0.00	0.15	0.00	****	****	****	****	****	****	****	****	****	

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US EQUITY															
TOTAL RUSSELL 3000	13,828.6	32.37%	-2.27	-5.11	-2.27	3.89	17.23	28.40	-37.16	5.16	21.15	3.60	2.99	3.46	9.56
RUSSELL 3000			-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
			0.02	0.03	0.02	(0.03)	0.30	0.06	0.15	0.03	0.21	0.12	0.10	0.09	
STATE STREET R3000	7,205.2	16.87%	-2.27	-5.09	-2.27	3.99	****	****	****	****	****	****	****	****	16.04
BLACKROCK R3000	6,623.4	15.51%	-2.28	-5.13	-2.28	3.80	16.92	****	****	****	20.73	****	****	****	22.53
RUSSELL 3000			-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
STATE STREET R3000			0.02	0.05	0.02	0.07	****	****	****	****	****	****	****	****	
BLACKROCK R3000			0.01	0.01	0.01	(0.12)	(0.01)	****	****	****	(0.21)	****	****	****	
TOTAL SMALL CAP	174.6	0.41%	-4.68	-4.38	-4.68	7.82	29.21	****	****	****	37.63	****	****	****	34.06
RUSSELL 2000			-3.61	-7.60	-3.61	2.37	26.85	27.18	-33.80	-1.55	23.92	5.18	4.01	6.47	
			(1.07)	3.22	(1.07)	5.45	2.36	****	****	****	13.71	****	****	****	
TOTAL SMALL CAP ACTIVE	174.6	0.41%	-4.68	-4.38	-4.68	7.82	29.21	****	****	****	37.63	****	****	****	34.06
RUSSELL 2000			-3.61	-7.60	-3.61	2.37	26.85	27.18	-33.80	-1.55	23.92	5.18	4.01	6.47	
			(1.07)	3.22	(1.07)	5.45	2.36	****	****	****	13.71	****	****	****	
TOTAL SMALL CAP GROWTH ACTIVE	174.6	0.41%	-4.68	-4.38	-4.68	7.82	29.21	****	****	****	37.63	****	****	****	34.06
BROWN AM (D)	174.6	0.41%	-4.68	-4.38	-4.68	7.82	29.21	****	****	****	37.63	****	****	****	34.06
RUSSELL 2000 GROWTH			-3.92	-7.81	-3.92	4.34	29.09	34.47	-38.53	7.03	29.32	6.11	6.08	5.15	
TOTAL SMALL CAP GROWTH			(0.76)	3.43	(0.76)	3.48	0.12	****	****	****	8.31	****	****	****	
BROWN AM			(0.76)	3.43	(0.76)	3.48	0.12	****	****	****	8.31	****	****	****	
TOTAL MID CAP	2,168.4	5.08%	-3.52	-6.74	-3.52	****	****	****	****	****	****	****	****	****	2.70
RUSSELL MIDCAP			-3.63	-6.03	-3.63	4.17	26.85	27.18	-33.80	-1.55	24.51	6.07	4.99	7.50	
			0.11	(0.71)	0.11	****	****	****	****	****	****	****	****	****	
TOTAL MID CAP PASSIVE	2,168.4	5.08%	-3.52	-6.74	-3.52	****	****	****	****	****	****	****	****	****	2.70
SSGA S&P 400	2,168.4	5.08%	-3.52	-6.74	-3.52	****	****	****	****	****	****	****	****	****	2.70
S&P 400 MIDCAP			-3.53	-6.77	-3.53	4.73	16.71	37.22	-38.43	11.82	25.77	7.20	6.45	7.72	
TOTAL MID CAP PASSIVE			0.01	0.03	0.01	****	****	****	****	****	****	****	****	****	
SSGA S&P 400			0.01	0.03	0.01	****	****	****	****	****	****	****	****	****	
TOTAL LARGE CAP GROWTH	134.7	0.32%	-2.12	-4.74	-2.12	3.11	9.54	****	****	****	17.26	****	****	****	19.04
PROFIT INV MGMT (D)	134.7	0.32%	-2.12	-4.74	-2.12	3.11	9.54	****	****	****	17.26	****	****	****	19.04
RUSSELL 1000 GROWTH			-1.00	-3.48	-1.00	5.76	16.71	37.22	-38.43	11.82	24.76	5.35	5.53	2.40	
TOTAL LARGE CAP GROWTH			(1.12)	(1.26)	(1.12)	(2.65)	(7.17)	****	****	****	(7.50)	****	****	****	
PROFIT INV MGMT			(1.12)	(1.26)	(1.12)	(2.65)	(7.17)	****	****	****	(7.50)	****	****	****	
TOTAL LARGE CAP CORE	276.1	0.65%	-2.56	-5.26	-2.56	2.54	15.87	****	****	****	17.75	****	****	****	26.98
SEIZERT CAPITAL PTNRS (D)	145.2	0.34%	-2.67	-5.38	-2.67	4.14	15.84	****	****	****	19.41	****	****	****	22.95
PIEDMONT INV ADV (D)	131.0	0.31%	-2.45	-5.13	-2.45	0.82	15.91	****	****	****	15.97	****	****	****	19.09
RUSSELL 1000			-2.17	-4.91	-2.17	4.06	16.10	28.43	-37.60	5.77	20.68	3.33	2.80	3.12	
TOTAL LARGE CAP CORE			(0.39)	(0.35)	(0.39)	(1.52)	(0.23)	****	****	****	(2.93)	****	****	****	
SEIZERT CAPITAL PTNRS			(0.50)	(0.47)	(0.50)	0.08	(0.26)	****	****	****	(1.27)	****	****	****	
PIEDMONT INV ADV			(0.28)	(0.22)	(0.28)	(3.24)	(0.19)	****	****	****	(4.71)	****	****	****	
TOTAL LARGE CAP	410.8	0.96%	-2.42	-5.09	-2.42	2.27	12.82	****	****	****	16.53	****	****	****	23.54
RUSSELL 1000			-2.17	-4.91	-2.17	4.06	16.10	28.43	-37.60	5.77	20.68	3.33	2.80	3.12	
			(0.25)	(0.18)	(0.25)	(1.79)	(3.28)	****	****	****	(4.15)	****	****	****	

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EMERGING MANAGERS															
F.I.S FUND MGMT	79.6	0.19%	-2.16	-4.47	-2.16	4.99	16.51	27.00	-35.46	****	22.55	3.58	****	****	0.07
CAPITAL PROSPECTS	33.8	0.08%	-2.78	-5.83	-2.78	4.32	18.58	27.10	-37.68	****	22.79	3.58	****	****	-0.71
RUSSELL 3000			-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
F.I.S FUND MGMT +/-			0.13	0.67	0.13	1.07	(0.42)	(1.34)	1.85	****	1.61	0.10	****	****	
CAPITAL PROSPECTS +/-			(0.49)	(0.69)	(0.49)	0.40	1.65	(1.24)	(0.37)	****	1.85	0.10	****	****	
ATTUCKS	38.1	0.09%	-2.96	-5.89	-2.96	5.48	28.59	26.84	-36.42	****	28.17	6.26	****	****	2.54
RUSSELL 2000			-3.61	-7.60	-3.61	2.37	26.85	27.18	-33.80	-1.55	23.92	5.18	4.01	6.47	
+/-			0.65	1.71	0.65	3.11	1.74	(0.34)	(2.62)	****	4.25	1.08	****	****	
PROGRESS EQUITY	79.6	0.19%	-3.30	-5.84	-3.30	5.19	22.53	34.20	-40.56	****	25.01	4.56	****	****	0.78
RUSSELL MIDCAP			-3.63	-6.03	-3.63	4.17	25.47	40.46	-41.46	5.59	24.51	6.07	4.99	7.50	
+/-			0.33	0.19	0.33	1.02	(2.94)	(6.26)	0.90	****	0.50	(1.51)	****	****	
TOTAL EMERGING MGRS	231.1	0.54%	-2.78	-5.38	-2.78	5.04	21.13	29.70	-37.28	****	24.61	4.66	****	****	1.08
RUSSELL 3000			-2.29	-5.14	-2.29	3.92	16.93	28.34	-37.31	5.13	20.94	3.48	2.89	3.37	
+/-			(0.49)	(0.24)	(0.49)	1.12	4.20	1.36	0.03	****	3.67	1.18	****	****	
U.S. ENVIRONMENTAL															
WALDEN ASSET MGMT	53.1	0.12%	-3.53	-5.71	-3.53	4.75	25.69	29.88	****	****	24.51	8.51	****	****	7.04
RUSSELL 2000			-3.61	-7.60	-3.61	2.37	26.85	27.18	-33.80	-1.55	23.92	5.18	4.01	6.47	
+/-			0.08	1.89	0.08	2.38	(1.16)	2.70	****	****	0.59	3.33	****	****	
TOTAL U.S. ENVIRONMENTAL	53.1	0.12%	-3.53	-5.71	-3.53	4.75	27.39	31.28	****	****	24.51	6.15	****	****	5.27
RUSSELL 2000			-3.61	-7.60	-3.61	2.37	26.85	27.18	-33.80	-1.55	23.92	5.18	4.01	6.47	
+/-			0.08	1.89	0.08	2.38	0.54	4.10	****	****	0.59	0.97	****	****	
NON - US EQUITY															
TOTAL INTL GROWTH	1,818.2	4.26%	-0.25	-4.58	-0.25	4.84	12.52	34.40	-40.92	****	21.34	2.08	****	****	-0.96
BAILLIE	952.0	2.23%	-1.23	-4.46	-1.23	4.47	18.23	41.76	-44.08	****	23.42	3.88	****	****	-0.59
WALTER -SCOTT	864.6	2.02%	0.85	-0.68	0.85	7.58	14.30	34.26	-32.07	****	23.59	6.92	****	****	3.87
MARTIN CURRIE	1.7	0.00%	1.03	-7.71	1.03	3.60	4.47	26.80	-46.34	****	17.88	-4.68	****	****	-8.19
MSCI EAFE GROWTH			-0.66	-4.31	-0.66	3.97	12.60	29.91	-42.46	16.85	20.72	-0.54	2.65	****	
TOTAL INTL GROWTH +/-			0.41	(0.27)	0.41	0.87	(0.08)	4.49	1.54	****	0.62	2.62	****	****	
BAILLIE +/-			(0.57)	(0.15)	(0.57)	0.50	5.63	11.85	(1.62)	****	2.70	4.42	****	****	
WALTER -SCOTT +/-			1.51	3.63	1.51	3.61	1.70	4.35	10.39	****	2.87	7.46	****	****	
MARTIN CURRIE +/-			1.69	(3.40)	1.69	(0.37)	(8.13)	(3.11)	(3.88)	****	(2.84)	(4.14)	****	****	

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TOTAL INTL VALUE	2,340.5	5.48%	-1.51	-4.27	-1.51	4.01	9.44	31.02	-42.34	9.93	17.74	0.26	1.68	****	7.49
SPRUCEGROVE (NEW)	936.7	2.19%	-1.28	-3.35	-1.28	3.68	19.93	35.62	-41.62	****	20.54	5.20	****	****	-1.15
MONDRIAN INVESTMENT PARTNERS LTD II	832.4	1.95%	-1.28	-3.71	-1.28	6.95	3.16	24.13	****	****	17.37	0.02	****	****	-2.95
ALLIANCE	571.4	1.34%	-2.21	-6.52	-2.21	0.48	3.65	34.15	-48.24	****	13.89	-5.34	****	****	-8.00
MSCI EAFE VALUE			-2.49	-6.72	-2.49	3.40	3.81	35.06	-43.68	6.47	14.60	-1.01	0.14	****	
TOTAL INTL VALUE +/-			0.98	2.45	0.98	0.61	5.63	(4.04)	1.34	3.46	3.14	1.27	1.54	****	
SPRUCEGROVE (NEW) +/-			1.21	3.37	1.21	0.28	16.12	0.56	2.06	****	5.94	6.21	****	****	
MONDRIAN INVESTMENT PARTNERS LTD II +/-			1.21	3.01	1.21	3.55	(0.65)	(10.93)	****	****	2.77	1.03	****	****	
ALLIANCE +/-			0.28	0.20	0.28	(2.92)	(0.16)	(0.91)	(4.56)	****	(0.71)	(4.33)	****	****	
TOTAL INTL CORE	1,252.6	2.93%	-1.67	-5.07	-1.67	4.36	11.45	32.36	-42.17	****	19.86	0.19	****	****	-3.20
THORNBURG	593.7	1.39%	-1.61	-4.68	-1.61	4.35	15.10	30.12	-42.86	****	21.38	1.47	****	****	-3.11
BLACKROCK	397.1	0.93%	-1.41	-4.75	-1.41	4.27	9.01	30.70	****	****	18.75	-1.31	****	****	-2.05
PHILADELPHIA	261.8	0.61%	-2.17	-6.42	-2.17	4.50	7.36	40.88	-48.33	****	18.19	-0.22	****	****	-5.50
MSCI EAFE (NET DIVIDEND)			-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
TOTAL INTL CORE +/-			(0.08)	0.62	(0.08)	1.05	3.70	0.58	1.22	****	2.69	1.42	****	****	
THORNBURG +/-			(0.02)	1.01	(0.02)	1.04	7.35	(1.66)	0.53	****	4.21	2.70	****	****	
BLACKROCK +/-			0.18	0.94	0.18	0.96	1.26	(1.08)	****	****	1.58	(0.08)	****	****	
PHILADELPHIA +/-			(0.58)	(0.73)	(0.58)	1.19	(0.39)	9.10	(4.94)	****	1.02	1.01	****	****	
TOTAL ACTIVE DEVELOPED MARKETS	5,411.8	12.67%	-1.12	-4.66	-1.12	4.31	11.12	32.51	-42.05	11.49	19.52	0.95	2.56	6.67	6.77
MSCI EAFE (NET DIVIDEND)			-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
+/-			0.47	1.03	0.47	1.00	3.37	0.73	1.34	0.32	2.35	2.18	1.61	0.98	
TOTAL PASSIVE DEVELOPED MARKETS	771.7	1.81%	-1.52	****	-1.52	****	****	****	****	****	****	****	****	****	-1.52
SSGA	771.7	1.81%	-1.52	****	-1.52	****	****	****	****	****	****	****	****	****	-1.52
MSCI EAFE (NET DIVIDEND)			-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
TOTAL PASSIVE DEVELOPED MARKETS +/-			0.07	****	0.07	****	****	****	****	****	****	****	****	****	
SSGA +/-			0.07	****	0.07	****	****	****	****	****	****	****	****	****	
TOTAL NON-U.S. ENVIRONMENTAL	79.8	0.19%	-2.47	-5.17	-2.47	1.80	8.67	33.34	****	****	17.62	****	****	****	-4.48
F&C SGE	79.8	0.19%	-2.47	-5.17	-2.47	1.79	12.37	38.14	****	****	16.15	****	****	****	1.54
MSCI WORLD INDEX			-1.79	-5.21	-1.79	3.73	12.34	30.80	-40.33	9.57	19.16	1.27	2.35	4.47	
TOTAL NON-U.S. ENVIRONMENTAL +/-			(0.68)	0.04	(0.68)	(1.93)	(3.67)	2.54	****	****	(1.54)	****	****	****	
F&C SGE +/-			(0.68)	0.04	(0.68)	(1.94)	0.03	7.34	****	****	(3.01)	****	****	****	
TOTAL NON-U.S. ACTIVIST	111.6	0.26%	-3.72	-11.35	-3.72	1.22	36.48	42.60	****	****	28.94	****	****	****	31.97
GOVERNANCE FOR OWNERS	111.6	0.26%	-3.72	-11.35	-3.72	1.22	36.48	42.60	****	****	28.94	****	****	****	31.97
MSCI EUROPE SMID CAP INDEX			-4.23	-9.81	-4.23	3.28	16.03	53.23	-52.13	****	21.43	1.45	****	****	
TOTAL NON-U.S. ACTIVIST +/-			0.51	(1.54)	0.51	(2.06)	20.45	(10.63)	****	****	7.51	****	****	****	
GOVERNANCE FOR OWNERS +/-			0.51	(1.54)	0.51	(2.06)	20.45	(10.63)	****	****	7.51	****	****	****	
TOTAL ACTIVE-INTL EQUITY	5,414.1	12.68%	-1.12	-4.66	-1.12	4.31	11.14	32.60	-42.05	11.49	19.54	0.98	2.57	6.65	6.86
MSCI EAFE (NET DIVIDEND)			-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
+/-			0.47	1.03	0.47	1.00	3.39	0.82	1.34	0.32	2.37	2.21	1.62	0.96	
PASSIVE EMERGING MARKETS	1,289.9	3.02%	-0.38	-4.25	-0.38	****	****	****	****	****	****	****	****	****	-0.80
BLACKROCK - EM	1,289.9	3.02%	-0.38	-4.25	-0.38	****	****	****	****	****	****	****	****	****	-0.80
MSCI EMERGING MARKETS FREE			-0.38	-4.40	-0.38	0.65	16.03	53.23	-52.13	****	17.79	5.73	11.34	17.27	
EMERGING MARKETS +/-			0.00	0.15	0.00	****	****	****	****	****	****	****	****	****	
BLACKROCK EM +/-			0.00	0.15	0.00	****	****	****	****	****	****	****	****	****	
TOTAL INTERNATIONAL EQUITY	7,667.1	17.95%	-1.09	-4.32	-1.09	4.94	11.43	32.77	-42.36	11.49	20.50	1.13	2.66	6.72	6.79
MSCI EAFE (NET DIVIDEND)			-1.59	-5.69	-1.59	3.31	7.75	31.78	-43.39	11.17	17.17	-1.23	0.95	5.69	
+/-			0.50	1.37	0.50	1.63	3.68	0.99	1.03	0.32	3.33	2.36	1.71	1.03	

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REITS															
TOTAL REAL ESTATE EQUITY SECURITIES	1,821.6	4.26%	1.32	-0.26	1.32	11.88	32.10	30.86	-41.06	-16.75	24.71	4.93	2.00	****	13.49
MORGAN STANLEY	725.6	1.70%	0.93	-0.70	0.93	11.41	33.27	34.42	-39.07	-16.95	24.91	7.16	3.66	****	14.86
SECURITY CAPITAL	547.3	1.28%	1.43	-0.43	1.43	11.62	31.77	27.56	-39.62	-16.63	24.49	4.10	1.53	****	9.23
ADELANTE CAPITAL MANAGEMENT	548.7	1.28%	1.74	0.49	1.74	12.77	30.87	29.00	-44.91	-16.67	24.67	2.68	0.13	****	11.81
DJ WILSHIRE REAL ESTATE SECURITIES INDEX			1.73	-0.15	1.73	12.88	28.47	29.01	-39.83	-17.87	25.23	4.23	1.23	10.80	
TOTAL REAL ESTATE EQUITY SECURITIES +/-			(0.41)	(0.11)	(0.41)	(1.00)	3.63	1.85	(1.23)	1.12	(0.52)	0.70	0.77	****	
MORGAN STANLEY +/-			(0.80)	(0.55)	(0.80)	(1.47)	4.80	5.41	0.76	0.92	(0.32)	2.93	2.43	****	
SECURITY CAPITAL +/-			(0.30)	(0.28)	(0.30)	(1.26)	3.30	(1.45)	0.21	1.24	(0.74)	(0.13)	0.30	****	
ADELANTE CAPITAL MANAGEMENT +/-			0.01	0.64	0.01	(0.11)	2.40	(0.01)	(5.08)	1.20	(0.56)	(1.55)	(1.10)	****	
FIXED INCOME															
TOTAL STRUCTURED FIXED INCOME	7,008.1	16.41%	1.74	2.72	1.74	4.95	8.58	8.54	2.98	6.64	5.66	8.52	7.15	6.23	8.43
NYC - CORE PLUS FIVE			1.85	3.03	1.85	4.96	7.13	6.28	6.64	7.02	4.86	8.06	7.25	6.20	
+/-			(0.11)	(0.31)	(0.11)	(0.01)	1.45	2.26	(3.66)	(0.38)	0.80	0.46	(0.10)	0.03	
ALL MORTGAGE	3,392.6	7.94%	0.91	1.96	0.91	3.88	7.70	8.30	3.09	6.58	4.91	8.01	6.64	5.80	7.42
PIMCO	1,099.9	2.57%	0.85	1.97	0.85	3.86	7.26	8.47	5.26	6.74	4.54	7.97	7.15	6.17	7.72
BLACKROCK	1,105.2	2.59%	0.91	1.84	0.91	3.71	8.24	9.46	3.22	6.65	5.13	8.30	6.97	5.93	6.44
NEUBERGER BERMAN -MORT	383.8	0.90%	0.86	1.92	0.86	4.11	****	****	****	****	4.44	****	****	****	6.16
GOLDMAN SACHS -MORT	303.2	0.71%	0.94	2.11	0.94	3.64	5.82	****	****	****	4.13	****	****	****	5.82
WELLINGTON -MORT	306.5	0.72%	1.02	2.35	1.02	4.27	5.90	****	****	****	4.59	****	****	****	6.09
SMITH BREEDEN -MORT	152.6	0.36%	0.81	2.06	0.81	3.77	6.31	****	****	****	4.51	****	****	****	6.25
CITIGROUP MORTGAGE INDEX			0.92	2.14	0.92	3.92	5.50	5.76	8.49	6.99	3.90	7.35	6.90	5.77	
ALL MORTGAGE +/-			(0.01)	(0.18)	(0.01)	(0.04)	2.20	2.54	(5.40)	(0.41)	1.01	0.66	(0.26)	0.03	
PIMCO +/-			(0.07)	(0.17)	(0.07)	(0.06)	1.76	2.71	(3.23)	(0.25)	0.64	0.62	0.25	0.40	
BLACKROCK +/-			(0.01)	(0.30)	(0.01)	(0.21)	2.74	3.70	(5.27)	(0.34)	1.23	0.95	0.07	0.16	
NEUBERGER BERMAN -MORT +/-			(0.06)	(0.22)	(0.06)	0.19	****	****	****	****	0.54	****	****	****	
GOLDMAN SACHS -MORT +/-			0.02	(0.03)	0.02	(0.28)	0.32	****	****	****	0.23	****	****	****	
WELLINGTON -MORT +/-			0.10	0.21	0.10	0.35	0.40	****	****	****	0.69	****	****	****	
SMITH BREEDEN -MORT +/-			(0.11)	(0.08)	(0.11)	(0.15)	0.81	****	****	****	0.61	****	****	****	
ALL INVESTMENT GRADE CREDIT	2,463.9	5.77%	2.24	2.81	2.24	5.82	9.47	19.96	-6.90	4.21	7.15	9.55	7.04	6.15	7.64
BLACKROCK -CREDIT	636.7	1.49%	2.19	2.91	2.19	5.55	9.44	17.16	-4.82	5.60	6.82	9.18	7.25	6.63	7.23
TAPLIN,CANIDA -CREDIT	619.8	1.45%	2.30	2.66	2.30	6.20	9.26	21.33	-12.66	2.14	7.47	8.50	5.50	6.03	7.06
T.ROWE PRICE -CREDIT	617.8	1.45%	2.35	2.95	2.35	6.24	10.00	18.91	-3.22	4.93	7.71	10.38	8.05	6.53	7.91
PRUDENTIAL - CREDIT	348.7	0.82%	2.24	2.80	2.24	5.28	8.63	****	****	****	6.26	****	****	****	9.40
BARROW HANLEY - CREDIT	241.0	0.56%	1.99	2.56	1.99	5.25	10.00	****	****	****	7.07	****	****	****	9.72
NYC - INVESTMENT GRADE CREDIT			2.21	2.95	2.21	5.47	8.36	16.36	-4.06	4.73	6.26	8.92	6.87	6.14	
ALL INVESTMENT GRADE CREDIT +/-			0.03	(0.14)	0.03	0.35	1.11	3.60	(2.84)	(0.52)	0.89	0.63	0.17	0.01	
BLACKROCK -CREDIT +/-			(0.02)	(0.04)	(0.02)	0.08	1.08	0.80	(0.76)	0.87	0.56	0.26	0.38	0.49	
TAPLIN,CANIDA -CREDIT +/-			0.09	(0.29)	0.09	0.73	0.90	4.97	(8.60)	(2.59)	1.21	(0.42)	(1.37)	(0.11)	
T.ROWE PRICE -CREDIT +/-			0.14	0.00	0.14	0.77	1.64	2.55	0.84	0.20	1.45	1.46	1.18	0.39	
PRUDENTIAL - CREDIT +/-			0.03	(0.15)	0.03	(0.19)	0.27	****	****	****	0.00	****	****	****	
BARROW HANLEY - CREDIT +/-			(0.22)	(0.39)	(0.22)	(0.22)	1.64	****	****	****	0.81	****	****	****	

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ALL TREASURY / AGENCY	1,151.5	2.70%	3.12	4.84	3.12	6.35	9.39	-5.89	17.50	10.00	4.75	7.97	8.11	6.97	8.14
PIMCO	446.1	1.04%	3.16	4.80	3.16	6.33	9.90	-4.47	16.19	10.20	4.82	8.27	8.31	7.13	7.73
STATE STREET -GOVT	373.6	0.87%	3.14	4.93	3.14	6.41	8.96	****	****	****	4.78	****	****	****	7.81
BLACKROCK -GOVT	331.9	0.78%	3.05	4.80	3.05	6.33	9.20	****	****	****	4.62	****	****	****	7.66
NYC - TREASURY AGENCY PLUS FIVE			3.22	5.02	3.22	6.34	9.24	-7.44	18.91	9.85	4.84	7.73	7.94	6.81	
ALL TREASURY / AGENCY +/-			(0.10)	(0.18)	(0.10)	0.01	0.15	1.55	(1.41)	0.15	(0.09)	0.24	0.17	0.16	
PIMCO +/-			(0.06)	(0.22)	(0.06)	(0.01)	0.66	2.97	(2.72)	0.35	(0.02)	0.54	0.37	0.32	
STATE STREET -GOVT +/-			(0.08)	(0.09)	(0.08)	0.07	(0.28)	****	****	****	(0.06)	****	****	****	
BLACKROCK -GOVT +/-			(0.17)	(0.22)	(0.17)	(0.01)	(0.04)	****	****	****	(0.22)	****	****	****	
HIGH YIELD															
TOTAL ENHANCED YIELD	1,505.8	3.53%	1.26	0.76	1.26	6.08	13.43	38.75	-18.14	3.95	12.24	11.23	8.61	7.83	6.16
CITIGROUP BB & B			1.42	1.15	1.42	6.37	13.35	40.37	-25.10	2.25	12.39	9.11	6.80	7.34	
+/-			(0.16)	(0.39)	(0.16)	(0.29)	0.08	(1.62)	6.96	1.70	(0.15)	2.12	1.81	0.49	
MACKAY SHIELDS	350.1	0.82%	1.41	1.44	1.41	6.19	13.48	44.70	-20.41	4.35	12.21	11.70	9.04	****	8.25
BofA MERRILL LYNCH HY MASTER II			1.24	0.71	1.24	6.23	15.19	57.51	-26.39	2.19	12.91	13.47	9.24	8.72	
+/-			0.17	0.73	0.17	(0.04)	(1.71)	(12.81)	5.98	2.16	(0.70)	(1.77)	(0.20)	****	
SEIX	384.2	0.90%	1.25	0.68	1.25	6.65	14.44	36.16	-18.19	3.44	13.40	11.10	8.36	****	7.26
SHENKMAN	294.3	0.69%	1.14	0.37	1.14	5.08	11.77	29.79	-12.75	4.11	10.31	10.04	8.01	****	7.70
T.ROWE PRICE ENHANCED	314.7	0.74%	1.37	0.74	1.37	6.25	14.00	43.45	-19.90	4.34	12.89	11.81	9.08	****	8.61
STONE HARBOR INVESTMENT PARTNERS	162.3	0.38%	1.02	0.29	1.02	6.03	12.84	40.64	-19.83	3.10	11.98	11.38	8.34	****	8.29
CITIGROUP BB & B			1.42	1.15	1.42	6.37	13.35	40.37	-25.10	2.25	12.39	9.11	6.80	7.34	
SEIX +/-			(0.17)	(0.47)	(0.17)	0.28	1.09	(4.21)	6.91	1.19	1.01	1.99	1.56	****	
SHENKMAN +/-			(0.28)	(0.78)	(0.28)	(1.29)	(1.58)	(10.58)	12.35	1.86	(2.08)	0.93	1.21	****	
T.ROWE PRICE ENHANCED +/-			(0.05)	(0.41)	(0.05)	(0.12)	0.65	3.08	5.20	2.09	0.50	2.70	2.28	****	
STONE HARBOR INVESTMENT PARTNERS +/-			(0.40)	(0.86)	(0.40)	(0.34)	(0.51)	0.27	5.27	0.85	(0.41)	2.27	1.54	****	
TIPS															
TOTAL TIPS MANAGERS	1,510.1	3.54%	3.69	4.84	3.69	9.25	6.47	10.14	-0.74	11.71	10.95	6.83	7.44	****	6.15
PIMCO-TIPS-MTA	852.6	2.00%	3.61	4.73	3.61	9.00	6.57	10.24	-0.88	11.77	10.52	6.76	7.41	****	6.01
STATE STREET-TIPS-MTA	376.1	0.88%	3.90	5.16	3.90	9.86	6.34	10.00	-0.96	11.51	11.88	6.82	7.39	****	6.49
BLACKROCK-TIPS-MTA	281.5	0.66%	3.67	4.75	3.67	9.22	6.34	10.02	-0.03	11.79	11.02	7.04	7.58	****	6.81
BARCLAYS CAPITAL US TIPS INDEX			3.91	5.07	3.91	9.95	6.37	11.41	-2.35	11.64	11.79	6.84	7.40	7.19	
TOTAL TIPS MANAGERS +/-			(0.22)	(0.23)	(0.22)	(0.70)	0.10	(1.27)	1.61	0.07	(0.84)	(0.01)	0.04	****	
PIMCO-TIPS-MTA +/-			(0.30)	(0.34)	(0.30)	(0.95)	0.20	(1.17)	1.47	0.13	(1.27)	(0.08)	0.01	****	
STATE STREET-TIPS-MTA +/-			(0.01)	0.09	(0.01)	(0.09)	(0.03)	(1.41)	1.39	(0.13)	0.09	(0.02)	(0.01)	****	
BLACKROCK-TIPS-MTA +/-			(0.24)	(0.32)	(0.24)	(0.73)	(0.03)	(1.39)	2.32	0.15	(0.77)	0.20	0.18	****	

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CONVERTIBLE BONDS															
TOTAL CONVERTIBLE BONDS	428.2	1.00%	-1.89	-3.96	-1.89	1.87	13.18	34.16	****	****	12.17	7.50	****	****	6.50
BofA ML ALL CONVERTIBLES EX MANDATORY			-2.12	-4.32	-2.12	2.80	16.52	47.19	-33.02	****	14.83	7.80	****	****	
TRS CUSTOM CONVERTIBLE BOND INDEX			-1.67	-3.48	-1.67	1.97	11.56	36.65	****	****	10.66	5.25	****	****	
+/-			0.23	0.36	0.23	(0.93)	(3.34)	(13.03)	****	****	(2.66)	(0.30)	****	****	
+/-			(0.22)	(0.48)	(0.22)	(0.10)	1.62	(2.49)	****	****	1.51	2.25	****	****	
F&C CONVERTIBLE BONDS	117.1	0.27%	-1.86	-3.71	-1.86	1.09	9.81	37.07	****	****	9.81	9.73	****	****	9.73
UBS Global Focus Customised			-1.76	-3.42	-1.76	1.09	8.66	27.02	****	****	8.05	3.28	****	****	
+/-			(0.10)	(0.29)	(0.10)	0.00	1.15	10.05	****	****	1.76	****	****	****	
ADVENT CONVERTIBLE BONDS	113.1	0.26%	-1.31	-2.72	-1.31	2.94	14.97	36.37	****	****	12.90	9.98	****	****	9.29
BofA ML CONVERTIBLES YIELD ALT. INDEX			-0.78	-2.02	-0.78	2.96	12.98	46.25	****	****	10.90	9.00	****	****	
+/-			(0.53)	(0.70)	(0.53)	(0.02)	1.99	(9.88)	****	****	2.00	0.98	****	****	
VICTORY CONVERTIBLE BONDS	96.8	0.23%	-1.82	-4.23	-1.82	1.74	11.63	27.36	****	****	11.08	4.50	****	****	3.55
BofA ML CONVERTIBLE BONDS INVST GRADE			-1.81	-3.78	-1.81	1.83	7.89	25.49	****	****	9.44	1.38	****	****	
+/-			(0.01)	(0.45)	(0.01)	(0.09)	3.74	1.87	****	****	1.64	3.12	****	****	
LORD ABBETT CONVERTIBLE BONDS	101.2	0.24%	-2.62	-5.35	-2.62	1.71	16.90	35.38	****	****	15.30	5.49	****	****	4.57
BofA ML ALL CONVERTIBLES INDEX			-2.32	-4.71	-2.32	2.01	16.77	49.13	-35.73	4.53	14.24	7.15	5.15	5.53	
+/-			(0.30)	(0.64)	(0.30)	(0.30)	0.13	(13.75)	****	****	1.06	(1.66)	****	****	
OPPORTUNISTIC FIXED INCOME															
TOTAL OPPORTUNISTIC FIXED	441.0	1.03%	-1.94	-1.36	-1.94	7.25	23.88	18.09	-9.68	****	14.21	13.13	****	****	6.73
NYC - 10% ANNUAL			0.80	2.41	0.80	5.72	10.00	10.00	10.00	****	10.00	10.00	****	****	
NYC - JP MORGAN HY PLUS 3%			1.56	1.72	1.56	8.21	27.19	6.88	2.98	****	16.64	16.62	****	****	
+/-			(2.74)	(3.77)	(2.74)	1.53	13.88	8.09	(19.68)	****	4.21	3.13	****	****	
+/-			(3.50)	(3.08)	(3.50)	(0.96)	(3.31)	11.21	(12.66)	****	(2.43)	(3.49)	****	****	
TOTAL DISTRESSED FIXED	379.1	0.89%	-1.99	-1.01	-1.99	8.38	26.12	20.90	-9.68	****	15.05	15.05	****	****	8.14
PIMCO-DISCO	246.6	0.58%	-2.66	-2.66	-2.66	5.86	29.68	22.26	****	****	13.01	****	****	****	20.07
AVE EURO SP SITS FD	27.7	0.06%	-1.23	0.94	-1.23	13.68	7.35	24.29	****	****	20.42	****	****	****	18.53
AVE SPECIAL SITUATIONS FD V	7.7	0.02%	0.00	23.24	0.00	110.08	20.71	3.63	-18.04	****	116.70	30.40	****	****	19.27
AVE SPECIAL SITUATIONS FD VI	47.8	0.11%	0.00	****	0.00	****	****	****	****	****	****	****	****	****	0.00
TORCHLIGHT INVESTORS	49.3	0.12%	-1.22	0.85	-1.22	2.42	29.36	****	****	****	7.65	****	****	****	19.61
3 MONTH LIBOR PLUS 750BPS			0.63	1.88	0.63	4.47	7.85	8.16	10.11	****	7.79	8.28	****	****	
TOTAL DISTRESSED FIXED +/-			(2.62)	(2.89)	(2.62)	3.91	18.27	12.74	(19.79)	****	7.26	6.77	****	****	
PIMCO-DISCO +/-			(3.29)	(4.54)	(3.29)	1.39	21.83	14.10	****	****	5.22	****	****	****	
AVE EURO SP SITS FD +/-			(1.86)	(0.94)	(1.86)	9.21	(0.50)	16.13	****	****	12.63	****	****	****	
AVE SPECIAL SITUATIONS FD V +/-			(0.63)	21.36	(0.63)	105.61	12.86	(4.53)	(28.15)	****	108.91	22.12	****	****	
AVE SPECIAL SITUATIONS FD VI +/-			(0.63)	****	(0.63)	****	****	****	****	****	****	****	****	****	
TORCHLIGHT INVESTORS +/-			(1.85)	(1.03)	(1.85)	(2.05)	21.51	****	****	****	(0.14)	****	****	****	
ADVENT GLOBAL	62.0	0.15%	-1.63	-3.23	-1.63	1.42	13.43	****	****	****	9.83	****	****	****	11.47
BofA ML GLOBAL CONVERTIBLES INDEX (VG00)			-2.01	-3.93	-2.01	0.89	11.73	36.34	-29.35	6.53	9.72	6.05	4.51	4.62	
ADVENT GLOBAL +/-			0.38	0.70	0.38	0.53	1.70	****	****	****	0.11	****	****	****	

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CITY OF NEW YORK

Manager / Benchmark Comparison Report *NYC Teachers' Retirement System

July 31, 2011

	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	Calendar YTD 2010	Calendar YTD 2009	Calendar YTD 2008	Calendar YTD 2007	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
OTHER FIXED INCOME															
TOTAL ETI	350.0	0.82%	0.94	1.81	0.94	3.66	6.61	7.62	6.43	6.20	4.74	7.49	6.83	6.23	9.79
TEACHERS CUSTOM BENCHMARK (NO CASH)			1.34	2.52	1.34	4.26	6.31	5.12	6.62	6.89	4.48	6.90	6.61	5.75	
+/-			(0.40)	(0.71)	(0.40)	(0.60)	0.30	2.50	(0.19)	(0.69)	0.26	0.59	0.22	0.48	
AFL-CIO HOUSING INV TRUST	193.5	0.45%	1.24	2.06	1.24	4.16	6.16	6.28	5.26	6.69	4.26	6.98	6.48	****	5.15
BARCLAYS CAPITAL AGGREGATE			1.59	2.61	1.59	4.35	6.54	5.93	5.24	6.97	4.44	7.05	6.57	5.68	
+/-			(0.35)	(0.55)	(0.35)	(0.19)	(0.38)	0.35	0.02	(0.28)	(0.18)	(0.07)	(0.09)	****	
ACCESS RBC	42.7	0.10%	0.97	2.10	0.97	3.72	5.36	10.99	6.67	****	3.88	8.92	****	****	7.30
ACCESS CUSTOM BENCHMARK			1.10	2.31	1.10	3.70	5.52	****	****	****	3.70	6.52	6.58	****	
+/-			(0.13)	(0.21)	(0.13)	0.02	(0.16)	****	****	****	0.18	2.40	****	****	
STATE STREET SHORT TERM	2,391.6	5.60%	0.05	0.15	0.05	0.30	0.48	1.25	3.80	5.67	0.40	1.22	2.73	2.68	5.64
ML 91 DAY TREASURY BILL INDEX			-0.01	0.01	-0.01	0.08	0.13	0.21	2.06	5.00	0.14	0.36	1.91	2.09	
+/-			0.06	0.14	0.06	0.22	0.35	1.04	1.74	0.67	0.26	0.86	0.82	0.59	
PRIVATE EQUITY															
TOTAL PRIVATE EQUITY	2,045.9	4.79%	0.10	3.98	0.10	13.60	14.04	-4.44	-1.50	15.33	18.42	4.73	8.36	****	12.45
RUSSELL 3000 PLUS 5%			-1.79	-4.22	-1.79	6.12	21.93	33.34	-32.30	10.13	25.94	8.57	7.96	8.44	
+/-			1.89	8.20	1.89	7.48	(7.89)	(37.78)	30.80	5.20	(7.52)	(3.84)	0.40	****	
PRIVATE REAL ESTATE															
TOTAL PRIVATE REAL ESTATE	640.5	1.50%	1.99	4.47	1.99	15.11	9.99	-44.20	-7.61	68.62	24.53	-13.33	4.02	****	7.13
NCREIF NFI-ODCE NET			0.00	4.58	0.00	8.54	15.26	-30.40	-10.70	14.84	19.58	-8.43	-0.86	****	
+/-			1.99	(0.11)	1.99	6.57	(5.27)	(13.80)	3.09	53.78	4.95	(4.90)	4.88	****	
TOTAL TEACHERS	42,714.9		-0.69	-2.21	-0.69	5.46	13.92	21.15	-26.35	6.24	16.59	5.04	4.65	5.50	8.60
TEACHERS POLICY BENCHMARK			-0.66	-2.53	-0.66	5.03	14.01	25.01	-28.50	5.86	16.95	4.98	4.49	5.37	
+/-			(0.03)	0.32	(0.03)	0.43	(0.09)	(3.86)	2.15	0.38	(0.36)	0.06	0.16	0.13	

Teachers' Retirement System of the City of New York
(as of March 31, 2011)

Vintage Year	Deal Name	First Drawdown	Capital Committed	Cash In	Cash Out	Market Value	Multiple	IRR
1999	Cypress Merchant Banking Partners II, LP	7/8/1999	\$ 50,000,000	\$ 53,780,137	\$ 40,275,908	\$ 5,474,299	0.85x	(3.8%)
	FdG Capital Partners, L.P.	6/2/1999	30,000,000	34,397,448	50,173,456	8,372,420	1.70x	15.8%
	Lincolnshire Equity Fund II, L.P.	2/26/2001	15,000,000	14,446,100	25,257,218	4,150,126	2.04x	25.8%
2000	Allegra Capital Partners IV, L.P.	7/25/2000	18,000,000	16,000,000	7,650,035	(3,863,738)	0.24x	(20.3%)
	Carlyle Partners III, L.P.	12/22/2000	30,000,000	33,962,619	65,731,095	4,515,017	2.07x	23.2%
	SCP Private Equity Partners II, L.P.	1/19/2001	20,000,000	22,250,557	6,607,483	11,210,673	0.80x	(3.7%)
	Solera Partners, L.P.	7/8/2002	15,000,000	17,679,531	4,891,637	19,704,701	1.39x	6.4%
2001	Apollo Investment Fund V, L.P.	8/23/2001	30,000,000	46,658,872	81,088,574	11,854,464	1.99x	39.8%
	New Mountain Partners, L.P.	7/20/2001	15,000,000	12,974,698	14,406,689	4,205,474	1.43x	13.0%
	Ripplewood Partners II, L.P.	6/30/2002	15,000,000	16,055,090	9,545,118	9,547,524	1.19x	5.8%
	RRE Ventures III, L.P.	6/13/2002	20,000,000	25,238,403	12,353,433	27,838,312	1.59x	10.6%
2002	BDCM Opportunity Fund, L.P.	11/10/2003	25,000,000	54,181,232	70,265,246	18,592,425	1.64x	24.5%
	Coller International Partnership IV, L.P.	11/6/2002	35,000,000	30,903,548	27,665,056	16,001,955	1.41x	15.3%
	Landmark Equity Partners XI, L.P.	9/15/2004	20,000,000	20,967,163	24,694,878	5,431,401	1.44x	25.6%
	Thomas McNeerney & Partners, L.P.	11/26/2002	15,000,000	13,612,500	5,252,354	7,879,588	0.96x	(1.0%)
	Yucaipa American Alliance Fund I, L.P.	10/1/2004	55,000,000	80,392,130	59,003,465	36,801,507	1.19x	8.4%
2003	Ares Corporate Opportunities Fund, L.P.	5/4/2004	15,000,000	17,894,667	18,727,205	8,665,509	1.53x	15.7%
	Blackstone Capital Partners IV L.P.	11/10/2003	30,000,000	30,535,872	52,132,013	19,877,659	2.36x	40.7%
	FS Equity Partners V, L.P.	5/30/2003	25,000,000	21,249,797	16,210,189	17,354,373	1.58x	13.2%
	Leeds Weld Equity Partners IV, L.P.	12/13/2004	15,000,000	15,078,104	5,634,979	19,516,145	1.67x	13.0%
2004	Aurora Equity Partners III, L.P.	5/19/2005	20,000,000	21,648,122	9,279,730	19,694,026	1.34x	14.0%
	Celtic Pharmaceutical Holdings, L.P.	7/10/2006	15,000,000	15,241,256	241,256	24,662,337	1.63x	13.7%
	FdG Capital Partners II, L.P.	8/30/2004	35,000,000	36,170,684	13,543,914	25,950,279	1.09x	2.4%
	Lincolnshire Equity Fund III, L.P.	12/23/2004	25,000,000	20,493,851	27,280,724	15,019,990	2.06x	43.2%
	Markstone Capital Partners, L.P.	7/21/2004	35,000,000	32,746,485	11,728,225	22,605,917	1.05x	1.6%
	New York/Fairview Emerging Managers (Tranche A), L.P.	10/21/2004	24,000,000	18,420,000	1,655,311	15,050,931	0.91x	(3.3%)
	Paladin Homeland Security Fund (NY), L.P.	10/1/2004	15,000,000	15,674,740	1,925,490	6,291,464	0.52x	(14.9%)
	Palladium Equity Partners III, L.P.	8/10/2005	35,000,000	27,854,293	11,676,736	23,663,799	1.27x	10.8%
	Silver Lake Partners II, L.P.	7/28/2004	32,400,000	32,475,033	23,774,392	25,271,451	1.51x	11.6%
	Trilantic Capital Partners III (fka LBMB III), L.P.	9/22/2005	30,000,000	23,352,058	21,529,194	13,671,820	1.51x	14.2%
2005	Blackstone Mezzanine Partners II, L.P.	5/26/2006	20,000,000	18,813,996	8,595,302	15,156,215	1.26x	9.2%
	Bridgepoint Europe III, L.P.	12/6/2005	31,773,727	26,996,441	2,404,360	28,055,130	1.13x	3.5%
	Clayton, Dubilier & Rice Fund VII, L.P.	4/28/2006	30,000,000	31,065,395	4,050,636	35,868,123	1.28x	7.8%
	Erasmus New York City Growth Fund, L.P.	8/16/2005	30,000,000	26,117,536	6,448,809	16,405,603	0.88x	(3.9%)
	Ethos Private Equity Fund V, L.P.	6/28/2006	15,000,000	13,001,932	3,993,758	10,868,675	1.14x	5.8%
	GI Partners Fund II, L.P.	6/19/2006	25,000,000	24,374,582	703,577	32,462,260	1.36x	8.3%
	JP Morgan Fleming (Tranche A), L.P.	12/21/2005	31,000,000	20,860,096	3,237,854	18,803,969	1.06x	2.4%
	New Mountain Partners II, L.P.	1/12/2005	23,225,800	21,041,604	10,245,617	18,744,570	1.38x	9.1%
	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	18,023,087	4,753,452	9,214,489	0.78x	(9.5%)
	Psilos Group Partners III, L.P.	10/17/2007	25,000,000	19,874,059	141,315	19,618,488	0.99x	(0.2%)
	Quadrangle Capital Partners II, L.P.	2/28/2006	35,000,000	27,708,667	9,251,989	22,536,859	1.15x	4.8%
	Snow Phipps Group, L.P.	8/2/2007	15,000,000	13,962,886	4,226,207	14,334,416	1.33x	17.3%
	USPF II Institutional Fund, L.P.	11/23/2005	35,000,000	42,777,922	18,770,572	31,770,356	1.18x	6.4%
	VSS Communications Partners IV, L.P.	6/2/2006	10,000,000	9,890,895	1,119,822	6,383,559	0.76x	(8.4%)
2006	AEA Investors 2006 Fund, L.P.	6/30/2008	20,000,000	12,586,929	2,317,461	12,322,241	1.16x	8.7%
	Aisling Capital II, L.P.	1/12/2006	4,500,000	3,663,571	619,714	2,397,613	0.82x	(6.7%)
	Ampersand 2006, L.P.	7/6/2007	15,000,000	11,850,000	3,540,241	9,509,368	1.10x	3.6%
	Apollo Investment Fund VI, L.P.	5/10/2006	35,000,000	41,351,129	14,695,176	38,735,760	1.29x	10.3%
	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	30,000,000	31,297,583	14,819,626	28,494,915	1.38x	11.9%
	Arsenal Capital Partners II, L.P.	12/19/2006	13,500,000	11,384,909	237,476	13,642,756	1.22x	10.2%
	Avista Capital Partners, L.P.	8/1/2006	30,000,000	36,194,512	15,452,184	31,967,011	1.31x	10.0%
	BDCM Opportunity Fund II, L.P.	12/28/2006	25,000,000	25,547,042	7,977,133	23,340,196	1.23x	12.2%
	Blackstone Capital Partners V, L.P.	4/13/2006	75,600,000	71,665,884	8,924,512	63,064,430	1.00x	0.2%
	Catterton Partners VI, L.P.	12/14/2006	30,000,000	23,229,904	2,255,499	26,915,468	1.26x	7.8%
	CCMP Capital Investors II, L.P.	5/22/2007	20,000,000	12,496,682	907,941	13,051,016	1.12x	5.1%
	Cinven Fourth Fund	1/22/2007	45,828,329	31,817,679	-	39,216,417	1.23x	6.9%
	Fairview Ventures Fund III, L.P.	7/13/2007	20,000,000	9,449,472	457,290	8,837,363	0.98x	(1.0%)
	First Reserve Fund XI, L.P.	12/22/2006	30,000,000	25,759,474	8,348,848	19,490,000	1.08x	3.0%
	GF Capital Private Equity Fund, L.P.	3/20/2008	15,000,000	11,582,698	-	12,967,865	1.12x	8.2%
	GSC Recovery III, L.P.	5/4/2006	10,000,000	10,243,206	4,920,445	4,495,454	0.92x	(3.3%)
	InterMedia Partners VII, L.P.	6/8/2006	25,000,000	24,257,740	331,937	30,227,115	1.26x	7.0%
	Landmark Equity Partners Fund XIII, L.P.	5/15/2006	25,000,000	21,211,073	7,335,839	14,621,052	1.04x	1.3%
	MidOcean Partners III, L.P.	6/19/2007	40,000,000	24,943,712	1,022,572	18,072,447	0.77x	(10.8%)
	NewSpring Ventures II, L.P.	2/26/2008	15,000,000	8,671,315	-	12,165,437	1.40x	17.1%
	Perseus Partners VII, L.P.	8/6/2007	20,000,000	18,728,332	1,932,271	19,133,693	1.12x	6.1%
	RRE Ventures IV, L.P.	10/25/2006	25,000,000	20,492,225	1,037,289	21,749,216	1.11x	5.0%
	Terra Firma Capital Partners III, L.P.	2/26/2007	31,713,684	22,689,714	662,055	8,700,460	0.41x	(32.0%)
	Thomas H. Lee Equity Fund VI, L.P.	6/22/2007	25,000,000	18,214,403	1,322,029	18,255,374	1.07x	2.7%
	Thomas, McNeerney & Partners II, L.P.	11/30/2006	15,000,000	9,000,000	1,307,286	6,948,718	0.92x	(3.7%)

Teachers' Retirement System of the City of New York
(as of March 31, 2011)

Vintage Year	Deal Name	First Drawdown	Capital Committed	Cash In	Cash Out	Market Value	Multiple	IRR
2007	Carlyle Partners V, L.P.	9/28/2007	50,000,000	30,896,368	3,247,138	31,706,058	1.13x	6.9%
	Co-Investment Partners Europe, L.P.	12/5/2008	27,083,229	17,527,027	108,271	16,717,077	0.96x	(2.4%)
	Constellation Ventures III, L.P.	11/20/2008	15,000,000	8,336,022	-	6,304,402	0.76x	(15.4%)
	Craton Equity Investors I, L.P.	3/11/2008	10,000,000	6,276,701	6,094	5,257,310	0.84x	(10.4%)
	FTVentures III, L.P.	3/1/2007	14,244,080	9,543,534	266,011	12,020,137	1.29x	10.3%
	GSO Capital Opportunities Fund, L.P.	8/15/2008	30,000,000	26,218,424	14,653,701	18,124,964	1.25x	16.3%
	Halyard Capital Fund II, L.P.	11/2/2007	15,000,000	7,178,073	425,409	6,361,330	0.95x	(2.0%)
	HM 2006 Sector Performance Fund, L.P.	4/15/2008	20,000,000	17,044,753	2,035,509	9,164,954	0.66x	(17.2%)
	Montreux Equity Partners IV, L.P.	3/27/2007	15,000,000	9,540,000	1,073,479	10,055,112	1.17x	7.4%
	Nautic Partners VI, L.P.	6/30/2008	20,000,000	13,254,639	21,479	12,257,583	0.93x	(4.9%)
	New Mountain Partners III, L.P.	9/25/2007	35,000,000	18,101,470	3,260,522	14,841,271	1.00x	0.0%
	PCG Clean Energy & Technology Fund East, L.P.	4/25/2008	60,000,000	31,353,829	1,972,863	26,814,885	0.92x	(4.7%)
	Pegasus Partners IV, L.P.	10/9/2007	20,000,000	20,183,063	5,623,277	46,652,061	2.59x	49.5%
	Quaker BioVentures II, L.P.	4/18/2008	15,000,000	7,693,332	535,495	6,924,488	0.97x	(2.0%)
	RLJ Equity Partners Fund I, L.P.	4/14/2009	15,000,000	6,061,016	49,709	7,304,237	1.21x	17.7%
	SCP Vitalife Partners II, L.P.	1/10/2008	15,000,000	7,124,774	1,184	5,065,384	0.71x	(17.0%)
	Silver Lake Partners III, L.P.	8/13/2007	35,000,000	21,074,948	4,953,701	20,921,097	1.23x	12.7%
	StarVest Partners II, L.P.	12/8/2008	20,000,000	7,678,747	5,245	5,966,426	0.78x	(17.8%)
	Tailwind Capital Partners, L.P.	4/28/2008	20,000,000	16,794,921	3,075,767	15,904,763	1.13x	7.7%
	Trilantic Capital Partners IV L.P.	10/22/2007	53,311,339	31,807,412	2,163,434	35,435,121	1.18x	9.5%
2008	USPF III Institutional Fund, L.P.	7/10/2007	30,000,000	22,939,882	3,073,986	19,561,020	0.99x	(0.6%)
	Vista Equity Partners Fund III, L.P.	11/30/2007	25,000,000	19,657,573	11,861,232	24,424,787	1.85x	29.3%
	Vitruvian Investment Partnership I (Side Car), L.P.	1/31/2008	4,196,794	1,909,505	56	1,586,602	0.83x	(15.3%)
	Vitruvian Investment Partnership I, L.P.	1/31/2008	37,779,508	17,193,901	506	14,280,751	0.83x	(15.3%)
	Aisling Capital III, L.P.	11/20/2008	10,500,000	1,603,221	-	1,115,856	0.70x	(33.1%)
	Apollo Investment Fund VII, L.P.	4/16/2008	50,000,000	33,417,786	14,675,542	30,150,586	1.34x	26.4%
	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	60,000,000	33,159,372	8,839,823	42,156,060	1.54x	31.6%
	Avista Capital Partners II, L.P.	12/31/2008	50,000,000	36,623,700	9,835,640	30,420,484	1.10x	8.1%
	Blue Wolf Capital Fund II, L.P.	11/14/2008	20,000,000	7,346,593	4,844,293	5,655,321	1.43x	25.5%
	Bridgepoint Europe IV, L.P.	9/30/2008	27,889,211	7,204,251	-	6,526,806	0.91x	(9.2%)
	Carpenter Community BancFund-A, L.P.	6/5/2008	15,000,000	11,610,720	174,916	11,100,383	0.97x	(2.1%)
	CS TRSCNY Emerging Manager Co-Investment Fund, L.P.	8/22/2008	12,626,263	6,776,808	53,198	6,648,781	0.99x	(0.8%)
	CS TRSCNY Emerging Manager Fund, L.P.	8/22/2008	59,373,737	16,208,643	5,080,566	9,865,349	0.92x	(7.8%)
	Emerald Infrastructure Development Fund, L.P.	12/2/2008	20,000,000	797,444	4,486	-	0.01x	(99.4%)
	First Reserve Fund XII, L.P.	11/14/2008	30,000,000	15,722,925	1,267,898	12,118,000	0.85x	(9.9%)
	GI Partners III, L.P.	7/29/2008	30,000,000	19,082,358	2,126,030	21,012,690	1.21x	24.3%
	Landmark Equity Partners XIV, L.P.	9/19/2008	50,000,000	6,383,205	1,095,465	7,487,338	1.34x	21.7%
	Lee Equity Partners, L.P.	4/23/2008	30,000,000	12,185,770	747,131	8,611,301	0.77x	(13.0%)
	Leeds Equity Partners V, L.P.	7/28/2008	40,000,000	4,908,619	831,689	4,693,920	1.13x	5.6%
	Levine Leichtman Capital Partners IV, L.P.	9/22/2008	25,000,000	12,261,904	1,555,510	12,958,744	1.18x	18.1%
2009	New York/Fairview Emerging Managers (Tranche B), L.P.	5/28/2008	35,000,000	8,239,000	121,389	8,445,212	1.04x	3.2%
	NGN BioMed Opportunity II, L.P.	10/31/2008	15,000,000	7,988,866	17,765	6,517,209	0.82x	(12.1%)
2010	Onex Partners III, L.P.	3/31/2009	40,000,000	14,954,044	3,493,024	9,559,822	0.87x	(18.7%)
	Paladin III (HR), L.P.	1/8/2008	20,000,000	10,301,062	1,192,519	8,699,328	0.96x	(2.1%)
	Pine Brook Capital Partners, L.P.	4/7/2008	22,500,000	8,913,927	2,657,436	7,849,592	1.18x	9.4%
	Relativity Fund, L.P.	1/17/2008	15,000,000	4,721,370	161,968	2,436,165	0.55x	(24.5%)
	Riverstone/Carlyle Global Energy & Power Fund IV	9/29/2008	32,500,000	22,262,414	4,454,200	25,933,046	1.36x	24.5%
	Yucaipa American Alliance Fund II, L.P.	3/28/2008	75,000,000	59,235,330	18,305,689	64,107,682	1.39x	23.3%
	Yucaipa Corporate Initiatives Fund II, L.P.	6/23/2008	35,000,000	11,924,413	106,309	6,860,884	0.58x	(29.1%)
	Clayton, Dubilier & Rice Fund VIII, L.P.	9/30/2008	35,000,000	16,278,437	6,007	19,003,203	1.17x	17.9%
	Lincolnshire Equity Fund IV, L.P.	8/7/2009	12,500,000	1,963,963	-	1,337,412	0.68x	(52.0%)
	Welsh, Carson, Anderson & Stowe XI, L.P.	9/30/2008	30,000,000	11,043,215	-	10,085,018	0.91x	NM
2011	JP Morgan Fleming (Tranche B), L.P.	3/31/2008	10,000,000	1,772,992	-	1,780,091	1.00x	0.7%
	Trident V, L.P.	12/30/2010	35,000,000	3,404,522	-	2,937,188	0.86x	(17.3%)
2011	Ampersand 2011, L.P.	3/31/2009	17,500,000	875,000	-	733,023	0.84x	(96.0%)
	Blackstone Capital Partners VI, L.P.	1/24/2011	60,000,000	180,350	-	-	0.00x	N/A
Grand Total(s):			\$ 3,368,545,701	\$ 2,459,915,413	\$ 1,038,631,659	\$ 1,984,014,259	1.2x	8.79%

* Where available, March 31, 2011 reported valuations were used. In the absence of March 31, 2011 reported values, market values have been adjusted forward using interim cashflows through March 31, 2011. The IRR calculated in the early years of a fund is not meaningful given the j-curve effect. The aggregate portfolio performance figures for IRR and multiple are as of March 31, 2011.

Teachers' Retirement System of the City of New York

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2003	OCM Real Estate Opportunities Fund IIIA	5/30/2003	\$15,000,000	\$15,000,000	(\$15,000,000)	\$8,103,907	1.5	10.5%
2003	Canyon Johnson Urban Fund	12/6/2002	\$15,000,000	\$13,456,450	(\$15,403,730)	\$499,596	1.2	10.8%
2004	The City Investment Fund I	3/16/2004	\$120,000,000	\$118,337,757	(\$55,652,738)	\$48,904,231	0.9	-4.9%
2004	Blackstone Fund IV	5/10/2004	\$25,000,000	\$31,514,046	(\$25,458,842)	\$14,883,428	1.3	13.1%
2004	Tishman Speyer Separate Account (TRS)	8/5/2004	\$100,000,000	\$72,402,952	(\$162,775,190)	\$52,858,087	3.0	58.9%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$30,000,000	\$26,966,112	(\$18,000)	\$16,368,615	0.6	-14.0%
2006	AREA Real Estate Fund V	6/15/2006	\$5,000,000	\$5,000,001	(\$1,103,650)	\$1,991,449	0.6	-17.0%
2006	Prologis Targeted U.S. Logistics Fund, L.P.	10/1/2006	\$10,000,000	\$11,180,486	(\$1,238,845)	\$6,058,720	0.7	-10.6%
2006	PRISA	9/29/2006	\$36,000,000	\$37,283,857	(\$1,419,416)	\$29,882,294	0.8	-3.9%
2006	RREEF America REIT II	10/1/2006	\$36,000,000	\$45,903,165	(\$10,560,694)	\$31,256,589	0.9	-2.6%
2006	UBS Trumbull Property Fund ("UBS-TPF")	9/28/2006	\$106,000,000	\$40,870,255	(\$3,747,667)	\$37,288,319	1.0	0.1%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$10,500,000	\$4,354,127	(\$306,882)	\$1,535,590	0.4	-51.7%
2007	RREEF America REIT III	10/1/2007	\$15,000,000	\$15,000,000	(\$100,040)	\$3,540,942	0.2	-33.7%
2007	Colony Realty Partners II	12/20/2006	\$15,000,000	\$16,065,058	(\$499,580)	\$7,617,201	0.5	-17.9%
2007	UrbanAmerica II	1/30/2007	\$11,000,000	\$10,218,031	\$0	\$6,069,239	0.6	-16.3%
2007	PRISA II	6/30/2007	\$63,374,139	\$64,654,602	(\$1,518,431)	\$47,514,524	0.8	-10.0%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$15,000,000	\$15,950,514	(\$1,817,448)	\$9,415,643	0.7	-9.0%
2007	JP Morgan Strategic Property Fund	12/4/2006	\$86,000,000	\$71,112,775	\$0	\$68,479,313	1.0	-1.6%
2007	Heitman HART	3/29/2007	\$48,000,000	\$52,456,113	(\$4,456,113)	\$47,365,202	1.0	-0.5%
2007	Carlyle Realty Partners V	8/27/2007	\$15,000,000	\$15,573,634	(\$4,704,821)	\$12,216,810	1.1	3.8%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$50,000,000	\$37,403,376	(\$349,212)	\$45,063,272	1.2	8.8%
2008	Capri Urban Investors	6/3/2008	\$40,000,000	\$30,212,378	\$0	\$16,611,765	0.5	-33.9%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$30,000,000	\$11,748,148	(\$2,620,012)	\$3,824,149	0.5	-30.8%
2008	American Value Partners Fund I	10/18/2007	\$25,000,000	\$12,612,380	(\$1,056,781)	\$7,529,822	0.7	-25.4%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$22,500,000	\$10,673,850	\$0	\$6,754,064	0.6	-22.1%
2009	Thor Urban Property Fund II	10/30/2008	\$12,500,000	\$6,684,988	(\$1,949,788)	\$3,005,540	0.7	-26.8%
2009	JP Morgan Urban Renaissance Property Fund	12/18/2008	\$16,360,625	\$4,206,523	(\$4,206,523)	\$0	1.0	0.0%
2009	Carbon Capital III	7/2/2009	\$40,000,000	\$29,012,915	(\$6,125,867)	\$25,416,762	1.1	9.8%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$25,000,000	\$5,835,883	(\$84,713)	\$4,579,499	0.8	-35.7%
2010	LaSalle Property Fund	7/1/2010	\$50,000,000	\$9,260,535	(\$127,677)	\$9,796,789	1.1	13.0%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$50,000,000	\$17,499,280	(\$4,462,260)	\$13,861,169	1.0	15.6%
2010	Blackstone Real Estate Partners Europe III (USD Vehicle)	10/24/2008	\$50,000,000	\$3,471,811	\$0	\$4,303,658	1.2	17.3%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$40,000,000	\$3,222,649	\$0	\$3,998,697	1.2	279.9%
2011	Taconic New York City Investment Fund LP	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Teachers' Retirement System of the City of New York			\$1,228,234,764	\$865,144,652	(\$326,764,919)	\$596,594,887	1.1	3.1%

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, 2011. 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.

APPENDICES:

BASKET CLAUSE

TRS - BASKET/NON BASKET SUMMARY

As of July 31, 2011	Fund Policy			Fund Actual (PE & RE on an invested basis)		
	Non Basket*	Basket*	Total	Non Basket*	Basket*	Total
Equity						
Domestic Equity	31.00%	0.00%	31.00%	39.49%	0.00%	39.49%
REITS	3.00%	0.00%	3.00%	4.26%	0.00%	4.26%
Non-U.S. Equity	9.00%	8.00%	17.00%	10.00%	7.95%	17.95%
Private Equity	0.00%	6.00%	6.00%	0.00%	4.79%	4.79%
Real Estate	2.40%	3.60%	6.00%	0.76%	0.74%	1.50%
Total Equity	45.40%	17.60%	63.00%	54.51%	13.47%	67.99%
Fixed Income						
Core+5	18.00%	0.00%	18.00%	16.41%	0.00%	16.41%
U.S. Gov't Sector	3.82%	0.00%	3.82%	2.70%	0.00%	2.70%
Mortgage Sector	7.82%	0.00%	7.82%	7.94%	0.00%	7.94%
Credit Sector	6.36%	0.00%	6.36%	5.77%	0.00%	5.77%
High Yield	3.75%	0.25%	4.00%	3.21%	0.31%	3.53%
TIPS	3.75%	0.25%	4.00%	2.87%	0.66%	3.54%
Convertibles	2.40%	0.60%	3.00%	0.73%	0.27%	1.00%
Opportunistic	3.00%	2.00%	5.00%	0.19%	0.84%	1.03%
Emerging Market Debt	0.00%	3.00%	3.00%	0.00%	0.00%	0.00%
Other Fixed Income	0.00%	0.00%	0.00%	6.51%	0.00%	6.51%
Total Fixed Income	30.90%	6.10%	37.00%	29.91%	2.10%	32.01%
Total Fund	76.30%	23.70%	100.00%	84.43%	15.57%	100.00%
Remaining Capacity		1.30%			9.43%	

* Note: Basket amounts are estimates